WIN SHARE

四川新華文軒連鎖股份有限公司

SICHUAN XINHUA WINSHARE CHAINSTORE CO., LTD.*

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

(Stock Code: 811)

ANNOUNCEMENT

PROPOSED ADJUSTMENTS TO BUSINESS STRATEGIES

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Reference is made to the sub-section headed "OUR STRATEGIES" in the section headed "BUSINESS" and the sub-section headed "FUTURE PLANS" in the section headed "FUTURE PLANS AND USE OF PROCEEDS" in the prospectus of the Company dated 16 May 2007.

Currently, the Group is principally engaged in (i) the operation of retail outlets for books and audiovisual products; (ii) distribution of textbooks and supplementary materials; and (iii) provision of ancillary support and services to publishers of books in the PRC. In view of the thorough transformation in the news and publication system in the PRC and the changes in global financial circumstances, and based on a comprehensive review and evaluation on the publication and distribution industry in the PRC and the internal capabilities of the Company, the Board proposes to adjust the business strategies of the Company in order to cope with the development of the publication and distribution industry and further strengthen the core competitiveness and the continued development of the Company.

The Board proposes to expand the Company's current principal business of publication and distribution in order to capture the opportunities associated with the change of the news and publication system in the PRC, unify the operation of the Company's publication and distribution chains, actively develop related businesses including but not limited to mass media and cultural education, and develop the Group into a leading cultural and mass media conglomerate in the PRC.

The Board considers that the proposed adjustments to the business strategies of the Company are in the interests of the Company and the Shareholders as a whole for the following reasons:

- The proposed strengthening of foundations of the existing publication and distribution business, unification of the operation of the publication and distribution chains and expansion into related business including but not limited to mass media and cultural education would enhance the Company's capabilities in its continued development.

- The proposed adjustments to the development strategies of the existing business of the Company would enhance the internal structure of the Company's business, increase the competitiveness and profitability of the principal business of the Company, and assist the Company to achieve a better business model and profit margins.

- The new businesses would bring additional source of income to the Company, which would further enhance the core competitiveness, profitability and continued development of the Company, and would provide better rate of returns to the Shareholders.

EGM

The proposed adjustments to business strategies of the Company are subject to approval from the Shareholders at the EGM by way of ordinary resolution.

No Shareholders will be required to abstain from voting in respect of the resolution relating to the proposed adjustments to business strategies of the Company at the EGM.

CIRCULAR TO SHAREHOLDERS

A circular containing details of the proposed adjustments to business strategies of the Company and the notice of the EGM will be sent to the Shareholders as soon as practicable.

DEFINITIONS

For the purposes of this announcement, capitalised terms appearing herein shall, unless the context otherwise admits, have the meanings set out below:

"Board"	the board of Directors
"Company"	四川新華文軒連鎖股份有限公司 (Sichuan Xinhua Winshare Chainstore Co., Ltd.*), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited
"Directors"	the directors of the Company
"EGM"	an extraordinary general meeting of the Company to be convened to approve the proposed adjustments to business strategies of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"PRC"	the People's Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan)
"Shareholder(s)"	the shareholder(s) of the Company

By order of the Board
SICHUAN XINHUA WINSHARE CHAINSTORE CO., LTD.*
Gong Cimin
Chairman

Sichuan, PRC, 16 June 2009

As at the date of this announcement, the Board comprises (a) Mr. Gong Cimin and Mr. Zhang Bangkai as executive directors; (b) Ms. Wang Jianping, Mr. Yu Changjiu, Mr. Li Jiawei, Mr. Luo Jun, Mr. Wu Qiang, Mr. Zhang Chengxing, Mr. Zhao Junhuai and Mr. Zhao Miao as non-executive directors; and (c) Mr. Han Xiaoming, Mr. Cheng Sanguo and Mr. Chan Yuk Tong as independent non-executive directors.

* *For identification purposes only*