

IDR13/2016

November 10, 2016

Re: Notification on the Difference of Operating Results for the Third Quarter of 2016  
by More Than 20 Percent from the Same Period of the Previous Year  
CP ALL Public Company Limited

To: The President  
The Stock Exchange of Thailand

CP ALL Public Company Limited (the Company or CPALL) would like to explain the increased operating results exceeding 20% from the same period of the previous year in the Company's consolidated financial statement for the third quarter ended September 30, 2016.

The operating results in the third quarter of 2016 has reported net profit of Baht 4,115 million, an increase from Baht 3,258 million in the third quarter of 2015, or an increase of 26.3 percent due to the followings:

Total Income

Total income for the third quarter of 2016 were Baht 113,028 million, an increase from Baht 100,063 million in the third quarter of 2015, or an increase of 13.0 percent due to the followings:

- 1) Expansion of 7-Eleven stores from 8,618 stores in the third quarter of 2015 to 9,411 stores in the third quarter of 2016, while same store sales growth posted of 4.4 percent for the third quarter of 2016.
- 2) An increase of revenue from sales of goods of Makro due to their store expansion.

Gross Margin

Gross profit to total income increased from 25.0 percent in the third quarter of 2015 to 25.2 percent in the third quarter of 2016 due to productivity enhancement and product assortment mix management.

Selling, General and Administrative Expenses

Selling, General and Administrative (SG&A) Expenses to total revenue decreased from 18.9 percent in the third quarter of 2015 to 18.8 percent in the third quarter of 2016. This was mainly due to efficiency in the expenses control such as advertising & promotion expenses, and utilities expenses etc.

EBIT and Net Profit

EBIT of the Company and subsidiaries of the third quarter of 2016 was Baht 7,145 million, increasing 17.4 percent from the third quarter of 2015 and net profit was Baht 4,115 million, increasing 26.3 percent from the same period of last year. This was mainly due to an increase of revenues and a cost efficiency.

Please be informed accordingly.

Sincerely yours,

(Mr. Kriengchai Boonpoapichart)

Vice President

Authorized to sign on behalf of the Company