

Annual Results 2011

March 2012

Enriching everyone's life.

Achievements in 2011

- ▶ **Achieved encouraging results amid challenging market landscape in 2011**
 - ✓ Total GSP increased to RMB14.3 billion, ↑ 31.0%
 - ✓ Concessionaire rate decreased slightly to 19.6%
 - ✓ Profit from operations increased to RMB1.5 billion, ↑ 23.1%
 - ✓ Profit for the year increased to RMB1.2 billion , ↑ 26.4%
- ▶ **Same store sales growth (“SSSG”) maintained at a high level of 24.9%**
- ▶ **Number of VIPs reached over 1 million, accounting for 62.1% of the Group’s total GSP**
- ▶ **Working actively on the store expansion plan**

2011 Financial Highlights

<i>Year ended 31 December (RMB million)</i>	2011	2010	(+/-)
Gross Sales Proceeds (GSP)	14,340.2	10,949.3	+31.0%
- Concessionaire Sales	13,160.2	10,109.4	+30.2%
- Direct Sales	1,119.6	791.1	+41.5%
- Rental Income and Management Service Fees	60.4	48.8	+23.9%
EBITDA	1,677.2	1,369.1	+22.5%
EBIT (Profit from operations)	1,533.5	1,245.8	+23.1%
Profit Attributable to Shareholders	1,212.1	959.2	+26.4%
EPS – Basic (RMB)	0.623	0.494	+26.2%

Financial Position

<i>RMB Million</i>	As at 31 Dec 2011	As at 31 Dec 2010
Total Assets	11,342.6	7,984.3
Total Liabilities	6,772.8	4,304.1
Net Assets	4,569.8	3,680.2
Short-term Bank Loans	1,484.4	458.4
Cash and Near Cash (note 1)	3,799.0	2,746.5
Gearing Ratio (note 2)	13.1%	5.7%
Adjusted Gearing Ratio (note 3)	5.8%	-

Note 1: *Cash and near cash represents bank balances and cash and various short-term bank related deposits, including investments in interest bearing instruments, structured bank deposits and pledged bank deposit.*

Note 2: *Gearing ratio = total bank borrowings / total assets*

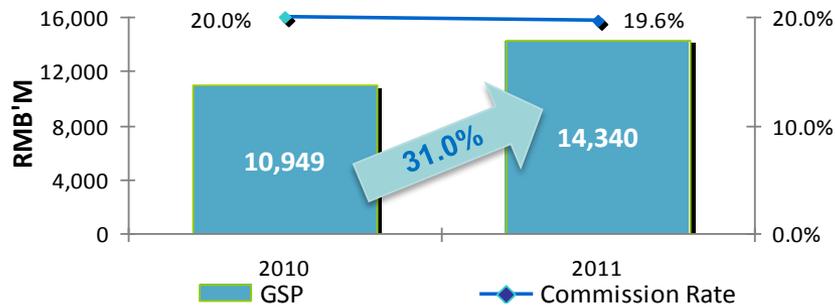
Note 3: *Adjusted gearing ratio excludes the effects of pledged and restricted bank deposits and short-term bank loans.*

Cash Flow Statement

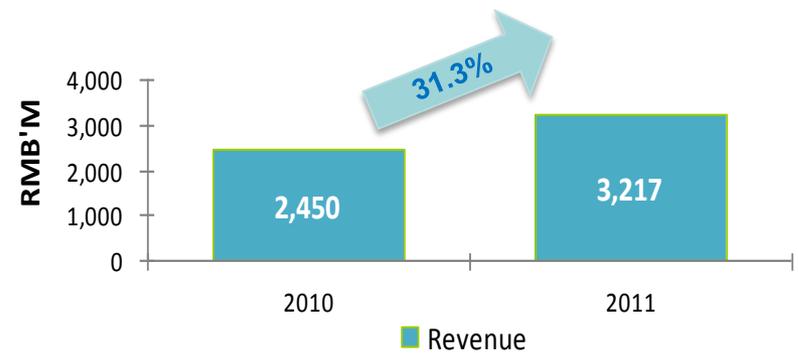
<i>Year ended 31 December</i> <i>RMB Million</i>	2011	2010	(+/-)
Net cash from operating activities	2,073.9	1,913.9	+8.4%
Investing activities	(2,683.2)	(2,088.7)	+28.5%
Capex for the year	(1,584.1)	(1,403.7)	+12.9%
Net investments in short-term bank related deposits	(903.0)	(650.7)	+38.8%
Financing activities	743.5	(26.8)	n/a
Net increase (decrease) in cash and cash equivalents	<u>134.2</u>	<u>(201.7)</u>	n/a

Strong Growth and Profitability

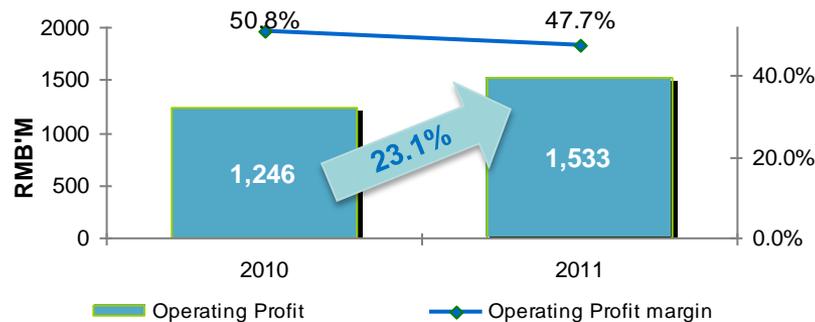
GSP & Commission Rate



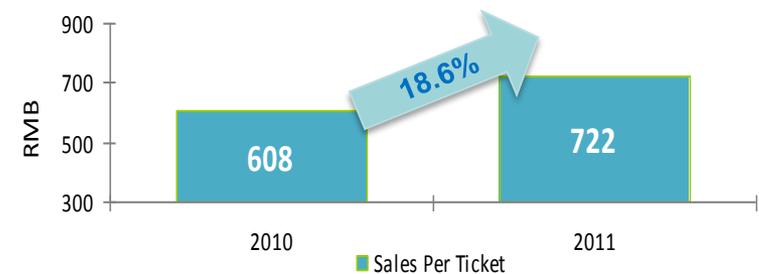
Revenue



Operating Profit

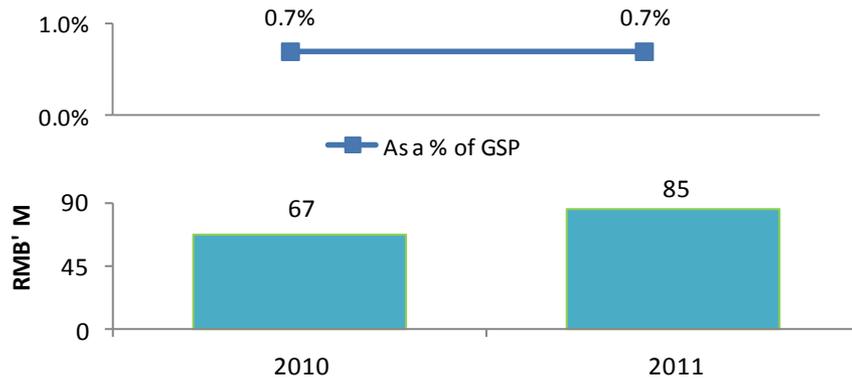


Sales Per Ticket (same store basis)



Stable Expense Ratios

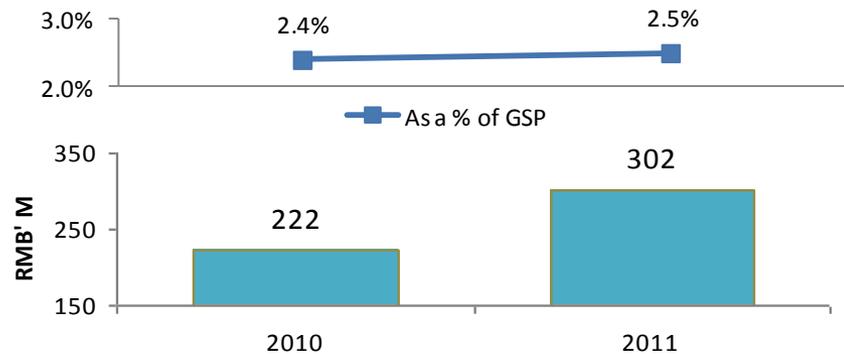
Advertising and Promotion Expense



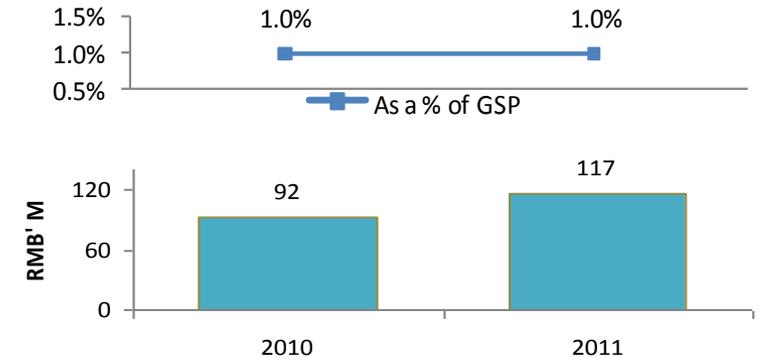
Rental Expense



Staff Expense



Water and Electricity Expense



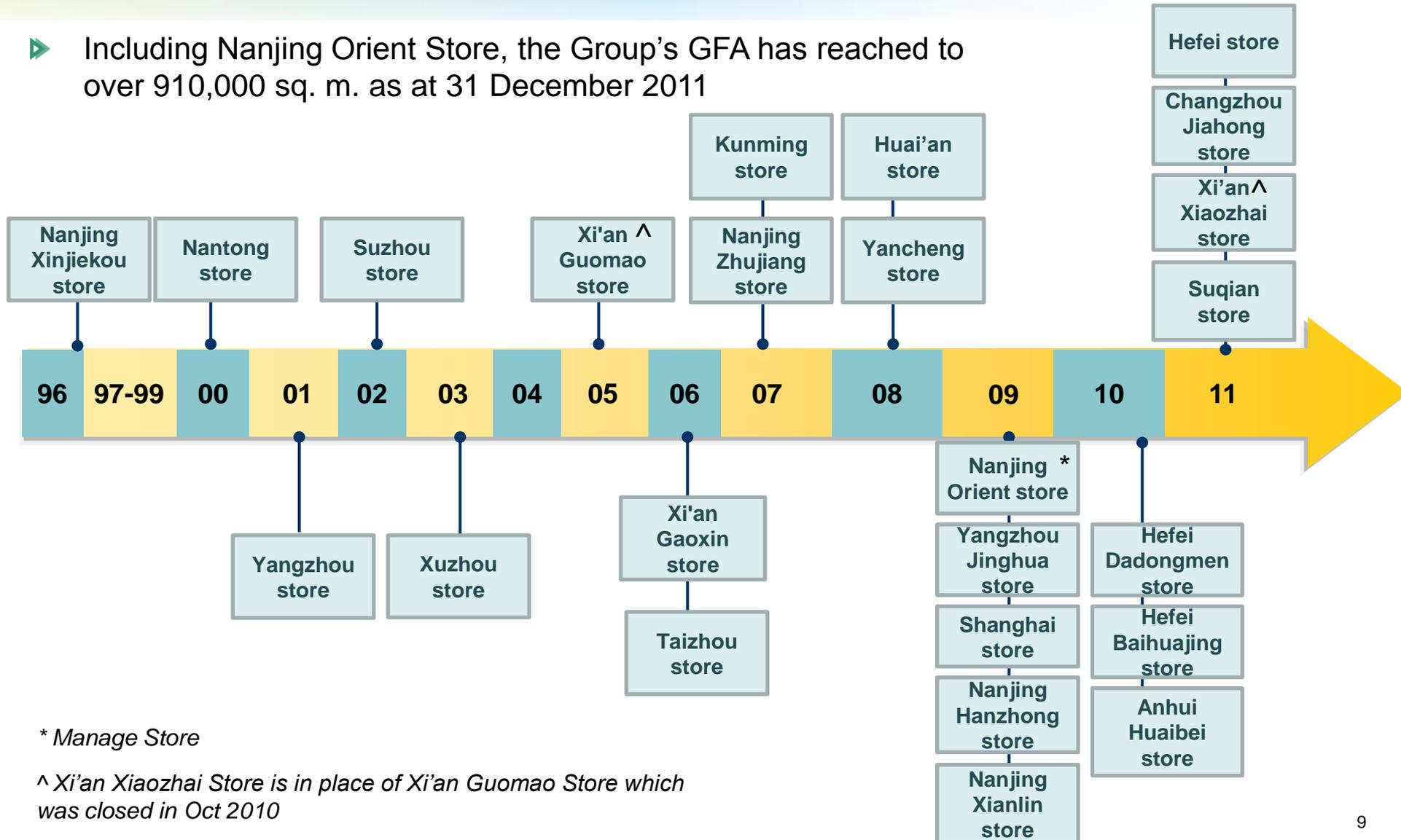
Business Review

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Growing Presence in the PRC

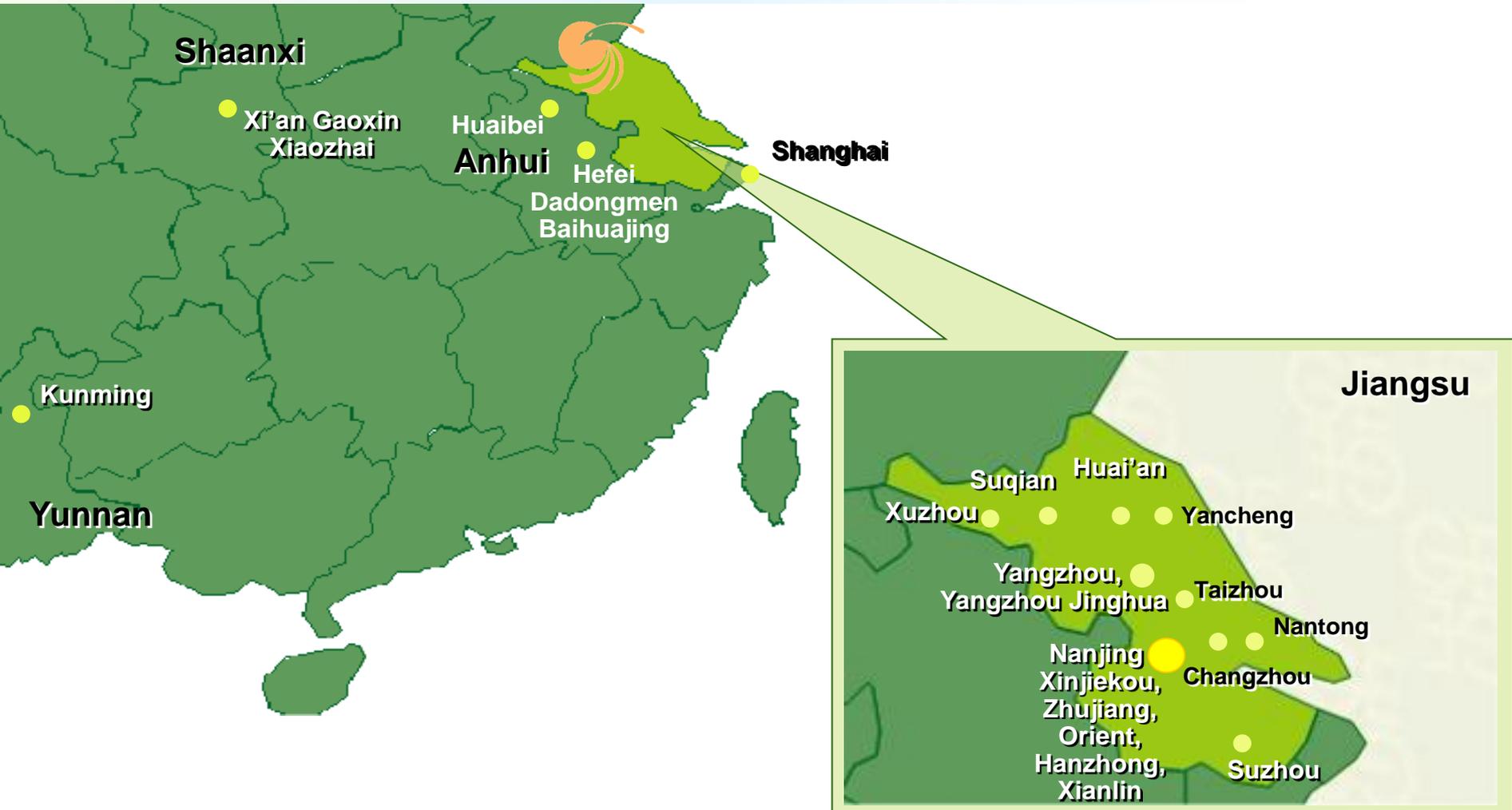
▶ Including Nanjing Orient Store, the Group's GFA has reached to over 910,000 sq. m. as at 31 December 2011



* Manage Store

^ Xi'an Xiaozhai Store is in place of Xi'an Guomao Store which was closed in Oct 2010

Extensive Store Network



Rapidly Growing Store Sales

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

Chain Store	Years into operation (1)	2011 sales (RMB' M)	2011 sales growth (%)	Operating Area * (sq.m.)	Sales Per Ticket (RMB)
Nanjing Xinjiekou	15.5 Years	3,650	12.3%	25,010	1,062
Nantong	11 Years	300	12.0%	5,743	788
Yangzhou	10 Years	1,567	21.7%	28,751	746
Suzhou	9 Years	354	14.9%	12,109	533
Xuzhou	8 Years	1,977 ⁽²⁾	28.3% ⁽²⁾	43,786	724
Xi'an Gaoxin	5.5 Years	1,140	37.9%	20,458	843
Taizhou	5 Years	794	24.1%	40,341	613
Kunming	4.5 Years	375 ⁽³⁾	25.8% ⁽³⁾	72,954	1,064

- Total operating area of 616,105 sq.m. as at 31 December 2011

(1) As at 31 December 2011

(2) Includes sales contribution from 8,668 sq.m. additional GFA opened in December 2010

(3) Includes sales contribution from Phase 2 with GFA of 83,371 sq.m.

Rapidly Growing Store Sales (Cont'd)

Chain Store	Years into operation (1)	2011 sales (RMB' M)	2011 sales growth (%)	Operating Area * (sq.m.)	Sales Per Ticket (RMB)
Nanjing Zhujiang	4 Years	530	53.9%	26,146	498
Huai'an	3 Years	408	16.5%	31,273	565
Yancheng	3 Years	881 ⁽⁴⁾	61.5% ⁽⁴⁾	53,075	509
Yangzhou Jinghua	2.5 Years	268	33.6%	19,190	460
Shanghai	2.5 Years	459	7.2%	16,724	2,785
Nanjing Hanzhong	2.5 Years	230	25.0%	10,267	275
Nanjing Xianlin	2 Years	289 ⁽⁵⁾	153.7% ⁽⁵⁾	29,863	320
Hefei Dadongmen	1 Year	384	NA	8,635	3,359
Hefei Baihuajing	1 Year	252	NA	9,774	943
Anhui Hebei	1 Year	160	NA	22,632	535

- Total operating area of 616,105 sq.m. as at 31 December 2011

(1) As at 31 December 2011

(4) Includes sales contribution from 19,377 sq.m. additional GFA opened in November 2010

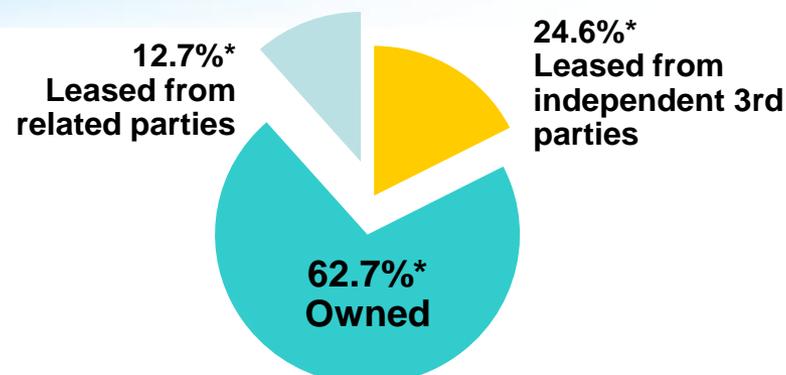
(5) Includes sales contribution from 14,556 sq.m. additional GFA opened in April 2011

Self Owned Properties

- ▶ Self owned properties in prime locations account for 62.7% of our GFA

* As a percentage of total GFA (sq. m.) as at 31 December 2011

^ Including 83,371 sq.m. Phase 2 additional area



Owned-to-leased GFA ratio

Store (in operation)	Owned / leased	GFA (sq. m.)
Nanjing Xinjiekou	Owned	33,447
Nantong	Owned	8,795
Yangzhou	Owned / leased	37,562 / 3,450
Suzhou	Leased	14,958
Xuzhou	Owned	59,934
Xi'an Gaoxin	Owned	27,287
Taizhou	Owned	58,373
Kunming [^]	Owned	116,817
Nanjing Zhujiang	Leased	33,578
Huai'an	Owned	49,689
Yancheng	Owned	94,840

Store (in operation)	Owned / leased	GFA (sq. m.)
Yangzhou Jinghua	Leased	29,598
Shanghai	Leased	23,588
Nanjing Hanzhong	Leased	12,462
Nanjing Xianlin	Leased	42,795
Hefei Dadongmen	Leased	10,356
Hefei Baihuajing	Leased	12,294
Anhui Huaibei	Leased	34,714
Anhui Hefei	Leased	59,906
Changzhou Jiahong	Leased	32,920
Xi'an Xiaozhai	Leased	19,000
Suqian	Owned	66,520

Total

882,883

A Broad VIP Customer Base

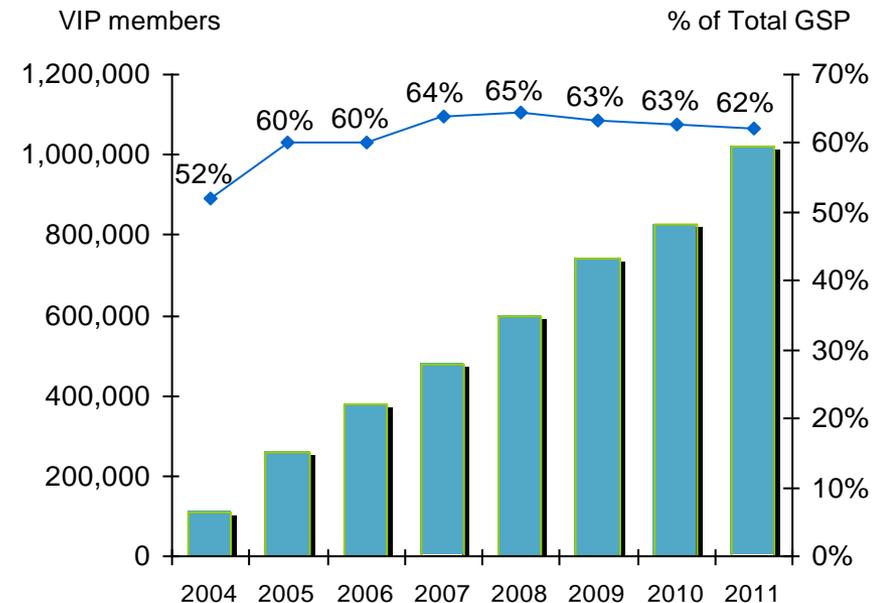
A broad and growing VIP customer base has continued to strengthen customer loyalty to pave way for long term growth

- ▶ Over 1,028,000 members*
- ▶ VIP consumption accounted for 62.1% of total GSP in 2011
- ▶ 3 classes: Platinum, Gold and Silver
- ▶ Application and renewal based on spending
- ▶ Bonus awards, exclusive benefits
- ▶ Introduced Co-branded credit cards with different banks

* As at 31 December 2011



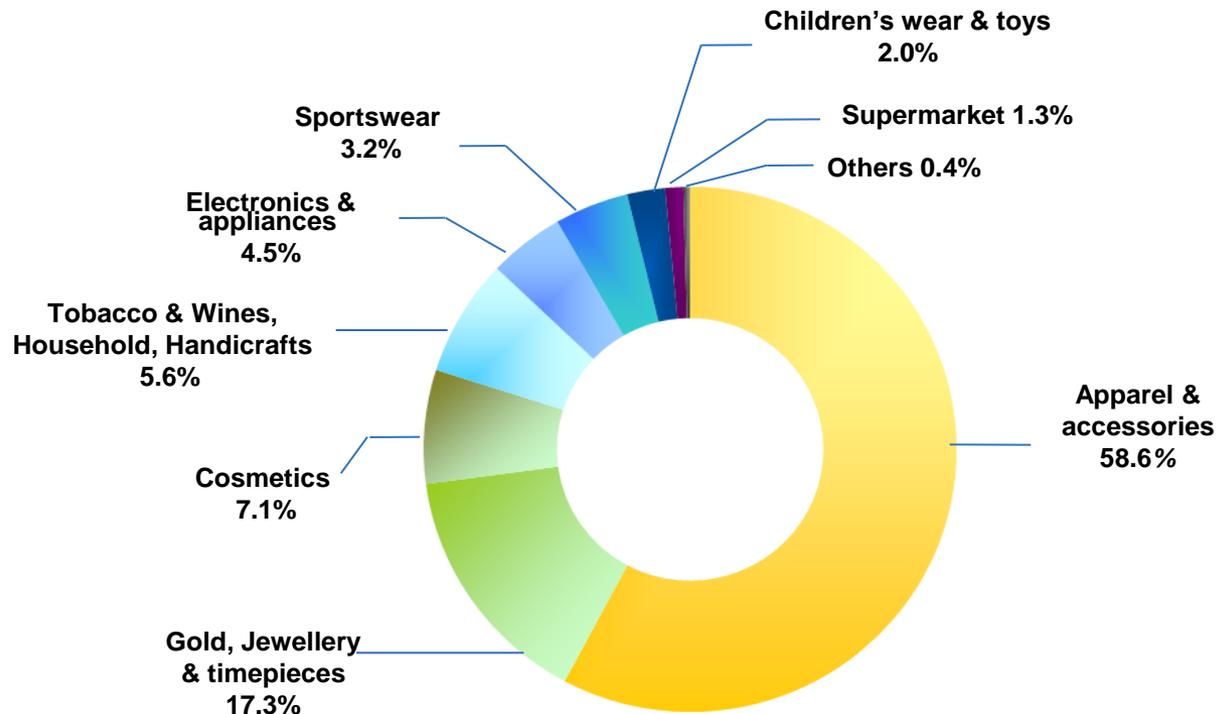
Purchases by VIP members



Merchandise Offering

- ▶ Offer a wide range of mid-to-high end merchandise to meet the “one-stop shopping” needs of our customers

Merchandise Mix in 2011



Merchandise Offering

	2011 Sales growth (same store basis)	% to GSP by merchandise categories	
		2011	2010
Apparel & Accessories	24.1%	58.6%	59.2%
Gold, Jewellery & Timepieces	31.1%	17.3%	16.3%
Cosmetics	31.3%	7.1%	6.7%

Future Strategies

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Operating Strategy

- ▶ Continuous merchandise brand mix adjustment, launch creative and effective promotional campaigns and refine customer shopping environment
- ▶ Self-owned properties or long-term leases enable the Group to be immune from rental inflation and to enjoy the upside of self-owned properties' appreciation
- ▶ Developing a leading intelligent e-platform in the industry to improve customer experience, elevate operational efficiency and create new business value

Growth Strategy

- ▶ Sustain our leading position in Jiangsu Province
- ▶ Expedite the progress of entering the Anhui market
- ▶ Expand further in Xi'an and Kunming
- ▶ Merger and acquisition of companies that is in line with our strategy

Upcoming New Stores

Upcoming store GFA (sq. m.)	Owned / Leased	2012	2013	2014
Huaibei Additional, Anhui	Leased	7,714		
Liyang, Jiangsu	Owned / Leased	70,484		
Xuzhou People's Square, Jiangsu	Owned	37,768		
Kunming Nanya, Yunnan	Leased	38,978		
Changzhou 2, Jiangsu	Leased	54,500		
Yancheng 2, Jiangsu	Leased	18,377		
Xi'an 3, Shaanxi	Leased	62,500		
Danyang, Jiangsu	Leased	50,000		
Kunshan, Jiangsu	Owned		118,500	
Xinjiekou 2, Nanjing	Owned		50,000	
Yancheng 3, Jiangsu	Owned		92,000	
Jiangning, Nanjing	Owned			100,000
Nantong 2, Jiangsu	Owned			60,000
Ma'anshan, Anhui	Owned			100,000
Changzhou 3, Jiangsu	Owned			80,000
Hexi, Nanjing	Owned			160,000
Total	2011: 882,883	340,321	260,500	500,000

Upcoming New Stores (Cont'd)



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Nanjing
Xinjiekou 2

Nanjing Hexi

Xi'an 3

Ma'anshan

Danyang

Yancheng 2

Xuzhou
People's Square

Liyang

Nanjing
Jiangning

Kunshan

Post Balance Sheet Events

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Our Mission



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

Wisdom·Golden Eagle

---GE Information Strategy

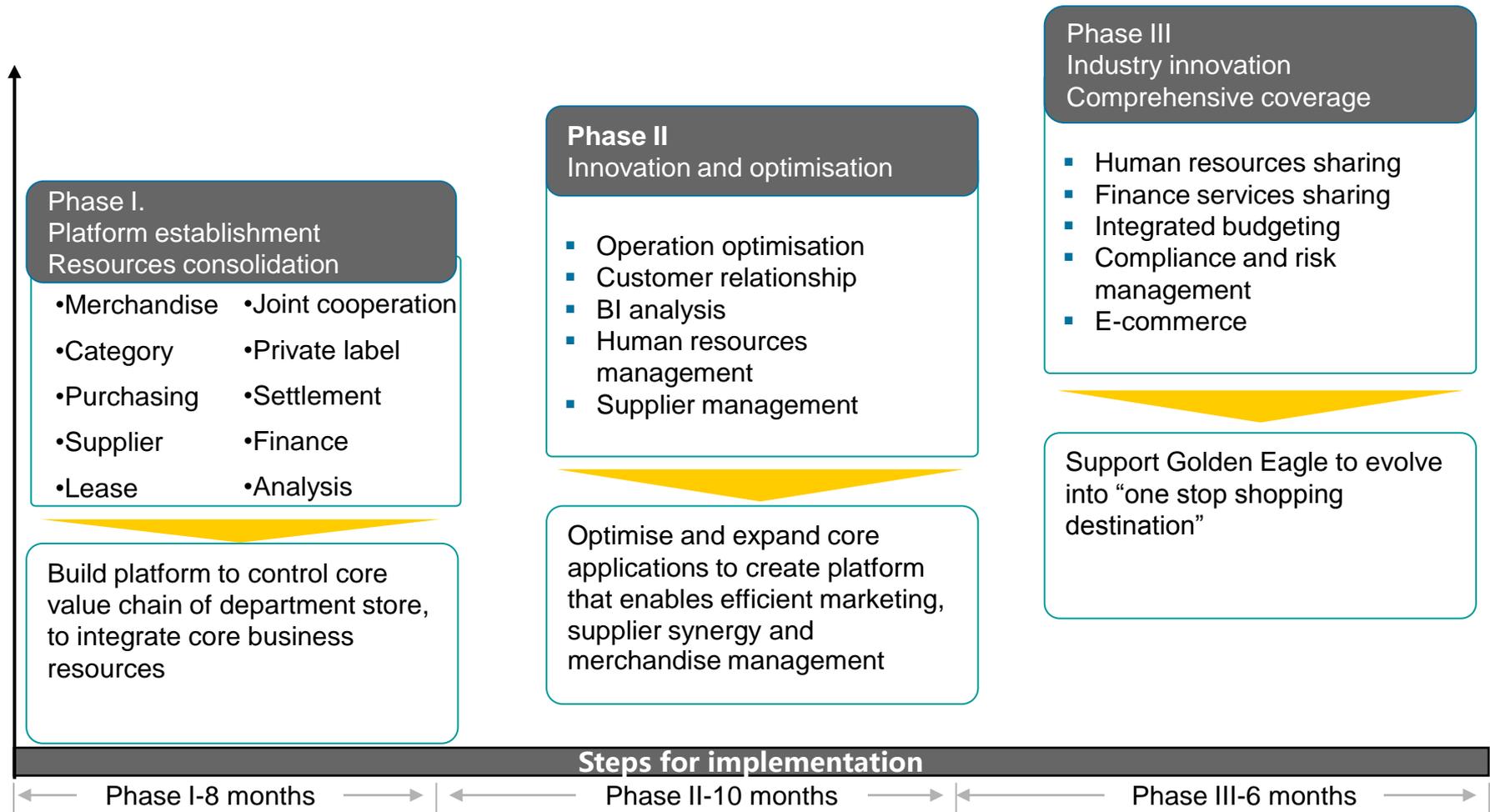


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- ▶ **In June 2011, signed up SAP to implement SAP system**
 - More than 80% of Fortune 500 choose SAP
 - Golden Eagle is the first department store operator in China to implement SAP
 - Total investment : RMB60 million

- ▶ **In September 2011, appointed IBM as the system implementation partner**
 - Win-win cooperation to develop a tailor-made retail system
 - IBM has profound insights and experience in implementation for retail sector
 - Golden Eagle has extensive experiences and knowledge in retail business

--- SAP Implementation Roadmap



---Golden Eagle's new core competitiveness

- ▶ Three year Information Strategy Plan
 - Use information technology to help Golden Eagle build core competitiveness
 - Integrate various IT systems ---improve existing ERP system to cater for rapid development
 - CRM (customer-relationship management) – build customer focus retail
 - Intelligent business model – innovative management and service
 - Explore a profitable e-commerce business model



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Incorporated in the Cayman Islands with limited liability
Stock code:3308

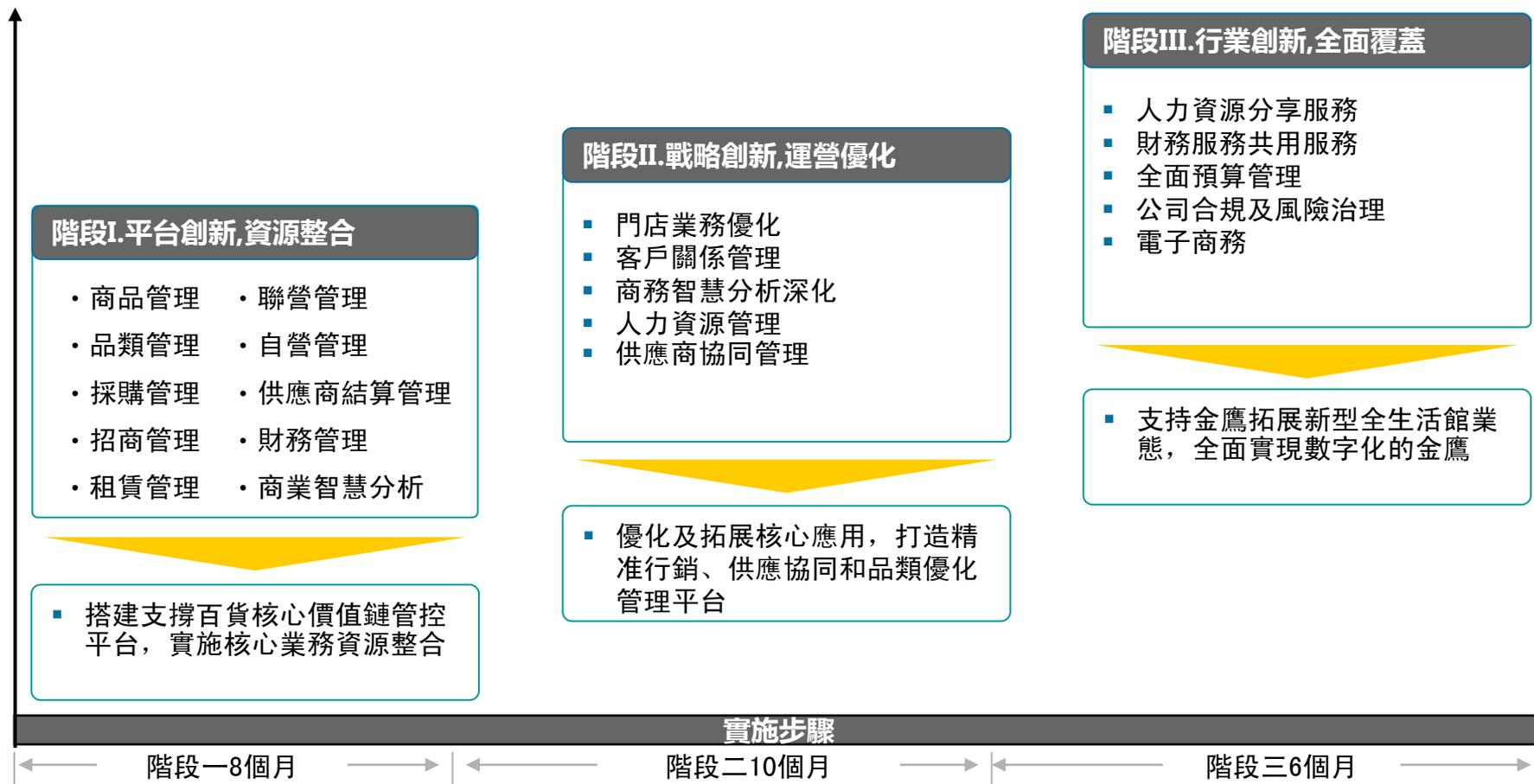
智慧·金鷹

---金鷹商貿信息化發展戰略

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- ▶ 2011年6月簽約SAP
 - 財富500強企業中80%以上選擇SAP
 - 金鷹是中國百貨零售業中第一家實施SAP
 - 總投資人民幣 6000萬
- ▶ 2011年9月簽約IBM作為實施商
 - 強強聯手
 - IBM在零售企業發展方面具有深刻洞察和全球最佳實踐經驗
 - 金鷹在百貨零售市場積累豐富經驗

智慧·金鷹---SAP實施路線圖



用信息化打造金鷹商貿 核心競爭力

▶ 資訊化三年戰略規劃

- 用資訊化打造金鷹核心競爭力——戰略制度化、制度流程化、流程資訊化、資訊智慧化
- 整合各種IT系統——提升現有ERP系統，滿足金鷹快速發展需求
- CRM——打造以顧客為中心的零售業
- 智慧商業模式——管理與服務創新
- 探索電子商務的盈利模式

Open Forum

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