



pcsc



# 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%
<b>Net income belong to :</b>									
Owner	<b>\$2,303</b>	<b>4.6%</b>	<b>\$1,822</b>	<b>3.9%</b>	<b>26.4%</b>	<b>\$4,325</b>	<b>4.4%</b>	<b>\$3,509</b>	<b>3.8%</b>
Non-controlling interests	298	0.6%	166	0.4%	79.5%	544	0.6%	372	0.4%
Total	<b>2,601</b>	<b>5.2%</b>	<b>1,988</b>	<b>4.2%</b>	<b>30.8%</b>	<b>4,869</b>	<b>5.0%</b>	<b>3,882</b>	<b>4.2%</b>
EPS after tax (Unit:\$NT)	<b>2.22</b>		<b>1.76</b>			<b>4.16</b>		<b>3.38</b>	

# 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%)

### 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

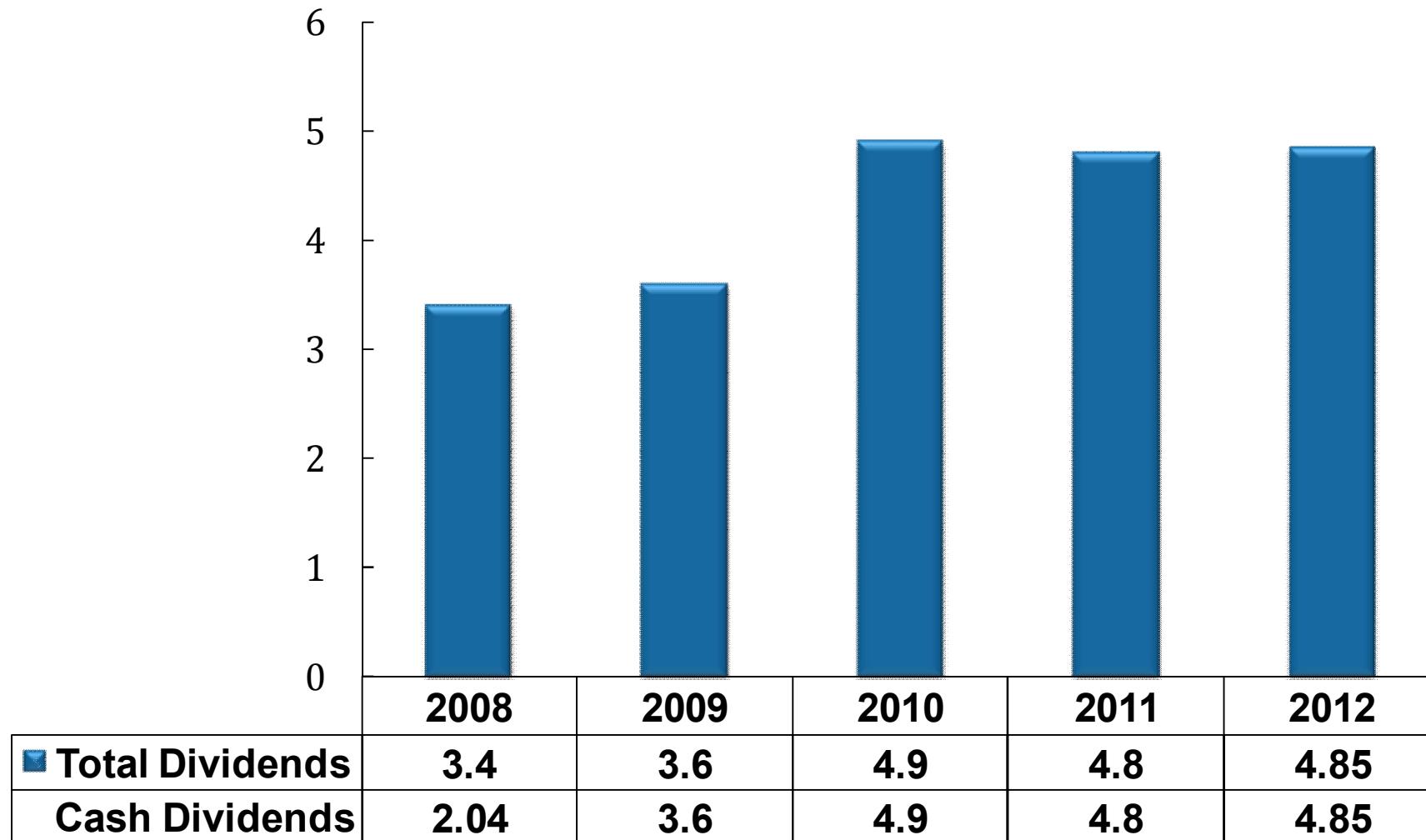
Unit: NT\$mn

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



# 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

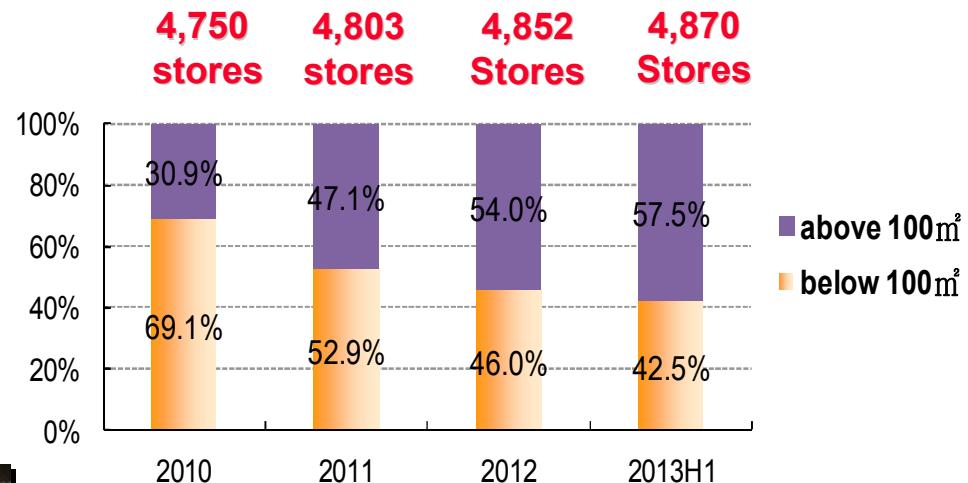
Improving  
Efficiency  
of Overseas  
Operations

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.

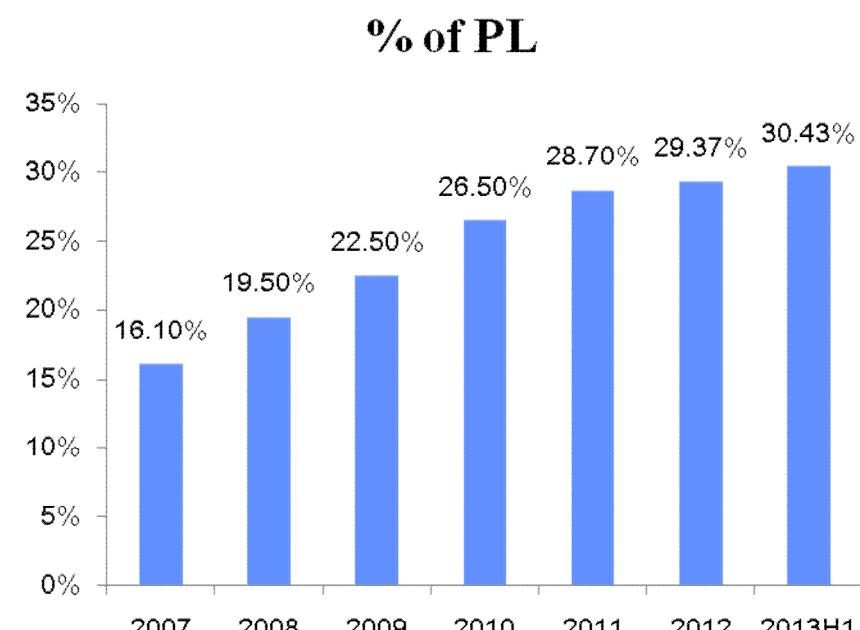
- Bigger stores account for 57.5% until H1 in 2013, and will keep expanding in the future.
- Developing the staff with TK mindset and execution ability are the keys to great store operation.



# 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 2<sup>nd</sup> 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.



PCSC

Shanghai 7-11



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