

The Board of Directors of AEON Stores (Hong Kong) Co., Limited (the "Company") is pleased to announce the unaudited results of the Company and its subsidiaries (the "Group" or "AEON Stores") for the six months ended 31 August 2004 together with comparative figures for the previous period as follows:

## CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended	
		31.8.2004	31.8.2003
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
	NOTES		
Turnover		2,242,996	2,085,478
Other operating income		99,240	101,233
Investment income		994	2,041
Changes in inventories		(1,668,992)	(1,549,502)
Staff costs		(204,325)	(198,512)
Depreciation		(49,699)	(51,256)
Pre-operating expenses	4	(1,843)	–
Loss on disposal of property, plant and equipment		(2,139)	(11)
Other operating expenses		(378,210)	(380,832)
Profit from operations		38,022	8,639
Finance costs	5	(8)	(13)
Profit from operating activities before taxation		38,014	8,626
Income tax expenses	6	(9,122)	(8,525)
Profit before minority interest		28,892	101
Minority interest		(2,181)	5,752
Net profit for the period		26,711	5,853
Interim dividend	7	10,400	2,600
Earnings per share	8	10.27 cents	2.25 cents