



President Chain Store

2912TT

pcsc

2013Q3 Results

Income Statement

Unit: NT\$mn

| | 2013Q3 | | 2012Q3 | | YOY | 2013Q1~Q3 | | 2012Q1~Q3 | | YOY |
|----------------------------------|-------------|--------|-------------|--------|-------|-------------|--------|-------------|--------|-------|
| | Amount | % | Amount | % | | Amount | % | Amount | % | |
| Operating revenue | 52,373 | 100.0% | 50,670 | 100.0% | 3.4% | 150,295 | 100.0% | 144,182 | 100.0% | 4.2% |
| Operating cost | (35,443) | -67.7% | (34,284) | -67.7% | 3.4% | (102,860) | -68.4% | (96,935) | -67.2% | 6.1% |
| Gross profit | 16,930 | 32.3% | 16,386 | 32.3% | 3.3% | 47,435 | 31.6% | 47,246 | 32.8% | 0.4% |
| Operating expenses | (14,119) | -27.0% | (14,326) | -28.3% | -1.4% | (39,581) | -26.3% | (40,820) | -28.3% | -3.0% |
| Operating income | 2,811 | 5.4% | 2,060 | 4.1% | 36.5% | 7,855 | 5.2% | 6,426 | 4.5% | 22.2% |
| Net income belong to : | | | | | | | | | | |
| Owner | \$2,242 | 4.3% | \$1,925 | 3.8% | 16.5% | \$6,567 | 4.4% | \$5,434 | 3.8% | 20.9% |
| Non-controlling interests | 317 | 0.6% | 244 | 0.5% | 29.9% | 862 | 0.6% | 616 | 0.4% | 39.9% |
| Total | 2,559 | 4.9% | 2,168 | 4.3% | 18.0% | 7,428 | 4.9% | 6,050 | 4.2% | 22.8% |
| EPS after tax (Unit:\$NT) | 2.16 | | 1.85 | | | 6.32 | | 5.23 | | |

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%)

Others

China

- Shanghai 7-11 (100%)
- Shanghai Cold Stone (100%)
- Presiclerc(Beijing) Supermarket (89.10%)
- 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

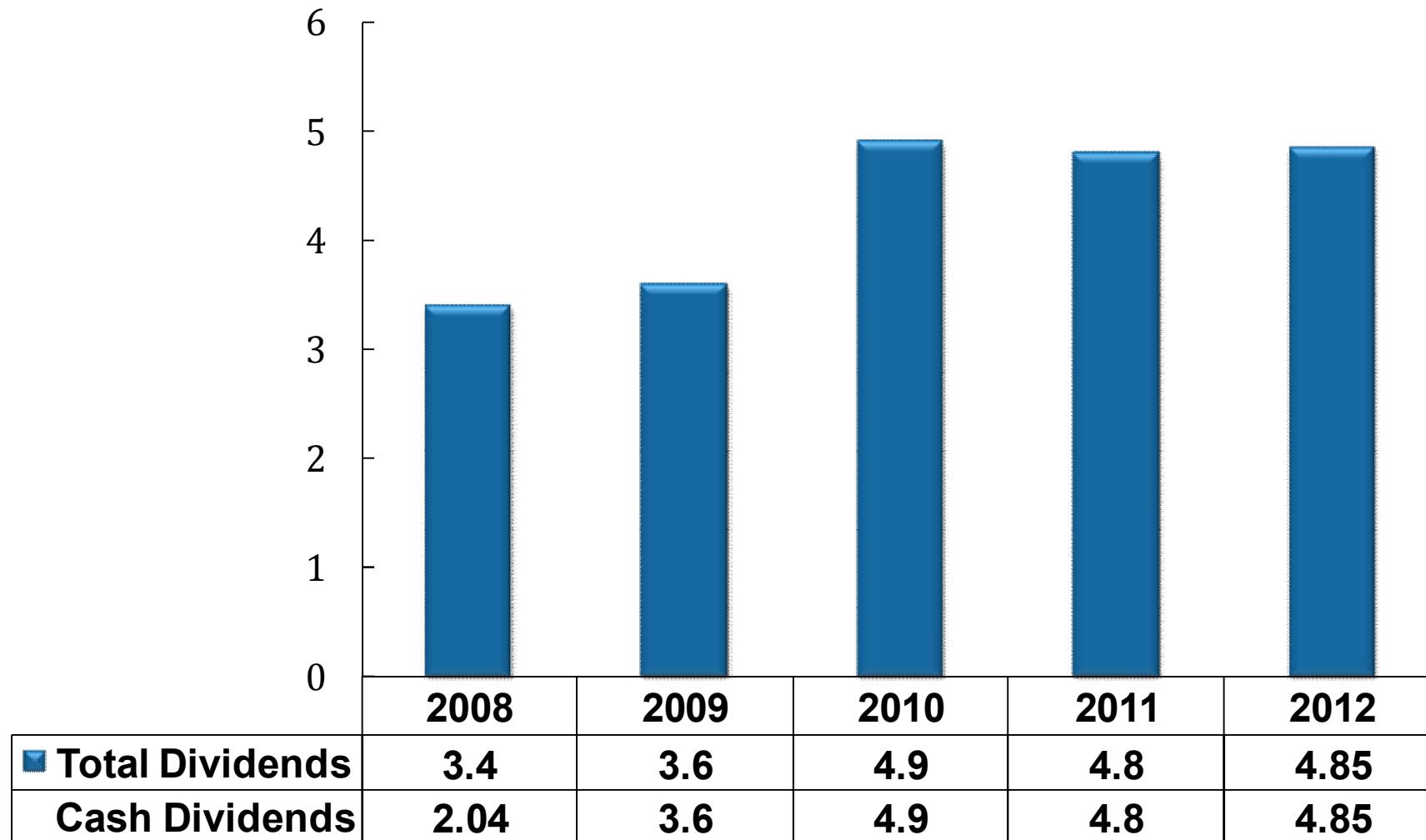
Unit: NT\$mn

| Business Scope | CVS | Retail | Logistics | Others | Total |
|----------------|---------------------|---------------------|--------------------|---------------------|----------------------|
| Revenue | 2013Q1-Q3 95,063 | 2013Q1-Q3 40,347 | 2013Q1-Q3 1,752 | 2013Q1-Q3 13,134 | 2013Q1-Q3 150,295 |
| | 2012Q1-Q3 93,579 | 2012Q1-Q3 36,585 | 2012Q1-Q3 2,286 | 2012Q1-Q3 11,730 | 2012Q1-Q3 144,182 |

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.

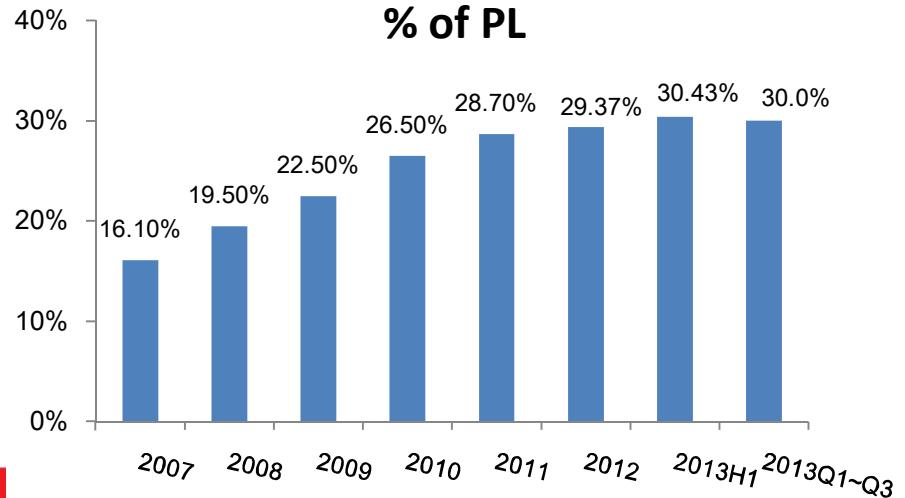
- Bigger stores account for 58.6% until Sep. in 2013, and will keep expanding in the future.
- Developing the staff with TK mindset and execution ability are the keys to great store operation.



Pursuing Sustainable Growth of 7-11

2. Focusing on differentiated products

- Private-labeled products account for 30% of merchandise sales until Sep. 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:

- 2013Q1~Q3 Store number is 756, 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

- 937 stores until Sep. in 2013, franchise ratio is 69%, and store number target is 1000 in 2013.
- 2013 strategies
 - (1) Strengthen F/S Operations
 - (2) aggressive expansion to maintain market dominance.





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Q&A