

# CP ALL Public Company Limited

---

## 3Q11: Presentation Results

*November 2011*



*Life is better with all*



# Financial Highlights

Units: MB

	3Q10	3Q11	%Chg	9M10	9M11	%Chg
<b>Company Only</b>						
Total Revenue	33,945	40,882	+20.4%	100,727	119,475	+18.6%
Net Profit	1,513	1,774	+17.3%	4,771	5,861	+22.9%
<b>Consolidated</b>						
Total Revenue	34,695	41,816	+20.5%	102,565	121,457	+18.4%
Net Profit	1,670	2,173	+30.1%	5,116	6,427	+25.6%

Company Only	2006	2007	2008	2009	2010
Total Revenue	69,498	81,807	98,108	115,285	138,565
Net Profit	2,216	2,504	3,740	4,597	6,143



## Flooding impact in 4Q11

CPALL has been impacted by flooding since October 2011 in some provinces, Bangkok and its vicinity. Implementation of contingency plans include increasing product delivery through regional distribution centers, securing more and larger-sized truck fleets to ease logistics, purchasing more products from various suppliers, and setting up temporary distribution sites. Insurance coverage to the distribution centers, stores, and plants of subsidiaries are available to reduce the loss incurred. The flooding impact will be included in 4Q2011 performance. Although we strive to cope with such event, our key business operations plan will remain unchanged.



**7-Eleven stores in flooded areas are still open for local communities.**



**Drinking water and other necessities are donated to help flooded victims.**



# Share Capital Information

**Price (Oct 31, '11)** : Bt 47.00  
**Hi/Low (12-month)** : Bt 52.50/32.00 per share  
**Avg. daily turnover** : 402.0 MB  
**No. of shares** : 4,493,148,024 (Par Bt 1)  
**Market capitalization** : 211,178 MB

## Major Shareholders (as of Jul 12, '11)

- Charoen Pokphand Group	17.0%
- CPF (subsidiaries)	30.0%
- AIA	4.9%
- State Street Bank and Trust Company	5.8%
- Chase C.S. Central Nominees Limited	3.5%
- Albouys Nominees Limited	2.7%
- GIC	2.5%
- HSBC	2.1%

**Free float** : 42.1%

**First trade date** : Oct 14, '03

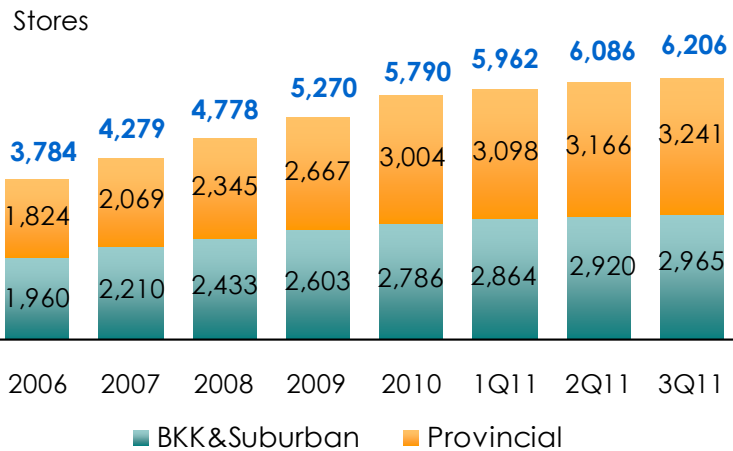
Dividend payment	2004	2005	2006	2007	2008	2009	2010
Dividend payment (Bt/share)	Bt 2.25	Bt 0.30	Bt 0.25	Bt 0.35	Bt 0.60	Bt 0.80	Bt 1.40
Payout ratio (%)	59%	88%	84%	63%	72%	78%	102%
Based on financial statement	Consolidated	Consolidated	Consolidated	Company only	Company only	Company only	Company only
Effective payout ratio*(%)	83%	75%	50%	63%	72%	78%	102%



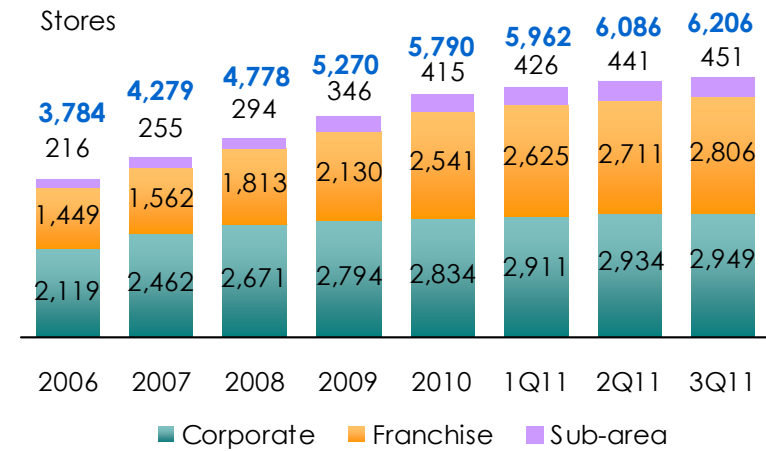
# Store Types Breakdown

## Store expansion on plan

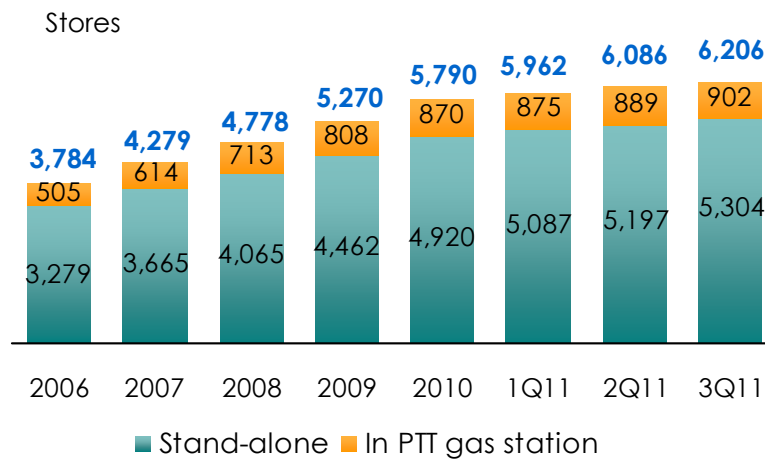
### BKK & Suburban / Provincial



### Corporate / Franchise / Sub-area



### Stand-alone /In PTT gas station



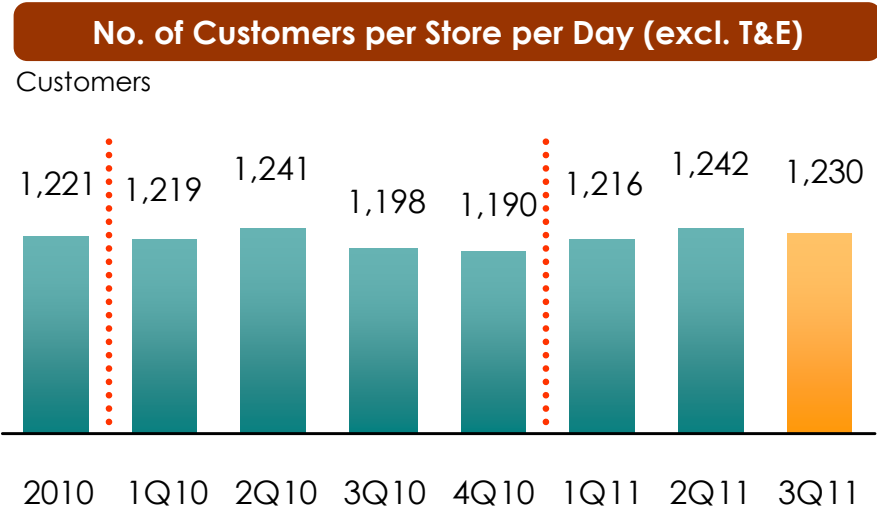
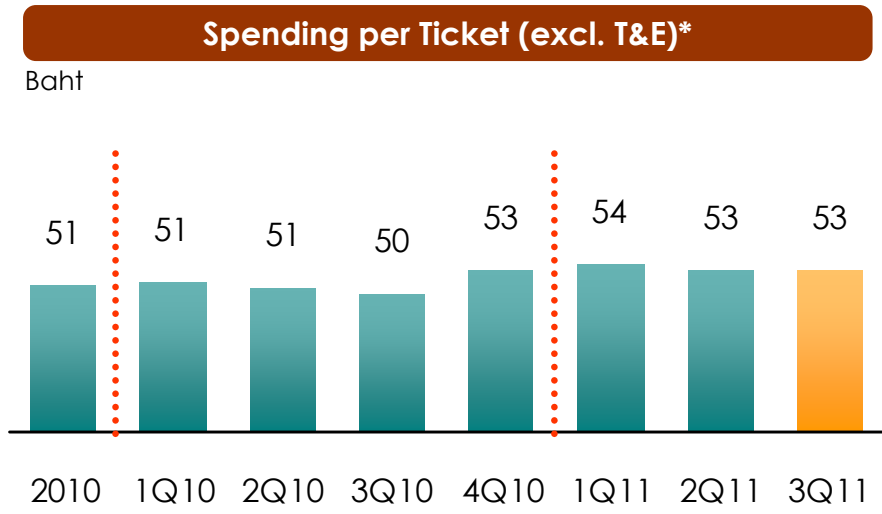
Stores/Year	2006	2007	2008	2009	2010	9M11
Expansion	+473	+495	+499	+492	+520	+416



# Back on Track Same Store Sales Growth

Average daily sales / store **3Q11**  
**81,119 Baht**

	2005	2006	2007	2008	2009	2010	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11
SSS Growth*	4.7%	5.5%	5.9%	10.5%	9.7%	9.9%	14.3%	12.6%	8.1%	6.9%	4.7%	4.4%	8.8%



- Spending per ticket increased at a CAGR of 4.5% from 2005-2010.
- No. of customers per store per day increased at a CAGR of 2.9% from 2005-2010.

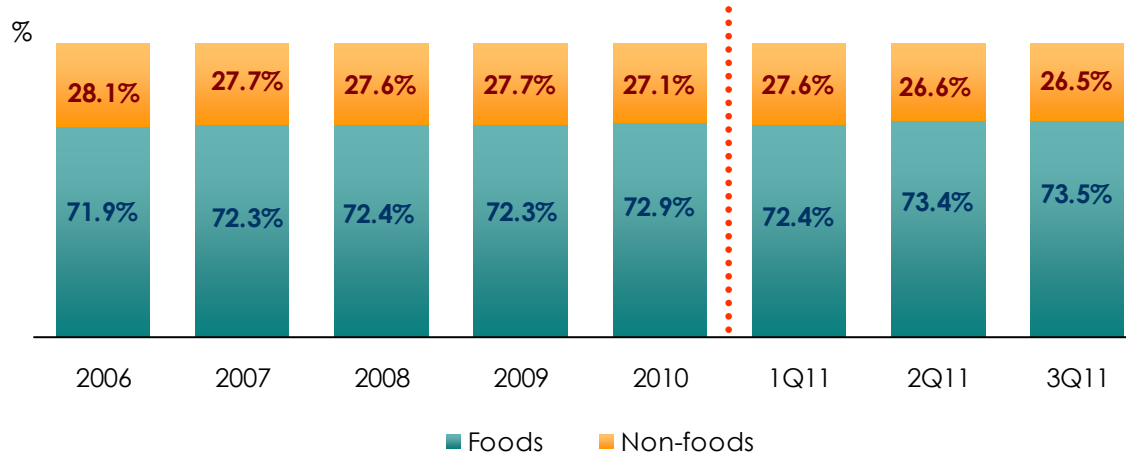
Note : T&E stands for technology and entertainment e.g. mobile phone top-up card  
\* Round number has been shown



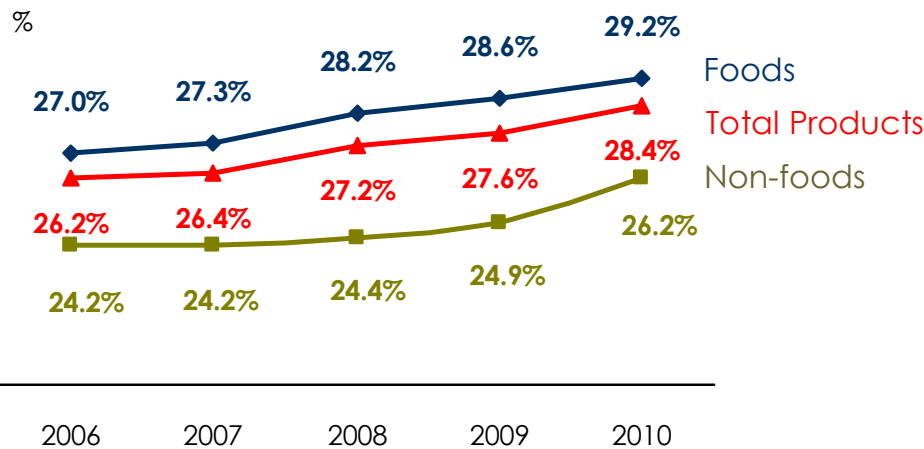
# Product Sales Mix & Gross Margin Mix

## Continued gross margin improvement

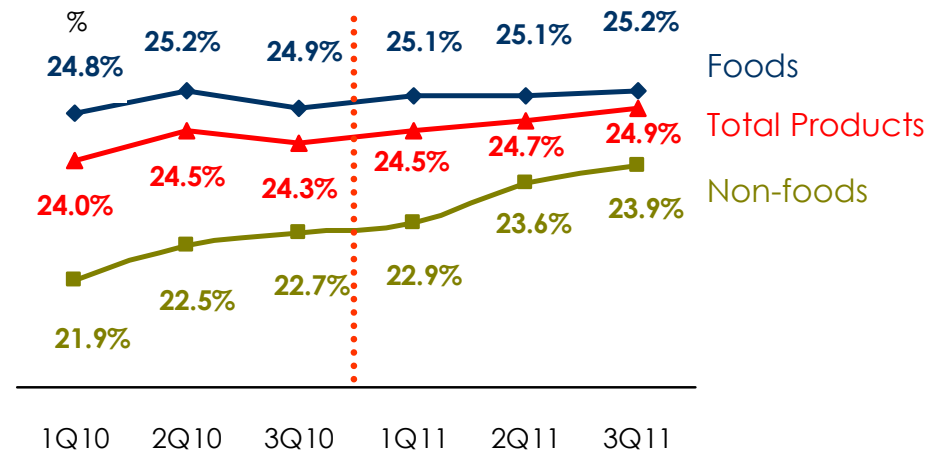
### Product Sales Mix (excl. T&E)



### Gross Margin Mix (excl. T&E) Before Reclassification



### Gross Margin Mix (excl. T&E) After Reclassification



Note : Gross margin reclassification has been started since 1Q11

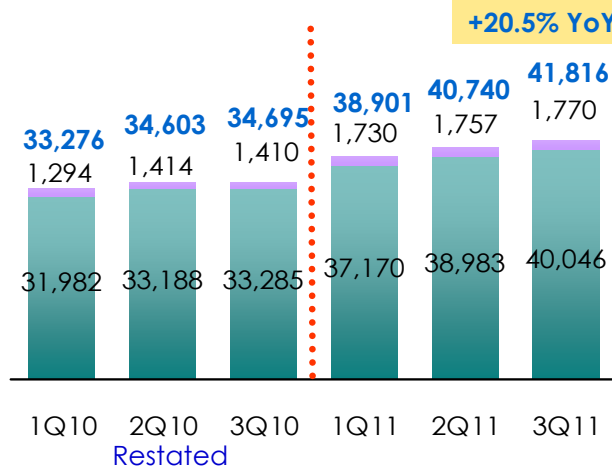


# Consolidated Financial Performance

## Net profit growth resulting from both CVS and other business performance

### Total Revenues

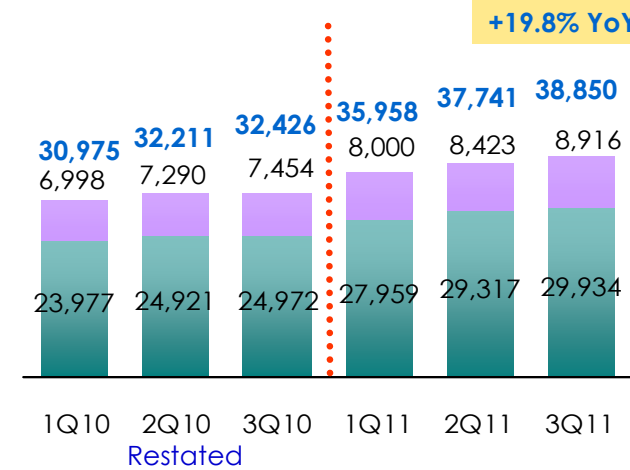
(Unit: Million Baht)



■ Revenue from Sales and Services ■ Other Operating Income

### Total Costs

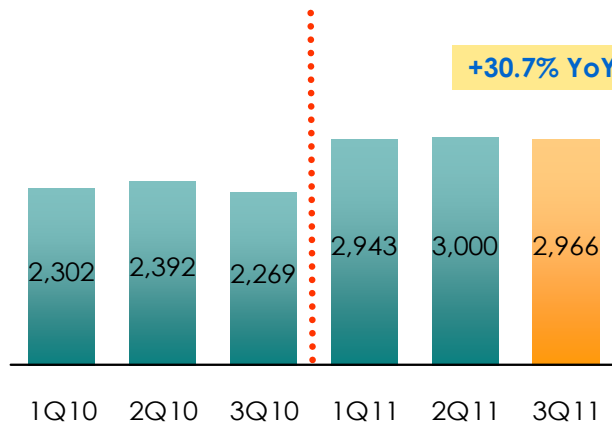
(Unit: Million Baht)



■ Cost of Sales and Services ■ SG&A

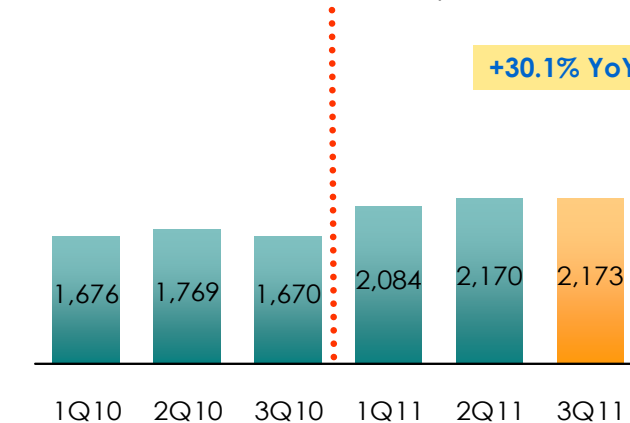
### Operating Profits

(Unit: Million Baht)



### Net Profits

(Unit: Million Baht)



Note: Other operating income is comprising of interest income, net foreign exchange gain, sale promotion income, royalties fee and others.

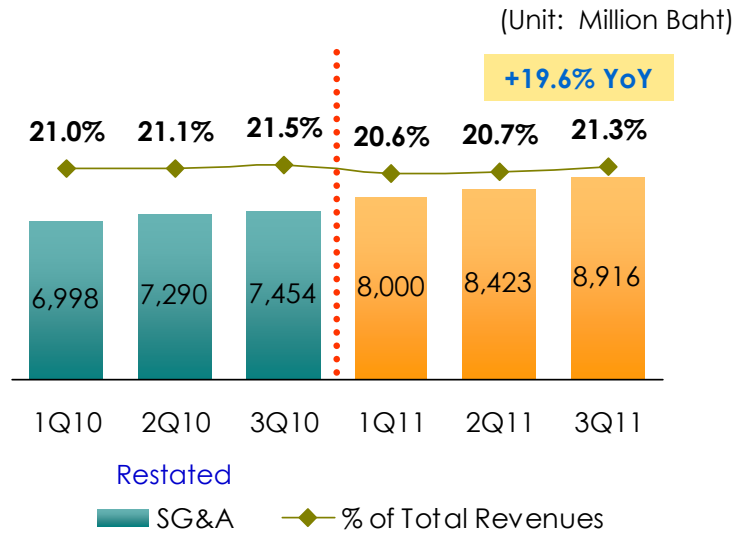




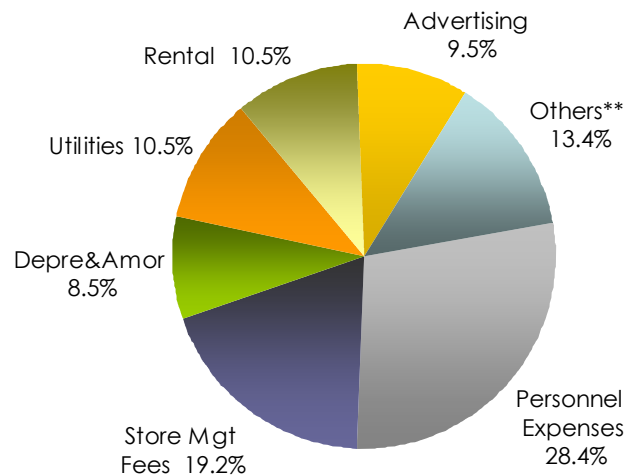
# SG&A Expenses – Consolidated

## Stable SG&A expenses as % to total revenue

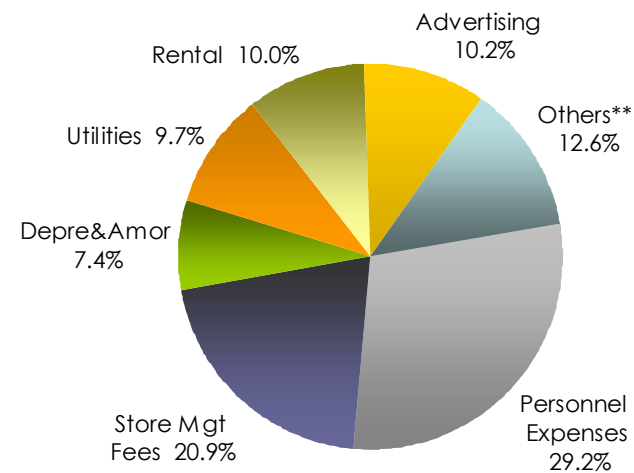
### 3Q11 SG&A Expenses-to-Total Revenues



### 3Q10 Restated SG&A Expenses Breakdown



### 3Q11 SG&A Expenses Breakdown

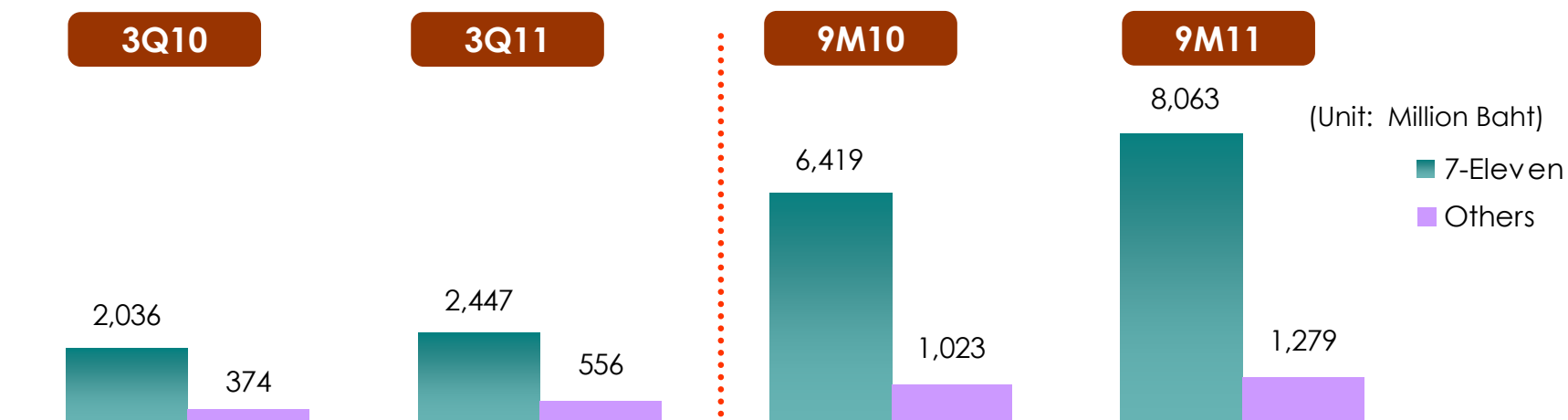


\*\* Others are comprised of royalty fee, professional fee, R&D and etc.



# Operating Profits (By Business Segment)

81% of OP generated by CVS and 19% of OP generated by others



Operating Profits (MB)	2006	2007	2008	2009	2010
7-Eleven	2,863	3,133	4,686	6,133	8,365
Lotus	-3,320	-3,241	-1,112	-	-
Others	720	569	819	1,111	1,245
<b>Total</b>	<b>263</b>	<b>461</b>	<b>4,393</b>	<b>7,244</b>	<b>9,610</b>

Note : All data are before elimination.

: Other businesses mainly are comprised of Counter Service, Retailink, CPRAM and others.

: Operating profit is prior to minority interests adjustment.



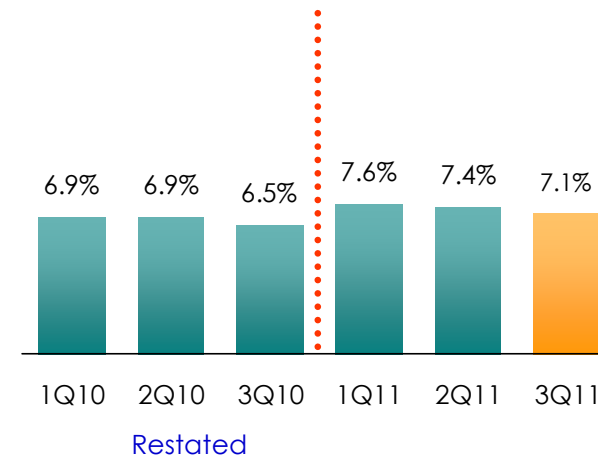
# Profitability Ratios – Consolidated

## Improved EBIT and net margins yoy

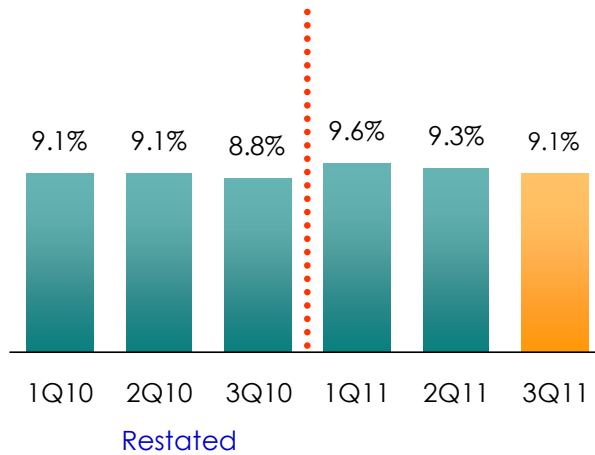
### Gross Margin (Sales & Services)



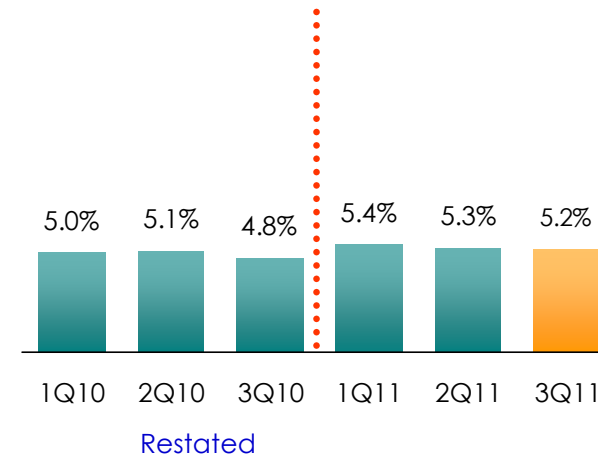
### EBIT Margin



### EBITDA Margin



### Net Margin

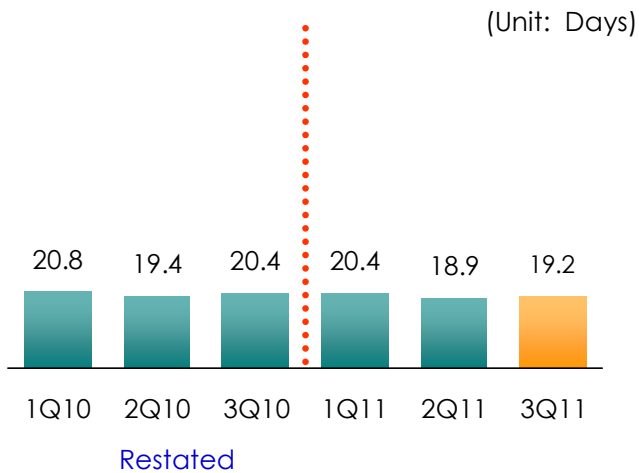




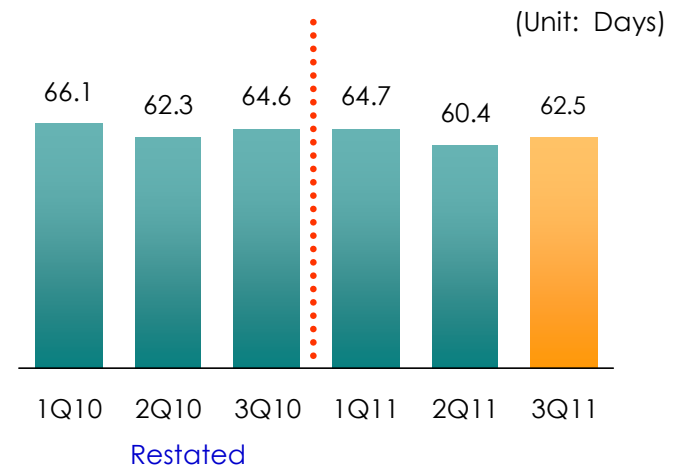
# Working Capital – Consolidated

## Negative cash cycle days

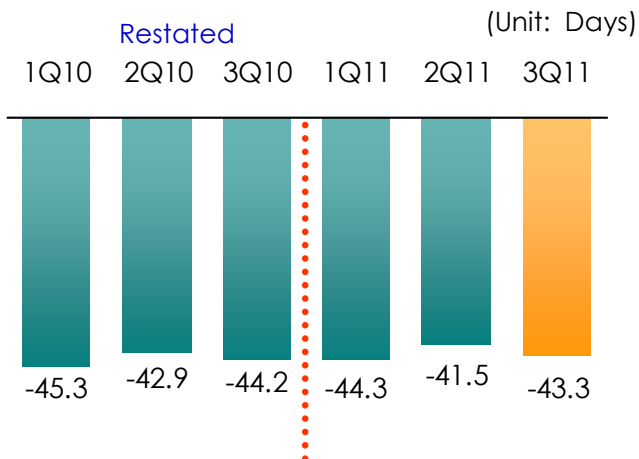
### Inventory Days



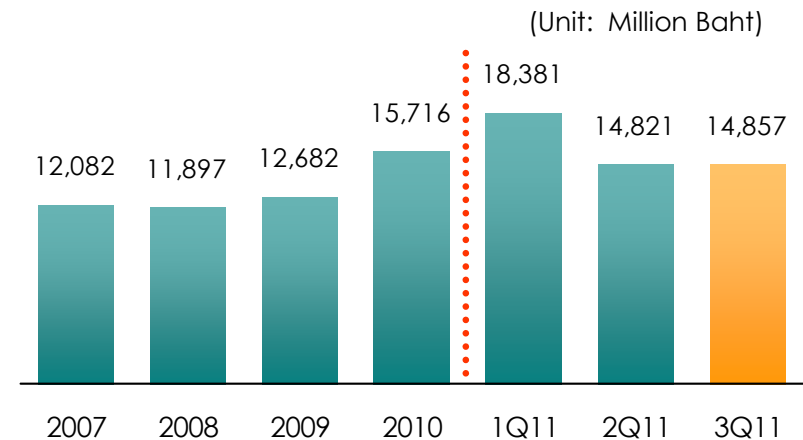
### Account Payable Days



### Cash Cycle Days



### Cash

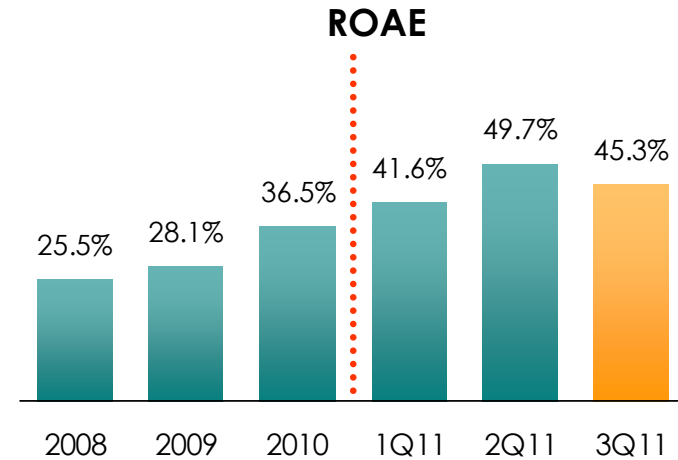
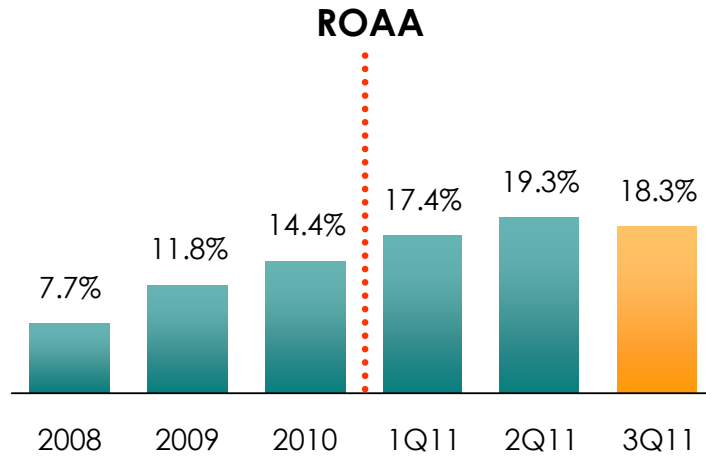




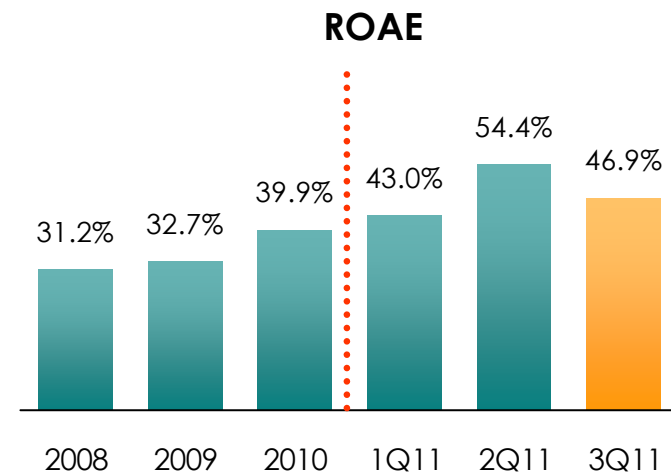
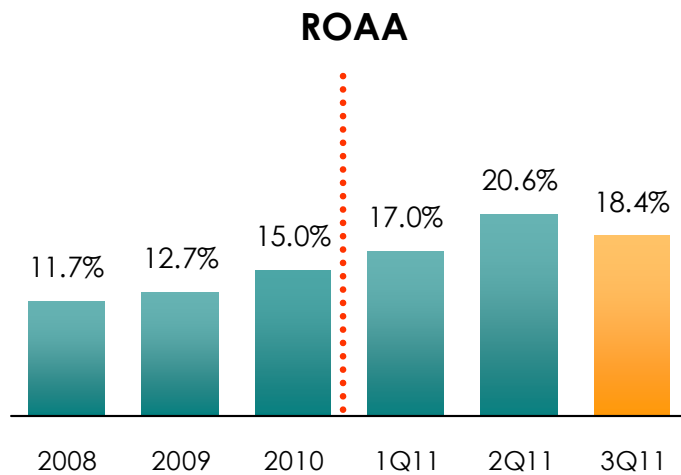
# Key Performance Ratios

## Enhanced profitability and efficiency ratios

### Consolidated Statement



### Company Only Statement



Note: ROAA and ROAE are annualized figures.



# Future and CAPEX Plan

## Continued store expansion and supporting infrastructure

### 7-Eleven Store Expansion

- Plan to open 500 stores a year
- Milestone: 7,000 stores by 2013

### 2011 Projected CAPEX

#### Thailand

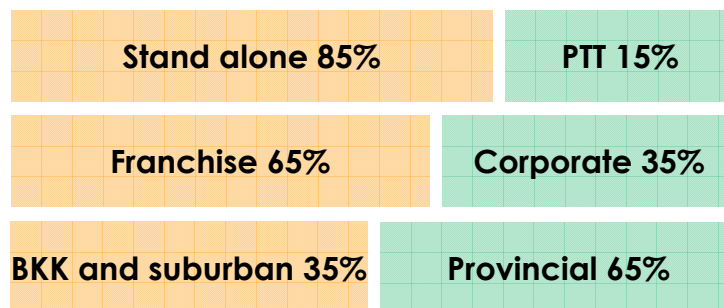
MB

- |                                   |       |
|-----------------------------------|-------|
| ▪ 500 stores expansion            | 1,800 |
| ▪ Stores renovation               | 800   |
| ▪ Investment in subsidiaries & DC | 1,000 |
| ▪ Fixed assets & IT system        | 900   |

#### Total

4,500

### New Store Opening



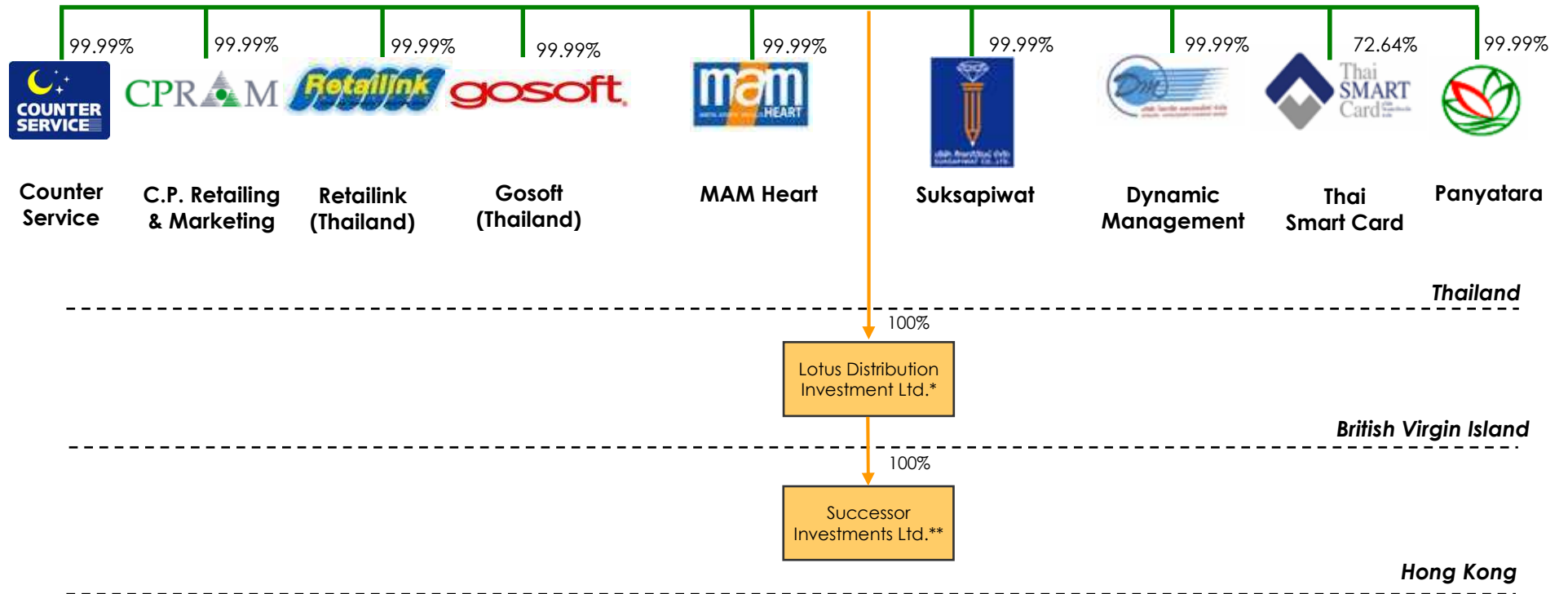
### CAPEX Plan for Regional DCs

- RDC: Khon Kaen (Northeast)**
  - Serving 1,000 stores, opening in 1Q11
- RDC: Lampoon (North)**
  - Serving 1,000 stores, opening in 2012



# Group Structure of CPALL

As of Sep 30, 2011



\* As of October 31, 2008, the restructuring of supercenter business in the PRC was completed.

\*\* LDI has invested 100% in Successor Investments Limited ("SI") on September 9, 2010



# Operational Strategy Promotional campaigns

- Marketing strategies : Consistent promotions throughout the year



1Q11  
Stamp promotion



2Q11  
Drink promotion and  
Special redemption



3Q11  
Special menus during  
vegetarian festival



3Q11  
Special redemption

- In 1Q11 Doraemon stamp collections, during Nov 1,2010 to Feb 25, 2011, gain a good market response.  
Up to Baht 50/ticket, customers get a stamp valued of Baht 1 or Baht 3 that can be used for cash discount or exchange for a premium gift.
- In 2Q11 A wide selection of beverages are offered at a discount price  
Every Baht 40 purchase, customers get a chance to redeem selected products at a special price
- In 3Q11 Vegetarian festival during Sep, 26- Oct 5, 2011, selected menus of vegetarian chilled foods, frozen foods and bakery products are offered at 7-Eleven store nationwide.  
Up to Baht 40/ ticket, customers have a right to buy promotional items at a discount price of 10-30 Baht.





## Balance Sheet - Consolidated

Unit: (million Baht)

Balance Sheet	2006	2007	2008	2009	2010	1Q11	2Q11	3Q11
Cash	9,952	12,082	11,897	12,682	15,716	18,381	14,821	14,857
Inventory	7,672	7,699	5,444	5,900	6,518	6,821	6,448	6,520
Other current assets	4,176	3,438	3,566	4,542	8,480	7,032	6,672	9,749
Fixed assets	17,867	18,899	12,660	13,491	14,525	14,757	14,947	15,172
Other assets	3,303	3,102	6,592	7,825	2,666	3,003	3,778	3,851
<b>Total assets</b>	<b>42,970</b>	<b>45,220</b>	<b>40,159</b>	<b>44,441</b>	<b>47,904</b>	<b>49,993</b>	<b>46,666</b>	<b>50,148</b>
Accounts payable	21,558	24,888	17,733	19,189	21,613	21,310	20,316	21,643
Bank loan	6,752	7,859	168	10	-	3	-	-
Other current liabilities	5,336	4,891	3,774	4,371	5,757	5,837	5,603	5,365
Other liabilities	1,288	1,951	1,583	1,935	2,577	2,779	2,941	3,098
<b>Total liabilities</b>	<b>34,934</b>	<b>39,589</b>	<b>23,259</b>	<b>25,505</b>	<b>29,946</b>	<b>29,929</b>	<b>28,859</b>	<b>30,106</b>
Total equity of major S/H	8,708	9,164	16,739	18,740	17,756	19,859	17,599	19,833
Minority interest	(672)	(3,533)	161	196	203	205	207	209
<b>Total equity</b>	<b>8,036</b>	<b>5,631</b>	<b>16,900</b>	<b>18,937</b>	<b>17,958</b>	<b>20,064</b>	<b>17,807</b>	<b>20,042</b>



## Income Statement and Cash flow Statement - Consolidated

Unit: (million Baht)

Income Statement	2006	2007	2008	2009	2010	1Q11	2Q11	3Q11
Net Sales	96,670	107,757	121,026	109,430	132,015	36,438	38,197	39,224
Service income	2,563	2,868	3,057	2,947	2,939	733	786	822
Other operating income	3,827	4,334	4,856	5,087	5,790	1,611	1,590	1,596
Other income	216	399	516	297	339	120	167	174
<b>Total revenue</b>	<b>103,276</b>	<b>115,358</b>	<b>129,454</b>	<b>117,761</b>	<b>141,084</b>	<b>38,901</b>	<b>40,740</b>	<b>41,816</b>
Cost of sales	77,014	85,215	93,285	81,618	97,569	27,679	28,988	29,573
Cost of services	747	942	1,069	1,100	1,268	280	329	361
<b>Total SG&amp;A</b>	<b>25,570</b>	<b>29,099</b>	<b>31,101</b>	<b>28,253</b>	<b>33,089</b>	<b>8,000</b>	<b>8,423</b>	<b>8,916</b>
EBIT	(91)	101	4,000	6,790	9,157	2,943	3,000	2,966
<b>Net profit</b>	<b>1,332</b>	<b>1,460</b>	<b>3,301</b>	<b>4,992</b>	<b>6,663</b>	<b>2,084</b>	<b>2,170</b>	<b>2,173</b>
EBITDA	2,544	2,831	6,689	9,229	11,807	3,726	3,809	3,796
Cash flow Statement	2006	2007	2008	2009	2010	1Q11	2Q11	3Q11
CFO	6,092	6,027	9,410	9,005	12,340	3,704	5,845	9,581
CFI	(6,776)	(3,859)	(5,873)	(5,339)	(3,873)	(1,042)	(2,258)	(5,973)
CFF	2,279	(16)	(3,808)	(2,857)	(5,402)	3	(4,493)	(4,493)



## Balance Sheet – Company Only

Unit: (million Baht)

Balance Sheet	2006	2007	2008	2009	2010	1Q11	2Q11	3Q11
Cash	6,078	9,036	8,866	9,496	12,180	15,792	10,897	10,996
Inventory	3,827	4,273	4,940	5,470	6,019	6,277	5,878	5,909
Other current assets	2,190	2,137	2,540	4,346	4,247	2,768	3,017	5,981
Fixed assets	7,238	8,672	9,317	10,269	11,428	11,644	11,790	11,952
Other assets	5,402	6,218	7,961	9,009	9,355	9,747	10,541	10,471
<b>Total assets</b>	<b>24,735</b>	<b>30,336</b>	<b>33,624</b>	<b>38,591</b>	<b>43,229</b>	<b>46,228</b>	<b>42,123</b>	<b>45,309</b>
Accounts payable	9,552	11,288	12,611	15,123	17,482	18,047	17,032	18,058
Bank loan	-	-	-	-	-	-	-	0
Other current liabilities	5,080	7,220	6,487	6,681	7,606	8,014	7,023	7,273
Other liabilities	767	1,006	1,396	1,757	2,381	2,575	2,714	2,850
<b>Total liabilities</b>	<b>15,399</b>	<b>19,513</b>	<b>20,495</b>	<b>23,560</b>	<b>27,469</b>	<b>28,635</b>	<b>26,769</b>	<b>28,180</b>
Total equity of major S/H	9,337	10,823	13,129	15,031	15,760	17,593	15,354	17,128
Minority interest	-	-	-	-	-	-	-	-
<b>Total equity</b>	<b>9,337</b>	<b>10,823</b>	<b>13,129</b>	<b>15,031</b>	<b>15,760</b>	<b>17,593</b>	<b>15,354</b>	<b>17,128</b>



## Income Statement and Cash flow Statement – Company Only

Unit: (million Baht)

<b>Income Statement</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>1Q11</b>	<b>2Q11</b>	<b>3Q11</b>
Net Sales	64,836	76,117	91,565	107,740	130,231	36,062	37,844	38,717
Service income	1,220	1,341	1,394	1,365	1,425	351	353	357
Other operating income	3,009	3,801	4,549	5,631	6,312	1,750	1,651	1,703
Other income	434	548	600	549	597	60	522	104
<b>Total revenue</b>	<b>69,498</b>	<b>81,807</b>	<b>98,108</b>	<b>115,285</b>	<b>138,565</b>	<b>38,223</b>	<b>40,371</b>	<b>40,882</b>
Cost of sales	50,041	58,468	69,283	80,928	97,015	27,616	28,852	29,442
Cost of service	-	-	-	-	-	-	-	-
<b>Total SG&amp;A</b>	<b>16,594</b>	<b>20,207</b>	<b>24,139</b>	<b>28,224</b>	<b>33,185</b>	<b>7,996</b>	<b>8,514</b>	<b>8,992</b>
EBIT	2,863	3,133	4,686	6,133	8,364	2,611	3,004	2,447
<b>Net profit</b>	<b>2,216</b>	<b>2,504</b>	<b>3,740</b>	<b>4,597</b>	<b>6,143</b>	<b>1,833</b>	<b>2,255</b>	<b>1,774</b>
EBITDA	4,470	5,097	6,909	8,573	11,042	3,296	3,712	3,177
<b>Cash flow Statement</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>1Q11</b>	<b>2Q11</b>	<b>3Q11</b>
CFO	5,346	7,302	4,539	8,280	10,801	4,537	5,534	9,172
CFI	(3,601)	(3,298)	(3,234)	(4,954)	(2,726)	(924)	(2,323)	(5,863)
CFF	(1,251)	(1,046)	(1,474)	(2,696)	(5,392)	-	(4,493)	(4,493)



## Key Performance Ratios - Consolidated

Financial Ratios	2006	2007	2008	2009	2010	1Q11	2Q11	3Q11
Gross margin (%) (Sales and services)	21.6%	22.1%	24.0%	26.4%	26.8%	24.8%	24.8%	25.3%
EBIT margin (%)	-0.1%	0.1%	3.1%	5.8%	6.5%	7.6%	7.4%	7.1%
EBITDA margin (%)	2.5%	2.5%	5.2%	7.8%	8.4%	9.6%	9.3%	9.1%
Net margin (%)	1.3%	1.3%	2.5%	4.2%	4.7%	5.4%	5.3%	5.2%
ROAA (%)	3.2%	3.3%	7.7%	11.8%	14.4%	17.4%	19.3%	18.3%
ROAE (%) (excl. MI)	15.2%	16.3%	25.5%	28.1%	36.5%	41.6%	49.7%	45.3%
Inventory days	36.9	32.5	25.4	25.0	22.9	20.4	18.9	19.2
Accounts payable days	97.3	98.1	82.2	81.4	75.3	64.7	60.4	62.5
Cash cycle days	(60.3)	(65.6)	(56.9)	(56.4)	(52.4)	(44.3)	(41.5)	(43.3)
Earnings per share (Bt.)	0.30	0.33	0.73	1.11	1.48	0.46	0.48	0.48
Book value per share (Bt.)	2.0	2.1	3.7	4.2	4.0	4.4	3.9	4.4



## Key Performance Ratios – Company Only

Financial Ratios	2006	2007	2008	2009	2010	1Q11	2Q11	3Q11
Gross margin (%) (Sales and services)	24.2%	24.5%	25.5%	25.8%	26.3%	24.2%	24.5%	24.7%
EBIT margin (%)	4.1%	3.8%	4.8%	5.3%	6.0%	6.8%	7.4%	6.0%
EBITDA margin (%)	6.4%	6.2%	7.0%	7.4%	8.0%	8.6%	9.2%	7.8%
Net margin (%)	3.2%	3.1%	3.8%	4.0%	4.4%	4.8%	5.6%	4.3%
ROAA (%)	9.6%	9.1%	11.7%	12.7%	15.0%	17.0%	20.6%	18.4%
ROAE (%) (excl. MI)	25.1%	24.8%	31.2%	32.7%	39.9%	43.0%	54.4%	46.9%
Inventory days	25.6	24.9	23.9	23.2	21.3	18.8	17.4	17.6
Accounts payable days	65.7	64.2	62.1	61.7	60.5	54.5	50.3	52.2
Cash cycle days	(40.0)	(39.2)	(38.2)	(38.5)	(39.2)	(35.7)	(32.9)	(34.6)
Earnings per share (Bt.)	0.50	0.56	0.83	1.02	1.37	0.41	0.50	0.39
Book value per share (Bt.)	2.1	2.4	2.9	3.3	3.5	3.9	3.4	3.8