



華潤水泥控股有限公司 China Resources Cement Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Codes: 712 and 2512)

PROFIT WARNING

The board of directors of the Company wishes to inform shareholders of the Company and public investors that the performance of the Company for the six months ended 30 June 2005 is expected to be substantially worse than the comparable period in 2004.

Shareholders and public investors generally are advised to exercise caution when dealing in the securities of the Company.

The board of directors (the “Board”) of China Resources Cement Holdings Limited (the “Company”) wishes to inform shareholders of the Company (the “Shareholders”) and public investors that due to the tight supply and significant increase in price of coal, the production costs of the Company’s clinker and cement have increased significantly. Besides, the impact of the PRC’s austerity policy has recently markedly impaired the growth of capital expenditure, slowed down the growth in demand for and lowered the price of cement products in Southern China. The above factors have placed pressure on the sales volume and gross profit of cement of the Company with the result that the performance of the Company for the six months ended 30 June 2005 is expected to be substantially worse than the comparable period in 2004. For the six months ended 30 June 2004, the Company reported a consolidated profit attributable to shareholders of approximately HK\$45.2 million. Audited consolidated profit attributable to shareholders of the Company for the year ended 31 December 2004 amounted to approximately HK\$88.7 million.

The Company is in the process of preparing its results for the six months ended 30 June 2005 and until this has been completed is not in a position to give a detailed statement as to its financial performance for this period. It is expected that the results announcement for this period, which will also contain further information on the performance of the Company and assessment of its future prospects by the directors of the Company, will be published as soon

as possible, but in any event not later than, by the end of September 2005. In the meantime, Shareholders and public investors generally are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Lee Yip Wah, Peter
Company Secretary

Hong Kong, 28 July 2005

As at the date of this announcement, the Board comprises eleven directors, of which six are executive directors, namely Mr. Qiao Shibo, Mr. Shi Shanbo, Ms. Zhou Junqing, Mr. Zhou Longshan, Ms. Sun Mingquan and Mr. Zheng Yi; two are non-executive directors, namely Mr. Jiang Wei and Mr. Keung Chi Wang, Ralph; and three are independent non-executive directors, namely Mr. Chan Mo Po, Paul, Mr. Lin Zongshou and Mr. Lui Pui Kee, Francis.

Please also refer to the published version of this announcement in The Standard.