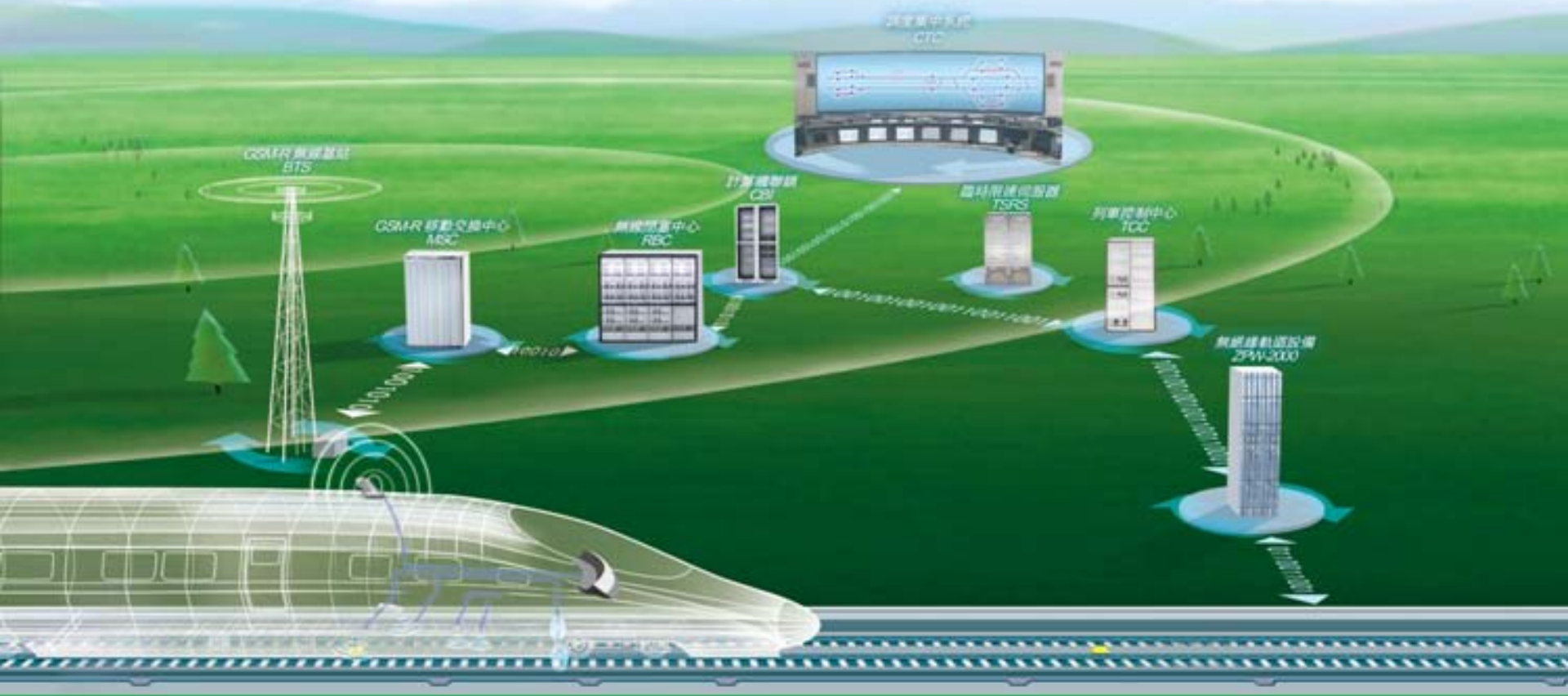




China Railway Signal & Communication Corporation Limited\*  
中國鐵路通信信號股份有限公司

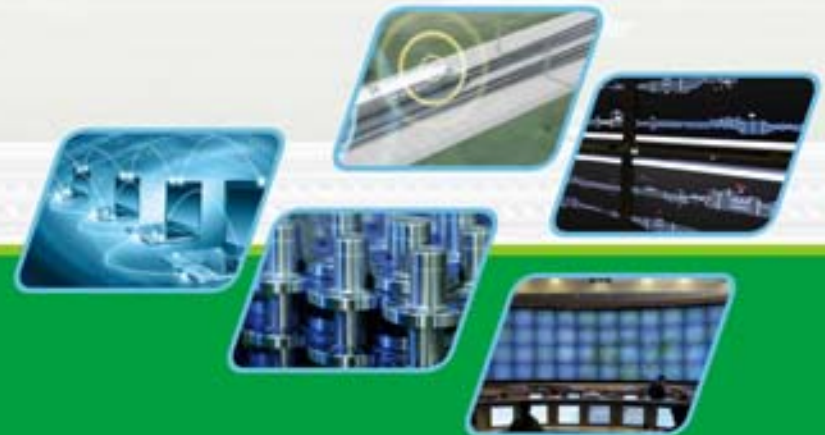


**China Railway Signal & Communication Corporation Limited**

**2016 Interim Results Announcement**

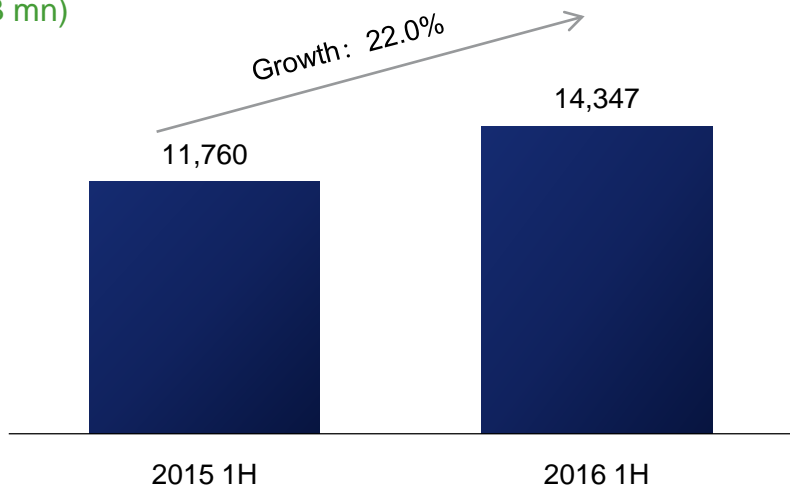
August 2016

# 1. Business Overview

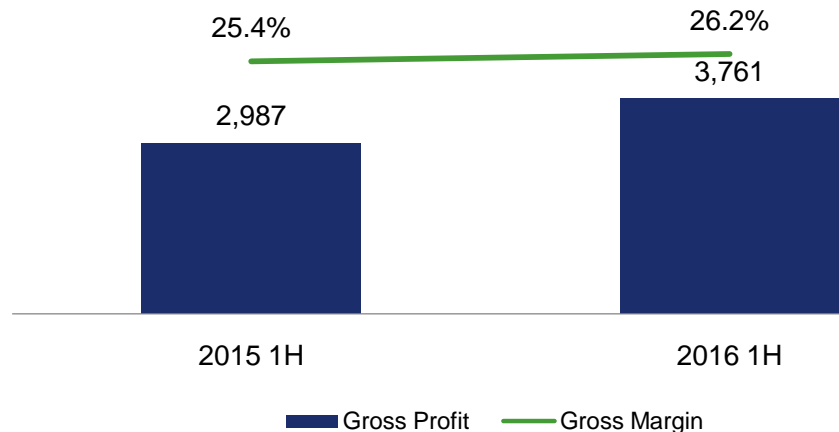


# Sustained and Rapid Growth

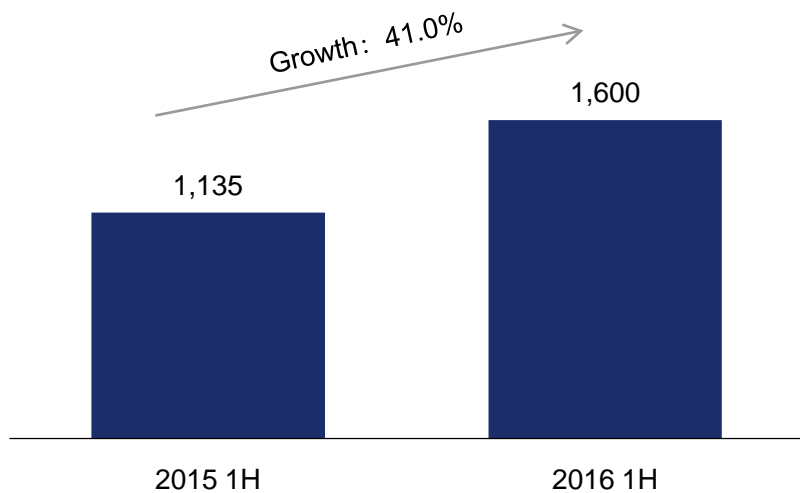
## Revenue (RMB mn)



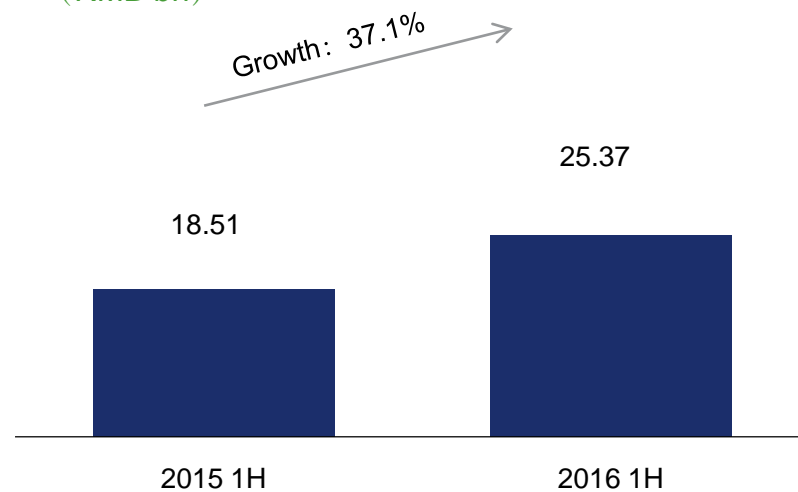
## Overall Gross Profit and Margin (RMB mn)



## Net Profit (RMB mn)

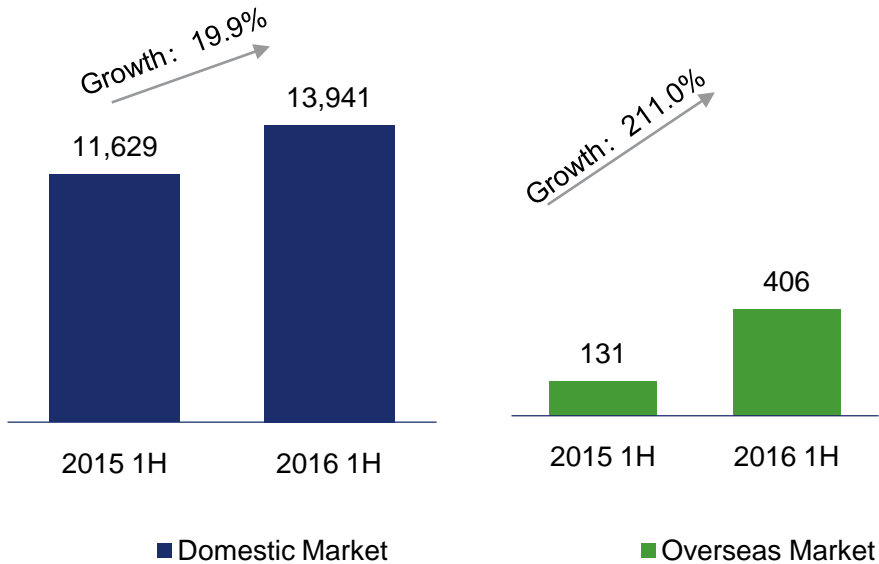


## New Contracts (RMB bn)



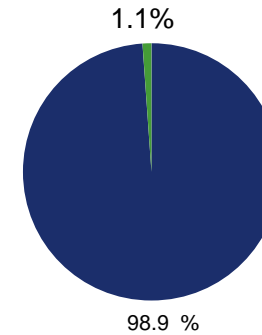
# Steady Domestic Growth and Rapid Overseas Growth

## Domestic and Overseas Revenue Growth (RMB mn)

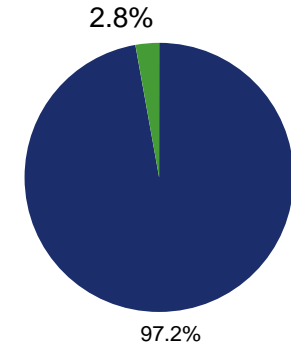


## Revenue Contribution

2015 1H

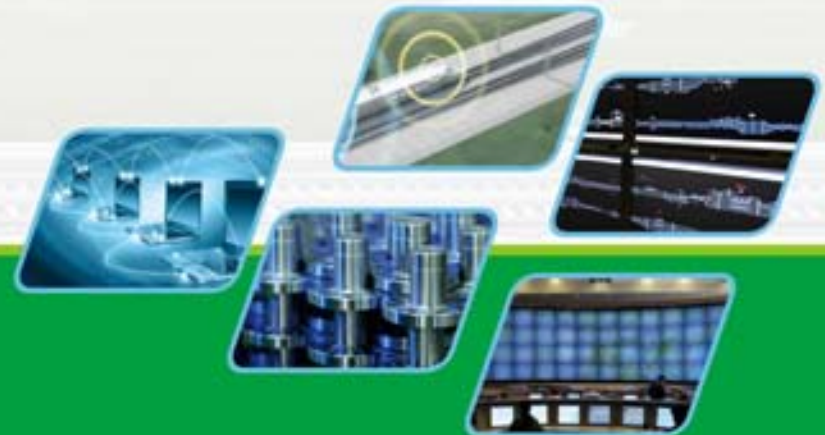


2016 1H



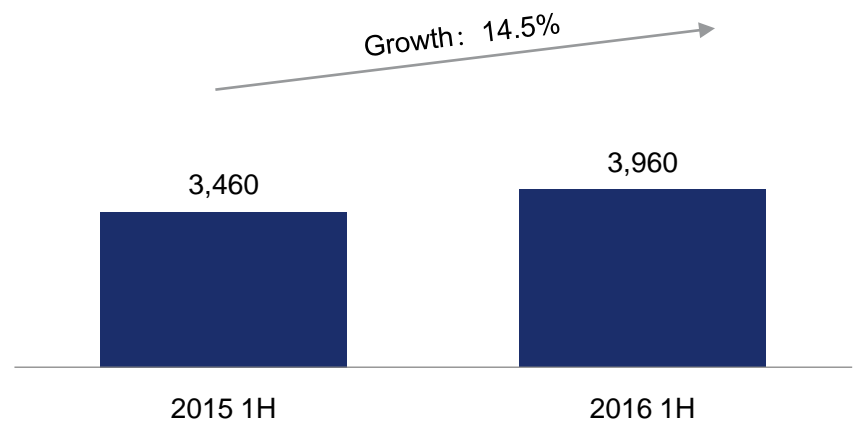
■ Domestic Market ■ Overseas Market

## 2. 2016 Interim Operating Performance

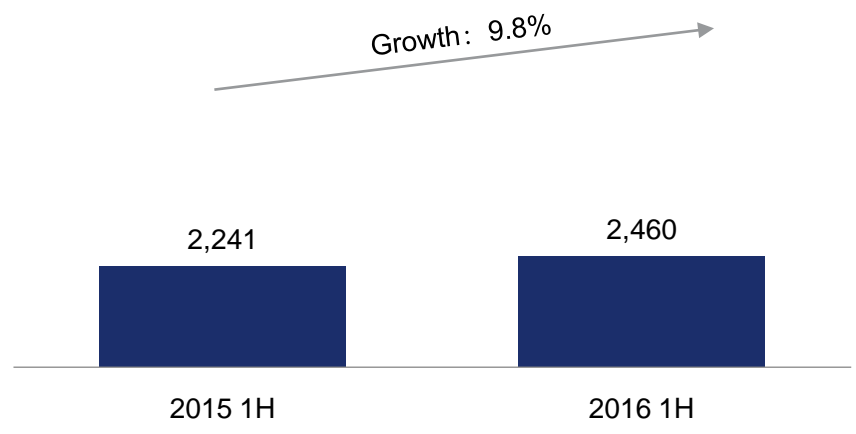


# Continuous Growth in Design and Integration

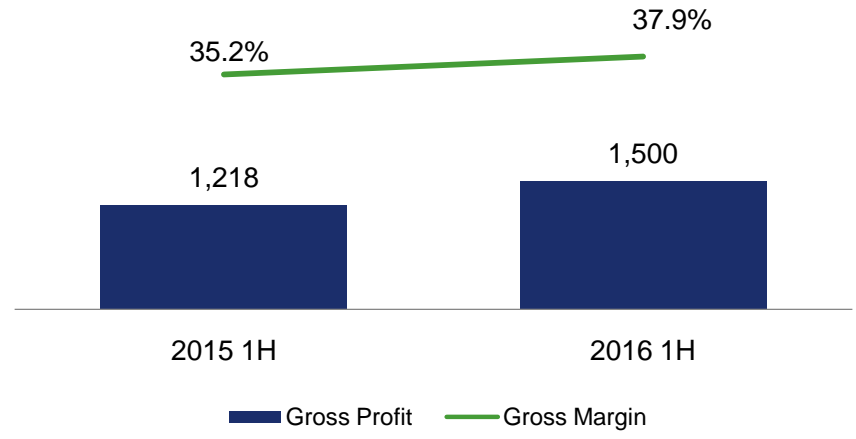
## Revenue from Design and Integration (RMB mn)



## Cost of Sales of Design and Integration (RMB mn)



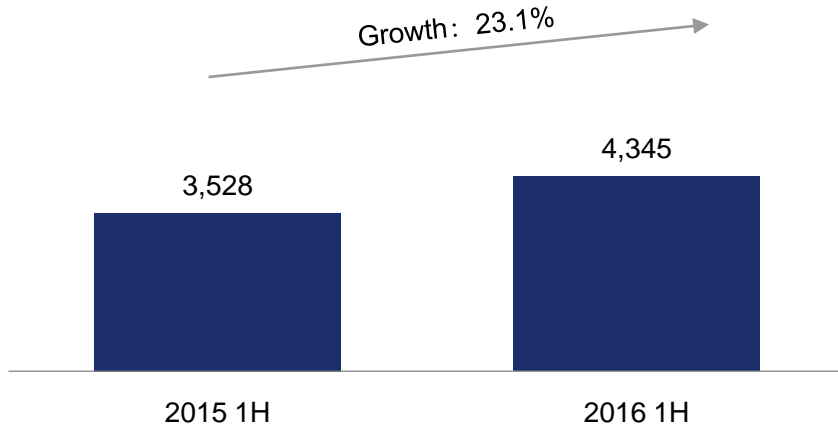
## Gross Profit and Margin of Design and Integration (RMB mn)



# Rapid Growth in Equipment Manufacturing

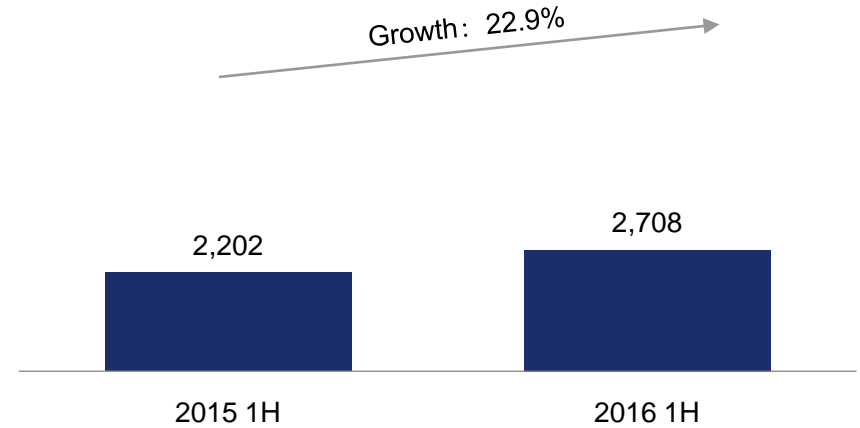
## Revenue from Equipment Manufacturing (RMB mn)

Growth: 23.1%

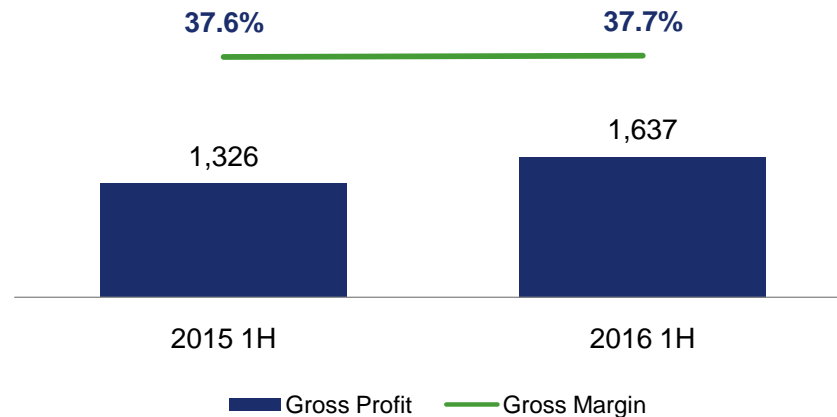


## Cost of Sales of Equipment Manufacturing (RMB mn)

Growth: 22.9%

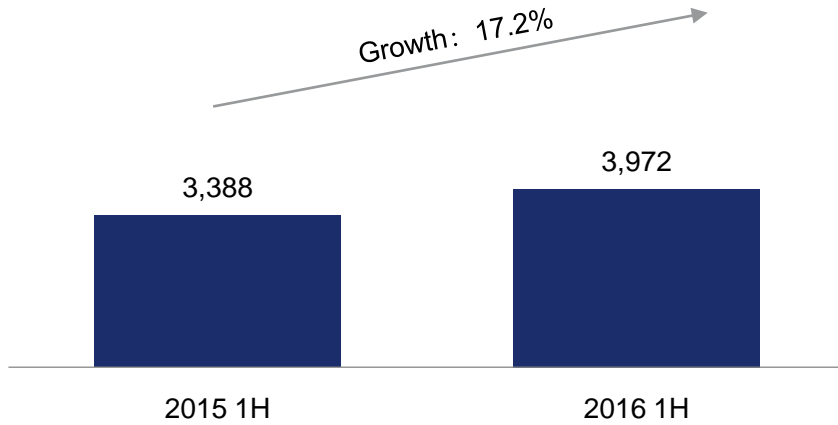


## Gross Profit and Margin of Equipment Manufacturing (RMB mn)

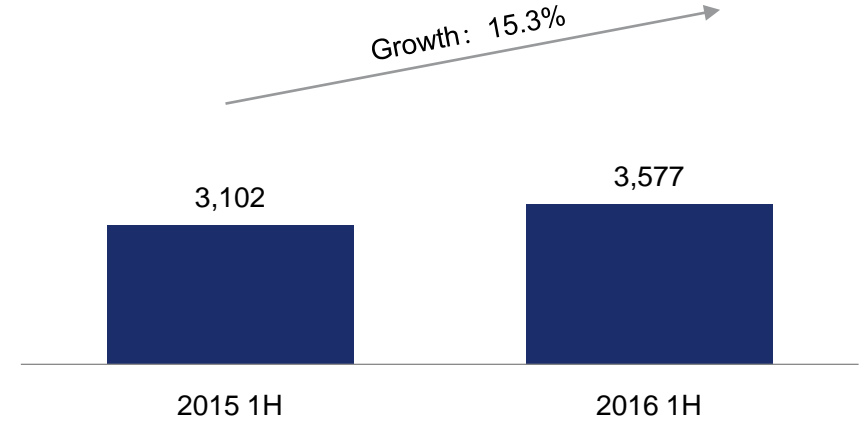


# Steady Improvement in System Implementation

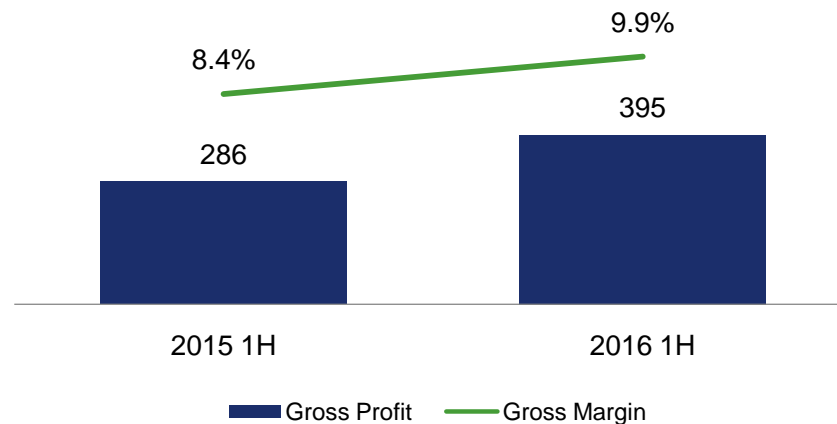
## Revenue from System Implementation (RMB mn)



## Cost of Sales of System Implementation (RMB mn)



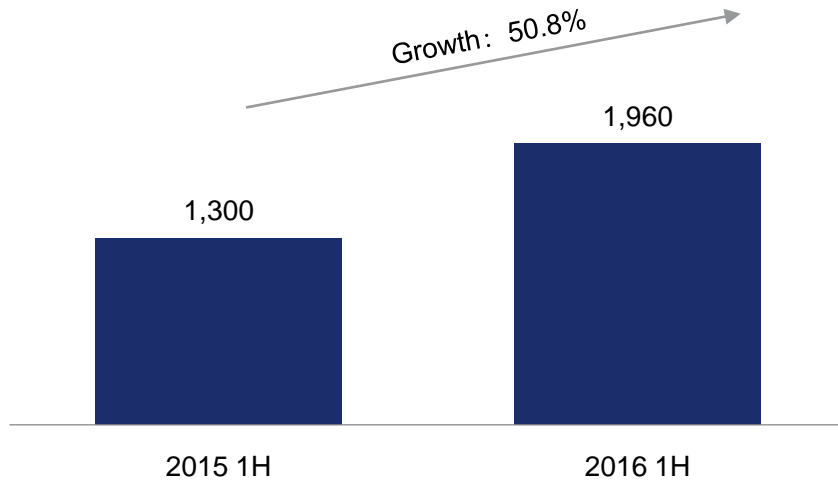
## Gross Profit and Margin of System Implementation (RMB mn)



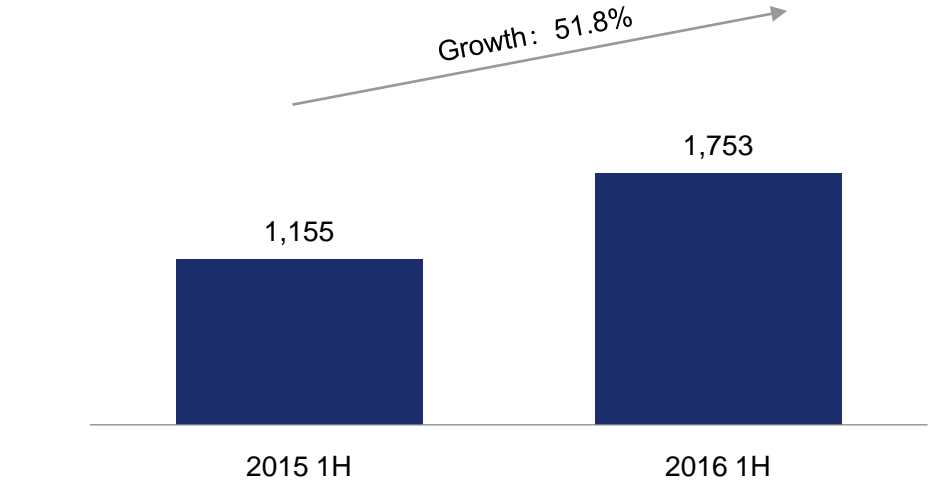


# Rapid Growth in Construction Contracting

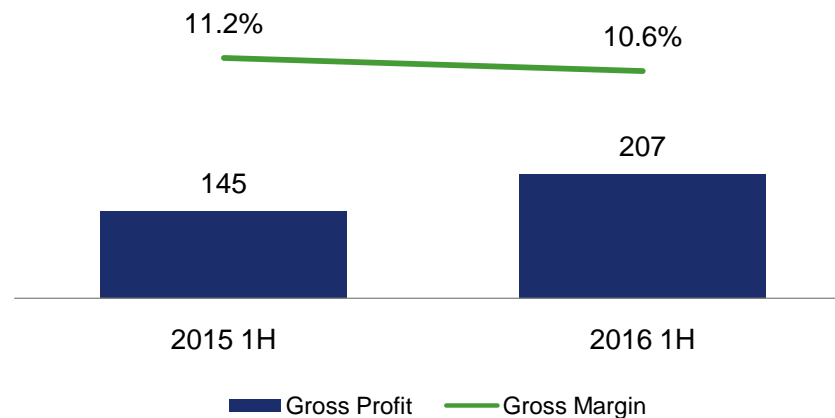
## Revenue from Construction Contracting (RMB mn)



## Cost of sales of Construction Contracting (RMB mn)

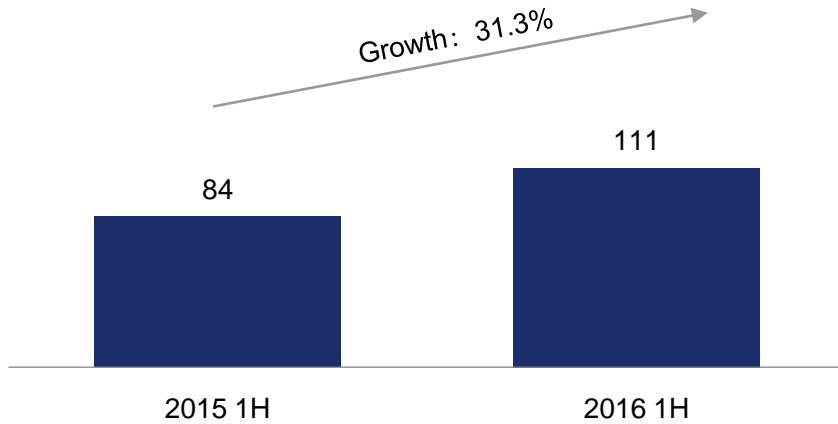


## Gross Profit and Margin of Construction Contracting (RMB mn)

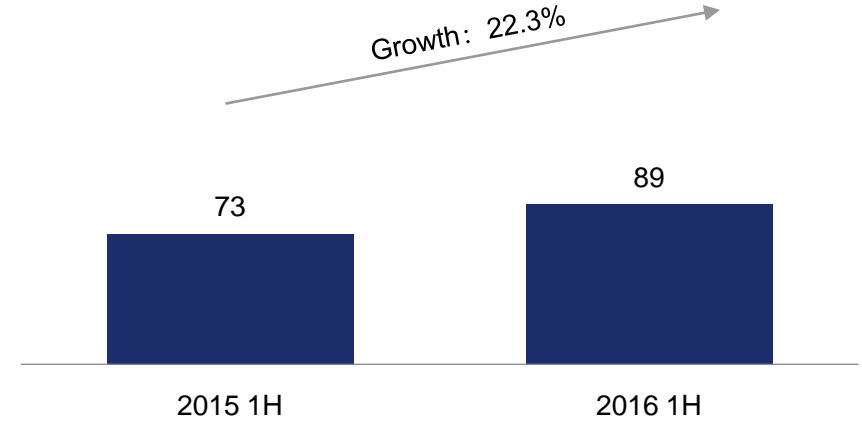


# Other Businesses

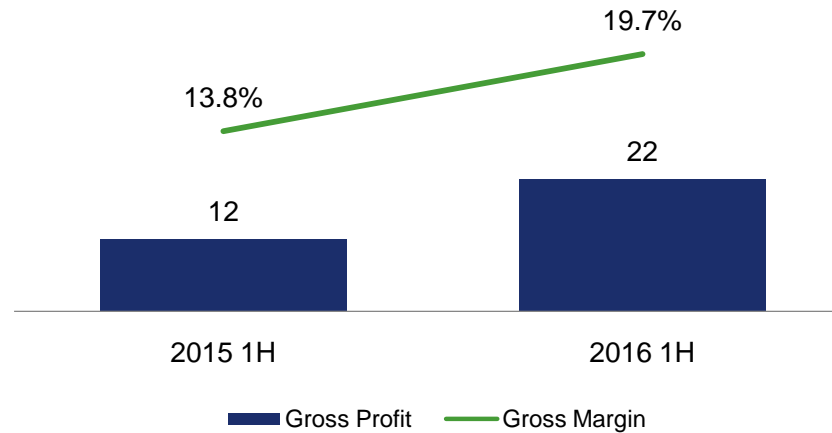
## Revenue from Other Businesses (RMB mn)



## Cost of Sales of Other Businesses (RMB mn)



## Gross Profit and Margin of Other Businesses (RMB mn)

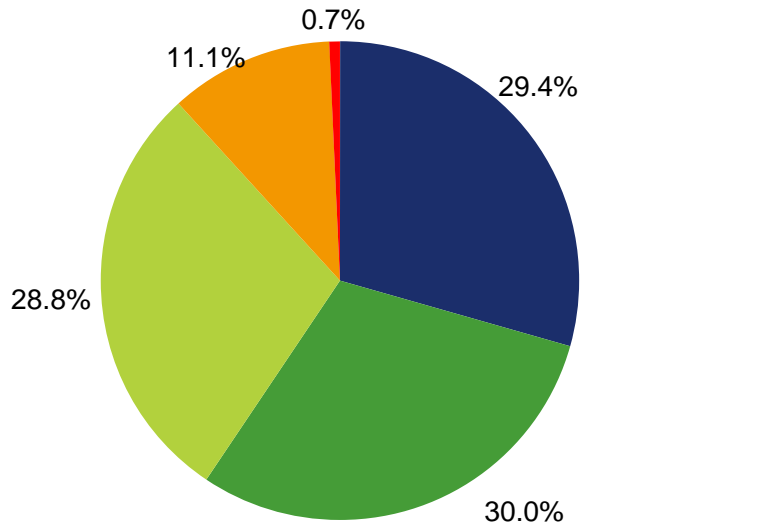


# Optimized Business Mix

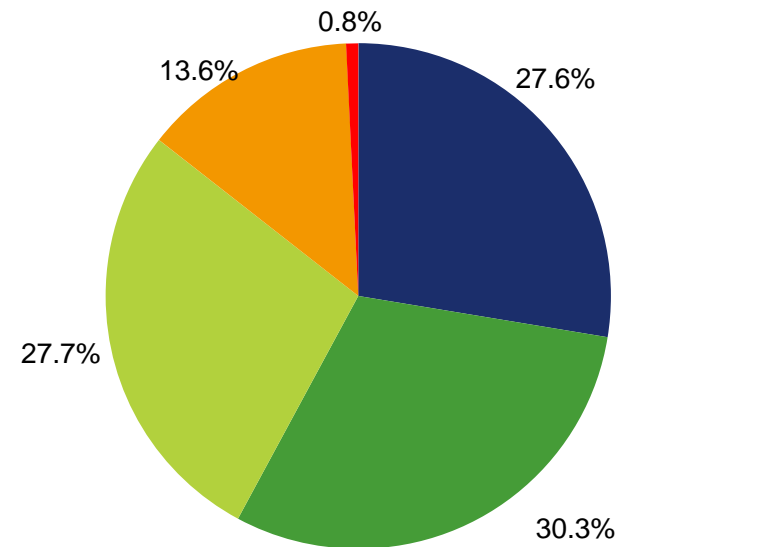
## Revenue Contribution by Segment

2015 1H

2016 1H

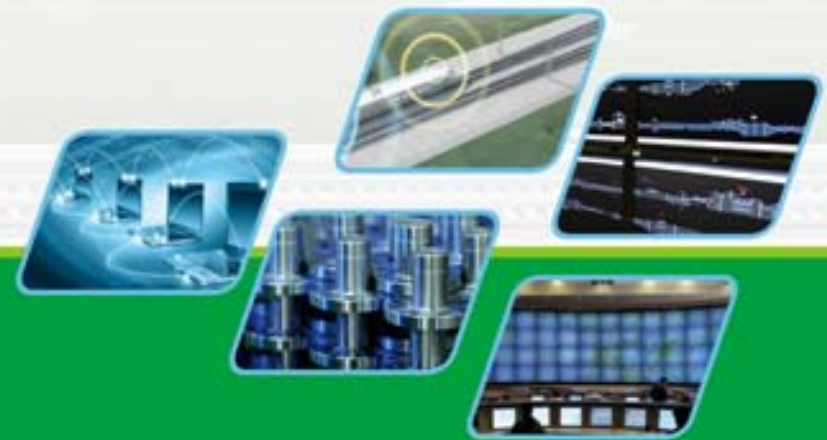


- Design and Integration
- Equipment Manufacturing
- System Implementation
- Construction Contracting
- Other Businesses



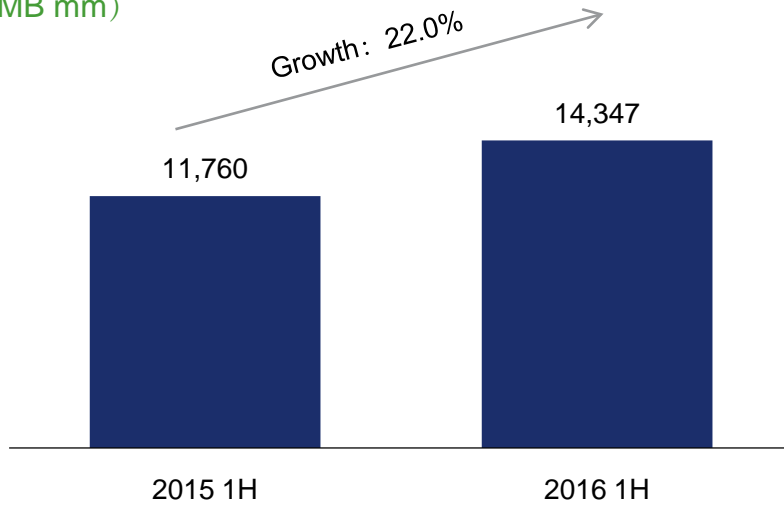
- Design and Integration
- Equipment Manufacturing
- System Implementation
- Construction Contracting
- Other Businesses

# 3. 2016 Interim Financial Performance

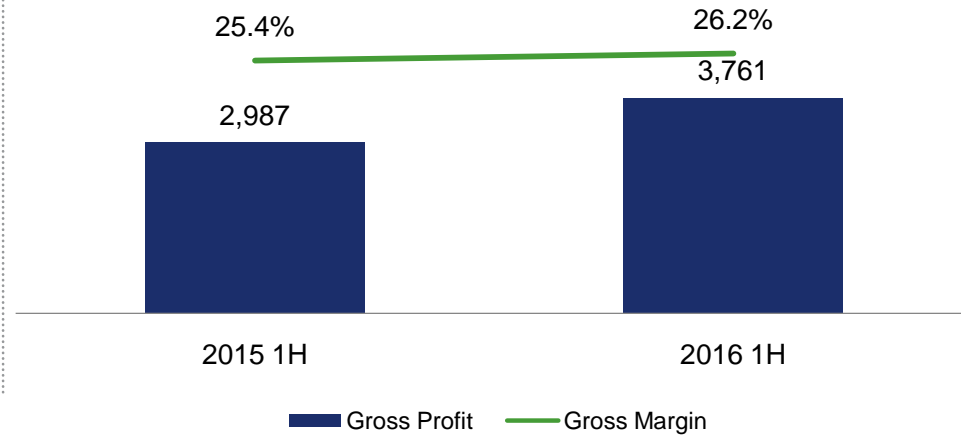


# Continuous Growth of Revenue and Strong Profitability

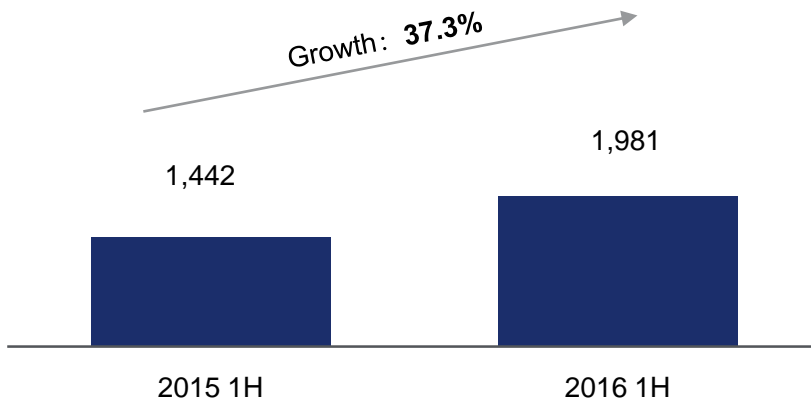
## Revenue (RMB mm)



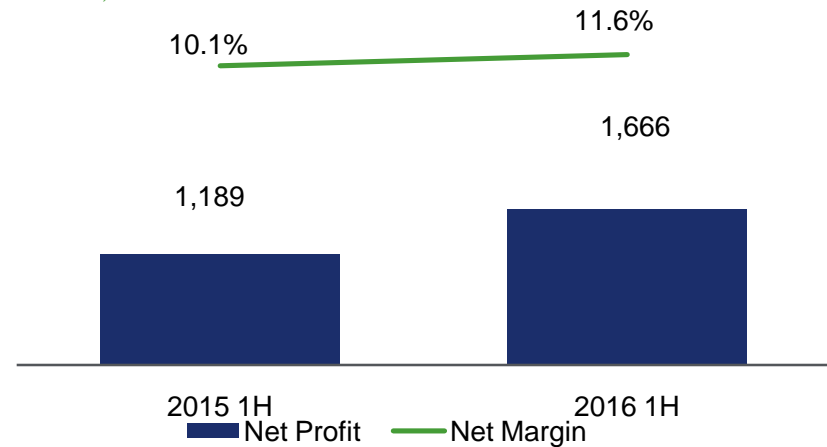
## Overall Gross Profit and Margin (RMB mm)



## Pre-tax Profit (RMB mm)



## Net Profit and Margin<sup>(1)</sup> (RMB mm)

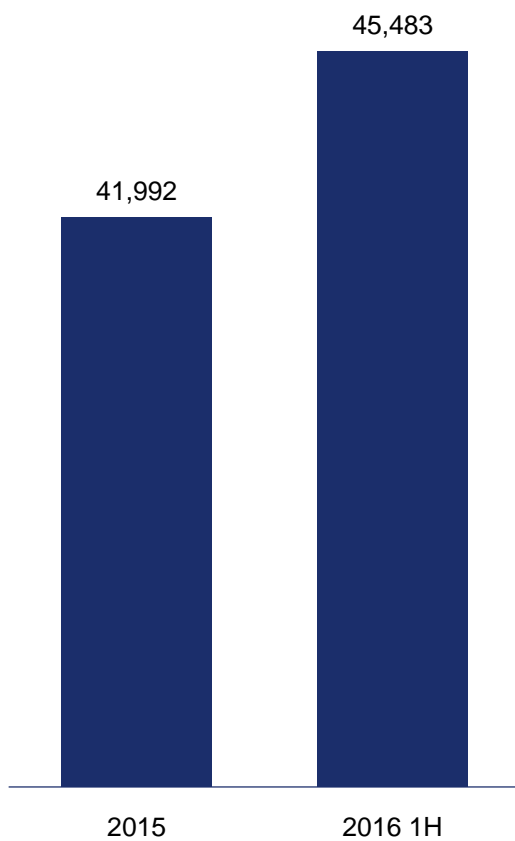


Note:

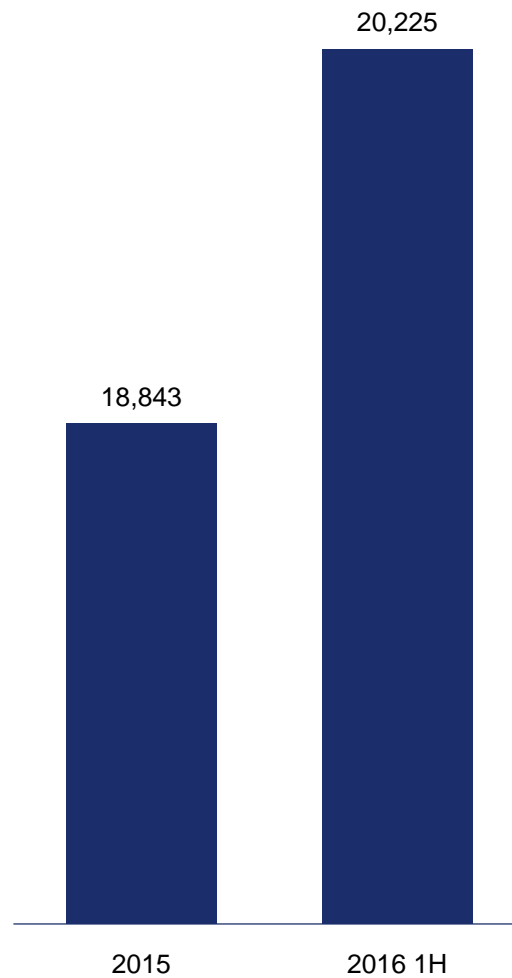
1. Include profit attributable to the shareholders of company and other minority shareholders

# Further Enhanced Financial Strength

**Total Assets**  
(RMB mm)

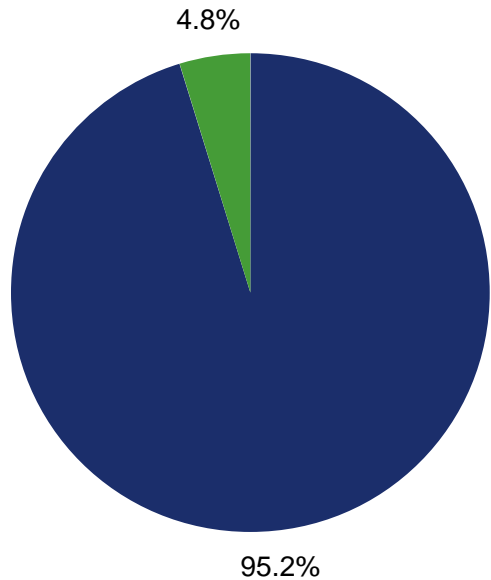


**Net Assets attributable to the Shareholders of Company**  
(RMB mm)



# Maintain Asset-light Mode

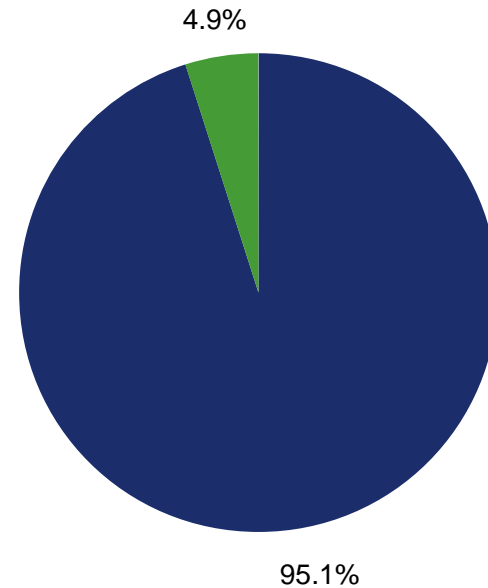
2015



■ Current liabilities    ■ Non-current liabilities

Total liabilities: RMB 22.3 bn  
Debt ratio: 53.0%

2016 1H



■ Current liabilities    ■ Non-current liabilities

Total liabilities: RMB 24.3 bn  
Debt ratio: 53.5%

# Debt Structure

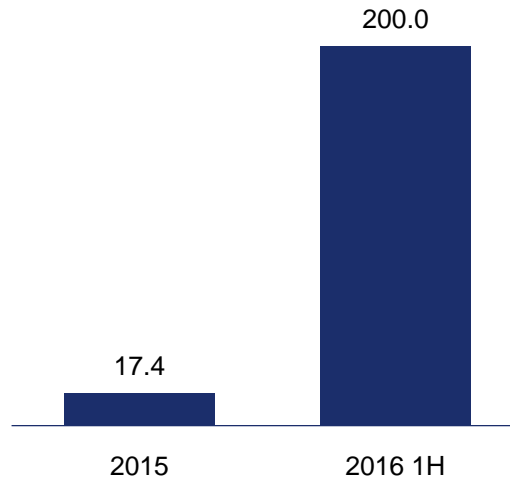
## Bank Loans within One Year

(RMB mn)



## Bank Loans in the Second Year

(RMB mn)



## Other Borrowing

(RMB mn)

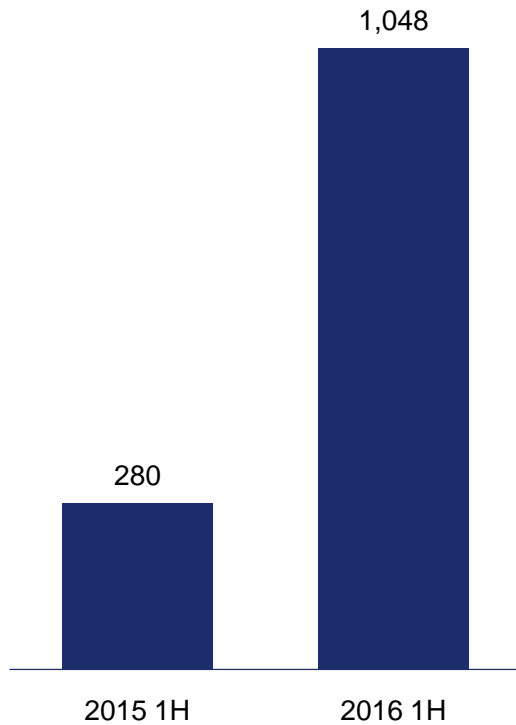




# Cash Flow Overview

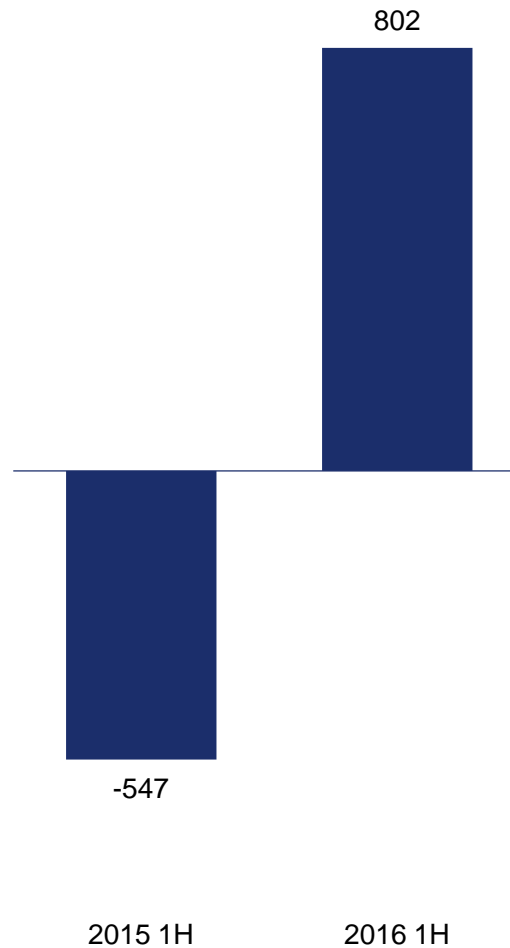
## Cash Flow from Operating Activities

(RMB mn)



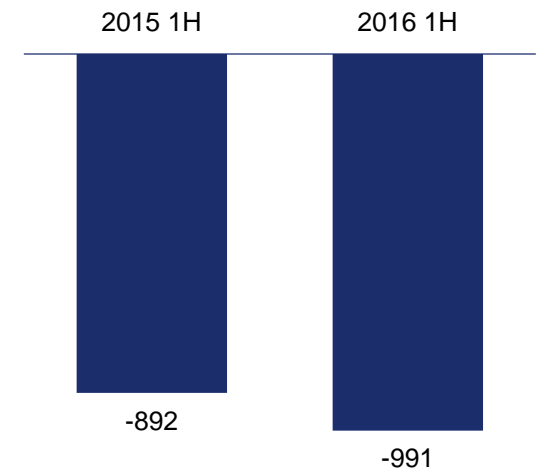
## Cash Flow from Investing Activities

(RMB mn)

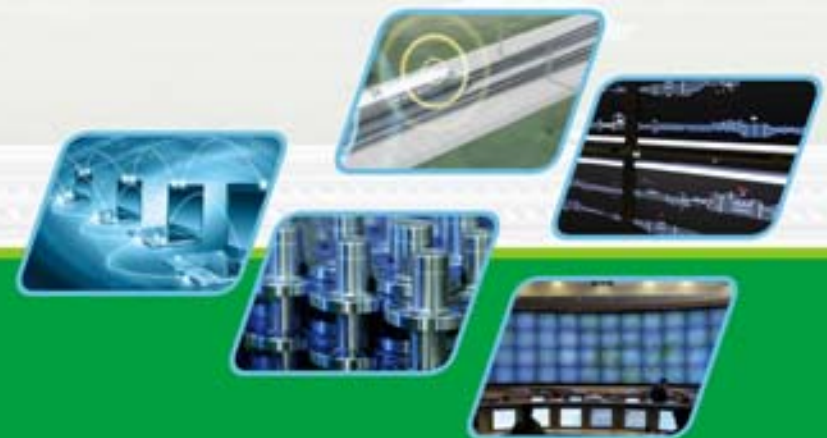


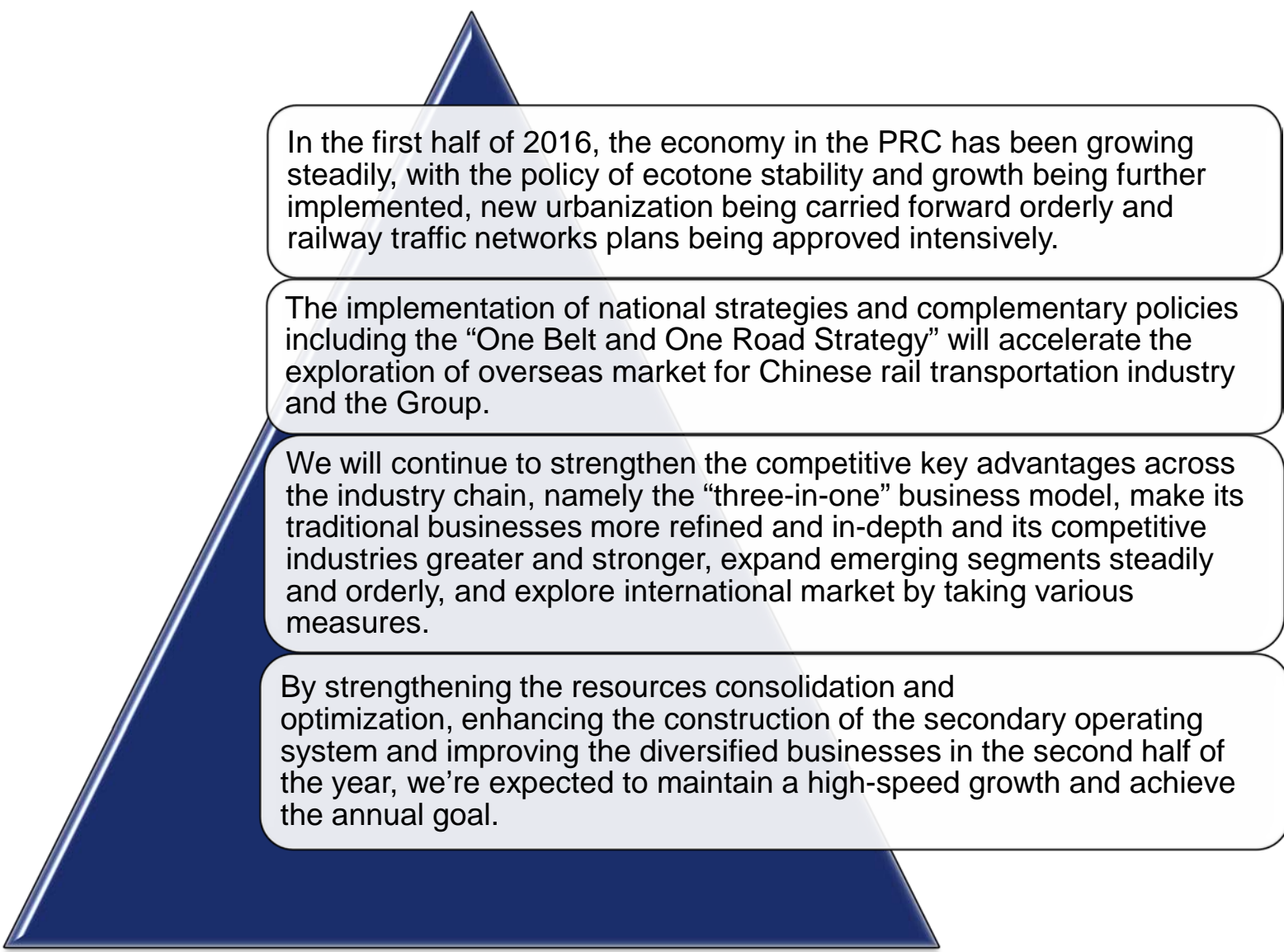
## Cash from Financial Activities

(RMB mn)



# 4. 2H 2016 Outlook





In the first half of 2016, the economy in the PRC has been growing steadily, with the policy of economic stability and growth being further implemented, new urbanization being carried forward orderly and railway traffic networks plans being approved intensively.

The implementation of national strategies and complementary policies including the “One Belt and One Road Strategy” will accelerate the exploration of overseas market for Chinese rail transportation industry and the Group.

We will continue to strengthen the competitive key advantages across the industry chain, namely the “three-in-one” business model, make its traditional businesses more refined and in-depth and its competitive industries greater and stronger, expand emerging segments steadily and orderly, and explore international market by taking various measures.

By strengthening the resources consolidation and optimization, enhancing the construction of the secondary operating system and improving the diversified businesses in the second half of the year, we're expected to maintain a high-speed growth and achieve the annual goal.

# Thank you

