

A super-large multi-disciplinary group corporation and a central enterprise under the patronage of SASAC (State-Owned Assets Supervision and Administration Commission) of the State Council, China Railway Engineering Group Co.Ltd (CREC) runs a spectrum of businesses covering surveying and designing, construction and installation, manufacturing, R&D, technical consulting, capital management as well as international economic and trade activities. It's headquarter is in Beijing.

Currently China Railway Engineering Group Co. Ltd. consists of 31 member enterprises including: 14 super-large construction enterprises, namely, China National Overseas Engineering Corporation, China Railway First Group Corporation, China Railway Erju Group Corporation, The Third Engineering Group Co. Ltd, China Tiesiju Civil Engineering Group Co. Ltd, China Railway Wuju Group Corporation, China Railway Sixth Group Co. Ltd, China Railway Seventh Group Co. Ltd, China Railway Eighth Civil Engineering Group Corporation, China Railway No. 9 Group Co. Ltd, China Railway No. 10 Group Corporation, China Zhongtie Major Bridge Engineering Group Co. Ltd, China Railway Tunnel Group, China Railway Electrification Bureau Co. Ltd, China Railway Construction Engineering Group; 3 large or super large surveying and designing enterprises including the Second Survey and Design Institute of China Railway, China Railway Engineering Consultants Group, China Major Bridge Survey and Design Institute; 3 large R&D enterprises namely the Northwest Research Institute, the Southwest Research Institute of CREC, and the Engineering Machinery Research and Design Institute; 4 large manufacturing enterprises, i.e. China Railway Shanhaiguan Bridge Group Co. Ltd, China Railway Turnout Bridge Inc., China Railway Bus. Co. Ltd., Wuhan Engineering Machinery Works of CREC; and Hengping Trust and Investment Co. Ltd. In addition there are 4 organizations directly run by the Headquarters and 17 filial companies and project companies. CREC's construction teams are found in over 1,000 towns and cities throughout China except the province of Taiwan.

With a total of 284,00 employees at the moment, China Railway Engineering Group Co. Ltd. has 106,378 technical professionals of various specialties, among whom there are 3 members of the Chinese Academy of Engineering, 7 State-class masters in surveys and designs, 7 State-level young and middle-aged research and managerial experts with outstanding achievements, 62 Provincial and Ministry-level young and middle-aged technical experts with outstanding achievements, 456 professor senior engineers and 9,934 senior technical personnel. With the value of its total assets standing at RMB 101.4 billion Yuan, CREC's construction machinery and equipment are worth RMB 10.61 billion Yuan in terms of their original value or RMB 5.91 billion Yuan in terms of their net value, with the aggregate power of the 43,094 units of major construction machinery being 2330 mw.

Holder of qualifications awarded by the Ministry of Construction as a Super Class (AAA) General Contractor for Railway Engineering and Construction, a Class A General Contractor for Highway Engineering and Construction, a Class A General Contractor for Municipal Engineering and Construction as well as a Class A Specialized Contractor for bridges, tunnels and highway roadbed works. China Railway Engineering Group Co. Ltd. is licensed to conduct international economic cooperation and foreign trade activities. In the year 2000 CREC passed the ISO9001 quality accreditation and was granted the UKAS British Royal Certificate at the same time. In

# CREC

## Introduction



2002 the Beijing Municipal Government listed CREC as a high-tech enterprise. In 2003, CREC passed the accreditations for Occupational Health and Safety Management System (GB/T28001: 2001) and environmental management system (ISO14001: 1996). CREC passed Hong Kong Quality Assurance Agency's accreditation of general management system concerning quality, environment and safety (ISO9001:2000 / ISO14001:1996 / OHSAS18001: 1999) in 2004, and was granted an internationally recognized certificate.

China Railway Engineering Group Co. Ltd. has its origin in the two former General Infrastructure Bureaus of the Ministry of Railways, namely those for Engineering and for Designs respectively, both being established in March 1950. After several rounds of restructuring, the two General Bureaus became the Railway Ministry's General Bureau for Capital Construction, mainly in charge of guiding, organizing, commanding, coordinating and managing the capital construction in the country's railway sector. Authorized by the State Council, the Ministry of Railways dismissed the General Bureau for Capital Construction on 1 July 1989 and established China Railway Engineering Corporation (CREC). CREC was officially separated from the Ministry of Railways on 28 Sept. 2000 and was placed in its entirety under the management by the Central Government. Following the establishment of the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council in May 2003, CREC was placed under the patronage of SASAC. On 10 November 2006, CREC became one of the first pilot companies under SASAC to try out the directorate system in 100% state owned companies.

Ever since its establishment, China Railway Engineering Group Co. Ltd. unswervingly followed a policy emphasizing trustworthiness and technology for corporate growth, thus bringing its integration of advantages in designs, construction, R&D and manufacturing to full play, and creating everlasting wonders in China's national economy. Over the past more than 50 years, CREC has successively taken part in the construction of more than 100 railway lines, including Chengdu-Chongqing Line, Tianshui-Lanzhou Line, Baoji-Chengdu Line, Chengdu-Kunming Line, Sichuan-Guizhou Line, Datong-Qinhuangdao Line, Hengyang-Guangzhou Line, Baoji-Zhongwei Line, Lanzhou-Urumchi Line, Beijing-Kowloon Line, Nanning-Kunming Line, Xi'an-Ankang Line, Neijiang-Kunming Line, Shuozhou-Huanghuagang Line, Qinhuangdao-Shenyang Line, Qinghai-Tibet Line Beijing-Tianjin Intercity Express Railway, Shi Jianzhuang-Taiyuan Passenger Dedicated Line (PDL), Wuhan-Guangzhou PDL, Zhengzhou-Xi'an PDL etc. and has completed the design and construction of thousands of key state projects including airports, wharfs, water and electricity facilities, power plants, communication and signaling projects. The earth and stone works completed by CREC totals to 379,660 m<sup>3</sup> and tunnels 3,021 kilo meters, bridges 3,445 kilo meters, railway trunk lines 48,790 kilo meters, station lines 8,175 km, buildings 5.59 million m<sup>2</sup>, electrified railways 24,711 kilo meters, highways 7403 kilometers, urban rail system 566 km. The projects like Qinhuangdao-Shenyang Line, Qinghai-Tibet Line, Shanghai Magnetize Rail system, Shanghai F1 racing yard, East Sea Major Bridge, Hangzhou Bay Major Bridge, Shenzhen Citizen Center etc stand at international advanced level. Since reform and opening-up, CREC has taken active part in international competition and has developed engineering contracting, labor service, import and export, China-financed economic and technical cooperation and industrial development activities in over 60 countries and regions in North America, East Europe, West Africa, Southeast Africa, South Pacific and Southeast Asia, establishing extensive cooperative relations and business contacts.

To date, China Railway Engineering Group Co. Ltd. has won a total of 63 China Luban Prizes for Achievements in Construction Projects, 63 National Quality Project Awards, 23 China Civil Engineering Awards (the Zhan Tianyou Grand Prize), 342 Ministry of Railways (Locomotive) Quality Project Awards, more than 100 Quality Project awards at the Provincial Level, 72 Surveys and Designs awards for National Projects of Excellence, 542 awards for surveys and designs of excellence at the Provincial Level, 58 National Sci-Tech Progress and Invention Awards (4 Distinction Prizes, 8 First Prizes) and 437 Provincial or Ministry-level Sci-Tech Progress and Invention Awards. CREC owns 123 patent rights still in force, compiled 60 National-Level Engineering Methods and 291 Provincial or Ministry-level Engineering Methods.

In 2001 CREC was awarded the title of "National Construction Enterprise of Excellence". CREC became one of the World's Top 500 Construction Enterprises in 2002. From 2003 to 2005, CREC has run top in the country's construction industry in terms of its turnover. In 2006, China Railway Engineering Group Co. Ltd was listed as "Fortune Global 500" companies ranking 441<sup>st</sup> place, and 476<sup>th</sup> place among the "World's 500 Most Influential Brands", while in the ENR Ranking, CREC became the fourth largest Global Construction Firm and the first in Asia, meanwhile, CREC ranked 67th among the Top 225 International Contractors and No. 1 among China's Top 60 construction contractors and engineering design enterprises. CREC ranked No.16 among "China's Top 500 Enterprises" in terms of its general rating. The brand "CREC", valued at RMB 51.87 billion Yuan, ranked No.7 among China's 500 most valuable brand names. CREC is listed as the 10th largest Chinese Enterprises Groups published by State Statistics Bureau.

Starting from 1997, CREC made nine major strides in its development in nine consecutive years with the turnover and the value of new contracts incrementing by nearly RMB 10 billion Yuan annually, reaching RMB126.4 billion Yuan and RMB 205.5 billion Yuan respectively in 2005, and was ranking the 9th place in the term of the turnover. As the leading enterprise in Construction Industry, CREC sets for itself the goal of "Devoting to the Nation and Society by building the harmonious enterprise" and becomes the backbone enterprise through the development by leaps and bounds recent years and is playing a roll of vital importance in the national economy.

Being one of China's major state-owned backbone enterprises, CREC has gained much support and care from the leaders of the CPC and the Central Government. The leaders e.g. HE Mr. Hu Jintao, HE Mr. Wu Bangguo, HE Mr. Wen Jiabao, HE Mr. Wu Yi, HE Mr. Jia Qinglin and HE Mr. Zeng Qinghong, among others, have paid over 30 inspection tours to the construction sites of important projects undertaken by CREC, greatly uplifting the morale of CREC's employees.

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