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(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 01893)

Announcement regarding Expected Decrease of the Results of Sinoma International For the Year ended 31 December 2012

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Sinoma International Engineering Co., Ltd ("**Sinoma International**") is a subsidiary of China National Materials Company Limited (the "**Company**") and its A shares are listed and traded on Shanghai Stock Exchange (stock code: 600970). In accordance with the listing rules of Shanghai Stock Exchange, Sinoma International is required to publish its results for the year ended 31 December 2012. Sinoma International proposes to publish an announcement regarding its expected decrease of the results on 31 January 2013 before publishing its results for the year ended 31 December 2012.

The board of directors of the Company would like to draw the attention of its shareholders and the public investors to the following expected decrease of the results of Sinoma International for the year ended 31 December 2012:

Unaudited net profit attributable to the owners of Sinoma International is expected to decrease by approximately 50% as compared to the corresponding period of 2011 (based on the disclosed statistics according to relevant laws).

For the year ended 31 December 2011, net profit attributable to the owners of Sinoma International was RMB1,537,798,114.50 and basic earnings per share was RMB1.69 (calculated based on the share capital of Sinoma International as at the date of 31 December 2011).

The expected decrease of the results of Sinoma International is mainly attributable to: 1) that according to the principle of caution, Sinoma International made relatively large loss provision due to the risk at the repayments, receivables, inventories and notes for the steel trading business of Sinoma Equipment & Engineering Corp., Ltd. (中國中材東方國際貿易有限公司) ("**Sinoma E&E**"), a wholly-owned subsidiary of Sinoma International; and 2) the relative decrease in the results of cement equipment engineering, the main business of Sinoma International, as compared to the corresponding period last year. Detailed financial statistics will be disclosed in Sinoma International's annual report of 2012.

As the basis of the expected loss of the steel trading business of Sinoma E&E was not appraised by intermediaries, therefore there are large uncertainties. The management of Sinoma International temporarily cannot make accurate estimates on the loss of the steel

training business of Sinoma E&E. The above-mentioned expected loss of the results may have difference with the final audited results of Sinoma International.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
**CHINA NATIONAL MATERIALS COMPANY
LIMITED**
Yu Shiliang
Chairman of the Board

Beijing, 30 January 2013

As at the date of this announcement, the executive directors of the Company are Mr. Yu Shiliang and Mr. Li Xinhua, the non-executive directors of the Company are Mr. Liu Zhijiang, Mr. Zhang Hai and Mr. Tang Baoqi, and the independent non-executive directors of the Company are Mr. Leung Chong Shun, Mr. Shi Chungui, Mr. Lu Zhengfei, Mr. Wang Shimin and Mr. Zhou Zude.

Please also refer to the published version of this announcement on the Company's website.