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**華潤水泥控股有限公司**  
**China Resources Cement Holdings Limited**

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1313)

**UNAUDITED FINANCIAL INFORMATION**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

	For the nine months ended 30 September		Increase
	2014 (unaudited)	2013 (unaudited)	
Turnover (HK\$ million)	23,387.8	19,872.8	17.7%
Profit attributable to owners of the Company (HK\$ million)	3,256.2	2,142.5	52.0%
Basic earnings per share	HK\$0.498	HK\$0.329	
	As at 30/9/2014 (unaudited)	As at 31/12/2013 (audited)	Increase (Decrease)
Total assets (HK\$ million)	56,370.8	54,179.7	4.0%
Equity attributable to owners of the Company (HK\$ million)	27,085.6	24,820.9	9.1%
Net borrowings (HK\$ million) (note 1)	17,204.7	17,618.1	(2.3)%
Net gearing ratio (note 2)	63.5%	71.0%	
Net assets per share – book (note 3)	HK\$4.15	HK\$3.80	
<i>notes:</i>			
1.	Net borrowings equal to total indebtedness less cash and bank balances and pledged bank deposits.		
2.	Net gearing ratio is calculated by dividing net borrowings by equity attributable to owners of the Company.		
3.	Net assets per share – book is calculated by dividing equity attributable to owners of the Company by the number of issued shares at the end of the relevant reporting period.		

The board (the “Board”) of directors (the “Directors”) of China Resources Cement Holdings Limited (the “Company”) announces the unaudited consolidated financial information of the Company and its subsidiaries (the “Group”) for the nine months ended 30 September 2014 (the “Period”) as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	<i>Note</i>	For the three months ended 30 September		For the nine months ended 30 September	
		2014 <i>HK\$'000</i> (unaudited)	2013 <i>HK\$'000</i> (unaudited)	2014 <i>HK\$'000</i> (unaudited)	2013 <i>HK\$'000</i> (unaudited)
Turnover		<b>8,226,815</b>	7,014,597	<b>23,387,837</b>	19,872,753
Cost of sales		<b>(5,785,665)</b>	(5,097,193)	<b>(16,115,437)</b>	(14,989,073)
Gross profit		<b>2,441,150</b>	1,917,404	<b>7,272,400</b>	4,883,680
Other income		<b>116,397</b>	64,442	<b>285,410</b>	198,004
Selling and distribution expenses		<b>(487,381)</b>	(396,143)	<b>(1,326,915)</b>	(1,099,267)
General and administrative expenses		<b>(493,028)</b>	(455,709)	<b>(1,375,668)</b>	(1,309,055)
Exchange gain (loss)		<b>21,616</b>	62,172	<b>(123,959)</b>	285,947
Finance costs		<b>(172,714)</b>	(171,940)	<b>(522,242)</b>	(546,423)
Share of results of associates		<b>86,394</b>	121,008	<b>45,488</b>	123,264
Share of results of joint ventures		<b>22,746</b>	30,843	<b>68,807</b>	34,173
Profit before taxation		<b>1,535,180</b>	1,172,077	<b>4,323,321</b>	2,570,323
Taxation		<b>(339,012)</b>	(171,519)	<b>(1,092,737)</b>	(419,535)
Profit for the period		<b><u>1,196,168</u></b>	<u>1,000,558</u>	<b><u>3,230,584</u></b>	<u>2,150,788</u>
Attributable to:					
Owners of the Company		<b>1,200,204</b>	996,844	<b>3,256,171</b>	2,142,483
Non-controlling interests		<b>(4,036)</b>	3,714	<b>(25,587)</b>	8,305
		<b><u>1,196,168</u></b>	<u>1,000,558</u>	<b><u>3,230,584</u></b>	<u>2,150,788</u>
Basic earnings per share	2	<b><u>HK\$0.184</u></b>	HK\$0.153	<b><u>HK\$0.498</u></b>	HK\$0.329

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at <b>30/9/2014</b> <i>HK\$'000</i> <b>(unaudited)</b>	As at 31/12/2013 <i>HK\$'000</i> <b>(audited)</b>
<b>Non-current assets</b>		
Fixed assets	<b>33,115,089</b>	32,526,564
Prepaid lease payments	<b>2,776,793</b>	2,752,320
Investment property	<b>77,000</b>	77,000
Intangible assets	<b>2,275,390</b>	2,200,216
Interests in associates	<b>3,256,285</b>	2,392,943
Interests in joint ventures	<b>1,836,304</b>	1,727,042
Deposits for acquisition of fixed assets	<b>1,579,448</b>	1,632,062
Deferred tax assets	<b>217,059</b>	152,878
Long term receivables	<b>624,782</b>	620,686
	<u><b>45,758,150</b></u>	<u>44,081,711</u>
<b>Current assets</b>		
Inventories	<b>2,079,489</b>	2,131,961
Trade receivables	<b>3,874,013</b>	3,191,885
Other receivables	<b>1,540,168</b>	1,555,543
Amounts due from joint ventures	<b>398,334</b>	388,593
Taxation recoverable	<b>16,757</b>	5,024
Pledged bank deposits	<b>3,149</b>	3,171
Cash and bank balances	<b>2,700,778</b>	2,821,782
	<u><b>10,612,688</b></u>	<u>10,097,959</u>
<b>Current liabilities</b>		
Trade payables	<b>3,114,443</b>	3,246,173
Other payables	<b>4,636,417</b>	4,365,452
Taxation payable	<b>770,091</b>	560,041
Amount due to immediate holding company	<b>54,956</b>	54,956
Bank loans – amount due within one year	<b>4,362,366</b>	6,171,482
	<u><b>12,938,273</b></u>	<u>14,398,104</u>
Net current liabilities	<u><b>(2,325,585)</b></u>	<u>(4,300,145)</u>
Total assets less current liabilities	<u><b>43,432,565</b></u>	<u>39,781,566</u>

	As at 30/9/2014 <i>HK\$'000</i> (unaudited)	As at 31/12/2013 <i>HK\$'000</i> (audited)
<b>Non-current liabilities</b>		
Bank loans – amount due after one year	12,440,728	11,169,690
Unsecured bonds	3,105,520	3,101,840
Other long term payables	28,612	28,535
Deferred tax liabilities	119,909	119,750
	<u>15,694,769</u>	<u>14,419,815</u>
	<u>27,737,796</u>	<u>25,361,751</u>
<b>Capital and reserves</b>		
Share capital	653,294	653,294
Reserves	26,432,299	24,167,560
	<u>27,085,593</u>	<u>24,820,854</u>
Equity attributable to owners of the Company	27,085,593	24,820,854
Non-controlling interests	652,203	540,897
	<u>27,737,796</u>	<u>25,361,751</u>
Total equity	<u>27,737,796</u>	<u>25,361,751</u>

Notes:

## 1. BASIS OF PREPARATION

The accounting policies used in the preparation of the unaudited financial information for the Period are consistent with those used in the audited financial statements for the year ended 31 December 2013 except for the adoption of certain new and revised standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning 1 January 2014. The adoption of these new and revised standards, amendments and interpretations has had no material effects on the results and financial positions of the Group for the current and prior accounting periods. Accordingly, no prior period adjustments are required.

The Group has not early applied the new and revised standards and amendments that have been issued by HKICPA but are not yet effective. The directors of the Company anticipate that the application of these standards and amendments will have no material impact on the Group’s results of operations and financial positions.

## 2. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	<b>For the nine months ended 30 September</b>	
	<b>2014</b>	2013
	<b><i>HK\$'000</i></b> <b>(unaudited)</b>	<i>HK\$'000</i> (unaudited)
<b>Earnings</b>		
Earnings attributable to owners of the Company for the purpose of basic earnings per share	<u><u>3,256,171</u></u>	<u><u>2,142,483</u></u>
	<b>For the nine months ended 30 September</b>	
	<b>2014</b>	2013
	<b>(unaudited)</b>	(unaudited)
<b>Number of shares</b>		
Number of shares for the purpose of basic earnings per share	<u><u>6,532,937,817</u></u>	<u><u>6,519,255,462</u></u>

No diluted earnings per share is presented as the Company did not have any potential shares outstanding.

## 3. REVIEW OF FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

The financial information for the Period has been reviewed by the Audit Committee of the Company.

## INTERIM DIVIDEND

An interim dividend of HK\$0.07 per share for the six months ended 30 June 2014 (HK\$0.035 per share for the six months ended 30 June 2013) was declared by the Board and paid to shareholders on 26 September 2014. The Board does not recommend the payment of any dividend for the three months ended 30 September 2014 (Three months ended 30 September 2013: Nil).

## OPERATIONAL PERFORMANCE REVIEW

### Turnover

The consolidated turnover for the Period amounted to HK\$23,387.8 million, representing an increase of 17.7% over HK\$19,872.8 million for the corresponding period last year. An analysis of segmental turnover by product is set out as follows:

	For the nine months ended 30 September					
	2014			2013		
	Sales volume '000 tons/m <sup>3</sup>	Average selling price HK\$	Turnover HK\$'000	Sales volume '000 tons/m <sup>3</sup>	Average selling price HK\$	Turnover HK\$'000
Cement	50,220	340.4	17,092,604	47,377	302.2	14,316,350
Clinker	5,062	273.5	1,384,698	6,630	239.4	1,587,220
Concrete	11,650	421.5	4,910,535	10,558	375.9	3,969,183
Total			<u>23,387,837</u>			<u>19,872,753</u>

Cement sales by geographical area are set out as follows:

Province	For the nine months ended 30 September					
	2014			2013		
	Sales volume '000 tons	Average selling price HK\$	Turnover HK\$'000	Sales volume '000 tons	Average selling price HK\$	Turnover HK\$'000
Guangdong	20,753	373.8	7,757,925	16,666	320.0	5,333,060
Guangxi	13,847	316.5	4,383,161	16,370	288.9	4,729,610
Fujian	6,322	320.2	2,024,423	6,518	288.2	1,878,813
Hainan	3,624	414.4	1,501,920	2,747	311.9	856,792
Shanxi	3,003	213.2	640,187	2,842	269.7	766,375
Yunnan	2,493	296.0	738,049	2,234	336.5	751,700
Guizhou	178	263.7	46,939	–	–	–
Total	<u>50,220</u>	<u>340.4</u>	<u>17,092,604</u>	<u>47,377</u>	<u>302.2</u>	<u>14,316,350</u>

## **Gross profit and gross margin**

The consolidated gross profit for the Period was HK\$7,272.4 million, representing an increase of 48.9% from HK\$4,883.7 million for the corresponding period last year and the consolidated gross margin for the Period was 31.1%, representing an increase of 6.5 percentage points from 24.6% for the corresponding period last year. The increases in consolidated gross profit and gross margin for the Period were mainly attributable to improved selling prices as compared with those of the corresponding period last year. The gross margins of cement, clinker and concrete for the Period were 34.6%, 13.9% and 23.9%, as compared with 25.8%, 13.1% and 24.8% respectively for the corresponding period last year.

## **Exchange loss/gain**

An exchange loss of HK\$124.0 million was generated from net borrowings denominated in other currencies for the Period due to the depreciation of Renminbi against other currencies during the Period. For the corresponding period in 2013, an exchange gain of HK\$285.9 million was recorded.

## **Net margin**

Net margin of the Group for the Period was 13.8%, which was 3.0 percentage points higher than that of 10.8% for the corresponding period last year. After full allocation of other income and corporate expenses but excluding the share of results of associates and joint ventures, net profit per ton of cement products and per m<sup>3</sup> of concrete for the Period were about HK\$49.2 (HK\$32.3 for the corresponding period in 2013) and HK\$23.1 (HK\$16.7 for the corresponding period in 2013) respectively.

By order of the Board  
**China Resources Cement Holdings Limited**  
**ZHOU Longshan**  
*Chairman*

Hong Kong, 24 October 2014

*As at the date of this announcement, the executive Directors are Mr. ZHOU Longshan, Mr. PAN Yonghong and Mr. LAU Chung Kwok Robert; the non-executive Directors are Mr. DU Wenmin, Mr. WEI Bin, Mr. CHEN Ying and Mr. WANG Yan; and the independent non-executive Directors are Mr. IP Shu Kwan Stephen, Mr. SHEK Lai Him Abraham, Mr. XU Yongmo, Madam ZENG Xuemin and Mr. LAM Chi Yuen Nelson.*