



To : Business Editor

FOR IMMEDIATE RELEASE

## Parkson Announces Annual Results For The Year Ended December 2008

### Creditable Performance Despites Economic Uncertainty

#### Financial Highlights

For the year ended 31 December

	2008 (RMB'000)	2007 (RMB'000)	% Change
Total gross sales proceeds	10,691,070	9,003,406	18.7%
Total operating revenues	3,536,932	3,059,686	15.6%
Profit from operations	1,211,165	1,016,522	19.1%
Net profit for the period	878,372	727,801	20.7%
Net profit attributable to the Group	841,142	676,000	24.4%
Basic earnings per share	RMB0.302	RMB0.244	23.8%
Final dividend per share	RMB0.085	RMB0.076	11.8%

(20 February 2009 – HONG KONG) **Parkson Retail Group Limited** and its subsidiaries, jointly-controlled entities and an associate (“Parkson” or the “Group”, stock code: 3368) announced its results for the year ended 31 December 2008.

Parkson produced a steady and solid set of result with gross sales proceeds rose 18.7% to RMB10,691.1 million. Total operating revenues increased by 15.6%% to RMB3,536.9 million. Net profit attributable to the Group improved to RMB841.1 million, an increase of 24.4%. Basic earnings per share was RMB0.302.

The board of directors recommended a final dividend for the year 2008 of RMB0.085 (2007: RMB0.076) in cash per share.

~ to be continued ~

### ***Business Review***

Commenting on the full year results, Mr. Alfred Cheng Yoong Choong, Managing Director of Parkson said, "The year 2008 has proven to be extraordinary and very challenging to the group, the unprecedented financial crisis sent most of the major economies into recession. The PRC economy is not immune from the crisis but the damage is comparatively less severe. The Group continued to execute its business plans and strategies to deliver growth despite challenges brought along by the macro economic headwinds. We continued to deliver a double digit same store sales growth of approximately 12.1%. Thanks to the continuous top line growth and our efforts on controlling the operating cost, the operating profit margin improved to 34.2% and the net profit margin improved to 24.8%."

"In line with the maturity of our stores profile, we continued to reinvent and remodel our stores to enhance its image and performance. We also made a solid progress in rationalising our Group structure and consolidating our leadership position through opening new store and M&A transactions at an earning accretive pricing to our shareholders." Mr. Cheng said

The Group now operates and manages a total of 42 stores, 32 self-owned department stores, 10 managed department stores.

### ***Prospects***

"The rippling effects from the financial crisis and the uncertainties on the effectiveness of steps and measures taken by the governments around the world to arrest the deepening of the crisis will continue to impact the world economy in the near future. The PRC economy will continue to face considerable challenges from the fast changing external environment but with its strong foreign exchange reserve and solid economic fundamental we remain confident that the PRC will ride through the storm comfortably and emerge stronger. Looking forward, we will continue with our long term growth strategies while maintaining our short term performance in line with the market condition. We will continue to work on improving productivity and continue to introduce innovative promotion in a timely manner to increase our market share. More resources will be deployed to focus on cost rationalisation to further improve our operating leverage. We will continue to roll out more stores in the coming years and take opportunity on the market condition to actively explore for M&A opportunities and make acquisitions that meet our strategic initiatives and return on capital requirements." Mr. Cheng said

**Corporate Information**

Parkson is one of the leading department store chains in China, focusing on four categories of merchandise: Fashion & Apparel; Cosmetics & Accessories; Household & Electrical; and Groceries & Perishables, targeting the middle to upper middle-income consumers. Parkson was established in Malaysia in 1987 and started the China operation in 1994 thus making it one of the foreign pioneers in China department store industry.

*Issued by Financial Dynamics for and on behalf of **Parkson Retail Group Limited**. For further information, please contact:*

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