



統一企業公司

UNI-PRESIDENT ENTERPRISES CORP.

Ticker:1216 TT

June, 2011



來一客  
One More Cup

統一麵<sup>®</sup>

純喫茶



統一AB優酪乳

茶里王

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# 1. Uni-President overview

# The Structure of Uni-President Group

Taiwan F&B: Uni-President (UPEC) (1216 TT)

## F&B

**Uni-President China (UPCH) (220 HK)**

UPEC holds 73.5%

**Southeast Asia Holdings**  
(Vietnam 、Indonesia 、  
Thailand 、Philippines)

UPEC holds 100%

**TTET Union (1232TT)**



UPEC holds 30 %  
UP Group holds 37.64%

**Wei Li Food**



UPEC holds 33.3%  
Taiwan To.2 Noodle  
Company

**Kuang Chuan**



UPEC holds 31.25%  
Taiwan To.3 Dairy  
Company

## Distribution & Retail

**President Chain  
Stores (PCSC)  
(2912TT)**



UPEC holds 45.4%

**Starbucks (Taiwan  
& Shanghai)**



PCSC holds 30%  
UPEC holds 20%

**Presicarre Corp.**



UPEC holds 20.5%  
PCSC holds 19.5%

**Nan Lien International**

UPEC holds 100%

## Others

**Ton-Yi Industrial  
(9907TT)**

UPEC holds 45.55%

**President International  
Development  
(PIDC)**

UPEC holds 68.03%

**Scinopharm  
(1789TT)**

UPEC holds 39.24%  
UP Group holds 50.56%

**President Securities  
(2855TT)**

UPEC holds 27.26%;  
UP Group holds 32.66%

\* The above structure only includes Uni-President's major subsidiaries.

# The Highlight of Uni-President Group

## Largest F&B Company in Taiwan

- Market Cap US\$6.11bn, QFII ratio 44.37%, total assets US\$9.0bn, and revenue US\$10.9bn.
- Vertical integration from manufacturing, distribution to retailing.

## Top 3 F&B Company in China

- **Top. 2** position in Tea and Instant Noodles & **Top 3** position in Juice

## Largest CVS& Hypermarket Retailers in Taiwan

- **“7-11”** Convenience Store Chains & **“Carrefour”** Hypermarket Chains in Taiwan

## Focusing F&B and Retail Businesses in Asia

## Ranked as Top.2 Admired Taiwan Company by WSJ

- Source: The Wall Street Journal's Asia 200 survey in 2010

\* Market cap & QFII based on the closing price \$NT41.0 (US\$1=NT\$28.75) as of June 3, 2011

\* \* Total assets and revenue were consolidated-based in 2010 (US\$1=NT\$31.52).

## 2. Taiwan F&B Business

# UPEC Key Financials

NT\$m	Y2009		Y2010			Y2010 Q1		Y2011 Q1		
	Amount	% of sales	Amount	% of sales	YoY	Amount	% of sales	Amount	% of sales	YoY
Revenue (Consolidated)	290,196		343,420		18.3%	80,545		91,831		14.0%
Revenue (Parents)	44,784	100.0%	48,962	100.0%	9.3%	10,792	100.0%	12,311	100.0%	14.1%
Gross Profit	10,827	24.2%	11,376	23.2%	5.1%	2,554	23.7%	2,778	22.6%	8.8%
Operating Profit	1,837	4.1%	1,758	3.6%	-4.3%	291	2.7%	461	3.7%	58.4%
Net Income	7,861	17.6%	10,929	22.3%	39.0%	3,091	28.6%	2,274	18.5%	-26.4%
EPS (after tax)	1.83		2.55		39.3%	0.72		0.53		-26.4%
ROE	12.95%		16.27%							
Total Payout Ratio:	98%		78%							
Cash dividend/share	0.80		1.40							
Stock dividend/share	1.00		0.60							

# UPEC Historical Key Financials

NT\$m	Y2006		Y2007		Y2008		Y2009	
	Amount	% of sales	Amount	% of sales	Amount	% of sales	Amount	% of sales
Revenue (Consolidated)	257,667		288,592		299,722		290,196	
Revenue (Parents)	42,845	100.00%	46,026	100.00%	49,445	100.00%	44,784	100.00%
Gross Profit	9,971	23.27%	10,165	22.09%	9,520	19.25%	10,827	24.18%
Operating Profit	1,588	3.71%	1,659	3.60%	1,701	3.44%	1,837	4.10%
Net Income	3,607	8.42%	11,017	23.94%	3,601	7.28%	7,861	17.55%
EPS (after tax)	1.01		2.95		0.92		2.02	
ROE	8.0%		20.1%		6.0%		12.95%	
Total Payout Ratio:	119%		85%		96%		89%	
Cash dividend/ share	0.6		2.0		0.44		0.80	
Stock dividend/ share	0.6		0.5		0.44		1.00	



### 3. CVS & Retail business

# CVS & Retail Businesses



## President Chain Store Corp. (PCSC 2912TT)

- **History:** Opened the first 7-11 in Taiwan in 1980 & Listed on TWSE since 1997.
- **Valuation:** Market cap US\$5.89bn\* , QFII ratio 44.55%.
- **Geographic Scope:** Taiwan 、 China 、 Southeast Asia (Philippine 、 Vietnam).
- **China Retail Businesses:**
  - First entered China retail market through shanghai starbucks in Year 2000.
  - In May 2008, be granted “7-Eleven” franchise license in Shanghai ; 60 stores opened as of end March, 2011.

\* Market cap & QFII Ratio based on closing price \$NT163.0 as of June 3, 2011, US\$1=NT\$28.75

# PCSC Key Financials

NT\$m	Y2009		Y2010			Y2010Q1		Y2011Q1		
	Amount	% of sales	Amount	% of sales	YoY	Amount	% of sales	Amount	% of sales	YoY
Revenue (Consolidated)	148,278		169,917		14.6%	39,958		44,283		10.8%
Revenue (Parents)	101,756	100.0%	114,664	100.0%	12.7%	26,890	100.0%	28,284	100.0%	5.2%
Gross Profit	32,966	32.4%	35,923	31.3%	9.0%	8,236	30.6%	8,964	31.7%	8.8%
Operating Profit	4,893	4.8%	5,527	4.8%	13.0%	1,258	4.7%	1,505	5.3%	19.6%
Net Income	4,059	4.0%	5,726	5.0%	41.1%	1,606	6.0%	1,801	6.4%	12.1%
EPS (after tax)	3.90		5.51		41.3%	1.55		1.73		11.6%

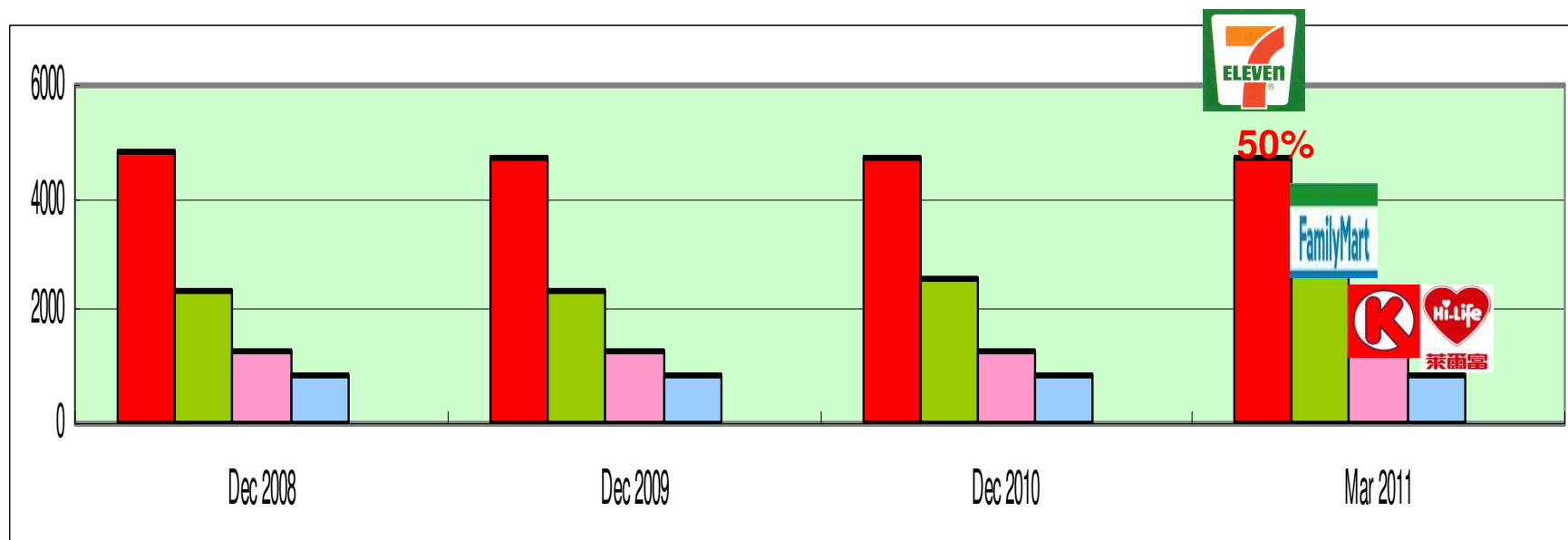
\* Dividend policy in 2010: 89% payout ratio with NT\$4.9/share cash dividend.

# PCSC Historical Key Financials

NT\$m	Y2006		Y2007		Y2008		Y2009	
	Amount	% of sales	Amount	% of sales	Amount	% of sales	Amount	% of sales
Revenue (Consolidated)	132,945		141,982		145,899		148,278	
Revenue (Parents)	99,980	100.00%	102,364	100.00%	102,191	100.00%	101,756	100.00%
Gross Profit	30,243	30.25%	31,744	31.01%	32,735	32.03%	32,966	32.40%
Operating Profit	4,514	4.51%	4,854	4.74%	4,607	4.51%	4,893	4.81%
Net Income	3,822	3.82%	3,622	3.54%	3,520	3.44%	4,059	3.99%
EPS (after tax)	4.18		3.96		3.85		3.90	
ROE	24.53%		22.47%		21.53%		22.95%	
Total Payout Ratio:	84%		81%		88%		92%	
Cash dividend/ share	3.50		3.20		2.04		3.60	
Stock dividend/ share	0.00		0.00		1.36		0.00	

# PCSC's Market Share in Taiwan

## Number of Convenience Stores in Taiwan



	Dec 2008	Dec 2009	Dec 2010	Mar 2011
7-ELEVEN Chain	4,800	4,750	4,750	4,754
Family Mart Chain	2,324	2,394	2,593	2,638
Hi-Life Chain	1,244	1,252	1,254	1,265
OK Chain	826	829	850	851

# PCSC's Major Retail Scopes in Taiwan

## Convenience Store

### 7-ELEVEN



PCSC holds 100%  
# of stores: 4,754

## Drugstore

### Cosmed Taiwan



PCSC holds 100%  
# of stores: 330

## Merchandise Stores

### MUJI



PCSC holds 41%  
UPEC holds 10%  
# of stores: 20

## Department Store

### Hankyu



PCSC holds 70%  
UPEC holds 30%  
# of store: 2

## Shopping Mall

### Dream Mall



PCSC holds 19%  
UPEC holds 40.5%  
PIDC holds 40.5%  
# of store: 1

## PCSC

## Restaurants

### Starbucks Taiwan

PCSC holds 30%  
UPEC holds 20%  
# of stores: 240



### Cold Stone Creamery



PCSC holds 100%  
# of stores: 28

### Afternoon Tea



PCSC holds 51%  
# of stores: 11

### Mister Donut



PCSC holds 50%  
# of stores: 46

## Distribution & Logistics

### Retail Support International



UP Group holds 65%

### Uni-President Cold-Chain



UP Group holds 100%

### Wisdom Distribution



UP Group holds 100%

### TAKKYUBIN



PCSC holds 70%  
UPEC holds 20%

## Online Retailer

### Rakuten



PCSC holds 49%



Books.com.tw  
PCSC holds 50.03%



7Net  
PCSC holds 100%

\* Store No. is as of end Mar, 2011

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# PCSC's Major Retail Scopes Overseas

## China

### Convenience Store

#### Shanghai 7-ELEVEN

PCSC holds 100%  
# of stores: 60



### Drugstore

#### Shenzhen Cosmed

PCSC holds 65%  
# of stores: 6



### Supermarket

#### Shandong Uni-Mart

PCSC holds 55%  
# of stores: 147



### Hypermarket

#### Sichuan Uni-Mart

PCSC holds 100%  
# of stores: 5



### Restaurants

#### Shanghai Starbucks

PCSC holds: 30%  
UPEC holds: 20%  
# of stores: 199



#### Cold Stone Creamery

PCSC holds 100%  
# of stores: 42



#### Shanghai Afternoon Tea

PCSC holds 51%  
# of stores: 3



Afternoon Tea

#### Shanghai Mister Donut

PCSC holds 50%  
# of stores: 9



## Southeast Asia

### Convenience Store

#### Philippine 7-ELEVEN

PCSC holds 56.59%  
# of stores: 577



### Supermarket

#### Vietnam Uni-Mart

PCSC holds 51%  
# of stores: 1



\* Store No. is as of end Mar, 2011

## 4. China F&B Business



# F&B Business in China

Uni-President China Holdings Ltd. (UPCH 220 HK)

(UPEC holds 73.5% )

- Commenced China F&B operations in **1992**.
- Listed on HKSE since **Dec 17<sup>th</sup>, 2007**
- Current market cap US\$2.30bn\*.
- Strong market position : Top.2 in RTD Tea & Instant Noodles ; Top.3 in Diluted Juice.
- Distribution to 31 provinces across China.

- **Advertising banners at the stadium of NBA Houston Rockets**

- **Sole official instant noodles sponsor of Beijing 2008 Olympics**






\* Market cap based on closing price \$4.98HKD as of June 3, 2011, US\$1=HK\$7.7789

## UPCH Historical Key Financials

RMBm	Y2008		Y2009		Y2010		
	Amount	% of sales	Amount	% of sales	Amount	% of sales	YoY
Revenue	9,242	100.0%	9,109	100.0%	12,591	100.0%	38.2%
Gross Profit	3,156	34.1%	3,617	39.7%	4,043	32.1%	11.8%
Operating Profit	520	5.6%	767	8.4%	558	4.4%	-27.2%
Pre-tax Profit	442	4.8%	896	9.8%	682	5.4%	-23.9%
Net Profit	344	3.7%	705	7.7%	519	4.1%	-26.4%
Reported EPS (cents)	9.56		19.58		14.42		
ROE	6.29%		11.56%		7.92%		

USD in thousands	Y2011 Q1	Y2010 Q1	YoY
Reported Net Profit	10,229	19,235	-46.8%

# Strategic Alliances & Partnerships in China

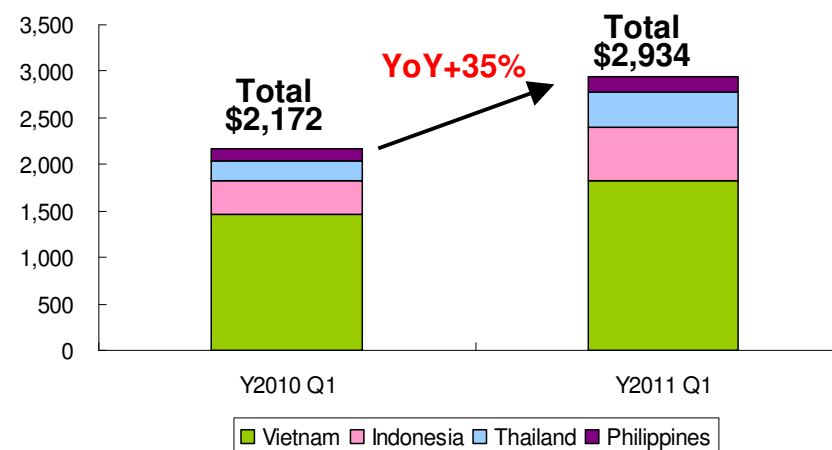
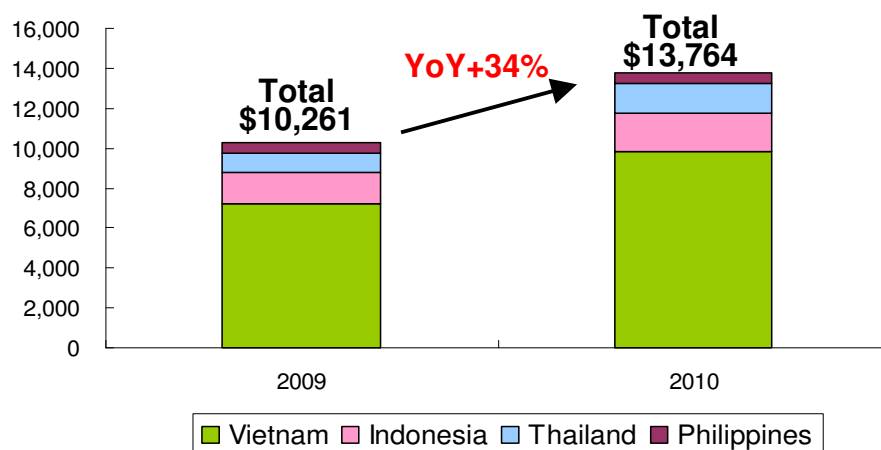
Company	Stake	Remark	Area of cooperation
 <b>Jinmailang JV</b>	<b>50%</b>	“Nissin Hualong Food (Jinmailang brand)” is 2nd largest instant noodle manufacturer in China.	Jinmailang is UPCH’s OEM partner in manufacturing bottled water. The JV is in China beverages segment.
 <b>Andre Juice (2218 HK)</b>	<b>15%</b>	One of the largest apple juice concentrate suppliers in China	Raw material supply
 <b>Wondersun Dairy</b>	<b>9%</b>	Leading milk powder brand in China	Exposure to dairy market

## 5. Southeast Asia F&B Business

# F&B Business in Southeast Asia

NT\$m

## Southeast Asia F&B Sales



### Uni-President Vietnam (owned 100%)

#### Aquatic Feeds, Flours, Instant Noodles, Beverage

- ◆ Aquatic feeds: No.1 market position
- ◆ Largest profit contributor to Uni-President Southeast Holdings.
- ◆ Export the feeds to Malaysia 、Singapore and India

### Uni-President Indonesia (owned 49%)

#### Beverage 、Instant Noodles

- ◆ RTD green tea is ranked No.1 market position.
- ◆ The spicy flavor instant noodle is one of the leading position.
- ◆ Continue to expand beverage business

### Uni-President Thailand (owned 100%)

#### Beverage

- ◆ Focus on Juice 、Vegetable & Fruit Juice.
- ◆ “Unif 100% Vegetable & Fruit Juice” is ranked No.1 market position.

### Uni-President Philippines (owned 100%)

#### Instant Noodles

- ◆ Closer cooperation with 7-11 Philippines
- ◆ Import Uni-President beverage products to explore Philippines market opportunities