

# President Chain Store

# Company Profile

- **Opened the first 7-11 in Taiwan in 1980 & Listed on TWSE since 1997.**
- **The Largest CVS Operator in Taiwan.**
  - 7-11 total store number is 4734 with market share of 50%.
  - 88% are franchised stores.
- **Market cap US\$4.18bn\* , QFII ratio 42.51%.**
- **China Retail Businesses:**
  - First entered China retail market through shanghai Starbucks in Year 2000.
  - In May 2008, be granted “7-Eleven” franchise license in Shanghai ; 48 stores opened as of end of Oct, 2010.
- **Focusing on Retail Businesses in Asia.**

\* Market cap & QFII Ratio based on closing price \$NT121.5 as of Oct. 29, 2010

\* US\$1=NT\$30.192

# Business Scope

## CVS

1. 7-Eleven Taiwan (100%)
2. 7-Eleven Shanghai (100%)
3. 7-Eleven Philippine (56.59%)

## Drug Store

1. Cosmed Taiwan (100%)
2. Cosmed China (65%)

## Life Style Business

1. Muji(41%)
2. Hankyu Department Store (70%)

## Supermarket / Hypermarket

1. Shandong Uni-Mart Supermarket (55%)
2. Sichuan Uni-Mart Hypermarket (100%)
3. Vietnam Uni-Mart Supermarket (51%)

## Restaurant-Food & Beverage

1. Starbucks Taiwan (30%)
2. Starbucks Shanghai (30%)
3. Mr. Donut Taiwan (50%)
4. Mr. Donut China (50%)
5. Cold Stone Creamery Taiwan (100%)
6. Cold Stone Creamery China (100%)
7. Afternoon Tea Taiwan (51%)
8. Afternoon Tea China (51%)
9. SATO Taiwan (81%)
10. SATO Shanghai (81%)
11. Royal Host Shanghai (51%)

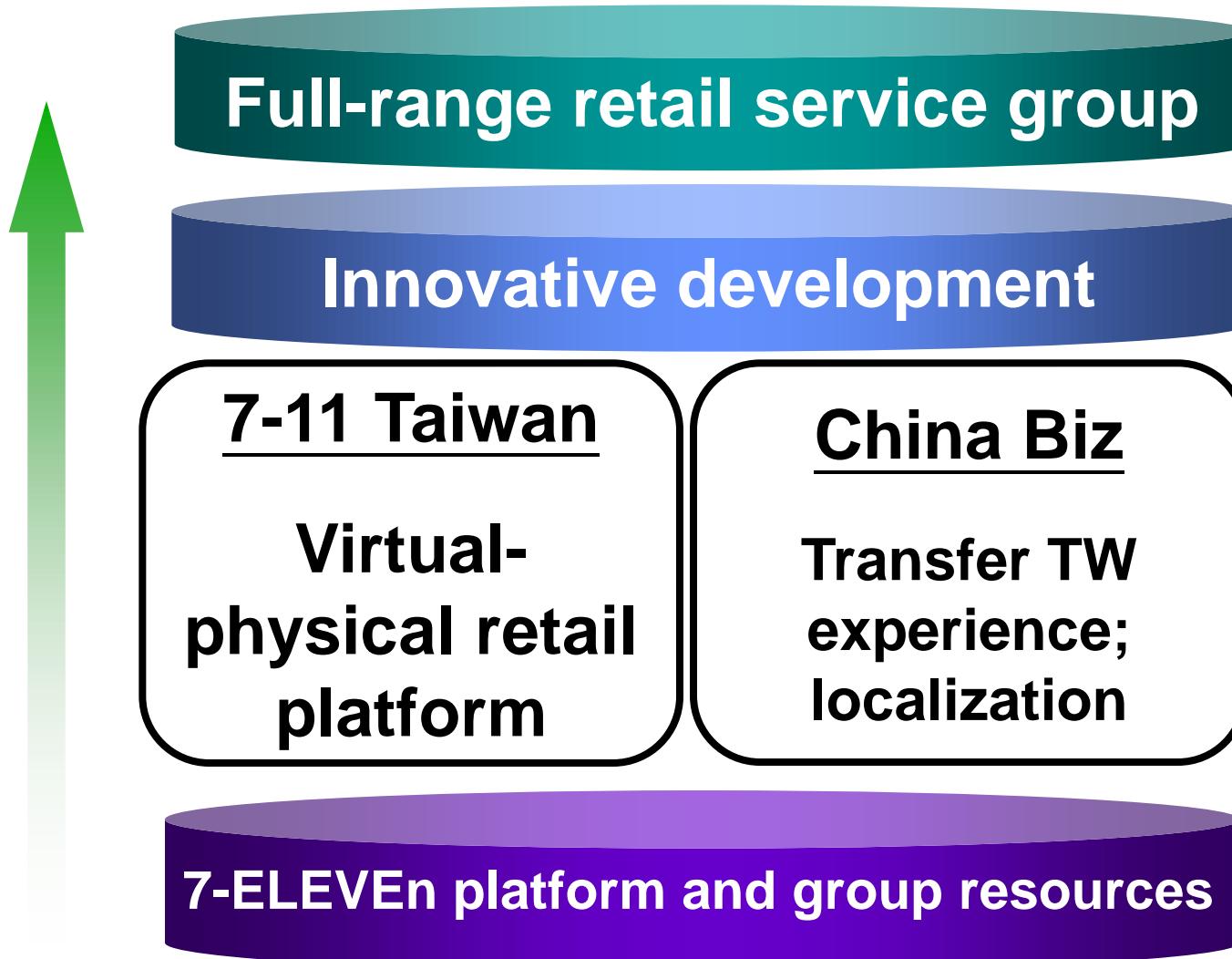
## E-Commerce

1. Books.Com (50.03%)
2. Taiwan Rakuten (49%)

## Logistics

1. Retail Support International (25%)
2. Uni-President Cold-Chain (60%)
3. Wisdom Distribution (100%)
4. TAKKYUBIN(70%)

# Group Vision



# 2010 Q3 Results

# Parent Income Statement

Unit:\$NT'million	<u>2009 FY</u>	<u>%</u>	<u>YOY</u>	<u>2010 Q3</u>	<u>%</u>	<u>YOY</u>
Total operating revenue	101,757	100.0%	-0.4%	85,487	100.0%	12.7%
<b>Gross profit</b>	32,966	32.4%	<b>0.7%</b>	26,738	31.3%	8.9%
Operating expenses	28,072	27.6%	-0.2%	22,608	26.4%	7.7%
<b>Operating income</b>	4,894	4.8%	<b>6.2%</b>	4,130	4.8%	<b>16.2%</b>
<b>Net Income</b>	<b>\$4,059</b>	<b>4.00%</b>	<b>15.3%</b>	<b>\$4,926</b>	<b>5.76%</b>	<b>44.7%</b>
Earnings per share	(pre-tax)	(after-tax)		(pre-tax)	(after-tax)	
Net income (unit:\$NTD)	<u>4.47</u>	<u>3.90</u>		<u>5.4</u>	<u>4.74</u>	

**Net income increases 44.7% YOY for 2010 Q3 :**

**1.External: recovery of consumption environment**

**2.Internal:**

**(1)7-11 Taiwan: PSD increases 14.4% YOY due to store quality upgrade, product mix adjustment and colorful promotions.**

**(2)subsidiaries: investment gain grows to NT\$822m.**

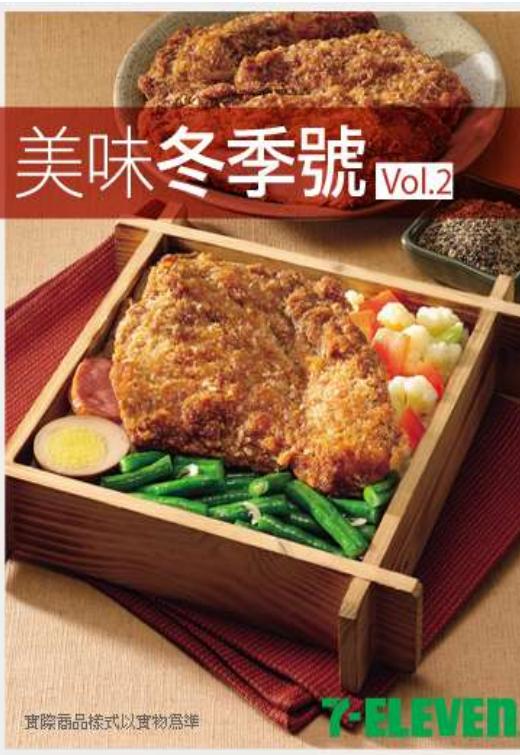
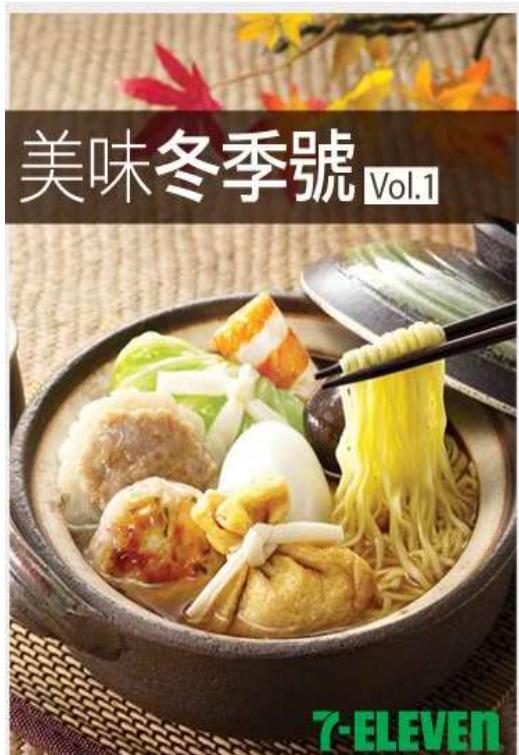
# New store format

- Focus on raising store profitability.
- Adjust product mix depending on the characteristics of the neighborhood.
- Continue to promote “Food Store” concept.



# Adjusting product mix

- **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.



# Integrated marketing

- Provide differentiated consumption experience through integrated marketing.
- Enhance value-added experience through cooperation with group affiliates and other channels.



聖娜多堡



Afternoon Tea



# Virtual Business

- ibon platform: High speed rail ticketing service, online-auction delivery, photo printing.
- Preorder+ Online shopping.



7NET 7-ELEVEN 購物網站

今天訂 明天取

商品總額 全部

icash 支付好康 滿500送 CITY CAFÉ

7net x 遠傳

送 紅利1500點 Afternoon Tea 優惠券

季節家電 終很大通通59折起

還享24期0利率

點閱排行榜

新品特報 貨物強檔 網路票券

# 2010 Q3 Result of Taiwan Subsidiaries

2010 Q3

Unit: \$NT'm

## Lifestyle Business

### Cosmed Taiwan

(100%) Stores: 326

09Q3 NI: 102

10Q3 NI: 208



### MUJI Taiwan



(41%) Stores: 17

09Q3 NI: 68

10Q3 NI: 106

### Hankyu Dept. Taiwan



(70%) Stores: 1

09Q3 NI: -186

10Q3 NI: -182

## Restaurant

### Starbucks Taiwan

(30%) Stores: 227

09Q3 NI: 57

10Q3 NI: 251



### Afternoon Tea

(51%) Stores: 11

09Q3 NI: -25

10Q3 NI: -17



### Mister Donut

(50%) Stores: 41

09Q3 NI: -61

10Q3 NI: -3



### Cold Stone



(100%) Stores: 23

09Q3 NI: -4

10Q3 NI: 26

## E-Commerce

### Books.com



(50.03%)

09Q3 NI: 96

10Q3 NI: 154

# 2010 Q3 Result of China Subsidiaries

2010 Q3

Unit: \$NT'm

## Convenience Store

### Shanghai 7-11

(100%) Stores: 44

09Q3 NI: -59

10Q3 NI: -102



## Drugstore

### Shenzhen Cosmed

(65%) Stores: 6

09Q3 NI: -67

10Q3 NI: -19



## Starbucks

(30%) Stores: 188

09Q3 NI: 176

10Q3 NI: 269

## Restaurant

### Afternoon Tea

(51%) Stores: 4

09Q3 NI: -54

10Q3 NI: -30



## Mister Donut

(50%) Stores: 10

09Q3 NI: -36

10Q3 NI: -40



## Cold Stone

(100%) Stores: 43

09Q3 NI: -81

10Q3 NI: -31



## Supermarket & Hypermarket

### Sichuan Uni-mart

Hypermarket uni mart 美一玛特

(100%) Stores: 4

09Q3 NI: -33

10Q3 NI: -16

### Shandong Uni-mart

Supermarket

(55%) Stores: 138

09Q3 NI: 115

10Q3 NI: 144

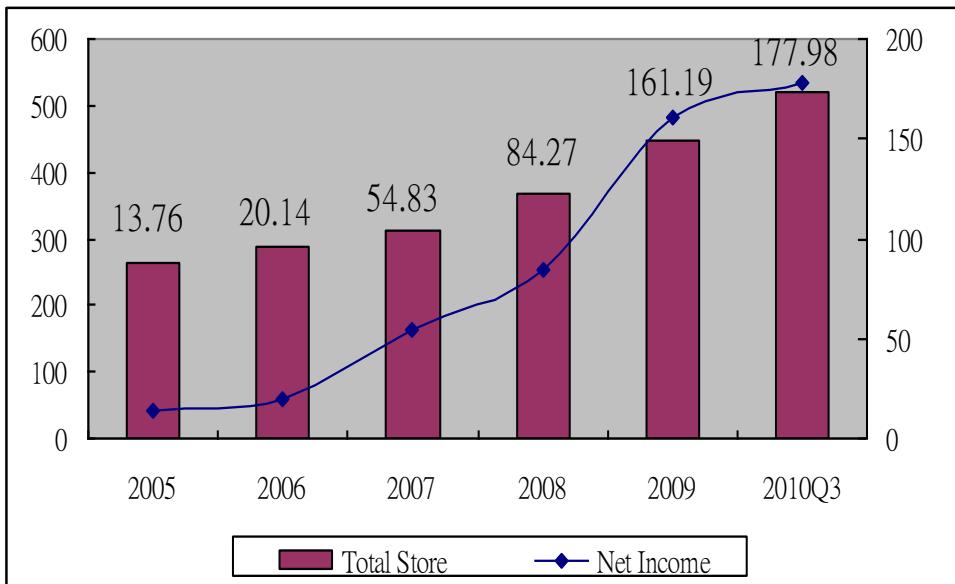


# Successful Overseas Business : Philippine Seven Corp.



- Philippine 7-11 is the leading brand of CVS.
- PCSC invested PSC in year 2000.
- We expect to double the store number to 1,000 in 2013 given the continuous economy boost.

Unit: million PESO



	Store No.	Market Share
7-Eleven	447	43.48%
Mercury Self-serve	287	27.92%
Ministop	281	27.33%
San Miguel Food Shop	13	1.26%
<b>Total</b>	<b>1028</b>	<b>100.00%</b>

# 2011 Outlook

# Integrate Group Resources to maximize profitability

## Taiwan 7-11 : Real-virtual retail platform

- Store upgrades, new store formats
- Adjusting product mix
- Integrated marketing



## China Business : Become Regional Leading Brands

- Shanghai 7-ELEVEn : provides a convenient lifestyle experience.
- F&B: develop and expand existing brands.
- Supermarket : aims to keep the leading position in the local market.



# Q&A

