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Red Star Macalline Group Corporation Ltd.

紅星美凱龍家居集團股份有限公司

(A sino-foreign joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1528)

RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 SUMMARY OF THE UNAUDITED KEY FINANCIAL INFORMATION

The board of directors (the “**Board**”) of Red Star Macalline Group Corporation Ltd. (the “**Company**”) announced the summary of the unaudited key financial information of the Company and its subsidiaries (the “**Group**”) for the nine months ended 30 September 2015 (the “**Reporting Period**”). This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Summary of the Unaudited Key Financial Information

Reference is made to the issuance of the domestic medium term notes by the Company from the period of 2012 to 2014. For the details of the domestic medium term notes, please refer to the prospectus of the Company dated 16 June 2015. Pursuant to the relevant regulations of the People's Bank of China and the National Association of Financial Market Institutional Investors, the unaudited key financial information of the Group during the Reporting Period is required to be published by the Company on the websites of Chinamoney (www.chinamoney.com.cn), Shanghai Clearing House (www.shclearing.com) and ChinaBond (www.chinabond.com.cn) on 30 October 2015.

Set out below is the unaudited key financial information of the Group during the Reporting Period as published on the aforesaid websites:

(i) Summary of the Unaudited Key Financial Information of the Group

The table below sets forth the key data of the statement of profit or loss and other comprehensive income of the Group during the Reporting Period:

	For the nine months ended 30 September (unaudited)	
	2015	2014
	(RMB'000)	(RMB'000)
I. Revenue	6,728,949	5,876,510
Less: Costs of sales and services	1,638,910	1,521,522
Business taxes and surcharges	313,318	279,798
Selling and distribution expenses	839,052	717,081
Administrative expenses	718,754	613,675
Finance expenses	605,528	635,518
Allowance on doubtful receivables	42,392	46,766
Add: Gain or loss for change in fair value of investment properties	2,130,381	1,760,911
Investment gain (loss)	58,755	(15,032)
II. Operating profit	4,760,131	3,808,029
Add: Non-operating income	40,456	55,599
Less: Non-operating expenses	77,235	110,051
III. Total profit	4,723,352	3,753,577
Less: Income tax expense	1,232,081	1,025,456
IV. Net profit	3,491,271	2,728,121
Net profit attributable to:		
Owners of the Company	3,310,838	2,539,811
Non-controlling interests	180,433	188,310

During the Reporting Period, the core net profit attributable to the owners of the Company (as defined in the Interim Report despatched to the shareholders of the Company on 30 September 2015) amounted to RMB1,845,384,000, representing an increase of 27.02% from RMB1,452,773,000 for the same period of 2014.

The table below sets forth the key data of the statement of cash flows of the Group during the Reporting Period:

	For the nine months ended 30 September (unaudited)	
	2015	2014
	(RMB'000)	(RMB'000)
Net cash from (used in) operating activities	1,810,446	2,551,819
Net cash from (used in) investing activities	(2,742,687)	(2,138,002)
Net cash from (used in) financing activities	4,492,829	(1,061,519)
Net increase (decrease) in cash and cash equivalents	3,560,588	(647,702)
Balances of cash and cash equivalents at the beginning of the period	3,721,512	3,894,340
Balances of cash and cash equivalents at the end of the period	7,282,100	3,246,638

The table below sets forth the data of the condensed statement of financial position of the Group at the end of the Reporting Period:

	As at 30 September 2015 (unaudited) (RMB'000)	As at 31 December 2014 (audited) (RMB'000)
Current assets	9,475,557	5,174,950
Long-term equity investments	897,018	916,467
Investment properties	68,598,407	62,966,000
Fixed assets and construction in progress	172,161	178,751
Intangible assets	557,265	548,916
Other non-current assets	2,385,105	2,132,599
Total assets	82,085,513	71,917,683
Current liabilities	12,007,699	10,419,991
Non-current liabilities	25,730,506	24,078,016
Equity attributable to owners of the Company	40,293,267	33,445,129
Non-controlling interests	4,054,041	3,974,547
Total liabilities and Equity	82,085,513	71,917,683

As of the end of the Reporting Period, the total borrowings of the Group amounted to RMB17,110,733,000.

The aforesaid unaudited key financial information during the Reporting Period of the Group was prepared in accordance with the relevant management accounts and the Generally Accepted Accounting Principles in the People's Republic of China, and has not been reviewed or audited by the auditors of the Company.

Shareholders of the Company and potential investors are advised by the Board that, the data above is based on the internal records and the relevant management accounts of the Group as of the end of the Reporting Period, therefore, the data above is only for reference. When dealing in the shares of the Company, shareholders of the Company and potential investors are advised to exercise caution.

By order of the Board
Red Star Macalline Group Corporation Ltd.
GUO Binghe
Company Secretary

Shanghai, the PRC, 30 October 2015

As at the date of this announcement, the executive Directors of the Company are CHE Jianxing, ZHANG Qi, CHE Jianfang and JIANG Xiaozhong; the non-executive Directors are XU Guofeng, CHEN Shuhong, Joseph Raymond GAGNON, ZHANG Qiqi; and the independent non-executive Directors are ZHOU Qinye, LI Zhenning, DING Yuan, LEE Kwan Hung.