

President Chain Store Corp.

2912TT

pcsc



Business Scope

7-11 Taiwan: 63% of consolidated revenue

Retail: 27% of consolidated revenue

- Cosmed (100%)
- Smile Gas Station (80.87%)
- President Pharmaceutical (73.74%)
- Hankyu department stores (70%)
- Takkyubin (70%)
- 7-11 Philippine (51.56%)
- Books.com (50.03%)

Logistics: 1% of consolidated revenue

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

Others : 9% of consolidated revenue

China

- 7-11 Shanghai (100%)
- Shanghai Cold Stone (100%)
- Presiclarc(Beijing) Supermarket (89.10%)
- Shandong Uni-Mart (55%)
- Starbucks Shanghai (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%)

Financial Highlights

● Key indices

Unit : \$NT' million

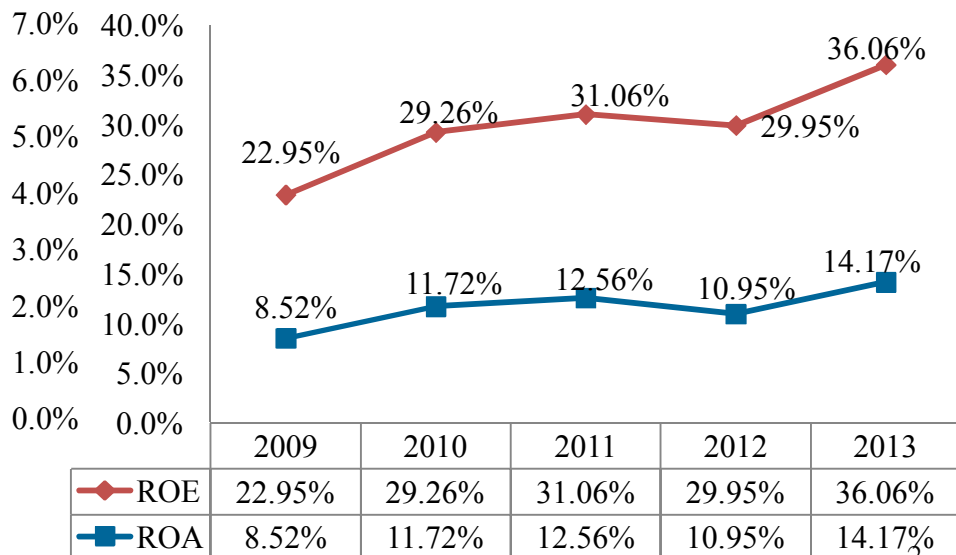
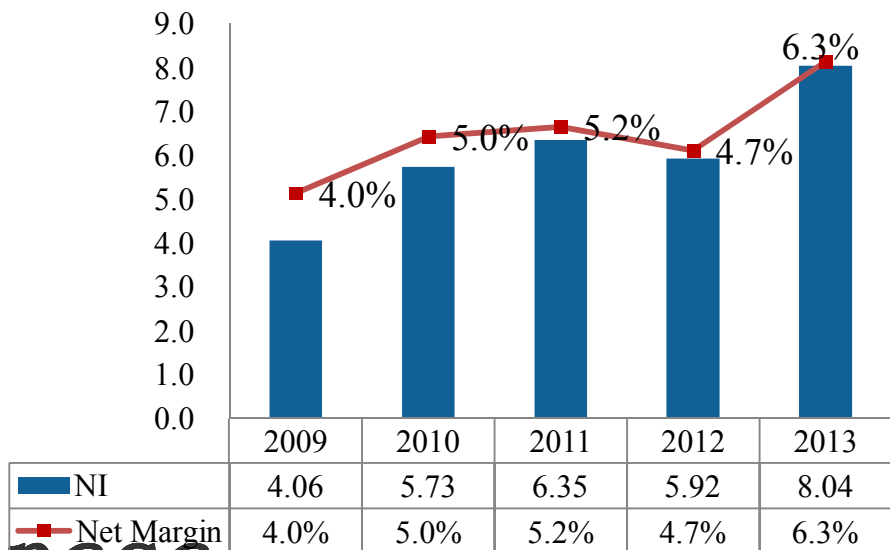
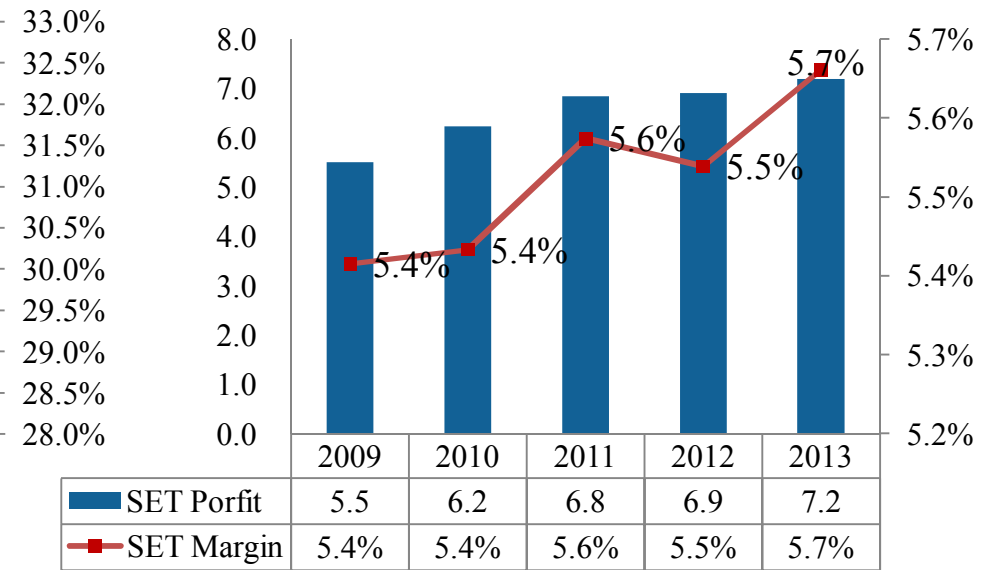
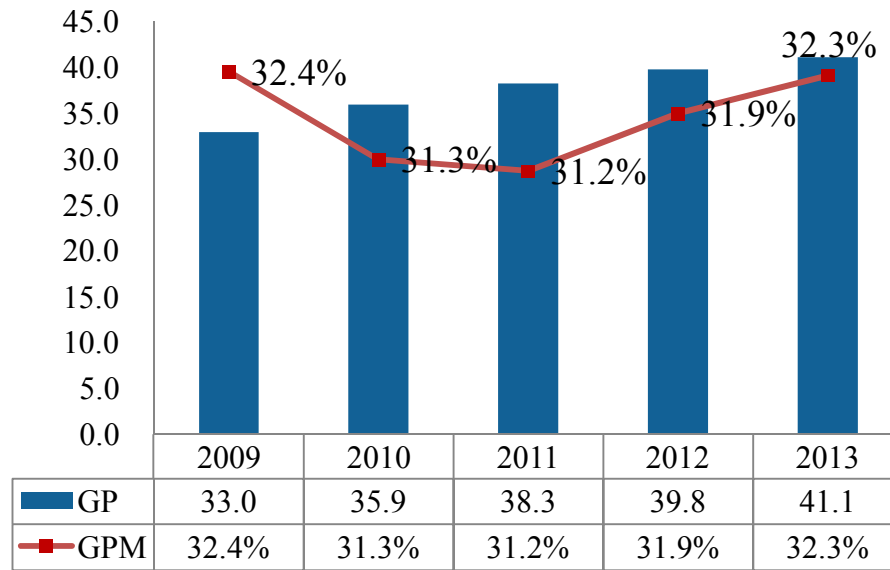
| | 2013 FY | 2012 FY | YOY | 2014Q1 | 2013 Q1 | YOY |
|--|---------|---------|---------|--------|---------|--------|
| Revenue (Consolidated) | 200,611 | 192,603 | +4.16% | 49,788 | 48,374 | +2.92% |
| Net income to shareholder of the Parent Company | 8,037 | 5,915 | +35.87% | 2,970 | 2,022 | 46.88% |
| EPS (NT\$) | 7.73 | 5.69 | +2.04 | 2.86 | 1.94 | +0.92 |

● Historical Revenue and EPS

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------|---------|---------|---------|---------|---------|
| Revenue (Company Only) | 101,756 | 114,664 | 122,713 | 124,760 | 126,999 |
| EPS (NT\$) | 3.90 | 5.51 | 6.11 | 5.69 | 7.73 |

Profitability Hits Record High (Company Only)

Unit : \$NT'bn

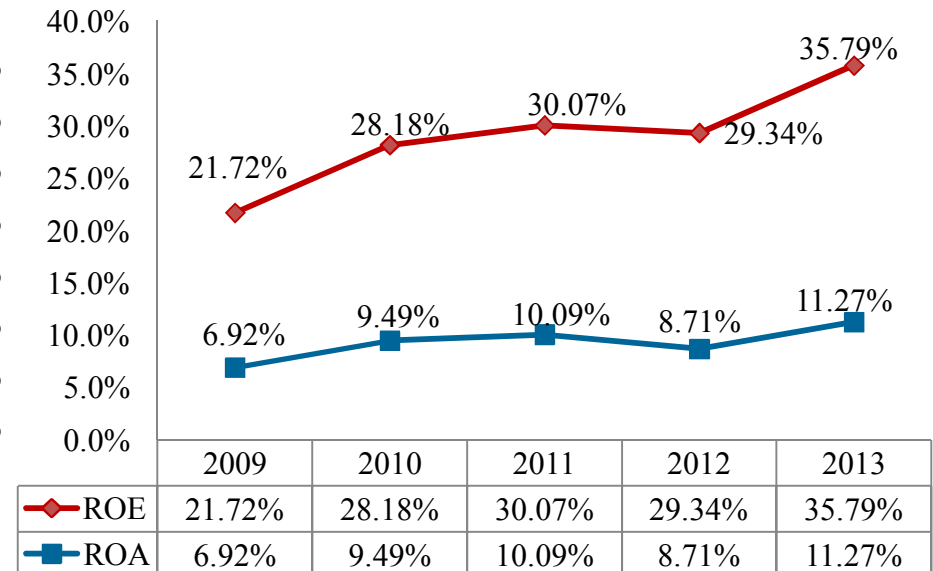
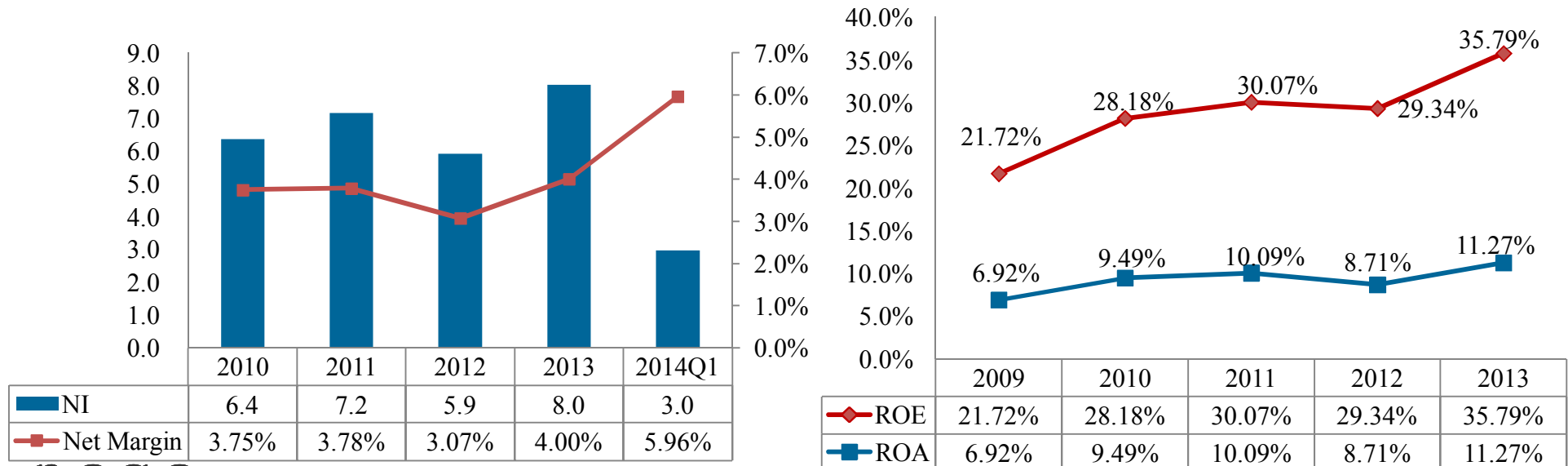
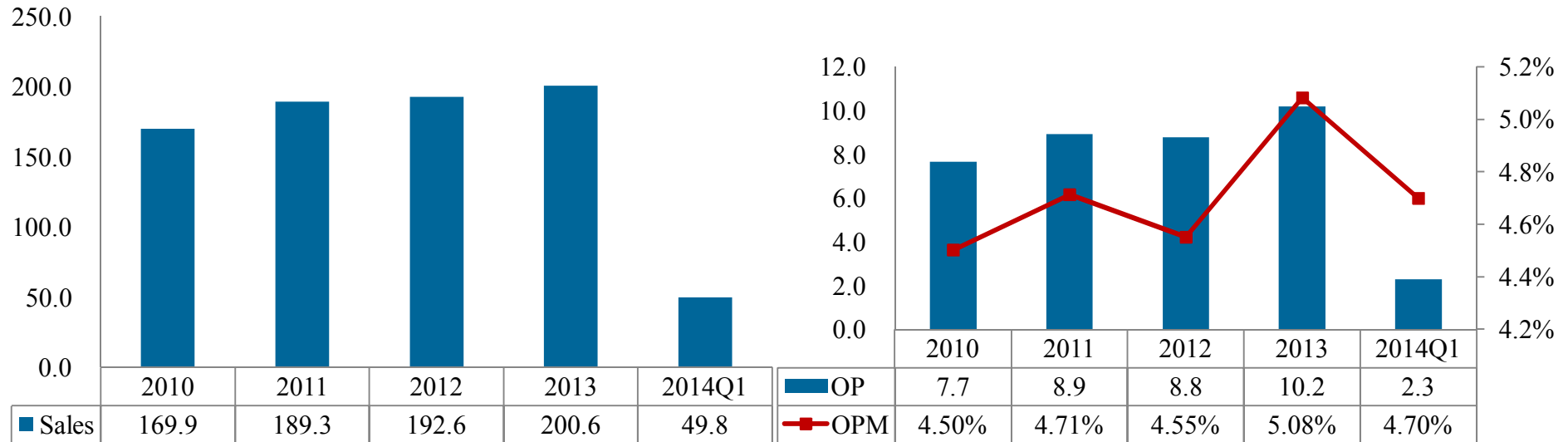


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Note : Numbers are under ROC Gaap in 2009~2011, under IFRS since 2012.

Profitability Hits Record High (Consolidated)

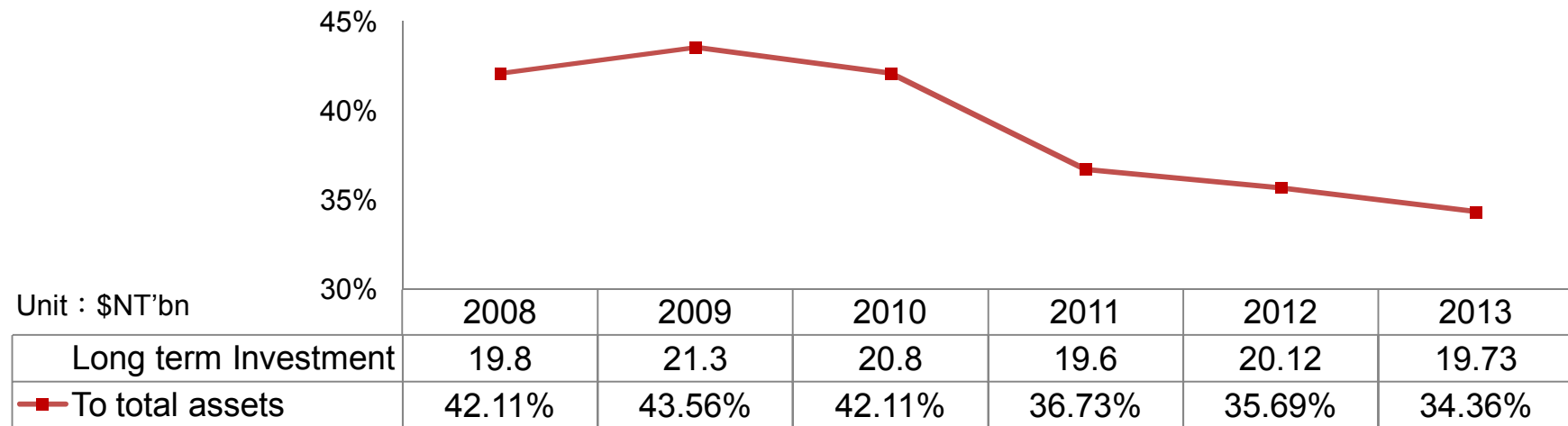
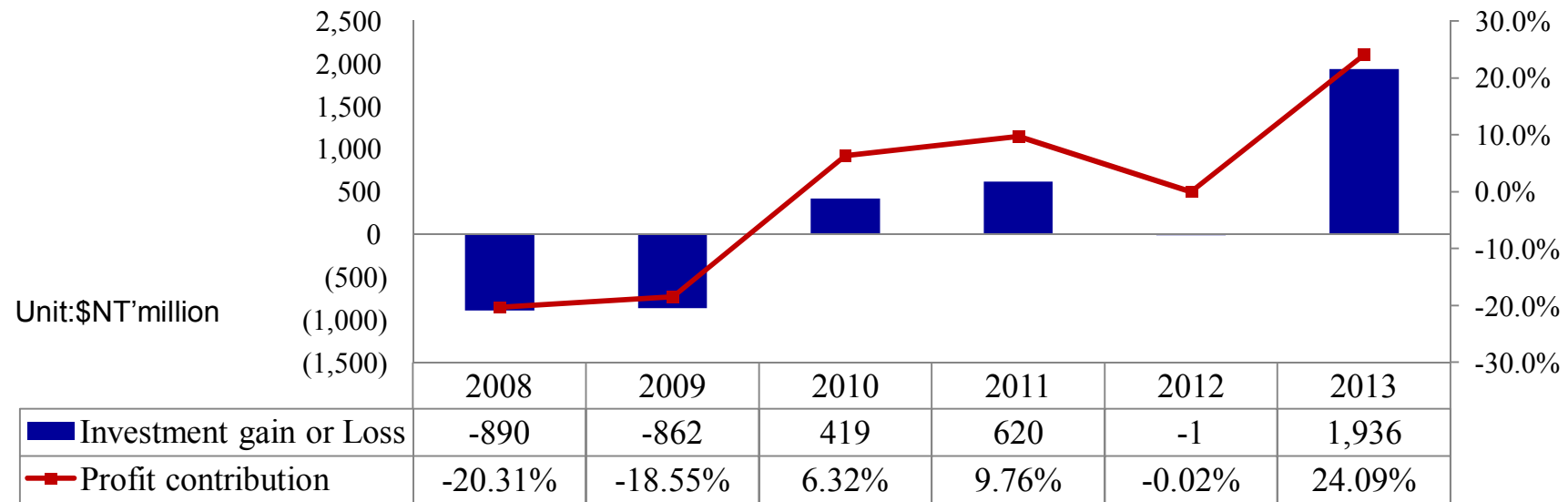
Unit : \$NT'bn



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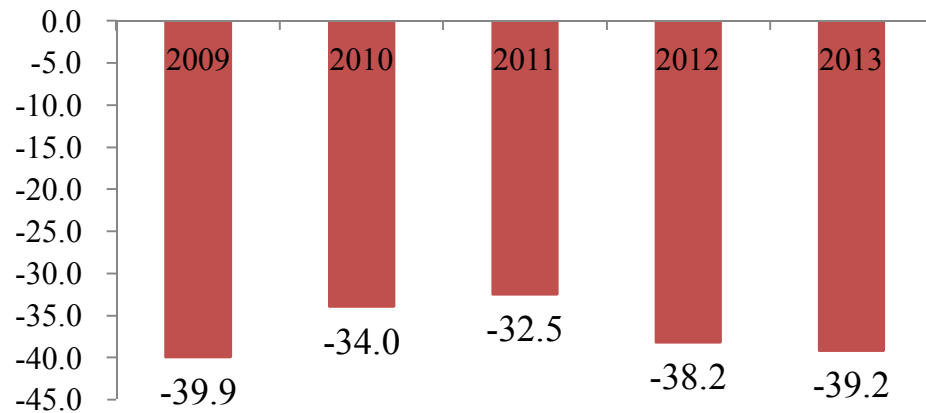
Focus Brings Profits



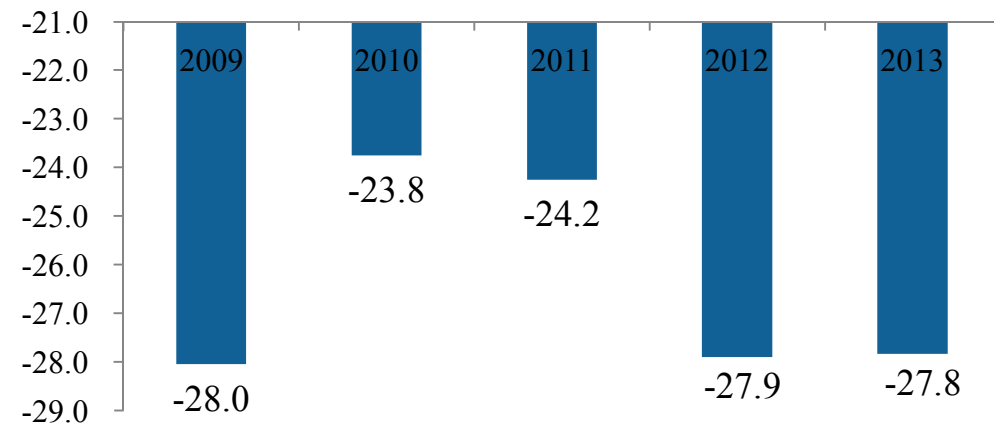
Negative Cash Cycle Days

Unit : \$NT'bn

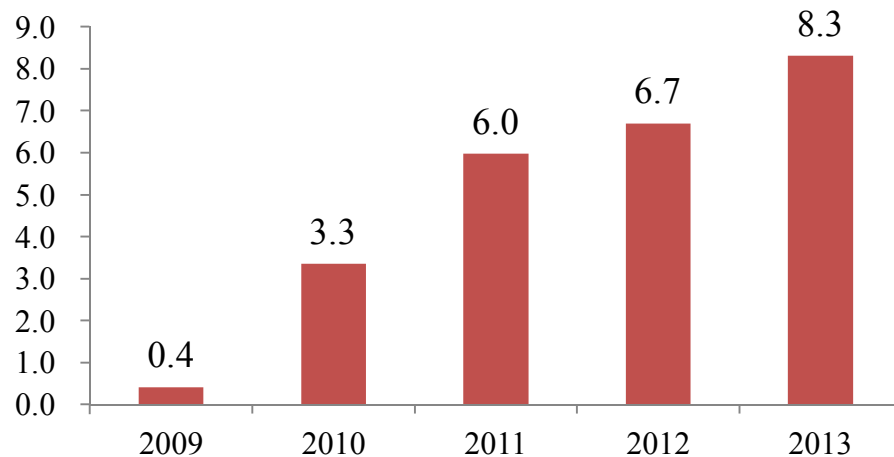
Cash Conversion Days(Company Only)



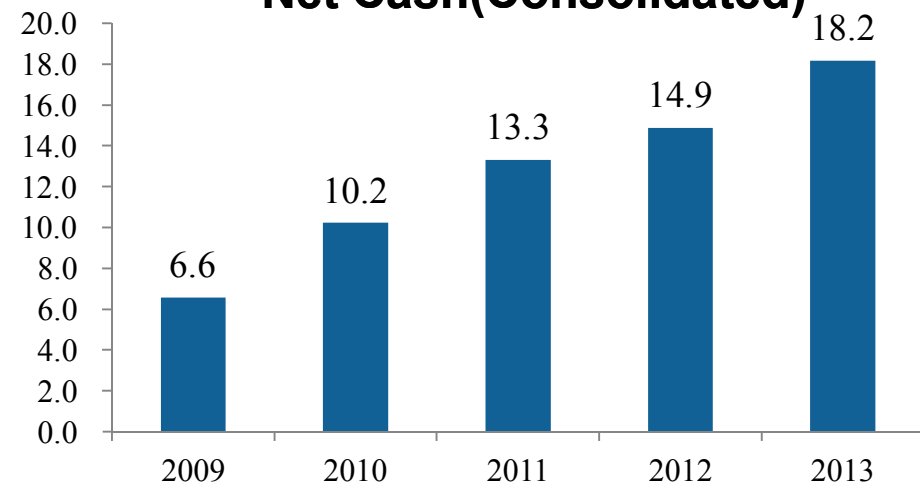
Cash Conversion Days(Consolidated)



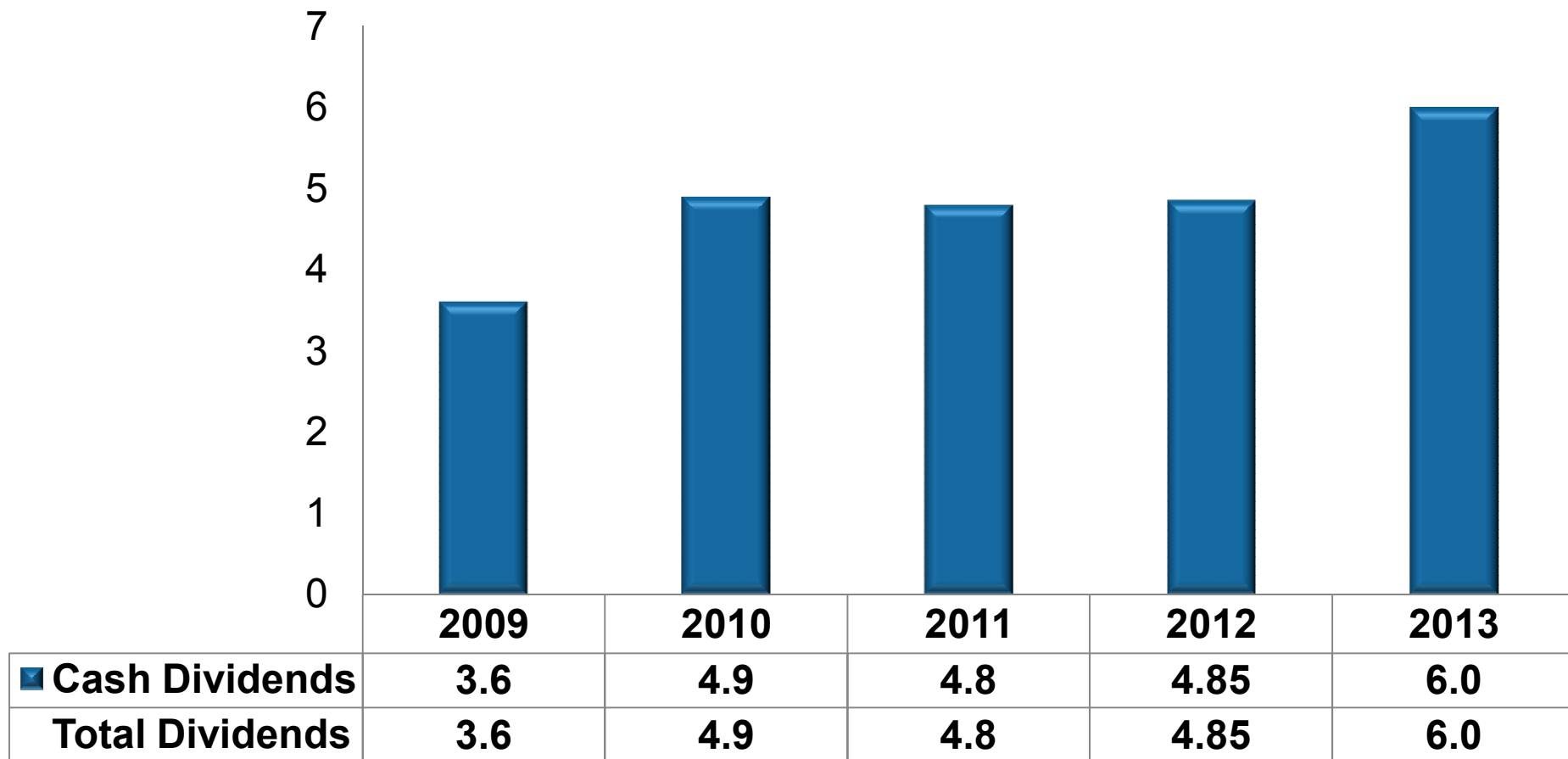
Net Cash(Company Only)



Net Cash(Consolidated)



100% Cash Dividend



2014 Outlook

Staying On Top of Consumer Trends to Pursue Sustainable Growth

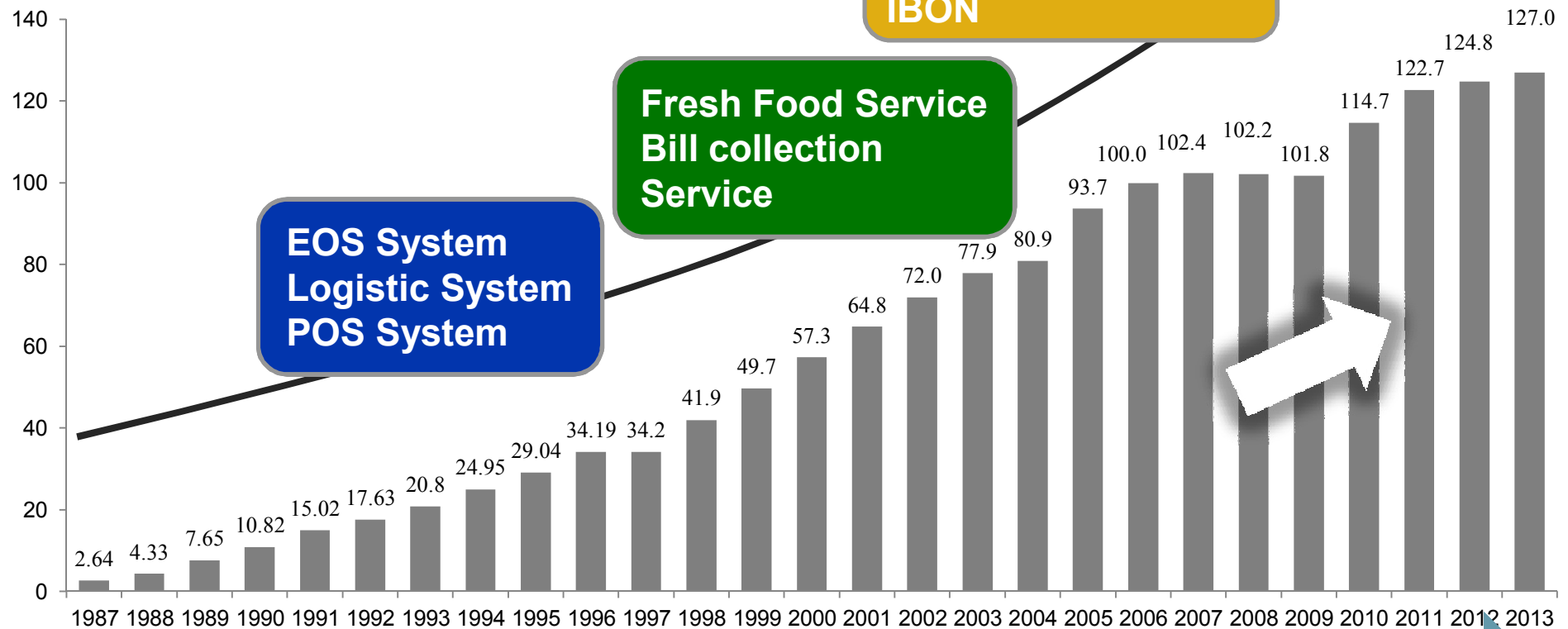
PCSC Revenue
Unit : \$NT'bn

Large Store
7-nET

City Café
Integrated Marketing
IBON

Fresh Food Service
Bill collection
Service

EOS System
Logistic System
POS System



Mom & Pa store

Modern CVS

Convenient Neighbor

Community Center

pcsc

Strengths of PCSC



With Customers' Various Demands, CVS's Functions are Boundless

| Trends | Customers' demands for... |
|---|--|
| Aging population | Friendly shopping environment Food service Feeling of happiness Online service Diversified products Convenience |
| fewer children | |
| Fast-paced life | |
| Price hike but salary stagnant | |
| High popularity of mobile devices and accessibility of internet | |
| High consciousness of beauty and health | |
| Care about the sustainability of the environment | |

Demands for friendly shopping environment

- The total store numbers of Taiwan 7-11 will surpass 5,000 in 2014 to further increase accessibility.
- Continue to increase large store numbers, and tailor suitable store layout and product mix for different districts.
- Improve energy efficiency by adopting energy-saving equipments and strategy of light down.



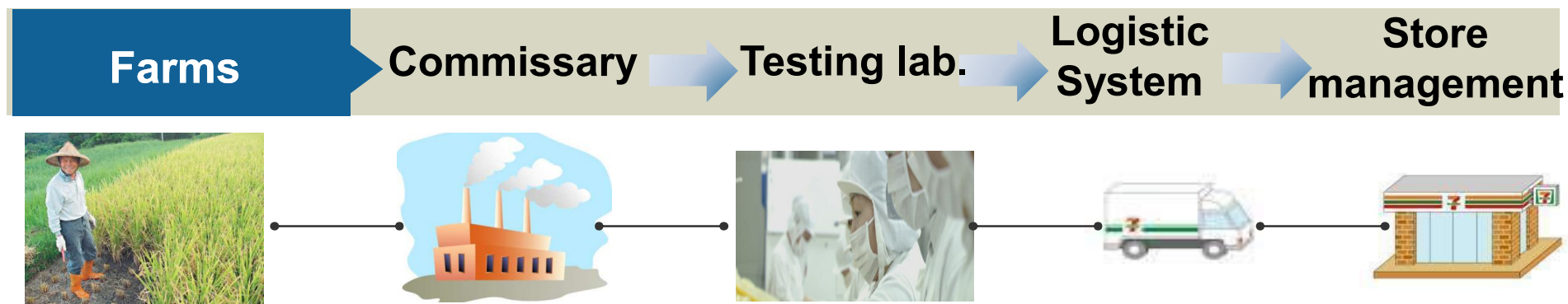
Large store of Taiwan 7-11



Light down of signboard

Demands For Food Service

- Enhancing the fresh-food restaurant image by upgrading quality of current products and convenience to customers.
- Extend ready-to-eat and -drink products to ready-to-cook ones.
- Enhancing traceability management to establish comprehensive food safety system.



Feelings of Happiness

- Branding of CITY CAFE and OPEN
 - (1) Integrate CITY CAFÉ and OPEN with 7-11 stores to strengthen brand image.
 - (2) Explore CITY CAFÉ and OPEN related products.
- Introduce soft ice cream to fulfill customers' demands for dessert.



Demands For Online Service

- Establish offline-to-online platform.
- With diverse services and resources, ibon can provide differentiated choices for customers.
- Upgrade ibon APP to increase interactions with customers.



Demands For Variety

- Fulfill customers' demand for variety by integrating strong brands of PCSC to strengthen group synergy.



Brands of Beauty



Other Brands



Potential brands

Demands For Convenience

- Expand the use of iCash cards

- (1) In alliance with other retailing businesses to provide convenience of payment.

- (2) Utilize iCash customer data to strengthen core competence.



Fast-growing Overseas Businesses

■ Shanghai Starbucks

462 stores in 2013, net increase 135 stores
Total stores will exceed 600 in 2014.



Shanghai

■ Seven Eleven Philippines

1,009 stores in 2013, net increase 180 stores.
Total stores will exceed 1,200 in 2014.



The
Philippines

Strengthen Business Model

■ Supermarket : Shandong and Beijing Unimart

- 1.300~500 m² is the main store format .
- 2.Strengthen the convenience of the stores.

■ Fast food business : Cold Stone Sub-area license

■ CVS : Shanghai 7-11

1. Total store reach 100 in 2014.
2. Strengthen product mix.



Shandong Unimart



Shanghai 7-11

2014 Cash Flow Projection

| | |
|-----------------------------|--------------|
| Operating Cash inflows | NT\$10~11b |
| Cash outflows : Taiwan 7-11 | NT\$2.5~2.6b |
| Long-term investments | NT\$600~700m |
| Cash dividends | NT\$6.2b |



Q&A