



CP ALL Public Company Limited

FY2014: Presentation Results

February 2015



Units: MB

Company Only

	4Q13	4Q14	%Chg	2013	2014	%Chg
Total Revenue	57,984	59,843	+3.2%	217,495	228,996	+5.3%
Net Profit	2,876	1,598	-44.4%	10,260	8,678	-15.4%

Consolidated

Total Revenue	91,980	98,539	+7.1%	284,670	371,301	+30.4%
Net Profit	2,082	2,515	+20.8%	10,503	10,154	-3.3%

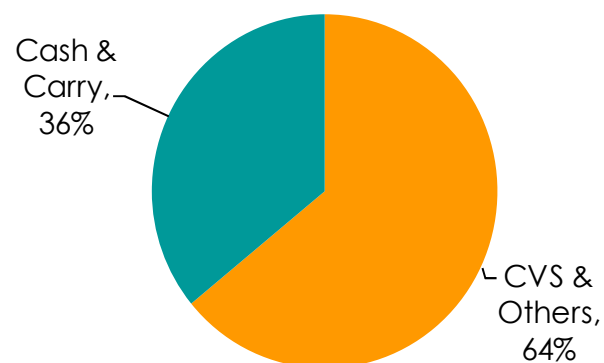
Company Only	2008	2009	2010	2011	2012	2013
Total Revenue	98,108	115,285	138,092	159,226	194,695	217,495
Net Profit	3,740	4,597	6,143	7,274	10,015	10,260

Revenue Contribution

FY14

Total revenue before elimination

Baht 396,126 million

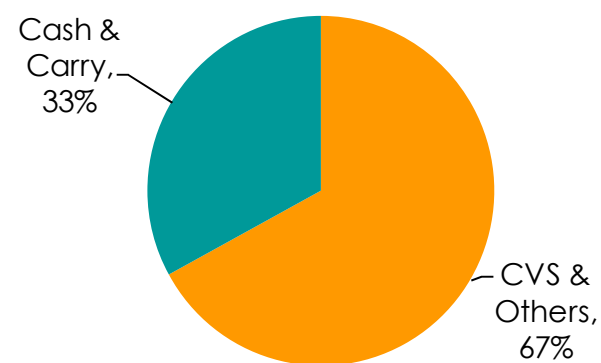


Earnings Before Tax Contribution

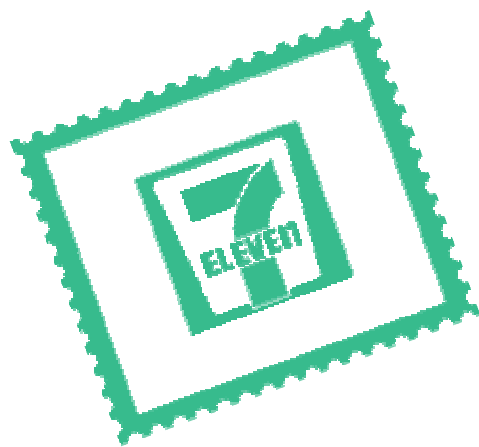
FY14

Earnings before tax before elimination

Baht 17,290 million



After consolidation Makro performance to CPALL's statement of income, cash & carry business has contributed 36% to total revenue and 33% to earnings before tax.



Convenience Store Business in Thailand: “7-Eleven”

“Every Meal at 7-Eleven”

Price (Feb 9, 2015) : Bt 41.50

Hi/Low (12-month) : Bt 48.25/38.00 per share

Avg. daily turnover : 610.14 MB

No. of shares : 8,983,101,348 (Par Bt 1)

Market capitalization : 372,799 MB

Major Shareholders (as of Dec 30, 2014)

- Charoen Pokphand Group	10.2%
- CPF (subsidiaries)	31.5%
- Thai NVDR	4.1%
- State Street Bank Europe Limited	3.1%
- J.P. Morgan Ireland (Nominees)	3.0%
- AIA	2.7%
- GIC	1.0%

Free float : 58%

First trade date : Oct 14, '03

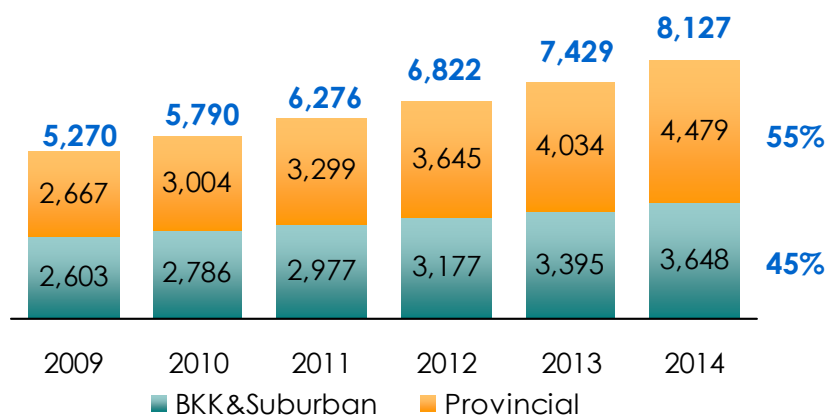
Dividend payment	2008	2009	2010	2011	2012	2013	2014
Dividend payment (Bt/share)	Bt 0.60	Bt 0.80	Bt 1.40	Bt 2.25	Bt 0.90	Bt 0.90	Bt 0.80
Payout ratio (%)	72%	78%	102%	139%	81%	79%	83%
Based on financial statement	Company only	Company only	Company only	Company only	Company only	Company only	Company only

Store Types Breakdown

Continued stores expansion

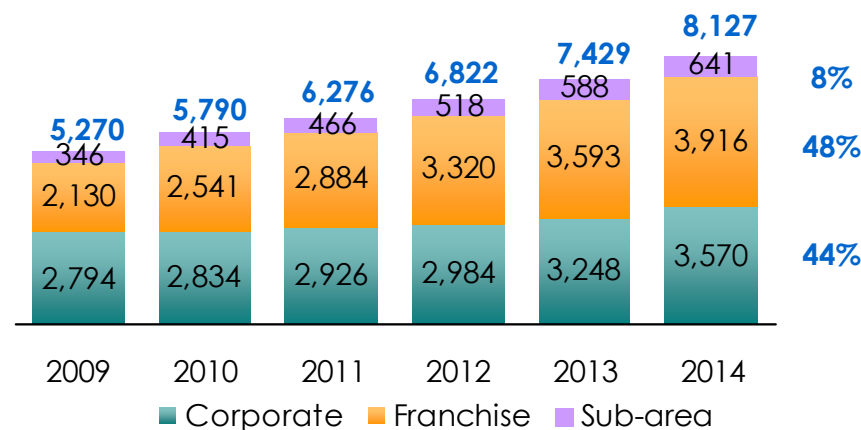
BKK & Suburban / Provincial

Stores



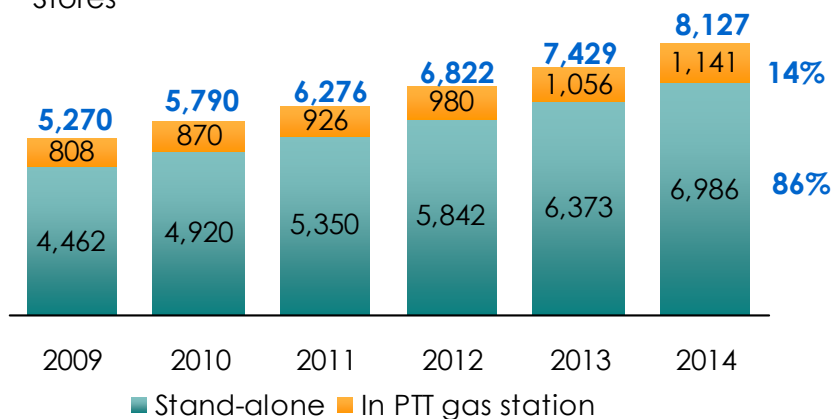
Corporate / Franchise / Sub-area

Stores



Stand-alone /In PTT gas station

Stores



Stores/Year	2008	2009	2010	2011	2012	2013	2014
Expansion	+499	+492	+520	+486	+546	+607	+698

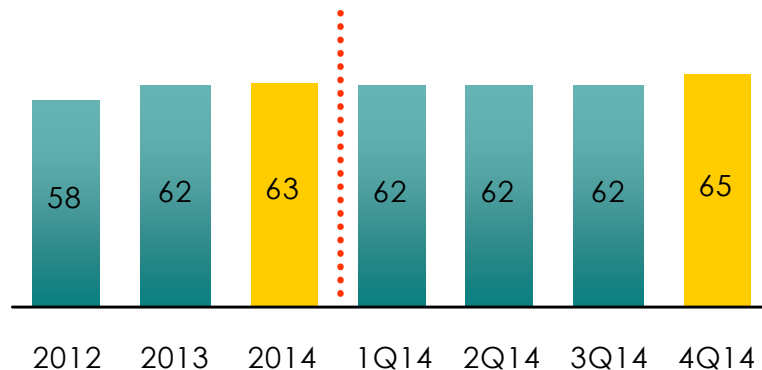
FY14
77,055 Baht

Average daily sales / store*

	2008	2010	2011	2012	2013	2014	1Q14	2Q14	3Q14	4Q14
SSS Growth*	9.7%	9.9%	4.8%	13.0%	5.7%	-2.6%	-1.1%	0.5%	-4.5%	-3.6%

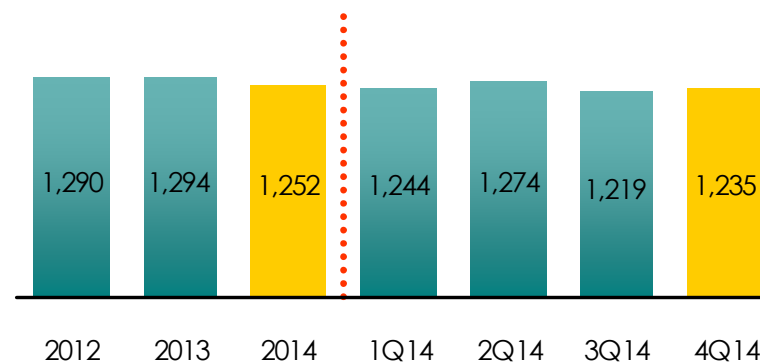
Spending per Ticket

Baht



No. of Customers per Store per Day

Customers

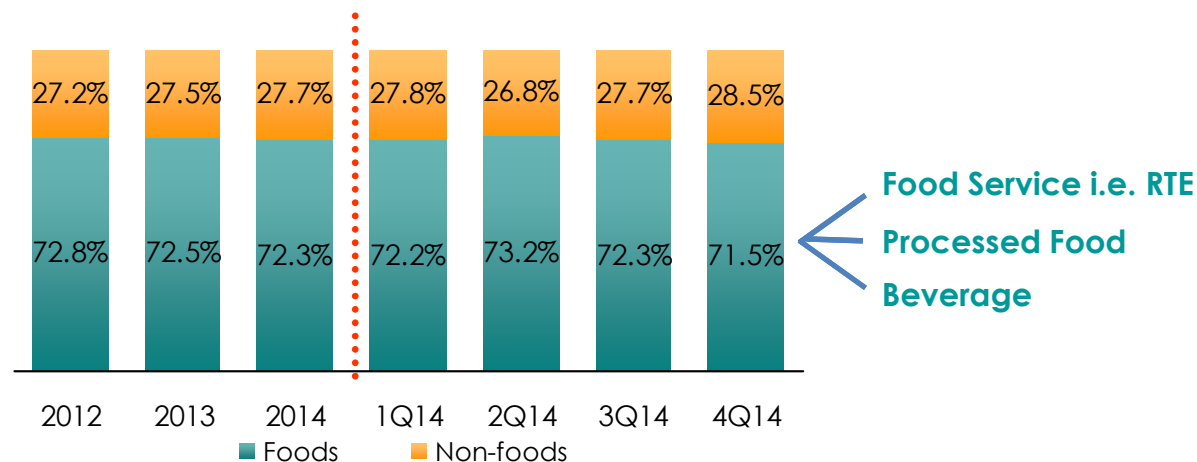


- Spending per ticket increased at a CAGR of 4.3% from 2005-2011.
- No. of customers per store per day increased at a CAGR of 3.1% from 2005-2011.

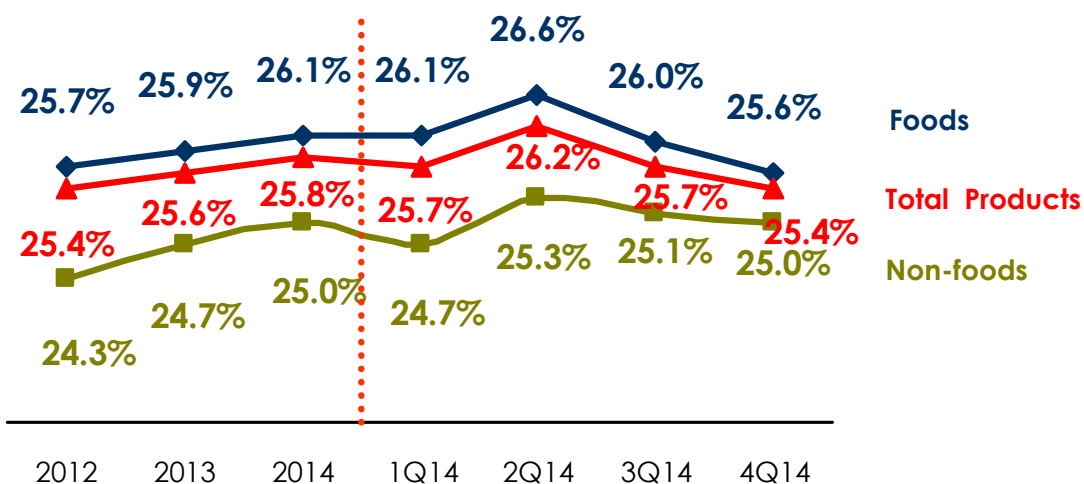
Product Sales Mix and Gross Margin Mix

Enhanced gross margin of both food and non food products YoY

Product Sales Mix (excl. T&E)



Gross Margin Mix (excl. T&E)

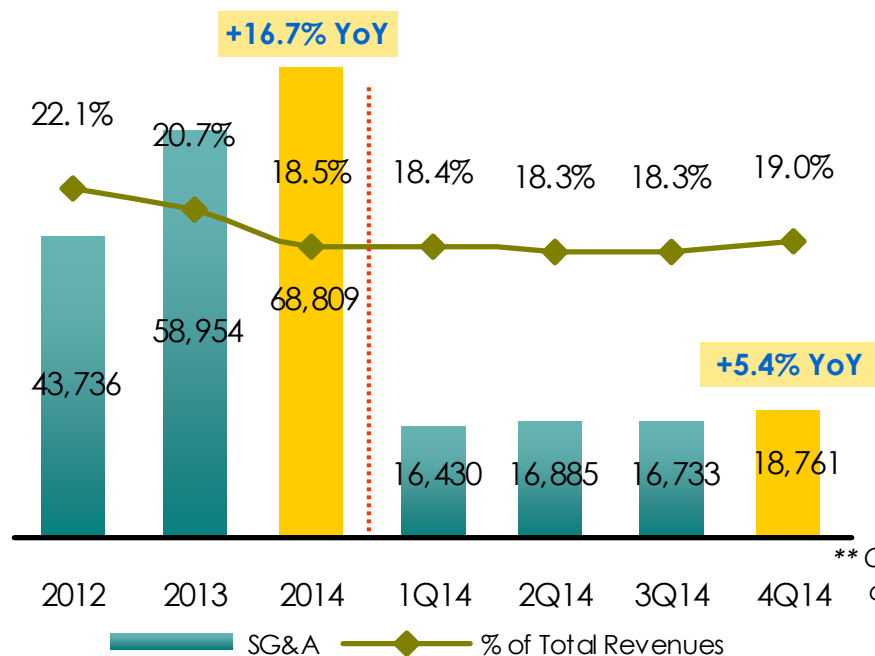


SG&A Expenses – Consolidated

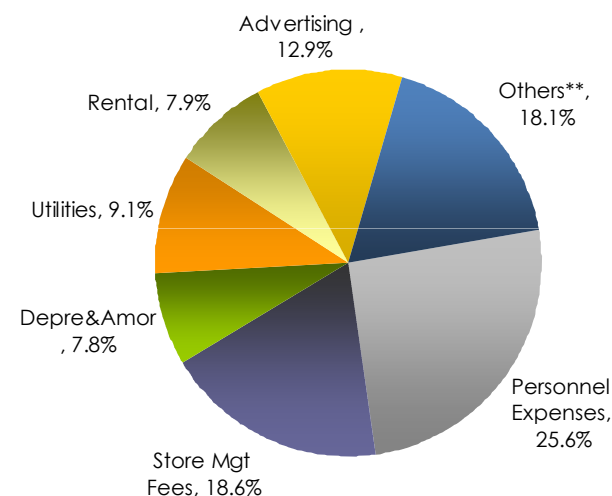
% SG&A to total revenue decreased YoY due to a record for 12 months in 2014
VS 6 months period in 2013 of Makro business at a lower expense

FY14 SG&A Expenses-to-Total Revenue

(Unit: Million Baht)



FY14 SG&A Expenses Breakdown



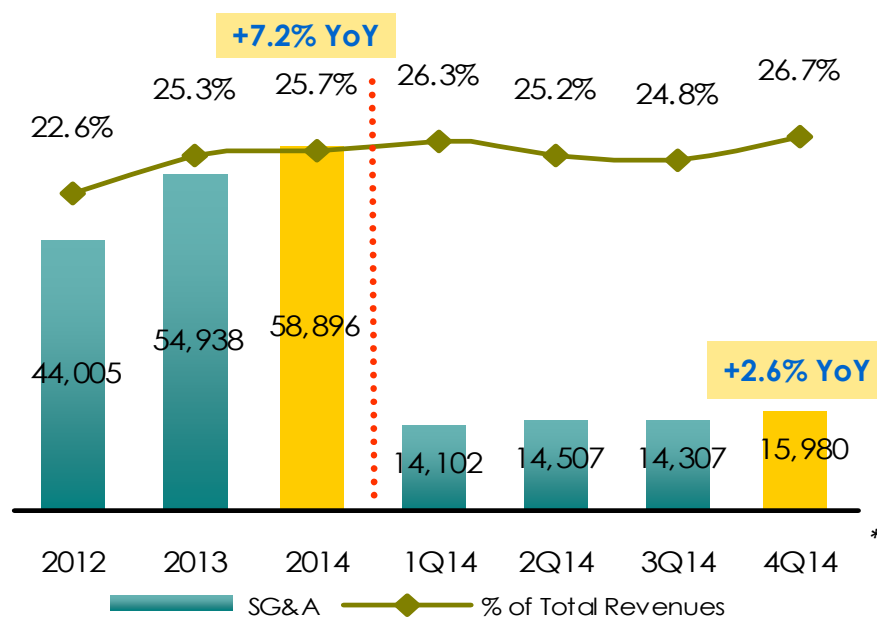
** Others are comprised of royalty fee, professional fee, R&D and acquisition cost of Makro

SG&A Expenses – Company Only

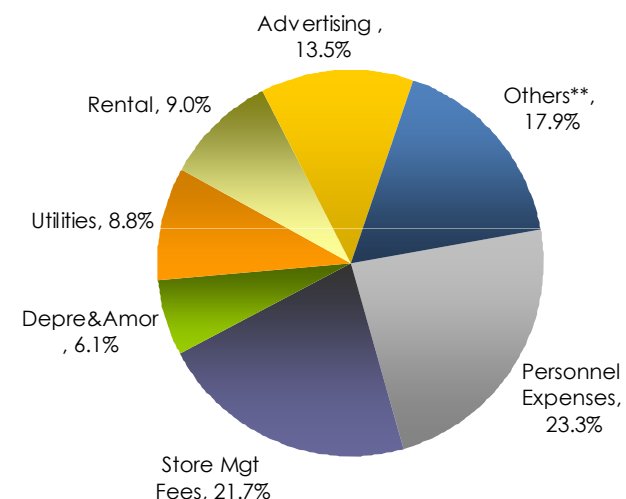
% SG&A to total revenue increased YoY due to a change in recording phone card revenue to service income

FY14 SG&A Expenses-to-Total Revenue

(Unit: Million Baht)



FY14 SG&A Expenses Breakdown



** Others are comprised of royalty fee, professional fee, R&D and acquisition cost of Makro

10-15-20-25-30-35-40 Baht Promotion

Promotional campaign

 7-Eleven.

🕒 6 Jan – 25 Jan 2015

LINE FRIENDS

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แลกซื้อ สนุกคุ้ม

เมื่อซื้อครบ 40* รับสิทธิ์แลกซื้อ 1 สิทธิ์

10. เบบี้

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แลกซื้อ 15.

4M MILK

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*เงื่อนไข: 100 บาท/วัน/คน/วัน

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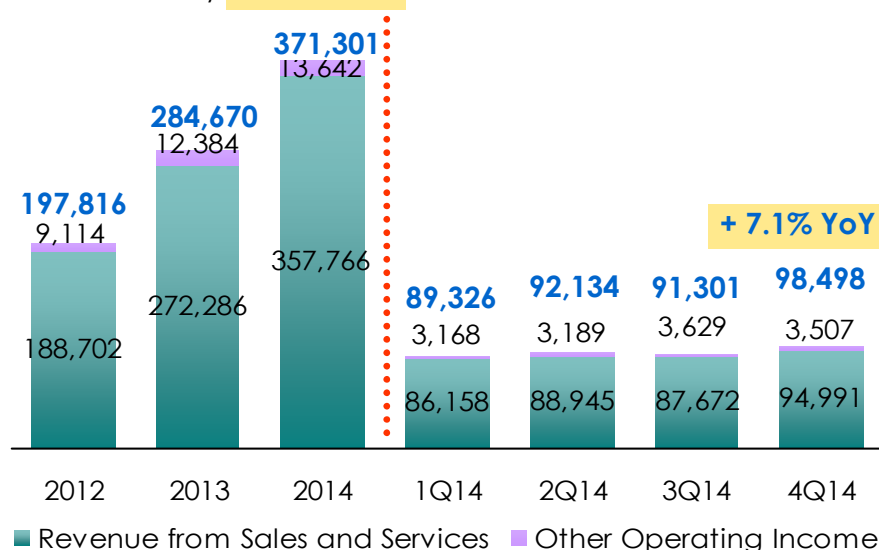
Customers buying up to Baht 40 / ticket, entitle to purchase selected products at a discount.

Consolidated Financial Performance

EBIT was significantly improved while net profits were impacted by finance charges

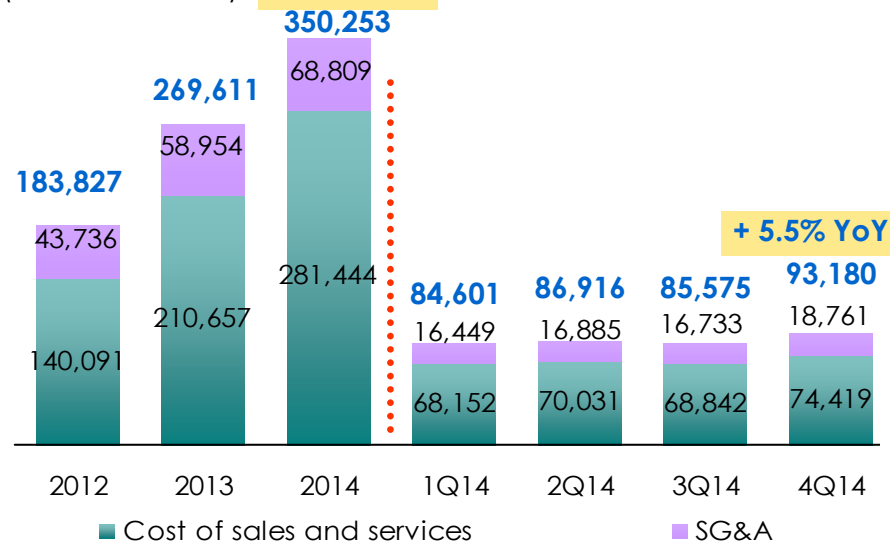
Total Revenue

(Unit: Million Baht) **+ 30.4% YoY**



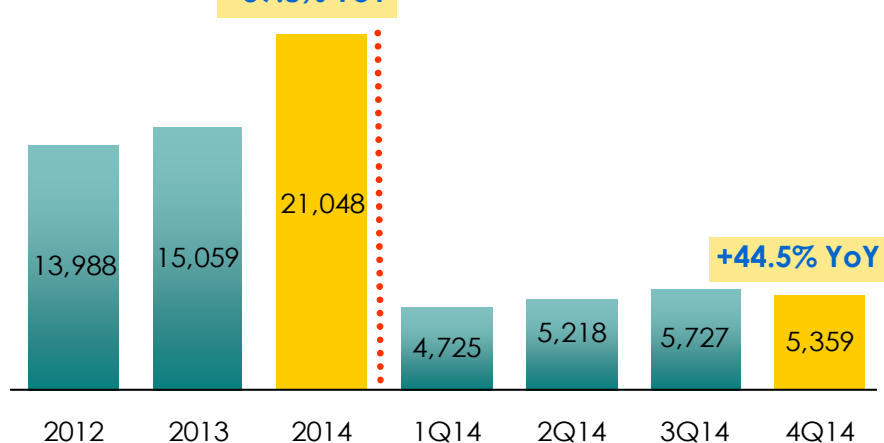
Total Costs

(Unit: Million Baht) **+ 29.9% YoY**



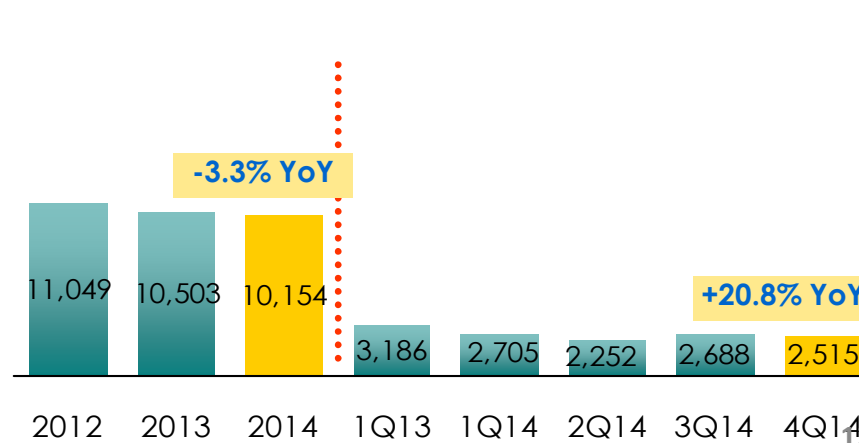
Operating Profits

(Unit: Million Baht) **+39.8% YoY**



Net Profits

(Unit: Million Baht)

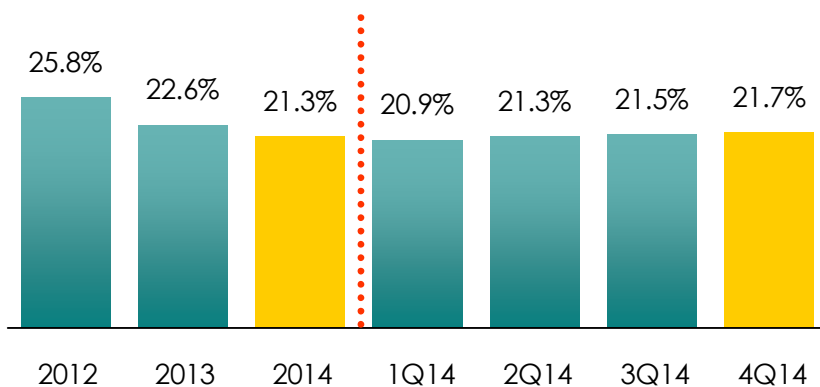


Note: Other operating income is comprising of interest income, net foreign exchange gain, sale promotion income, royalties fee and others.

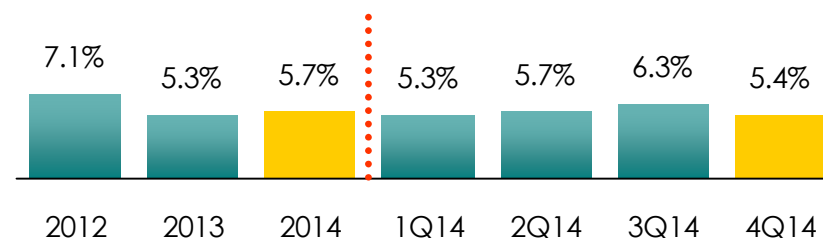
Profitability Ratios - Consolidated

EBIT margin improved while lower net margin YoY due to finance charges

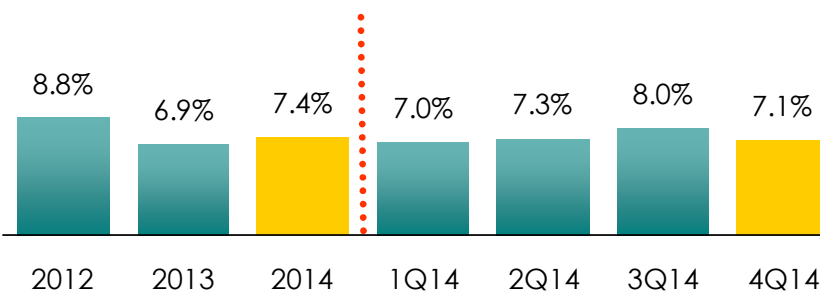
Gross Margin (Sales & Services)



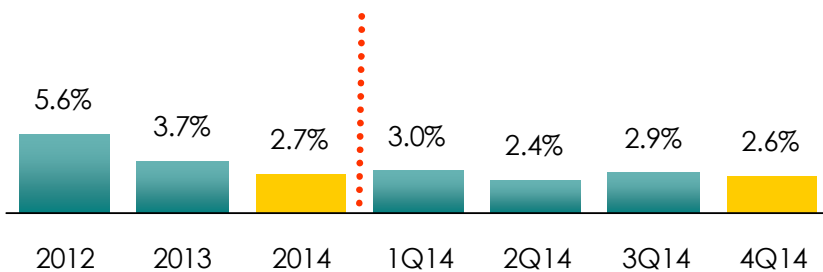
EBIT Margin



EBITDA Margin



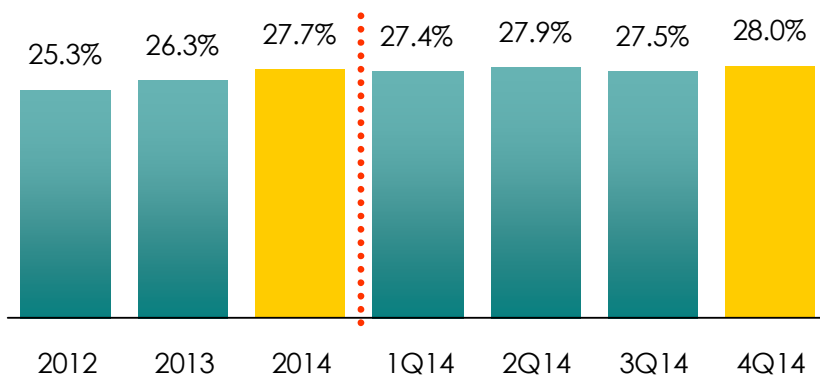
Net Margin



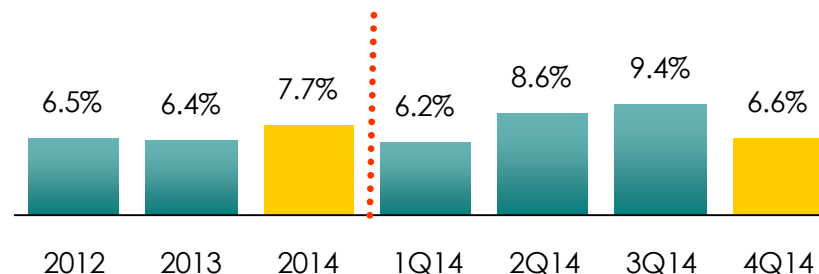
Profitability Ratios – Company Only

EBIT margin improved while
lower net margin YoY due to finance charges

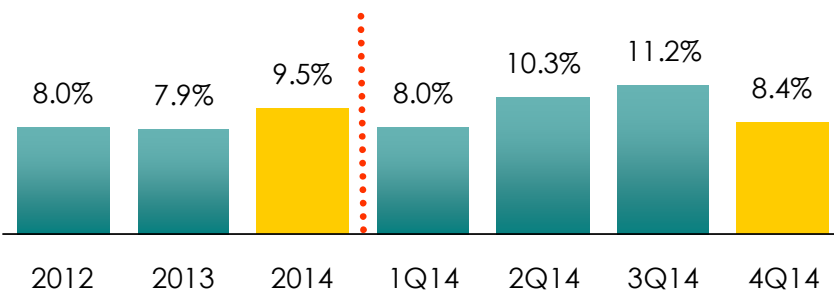
Gross Margin (Sales & Services)



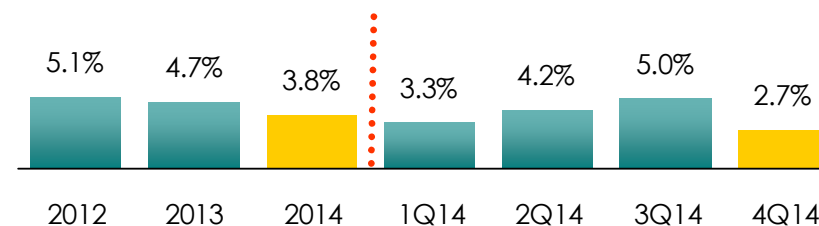
EBIT Margin



EBITDA Margin



Net Margin

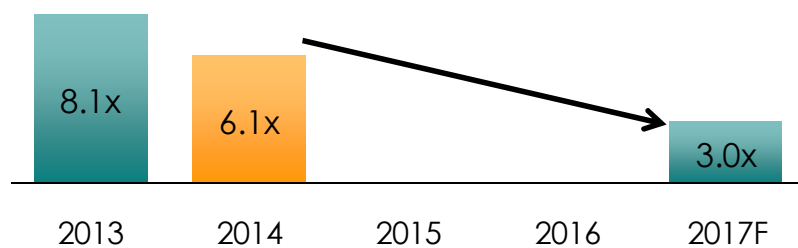


Leverage Ratios – Consolidated

Moved downward due to improved cash flow

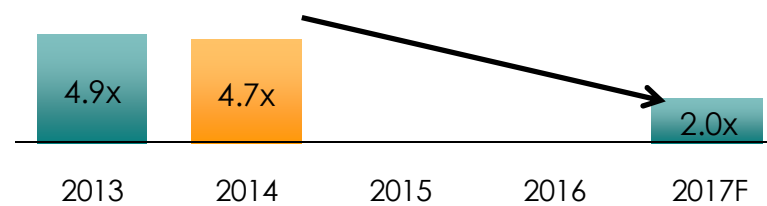
Targeted Net Debt to EBITDA

Targeted Net Debt to EBITDA < 3 times



Targeted Net Debt to Equity

Targeted Net Debt to Equity < 2 times



Bond Covenants

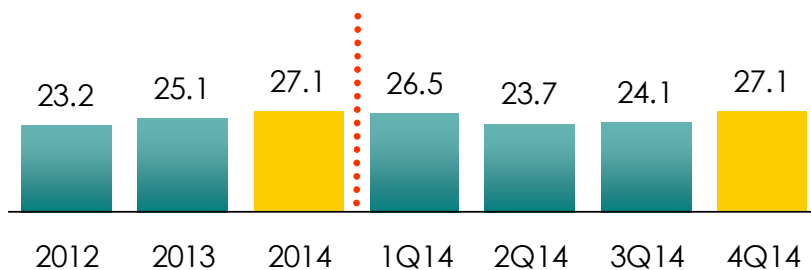
Year	Net Debt to Equity
2015	5.0x
2016	3.5x
2017	2.5x
2018 - 2022	2.0x

Working Capital – Consolidated

Negative cash cycle days

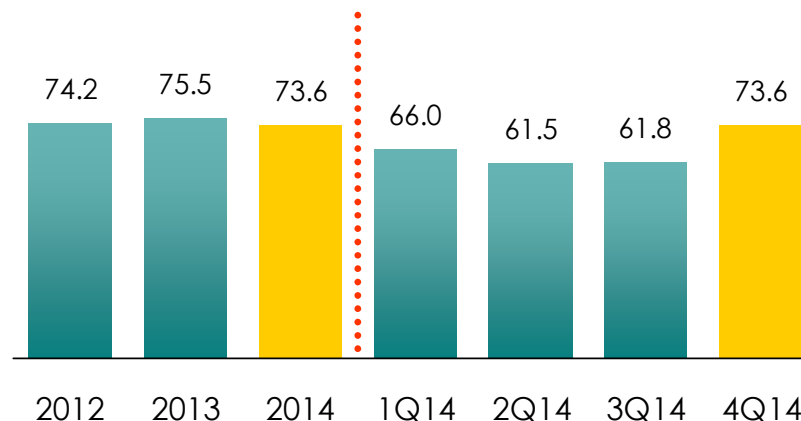
Inventory Days

(Unit: Days)



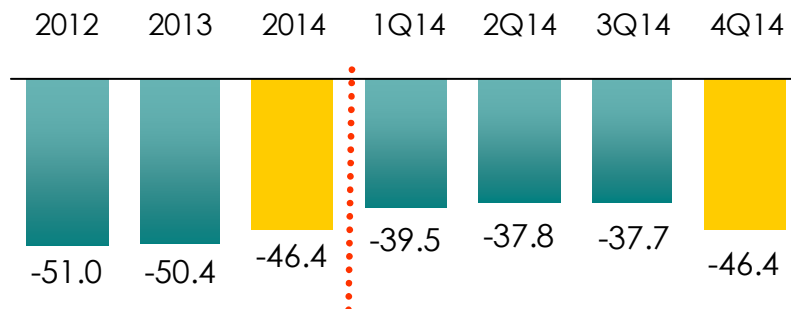
Account Payable Days

(Unit: Days)



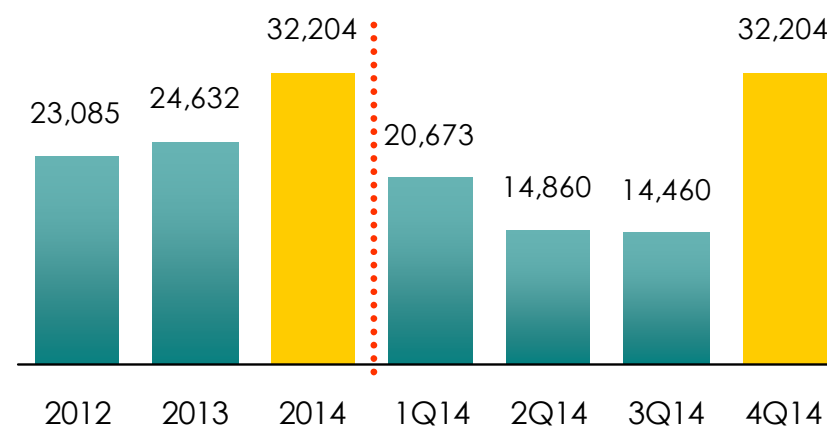
Cash Cycle Days

(Unit: Days)



Cash

(Unit: Million Baht)

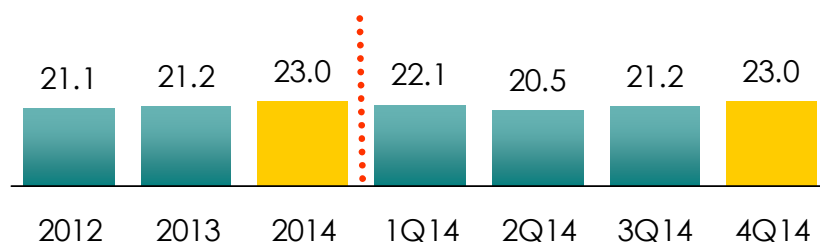


Working Capital – Company Only

Negative cash cycle days

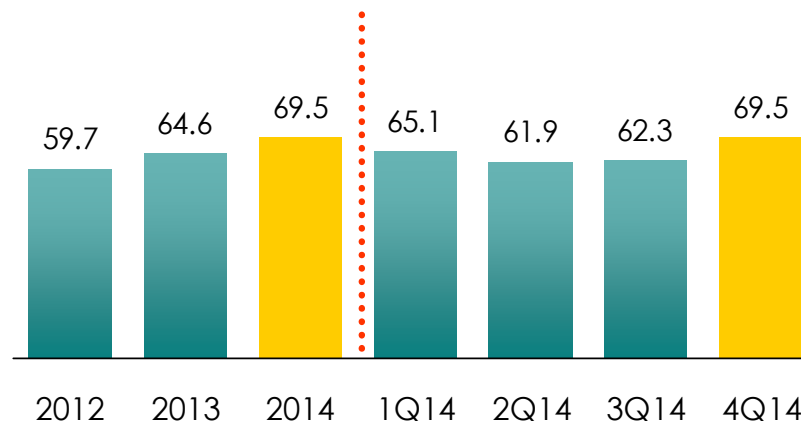
Inventory Days

(Unit: Days)



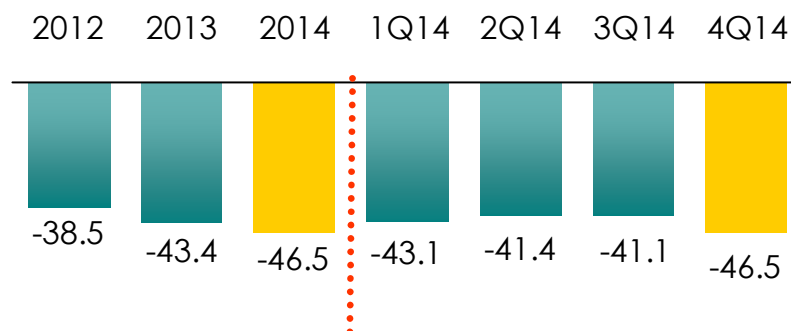
Account Payable Days

(Unit: Days)



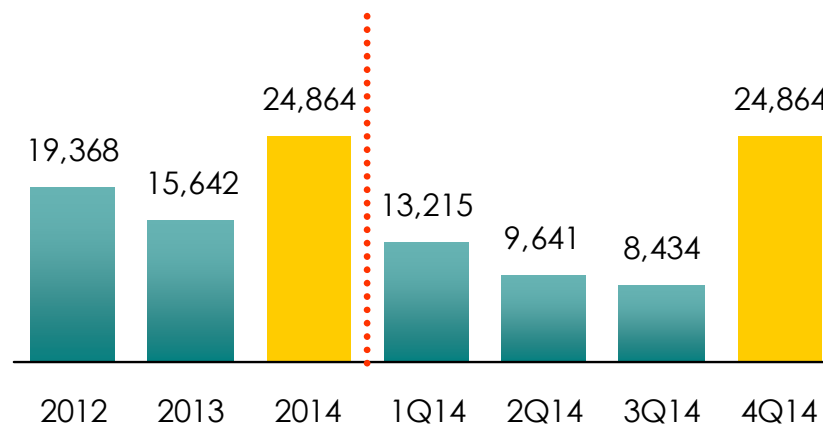
Cash Cycle Days

(Unit: Days)



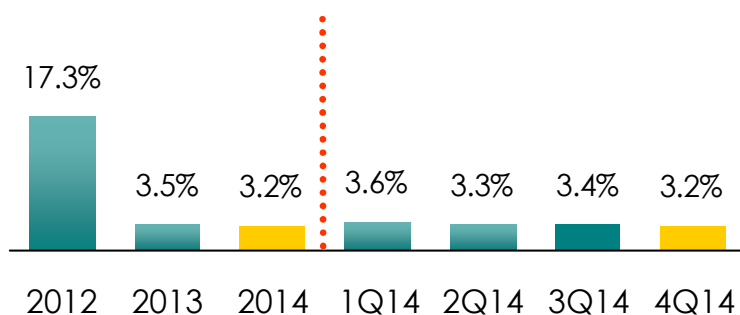
Cash

(Unit: Million Baht)

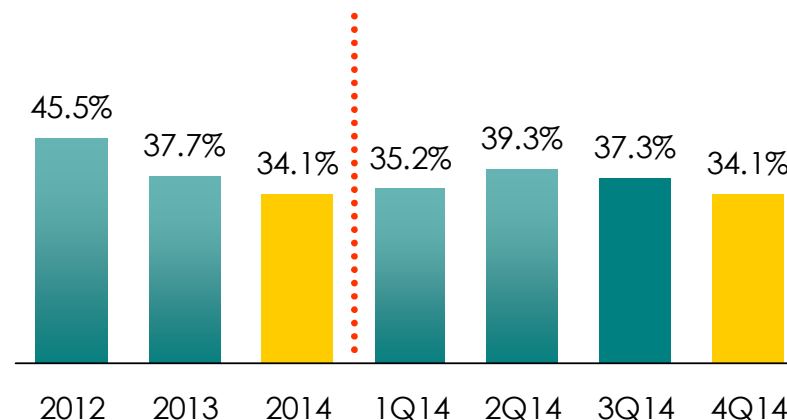


Consolidated Statement

ROAA

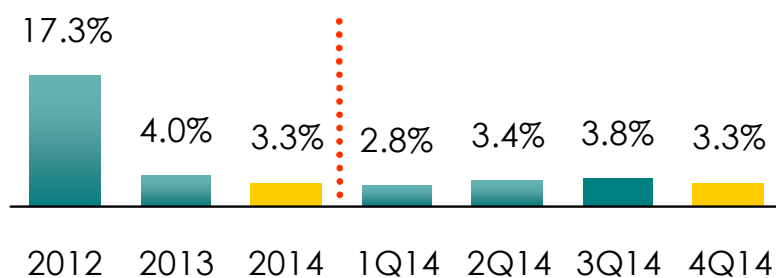


ROAE

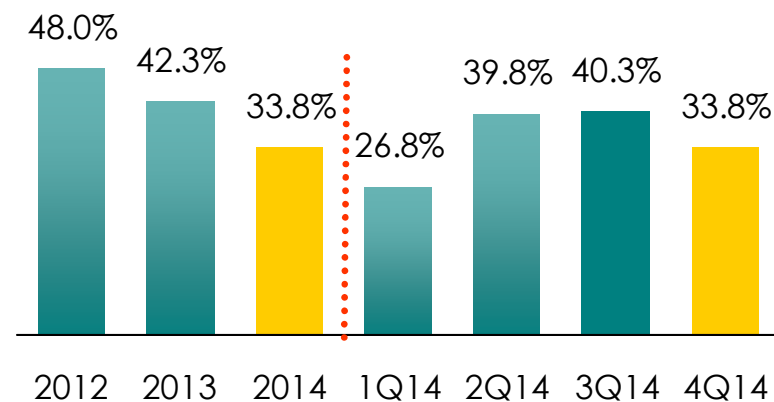


Company Only Statement

ROAA



ROAE



7-Eleven Stores Expansion

- Plan to open approx. 600 stores in 2015
- Milestone: 10,000 stores in 2018

2015 Projected CAPEX

Thailand

MB

Stores expansion	2,800 – 2,900
Stores renovation	1,300 – 1,400
Investment in subsidiaries & DC	4,100 – 4,300
Fixed assets & IT system	900 – 1,000
Total	<u>9,100 – 9,600</u>

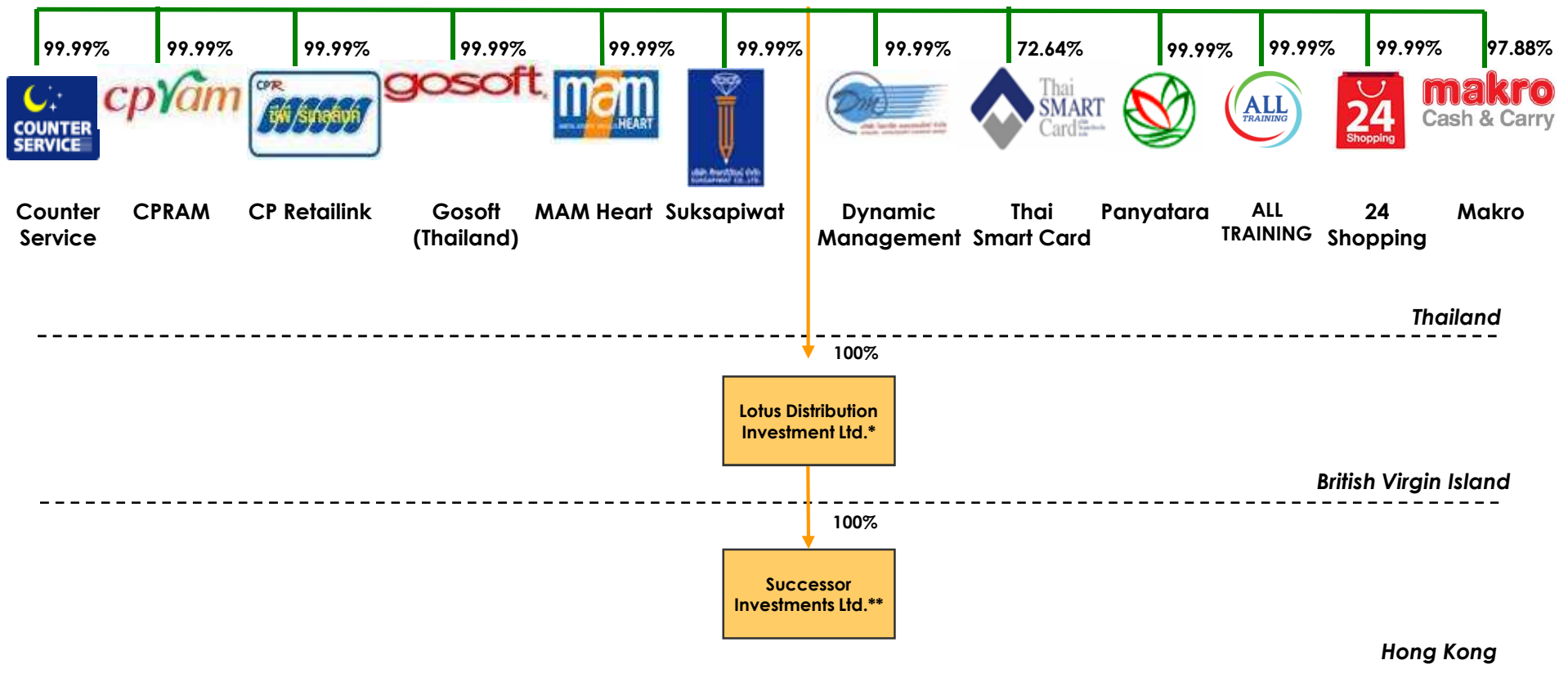
New Stores Opening

Stand alone 90%	PTT 10%
Franchise 60%	Corporate 40%
Greater BKK 35%	Provincial 65%

CAPEX Plan for Regional DCs

- RDC: Chonburi (Eastern part of Thailand)**
 - Serving 1,000 stores

As of Dec 31, 2014



* 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

Accounting Impact FY2014

Changes in recording phone card revenue to service income

- Impact:** Sales reduced but there is no impact to gross profit.
Sales ex. Phone increased 7.8% yoy.
- Impact:** %SG&A to total revenue (company) increased
Compared with same base, %SG&A reduced by 10 bps

Balance Sheet - Consolidated

Unit: (million Baht)

Restate

Balance Sheet	2009	2010	2011	2012	2013	2014
Cash	12,682	15,716	14,202	23,085	24,632	32,204
Inventory	5,900	6,518	8,642	9,148	19,916	22,167
Other current assets	4,542	8,480	13,560	16,621	9,414	10,313
Fixed assets	13,491	14,525	14,994	18,094	71,606	80,534
Other assets	7,825	2,666	3,943	5,219	178,439	181,191
Total assets	44,441	47,904	55,341	72,168	304,008	326,410
Accounts payable	19,189	21,613	24,393	32,580	54,734	59,312
Other current liabilities	4,371	5,757	6,084	8,445	10,921	13,063
Bank loan	10	-	2	-	135,143	57,942
Bond	-	-	-	-	50,000	140,000
Other liabilities	1,935	2,577	3,163	3,788	20,239	21,036
Total liabilities	25,505	29,946	33,642	44,812	271,037	291,352
Total equity of major S/H	18,740	17,756	21,491	27,101	28,747	30,782
Minority interest	196	203	208	255	4,223	4,276
Total equity	18,937	17,958	21,699	27,355	32,970	35,058

Income Statement and Cash flow Statement - Consolidated

Unit: (million Baht)

Restate

Income Statement	2009	2010	2011	2012	2013	2014
Net Sales	109,430	132,015	152,210	184,726	266,008	349,464
Service income	2,947	2,939	3,150	3,976	6,277	8,302
Other operating income	5,087	5,446	5,863	8,343	11,835	12,920
Other income	297	339	667	771	550	615
Total revenue	117,761	140,739	161,890	197,816	284,670	371,301
Cost of sales	81,618	100,128	115,529	138,205	208,153	279,029
Cost of services	1,100	1,268	1,333	1,886	2,504	2,415
Total SG&A	28,253	30,185	34,032	43,736	58,879	68,809
EBIT	6,790	9,157	10,995	13,988	15,059	21,048
Net profit	4,992	6,663	8,008	11,049	10,503	10,154
EBITDA	9,229	12,250	14,297	17,404	19,760	27,358
Cash flow Statement	2009	2010	2011	2012	2013	2014
CFO	9,005	12,340	12,587	23,032	21,624	26,371
CFI	(5,339)	(3,873)	(9,638)	(8,502)	(191,409)	(15,958)
CFF	(2,857)	(5,402)	(4,488)	(5,615)	171,177	(2,830)

Balance Sheet – Company Only

Unit: (million Baht)

Balance Sheet	2009	2010	2011	2012	2013	2014
Cash	9,496	12,180	10,804	19,368	15,642	24,864
Inventory	5,470	6,019	7,901	8,286	9,219	10,242
Other current assets	4,346	4,247	8,780	12,644	6,124	6,346
Fixed assets	10,269	11,428	11,743	13,711	18,343	20,036
Other assets	9,010	9,355	10,674	11,840	206,801	205,696
Total assets	38,591	43,229	49,902	65,849	256,129	267,184
Accounts payable	15,123	17,482	20,005	25,740	27,618	31,216
Other current liabilities	6,681	7,606	8,461	13,517	17,311	13,732
Bank loan	-	-	-	-	131,977	52,215
Bond	-	-	-	-	50,000	140,000
Other liabilities	1,757	2,381	2,895	3,420	3,877	4,081
Total liabilities	23,560	27,469	31,361	42,677	230,782	241,244
Total equity of major S/H	15,031	15,760	18,541	23,172	25,347	25,940
Minority interest	-	-	-	-	-	-
Total equity	15,031	15,760	18,541	23,172	25,347	25,940

Income Statement and Cash flow Statement – Company Only

Unit: (million Baht)

Income Statement	2009	2010	2011	2012	2013	2014
Net Sales	107,740	130,231	150,637	182,942	199,247	208,015
Service income	1,365	1,425	1,436	1,857	2,422	2,761
Other operating income	5,631	5,839	6,276	8,801	11,958	13,049
Other income	549	597	878	1,096	3,868	5,171
Total revenue	115,285	138,092	159,226	194,695	217,495	228,996
Cost of sales	80,928	99,446	115,066	138,033	148,728	152,394
Cost of service	-	-	-	-	-	-
Total SG&A	28,224	30,281	34,235	44,005	54,938	58,896
EBIT	6,133	8,364	9,926	12,657	13,828	17,707
Net profit	4,597	6,143	7,274	10,015	10,260	8,678
EBITDA	8,573	11,042	12,826	15,622	17,229	21,690
Cash flow Statement	2009	2010	2011	2012	2013	2014
CFO	8,280	10,801	11,750	21,580	14,292	16,484
CFI	(4,954)	(2,726)	(8,636)	(7,405)	(190,498)	215
CFF	(2,696)	(5,392)	(4,490)	(5,612)	172,452	(7,478)

Key Performance Ratios – Consolidated

Financial Ratios	2009	2010	2011	2012	2013	2014
Gross margin (%) (Sales and services)	26.4%	24.9%	24.8%	25.8%	22.6%	21.3%
EBIT margin (%)	5.8%	6.5%	6.8%	7.1%	5.3%	5.7%
EBITDA margin (%)	7.8%	8.7%	8.8%	8.8%	6.9%	7.4%
Net margin (%)	4.2%	4.7%	4.9%	5.6%	3.7%	2.7%
ROAA (%)	11.8%	14.4%	15.5%	17.3%	3.5%	3.2%
ROAE (%) (excl. MI)	28.1%	36.5%	40.8%	45.5%	37.7%	34.1%
Inventory days	25.0	22.3	23.6	23.2	25.1	26.9
Accounts payable days	81.4	73.3	71.7	74.2	75.5	72.8
Cash cycle days	(56.4)	(51.0)	(48.1)	(51.0)	(50.4)	(46.0)
Earnings per share (Bt.)	1.11	1.48	1.78	1.23	1.17	1.13
Book value per share (Bt.)	4.2	4.0	4.8	3.0	3.7	3.4

Key Performance Ratios – Company Only

Financial Ratios	2009	2010	2011	2012	2013	2014
Gross margin (%) (Sales and services)	25.8%	24.5%	24.3%	25.3%	26.3%	27.7%
EBIT margin (%)	5.3%	6.1%	6.2%	6.5%	6.4%	7.7%
EBITDA margin (%)	7.4%	8.0%	8.1%	8.0%	7.9%	9.5%
Net margin (%)	4.0%	4.4%	4.6%	5.1%	4.7%	3.8%
ROAA (%)	12.7%	15.0%	15.6%	17.3%	4.0%	3.3%
ROAE (%) (excl. MI)	32.7%	39.9%	42.4%	48.0%	42.3%	33.8%
Inventory days	23.2	20.8	21.8	21.1	21.2	23.0
Accounts payable days	61.7	59.0	58.6	59.7	64.6	69.5
Cash cycle days	(38.5)	(38.2)	(36.9)	(38.5)	(43.4)	(46.5)
Earnings per share (Bt.)	1.02	1.37	1.62	1.11	1.14	0.97
Book value per share (Bt.)	3.3	3.5	4.1	2.6	2.8	2.9

				Common Size	
(Unit : million Baht)	2013	2014	%YoY Growth	2013	2014
Total Revenues	129,781	142,532	+9.8%	100.0%	100.0%
Cost of Sales	115,673	126,771	+9.6%	89.1%	88.9%
Gross Profit	14,107	15,761	+11.7%	10.9%	11.1%
SG&A	8,598	9,433	+9.7%	6.6%	6.6%
EBIT	5,510	6,328	+14.8%	4.2%	4.4%
Net Profit	4,299	4,885	+13.6%	3.3%	3.4%
EBITDA	6,842	7,769	+13.5%	5.3%	5.5%
ROA(%)	11.9%	11.2%			
ROE(%)	39.0%	38.2%			