



天津濱海泰達物流集團股份有限公司
Tianjin Binhai Teda Logistics (Group) Corporation Limited*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8348)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2011**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK
EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement (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.

This announcement, for which the directors of the issuer collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange of Hong Kong Limited (“GEM Listing Rules”) for the purpose of giving information with regard to the issuer. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the figures contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.tbtl.cn.

* For identification purposes only

HIGHLIGHTS

The following are the financial highlights during the six months ended 30 June 2011:

- Total income amounted to approximately RMB1,007,708,000 (corresponding period in 2010: RMB1,384,237,000), representing a decrease of approximately 27.2% as compared with the corresponding period last year
- Gross profit was approximately RMB45,973,000 (corresponding period in 2010: RMB74,837,000), representing a decrease of approximately 38.6% as compared with the corresponding period last year
- Gross profit margin was approximately 4.56%, representing a decrease of approximately 0.85% as compared with 5.41% achieved in the corresponding period last year
- Profit attributable to shareholders amounted to approximately RMB40,643,000 (corresponding period in 2010: RMB43,024,000), representing a decrease of approximately 5.5% as compared with the corresponding period last year
- Earnings per share was RMB11 cents

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

For the six months ended 30 June 2011, the Group recorded a turnover of RMB1,007,708,000, representing a decrease of RMB376,529,000 or 27.2% compared with the turnover of RMB1,384,237,000 for the corresponding period last year. During the reporting period, the Group's materials procurement and related logistics services, logistics and supply chain services for automobiles and their components recorded different extent of decrease compared with the corresponding period last year.

For the six months ended 30 June 2011, overall gross profit margin for the Group was 4.56%, representing a decrease of 0.85 percentage points as compared with 5.41% of the corresponding period last year. The decrease in overall gross profit margin of the Group was mainly due to the significant decrease in the gross profit of the logistics and supply chain services for automobiles and their components compared with the corresponding period last year.

For the six months ended 30 June 2011, management expenses for the Group was RMB29,012,000, representing an increase of RMB3,716,000 or 15% as compared with RMB25,296,000 of the corresponding period last year. The increase in management expenses was mainly due to an increase in labour cost.

For the six months ended 30 June 2011, the share of results of associates of the Group was RMB15,627,000, substantially the same as that of the corresponding period last year, which was RMB15,705,000. During the reporting period, operating results of associates of the Group were stable.

For the six months ended 30 June 2011, finance costs for the Group was RMB3,924,000, representing an increase of RMB1,752,000 or 81% as compared with RMB2,172,000 of the corresponding period last year. The increase in finance costs was mainly due to (i) an increase in the scale of the Group's bank loan compared with the corresponding period last year; (ii) an increase in the lending rate compared with the corresponding period last year.

For the six months ended 30 June 2011, net profit attributable to the equity holders of the Group amounted to RMB40,643,000, representing a decrease of RMB2,381,000 or 5.5% compared with RMB43,024,000 of corresponding period last year. The main reason for the decrease in profit of the Group was due to a significant decline in the logistics and supply chain services for automobiles and their components of the Group compared with the corresponding period last year.

During the period under review, the Company did not purchase any derivative instrument for investment or other purpose.

Business Review

The principal businesses of the Group are logistics and supply chain services for automobiles and their components, logistics and supply chain services for electronic components, materials procurement and related logistics services, and other bonded warehouse, supervision, agency services. During the reporting period, the Group's materials procurement and related logistics services remained stable and healthy, although turnover from the business decreased compared to the corresponding period last year, the operating profits maintained substantially the same as that of last year due to the increase in gross profit margin and decrease in operating costs. The Group's logistics and supply chain services for electronic components was quite stable, with its operating income and profits practically at par level to the corresponding period of last year. Being affected by factors such as the Japan earthquake, increase

of fuel price and other operating costs due to inflation, the rise in labour cost and operating costs resulting from enhancement of service quality, the operating results of the logistics and supply chain services for automobiles and their components decreased significantly compared to the corresponding period last year. The other service business such as bonded warehouse, supervision and agency services maintained a good stage of development with further expansion of business scale.

Logistics and supply chain services for automobiles and their components

During the reporting period, the logistics services for finished automobiles decreased significantly due to the Japan earthquake. During the reporting period, the throughput of the logistics services for domestic finished automobiles was 197,989 sets, decreased by 37,257 sets or 16% compared with last year. During the reporting period, the throughput of logistics services of the imported automobile was 8,443 sets, decreased by 4,297 sets or 34% compared with the corresponding period last year. Turnover recorded for the reporting period amounted to RMB414,164,000, representing a decrease of RMB47,898,000 or 10% compared with the corresponding period last year.

Logistics and supply chain services for electronic components

Turnover recorded for the reporting period amounted to RMB246,126,000, substantially the same as compared with the corresponding period last year.

Materials procurement and related logistics services

Turnover recorded for the reporting period amounted to RMB451,377,000, representing a decrease of RMB327,547,000 or 42% compared with corresponding period last year.

Other logistics services

Turnover recorded for the reporting period amounted to RMB19,104,000, representing an increase of RMB4,024,000 or 27% compared with corresponding period last year.

Outlook and Prospects

Being affected by the earthquake in Japan, our logistics services for automobiles declined during the first half of 2011 as the major clients of some members of the Group are Japanese companies. However, the overall results for the first half of this year were substantially the same as compared to the corresponding period of last year as the Company has kept on optimizing its business structure to enhance its comprehensive strength and strengthen its risk-resistance capability.

During the second half of this year, given the economic environment at home and abroad will remain uncertain, the Company will maintain its stable operation strategy. With the recovery of Japan after the disaster, our relevant businesses with Japan companies are expected to record recovery growth. The customs import and export container clearance centre of TEDA General Bonded Warehouse Co., Ltd. has drawn nearly to the end of construction and will be put into operation, which is expected to increase the Company's revenue. Other business segments will develop steadily. For the second half of this year, the operation of the Company will continue to improve as compared to the first half.

Looking forward, the Company will keep on enhancing the efficiency of operation and management by fully leveraging on our existing resources to explore new business area, while optimizing its business structure and enhancing its influential power, in order to maintain the sustainable and stable development of the Company. The preliminary preparation work of refrigeration storage project of the Company has been done. The completion of the project will expand the logistics services of the Company into food-related area, which should provide a strong drive for the future development of the Company.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's working capital was generally financed by internally generated net cash inflow and bank borrowings. As at 30 June 2011, total assets of the Group amounted to RMB1,752,986,000. Amongst which, current assets amounted to RMB1,220,708,000, and non-current assets were RMB532,278,000. The Group's total liabilities were RMB1,019,203,000, of which current liabilities amounted to RMB1,014,028,000, and non-current liabilities amounted to RMB5,175,000. Total equity amounted to RMB733,783,000, of which equity interest attributable to the Group amounted to RMB656,456,000 and minority interests amounted to RMB77,327,000.

CHARGE ON ASSETS OF THE GROUP

During the reporting period, there has been no charge on assets of the Group.

GEARING RATIO

As at 30 June 2011, the Group's gearing ratio was approximately 58% (31 December 2010: approximately 64%), which was measured by the total liabilities over the total assets.

FOREIGN CURRENCY RISK

All the operating revenues and expenses of the Group are denominated in Renminbi.

The Group has no significant investments except those in the PRC. The Group, however, may be exposed to certain extent of foreign currency risks mainly as the jointly controlled entities and holding subsidiaries of the Group, Tianjin Alps Teda Logistics Co., Ltd., Dalian Alps Teda Logistics Co., Ltd. and Tianjin Fengtian Logistics Co., Ltd., have foreign currency business for United States Dollars, Japanese Yen and Euro. For the six months ended 30 June 2011, the Group had an exchange loss of RMB530,000 due to the appreciation of Renminbi.

MATERIAL ACQUISITIONS AND DISPOSALS

During the reporting period, there was no material acquisition and disposal by the Group.

CONTINGENT LIABILITIES

At 30 June 2011, the Group had no material contingent liabilities.

EMPLOYEES

As at 30 June 2011, the Group employed 2,029 employees (corresponding period in 2010: 1,843 employees). During the reporting period, staff costs, including directors' and supervisors' remunerations, amounted to approximately RMB61,469,000 (corresponding period in 2010: approximately RMB52,872,000). The Group's remuneration and bonus of employees are determined by the provisions under the Group's remuneration policy and performance assessment of individual employee.

UNAUDITED CONSOLIDATED INTERIM RESULTS OF 2011

The board of Directors (the "Board") of the Company hereby announces the unaudited results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2011 together with the unaudited comparative figures for the corresponding period in 2010.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the six months ended 30 June 2011

	Notes	Three months ended 30 June		Six months ended 30 June	
		2011 RMB'000 (unaudited)	2010 RMB'000 (unaudited)	2011 RMB'000 (unaudited)	2010 RMB'000 (unaudited)
Turnover	4	417,334	802,501	1,007,708	1,384,237
Cost of sales	7	(405,182)	(778,982)	(961,735)	(1,309,400)
Gross profit		12,152	23,519	45,973	74,837
Other income	5	7,326	1,446	17,172	2,931
Administrative expenses	7	(11,000)	(6,415)	(29,012)	(25,296)
Finance costs	6	(2,042)	(1,162)	(3,924)	(2,172)
Share of results of associates		9,670	9,538	15,627	15,705
Profit before income tax		16,106	26,926	45,836	66,005
Income tax expense	8	1,570	(4,006)	(3,314)	(12,035)
Profit/total comprehensive income for the period		17,676	22,920	42,522	53,970
Profit/total comprehensive income attributable to Equity holders of the Company		19,869	21,147	40,643	43,024
Minority interests		(2,193)	1,773	1,879	10,946
		17,676	22,920	42,522	53,970
Earnings per share Basic and Diluted (RMB Cents)	10	6	6	11	12

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

For the six months ended 30 June 2011

		30 June 2011 RMB'000 (unaudited)	31 December 2010 RMB'000 (audited)
Non-current assets			
Land use rights		150,808	121,021
Property, plant and equipment	11	244,222	226,569
Investment properties		95,282	97,228
Interests in associates		41,861	59,744
Goodwill		105	105
		532,278	504,667
Current assets			
Inventories		266,652	113,337
Trade and other receivables	12	615,888	947,160
Amount due from an associate		–	3,658
Pledged bank deposits		77,857	88,844
Bank balances and cash		260,311	311,248
		1,220,708	1,464,247
Total assets		1,752,986	1,968,914
EQUITY			
Share capital and reserves attributable to equity holders of the Company			
Share capital	15	354,312	354,312
Other reserves		51,148	48,848
Retained earnings		250,996	212,653
		656,456	615,813
Minority interests		77,327	92,433
Total equity		733,783	708,246

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2011

		30 June 2011 RMB'000 (unaudited)	31 December 2010 RMB'000 (audited)
LIABILITIES			
Non-current liabilities			
Deferred income		<u>5,175</u>	5,289
		<u>5,175</u>	5,289
Current liabilities			
Trade and other payables	13	853,849	1,102,637
Amounts due to an associate		–	330
Dividend payable		9,600	–
Taxation payable		7,930	9,763
Bank borrowings	14	142,649	142,649
		<u>1,014,028</u>	1,255,379
Total liabilities		<u>1,019,203</u>	1,260,668
Total equity and liabilities		<u>1,752,986</u>	1,968,914
Net current assets		<u>206,680</u>	208,868
Total assets less current liabilities		<u>738,958</u>	713,535

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 June 2011

	Attributable to equity holders of the Group							Total RMB'000
	Share capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Statutory reserves RMB'000	Retained profits RMB'000	Total RMB'000	Minority interests RMB'000	
	At 1 January 2010 (audited)	354,312	55,244	(73,258)	52,907	159,919	549,124	
Total comprehensive income for the period	-	-	-	-	43,024	43,024	10,946	53,970
Dividend	-	-	-	-	(14,172)	(14,172)	(13,705)	(27,877)
Transfer	-	-	-	13,954	(13,954)	-	-	-
At 30 June 2010 (unaudited)	354,312	55,244	(73,258)	66,861	174,817	577,976	82,310	660,286
At 1 January 2011 (audited)	354,312	55,244	(73,258)	66,862	212,653	615,813	92,433	708,246
Total comprehensive income for the period	-	-	-	-	40,643	40,643	1,879	42,522
Dividend	-	-	-	-	-	-	(16,985)	(16,985)
Transfer	-	-	-	2,300	(2,300)	-	-	-
At 30 June 2011 (unaudited)	354,312	55,244	(73,258)	69,162	250,996	656,456	77,327	733,783

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the six months ended 30 June 2011

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net cash generated from (used in) operating activities	<u>(59,703)</u>	8,474
Net cash generated from (used in) investing activities	<u>20,076</u>	(23,946)
Net cash generated from (used in) financing activities	<u>(11,309)</u>	(41,748)
Net decrease in cash and cash equivalents	(50,936)	(57,220)
Cash and cash equivalents at 1 January	<u>311,247</u>	247,859
Cash and cash equivalents at 30 June represented by bank balances and cash	<u>260,311</u>	190,639

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the six months ended 30 June 2011

1. General

The Company was established as an investment holding company in the People's Republic of China (the "PRC") by its promoters, Tianjin Teda Investment Holding Co., Ltd. ("TEDA Holding") and Tianjin Economic and Technological Development Area State Asset Operation Company ("TEDA Asset Company"), as a joint stock limited company on 26 June 2006. Both TEDA Holding and TEDA Asset Company are controlled by Tianjin Economic and Technological Development Area Administrative Commission ("TEDA Administrative Commission").

Pursuant to the group reorganisation (the "Reorganisation") in preparation for the listing of the Company's overseas listed foreign shares ("H shares") on the Growth Enterprise Market ("GEM") of the Stock Exchange of Hong Kong Limited ("Stock Exchange"), the Company became the holding company of the Group in June 2006. The Company's H shares were listed on the GEM of the Stock Exchange on 30 April 2008.

The Company together with its subsidiaries are hereinafter collectively referred to as the Group ("Group"). The Group is engaged in the provision of logistics and supply chain solutions services and materials procurement and related logistics services.

The Group's principal operations are conducted in the PRC. The consolidated financial statements have been presented in Renminbi ("RMB"), which is the functional currency of the Company.

2. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 (Interim Financial Reporting) and the disclosure requirements of the GEM Listing Rules of the Stock Exchange.

3. Principal Accounting Policies

The accounting policies used in the financial information are consistent with those applied in the Company's consolidated financial statements for the year ended 31 December 2010.

The Group has adopted the new or amended IFRS, amendments of standards and interpretations effective for the accounting periods beginning on or after 1 January 2011. Adoption of such new or amended standards, amendments of standards and interpretations has no material effects on the condensed consolidated interim financial information, and has caused no material change to the accounting policies of the Group.

4. Segment information

	For the six months ended 30 June 2011					
	Logistics and supply chain services for finished automobiles and components RMB'000 (Unaudited)	Logistics and supply chain services for electronic components RMB'000 (Unaudited)	Materials procurement and related logistics services RMB'000 (Unaudited)	Reportable segments subtotal RMB'000 (Unaudited)	All other segments RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue	414,170	251,050	452,767	1,117,987	19,801	1,137,788
Inter-segment revenue	(6)	(4,924)	(1,390)	(6,320)	(697)	(7,017)
Revenue from external customers	414,164	246,126	451,377	1,111,667	19,104	1,130,771
Segment results	1,303	21,343	13,811	36,457	1,608	38,065
Depreciation and amortisation	(6,238)	(3,323)	(2,423)	(11,984)	(3,138)	(15,122)
Share of results of associates			1,706	1,706	13,921	15,627
Income tax expense	2,194	(5,244)	(2,557)	(5,607)	(329)	(5,936)

	For the three months ended 30 June 2011					
	Logistics and supply chain services for finished automobiles and components RMB'000 (Unaudited)	Logistics and supply chain services for electronic components RMB'000 (Unaudited)	Materials procurement and related logistics services RMB'000 (Unaudited)	Reportable segments subtotal RMB'000 (Unaudited)	All other segments RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue	166,793	131,448	177,885	476,126	9,769	485,895
Inter-segment revenue	-	(2,224)	(1,390)	(3,614)	(335)	(3,949)
Revenue from external customers	166,793	129,224	176,495	472,512	9,434	481,946
Segment results	(8,561)	12,260	4,162	7,861	492	8,353
Depreciation and amortization	(3,163)	(1,402)	(1,218)	(5,783)	(1,577)	(7,360)
Share of results of associates			1,801	1,801	7,869	9,670
Income tax expense	3,710	(3,007)	(526)	177	(111)	66

4. Segment information (Continued)

	For the six months ended 30 June 2010					
	Logistics and supply chain services for finished automobiles and components RMB'000 (Unaudited)	Logistics and supply chain services for electronic components RMB'000 (Unaudited)	Materials procurement and related logistics services RMB'000 (Unaudited)	Reportable segments subtotal RMB'000 (Unaudited)	All other segments RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue	462,187	255,279	778,924	1,496,390	16,456	1,512,846
Inter-segment revenue	(125)	(6,321)	–	(6,446)	(1,376)	(7,822)
Revenue from external customers	462,062	248,958	778,924	1,489,944	15,080	1,505,024
Segment results	29,127	21,418	10,766	61,311	600	61,911
Depreciation and amortisation	(5,972)	(3,117)	(508)	(9,597)	(2,978)	(12,575)
Share of results of associates			(1,006)	(1,006)	16,711	15,705
Income tax expense	(6,604)	(5,024)	(2,718)	(14,346)	(114)	(14,460)

	For the three months ended 30 June 2010					
	Logistics and supply chain services for finished automobiles and components RMB'000 (Unaudited)	Logistics and supply chain services for electronic components RMB'000 (Unaudited)	Materials procurement and related logistics services RMB'000 (Unaudited)	Reportable segments subtotal RMB'000 (Unaudited)	All other segments RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue	207,878	138,681	516,612	863,171	8,981	872,152
Inter-segment revenue	(49)	(3,113)	–	(3,162)	(738)	(3,900)
Revenue from external customers	207,829	135,568	516,612	860,009	8,243	868,252
Segment results	4,567	11,659	6,842	23,068	626	23,694
Depreciation and amortisation	(2,974)	(2)	(257)	(3,233)	(1,741)	(4,974)
Share of results of associates			(306)	(306)	9,844	9,538
Income tax expense	(1,034)	(2,652)	(1,485)	(5,171)	(114)	(5,285)

4. Segment information (Continued)

	For the three months ended 30 June 2011 RMB'000 (unaudited)	For the three months ended 30 June 2010 RMB'000 (unaudited)	For the six months ended 30 June 2011 RMB'000 (unaudited)	For the six months ended 30 June 2010 RMB'000 (unaudited)
Revenue for reportable segments	472,512	860,009	1,111,667	1,489,944
Revenue attributable to joint ventures partners	(64,612)	(65,751)	(123,063)	(120,787)
Other segments	9,434	8,243	19,104	15,080
Revenue of the Group	417,334	802,501	1,007,708	1,384,237
Reportable segment results	7,861	23,068	36,457	61,311
Segment results attributable to joint venture partners	(6,129)	(5,623)	(10,671)	(10,336)
Other segments	1,732 492	17,445 626	25,786 1,608	50,975 600
Total segments	2,224	18,071	27,394	51,575
Share of results of associates	9,670	9,538	15,627	15,705
Unallocated other income	7,055	800	8,156	1,788
Unallocated corporate expenses	(801)	(321)	(1,417)	(891)
Finance costs	(2,042)	(1,162)	(3,924)	(2,172)
Profit before income tax	16,106	26,926	45,836	66,005
Income tax expense	1,571	(4,006)	(3,314)	(12,035)
Profit for the period	17,677	22,920	42,522	53,970

5. Other income

	Three months ended		Six months ended	
	30 June		30 June	
	2011	2010	2011	2010
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest income	1,056	800	2,156	1,788
Gain on disposal of an associate (note i)	6,000	–	6,000	–
Others (note ii)	270	646	9,016	1,143
	7,326	1,446	17,172	2,931

Note i: During the reporting period, the Company had disposed of the equity interests of Tianjin Binhai Yuan Sheng Steel Market Operation and Management Co., Ltd., an indirectly-owned associate of the Company, the income from which was the gain on disposal of equity interests.

Note ii: Subsidy income represents subsidies and awards from local government authorities for the Group's contribution to the development of the local economies. Included in the subsidy income is a government grant of RMB8.244 million according to "Provisional Regulations on Modern Services and Development of Tianjin Economic and Technological Development Area" (Guan Wei Hui Ling No. 114) ("天津經濟技術開發促進現代服務與發展的暫行規定") (管委會令No. 114).

6. Finance costs

	Three months ended		Six months ended	
	30 June		30 June	
	2011	2010	2011	2010
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest on bank borrowings	2,042	1,162	3,924	2,172

7. Expenses by nature

	Three months ended		Six months ended	
	30 June		30 June	
	2011	2010	2011	2010
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	5,034	4,845	10,208	10,162
Amortisation of prepaid lease payments	442	288	746	582
Exchange loss	326	402	530	597
Other expenses	5,198	880	17,528	13,955
Cost of sales	405,182	778,982	961,735	1,309,400
Total cost of sales and administrative expenses	416,182	785,397	990,747	1,334,696

8. Income tax expense

	Three months ended		Six months ended	
	30 June		30 June	
	2011	2010	2011	2010
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current income tax				
– the Company and its subsidiaries (note i)	(3,074)	2,633	692	9,436
– jointly controlled entities	1,504	1,373	2,622	2,599
Total	(1,570)	4,006	3,314	12,035

Under the prevailing tax law in the PRC, the Enterprise Income Tax rate of the Company, the subsidiaries and the jointly controlled entities, other than those stated below, is 25%.

Pursuant to the relevant approval by the tax authorities, Tianjin Alps Teda Logistics Co., Ltd. ("Tianjin Alps"), a jointly controlled entity of the Group, which is recognised as a manufactory foreign investment enterprise, has been entitled to a preferential tax rate of 15% since 2005. Upon the implementation of the Law of the PRC on Enterprise Income Tax in 2009, a five-year transitional period has been granted to entities that previously enjoyed the preferential tax rate of 15%, over which the tax rate will gradually be increased to the standard rate of 25%. The applicable tax rate for the entity is 24% for 2011 (2010: 22%).

8. Income tax expense (Continued)

Pursuant to the approval by the tax authorities, TEDA General Bonded Warehouse Co., Ltd., a subsidiary of the Group, is recognised as a new high-tech enterprise, entitled to a preferential tax rate of 15% for 2011 (2010:15%). The preferential tax treatment is subject to review by the relevant tax authority on an annual basis.

Note i: Pursuant to the approval by the tax authorities, Tianjin Fengtian Logistics Co., Ltd., a subsidiary of the Group, is recognised as a new high-tech enterprise, entitled to a preferential tax rate of 15% for 2010 and 2011. Tianjin Fengtian Logistics Co., Ltd. had paid relevant tax at the original tax rate of 22% in 2010, the excess amount of which was refunded during this Reporting Period.

9. Dividend

The Board proposes the payment of an interim dividend of RMB0.02 per share (the corresponding period in 2010: nil) to shareholders whose names appear on the register of members of the Company on 11 October 2011. The dividend will be paid on or before 18 November 2011.

10. Earnings per share

	Three months ended		Six months ended	
	30 June		30 June	
	2011	2010	2011	2010
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)

Profit for the period
attributable to equity
holders of the Company
and earnings for the
purpose of calculating
basic earnings per share

19,869	21,147	40,643	43,024
---------------	--------	---------------	--------

	Number of shares		Number of shares	
	Three months ended		Six months ended	
	30 June		30 June	
	2011	2010	2011	2010
	'000	'000	'000	'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)

Weighted average number
of shares for
calculating basic
earnings per share

354,312	354,312	354,312	354,312
----------------	---------	----------------	---------

11. Property, plant and equipment

During the period, the Group spent RMB30,421,000 (six months ended 30 June 2010: RMB11,113,000) on acquisition of property, plant and equipment.

12. Trade and other receivables

	30 June 2011 RMB'000 (Unaudited)	31 December 2010 RMB'000 (Audited)
Trade receivables	146,984	155,937
Less: impairment loss recognised	(7)	(7)
	146,977	155,930
Bills receivables	121,800	212,980
	268,777	368,910
Prepayments to suppliers	321,630	560,188
Other receivables	25,494	18,305
Less: impairment loss recognised	(13)	(243)
Total trade and other receivables	615,888	947,160

The average credit period that the Group grants to its trade customers ranges from 30 to 90 days. As at 30 June 2011, the ageing analysis of trade and bills receivables is as follows:

	30 June 2011 RMB'000 (Unaudited)	31 December 2010 RMB'000 (Audited)
0 – 90 days	255,222	298,071
91 – 180 days	8,565	69,923
181 – 365 days	4,119	137
1 – 2 years	871	779
Over 2 years	–	–
	268,777	368,910

13. Trade and other payables

	30 June 2011 RMB'000 (Unaudited)	31 December 2010 RMB'000 (Audited)
Trade payables	247,095	361,849
Bills payables (note)	379,973	443,943
	627,068	805,792
Deposits from customers	204,461	256,996
Other payables	22,320	39,849
Total trade and other payables	853,849	1,102,637

	30 June 2011 RMB'000 (Unaudited)	31 December 2010 RMB'000 (Audited)
0 – 90 days	507,877	500,683
91 – 180 days	115,137	293,737
181 – 365 days	2,813	4,210
1 – 2 years	1,128	7,162
Over 2 years	113	–
	627,068	805,792

14. Borrowings

	30 June 2011 RMB'000 (Unaudited)	31 December 2010 RMB'000 (Audited)
Short-term bank borrowings	142,649	142,649
Bank acceptance bills discounted with recourse	–	–
Total	142,649	142,649

15. Share capital

	Number of shares		Amount RMB'000
	Domestic shares	H shares	
At 31 December 2010 and 30 June 2011	256,068,800	98,243,200	354,312,000

16. Capital commitments

	30 June 2011 RMB'000 (Unaudited)	31 December 2010 RMB'000 (Audited)
– The Company and subsidiaries	21,906	8,860
– Jointly controlled entities	–	–
Total	21,906	8,860

17. Related party disclosures

a. Transactions/balances with other state-controlled entities in the PRC

The Group operates in an economic environment currently predominated by enterprises directly or indirectly owned or controlled by the PRC government (hereinafter collectively referred to as "state-controlled entities"). The directors of the Company consider those state-controlled entities are independent third parties so far as the Group's business transactions with them are concerned. During this reporting period, the Group's significant transactions with these state-controlled entities include purchases of raw materials for trading purposes and fuel for transportation vehicles used in the logistics business. As at the end of this reporting period, the majority of the Group's cash and bank balances and borrowings are with state-controlled banks.

b. Compensation of key management personnel

The short-term benefits paid or payable by the Group to directors and other members of key management of the Company during the six months ended 30 June 2011 amounted to RMB2,105,000 (six months ended 30 June 2010: RMB1,372,000).

c.

	Three months ended 30 June		Six months ended 30 June	
	2011 RMB'000 (Unaudited)	2010 RMB'000 (Unaudited)	2011 RMB'000 (Unaudited)	2010 RMB'000 (Unaudited)
Rental income	–	1,297	95	2,592

DIVIDENDS AND EXTRAORDINARY GENERAL MEETING

The Board proposes distribution of a 2011 interim dividend of RMB0.02 per share. The total amount of dividend to be distributed will be approximately RMB7,086,240. The proposal to declare and distribute the interim dividend will be proposed for the approval of the shareholders at the forthcoming extraordinary general meeting to be held on 26 September 2011. Dividends payable for domestic shares will be distributed and paid in RMB whereas dividends for H shares will be distributed in RMB and paid in Hong Kong dollars. Exchange rate will be based on the average median exchange rate of RMB to Hong Kong Dollar (RMB0.8243 to HK\$1.00) announced by the People's Bank of China on the last five business days before the announcement of the interim results (i.e. 4, 5, 8, 9 & 10 August 2011).

In accordance with the Enterprise Income Tax Law of the PRC and the Rules for the Implementation of the Enterprise Income Tax Law of the PRC, both implemented in 2008, with effect from 1 January 2008, the Company shall be obliged to withhold and pay PRC enterprise income tax on behalf of non-resident enterprise shareholders with a tax rate of 10% when the Company distributes any dividends to non-resident enterprise shareholders whose names appear on the register of members of the Company for H shares. As such, any H shares of the Company registered other than in the name(s) of individual(s), including HKSCC Nominees Limited, other nominees, trustees, or other organizations or groups, shall be deemed to be H shares held by non-resident enterprise shareholder(s) and the PRC enterprise income tax shall be withheld from any dividends payable thereon. The Company shall comply with the relevant rules and regulations to withhold and pay the PRC enterprise income tax on behalf of the relevant holders of shares who are listed in the register of members of the Company for H shares as of 11 October 2011 (Tuesday) for the interim dividend on H shares.

Due to the recent changes in the PRC tax regulations, the individual holders of H shares whose names appeared on the register of members of the Company (the "Individual H Shareholders") are no longer exempted from the individual income tax payment.

Pursuant to Notice on the Issues on Levy of Individual Income Tax after the Abolishment of Guo Shui Fa [1993] No. 045 Document (the "Notice") issued by the State Administration of Tax on 28 June 2011, the dividend to be distributed by the PRC non-foreign invested enterprises whose shares have been issued in Hong Kong to the overseas resident individual shareholders is subject to the individual income tax with a tax rate of 10% in general. However, the tax rates for respective overseas resident individual shareholders may vary depending on the relevant tax agreements between the countries where they are residing and Mainland China.

Pursuant to the aforesaid Notice, when the interim dividend is distributed to the Individual H Shareholders whose names appeared on the register of members of the Company on 11 October 2011, the Company will withhold 10% of the dividend as individual income tax unless otherwise specified by the relevant tax regulations, tax agreements or the Notice.

Should the holders of H shares of the Company have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact on the possession and disposal of the H shares of the Company.

CLOSURE OF REGISTER OF MEMBERS FOR INTERIM DIVIDENDS

The Register of Members of the Company will be closed from Thursday, 6 October 2011 to Tuesday, 11 October 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend of the Company, all transfer documents together with the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 4 October 2011. Subject to approval at the extraordinary general meeting, dividends will be distributed around or before 18 November 2011 to shareholders whose names appear on the register of members of the Company on 11 October 2011.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARE CAPITAL OF THE COMPANY AND ITS ASSOCIATES

During the period under review, none of the Directors, supervisors and chief executive of the Company or their respective associates (within the meaning of the GEM Listing Rules) held interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were required to be notified to the Company and the Stock Exchange under the provisions of Divisions 7 and 8 of Part XV of Chapter 571 of the SFO (including interests or short positions which they have been taken or deemed to have under the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were otherwise required to be notified to the Company and Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors, supervisors and chief executives of the Company, as at 30 June 2011, the following persons (other than the Directors or supervisors or chief executives of the Company) held or deemed to hold interests or short positions in the shares and underlying shares of the Company, which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or were directly or indirectly interested in 10% or more of any class of share capital carrying rights to vote in any circumstances at general meetings of any members of the Group:

Name	Capacity	Number and class of shares (Note 1)	Approximate percentage of shareholding in the same class of shares	Approximate percentage of shareholding in the Company's total issued share capital
Tianjin Teda Investment Holding Company Limited	Beneficial owner	178,765,011 (L) Domestic shares	69.81%	50.45%
Tianjin Economic and Technological Development Area State Asset Operation Company	Beneficial owner	77,303,789 (L) Domestic shares	30.19%	21.82%
Tianjin Port Development Holdings Limited	Beneficial owner	20,000,000 (L) H shares	20.36%	5.64%
Hongkong Topway Trading Co., Limited	Beneficial owner	10,000,000 (L) H shares	10.18%	2.82%
The National Council for Social Security Fund of the People's Republic of China	Beneficial owner	8,931,200 (L) H shares	9.09%	2.52%

Notes:

1. The letter "L" denotes the shareholders' long position in the share capital of the Company.

Save as disclosed above, the Directors are not aware of any persons (other than the Directors or supervisors or chief executives of the Company) who held, or deemed to hold interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO or who were directly or indirectly interested in 10% or more of any class of share capital carrying rights to vote at the general meetings of any members of the Group as at the date of this announcement.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, management shareholders, substantial shareholders of the Company nor their respective associates have interests in business that competes or may compete with the business of the Group and any other conflicts of interests with the Group.

CODE ON CORPORATE GOVERNANCE PRACTICES

Save as disclosed below, the Company has complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules throughout the period under review, except for the following deviations: According to code provision A.2.1, the roles of the chairman of the Board (the "Chairman") and the chief executive officer (the "CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing.

As at 30 June 2011, Mr. Zhang Jian was both the Chairman and CEO of the Company who is responsible for managing the Board and the Group's business. The Board considers that Mr. Zhang Jian understands the business operation of the Group well and can make decisions which are in the interest of the shareholders as a whole in a timely manner. The combination of the roles of Chairman and CEO can effectively formulate and implement the strategies of the Group and react swiftly to changes in the market. The Board also considers that there is no immediate need to separate the roles of Chairman and CEO. However, the Board will continue to review the effectiveness of the Group's corporate governance structure to assess whether the separation of the positions of Chairman and CEO is necessary.

AUDIT COMMITTEE

The Company has established an audit committee with terms of reference, which clearly defines the powers and duties of the committee. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Company, as well as providing opinion and recommendation to the Directors of the Company. The audit committee comprises three independent non-executive Directors, namely Mr. Zhang Limin, Mr. Liu Jingfu and Mr. Luo Yongtai. Mr. Zhang Limin is the chairman of the audit committee. The audit committee has reviewed the Company's unaudited results for the reporting period and respective recommendation and opinion have been made.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has not adopted the model code for securities transactions by Directors. However, having made specific enquiry to all Directors, the Company was not aware of any Directors' non-compliance with the rules and standards for transactions and the code of conduct regarding securities transactions by the directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules during this reporting period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the period under review, neither the Company nor any of its subsidiaries have purchased, redeemed or sold or cancelled any listed securities of the Company.

As at the date of this announcement, the Board of the Company comprises Mr. Zhang Jian and Mr. Wang Wei as executive Directors; Mr. Hu Jun, Mr. Zhang Jun, Mr. Wang Jincal and Mr. Chen Fang as non-executive Directors; and Mr. Zhang Limin, Mr. Liu Jingfu and Mr. Luo Yongtai as independent non-executive Directors.

By order of the Board

Tianjin Binhai Teda Logistics (Group) Corporation Limited*

Zhang Jian

Chairman

Tianjin, the PRC

11 August 2011

* *For identification purposes only*