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**中国通号**

**中國鐵路通信信號股份有限公司**

**China Railway Signal & Communication Corporation Limited\***

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

**(Stock Code: 3969)**

## **ANNOUNCEMENT ON UPDATES OF 2019 PRELIMINARY ANNUAL RESULTS**

This announcement is made by China Railway Signal & Communication Corporation Limited\* (the “**Company**”) pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The major financial data for the year 2019 contained in this announcement is preliminary accounting data and has not been audited by the accounting firm. The regular report of the Company for the year 2019 shall be referred to for detailed data. Investors are reminded of the investment risks.

\* *For identification purpose only*

## I. MAJOR FINANCIAL DATA AND INDICATORS FOR THE YEAR 2019

*Unit: RMB ten thousand*

Item	Reporting period	Corresponding		Increase/ decrease (%)
		Reporting period	period of last year	
Total revenue	4,164,628.68	4,001,260.13		4.08
Operating profit	497,941.02	453,283.32		9.85
Total Profit	502,747.45	451,967.00		11.24
Net profits attributable to owners of the parent company	381,587.49	340,854.55		11.95
Net profits attributable to owners of the parent company deducting non-recurring profit and loss	350,128.23	329,519.07		6.25
Basic earnings per share (RMB)	0.38	0.38		–
Weighted average return on net assets	12.77%	13.58%		Decreased by 0.81 percentage point
	<b>As at the end of the reporting period</b>	<b>As at the beginning of the reporting period</b>		<b>Increase/ decrease (%)</b>
Total assets	9,751,259.13	7,967,853.76		22.38
Equity attributable to owners of the parent company	4,111,960.74	2,890,839.67		42.24
Share capital (in ten thousand shares)	1,058,981.90	878,981.90		20.48
Net asset per share attributable to owners of the parent company (RMB)	3.88	3.29		17.93

Notes: 1. The data as at the beginning of the reporting period is the same as the data statutorily disclosed as at the end of last year.

2. The above data is based on the data of the consolidated statements of the Company but has not been audited. The 2019 annual report of the Company shall be referred to for finalized results.

## II. EXPLANATION OF OPERATING RESULTS AND FINANCIAL STATUS

- (I) The operating conditions, financial positions and the major factors which affect operating results during the reporting period

During the reporting period, the Company focused on its main business, strengthened the efforts to expand its footprints in the rail transportation market, adhered to the scitech-innovation-driven strategy, optimized the business structure and continued to reduce cost and improve efficiency. The key economic indicators continued to maintain steady growth. The revenue amounted to RMB41.646 billion, representing an increase of 4.08% as compared to the corresponding period of last year; total profit amounted to RMB5.027 billion, representing an increase of 11.24% as compared to the corresponding period of last year; net profits attributable to owners of the parent company amounted to RMB3.816 billion, representing an increase of 11.95% as compared to the corresponding period of last year; basic earnings per share was RMB0.38, remaining basically the same as the corresponding period of last year, mainly due to the increase in the share capital of the Company as compared to the corresponding period of last year. As at the end of the reporting period, total assets amounted to RMB97.513 billion, representing an increase of 22.38% as compared to the beginning of the reporting period; equity attributable to owners of the parent company amounted to RMB41.120 billion, representing an increase of 42.24% as compared to the beginning of the reporting period.

- (II) The main reason for the increase/decrease of 30% or more of the relevant items in the above table

The equity attributable to owners of the parent company increased by 42.24% as compared to the beginning of the reporting period, mainly due to the increase in net profit and the increase in equity funds from the public issuance of new shares.

## III. WARNING OF RISKS

The major financial data for the year 2019 contained in this announcement is preliminary accounting data, which may differ from the data to be disclosed in the 2019 annual report of the Company. The 2019 annual report of the Company shall be referred to for detailed data. Investors are reminded of the investment risks.

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

Beijing, the PRC  
28 February 2020

*As of the date of this announcement, the executive directors of the Company are Mr. ZHOU Zhiliang, Mr. XU Zongxiang and Mr. YANG Yongsheng, and the independent non-executive directors of the Company are Mr. WANG Jiajie, Mr. CHEN Jin'en, Mr. CHAN Ka Keung Peter and Mr. YAO Guiqing.*

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