



中国中铁股份有限公司
CHINA RAILWAY GROUP LIMITED

2009 年度业绩推介

Annual Results Announcement 2009

Stock Code:390.HK;601390.SH

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Management Representatives



Li Changjin

Executive Director, President



YAO Guiqing

Chairman of the Supervisory Committee



Li Jiansheng

Vice-president, CFO and General Legal Advisor



SUN Patrick

Independent Non-executive Director








YU Tengqun

Secretary to the Board of Directors



Financial summary

Taking the opportunities arising from the government's increasing investment in infrastructure construction, our profitability has increased dramatically

RMB in millions (except EPS)	2009	2008	Growth
Revenue	333,486	225,029	 48.20%
EBITDA ¹	14,761	6,195	 138.27%
Operating Profit	8,699	2,300	 278.22%
Profit Attributable to Equity Holders of the Company	6,887	1,350	 410.15%
EPS ²	RMB 0.32	RMB 0.06	 410.15%

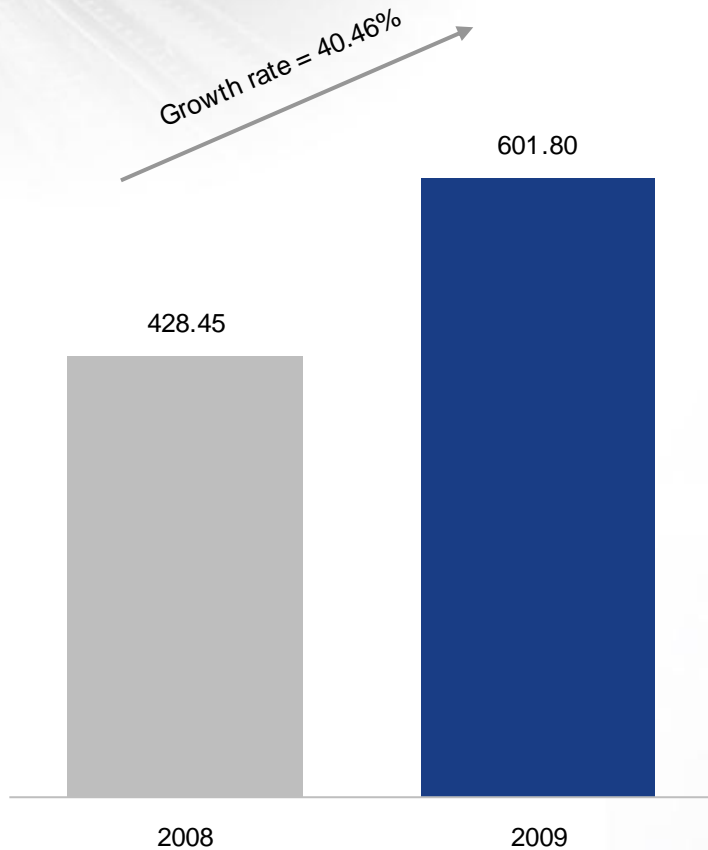
Notes: 1. EBITDA = operating profit + depreciation + amortization;

2. EPS = profit attributable to equity holders of the Company / weighted average shares outstanding; No diluted EPS are presented as there are no potential dilutive ordinary shares outstanding during both periods

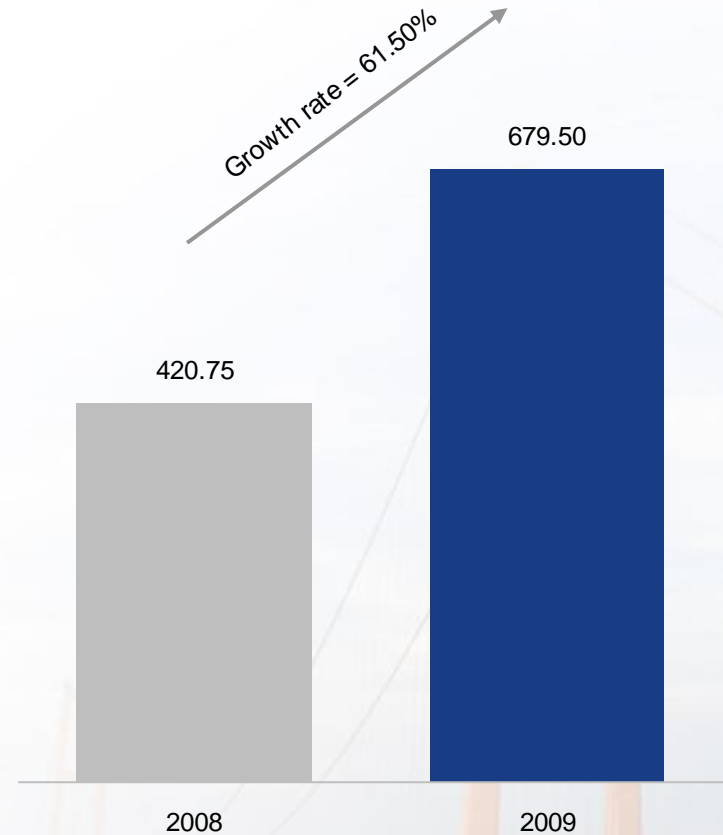


New contract and backlog

New Contract (RMB billions)



Backlog (RMB billions)



Infrastructure construction

Further consolidated the leading position in infrastructure construction industry by undertaking several key projects

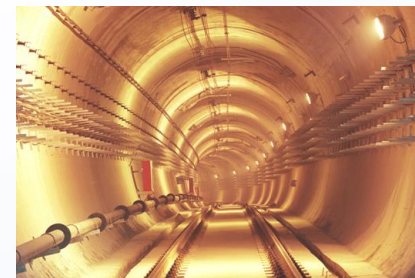
**Wuhan–Guangzhou
Railway**



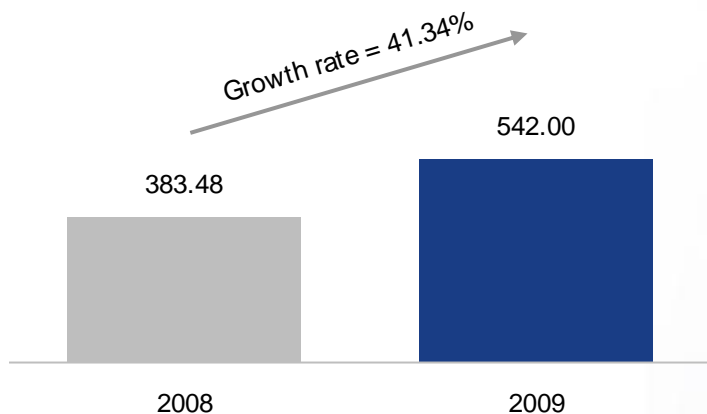
**Shanghai–Chengdu
Expressway**



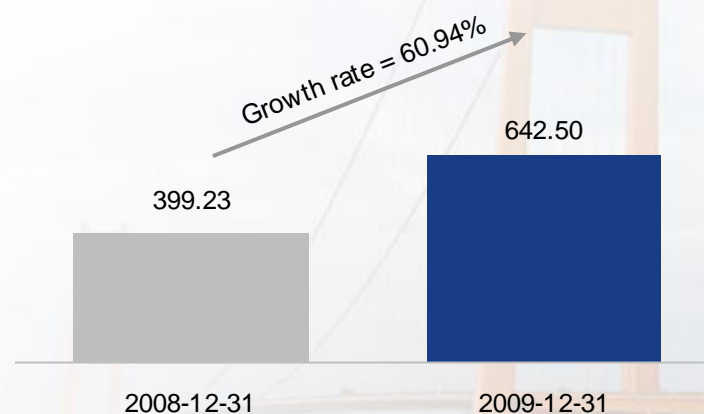
**Shenzhen Metro
Line 5**



New Contract (RMB billions)



Backlog (RMB billions)



Survey, design and consulting services

Further enhanced the integrated design capabilities and market competitiveness

Beijing-Shanghai High Speed Railway



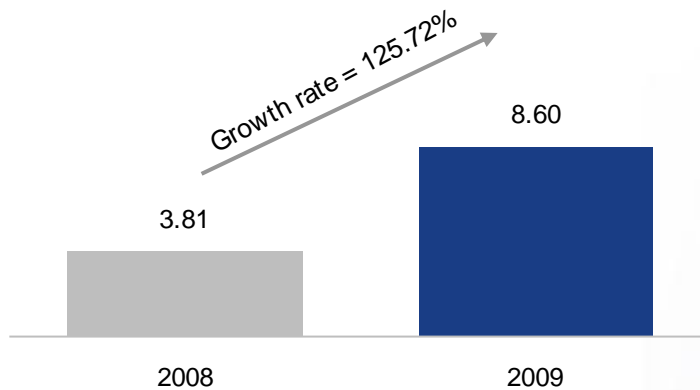
Shanghai Urban Railway



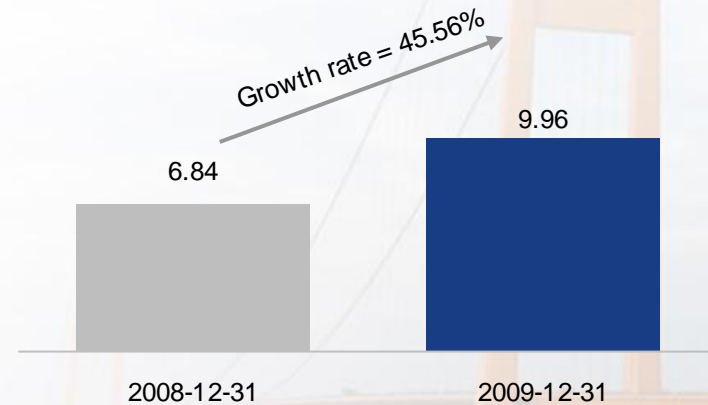
Tianxingzhou Yangtze River Bridge



New Contract (RMB billions)



Backlog (RMB billions)



Engineering equipment and component manufacturing

Promote the reallocation of resources within the segment through the newly built platform— "China Railway Science & Industry Group Corp."

Tunnel boring machines



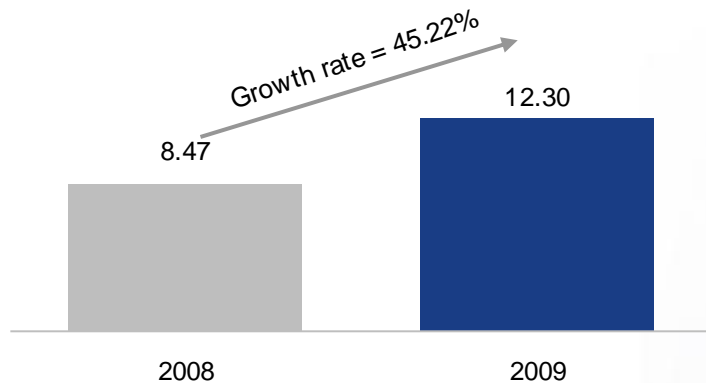
Turnouts



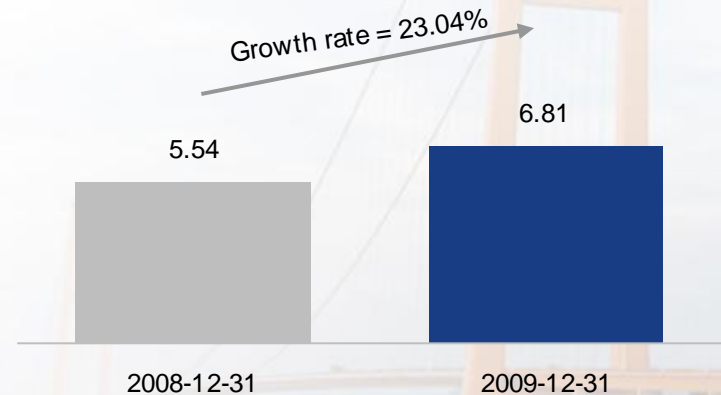
Steel structures



New Contract (RMB billions)



Backlog (RMB billions)



Property development

Further consolidated our property resources by relying on the business platform of “China Railway Real Estate”

Dalian Nuode Tower



Shenzhen Nuode International Residential area



Qingdao International Trade Centre

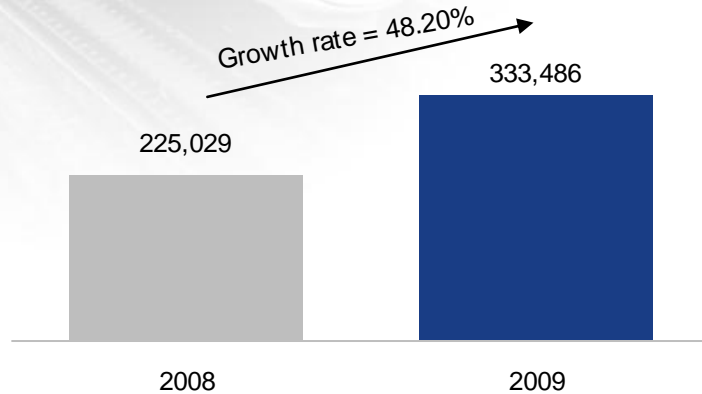


- ◆ Captured the market opportunities, devoted more resources on project development to expand the market share
- ◆ As at 31 Dec. 2009, our gross site and construction area under development was 12.51 million square meters and 18.24 million square meters, respectively

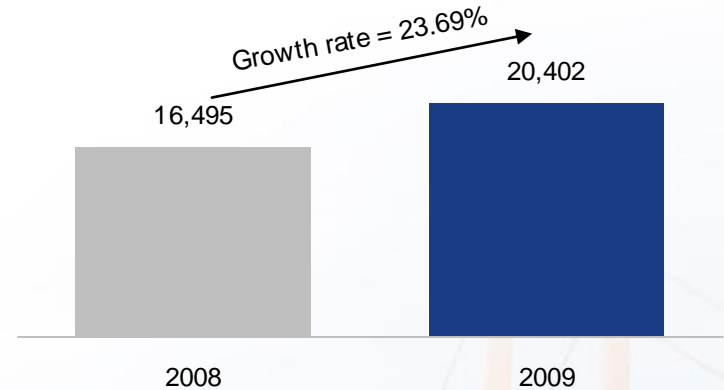


Summary of Income statement

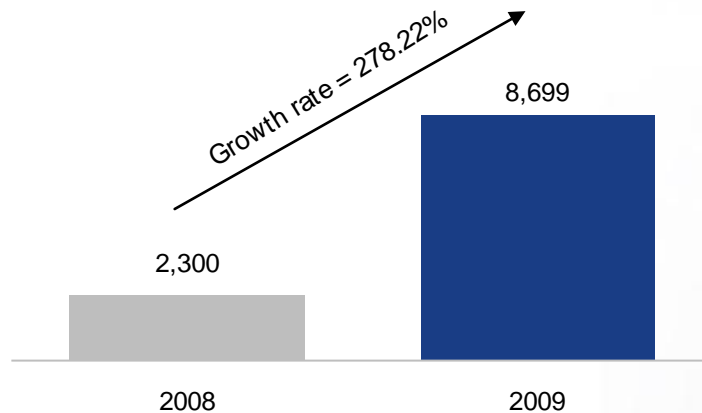
Revenue (RMB millions)



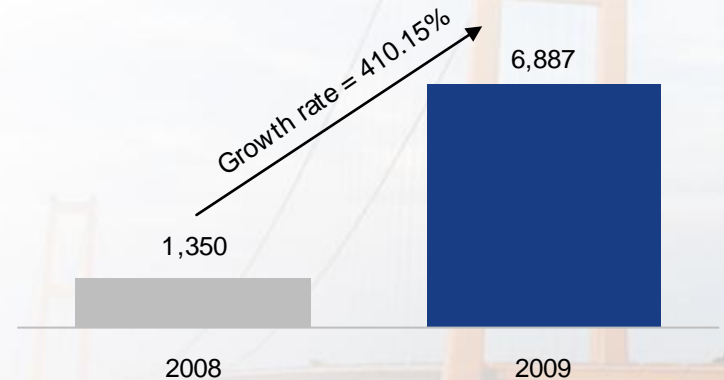
Gross profit (RMB millions)



Profit before taxation (RMB millions)

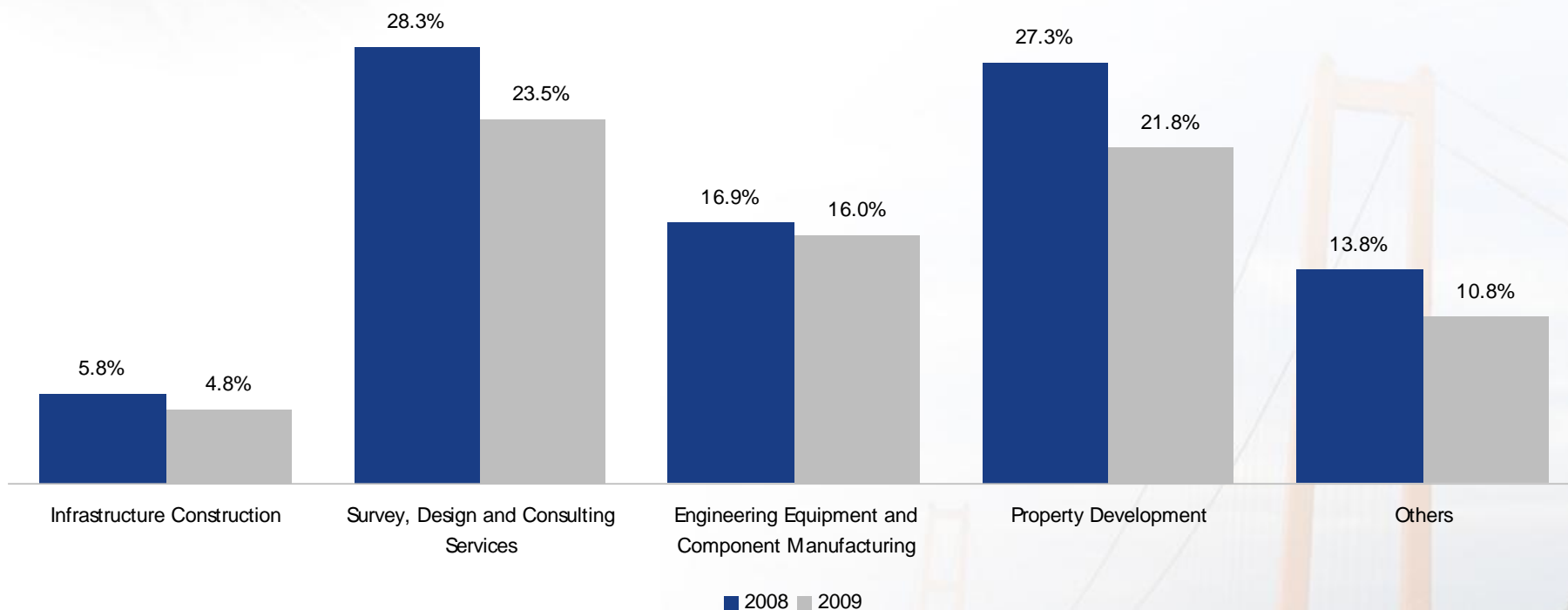


Profit attributable to equity holders of the company (RMB millions)



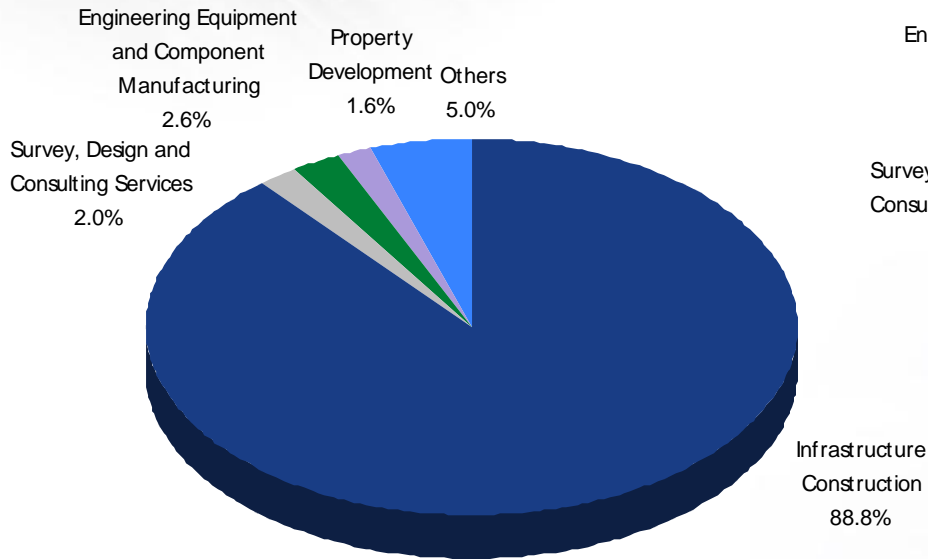
Gross margin by segment

Our gross margin in 2009 is 6.1%, representing a decrease as compared with that of 2008

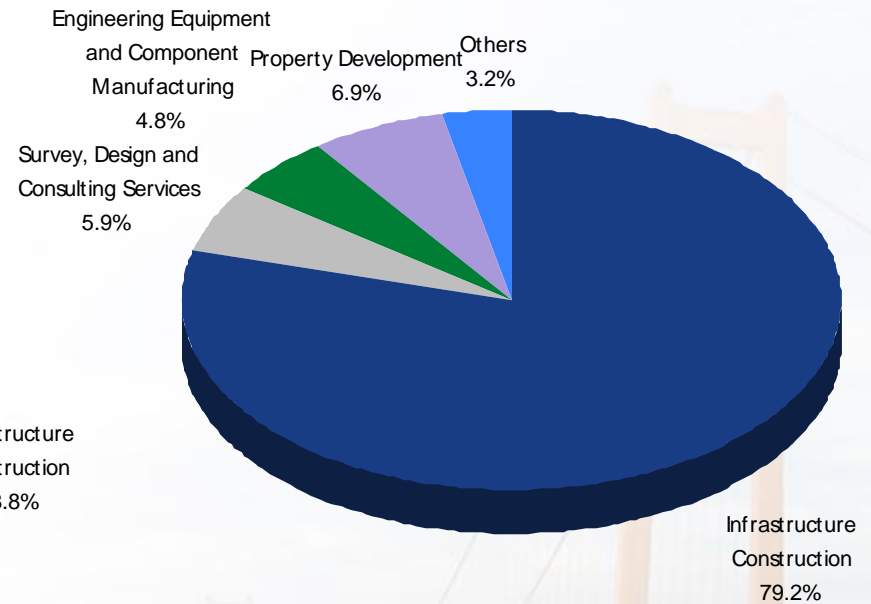


Contribution by segment

Segment revenue¹



Segment result



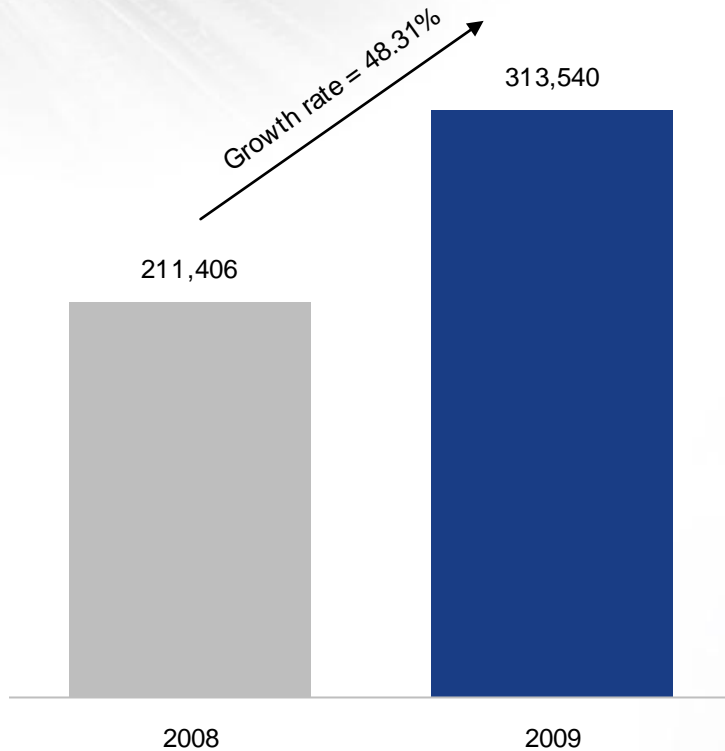
Note: 1. Segment revenue includes inter-segment revenue



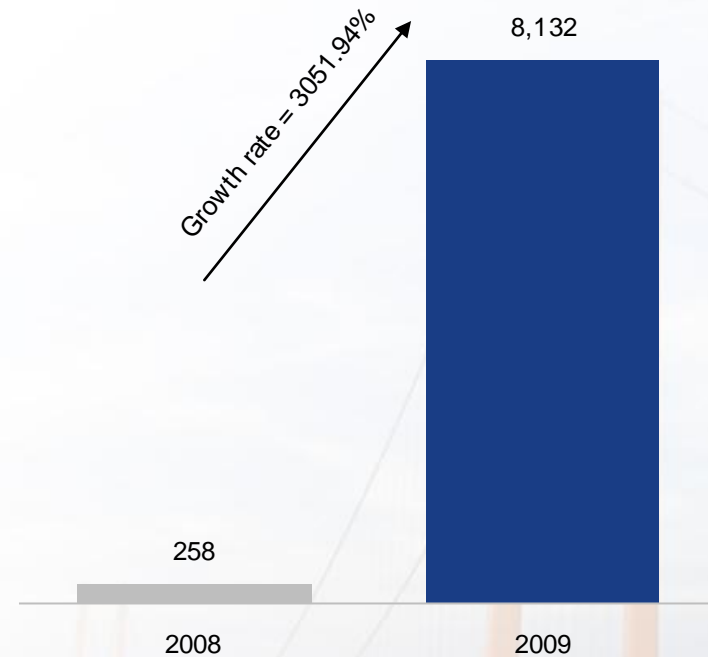
Segment revenue and results

Infrastructure construction

Revenue¹ (RMB millions)



Segment result (RMB millions)



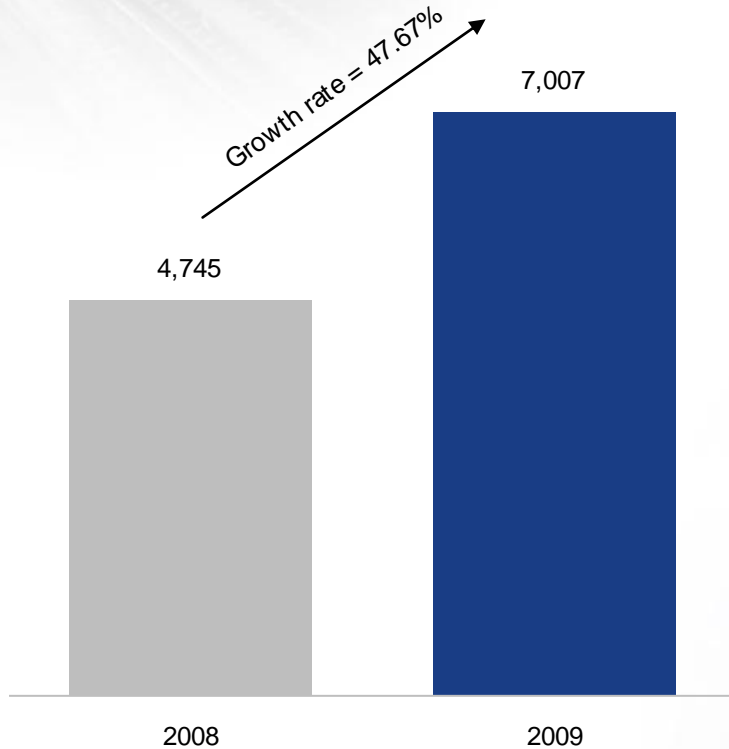
Note: 1. Segment revenue includes inter-segment revenue



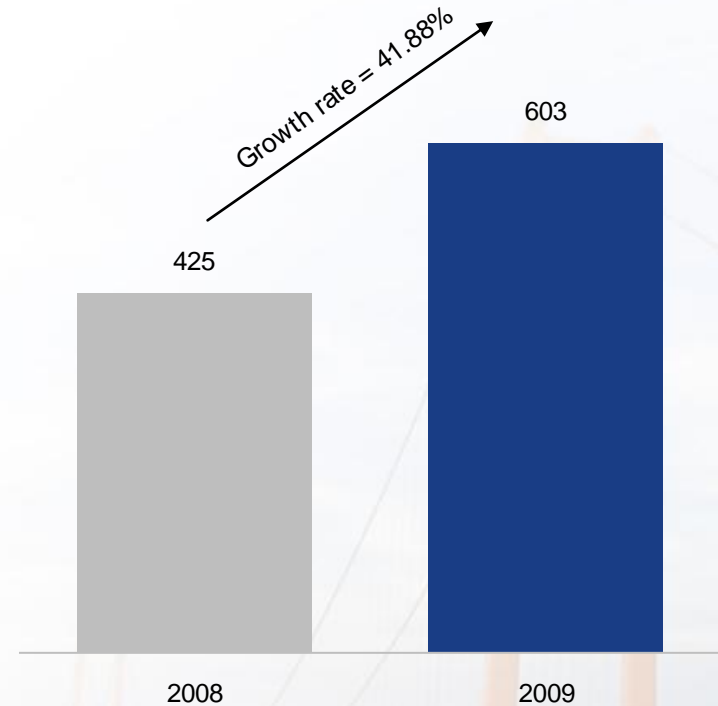
Segment revenue and results

Survey, design and consulting services

Revenue¹ (RMB millions)



Segment result (RMB millions)



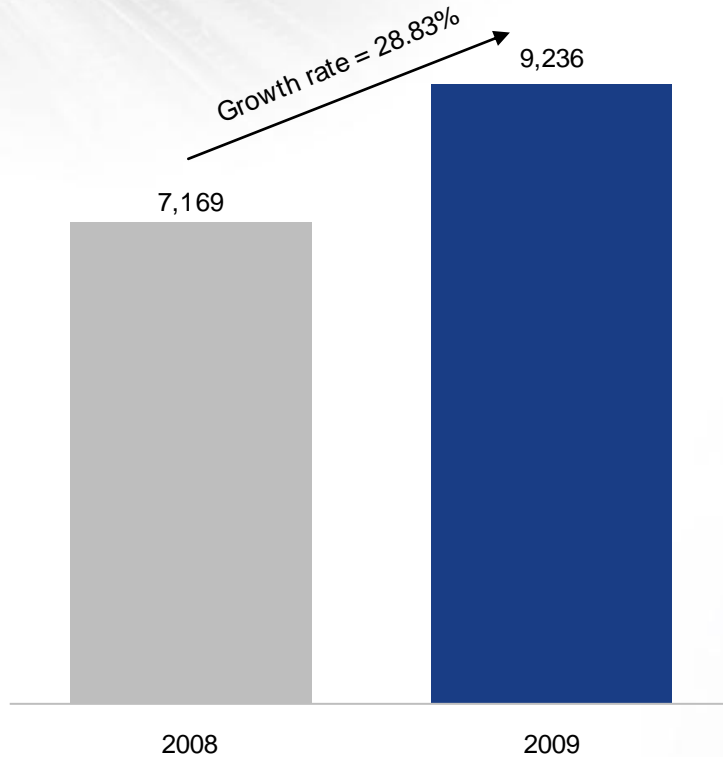
Note: 1. Segment revenue includes inter-segment revenue



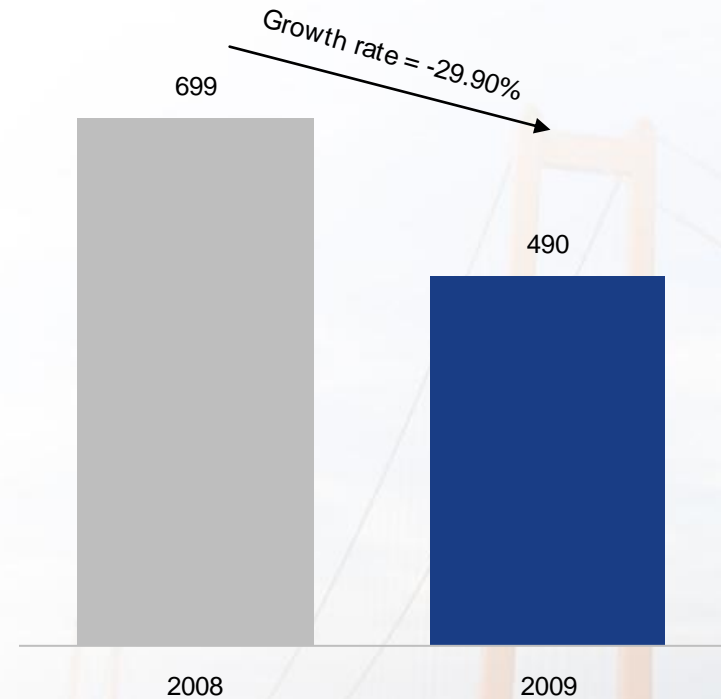
Segment revenue and results

Engineering equipment and component manufacturing

Revenue¹ (RMB millions)



Segment result (RMB millions)



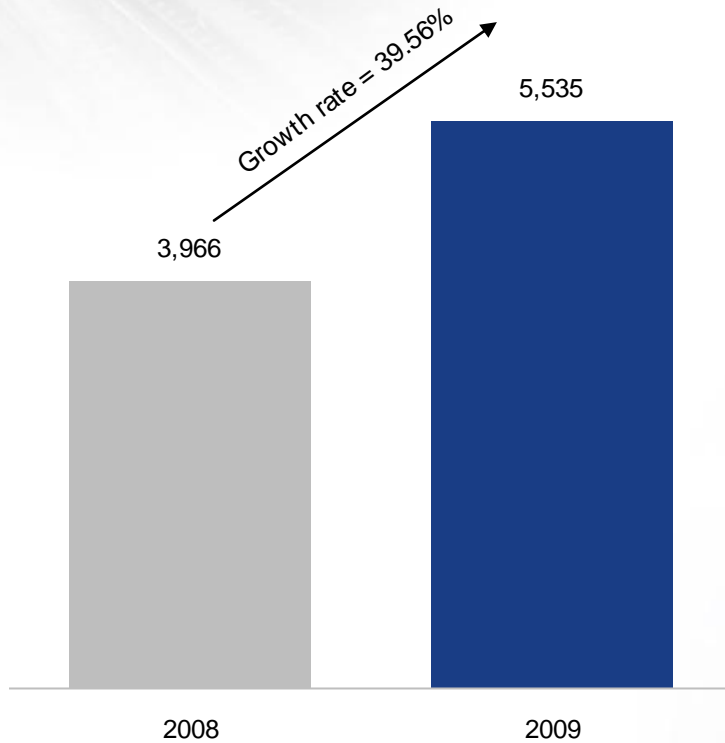
Note: 1. Segment revenue includes inter-segment revenue



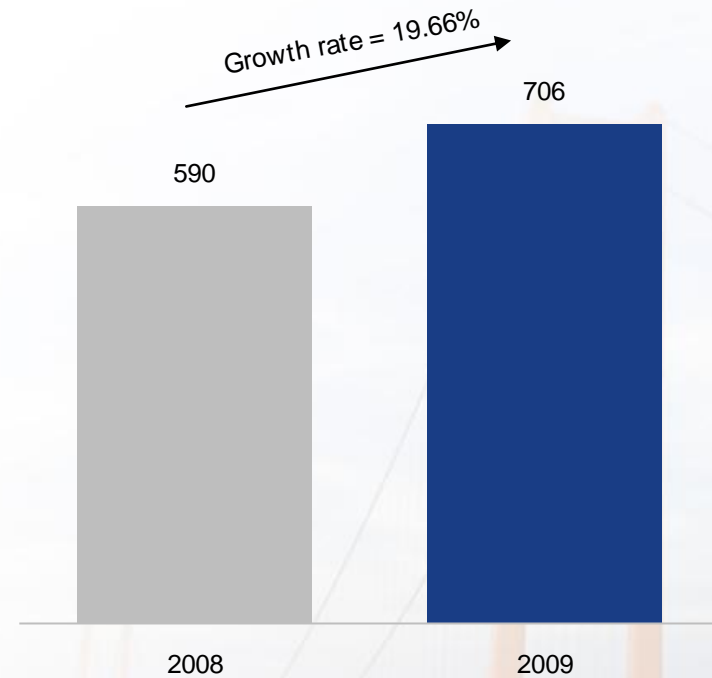
Segment revenue and results

Property development

Revenue¹ (RMB millions)



Segment result (RMB millions)



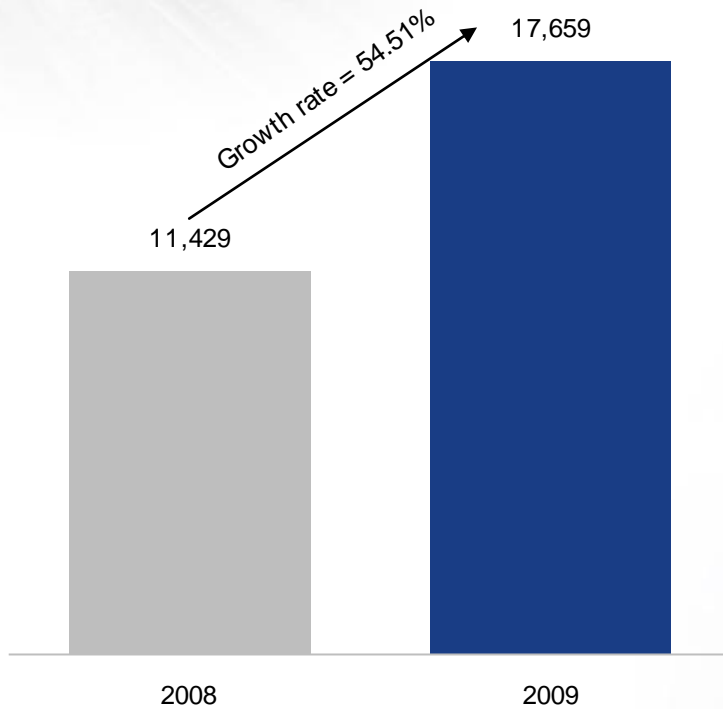
Note: 1. Segment revenue includes inter-segment revenue



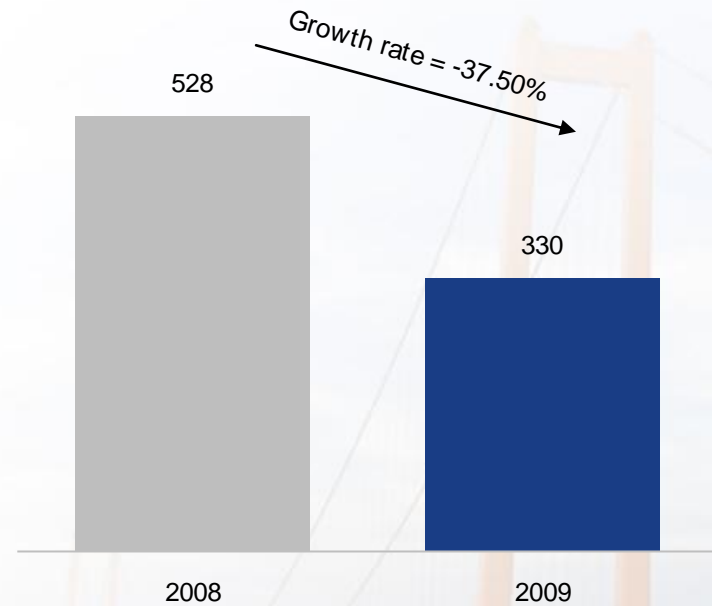
Segment revenue and results

Others

Revenue¹ (RMB millions)



Segment result (RMB millions)

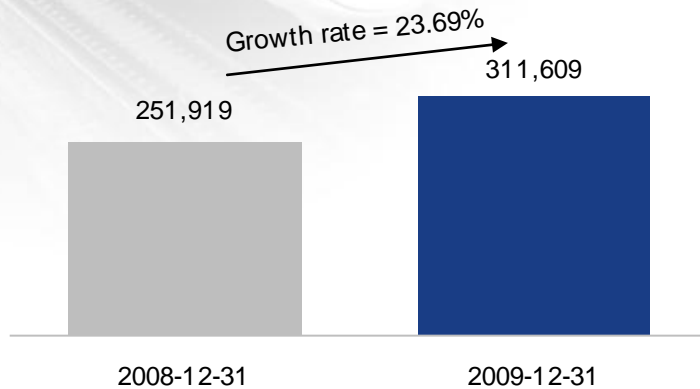


Note: 1. Segment revenue includes inter-segment revenue

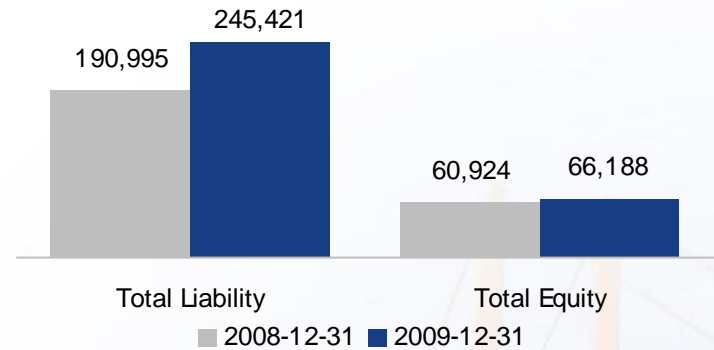


Summary of Balance sheet

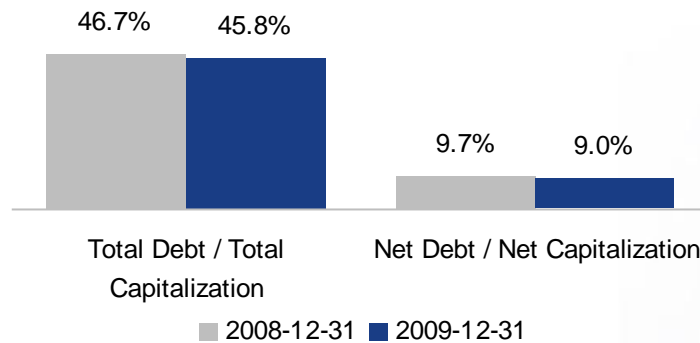
Total asset (RMB millions)



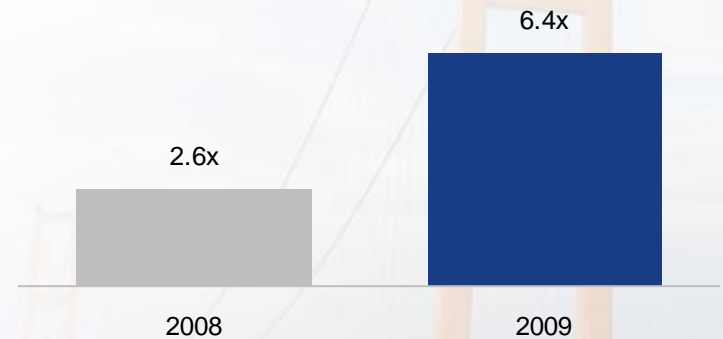
Total liability and total equity (RMB millions)



Debt/Capitalization

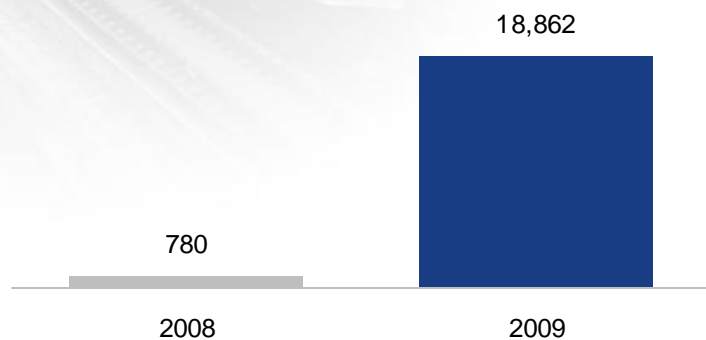


EBITDA/Interest expenses

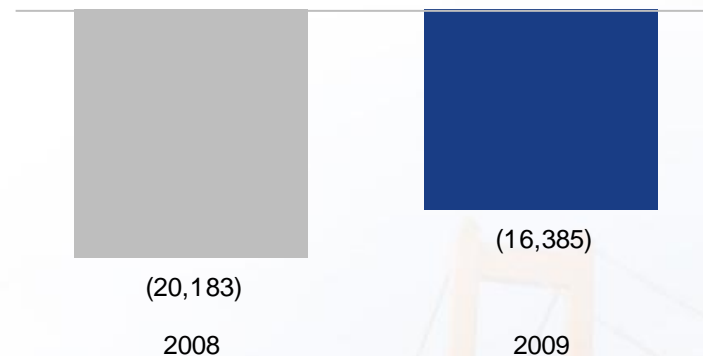


Summary of Cash flow statement

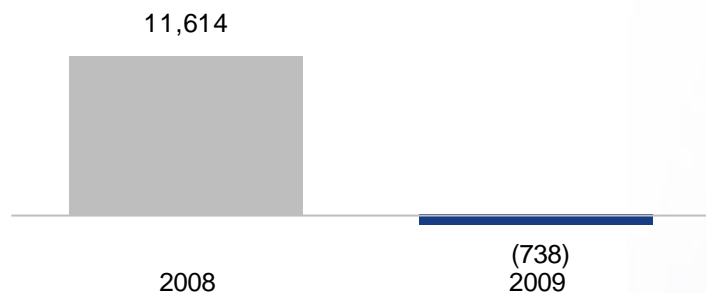
Cash Flow from Operating Activities



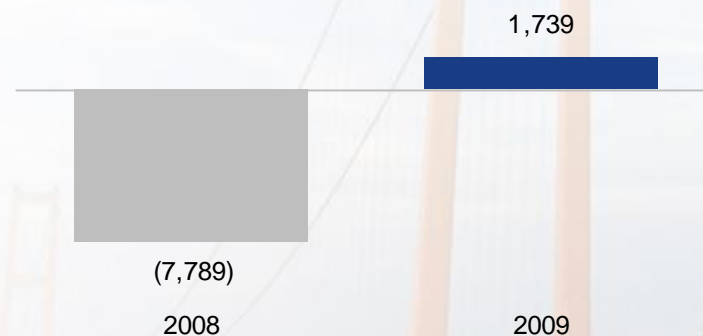
Cash Flow from Investing Activities



Cash Flow from Financing Activities



Net Change in Cash and Cash Equivalent

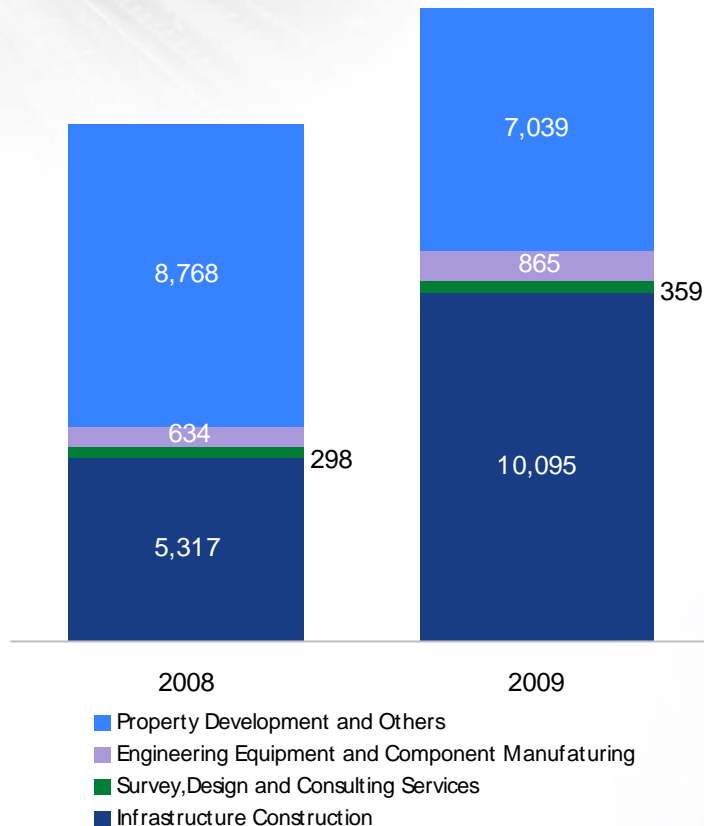


Note: Figures in RMB millions



Capital expenditure

Capital expenditure (RMB millions)¹



Note: 1. Before elimination

Capital expenditure items

Infrastructure Construction

- ◆ Primarily for equipment purchases such as tunnel boring machines

Survey, Design and Consulting Services

- ◆ Primarily for large-scale information system equipment purchases

Engineering Equipment and Component Manufacturing

- ◆ Primarily for the establishment of production bases

Property Development and Other Business

- ◆ Primarily consists of expenditures on BOT and mining projects



Prospective outlook

We will firmly seize the opportunity brought by the boom in the construction industry, further exert our advantages, optimize resources allocation and enhance the quality of the operation to create favorable returns for our domestic and overseas shareholders

Adhere to one thought

- ◆ Insist on the coordinated development of the “upstream, middle-stream and downstream” of the construction industry and continuously strengthen the integrated advantage of the construction industry, thereby establishing an industry structure and layout which promoted diversification within a limited and related field

Properly execute the two enhancement strategy

- ◆ Strengthen the supervision on investment and financing projects, capital projects such as BT and BOT, property and resources development projects
- ◆ Strengthen realignment of organizational structure to fully implement horizontal and refined project management

Implement the three focuses strategy

- ◆ Centralize the management and utilization of finance and capital
- ◆ Implement the tender and procurement of bulk materials
- ◆ Implement the procurement and allocation of large-scale equipment



- ◆ The Group undertook a number of measures to adjust the business structure, management mode and development approach, in order to ensure the coordinated development of the “upstream, middle-stream and downstream” and established a sound operation in our principal business of infrastructure construction and synergy for the development of related business segments
- ◆ Continue to strengthen project management, enhance technology innovation, accelerate structural adjustment, foster profitable businesses, leverage on the boom of railway construction and expansion of the infrastructure scale of the state to accelerate the development of survey, design and consulting services as well as the engineering equipment and component manufacturing businesses, and to seize the opportunity arising from the property development market
- ◆ Enhance the internationalized operation capability, accelerate the pace of its outward expansion effectively prevent and control the risk of overseas projects and expand the overseas business in an orderly manner





问答

Q & A



中国中铁股份有限公司
CHINA RAILWAY GROUP LIMITED

谢谢
Thank You