

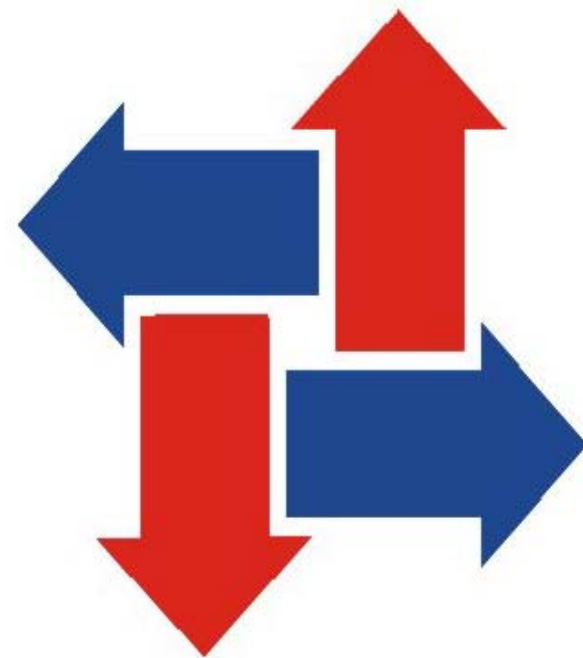
北京京客隆
商业集团股份有限公司
BEIJING JINGKELONG COMPANY LIMITED

Stock Code : 814HK

Interim Results 2009

Corporate Presentation

August 2009



Agenda

I. Financial Review

II. Business Review

III. Outlook & Future Plans

IV. Open Forum

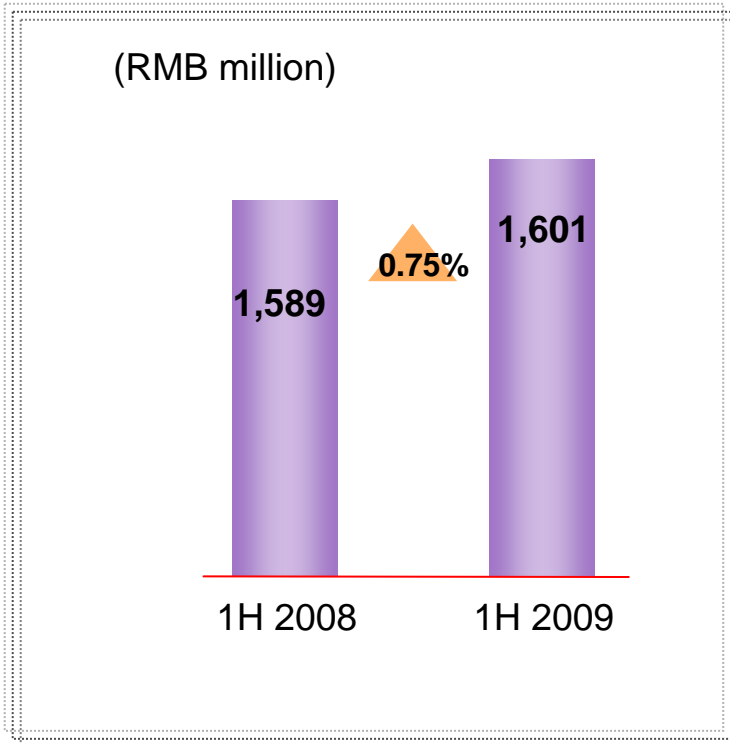
Financial Review

Financial Summary

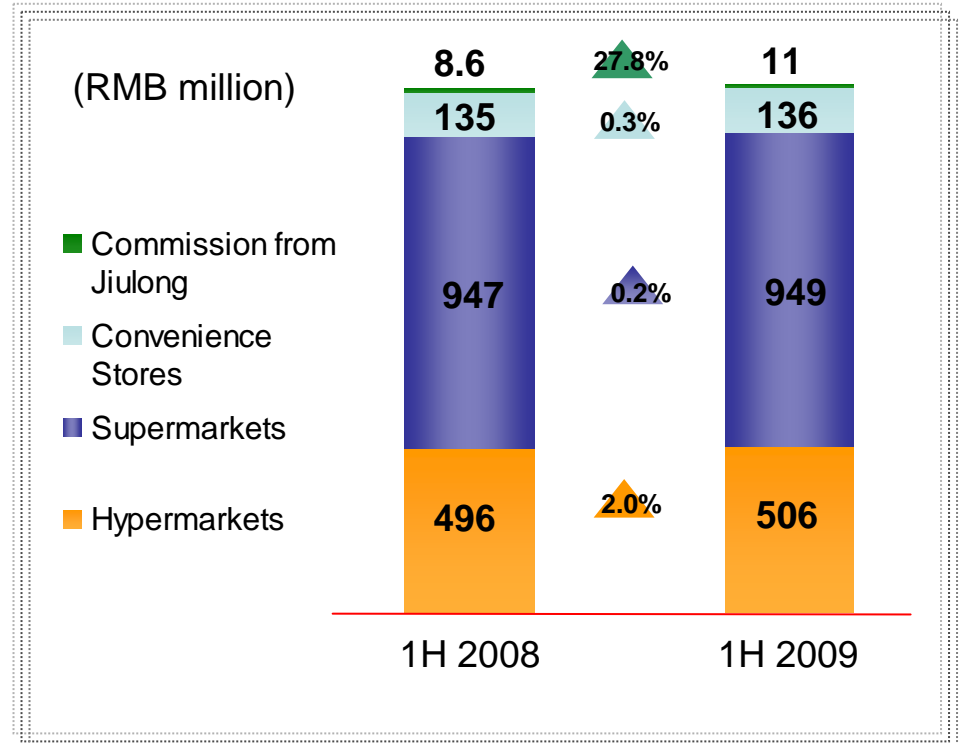
For the six months ended 30 June

<i>RMB '000</i>	2009 <i>(unaudited)</i>	2008 <i>(unaudited)</i>	Change
Revenue	3,249,298	3,350,689	(3%)
- Retail	1,601,119	1,589,266	0.75%
- Wholesale	1,644,876	1,756,678	(6.4%)
Gross profit	452,543	462,126	(2.1%)
Profit attributable to shareholders	70,340	76,361	(7.9%)
Basic earnings per share (RMB)	17.1cents	18.5 cents	(7.6%)

Retail Business - Revenue



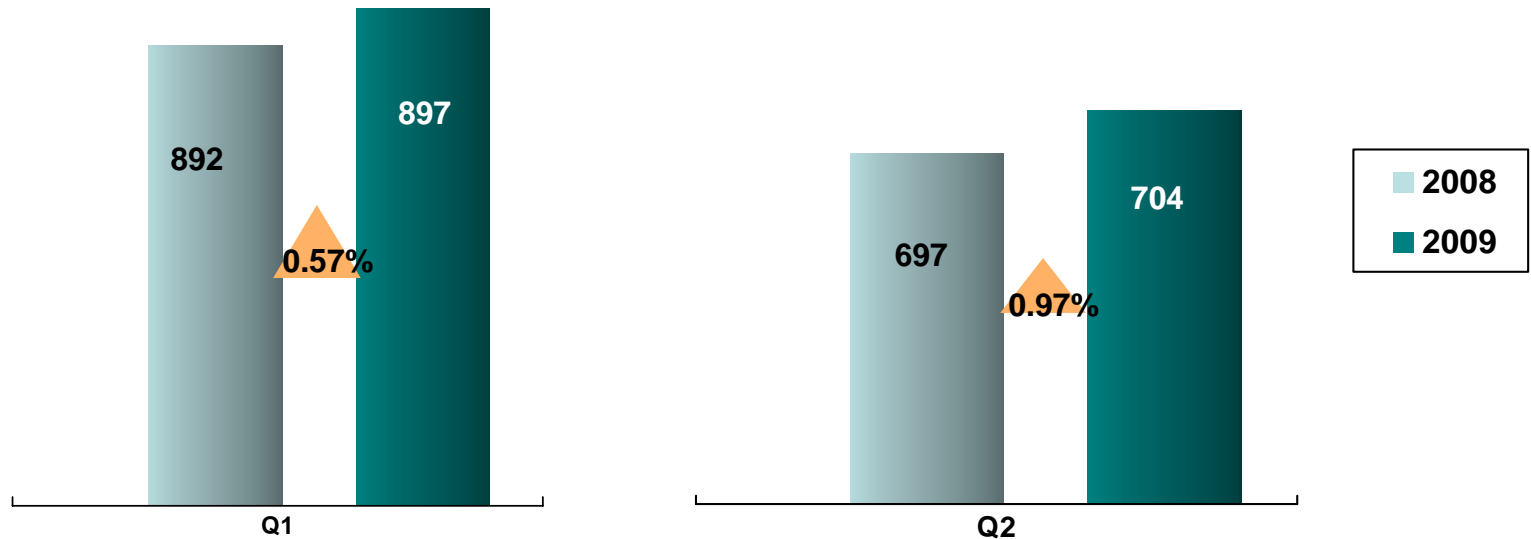
Revenue



Revenue by segments

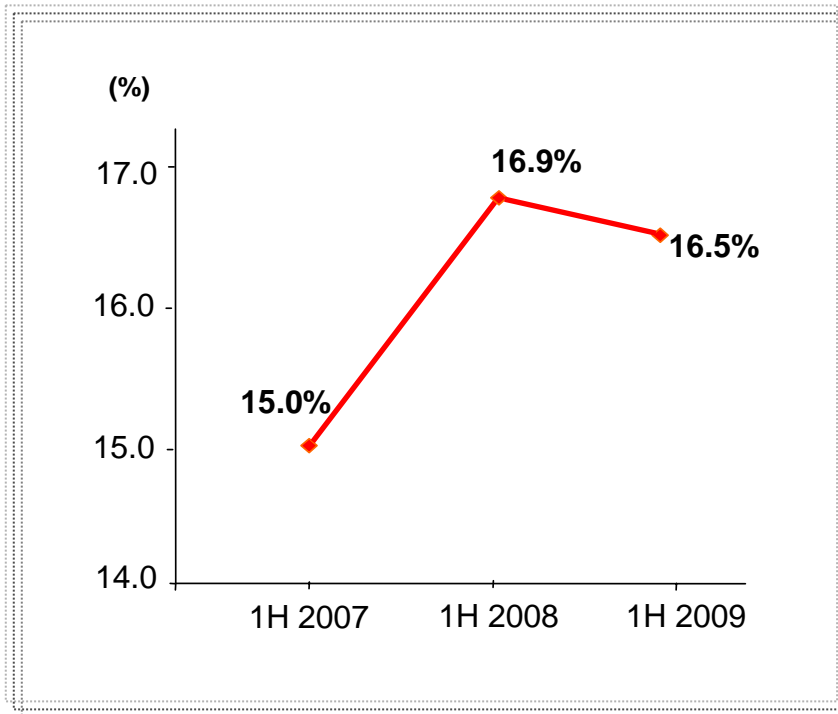
Retail Business – Revenue

(RMB million)

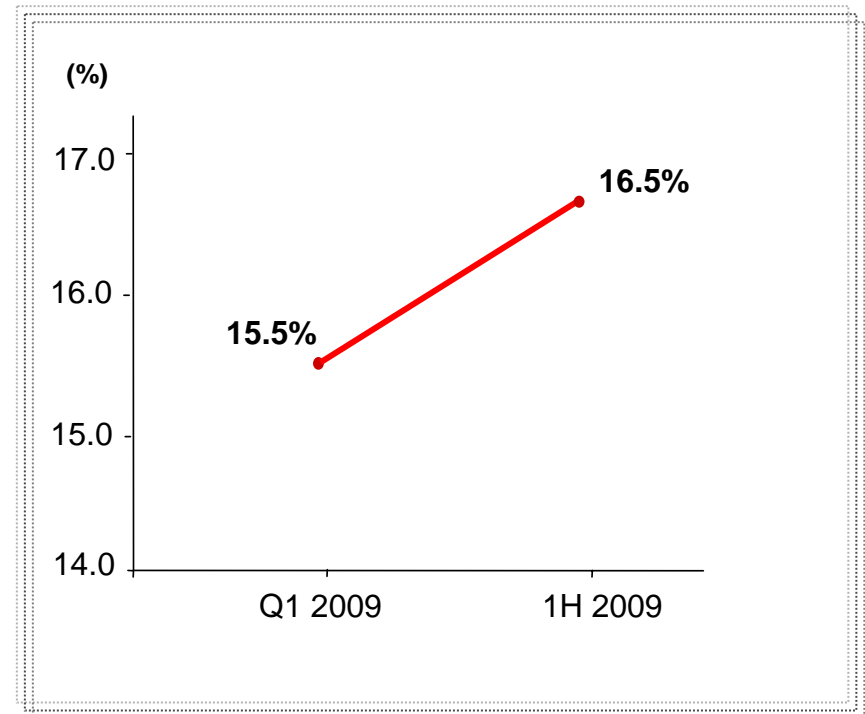


Q-on-Q Revenue growth trend

Retail Business – Gross profit Margin



Gross profit margin



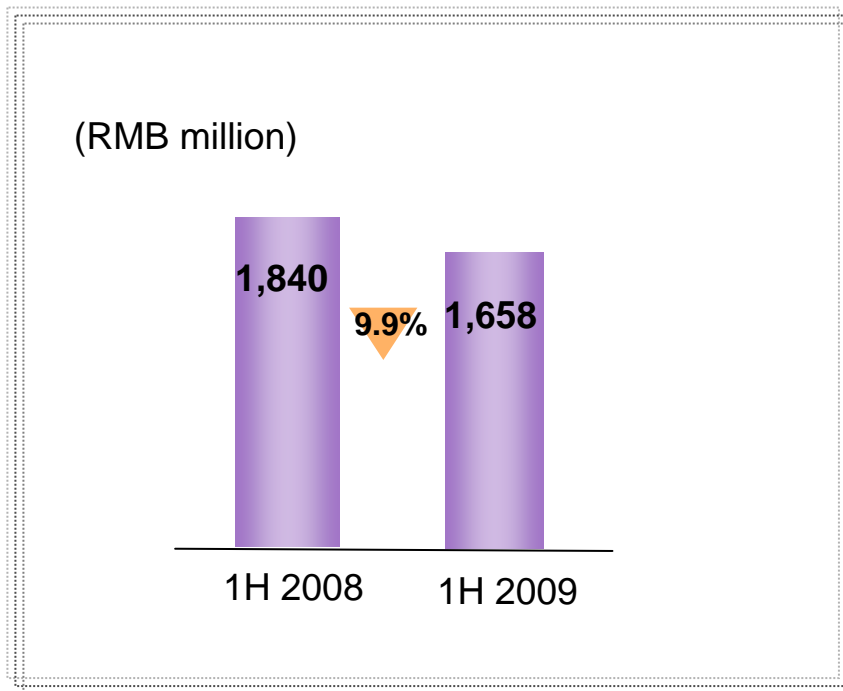
Gross profit margin 2009

Retail Business – Financial Analysis

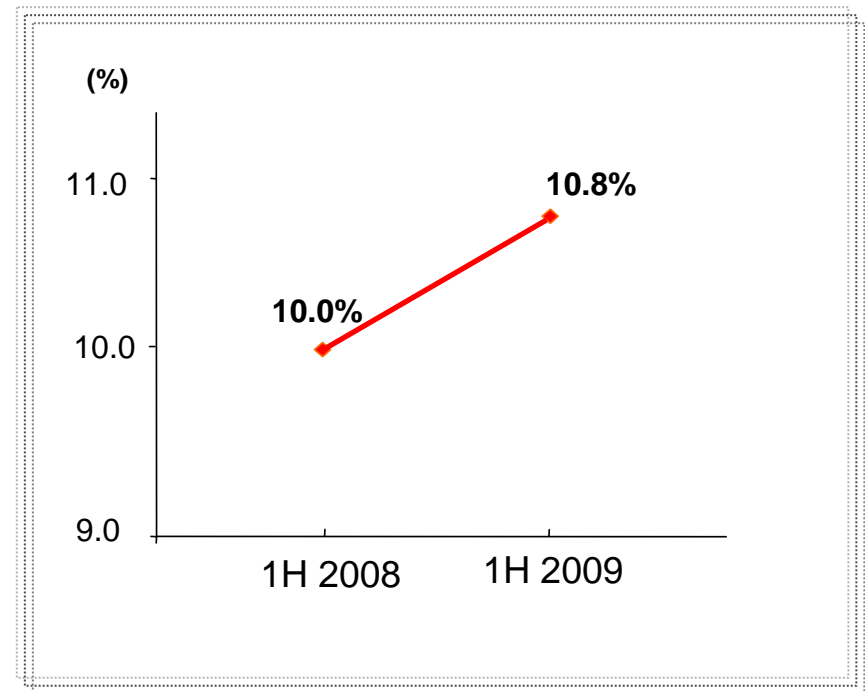
<i>As at June 30</i>	Hypermarket		Supermarket		Convenience Store	
	2009	2008	2009	2008	2009	2008
Number of directly operated stores	7	7	49	42	57	49
Total operating area ('000 sq.m.)	61	60	106.3	95.9	13.0	11.3
Average area per store ('000 sq.m.)	8.7	8.6	2.2	2.3	0.23	0.23
Revenue / Operating area / day (RMB)	47.5	47.5	49.7	58.3	54.8	66.0
Average value per transaction (RMB)	52.6	54.1	34.9	37.9	9.0	9.7
Same store sales growth (%)	(4.34)	4.37	(2.81)	12.03	(4.31)	9.58

Notes: Results contributed by directly-operated hypermarkets, supermarkets and convenience stores (“Chain stores”)

Wholesale Business



Revenue



Gross profit margin

Notes: Results contributed by Chaopi Trading Company Limited (“Chaopi Trading”) and its subsidiaries, excluding the sales to franchisees.

Key Financial Figures

	June 30 2009	June 30 2008
Gross profit margin	13.9%	13.8%
- Retail	16.5%	16.9%
- Wholesale	10.8%	10.0%
EBITDA margin	7.2%	7.1%
EBIT margin	5.0%	5.5%
Net profit margin	2.2%	2.3%
- Retail	2.4%	2.9%
- Wholesale	3.0%	3.0%
Effective tax rate	26.7%	30.2%
Return on equity	5.4%	6.1%
Current ratio	0.92%	0.93%
Net gearing ratio	67.5%	54.0%

Key Financial Figures

	June 30 2009	June 30 2008
Inventory turnover days	42	40
- Retail	31	33
- Wholesale	49	44
Debtor turnover days	55	41
- Retail	2	2
- Wholesale	67	64
Creditor turnover days	48	50
- Retail	47	44
- Wholesale	43	45
Fixed assets turnover	2.3X	2.6x

Key Financial Figures

	June 30 2009	June 30 2008
Selling and distribution costs / sales	11.2%	9.4%
- <i>Retail</i>	13.7%	13%
- <i>Wholesale</i>	8.6%	6%
Administrative costs / sales	4.1%	3.3%
- <i>Retail</i>	6.3%	5.5%
- <i>Wholesale</i>	1.9%	1.3%
Operating lease / revenue	1.7%	1.4%
- <i>Retail</i>	2.1%	1.9%
Staffing expenses / revenue	6.4%	5.3%
Finance costs / sales	1.3%	1.3%

Business Review

Steady Expansion of Retail Network

- 14 retail outlets were newly opened including 6 directly-operated stores (1 hypermarket, 2 supermarkets and 3 convenience stores) and 8 franchise-operated convenience stores;
- Steady expansion in Langfang, Hebei province where the number of stores reached 7(including 1 hypermarket, 3 supermarkets and 3 convenience stores).

Number of Retail Outlets as at 30 June 2009

	Directly Operated Stores	Franchised Stores	Shoulian delegated	Total
Department store	1	-	1	2
Hypermarket	7	-	2	9
Supermarket	49	1	23	73
Convenience Stores	57	101	-	158
Total	114	102	26	242

Improvement of operation Management

■ Commodity Optimization

- Improvement of in-house brand operation
- Strengthened competitiveness of live and fresh produce

■ Operation Improvement

- Promoted marketing level with various new promotion methods introduced
- Focused on weekend days, festivals and holidays; Shifting promotion cycle from 2 weeks to 1 week

Wholesale business tackled challenges

- **Economic downturn brought unprecedented impact on wholesale business**
- **Various methods have been taken to deal with the hard time**
 - Strengthened strategic cooperation with main suppliers
 - Third party distribution – New source of profit
 - Sales of In-house brand products increased

Integration of Shou Lian

■ Reconstruction of Shou Lian

- 7 stores reopened after being redesigned and renovated and 4 others are under redesign and renovation

■ Improve Shou Lian delegated store's operation capability and profitability

- The sales of the renovated stores increased apparently

Outlook & Future Plans

Outlook

■ Negative factors

- Impact from the financial crisis may not be fully resolved in the second half of 2009, difficulties and challenges will continue to be encountered

■ Positive factors

- China's economy has started to stand firmly
- Confidence of consumers rises
- CPI trend is expected to change

■ Maintain an optimistic anticipation of our business prospect

Future plans

■ Retail Business

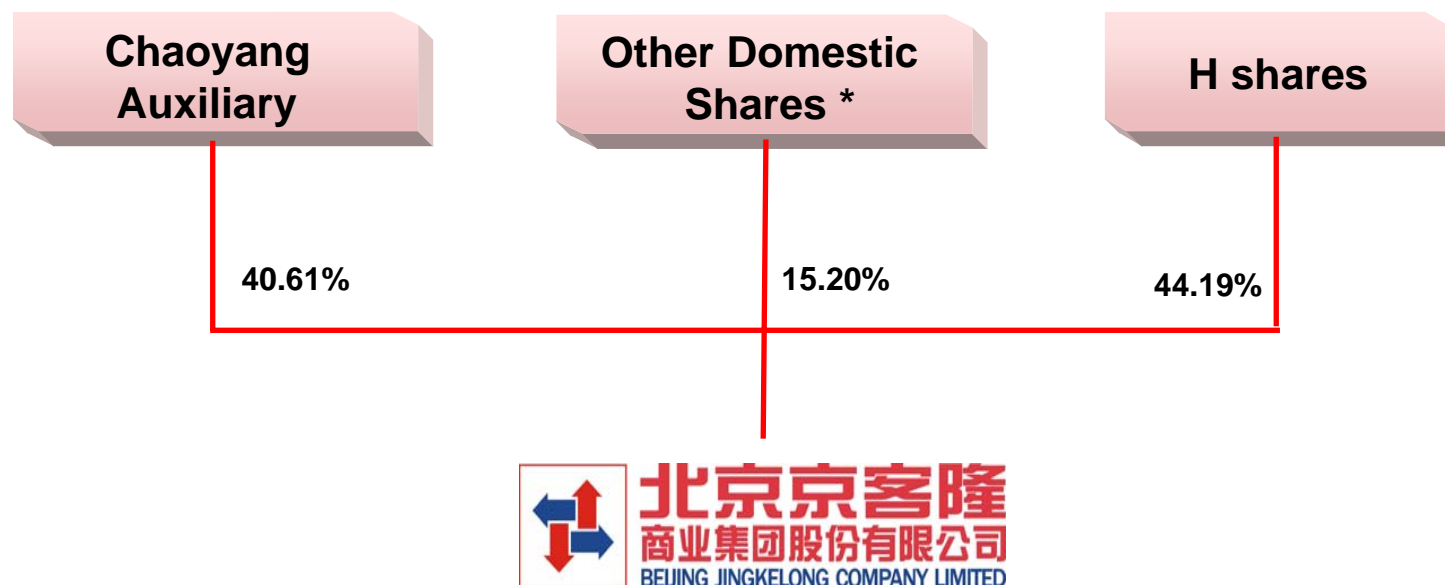
- Take more active promotion methods to improve sales
- To redesign and renovate some stores in appropriate time
- Steady expansion of outlet network

■ Wholesale Business

- Try to gain more sole distributorship brands
- Improve the Third Party Distribution business
- Improve the sales of in-house brand products

Open Forum

Appendix I : Shareholding Structure



*: 9.9% Domestic shares are held by the senior management and 122 employees.

Appendix II: Business Structure

