

## **Department Store**



## Bring Dariety and Quality to Shoppers

From fashion, accessories, cosmetics to household items, our department stores throughout major cities in China offer one-stop shopping experience with variety and quality. We strive to provide scrupulous care to customers. We bring comfort and relaxation to their daily shopping.

## **Department Store**

New World Department Store China Limited ("NWDS") is one of the largest operators and managers of department stores in Mainland China in terms of sales based on information from Euromonitor. NWDS currently operates and manages a large national network of 22 "New World"-branded department stores and seven Ba Li Chun Tian (「巴黎春天」)-branded department stores in Mainland China and Hong Kong.

During the period under review, seven stores were opened, adding 251,000 sq m GFA to total store area. The Group plans to open three new stores in Beijing (Chaoyang)(北京朝陽), Wuhan (Xudong)(武漢徐東) and Liaoning (Anshan)(遼寧鞍 山) by the end of 2008. NWDS has been listed on the Hong Kong Stock Exchange since 12 July 2007. The spin-off of NWDS is beneficial to both the Group and NWDS itself. Firstly, the spin-off increases the operational and financial transparency of the Group. Secondly, it allows NWDS to establish a higher profile as a separately listed entity with the ability to access the debt and equity capital markets to fund its future investments. Thirdly, it helps the Group achieving the valuation potential and at the same time the Group will continue to benefit from the business prospects and results of NWDS through its shareholding.





| Region          | City                        | Number of stores | GFA (sq m) |
|-----------------|-----------------------------|------------------|------------|
| Northeast China | Dalian, Harbin, Shenyang    | 5                | 132,300    |
| Middle China    | Changsha, Wuhan             | 5                | 164,650    |
| East China      | Ningbo, Wuxi, Xiamen        | 4                | 59,200     |
| North China     | Beijing, Lanzhou, Tianjin   | 4                | 215,600    |
| Shanghai        | Shanghai                    | 7                | 196,330    |
| Southwest China | Chengdu, Chongqing, Kunming | 3                | 84,100     |
| Hong Kong       | Hong Kong                   | 1                | 15,000     |
| Total           |                             | 29               | 867,180    |

(As at 11 October 2007)