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ASIA CEMENT (CHINA)'S NET PROFIT SURGED BY 166% YOY TO RMB391 MILLION FOR 2013 FIRST THREE QUARTERS

Asia Cement (China) Holdings Corporation (“Asia Cement (China)” or the “Company”, stock code: 00743) together with its subsidiaries (the “Group”) reported unaudited consolidated revenue and profit attributable to owners of the Company of approximately RMB4,917.1 million and approximately RMB390.8 million respectively for the nine months ended 30 September 2013 (the “Period”), representing year-on-year increases of approximately 4% and approximately 166% respectively. The leap in the Group’s earnings performance was mainly attributable to an increase in sales volume of cement products and a decrease in cost of coal during the Period.

The board of directors of the Company does not recommend the payment of a dividend for the nine months ended 30 September 2013 (2012 same period: nil).

Benefiting from acceleration of fixed asset investments and recovery in real estate investments, cement demand in the mainland had maintained a 10% growth rate. On the other hand, cement supply reduced due to power usage restrictions on some high energy consumption enterprises in several provinces, while results of the government’s continued effort to curb new capacity and eliminate obsolete production capacity were gradually felt. All these had led to significant improvement in the supply-demand relationship of the cement industry.

During the Period, the sales volume of the Group’s cement products reached 18.8 million tonnes, representing a growth of 6% over the same period last year. With a decrease in cost of coal during the Period, the Group’s gross profit increased by 29% to RMB901.1 million and the gross profit margin was 18%, up by 3 percentage points from that of the corresponding period of the previous year.

Looking into the fourth quarter of 2013, Mr Hsu Shu-tong, Chairman of Asia Cement (China), said: “As the government puts more emphasis on industry restructuring amid a steady macro-economic growth, we believe the future for cement industry is promising. Increase in various types of infrastructure projects and private construction projects, as well as the typical “rush to complete construction” at the end of the year will cause a significant growth in cement demand as compared with that of the previous three quarters. In the meantime, a more stringent capacity control and

environmental policy of the government will lead to a considerable reduction in the supply of new production capacity. Although market competition remains ferocious, expectations for price increase and profitability are high with the arrival of the fourth quarter.”

Mr Hsu added: “The Company is poised to capture these market opportunities. The capacity of Jiangxi Yadong No. 5 kiln can be fully utilised during the fourth quarter, whereas No. 6 kiln can also start to produce at the end of the quarter, which will further strengthen the Group’s competitiveness and profitability. The sales volume of the Group’s cement products for 2013 may reach 26 million tonnes, representing a 5% year-on-year increase as compared to 24.8 million tonnes in 2012. Should full year operation of the the aforementioned two production lines be taken into account, the Company’s aggregate production and sales volume are expected to exceed 30 million tonnes per year.”

The Group will proactively strive to construct Hubei Yadong No.3 kiln and optimise its marketing network by formulating a plan for Nanxin grinding mill. To ensure stable supply to coastal markets, the Group will construct silos in Taizhou, as well as expand and establish a more complete sales network, in addition to the development of a sea route as a contingency plan. The Group will further expand and strengthen its existing operations and efficiency through identifying appropriate opportunities for acquisition and actively seeking acquisition targets or strategic partners.

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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