



新世界百貨

NEW WORLD DEPARTMENT STORE

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Bring **Variety** and **Quality** to Shoppers

> **Department Store**

From fashion, accessories, cosmetics to household items, our department stores throughout major cities in Mainland 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

In FY2008, New World Department Store China Limited ("NWDS") recorded a profit of \$476.6 million, an increase of 57% over that of FY2007.

In FY2008, NWDS operated and managed 32 department stores, with a total GFA of about 962,570 sq m and a total operating floor area of about 703,100 sq m. Located in six operational regions, namely Northeastern China, Northern China, Eastern China, Central China, Southwestern China and Southern China, the stores covered 18 major cities in the PRC. These included Wuhan, Shenyang, Wuxi, Harbin, Tianjin, Ningbo, Beijing, Hong Kong, Shanghai, Dalian, Kunming, Lanzhou, Xiamen, Changsha, Chongqing, Chengdu, Anshan and Nanjing. Our business network comprised 19 self-owned stores and 13 managed stores.

In the year under review, NWDS opened four new stores in Anshan, Shanghai, Nanjing and Wuhan. They included two self-owned stores of Anshan New World Department Store and Nanjing New World Department Store, as well as two managed stores of Shanghai-Hong Kong New World Department Store — Pujian Store and Wuhan New World Department Store — Xudong Branch Store. Besides, the Group expanded the Shanghai-Hong Kong New World Department Store — Hongkou Store GFA from about 15,500 sq m to about 19,600 sq m. The new stores and the expanded store together brought our total GFA to approximately 962,570 sq m, up 18% from the previous year. As at 14 October 2008, the Group's total store GFA further increased to 1,017,570 sq m.



In May 2008, massive earthquakes shook Sichuan and caused serious destruction to the province. The two stores that the Group operated in the province emerged relatively unscathed, being located at city centres farther away from worst-hit districts. As both were managed stores, the effect on the Company's business was mild.

NWDS shares were successfully listed on The Stock Exchange of Hong Kong Limited on 12 July 2007, with a total number of 467,245,000 ordinary shares issued under the Global Offering, and the net proceeds from the shares listing aggregated to approximately \$2.6 billion. The Group's shareholding in NWDS decreased from 100% to 72.3%, resulting in a gain on deemed disposal of interest in NWDS of \$1.6 billion.



Region	City	Number of stores	GFA (sq m)
Northeast China	Harbin, Shenyang, Dalian, Anshan	6	185,690
Central China	Wuhan, Changsha, Xiamen	7	214,650
Eastern China	Shanghai, Wuxi, Ningbo, Nanjing	11	265,530
Northern China	Beijing, Tianjin, Lanzhou	5	267,600
Southwestern China	Chongqing, Kunming, Chengdu	3	84,100
Total		32	1,017,570

(As at 14 October 2008)

