



**統一企業公司**  
UNI-PRESIDENT ENTERPRISES CORP.

**Ticker:1216 TT**

# Uni-President 2013 Interim Results(IFRS) (2013.8.20 Updated)



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# Agenda

**1. Uni-President (1216TT) Group Overview**

**2. CVS & Retail Business (PCSC 2912TT)**

**3. China F&B Business (UPCH 220HK)**

# 1. Uni-President(1216TT) Group Overview

# The Major Structure of Uni-President Group

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

## F&B

**Uni-President China (UPCH) (220 HK)**  
UPEC holds 70.5%

**Southeast Asia Holdings**  
(Vietnam、Indonesia、Thailand、Philippines)  
UPEC holds 100%

**TTET Union (1232TT)**



UPEC holds 37.7%  
UP Group holds 45.3%

**Wei Lih Food**  
UPEC holds 33.3%  
Taiwan To.2 Noodle Company



**Kuang Chuan**

UPEC holds 31.25%  
Taiwan To.3 Dairy Company



## Container & Packaging

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

UPEC holds 45.55%

## 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

**President International Development (PIDC)**

UPEC holds 68.03%

**Scinopharm (1789TT)**

UPEC holds 37.94%  
UP Group holds 48.37%

**President Securities (2855TT)**

UPEC holds 27.71%;  
UP Group holds 33.11%

\* 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\$9.11bn, \*QFII ratio 50.76%, \*\*total assets US\$11.75bn, and \*\*revenue US\$14.43bn.
- 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

\* Market cap & QFII based on the closing price NT\$53 (US\$1=NT\$30.002) as of Aug 16, 2013

\*\* Total assets and revenue were consolidated-based in 2012: US\$1=NT\$29.09 for total assets; NT\$29.623for revenue.

## Uni-President (1216TT) Consolidated Revenue by sectors

Revenue by Sectors (NT\$m)	2012.1-6M	% of sales	2013.1-6M	% of sales	YoY
1.F&B and Feeds	90,053	41%	98,254	42%	9.1%
2.CVS & Other Retail	93,512	42%	97,923	41%	4.7%
3.Container&Packing	14,899	7%	16,224	7%	8.9%
4.Others	22,359	10%	23,614	10%	5.6%
Total	220,823	100%	236,015	100%	6.9%
Less: Adjustment and Elimination	(22,461)		(24,835)		
<b>Total Revenue</b>	<b>198,362</b>		<b>211,180</b>		<b>6.5%</b>

## Uni-President (1216TT) Consolidated Segmental Revenue

Revenue (NT\$m)	F&B	Convenient Stores	Retail Business	Container & Packaging Business	Others	Feeds	PCSC's other operating segments
2013.1-6M	87,496	62,138	19,143	16,224	15,402	10,758	8,172
2012.1-6M	78,085	60,450	16,726	14,899	15,440	11,968	7,419
YoY	12.05%	2.79%	14.45%	8.89%	-0.25%	-10.11%	10.15%

Revenue (NT\$m)	Filling Stations	Electric Appliances	Pharmaceutical Department	Leisure Business Development	Logistics Business	General Investments	Adjustment and Elimination	Consolidated Sales
2013.1-6M	7,383	3,939	2,524	1,543	1,087	206	(24,835)	211,180
2012.1-6M	7,197	3,596	1,884	1,269	1,720	170	(22,461)	198,362
YoY	2.58%	9.52%	33.97%	21.59%	-36.82%	21.18%	-10.57%	6.46%



# Uni-President (1216TT) Consolidated Key Financials

Consolidated basis	ROC Gaap				IFRS adjusted		IFRS		
	2011Y		2012Y		2012.1-6M		2013.1-6M		
NT\$m	Amount	% of sales	Amount	% of sales	Amount	% of sales	Amount	% of sales	YoY
Revenue	388,028	100.00%	427,515	100.00%	198,362	100.00%	211,180	100.00%	6.5%
Gross Profit	110,300	28.43%	127,470	29.82%	61,880	31.20%	66,346	31.42%	7.2%
Operating Profit	15,082	3.89%	19,152	4.48%	10,115	5.10%	10,178	4.82%	0.6%
*Net Income	9,448	2.43%	12,407	2.90%	6,445	3.25%	6,516	3.09%	1.1%
*EPS (after tax)	2.08		2.55						
Total Payout Ratio:	82%		78%						
∫ Cash dividend/share	1.00		1.40						
ℳ Stock dividend/share	0.70		0.60						

\*Net Income & EPS (after tax) is attributable to the equity holders of the company.

## Major Profit Contributors to Uni-President Group (Stand-alone basis)

NT\$m	Taiwan (ROC) Gaap						Footnote in 2013 interim fin report	
	Y2011		Y2012		2012.1-6M		2013.1-6M	
	Annual	% of NI	Annual	% of NI	Annual	% of NI	Annual	% of NI
Operating Profit	1,866	20%	1,994	16%	1,028	16%	N/A	N/A
Total Investment Income (Equity Method)	7,598	80%	10,338	83%	5,272	85%	N/A	N/A
Major Components of Investment Income:								
1. Cayman President (100% ownership)	1,699	18%	6,480	52%	2,326	37%	1,776	27%
2. PCSC (2912TT) (45.4% ownership)	2,685	28%	3,068	25%	1,547	25%	1,724	26%
3. Ton Yi Industrial (45.55% ownership)	448	5%	63	1%	63	1%	320	5%
4. Scinopharm (1789TT) (37.94% ownership)	373	4%	444	4%	161	3%	286	4%
5. Kai Yu Investment (100% ownership)	368	4%	(36)	0%	269	4%	284	4%
6. PIDC (68.03% ownership)	609	6%	(610)	-5%	(93)	-1%	215	3%
7. Nan Lien International (100% ownership)	255	3%	227	2%	149	2%	173	3%
8. President Securities (2855TT) (27.71% ownership)	155	2%	309	2%	163	3%	135	2%
9. TTET Union (1232TT) (37.67% ownership)	176	2%	133	1%	87	1%	129	2%
Net Income attributable to the equity holders of the company (NI)	9,448	100%	12,407	100%	6,233	100%	6,516	100%

# Leading Market Position in Taiwan

YTD	Y2012.1-6M	Y2013.1-6M
<b>Instant Noodle:</b>		
<b>UPEC (No.1)</b>	<b>48.75%</b>	<b>48.77%</b>
Wei-Lih	21.41%	22.01%
Vedan	18.21%	17.01%
Master Kong	4.13%	4.03%

YTD	Y2012.1-6M	Y2013.1-6M
<b>RTD Tea:</b>		
<b>UPEC (No.1)</b>	<b>46.60%</b>	<b>46.30%</b>
Vitalon	9.60%	8.70%
Lipton	4.80%	4.60%
<b>Bottled Water:</b>		
<b>UPEC (No.1)</b>	<b>27.00%</b>	<b>27.50%</b>
Vedan	13.50%	12.80%
Yes Water	10.50%	10.90%
<b>RTD Juice:</b>		
Coca-Cola	24.80%	21.20%
<b>UPEC (No.2)</b>	<b>16.20%</b>	<b>12.70%</b>
Ocean Spray	11.80%	11.10%
Weichuan	10.80%	11.10%
<b>RTD Coffee:</b>		
King Car	30.90%	32.70%
Weichuan	20.50%	21.00%
<b>UPEC (No.3)</b>	<b>16.80%</b>	<b>17.40%</b>
Bifido	11.50%	8.60%

YTD	Y2012.1-6M	Y2013.1-6M
<b>Yogurt Drink</b>		
<b>UPEC (No.1)</b>	<b>69.40%</b>	<b>70.50%</b>
Weichuan	20.30%	21.20%
Kuang Chuan	6.90%	4.90%
<b>Flavored Milk</b>		
<b>UPEC (No.1)</b>	<b>50.30%</b>	<b>49.00%</b>
Kuang Chuan	27.80%	23.80%
Bifido	6.20%	5.80%
<b>Soy Milk</b>		
<b>UPEC (No.1)</b>	<b>67.10%</b>	<b>67.70%</b>
Kuang Chuan	17.00%	16.90%
Imei	14.30%	14.30%
<b>Fresh Milk</b>		
Weichuan	35.70%	36.60%
<b>UPEC (No.2)</b>	<b>31.10%</b>	<b>31.60%</b>
Kuang Chuan	23.90%	23.10%



Source: AC Nielsen

## **2. CVS & Retail Business (PCSC 2912TT)**

# CVS & Retail Businesses



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

(UPEC holds 45.4% )

- **History:** Opened the first 7-11 in Taiwan in 1980 & Listed on TWSE since 1997.
- **Valuation:** Market cap US\$7.29bn\* , QFII ratio 44.27%.
- **Geographic Scope:** Taiwan 、 China 、 Southeast Asia (Philippine).
- **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 ; 77 stores opened as of end June, 2013.

\* Market cap & QFII Ratio based on closing price NT\$210.5 as of Aug 16, 2013, US\$1=NT\$30.002

## PCSC (2912TT) Consolidated Revenue by sectors

Revenue by Sectors (NT\$m)	2012.1-6M	% of sales	2013.1-6M	% of sales	YoY
1. Convenience Stores	60,450	65%	62,138	63%	2.8%
2. Retail Business (including filling stations)	23,923	26%	26,526	27%	10.9%
3. PCSC's other operating segments	7,419	8%	8,172	8%	10.1%
4. Logistics Business	1,720	2%	1,087	1%	-36.8%
<b>Total Revenue</b>	<b>93,512</b>	<b>100%</b>	<b>97,923</b>	<b>100%</b>	<b>4.7%</b>

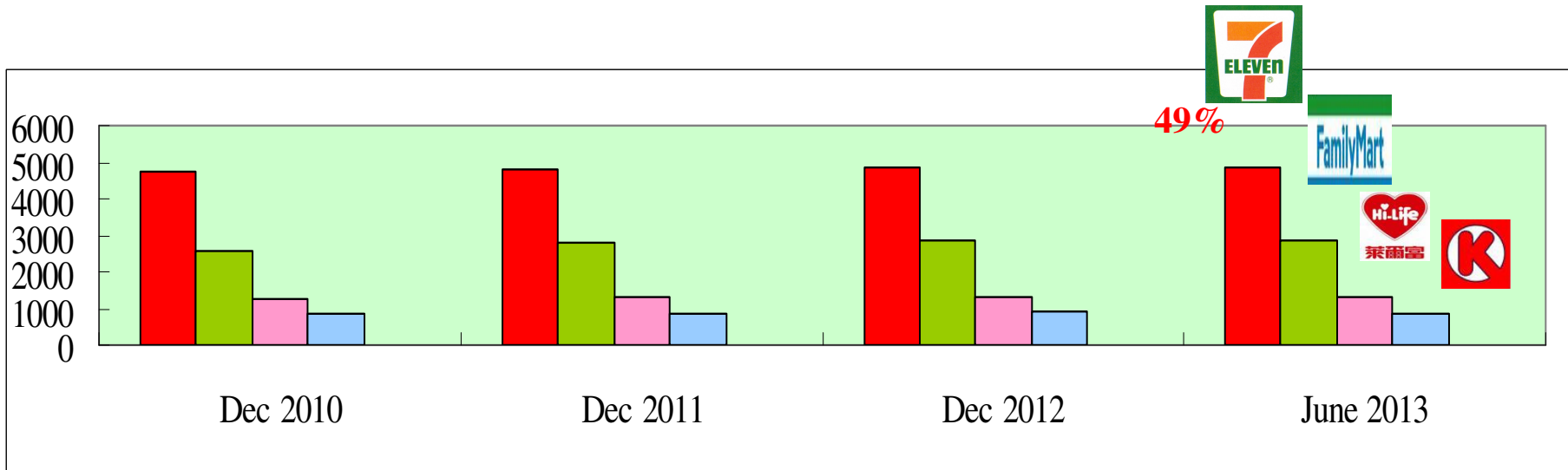
## PCSC (2912TT) Consolidated Key Financials

Consolidated basis	ROC Gaap				IFRS adjusted		IFRS		
	2011Y		2012Y		2012.1-6M		2013.1-6M		
NT\$m	Amount	% of sales	Amount	% of sales	Amount	% of sales	Amount	% of sales	YoY
Revenue	189,252	100.00%	208,264	100.00%	93,512	100.00%	97,923	100.00%	4.7%
Gross Profit	60,368	31.90%	63,220	30.36%	30,861	33.00%	30,505	31.15%	-1.2%
Operating Profit	8,920	4.71%	8,727	4.19%	4,367	4.67%	5,044	5.15%	15.5%
*Net Income	6,352	3.36%	6,789	3.26%	3,509	3.75%	4,325	4.42%	23.3%
*EPS (after tax)	6.11		6.53		3.38		4.16		23.1%
Total Payout Ratio:	79%		74%						
Cash dividend/share	4.80		4.85						
Stock dividend/share	0.00		0.00						

\*Net Income & EPS (after tax) is attributable to the equity holders of the company.

# PCSC's Market Share in Taiwan

## Number of Convenience Stores in Taiwan



	Dec 2010	Dec2011	Dec2012	June 2013
7-ELEVEN Chain	4,750	4,803	4,852	4,870
Family Mart Chain	2,593	2,823	2,851	2,862
Hi-Life Chain	1,254	1,295	1,304	1,289
OK Chain	850	867	890	879

Data source: PCSC



# PCSC's Major Retail Scopes in Taiwan

PCSC (2912TT)

## Convenience Store

### 7-ELEVEN



PCSC holds 100 %  
# of stores: 4,870

## Drugstore

### Cosmed Taiwan



PCSC holds 100 %  
# of stores: 357

## Merchandise Stores

### MUJI



PCSC holds 51 %  
# of stores: 28

## 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

## Restaurants

### Starbucks Taiwan



PCSC holds 30 %  
UPEC holds 20 %  
# of stores: 290

### Cold Stone Creamery



PCSC holds 100 %  
# of stores: 37

### Afternoon Tea



PCSC holds 51 %  
# of stores: 14

### Mister Donut



PCSC holds 50 %  
# of stores: 54

### 21 Century



PCSC holds 100 %  
# of stores: 36

## 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



Books.com.tw  
PCSC holds 50.03 %



7Net  
PCSC holds 100 %

\* Store No. is as of end June, 2013

17

# PCSC's Major Retail Scopes Overseas

## China

### Convenience Store

#### Shanghai 7-ELEVEN

PCSC holds 100 %  
# of stores: 77



### Supermarket

#### Shandong Uni-Mart

PCSC holds 55 %  
# of stores: 180



#### Presiclerc(Beijing)

PCSC holds 98.12 %  
# of stores: 8



### Hypermarket

#### Sichuan Uni-Mart

PCSC holds 100 %  
# of stores: 5



### Restaurants

#### Shanghai Starbucks

PCSC holds: 30 %  
UPEC holds: 20 %  
# of stores: 364



#### Cold Stone Creamery

PCSC holds 100 %  
# of stores: 56



#### Shanghai Mister Donut

PCSC holds 50 %  
# of stores: 18



## Southeast Asia

### Convenience Store

#### Philippine 7-ELEVEN (SEVN PM)

PCSC holds 51.56 %  
# of stores: 893



\* Store No. is as of end June, 2013

### **3. China F&B Business (UPCH 220HK)**

# F&B Business in China

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

(UPEC holds 70.5%)

- Commenced China F&B operations in **1992**.
- Listed on HKSE since **Dec 17<sup>th</sup>, 2007**
- Current market cap US\$3.25bn\*.
- Strong market position : **Top.2** in RTD Tea & Instant Noodles ; **Top.3** in Diluted Juice.
- Distribution to 31 provinces across China.



\* Market cap based on closing price HK\$7.00 as of Aug. 16, 2013. US\$1=HK\$7.7542

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## UPCH (220HK) Historical Key Financials

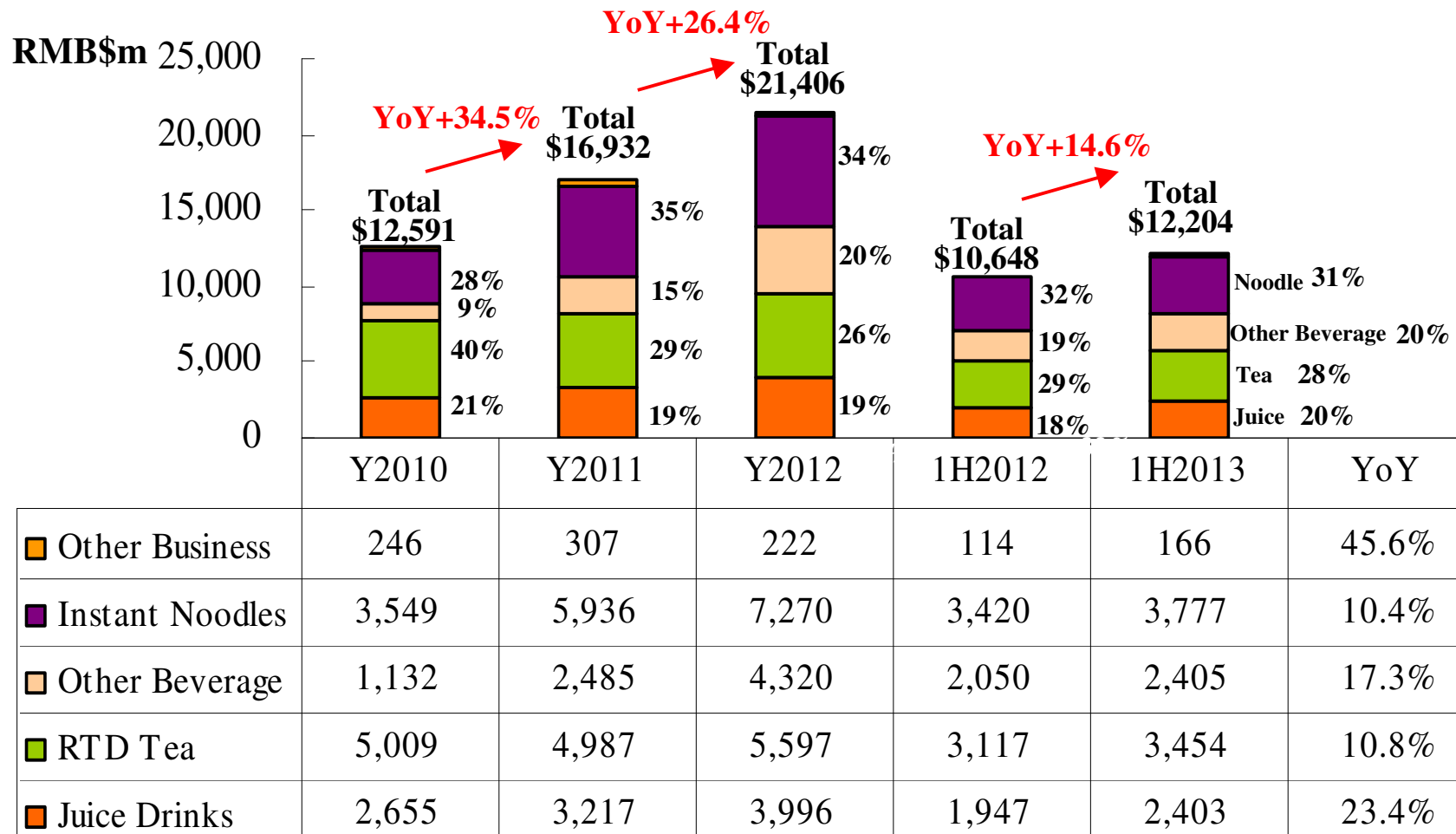
RMBm	Y2011		Y2012		Y2012.1-6M		Y2013.1-6		
	Amount	% of sales	Amount	% of sales	Amount	% of sales	Amount	% of sales	YoY
Revenue	16,932	100.0%	21,406	100.0%	10,648	100.0%	12,204	100.0%	14.6%
Gross Profit	4,943	29.2%	7,402	34.6%	3,680	34.6%	4,145	34.0%	12.6%
Operating Profit	261	1.5%	882	4.1%	540	5.1%	620	5.1%	14.8%
Pre-tax Profit	396	2.3%	1,077	5.0%	616	5.8%	729	6.0%	18.3%
Net Profit	312	1.8%	856	4.0%	505	4.7%	575	4.7%	13.9%
Reported EPS (cents)	8.67		23.78		14.03		15.97		
Final dividend/share (cents)	2.600		4.756						
Cash dividend payout ratio	30%		20%						

# Industry Growth in China

Unit: %	Value		Volume	
	2012.1H v.s 2011.1H	2013.1H v.s 2012.1H	2012.1H v.s 2011.1H	2013.1H v.s 2012.1H
Instant Noodle	16.7%	4.5%	4.8%	0.5%
Beverage	15.3%	8.0%		
{ RTD Tea (no milk)	1.2%	-8.7%	-0.3%	-5.4%
{ RTD Juice	11.8%	4.7%	5.2%	1.5%
{ RTD Milk Tea	125.0%	45.9%	124.7%	48.1%

Source: Nielsen

# UPCH Sales Break-down by Products





# Market Position in China

## Market Share: Instant Noodle



### By Value

	1H.2012	1H.2013
Tingyi	56.3%	56.0%
UPCH (No.2)	15.1%	16.9%
Jinmailang	8.7%	7.6%
Baixiang	6.2%	6.4%

### By Volume

	1H.2012	1H.2013
Tingyi	42.7%	44.4%
UPCH (No.2)	14.2%	15.8%
Jinmailang	11.7%	10.1%
Baixiang	9.3%	9.5%



## Market Share: RTD Milk Tea



### By Value

	1H.2012	1H.2013
UPCH (No.1)	63.0%	62.7%
Tingyi	3.0%	19.5%
Wahaha	26.1%	11.0%
Kirin	5.9%	5.2%

### By Volume

	1H.2012	1H.2013
UPCH (No.1)	63.3%	62.7%
Tingyi	3.2%	20.0%
Wahaha	26.1%	10.8%
Kirin	5.6%	5.0%



Source: Nielsen



# Market Position in China

## Market Share: RTD Tea (excluding milk)

### By Value

	1H.2012	1H.2013
Tingyi	52.2%	52.8%
UPCH (No.2)	21.2%	24.7%
Wahaha	11.2%	8.9%
Coca Cola	1.4%	1.1%

### By Volume

	1H.2012	1H.2013
Tingyi	53.8%	56.0%
UPCH (No.2)	21.7%	24.5%
Wahaha	10.5%	8.1%
Coca Cola	1.4%	0.9%



## Market Share: RTD Diluted Juice

### By Value

	1H.2012	1H.2013
Coca Cola	26.4%	24.2%
Tingyi	16.1%	17.2%
UPCH (No.3)	11.9%	13.1%
HuiYuan	7.8%	7.7%

### By Volume

	1H.2012	1H.2013
Coca Cola	27.0%	25.4%
Tingyi	18.0%	20.4%
UPCH (No.3)	15.0%	16.4%
HuiYuan	8.0%	7.1%



Source: Nielsen

# UPCH (220HK) Production Base

□ 22 plants across China at the end of June, 2013.

(1) 5 new plants opened in 1H.2012: Changsha 、Nanning 、Zhangjiang 、Akesu & Changchun

(2) 3 new plants opened in 2H.2012: Baiyin 、Chongqing 、Jinan

(3) 1 new plant opened in 1H.2013: Xuzhou

