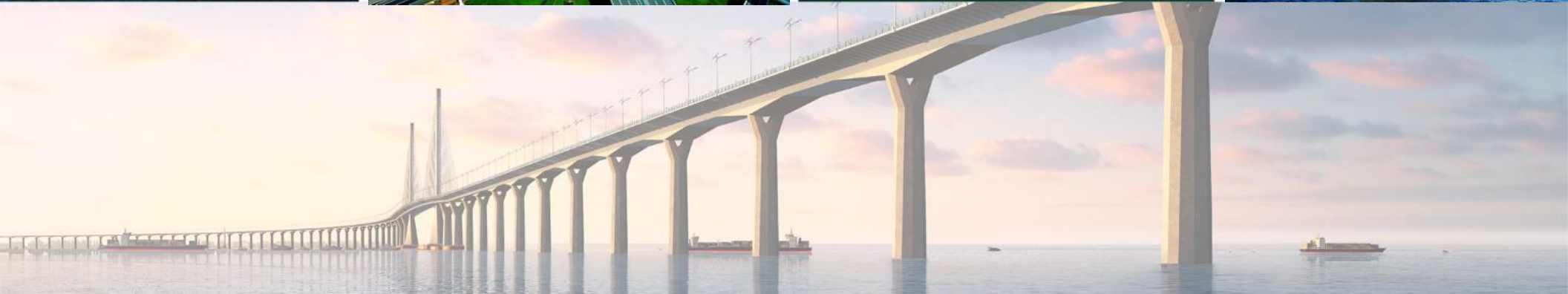




中国交通建设股份有限公司
CHINA COMMUNICATIONS CONSTRUCTION COMPANY LIMITED

01800.HK

2014 Annual Results Presentation



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Financial Summary

RMB million (except per share data)	Year Ended		
	2014-12-31	2013-12-31	Change
Revenue	366,042	331,798	↑ 10.3%
Gross Profit	39,272	33,938	↑ 15.7%
EBITDA ¹	31,782	27,617	↑ 15.1%
Operating Profit	23,785	19,575	↑ 21.5%
Profit before income tax	17,604	15,852	↑ 11.1%
Profit attributable to owners of the Company	13,985	12,568	↑ 11.3%
EPS ²	0.86	0.78	↑ 11.3%

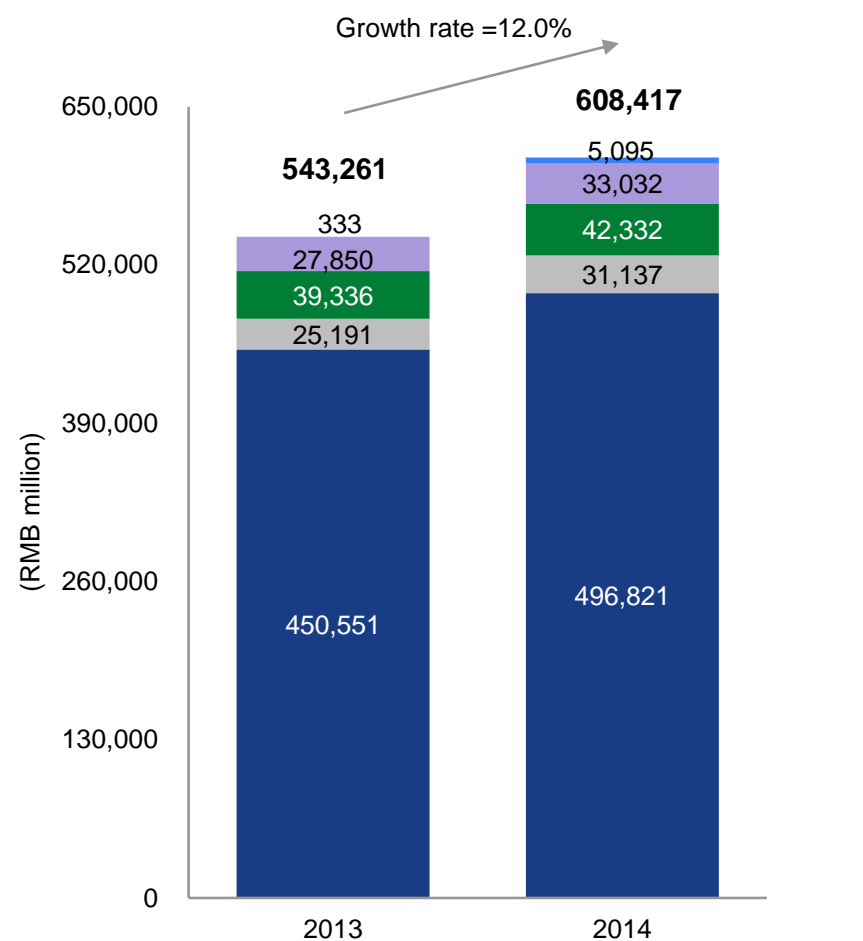
Notes:

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

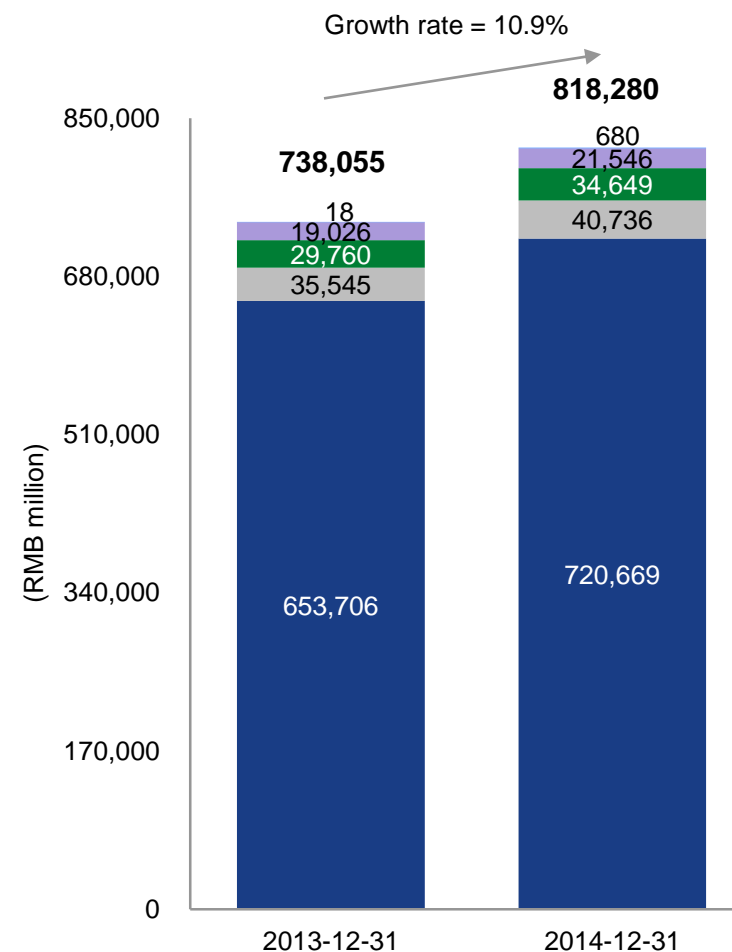
² Diluted EPS is the same as basic EPS as there were no potential dilutive ordinary shares outstanding during the year ended 31 Dec 2013 and 2014

New Contracts and Backlog by Business Segments

New Contracts

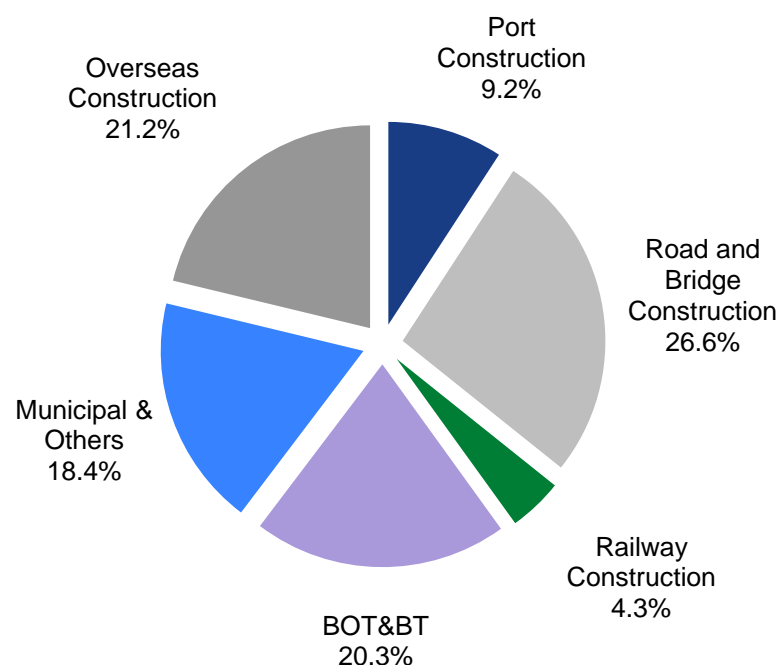


Backlog



New Contracts of Infrastructure Construction Business

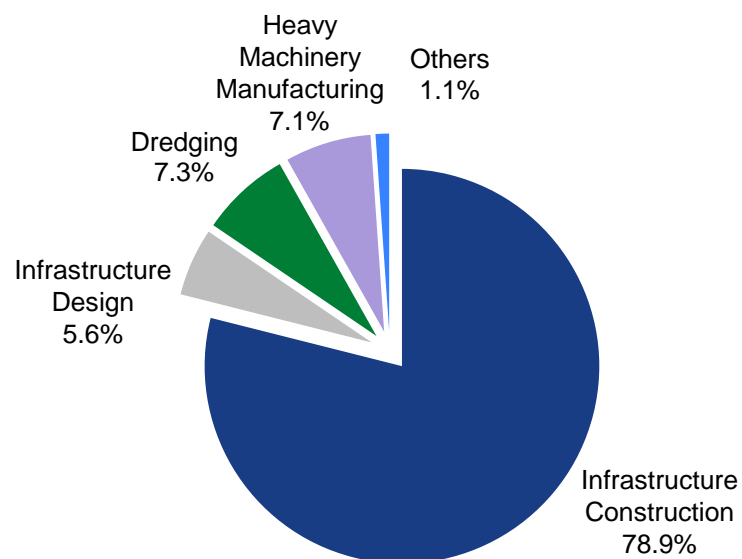
New Contracts of Infrastructure Construction Business (2014)



	2014		2013		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Domestic Construction	391,325	78.8%	346,311	76.9%	45,014	13.0%
Port Construction	45,639	9.2%	42,456	9.4%	3,183	7.5%
Road & Bridge Construction	131,919	26.6%	153,545	34.1%	(21,626)	(14.1%)
Railway Construction	21,430	4.3%	15,570	3.5%	5,860	37.6%
BOT&BT	100,688	20.3%	58,535	13.0%	42,153	72.0%
Municipal & Others	91,649	18.4%	76,205	16.9%	15,444	20.3%
Overseas Construction	105,496	21.2%	104,240	23.1%	1,256	1.2%
Total	496,821	100.0%	450,551	100.0%	46,270	10.3%

Contribution by Business Segments - Revenue

Revenue (2014) ¹



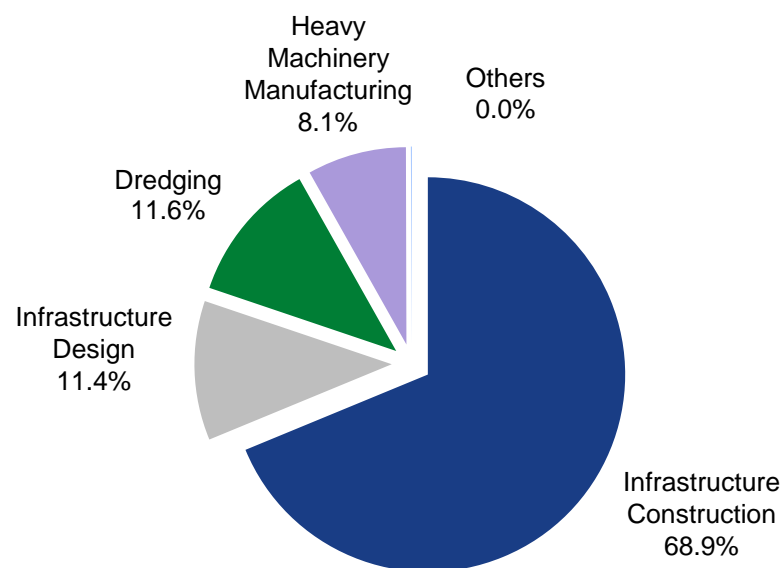
Business	2014		2013		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	299,192	78.9%	264,146	76.8%	35,046	13.3%
Infrastructure Design	21,086	5.6%	19,394	5.6%	1,692	8.7%
Dredging	27,838	7.3%	32,789	9.5%	(4,951)	(15.1%)
Heavy Machinery	26,733	7.1%	24,171	7.0%	2,562	10.6%
Others	4,192	1.1%	3,706	1.1%	486	13.1%
Total (before elimination)	379,041	100.0%	344,206	100.0%	34,835	10.1%

Notes:

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

Contribution by Business Segments – Segment Result

Segment Result (2014) ¹



Business	2014		2013		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	15,637	68.9%	13,464	67.7%	2,173	16.1%
Infrastructure Design	2,591	11.4%	2,573	12.9%	18	0.7%
Dredging	2,644	11.6%	3,620	18.2%	(976)	(27.0)%
Heavy Machinery	1,843	8.1%	73	0.4%	1,770	2424.7%
Others	9	0.0%	169	0.8%	(160)	(94.7)%
Total (before elimination)	22,724	100.0%	19,899	100.0%	2,825	14.2%

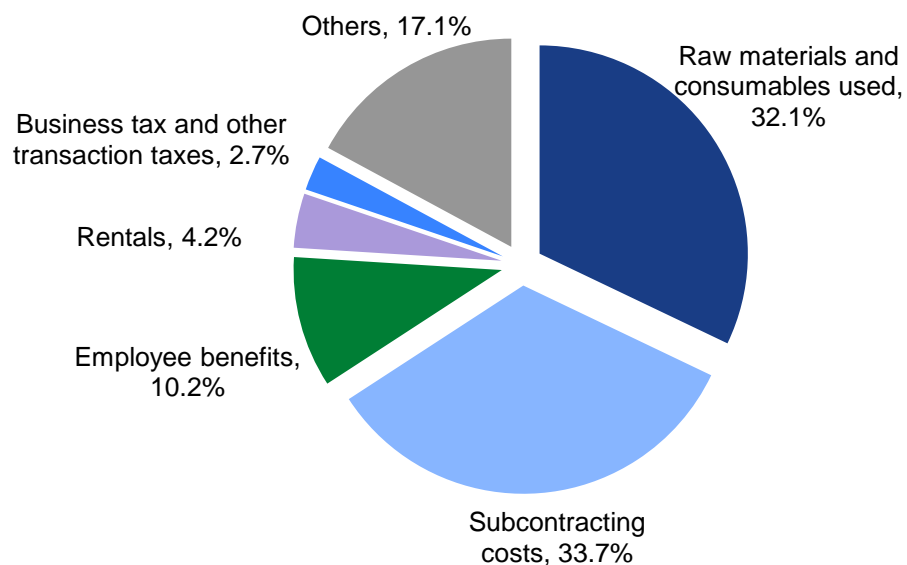
Notes:

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

Operating Cost Structure

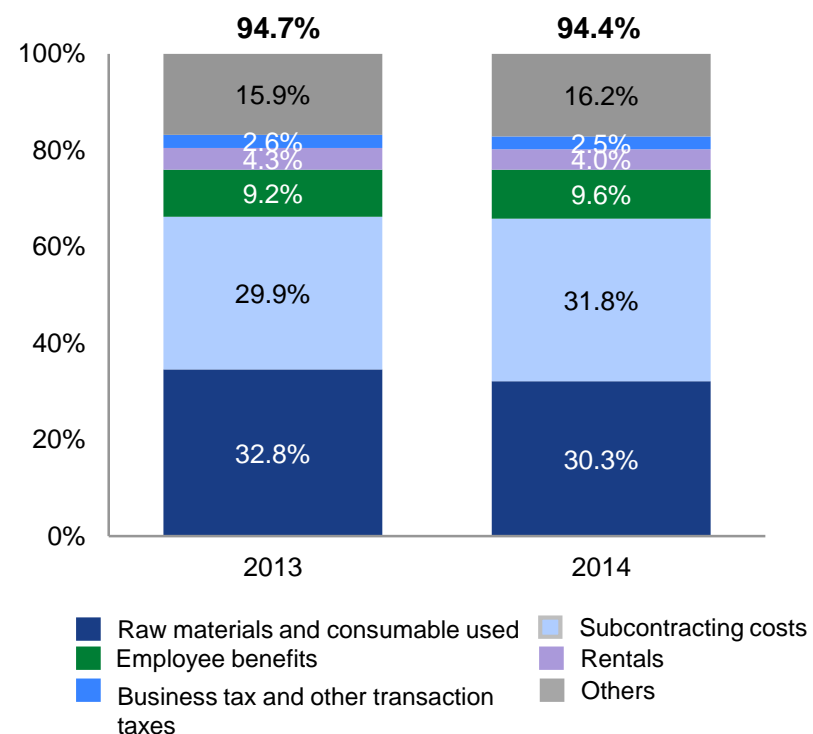
Cost Breakdown (2014)

As % of operating costs¹



Cost Structure (2014)

As % of sales



Note:

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

Infrastructure Construction – Business Performance

Completed projects with RMB 299,192 million of contract value

Key Projects



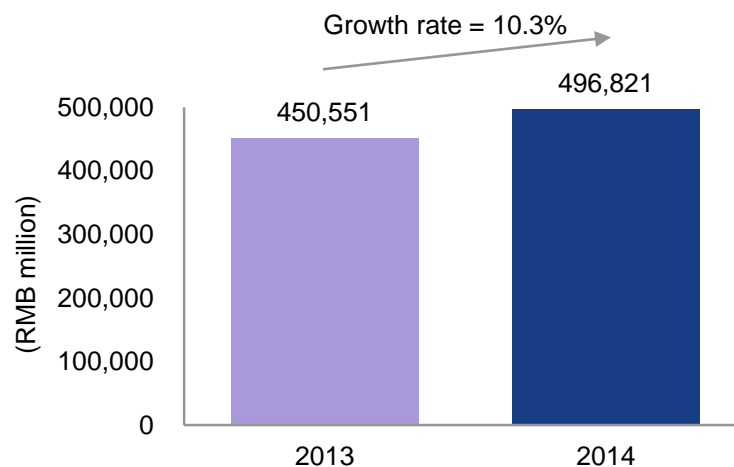
LNG Terminal in Dongjiakou Port Area of Qingdao Port



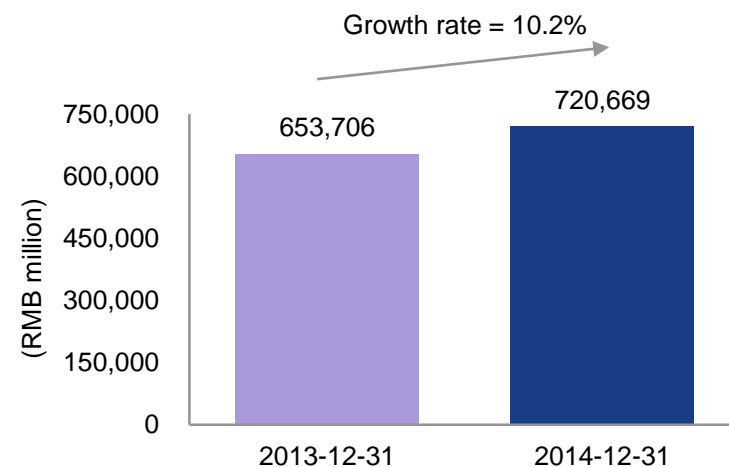
Serbia Zemun-Borca Bridge

New Contracts and Backlog

New Contracts

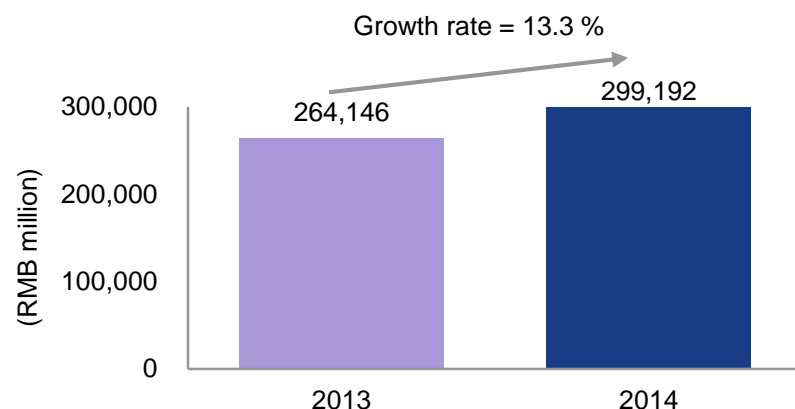


Backlog

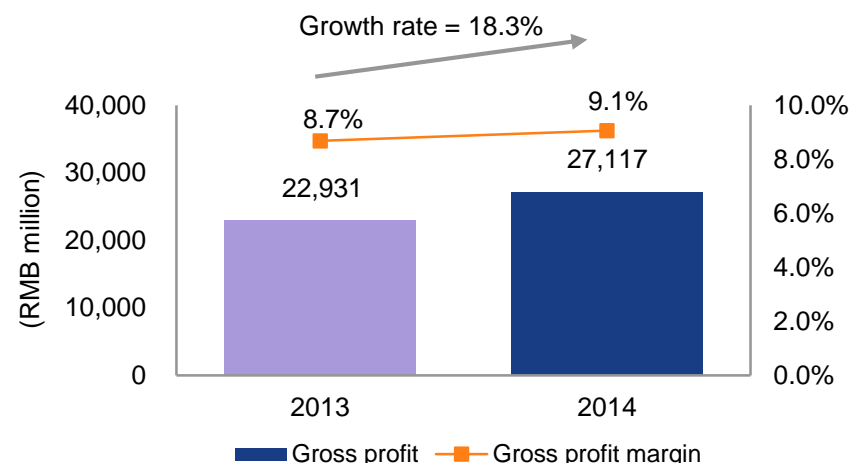


Infrastructure Construction – Financial Performance

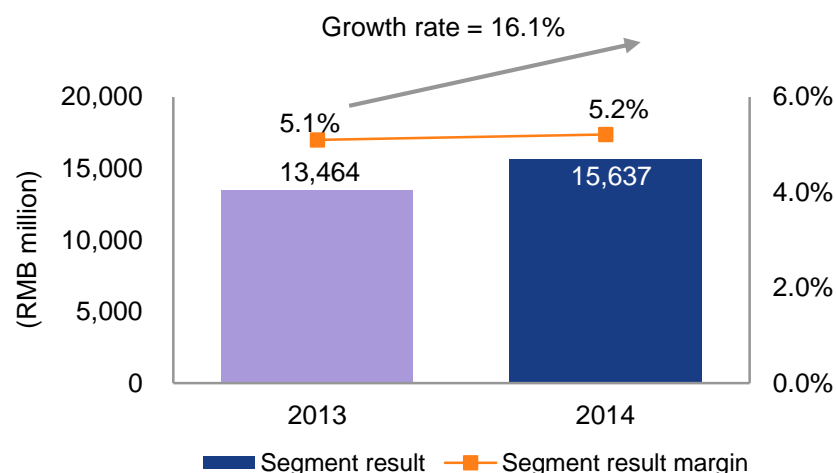
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ♦ The increase in revenue was primarily attributable to the increase of revenue from road and bridge construction projects, BOT&BT projects, overseas projects as well as municipal and other projects.
- ♦ Gross profit margin increased to 9.1% in 2014 from 8.7% in 2013, mainly attributable to the increased proportion of revenue generated from BOT&BT 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 21,086 million of contract value

Key Projects



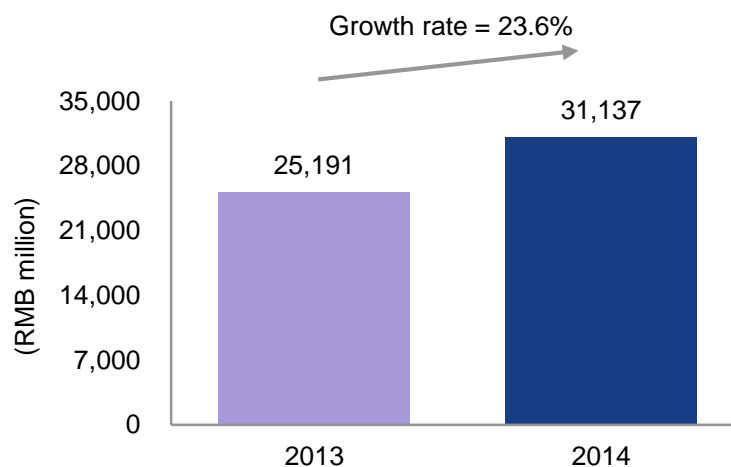
The 100,000ton level general purpose terminal in Binhai port of Jiangsu



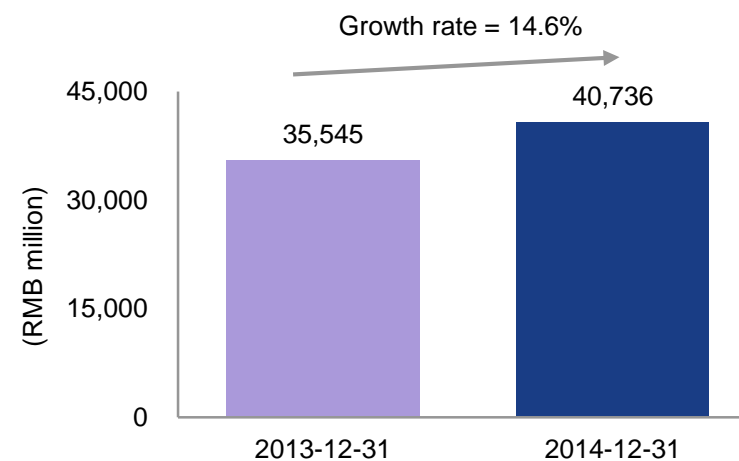
Quanzhou Bay Cross-sea Bridge

New Contracts and Backlog

New Contracts

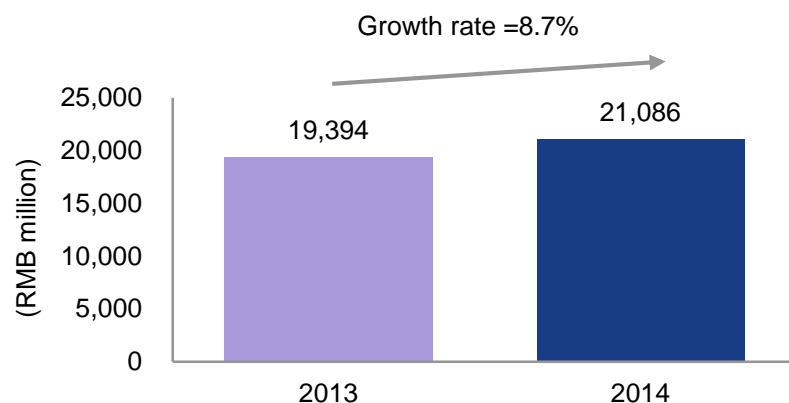


Backlog

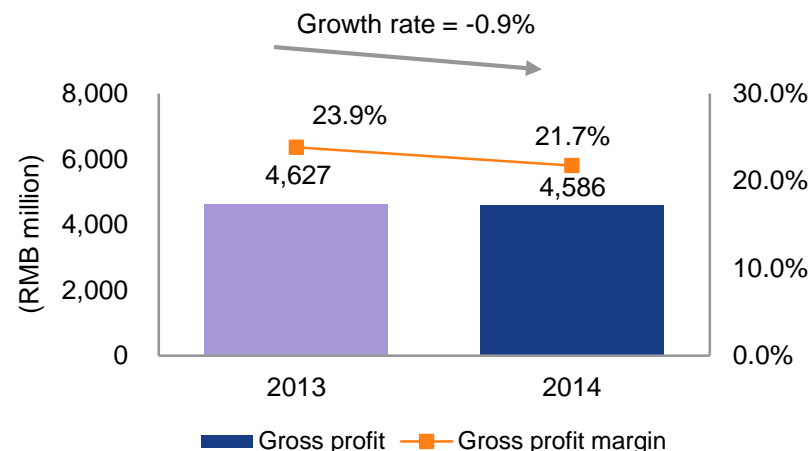


Infrastructure Design – Financial Performance

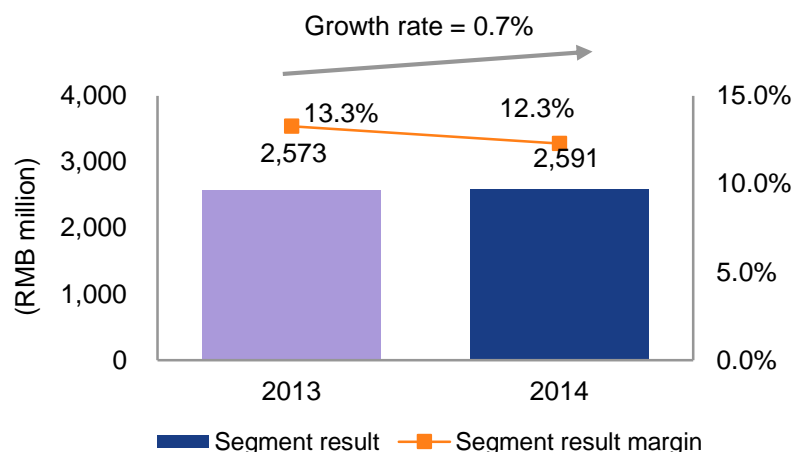
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ This growth in revenue was primarily attributable to the increase in the aggregate value of comprehensive contracts, which was in turn driven by higher demand for the Group's specialised design skills and experience in complex projects.
- ◆ Gross profit margin decreased to 21.7% in 2014 from 23.9% in 2013, mainly attributable to the increased proportion of revenue generated from comprehensive contracts, which have lower 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

Dredging - Business Performance

Completed projects with RMB 27,838 million of contract value

Key Projects



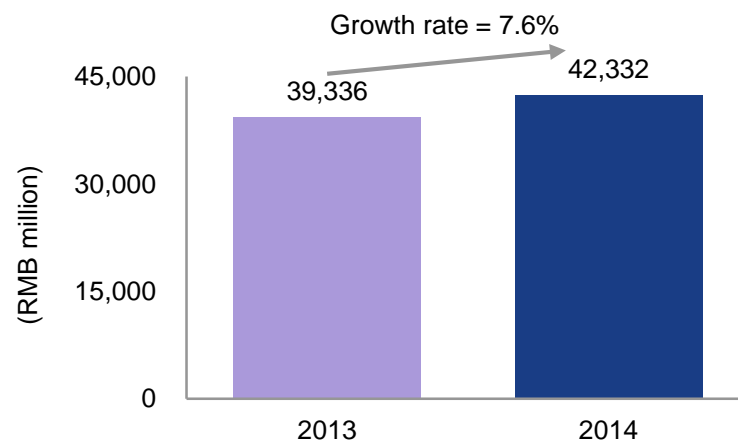
Compound Sea-route in Tianjin Port



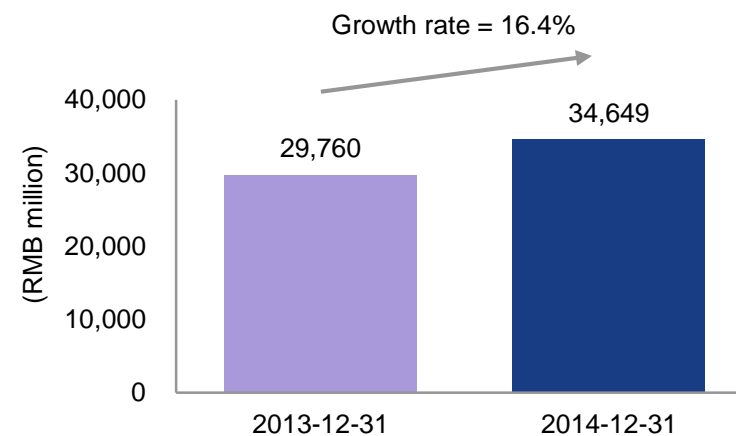
Nanhui eastern mudflat reclamation project

New Contracts and Backlog

New Contracts

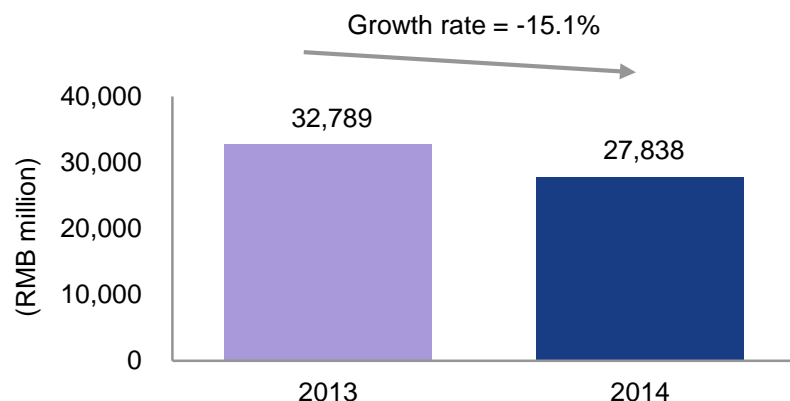


Backlog

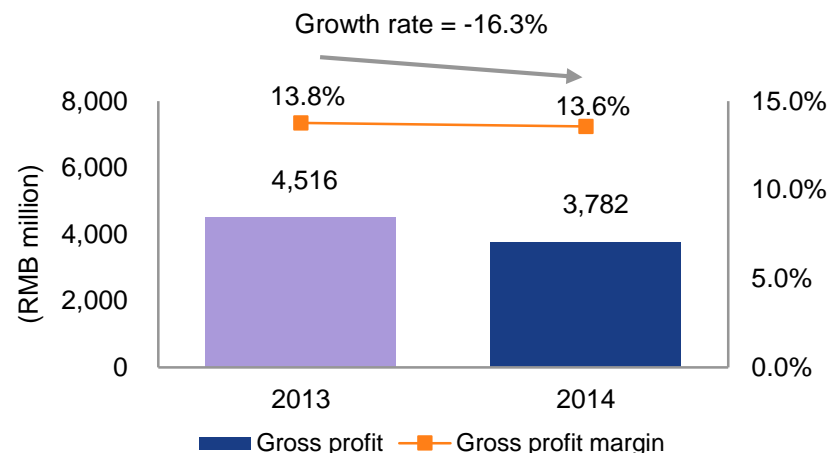


Dredging – Financial Performance

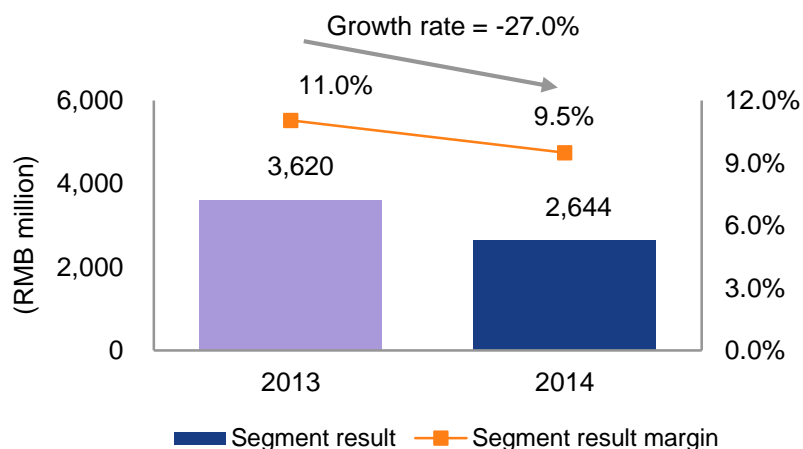
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ♦ The decline in revenue was primarily attributable to the slow-down of coastal line reclamation activities under the tightened macro economy in 2014
- ♦ The value of new contracts entered into in 2014 increased by RMB2,996 million compared to 2013. The increased value of new contracts in 2014 signals a recovery of dredging business in 2015.

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 26,733 million of contract value

Key Projects



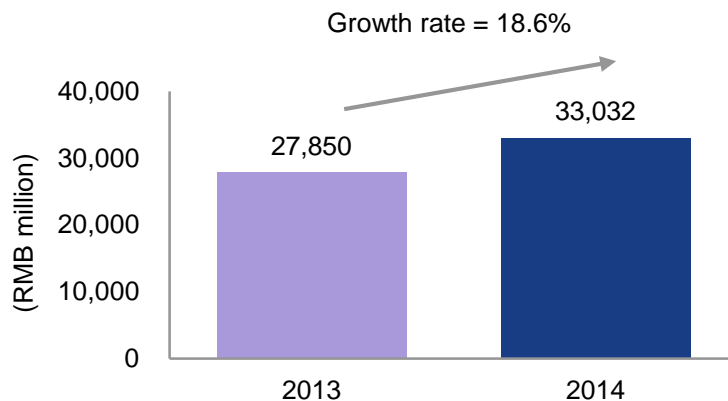
The first domestic automated port equipment



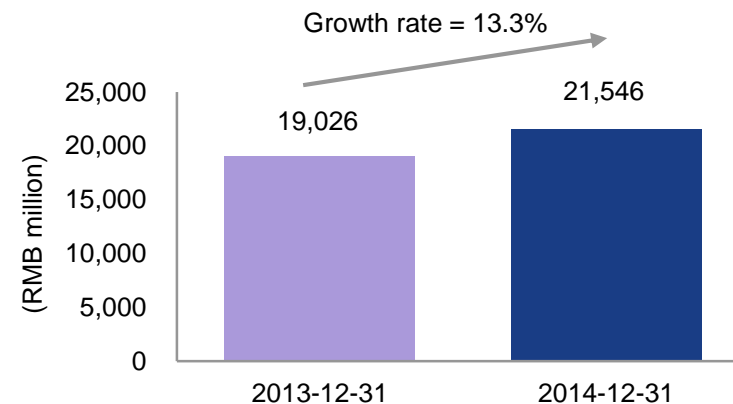
“Zhen Hai II”, the second self-elevating drilling platform manufactured by ZPMC

New Contracts and Backlog

New Contracts

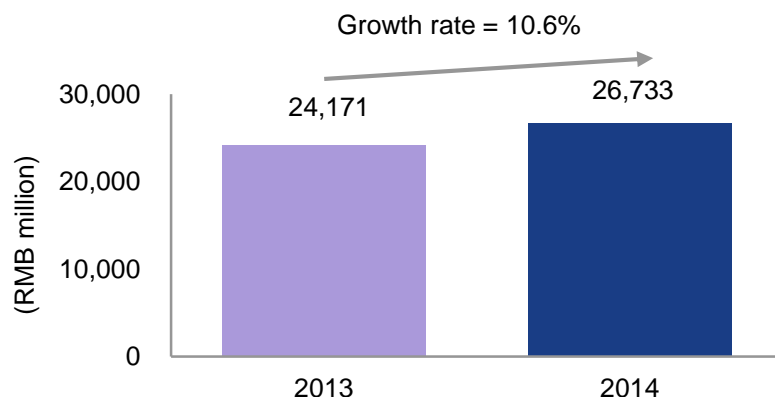


Backlog

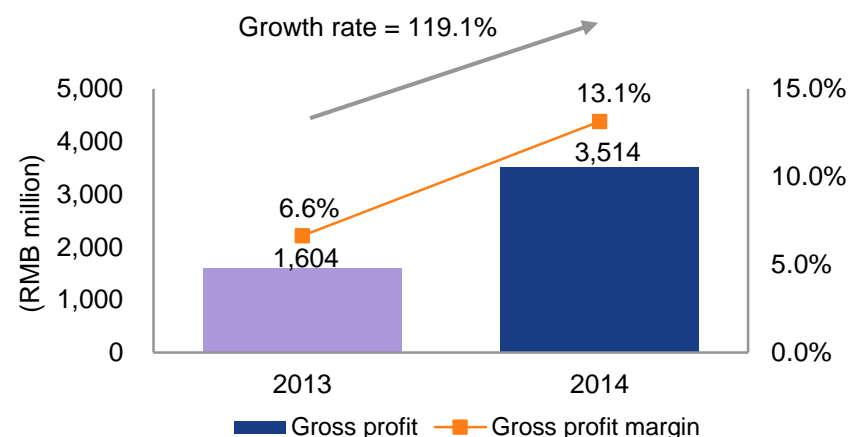


Heavy Machinery Manufacturing – Financial Performance

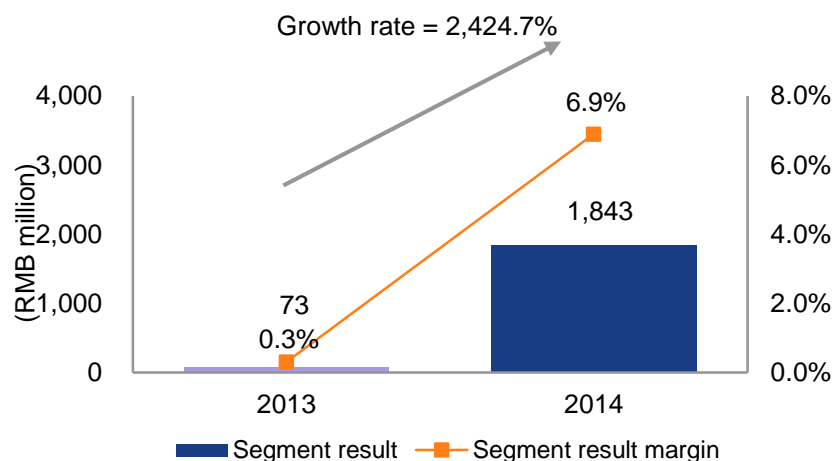
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ♦ The increase in revenue was primarily due to the development of new business and new products in 2014.
- ♦ Gross profit margin increased to 13.1% in 2014, doubling that of 6.6% in 2013. The increment was mainly attributable to improved profitability of ZPMC and F&G.

Notes:

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

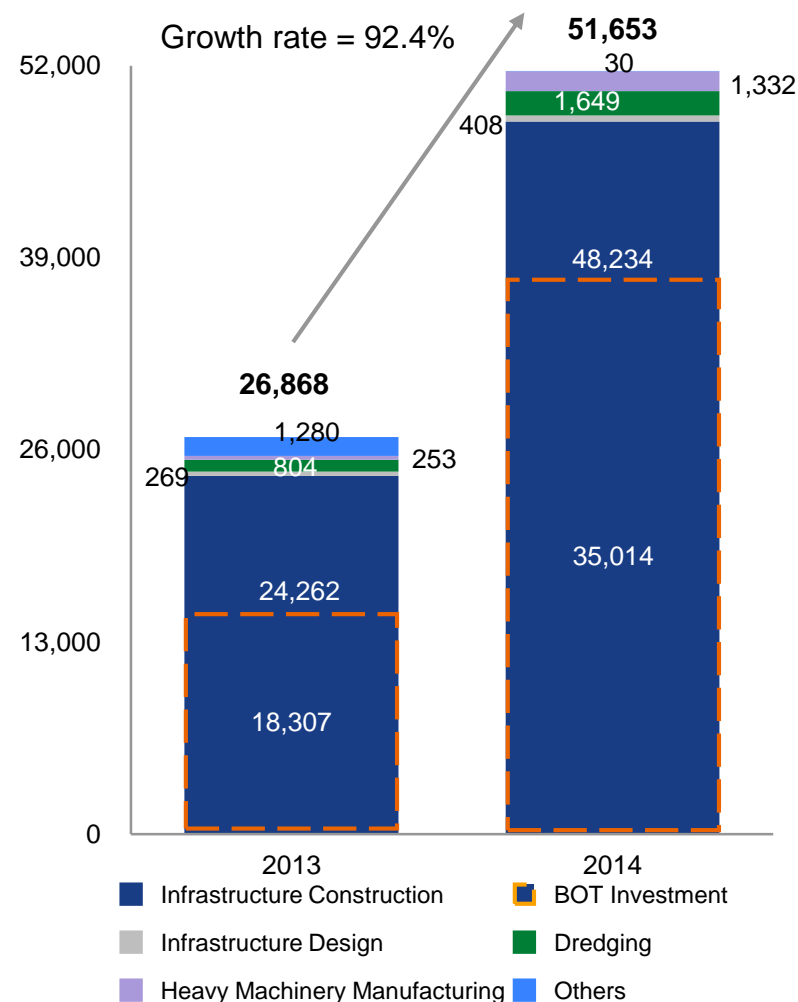
² Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses + other income/ (expenses), net

Capital Expenditure

Infrastructure Construction Business	◆ Mainly used in capital injection in BOT projects, purchases of PPE
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 the purchase of PPE and the completion of existing plants

Capital expenditure

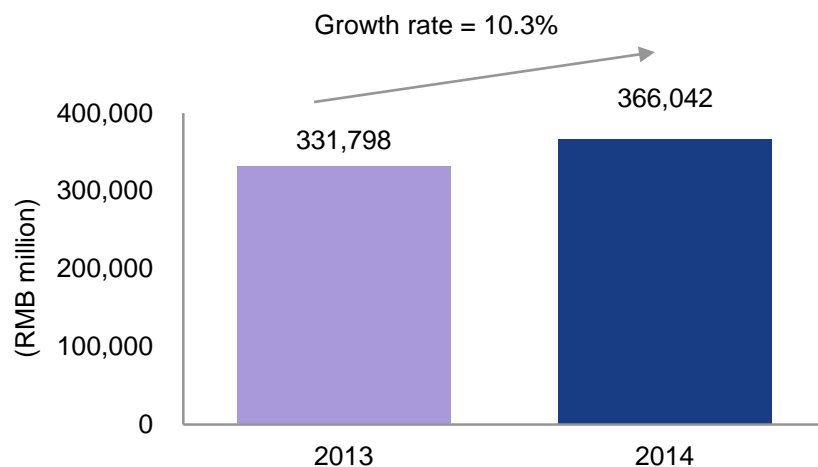
(RMB Million)



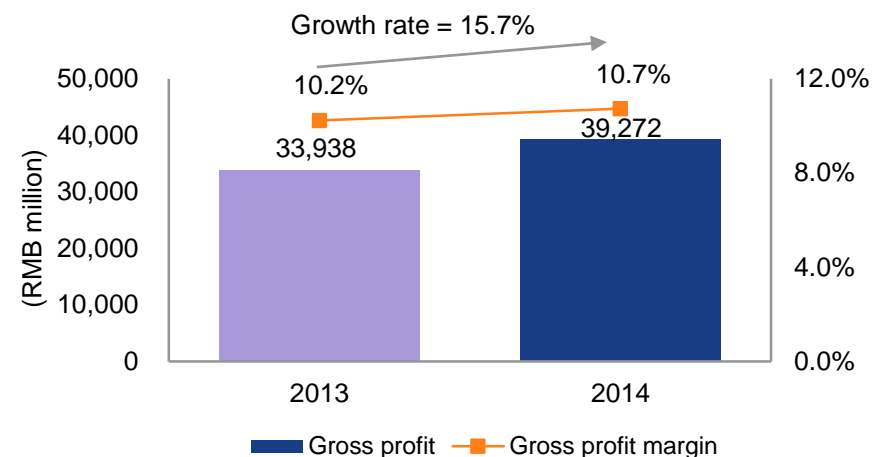
Note: Capital expenditure is implemented by means of both cash purchase and financial lease

Summary Income Statement Data

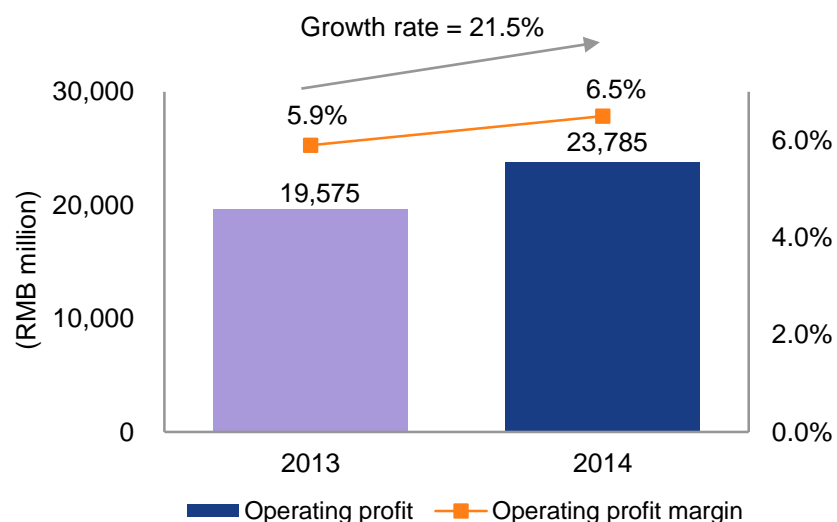
Revenue



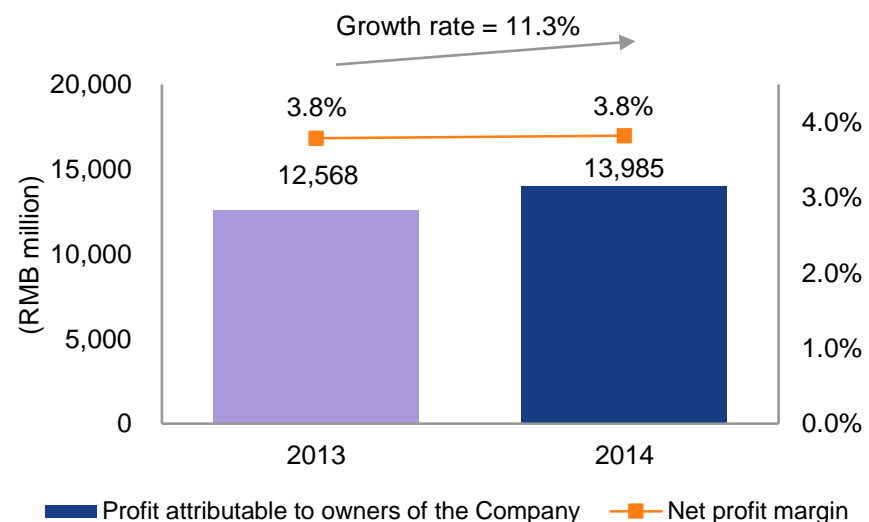
Gross Profit



Operating Profit



Profit attributable to Owners of the Company



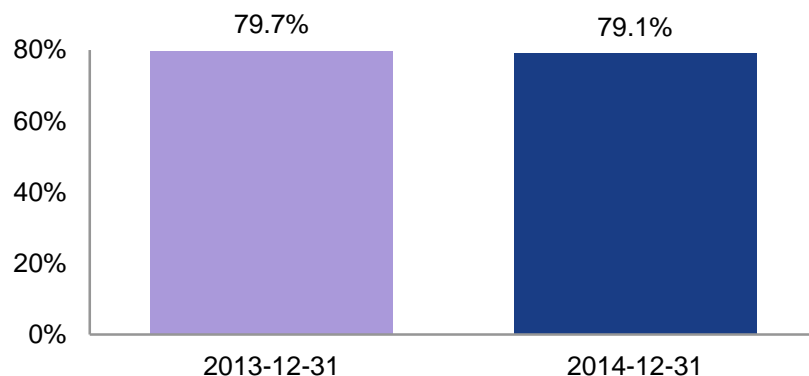
Summary Balance Sheet Data

<i>RMB Million</i>	As at 2013-12-31	As at 2014-12-31	Change %
Non-current assets	198,592	275,251	38.6%
Property, plant and equipment	55,619	63,377	13.9%
Intangible assets	54,592	90,378	65.6%
Available-for-sale financial assets	13,913	22,205	59.6%
Trade and other receivables	55,032	75,902	37.9%
Current assets	318,853	354,929	11.3%
Inventories	32,850	46,149	40.5%
Trade and other receivables	129,870	150,734	16.1%
Amounts due from customers for contract work	66,131	73,223	10.7%
Available-for-sale financial assets	4,203	6,586	56.7%
Cash and cash equivalents	81,238	71,823	(11.6)%
Total Asset	517,445	630,180	21.8%
Non-current liabilities	107,869	159,272	47.7%
Borrowings	99,157	137,801	39.0%
Current liabilities	304,735	339,296	11.3%
Trade and other payables	198,064	224,617	13.4%
Borrowings	87,818	91,034	3.7%
Total liabilities	412,604	498,568	20.8%
Total equity	104,841	131,612	25.5%

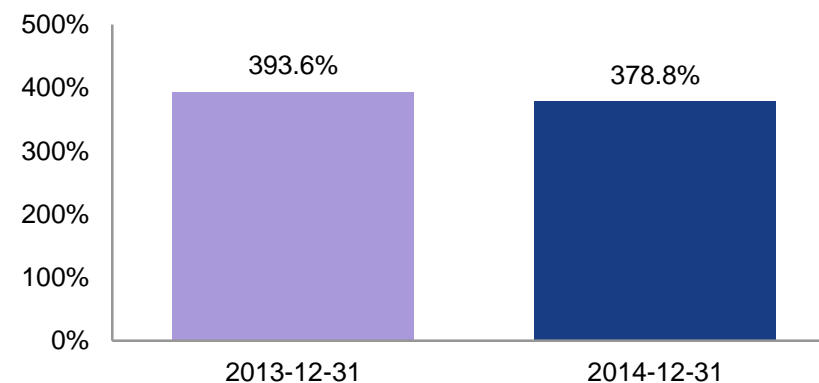
	As at 2013-12-31	As at 2014-12-31	Change
Total Liabilities / Total Assets	79.7%	79.1%	(0.6)%
Net debt / Total Capital¹	50.2%	54.4%	4.2%

Summary Balance Sheet Data

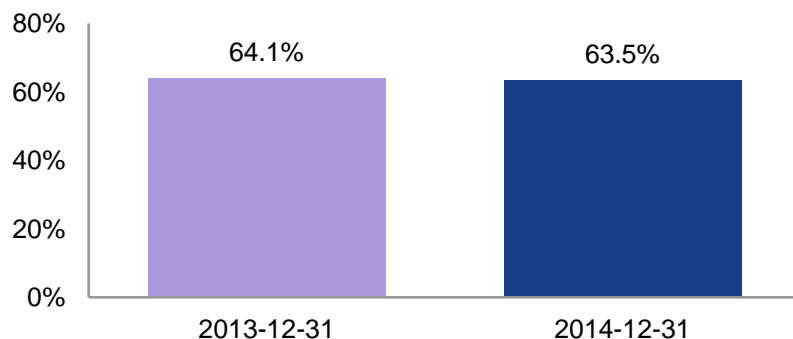
Total Liabilities/Total Assets



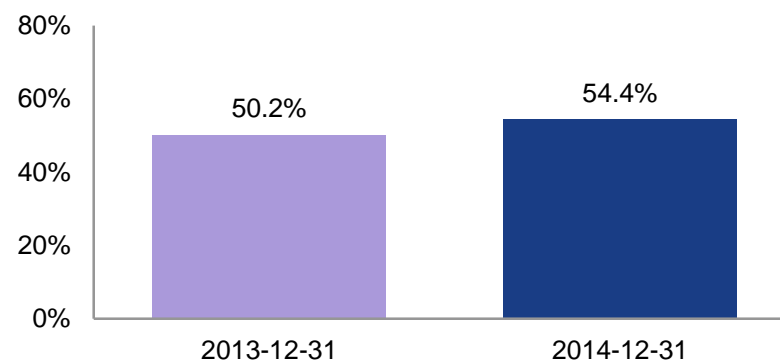
Total Liabilities/Net Assets



Total Debt/ Total Capitalization¹



Net debt / Total Capital²



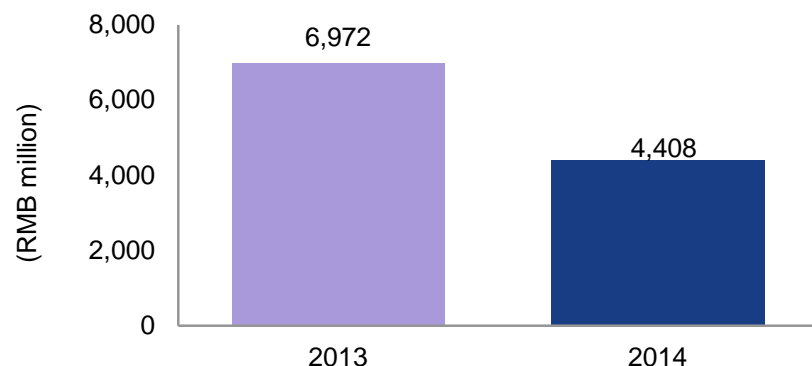
Note:

1. Total capitalization is total equity plus total debt

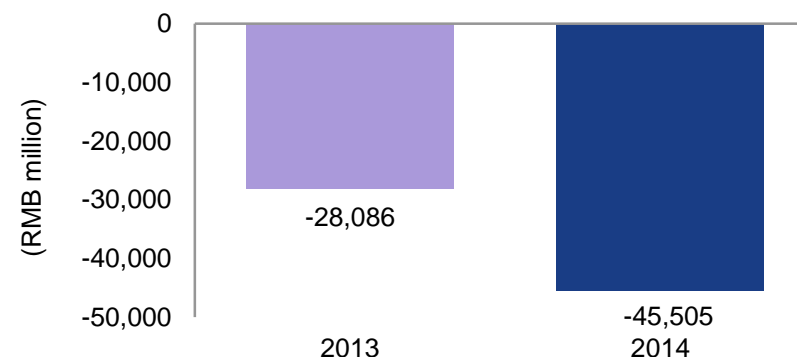
2. Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

Summary Cash Flow Statement Data

Cash Flow from Operating Activities



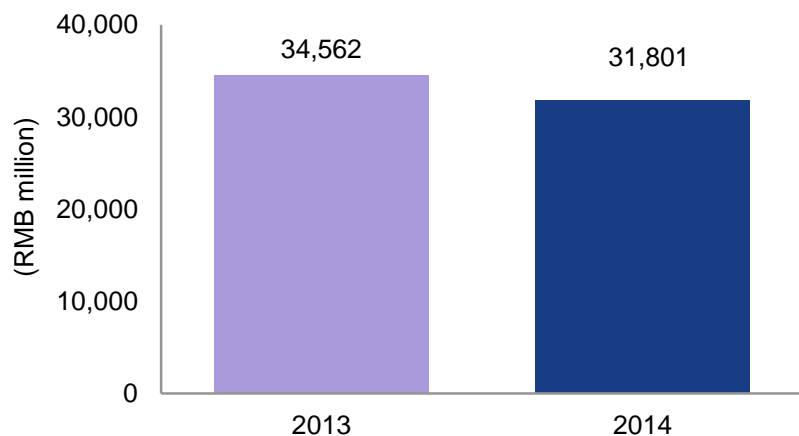
Cash Flow from Investing Activities



REMARKS

- ◆ The decrease in net cash generated from operating activities was primarily attributable to changes in working capital
- ◆ The increase in net cash used in investing activities was primarily attributable to the increase in the purchase of intangible assets and PPE and in the acquisition of subsidiaries
- ◆ Net cash generated from financing activities decreased to RMB31,801 million, primarily because the increase in repayment of borrowings and increase interest paid

Cash Flow from Financing Activities



Thank You

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