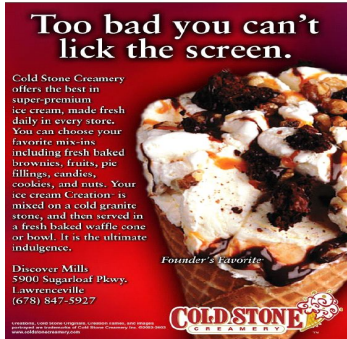


President Chain Store 2011 Analyst Meeting

2011.04.29



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Agenda

- **2010 and 2011Q1 Results**
- **2011 Outlook**
- **Q&A**

2010 and 2011Q1 Results

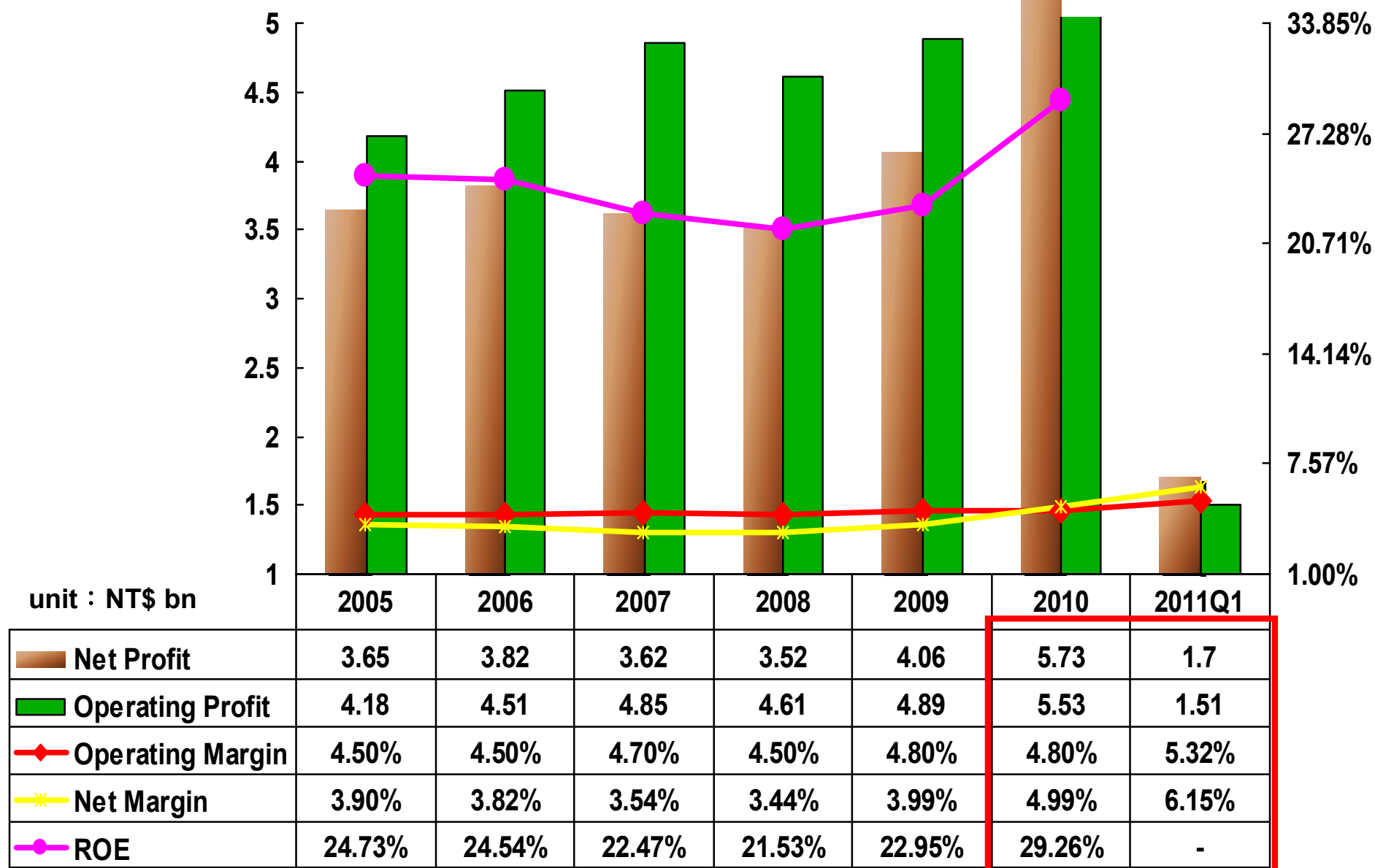
Parent Income Statement

Unit:\$NT'million

	<u>2010</u>		YOY	<u>2011Q1</u>		YOY
	<u>Amount</u>	<u>%</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>%</u>
Net sales	111,074	96.9%	12.9%	27,320	96.6%	5.1%
Other operating revenue	3,590	3.1%	6.4%	964	3.4%	8.2%
Total operating revenue	114,664	100.0%	12.7%	28,283	100.0%	5.2%
Gross profit	35,923	31.3%	9.0%	8,964	31.7%	8.8%
Operating expenses	(30,395)	-26.5%	8.3%	(7,459)	-26.4%	6.9%
Operating income	5,527	4.8%	13.0%	1,505	5.3%	19.6%
Non-operating income	1,102	1.0%	increase 1352	533	1.9%	-20.9%
Income before taxes	6,629	5.8%	42.7%	2,039	7.2%	5.5%
Income tax expense	903	0.8%	54.4%	299	1.1%	-8.5%
Net Income	\$5,726	5.0%	41.1%	\$1,739	6.1%	8.3%
Earnings per share	(pre-tax)	(after tax)		(pre-tax)	(after tax)	
Net income (unit:\$NTD)	<u>6.38</u>	<u>5.51</u>		<u>1.96</u>	<u>1.67</u>	

* non-operating income in 2010Q1 included conversion gain from Toppoly, amounting to NT\$ 294m.

Profitability Hit a New High



Two Engines for Growth: 7-11 Taiwan and Subsidiaries

NI grow 41% in 2010
NI grows 8% in 2011Q1

Solid growth from Taiwan 7-11

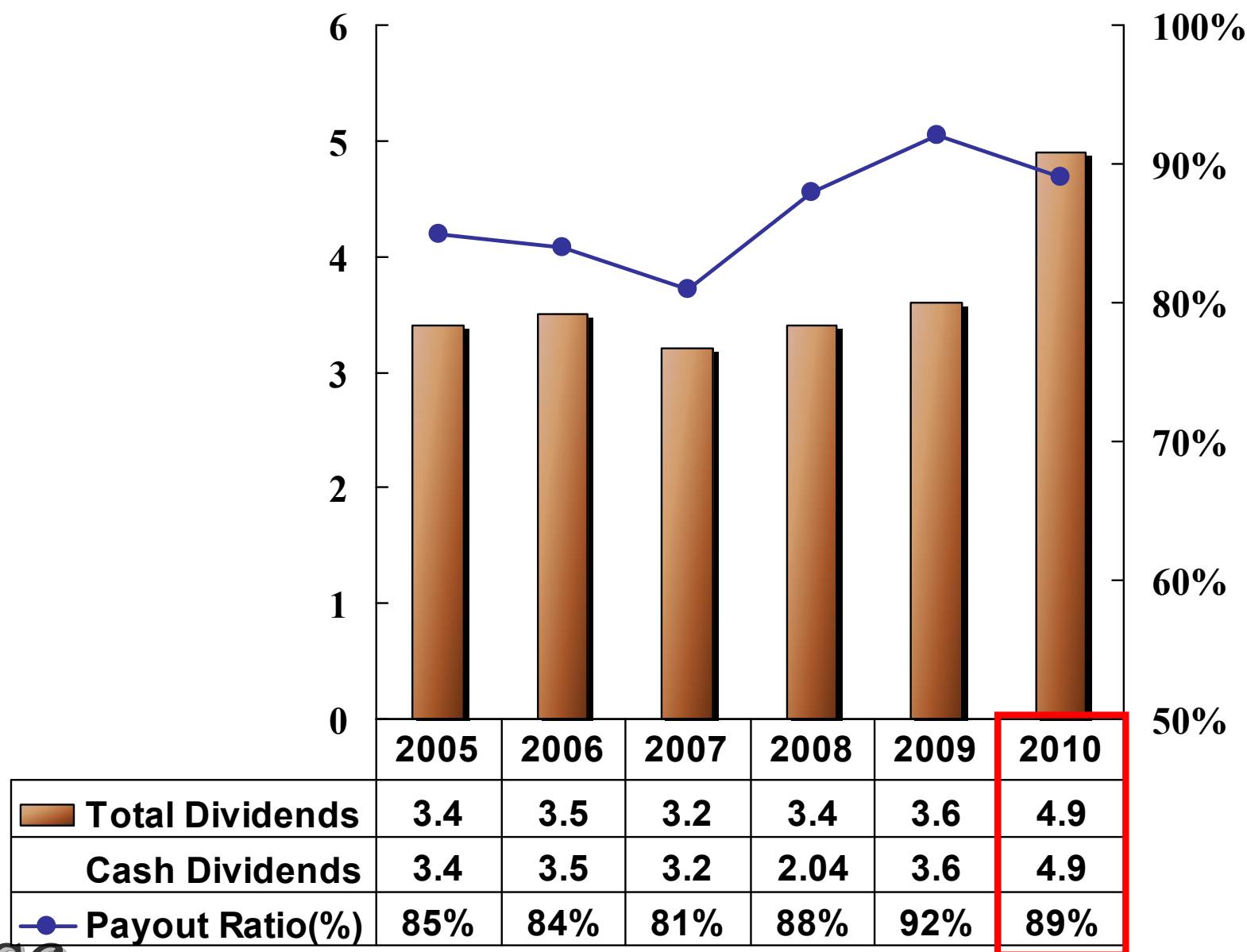
- ✓ Internal strategies
 - New store formats
 - Private Label products
 - Virtual business
 - Innovative promotions

Positive contribution from Subsidiaries

- ✓ 12 subsidiaries' NI over NT\$100m in 2010.
- ✓ Loss from Chinese businesses declines

Dividend Policy

Cash Dividend Reaches New High



2011 Outlook

Taiwan 7-11 : Strengthen Real-virtual Retail Platform

Over 35% are Bigger Stores

Food Store

City Café and
Fresh food

+

Net Store

Virtual Businesses

【Chain Store】 => 【Net Store】

- The most convenience platform for consumers.
- The most innovative platform for real-virtual integration.
- The most efficient platform for suppliers.

New Store Format

- Focus on raising store profitability.
- Adjust product mix depending on the characteristics of the neighborhood.
- Bigger stores account for 33%, and the number keeps growing.



Product Mix Adjustments

- **Higher quality** : City Café provides convenience and good quality coffee.
- **More choices** : a variety of national brands and private label products.
- **Reasonable prices** : reasonable prices for daily necessities and private label products.



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Innovative Promotions

- Enhance value-added experience through cooperation with group affiliates and other channels.
- We have the most facebook fans among Taiwanese companies. We use it as communication and marketing platform.



facebook 搜尋

7-ELEVEN
公司

塗鴉牆 7-ELEVEN · 最新動態

分享 Po文 相片

留個言吧.....

7-ELEVEN
手機APP—粉絲們都品嚐過香醇又懷舊的CITY CAFÉ特調冰咖啡了嗎？現在好康再回饋！
4/20~5/3前每天早上7:11起，掃描櫃檯區張貼的咖啡海報行動條碼(QR code)，並將商品訊息分享到FB，就有機會獲得每日限量發送的「特調冰咖啡買一送一」優惠唷！
沒搶到限量特調，還有加油獎icash 2000元等你抽哦→
<http://www.7-11.com.tw/app/web/coupon01.html>

5 小時前 · 讚 · 留言 · 分享

Virtual Businesses

- **ibon** : New services include ticketing services for transportation, online shopping, etc.
- **7nET** : 150,000 items, 580,000 membership.



7nET 20,000種商品 全台ibon輕鬆購

民生用品 民生食品 休閒零嘴 茶水飲料 日本服飾館 服飾/童裝 精品/包/鞋 美妝保健 居家休閒 3C家電 品牌專館 美食/名店

商品檢索 全部 搜尋 熱門關鍵字: Nissen Cecile 西井村 中大碼 今訂明天取 防蚊蟲 即期品

購物車共有 0 件商品, 共 0 元 民生量販品 抗漲專區 詳情 COACH 與美國同步流行

品牌活動專區

- DHC 守護媽咪的美麗 全館任選 2 件 73 折 慶賀母親節-DHC保養品大方回饋
- OPEN!KIDS 新款預購 2 件 85 折 繽紛一夏★新品上市・2件85折
- 千趣會 美國心機塑身衣/褲 79 折 千趣會美體心機塑身系列79折
- 寶藝 全效淨白美肌組 送潔顏油100ml 寶藝Bonanza特選組 買就送

歡慶母親節 單筆訂單滿額 最高送300 折價券

今天訂明天取 中午12點前訂購, 隔日即可取貨 例外及說明>>

母親節最高送300 千趣會7折85折 零食泡麵 馬上集讚去 母親節好禮送1000

入會送\$100 生日送\$100 折價券 兌換區

禮愛媽咪 禮盒下殺3折up

5大銀行12-24期0利率 玉山銀行 滿千送紅200點

季節限訂~最後搶購

加入粉絲團

點閱排行榜

新品特輯 熱賣強檔 館長嚴選

Overseas Businesses – Transfer and localize

Philippine 7-11-Aiming for becoming best retailer of convenience for emerging markets.

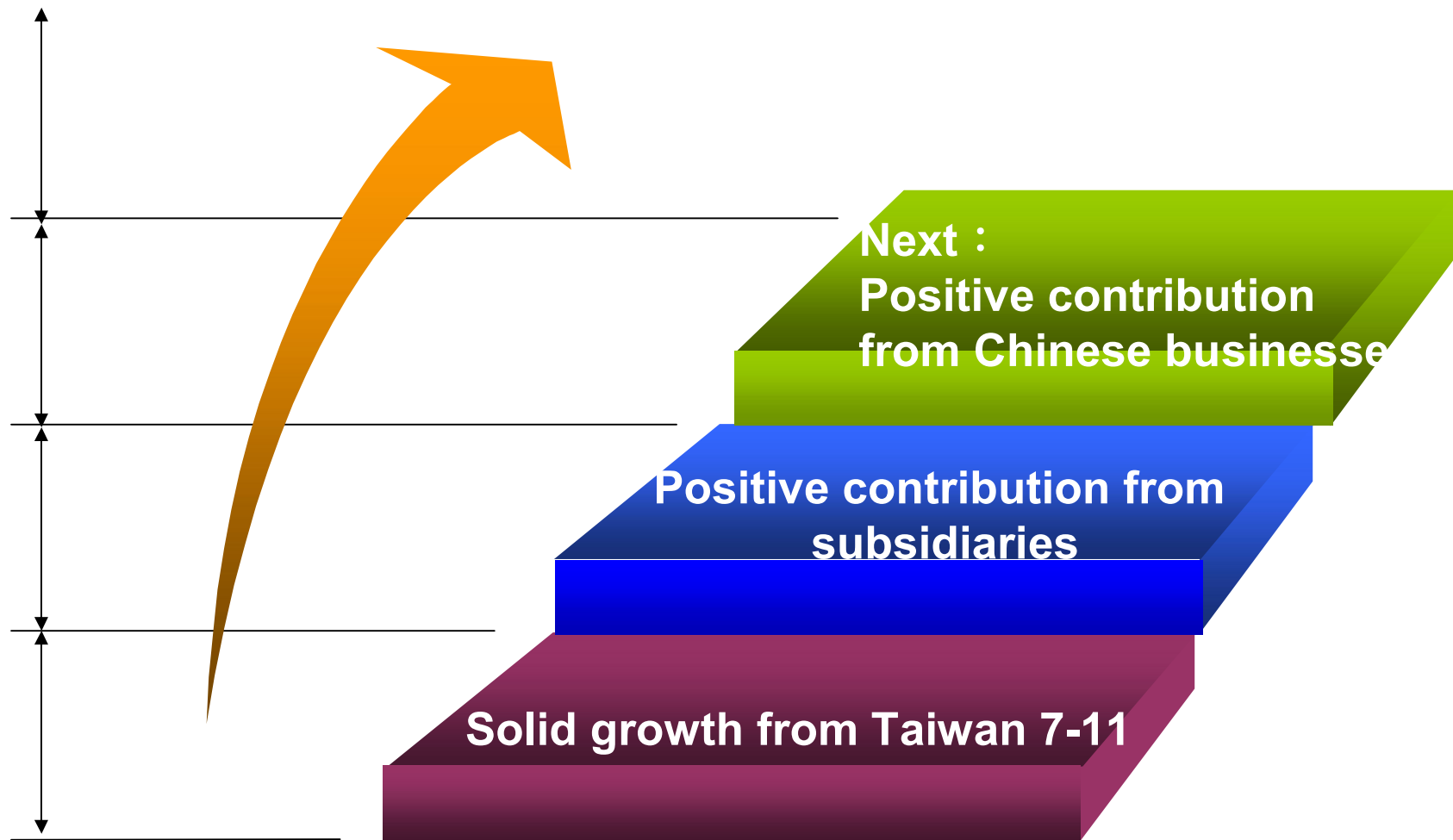
- ❑ Enhance PSD through product mix adjustment (Fresh food, general merchandise)
- ❑ Market Dominance
 - entering new area
 - intensify franchisingTarget: 1000 stores in 2013.
- ❑ Cost controls

China-Aiming for becoming regional leading brands

509 stores in China, 300 in East China.

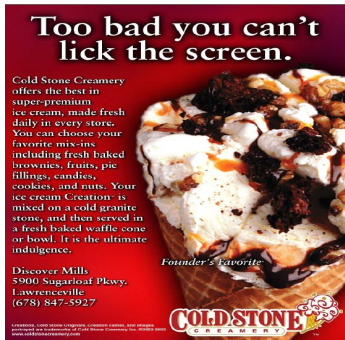
- ❑ Shanghai 7-11 :
 - aggressive roll-out plan and product mix differentiation.
- ❑ F&B businesses :
 - develop existing brands
- ❑ Super & Hypermarket :
 - (1) Sichuan: introducing JV partner.
 - (2) Shandong : entering new markets and differentiation.

Key to Sustainable growth— Focus, Execution





Q&A



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