

AEON CO. (M) BHD.

(Company No. 126926 - H)

(Incorporated in Malaysia)

Unaudited results of the Company for the fourth quarter ended 31 December 2009.

Condensed Income Statement

For the twelve months ended 31 December 2009

	3 months ended 31 December		12 months ended 31 December	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	987,013	929,762	3,735,755	3,433,049
Total operating expenses	(910,232)	(869,029)	(3,542,259)	(3,257,392)
Other operating income	1,342	530	3,852	2,754
Profit from operations	78,123	61,263	197,348	178,411
Interest expense	(401)	(1,168)	(3,122)	(2,694)
Interest income	59	11	146	632
Profit before taxation	77,781	60,106	194,372	176,349
Tax expense	(22,040)	(15,269)	(60,843)	(55,745)
Net profit for the period/ year	<u>55,741</u>	<u>44,837</u>	<u>133,529</u>	<u>120,604</u>
Basic earnings per ordinary share (sen)	15.88	12.77	38.04	34.36

The Condensed Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed Balance Sheet

At 31 December 2009

	31 December 2009 RM'000	31 December 2008 RM'000 restated
ASSETS		
Non Current Assets		
Property, plant and equipment	1,507,772	1,558,168
Investments	1,075	1,075
	1,508,847	1,559,243
Current Assets		
Inventories	335,015	328,499
Trade and other receivables	60,284	46,002
Cash and cash equivalents	137,067	158,394
	532,366	532,895
TOTAL ASSETS	2,041,213	2,092,138
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders		
Share capital	351,000	351,000
Reserves	633,194	531,255
TOTAL EQUITY	984,194	882,255
Non Current Liabilities		
Deferred tax liabilities	30,698	37,138
Total Non Current Liabilities	30,698	37,138
Current Liabilities		
Trade and other payables	1,009,928	1,003,678
Borrowings (unsecured)	-	159,500
Current tax payable	16,393	9,567
Total Current Liabilities	1,026,321	1,172,745
TOTAL LIABILITIES	1,057,019	1,209,883
TOTAL EQUITY AND LIABILITIES	2,041,213	2,092,138

The Condensed Balance Sheet should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed Statement of Changes In Equity

For the twelve months ended 31 December 2009

	Share capital RM'000	Non-distributable Revaluation reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 January 2009	351,000	32,183	499,072	882,255
Changes in equity for the year ended 31 December 2009				
Transfer from revaluation reserve to retained earnings	-	(517)	517	-
Net (expense) / income recognised directly in equity	-	(517)	517	-
Net profit for the year	-	-	133,529	133,529
Total Recognised Income and Expense for the Year	-	(517)	134,046	133,529
Dividend	-	-	(31,590)	(31,590)
At 31 December 2009	<u>351,000</u>	<u>31,666</u>	<u>601,528</u>	<u>984,194</u>

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed Cash Flow Statement

For the twelve months ended 31 December 2009

	31 December 2009 RM'000	31 December 2008 RM'000 restated
Profit before taxation	194,372	176,349
Adjustment for non-cash flow :-		
Non-cash items	144,109	122,982
Non-operating items	2,554	2,062
Operating profit before changes in working capital	<u>341,035</u>	<u>301,393</u>
Changes in working capital		
Net change in currents assets	(10,757)	(31,316)
Net change in currents liabilities	6,250	145,655
Taxation paid	(60,457)	(82,670)
Net cash inflow from operating activities	<u>276,071</u>	<u>333,062</u>
Investing Activities		
- Interest received	146	632
- Other investments	(103,332)	(488,197)
Net cash outflow from investing activities	<u>(103,186)</u>	<u>(487,565)</u>
Financing Activities		
- Net short term borrowings	(159,500)	159,500
- Bonus issue expenses	-	(72)
- Interest paid	(3,122)	(2,694)
- Dividend paid	(31,590)	(29,098)
Net cash (outflow) / inflow from financing activities	<u>(194,212)</u>	<u>127,636</u>
Net Change in Cash and Cash Equivalents	(21,327)	(26,867)
Cash and cash equivalents at 1 January	158,394	185,261
Cash and cash equivalents at 31 December	<u><u>137,067</u></u>	<u><u>158,394</u></u>

The Condensed Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

Notes to the interim financial statements for the year ended 31 December 2009

A EXPLANATORY NOTES PURSUANT TO FRS 134

1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standard (FRS) 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standard Board (MASB).

The interim financial report has been prepared in accordance with the same accounting policies adopted in the audited financial statements for the year ended 31 December 2008, except for the Company has chosen to early adopt the amendments to FRS 117, *Leases*: the amendments clarify that the classification of lease of land require entities with existing leases of land and buildings to reassess the classification of land as finance or operating lease. Leasehold land which in substance is a finance lease will be reclassified to property, plant and equipment.

The adoption of these amendments will result in a change in accounting policy, refer to Note 13, which will be applied retrospectively in accordance with the transitional provisions.

The adoption of the above amendments has no significant impact on the financial statements of the Company. The effects of the change in accounting policy on the comparative prior period interim financial statements are shown in Note 14.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

2 Qualification of Audit Report of the Preceding Annual Financial Statements

There was no qualification on audit report of the preceding annual financial statements.

3 Seasonality or Cyclicity of Interim Operations

The Company's revenue for the fourth quarter is higher than the third quarter mainly due to the year end festive seasons in the fourth quarter.

4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the financial year.

5 Material Changes in Estimates

There were no material changes in the nature and amount of estimates reported in prior interim period of prior financial years that have a material effect in the current interim period.

6 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year.

7 Dividends Paid

A first and final Dividend of 12% less income tax of 25% totalling RM31.590 million in respect of the financial year ended 31 December 2008 (31 December 2007: 17% less 26% tax and a special tax exempt dividend of 4% totalling RM 29.098 million) was paid on 19 August 2009.

8 Segmental Reporting

The business segment analysis is as follows:

	Retailing 12 months ended 31 December 2009 RM'000	Property Management Services 12 months ended 31 December 2009 RM'000	Total 12 months ended 31 December 2009 RM'000
Revenue	3,362,262	373,493	3,735,755
Profit from operations	114,875	82,473	197,348
Interest expense			(3,122)
Interest income			146
Profit before taxation			194,372
Tax expense			(60,843)
Net profit for the year			133,529

9 Property, Plant and Equipment

Except for the item as disclosed in Note 13 and 14, the valuations of land and buildings have been brought forward, without any amendment from the previous audited financial statements.

10 Material Events Subsequent to Balance Sheet Date

There were no material events subsequent to the balance sheet date to be disclosed in the financial statements for the current financial year.

11 Effects of Changes in the Composition of the Company

There were no changes in the composition of the Company during the current financial year.

12 Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last audited financial statements of the Company for the financial year ended 31 December 2008.

13 Change in accounting policy

The Company has adopted the amendments to FRS 117, *Leases*. The Company has reassessed and determined that all leasehold land of the Company which are in substance finance leases and has reclassified the leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendments.

The reclassification does not affect the basic earnings per ordinary share for the current and prior periods.

14. Comparative figures

The following comparative figures have been reclassified as a result of change in accounting policy as stated in Note 13:

	As restated RM'000	As previously stated RM'000
Condensed Balance sheet		
Property, plant and equipment	1,558,168	1,372,453
Prepaid lease payments	-	185,715

14. Comparative figures (continued)

The following comparatives have been restated to conform with current year's presentation.

	As restated RM'000	As previously stated RM'000
Condensed Cash flow statement		
<i>Changes in working capital</i>		
Net change in current assets	(31,316)	(71,469)
<i>Investing activities</i>		
Other investments	<u>(488,197)</u>	<u>(448,044)</u>

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BHD. MAIN MARKET LISTING REQUIREMENTS

1 Review of Performance of the Company

The Company's revenue recorded higher revenue of RM 3.735 billion for the current financial year as compared to the previous year mainly due to the full year contributions from stores that opened in year 2008 and overall better performance from existing stores.

2 Material Changes in the Quarterly Profit Before Taxation Compared to the Results of the Preceding Quarter.

The Company's profit before taxation for the fourth quarter under review is higher than the third quarter mainly due to higher revenue generated for the current quarter.

3 Current Year Prospects

With the steady recovery of domestic economy, the Company expects consumer spending to improve. As such, the Company believes its performance will grow in tandem with the economy.

4 Tax expense

Tax expense comprises:

	3 months ended 31 December 2009 RM'000	12 months ended 31 December 2009 RM'000
Current tax expense	28,329	67,283
Deferred tax expense	(6,289)	(6,440)
	<u>22,040</u>	<u>60,843</u>

The Company's effective tax rate is higher than the statutory tax rate as certain expenses are not deductible for tax purposes.

5 Profit/(loss) on sale of Unquoted Investment and/or Properties

There was no sale of unquoted investments and/or properties for the quarter under review and financial year to date.

6 Particulars of Purchase or Disposal of Quoted Securities

There was no purchase or disposal of quoted securities for the quarter under review and financial year to date.

7 Status of Corporate Proposals

There were no corporate proposals announced.

8 Borrowings and Debt Securities

As at 31 December 2009, the Company did not have any borrowings and debt securities.

9 Off Balance Sheet Financial Instruments

The Company does not have any financial instruments with off balance sheet risk as at the date of this announcement.

10 Material Litigation

As at the date of this announcement, the Company is not engaged in any material litigation which in the opinion of the Board of Directors will have a material effect on the financial position or the business of the Company.

11 Dividend

- (a) (i) a first and final dividend has been recommended for year ended 31 December 2009
- (ii) amount per share – 12 sen less income tax of 25%
- (iii) date payable to be determined later; and
- (iv) in respect of deposited securities, the date of entitlement to dividend will be determined later.
- (b) For the year ended 31 December 2008, a first and final dividend of 12% less tax of 25% amounting to RM 31.590 million was paid on 19 August 2009.
- (c) The first and final dividend recommended for year ended 31 December 2009 will be subject to the approval of shareholders at the forthcoming AGM to be held on the day which shall be announced later.

12 Basic Earnings Per Share

Basic earnings per share for the current quarter and financial year to date are calculated based on the net profit attributable to ordinary shareholders and the number of ordinary shares outstanding.

	3 months ended 31 December 2009	12 months ended 31 December 2009
Net profit attributable to ordinary shareholders (RM'000)	55,741	133,529
Number of ordinary shares outstanding ('000)	351,000	351,000

Diluted earnings per share is not applicable for the Company.