



# President Chain Store



## 2912TT



# 2013Q1 Results

# Income Statement

Unit: NT\$m

	<u>2013Q1</u>		<u>2012Q1</u> IFRS Adjusted		YOY	<u>2012FY</u> IFRS Adjusted		<u>2012FY</u> ROC GAPP	
	Amount	%	Amount	%		Amount	%	Amount	%
Operating revenue	48,374	100.0%	46,608	100.0%	3.8%	192,603	100.0%	208,264	100.0%
Operating cost	(33,467)	-69.2%	(31,728)	-68.1%	5.5%	(129,388)	-67.2%	(145,044)	-69.6%
Gross profit	14,907	30.8%	14,879	31.9%	0.2%	63,215	32.8%	63,220	30.4%
Operating expenses	(12,478)	-25.8%	(12,761)	-27.4%	-2.2%	(54,447)	-28.3%	(54,493)	-26.2%
Operating income	2,429	5.0%	2,118	4.5%	14.7%	8,768	4.6%	8,727	4.2%
<b>Net income belong to :</b>									
<b>Owner</b>	<b>\$2,022</b>	<b>4.2%</b>	<b>\$1,687</b>	<b>3.6%</b>	<b>19.9%</b>	<b>\$5,916</b>	<b>3.1%</b>	<b>\$6,789</b>	<b>3.3%</b>
Non-controlling interests	247	0.5%	206	0.4%	19.9%	841	0.4%	834	0.4%
Total	2,268	4.7%	1,893	4.1%	19.8%	6,756	3.5%	7,624	3.7%
<b>EPS after tax (Unit:\$NT)</b>	<b>1.94</b>		<b>1.62</b>			<b>5.69</b>		<b>6.53</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%)
- Book.com (50.03%)
- Rakutan (49%)

### China

- Shanghai 7-11 (100%)
- Shanghai Cold Stone (100%)
- Sichuan Uni-Mart (100%)
- Shandong Uni-Mart (55%)
- Shanghai Mister Donuts (50%)
- Shanghai Starbucks (30%)
- Presiclerc(Beijing) Supermarket (88.94%)

### Logistic

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

### Support

- Capital Inventory (100%)
- Tokyo Marketing (100%)
- Musashino (90%)
- Q-Ware (86.76%)
- President Information (81%)
- Bank Pro E-Service (53.33%)

### F&B

- 21 Century (100%)
- Oven Bakery (100%)
- Cold Stone (100%)
- Sato (81%)
- Afternoon Tea (51%)
- Mister Donut (50%)
- Starbucks (30%)

# Major Subsidiaries

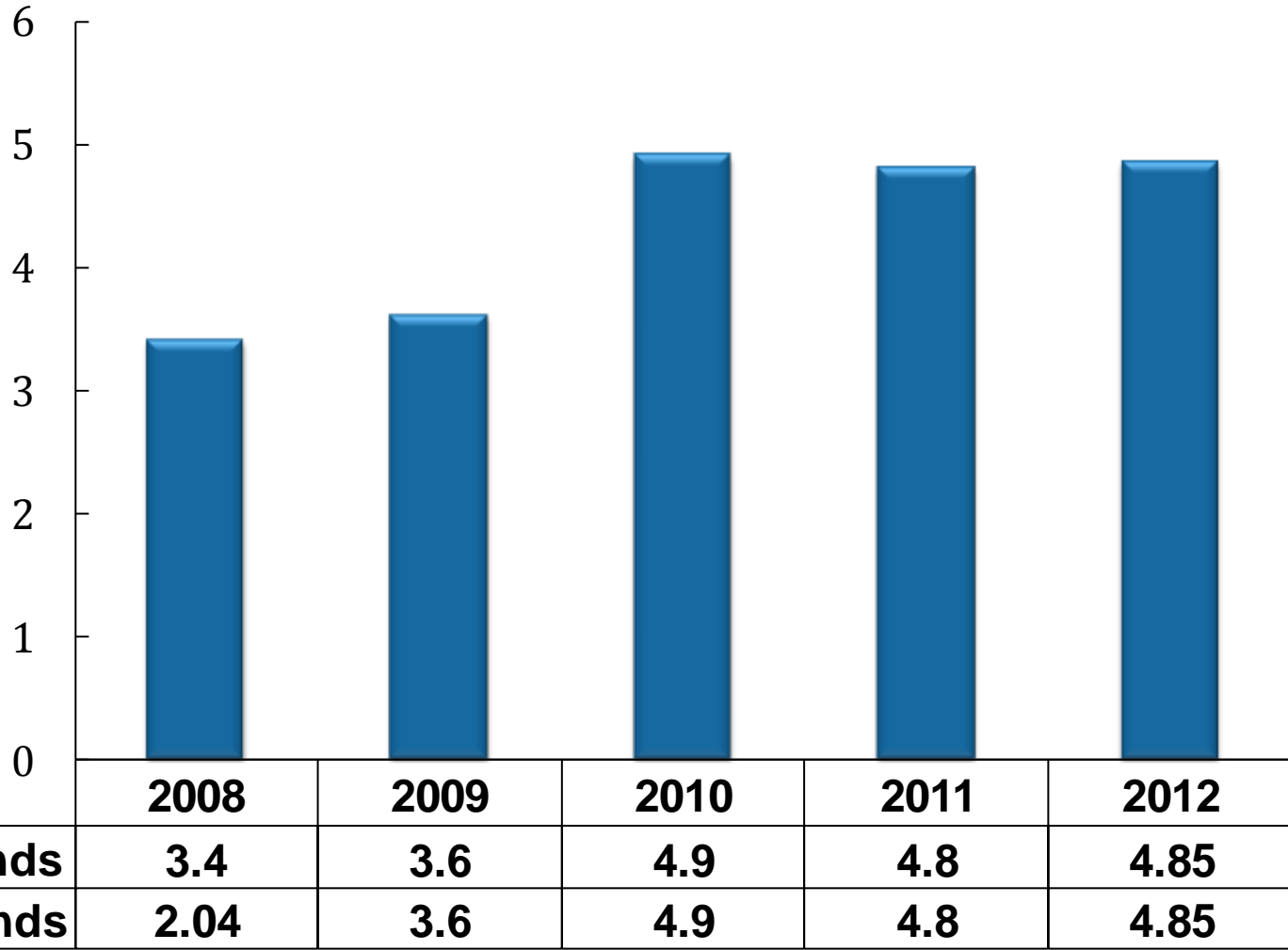
Unit: NT\$m

Business Scope	CVS	Retail	Logistics	Other	Total
Revenue	13'Q1: 30,210 12'Q1: 29,549	13'Q1: 13,148 12'Q1: 12,160	13'Q1: 549 12'Q1: 811	13'Q1: 4,468 12'Q1: 4,087	13'Q1: 48,374 12'Q1: 46,608

Note : The revenue is after elimination.

# Dividend Policy

# 100% Cash Dividend



Note : 2012 cash dividend has not been approved by AGM.

# 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**

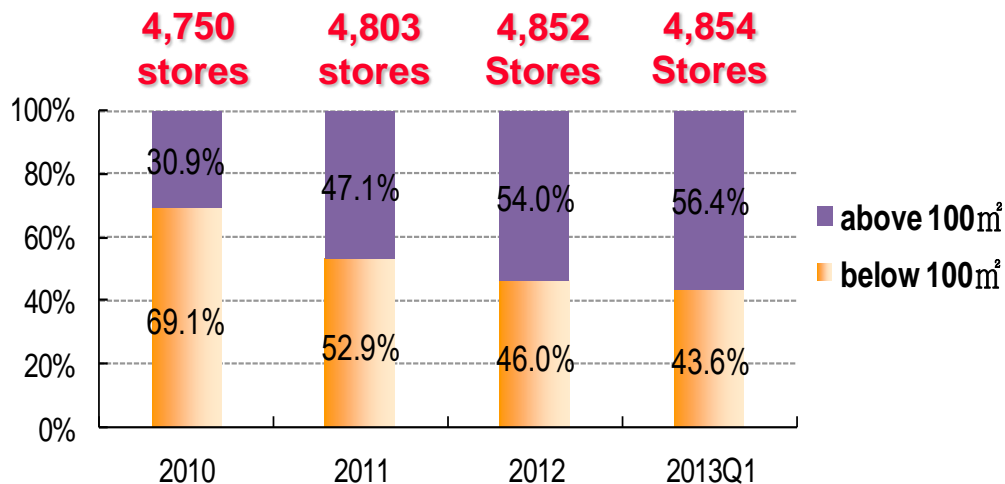
**Improving  
Efficiency  
of Overseas  
Operations**

**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 56.4% until Q1 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.



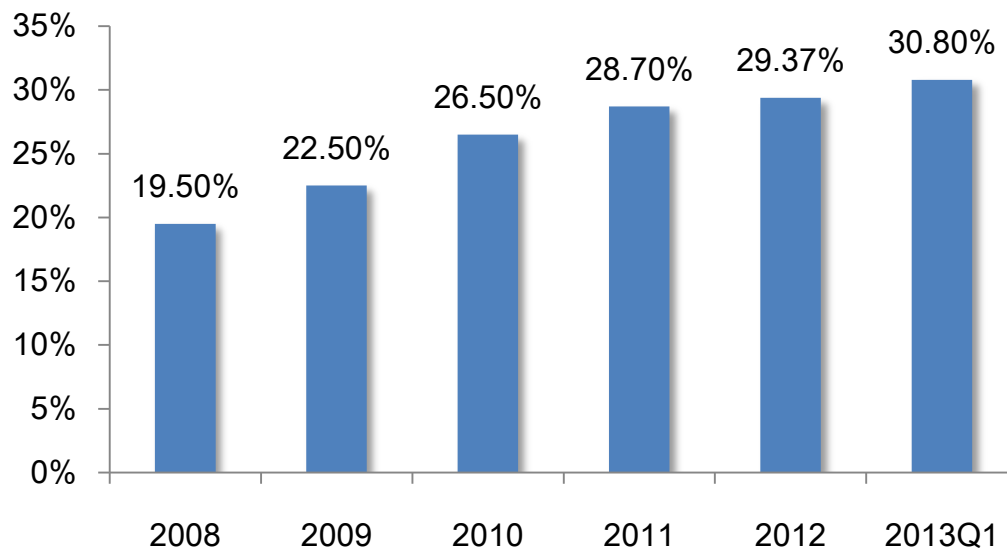
# Pursuing Sustainable Growth of 7-11

## 2. Focusing on differentiated products

- Private-labeled products account for 30.8% of merchandise sales until Q1 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.



% of PL



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

PB of Taiwan 7-11  
2012 Annual  
Sales:NT\$38.2b



The top hexagonal block features a blue background with a silver border. It contains the text 'PB of Taiwan 7-11' and '2012 Annual Sales:NT\$38.2b'. Below the text are three logos: '7-Eleven SELECT', 'OPEN小将' (a character with a rainbow), and 'CITY CAFE' (a coffee cup).

PB of Beauty  
2012 Annual  
Sales:NT\$11b



The bottom-left hexagonal block features a blue background with a silver border. It contains the text 'PB of Beauty' and '2012 Annual Sales:NT\$11b'. Below the text are three logos: 'COSMED 康是美', '我的美麗日記' (My Beauty Diary), and '自白肌' (Natural White Skin).

PB of Restaurant  
2012 Annual  
Sales:NT\$1.3b



The bottom-right hexagonal block features a teal background with a silver border. It contains the text 'PB of Restaurant' and '2012 Annual Sales:NT\$1.3b'. Below the text are two logos: '21 CENTURY 風味館' (21st Century Flavor House) and '聖娜多堡 Semeur De Pain' (Semour De Pain).

# Cultivating The International Brands

## Solidifying the foundation and expanding the scale

Restaurant  
Business

2012 Annual Sales: NT\$15.9b



Royal Host

統一樂豪



和食

と都

Retail  
Business

2012 Annual Sales: NT\$16.8b



DUSK!N



宅急便 客樂得

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:

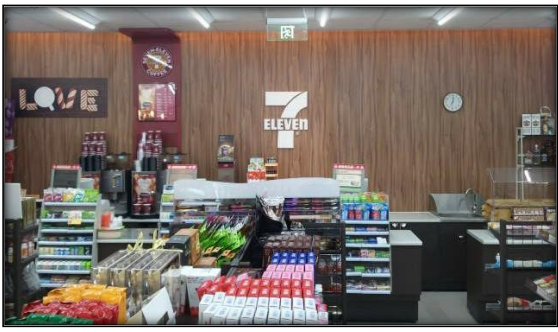
- 2013Q1 Store number is 697, 2013 will be over 800 stores.
- CVS, Supermarket and Fast Casual are the main businesses.



**Supermarket:**  
 Shandong, Beijing  
 300~500 m<sup>2</sup> is the main store format.

**Fast Casual**  
 Shanghai  
 Focus on core product and 2-tier shopping district.

**CVS**  
 Shanghai  
 Focus on differentiated products.



pcsc Shanghai 7-11



Shandong Uni-mart

# Improving Efficiency of Overseas Operations

## Center on formats and regions

### The Philippines

- 847 stores until 2013Q1, 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

