

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



安徽海螺水泥股份有限公司
Anhui Conch Cement Company Limited

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

2015 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 2015 and 31 March 2015 (i.e. the first quarter) ("Reporting Period") will be published in newspapers circulating in the PRC on 29 April 2015. 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"), supervisory committee and directors, supervisors and the senior management of the Company warrant that the information in this Quarterly Report, for which they jointly and severally accept legal liability, is truthful, accurate and complete, and does not contain any misrepresentation, misleading statements or material omission.
- 1.2 The financial report contained in this Quarterly Report has not been audited.
- 1.3 Mr Guo Wensan, the Company's Chairman, Mr Wang Jianchao, the officer-in-charge of the accounting functions, and Mr Zhou Bo, the head of the accounting department, declare and warrant that the financial report contained in this Quarterly Report is true, accurate 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 MAJOR CORPORATE FINANCIAL INFORMATION AND CHANGES OF SHAREHOLDERS OF THE COMPANY

2.1 Major financial information

Unit: RMB

	As at the end of the Reporting Period	As at the end of 2014	Changes as at the end of the Reporting Period compared with that as at the end of 2014 (%)
Total assets	104,021,962,358	102,253,097,283	1.73
Net assets attributable to equity shareholders of the Company	69,167,509,333	66,216,607,886	4.46
	From the beginning of 2015 to the end of the Reporting Period	From the beginning of 2014 to the end of the reporting period of 2014	Changes as compared with that of the corresponding period of 2014 (%)
Net cash flow generated from operating activities	851,375,908	3,019,178,995	(71.80)
	From the beginning of 2015 to the end of the Reporting Period	From the beginning of 2014 to the end of the reporting period of 2014	Changes as compared with that of the corresponding period of 2014 (%)
Revenue	11,229,337,718	12,629,628,514	(11.09)
Net profit attributable to equity shareholders of the Company	1,713,523,869	2,473,498,470	(30.72)
Net profit attributable to equity shareholders of the Company after extraordinary items	1,510,144,424	2,371,565,856	(36.32)
Weighted average return on net assets (%)	2.51	4.31	Decreased 1.8 percentage points
Basic earnings per share (RMB/share)	0.32	0.47	(30.72)
Diluted earnings per share (RMB/share)	0.32	0.47	(30.72)
	Amount in the Reporting Period		
Gain/(Loss) from disposal of non-current assets	(1,329,806)		
Government subsidy (excluding constant government subsidy closely associated with the enterprise's normal business, granted in fixed amount or quantity in accordance with the State's policy and based on certain standards) included in the current income statement	211,634,011		
Gain/(Loss) on changes in the fair value of financial assets and financial liabilities held for trading and investment gain from disposal of financial assets and financial liabilities held for trading and available-for-sale financial assets, excluding effective hedging business associated with the Company's normal business	53,123,952		

Charges on share of funds received from non-financial enterprises included in the current income statement	419,400
Gains arising from the excess of the Group's share of the acquisition-date fair values of the investees' identifiable net assets over the investment costs for acquisition of the subsidiaries, associates and joint ventures	-
Gain/(Loss) obtained from externally entrusted loans	-
Entrusted fee income obtained from entrusted operation	8,266,358
Other non-operating income and expenses other than the abovementioned items	10,230,179
Effect on income tax	(68,081,912)
Effect on minority interests (after tax)	(10,882,737)
Total	203,379,445

2.2 Total number of shareholders and the shareholdings of the top 10 shareholders as at the end of the Reporting Period

Total number of shareholders as at the end of the Reporting Period		124,948		
Shareholding of the top 10 shareholders				
Serial number	Name of shareholder	Number of shares held at the end of the Reporting Period	Percentage (%)	Class
1	Anhui Conch Holdings Co., Ltd. (“Conch Holdings”) ^(Note 4)	1,948,869,927	36.78	RMB-denominated ordinary shares
2	HKSCC Nominees Limited ^(Note 3)	1,297,842,278	24.49	Overseas listed foreign shares
3	Anhui Conch Venture Investment Company Limited (“Conch Venture”) ^(Note 4)	286,713,246	5.41	RMB-denominated ordinary shares
4	HKSCC Nominees Limited ^(Note 3)	89,737,541	1.69	RMB-denominated ordinary shares
5	Genesis Asset Managers, LLP—Customer Funds	45,497,654	0.86	RMB-denominated ordinary shares
6	GIC PRIVATE LIMITED	31,325,189	0.59	RMB-denominated ordinary shares
7	Penghua Value Advantage Equity Securities Investment Fund	28,994,181	0.55	RMB-denominated ordinary shares
8	Guoyuan Securities(Hong Kong) Company Limited-Guoyuan RMB Stable Income Funds	27,440,598	0.52	RMB-denominated ordinary shares
9	Ping An Trust Company Limited – Conch’s Equity Interest	24,036,400	0.45	RMB-denominated ordinary shares
10	UBS AG	21,186,983	0.40	RMB-denominated ordinary shares

Notes: 1. The abovementioned shares held by the Company's top 10 shareholders are floating shares without trading restriction.

2. During the Reporting Period, the Company did not issue any preference shares.
3. As at the end of the Reporting Period, HKSCC Nominees Limited held 1,297,842,278 H Shares, representing 24.49% of the total share capital of the Company, on behalf of its various clients; and it held 89,737,541 A Shares, representing 1.69% of the total share capital of the Company, on behalf of its various clients.
4. As far as the Board is aware, among the abovementioned shareholders, and according to the listing rules of the Shanghai Stock Exchange, Conch Holdings and Conch Venture have connected relationship. Save for the aforesaid, the Board is not aware of any connected relationship or party acting in concert among the abovementioned shareholders.

§3 MAJOR EVENTS

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

1. As at the end of the Reporting Period, the closing balance of the Group's financial assets at fair value through profit or loss increased by 167.32% from that at the beginning of the year. This was mainly because the contracted exchange rates of the yet-to-mature forward contracts of financial assets denominated in foreign currency held by the Group at the end of the Reporting Period were higher than the forward exchange rates.

2. As at the end of the Reporting Period, the Group's interests receivable increased by 52.36% from that at the beginning of the year, mainly because the payment of the accrued interest income from the Group's bank deposits was not yet due during the Reporting Period;

3. As at the end of the Reporting Period, the closing balance of the Group's available-for-sale financial assets increased by 42.14% from that at the beginning of the year, while the closing balance of deferred income tax liabilities increased by 80.51% from that at the beginning of the year. These were mainly due to the increase in the fair value of other listed companies' shares held by the Group as at the end of the Reporting Period when compared with that at the beginning of the year.

4. As at the end of the Reporting Period, the closing balance of the Group's short-term borrowings increased by 100.39% from that at the beginning of the year, mainly because the short-term financing loans of the Group's subsidiaries increased during the Reporting Period.

5. As at the end of the Reporting Period, the closing balance of wages payable of the Group decreased by 85.16% from that at the beginning of the year. This was mainly due to the payment made by the Group during the Reporting Period of the year-end bonus accrued for the previous year.

6. As at the end of the Reporting Period, the closing balance of the Group's interests payable increased by 58.96% from that at the beginning of the year. This was mainly because the payment date of interest accrued on the corporate bonds of the Group was not yet due.

7. During the Reporting Period, the gain or loss on changes in fair value of the Group increased by 36.66 million when compared with that of the same period last year. This was mainly because the contracted exchange rates of the yet-to-mature forward contracts of financial assets denominated in foreign currency held by the Group at the end of the Reporting Period were higher than the forward exchange rates.

8. During the Reporting Period, the Group's investment income increased by 550.62% from that of the same period last year, mainly due to a year-on-year increase in investment income from associates recognized by the Group during the Reporting Period;

9. During the Reporting Period, the Group's non-operating income increased by 64.73% from that of the same period last year. This was mainly due to the year-on-year increase in government subsidy obtained during the Reporting Period.

10. During the Reporting Period, the Group's operating profit, total profits and net profit attributable to equity shareholders of the Company decreased by 41.28%, 35.36% and 30.72% respectively from those of the same period last year. These were mainly due to the year-on-year decrease in the selling prices of the Group's products during the Reporting Period.

11. During the Reporting Period, the income tax expenses of the Group decreased by 41.40% from that of the same period last year, mainly due to the year-on-year decrease in the Group's profit during the Reporting Period.

12. During the Reporting Period, net cash inflow from operating activities of the Group decreased by 71.80% from that of the same period last year, mainly due to a year-on-year decrease in the Group's revenue.

13. During the Reporting Period, net cash outflow from investing activities of the Group increased by RMB3.287 billion from that of the same period last year, mainly due to the year-on-year increase in term deposits with a maturity of over three months arranged by the Group.

14. During the Reporting Period, net cash outflow from financing activities of the Group decreased by RMB1.243 billion from that of the same period last year, mainly due to a year-on-year decrease in the loan repayments of the Group.

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 and its shareholders who hold more than 5% of its shares

☒Applicable ☐Not applicable

Undertakings by shareholders: in 2007, the Company issued A Shares to Conch Venture as consideration for the purchase of the relevant assets of Conch Venture. Conch Venture has made the following undertakings in relation to the shareholders' rights arrangements in respect of the shares held: except the rights of a shareholder of a proprietary nature (including but not limited to rights to receive dividends), Conch Venture will forgo its other shareholder's rights of the Company such as rights to vote, nominate and elect Directors/Supervisors of the Company, so long as it holds the Company's shares. During the Reporting Period, Conch Venture has complied with the above undertakings.

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 Effect of application of new accounting principles on consolidated financial statements

☐Applicable ☒Not applicable

§ 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 2015 Consolidated	As at 31 December 2014 Consolidated	As at 31 March 2015 The Company	As at 31 December 2014 The Company
Current Assets:				
Monetary capital	13,322,477,064	14,151,606,026	10,128,951,214	11,309,488,162
Financial assets at fair value through profit/(losses)	54,381,457	20,343,265	52,678,235	20,343,265
Bills receivable	3,307,953,081	3,908,887,144	216,233,479	298,060,520
Accounts receivable	375,108,881	333,247,400	27,413,012	13,196,865
Advance payments	552,315,967	533,551,061	190,159,921	94,780,228
Interests receivable	81,578,985	53,542,491	85,580,903	54,670,962
Dividend receivable	-	-	-	2,496,400,000
Other receivables	625,882,256	517,938,896	27,082,272,071	23,451,647,298
Inventory	5,206,864,161	4,375,976,175	485,020,961	465,491,233
Other current assets	1,064,354,112	1,201,963,874	80,648,649	100,304,974
Total current assets	24,590,915,964	25,097,056,332	38,348,958,445	38,304,383,507
Non-current assets:				
Available-for-sale equity securities	5,593,814,506	3,935,395,280	5,593,814,506	3,935,395,280
Long-term receivables	-	-	6,275,000,000	6,275,000,000
Long-term equity investment	2,786,367,508	2,644,144,218	36,039,663,778	35,667,939,663
Investment properties	31,843,686	32,114,352	31,843,686	32,114,352
Fixed assets	58,875,473,998	57,250,499,675	946,807,521	965,476,351
Construction in progress	2,889,059,269	3,975,224,102	7,782,098	7,939,776
Construction materials	1,260,899,260	1,416,838,028	222,600	3,244,872
Intangible assets	6,733,197,056	6,721,625,590	297,051,953	301,111,268
Goodwill	374,557,189	374,557,189	-	-
Deferred income tax assets	349,599,017	283,476,568	-	-
Other non-current assets	536,234,905	522,165,949	-	-
Total non-current assets	79,431,046,394	77,156,040,951	49,192,186,142	47,188,221,562
Total assets	104,021,962,358	102,253,097,283	87,541,144,587	85,492,605,069

Balance Sheet (Continued)

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

Items	As at 31 March 2015 Consolidated	As at 31 December 2014 Consolidated	As at 31 March 2015 The Company	As at 31 December 2014 The Company
Current liabilities:				
Short-term borrowings	545,810,974	272,380,116	150,000,000	-
Financial liabilities at fair value through profit/(losses)	-	1,472,704	-	-
Accounts payable	3,218,800,907	4,024,948,109	215,717,629	256,610,218
Receipts in advance	881,123,584	1,092,772,458	35,328,092	58,865,254
Wages payable	77,687,196	523,593,185	10,511,224	55,072,777
Tax payable	701,196,172	984,172,185	29,951,603	42,303,240
Interests payable	557,185,552	350,511,633	552,343,595	347,208,554
Dividend payable	200,000,000	200,000,000	-	-
Other payables	4,671,652,419	4,890,371,259	6,019,438,178	6,023,852,365
Non-current liabilities due within one year	2,158,787,727	2,056,787,727	650,000,000	700,000,000
Total current liabilities	13,012,244,531	14,397,009,376	7,663,290,321	7,483,912,408
Non-current liabilities:				
Long-term borrowings	1,737,100,635	2,104,520,602	-	-
Bonds payable	15,484,537,381	15,482,555,066	15,484,537,381	15,482,555,066
Including: Preference shares	-	-	-	-
Perpetual bonds	-	-	-	-
Long-term wages payable	5,617,376	5,617,376	-	-
Deferred income	131,289,372	129,981,248	1,433,334	1,458,333
Deferred income tax liabilities	942,550,288	522,172,682	615,055,932	192,367,383
Total non-current liabilities	18,301,095,052	18,244,846,974	16,101,026,647	15,676,380,782
Total liabilities:	31,313,339,583	32,641,856,350	23,764,316,968	23,160,293,190
Shareholders' equity:				
Share capital	5,299,302,579	5,299,302,579	5,299,302,579	5,299,302,579
Capital reserve	10,686,638,402	10,686,638,402	16,803,659,305	16,803,659,305
Other comprehensive income	1,756,624,619	519,247,041	1,812,924,485	569,110,065
Surplus reserve	2,649,651,290	2,649,651,290	2,649,651,290	2,649,651,290
Unappropriated profits	48,775,292,443	47,061,768,574	37,211,289,960	37,010,588,640
Total equity attributable to shareholders of the Company	69,167,509,333	66,216,607,886	-	-
Minority interests	3,541,113,442	3,394,633,047	-	-
Total owners' equity	72,708,622,775	69,611,240,933	63,776,827,619	62,332,311,879
Total liabilities and owners' equity	104,021,962,358	102,253,097,283	87,541,144,587	85,492,605,069

Legal representative: Guo Wensan

Officer-in-charge of the accounting functions: Wang Jianchao

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	2015 Q1 Consolidated	2014 Q1 Consolidated	2015 Q1 The Company	2014 Q1 The Company
I. Operating revenue	11,229,337,718	12,629,628,514	541,127,708	553,090,718
II. Less: Operating cost	(7,940,717,271)	(8,131,708,364)	(424,943,834)	(361,182,577)
Business tax and surcharges	(47,720,217)	(58,022,957)	(1,619,799)	(1,392,022)
Selling expenses	(597,803,138)	(558,269,750)	(18,435,325)	(16,558,952)
Administrative expenses	(668,299,758)	(549,286,468)	(48,364,731)	(46,719,411)
Financial expenses	(235,441,906)	(196,319,201)	70,224,910	28,390,726
Losses on impairment of assets	-	-	(439,731)	(358,087)
Add: Gain/(losses) on changes of fair value	35,510,896	(1,151,578)	32,334,970	7,036,931
Investment income	72,446,017	11,134,981	82,444,963	15,916,885
Including: investment income from associates and jointly controlled entities	54,832,961	10,088,846	63,783,307	14,870,750
III. Operating profit	1,847,312,341	3,146,005,177	232,329,131	178,224,211
Add: Non-operating income	307,127,182	186,437,483	6,858,173	10,937,305
Including: gains from disposal of non-current assets	285,182	363,083	-	39,801
Less: Non-operating expenses	(2,375,905)	(3,321,777)	-	(21,117)
Including: Loss from disposal of non-current assets	(1,614,988)	(2,853,796)	-	(21,117)
IV. Total profits	2,152,063,618	3,329,120,883	239,187,304	189,140,399
Less: Income tax expenses	(433,811,394)	(740,257,747)	(38,485,984)	(43,977,440)
V. Net profit	1,718,252,224	2,588,863,136	200,701,320	145,162,959
Net profit attributable to equity shareholders of the Company	1,713,523,869	2,473,498,470		
Minority interests	4,728,355	115,364,666		

Income Statement (Continued)

Prepared by: Anhui Conch Cement Company Limited

Unit: RMB

Type of audit: Unaudited

Items	2015 Q1 Consolidated	2014 Q1 Consolidated	2015 Q1 The Company	2014 Q1 The Company
VI. Net other comprehensive income/(losses) after tax	1,235,069,618	104,367,480	1,243,814,420	89,791,405
Net other comprehensive income/(losses) after tax attributable to equity shareholders of the Company	1,237,377,578	99,956,970		
(1) Other comprehensive income that will be reclassified to the profit and losses	1,237,377,578	99,956,970	1,243,814,420	89,791,405
1. Gains/(losses) arising from changes in fair value of available-for-sale financial assets	1,243,814,420	89,791,405	1,243,814,420	89,791,405
2. exchange differences on translation of financial statements	(6,436,842)	10,165,565		
Net other comprehensive income/(losses) after tax attributable to minority interests	(2,307,960)	4,410,510		
VII. Total comprehensive income attributable to	2,953,321,842	2,693,230,616	1,444,515,740	234,954,364
equity shareholders of the Company	2,950,901,447	2,573,455,440		
minority interest	2,420,395	119,775,176		
VIII. Earnings per share				
(1) Basic earnings per share	0.32	0.47		
(2) Diluted earnings per share	0.32	0.47		

Legal representative: Guo Wensan

Officer-in-charge of the accounting functions: Wang Jianchao

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	2015 Q1 Consolidated	2014 Q1 Consolidated	2015 Q1 The Company	2014 Q1 The Company
1. Cash flow generated from operating activities:				
Cash received from sale of goods and rendering of services	14,831,330,548	18,132,084,570	674,834,427	900,560,889
Tax and charges refund	84,216,893	47,800,926	2,151,887	3,316,697
Cash received relating to other operating activities	223,933,230	206,448,621	4,681,288	7,580,807
Sub-total of cash inflow from operating activities	15,139,480,671	18,386,334,117	681,667,602	911,458,393
Cash paid for goods and services	(10,955,079,313)	(11,783,999,558)	(589,606,367)	(756,073,036)
Cash paid to and on behalf of employees	(1,323,971,336)	(1,191,661,421)	(85,617,216)	(87,819,884)
Various types of tax paid	(1,654,015,292)	(2,019,865,717)	(85,142,443)	(77,043,784)
Cash paid relating to other operating activities	(355,038,822)	(371,628,426)	(3,282,661,286)	(286,122,938)
Sub-total of cash outflow from operating activities	(14,288,104,763)	(15,367,155,122)	(4,043,027,312)	(1,207,059,642)
Net cash flow generated from operating activities	851,375,908	3,019,178,995	(3,361,359,710)	(295,601,249)
2. Cash flow generated from investing activities:				
Cash received from sales of investments	-	1,950,341,591	-	1,950,341,591
Cash received from investment income	-	20,707,808	2,496,400,000	20,707,808
Net cash received from disposal of fixed assets and intangible assets	3,752,705	7,798,273	-	103,367
Cash received from other investing activities	98,901,773	91,330,142	607,630,260	227,557,545
Sub-total of cash inflow from investing activities	102,654,478	2,070,177,814	3,104,030,260	2,198,710,311
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	(1,555,428,777)	(2,183,898,884)	(3,658,931)	(4,444,822)
Cash paid for investment	(3,700,000,000)	(1,794,856,112)	(3,711,904,549)	(1,794,856,112)
Net cash paid for acquisition of subsidiaries and other operation entities	(268,928,510)	(264,791,061)	(507,378,510)	(260,392,724)
Cash paid for other investing activities	(45,000,000)	(6,000,000)	(500,000,000)	(480,000,000)
Sub-total of cash outflow from investing activities	(5,569,357,287)	(4,249,546,057)	(4,722,941,990)	(2,539,693,658)
Net cash flow generated from investing activities	(5,466,702,809)	(2,179,368,243)	(1,618,911,730)	(340,983,347)

Cash Flow Statement (Continued)

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

Items	2015 Q1 Consolidated	2014 Q1 Consolidated	2015 Q1 The Company	2014 Q1 The Company
3. Cash flow generated from financing activities:				
Cash received from investment	144,550,000	-	-	-
Including: cash received from investment of minority interest of subsidiaries	144,550,000	-	-	-
Cash received from borrowings	322,966,974	313,204,979	150,000,000	-
Cash received from other financing activities	-	-	-	-
Sub-total of cash inflow from financing activities	467,516,974	313,204,979	150,000,000	-
Cash paid for repaying borrowings	(316,000,000)	(1,409,000,000)	(50,000,000)	-
Cash paid for distribution of dividends, profits or payment of interest	(67,180,231)	(62,507,731)	(2,132,059)	(4,542,524)
Including: profits distributed to minority interests by the subsidiaries				
Cash paid for other financing activities	-	-		
Sub-total of cash outflow from financing activities	(383,180,231)	(1,471,507,731)	(52,132,059)	(4,542,524)
Net cash flow generated from financing activities	84,336,743	(1,158,302,752)	97,867,941	(4,542,524)
4. Effect of changes in foreign exchange rates on cash and cash equivalents	1,861,196	10,165,565	1,866,552	-
5. Net increase in cash and cash equivalents	(4,529,128,962)	(308,326,435)	(4,880,536,947)	(641,127,120)
Add: Cash and cash equivalents at the beginning of the period	12,512,121,499	6,518,932,288	9,716,878,499	3,928,412,168
6. Cash and cash equivalents at the end of the period	7,982,992,537	6,210,605,853	4,836,341,552	3,287,285,048

Legal representative: Guo Wensan

Officer-in-charge of the accounting functions: Wang Jianchao

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
 28 April 2015

As at the date of this announcement, the Board comprises (i) Mr Guo Wensan, Mr Wang Jianchao, Ms Zhang Mingjing, and Mr Zhou Bo as executive Directors, (ii) Mr Guo Jingbin as non-executive Director, and (iii) Mr Wong Kun Kau, Mr Tai Kwok Leung and Mr Zhao Jianguang as independent non-executive Directors.