

*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.*



**DONGYUE GROUP LIMITED**

**東岳集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 189)

**POSITIVE PROFIT ALERT**

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

The Board wishes to inform the Shareholders and potential investors that the amount of the Unaudited Consolidated Profit for the six months ended 30 June 2011 is estimated to be over 4 times of the amount of the Unaudited Consolidated Profit for the six months ended 30 June 2010. This positive profit alert announcement is only based on the preliminary review of the consolidated management accounts of the Group for the six months ended 30 June 2011, of which the independent auditor of the Company is yet to finish the review.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company**

This announcement is made by Dongyue Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited( the “**Listing Rules**”).

After preliminary review by the Group’s management of the consolidated management accounts of the Group for the six months ended 30 June 2011, the board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the amount of the unaudited consolidated profit and total comprehensive income attributable to the Shareholders (the “**Unaudited Consolidated Profit**”) for the six months ended 30 June 2011 is estimated to be over 4 times of the amount of the Unaudited Consolidated Profit for the six months ended 30 June 2010. The Unaudited Consolidated Profit for the six months ended 30

June 2010 amounted to approximately RMB 274.1 million. The Board believes that such increase is mainly attributable to continuing improvement of operating results of the Group as a result of the strong domestic and international demand and improvement in selling prices and margin of the Group's products. During the six-month period ended 30 June 2011, capitalizing on its low-cost raw material bases and its fully vertically-integrated production value chain, the Group was able to stay ahead of the changing market environment and created a sustained growth in demand for the Group's old and new products.

The view of the Board in this announcement is only a preliminary assessment by the Board based on the consolidated management accounts of the Group for the six months ended 30 June 2011, of which the independent auditor of the Company is yet to finish the review. The Group's interim results for the six months ended 30 June 2011 is expected to be announced in mid-August 2011.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Dongyue Group Limited**  
Zhang Jianhong  
*Chairman*

The People's Republic of China, 11 July 2011

*As at the date of this announcement, the directors of the Company are Mr. Zhang Jianhong, Mr. Fu Kwan, Mr. Liu Chuanqi, Mr. Cui Tongzheng, Mr. Yan Jianhua and Mr. Zhang Jian as executive directors, and Mr. Yue Run Dong, Mr. Liu Yi and Mr. Ting Leung Huel, Stephen as independent non-executive directors.*