

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%)
- Presiclerc(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

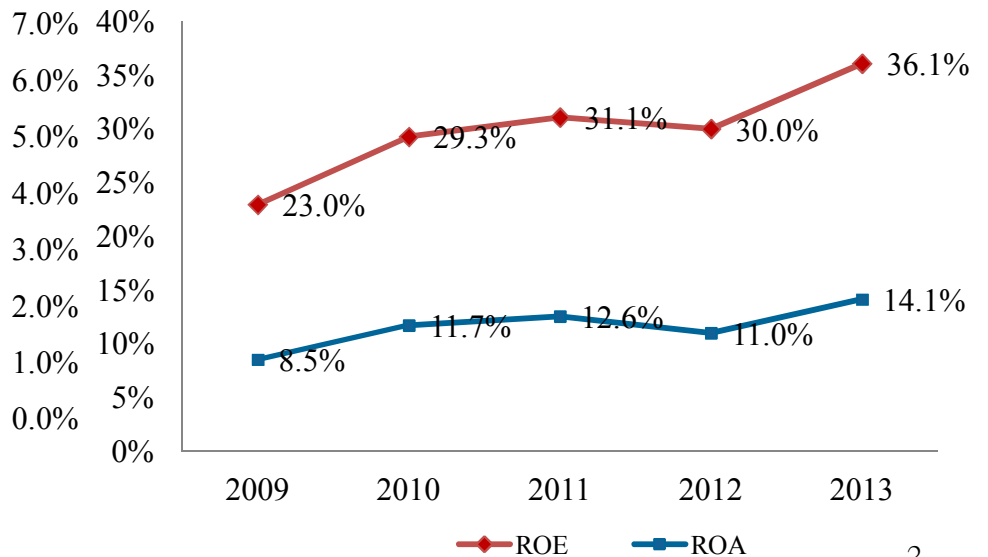
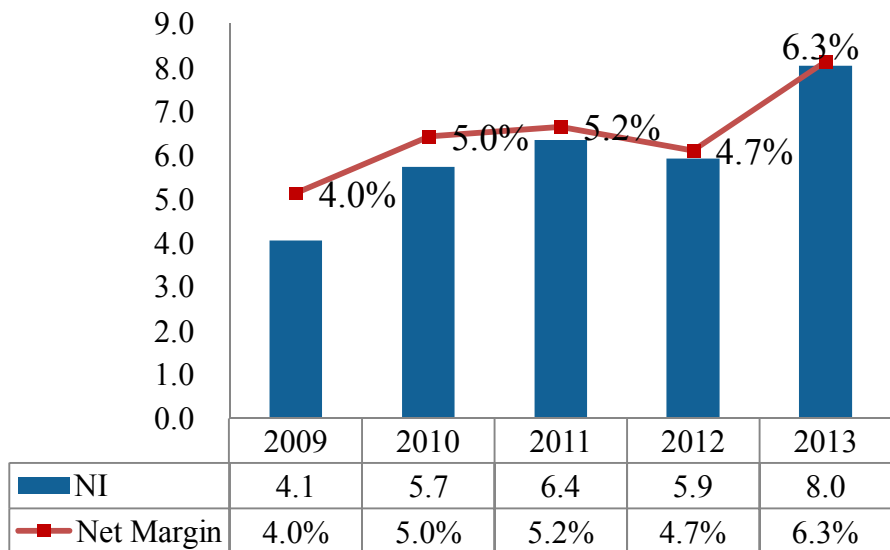
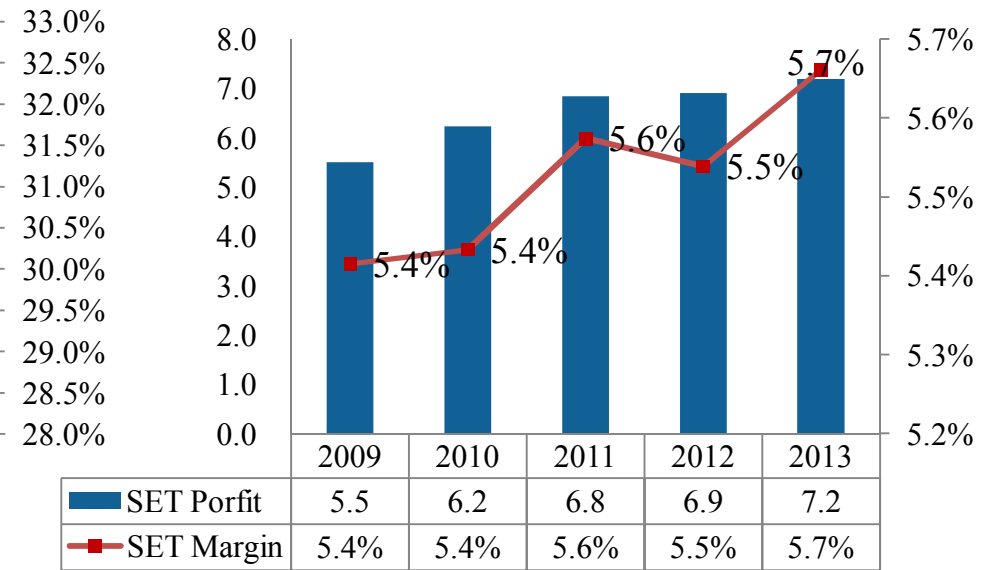
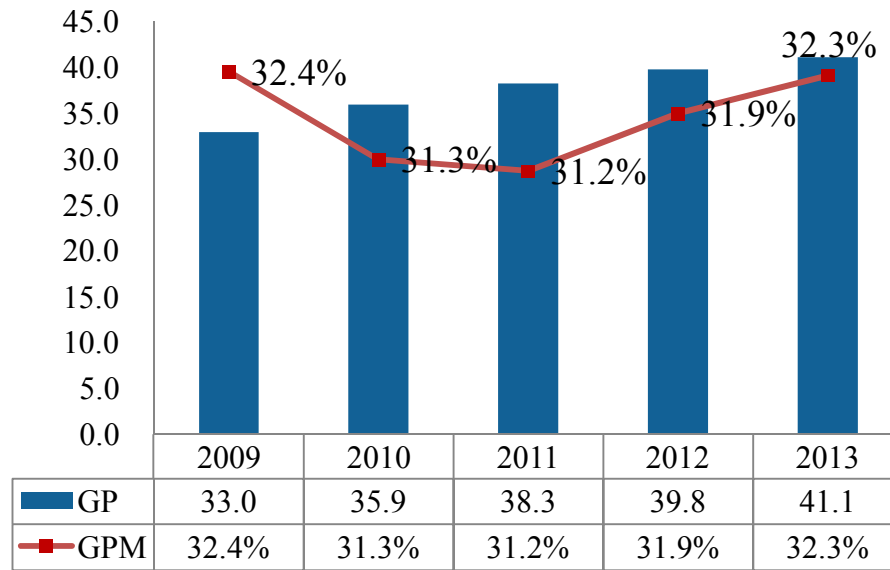
	2014 Q2	2013Q2	YOY	2014 H1	2013 H1	YOY
Revenue (Consolidated)	51,653	49,548	4.24%	101,440	97,923	3.59%
Net income to shareholder of the Parent Company	2,195	2,303	-4.96%	5,165	4,325	19.42%
EPS (NT\$)	2.11	2.22	-0.11	4.97	4.16	+0.81

● 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)

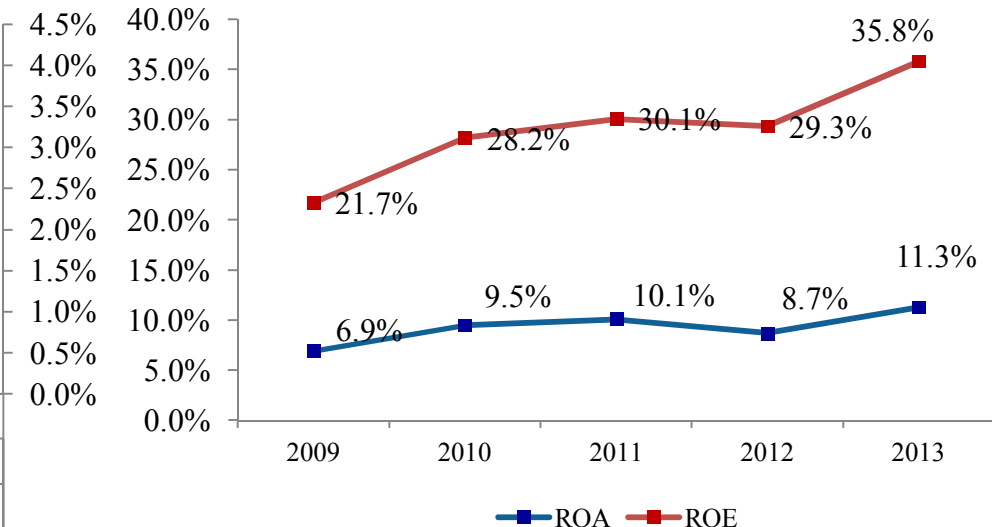
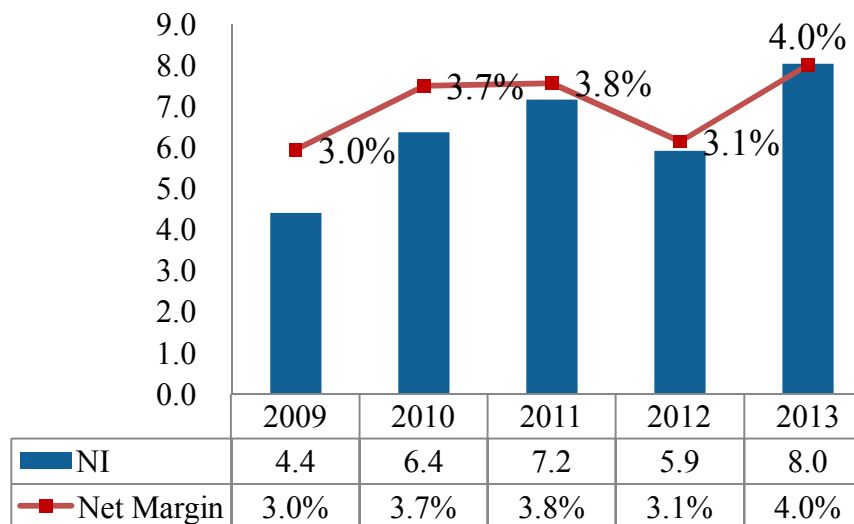
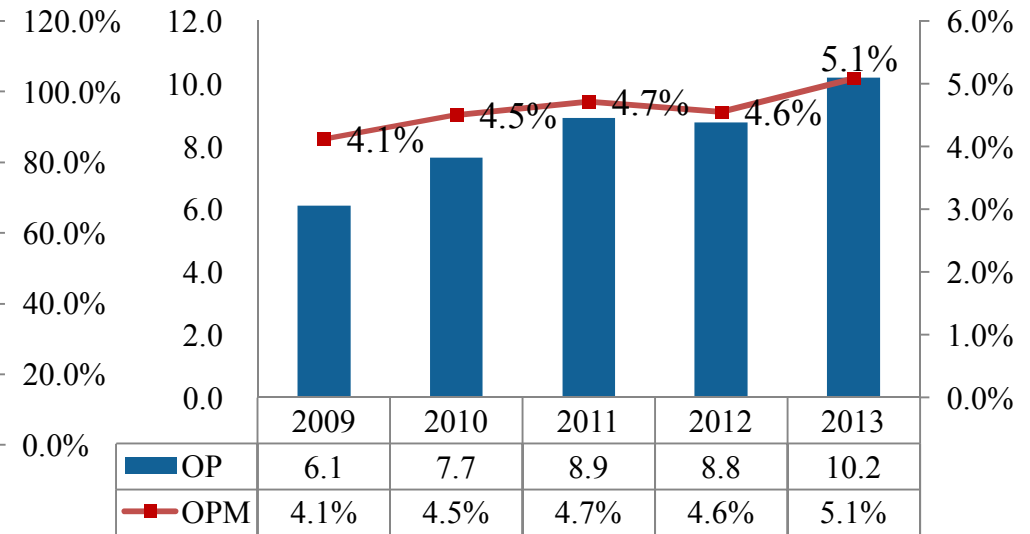
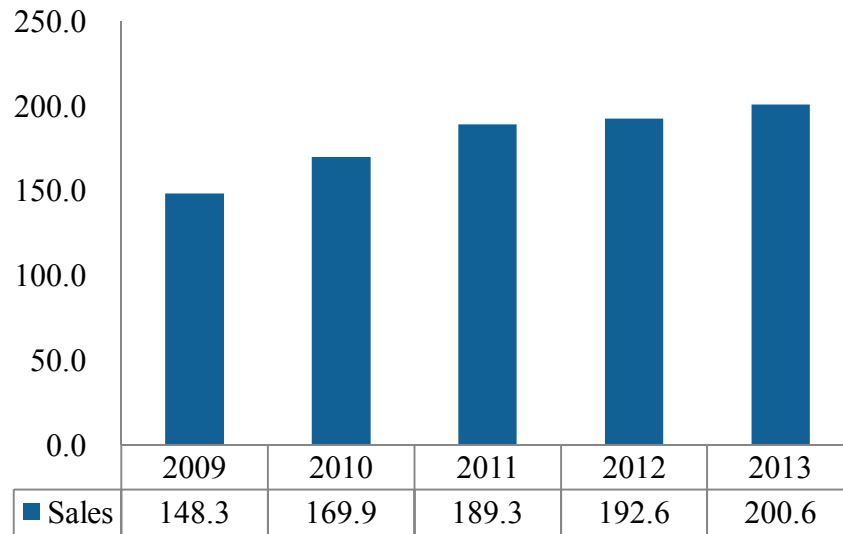
Unit : \$NT'bn



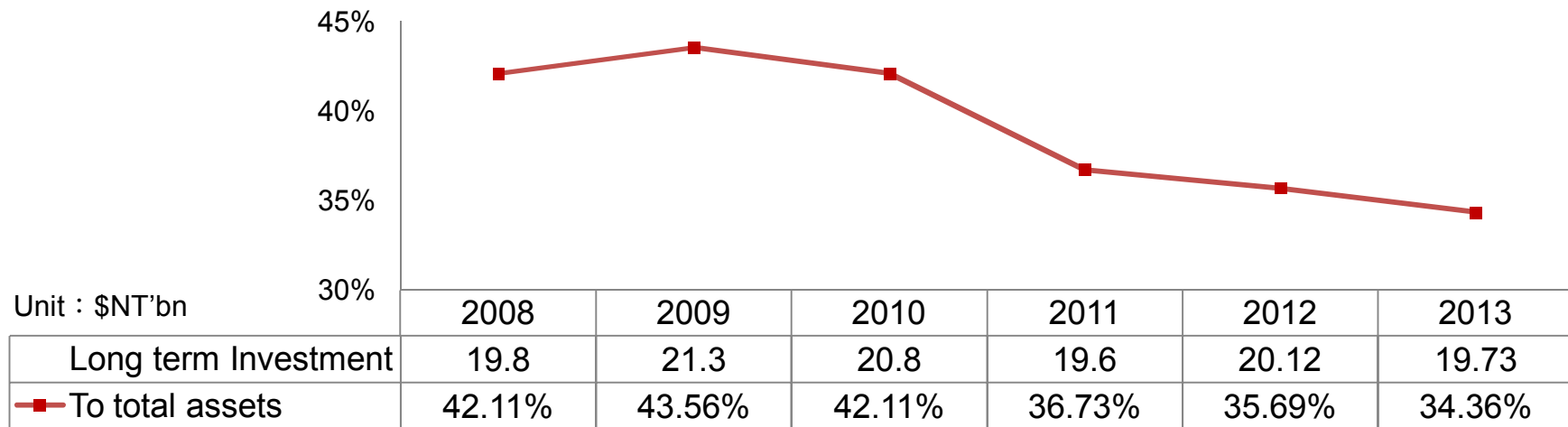
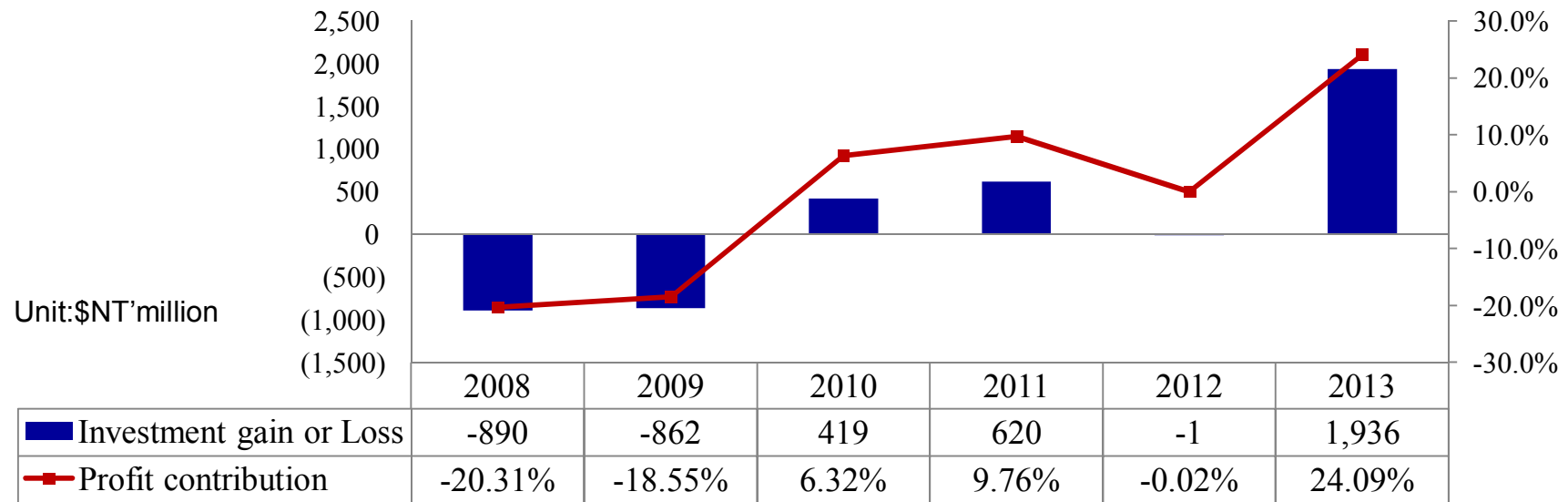
Note : Numbers are under ROC Gaap in 2009~2011, under IFRS since 2012.

Profitability Hits Record High (Consolidated)

Unit : \$NT'bn



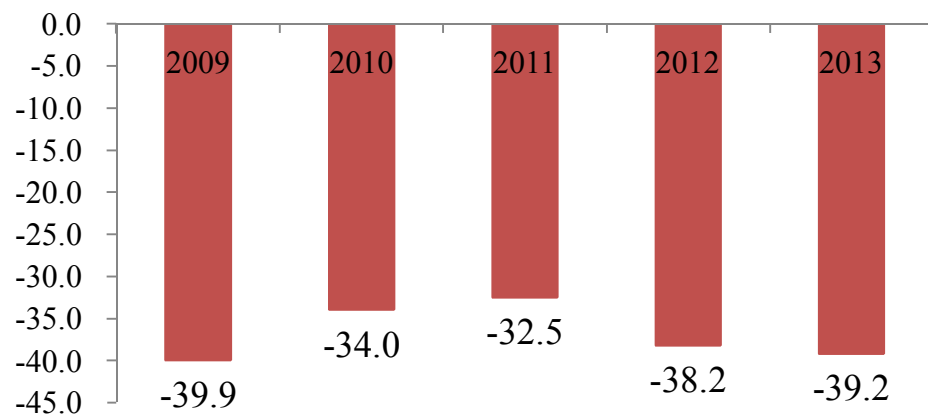
Focus Brings Profits



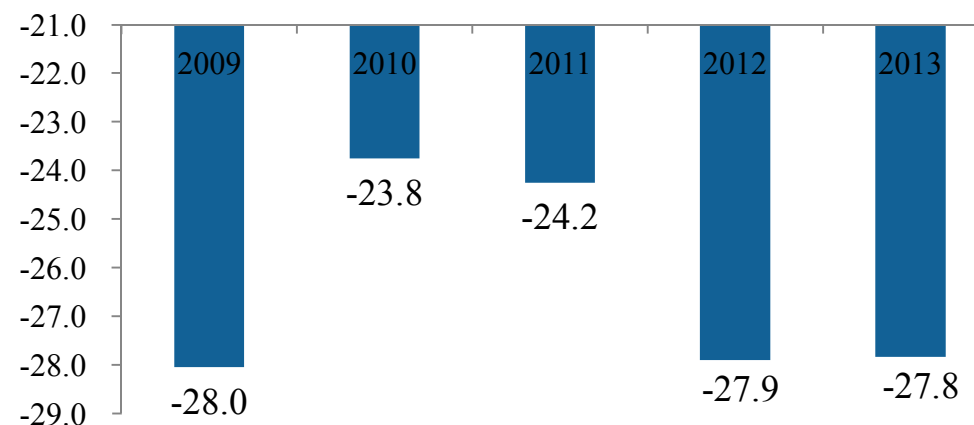
Negative Cash Cycle Days

Unit : \$NT'bn

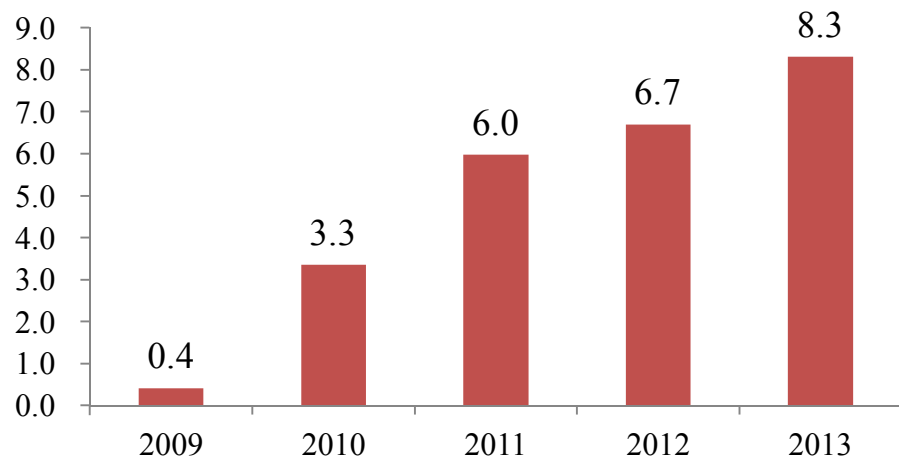
Cash Conversion Days(Company Only)



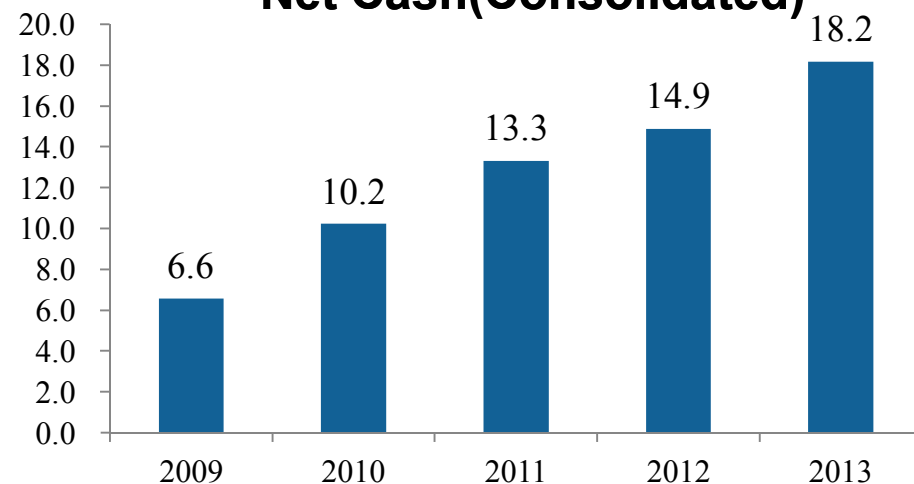
Cash Conversion Days(Consolidated)



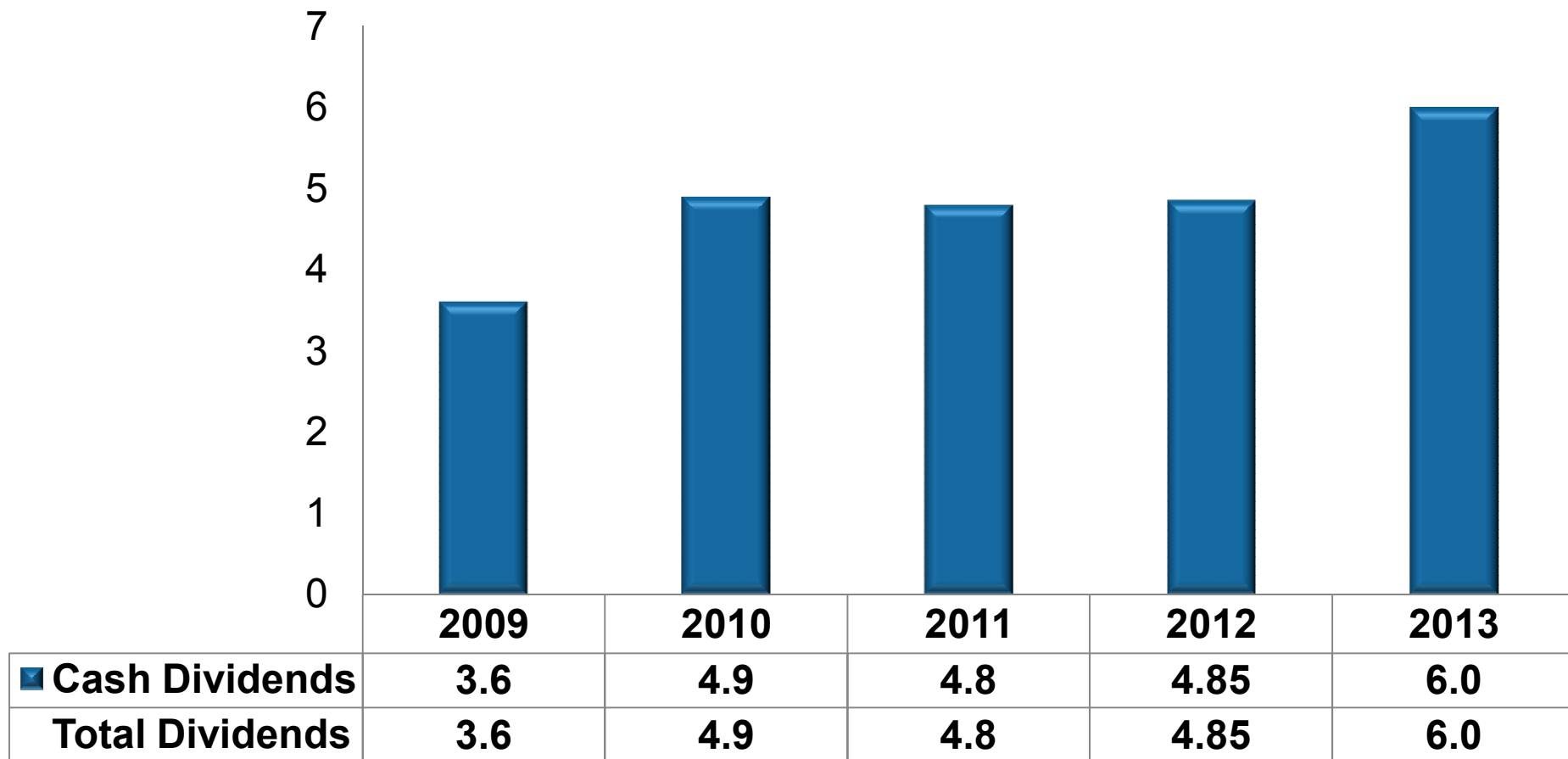
Net Cash(Company Only)



Net Cash(Consolidated)



100% Cash Dividend



2014 Outlook

Staying On Top of Consumer Trends to Pursue Sustainable Growth

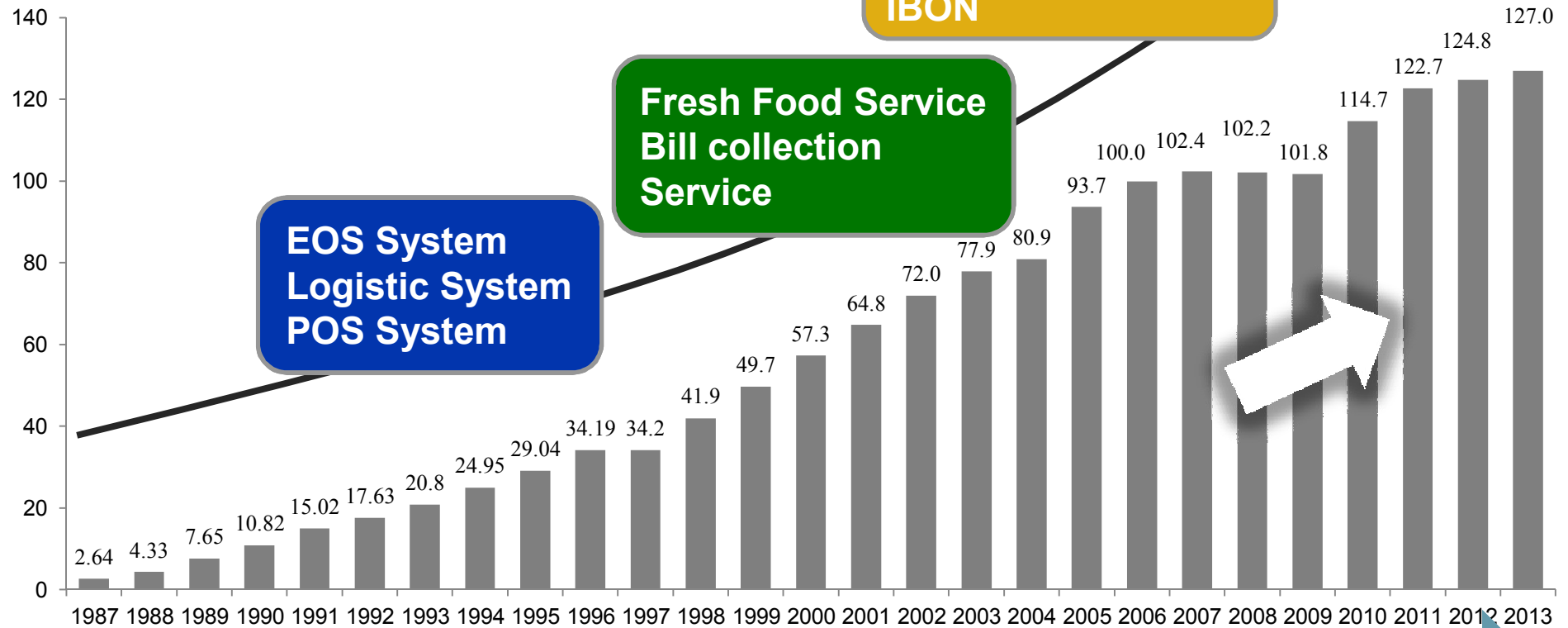
PCSC Revenue
Unit : \$NT'bn

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.



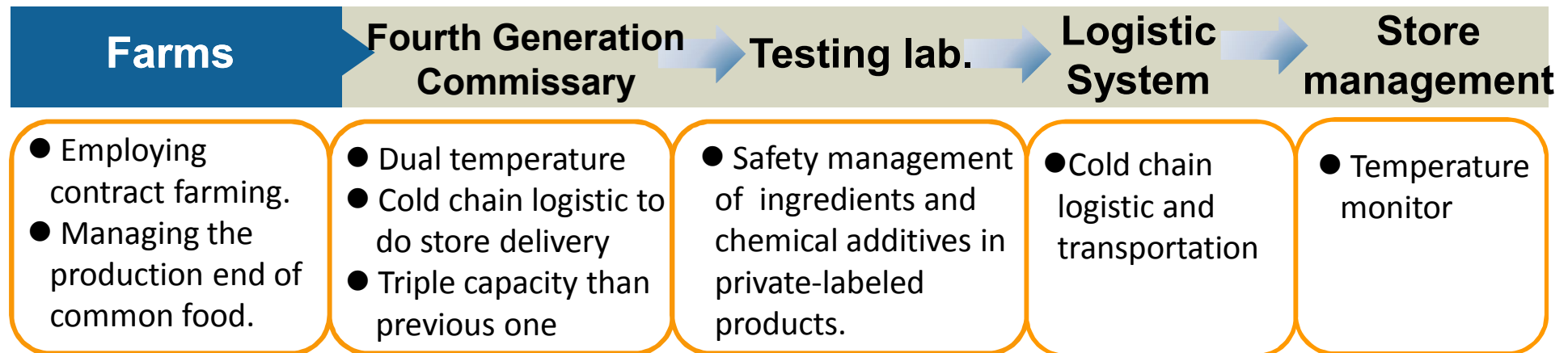
Large store of Taiwan 7-11



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 E-Service

- Establishing offline-to-online platform.
- With diverse services and resources, ibon can provide differentiated choices for customers.
- Providing the complete E-service Infra : Delivery, logistic and cashflow management.



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

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