

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Maoye International Holdings Limited

茂業國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 848)

ANNOUNCEMENT

HIGHLIGHTS OF THIRD QUARTER RESULTS OF BOHAI LOGISTICS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010

This is an announcement made pursuant to Rule 13.09(1) of the Listing Rules.

The Board of Directors (“the **Board**”) of Maoye International Holdings Limited (“the **Company**”) is pleased to announce that Bohai Logistics, a subsidiary of the Company, has published its unaudited third quarter results for the nine months ended 30 September 2010 prepared pursuant to PRC GAAP.

The key financial data and material information are set out as follows:

1. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

	<i>Currency: RMB</i>		
	As at the end of the Reporting Period	As at 31 December 2009	Increase/(decrease) at the end of the Reporting Period as compared with the end of previous year (31 December 2009 (%)
Total assets	1,453,417,374.63	1,396,440,123.52	4.08
Equity attributable to owners of Bohai Logistics	652,857,276.52	629,485,304.16	3.71
Share capital	338,707,568.00	338,707,568.00	0.00
Net assets per share attributable to owners of Bohai Logistics (RMB/share)	1.927	1.858	3.71
	From the beginning of the year 1 January 2010 to the end of the Reporting Period		Increase/(decrease) as compared with the corresponding period of previous year (%)
Net cash flows from operating activities		77,606,037.76	18.20
Net cash flows from operating activities per share (RMB/share)		0.23	21.05

	The Reporting Period (July-September 2010)	From the beginning of the year to the end of the Reporting Period (January-September 2010)	The Reporting Period compared to the corresponding period of previous year	
			(July-September 2009) Increase/(decrease) (%)	(January-September 2009) Increase/(decrease) (%)
Total operating revenue	298,780,083.97	1,006,736,422.74	10.17	25.32
Net profit attributable to owners of Bohai Logistics	7,289,072.97	23,371,972.36	123.69	161.74
Basic earnings per share (RMB/Share)	0.0215	0.0690	123.68	161.72
Diluted earnings per share (RMB/Share)	0.0215	0.0690	123.68	161.72
Return on net assets (%)	1.12	3.58	An increase of 5.84 percentage points	An increase of 9.39 percentage points
Return on net assets after extraordinary items (%)	1.03	3.47	An increase of 4.37 percentage points	An increase of 7.77 percentage points

Extraordinary profit/loss items

Amount from the beginning of the year (1 January 2010) to the end of the Reporting Period

Profit/loss on disposal of non-current assets	-146,504.80
Government grants	210,000.00
Gain/(Loss) on changes in fair value arising from trading financial assets and trading financial liabilities held (excluding the valid hedging business related to normal operating activities of Bohai Logistics), as well as investment gains received from disposal of trading financial assets, trading financial liabilities and financial assets available for sale	-269,412.15
Other non-operating net income and expenses	941,682.84
Sub-total	735,765.89
Income tax effect	-29,128.30
Effect on profit (loss) of minority interests	-0.39
Total	706,637.20

2 SIGNIFICANT MATTERS

2.1 Details of and reasons for material changes in the major financial statement items and financial indicators of Bohai Logistics

Statement items or financial indicators	Increase/(decrease) at the end of the Reporting Period as compared with the end of previous year (31 December 2009) (+, -)	Details of and main reasons for changes
Trade receivables	-37.22%	Trade receivables decreased by RMB7.5954 million mainly due to the receipt of the amount arising from the transfer of the equity interest of Qinhuangdao Jinyuan Hotel Co., Ltd (秦皇島市金原大酒店有限公司) (“ Jinyuan Hotel ”), a wholly-owned subsidiary, by Bohai Logistics.
Other receivables	109.36%	Other receivables increased by RMB13.1569 million due to the increase of deductible input VAT and expense receivable due from suppliers of Bohai Logistics.
Long-term equity investments	-58.62%	Long-term equity investments decreased by RMB7.3655 million due to the deregistration of Anhui Wuhu Mishi Development Co., Ltd. (安徽蕪湖米市發展有限公司), a subsidiary of Anhui Guorun Investment Development Co., Ltd. (安徽國潤投資發展有限公司) (“ Anhui Guorun ”) which is in turn a holding subsidiary of Bohai Logistics, which recovered the investment.
Short-term borrowings	-69.96%	Short-term borrowings decreased by RMB221.2 million due to the repayment of borrowings by Bohai Logistics.
Notes payable	>30% (As at the end of previous year: nil)	Notes payable increased by RMB20 million due to the settlement of sales proceeds with bank acceptance bills by Bohai Logistics.
Accounts payable	126.81%	Accounts payable increased by RMB 100.4788 million mainly due to the calculation of dealings with suppliers by Bohai Logistics has been consolidated under the “trade payable” item instead of the “other payables” item.
Advances from customers	32.21%	Advances from customers increased by RMB 72.209 million mainly due to the increase of commercial advances from customers of Bohai Logistics.

Statement items or financial indicators	Increase/(decrease) at the end of the Reporting Period as compared with the end of previous year (31 December 2009) (+, -)	Details of and main reasons for changes
Taxes payable	-191.28%	Taxes payable decreased by RMB18.0723 million due to the prepayment of VAT by Bohai Logistics.
Other payables	-72.73%	Other payables decreased by RMB99.9171 million due to the calculation of dealings with suppliers by Bohai Logistics has been consolidated under the “trade payable” item instead of the “other payables” item.
Long-term borrowings	>30% (As at the end of previous year: nil)	Long-term borrowings increased by RMB180 million due to new long-term borrowings of Bohai Logistics.
Undistributed profit	514.38%	Undistributed profit increased by RMB23.372 million due to increase of the profit from January to September 2010 of Bohai Logistics.

Statement items or financial indicators	Increase/(decrease) of the period (January to September 2010) as compared with the corresponding period of previous year (+, -)	Details of and main reasons for changes
Business tax and surcharges	44.13%	Business tax and surcharges increased by RMB 6.7029 million due to the prepayment of tax by Bohai Logistics.
Selling expenses	31.19%	Selling expenses increased by RMB 8.0489 million mainly due to the increase of promotional expenses and labour costs of Bohai Logistics in the third quarter.
Administrative expenses	-62.70%	Administrative expenses decreased by RMB38.0425 million mainly due to the decrease of reconstruction and maintenance expenses of Anhui Guorun in the third quarter.
Impairment loss of assets	-93.03%	Impairment loss of assets decreased by RMB4.5144 million due to the decrease of impairment allowance of fixed assets provided by Bohai Logistics.
Gain or loss on fair value changes	<30% (As at the corresponding period of previous year: nil)	Gain or loss on fair value changes decreased by RMB0.2694 million due to the decrease of net value of open-end funds held by Anhui Guorun during the current period.

Statement items or financial indicators	Increase/(decrease) of the period (January to September 2010) as compared with the corresponding period of previous year (+, -)	Details of and main reasons for changes
Investment income	152.11%	Investment income increased by RMB1.8914 million due to no loss has been incurred on the transfer of equity of Jinyuan Hotel in the current period which was incurred by Bohai Logistics in the corresponding period of the previous year.
Operating profit	178.54%	Operating profit increased by RMB52.122 million due to the increase of commercial operating income, and the decrease of reconstruction and maintenance expenses of Anhui Guorun.
Non-operating income	110.38%	Non-operating income increased by RMB10.6891 million since no loss has been incurred on the disposal of warehouse assets in the current period which was incurred by Wuhu Guorun Investment Development Co., Ltd. (蕪湖國潤投資發展有限公司) (an indirect holding company of Bohai Logistics) in the corresponding period of the previous year.
Total profit	161.56%	Total profit increased by RMB62.811 million. Please refer to the item headed "operating profit" for the reasons.
Income tax	143.88%	Income tax became a positive figure and increased by RMB1.5342 million due to the decrease of deferred tax assets of Bohai Logistics.
Net profit	162.06%	Net profit attributable to owners of the parent company of Bohai Logistics increased by RMB61.2768 million. Please refer to the item headed "operating profit" for the reasons.
Profit (loss) of minority interests	119.51%	Profit (loss) of minority interests increased by RMB0.0514 million due to the increase of profit of Anhui Xinchangjiang Commodity Trading Company (安徽新長江商品交易公司), an indirect holding company of Bohai Logistics.
Basic earnings per share	161.72%	Basic earnings per share became a positive figure and increased by RMB0.181 due to the increase in profits of Bohai Logistics.
Net cash flows from investment activities	-55.89%	Net cash flows from investment activities decreased by RMB11.8061 million due to the decrease of the proceeds received from Jinyuan Hotel by Bohai Logistics for the transfer of equity in the current period as compared with the corresponding period of the previous year.
Net cash flows from financing activities	46.24%	Net cash flows from financing activities increased by RMB49.3823 million due to the decrease of repayment of bank loans by Bohai Logistics.

2.2 Other material events

2.2.1 Investment in securities

Name of the fund	Code	No. of securities held	Initial investment	Market value at the end of Reporting Period	Percentage of total investment	Gain/Profit
JYZL Fund (交銀治理)	519686	994,100	RMB 1,000,100	RMB 739,600	100%	RMB -269,400

3 APPENDIX

3.1 Consolidated Balance Sheet (As at 30 September 2010)

Prepared by: Qinhuangdao Bohai Logistics Holding Corporation Ltd.

Currency: RMB

Type of Audit: Unaudited

Item	Balance as at the end of the Reporting Period	Balance as at the beginning of the year (1 January 2010)
Current assets:		
Cash and bank balance	168,757,123.41	139,251,462.59
Trading financial assets	739,640.75	1,009,052.90
Bills receivable	12,280,000.00	15,000,000.00
Accounts receivable	12,812,870.08	20,408,298.59
Prepayments	84,626,191.71	81,935,373.81
Other receivables	25,188,188.79	12,031,323.27
Inventories	558,631,709.77	483,148,773.11
Total current assets	863,035,724.51	752,784,284.27
Non-current assets:		
Long-term equity investments	5,200,000.00	12,565,508.98
Investment properties	250,985,018.47	274,736,858.47
Fixed assets	237,221,687.38	250,292,489.44
Intangible assets	81,771,797.81	89,695,429.33
Long-term deferred expenditures	4,979,334.19	6,151,977.12
Deferred tax assets	9,212,670.00	9,202,433.64
Other non-current assets	1,011,142.27	1,011,142.27
Total non-current assets	590,381,650.12	643,655,839.25
Total assets	1,453,417,374.63	1,396,440,123.52

Item	Balance as at the end of the Reporting Period	Balance as at the beginning of the year (1 January 2010)
Current liabilities:		
Short-term borrowings	95,000,000.00	316,200,000.00
Notes payable	20,000,000.00	0.00
Accounts payable	179,715,460.96	79,236,624.98
Advances from customers	296,391,807.45	224,182,769.57
Staff remuneration payable	10,676,795.57	8,742,748.86
Taxes payable	-27,520,405.05	-9,448,062.48
Interest payable	31,417.50	33,050.00
Dividend payable	874,026.67	874,026.67
Other payables	37,467,088.62	137,384,144.84
Total current liabilities	612,636,191.72	757,205,302.44
Non-current liabilities:		
Long-term borrowings	180,000,000.00	0.00
Other non-current liabilities	3,000,000.00	3,000,000.00
Total non-current liabilities	183,000,000.00	3,000,000.00
Total liabilities	795,636,191.72	760,205,302.44
Owner's equity (or shareholders' equity):		
Paid-up capital (or share capital)	338,707,568.00	338,707,568.00
Capital reserve	288,293,825.28	288,293,825.28
Surplus reserve	7,027,654.41	7,027,654.41
Undistributed profit	18,828,228.83	-4,543,743.53
Total owners' equity attributable to		
Bohai Logistics	652,857,276.52	629,485,304.16
Minority interests	4,923,906.39	6,749,516.92
Total owners' equity	657,781,182.91	636,234,821.08
Total liabilities and owners' equity	1,453,417,374.63	1,396,440,123.52

3.2 Consolidated Income Statement for the Reporting Period (July to September 2010)

Prepared by: Qinhuangdao Bohai Logistics Holding Corporation Ltd.

Currency: RMB
Type of Audit: Unaudited

Item	July to September 2010	July to September 2009
1. Total operating revenue	298,780,083.97	271,204,436.67
Including: Operating revenue	298,780,083.97	271,204,436.67
2. Total cost of operations	292,016,717.22	292,678,693.38
Including: Operating cost	237,620,682.40	208,527,198.97
Business tax and surcharges	6,604,216.41	6,204,146.38
Selling expenses	17,574,371.99	9,446,737.92
Administrative expenses	22,626,618.25	60,669,151.21
Finance costs	7,646,140.78	7,822,958.90
Impairment loss of assets	-55,312.61	8,500.00
Add: Investment income (loss stated with “-”)	0.00	-1,243,392.63
3. Operating profit (loss stated with “-”)	6,763,366.75	-22,717,649.34
Add: Non-operating income	573,123.41	764,152.73
Less: Non-operating expenses	-6,188.38	9,735,811.85
Including: Loss from disposal of non-current asset	0.00	9,644,514.30
4. Total profit (loss stated with “-”)	7,342,678.54	-31,689,308.46
Less: Income tax	13,828.16	-877,908.54
5. Net profit (loss stated with “-”)	7,328,850.38	-30,811,399.92
Net profit attributable to owners of Bohai Logistics	7,289,072.97	-30,762,851.26
Profit (loss) of minority interests	39,777.41	-48,548.66
6. Earnings per share:		
(1) Basic earnings per share	0.0215	-0.0908
(2) Diluted earnings per share	0.0215	-0.0908
7. Other comprehensive income	0.00	0.00
8. Total comprehensive income	7,328,850.38	-30,811,399.92
Total comprehensive income attributable to owners of Bohai Logistics	7,289,072.97	-30,762,851.26
Total comprehensive income attributable to minority shareholders	39,777.41	-48,548.66

3.3 Consolidated Income Statement from the beginning of the year to the end of the Report period (January to September 2010)

Prepared by: Qinhuangdao Bohai Logistics Holding Corporation Ltd.

Currency: RMB
Type of Audit: Unaudited

Item	January- September 2010	January- September 2009
1. Total operating revenue	1,006,736,422.74	803,334,542.00
Including: Operating revenue	1,006,736,422.74	803,334,542.00
2. Total cost of operations	984,185,817.08	831,283,935.56
Including: Operating cost	819,773,721.37	641,109,080.61
Business tax and surcharges	21,891,103.88	15,188,239.71
Selling expenses	33,851,048.10	25,802,196.88
Administrative expenses	89,014,275.45	119,773,942.66
Finance costs	19,317,350.86	24,557,801.31
Impairment loss of assets	338,317.42	4,852,674.39
Add: Gains on fair value changes (loss stated with “-”)	-269,412.15	0.00
Investment income (loss stated with “-”)	647,973.19	-1,243,392.63
3. Operating profit (loss stated with “-”)	22,929,166.70	-29,192,786.19
Add: Non-operating income	1,455,231.50	1,475,431.52
Less: Non-operating expenses	450,053.46	11,159,322.11
Including: Loss from disposal of non-current asset	146,904.80	10,667,936.33
4. Total profit (loss stated with “-”)	23,934,344.74	-38,876,676.78
Less: Income tax	467,890.34	-1,066,332.77
5. Net profit (loss stated with “-”)	23,466,454.40	-37,810,344.01
Net profit attributable to owners of Bohai Logistics	23,371,972.36	-37,853,385.53
Profit (loss) of minority interests	94,482.04	43,041.52
6. Earnings per share:		
(1) Basic earnings per share	0.0690	-0.1118
(2) Diluted earnings per share	0.0690	-0.1118
7. Other comprehensive income		
8. Total comprehensive income	23,466,454.40	-37,810,344.01
Total comprehensive income attributable to owners of Bohai Logistics	23,371,972.36	-37,853,385.53
Total comprehensive income attributable to minority shareholders	94,482.04	43,041.52

3.4 Consolidated Cash Flow Statement (January to September 2010)

Prepared by: Qinhuangdao Bohai Logistics Holding Corporation Ltd.

Currency: RMB
Type of Audit: Unaudited

Item	Amount during the current period	Amount during the previous period
1. Cash flows from operating activities		
Cash received from product sales and rendering of services	1,155,333,049.13	943,365,247.31
Other cash received relating to operating activities	7,149,086.11	25,938,895.89
Sub-total of cash inflows from operating activities	1,162,482,135.24	969,304,143.20
Cash paid for purchase of goods and receipt of services	946,031,087.95	723,849,957.03
Cash paid to and on behalf of employees	42,661,351.64	35,213,167.90
Taxes and levies paid	59,893,568.79	44,340,006.14
Other cash paid relating to operating activities	36,290,089.10	100,243,740.64
Sub-total of cash outflows from operating activities	1,084,876,097.48	903,646,871.71
Net cash flow from operating activities	77,606,037.76	65,657,271.49
2. Cash flows from investment activities:		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	0.00	49,390.00
Net cash received from disposal of subsidiaries and other operated entities	13,000,000.00	25,459,062.90

Item	Amount during the current period	Amount during the previous period
Sub-total of cash inflows from investment activities	13,000,000.00	25,508,452.90
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	3,681,033.69	4,383,427.90
Sub-total of cash outflows from investment activities	3,681,033.69	4,383,427.90
Net cash flow from investment activities	9,318,966.31	21,125,025.00
3. Cash flows from financing activities:		
Cash received from borrowings	385,500,000.00	335,500,000.00
Sub-total of cash inflows from financing activities	385,500,000.00	335,500,000.00
Cash repayments of debts	426,700,000.00	419,690,000.00
Cash payment for interest expenses and distribution of dividend or profit	16,219,343.25	22,611,668.07
Sub-total of cash outflows from financing activities	442,919,343.25	442,301,668.07
Net cash flow from financing activities	-57,419,343.25	-106,801,668.07
4. Effect of foreign exchange rate change on cash and cash equivalents	0.00	0.00
5. Net increase in cash and cash equivalents	29,505,660.82	-20,019,371.58
Add: Cash and cash equivalents at the period beginning	139,251,462.59	186,968,003.59
6. Cash and cash equivalents at the end of the period	168,757,123.41	166,948,632.01

DEFINITION

“Bohai Logistics”	Qinhuangdao Bohai Logistics Holding Corporation Ltd., a subsidiary of the Company and a joint stock limited company established in the PRC and listed on the Shenzhen Stock Exchange (stock code: 000889). As at the date of this announcement, the Company holds 101,260,836 shares in Bohai Logistics through Zhongzhao Investment, representing approximately 29.90% of its issued share capital
“Company”	Maoye International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“PRC GAAP”	The PRC Accounting Standards and its supplementary regulations
“Reporting Period”	1 July 2010 to 30 September 2010
“Zhongzhao Investment”	Zhongzhao Investment Management Co., Ltd. (中兆投資管理有限公司), a wholly-owned subsidiary of the Company incorporated in the PRC.

By Order of the Board
Maoye International Holdings Limited
Mr. Huang Mao Ru
Chairman

25 October 2010, Hong Kong

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Huang Mao Ru, Mr. Zhong Pengyi, Ms. Wang Fuqin and Mr. Wang Bin; and three independent non-executive directors, namely, Mr. Chow Chan Lum, Mr. Pao Ping Wing and Mr. Leung Hon Chuen.