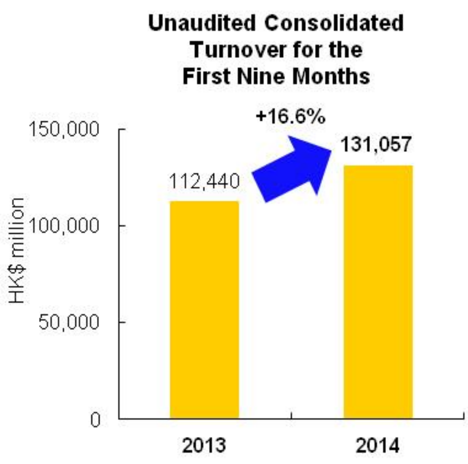
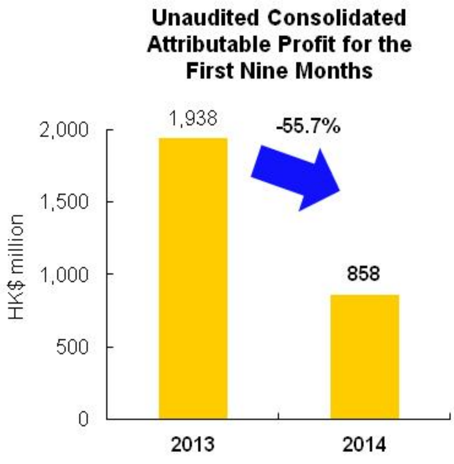
For Immediate Release

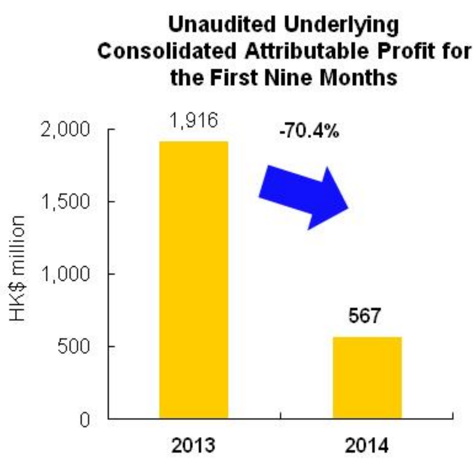
Press Release

China Resources Enterprise Announces Unaudited Review for the First Nine Months of 2014

- **Unaudited consolidated turnover amounted to approximately HK$131,057 million and profit attributable to shareholders amounted to HK$858 million, representing an increase of 16.6% and a decrease of 55.7% year-on-year, respectively.**
- **Excluding asset revaluation, the unaudited underlying consolidated profit attributable to the shareholders decreased by 70.4% year-on-year. As previously disclosed in the Profit Warning announcement in 7 November 2014, the decrease was mainly attributable to the financial impact arisen from the initial stage of the joint venture with Tesco in the Group's retail division and the stagnant growth in the Chinese retail market.**
- **An injection of HK$4,325 million in aggregate will be contributed from Tesco to the joint venture for funding the Group's restructuring cost. The Group takes the view that the joint venture will assist in the long-term development of the Group's retail division.**
- **The Group maintained momentum in its expansion with the support of its balance sheet management. The Group has net cash of HK$2,342 million as at 30 September 2014.**
- **Beer division reported turnover of HK$29,386 million, an increase of 7.2% year-on-year, and attributable profit of HK$1,042 million.**
- **Food division, undergoing business transition, reported turnover of HK$12,369 million, representing an increase of 51.3% year-on-year with attributable loss of HK$91 million.**
- **Beverage division recorded turnover of HK$8,219 million, representing an increase of 40.0%, and attributable profit of HK$ 151 million.**







[Hong Kong, 14 November 2014] **China Resources Enterprise, Limited** (HKEx: 00291) (the "Company", or together with its subsidiaries, the "Group") today announced its unaudited financial and operational review of the nine months ended 30 September 2014. Unaudited consolidated turnover and profit attributable to shareholders increased by 16.6% and decreased by 55.7% to HK$131,057 million and HK$858 million, respectively. Excluding asset revaluation, unaudited underlying consolidated profit attributable to the Company's shareholders decreased by 70.4% to HK$567 million.

Mr. Hong Jie, Chief Executive Officer of the Company, said, "In response to the slow market growth, we are planning and staging our activities carefully in all areas of our businesses. We have maintained our expansion momentum with the support of our balance sheet management. The Group has net cash of HK$2,342 million as at 30 September 2014. We have also strengthened our competitive advantages by combining our capabilities with those of our joint venture partner, Tesco PLC ("Tesco"), enabling us to grow through different economic cycles."

The Group's ***retail division*** achieved turnover of HK$82,171 million for the first nine months of 2014, representing an increase of 14.4% year-on-year. Attributable loss recorded HK$2 million for the first nine months of 2014, compared to attributable profit of HK$721 million for the same period last year. The anticipated consequence of initial stage of the formation of the Groups' joint venture with Tesco on 28 May 2014 and the stagnant growth in the Chinese retail market have affected its contribution to the Group. The short-to-medium-term profitability of the Group will be affected by the integration and consolidation of the losses from Tesco stores in China. Nevertheless, the Group takes the view that the joint venture will assist in the long-term development of the Group's retail division. Tesco is required to make an injection of HK$4,325 million in aggregate for funding the Group's restructuring cost.

As at the end of September 2014, the Group operated over 4,800 stores in China, of which approximately 84% were self-operated while the rest were franchised. During the period under review, the division recorded a decrease in same store sales (excluding Tesco) of 2.0% year-on-year due to sluggish domestic macro-economic growth, significant slowdown in sales of high-end commodities and store value cards under the central government's strict enforcement of frugality and the rapid growth of e-commerce business.

Enhancing operational efficiency and profitability of the joint venture is the top priority of the division. This will be achieved by combining the Group's local advantages and Tesco's international retail expertise, which will also foster the Group's development in e-commerce and global sourcing.

The division continued to expand into new markets to reinforce its national influence. The division's "華潤萬家 CR Vanguard" supermarkets continued to extend its network in the southern, northern and northwestern part of China. "太平洋咖啡 Pacific Coffee" shops and "采活 VIVO" health and beauty stores continued to open new stores in first- and second-tier cities.

The ***beer division*** reported turnover of HK$29,386 million for the first nine months of 2014, representing an increase of 7.2% over the corresponding period of last year. Attributable profit for the first nine months of the year decreased by 5.9% year-on-year to HK$1,042 million. Beer sales volume increased by 3% year-on-year to approximately 10,120,000 kiloliters for the first nine months of 2014, of which the Group's national "雪花 Snow" brand accounting for approximately 90% of the Group's total beer sales volume. The growth momentum was mainly driven by the Group's continuous efforts to strengthen its brand promotions, as well as the enhancement of its sales network and points of sale services, in addition to the successful integration with Kingway beer, which all contributed to the Group's beer sales volume. However, the year-on-year overall profit of beer division was lower, as part of the key sales regions in the middle and lower reaches of the Yangtze River recorded more rainfall and lower-than-normal temperatures in the third quarter as contrasted to hotter summer for the same period last year, which affected sales volume in those regions. As at the end of September 2014, the Group operated more than 95 breweries in China with an aggregate annual production capacity of over 19,000,000 kiloliters.

In view of the intensified market competition, the division moderately stepped up investment in promotions and marketing activities for its branded products, while implementing various cost-control measures to ease cost pressures, as well as further enhancing production efficiency, increasing average selling prices and consolidating overall profitability.

The ***food division*** reported turnover of HK$12,369 million for the first nine months of 2014, representing an increase of 51.3% year-on-year. The division reported attributable loss of HK$91 million for the first nine months of 2014, compared with attributable profit of HK$101 million in the same period last year. Overall profitability was affected by the ongoing business transition of the division, with initial development on new line of businesses, mainly rice related business, and incurring high start-up and marketing expenses.

The Group's meat operation in China achieved remarkable growth in turnover through the vigorous expansion of its first-tier meat wholesale business and carved meat business, as well as the increase in the number of specialized meat retail stores in various cities.

As for the rice operation, the division has started to establish a nationwide presence and has achieved rapid year-on-year sales growth through acquisitions and the vigorous expansion of new markets. Moreover, by means of adjusting its management structure to keep up with business growth and to improve the reputation of "五豐 Ng Fung" branded rice products, the division has continued to grow its market share.

The ***beverage division*** recorded turnover and attributable profit of HK$8,219 million and HK$151 million for the first nine months of 2014, representing increases of 40.0% and 17.1% year-on-year, respectively. Thanks to strong growth in the sales volume of "怡寶 C'estbon" purified water, the division's total sales volume increased by 37% year-on-year to approximately 5,401,000 kiloliters in the first nine months of 2014.

To further solidify its market-leading position in southern China, the purified water business deepened its market penetration and reinforced its market-leading competitive edge by focusing on its core markets in Guangdong, Hunan, and Sichuan provinces and expanding its sales network in their adjacent regions. Faced with market competition in the industry, the division continued to invest in marketing in a moderate manner, and focused on certain key cities to boost synergistic investments in sales channels for beverage products with those of packaged water to sharpen the competitive edge of the division in the market.

Mr. Chen Lang, Chairman of the Company, concluded, "Short term headwinds prevail for industry players as we experience the aftermath of a slowdown in the domestic macro-economy and shifts in consumption habits. We believe that our cooperation with international partners has brought immense assets to the Group, and will propel our sustainable development. We will continue to solidify our national footprint and enhance our operating efficiency to reinforce our leadership in China's retail and consumer goods industry."

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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, including retail, beer, food and beverage in China.

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Full details of our 2014 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.