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ASIA CEMENT (CHINA) POSTED RMB4,732 MILLION REVENUE FOR FIRST THREE QUARTERS

Asia Cement (China) Holdings Corporation (“Asia Cement (China)” or the “Company”, stock code: 00743) together with its subsidiaries (the “Group”) reported an unaudited consolidated revenue of RMB4,732,100,000 for the nine months ended 30 September 2012 (the “Period”) (2011 corresponding period: RMB5,902,300,000) and unaudited consolidated profit attributable to owners of the Company for the Period of RMB147,000,000 (2011 corresponding period: RMB967,700,000).

The directors of the Company do not recommend payment of a dividend for the nine months ended 30 September 2012 (2011 corresponding period: Nil).

Depression that gripped China’s cement industry in the first two quarters continued in the third quarter of 2012. With an additional clinker production capacity of 64 million tonnes added to the market between January and August and demand weakened by factors such as high temperature in July and August as well as traditional agricultural peak season, the problem of oversupply had intensified. In an attempt to clear inventory, competition in the industry became ferocious. As a result, cement prices kept falling. Although a number of regional cement associations attempted to adjust market supply through suspending kiln operations in different phases, the problem of oversupply could not be solved by short-term production suspension.

The Group’s gross profit for the Period decreased by 58% to RMB696.2million, while the gross profit margin was 15%, down by 13 percentage points from that of the corresponding period of the previous year.

Looking into the fourth quarter of 2012, Mr Hsu Shu-tong, Chairman of the Company, said: “We believe the cement market will gradually bottom out. In respect of supply, the task of eliminating 270 million tonnes of obsolete production capacities in the first three quarters had been effectively executed and the supply of new production capacities had slowed down. In the meantime, continued low prices had either eliminated small and medium enterprises or made it harder for them to survive, leaving more room to be taken up by large enterprises. With respect to demand, the government had introduced various incentive measures to maintain stable economic growth. In September alone, the National Development and Reform Commission approved over a trillion yuan infrastructure investment projects. Construction of railway, highway, airport and hydraulic projects will definitely speed up. In addition, with the continuous development of the rural market, it is expected the overall demand will increase steadily.”

“The Group will speed up the construction of Jiangxi Yadong No. 5 and No. 6 new dry process rotary kilns with daily clinker production capacity of 12,000 tonnes in total. Meanwhile, the Group will step up mergers and acquisitions to realize its planned production capacity target. Also, the Group will remain positive by timely adjusting its sales and marketing strategies in

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response to the market situation. In addition, the Group will take effective measures to control production cost, while adhering to the principle of 100% production-to-sales ratio. All in all, by leveraging the Group's current leading market position and proven track record in aligning its business development strategies with government industry policies, the Group's operating prospects in the fourth quarter will probably resume the momentum of its profitability in the fourth quarter of 2010," Mr Hsu added.

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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