



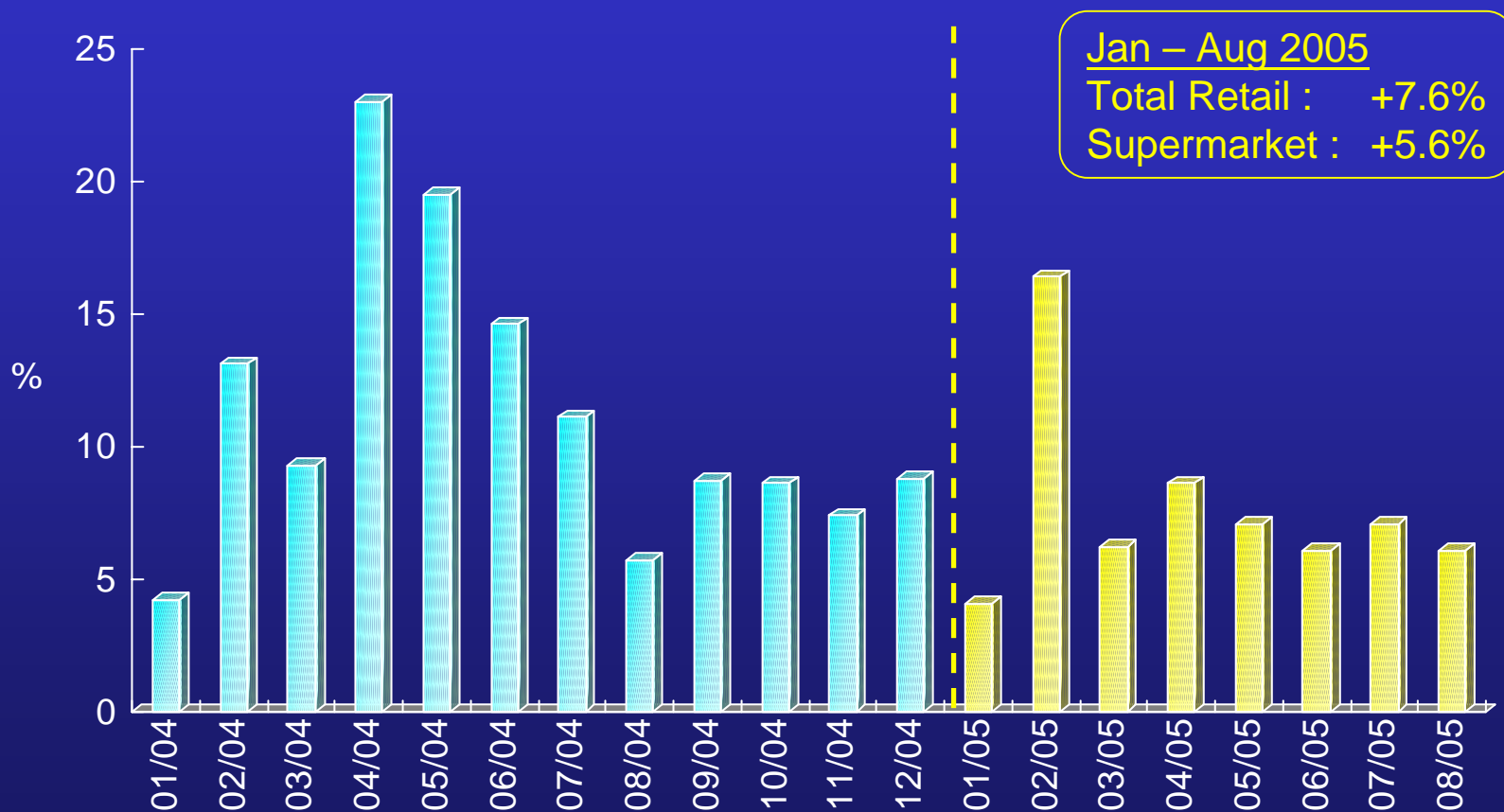
3rd Quarter 2005 Results Presentation



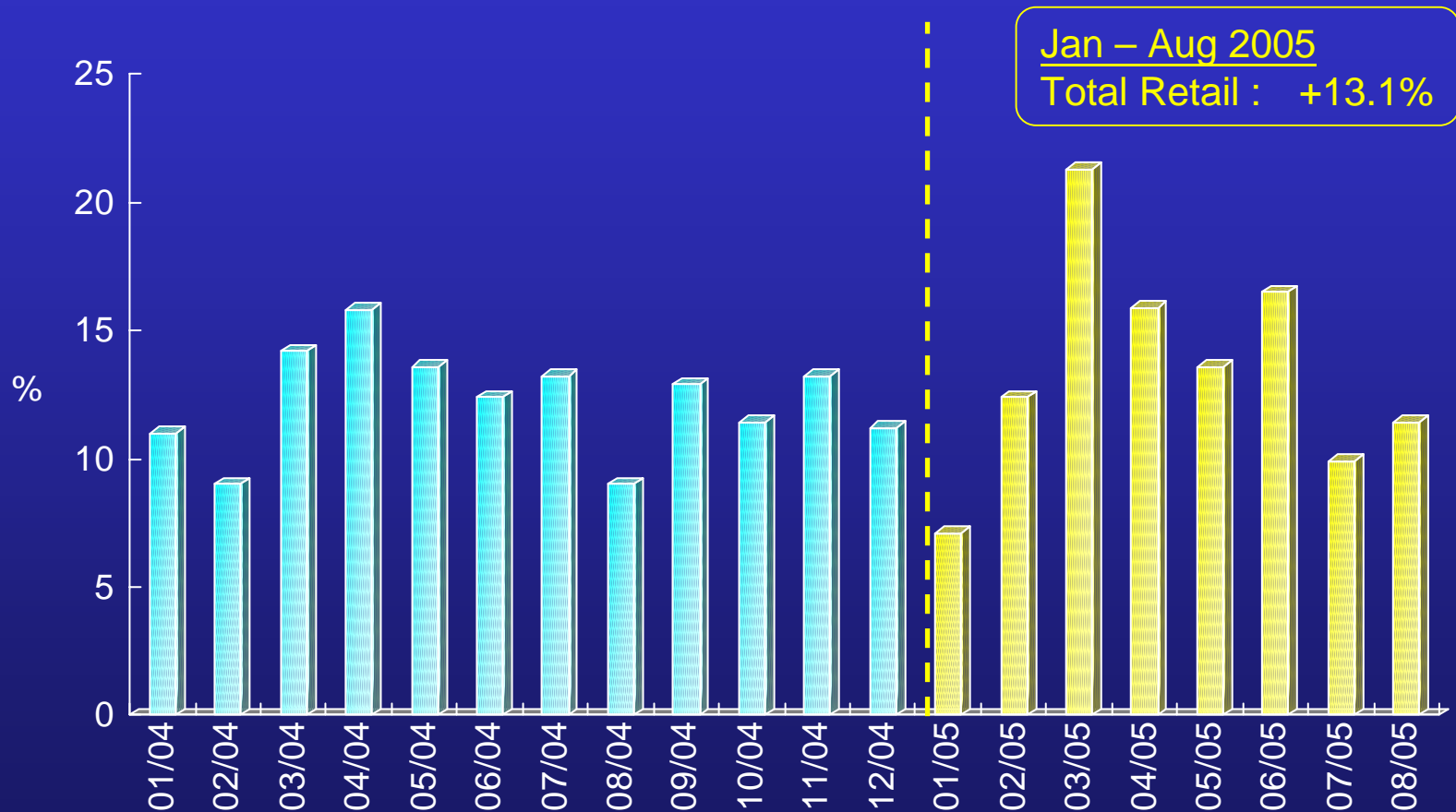
A member of the Li & Fung (Retailing) Group

26 October 2005

Hong Kong Retail Sales Value Year-on-year % Change



Guangzhou Retail Sales Value Year-on-year % Change



Hong Kong Market 3rd Quarter 2005 Update

- Free newspapers
- Irrational rental increases
- Cigarette price war
- Competition heating up

Hong Kong Market 3rd Quarter 2005 Developments

- Started renovation to 3G



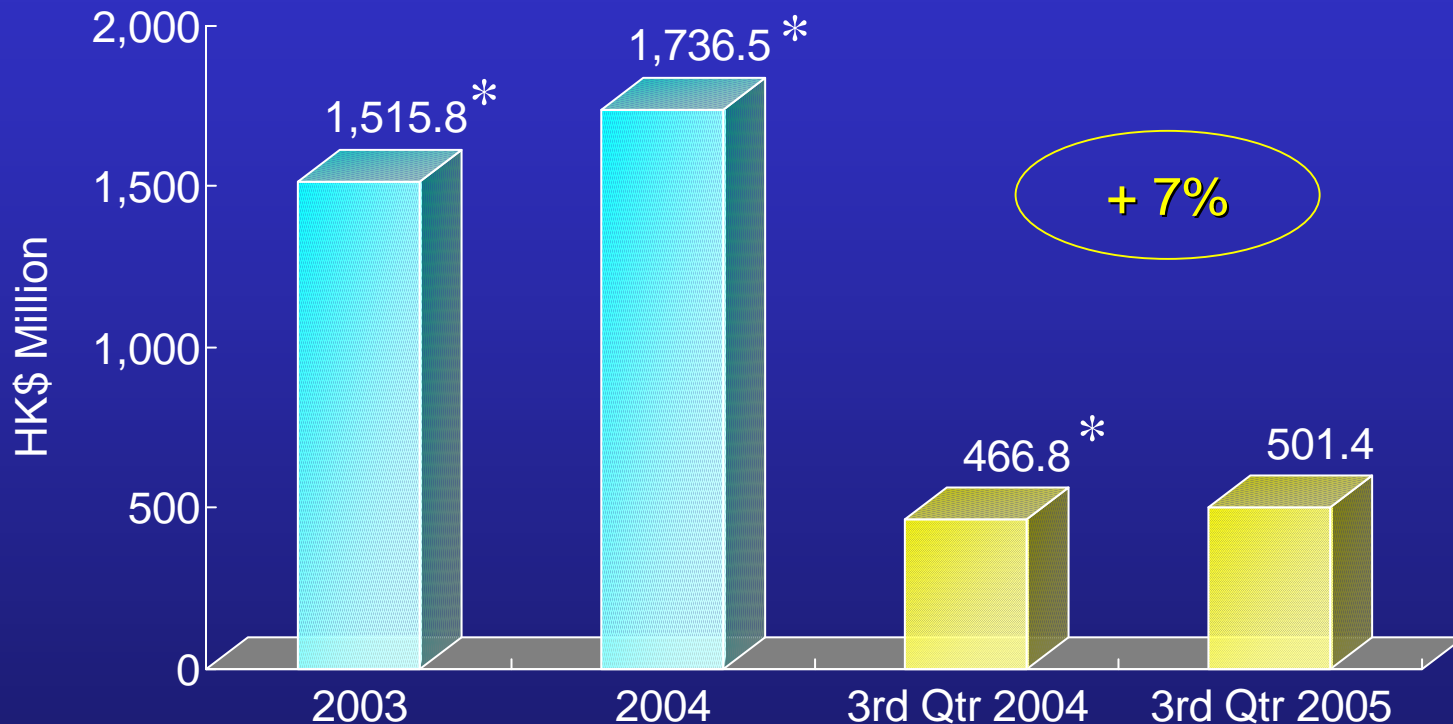
Southern China & Macau Markets 3rd Quarter 2005 Update

- Pace of new store opening picking up
 - Guangzhou 35
 - Zhuhai JV stores 4
 - Macau JV stores 9
 - Total 48

- Delay in obtaining approval for Dongguan Sun-High acquisition

2005 Financial Results Highlights

Group Turnover – 3rd Quarter



No. of store – HK	186	205	197	223
No. of store - China	7	20	15	35



OK生日大派禮物



超過2,000,000份禮品等您選

- 聖安餅屋西餅500,000件
- 單筒濃捲Cone 300,000杯
- OK便利店現金券總值\$1,000,000
- 大量購物優惠券

只需購物滿\$20或以上即可獲「禮物咭」一張
 優惠日期至2005年9月14日




OK便利店 清涼時光即中獎 大放送

今夏炎夏，入塵停一停，啖一啖，仲可以玩盡「清涼時光」即中獎。

由即日起至9月17日，凡於下午2時至6時，惠顧滿\$12或以上，即可參加「清涼時光」抽獎即中獎遊戲，有機會贏取清涼假期大獎或免費清涼禮品，人人有份，永不落空！

清涼假期大獎：



驚人來回「短期離島充離」6日4夜，機票連住宿 約值\$16,000 (2名)

大量清涼禮品：

- 冰凍派紙巾
- 香滑冰棍
- 星洲「OK」雪糕
- 超靚玩蓋罐水 200毫升
- 超靚風扇高水電風扇茶 250毫升
- 日本「OK」雪糕 16克裝

Cool Break清涼站!

OK便利店 x miffy 快快樂樂ABC

9月29日推出

至潮手機掛飾 惠顧每滿\$20*即送一件

全套26款 任您配搭



Happiness is... miffy

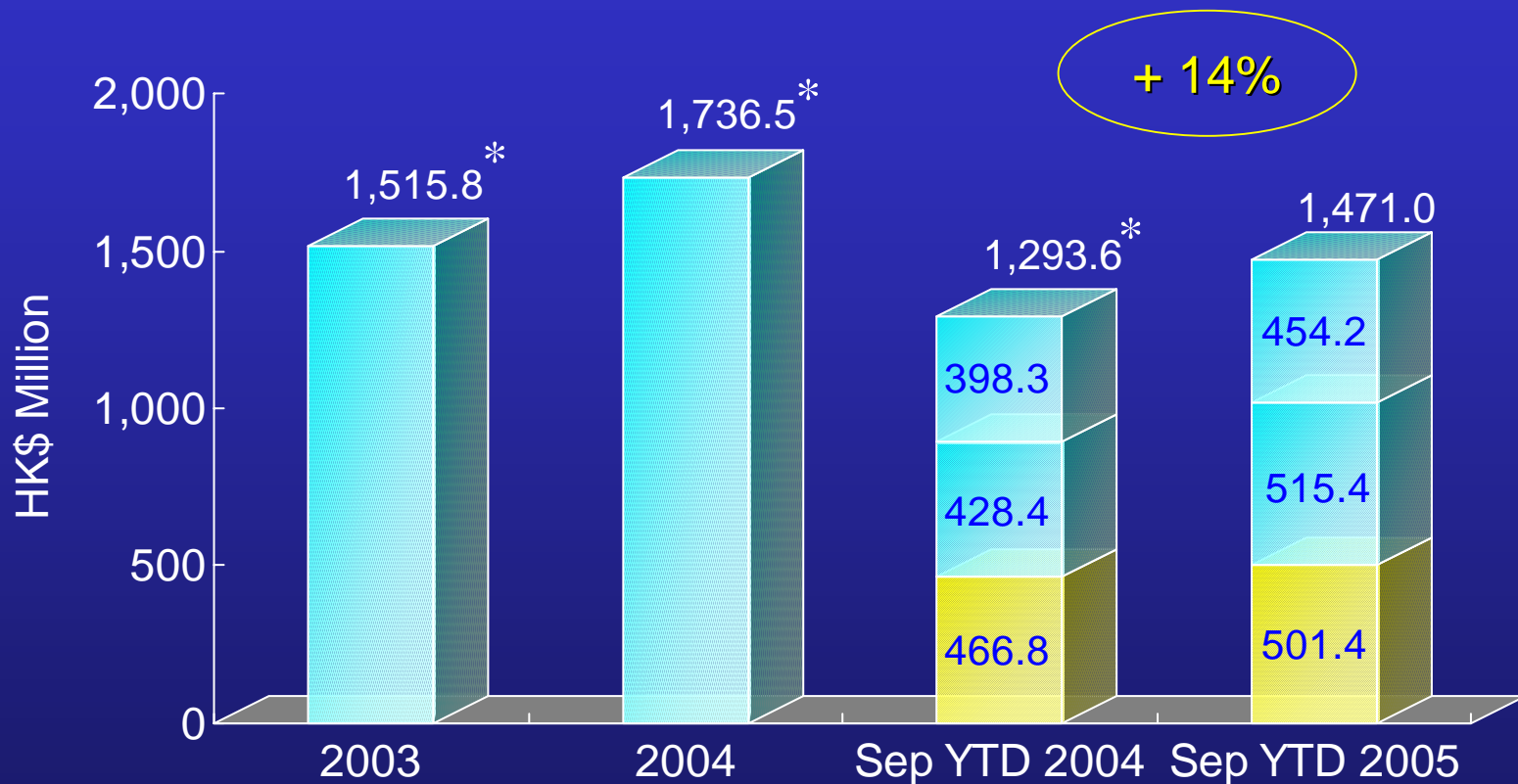
Adventure	Birthday	Colorful	Day-dreaming	Excuse	Flourishing
Great food	Halloween	Imagination	Jewellery	Kiss	Love
Misery	OK	Playfulness	Questioning	Reading	Showing down
Swamp	Unbearable	Victory	Whiteness	X-mas	Young at heart
Zany					

© Circle K



2005 Financial Results Highlights

Group Turnover – Sep YTD

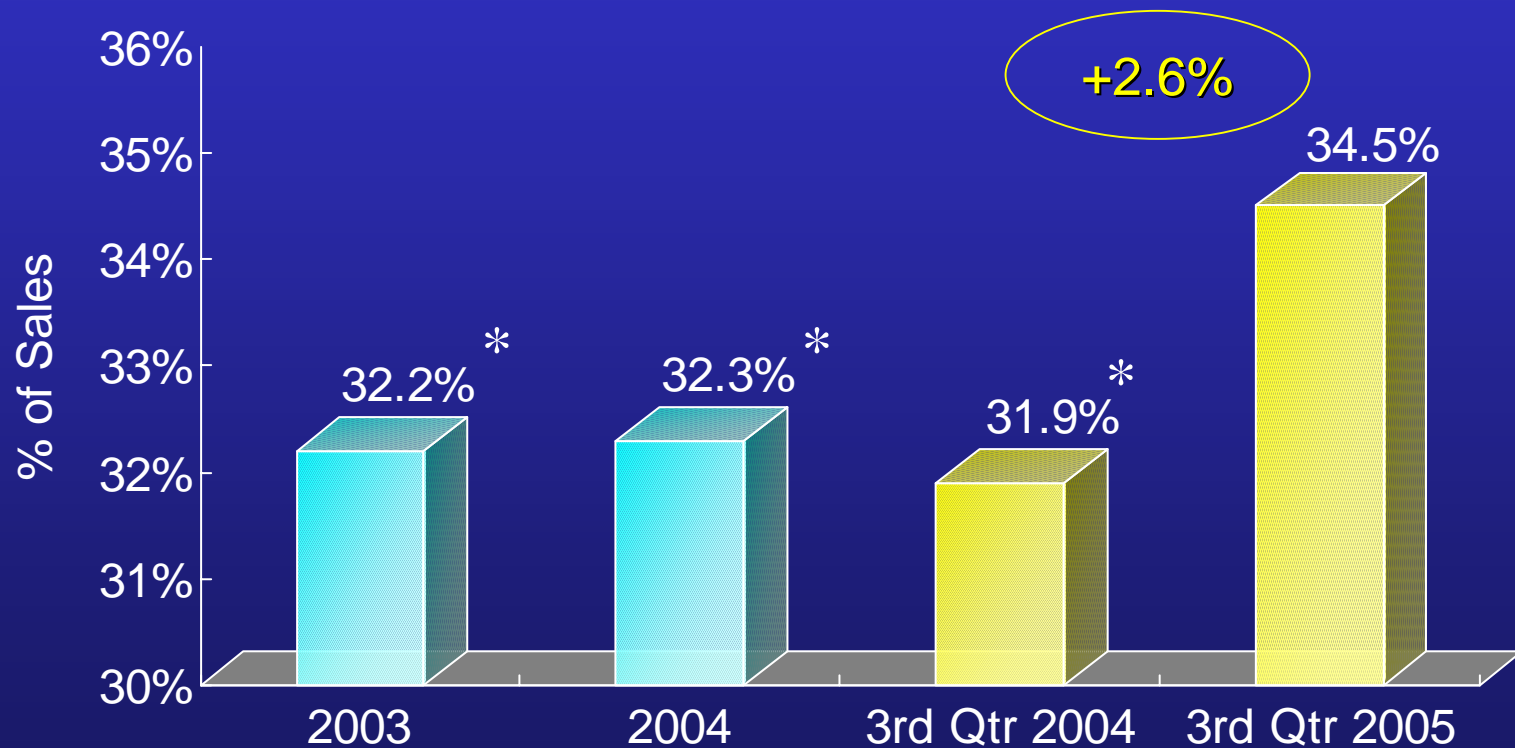


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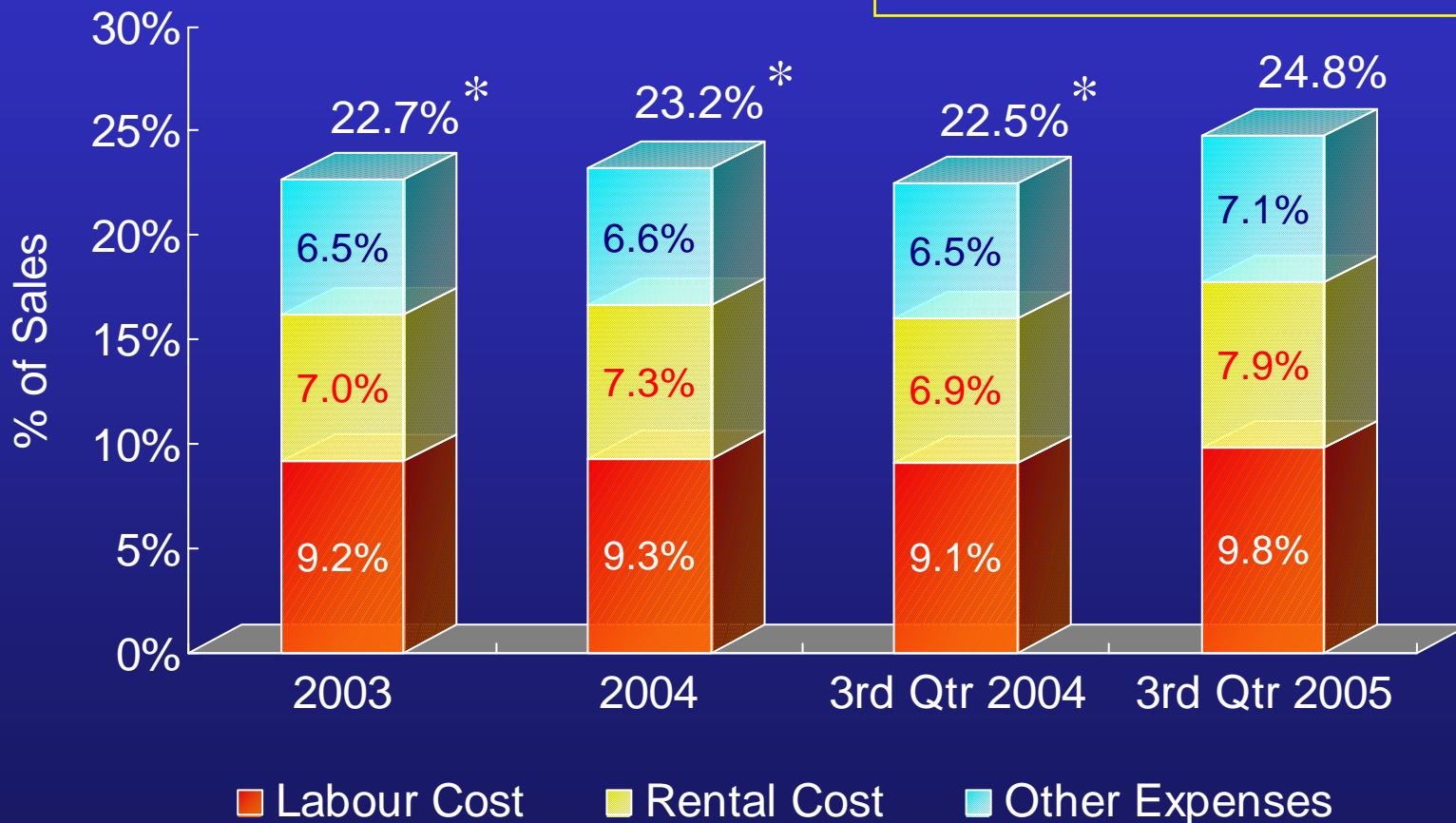
Improvement in Gross Margin / Other Income

Gross Margin/Other Income as % of Sales
(Excluding Interest)



Higher Store Operating Expenses

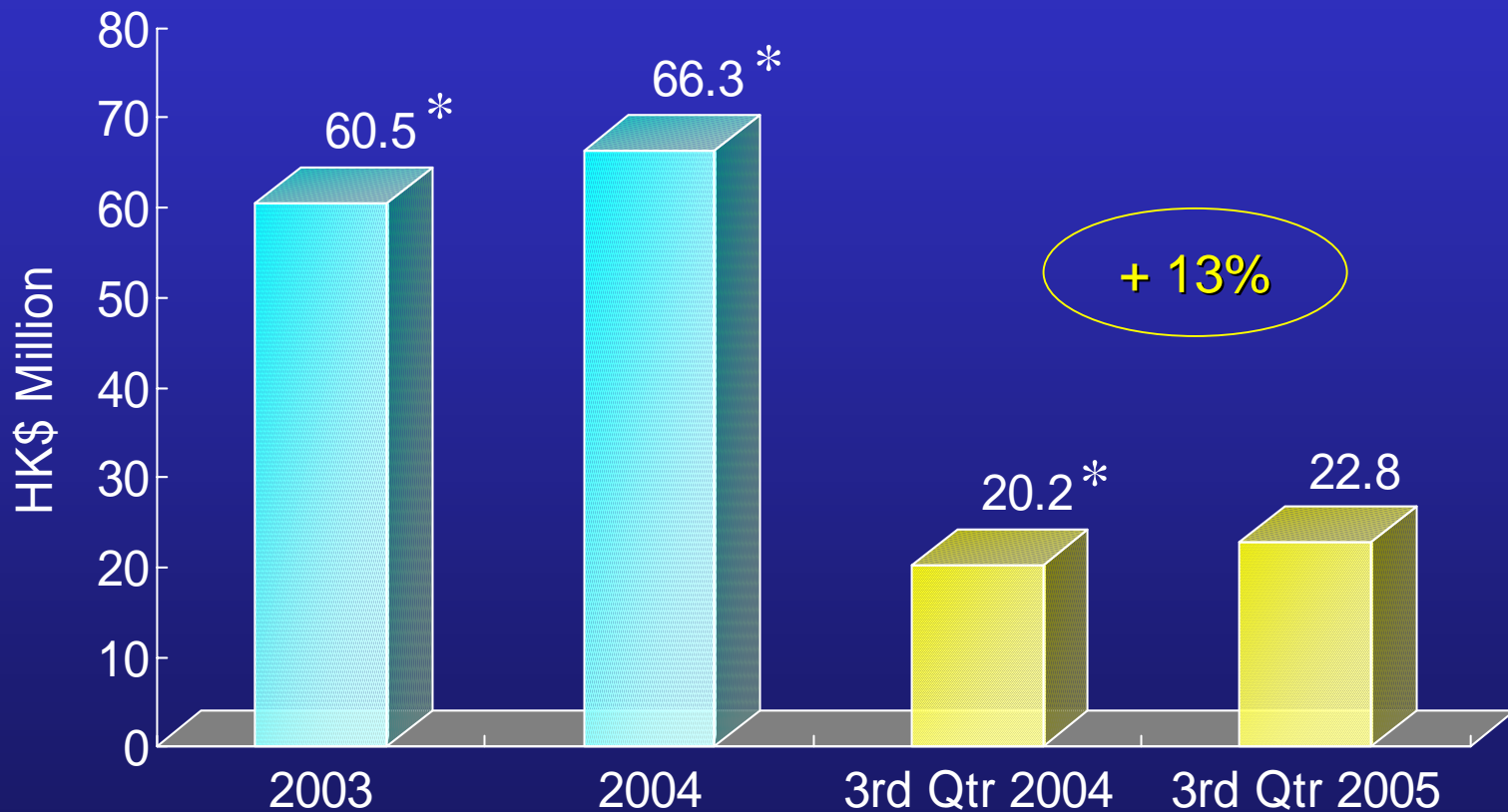
■ Higher Rental & Staff Cost in HK
 ■ More new stores in China



* Restated

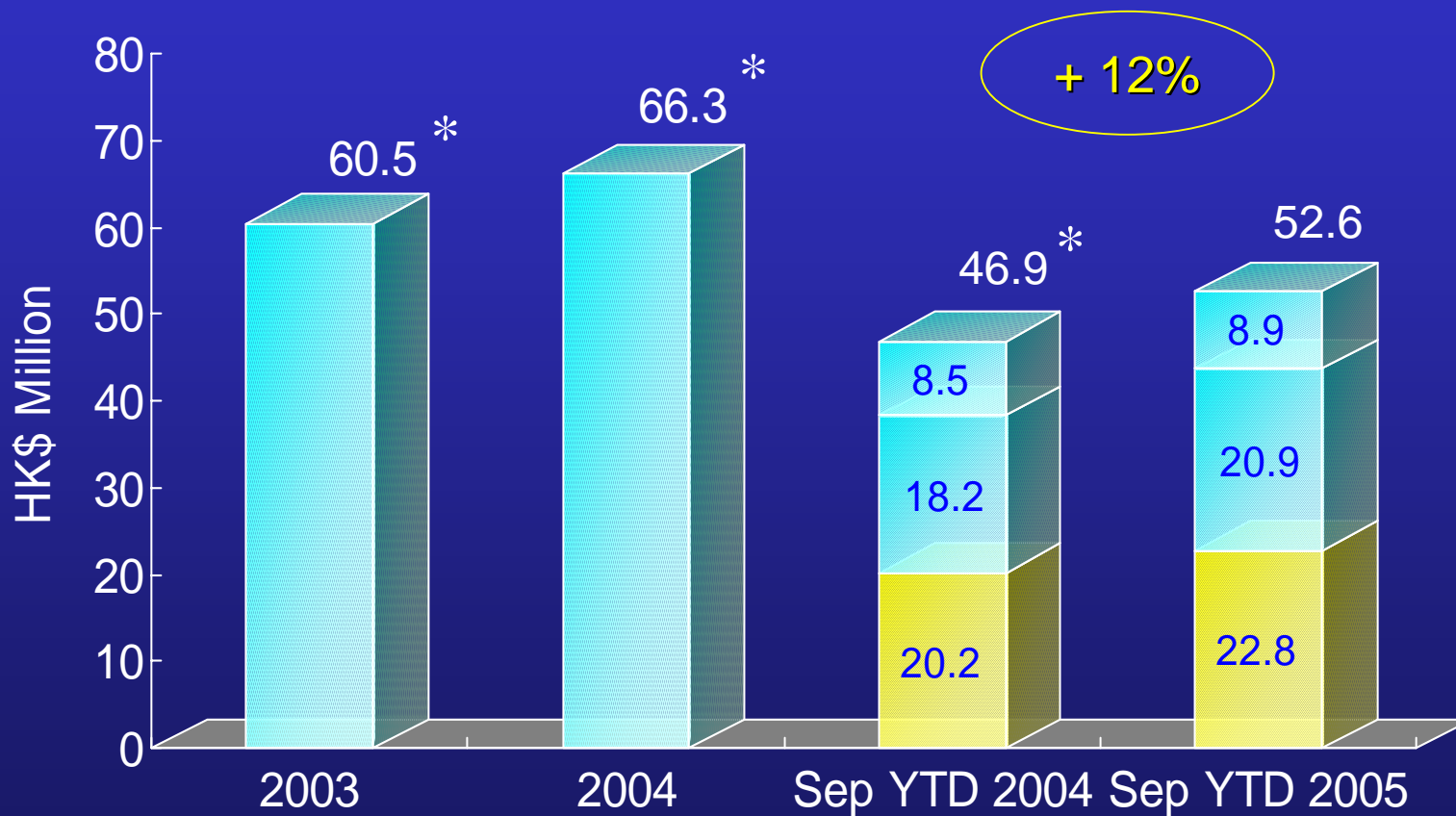
2005 Financial Results Highlights

Group Net Profit – 3rd Quarter



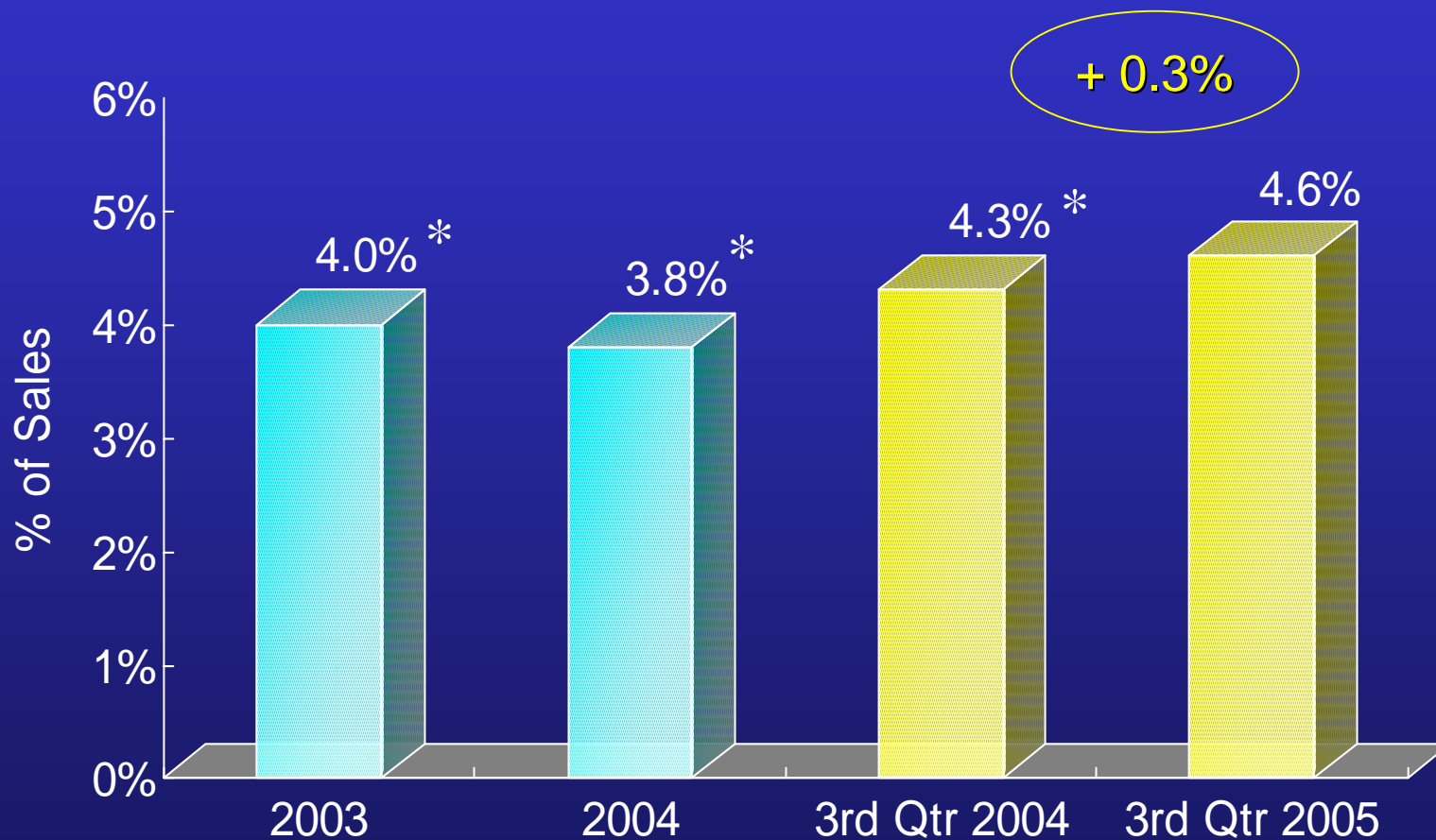
2005 Financial Results Highlights

Group Net Profit – Sep YTD



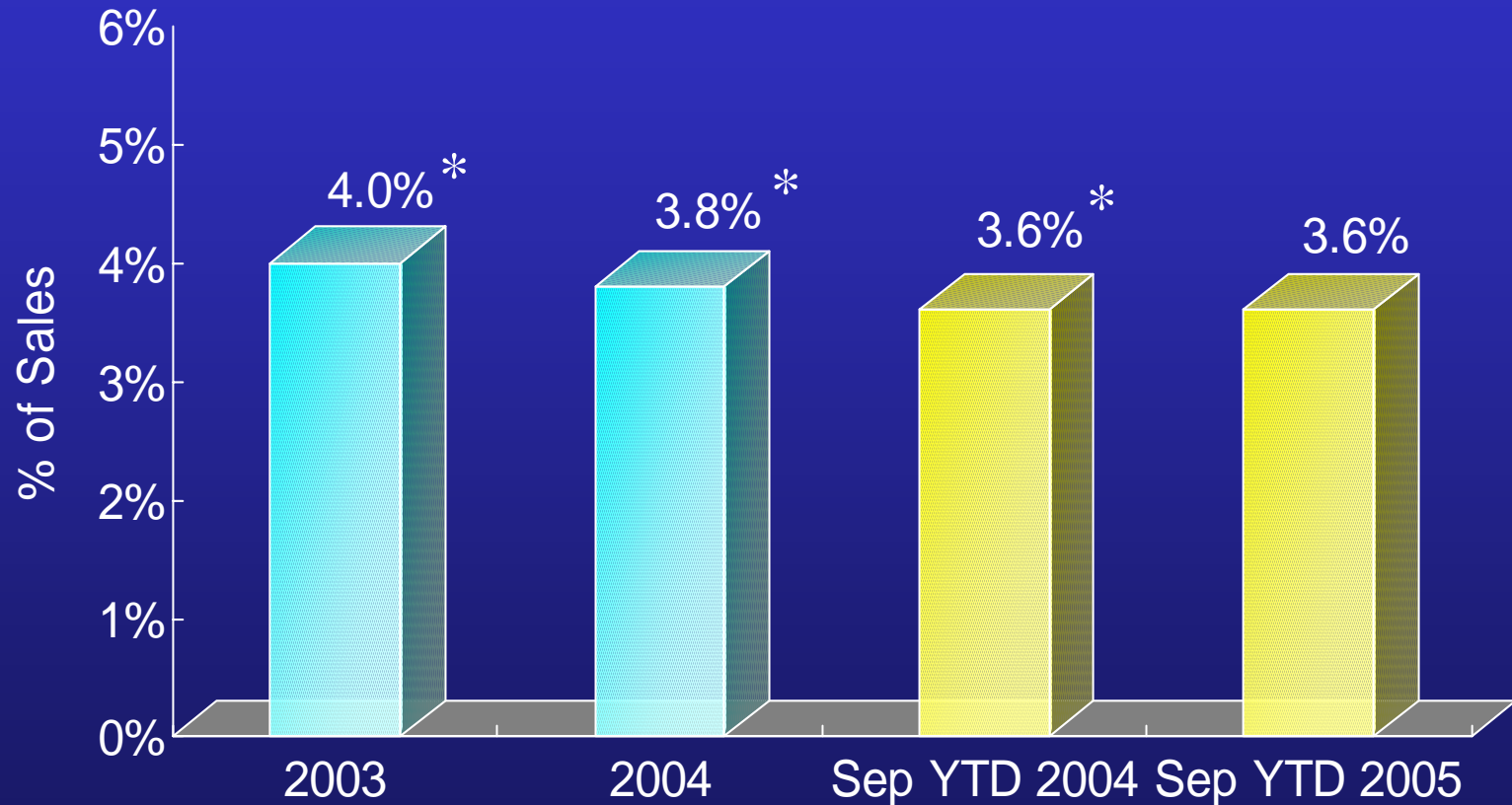
2005 Financial Results Highlights

Net Profit as % of Sales – 3rd Quarter



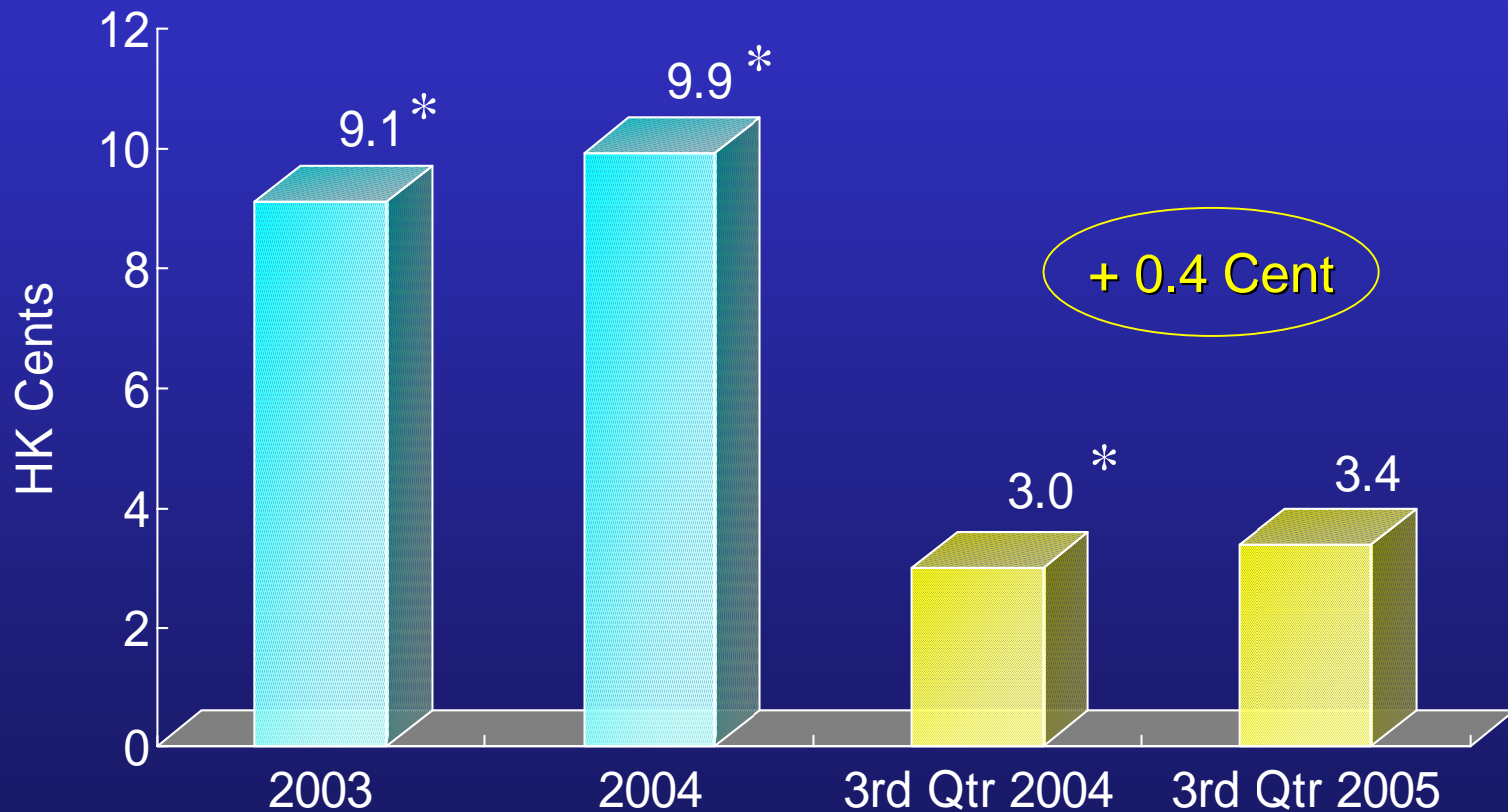
2005 Financial Results Highlights

Net Profit as % of Sales – Sep YTD



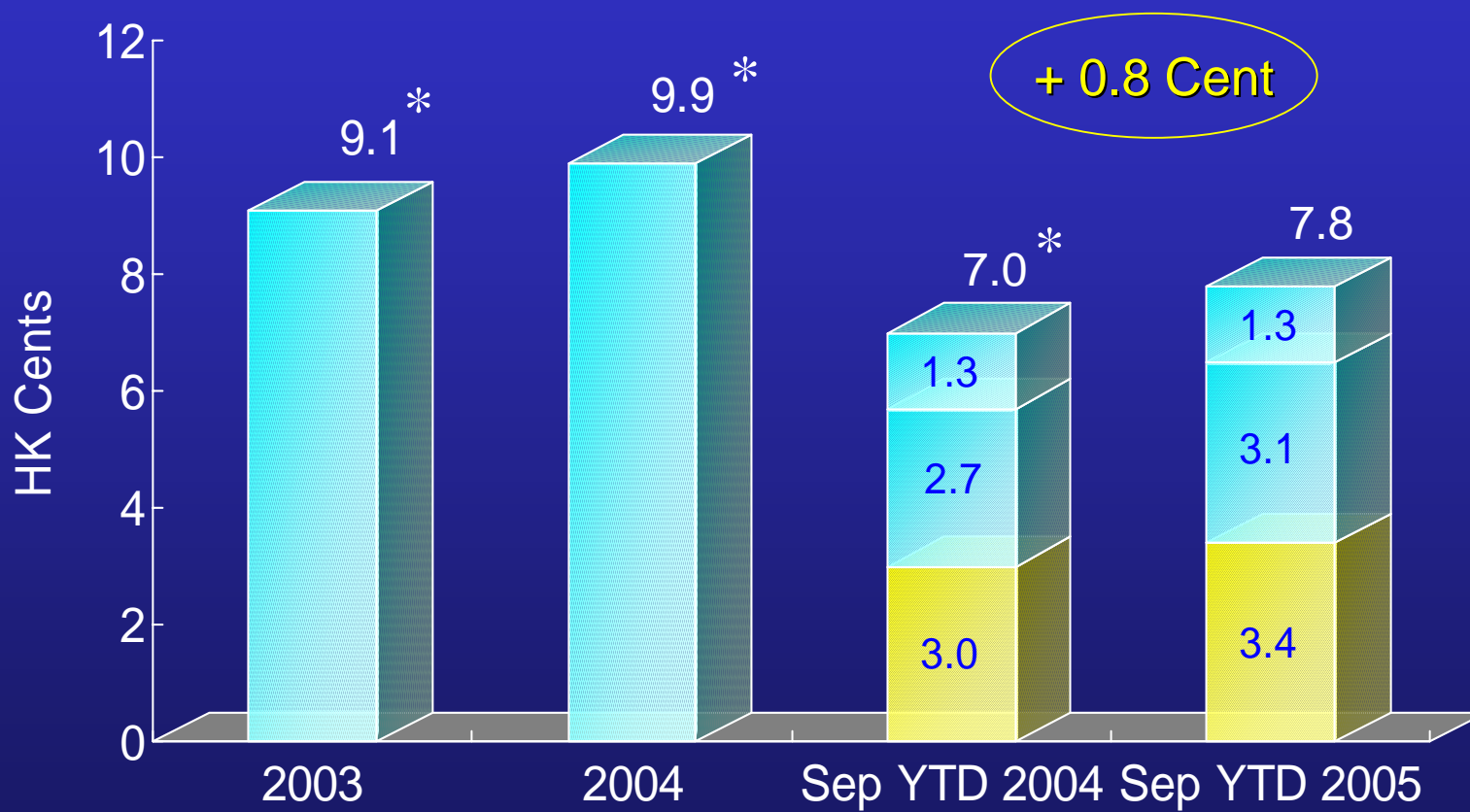
2005 Financial Results Highlights

Basic Earnings Per Share – 3rd Quarter



2005 Financial Results Highlights

Basic Earnings Per Share – Sep YTD



* Restated



3rd Quarter 2005 Financial Results Highlights

	<u>3rd Qtr 2004</u>	<u>3rd Qtr 2005</u>	<u>Change</u>
Group Turnover (HK\$ Million)	466.8*	501.4	+7%
Group Net Profit (HK\$ Million)	20.2*	22.8	+13%
Net Profit as % of Sales	4.3%*	4.6%	+0.3%
Basic Earnings Per Share	3.0 Cents*	3.4 Cents	+0.4 Cent



* Restated



Sep YTD 2005 Financial Results Highlights

	<u>Sep YTD 04</u>	<u>Sep YTD 05</u>	<u>Change</u>
Group Turnover (HK\$ Million)	1,293.6*	1,471.0	+14%
Group Net Profit (HK\$ Million)	46.9*	52.6	+12%
Net Profit as % of Sales	3.6%*	3.6%	-
Basic Earnings Per Share	7.0 Cents*	7.8 Cents	+0.8 Cent



2005 Update & Outlook



2005 Circle K Hong Kong Outlook

- Arrival of PRC tourist peaked out
- Gradual increase in retail sales from local consumer spending
- Free newspaper issue
- Rental peaked but pressure on lease renewal
- Inflation pressure on people cost



2005 Circle K China Outlook

- Circle K Dongguan commences operations
- Complete Circle K Shenzhen license and infra-structure set up
- Circle K Guangzhou to reach 45 – 50 stores



2005 Update & Outlook

Forecast Year-End Number of Stores

Circle K

▪ Hong Kong	234
▪ Macau	12
▪ Guangzhou	50
▪ Dongguan	10
▪ Zhuhai	5
▪ Shenzhen	0
<hr/>	
Total	311



2005 Update & Outlook To Summarize

- Consumer spending in Hong Kong market improving but overall operating environment tougher
- Circle K Southern China enters multi-city store growth
- China store number to increase drastically





3rd Quarter 2005 Results Presentation



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26 October 2005