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This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to Wumart Stores, Inc.. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading and deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.



北京物美商業集團股份有限公司
WUMART STORES, INC.

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 08277)

**IMPLEMENTATION OF SHARE CONSOLIDATION
AND CAPITALISATION ISSUE**

Reference is made to the announcement of the Company dated 25 October 2007, the circular dated 12 November 2007 and the announcement dated 21 February 2008 in relation to the Share Consolidation and the Capitalisation Issue and the subsequent update.

Based on the authorisation granted to the Board by the Shareholders at the EGM and the Class Meetings, the Board is pleased to announce to implement the Share Consolidation and the Capitalisation Issue. The Share Consolidation and the Capitalisation Issue will become effective on Tuesday, 12 April 2011. On the effective date, every four (4) Existing Shares with a nominal value of RMB0.25 each are consolidated into one (1) Consolidation Share with a nominal value of RMB1.00 each, and the Company will issue 960,955,587 Capitalisation Shares with a nominal value of RMB1.00 each to the Shareholders whose name appear on the register of members of the Company on Monday, 11 April 2011 (Record Date), on the basis of three (3) Capitalisation Shares for every one (1) Consolidation Share of the same class, by way of capitalisation of capital reserve in the amount of RMB960,955,587.

After the Share Consolidation and the Capitalisation Issue becoming effective, the registered share capital of the Company will be increased to RMB1,281,274,116 from RMB320,318,529 with the total number of Shares in issue remain unchanged at 1,281,274,116 Shares, comprising 536,568,000 H Shares and 744,706,116 Domestic Shares, representing 41.88% and 58.12%, respectively, of the total issued share capital of the Company.

The listing of, and the dealing in, the Consolidated H Shares and Capitalisation H Shares shall be subject to the approval of the Stock Exchange.

The board lot of the Consolidation H Shares and the Capitalisation H Shares to be listed and dealt on the Stock Exchange will remain unchanged at 1,000 shares upon completion of the Share Consolidation and the Capitalisation Issue.

BACKGROUND

Reference is made to the announcement of the Company dated 25 October 2007, the circular of the Company dated 12 November 2007 and the announcement of the Company dated 21 February 2008 in relation to the Share Consolidation and the Capitalisation Issue and the subsequent update.

IMPLEMENTATION OF THE SHARE CONSOLIDATION AND THE CAPITALISATION ISSUE

Share Consolidation and Capitalisation Issue

Based on the authorisation granted to the Board by the Shareholders at the EGM and the Class Meetings, the Board is pleased to announce to implement the Share Consolidation and the Capitalisation Issue. The Share Consolidation and the Capitalisation Issue will become effective on Tuesday, 12 April 2011. On the effective date, every four (4) Existing Shares with a nominal value of RMB0.25 each are consolidated into one (1) Consolidation Share with a nominal value of RMB1.00 each, and the Company will issue 960,955,587 Capitalisation Shares with a nominal value of RMB1.00 each to the Shareholders whose name appear on the register of members of the Company on Monday, 11 April 2011 (Record Date), on the basis of three (3) Capitalisation Shares for every one (1) Consolidation Share of the same class, by way of capitalisation of capital reserve in the amount of RMB960,955,587.

The listing of, and the dealing in, the Consolidated H Shares and Capitalisation H Shares shall be subject to the approval of the Stock Exchange.

The board lot of the Consolidation H Shares and the Capitalisation H Shares on the Stock Exchange will remain unchanged at 1,000 shares upon completion of the Share Consolidation and the Capitalisation Issue.

As at the date of this announcement, the registered share capital of the Company is RMB320,318,529 and the total number of Shares in issue amounts to 1,281,274,116, comprising 536,568,000 H Shares and 744,706,116 Domestic Shares, all of which have been issued and fully paid up, and the Company does not have any options, warrants, convertible notes, derivatives or other securities convertible or exchangeable into Shares.

After the Share Consolidation and the Capitalisation Issue becoming effective, the registered share capital of the Company will be increased to RMB1,281,274,116 from RMB320,318,529 with the total number of Shares in issue remain unchanged at 1,281,274,116 Shares, comprising 536,568,000 H Shares and 744,706,116 Domestic Shares, representing 41.88% and 58.12%, respectively, of the total issued share capital of the Company.

Effects of the Share Consolidation and the Capitalisation Issue

The Consolidation Shares and the Capitalisation Shares have been fully paid-up, and after the completion of the Shares Consolidation and the Capitalisation Issue, the rights attaching to each Share of the Company attributable to the Shareholders, which rank pari passu with each other in all respects, will not be affected by the Share Consolidation and the Capitalisation Issue. The Share Consolidation and the Capitalisation Issue will not lead to any changes in the proportional interests of the Shareholders in the Company. The Directors believe that the Share Consolidation and the Capitalisation Issue would not have any material adverse impact on the financial position of the Company.

Save for payments of the relevant expenses by the Company, the implementation of the Share Consolidation and the Capitalisation Issue will not alter the underlying assets, business operations, management or financial position of the Company or the interests of the Shareholders.

The shareholding structure of the Company immediately before and after the Share Consolidation and the Capitalisation Issue is set out as follows:

	As at the date of this announcement			Immediately upon completion of the Share Consolidation and the Capitalisation Issue		
	Nominal value (RMB per share)	Number of Shares	Percentage of the total number of Shares	Nominal value (RMB per share)	Number of Shares	Percentage of the total number of Shares
Domestic Shares	0.25	744,706,116	58.12%	1.00	744,706,116	58.12%
H Shares	0.25	536,568,000	41.88%	1.00	536,568,000	41.88%
Total		1,281,274,116	100.00%		1,281,274,116	100.00%
Registered share capital (RMB)		320,318,529			1,281,274,116	

Timetable

It is expected that the Share Consolidation and the Capitalisation Issue will become effective on Tuesday, 12 April 2011. Shareholders registered on the Company's register of members on Monday, 11 April 2011 are entitled to the Share Consolidation and the Capitalisation Issue. The timetable for the implementation of the Share Consolidation and the Capitalisation Issue and the relevant trading arrangements are set out as follows:

Events	Timeline
Last day of dealings in H Shares cum-entitlement to the Capitalisation H Shares	Friday, 1 April 2011
First day of dealings in H Shares ex-entitlement to the Capitalisation H Shares	Monday, 4 April 2011
Latest time for lodging transfer documents and share certificates of H Shares for registration	4:30 p.m., Wednesday, 6 April 2011

Book Closure of register of members of the Company	Thursday, 7 April 2011– Monday, 11 April 2011
Record Date for entitlement to Capitalisation Shares	Monday, 11 April 2011
Effective date of the Share Consolidation	Tuesday, 12 April 2011
First Day of Free exchange of Existing Certificates for New Certificates for Consolidation H Shares	Tuesday, 12 April 2011
Dealing in Consolidation H Shares commences	9:00 a.m., Tuesday, 12 April 2011
Original counter for trading in the Existing Shares in board lots of 1,000 Shares closes	9:00 a.m., Tuesday, 12 April 2011
Temporary counter for trading in the Consolidation H Shares (in the form of Existing Certificates) in board lots of 250 Shares opens	9:00 a.m., Tuesday, 12 April 2011
Despatch of share certificate for the Capitalisation Shares	Thursday, 28 April 2011
Original counter for trading in the Consolidation H Shares (in the form of New Certificates) in board lots of 1,000 Shares re-opens	9:00 a.m., Thursday, 28 April 2011
Parallel trading in Consolidation H Shares (in the form of Existing Certificates and New Certificates) commences	9:00 a.m., Thursday, 28 April 2011
Designated broker stand in the market to provide matching services for odd lots of Shares commences	Thursday, 28 April 2011
Commencement of dealing in the Capitalisation Shares	9:00 a.m., Tuesday, 3 May 2011
Parallel trading in Consolidation H Shares (in the form of Existing Certificates and New Share Certificates) ends	4:00 p.m., Friday, 20 May 2011
Designated broker stand in the market to provide matching services for odd lots of Shares ends	Friday, 20 May 2011
Temporary counter for trading in Consolidation H Shares in board lots of 250 Shares (in the form of Existing Certificates) closes	4:00 p.m., Friday, 20 May 2011
Free exchange of Existing Certificates for New Certificates ends	4:30 p.m., Tuesday, 24 May 2011

Trading arrangement on odd lots of Consolidation H Shares

In order to facilitate the trading of odd lots (if any) of the Consolidation H Shares, the Company, on a voluntary basis, has appointed China Everbright Securities (HK) Limited to provide, during the period from Thursday, 28 April 2011 to Friday, 20 May 2011 (both days inclusive), matching service (on a best effort basis) to those Shareholders who wish to acquire odd lots of the Consolidation H Shares to make up a full board lot, or to dispose of any of their holding of odd lots of the Consolidation H Shares. Holders of odd lots of Consolidation H Shares who wish to take advantage of this trading facility may, directly or through their brokers, contact Mr. Chan Chi Ip, Ringo of China Everbright Securities (HK) Limited at (852) 2530-8326 or at 36th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong during the period from Thursday, 28 April 2011 to Friday, 20 May 2011 (both days inclusive). Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidation H Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot facility, is recommended to consult his/her/its own professional advisers.

Share certificates

To facilitate identification of the Existing Certificates and the New Certificates, the New Certificates will be yellow in colour as opposed to the Existing Certificates which are blue in colour.

Shareholders are urged to exchange their Existing Certificates for the New Certificates as soon as possible on or after Tuesday, 12 April 2011. This may be done free of charge by delivering the Existing Certificates to the Company's H Share registrar (the "**Registrar**"), at Rooms 1712-1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before 4:30 p.m. on Wednesday, 6 April 2011. Thereafter, Existing Certificates will be accepted for exchange of New Certificates only upon payment of a fee of HK\$2.50 (or such amount as may from time to time be prescribed by the Stock Exchange) for each New Certificate issued or each Existing Certificate lodged, whichever is the higher, in terms of certificates.

If Shareholders are able to lodge their Existing Certificates between 9:00 a.m. and 4:30 p.m. on Tuesday, 12 April 2011, it is expected that New Certificates will be available for collection during normal business hours on or after Wednesday, 27 April 2011. If Shareholders lodge their Existing Certificates after Tuesday, 24 May 2011, it is expected that New Certificates will be available for collection on or after the tenth business days from the date of submission of the Existing Certificates to the Registrar at the above address for exchange.

Existing Certificates will only be valid for dealing and settlement purposes for the period up to Friday, 20 May 2011 and thereafter will not be accepted for dealing and settlement purposes. However, the Existing Certificates will continue to be good evidence of legal title to the Consolidation Shares on the basis of one (1) Existing Share for 0.25 Consolidation Share and may be exchanged for New Certificates at any time.

Amendments to the Articles

Immediately after the Share Consolidation and the Capitalisation Issue becoming effective, as the nominal value of the Shares of the Company will be altered from RMB0.25 per Share to RMB1.00 per Share, the registered share capital of the Company will also be increased from RMB320,318,529 to RMB1,281,274,116. The Company will complete its amendments to the Articles and the filing procedures with the relevant authorities and/or other authorities in the PRC and in Hong Kong, in order to reflect the changes in the registered share capital and the nominal value of each Share of the Company.

Listing and dealing

The Company will submit an application to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in the Consolidation H Shares and the Capitalisation H Shares. Subject to the approval for the listing of, and permission to deal in, the Consolidation H Shares and the Capitalisation H Shares on the Stock Exchange, the Consolidation H Shares and the Capitalisation H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidation H Shares and the Capitalisation H Shares on the Stock Exchange or such other date as shall be determined by HKSCC.

All necessary arrangements will be made for the Consolidation H Shares and the Capitalisation H Shares to be admitted into CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following capitalised items shall have the following meanings:

“Articles”	the articles of association of the Company adopted by a resolution of the Shareholders on 29 October 2003, and as amended from time to time
“Board”	the board of Directors
“Capitalisation Domestic Share(s)”	new Domestic Share(s) with a nominal value of RMB1.00 each to be allotted and issued pursuant to the Capitalisation Issue
“Capitalisation H Share(s)”	new H Share(s) with a nominal value of RMB1.00 each to be allotted and issued pursuant to the Capitalisation Issue

“Capitalisation Issue”	the issue of 960,955,587 new Shares with a nominal value of RMB1.00 each, on the basis of three (3) Capitalisation H Shares for every one (1) Consolidation H Share and three (3) Capitalisation Domestic Shares for every one (1) Consolidation Domestic Share, upon the capitalisation of RMB960,955,587 from capital reserve of the Company to the registered share capital
“Capitalisation Share(s)”	Capitalisation Domestic Share(s) and Capitalisation H Share(s)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Class Meetings”	the H Share Class Meeting and the Domestic Share Class Meeting
“Company”	Wumart Stores, Inc. (北京物美商業集團股份有限公司), a joint stock limited company incorporated with limited liability under the laws of the PRC, the H Shares of which are listed on GEM
“Consolidation Domestic Share(s)”	the Domestic Share(s) with a nominal value of RMB1.00 each in the registered share capital of the Company subsequent to completion of the Share Consolidation
“Consolidation H Share(s)”	the H Share(s) with a nominal value of RMB1.00 each in the registered share capital of the Company subsequent to completion of the Share Consolidation
“Consolidation Share(s)”	Consolidation H Share(s) and Consolidation Domestic Share(s) of RMB1.00 each in the registered share capital of the Company upon completion of the Share Consolidation
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the existing ordinary shares with a nominal value of RMB0.25 each and subsequent to the Share Consolidation with a nominal value of RMB1.00 each in the total number of Shares of the Company, which were subscribed by domestic shareholders and credited as fully paid up in RMB
“Domestic Share Class Meeting”	the meeting of the holders of Domestic Shares held on 28 December 2007
“Existing Certificate(s)”	the share certificate(s) of the Company with a nominal value of RMB0.25 each, which are blue in colour
“Existing Share(s)”	the existing Domestic Share(s) and H Share(s) in issue, both with a nominal value of RMB0.25 each
“EGM”	the extraordinary general meeting of the Company held on 28 December 2007
“GEM”	the Growth Enterprise Market of the Stock Exchange

“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“H Share(s)”	the existing overseas listed foreign shares with a nominal value of RMB0.25 each and subsequent to the Share Consolidation with a nominal value of RMB1.00 each in the total number of Shares of the Company, which were subscribed for and traded in Hong Kong dollars and credited as fully paid up and listed on the GEM
“H Share Class Meeting”	the meeting of the holders of H Shares held on 28 December 2007
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“New Certificate(s)”	the share certificate(s) of the Company with a nominal value of RMB1.00 each, which are yellow in colour
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Record Date”	11 April 2011
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Share Consolidation”	the proposed consolidation of every four (4) Existing Shares with a nominal value of RMB0.25 each into one (1) Consolidation Share with a nominal value of RMB1.00 each
“Share(s)”	Domestic share(s) and H Share(s)
“Shareholder(s)”	holder(s) of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Wumart Stores, Inc.
Dr. Wu Jian-zhong
Chairman

Beijing, the PRC

22 March 2011

As at the date of this announcement, the Board comprises Dr. Wu Jian-zhong, Mr. Zhu Younong, Dr. Meng Jin-xian and Madam Xu Ying as executive Directors, Mr. Wang Jian-ping, Mr. John Huan Zhao and Madam Mary Ma as non-executive Directors, and Mr. Han Ying, Mr. Li Lu-an and Mr. Lu Jiang as independent non-executive Directors.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at <http://www.wumart.com>.