



**Asia Cement (China) Holdings Corporation**  
亞洲水泥(中國)控股公司

**Hubei Yadong Plant's New Production Line Commences Operation**

**To Meet Key Infrastructure Projects Demand in Central Yangtze River Region**

(Hong Kong, 10 March 2009) The major integrated cement producer in the Central Yangtze River Region and the Sichuan Region — **Asia Cement (China) Holdings Corporation** (“**Asia Cement (China)**” or the “Group”; Stock Code: 743) announced that No.1 rotary kilns at Hubei Yadong Plant located in China’s Central Yangtze River region commences operation today, while No.2 rotary kilns expansion plan has also started its construction. Hubei Yadong is the largest cement production plant in Wuhan region.

No.1 rotary kilns is equipped with a designed rated capacity of 1,386,000 tonnes of clinker (actual production capacity of clinker: 1,680,000 tonnes) and a total actual production capacity of cement products of 2,000,000 tonnes. With the construction of No. 1 rotary kilns at Huangang Yadong Plant and No. 4 rotary kilns at Jiangxi Yadong Plant, which is scheduled to be completed by the mid of 2010, the rated production capacity of the Group in this region will then increase to 8.3 million tonnes of clinker per annum..The construction of No. 2 rotary kilns at Hubei Yadong Plant is expected to be completed by the end of 2010.

Speaking at the inauguration ceremony, Mr. Hsu Shu-tong, Chairman of Asia Cement (China) said, “The cement industry in the Central Yangtze River Region continues to benefit from the relocation of industries from the Yangtze River Delta and Pearl River Delta and rapid industrialization and urbanization. As a result, the cement consumption in this region has continued to rise while the product price has remained stable. .”

The major markets of the Group in the Central Yangtze River Delta Region are Nanchang, Jiujiang and Wuhan. The PRC government has increased investment in infrastructure projects in an effort to stimulate domestic consumption. Leveraging on its high quality cement products and superior customer services, Asia Cement (China) has been supplying its cement products to various key governmental infrastructure projects in the region. (Details of the projects are listed below)

In light of the rapid growth in China’s cement market, Asia Cement (China) achieves unique competitive advantages over its peers with its high operation efficiency. In 2008, the total actual production volume of No.1, No.2 and No.3 rotary kilns at Jiangxi Yadong Plant, and No.1 rotary kilns at Sichuan Yadong Plant exceeded their respective designed rated capacity by 21.43%, 19.48%, 25.61% and 21.36% respectively. (Details are listed in below) Meanwhile, the no. 3 rotary kiln of the Jiangxi Yadong Plant which was commenced operation in 2007 produced 1,740,000 tonnes of clinkers in 2008. With its production facilities located in various regions, the Group plans to expand the total designed rated capacity of clinker to 13,860,000 tonnes by 2010 in an effort to strengthen its market position in the Central Yangtze River Region and Sichuan Region.”



Commenting on the expansion plan, Mr. Chang Tsai-hsiung, Chief Executive Officer of Asia Cement (China) said, "To capture the strong growth of the mainland cement industry, we will strive to expand our production capacity in the next few years. Expansion plan will be launched at Hubei Yadong Plant and Wuhan Yadong Plant. Capitalizing on the PRC government's preferential tax policy, the Group will make good use of the residues such as fly ash during the production process, in order to further lower its production cost and strengthen its market share in the region."

### **Appendices**

As at the end of 2008, Asia Cement (China) has supplied cement products supplying to the following key governmental infrastructure projects in the region:

<b>Project Name</b>	<b>Tonnes of Cement Products Provided by Asia Cement(China)</b>	<b>Update progress of the Projects</b>
Wuhan to Yichang Express Railway	500,000	construction started
Wuhan to Shi Jia Zhuang Express Railway	900,000	construction started
Da Guang South Expressway	200,000	construction started
Wuhan to MaCheng Express Highway	200,000	construction started
Two Seven Yangtze River Bridge	50,000	construction started
<b>Total</b>	<b>1,850,000</b>	

Exceeding rate of the total production volume over the designed rated capacity at Asia Cement (China)'s production facilities are listed below:

<b>Production line</b>	<b>2007</b>	<b>2008</b>
No.1 rotary kilns at Jiangxi Yadong Plant	18.76%	21.43%
No.2 rotary kilns at Jiangxi Yadong Plant	20.35%	19.48%
No.3 rotary kilns at Jiangxi Yadong Plant	Not applicable	25.61%
No.1 rotary kilns at Sichuan Yadong Plant	20.49%	21.36%

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### **About Asia Cement (China) Holdings Corporation**

Listed on 20 May 2008, Asia Cement (China) 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 the Sichuan Region (which comprises Sichuan province), both in terms of production volume. The Group's integrated operations range from the excavation of principal raw materials, to the 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 Group's cement and RMC products are sold in Shanghai and the provinces of Jiangxi, Hubei, Sichuan, Zhejiang, Anhui and Fujian. The Group's NDP (new dry process) cement products are sold under the brand name “洋房” (skyscraper), which is recognized as a premium-quality cement product with high environmental protection and energy saving levels. The Group's existing principal production facilities are located in the provinces of Jiangxi, Sichuan and Hubei while the RMC mixing facilities are situated in Shanghai and the provinces of Sichuan, Hubei, Jiangsu and Jiangxi, enabling the Group to produce and supply its products in close proximity to its customers.

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