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安徽海螺水泥股份有限公司

Anhui Conch Cement Company Limited

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 00914)

2013 FIRST QUARTERLY REPORT

In accordance with the applicable rules of the Shanghai Stock Exchange of the People's Republic of China ("PRC"), the quarterly report ("Quarterly Report") of Anhui Conch Cement Company Limited ("Company") and its subsidiaries (together with the Company referred to as the "Group") for the period between 1 January 2013 and 31 March 2013 (i.e. the first quarter) ("Reporting Period") will be published in newspapers circulating in the PRC on 23 April 2013. The full text of the Quarterly Report is set out below pursuant to Rule 13.09(2) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

§ 1 IMPORTANT NOTICE

- 1.1 The board ("Board") of directors ("Directors"), the supervisory committee, and the Directors, supervisors and members of the senior management of the Company warrant that in respect of the information contained in this Quarterly Report, there are no misrepresentations, misleading statements or material omission, and they individually and collectively accept full responsibility for the truthfulness, accuracy and completeness of the information contained in this Quarterly Report.
- 1.2 The financial report contained in this Quarterly Report has not been audited.
- 1.3 The Company's Chairman, Mr Guo Wensan, the officer-in-charge of the accounting functions, Mr Ji Qinying, and the head of the accounting department, Mr Zhou Bo, declare and warrant that the financial report contained in this Quarterly Report is true and complete.
- 1.4 In this Quarterly Report, unless stated otherwise, the currency unit refers to Renminbi ("RMB"), the lawful currency of the PRC. Unless stated otherwise, all financial information was prepared under the generally accepted accounting principles of the PRC.

§ 2 BASIC CORPORATE INFORMATION

2.1 Major accounting data and financial indicators of the Group

	As at the end of the Reporting Period	As at the end of the previous year	Changes as at the end of the Reporting Period compared with that as at the end of the previous year (%)
Total assets (RMB)	86,797,081,183	87,523,522,857	-0.83
Total equity attributable to equity shareholders of the Company (RMB)	49,611,544,863	48,901,205,393	1.45
Net assets per share attributable to equity shareholders of the Company (RMB)	9.36	9.23	1.45
	From the beginning of this year to the end of the Reporting Period		Changes as compared with that of the corresponding period of the previous year (%)
Net cash flow generated from operating activities (RMB)	2,562,326,450		56.98
Net cash flow generated from operating activities per share (RMB/share)	0.48		56.98
	Reporting Period	From the beginning of this year to the end of the Reporting Period	Changes for the Reporting Period compared with that of the corresponding period of the previous year (%)
Net profit attributable to equity shareholders of the Company (RMB)	972,001,984	972,001,984	-22.18
Basic earnings per share (RMB/share)	0.18	0.18	-22.18
Basic earnings per share after extraordinary items (RMB/share)	0.17	0.17	-14.98
Diluted earnings per share (RMB/share)	0.18	0.18	-22.18
Return on weighted average net assets attributable to equity shareholders of the Company	1.97%	1.97%	Decreased by 0.78 percentage point

Return on weighted average net assets attributable to equity shareholders of the Company after extraordinary items	1.81%	1.81%	Decreased by 0.50 percentage point
Extraordinary items	Amount from the beginning of this year to the end of the Reporting Period (RMB)		
Gain/ (loss) on disposals of non-current assets	1,930,750		
Government subsidy	84,456,683		
Gain/ (loss) on change in fair value of tradable securities	2,640,260		
Other non-operating income and expenses other than the abovementioned items	15,629,849		
Effect of extraordinary items on income tax	-24,662,681		
Effect of extraordinary items on minority interest	-1,484,486		
Total	78,510,375		

2.2 Total number of shareholders of the Company and the shareholdings of the top 10 holders of floating shares of the Company without trading restriction as at the end of the Reporting Period

Total number of shareholders as at the end of the Reporting Period	115,995		
Shareholding of the top 10 holders of floating shares without trading restriction			
Serial number	Name of shareholder (in full)	Number of floating shares without trading restriction held at the end of the Reporting Period	Class
1	Anhui Conch Holdings Co., Ltd.	1,918,329,108	RMB-denominated ordinary shares
2	HKSCC Nominees Limited	1,297,701,381	Overseas listed foreign shares
3	Anhui Conch Venture Investment Company Limited	286,713,246	RMB-denominated ordinary shares
4	MERRILL LYNCH INTERNATIONAL	41,131,575	RMB-denominated ordinary shares
5	Ping An Trust Company Limited – Conch’s Equity Interest	37,800,167	RMB-denominated ordinary shares

6	Anhui Conch Construction Materials Design Institute	28,953,736	RMB-denominated ordinary shares
7	Bosera Value Growth Securities Investment Fund	28,169,688	RMB-denominated ordinary shares
8	Bank of China — Harvest Thematic Hybrid Fund	26,884,309	RMB-denominated ordinary shares
9	UBS AG	24,334,379	RMB-denominated ordinary shares
10	International Capital Corporation — Standard Chartered — GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION PTE LTD	21,936,487	RMB-denominated ordinary shares

§ 3 MAJOR EVENTS

3.1 Significant changes and reasons for such changes in major items of the accounting statements and financial guidance of the Group

1. as at the end of the Reporting Period, the closing balance of bills payable of the Group (comprising the Company and its subsidiaries) decreased by 75% from that at the beginning of the year. This was mainly due to the Group's payment of mature bank acceptance bills during the Reporting Period;

2. as at the end of the Reporting Period, the closing balance of wages payable of the Group decreased by 77.05% from that at the beginning of the year. This was mainly due to the Group's payment of the year-end bonus accrued for the previous year during the Reporting Period;

3. as at the end of the Reporting Period, the closing balance of interest payable of the Group increased by 60.35% from that at the beginning of the year. This was mainly due to the accrual of interest for the Reporting Period, but not yet due to be paid, in respect of the corporate bonds issued by the Group;

4. as at the end of the Reporting Period, the closing balance of the Group's non-current liabilities due within one year increased by 84.67% from that at the beginning of the year. This was mainly due to various long-term borrowings becoming mature during this financial year, whose classifications were changed to non-current liabilities due within one year;

5. during the Reporting Period, the business taxes and surcharges and the selling expenses of the Group increased by 42.32% and 37.96% respectively from those of the same period last year. These were mainly due to a significant year-on-year increase in the Group's

sales volume;

6. during the Reporting Period, the financial expenses of the Group increased by 31.34% from that of the same period last year. This was mainly due to the increases of borrowings and accrual of interest of corporate bonds as compared to the same period last year;

7. during the Reporting Period, the Group's investment income decreased by 152.9% from that of the same period last year. This was mainly due to a year-on-year decrease of profit of the Group's jointly controlled entities and associate companies;

8. during the Reporting Period, the Group's non-operating income decreased by 50.45% from that of the same period last year. This was mainly due to the decrease in government subsidy received by the Group when compared to the same period last year;

9. during the Reporting Period, the Group's other comprehensive income decreased by 6274.82% from that of the same period last year. This was mainly because the percentage change in the fair value of the Group's available-for-sale equity securities during the Reporting Period was smaller than that of the same period last year;

10. during the Reporting Period, the Group's net cash flow generated from operating activities increased by 56.98% from that of the same period last year. This was mainly due to the increase in the Group's sales volume and the decrease in the amount of bank acceptance bills held on hand during the Reporting Period;

11. during the Reporting Period, the Group's net cash outflow for financing activities decreased by 84.41% from that of the same period last year. This was mainly due to the decrease in the amount of bank borrowings repaid during the Reporting Period.

3.2 Progress of significant events and analysis of their effects and solutions

☐ Applicable ☒ Not applicable

3.3 Implementation of undertakings made by the Company, its shareholders and de facto controller

☐ Applicable ☒ Not applicable

3.4 Warning of and explanation for the accumulated net profit from the beginning of the year to the end of the next reporting period forecast to be a probable loss or to be significantly different from that of the corresponding period of the previous year

☐ Applicable ☒ Not applicable

3.5 Implementation of cash dividend policy

During the Reporting Period, the Company did not distribute any cash dividends.

The Board of
Anhui Conch Cement Company Limited
22 April 2013

§ 4 Appendix

4.1 Balance Sheet

Balance Sheet

Prepared by: Anhui Conch Cement Company Limited Unit: RMB Type of audit: Unaudited

Items	As at 31 March 2013 Consolidated	As at 31 December 2012 Consolidated	As at 31 March 2013 The Company	As at 31 December 2012 The Company
Current Assets:				
Monetary capital	9,394,323,734	8,233,705,309	6,223,819,396	5,898,760,891
Tradable securities	99,616,875	108,358,340	95,118,577	106,324,077
Bills receivable	6,428,107,261	8,169,484,733	1,071,446,007	1,430,362,839
Accounts receivable	189,620,375	230,370,381	15,693,172	12,093,415
Advance payments	575,342,102	674,136,879	180,209,651	110,568,968
Interests receivable	2,065,180	1,652,145	2,274,278	527,235,376
Other receivables	652,873,491	654,635,959	17,671,512,716	16,941,454,619
Inventory	4,109,933,522	4,038,537,613	640,483,906	357,462,336
Other current assets	1,040,720,573	1,018,174,940	102,780,180	61,708,633
Total current assets	22,492,603,113	23,129,056,299	26,003,337,883	25,445,971,154
Non-current assets:				
Available-for-sale equity securities	2,949,169,694	3,297,304,805	2,949,169,694	3,297,304,805
Long-term receivables	-	-	5,340,000,000	5,340,000,000
Long-term equity investment	2,121,786,896	2,117,286,471	33,356,612,152	33,122,656,257
Fixed assets	48,740,794,933	49,296,262,230	1,025,586,287	978,980,549
Construction in progress	2,945,670,205	2,394,526,699	70,458,360	66,241,400
Construction materials	1,647,625,420	1,409,057,856	5,094,760	4,969,515
Intangible assets	5,155,829,539	5,110,340,475	322,658,885	301,459,923
Goodwill	212,388,755	212,388,755	-	-
Deferred tax assets	159,354,231	160,440,870	-	-
Other non-current assets	371,858,397	396,858,397	-	-
Total non-current assets	64,304,478,070	64,394,466,558	43,069,580,138	43,111,612,449
Total assets	86,797,081,183	87,523,522,857	69,072,918,021	68,557,583,603

Legal representative: Guo Wensan

Officer-in-charge of the accounting functions: Ji Qinying

Head of the accounting department: Zhou Bo

Balance Sheet (Continued)

Prepared by: Anhui Conch Cement Company Limited Unit: RMB Type of audit: Unaudited

Items	As at 31 March 2013 Consolidated	As at 31 December 2012 Consolidated	As at 31 March 2013 The Company	As at 31 December 2012 The Company
Current liabilities:				
Short-term borrowings	825,484,171	995,518,713	280,000,000	530,000,000
Bills payable	3,500,000	14,000,000	-	-
Accounts payable	4,554,452,161	5,137,266,984	1,077,157,380	1,418,425,172
Receipts in advance	1,057,819,889	985,706,168	184,154,195	94,470,847
Wages payable	115,905,612	505,092,962	23,832,071	51,218,604
Tax payable	729,943,237	903,666,674	26,877,755	43,132,304
Interests payable	599,563,558	373,905,161	554,627,615	349,875,760
Other payables	3,413,943,473	3,831,116,154	6,948,034,387	5,743,178,124
Non-current liabilities due within one year	3,277,920,898	1,775,055,898	400,000,000	101,000,000
Total current liabilities	14,578,532,999	14,521,328,714	9,494,683,403	8,331,300,811
Non-current liabilities:				
Long-term borrowings	4,165,340,910	5,612,205,910	500,000,000	799,000,000
Bonds payable	15,469,220,393	15,467,428,365	15,469,220,393	15,467,428,365
Long-term payables	354,070,344	354,935,836	-	-
Deferred income tax liabilities	258,959,579	346,841,725	63,048,692	143,766,384
Other non-current liabilities	43,381,066	44,691,810	-	-
Total non-current liabilities	20,290,972,292	21,826,103,646	16,032,269,085	16,410,194,749
Total liabilities:	34,869,505,291	36,347,432,360	25,526,952,488	24,741,495,560
Owners' equity:				
Share capital	5,299,302,579	5,299,302,579	5,299,302,579	5,299,302,579
Capital reserve	10,879,854,411	11,140,955,744	16,991,248,038	17,252,349,371
Surplus reserve	2,649,651,290	2,649,651,290	2,649,651,290	2,649,651,290
Unappropriated profits	30,786,449,575	29,814,447,591	18,605,763,626	18,614,784,803
Foreign exchange differences on translation	(3,712,992)	(3,151,811)	-	-
Equity attributable to owners of the Company	49,611,544,863	48,901,205,393	-	-
Minority interests	2,316,031,029	2,274,885,104	-	-
Total owners' equity	51,927,575,892	51,176,090,497	43,545,965,533	43,816,088,043
Total liabilities and owners' equity	86,797,081,183	87,523,522,857	69,072,918,021	68,557,583,603

Legal representative: Guo Wensan

Officer-in-charge of the accounting functions: Ji Qinying

Head of the accounting department: Zhou Bo

4.2 Income Statement

Income Statement

Prepared by: Anhui Conch Cement Company Limited

Unit: RMB

Type of audit: Unaudited

Items	2013 Q1 Consolidated	2012 Q1 Consolidated	2013 Q1 The Company	2012 Q1 The Company
I. Operating revenue	9,905,798,786	8,859,499,869	2,363,519,147	2,428,879,460
Less: Operating cost	(7,427,780,088)	(6,501,971,557)	(2,267,211,396)	(2,258,334,400)
Business tax and surcharges	(46,217,359)	(32,474,184)	(3,217,453)	(2,897,205)
Selling expenses	(554,710,004)	(402,067,678)	(18,581,189)	(18,484,787)
Administrative expenses	(485,055,968)	(410,257,321)	(58,183,977)	(35,342,359)
Financial expenses	(274,248,915)	(208,814,532)	(36,357,433)	(9,623,771)
Loss on impairment of assets	(496,760)	-	-	(397,676)
Add: Gain or loss on changes of fair value	2,536,512	(2,892,996)	-	(3,467,358)
Investment income	(7,343,152)	(2,903,608)	4,659,652	9,249,263,218
Including: investment income from associates and jointly controlled entities	(7,446,900)	(2,903,608)	4,555,904	7,409,363
II. Operating profit	1,112,483,052	1,298,117,993	(15,372,649)	9,349,595,122
Add: Non-operating income	173,896,691	350,964,708	3,418,105	7,344,862
Less: Non-operating expenses	(3,006,127)	(2,778,208)	(73,692)	(84,799)
Including: Loss from disposal of non-current assets	(685,701)	(1,864,240)	789	(247)
III. Total profits	1,283,373,616	1,646,304,493	(12,028,236)	9,356,855,185
Less: Income tax expenses	(282,825,707)	(383,913,640)	3,007,059	(22,172,512)
IV. Net profit	1,000,547,909	1,262,390,853	(9,021,177)	9,334,682,673
Net profit attributable to owners of the Company	972,001,984	1,249,018,186	-	-
Minority interests	28,545,925	13,372,667	-	-
V. Earnings per share				
(1) Basic earnings per share	0.18	0.24	-	-
(2) Diluted earnings per share	0.18	0.24	-	-
VI. Other comprehensive income	(261,101,333)	(4,095,824)	(261,101,333)	(4,095,824)
VII. Total comprehensive income attributable to	739,446,576	1,258,295,029	(270,122,510)	9,330,586,849
owners of the Company	710,900,651	1,244,922,362	-	-
minority interest	28,545,925	13,372,667	-	-

Legal representative: Guo Wensan

Officer-in-charge of the accounting functions: Ji Qinying

Head of the accounting department: Zhou Bo

4.3 Cash Flow Statement

Cash Flow Statement

Prepared by: Anhui Conch Cement Company Limited

Unit: RMB

Type of audit: Unaudited

Items	2013 Q1 Consolidated	2012 Q1 Consolidated	2013 Q1 The Company	2012 Q1 The Company
1. Cash flow generated from operating activities:				
Cash received from sale of goods and rendering of services	15,024,662,388	13,986,841,156	3,202,417,315	3,445,066,402
Tax and charges refund	41,021,805	45,230,342	-	2,869,489
Cash received relating to other operating activities	128,947,690	317,452,205	202,609,791	3,455,684
Sub-total of cash inflow from operating activities	15,194,631,883	14,349,523,703	3,405,027,106	3,451,391,575
Cash paid for goods and services	(10,200,794,436)	(9,559,428,306)	(3,326,535,590)	(2,662,506,967)
Cash paid to and on behalf of employees	(1,011,648,199)	(902,303,268)	(83,392,249)	(83,548,745)
Various types of tax paid	(992,315,158)	(1,970,146,207)	(49,650,613)	(222,876,215)
Cash paid relating to other operating activities	(427,547,640)	(285,352,194)	(40,650,044)	(4,469,343,633)
Sub-total of cash outflow from operating activities	(12,632,305,433)	(12,717,229,975)	(3,500,228,496)	(7,438,275,560)
Net cash flow generated from operating activities	2,562,326,450	1,632,293,728	(95,201,390)	(3,986,883,985)
2. Cash flow generated from investing activities:				
Cash received from sales of investments	221,809,248	210,000,000	11,309,257	-
Cash received from investment income	-	19,251,258	-	2,617,527,210
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,671,230	5,492,629	569,709	1,019,689
Cash received from other investing activities	65,744,844	146,334,224	894,098,452	26,210,642
Sub-total of cash inflow from investing activities	290,225,322	381,078,111	905,977,418	2,644,757,541
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	(1,472,216,499)	(1,642,590,329)	(2,590,112)	(225,795,626)
Cash paid for investment	-	-	-	-
Net cash paid for acquisition of subsidiaries and other operation entities	(4,800,000)	(157,009,740)	(234,200,000)	(249,443,850)
Cash paid for other investing activities	(5,000,000)	(6,000,000)	-	(63,200,000)
Sub-total of cash outflow from investing activities	(1,482,016,499)	(1,805,600,069)	(236,790,112)	(538,439,476)
Net cash flow generated from investing activities	(1,191,791,177)	(1,424,521,958)	669,187,306	2,106,318,065

3. Cash flow generated from financing activities:				
Cash received from investment	12,600,000	67,725,700	-	-
Including: cash received from investment of minority interest of subsidiaries	12,600,000	67,725,700	-	-
Cash received from issuing bonds	-	-	-	-
Cash received from borrowings	350,000,000	391,855,161	-	300,000,000
Cash received from other financing activities	3,286,721	6,861,120	-	-
Sub-total of cash inflow from financing activities	365,886,721	466,441,981	-	300,000,000
Cash paid for repaying borrowings	(470,307,270)	(1,538,300,000)	(250,000,000)	(300,000,000)
Cash paid for distribution of dividends, profits or payment of interest	(91,148,401)	(182,706,487)	(10,236,662)	(12,808,857)
Including: profits distributed to minority interests by the subsidiaries	-	(19,981,555)	-	-
Cash paid for other financing activities	-	(238,259)	-	-
Sub-total of cash outflow from financing activities	(561,455,671)	(1,721,244,746)	(260,236,662)	(312,808,857)
Net cash flow generated from financing activities	(195,568,950)	(1,254,802,765)	(260,236,662)	(12,808,857)
4. Effect of changes in foreign exchange rates on cash and cash equivalents	(561,181)	-	-	-
5. Net increase in cash and cash equivalents	1,174,405,142	(1,047,030,995)	313,749,254	(1,893,374,777)
Add: Cash and cash equivalents at the beginning of the period	8,110,974,033	7,747,188,137	5,818,990,219	5,513,295,840
6. Cash and cash equivalents at the end of the period	9,285,379,175	6,700,157,142	6,132,739,473	3,619,921,063

Legal representative: Guo Wensan

Officer-in-charge of the accounting functions: Ji Qinying

Head of the accounting department: Zhou Bo

By order of the Board
Anhui Conch Cement Company Limited
Yang Kaifa
Company Secretary

Wuhu City, Anhui Province, the PRC

22 April 2013

As at the date of this announcement, the Board comprises (i) Mr Guo Wensan, Mr Guo Jingbin, Mr Ji Qinying, Ms Zhang Mingjing and Mr Wu Jianping as executive directors, and (ii) Mr Kang Woon, Mr Ding Meicai and Mr Wong Kun Kau, as independent non-executive directors.