

# Corporate Profile

## New World Department Store : quality merchandise for quality living

New World Department Store China Limited is a Hong Kong-listed company approximately 72%-owned by New World Development Company Limited. We were one of the first investors in the retail sector of the PRC. Today, we are widely esteemed as a supplier of quality merchandise and a symbol of quality living.

## Secured strategic foothold: our network

To become a dominant department store operator in the PRC, we have been growing our store network across the country. As of 30 June 2010, we have secured strategic footholds in 17 major cities, including Beijing, Shanghai, Shenyang, Wuhan, Harbin, Dalian, Anshan, Tianjin, Lanzhou, Wuxi, Ningbo, Nanjing, Taizhou, Changsha, Chengdu, Chongqing and Kunming. Occupying an aggregate gross floor area of approximately 1,174,530 square metres, our retail chain comprised 25 self-owned stores and 10 managed stores in the PRC. We operated under two brands — “New World” in 26 stores around China and “巴黎春天” (Ba Li Chun Tian) in 9 stores in Shanghai.

## Tapping into China's growing affluence : our target market

We develop our stores as Living Galleries for one-stop shopping and Fashion Galleries for themed shopping. “Living Gallery” targets people of all ages and both genders, 20%-30% of the store area is reserved for providing complementary services, like supermarket, dining, fitness centre, spa centre, bank etc, satisfying people's needs from all walks of life. “Fashion Gallery” is positioned as “Trendy” and full of “Characters” and “Taste”, emphasising “Mix & Match” with exclusive brands and designer labels introduced. We derive revenue mainly from four sources: commission income from concessionaire sales, direct sales and rental income in our self-owned stores, and management fees from our managed stores.

## Organized for Top Efficiency : our set-up

Organizationally, we adopt an efficient three-tier structure which consists of central management, regional management and local management. Operation-wise, we group into different geographic regions that draw on a central pool of administrative support in human resources, finance and corporate communications.

## Professionalism from top to bottom: our people

As at 30 June 2010, we employed 4,842 people, with the majority being local recruits. Well trained and motivated, the whole staff is united under the leadership of a management team with experience of over one decade in pursuit of our vision and mission.

