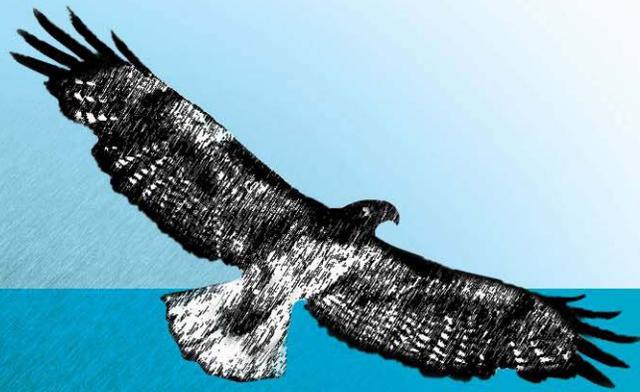




GOLDEN EAGLE RETAIL GROUP LIMITED
金鷹商贸集团有限公司



Annual Results 2007

May 2008

CORPORATE PRESENTATION

Achievements in 2007

- ▶ **Achieved satisfactory results in FY2007**
 - ✓ Total GSP increased to RMB4,858.1 million, ↑ 35.8%
 - ✓ Profits attributable to the shareholders surged to RMB385.7 million, ↑ 66.3%
- ▶ **Same stores sales growth maintained at a high level of about 25.8%, Nanjing Xinjiekou store, Yangzhou store and Xuzhou store respectively recorded 26.9%, 29.4% and 38.2% same store growth**
- ▶ **Opened Kunming Store and Nanjing Zhujiang Store, bringing the total number of stores from eight to ten, with total GFA increased from approximately 232,000 m² to 288,000 m²**
- ▶ **Introduced renowned international brands, including HERMES, GUCCI and FERRAGAMO, etc.**
- ▶ **Number of VIPs further increased to 480,000, accounting for 63.7% of the Group's total GSP**

FY 2007 Financial Highlights

<i>Year ended 31 December (RMB million)</i>	2007	2006	(+/-)
Gross Sales Proceeds (GSP)	4,858.1	3,577.0	+35.8%
- Concessionaire Sales	4,478.7	3,227.7	+38.8%
- Direct Sales	362.6	334.8	+8.3%
- Rental Income	16.8	14.5	+15.8%
Gross Profit	865.1	670.7	+29.0%
EBITDA	752.2	468.7	+60.5%
EBIT	693.5	427	+62.4%
Profit Attributable to Shareholders	385.7	232.0	+66.3%
EPS – Basic (RMB fen)	21.2	13.0	+63.1%
Final Dividend (RMB fen)	4.3	2.5	

Financial Position

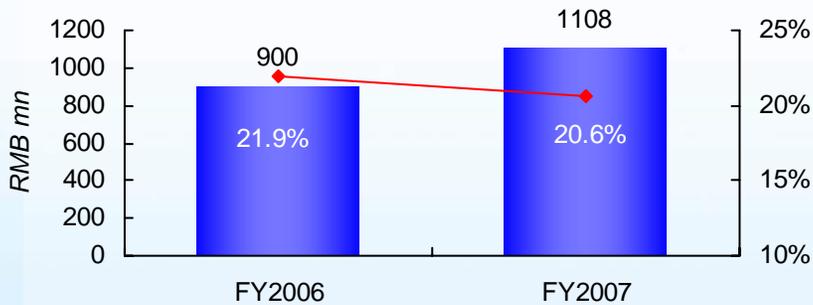
<i>RMB Million</i>	As at 31 Dec 2007	As at 31 Dec 2006
Net Current Assets	168.9	6.6
Total Assets	3,926.2	3,015.2
Convertible Bonds	820.0	796.8
Cash on Hand	1,747.9	1,099.2
Current Ratio (Times)	1.1	1.0
Gearing Ratio (note 1)	20.9%	26.4%

Note 1: *Gearing ratio = total bank borrowings and convertible bonds/ total assets*

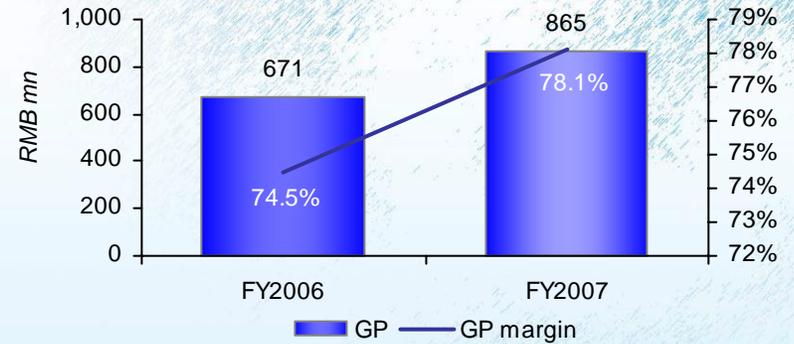
Strong Growth and Profitability



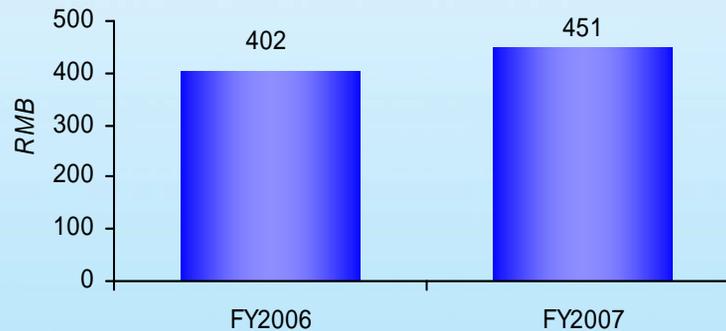
Turnover & Commission Rate



Gross Profit



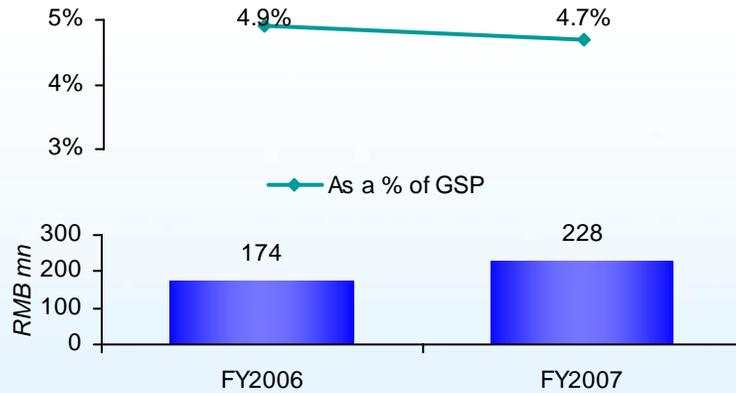
Sales Per Ticket



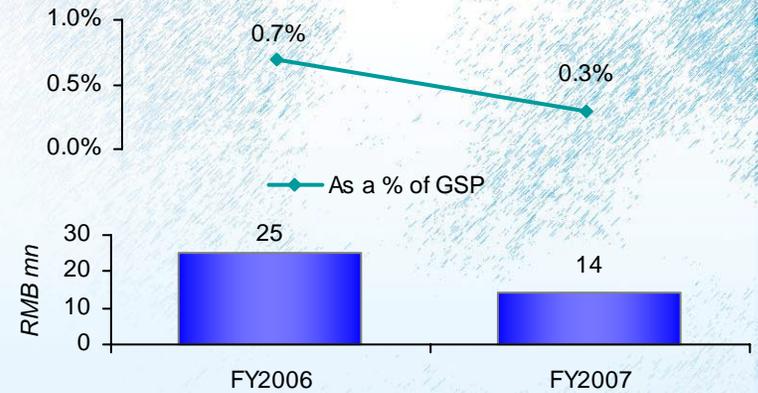
Stable Expense Ratios



Selling Expense



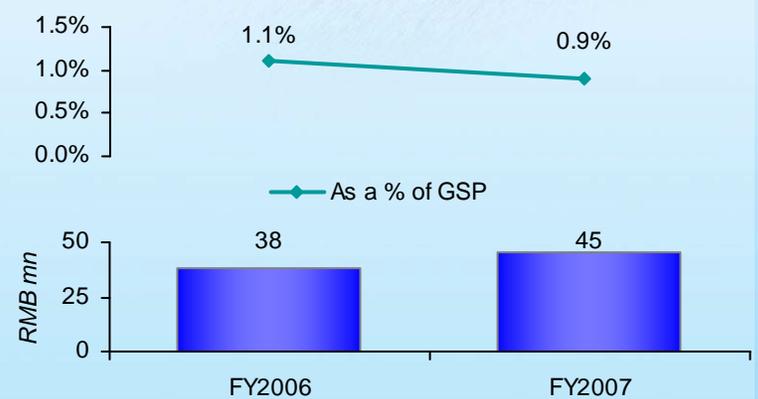
Rental Expense



Staff Expense



Water and Electricity Expense



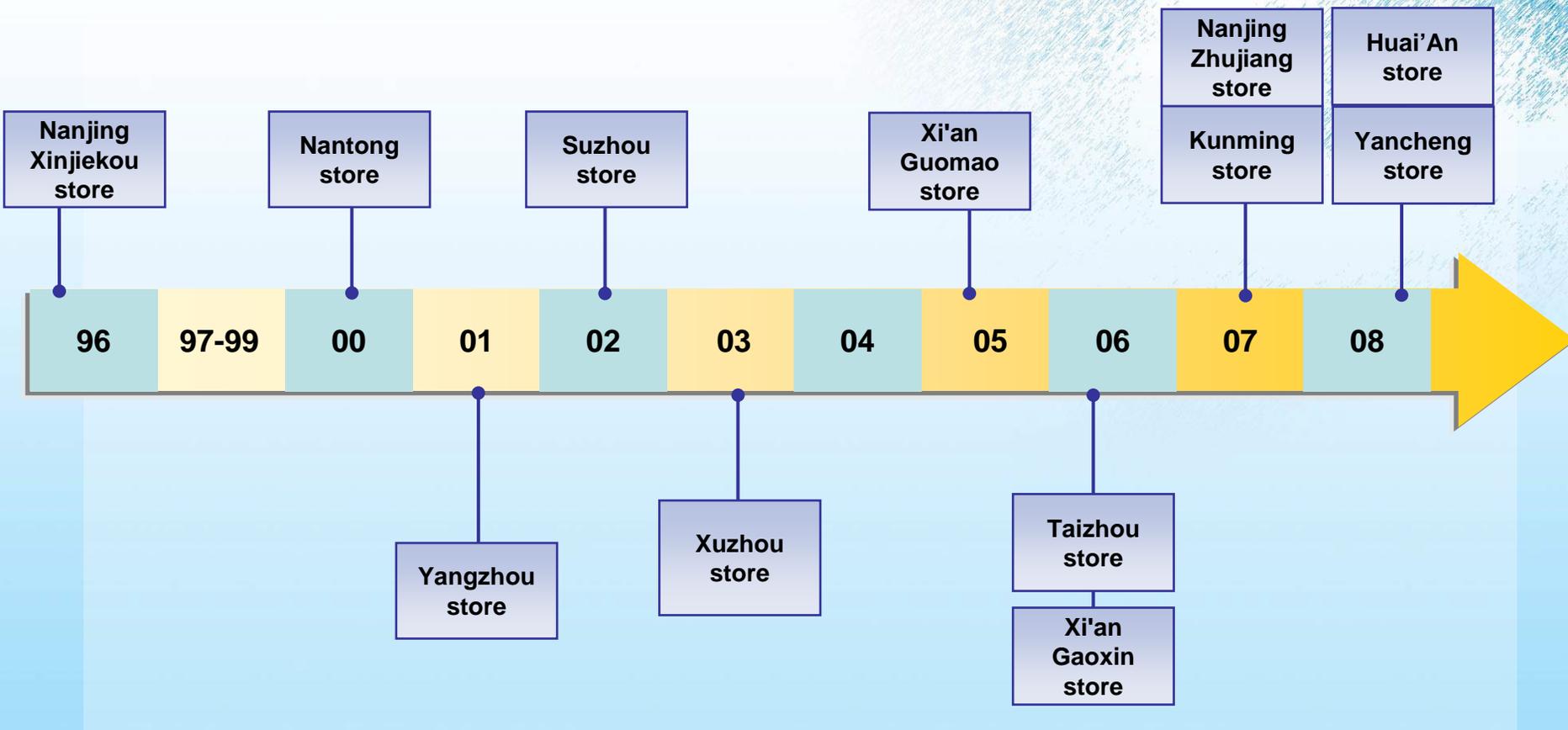


Business Review

Growing Presence in the PRC



▶ Committed projects will bring the Group's gross floor area to 380,000 sq.m. by end of 2008



Extensive Store Network



Rapidly Growing Store Sales

The leading stylish premium department store in second-tier cities, catering for the high-end retail market

	Nanjing Xinjiekou	Nantong	Yangzhou	Suzhou	Xuzhou	Xi'an Guomao	Xi'an Gaoxin	Taizhou	Kunming	Nanjing Zhujiang
										
Years into operation⁽¹⁾	11.5 years	7 years	6 years	5 years	4 years	2 year	1.5 year	1 year	Soft opening on 1 Aug 07	Soft opening on 28 Dec 07
FY07 sales (RMB mil)	2,282.6	250.4	784.6	191.8	802.7	91.4	208.8	201.2	40.5	1.9
FY07 sales growth (%)	26.9%	3.7%	29.4%	10.9%	38.2%	-9.3%	NA	NA	NA	NA
Operating Area (sq.m.)	25,034	5,711	28,609	12,089	37,183	6,923	20,455	24,988	24,158	16,300

(1) As at 31 December 2007

Self Owned Properties

- Self owned properties in prime locations account for more than 82% of our GFA

Store (in operation)	Owned/ leased	GFA (sq. m)
Nanjing Xinjiekou	Owned	33,447
Nantong	Owned	8,795
Yangzhou	Owned / leased	37,562 / 3,450
Xuzhou	Owned	51,266
Suzhou	Leased	14,960
Xi'an Guomao	Leased	10,029
Xi'an Gaoxin	Owned	25,476
Taizhou	Owned	47,327
Kunming	Owned	33,702
Nanjing Zhujiang	Leased	22,780



Store (to be opened in 2H08)	Owned /leased	GFA (sq. m)
Huai An	Owned	About 48,000
Yancheng	Owned	About 50,000

* As a percentage of total GFA (sq m) as at 31 December 2007

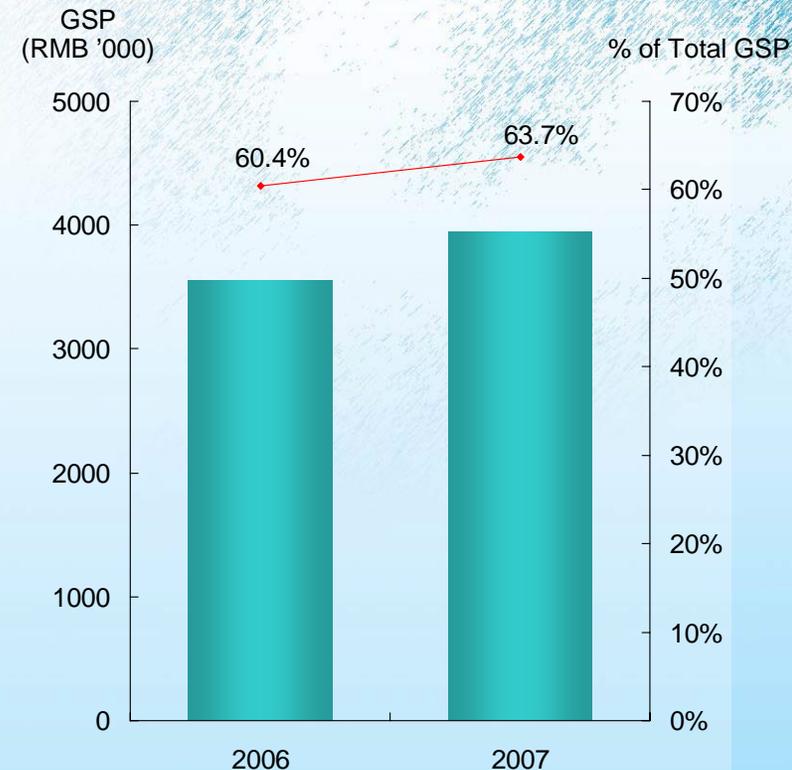
A Broad VIP Customer Base

A broad and growing VIP customer base has continued to strengthen customer loyalty to pave way for long term growth

- ▶ 480,000 members*
- ▶ VIP consumption accounted for 63.7% of total GSP in 2007
- ▶ 3 classes: Platinum, Gold and Silver
- ▶ Application and renewal based on spending
- ▶ Bonus awards, exclusive benefits

* As at 31 December 2007

Purchases by VIP members



Merchandise Offering

- ▶ Increased proportion of high-end products (apparel & accessories, gold, jewelry & timepieces) to drive GSP and growth
- ▶ Introduced HERMES, GUCCI and FERRAGAMO

Merchandise Mix FY2007

**Gold, Jewelry
& timepieces 12.6%**

**Tobacco & Wines,
Household, Handicrafts 6.7%**

Cosmetics 6.7%

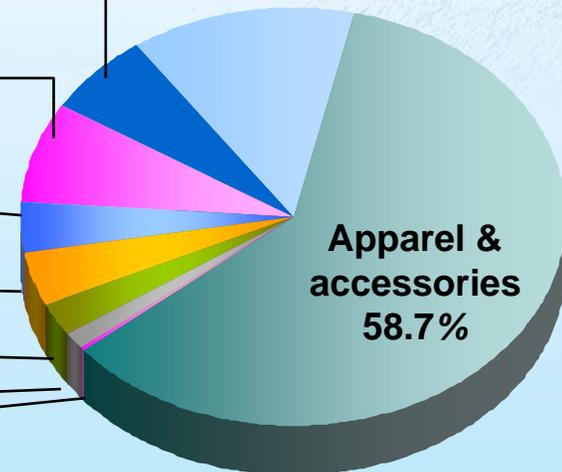
**Electronics &
appliances 5.7%**

Sportswear 5.7%

Children's wear & toys 2.3%

Food 1.3%

Others 0.3%



Post Balance Sheet Events and Future Strategies



Post Balance Sheet Events



Strong CNY Sales Figures

- ▶ Recorded gross sales proceeds of RMB 260 million in Chinese New Year Holidays, up 28.7% y-o-y
- ▶ Same store growth was 24.8%

Consultancy agreement with Shanghai Golden Eagle Shopping Centre

- ▶ Commencing from 14 March 2008 to 31 December 2010, the Company will provide merchandising services and management consultancy services for the daily operation of Shanghai Golden Eagle Shopping Centre (“Shanghai Shopping”)
- ▶ Preserve value of the store for future injection into the Group

Operating and Growth Strategy



Operating Strategy

- ▶ Setting up stores in areas in Jiangsu where the Group's coverage yet to be extended
- ▶ Expand in Southwestern and Northwestern part of PRC
- ▶ Strategic cooperation relationships with international brands to upgrade brand mix

Growth Strategy

- ▶ Identify new projects to increase store numbers and retailing area
- ▶ New store openings and strategic acquisitions
- ▶ Own properties in prime locations in second tier cities to immune the Group from rental fluctuations

Our Mission



“To be the leading premium department store chain in the PRC”

Open Forum





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