[For Immediate Release]

(Incorporated in Hong Kong with limited liability)

Sun Art Retail Group Limited
Sun Art Retail Announces 2013 Interim Results

* * *

Turnover grew 12.9% to RMB44,515 million
Profit for the period rose 15.6% to RMB1,670 million
Steady expansion and effective cost control further enhanced competitive edge

Financial Highlights:

(in RMB million, unless stated otherwise)	For the six months ended 30 June		
	2013	2012	Growth rate
Turnover	**44,515**	39,416	+12.9%
Gross profit	**9,231**	8,066	+14.4%
Profit from operations	**2,298**	2,037	+12.8%
Profit for the period	**1,670**	1,445	+15.6%
Profit attributable to equity shareholders of the Company	**1,576**	1,373	+14.8%
Earnings per share – Basic and diluted[1]	**RMB0.17**	RMB0.14	

(14 August 2013, Hong Kong) Sun Art Retail Group Limited ("Sun Art Retail" or the "Group"; stock code: 6808), a leading hypermarket operator in China, today announces the unaudited consolidated interim results of the Group for the six months ended 30 June 2013.

For the six months ended 30 June 2013, the Group posted a year-on-year increase of 12.9% for its turnover which reached RMB44,515 million. The Group's profit attributable to equity shareholders of the Company increased by 14.8% to RMB1,576 million, and profit for the period rose 15.6% to RMB1,670 million. Basic earnings per share amounted to RMB0.17 for the first half of 2013 as compared to RMB0.14 for the same period in 2012.

Thanks to the Group's ability to leverage on the expansion of business scale, gross profit margin slightly increased to 20.7% from 20.5% for the corresponding period in 2012 and operating margin was 5.2% for the six months ended 30 June 2013, the same as that for the corresponding period in 2012.

– Cont'd –

(1) The calculation of basic and diluted EPS for the six months ended 30 June 2013 and 2012 is based on the weighted average number of 9,539,704,700 ordinary shares in issue during the periods.

Mr. Bruno Robert Mercier, the Chief Executive Officer and Executive Director of the Group commented, *"During the first half of 2013, China's economy expanded at a rather steady pace of 7.6% of gross domestic product growth. While the growth rate of the total retail sales of consumer goods has dropped 1.7% points when compared to the same period of last year, we managed to deliver solid results in the first half of 2013, thanks to our sustained store expansion plan and continuous efforts in cost control. These efforts will be extended to the second half of the year to ensure satisfactory performance of our business."*

During the first half of 2013, the Group's turnover from sales of goods grew 12.9% to RMB43,420 million compared to the corresponding period in 2012. The increase was primarily attributable to the continuous business expansion of the Group with the opening of new stores and same store sales growth of 4.0%, ahead of the customer price index ("CPI"). Turnover from rental income rose year-on-year by 15.6% to RMB1,095 million, primarily attributable to an increase in rentable area from new stores and an increase in rental income from existing stores as a result of better management of tenant mix.

During the period under review, the Group opened 11 hypermarket complexes under the RT-Mart banner, of which 3 were located in Eastern China, 3 in Northern China, 1 in North-Eastern China, 1 in Southern China, 2 in Central China and 1 in Western China.

As of 30 June 2013, the Group had a total of 284 hypermarket complexes in China, with a total gross floor area ("GFA") of approximately 7.89 million square meters, of which approximately 65.2% were operated on leased spaces, 34.2% were self-owned properties, and 0.6% were contracted stores(2).

As of 30 June 2013, through execution of lease contracts or acquisition of land plots, the Group had identified and secured 158 sites to open hypermarket complexes, 117 of which were under construction, ensuring sufficient sites for the Group's expansion in the next three years till 2015 and laying a solid ground for the Group's development in the medium term.

The Group also invested to enhance business operations of its existing network. During the period under review, the Group continued to upgrade the store areas to improve operational efficiency and merchandise display. The automatic control of air conditioning and refrigeration systems parameters at some stores were upgraded with energy-saving and emission reduction targets achieved. It continued to optimize its merchandise mix in order to better fulfil customer requirements, and to strengthen the development of new products under its own brand. As for product procurement, through expanding direct sourcing of vegetables, fruits and dried vegetables and fruits, the Group's pricing became more competitive, while price fluctuations were effectively avoided and supplies stabilized. Such initiative received applause from customers.

– Cont'd –

(2) Contracted Stores are hypermarkets operated by the Group through arrangements under which the hypermarket owner provides the store, equipment and facilities for use by the Group to carry out the Group's hypermarket business and in return is entitled to an annual fee, calculated as either a fixed amount or a fixed percentage of the store's sales revenue, and any remaining profit or loss relating to the operation of the store is attributable to the Group.

In view of the growing trend of online shopping, the Group has continued to extend its price surveys to e-commerce platforms so as to ensure pricing competitiveness of its products and to enhance merchandise differentiation. Besides, the Group established Uitox E-commerce (Shanghai) Co. Limited ("Uitox") in the first half of the year, which will be one of the platforms used by the Group to develop E-commerce business. Home deliveries to customers in Shanghai are expected to start in the fourth quarter of 2013.

The Group has maintained a solid financial position. As at 30 June 2013, the Group's net cash position totalled to approximately RMB6,848 million (31 December 2012: RMB 5,460 million). For the six months ended 30 June 2013, the Group incurred capital expenditure of RMB2,450 million, mainly for the development of new stores and the remodelling of existing stores.

Mr. Mercier concluded, "*Looking ahead, despite the slowdown of economic growth in China, long term trends of urbanization and increase in incomes will continue, creating the potential for sustainable growth in consumption. The Group will continue to seize the opportunities arising from urbanization, and will maintain a steady pace for new store openings so as to offer quality products and pleasant shopping premises to more urban residents. The Group will endeavour to improve operational and staff efficiencies. Besides, we will actively explore the different e-commerce business models so as to provide customers with convenient ways to shop and develop new profit sources for the Group. On the whole, we will embrace challenges arising from the changing market environment and enhance our leading position in the market.*"

Additional Information

As a result of a change in IFRS adopted by the Auchan Group from 1 January 2014, Ruentex Group and Auchan Group have entered into a shareholders' agreement on 14 August 2013 (the "New Shareholders' Agreement") to amend the shareholders' agreement dated 12 December 2010 (the "Existing Shareholders' Agreement"), such that a majority of the directors of CCIL, RT-Mart Holdings and CIC(3) will be recommended by the Ruentex Group and appointed by the Auchan Group starting from 1 January 2014. It is the parties' intention that the existing management team of CCIL, RT-Mart Holdings and CIC will continue to remain unchanged and Mr. Huang Ming-tuan will continue to be the chairman of CCIL, RT-Mart holdings and CIC.

In addition, the parties have amended the existing put option held by the Ruentex Group (details of which are disclosed in the Prospectus), so that, if A-RT removes the directors recommended by the Ruentex Group from the board of CCIL, RT-Mart Holdings and CIC, the Ruentex Group will be able to exercise such option in respect of all its A-RT shares.

Save as disclosed above, the Directors confirm that there have been no other material changes to the terms of the Existing Shareholders' Agreement that needs to be brought to the attention of the shareholders of the Company. Also, the Directors confirm that there is no change to the relationship between the controlling shareholders and business of the Company.

– Cont'd –

(3) CCIL, Concord Champion International Ltd., a directly wholly-owned subsidiary of the Group.
CIC, Concord Investment (China) Ltd., an indirect non wholly-owned subsidiary of the Group

Mr. Samuel Yin, CEO of Ruentex *Group, declares, "I am pleased to see the continuity of management of CCIL which has been so successful for the past years. It is another sign of the strength of the partnership between Auchan and Ruentex*."

Mr. Vianney Mulliez, president of the Board of Auchan Group, declares*, "We are grateful to Ruentex and especially to Mr. Huang Ming-tuan to continue to lead CCIL with the current outstanding level of performance."*

Mr. Huang Ming-tuan, Chairman Founder of RT-Mart China, declares*, "I really appreciate the confidence given to me by the Group's two main shareholders, and confirm my commitment to lead RT-Mart China to create more value*."

– End –

About Sun Art Retail Group Limited

Sun Art Retail is China's largest and fastest growing hypermarket operator in China in term of sales in 2012 and market share increase from 2008 to 2012 respectively. Sun Art Retail operates its hypermarket business under two recognized banners – being the "Auchan" (歐尚) and "RT-Mart" (大潤發) banners. As of 30 June 2013, Sun Art Retail had a nationwide footprint of 284 hypermarket complexes across 26 out of 31 provinces, autonomous regions and municipalities in China.

For further inquiries, please contact:
iPR Ogilvy Ltd.
Natalie Tam/ Charis Yau/ Polly Leung/ Cindy Cheuk
Tel: (852)2136 6182/ 2136 6183/ 2136 8059/ 3920 7648
Fax: (852) 3170 6606
Email: sunart@iprogilvy.com