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ASIA CEMENT (CHINA) POSTED RMB1,328,200,000 REVENUE FOR 2013 FIRST QUARTER

Asia Cement (China) Holdings Corporation (“Asia Cement (China)” or the “Company”, stock code: 00743) together with its subsidiaries (the “Group”) reported unaudited consolidated revenue of RMB 1,328,200,000 (2012 same period: RMB1,295,100,000) for the three months ended 31 March 2013 (the “Period”), representing a year-on-year increase of 3%, and unaudited profit attributable to owners of the Company of RMB8,500,000 (2012 same period: RMB60,000,000) for the Period. The adjustment in the Group’s earnings performance was mainly attributable to a significant year-on-year decline in the selling price of cement as a result of intensified market competition during the Period.

The board of directors of the Company does not recommend the payment of a quarterly dividend for the three months ended 31 March 2013 (2012 same period: nil).

Despite a faster growth rate in domestic cement demand in the Period compared to the same period last year, over 17 million tonnes of new clinker production capacity unleashed in 2012 in mid and downstream regions of Yangtze River where the Company’s main operations were situated, had aggravated the problem of excessive capacity. This together with the impact of continuous rain and cold weather in January and February in 2013, as well as the arrival of the Chinese New Year festival had resulted in a sharp rise in inventory level within a short period of time. In order to reduce their inventory pressure, market players made massive cuts to their prices several times, causing the price at the end of both February and March to plunge to its lowest in the past five years in the mid and downstream regions of Yangtze River where the Company operated.

During the Period, the Group sold 5.0 million tonnes of cement, representing a 28% year-on-year increase. The Group’s gross profit during the Period decreased by 37% to RMB145,500,000, and the gross profit margin was 11%, down by 7 percentage points from that of the same period last year.

Looking forward, the Group cautiously estimates that the cement demand in 2013 will increase by 6-8% year-on-year and the cement market will gradually recover and improve. Mr Hsu Shu-tong, Chairman of Asia Cement (China), pointed out: “With the new government of the PRC elected by the Lianghui (Two Meetings, being the

National People's Congress and Chinese People's Political Consultative Conference), and the GDP growth target determined at 7.5%, the new government will definitely introduce various effective policies to achieve the target growth rate in macro economy. Construction of numerous infrastructure projects approved in the fourth quarter of 2012 will fully commence in the second quarter of this year. Moreover, No.1 Central Document continues to focus on the "three rural issues", and states that urbanization will be an inevitable trend for modernization, which will stimulate massive cement consumption. In addition, the Ministry of Industry and Information Technology and National Development and Reform Commission of the PRC have issued guiding opinions on encouraging corporate mergers and acquisitions, and will continue to eliminate obsolete production capacities. The significant slowdown in the growth rate of production capacity, especially in the mid and downstream regions of the Yangtze River where the Company operated, and increasingly stricter environmental standards for the cement sector will facilitate a healthy and sustainable development of the industry."

In order to capture the market opportunities, the Group is currently speeding up the construction of Jiangxi Yadong No. 5 and No. 6 new dry process rotary kilns (each has a daily clinker production capacity of 6,000 tonnes, which are expected to be completed and commence operation in September and December 2013 respectively).

Mr Hsu added: "The Group hopes to get approval from the relevant authorities, and forges more strategic alliances or steps up merger and acquisition activities, so as to achieve the target annual production capacity of 50,000,000 tonnes as early as possible. Meanwhile, the Group will actively explore new markets, improve its overall market planning, and strengthen market dominance. With its leading market position and proven track records, the management team and I are confident in achieving a positive operating result for the upcoming quarters."

About Asia Cement (China) Holdings Corporation

Asia Cement (China) Holdings Corporation is one of the leading integrated cement producers in the Central Yangtze River region (which includes the provinces of Jiangxi and Hubei) and a major integrated cement producer in Sichuan Province. The Group's vertical integration spans from the excavation of principal raw materials, to production, sale and distribution of clinker and different types of cement and RMC products through a well-established road and riverway transportation network to its principal markets. The Company's shares became listed on the main board of the Stock Exchange of Hong Kong Limited on 20 May 2008.

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