



JUSCO STORES (HONG KONG) CO., LIMITED

吉之島 (香港) 百貨有限公司

(Incorporated in Hong Kong with Limited Liability)

**PROPOSED CHANGE OF COMPANY NAME
AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION
OF THE COMPANY**

The Board proposed to (i) change the name of the Company to "AEON Stores (Hong Kong) Co., Limited" and the Chinese name of the Company to "永旺 (香港) 百貨有限公司" subject to the conditions set out in the section headed "Conditions" below; and (ii) amend the memorandum (the "Memorandum") and articles (the "Articles") of Association (together, the "M&A") of the Company.

A circular containing further details of the above proposals and the notice of the annual general meeting will be despatched to the shareholders of the Company as soon as practicable.

PROPOSAL FOR CHANGE OF NAME

The board of directors (the "Board") of Jusco Stores (Hong Kong) Co., Limited (the "Company", together with its subsidiaries, the "Group") proposed to change the name of the Company to "AEON Stores (Hong Kong) Co., Limited" and the Chinese name of the Company to "永旺 (香港) 百貨有限公司" subject to the conditions set out in the section headed "Conditions" below.

Jusco Co., Ltd., the holding company of Jusco Stores (Hong Kong) Co., Limited, changed its name to AEON Co., Ltd. on 21 August 2001. AEON Co., Ltd. intends that all its major subsidiaries shall also carry the name "AEON" as part of their company names. The unified style of company name will enhance a strong, unique global enterprise image for AEON group of companies. Accordingly, if the proposed change of name becomes effective, Jusco Stores (Hong Kong) Co., Limited 吉之島 (香港) 百貨有限公司 will be renamed as "AEON Stores (Hong Kong) Co., Limited 永旺 (香港) 百貨有限公司". The change will gain an immediate publicly recognisable corporate relationship with AEON Group. The Directors believe that the common identity will strengthen its corporate image and enhance its future business development.

The Board considers that the change of name will not have material impact on the goodwill of the Group in the retailing industry given the fact that the retailing business of the Group will continue to be carried out under the name of "JUSCO 吉之島".

Conditions

The proposed change of name of the Company is subject to the satisfaction of the following conditions:

- (i) the passing of the special resolution by the shareholders of the Company at the annual general meeting (the "AGM") or any adjournment therefor; and
- (ii) the approval by the Registrar of Companies in Hong Kong being obtained for the proposed change of name.

Effect on Change of Name

The proposed change of name of the Company will not affect any of the rights of the shareholders of the Company. The existing share certificates in issue bearing the current name of the Company will continue to be evidence of title to the shares of the Company under the new name upon the change of name becoming effective and will be valid for trading, settlement and registration purpose. Should the change of name of the Company become effective, any issue of share certificates thereafter will be in the new company name and the securities of the Company will be traded on The Stock Exchange of Hong Kong Limited in the new company name.

Share Certificates

If the shareholders of the Company so wish, they may, within one month from the date on which the change of name becomes effective, deliver existing share certificates in respect of the shares of the Company held by them to the Company's share registrars, Secretaries Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, to exchange at the expense of the Company, for the new share certificates bearing the new name of the Company. After the expiry of such one month period, share certificates of the Company will be accepted for exchange at the expense of the shareholders of the Company. Such exchanges will incur a fee of HK\$2.50 (or such higher amount as may be stipulated in the Listing Rules) for each of such certificates to be issued.

PROPOSAL FOR AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

Amendments arising out of the Change of Name

Subject to the passing of the special resolution for the above change of company name, it is proposed to have a corresponding amendment to the first clause of the Memorandum in order to reflect the change of name of the Company.

Amendments arising out of the Change of Law

With the effect of the Securities and Futures Ordinance on 1st April, 2003, Hong Kong Securities Clearing Company Limited ("HKSCC") requires that (i) the imprinted signatures on behalf of HKSCC Nominees Limited (or any Successor thereto) on transfer deeds whether as a transferor or a transferee will continue to be accepted; and (ii) HKSCC and/or its nominees can appoint multiple corporate representatives to attend and vote at shareholders' meetings of the Company as if they were individual shareholders. In order to comply with such requirements, it is proposed to amend (i) Article 38 of the Articles to allow that instruments of transfer of shares of the Company may be executed by mechanical means or such other manner of execution as the Board may approve from time to time if the transferor or transferee is a recognised clearing house or its nominee(s); and (ii) Article 82 of the Articles to allow a member who is a recognised clearing house or its nominee to appoint multiple corporate representatives to attend and vote at shareholders' meetings of the Company as if each were an individual shareholder.

General amendment to update the Articles

In addition, the Directors propose to clarify the term "Hong Kong" used in the M&A to reflect the hand-over of sovereignty over Hong Kong by The United Kingdom to The Peoples' Republic of China in July 1997. A new definition for "recognised clearing house" will also be added in Article 2 to correspond with the proposed amendments to the Article 38 and Article 82 above.

GENERAL

A circular containing details of the proposed change of name of the Company and amendments to the M&A together with a notice convening the AGM will be despatched to the shareholders of the Company as soon as practicable and a further announcement will be made by the Company when the change of name becomes effective and all filing requirements of the Registrar of Companies in Hong Kong in connection therewith have been fulfilled.

Yours faithfully,
By Order of the Board of
Jusco Stores (Hong Kong) Co., Limited
Kazumasa Ishii
Managing Director