

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

The information contained in this announcement is not for distribution, issuance or circulation, directly or indirectly, in or into the United States.

This announcement is for information purposes only and does not constitute an offer to sell securities or an invitation to purchase securities in the United States or in any other jurisdiction. Any securities mentioned in this announcement have not been, and will not be, registered under the United States Securities Act of 1933 (the “U.S. Securities Act”) or under any securities laws of any states or other jurisdiction of the United States. Any securities mentioned in this announcement may not be, directly or indirectly, offered, offered to sell, resold, transferred or delivered in the United States unless exempt from registration and in compliance with the securities laws of any state of the United States or other jurisdictions. No securities mentioned in this announcement may be publicly offered or sold in the United States, Hong Kong or any other jurisdictions restricting or prohibiting the offering.



中国铁建

中國鐵建股份有限公司

China Railway Construction Corporation Limited

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

(Stock Code: 1186)

VOLUNTARY ANNOUNCEMENT

**ISSUE OF U.S.\$800,000,000 3.95% SENIOR GUARANTEED
PERPETUAL SECURITIES BY CRCC YUPENG LIMITED**

On 24 July 2014, the Company and the Issuer entered into the Subscription Agreement in connection with the issuance and subscription for of the Securities in the aggregate principal amount of US\$800,000,000 with Citi, HSBC, DBS Bank Ltd., BNP Paribas and UBS.

The aggregate net proceeds from the issuance of the Securities are estimated to be approximately US\$795.3 million. The net proceeds would be used by the Issuer for general corporate purposes.

The Company and the Issuer have made an application for the listing of the Securities on the Hong Kong Stock Exchange. The Hong Kong Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission of the Securities to the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Company, the Issuer or the Securities.

As the conditions precedent to closing under the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, Shareholders and prospective investors are advised to exercise caution when dealing in the securities of the Company.

A. INTRODUCTION

Reference is made to the announcement of the Company dated 21 July 2014 in respect of the proposed issuance of the Securities.

The Board is pleased to announce that the Company and the Issuer entered into the Subscription Agreement in connection with the issuance and subscription for of the Securities in the aggregate principal amount of US\$800,000,000 with Citi, HSBC, DBS Bank Ltd., BNP Paribas and UBS on 24 July 2014.

B. THE SUBSCRIPTION AGREEMENT

1. Date:

24 July 2014

2. Parties:

- (i) CRCC Yupeng Limited as the issuer of the Securities;
- (ii) the Company as the guarantor of the Securities; and
- (iii) Citi, HSBC, DBS Bank Ltd., BNP Paribas and UBS as the Joint Lead Managers.

To the best knowledge and belief of the Directors, each of the Joint Lead Managers is an independent third party and not a connected person of the Company.

3. Principal terms of the Securities

(1) Securities to be issued

Subject to satisfaction (or waiver) of the conditions precedent set out in the Subscription Agreement, the Issuer will issue the Securities in the aggregate principal amount of US\$800,000,000. Each of the Joint Lead Managers severally and not jointly, agreed to, subject to and in accordance with the provisions of the Subscription Agreement, procure subscribers for, or failing which, subscribe for the Securities.

The Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference or priority among themselves and at least *pari passu* with all other present and future unconditional, unsubordinated and unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Securities and the Guarantee have not been and will not be registered under the Securities Act or any securities law of any state of the United States, and will only be offered and sold outside the United States in compliance with Regulation S under the Securities Act. None of the Securities will be offered to the public in Hong Kong or placed to any connected persons of the Company.

(2) **Issue Price**

The issue price of the Securities will be 100% of the aggregate principal amount of the Securities.

(3) **Distribution**

Subject to the terms and conditions of the Securities, the Securities will confer a right to receive distribution (each a “**Distribution**”) from 1 August 2014 (the “**Issue Date**”) payable semi-annually in arrear on 1 February and 1 August in each year (each, a “**Distribution Payment Date**”), commencing on 1 February 2015.

The rate of distribution applicable to the Securities shall be:

- (i) in respect of each Distribution Payment Date, the period from, and including the Issue Date to, but excluding 1 August 2019 (the “**First Call Date**”), 3.95% per annum;
- (ii) in respect of the period (A) from, and including, the First Call Date, to, but excluding, the Reset Date (as defined under the terms and conditions of the Securities) falling immediately after the First Call Date, and (B) from, and including each Reset Date falling after the First Call Date to, but excluding, the immediately following Reset Date, the Relevant Reset Distribution Rate (as defined under the terms and conditions of the Securities);

provided that, in each case, upon the occurrence of a Change of Control Event, a Breach of Covenant Event and /or a Relevant Indebtedness Default Event (as defined under the terms and conditions of the Securities), unless (x) an irrevocable notice in writing to redeem the Securities has been given by the Issuer to the relevant parties in accordance with the terms and conditions of the Securities by the 30th day following the occurrence of the relevant event or (y) the relevant event is remedied by the 30th day following the occurrence of such event, the then distribution rate will increase by 5.00% per annum with effect from (a) the next Distribution Payment Date immediately following the occurrence of the relevant event or (b) if the date on which the relevant event (as applicable) occurs is prior to the most recent preceding Distribution Payment Date, such Distribution Payment Date, provided that the maximum aggregate increase in the distribution rate shall be 5.00% per annum, which is separate from and in addition to any increase in the distribution rate pursuant to paragraph (ii) above.

(4) Guarantee

The Company will unconditionally and irrevocably guarantee the due and punctual payment in full of all sums expressed to be from time to time payable by the Issuer under the Trust Deed and in respect of the Securities. The Guarantee constitutes a direct, general, unconditional, unsubordinated and unsecured obligation of the Company which shall, at all times rank at least pari passu with all other present and future unsubordinated and unsecured obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(5) Negative Pledge

So long as any Security remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Company shall, and the Issuer and the Company shall procure that none of the Company's Material Subsidiaries (as defined under the terms and conditions of the Securities) will, create or permit to subsist any Security Interest (as defined under the terms and conditions of the Securities) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness (as both defined under the terms and conditions of the Securities) without (a) at the same time or prior thereto securing the Securities equally and rateably therewith to the satisfaction of the Trustee or (b) providing such other security for the Securities (i) as the Trustee may in its absolute discretion consider to be not materially less beneficial to the interests of holders of the Securities or (ii) as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of holders of the Securities.

(6) Redemption

The Securities are perpetual securities in respect of which there is no fixed redemption date. The Securities may be redeemed at the option of the Issuer in whole, but not in part, on giving irrevocable prior notice to the holders of the Securities and other relevant parties in accordance with the terms and conditions of the Securities at the redemption amount provided for under the terms and conditions of the Securities.

(7) Non-payment

If (i) there is a Winding-Up (as defined under the terms and conditions of the Securities) of the Issuer or the Company, or (ii) the Issuer or the Company shall not make payment in respect of the Securities for a period of 14 days or more after the date on which such payment is due, the Issuer and the Company shall be deemed to be in default under the Trust Deed, the Guarantee and the Securities and the Trustee may, subject to the certain provisions of terms and conditions of the Securities, institute proceedings for the Winding-Up of the Issuer and/or the Company and/or prove in the Winding-Up of the Issuer and/or the Company and/or claim in the liquidation of the Issuer and/or the Company for such payment.

Without prejudice to the above paragraph but subject to certain provisions of the terms and conditions of the Securities, the Trustee may at its discretion and without notice to the Issuer or the Company institute such proceedings against the Issuer and/or the Company as it may think fit to enforce any term or condition binding on the Issuer and/or the Company under the Trust Deed, the Guarantee or the Securities (other than any payment obligation of the Issuer and/or the Company under or arising from the Securities, the Guarantee or the Trust Deed, including, without limitation, payment of any principal or Distribution (including any Arrears of Distribution and any Additional Distribution Amount (as both defined under the terms and conditions of the Securities)) in respect of the Securities, including any damages awarded for breach of any obligations) and in no event shall the Issuer or the Company, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

4. Conditions Precedent

The obligations of the Joint Lead Managers to subscribe and pay for the Securities under the Subscription Agreement shall be subject to satisfaction or waiver of customary conditions precedent.

5. Termination

The Joint Lead Managers will be entitled to issue a termination notice to the Issuer and the Company at any time in the case of the occurrence of certain termination events as set out in the Subscription Agreement prior to the payment of the net proceeds of the issue of Securities to the Issuer on the Closing Date (as defined under the terms and conditions of the Securities), including but not limited to the followings:

- (i) since the date of the Subscription Agreement, there shall have occurred any event or series of events (including, but not limited to, the occurrence of any local, national or international outbreak or escalation of disaster, war, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) or there has been such a change or any development involving a prospective change, in national or international financial, political or economic conditions or currency exchange rates or exchange controls, which would in the opinion of the Joint Lead Managers be likely to prejudice materially the success of the offering and distribution of the Securities or dealings in the Securities in the secondary market;

- (ii) since the date of the Subscription Agreement, there shall have occurred a general moratorium on, or disruption in, commercial banking activities, securities settlement or clearance services in the United Kingdom, the United States, New York State, Hong Kong or the PRC or by any United Kingdom, Europe, the United States, New York State, Hong Kong or the PRC authorities, which would in the opinion of the Joint Lead Managers be likely to prejudice materially the success of the offering and distribution of the Securities or dealings in the Securities in the secondary market; or
- (iii) since the date of the Subscription Agreement, there shall have occurred a suspension or material limitation of trading of securities of the Company on the Hong Kong Stock Exchange or the Shanghai Stock Exchange or a suspension or material limitation of trading in securities generally on the New York Stock Exchange, the London Stock Exchange, the Hong Kong Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange or on any other exchange or over-the-counter market or a material disruption has occurred in the commercial banking or securities settlement or clearance services in the United States or Europe or Hong Kong or the PRC, which would in the opinion of the Joint Lead Managers be likely to prejudice materially the success of the offering and distribution of the Securities or dealings in the Securities in the secondary market.

C. USE OF PROCEEDS

The aggregate net proceeds from the issuance of the Securities are estimated to be approximately US\$795.3 million. The net proceeds would be used by the Issuer for general corporate purposes.

D. LISTING

The Company and the Issuer have made an application for the listing of the Securities on the Hong Kong Stock Exchange. The Hong Kong Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission of the Securities to the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Company, the Issuer or the Securities.

E. GENERAL

As the conditions precedent to closing under the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, Shareholders and prospective investors are advised to exercise caution when dealing in the securities of the Company.

F. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“BNP Paribas”	BNP Paribas, Hong Kong Branch;
“Board”	the board of directors of the Company;
“Citi”	Citigroup Global Markets Limited;
“Company”	China Railway Construction Corporation Limited, a joint stock limited company incorporated in the PRC with limited liability, whose H shares and A shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively;
“connected person”	has the meaning ascribed to it under the Hong Kong Listing Rules;
“Directors”	the directors of the Company;
“Guarantee”	the unconditional and irrevocable guarantee provided by the Company in respect of the Securities;
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC;

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited;
“Issuer”	CRCC Yupeng Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Joint Lead Managers”	Citi, HSBC, DBS Bank Ltd., BNP Paribas and UBS;
“Securities”	the US\$800,000,000 3.95% senior perpetual securities issued by the Issuer and guaranteed by the Company;
“PRC”	the People’s Republic of China, excluding the Hong Kong Special Administrative Region, Macau Special Administrative Region, and Taiwan for the purpose of this announcement;
“Securities Act”	The United States Securities Act of 1933, as amended from time to time;
“Shareholders”	the shareholders of the Company;
“Subscription Agreement”	the subscription agreement entered into among the Company, the Issuer and the Joint Lead Managers on 24 July 2014;
“Trustee”	HSBC;
“Trust Deed”	the deed to be entered into among the Issuer, the Company and HSBC, pursuant to which HSBC is appointed as the trustee;

“UBS” UBS AG, Hong Kong Branch;
“US\$” the lawful currency of the United States; and
“%” percentage.

By order of the Board
China Railway Construction Corporation Limited
MENG Fengchao
Chairman

Beijing, the PRC
25 July 2014

As at the date of this announcement, the Board comprises Mr. MENG Fengchao (Chairman and Executive Director), Mr. PENG Shugui (Vice Chairman and Executive Director), Mr. ZHANG Zongyan (President and Executive Director), Mr. HU Zhenyi (Executive Director), Mr. ZHU Mingxian (Non-executive Director), Mr. LI Kecheng (Independent Non-executive Director), Mr. ZHAO Guangjie (Independent Non-executive Director), Mr. WU Taishi (Independent Non-executive Director) and Mr. NGAI Wai Fung (Independent Non-executive Director).