



**BBMG's 2009 Net Profit Attributable to Owners of the Company
Surges 54.1% to approximately RMB2.04 billion**

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**Cement, Building Materials and Property Businesses
Record Substantial Growth**

HONG KONG, 16 April 2010 – **BBMG Corporation** (“BBMG” or “the Company”; stock code: 2009.HK), one of the largest and the largest building materials manufacturers in the PRC and the Beijing-Bohai Gulf Region respectively and a leading property developer in Beijing, announced its annual results for the year ended 31 December 2009.

Financial Highlights

(RMB million)	For the year ended 31 December 2009		Change
	2009	2008	
Revenue	11,701.1	8,550.7	+36.8%
Gross profit	3,259.2	2,112.0	+54.3%
Gross profit margin	27.9%	24.7%	+3.2ppt
Net profit attributable to owners of the Company	2,035.4	1,320.8	+54.1%
Net profit margin	17.4%	15.4%	+2.0ppt
Basic EPS (RMB)	0.63	0.59	+RMB0.04

Financial Review

During the year under review, BBMG reported revenue of approximately RMB11.7 billion, an increase of 36.8% from around RMB8.55 billion in 2008. Gross profit was up 54.3% from approximately RMB2.11 billion in 2008 to RMB3.26 billion. Net profit attributable to owners of the Company amounted to approximately RMB2.04 billion, representing a growth of 54.1% compared to around RMB1.32 billion in 2008. Excluding the net fair value gain on investment properties (after tax), net profit attributable to owners of the Company was RMB1.536 billion, a growth of 140.9% compared to RMB0.638 billion in 2008, and net profit margin improved by 5.6 percentage point to 13.1% compared to 7.5% in 2008. Basic earnings per share was RMB0.63 (2008: RMB0.59).

The Board recommended a final dividend of RMB0.07 per share in the Company's first annual results report since listing in Hong Kong in 29 July 2009.

Mr. JIANG Weiping, Chairman of BBMG, said, “In 2009, the global economy was adversely affected by the global financial crisis. It was the most difficult year for the PRC economy in the new century. However, the PRC government has implemented the economic stimulus package, with an aim to tackle the global financial crisis and promote domestic economic development, which has reversed a sliding economy. And the PRC economy took the lead in making a recovery during the year and is moving steadily towards a favorable direction. The Company coped with the changing conditions proactively, worked out business strategies effectively and capitalized on development opportunities accurately, leveraged on our strengths in strategic planning, industrial chain, management integration, technology and branding; aggressively expanded our target markets; strengthened our regional resources integration and enhanced our management standards and efficiency of operation to maintain steady, fast and sound development in our business performance so that the Group could achieve sound growth in its principal businesses.”

Cement Business

In 2009, revenue of the Company’s cement business was approximately RMB4.61 billion, representing a year-on-year growth of 39.0%. Gross profit margin improved by 5.7 percentage point to 21.6%, which was attributable to a rise in selling product prices and a substantial increase in the mix of cement produced for the Company’s own account in total cement sales volume. During the year, the Company sold 13.88 million tonnes of cement, 3.48 million tonnes more than 2008. Sales of commercial concrete reached 2.9 million cubic meters, an increase of 650,000 cubic meters year-on-year. The Company won the bids for 28 railway projects such as the Beijing-Shijiazhuang Railway, Beijing-Shanghai Railway, Zhangjiajie-Chengde Railway and Beijing-Chengde Railway, as well as expressway works, underground railways in Beijing and the South-North Water Transmission Project. As at the end of 2009, the Company has a cement production capacity of 16.33 million tons per annum, and limestone reserves of 550 million tonnes. This has offered a reliable assurance to improving the cement business performance and sustainable development of the Company.

Modern Building Materials Business

The Company’s modern building materials operations restructured its product mix and market strategy aggressively with a focus on advantageous products, maintaining an overall business growth. In 2009, the modern building materials business reported revenue of approximately RMB2.88 billion, up 6.6% compared with 2008. Gross profit margin was 21.3%, a 2.5 percentage point improvement over the previous year. During the year, the Company completed the construction of a glass wool production line with a capacity of 15,000 tonnes and a mineral wool board production line with a capacity of 25 million cubic meters in Dachang Industrial Park (大廠工業園). Leveraging on its quality products and services offerings, the Company won various significant projects including the National Museum, Beijing-Baotou Tunnel, National Convention Centre, a number of underground railway stations in Beijing and the tower in Jinmen, Tianjin.

Property Development Business

In 2009, the Company's property development business recorded revenue of approximately RMB3.57 billion, a significant increase of 81.5% compared with 2008. Gross profit margin was 33.3%, slightly down 0.4 percentage point. During the year under review, the Company's property development projects including BBMG7090, Jinyu Guanlan Times, Jinyu Kele+, Jinyu Vanke City and Jinyu Times City were well received by the market and recorded satisfactory sales. In addition, the Company actively acquired land in first-tier cities such as Beijing, Tianjin and Hangzhou, and added a total of 1.798 million squares meters of land reserves in 2009 and early 2010. As of 31 December 2009, the Company has land reserves of 3.97 million square meters.

Property Investment and Management Business

During the year under review, the Company's investment properties maintained a relatively high level of occupancy rate, revenue for the property investment and management business increased by 11.0% to RMB700 million compared with 2008. Gross profit margin was 66.3%, represents a slight increase of 0.3 percentage point year-on-year. The commencement of the operation of Phase Three of the Global Trade Center boosted the total gross floor area of the Company's investment properties to 601,000 square meters. By offering comprehensive facilities, excellent management and high level of customer service, the Company's high quality investment properties have attracted major international corporations tenants including Intel, Dentsu Inc., Deutsche Telekom AG and FAW-Audi. Benefiting from the brand name effect, the general rental rates and overall occupancy rate of the Group's investment properties were pulled up in consequence.

Prospects and Outlook

Looking forward, BBMG will accelerate the merger and acquisition and reorganization of its cement operations so as to boost its market share and leadership position. Apart from expanding production capacity, the company will also continue to expand its cement business through cross industry strategic co-operation, and enhance strategic planning through resource sharing and complementarities. The company will further expand the new business model of the cement industry based on a low-carbon and circular economy, and improve operational quality by using residual heat power generation technology to reduce operating cost.

For the modern building materials business, the Group will focus on the construction of Dachang Industrial Park (大廠工業園), and expand its production capacity. Production lines with an annual capacity of 50,000 tonnes of high-grade refractory products will be put into operation in 2010. The Company will continue to deepen and enhance its business consolidation and environmental industry development to make it more competitive.

With respect to the property development segment, the Company will seize opportunities

arising from the recovery of the property market by expanding land reserves in first-tier cities such as Beijing, Tianjin, Hangzhou and Chongqing by means of a reasonable and cycle-aversion business strategy. As of 31 March 2010, the Company had land reserve of approximately 5.59 million square meters. Apart from accelerating the construction progress of projects, the Company will also speed up sales for projects under construction in order to turnaround funds more quickly, and to achieve sustainable, fast and sound development.

For the property investment business, the Company will continue to capitalize on the reputation of its brand to increase occupancy level and rent rates. The Company will increase its property presence in first-tier cities, core districts and prime locations with market conditions are favorable so as to enhance the profitability of the business.

“According to market forecast, the global economy is expected to recover gradually, while the PRC economy will continue to maintain fast growth. We will continue to seize market opportunities arising from favorable policies introduced by the PRC Government aimed at “boosting domestic demand” (拉動內需), “subsidizing the purchase of building materials in rural areas” (建材下鄉) and “encouraging industry restructuring” (鼓勵行業重組) in order to further expand its strategic businesses in Beijing to other areas such as Hebei Province, Tianjin and Chongqing. It will also optimize internal management, help expand business scale rapidly, enhance efficiency and business development, and facilitate stable development and innovation in management and production. Moreover, we will keep monitoring and analyzing the market environment, and make timely and responsive adjustments to our business and management strategies in order to expand our business scale, capitalize on synergies, strengthen our operation against any economic downturn, enhance our competitiveness, and maximize the Company’s shareholders’ value” concluded **Mr. Jiang Weiping**.

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About BBMG Corporation

BBMG Corporation (“BBMG” or “the Company”; stock code: 2009) was established on 25 December, 2005. It is one of the largest building materials manufacturers in the PRC and a leader in the Bohai Gulf Region. It is also the biggest cement supplier in Beijing, Tianjin and Hebei. In Beijing, it is a leading cement manufacturer and a major real estate developer, with integrated strength in property management of investment properties. In recent years, with the support of Beijing Municipal Government, the Company has actively engaged in various innovative financial endeavors to expand its financing channels in order to lay the ground work for achieving its long term strategic goals. BBMG has successful listed in HK in 2009 and raised around 6 billion Yuan, further enhance the company’s strength. For more information of BBMG, please visit www.bbm.com.cn.

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