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China Railway Signal & Communication Corporation Limited*
中國鐵路通信信號股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 3969)

**ANNOUNCEMENT ON INCORPORATION OF SUBSIDIARIES
INTO “DOUBLE HUNDRED ENTERPRISES”
IN STATE-OWNED ENTERPRISE REFORM**

This announcement is made by China Railway Signal & Communication Corporation Limited* (the “**Company**”) on a voluntary basis.

Recently, the State-owned Assets Supervision and Administration Commission of the State Council (the “**State Council**”) of the People’s Republic of China (the “**SASAC**”) has issued the Notice on Publishing the “Work Program of ‘Double Hundred Action’ in State-owned Enterprise Reform” (Guo Zi Fa Yan Jiu [2018] No.70) (《關於印發〈國企改革「雙百行動」工作方案〉的通知》(國資發研究[2018]70號)), pursuant to which the leading group for state-owned enterprise reform under the State Council decided to select over 100 subsidiaries of central enterprises and over 100 local backbone state-owned enterprises (the “**Double Hundred Enterprises**”) to undertake the “Double Hundred Action” in state-owned enterprise reform for a period from 2018 to 2020. Both Beijing National Railway Research & Design Institute of Signal & Communication Co., Ltd.* (北京全路通信信號研究設計院集團有限公司) and CRSC Institute of Smart City Research & Design* (通號智慧城市研究設計院有限公司) (collectively referred to as the “**Research & Design Institutes**”), two wholly-owned subsidiaries of the Company, are incorporated into the list of “Double Hundred Enterprises”.

The Company will study and comprehend a series of “1+N” documents and the Work Program of “Double Hundred Action” for State-owned Enterprise Reform following the overall deployment and guidance requirements of the SASAC, and instruct the Research & Design Institutes to formulate and perfect the comprehensive reform and

implementation plan for the “Double Hundred Action”, define specific reform objectives, reform measures, division of responsibilities and other aspects, establish work plans and objectives and fulfil the relevant application and approval procedures in light of the actual situation of the Company.

Currently, it is still in the programming stage with specific details and scheduling to be determined. The Company will fulfil its information disclosure obligation in a timely manner according to the progress thereof. Investors are advised to pay attention to investment risks.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
**China Railway Signal &
Communication Corporation Limited***
ZHOU Zhiliang
Chairman

Beijing, the People’s Republic of China
17 August 2018

As at the date of this announcement, the executive directors of the Company are Mr. ZHOU Zhiliang and Mr. YIN Gang, and the independent non-executive directors of the Company are Mr. WANG Jiajie, Mr. SUN Patrick, Mr. CHEN Jin’en and Mr. GAO Shutang.

** For identification only*