

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 6 months ended 30 June 2006 together with comparative figures for the previous period as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2006

	NOTES	Six months ended	
		30.6.2006 HK\$'000 (unaudited)	30.6.2005 HK\$'000 (unaudited)
Turnover		2,831,340	2,605,943
Other income		128,658	111,967
Investment income		15,899	4,128
Purchase of goods and changes in inventories		(2,154,934)	(1,958,804)
Staff costs		(236,829)	(214,956)
Depreciation		(65,781)	(61,113)
Pre-operating expenses	4	–	(917)
Loss on disposal of property, plant and equipment		(557)	(1,732)
Other expenses		(471,152)	(434,253)
Finance costs	5	(331)	(4)
Profit before taxation		46,313	50,259
Income tax expenses	6	(17,092)	(14,578)
Profit for the period		29,221	35,681
Attributable to:			
Equity holders of the parent		28,027	37,273
Minority interest		1,194	(1,592)
		29,221	35,681
Interim dividend	7	14,300	14,300
Earnings per share	8	10.78 cents	14.34 cents