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**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 2012**

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 2012 (the “**Reporting Period**”) prepared pursuant to PRC GAAP.

**Highlights**

Total operating revenue decreased by 3.6% to RMB 1,169,038,076 as compared with the corresponding period of previous year;

Operating profit increased by 34.2% to RMB 80,821,552 as compared with the corresponding period of previous year;

Net profit attributable to owners of the parent increased by 33.2% to RMB 60,572,077 as compared with the corresponding period of previous year.

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

# 1 KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

	As at 30 September 2012	As at 31 December 2011	Increase/decrease (%)
Total assets(RMB)	1,547,767,298.41	1,585,831,780.23	-2.40
Equity attributable to shareholders of Bohai Logistics (RMB)	783,498,268.29	730,377,715.04	7.27
Share capital (Number of shares)	338,707,568	338,707,568	0
Net assets per share attributable to shareholders of Bohai Logistics (RMB/share)	2.313	2.156	7.28
			Increase/(decrease) as compared with the corresponding period of previous year (%)
		For the nine months ended 30 September 2012	
Net cash flows from operating activities (RMB)		90,104,969.80	292.06
Net cash flows from operating activities per share (RMB/share)		0.27	292.86

	<b>For the three months ended 30 September 2012 (July to September 2012)</b>	<b>Increase/ (decrease) as compared with the corresponding period of previous year (%)</b>	<b>For the nine months ended 30 September 2012 (January to September 2012)</b>	<b>Increase/ (decrease) as compared with the corresponding period of previous year (%)</b>
Total operating revenue (RMB)	320,192,846.10	-10.65	1,169,038,075.90	-3.60
Net profit attributable to shareholders of Bohai Logistics (RMB)	11,726,791.02	61.53	60,572,077.49	33.15
Basic earnings per share (RMB/Share)	0.0346	61.68	0.1788	33.13
Diluted earnings per share (RMB/Share)	0.0346	61.68	0.1788	33.13
Weighted average return on net assets (%)	1.51	An increase of 0.45 percentage points	8.00	An increase of 1.34 percentage points
Weighted average return on net assets after extraordinary items (%)	1.52	An increase of 0.42 percentage points	7.96	An increase of 1.23 percentage points

**For the nine months  
ended 30 September  
2012  
RMB**

**Items of non-recurring gains and losses**

Gain (loss) on disposal of non-current assets	-8,370.15
Gain (loss) on changes in fair value arising from trading financial assets held	-8,947.26
Other non-operating income and expenses other than the above items	392,559.65
Income tax effect	-95,486.79
Effect on gain (loss) of minority interests	245.06
Total	280,000.51

## 2 SIGNIFICANT EVENTS

### 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 (30 September 2012) as compared with the end of previous year (31 December 2011)	Details of and main reasons for changes
Bills receivable	-100.00%	Bills receivable decreased by RMB 13,071,600 mainly due to the acceptance of mature bank acceptance bills by Qinhuangdao Bohai Logistics Coal Sales Co., Ltd.(秦皇島市渤海物流煤炭經銷有限公司), a subsidiary controlled by Bohai Logistics.
Long-term deferred expenditures	129.95%	Long-term deferred expenditures increased by RMB 5,820,200 mainly due to renovation of spaces and decoration of counters in shopping malls by Bohai Logistics.
Bills payable	-100.00%	Bills payable decreased by RMB 10,000,000 mainly due to the acceptance of mature bank acceptance bills by Anhui Guorun Investment Development Co., Ltd. (安徽國潤投資發展有限公司) (“Anhui Guorun”), a subsidiary controlled by Bohai Logistics.

<b>Statement items or financial indicators</b>	<b>Increase/(decrease) at the end of the Reporting Period (30 September 2012) as compared with the end of previous year (31 December 2011)</b>	<b>Details of and main reasons for changes</b>
Taxes payable	-49.35%	Taxes payable decreased by RMB 16,642,800 due to the payment of taxes payable by Anhui Guorun.
Non-current liabilities due in one year	-50.00%	Non-current liabilities due in one year decreased by RMB 10,000,000 due to the repayment of long-term borrowings due in one year by Bohai Logistics.
Undistributed profit	61.25%	Undistributed profit increased by RMB 53,120,600 due to the profit of Bohai Logistics in the Reporting Period.

Statement items or financial indicators	Increase/ (decrease) during the Reporting Period (for the nine months ended 30 September 2012) as compared with the corresponding period of previous year	Details of and main reasons for changes
Impairment loss of assets	298.28%	Impairment loss of assets increased by RMB 476,200 due to the increase in bad debt provision for steel trade receivables of Anhui Xinchangjiang Commodity Trading Company (安徽新長江商品交易公司) (“ <b>Anhui Xinchangjiang</b> ”), a company indirectly controlled by Bohai Logistics, as compared with the corresponding period of previous year.
Gain (loss) on fair value changes	68.64%	Gain (loss) on fair value changes increased by RMB 19,600 due to the decrease in loss of net value of open-end funds held by Anhui Guorun during the Reporting Period as compared with the corresponding period of previous year.
Investment income	Greater than 30%	Investment income increased to RMB 500,000 during the Reporting Period from nil during the corresponding period of previous year due to Bohai Logistics’ receipt of dividend paid by Qihuangdao City Commercial Bank Co., Ltd. (秦皇島市商業銀行股份有限公司).

Statement items or financial indicators	Increase/ (decrease) during the Reporting Period (for the nine months ended 30 September 2012) as compared with the corresponding period of previous year	Details of and main reasons for changes
Operating profit	34.18%	Operating profit increased by RMB 20,588,100 due to the increase in gross profit margin of Bohai Logistics' department store retailing business and decrease in its expenses for the period.
Non-operating net income and expenses	209.88%	Non-operating net income and expenses increased by RMB 733,800 due to the decrease in loss on disposal of non-current assets.
Total profit	35.61%	Total profit increased by RMB 21,321,900 due to the increase in operating profit.
Income tax	42.72%	Income tax increased by RMB 6,175,400 due to the increase in profit of Bohai Logistics and no making up of losses for previous years as incurred in last year.
Net profit attributable to shareholders of Bohai Logistics	33.15%	Net profit attributable to owners of the parent increased by RMB 15,080,800 due to the increase in operating profit.

Statement items or financial indicators	Increase/ (decrease) during the Reporting Period (for the nine months ended 30 September 2012) as compared with the corresponding period of previous year	Details of and main reasons for changes
Profit (loss) of minority interests	101.95%	Profit (loss) of minority interests increased by RMB 65,700 due to the profit contributed by Anhui Xinchangjiang.
Basic earnings per share	33.13%	Basic earnings per share increased by RMB 0.0445 due to the increase in the profit of Bohai Logistics.
Net cash flows from operating activities	292.06%	Net cash flows from operating activities increased by RMB 137,020,800 mainly due to the decrease in amount payables to suppliers for purchase of goods as compared with the corresponding period of previous year.
Net cash flows from investing activities	-1,115.67%	Net cash flows from investment activities decreased by RMB 14,705,200 due to the increase in payment for space renovation and counters decoration in shopping malls by Bohai Logistics as well as the decrease in amount payables for purchase of investment properties by Huainan Guorun Bohai Logistics Limited, a company indirectly controlled by Bohai Logistics.



<b>Statement items or financial indicators</b>	<b>Increase/ (decrease) during the Reporting Period (for the nine months ended 30 September 2012) as compared with the corresponding period of previous year</b>	<b>Details of and main reasons for changes</b>
Net cash flows from financing activities	-3,118.53%	Net cash flows from financing activities decreased by RMB 74,537,600 due to the increase in repayment of bank loans by Bohai Logistics.
Net increase in cash and cash equivalents	94.38%	Net increase in cash and cash equivalents increased by RMB 47,778,100 due to the decrease in payment to suppliers by Bohai Logistics as compared with the corresponding period of previous year.

### 3 APPENDIX

The consolidated balance sheet, consolidated income statement and consolidated cash flow statement below are prepared by Bohai Logistics, which have not been reviewed or audited by the auditors of Bohai Logistics or the Company.

#### 3.1 Consolidated Balance Sheet

Item	As at 30 September	As at 1 January
	2012	2012
	RMB	RMB
<b>Current assets:</b>		
Cash and bank balance	278,996,054.96	281,842,011.28
Trading financial assets	672,039.18	680,986.44
Bills receivable	0	13,071,621.04
Accounts receivable	32,035,246.12	28,782,406.27
Prepayments	28,353,074.01	25,305,839.79
Other receivables	5,353,593.91	5,547,870.18
Inventories	642,685,626.77	648,284,554.32
Total current assets	988,095,634.95	1,003,515,289.32
<b>Non-current assets:</b>		
Long-term equity investments	5,000,000.00	5,000,000.00
Investment properties	272,587,472.09	281,449,720.79
Fixed assets	202,429,116.19	214,086,259.53
Intangible assets	59,571,739.92	67,522,848.93
Long-term deferred expenditures	10,299,001.59	4,478,765.01
Deferred tax assets	8,773,191.40	8,767,754.38
Other non-current assets	1,011,142.27	1,011,142.27
Total non-current assets	559,671,663.46	582,316,490.91
Total assets	1,547,767,298.41	1,585,831,780.23

### 3.1 Consolidated Balance Sheet (continued)

Item	As at 30 September 2012 RMB	As at 1 January 2012 RMB
<b>Current liabilities:</b>		
Short-term borrowings	128,000,000.00	165,000,000.00
Notes payable	0	10,000,000.00
Accounts payable	165,259,555.36	167,927,858.75
Advances from customers	337,666,419.73	341,888,457.54
Staff remuneration payable	14,659,367.41	16,760,455.93
Taxes payable	-50,363,902.13	-33,721,111.38
Interest payable	149,733.64	165,928.37
Dividend payable	874,026.67	874,026.67
Other payables	37,307,564.78	36,144,531.25
Non-current liabilities due in one year	10,000,000.00	20,000,000.00
Total current liabilities	643,552,765.46	725,040,147.13
<b>Non-current liabilities:</b>		
Long-term borrowings	110,000,000.00	120,000,000.00
Expected liabilities	3,376,287.00	3,075,200.00
Other non-current liabilities	2,561,231.58	2,561,231.58
Total non-current liabilities	115,937,518.58	125,636,431.58
Total liabilities	759,490,284.04	850,676,578.71
<b>Owner's equity (or shareholders' equity):</b>		
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	16,645,943.44	16,645,943.44
Undistributed profit	139,850,931.57	86,730,378.32
Total equity attributable to owners of the parent	783,498,268.29	730,377,715.04
Minority interests	4,778,746.08	4,777,486.48
Total owners' equity	788,277,014.37	735,155,201.52
<b>Total liabilities and owners' equity</b>	<b>1,547,767,298.41</b>	<b>1,585,831,780.23</b>

### 3.2 Consolidated Income Statement (for the three months ended 30 September 2012)

Item	For the three months ended 30 September 2012 RMB	For the three months ended 30 September 2011 RMB
<b>1. Total operating revenue</b>	320,192,846.10	358,362,406.58
Including: Operating revenue	320,192,846.10	358,362,406.58
<b>2. Total cost of operations</b>	305,222,858.54	348,039,410.95
Including: Operating cost	256,233,855.07	292,413,651.84
Business tax and surcharges	6,568,290.11	7,965,450.42
Selling expenses	27,061,591.86	28,750,405.85
Administrative expenses	9,743,030.04	13,755,094.00
Finance costs	5,616,091.46	5,154,808.84
Impairment loss of assets	0	0
Add: Gain on changes in fair value: (loss stated with “-”)	-50,701.17	-33,502.54
Investment income (loss stated with “-”)	500,000.00	0
<b>3. Operating profit (loss stated with “-”)</b>	15,419,286.39	10,289,493.09
Add: Non-operating income	213,970.94	162,867.18
Less: Non-operating expenses	250,919.56	315,591.80
Including: Loss from disposal of non-current assets	0	203,104.20
<b>4. Total profit (loss stated with “-”)</b>	15,382,337.77	10,136,768.47
Less: Income tax	3,709,429.24	2,907,658.90
<b>5. Net profit (loss stated with “-”)</b>	11,672,908.53	7,229,109.57
Net profit attributable to owners of the parent	11,726,791.02	7,259,627.91
Profit (loss) of minority interests	-53,882.49	-30,518.34
<b>6. Earnings per share:</b>		
(1) Basic earnings per share	0.0346	0.0214
(2) Diluted earnings per share	0.0346	0.0214
<b>7. Other comprehensive income</b>	0	0
<b>8. Total comprehensive income</b>	11,672,908.53	7,229,109.57
Total comprehensive income attributable to owners of the parent	11,726,791.02	7,259,627.91
Total comprehensive income attributable to minority	-53,882.49	-30,518.34

### 3.3 Consolidated Income Statement (for the nine months ended 30 September 2012)

Item	For the nine months ended 30 September 2012	For the nine months ended 30 September 2011
	RMB	RMB
<b>1. Total operating revenue</b>	1,169,038,075.90	1,212,753,376.95
Including: Operating revenue	1,169,038,075.90	1,212,753,376.95
<b>2. Total cost of operations</b>	1,088,707,576.81	1,152,491,376.37
Including: Operating cost	926,459,599.09	987,687,159.59
Business tax and surcharges	28,221,625.16	28,306,211.53
Selling expenses	81,533,623.83	77,500,327.58
Administrative expenses	38,054,865.07	44,642,213.91
Finance costs	13,802,059.29	14,195,826.34
Impairment loss of assets	635,804.37	159,637.42
Add: Gain on changes in fair value: (loss stated with “-”)	-8,947.26	-28,531.84
Investment income (loss stated with “-”)	500,000.00	0
<b>3. Operating profit (loss stated with “-”)</b>	80,821,551.83	60,233,468.74
Add: Non-operating income	797,202.77	859,677.53
Less: Non-operating expenses	413,013.27	1,209,326.59
Including: Loss from disposal of non-current assets	8,450.15	699,271.27
<b>4. Total profit (loss stated with “-”)</b>	81,205,741.33	59,883,819.68
Less: Income tax	20,632,404.24	14,456,973.40
<b>5. Net profit (loss stated with “-”)</b>	60,573,337.09	45,426,846.28
Net profit attributable to owners of the parent	60,572,077.49	45,491,313.74
Profit (loss) of minority interests	1,259.60	-64,467.46
<b>6. Earnings per share:</b>		
(1) Basic earnings per share	0.1788	0.1343
(2) Diluted earnings per share	0.1788	0.1343
<b>7. Other comprehensive income</b>	0	0
<b>8. Total comprehensive income</b>	60,573,337.09	45,426,846.28
Total comprehensive income attributable to owners of the parent	60,572,077.49	45,491,313.74
Total comprehensive income attributable to minority	1,259.60	-64,467.46

### 3.4 Consolidated Cash Flow Statement

Item	For the nine months ended 30 September 2012	For the nine months ended 30 September 2011
	RMB	RMB
<b>1. Cash flows from operating activities</b>		
Cash received from product sales and rendering of services	1,254,702,067.73	1,302,454,410.77
Other cash received relating to operating activities	5,121,707.35	10,104,250.27
Sub-total of cash inflows from operating activities	1,259,823,775.08	1,312,558,661.04
Cash paid for purchase of goods and receipt of services	962,485,003.61	1,186,326,967.56
Cash paid to and on behalf of employees	67,207,210.68	55,658,182.75
Taxes and levies paid	85,124,325.94	78,098,937.50
Other cash paid relating to operating activities	54,902,265.05	39,390,440.68
Sub-total of cash outflows from operating activities	1,169,718,805.28	1,359,474,528.49
Net cash flow from operating activities	90,104,969.80	-46,915,867.45
<b>2. Cash flows from investment activities:</b>		
Cash paid for purchase of fixed assets, intangible assets and other	13,323,212.80	1,318,059.13
Cash paid for other investment related activities	2,700,000.00	0
Sub-total of cash outflows from investment activities	16,023,212.80	1,318,059.13
Net cash flow from investment activities	-16,023,212.80	-1,318,059.13
<b>3. Cash flows from financing activities:</b>		
Cash received from borrowings	103,000,000.00	122,000,000.00
Sub-total of cash inflows from financing activities	103,000,000.00	122,000,000.00
Cash repayments of debts	160,000,000.00	109,000,000.00

<b>Item</b>	<b>For the nine months ended 30 September 2012 RMB</b>	<b>For the nine months ended 30 September 2011 RMB</b>
Cash payment for interest expenses and distribution of dividend or profit	19,927,713.32	15,390,150.82
Sub-total of cash outflows from financing activities	179,927,713.32	124,390,150.82
Net cash flow from financing activities	-76,927,713.32	-2,390,150.82
<b>4. Effect of foreign exchange rate change on cash and cash equivalents</b>	0	0
<b>5. Net increase in cash and cash equivalents</b>	-2,845,956.32	-50,624,077.40
Add: Cash and cash equivalents at the beginning of the period	281,842,011.28	248,405,628.93
<b>6. Cash and cash equivalents at the end of the reporting period</b>	278,996,054.96	197,781,551.53

## DEFINITIONS

“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 (before the completion of the asset reorganisation of Bohai Logistics), 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
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“PRC GAAP”	The PRC Accounting Standards and its supplementary regulations

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“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*

22 October 2012, 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.*