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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)

**RESULTS ANNOUNCEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2012**

The Board of Directors of China Railway Group Limited (the “**Company**”) announces the unaudited results (the “**First Quarterly Results**”) of the Company and its subsidiaries (the “**Group**”) for the first quarter ended 31 March 2012 (the “**Reporting Period**”), which have been prepared in accordance with the Accounting Standards for Business Enterprises of the PRC. This announcement is made in accordance with Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

1 IMPORTANT NOTICE

1.1 The Board of Directors and the Supervisory Committee of the Company and its directors, supervisors and senior management warrant that there are no false presentations or misleading statements contained in, or material omissions from, this report, and severally and jointly accept responsibility for the authenticity, accuracy and completeness of the information contained in this report.

1.2 All the Directors of the Company attended the Board meeting.

1.3 The financial report of the Company for the first quarter has not been audited.

1.4 Person in charge of the Company LI Changjin

Person in charge of accounting affairs LI Jiansheng

Person in charge of the accounting department (head of accounting) YANG Liang

Mr. LI Changjin, Person in charge of the Company, Ms. LI Jiansheng, Person in charge of accounting affairs and Mr. YANG Liang, Person in charge of the accounting department (head of accounting), hereby warrant the authenticity and completeness of the financial information contained in this report.

2 CORPORATE INFORMATION

2.1 Main Accounting Data and Financial Indicators

Currency: RMB

	At the end of the Reporting Period	At the end of the previous year	Change (%)
Total assets ('000)	473,834,808.00	468,732,097.00	1.09
Total equity ('000)	72,996,900.00	72,020,206.00	1.36
Net assets per share attributable to equity holders of the Company (RMB/share)	3.43	3.38	1.48
		From the beginning of the year to the end of the Reporting Period	Change compared with the same period of previous year (%)
Net cash generated from operating activities ('000)		-8,873,249.00	N/A
Net cash generated from operating activities per share (RMB/share)		-0.42	N/A
	Reporting Period	From the beginning of the year to the end of the Reporting Period	Change compared with the same period of previous year (%)
Profit attributable to equity holders of the Company ('000)	915,443.00	915,443.00	-44.54
Basic earnings per share (RMB/share)	0.04	0.04	-50.00
Basic earnings per share (after non-recurring profits and losses) (RMB/share)	0.04	0.04	-42.86
Weighted average net assets yield (%)	1.26	1.26	Decreased by 1.21 percentage points
Weighted average net assets yield after non-recurring profits and losses (%)	1.21	1.21	Decreased by 0.87 percentage point

Upon the deduction of non-recurring profit and loss items and amount:

Unit: '000 Currency: RMB

Item	Amount
Gains or losses from the disposal of non-current assets	3,269
Government grant as included in profit and loss of current period, other than those closely relating to business of company and subject to a fixed amount or norm under the national policy	22,298
Debt restructuring gains or losses	976
Gains or losses on changes in fair value arising from held-for- trading financial assets and held-for-trading financial liabilities (excluding the valid hedging business relating to the Company's business), as well as investment gains from disposal of held-for- trading financial assets, held-for-trading financial liabilities and available-for-sale financial assets	608
Gains or losses from entrusted loans	6,716
Other net non-operating income and expenditure	14,811
Other non-recurring profit and loss items	-150
Gains or losses from the disposal of long-term equity investment	1,316
Impact of income tax	-9,969
Impact of minority interests (after tax)	-2,261
	<hr/>
Total	37,614

2.2 Number of Shareholders and Particulars of Shareholding of Top 10 Shareholders Without Selling Restrictions as at the End of the Reporting Period

Unit: Share

Total number of shareholders as
at the end of the Reporting Period 763,304

Particulars of shareholding of the top 10 shareholders of tradable shares without selling restrictions

Name of shareholder (full name)	Total number of tradable shares held without selling restrictions as at the end of the Reporting Period	Type of shares
China Railway Engineering Corporation	11,950,010,000	RMB-dominated ordinary shares
HKSCC Nominees Limited (<i>Note 1</i>)	4,138,896,906	Overseas listed foreign shares
China Construction Bank Co., Ltd. – Changsheng Tongqing Separately Traded Equity Securities Investment Fund	34,759,415	RMB-dominated ordinary shares
Bank of China – Harvest SSE-SZSE 300 Index Securities Investment Fund	27,968,551	RMB-dominated ordinary shares
Bill & Melinda Gates Foundation Trust	25,000,090	RMB-dominated ordinary shares
Guotai Junan Securities Co., Ltd. – Client Credit Trading Guarantee Securities Account	19,687,341	RMB-dominated ordinary shares
UBS AG	19,000,727	RMB-dominated ordinary shares
Maanshan City Changtai Investment Centre (general partner)	18,894,600	RMB-dominated ordinary shares
Guotai Junan – CCB – HSBC	17,554,624	RMB-dominated ordinary shares
ICBC – China AMC SSE – SZSE 300 Index Securities Investment Fund	16,932,499	RMB-dominated ordinary shares

Note 1: H Shares held by HKSCC Nominees Limited are held on behalf of its various clients.

Note 2: The numbers shown in the table are based on the register of members as at 31 March 2012.

3 SIGNIFICANT EVENTS

3.1 Significant Changes to Main Financial Statements Items and Financial Indicators of the Company and the Reasons Thereof.

✓ Applicable

□ Not Applicable

Item	At the end of the Reporting Period or the Reporting Period (RMB'000)	At the end of the previous reporting period or the previous reporting period (RMB'000)	Change (%)	Explanation
Advances to suppliers	31,205,810	24,745,510	26.11	Mainly due to the increase in materials trading business.
Trade payables	124,215,458	145,585,488	-14.68	Mainly due to the increase in payments to project sub-contractors and suppliers of materials before Chinese New Year.
Long-term borrowings	59,085,715	49,385,506	19.64	Mainly due to the increase in bank loans for implementation of BT projects and real estate projects.
Total operating revenue	78,568,173	97,130,814	-19.11	Due to the factors including delay or suspension of railway projects, the slowdown of overseas projects and Chinese New Year holidays.
Finance expenses	999,807	443,318	125.53	Due to the effects of both increase in the average borrowings balance and the increase in funding cost.
Net cash flow from operating activities	-8,873,249	-2,098,155	N/A	Mainly due to the concentration of payment to sub-contractors and suppliers of materials before Chinese New Year.
Profit attributable to equity holders of the Company	915,443	1,650,555	-44.54	Due to the decrease in revenue and increase in finance expenses.

3.2 Progress of Significant Events and Analysis on Its Impact and Solutions

✓ Applicable □ Not Applicable

3.2.1 Contract information of the Reporting Period

The value of new contracts entered into by the Group during the Reporting Period reached RMB103.4 billion, representing a decrease of 7% over the same period of last year. The value of new contracts during the Reporting Period comprises of RMB80.38 billion from infrastructure construction business (including railway construction of RMB9.07 billion, representing a decrease of 54.2% over the same period last year; highway construction of RMB15.07 billion, representing a decrease of 37.8% over the same period last year; municipal works and other construction of RMB56.24 billion, representing an increase of 59.4% over the same period last year), representing an increase of 1.3% over the same period last year; RMB2.65 billion from survey, design and consulting services business, representing a decrease of 15.1% over the same period last year; and RMB2.49 billion from engineering equipment and component manufacturing business, representing a decrease of 54.7% over the same period last year.

As at the end of the Reporting Period, the Group's contract backlog amounted to RMB1,091.39 billion, among which RMB924.31 billion was from infrastructure construction business, RMB15.02 billion was from survey, design and consulting services business and RMB11.55 billion was from engineering equipment and component manufacturing business.

3.2.2 Explanatory note on the Poland A2 Project

An explanatory note of the dispute between the consortium established by China Overseas Engineering Group Co., Ltd., China Railway Tunnel Group Co., Ltd., (both of which are subsidiaries of the Company) and two other third party companies (the “**Consortium**”) and General Directorate of National Roads and Motorways of Poland (the “**Project Owner**”), in relation to the Section A and C of the A2 Motorway Project in Poland (the “**Poland A2 Project**”) in which the Consortium won the bid, is set out in the 2011 Interim Report of China Railway Group Limited published on 31 August 2011, the Third Quarterly Report of China Railway Group Limited published on 31 October 2011 and the 2011 Annual Report of China Railway Group Limited published on 30 March 2012. The contract of Poland A2 Project has been terminated before 30 June 2011. The Warsaw District Court has issued an order of payment demanding China Overseas Engineering Group Co., Ltd., the subsidiary of the Company, and a third party company of the Consortium to pay, jointly or severally, Zloty 128,913,670.98 as damages for breach of contract plus statutory interest. We raised objection against the order of payment and filed a response to the Warsaw District Court. The Warsaw District Court accepted our objection and the order of payment automatically became null and void. The case now continues as normal civil litigation. The

case was heard at the Warsaw District Court on 8 February 2012. The judge decided to adjourn the hearing to April 2012 in four times. The case is still pending.

During the Reporting Period, the loss recognized by the Group for the Poland A2 Project was RMB5.013 million, which comprised of the litigation fees and staff wages incurred during the Reporting Period.

3.3 Fulfilment of Undertakings Made by the Company, Shareholders and Ultimate Controller

Applicable

Not Applicable

Undertaking	Details of undertaking	Performance status
Undertaking made by China Railway Engineering Corporation	Upon the establishment of China Railway Group Limited in accordance with the law, China Railway Engineering Corporation and its subsidiaries (other than China Railway Group Limited) will not in any form, directly or indirectly, engage in or participate in or procure the engagement or participation in any businesses that compete, or are likely to compete with the core businesses of China Railway Group Limited and its subsidiaries. If China Railway Engineering Corporation or its subsidiaries (other than China Railway Group Limited) become(s) aware of any new business opportunity which directly or indirectly competes, or is likely to compete, with the principal businesses of China Railway Group Limited, it shall notify China Railway Group Limited in writing of such business opportunity immediately upon becoming aware of it, and warrants that priority and a preemptive right of first refusal in respect of the business opportunity shall be available to China Railway Group Limited or its subsidiaries. If China Railway Engineering Corporation or any of its subsidiaries intends to transfer, sell, lease or license or otherwise assign to any third parties or permit them any new business opportunity, assets or interests that it may acquire in future and which may compete or is likely to compete, directly or indirectly, with the core businesses of China Railway Group Limited, China Railway Engineering Corporation warrants that such business opportunity, assets or interests will first be offered to China Railway Group Limited or its subsidiaries.	China Railway Engineering Corporation has strictly complied with the above undertaking.

3.4 Warnings and Explanations on Loss Forecast or Significant Changes in Net Profit from the Beginning of the Year to the End of the Next Reporting Period

Applicable Not Applicable

3.5 Execution of Cash Dividend Policy During the Reporting Period

A cash dividend of RMB0.48 (including tax) for every 10 shares (with a total amount of RMB1,022,395,200.00) will be paid, using the total share capital of 21,299,900,000 shares as at 31 December 2011 as the calculating basis. The above profit distribution plan has been approved by the Eleventh Meeting of the Second Session of the Board of Directors of the Company and will be implemented upon approval at the 2011 annual general meeting of the Company.

4 APPENDIX – FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH THE ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES OF THE PRC

Financial statements prepared in accordance with the Accounting Standards for Business Enterprises of the PRC are set out in the appendix to this announcement.

5 PUBLICATION OF THE FIRST QUARTERLY RESULTS ANNOUNCEMENT

This announcement is simultaneously available on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the website of the Company at www.crec.cn. The first quarterly report of 2012 prepared in accordance with the Accounting Standards for Business Enterprises of the PRC will also be available on the website of the Shanghai Stock Exchange at www.sse.com.cn and the website of the Company at www.crec.cn.

By order of the Board
China Railway Group Limited
LI Changjin
Chairman

27 April 2012

As at the date of this announcement, the executive directors of the Company are LI Changjin (Chairman), BAI Zhongren and YAO Guiqing; the non-executive director is HAN Xiuguo; and the independent non-executive directors are HE Gong, GONG Huazhang, WANG Taiwen and SUN Patrick.

APPENDIX

Consolidated Balance Sheet

31 March 2012

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	Balance at the end of the Reporting Period	Balance at the beginning of the year
Current assets:		
Cash and cash equivalents	61,406,517	63,582,878
Settlement reserves		
Loans to others		
Held-for-trading financial assets	60,758	60,169
Bills receivables	1,518,801	1,475,666
Trade receivables	89,824,384	96,344,763
Advances to suppliers	31,205,810	24,745,510
Premiums receivables		
Reinsurance receivables		
Reinsurance policy reserve receivables		
Interests receivables	41,484	45,712
Dividends receivables	45,707	40,487
Other receivables	21,160,521	20,596,894
Buying back the financial assets sold		
Inventories	157,689,304	151,698,898
Non-current assets due within one year	742,239	723,746
Other current assets	526,014	587,443
Total current assets	364,221,539	359,902,166

Consolidated Balance Sheet (Continued)

Item	Balance at the end of the Reporting Period	Balance at the beginning of the year
Non-current assets:		
Trust loans and advances	30,000	17,000
Available-for-sale financial assets	1,817,372	1,469,491
Held-to-maturity investments		
Long-term receivables	3,251,820	2,652,072
Long-term equity investments	7,233,578	7,020,703
Investment properties	3,270,243	3,302,002
Fixed assets	32,425,987	32,359,273
Construction in progress	4,571,580	4,907,440
Materials held for construction of fixed assets	348,985	345,751
Fixed assets to be disposed of	3,614	5,606
Productive biological assets		
Oil and gas assets		
Intangible assets	45,483,952	45,518,034
Development cost		
Goodwill	864,858	864,858
Long-term deferred expenses	220,656	232,889
Deferred income tax assets	3,313,147	3,283,679
Other non-current assets	6,777,477	6,851,133
Total non-current assets	109,613,269	108,829,931
Total assets	473,834,808	468,732,097
Current liabilities:		
Short-term borrowings	54,103,227	51,013,315
Borrowings from central bank		
Deposits taking and deposits in peers		
Borrowed funds		
Held-for-trading financial liabilities	115,904	141,887
Bills payables	15,047,499	13,504,013
Trade payables	124,215,458	145,585,488
Advances from customers	63,322,876	49,888,012
Fund from disposal of repurchased financial assets		
Handling fees and commission payable		
Accrued payroll	2,215,500	2,438,860
Taxes payables	8,994,853	9,906,986
Interests payables	423,313	870,812
Dividends payables	152,998	143,515
Other payables	24,979,645	25,258,027
Reinsurance payables		
Reserve for insurance policies		
Agent brokerage fee		
Agent underwriting fee		
Accrued liabilities due within one year	307	306
Non-current liabilities due within one year	5,830,604	5,874,608
Other current liabilities	980,692	945,213
Total current liabilities	300,382,876	305,571,042

Consolidated Balance Sheet (Continued)

Item	Balance at the end of the Reporting Period	Balance at the beginning of the year
Non-current liabilities:		
Long-term borrowings	59,085,715	49,385,506
Bonds payables	24,524,485	24,220,705
Long-term payables	5,644,378	6,203,989
Specific accounts payable	11,000	11,000
Accrued liabilities	190,474	200,816
Deferred income tax liabilities	891,153	882,411
Other non-current liabilities	880,126	906,496
Total non-current liabilities	91,227,331	81,810,923
Total liabilities	391,610,207	387,381,965
Equity:		
Share capital	21,299,900	21,299,900
Capital reserve	31,094,276	31,089,538
Less: Reserved shares		
Specific reserve		
Surplus reserve	1,974,880	1,974,880
General risk reserve	139,496	136,830
Accumulated profits	18,822,627	17,877,259
Exchange translation reserve	-334,279	-358,201
Equity attributable to equity holders of the Company	72,996,900	72,020,206
Minority interests	9,227,701	9,329,926
Total equity	82,224,601	81,350,132
Total liabilities and equity	473,834,808	468,732,097

Company Balance Sheet

31 March 2012

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	Balance at the end of the Reporting Period	Balance at the beginning of the year
Current assets:		
Cash and cash equivalents	9,330,815	9,701,821
Held-for-trading financial assets	24,707	25,223
Bills receivables	7,999	36,999
Trade receivables	3,281,853	3,451,717
Advances to suppliers	2,276,545	2,440,397
Interests receivables	23,445	23,444
Dividends receivables	160,702	160,702
Other receivables	11,839,529	10,542,639
Inventories	1,188,659	619,669
Non-current assets due within one year	570,109	570,109
Other current assets		
Total current assets	28,704,363	27,572,720
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables	21,705,973	21,454,978
Long-term equity investments	66,629,841	66,469,841
Investment properties	153,356	154,271
Fixed assets	336,994	342,732
Construction in progress	4,351	3,204
Materials held for construction of fixed assets		
Fixed assets to be disposed of	-28	
Productive biological assets		
Oil and gas assets		
Intangible assets	684,007	691,200
Development cost		
Goodwill		
Long-term deferred expenses	89,281	96,886
Deferred income tax assets	229,475	229,475
Other non-current assets	209,530	209,530
Total non-current assets	90,042,780	89,652,117
Total assets	118,747,143	117,224,837

Company Balance Sheet (Continued)

Item	Balance at the end of the Reporting Period	Balance at the beginning of the year
Current liabilities:		
Short-term borrowings	2,150,000	2,158,450
Held-for-trading financial liabilities		
Bills payables		
Trade payables	4,872,365	5,344,455
Advances from customers	7,568,658	5,726,374
Accrued payroll	8,238	10,596
Taxes payables	-34,312	-6,799
Interests payables	194,157	693,817
Dividends payables		
Other payables	5,829,497	6,505,781
Non-current liabilities due within one year	1,038,070	1,038,070
Other current liabilities		
Total current liabilities	21,626,673	21,470,744
Non-current liabilities:		
Long-term borrowings	2,204,963	1,038,504
Bonds payables	23,824,485	23,820,706
Long-term payables	126,402	94,029
Deferred income	9,898	4,232
Specific accounts payable		
Accrued liabilities		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	26,165,748	24,957,471
Total liabilities	47,792,421	46,428,215
Equity:		
Share capital	21,299,900	21,299,900
Capital reserve	41,386,809	41,386,809
Less: Reserved shares		
Specific reserve		
Surplus reserve	1,303,751	1,303,751
General risk reserve		
Accumulated profits	-9,313	-9,313
Exchange translation reserve	6,973,575	6,815,475
Total equity	70,954,722	70,796,622
Total liabilities and equity	118,747,143	117,224,837

Consolidated Income Statement

January – March 2012

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	Reporting Period	Reporting period of previous year
1. Total operating revenue	78,568,173	97,130,814
Including: Revenue	78,294,328	96,954,755
Interest income	32,574	24,422
Premiums earned		
Handling fees and commission	241,271	151,637
2. Total operating costs	77,276,824	95,302,542
Including: Cost of sales	70,251,675	88,336,132
Interest expenses	46	21
Handling fees and commission expenses	7	6
Premiums refunded		
Net payment for claims		
Net reserve for insurance policies		
Bonus paid for insurance policies		
Reinsurance cost		
Business tax and surcharges	2,371,538	2,973,580
Selling and marketing expenses	316,539	305,090
Administrative expenses	3,342,565	3,157,954
Finance expenses	999,807	443,318
Impairment losses	-5,353	86,441
Add: Gain on fair value adjustments (loss is marked with “-”)	146	-3,701
Investment income (loss is marked with “-”)	-20,446	158,040
Including: Share of results of jointly controlled entities and associates	1,169	41,134
Foreign exchange gains (loss is marked with “-”)		
3. Profit from operations (loss is marked with “-”)	1,271,049	1,982,611
Add: Non-operating income	67,972	164,554
Less: Non-operating expenses	26,011	26,714
Including: Loss on disposal of non-current assets		

Consolidated Income Statement (Continued)

Item	Reporting Period	Reporting period of previous year
4. Profit before tax (loss is marked with “-”)	1,313,010	2,120,451
Less: Income tax	375,615	412,841
5. Net profit (net loss is marked with “-”)	937,395	1,707,610
Profit attributable to equity holders of the Company	915,443	1,650,555
Minority interests	21,952	57,055
6. Earnings per share		
(I) Basic earnings per share	0.04	0.08
(II) Diluted earnings per share		
7. Other comprehensive income	19,780	-54,993
8. Total comprehensive income	957,175	1,652,617
Total comprehensive income attributable to equity holders of the Company	936,068	1,628,597
Total comprehensive income attributable to minority interests	21,107	24,020

For acquisition within the Group during the Reporting Period, the profit realised by the acquiree before acquisition was RMB nil.

Company Income Statement

January – March 2012

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	Reporting Period	Reporting period of previous year
1. Revenue	2,319,316	2,870,229
Less: Cost of sales	2,234,708	2,786,269
Business tax and surcharges	-2,145	6,060
Selling and marketing expenses		
Administrative expenses	89,020	71,874
Finance expenses	-161,193	-155,017
Impairment losses	512	
Add: Gain on fair value adjustments (loss is marked with “-”)	-356	-3,539
Investment income (loss is marked with “-”) Including: Shares of results of jointly controlled entities and associates		
2. Profit from operations (loss is marked with “-”)	158,058	157,504
Add: Non-operating income	200	386
Less: Non-operating expenses	13	56
Including: Loss on disposal of non-current assets		
3. Profit before tax (loss is marked with “-”)	158,245	157,834
Less: Income tax	145	
4. Net profit (net loss is marked with “-”)	158,100	157,834
5. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		
6. Other comprehensive income	-9,313	
7. Total comprehensive income	148,787	157,834

Consolidated Cash Flow Statement

January – March 2012

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	Reporting Period	Reporting period of previous year
1. Cash flow from operating activities:		
Cash received from sales of goods or services rendered	100,639,128	106,464,384
Net increase in customer deposits and interbank placement		
Net increase in loans from central bank		
Net increase in loans from other financial institutions		
Cash received from premiums of existing insurance policies		
Net cash received from reinsurance business		
Net increase in reserves and investment from policy holders		
Net increase in disposal of held-for-trading financial assets		
Cash received from interests, handling fees and commission		
Net increase in borrowed funds		
Net increase in funds for repurchase of business		
Receipt of tax refund	24,691	36,813
Cash received relating to other operating activities	1,559,283	1,550,761
Sub-total of cash inflows from operating activities	102,223,102	108,051,958
Cash paid for goods and services received	96,748,655	94,520,133
Net increase in loans and advances to customers		
Net increase in deposit with central bank and peers		
Cash paid for claims under existing insurance policies		
Cash paid for interests, handling fees and commission		
Cash paid for bonus of insurance policies		
Cash paid to and on behalf of employees	6,681,017	6,501,249
Tax payments	3,718,574	4,296,950
Cash paid relating to other operating activities	3,948,105	4,831,781
Sub-total of cash outflows from operating activities	111,096,351	110,150,113
Net cash flow from operating activities	-8,873,249	-2,098,155

Consolidated Cash Flow Statement (Continued)

Item	Reporting Period	Reporting period of previous year
2. Cash flow from investing activities:		
Cash received from disposal of investments	264,916	263,046
Cash received from return on investments	42,159	20,823
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	17,984	102,641
Net cash received from disposal of subsidiaries or other operating business divisions		
Other cash receipts relating to investing activities		
Sub-total of cash inflows from investing activities	325,059	386,510
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	2,685,649	3,486,283
Cash paid for acquisitions of investments	905,543	797,151
Net increase in secured loans		
Net cash payments for acquisition of subsidiaries or other operating business divisions		
Other cash payments relating to investing activities		
Sub-total of cash outflows from investing activities	3,591,192	4,283,434
Net cash flow from investing activities	-3,266,133	-3,896,924
3. Cash flow from financing activities:		
Cash received from investors	8,400	29,250
Including: Cash received by subsidiaries for investment by minority shareholders	8,400	
Cash received from borrowings	24,661,358	15,419,958
Cash received from bond issuance		
Other cash receipts relating to financing activities	300,000	
Sub-total of cash inflows from financing activities	24,969,758	15,449,208
Cash paid for repayment of borrowings	12,290,946	7,390,833
Cash paid for dividends, profit distribution or interest payment	2,543,643	1,361,263
Including: Dividends and profits paid to minority shareholders by subsidiaries		13,895
Other cash payments relating to financing activities	213,386	26,780
Sub-total of cash outflows from financing activities	15,047,975	8,778,876
Net cash flow from financing activities	9,921,783	6,670,332

Consolidated Cash Flow Statement (Continued)

Item	Reporting Period	Reporting period of previous year
4. Effect of foreign exchange rate changes on cash and cash equivalents	41,238	-17,021
5. Net increase in cash and cash equivalents	-2,176,361	658,232
Add: Balances of cash and cash equivalents at the beginning of the period	63,582,878	57,218,066
6. Balances of cash and cash equivalents at the end of the period	61,406,517	57,876,298

Company Cash Flow Statement

January – March 2012

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	Reporting Period	Reporting period of previous year
1. Cash flow from operating activities:		
Cash received from sales of goods or services rendered	3,174,864	2,673,189
Receipt of tax refund		
Cash received relating to other operating activities	11,306,987	12,264,717
Sub-total of cash inflows from operating activities	14,481,851	14,937,906
Cash paid for goods and services received	2,349,504	2,814,053
Cash paid to and on behalf of employees	27,753	20,327
Tax payments	121,266	142,254
Cash paid relating to other operating activities	13,063,133	13,402,010
Sub-total of cash outflows from operating activities	15,561,656	16,378,644
Net cash flow from operating activities	-1,079,805	-1,440,738
2. Cash flow from investing activities:		
Cash received from disposal of investments		
Cash received from return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	28	
Net cash received from disposal of subsidiaries or other operating business divisions		
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	28	
Cash paid for acquisitions of fixed assets, intangible assets and other long-term assets	30,733	2,738
Cash paid for acquisitions of investments		83,384
Net cash paid for acquisition of subsidiaries or other operating business divisions		290,000
Cash paid relating to other investing activities	161,857	10,000
Sub-total of cash outflows from investing activities	192,590	386,122
Net cash flow from investing activities	-192,562	-386,122

Company Cash Flow Statement (Continued)

Item	Reporting Period	Reporting period of previous year
3. Cash flow from financing activities:		
Cash received from investors		
Cash received from borrowings	1,200,000	7,980,000
Cash received from bond issuance		
Cash received relating to other financing activities		18,746
Sub-total of cash inflows from financing activities	1,200,000	7,998,746
Cash paid for repayment of borrowings		
Cash paid for dividends, profit distribution or interest payment	288,814	301,562
Cash paid relating to other financing activities		
Sub-total of cash outflows from financing activities	288,814	301,562
Net cash flow from financing activities	911,186	7,697,184
4. Effect of foreign exchange rate changes on cash and cash equivalents	-9,825	-11,324
5. Net increase in cash and cash equivalents	-371,006	5,859,000
Add: Balances of cash and cash equivalents at the beginning of the period	9,701,821	12,220,014
6. Balance of cash and cash equivalents at the end of the period	9,330,815	18,079,014

The above financial statements were signed by the following persons in charge of the Company:

Legal representative of the Company: LI Changjin
 Person in charge of accounting affairs: LI Jiansheng
 Person in charge of the accounting department: YANG Liang