

AEON CO. (M) BHD.

(Company No. 126926 - H)

(Incorporated in Malaysia)

Unaudited results of the Company for the third quarter ended 30 September 2009.

Condensed Income Statement

For the nine months ended 30 September 2009

	3 months ended 30 September		9 months ended 30 September	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	968,621	922,295	2,748,742	2,503,287
Total operating expenses	(922,153)	(875,438)	(2,632,027)	(2,388,363)
Other operating income	<u>778</u>	<u>864</u>	<u>2,510</u>	<u>2,224</u>
Profit from operations	47,246	47,721	119,225	117,148
Interest expense	(712)	(842)	(2,721)	(1,526)
Interest income	<u>20</u>	<u>50</u>	<u>87</u>	<u>621</u>
Profit before taxation	46,554	46,929	116,591	116,243
Tax expense	<u>(14,220)</u>	<u>(15,699)</u>	<u>(38,803)</u>	<u>(40,476)</u>
Net profit for the period	<u><u>32,334</u></u>	<u><u>31,230</u></u>	<u><u>77,788</u></u>	<u><u>75,767</u></u>
Basic earnings per ordinary share (sen)	9.21	8.90	22.16	21.59

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 30 September 2009

	30 September 2009	31 December 2008
	RM'000	RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	1,321,453	1,372,453
Prepaid lease payment	184,009	185,715
Investments	1,075	1,075
	<u>1,506,537</u>	<u>1,559,243</u>
Current Assets		
Inventories	308,627	328,499
Trade and other receivables	60,130	46,002
Cash and cash equivalents	96,549	158,394
	<u>465,306</u>	<u>532,895</u>
TOTAL ASSETS	<u><u>1,971,843</u></u>	<u><u>2,092,138</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders		
Share capital	351,000	351,000
Reserves	577,453	531,255
TOTAL EQUITY	<u>928,453</u>	<u>882,255</u>
Non Current Liabilities		
Deferred tax liabilities	36,987	37,138
Total Non Current Liabilities	<u>36,987</u>	<u>37,138</u>
Current Liabilities		
Trade and other payables	1,004,410	1,003,678
Borrowings (unsecured)	-	159,500
Current tax payable	1,993	9,567
Total Current Liabilities	<u>1,006,403</u>	<u>1,172,745</u>
TOTAL LIABILITIES	<u>1,043,390</u>	<u>1,209,883</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,971,843</u></u>	<u><u>2,092,138</u></u>

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 nine months ended 30 September 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 period ended 30 September 2009				
Transfer from revaluation reserve to retained earnings	-	(388)	388	-
Net income/ (expense) recognised directly in equity	-	(388)	388	-
Net profit for the period	-	-	77,788	77,788
Total Recognised Income and Expense for the Period	-	(388)	78,176	77,788
Dividend	-	-	(31,590)	(31,590)
At 30 September 2009	<u>351,000</u>	<u>31,795</u>	<u>545,658</u>	<u>928,453</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 nine months ended 30 September 2009

	30 September 2009	30 September 2008
	RM'000	RM'000
Net Profit before taxation	116,591	116,243
Adjustment for non-cash flow :-		
Non-cash items	111,427	91,432
Non-operating items	2,634	905
Operating profit before changes in working capital	230,652	208,580
Changes in working capital		
Net change in currents assets	5,744	(35,301)
Net change in currents liabilities	732	87,029
Taxation paid	(46,528)	(67,370)
Net cash inflow from operating activities	190,600	192,938
Investing Activities		
- Interest received	87	621
- Other investments	(58,721)	(292,938)
Net cash outflow from investing activities	(58,634)	(292,317)
Financing Activities		
- Net short term borrowings	(159,500)	87,600
- Bonus issue expenses	-	(72)
- Interest paid	(2,721)	(1,526)
- Dividend paid	(31,590)	(29,098)
Net cash (outflow)/inflow from financing activities	(193,811)	56,904
Net Change in Cash and Cash Equivalents	(61,845)	(42,475)
Cash and cash equivalents at 1 January	158,394	185,261
Cash and cash equivalents at 30 September	96,549	142,786

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 period ended 30 September 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.

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 third quarter is higher than the second quarter mainly due to the festive seasons in the third 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 period.

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 period.

7 Dividends Paid

A first and final Dividend of 12% less income tax of 25% totalling RM31.59 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 9 months ended 30 September 2009 RM'000	Property Management Services 9 months ended 30 September 2009 RM'000	Total 9 months ended 30 September 2009 RM'000
Revenue	2,470,321	278,421	2,748,742
Profit from operations	61,348	57,877	119,225
Interest expense			(2,721)
Interest income			87
Profit before taxation			116,591
Tax expense			(38,803)
Net profit for the period			77,788

9 Property, Plant and Equipment

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 period.

11 Effects of Changes in the Composition of the Company

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

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.

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 a 5.0% and 9.8% growth respectively for the third quarter and financial period to date as compared to the previous year corresponding periods mainly due to new stores opened at end of the year 2008 and existing stores maintaining their performance.

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 third quarter under review of RM46.6 million is higher than the second quarter of RM32.3 million mainly due to higher revenue generated for the third quarter.

3 Current Year Prospects

With Malaysian economy showing signs of recovery, the Company expects consumer spending to improve in the last quarter. The Company continues to take appropriate measures to address the current economic challenges.

4 Tax expense

Tax expense comprises:

	3 months ended 30 September 2009 RM'000	9 months ended 30 September 2009 RM'000
Current tax expense	14,270	38,954
Deferred tax expense	(50)	(151)
	<u>14,220</u>	<u>38,803</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 period 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 period to date.

7 Status of Corporate Proposals

There were no corporate proposals announced.

8 Borrowings and Debt Securities

As at 30 September 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

No dividend was proposed or declared for the current financial period ended 30 September 2009.

12 Basic Earnings Per Share

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

	3 months ended 30 September 2009	9 months ended 30 September 2009
Net profit attributable to ordinary shareholders (RM'000)	32,334	77,788
Number of ordinary shares outstanding ('000)	351,000	351,000

Diluted earnings per share is not applicable for the Company.