

President Chain Store Corp.

2912TT

2015 and 2016H1 Results

Financial Highlights

◆ Historical revenue and profit

Unit:NTD billion

	2011	2012	2013	2014 (adjusted)	2015	2014 V.S. 2015	2016H1	2015H1 V.S. 2016H1
Revenue (Company Only)	122.7	124.8	126.9	131.3	133.4	+1.6%	68.3	+5.6%
Revenue (Consolidated)	189.3	192.6	200.6	200.4	205.5	+2.5%	105.8	+6.1%
Net Profit	6.4	5.9	8.0	9.1	8.2	-9.8%	5.0	+17.7%
EPS (NT\$)	6.11	5.69	7.73	8.74	7.92	-0.82	4.84	+0.72

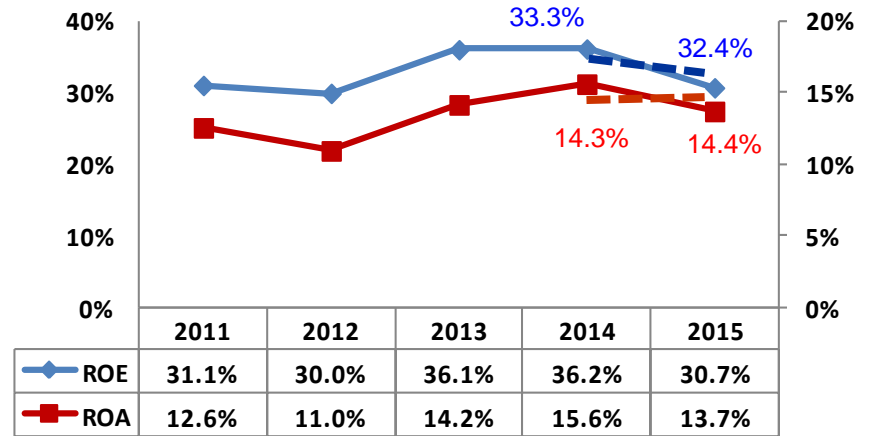
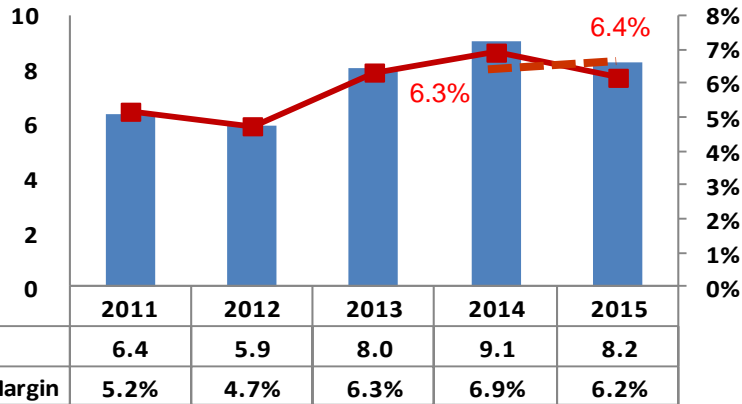
Note1 : Numbers are under ROC GAAP in 2011, under IFRS in 2012~2016H1.

Note2 : Numbers in 2014 are adjusted based on the updated IFRS for joint-venture subsidiaries.

Profitability Trend

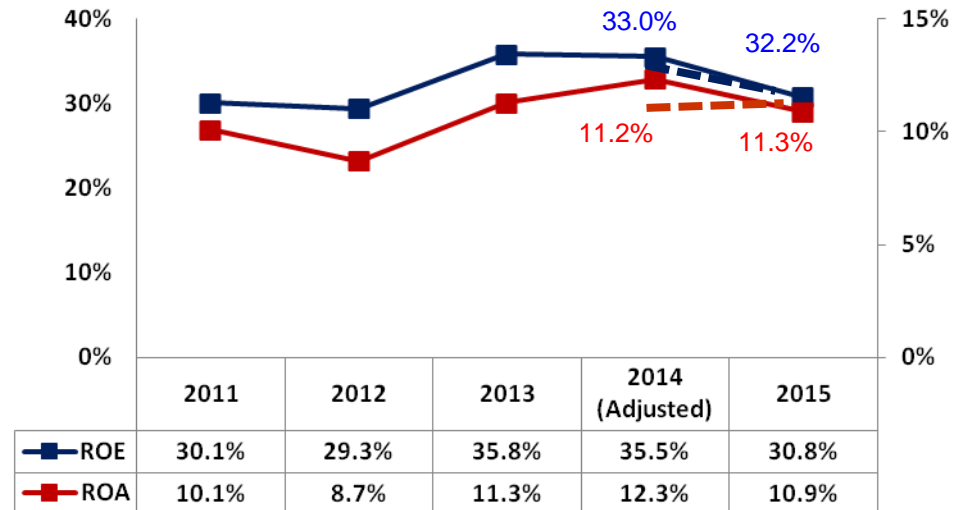
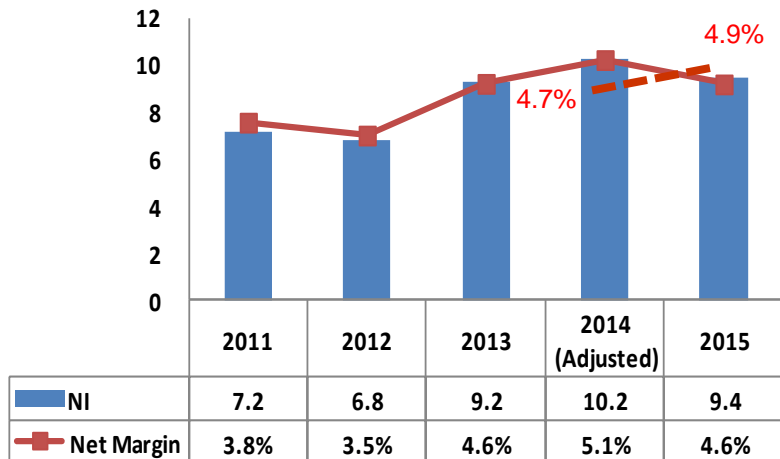
Company Only

Unit:NTD billion

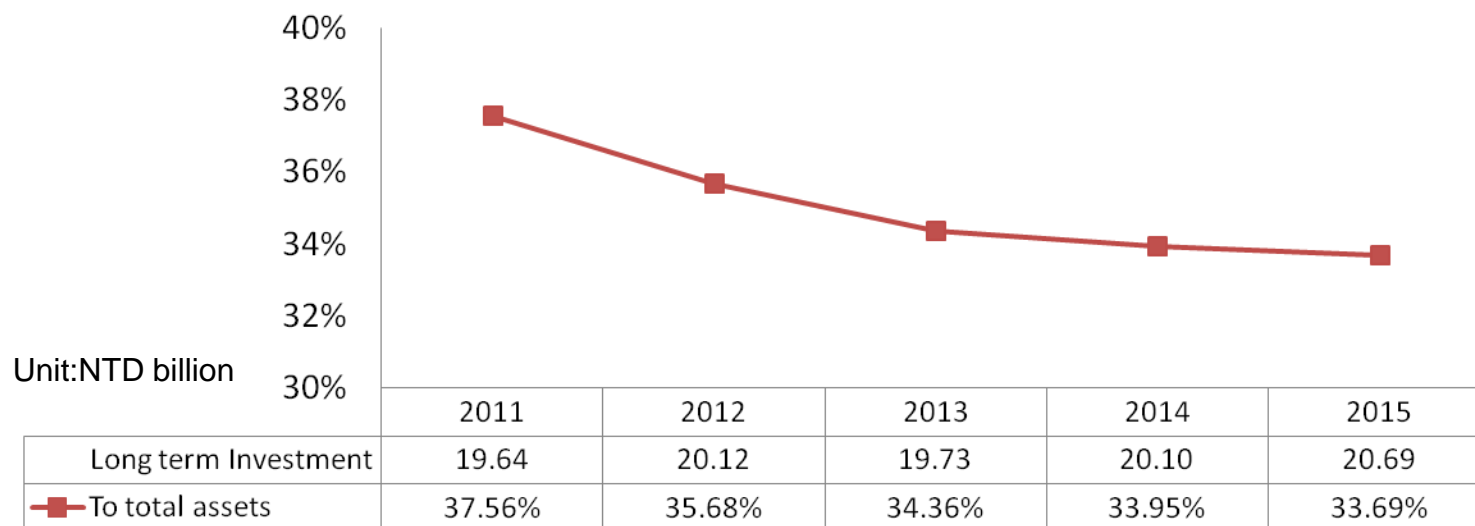
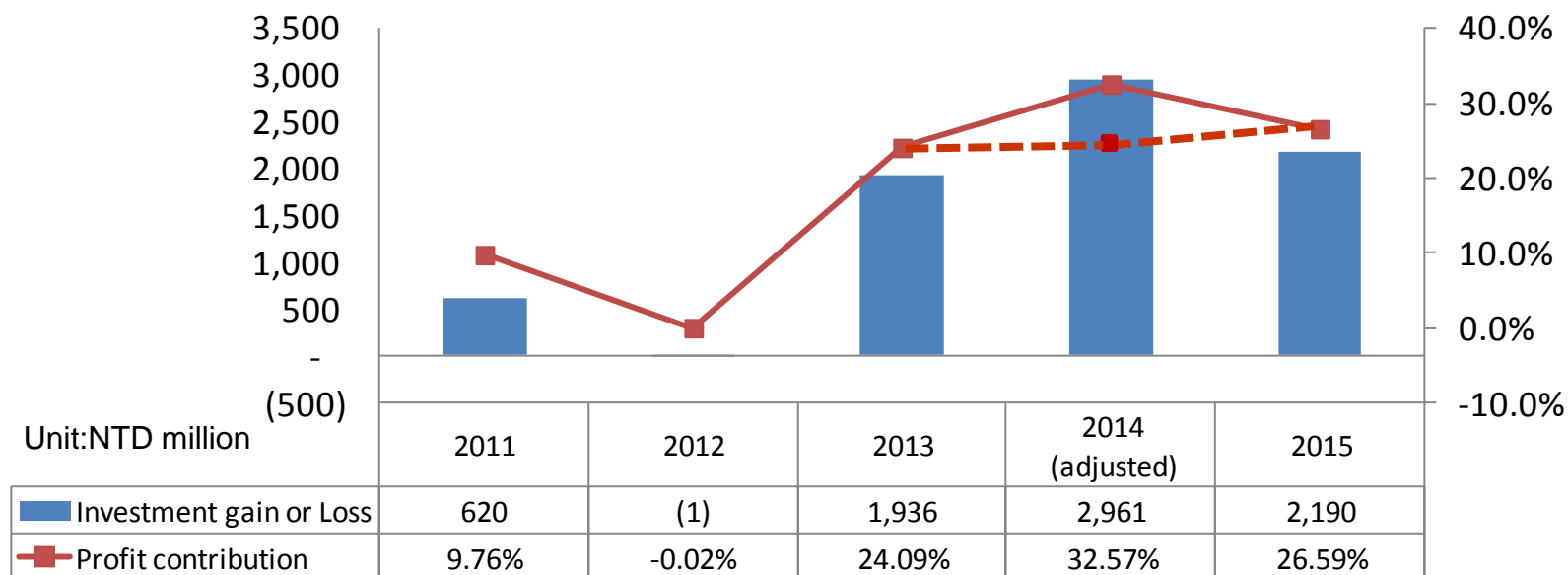


Consolidated

Unit:NTD billion



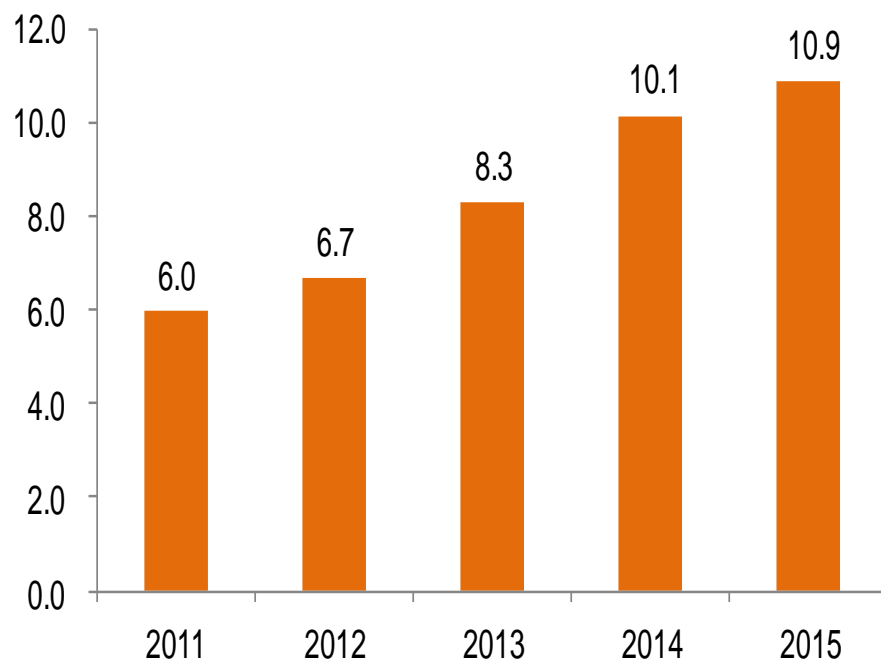
Subsidiaries Contribution Trend



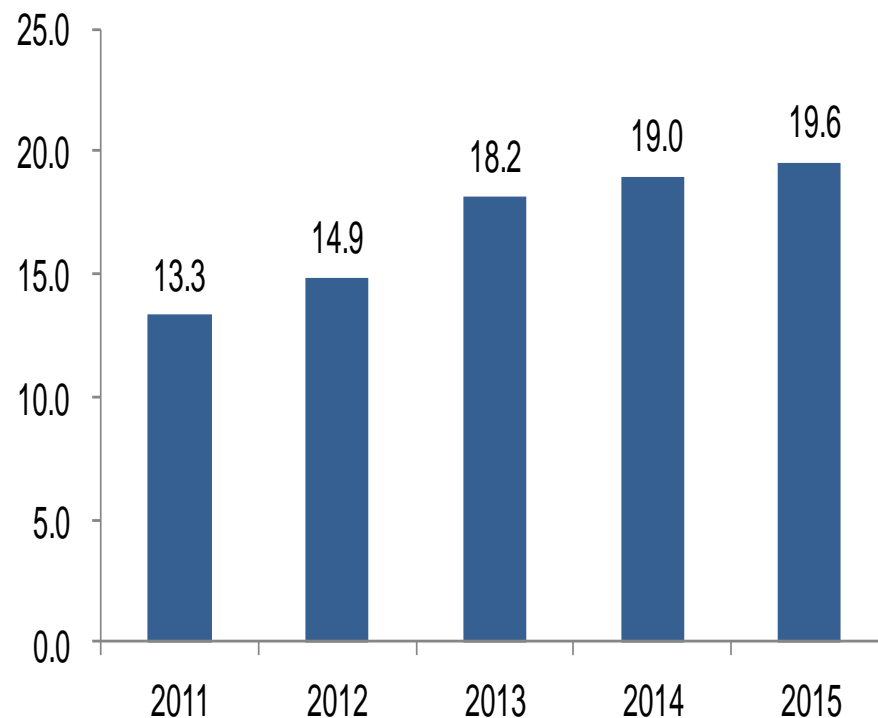
Cash Flow Trend

Unit:NTD billion

Net Cash(Company only)

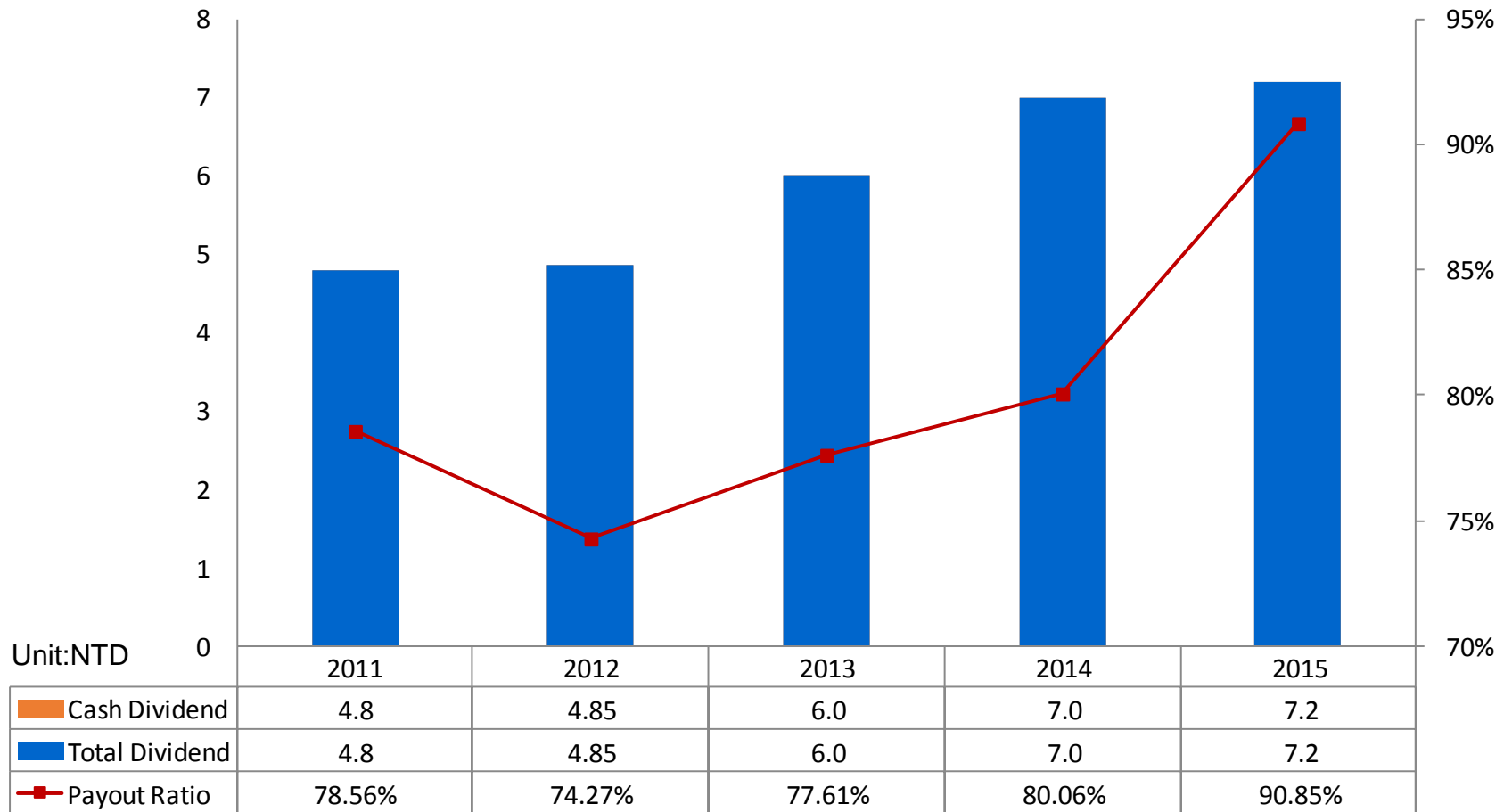


Net Cash(Consolidated)



Note : Numbers are under ROC GAAP in 2011, under IFRS in 2012~2015.

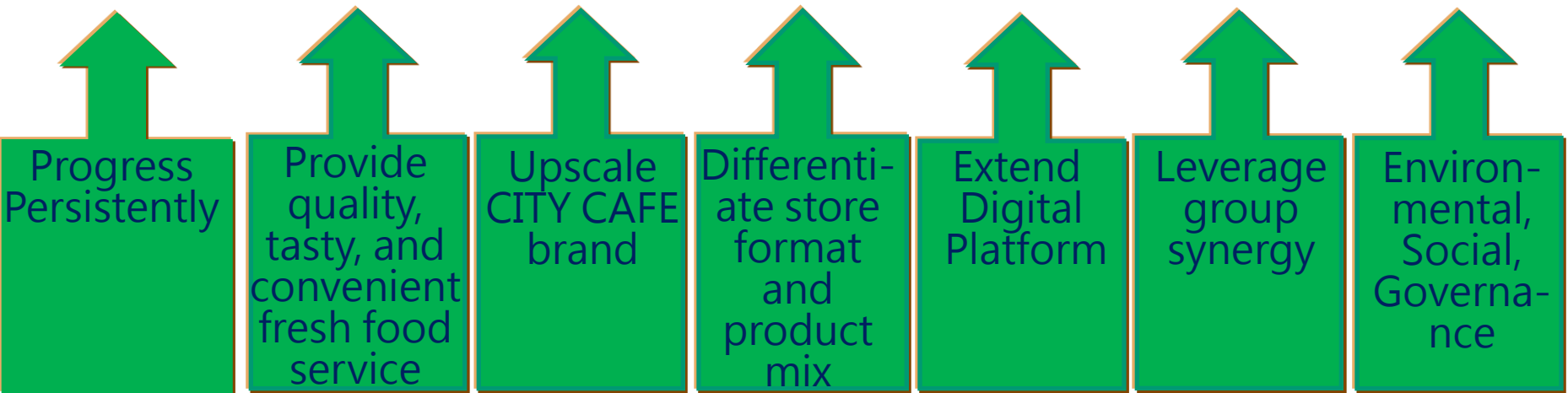
Cash Dividend Trend



2016 Outlook

7 Strategies for Sustainable Growth

Sustainable Growth



Uniqueness 、 High Value 、 Simplification 、 Standardization 、 Scale

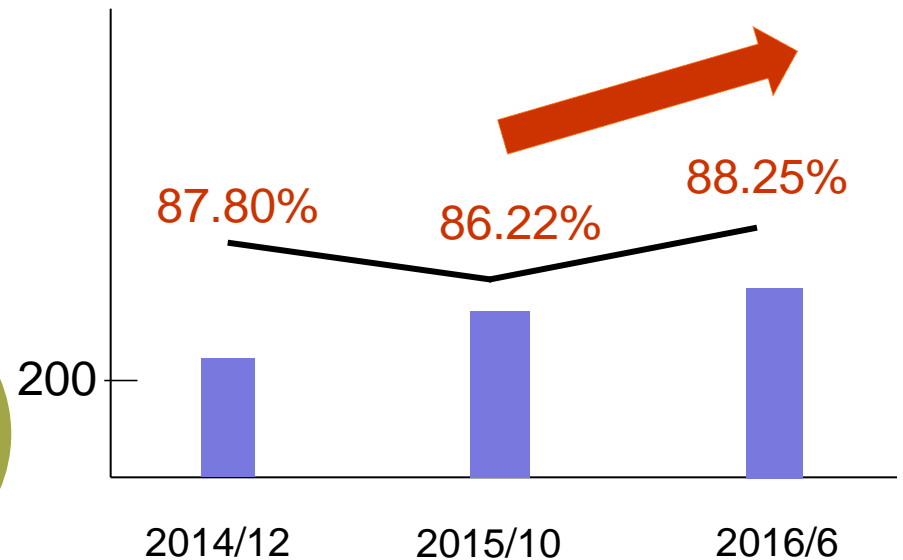
People 、 Store 、 Product 、 System 、 Logistics 、 Policy 、 Culture

Progress Persistently

- Adjust franchise system to improve profitability of franchisees.
- Our service is differentiated by members with store-by-store, item-by-item management expertise.



Unit : NTD in thousands



Trends of franchise ratio and monthly profit-sharing amount per store

Provide Quality, Tasty, and Convenient Fresh Food Service

Food Safety

- Strengthen traceability mechanism .
- Establish Material and Quality Assurance System(MAS).

New technology

- Provide new product lines with new tech.
- More variety, better taste , and lower wastage.

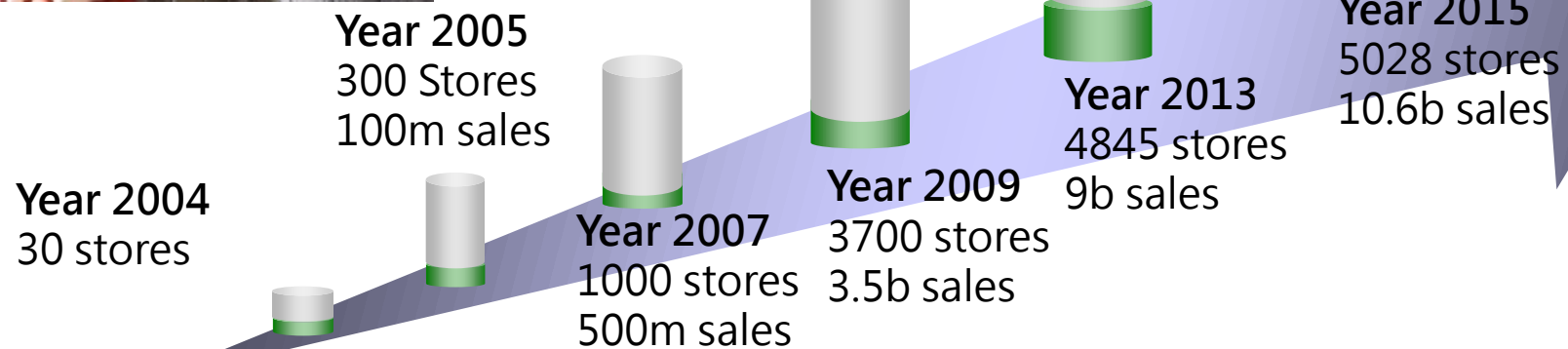
Premium Quality

- Upgrade value of products with new equipment.
- Further expand organic products.



Upscale CITY CAFE Brand

- Grow CITY CAFE brand by upgrading coffee bean quality, developing coffee masters, and strengthening marketing campaign.
- New product line “CITY fresh ” is introduced to leverage the successful experience of CITY CAFE .



Diversify Store Format

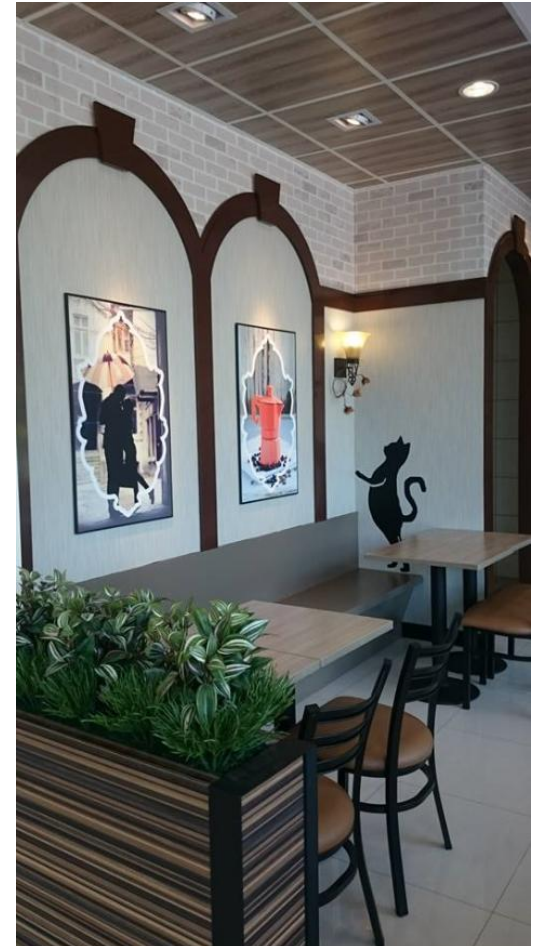
- Bigger format stores account for 70% of total store number.
- Build stores with diversified design to create unique experience for customers.
- You come, you see, you stay, and you will experience the difference!

A 7-11 store with reading room and comfortable seating area.



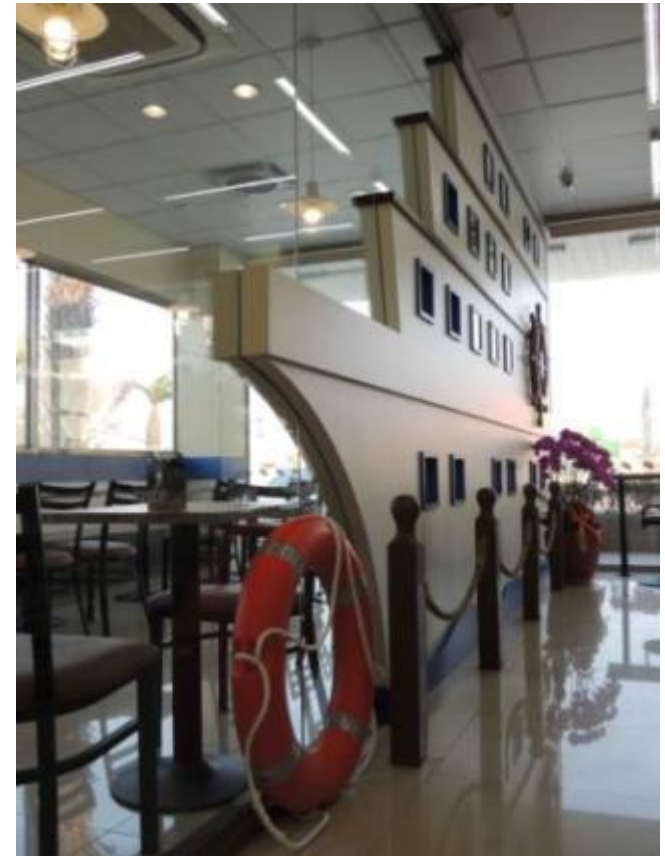
Diversify Store Format(continue)

A 7-11 store characterized by cat and magic.



Diversify Store Format(continue)

A 7-11 store characterized by the image of ship and anchor.



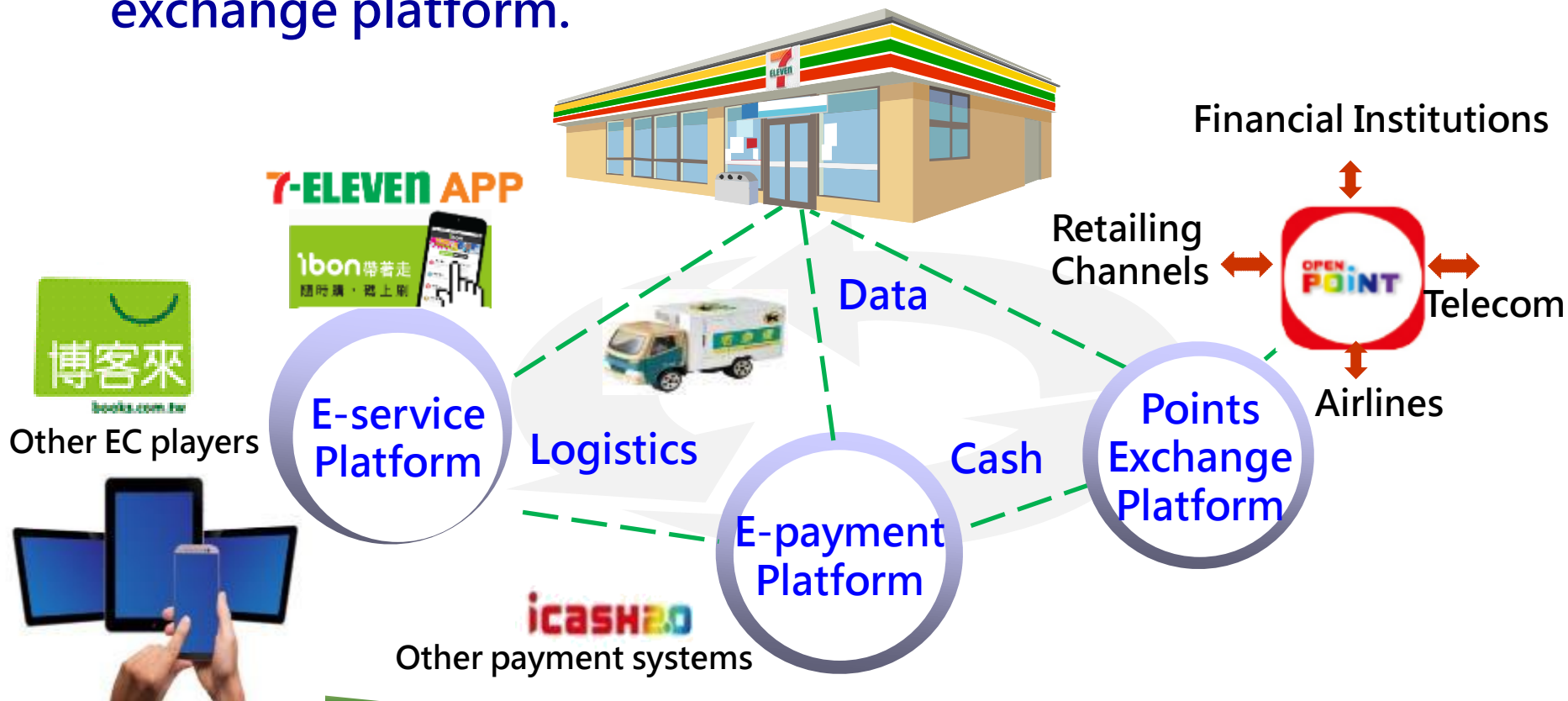
Differentiate Product Mix

- New private-labeled brand, iseLect, is launched for your own style.
- Exclusive and quality brands products make 7-11 always a fresh shopping place.



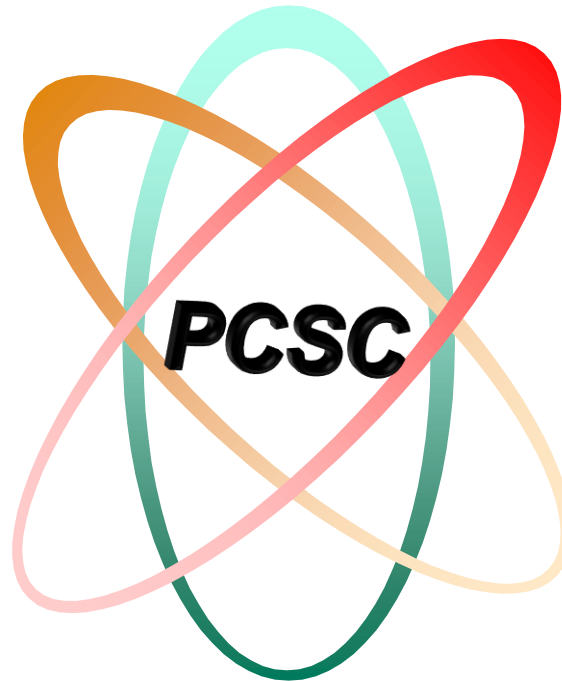
Extend Digital Platform

- With ibon APP, ibon services become more accessible.
- With high accessibility and solid infrastructure, 7-11 is the most convenient digital payment platform.
- With group synergy and resources, icash 2.0 and OPENPOINT make 7-11 the most valuable points exchange platform.



Leverage Group Synergy

- Cosmed, Takkyubin, Starbucks, and Books.com showed significant growth in 2015.
- New store formats, new services are the drivers for sustainable growth.



Grow Overseas Market

- Shanghai Starbucks will exceed 1,200 stores in 2016.
- Philippine 7-11's main growth drivers are aggressive expansion, fresh food, Coffee and E-service.
- Shanghai 7-11's PSD sales keeps double-digit growth.
- Continue to focus on the operations of CVS, mini-supermarket, and fast casual restaurant.



Environmental, Social and Governance

- Happiness, Gung Ho, and sustainability, the concept of our ESG are built in our operational strategies.



Cash Flow Projection in 2016

Cash inflows from
operating activities

NTD11~12B

Cash outflows from
investing activities

NTD 3B

Cash outflows from
financing activities

NTD 7.5 B



Q&A