

2009 Q1 Results Announcement

May 2009



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Financial Review 2009 Q1



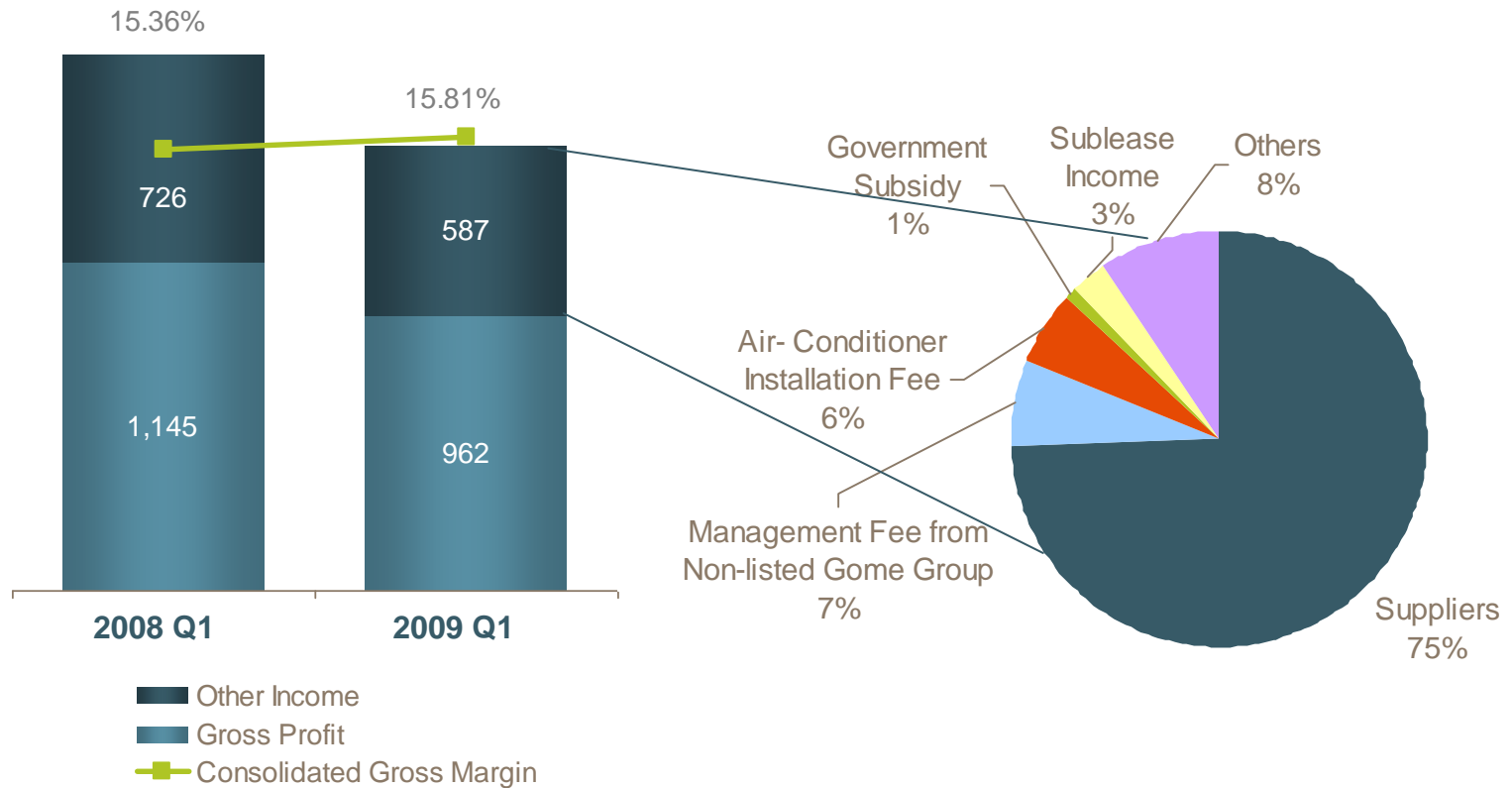
Income Statement Summary

RMB Million	2008 Q1	2009 Q1	Change %
Revenue	12,176	9,801	(19.51%)
Consolidated Gross profit	1,870	1,549	(17.17%)
Profit from Operating Activities	532	321	(39.66%)
Profit before Tax	641	395	(38.38%)
Net Profit Attributable to Shareholders	513	322	(37.23%)
Consolidated Gross Profit Margin	15.36%	15.80%	0.44 Percentage Pts
Operating Profit Margin	4.37%	3.28%	(1.09) Percentage Pts
Effective Tax Rate*	17.54%	17.47%	(0.07) Percentage Pts
Net Profit Margin (Attributable to the Parent)	4.21%	3.29%	(0.92) Percentage Pts



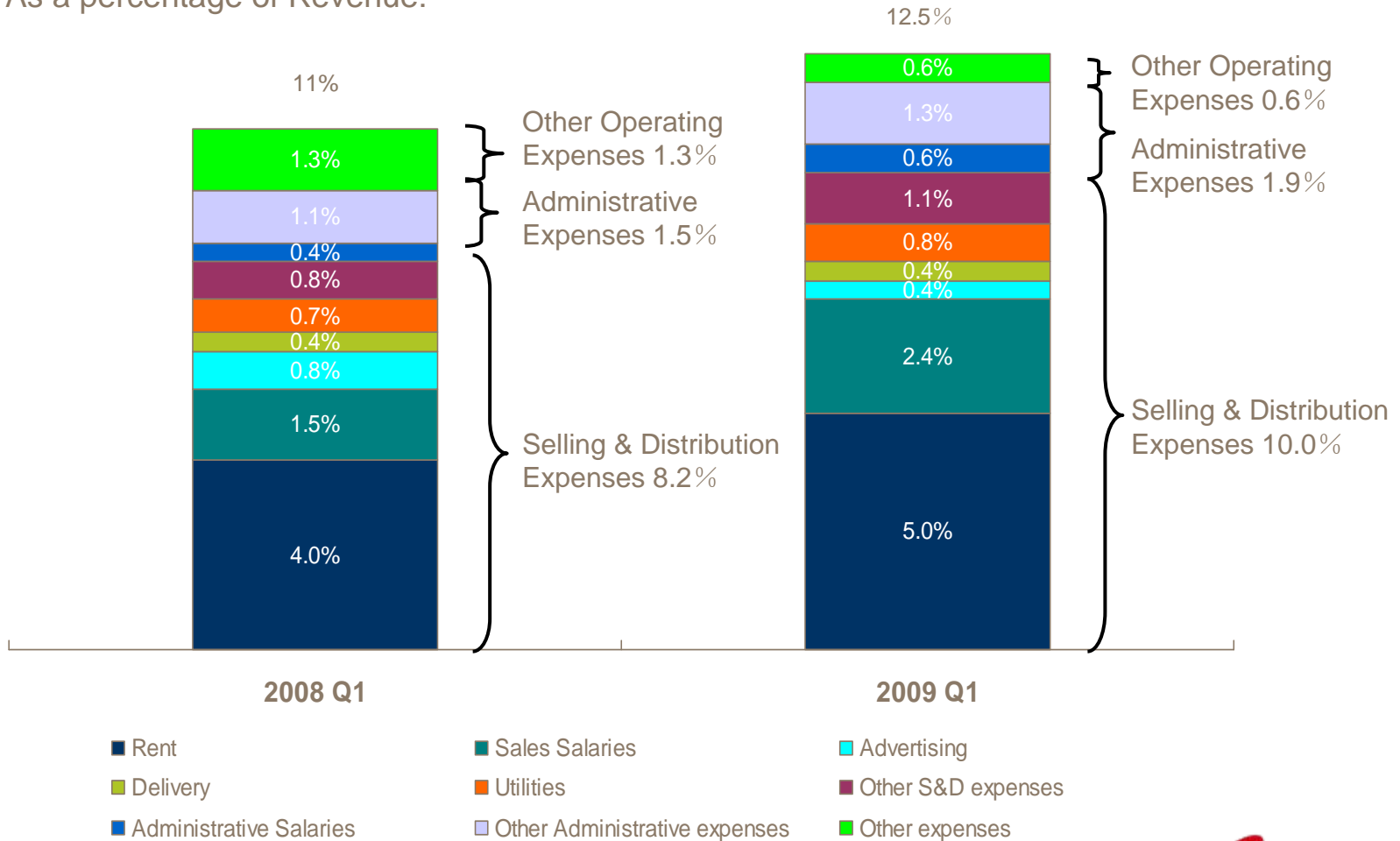
Consolidated Gross Margin and Other Income Analysis

RMB Million



Operating Expenses Analysis

As a percentage of Revenue:



Business Review 2009 Q1

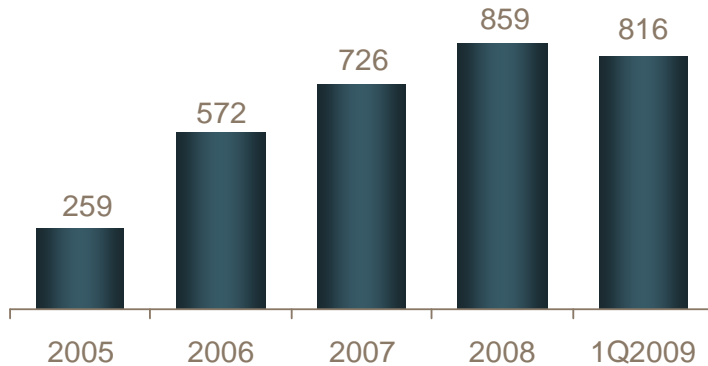


Key Factors Impacting 2009 Q1 Performance

- We saw consumer sentiment remaining weak throughout Q1 2009, exerting downward pressure on volume growth.
- ASPs continued to be under pressure during the reporting period.
- However, revenue and net profit recovered in Q1 2009 as compared to Q4 2008.

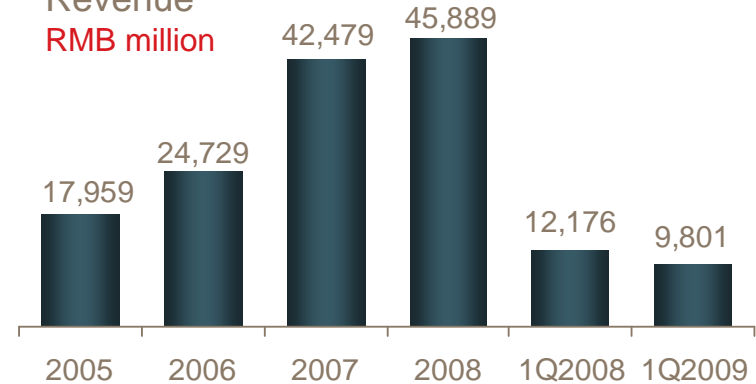
Operating Scale

Number of Stores



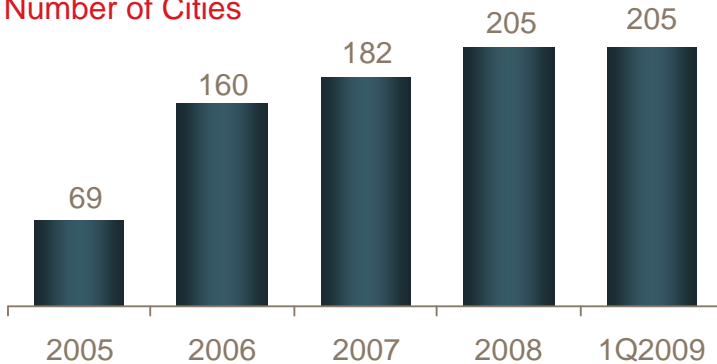
Revenue

RMB million



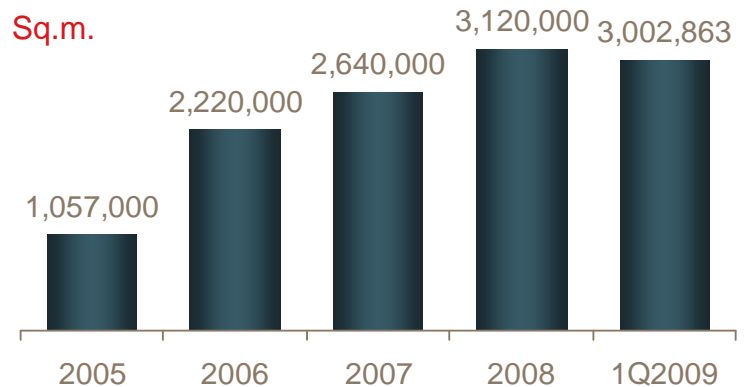
Store Network Coverage

Number of Cities

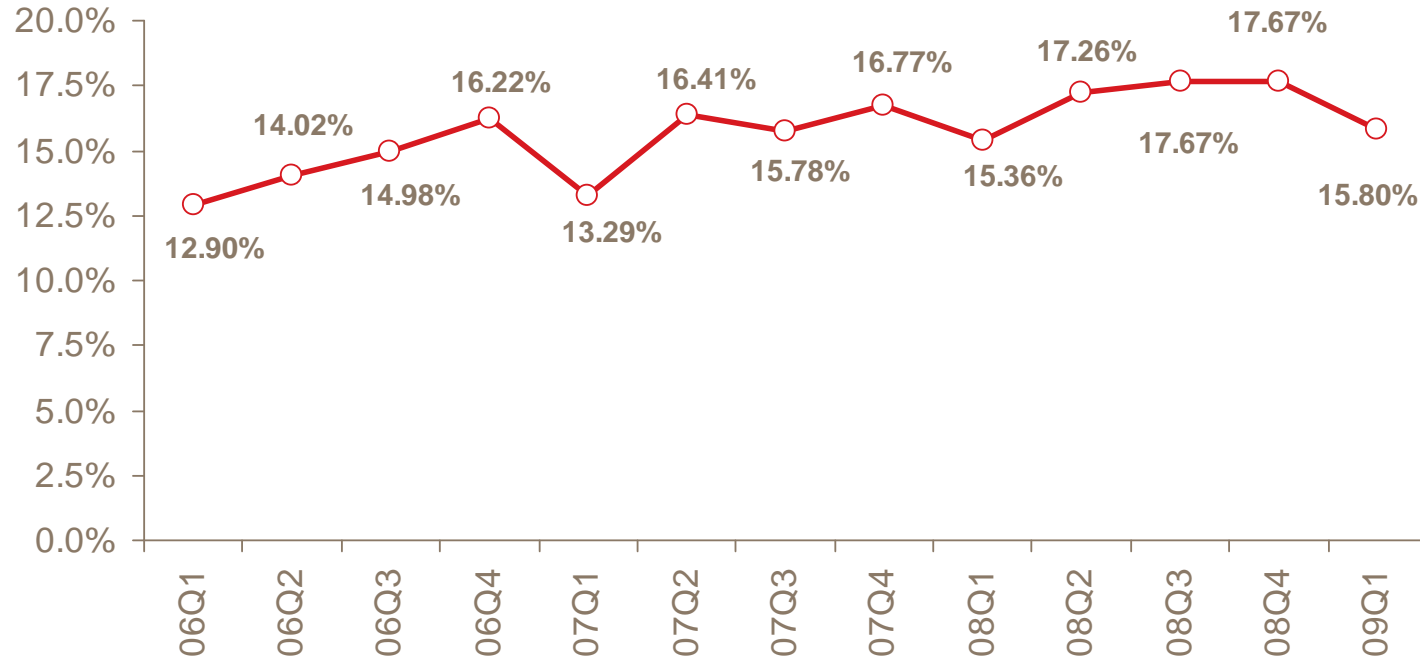


Sales Area at Period End

Sq.m.



Continued Improvement in Consolidated Gross Profit Margin

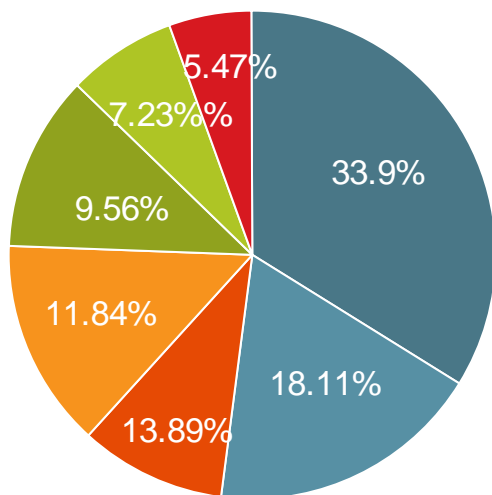


Strategies to stabilize and improve margins

- Differentiation of Product Mix
- Increased sales of accessories
- Optimization of Suppliers' Contracts
- Extended Warranties

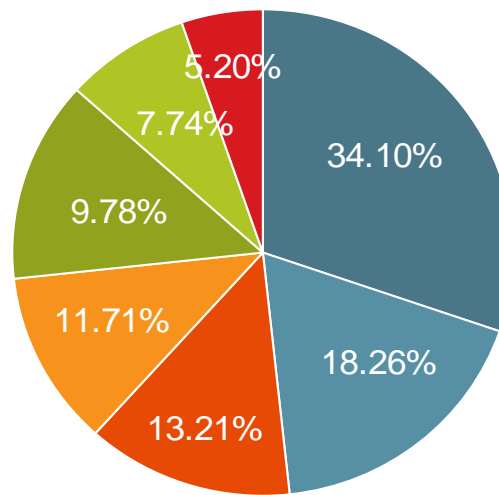


Revenue Mix by Product



2008Q1

Total: RMB 12.18 billion



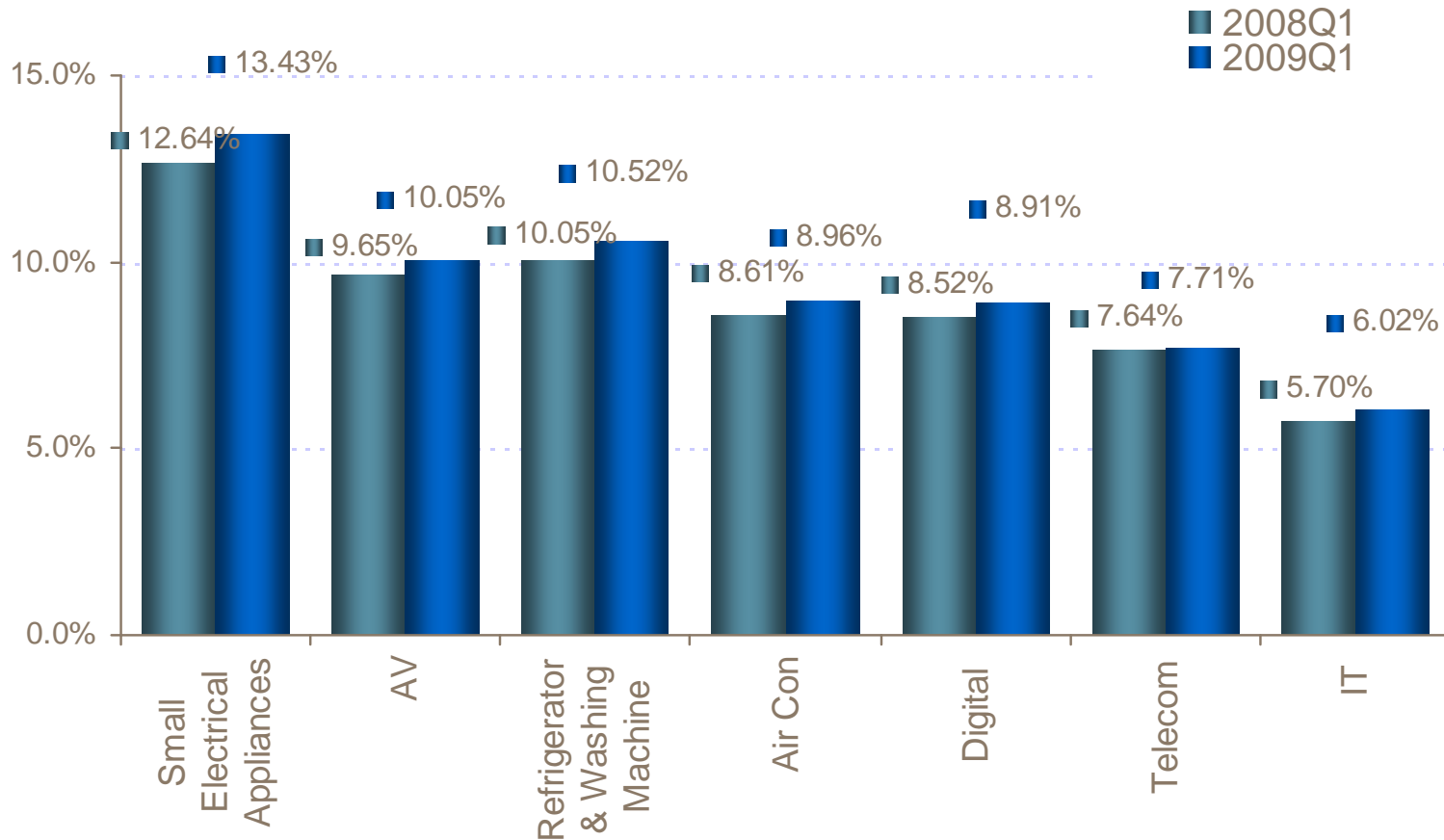
2009 Q1

Total: RMB 9.8 billion

- Audio Visual
- Refrigerators & Washing Machines
- Telecom
- Small Electrical Appliances
- Air Conditioners
- Digital Products
- IT

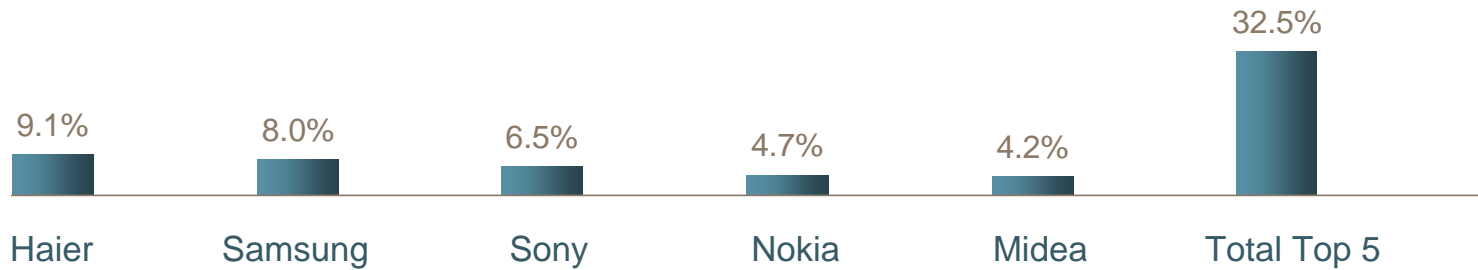


Continuous Improvement in Gross Profit Margin by Product

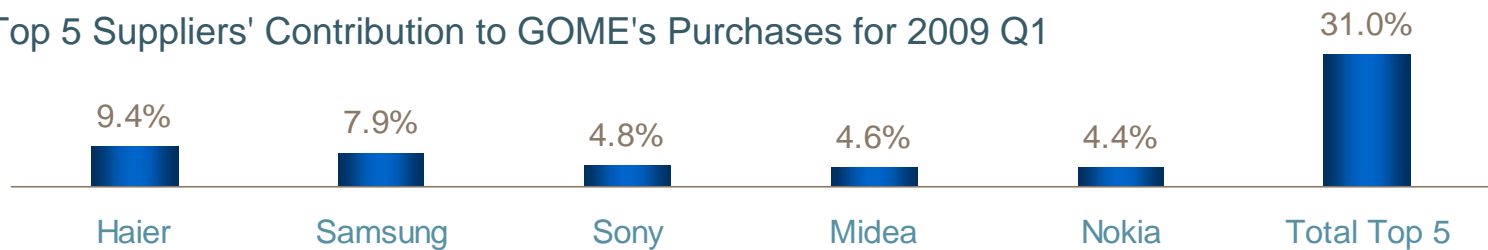


Stable Supplier Relationships

Top 5 Suppliers' Contribution to GOME's Purchases for 2008 Q1

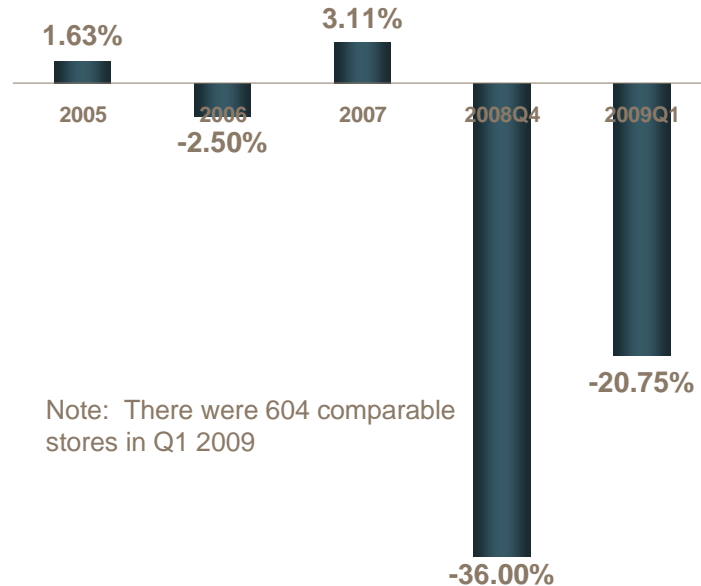


Top 5 Suppliers' Contribution to GOME's Purchases for 2009 Q1



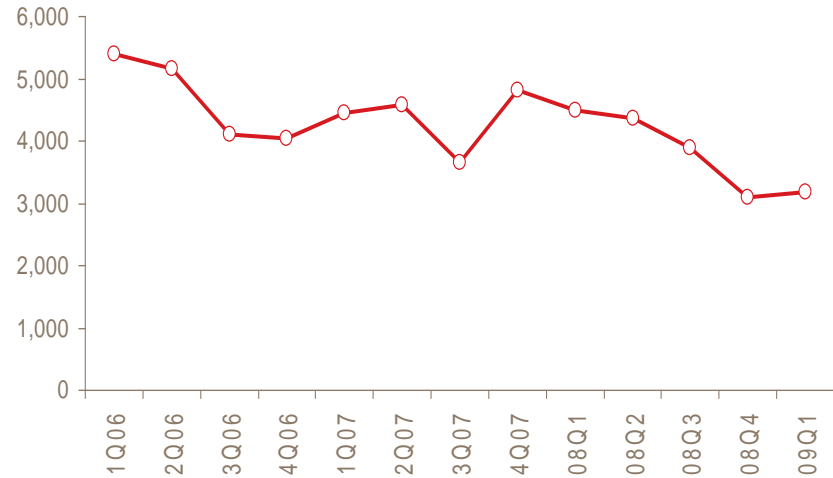
More Room for Operating Efficiency Improvement

Same-Store Sales Growth (YoY)



Note: There were 604 comparable stores in Q1 2009

Sales per sq.meter
RMB/sq.m.



- The decrease in same store sales was due to depressed sales volume and significant decline of ASP in 09Q1 as a result of the continuing global financial crisis and weak consumer sentiment. However, the decrease was less than Q4 2008 and sales per sq. meter were slowly recovering in Q1.
- The company will continue its strategic transformation from rapid store network expansion to individual store productivity improvement, focusing on improving the SSS and sales per sq. meter in the rest of 2009.



Thank You

