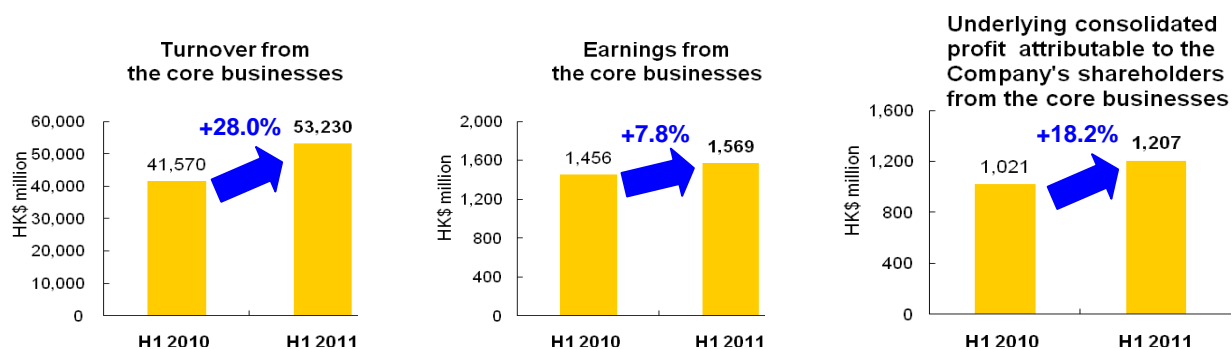


For Immediate Release

Press Release

China Resources Enterprise Announces Interim Results for 2011
“Strong sustainable growth”

- Sustained growth momentum with unaudited consolidated turnover and earnings from the core businesses increased by 28.0% and 7.8% respectively to approximately HK\$53,230 million and HK\$1,569 million
- Retail division recorded growth with turnover and earnings climbing by 27.8% and 7.9% respectively due to the expansion of its retail network and strong same stores sales growth of 12.4%. Excluding an after-tax revaluation surplus, the division’s underlying net profit would have increased by 23.4% year-on-year
- Beer division recorded a surge of 27.8% and 27.5% in turnover and earnings respectively, driven by the leveraging of its economies of scale and the improvement in average selling prices.
- The Board of Directors recommended an interim dividend of HK\$0.15 per share



[Hong Kong, 25 August 2011] China Resources Enterprise, Limited (HKEx: 00291) ('The Company' or together with its subsidiaries, 'The Group') today announced its interim results for the six months ended 30 June 2011. Unaudited turnover and profit attributable to the Company's shareholders from the core businesses rose by 28.0% and 7.8% respectively to approximately HK\$53,230 million and HK\$1,569 million. Excluding the after-tax effect of asset revaluation and major disposals, its underlying unaudited consolidated profit attributable to shareholders would increase by 18.2% for the six months ended 30 June 2011. The Board recommended an interim dividend of HK\$0.15 per share.

Mr. Chen Lang, Chief Executive Officer of the Company, said, "Our strategy of building our core consumer business, including retail, beer, food and beverage businesses, continued to deliver sound overall results in the first half of 2011. Through new acquisitions and organic growth, we further expanded our business and enhanced our profitability, which led to sustainable growth during the review period and a stronger market-leading position in China."

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The Group's **retail division** recorded a turnover of HK\$34,367 million and an attributable profit of HK\$1,030 million in the first half of 2011, representing year-on-year increases of 27.8% and 7.9% respectively. The increases were attributable to the Group's expanding retail network and strong same stores sales growth of 12.4%. Excluding an after-tax revaluation surplus, the division's underlying net profit would have increased by 23.4% year-on-year. Earnings before interest, tax, depreciation and amortization of the division for the first half of 2011 was up by 13.9% to HK\$2,179 million.

In the first half of 2011, the retail division continued the expansion of its extensive retail network comprising more than 3,400 stores nationwide. The Group's "華潤萬家 Vanguard" and "Ole" supermarkets extended their footprints into new markets such as western part of Guangdong, Baise of Guangxi, Chongqing and Changsha of Hunan. Meanwhile, "中藝 Chinese Arts & Crafts", "華潤堂 CR Care" and "Pacific Coffee" stores also expanded their mainland markets. The acquisition of the 152 store "Sanjiu" retail drugstore chain and the takeover of the Jiangxi Hongkelong Department Store in Jiangxi Province have created more synergy among the Group's retail network and strengthened the Group's market presence and leading position in China.

Leveraging its economies of scale and the improvement in average selling prices, the **beer division** recorded turnover and attributable profit of HK\$12,830 million and HK\$329 million respectively for the first half of 2011, representing increases of 27.8% and 27.5% over the same period last year. Total sales volume in the first half of 2011 increased by 15% to approximately 5,052,000 kiloliters, driven by an enhanced production capacity and effective promotions for targeted market segments in the second quarter. The sales volume of "雪花 Snow" increased by 14% to approximately 4,506,000 kiloliters, accounting for more than 90% of the Group's total beer sales volume in the first half of 2011. As at the end of June 2011, the Group operated over 75 breweries in China with an aggregate annual production capacity of more than 15,000,000 kiloliters.

The Group recently performed a series of acquisition, including acquisition of a 49% equity stake in Jiangsu Dafuhao Breweries Co., Ltd, a 100% equity stake in Shanghai Asia Pacific Brewery Company Limited, acquisition of the remaining 55% interest in Hangzhou Xihu Beer Asahi Co., Ltd and the remaining 25% interest in Zhejiang Xihu Beer Asahi Co. Ltd. The transactions have further fuelled the organic growth of the division and reinforced the Group's leading position in China's beer market.

The **food division** reported a turnover of HK\$4,855 million for the first half of 2011, representing an increase of 25.3% over the corresponding period in 2010. Earnings of the food division was HK\$193 million, down by 19.6% when compared to the same period last year. The operating profit



of the Group's meat business in China was affected by lower consumer demand and higher input costs. The Group continued to enhance its integrated, high quality supply system in order to maintain its competitive edge. The Group also maintained its leadership position in the Hong Kong live pig market through synergy with its livestock raising business in China. Through the active promotion of the “五豐 Ng Fung” brand, branded meat products continued to make strong progress in market expansion, and both sales volume and profitability of the frozen food and ice-cream business increased year-on-year.

The **beverage division** reported a turnover of HK\$1,366 million and an attributable profit of HK\$58 million for the first half of 2011, representing increases of 52.5% and 9.4% year-on-year respectively. With its flagship purified water brand “怡寶 C'estbon”, total sales volume of the division rose by approximately 40% to 1,214,000 kiloliters. In the first half of 2011, the Group's strategy of focusing more resources on developing target markets paid off in Guangdong, Hunan, Sichuan and Jiangsu provinces, where business showed gradual improvement. The division further penetrated into neighboring markets such as Guangxi, Fujian, Jiangxi, Shanghai and Chongqing, and recorded remarkable growth in both turnover and total sales volume. To further enhance the strength of the “怡寶 C'estbon” brand, the division entered into a strategic cooperation agreement with the Chinese National Table Tennis Team during the period under review in which “怡寶 C'estbon” was designated the team's exclusive official drinking water. The Group's cooperation with Kirin Holdings Company, Limited went smoothly. With the complementary strengths of both companies, the cooperation is poised to make the division a powerful contender in the non-alcoholic beverage market in China.

Mr. Qiao Shibo, Chairman of the Company, concluded, “Looking ahead into the second half of 2011, we will keep a close eye on the development of the global economy and the impacts on China. The central government has made growth of domestic consumption a top priority in its ‘12th Five-year Plan’, and we are optimistic about the consumer market in China. While pursuing organic growth to enhance profitability, the Group will continue to actively seek and evaluate investment opportunities in order to further expand our presence and to penetrate deeper into China's consumer market, thereby solidifying our market-leading position.”

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About China Resources Enterprise, Limited

China Resources Enterprise, Limited is listed on the Hong Kong Stock Exchange and is one of the constituent stocks of the Hang Seng Index in Hong Kong. The Group focuses on the consumer businesses, including retail, beer, food and beverage in China.



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Full details of our 2011 interim results have been posted on the designated website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the corporate website at www.cre.com.hk.