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**中國中鐵股份有限公司**  
**CHINA RAILWAY GROUP LIMITED**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 390)**

**ANNOUNCEMENT OF 2008 ESTIMATED ANNUAL RESULTS**

The Board of Directors of China Railway Group Limited and its members warrant that there are no false presentations or misleading statements contained in, or material omissions from, this announcement, and severally and jointly accept responsibility for the authenticity, accuracy and completeness of the information contained in this announcement.

The financial information of the Group for the period ended 31 December 2008 referred to in this announcement has not been audited by the auditors of the Company, and may be different from the audited financial information. Investors of the Company should exercise caution when dealing in the shares of the Company.

The Board of Directors of China Railway Group Limited (the “Company”) announces the estimated annual results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2008.

**I. Estimated Results for the Current Period**

1. Estimated Results Period: From 1 January 2008 to 31 December 2008;
2. Estimated Results: The Group’s net profit attributable to equity holders of the Company for the period from 1 January 2008 to 31 December 2008 is estimated to decline by more than 50% over the previous year. Detailed financial information will be disclosed in the Company’s 2008 annual report;
3. Have the estimated results been audited by auditors: No.

## **II. Results for the Same Period of Previous Year**

1. Net profit attributable to equity holders of the Company: RMB3,163,308,000;
2. Earnings per share: RMB0.24.

The above financial figures are prepared in accordance with Chinese Accounting Standards.

## **III. Reason for the Change in Results**

The principal activities of the Group were carried on in the normal course during 2008, with relatively substantial growth in the value of new contracts entered into by the Group and revenue as compared with the previous year. However, a considerable exchange loss in respect of the Company's H share listing proceeds, which were deposited overseas in foreign currencies, arose from the significant fluctuations in exchange rates on the international foreign exchange market, resulting in a decline in the results of the Group.

The Board of Directors of  
**China Railway Group Limited**

23 January 2009

*As at the date of this announcement, the executive directors of the Company are SHI Dahua (Chairman), LI Changjin and BAI Zhongren; the non-executive director is WANG Qiuming; and the independent non-executive directors are HE Gong, ZHANG Qinglin, GONG Huazhang, WANG Taiwen and SUN Patrick.*