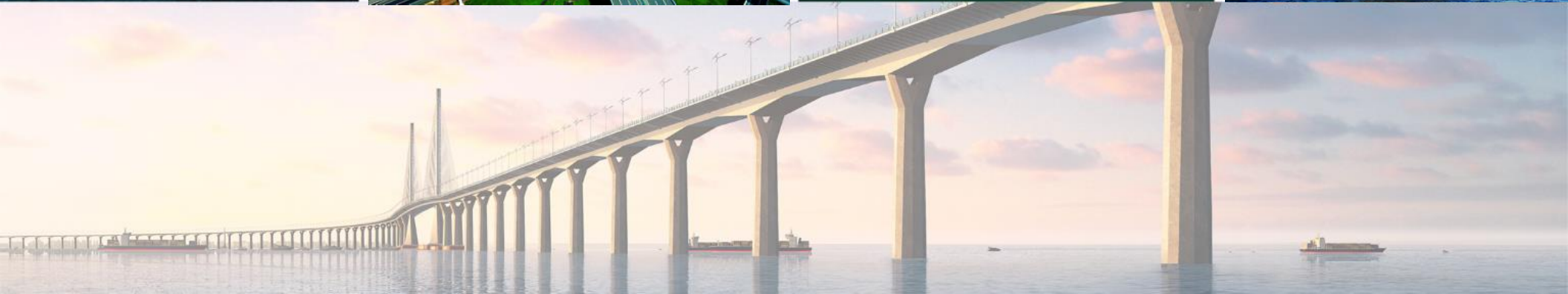




中国交通建设股份有限公司
CHINA COMMUNICATIONS CONSTRUCTION COMPANY LIMITED

01800.HK

2014 Interim Results Presentation



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Financial Summary

RMB million (except per share data)	Six Months Ended		
	2014-6-30 (Unaudited)	2013-6-30 (Unaudited/Restated)	Change
Revenue	158,561	141,037	↑ 12.4%
Gross Profit	16,636	14,256	↑ 16.7%
EBITDA ¹	14,567	12,750	↑ 14.3%
Operating Profit	10,864	8,969	↑ 21.1%
Profit before income tax	7,776	7,218	↑ 7.7%
Profit attributable to owners of the Company	6,020	5,722	↑ 5.2%
EPS ²	0.37	0.35	↑ 5.2%

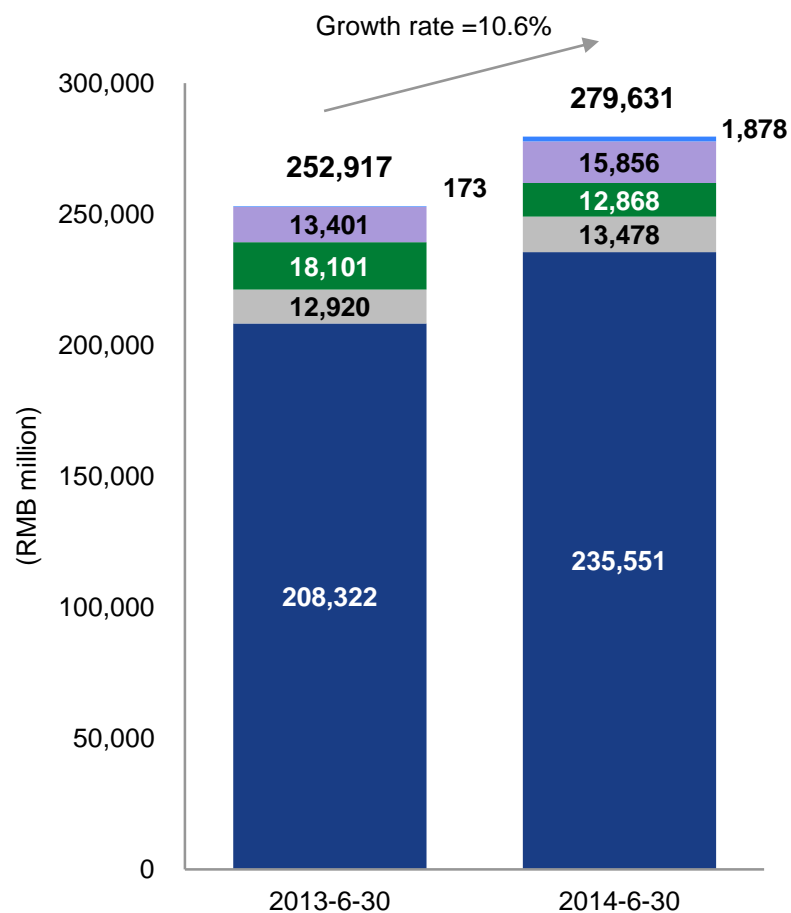
Notes:

1 EBITDA is calculated by adding back depreciation and amortisation to the operating profit

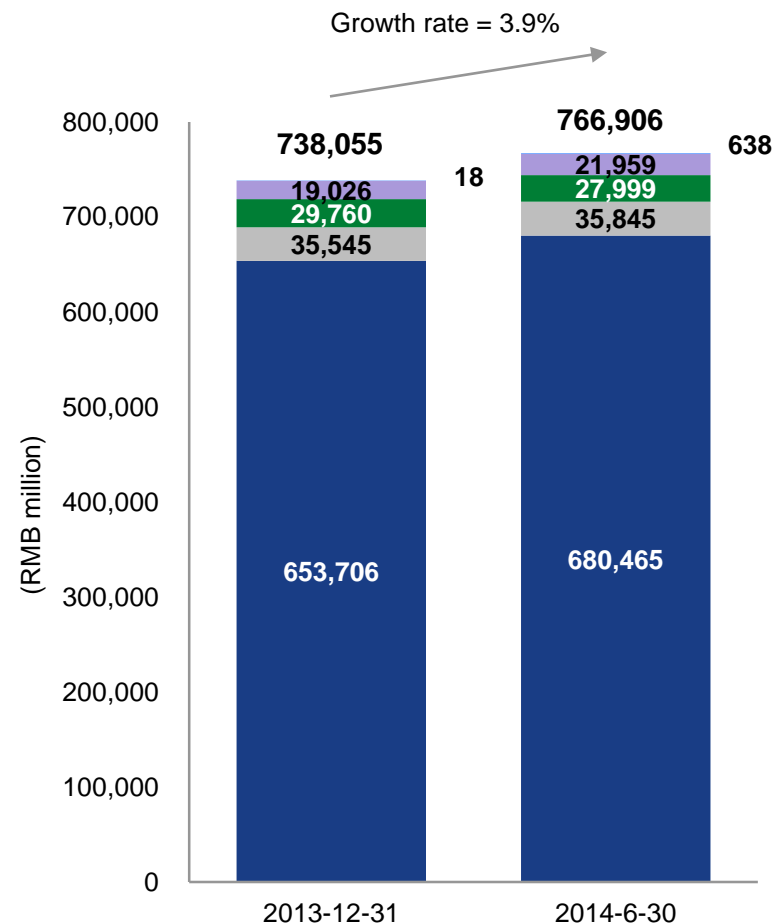
2 Diluted EPS is the same as basic EPS as there were no potential dilutive ordinary shares outstanding during the six months ended 30 June 2013 and 2014

New Contracts and Backlog by Business Segments

New Contracts

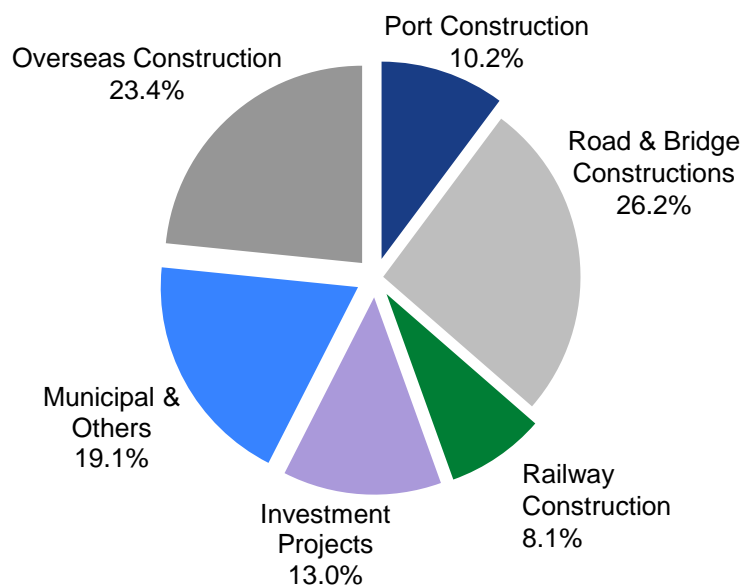


Backlog



New Contracts of Infrastructure Construction Business

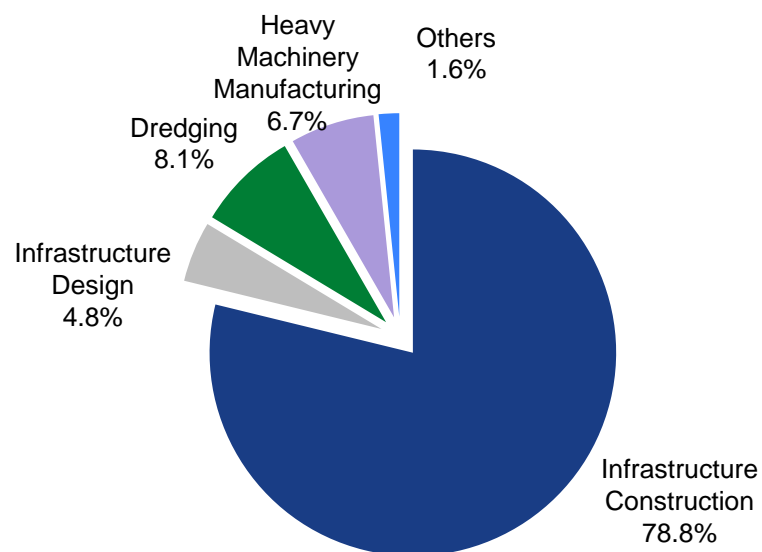
New Contracts of Infrastructure Construction Business (2014 1H)



	2014 1H		2013 1H		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Domestic Construction	180,508	76.6%	176,582	84.8%	3,926	2.2%
Port Construction	24,051	10.2%	22,636	10.9%	1,415	6.3%
Road & Bridge Construction	61,874	26.2%	78,936	37.9%	(17,062)	-21.6%
Railway Construction	18,988	8.1%	2,708	1.3%	16,280	601.2%
Investment Projects	30,551	13.0%	44,799	21.5%	(14,248)	-31.8%
Municipal & Others	45,044	19.1%	27,503	13.2%	17,541	63.8%
Overseas Construction	55,043	23.4%	31,740	15.2%	23,303	73.4%
Total	235,551	100.0%	208,322	100.0%	27,229	13.1%

Contribution by Business Segments - Revenue

Revenue (2014 1H) ¹



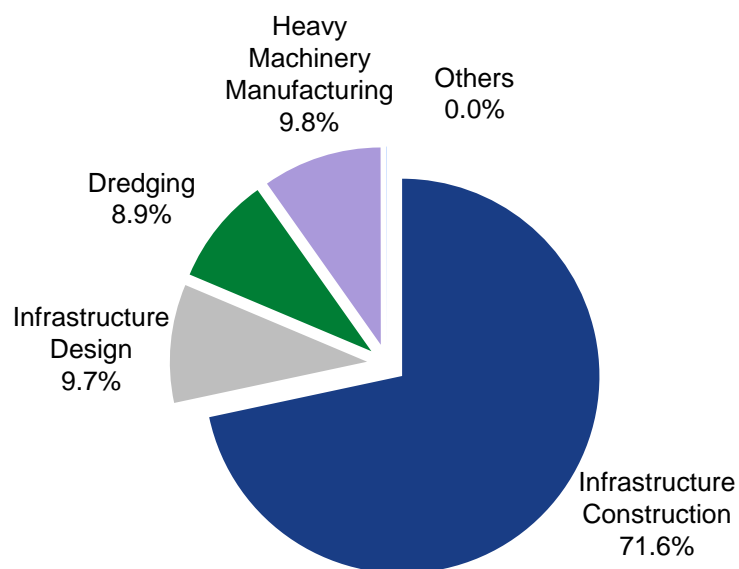
Business	2014 1H		2013 1H		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	128,854	78.8%	111,514	76.9%	17,340	15.5%
Infrastructure Design	7,879	4.8%	7,737	5.3%	142	1.8%
Dredging	13,172	8.1%	13,847	9.6%	(675)	(4.9%)
Heavy Machinery	10,923	6.7%	10,797	7.4%	126	1.2%
Others	2,657	1.6%	1,151	0.8%	1,506	130.8%
Total (before elimination)	163,485	100.0%	145,046	100.0%	18,439	12.7%

Notes:

¹ All figures are before elimination of inter-segment transactions and unallocated costs

Contribution by Business Segments – Segment Result

Segment Result (2014 1H) ^{1,2}



Business	2014 1H		2013 1H		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	7,870	71.6%	5,990	65.7%	1,880	31.4%
Infrastructure Design	1,066	9.7%	1,030	11.3%	36	3.5%
Dredging	973	8.9%	1,687	18.5%	(714)	(42.3%)
Heavy Machinery	1,073	9.8%	291	3.2%	782	268.7%
Others	2	0.0%	120	1.3%	(118)	(98.3%)
Total (before elimination)	10,984	100.0%	9,118	100.0%	1,866	20.5%

Notes:

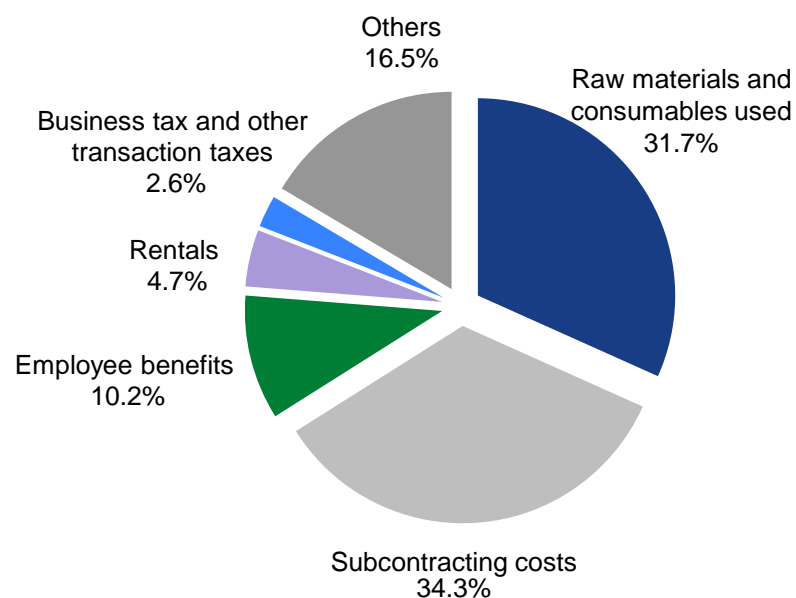
1 All figures are before elimination of inter-segment transactions and unallocated costs

2 The numbers for heavy machinery manufacturing are fully consolidated

Operating Cost Structure

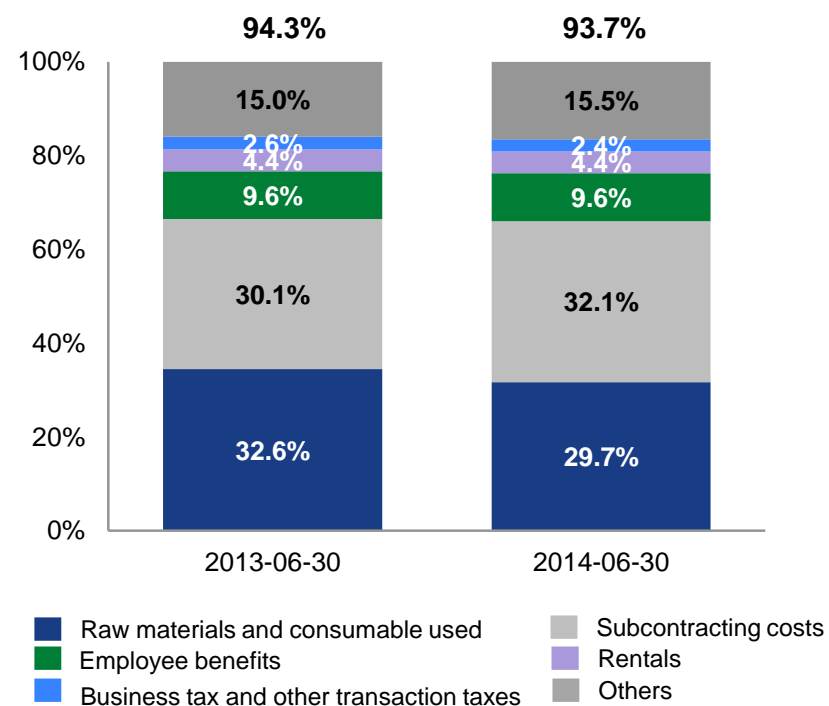
Cost Breakdown (2014 1H)

As % of operating costs¹



Cost Structure (2014 1H)

As % of sales



Note:

¹ Operating costs = cost of sales + selling and marketing expenses + administrative expenses

Infrastructure Construction – Business Performance

Completed projects with RMB 128,854 million of contract value

Key Projects



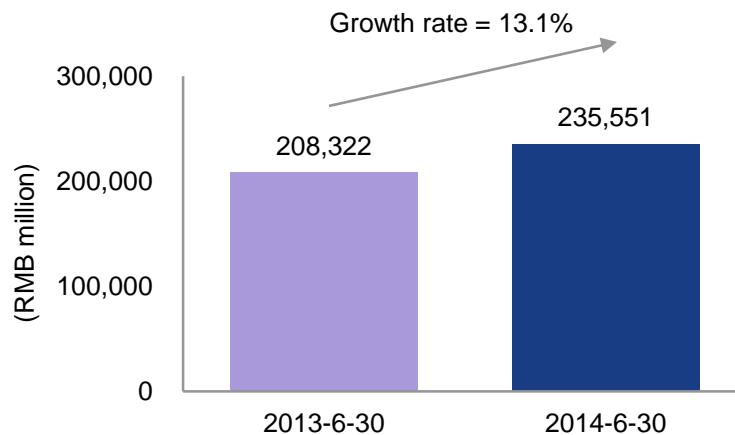
Outer-ring Expressway project in Sri Lanka



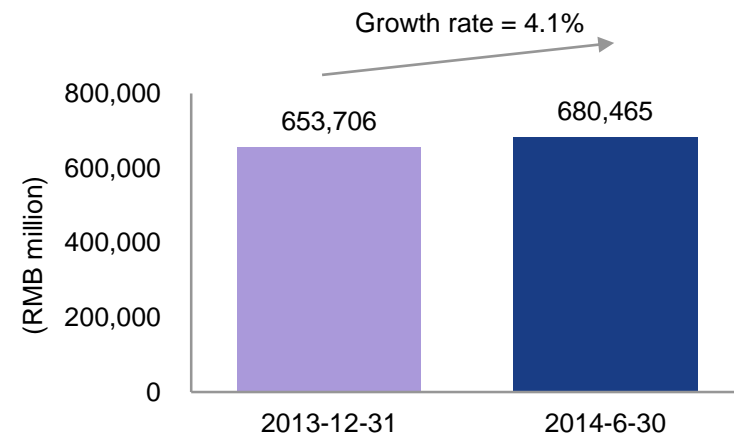
Nan'ao Cross-sea Bridge

New Contracts and Backlog

New Contracts

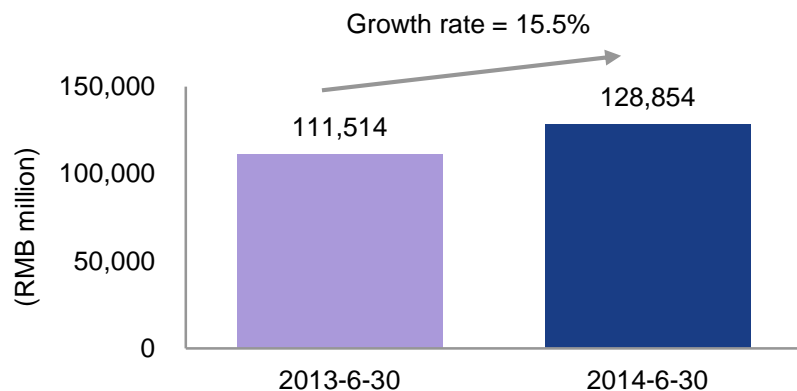


Backlog

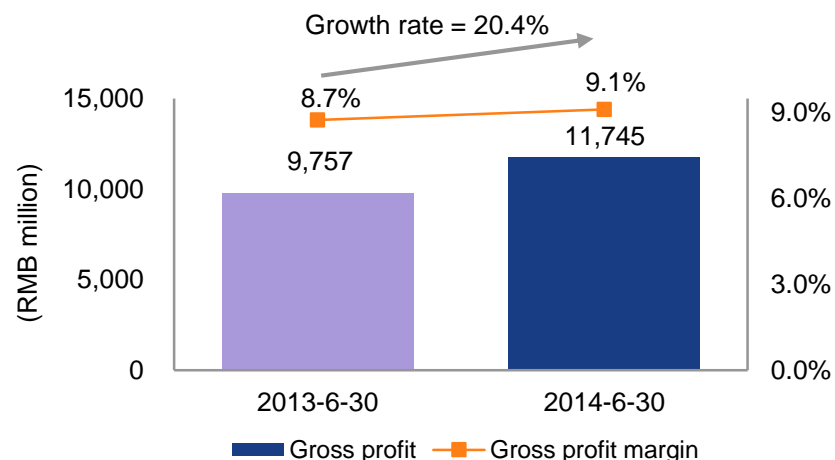


Infrastructure Construction – Financial Performance

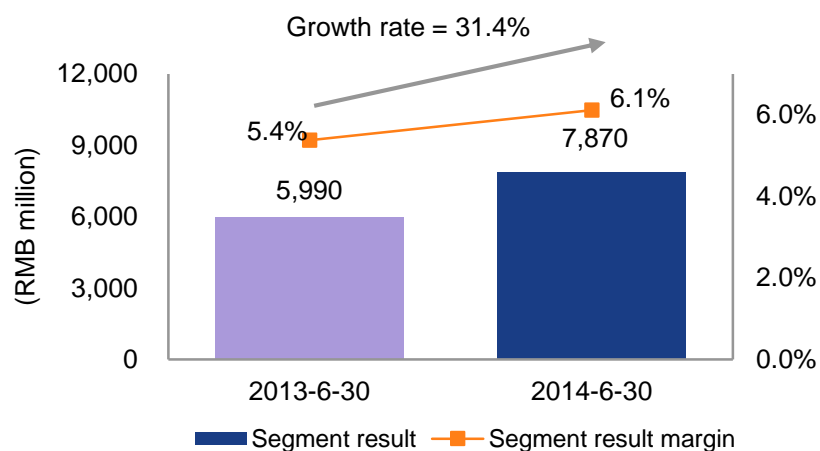
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ The increase in revenue was primarily attributable to the increase in the aggregate value of projects undertaken by the Group, driven by the increased demand for the Group's services as a result of the growth in infrastructure expenditure by the Group's domestic and overseas customers
- ◆ Gross profit margin increased from 8.7% to 9.1% was mainly attributable to increasing BOT/BT projects that has relatively higher gross profit margin

Notes:

1 All figures are before elimination of inter-segment transactions and unallocated costs

2 Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses + other income/ (expenses), net

Infrastructure Design – Business Performance

Completed projects with RMB 7,879 million of contract value

Key Projects



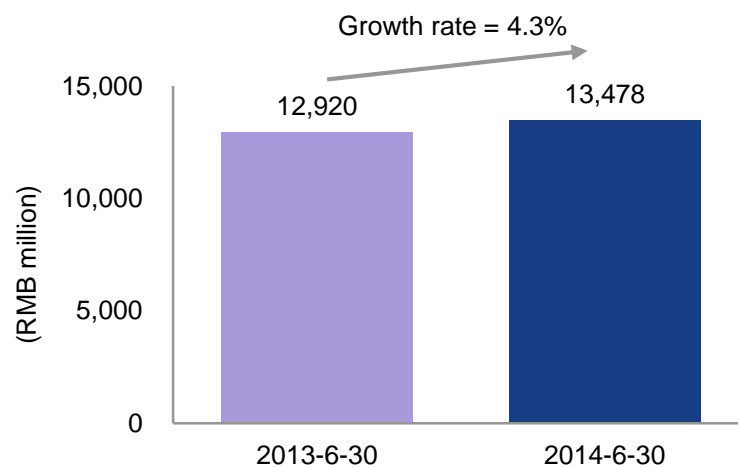
Quanzhou Bay Cross-sea Bridge



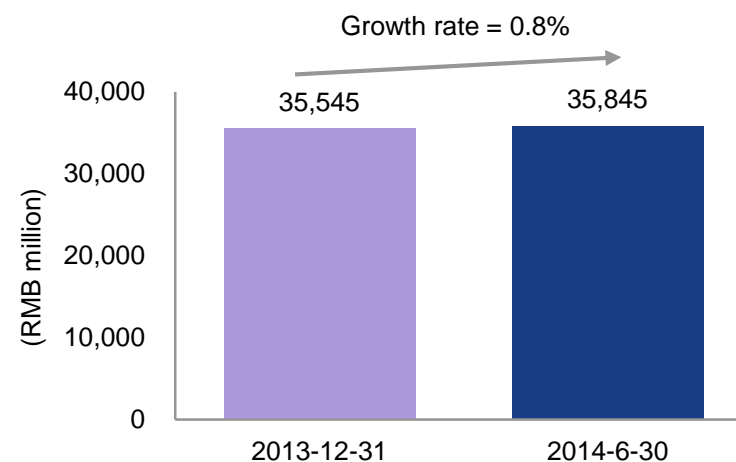
Liberia's Terminal project of Bong Iron Ore Mine

New Contracts and Backlog

New Contracts

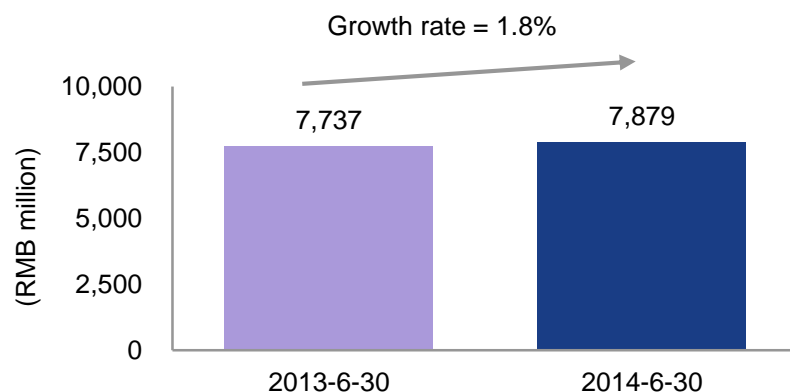


Backlog

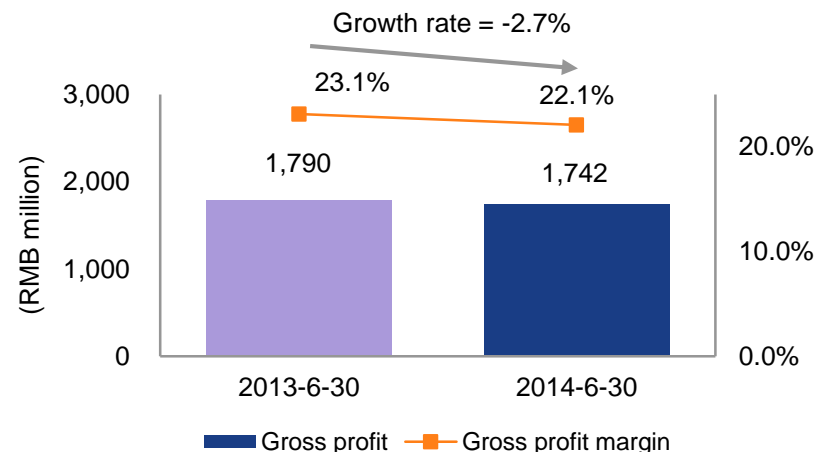


Infrastructure Design – Financial Performance

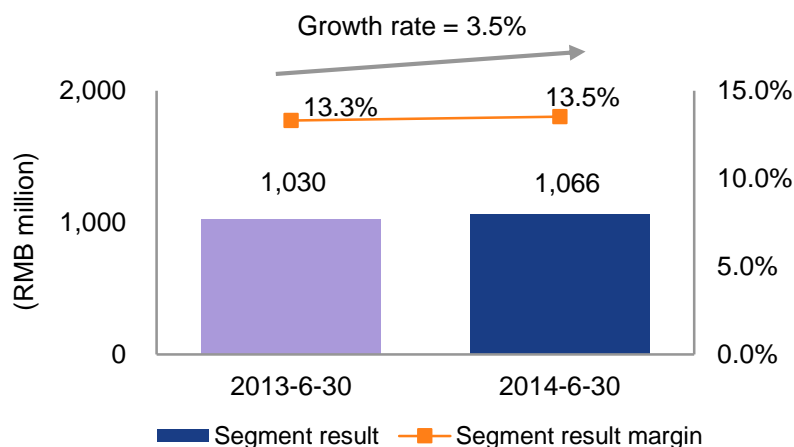
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ Segment result margin slightly increased from 13.3% to 13.5%, mainly due to better controlling of administrative expense and other income from foreign exchange gains

Notes:

1 All figures are before elimination of inter-segment transactions and unallocated costs

2 Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses + other income/ (expenses), net

Dredging - Business Performance

Completed projects with RMB 13,172 million of contract value

Key Projects



Compound Sea-route in Tianjin Port

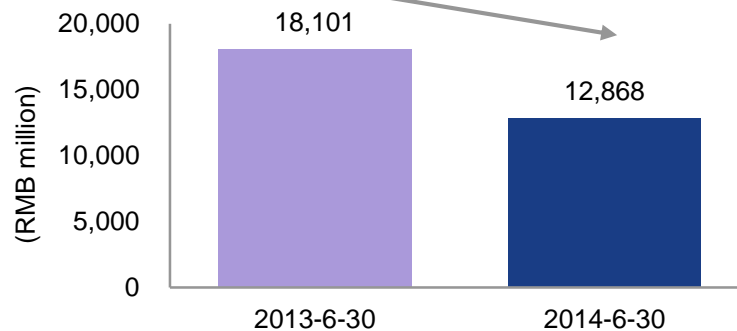


Shantou preliminary land development project

New Contracts and Backlog

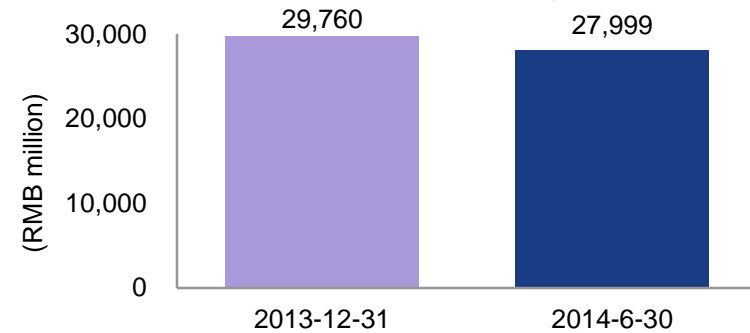
New Contracts

Growth rate = -28.9%



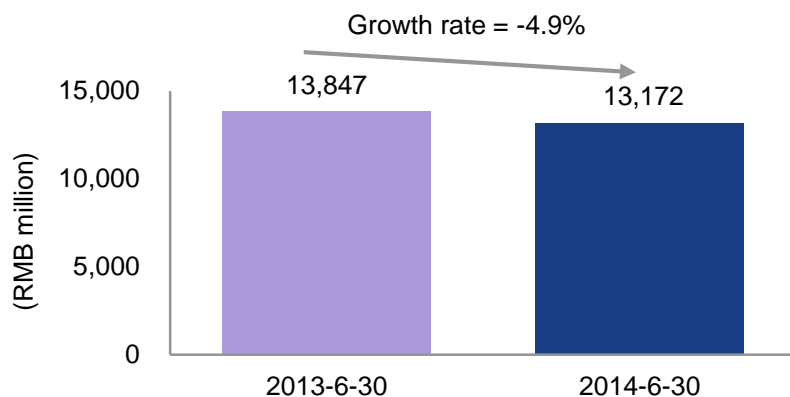
Backlog

Growth rate = -5.9%

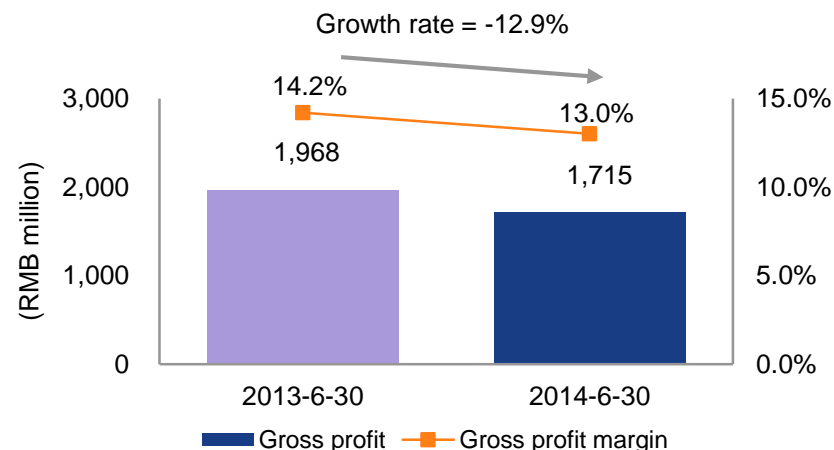


Dredging – Financial Performance

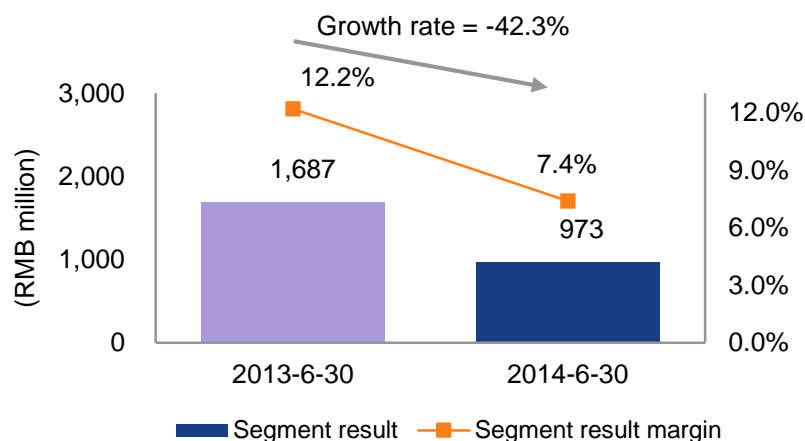
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ♦ The decrease in revenue was primarily attributable to the slowed down coastal line reclamation activities.
- ♦ Gross profit margin for the dredging business decreased from 14.2% to 13.0% was primarily attributable to some projects newly started in first six months of 2014, of which less profit has been generated at this stage

Notes:

1 All figures are before elimination of inter-segment transactions and unallocated costs

2 Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses + other income/ (expenses), net

Heavy Machinery Manufacturing - Business Performance

Completed projects with RMB 10,923 million of contract value

Key Projects



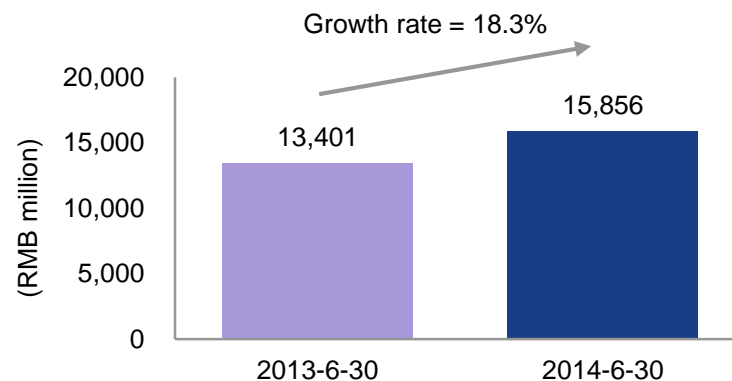
Java Star 2,300 feet Self-elevating drilling platform



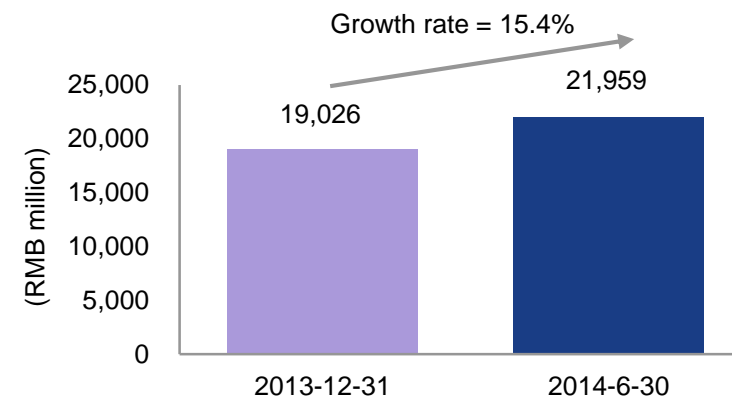
3,000 ton shallow pipe-laying vessel

New Contracts and Backlog

New Contracts

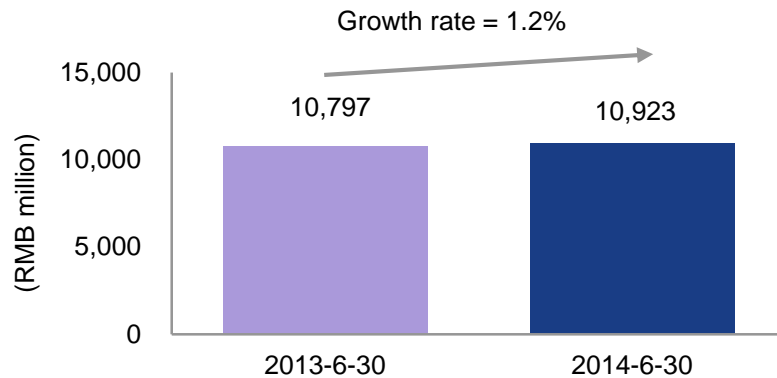


Backlog

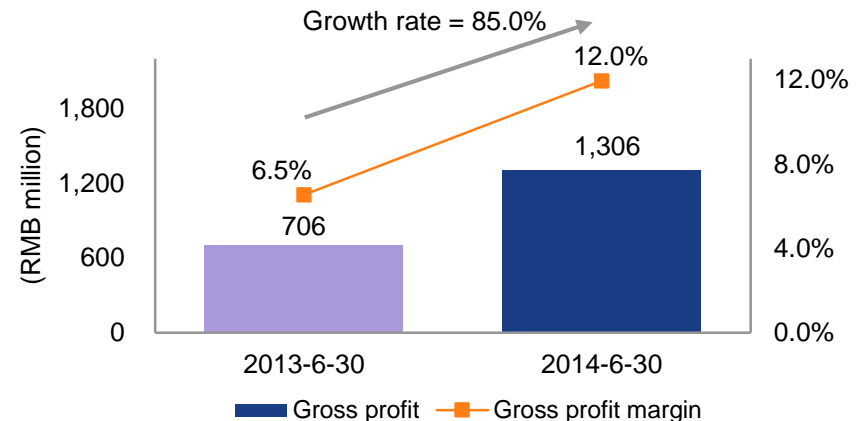


Heavy Machinery Manufacturing – Financial Performance

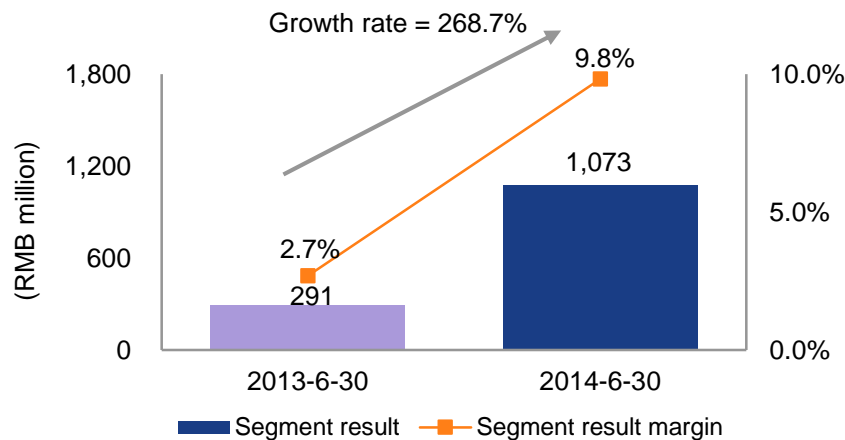
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- Gross profit margin increased from 6.5% to 12.0%. The increase in gross profit margin was mainly due to the improvement of profitability of ZPMC and F&G.

Notes:

¹ All figures are before elimination of inter-segment transactions and unallocated costs

² Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses + other income/ (expenses), net

Capital Expenditure

Infrastructure Construction Business

- ◆ Mainly used in investments in BOT projects, acquisition of subsidiaries, purchases of machinery, equipment and vessels

Infrastructure Design Business

- ◆ Mainly used in the purchase of equipment

Dredging Business

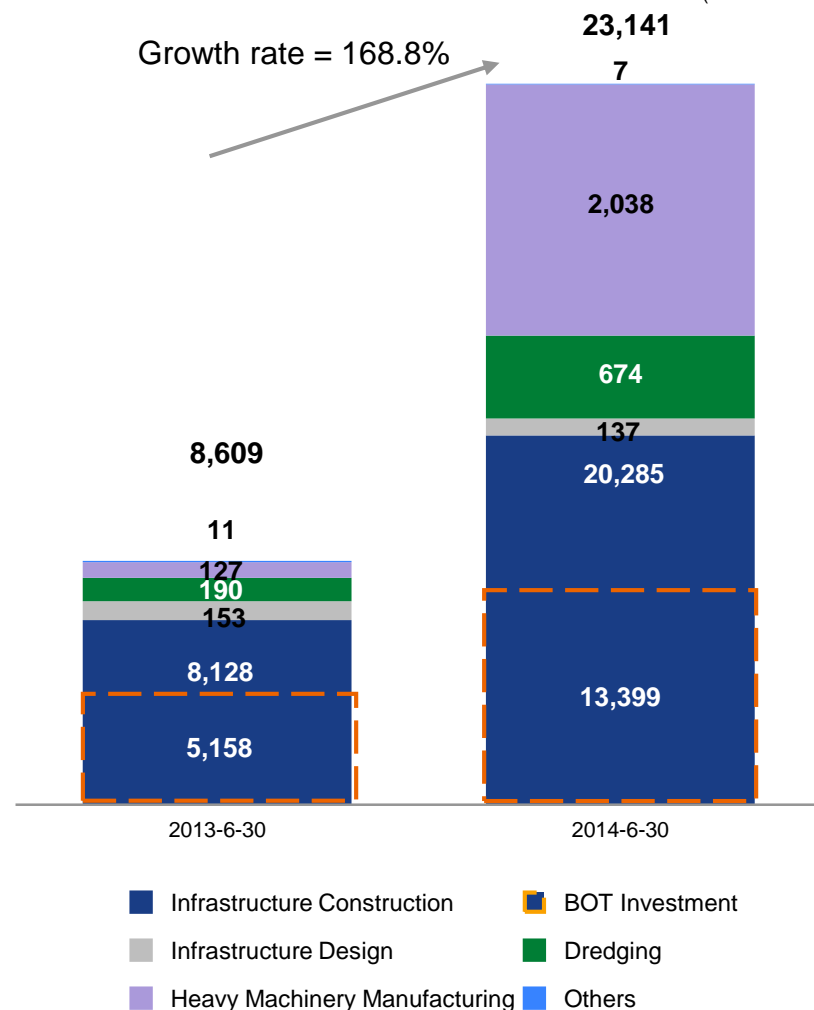
- ◆ Mainly used in the purchase of new dredgers and upgrade of existing dredgers

Heavy Machinery Manufacturing Business

- ◆ Mainly used in acquisition of subsidiaries and the completion of the existing building of plants

Capital expenditure

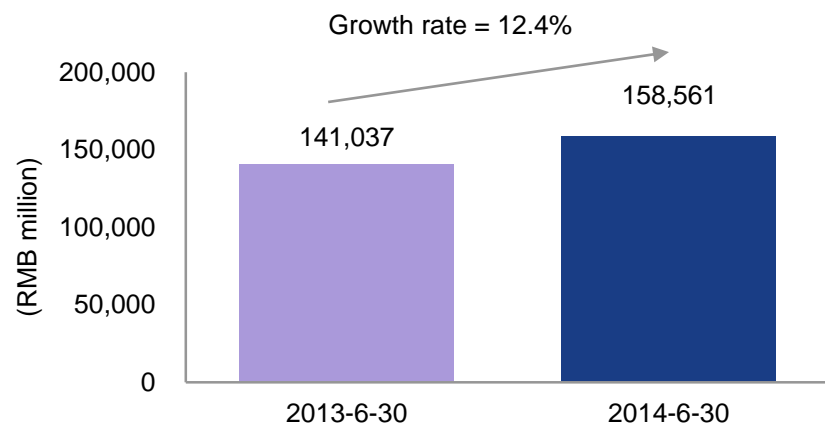
(RMB Million)



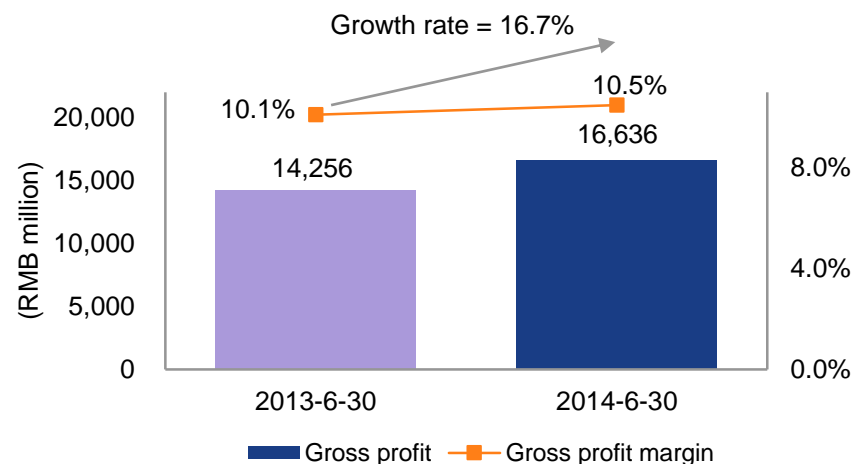
Note: Capital expenditure is implemented by means of both cash purchase and financial lease

Summary Income Statement Data

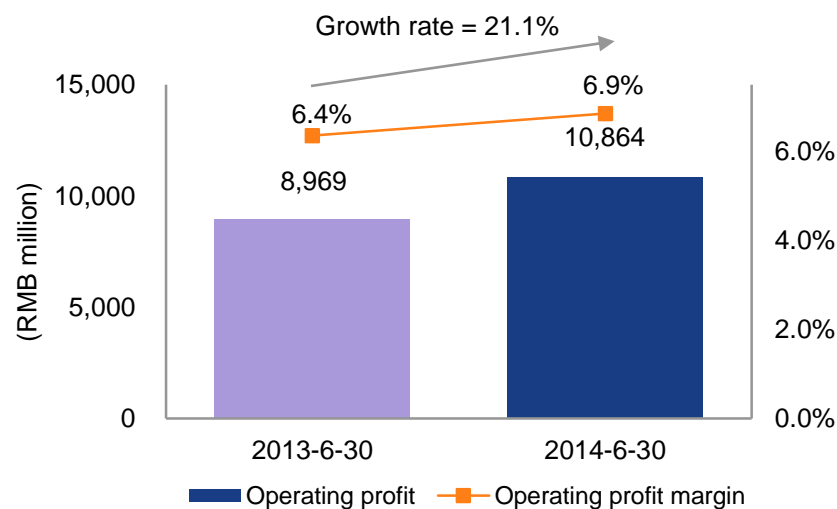
Revenue



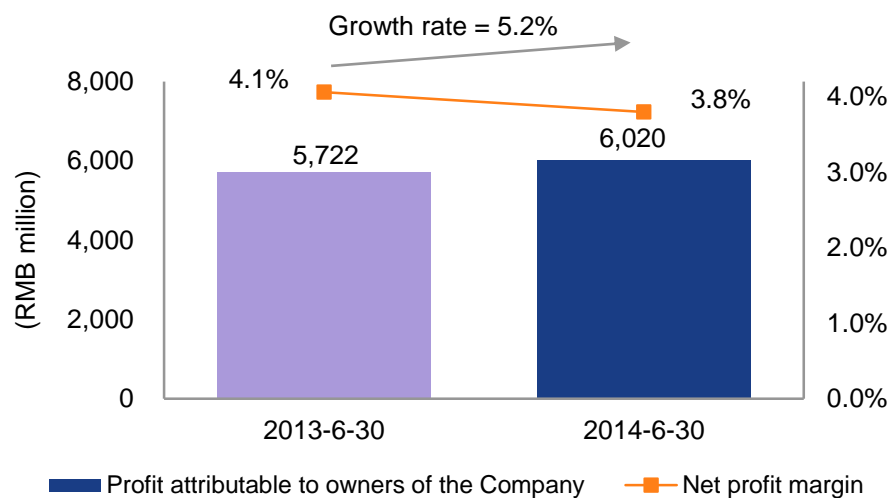
Gross Profit



Operating Profit



Profit attributable to Owners of the Company

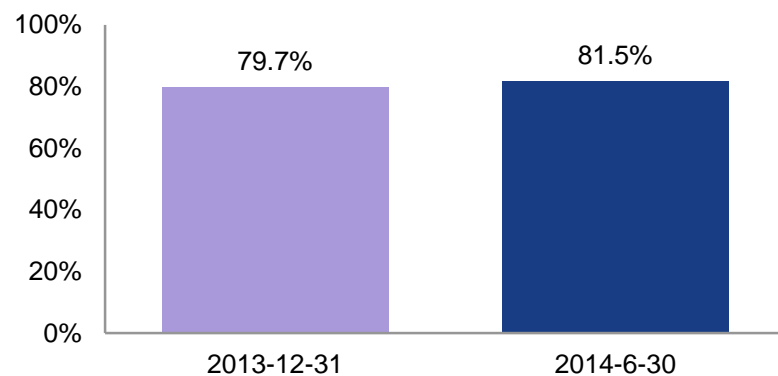


Summary Balance Sheet Data

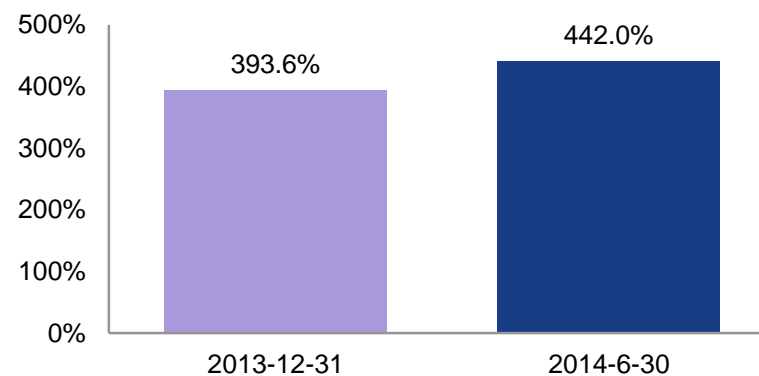
RMB millions	As at 2014-6-30	As at 2013-12-31	Change
Non-Current Assets	232,905	198,592	17.3%
Property, plant and equipment	59,692	55,619	7.3%
Intangible assets	68,921	54,592	26.2%
Available-for-sale financial assets	13,345	13,913	(4.1%)
Trade and other receivables	68,721	55,032	24.9%
Current Assets	355,040	318,853	11.3%
Inventories	44,283	32,850	38.4%
Trade and other receivables	139,409	129,870	7.3%
Amounts due from customers for contract work	83,957	66,131	27.0%
Available-for-sale financial assets	7,267	4,203	72.9%
Cash and cash equivalents	72,751	81,238	(10.4%)
Total Assets	587,945	517,445	13.6%
Non-current Liabilities	139,392	107,869	29.2%
Borrowings	123,742	99,157	24.8%
Current Liabilities	340,072	304,735	11.6%
Trade and other payables	209,052	198,064	5.5%
Borrowings	109,909	87,818	25.2%
Total liabilities	479,464	412,604	16.2%
Total Equity	108,481	104,841	3.5%

Summary Balance Sheet Data

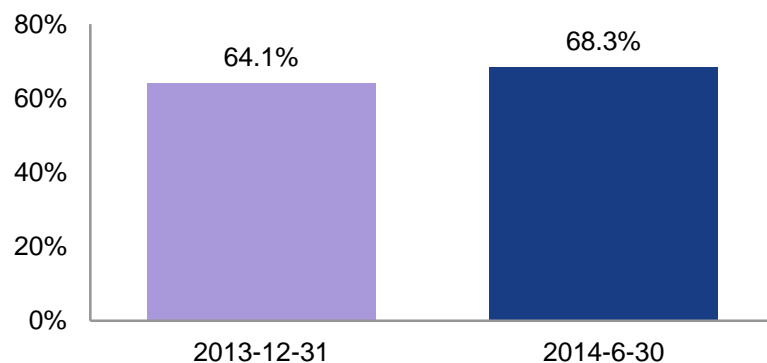
Total Liabilities/Total Assets



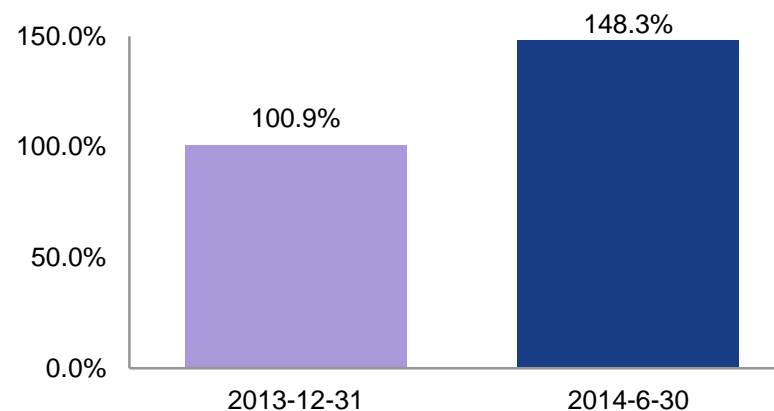
Total Liabilities/Net Assets



Total Debt/Total Capitalization¹



Net Debt/Net Assets

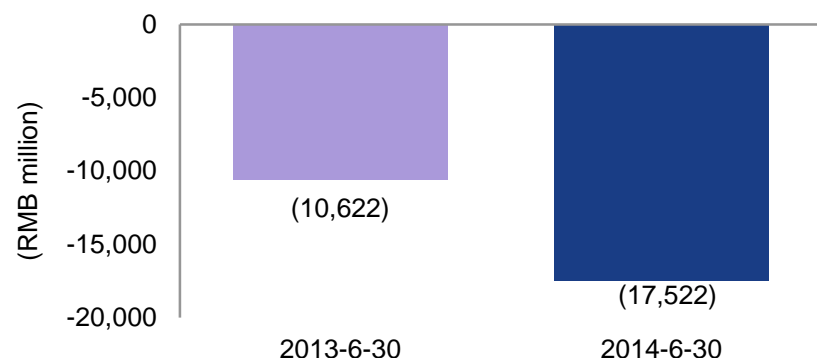


Note:

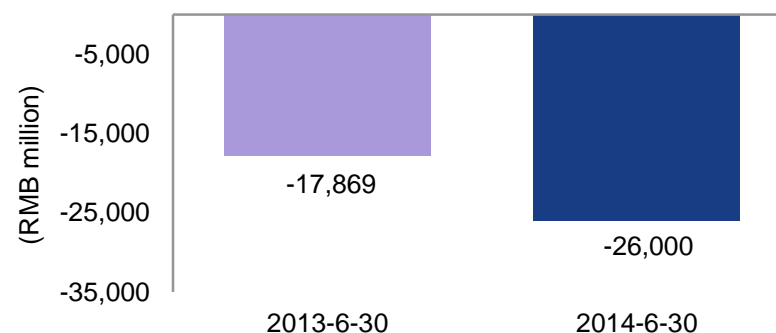
¹ Capitalization includes total debt, minority interest and owner's equity

Summary Cash Flow Statement Data

Cash Flow from Operating Activities

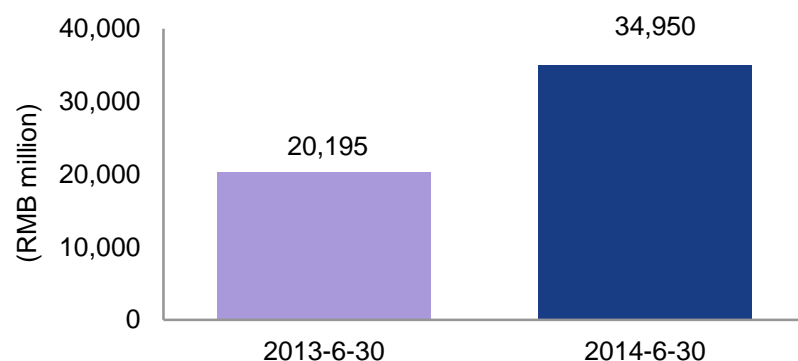


Cash Flow from Investing Activities



REMARKS

Cash Flow from Financing Activities



- ◆ Net cash used in operating activities increased to RMB17,522 million from RMB10,622 million, which was primarily attributable to changes in working capital
- ◆ The increase in net cash used in investing activities was primarily attributable to the increase in purchase of intangible assets, the increase in acquisition of subsidiaries and the increase in purchase of property, plant and equipment.
- ◆ Net cash generated from financing activities increased to RMB34,950 million, primarily because that the Company's proceeds from borrowings increased by RMB38,609 million which exceeded the increment of repayments of borrowings of RMB18,941 million

Thank You

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