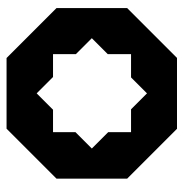


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CNBM

China National Building Material Company Limited*

中國建 材 股 份 有 限 公 司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3323)

Equity Transfer Framework Agreements

On 3 January 2013, Southwest Cement, a subsidiary of the Company, and TCC International entered into the following agreements:

- (1) Equity Transfer Framework Agreement of Scitus Project, pursuant to which, (i) Southwest Cement has agreed to procure the transfer of its 2.06% equity interests in Scitus Holdings, a subsidiary of TCC International, to TCC International's designated affiliate; (ii) Southwest Cement has agreed to procure Guizhou Southwest, a wholly-owned subsidiary of Southwest Cement, to acquire the relevant equity interests and the shareholders' loans indirectly held by Scitus Holdings in the Six Guizhou Companies; and (iii) Southwest Cement has agreed to procure the transfer of the relevant equity interests in the Four Luzhou Companies to TCC International; and
- (2) Equity Transfer Framework Agreement of Taichang Project, pursuant to which, Southwest Cement has agreed to procure Sichuan Southwest, a wholly-owned subsidiary of Southwest Cement, to acquire the 70% equity interests in Taichang Group indirectly held by TCC International.

Southwest Cement and TCC International have agreed to procure the entering into of formal sub-agreements on the transfer of equity interests in respect of each of the above transactions. The specific terms and conditions on the transfer of equity interests will be clearly stated in the corresponding sub-agreements.

This announcement is made on a voluntary basis and not required specifically under the Listing Rules.

Further announcement(s) will be made in respect of the implementation of the Equity Transfer Framework Agreement of Scitus Project and the Equity Transfer Framework Agreement of Taichang Project as and when necessary in accordance with the requirements under the Listing Rules.

1. INTRODUCTION

On 3 January 2013, Southwest Cement, a subsidiary of the Company, and TCC International entered into the following agreements:

- (1) Equity Transfer Framework Agreement of Scitus Project, pursuant to which, (i) Southwest Cement has agreed to procure the transfer of its 2.06% equity interests in Scitus Holdings, a subsidiary of TCC International, to TCC International's designated affiliate; (ii) Southwest Cement has agreed to procure Guizhou Southwest, a wholly-owned subsidiary of Southwest Cement, to acquire the relevant equity interests and the shareholders' loans indirectly held by Scitus Holdings in the Six Guizhou Companies; and (iii) Southwest Cement has agreed to procure the transfer of the relevant equity interests in the Four Luzhou Companies to TCC International; and
- (2) Equity Transfer Framework Agreement of Taichang Project, pursuant to which, Southwest Cement has agreed to procure Sichuan Southwest, a wholly-owned subsidiary of Southwest Cement, to acquire the 70% equity interests in Taichang Group indirectly held by TCC International.

2. EQUITY TRANSFER FRAMEWORK AGREEMENT OF SCITUS PROJECT

Transfer of Equity Interests in Scitus Holdings

According to the Equity Transfer Framework Agreement of Scitus Project, Southwest Cement has agreed to procure the transfer of its 2.06% equity interest in Scitus Holdings to TCC International's designated affiliate at the consideration of RMB16 million.

Upon completion of the transfer of equity interests in Scitus Holdings, Southwest Cement will no longer hold equity interests in Scitus Holdings.

Acquisition of Equity Interests in the Six Guizhou Companies

According to the Equity Transfer Framework Agreement of Scitus Project, Southwest Cement has agreed to procure Guizhou Southwest to acquire the relevant equity interests and the shareholders' loans indirectly held by Scitus Holdings in the Six Guizhou Companies, including 90% equity interests in Zunyi Scitus Cement, 75% equity interests in Zunyi Ken On Concrete, 90% equity interests in Xishui Scitus Cement, 90% equity interests in Bijie Scitus Cement, 70% equity interests in Bijie Scitus Concrete and 100% equity interests in Guizhou Management Company. The consideration for the acquisition of the equity interests and the shareholders' loans is approximately RMB810 million.

Upon completion of the acquisition of equity interests in the Six Guizhou Companies, Zunyi Scitus Cement, Zunyi Ken On Concrete, Xishui Scitus Cement, Bijie Scitus Cement, Bijie Scitus Concrete and Guizhou Management Company will become indirect subsidiaries of the Company.

Transfer of Equity Interests in the Four Luzhou Companies

According to the Equity Transfer Framework Agreement of Scitus Project, Southwest Cement has agreed to procure the transfer of relevant equity interests in the Four Luzhou Companies to TCC International, including 10% equity interests in Hejiang Scitus Cement, 25% equity interests in Luzhou Scitus Concrete, 10% equity interests in Naxi Scitus Cement and 10% equity interests in Luzhou Scitus Cement. The consideration for the transfer of the equity interests is RMB53 million.

Upon completion of the transfer of the equity interests in the Four Luzhou Companies, Southwest Cement will no longer hold equity interests in Hejiang Scitus Cement, Luzhou Scitus Concrete, Naxi Scitus Cement and Luzhou Scitus Cement.

3. EQUITY TRANSFER FRAMEWORK AGREEMENT OF TAICHANG PROJECT

Acquisition of Equity Interests in Taichang Group

According to the Equity Transfer Framework Agreement of Taichang Project, Southwest Cement has agreed to procure Sichuan Southwest to acquire the 70% equity interests in Taichang Group indirectly held TCC International.

According to the agreed pricing method under the Equity Transfer Framework Agreement of Taichang Project and the financial data provided by the management of Taichang Group, the total consideration for the transfer of the equity interests in Taichang Group is estimated to be not more than RMB300 million. The consideration for the transfer of the equity interests in Taichang Group will be confirmed after the completion of the audit of Taichang Group.

Upon completion of the acquisition of the equity interests in Taichang Group, Southwest Cement will hold 70% equity interests in Taichang Group.

Southwest Cement and TCC International have agreed to procure the entering into of formal sub-agreements on the transfer of equity interests in respect of each of the above transactions under the Equity Transfer Framework Agreement of Scitus Project and the Equity Transfer Framework Agreement of Taichang Project. The specific terms and conditions on the transfer of equity interests will be clearly stated in the corresponding sub-agreements.

4. REASONS FOR AND BENEFIT OF THE TRANSACTION

The implementation of each of the transactions set out in the Equity Transfer Framework Agreement of Scitus Project and the Equity Transfer Framework Agreement of Taichang Project will facilitate the development of the Company in the core profit region in South-western China. According to the development strategy of the Company, each of the above transactions will help the Company better leverage its existing presence in South-western China, and strengthen its market share and influence in the region.

5. INFORMATION RELATING TO THE PARTIES

Information relating to TCC International

TCC International is mainly engaged in the import and distribution of cement in Hong Kong, as well as the manufacture and distribution of cement, clinker and slag powder in other areas of the PRC.

To the best of the knowledge, information and belief of the directors of the Company and having made all reasonable enquiries, TCC International is an independent third party not connected with the Company and any connected person of the Company (as defined in the Listing Rules).

Information relating to the Company

The Company is a leading building materials company in the PRC with significant operations in the cement, lightweight building materials, glass fiber and composite materials, and engineering services business.

Information relating to Southwest Cement

Southwest Cement is a subsidiary of the Company which is mainly engaged in the manufacture and sales of cement and clinker.

6. GENERAL INFORMATION

This announcement is made on a voluntary basis and not required specifically under the Listing Rules.

Further announcement(s) will be made in respect of the implementation of the Equity Transfer Framework Agreement of Scitus Project and the Equity Transfer Framework Agreement of Taichang Project as and when necessary in accordance with the requirements under the Listing Rules.

7. DEFINITIONS

“Bijie Scitus Cement”	畢節賽德水泥有限公司 (Scitus Bijie Cement Co., Ltd.*), a limited liability company incorporated under the PRC law
“Bijie Scitus Concrete”	畢節賽德混凝土有限公司 (Scitus Bijie Concrete Co., Ltd.*), a limited liability company incorporated under the PRC law
“Company”	中國建材股份有限公司 (China National Building Material Company Limited*), a joint stock limited company incorporated under the laws of the PRC whose H shares are listed on The Stock Exchange of Hong Kong Limited
“Equity Transfer Framework Agreement of Scitus Project”	the equity transfer framework agreement in relation to the Scitus project entered into by Southwest Cement and TCC International on 3 January 2013
“Equity Transfer Framework Agreement of Taichang Project”	the equity transfer framework agreement in relation to the Taichang project entered into by Southwest Cement and TCC International on 3 January 2013

“Four Luzhou Companies”	Scitus Naxi Cement, Scitus Luzhou Cement, Scitus Hejiang Cement and Scitus Luzhou Concrete
“Guizhou Management Company”	賽德水泥(貴州)管理有限公司 (Scitus Cement (Guizhou) Operating Co. Ltd.*), a limited liability company incorporated under the PRC law
“Guizhou Southwest”	貴州西南水泥有限公司 (Guizhou Southwest Cement Company Limited*), a limited liability company incorporated under the PRC law
“Hejiang Scitus Cement”	合江賽德水泥有限公司 (Scitus Hejiang Cement Co., Ltd.*), a limited liability company incorporated under the PRC law
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Luzhou Scitus Cement”	瀘州賽德水泥有限公司 (Scitus Luzhou Cement Co., Ltd.*), a limited liability company incorporated under the PRC law
“Luzhou Scitus Concrete”	瀘州賽德混凝土有限公司 (Scitus Luzhou Concrete Co., Ltd.*), a limited liability company incorporated under the PRC law
“Naxi Scitus Cement”	瀘州納溪賽德水泥有限公司 (Scitus Naxi Cement Co., Ltd.*), a limited liability company incorporated under the PRC law
“RMB”	Renminbi yuan, the lawful currency of the PRC
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement, the Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan

“Scitus Holdings”	賽德水泥(中國)控股有限公司 (Scitus Cement (China) Holdings Limited), a company incorporated in Hong Kong with limited liability
“Six Guizhou Companies”	Zunyi Scitus Cement, Zunyi Ken On Concrete, Xishui Scitus Cement, Bijie Scitus Cement, Bijie Scitus Concrete and Guizhou Management Company
“Sichuan Southwest”	四川西南水泥有限公司 (Sichuan Southwest Cement Company Limited*), a limited liability company incorporated under the PRC law
“Southwest Cement”	西南水泥有限公司 (Southwest Cement Company Limited*), a limited liability company incorporated under the PRC law
“Taichang Group”	四川泰昌建材集團有限公司 (Sichuan Taichang Building Materials Group Co., Ltd.*), a limited liability company incorporated under the PRC law
“TCC International”	台泥國際集團有限公司 (TCC International Holdings Limited), a company incorporated in the Cayman Islands with limited liability, the ordinary shares of which are listed on The Stock Exchange of Hong Kong Limited
“Xishui Scitus Cement”	習水賽德水泥有限公司 (Scitus Xishui Cement Co., Ltd.*), a limited liability company incorporated under the PRC law

“Zunyi Ken On Concrete”

貴州遵義建安混凝土有限公司 (Guizhou Zunyi Ken On Concrete Co. Ltd.*), a limited liability company incorporated under the PRC law

“Zunyi Scitus Cement”

遵義賽德水泥有限公司 (Zunyi Scitus Cement Co. Ltd.*), a limited liability company incorporated under the PRC law

By order of the Board

China National Building Material Company Limited

Chang Zhangli

Secretary of the Board

Beijing, the PRC

3 January 2013

As at the date of this announcement, the board of directors of the Company comprises Mr. Song Zhiping, Mr. Cao Jianglin, Mr. Peng Shou, Mr. Cui Xingtai and Mr. Chang Zhangli as executive directors, Mr. Guo Chaomin, Mr. Huang Anzhong and Ms. Cui Lijun as nonexecutive directors, and Mr. Qiao Longde, Mr. Li Decheng, Mr. Ma Zhongzhi, Mr. Shin Fang and Mr. Wu Liansheng as independent non-executive directors.

* *For identification only*