



President Chain Store

2912TT

2013H1 Results

Income Statement

Unit: NT\$mn

	2013Q2		2012Q2		YOY	2013H1		2012H1	
	Amount	%	Amount	%		Amount	%	Amount	%
Operating revenue	49,548	100.0%	46,904	100.0%	5.6%	97,923	100.0%	93,512	100.0%
Operating cost	(33,950)	-68.5%	(30,923)	-65.9%	9.8%	(67,417)	-68.8%	(62,651)	-67.0%
Gross profit	15,598	31.5%	15,981	34.1%	-2.4%	30,506	31.2%	30,861	33.0%
Operating expenses	(12,983)	-26.2%	(13,733)	-29.3%	-5.5%	(25,461)	-26.0%	(26,494)	-28.3%
Operating income	2,615	5.3%	2,249	4.8%	16.3%	5,045	5.2%	4,367	4.7%
Net income belong to :									
Owner	\$2,303	4.6%	\$1,822	3.9%	26.4%	\$4,325	4.4%	\$3,509	3.8%
Non-controlling interests	298	0.6%	166	0.4%	79.5%	544	0.6%	372	0.4%
Total	2,601	5.2%	1,988	4.2%	30.8%	4,869	5.0%	3,882	4.2%
EPS after tax (Unit:\$NT)	2.22		1.76			4.16		3.38	

Business Scope

Taiwan 7-11

Retail

- Cosmed (100%)
- Being Spa (100%)
- Smile Gas Station (80.87%)
- President Pharmaceutical (73.74%)
- Hankyu (70%)
- Takkyubin (70%)
- Philippine 7-11(51.56%)
- Muji (Taiwan) (51%)
- Books.com (50.03%)
- Rakuten (49%)

Other

China

- Shanghai 7-11 (100%)
- Shanghai Cold Stone (100%)
- Presiclerc(Beijing) Supermarket (88.95%)
- Shandong Uni-Mart (55%)
- Shanghai Starbucks (30%)

F&B

- 21 Century (100%)
- Cold Stone (100%)
- Afternoon Tea (51%)
- Mister Donut (50%)
- Starbucks (30%)

Support

- Tokyo Marketing (100%)
- Musashino (90%)
- President Information (86%)

Logistics

- Retail Support (25%)
- Cold-Chain (60%)
- Wisdom (100%)

Major Subsidiaries

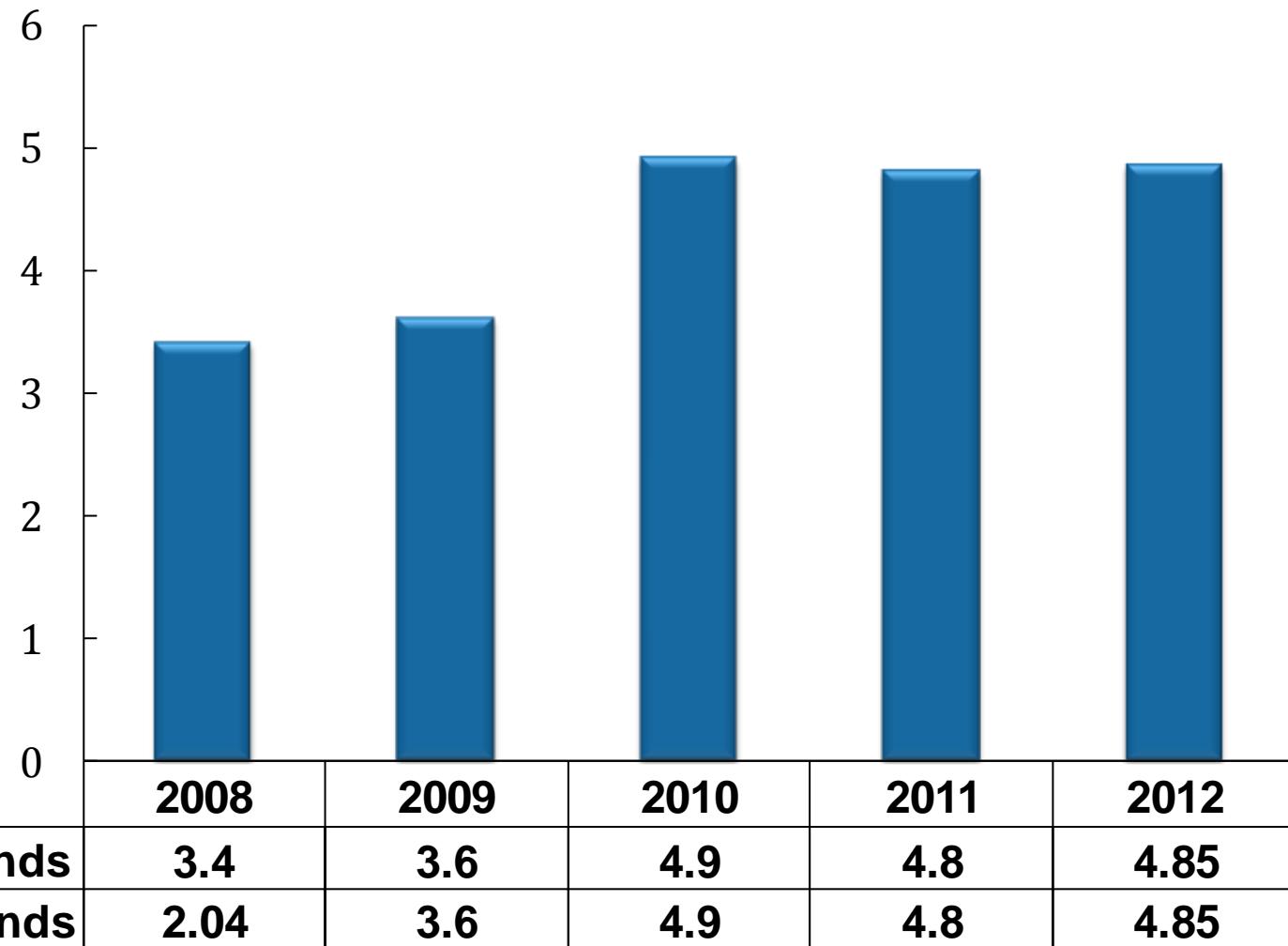
Unit: NT\$mn

Business Scope	CVS	Retail	Logistics	Other	Total
Revenue	13'H1: 62,138 12'H1: 60,450	13'H1: 26,526 12'H1: 23,923	13'H1: 1,087 12'H1: 1,720	13'H1: 8,172 12'H1: 7,419	13'H1: 97,923 12'H1: 93,512

Note : The revenue is after elimination.

Dividend Policy

100% Cash Dividend



Note : 2012 cash dividend has not been approved by AGM.

2013 Outlook

2013 Guidelines

Focus and Exactness

Pursuing
Sustainable
Growth of
7-11

Strengthening
The Operation
of PB

Cultivating
The
International
Brands

Accelerating
The Expansion
of EC

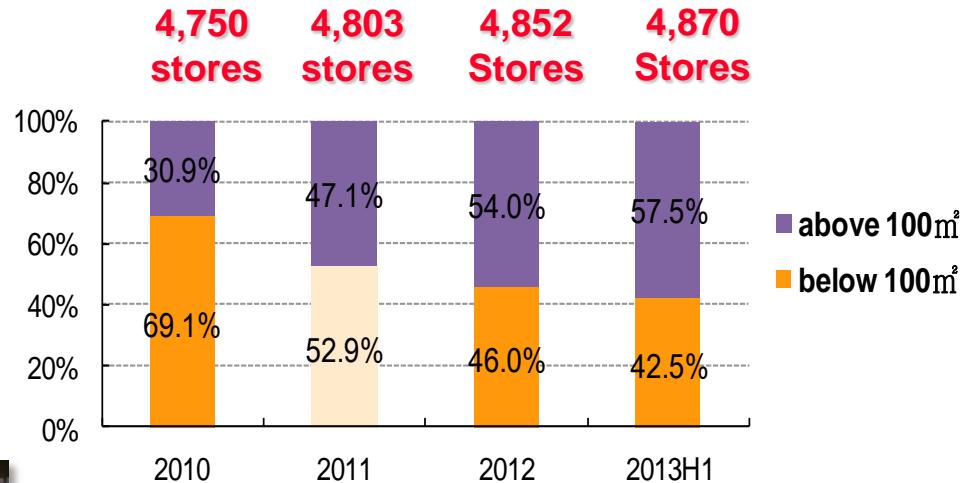
Improving
Efficiency
of Overseas
Operations

Structural change leads to sustainable growth

Pursuing Sustainable Growth of 7-11

1. Continuing to expand the scale of larger stores and strengthening TK practice.

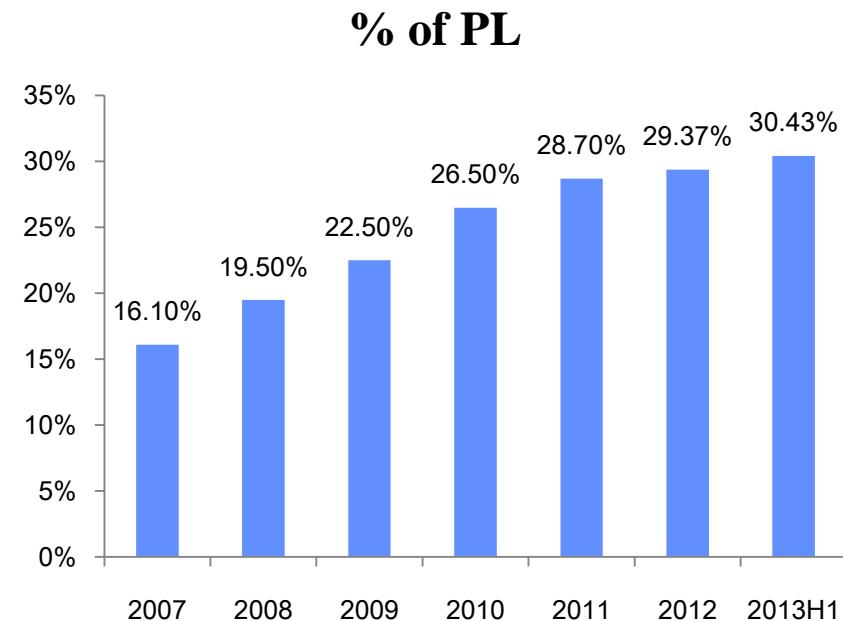
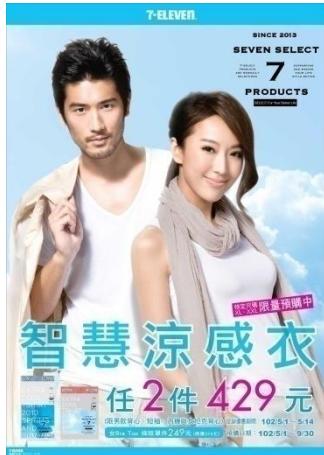
- Bigger stores account for 57.5% until H1 in 2013, and will keep expanding in the future.
- Developing the staff with TK mindset and execution ability are the keys to great store operation.



Pursuing Sustainable Growth of 7-11

2. Focusing on differentiated products

- Private-labeled products account for 30.4% of merchandise sales until H1 in 2013 .
- Enhancing the fresh-food restaurant image by upgrading the quality of current products and convenience to customers.
- Continue to explore zero base products.



Note : Ratio in 2011 and 2012 includes the health welfare surcharge of tobacco .

Pursuing Sustainable Growth of 7-11

3. Evolution of marketing activities

- Encourage connected consumption through lifestyle proposal.
- Thematic marketing strategy enriches customer's buying experience.



Pursuing Sustainable Growth of 7-11

4. Energy-saving

- Improve energy efficiency by adopting energy-saving equipments and strategy of light down.
- Recognized and awarded by government for the efforts of energy-saving .



Strengthening The Operations of PB

Unique, Simple, Standard, High value-added, Scalable



Cultivating The International Brands

Solidifying the foundation and expanding the scale

Restaurant
Business

2012 Annual Sales: NT\$15.9b



Retail
Business

2012 Annual Sales: NT\$16.8b



Note : Hankyu includes stores in Taipei and Kaohsiung.

Accelerating The Expansion of EC

Integration of Physical and Virtual Platform



- Virtual 2nd Floor of 7-11.
- Streamline SKU.
- An extension of current product mix.



- Maintain the leading position of online bookstore.
- Adjust product mix and upgrade infra.



- Expand ticketing services to increase customers' visiting frequency.
- Upgrade infra.

Improving Efficiency of Overseas Operations

Center on formats and regions

China:

- 2013H1 Store number is 709, 2013 will be over 800 stores.
- CVS, Supermarket and Fast Casual are the main businesses.

Supermarket:

Shandong, Beijing
300~500 m² is the main store format.



Fast Casual

Shanghai



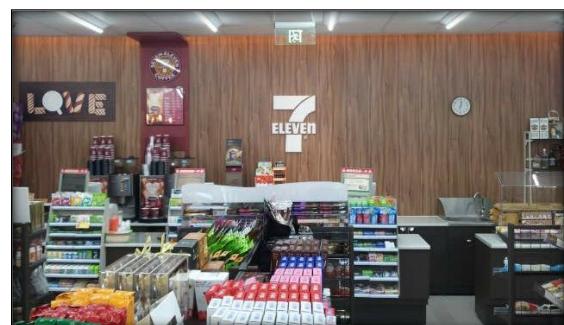
Focus on core product and 2-tier shopping district.



CVS

Shanghai

Focus on differentiated products.



Shandong Uni-mart

Improving Efficiency of Overseas Operations

Center on formats and regions

The Philippines

- 893 stores until 2013H1, franchise ratio is 67%, and store number target is 1000 in 2013.
- 2013 strategies
 - (1) Strengthen F/S Operations
 - (2) aggressive expansion to maintain market dominance.





Q&A