

Financial Highlights and Business Summary

Financial Highlights

	1H 2006 RMBm	1H 2005 RMBm	Percentage change (%)
Revenue	12,168	8,281	46.94%
Gross Profit	1,156	715	61.68%
Profit for the period	467	371	25.88%
Net Profit Attributable to Equity Holders of the Company	345	238	44.96%
Earnings Per Share			
– basic, for profit for the period	RMB19 fen	RMB14 fen	35.71%
– diluted, for profit for the period	RMB16 fen	N/A	N/A

Business Summary

- Continued enhancement of retail network
- Implemented business improvement initiatives
- Forged strategic alliance with Warburg Pincus
- Completed the acquisition of the remaining 35% equity interest in Gome Appliance
- Announced merger with China Paradise, by way of a Voluntary General Offer