

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, 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 document.*



**新疆天业节水灌溉股份有限公司**

**XINJIANG TIANYE WATER SAVING IRRIGATION SYSTEM COMPANY LIMITED\***

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

**(Stock Code: 840)**

**ANNOUNCEMENT — VOLUNTARY RESULTS ANNOUNCEMENT  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013**

**SUMMARY**

This announcement is made voluntarily by the Company pursuant to the requirement set out in chapter 13 of the Listing Rules. The Board announces the unaudited consolidated results of the Group for the nine months ended 30 September 2013.

The unaudited consolidated total comprehensive income attributable to owners of the Company for the nine months ended 30 September 2013 was approximately RMB855,000.

This announcement is made voluntarily by the Company pursuant to the requirement set out in chapter 13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”). The board of directors (the “Board”) of Xinjiang Tianye Water Saving Irrigation System Company Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the nine months ended 30 September 2013 together with the unaudited comparative figures for the corresponding period in 2012 as follows:

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013**

		<b>For the nine months ended</b>	
		<b>30th September,</b>	
		<b>2013</b>	<b>2012</b>
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
		<b>(unaudited)</b>	<b>(unaudited)</b>
1. Operating revenue	2	<b>530,599</b>	518,999
Including: Other operating income		<b>5,563</b>	—
Operating income		<b>525,036</b>	518,999
2. Operating cost		<b>529,146</b>	509,977
Including: Cost of sales		<b>482,256</b>	463,072
Including: Other operating expenses		<b>3,356</b>	—
Operating expenses		<b>478,900</b>	463,072
Business taxes and surcharges		<b>581</b>	266
Distribution costs		<b>28,629</b>	26,538
Administrative expenses		<b>14,627</b>	14,500
Finance costs		<b>3,053</b>	5,601
3. Operating profits		<b>1,453</b>	9,022
Add: Non-operating income		<b>664</b>	1,246
Less: Non-operating expenses		<b>441</b>	1,520
4. Total profits		<b>1,676</b>	8,748
Less: Income tax expenses		<b>1,303</b>	2,110
5. Net profits		<b>373</b>	6,638
Attributable to owners of the Company		<b>855</b>	6,407
Attributable to non-controlling interests		<b>(482)</b>	231
6. Earnings per share — basic		<b>RMB0.002</b>	RMB0.012
7. Dividend		—	—

Notes:

## 1. BASIS OF PREPARATION

The unaudited condensed consolidated third quarterly results have been prepared on a going concern basis in accordance with the “Enterprise Accounting Standards — Basic Standards” and 38 specific accounting standards, subsequent practice notes, interpretations and other relevant regulations (collectively “ASBEs”) promulgated by the Ministry of Finance in 15 February 2006.

The accounting policies adopted in preparing the unaudited condensed consolidated third quarterly results were in consistent with those applied to the annual financial statements of the Group for the year ended 31st December, 2012.

## 2. REVENUE

Revenue represents the fair value of the consideration received and receivable for goods sold to external customers, net of value-added tax, returns and discounts, and the consideration received and receivable for the services provided during the period, and is analysed as follows:

	For the nine months ended	
	30 September	
	2013	2012
	RMB'000	RMB'000
Drip films and drip assemblies	311,712	341,650
PVC/PE pipelines	188,603	177,349
Provision of installation services	24,721	—
Other operating income	5,563	—
	<u>530,599</u>	<u>518,999</u>

*Note:* According to the sales mix of the Group, drip assemblies are usually sold as auxiliary products of drip films. Therefore, drip films and drip assemblies are classified under the same category.

## BUSINESS REVIEW

Profit decline in the Group companies was mainly due to the intensified market competition and the lower selling price of products. The Directors believe that, through introducing refined management across the Group and optimizing its management system, the Group could effectively manage the market risk and improve its business performance.

## REVIEW OF RESULTS

The audit committee of the Company has reviewed the unaudited consolidated results announcement of the Group for the nine months ended 30 September 2013.

By order of the Board  
**Xinjiang Tianye Water Saving Irrigation System Company Limited\***  
**Li Shuang Quan**  
Chairman

Xinjiang, the PRC, 23 October 2013

*As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Li Shuang Quan (Chairman), Mr. Zhu Jia Ji, Mr. Shao Mao Xu, Mr. Chen Lin and Mr. Zhang Qiang and four independent non-executive Directors, namely Mr. Mak King Sau, Mr. Qin Ming, Mr. Cao Jian and Mr. Yin Feihu.*

\* For identification purpose only