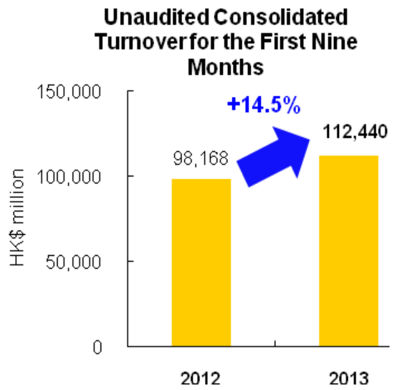
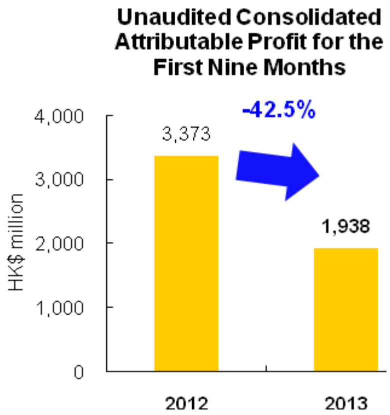
For Immediate Release

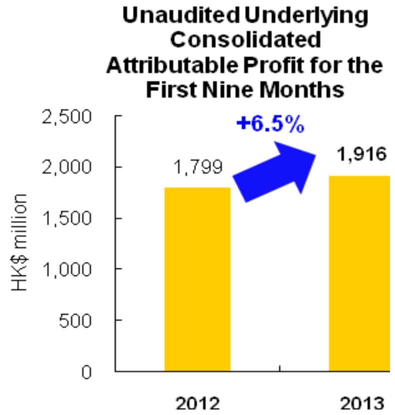
Press Release

China Resources Enterprise Announces Unaudited Review for the First Nine Months of 2013

- **Unaudited consolidated turnover and profit attributable to shareholders increased 14.5% and decreased 42.5% year-on-year to HK$112,440 million and HK$1,938 million, respectively.**
- **The attributable profit reduction was mainly due to the asset revaluation in the previous year, a non-recurring item this year.**
- **Excluding the after-tax effect of asset revaluation and major disposals, the Group's unaudited underlying consolidated profit attributable to the Company's shareholders increased by 6.5% to HK$1,916 million.**
- **Retail division reported turnover of HK$71,827 million, representing an increase of 13.9%, and attributable profit dwindled 67.8% to HK$721 million. Excluding the after-tax revaluation surplus and the disposal of the non-core assets, the division's attributable profit decreased by 3.9%.**
- **Beer division achieved turnover of HK$27,410 million, representing an increase of 15.2%, and attributable profit soared 26.1% to HK$1,107 million.**
- **Beverage division recorded robust growth with turnover and attributable profit of HK$5,869 million and HK$129 million, representing increases of 50.2% and 46.6%, respectively. The overall performance of the food division was mainly affected by the business restructuring.**







[Hong Kong, 14 November 2013] **China Resources Enterprise, Limited** (HKEx: 00291) ('The Company', or together with its subsidiaries, 'The Group') today announced its unaudited financial and operational review for the nine months ended 30 September 2013. Unaudited consolidated turnover and profit attributable to shareholders increased by 14.5% and decreased by 42.5% to HK$112,440 million and HK$1,938 million, respectively. Excluding the after-tax effect of asset revaluation and major disposals, the Group's unaudited underlying consolidated profit attributable to the Company's shareholders increased by 6.5% to HK$1,916 million.

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Mr. Hong Jie, Chief Executive Officer of the Company, said, “Despite the stagnant economic growth in China due to weaker demand, overcapacity and regulatory control policies in the first nine months of 2013, we managed to tap the opportunities arising from the rebound in the Chinese economy and further expanded our business, thus enhancing our profitability. ”

Retail Division recorded turnover and attributable profit of HK$71,827 million and HK$721 million, representing an increase of 13.9% and a decrease of 67.8%, respectively. Excluding the after-tax revaluation surplus and the disposal of the non-core assets, the division’s attributable profit would have decreased by 3.9%. As at the end of September 2013, the Group operated over 4,500 stores in China, of which approximately 83% were self-operated, while the rest were franchised. The division’s same-store-sales growth was 5.9% year-on-year. The overall sales growth was mainly attributable to the expansion efforts into new regions and the opening of new stores.

In view of the profitability pressure brought by minimum wage and normal salary increment, the Group implemented various effective initiatives to control operating costs. During the quarter under review, the Group has stepped up its efforts to further increase its market share and reinforce its retail business across the country. At the same time, those stores under Jiangxi Hongkelong Department Store Investment Company Limited which integrated into the Group last year were rebranded as “華潤萬家 CR Vanguard” stores.

Furthermore, in October 2013, the Group and Tesco PLC (“Tesco”) signed an agreement to form a joint venture (“Joint Venture”) to consolidate the retail business in China. The agreement is subject to the approval from the regulatory and the Company’s shareholders. Pursuant to the agreement, Tesco will inject the 134 stores and 19 shopping malls it currently operates in mainland China into the Joint Venture and allocate an aggregate cash sum of HK$4,325 million to subscribe for the new shares of the Joint Venture so that the Group and Tesco will hold interests in the Joint Venture amounting to 80% and 20%, respectively. The Joint Venture will be the exclusive platform for the Group and Tesco to engage in the business of multi-category retailing through hypermarkets, supermarkets, convenience stores, cash and carry business and liquor stores (as well as the online/internet equivalent of any of the foregoing businesses) in Greater China. The Joint Venture aims to become the leading multi-format retailer in Greater China, and targets faster growth and enhanced profitability.

Beer division achieved turnover and attributable profit of HK$27,410 million and HK$1,107 million, representing increases of 15.2% and 26.1%, respectively. The beer sales volume increased over 8% year-on-year to approximately 9,831,000 kiloliters for the first nine months of 2013. Of this, the sales volume of the Group’s national “雪花 Snow” brand increased by 9% to approximately 8,984,000 kiloliters, accounting for more than 90% of the Group’s total beer sales volume.

Riding on the Group’s concerted efforts to enhance its production capacity, its effective brand promotions, as well as the strengthening of its sales network and enhancement of customer services at points of sale, the beer division has a strong growth momentum in sales volume. During the third quarter, higher-thanusual temperatures nationwide accelerated the growth of overall capacity in the beer market, which, coupled with the rapid growth in the sales of premium beer, in turn boosted the division's sales volume.

The beer division ramped up investment in some of its promotional and market activities in a moderate manner. As such, the significant growth in sales boosted the division's operating profit. In September 2013, the Group's beer division completed the acquisition of Kingway Brewery Holdings Limited's seven breweries in relation to its beer production, distribution and sales businesses. The acquisition will not only strengthen the division's market position in Guangdong, but will also further optimize the Group's sales network in China. As at the end of September 2013, the Group operated more than 90 breweries in China with an aggregate annual production capacity of approximately 20,000,000 kiloliters.

Food division reported turnover and attributable profit of HK$8,175 million and HK$101 million, representing an increase of 5.5% and a decrease of 62.7%, respectively. Excluding the after-tax revaluation surplus and the deemed gain on the disposal of non-core investments in the same period of last year, the division's attributable profit would have decreased by 52.4%. The division is undertaking business transition while the new businesses have yet to reach economies of scale, the overall performance of the division was affected.

In respect of the division's operation in Hong Kong, by reinforcing communications with suppliers, the livestock distribution operation improved the quality of products procured so as to alleviate the impact brought by low selling prices of live pigs. As for the meat operation in China, through the vigorous expansion of the division's carved meat business and by increasing the number of specialized meat retail store in various cities, the division achieved growth in both turnover and gross profit margin. The assorted foodstuffs operation in China strengthened awareness of "五豐黎紅" brand, the profitability has been significantly improved.

Upon the acquisition of a rice distribution business in Shenzhen, the rice distribution business completed the acquisitions of other distribution business in Shanghai, Shaanxi and Hubei during the period under review. It also completed the acquisition of a rice processing operation with an aggregated annual production capacity of 100,000 tonnes in Wuchang, a quality rice production district in Heilongjiang. In addition, the division acquired a fruit processing and distribution business, laying a solid foundation for the formation of a vertically-integrated industry chain spanning from sources to retail channels.

Beverage division recorded turnover and attributable profit of HK$5,869 million and HK$129 million, representing increases of 50.2% and 46.6%, respectively. The division's total sales volume increased by 38% year-on-year to approximately 3,955,000 kiloliters in the first nine months of 2013, which was attributable to the remarkable growth in the sales volume of "怡寶 C'estbon" purified water and the active promotion of beverage products.

The division focused on its core markets in Guangdong and Hunan and expanding its sales network in the adjacent provinces with the aim of deepening market penetration. As for "麒麟 Kirin" beverage products, the division focused on certain key cities to increase the synergistic investments in the sales channel with that of the packaged water to cope with the market competition. It also engaged in a moderate degree of brand localization in order to broaden its customer base. This enhanced product recognition and awareness which sharpened the competitive edge of the division in the market.

Mr. Chen Lang, Chairman of the Company, concluded, "The sluggish Chinese economy is likely to pose challenges to the operating environment for the consumer goods industry in the near term. However, we are optimistic in the prospect of 2014 as the accelerated transformation and upgrading in China, alongside favourable policies are expected to underpin future growth. Looking ahead, we will continue to push forward our expansion plans, and to enhance profitability through organic growth, as well as to steadily move towards our goal of becoming the largest consumer goods company in China."

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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 goods businesses in China.

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Full details of our 2013 third quarter 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.