



統一企業公司
UNI-PRESIDENT ENTERPRISES CORP.

股票代號:1216 TT

Uni-President 2017 Interim Results



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單細胞生茶萃取技術
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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 Highlight of Uni-President Group

Largest F&B Company in Taiwan

- ✓ Market Cap US\$10.84bn, QFII ratio 49.58%
- ✓ Total assets US\$11.74bn, and revenue US\$12.81bn.
- ✓ Vertical integration from manufacturing, distribution to retailing.

Top 3 F&B Company in China (UPCH)

- ✓ **Top. 2** position in Instant Noodle & RTD Tea ; **Top.3** in RTD Juice ; **Top. 1** in RTD Milk Tea (market share by value)

Largest CVS & Hypermarket Retailers in Taiwan

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

Focusing F&B and Retail Businesses in Asia

- * Market cap & QFII based on the closing price NT\$57.60 (US\$1=NT\$30.201) as of Aug 8, 2017
- * * Total assets and revenue were consolidated-based in 2016: US\$1=NT\$32.25 for total assets; NT\$32.263 for revenue.

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 38.24%
UP Group holds 45.88%

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



Kuang Chuan Dairy

UPEC holds 31.25%
Taiwan To.3 Dairy Company



Retail & Logistics

President Chain Stores (PCSC) (2912TT)



UPEC holds 45.4%

President Drugstore (Cosmed Taiwan)



PCSC holds 100%

TAKKYUBIN



PCSC holds 70%
UPEC holds 20%

Phillipine 7-11 (SEVN PM)



PCSC holds 52.22%

Container & Packaging

Ton-Yi Industrial (9907TT)



UPEC holds 45.55%
UP Group holds 47.49%

Leisure Business

President Fair Development (Dream Mall)

UPEC holds 40.5%
UP Group holds 100%

Uni-President Development (Taipei BOT)

UPEC holds 30%
UP Group holds 70%

Others

President International Development (PIDC)

UPEC holds 69.37%

Scinopharm (1789TT)



UPEC holds 37.94%
UP Group holds 47.96%

President Securities (2855TT)

UPEC holds 27.71%;
UP Group holds 33.11%

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

Key P&L Items of Uni-President (Consolidated)

Unit : NTD in Billions

Consolidated	17H1			16H1		2016Y		2015Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	196.22	100.0%	-7.2%	211.52	100.0%	413.36	100.0%	416.15	100.0%
Gross Profit	65.35	33.3%	-10.3%	72.83	34.4%	137.65	33.3%	137.92	33.1%
Operating Profit	11.92	6.1%	-10.7%	13.35	6.3%	21.09	5.1%	21.64	5.2%
Pre Tax Income	17.00	8.7%	-0.2%	17.03	8.1%	30.50	7.4%	27.25	6.5%
Net Income	13.94	7.1%	2.7%	13.58	6.4%	23.68	5.7%	21.59	5.2%
*Net Income	9.17	4.7%	0.8%	9.10	4.3%	14.53	3.5%	14.11	3.4%
*EPS (after tax)	1.61			1.60		2.56		2.48	

*The figure is attributable to the equity holders of the company.

17H1 Segment Information of Uni-President (Consolidated)

Unit : NTD in Billions

17H1 Segment Results	F&B and Feeds	CVS & Other Retail	Container & Packing	Others	Total	Adj.	Consolidated
Segment revenue **	65.32	96.02	10.06	24.82	196.22	0.00	196.22
YoY	-18.3%	1.7%	-2.0%	-7.8%	-7.2%		-7.2%
Segment income	4.79	4.92	0.70	1.08	11.48	0.44	11.92
Segment margin	7.3%	5.1%	7.0%	4.4%	5.9%		6.1%
YoY	-28.1%	7.3%	-45.1%	487.4%	-9.7%		-10.7%

** Revenue from external customers

Note: Major contributed Companies of each segment

- **F&B and Feeds** : UPEC(1216TT) / UPCH(220HK) / Southeast-Asia affiliates etc.
- **CVS & Other Retail** : PCSC(2912TT)'s Taiwan 7-11/ President Drugstore (Cosmed)./ President Transnet Corp (Taiwan Takkyubin)./President Pharmaceutical/ Uni-Ustyle Taipei/ Philippine 7-11 etc.
- **Container&Packing** : Ton-Yi Industrial(9907TT) / President Packaging Corp. etc.
- **Others** : PCSC(2912TT)'s China retail & logistics business / ScinoPharm(1789TT) / PIDC/ Uni-President Development Corp. / President Fair Development (Dream Mall) etc.

Uni-President (1216TT) Key Cash Flow Items (Consolidated)

Unit : NTD in Billions

Items	17H1	16H1
Beginning Balance	56.33	45.03
Net Cash provided by operating activities	14.57	25.41
Net cash (used in) investing activities	2.23	(8.03)
*Capital Expenditure	(8.22)	(9.25)
Proceeds from disposal of assets / investments	3.24	1.19
Net cash (used in) provided by financing activities	(10.61)	(10.14)
Ending Balance	63.78	51.84

* Capital expenditures includes the acquisition and disposal of PP&E (including interests payment), the increase of intangible assets, the prepayment of equipment (including interests payments), and the long-term prepaid rent (the land-use right)

Uni-President (1216TT) Key Balance Sheet Items & Indices (Consolidated)

Item (NTD in Billions)	2017/6/30		2016/12/31		2016/6/30	
	Amount	%	Amount	%	Amount	%
Total Asset	369.43	100.0%	378.59	100.0%	395.77	100.0%
Major:Cash & equivalents	63.78	17.3%	56.33	14.9%	51.84	13.1%
Account receivable, net	15.83	4.3%	15.35	4.1%	17.05	4.3%
Inventories, net	32.13	8.7%	30.62	8.1%	29.44	7.4%
Investments (equity method)	32.89	8.9%	33.46	8.8%	32.03	8.1%
Property, Plant and Equipment	143.48	38.8%	148.76	39.3%	155.78	39.4%
Total Liabilities	224.15	60.7%	225.89	59.7%	247.39	62.5%
Major:Short-term interest-bearing debt	40.48	11.0%	46.74	12.3%	57.03	14.4%
Long-term interest-bearing debt	62.25	16.9%	60.67	16.0%	66.04	16.7%
Total Stockholders' Equity	145.28	39.3%	152.7	40.3%	148.39	37.5%
Key Indices						
Current Ratio	99.05%		99.16%		92.46%	
Net Liability to Equity Ratio	110.39%		111.04%		131.77%	
Net Interest-bearing Debt to Equity Ratio	26.81%		33.45%		48.00%	

Leading Market Position in Taiwan

	17H1	16H1
Instant Noodle:		
UPEC (No.1)	42.88%	44.67%
A company	23.31%	22.09%
B company	16.68%	18.91%
C company	7.11%	3.99%
D company	3.34%	3.54%

	17H1	16H1
RTD Tea:		
UPEC (No.1)	42.40%	45.30%
A company	10.10%	9.40%
B company	6.80%	7.70%
C company	4.30%	3.20%
D company	3.30%	3.20%
Bottled Water:		
UPEC (No.1)	18.40%	20.80%
A company	14.20%	15.20%
B company	12.20%	12.10%
RTD Juice:		
A company	16.00%	17.50%
B company	14.50%	12.10%
C company	12.00%	13.80%
UPEC (No.4)	11.30%	11.90%
RTD Coffee:		
A company	32.50%	34.50%
UPEC (No.2)	20.20%	21.50%
B company	18.90%	16.80%
C company	7.80%	9.30%

	17H1	16H1
Yogurt Drink		
UPEC (No.1)	72.26%	67.77%
A company	8.78%	8.30%
B company	7.89%	8.71%
Flavored Milk		
UPEC (No.1)	45.40%	47.60%
A company	26.40%	25.20%
B company	5.60%	4.80%
Soy Milk		
UPEC (No.1)	43.40%	42.30%
A company	26.00%	27.30%
B company	24.30%	22.90%
Fresh Milk		
UPEC (No.1)	33.80%	33.30%
B company	22.10%	24.40%
A company	21.50%	24.30%



Historical Key P&L Items of Uni-President (Standalone)

Unit : NTD in Billions

Stand-alone	2016Y			2015Y		2014Y (adjusted)		2013Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	38.92	100.0%	1.6%	38.29	100.0%	40.23	100.0%	42.34	100.0%
Gross Profit	11.53	29.6%	3.8%	11.11	29.0%	10.33	25.7%	10.56	24.9%
Operating Profit	2.02	5.2%	15.2%	1.75	4.6%	1.53	3.8%	1.39	3.3%
Net Income	14.53	37.3%	3.1%	14.11	36.9%	11.13	27.7%	12.76	30.1%
EPS (after tax)	2.56			2.48		1.96		2.48	
Cash dividend/share	2.10			2.00		1.40		1.50	
Stock dividend/share	0.00			0.00		0.40		0.60	
Cash dividend as % of Total dividend	100%			100%		78%		71%	
Cash dividend payout ratio	82%			81%		* 69%		60%	

Note1: 2016Y&2015Y&2014Y(adjusted) are based on 2013Y version of Taiwan IFRS
2013Y is based on 2010Y version of Taiwan IFRS

Note2*: Y2014 cash dividend payout ratio was based on pre adjusted EPS\$2.04 in 2014.

Major Profit Contributors to Uni-President (Standalone)

Stand-alone basis (NTD in Millions)	17H1		16H1		YoY	2016Y		Y2015	
	Amount	% of NI	Amount	% of NI		Amount	% of NI	Amount	% of NI
Operating Income	N/A	N/A	N/A	N/A	N/A	2,016	14%	1,750	12%
Total Investment Income (Equity Method)	N/A	N/A	N/A	N/A	N/A	12,595	87%	12,391	88%
Major Components of Investment Income:									
1.Cayment President (100% ownership)	2,881	31%	3,759	41%	-23.35%	3,737	26%	4,353	31%
2.PCSC(2912TT) (45.4% ownership)	2,480	27%	2,347	26%	5.64%	4,488	31%	3,690	26%
3.Kai Yu Investment (100% ownership)	675	7%	524	6%	29.01%	959	7%	664	5%
4.President Securities (28.31% ownership)	317	3%	86	1%	267.54%	233	2%	265	2%
5.Nan Lien Intl (100% ownership)	206	2%	186	2%	10.96%	422	3%	364	3%
6.PIDC (69.37% ownership)	200	2%	(201)	-2%	199.35%	335	2%	174	1%
7. PRESCO (100% ownership)	177	2%	130	1%	36.35%	284	2%	217	2%
8.Presicarre (20.5% ownership)	174	2%	138	2%	25.50%	304	2%	246	2%
9.Kuang Chuan Dairy (31.25% ownership)	169	2%	179	2%	-5.35%	348	2%	340	2%
10.TTET Union (38.24% ownership)	142	2%	169	2%	-15.67%	337	2%	344	2%
Net Income	9,175	100%	9,102	100%	0.80%	14,527	100%	14,108	100%

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\$8.73bn* , QFII ratio 41.60%.
- **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

* Market cap & QFII Ratio based on closing price NT\$253.5 as of Aug 8, 2017 US\$1=NT\$30.201

Key P&L Items of PCSC (2912TT) (Consolidated)

Unit : NTD in Billions

Consolidated	17H1			16H1		2016Y		2015Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	108,175	100.0%	2.3%	105,751	100.0%	215.36	100.0%	205.48	100.0%
Gross Profit	35,605	32.9%	2.8%	34,637	32.8%	70.61	32.8%	66.28	32.3%
Operating Profit	5,645	5.2%	6.3%	5,310	5.0%	10.40	4.8%	9.61	4.7%
Net Income	6,163	5.7%	8.4%	5,684	5.4%	11.14	5.2%	9.44	4.6%
*Net Income	5,532	5.1%	9.8%	5,037	4.8%	9.84	4.6%	8.24	4.0%
*EPS (after tax)	5.32			4.84		9.46		7.92	

*The figure is attributable to the equity holders of the company.

PCSC (2912TT) Consolidated Revenue by Segments

Unit : NTD in Billions

Revenue by Segments	17H1	% of Rev.	YoY	16H1	% of Rev.
1.Conveinece Stores	70,173	64.9%	3.1%	68,043	64.3%
2.Retail Business (including filling stations)	32,101	29.7%	1.7%	31,557	29.8%
3.PCSC's other operating segments (including restaurant and china retail)	4,544	4.2%	-3.5%	4,711	4.5%
4.Logistics Business	1,357	1.3%	-5.8%	1,440	1.3%
Total Revenue	108,175	100.0%	2.3%	105,751	100.0%

Key P&L Items of PCSC (2912TT) (Standalone)

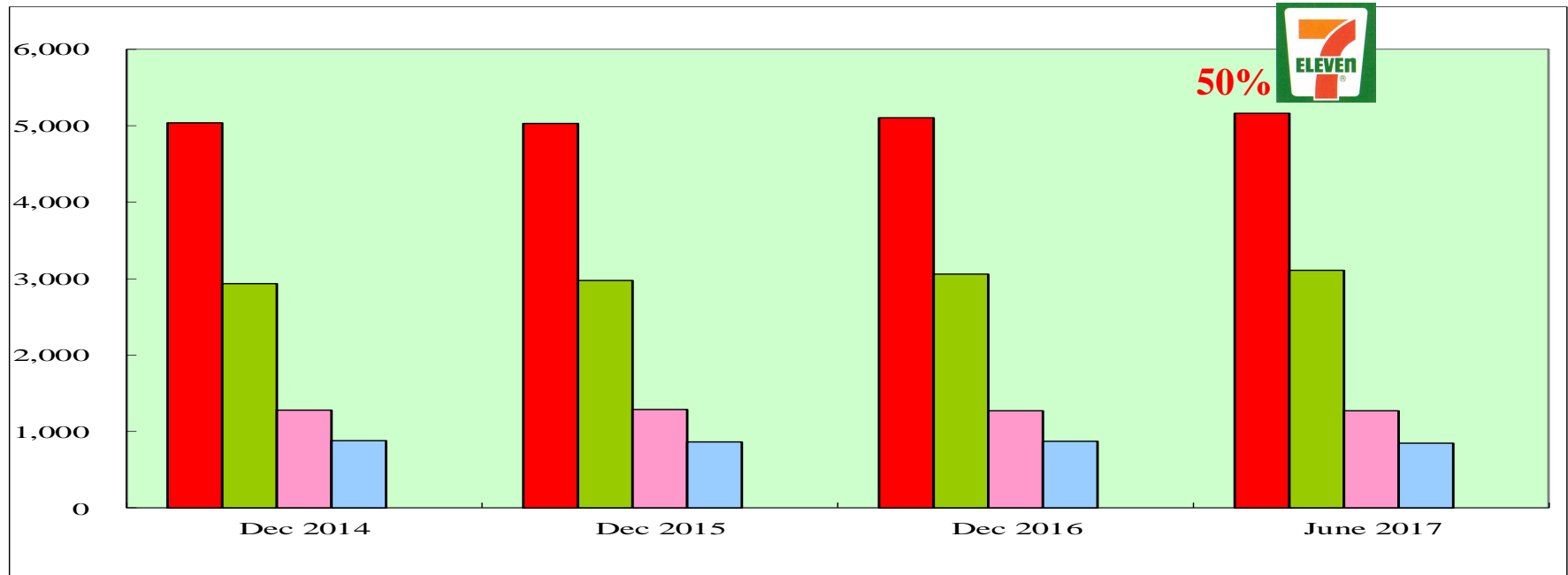
Unit : NTD in Billions

Stand-alone	2016Y			2015		2014Y(adjusted)		2013Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	140.15	100.0%	5.1%	133.41	100.0%	131.33	100.0%	127.00	100.0%
Gross Profit	48.08	34.3%	6.6%	45.11	33.8%	43.18	32.9%	41.08	32.3%
Operating Profit	6.67	4.8%	4.1%	6.41	4.8%	6.30	4.8%	6.29	5.0%
Net Income	9.84	7.0%	19.4%	8.24	6.2%	9.09	6.9%	8.04	6.3%
EPS(after tax)	9.46			7.92		8.74		7.73	
Cash dividend/share	8.00			7.20		7.00		6.00	
Stock dividend/share	0.00			0.00		0.00		0.00	
Cash dividend payout ratio	85%			91%		80%		78%	

Note: 2016Y&2015Y&2014Y(adjusted) are based on 2013Y version of Taiwan IFRS
2013Y is based on 2010Y version of Taiwan IFRS

PCSC's Market Share in Taiwan

Number of Convenience Stores in Taiwan



	Dec 2014	Dec 2015	Dec 2016	June 2017
■ 7-ELEVEN	5,040	5,028	5,107	5,161
■ A company	2,936	2,972	3,057	3,106
■ B company	1,278	1,286	1,273	1,271
■ C company	876	862	873	846

PCSC's Major Retail Scopes in Taiwan

PCSC (2912TT)

Convenience Store

7-ELEVEN



PCSC holds 100%
of stores: 5,161

Drugstore

Cosmed Taiwan



PCSC holds 100%
of stores: 401

Department Store

Uni-Ustyle



PCSC holds 70%
UPEC holds 30%
of store: 1

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: 414



Cold Stone Creamery



PCSC holds 100%
of stores: 31

Afternoon Tea



PCSC holds 51%
of stores: 15

Mister Donut



PCSC holds 50%
of stores: 65

21 Century



PCSC holds 100%
of stores: 26

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%



統一超商線上購物中心
Ibon Mart
PCSC holds 100%

* Store No. is as of end June 2017

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PCSC's Major Retail Scopes Overseas

China

Convenience Store

Shanghai 7-ELEVEN

PCSC holds 100%
of stores: 115



Supermarket

Shandong Uni-Mart

PCSC holds 55%
of stores: 195



Hypermarket

Sichuan Uni-Mart

PCSC holds 100%
of stores: 2



Restaurants

Shanghai Starbucks

PCSC holds: 30%
UPEC holds: 20%
of stores: 1,301



Cold Stone Creamery

PCSC holds 100%
of stores: 17



Southeast Asia

Convenience Store

Philippine 7-ELEVEN (SEVN PM)

PCSC holds 52.22%
of stores: 2,087



* Store No. is as of end June, 2017

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 17th, 2007**
- Current market cap US\$3.29bn*
- Strong market share (by value): **Top 2** in Instant Noodles, RTD Tea ; **Top 3** in RTD Juice ; **Top 1** in RTD Milk Tea.
- Distribution to 31 provinces across China



* Market cap based on closing price HK\$5.95 as of Aug 8, 2017, US\$1=HK\$7.8217

Historical Key P&L Items of UPCH (220HK) (Consolidated)

Unit : RMB in Millions

Consolidated basis	17H1			16H1		Y2016		Y2015	
	Amount	% of Rev.	YoY	Amount	% of Rev.	Amount	% of Rev.	Amount	% of Rev.
Revenue	10,886	100.0%	-7.1%	11,713	100.0%	20,986	100.0%	22,102	100.0%
Gross Profit	3,659	33.6%	-15.4%	4,325	36.9%	7,228	34.4%	8,141	36.8%
Operating Profit	789	7.2%	-16.4%	945	8.1%	963	4.6%	1,031	4.7%
Pre Tax Profit	802	7.4%	-21.8%	1,025	8.8%	1,068	5.1%	1,171	5.3%
* Net Profit	570	5.2%	-26.5%	775	6.6%	607	2.9%	835	3.8%
**EPS(cents)	13.19			17.95		14.06		19.32	
Total Payout Ratio						20%		20%	
Cash dividend/share(cents)						2.812		3.864	

* The figure is attributable to the equity holders of the company.

** Weighted Average EPS reflects right issue on June 24, 2014

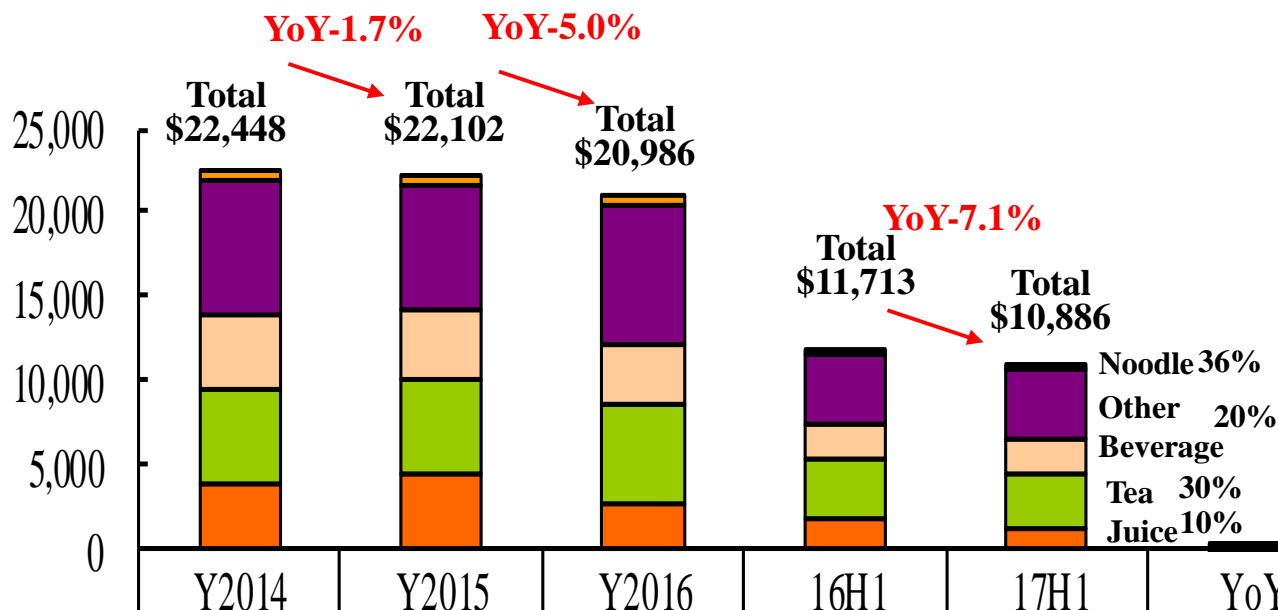
Industry Growth In China

Unit: %	17H1		16H1	
	Value	Volume	Value	Volume
Instant Noodle	0.3	-2.3	1.9	-6.0
Beverage	8.9	8.0	2.0	0.7
RTD tea (no milk)	27.6	18.0	10.9	0.6
Juice	1.2	-2.7	-0.1	-4.6
Milk Tea	-2.1	-1.0	-12.8	-14.6
Carbonated drink	6.5	7.0	1.4	0.6
Bottled water	15.6	12.9	8.3	6.3
Functional drink	5.0	2.4	5.3	3.5
Asian traditional drink	7.2	5.9	-6.2	-6.9

Data Source: Nielsen

UPCH (220HK) Sales Break-down by Products

Unit : RMB in millions



	Y2014	Y2015	Y2016	16H1	17H1	YoY
Other Business	523	483	584	254	334	31.5%
Instant Noodles	7,960	7,567	8,221	4,011	3,954	-1.4%
Other Beverage	4,540	3,947	3,766	2,040	2,208	8.2%
RTD Tea	5,526	5,826	5,915	3,737	3,306	-11.5%
RTD Juice	3,939	4,278	2,500	1,671	1,084	-35.1%

Market Position in China

Market Share: Instant Noodle

By Value

	17H1	16H1
A company	50.9%	51.9%
UPCH (No.2)	20.9%	20.8%
B company	7.6%	7.0%
C company	4.3%	5.0%

By Volume

	17H1	16H1
A company	44.1%	42.9%
UPCH (No.2)	19.2%	19.8%
B company	8.8%	8.3%
D company	6.8%	7.1%

Market Share: RTD Milk Tea

By Value

	17H1	16H1
UPCH (No.1)	72.1%	71.1%
A company	14.3%	14.9%
B company	6.8%	5.5%
C company	3.5%	4.6%

By Volume

	17H1	16H1
UPCH (No.1)	72.9%	72.1%
A company	14.8%	15.3%
B company	6.8%	5.5%
C company	3.4%	4.6%



assam

阿萨姆 · 小奶茶



Market Position in China



Market Share: RTD Tea (No Milk)

By Value

	17H1	16H1
A company	43.6%	50.5%
UPCH (No.2)	25.2%	28.6%
B company	13.7%	2.9%
C company	5.1%	3.9%

By Volume

	17H1	16H1
A company	54.8%	58.8%
UPCH (No.2)	22.5%	24.8%
B company	8.4%	1.9%
D company	3.9%	4.2%

Market Share: RTD Juice

By Value

	17H1	16H1
A company	20.4%	20.3%
B company	10.7%	11.2%
UPCH (No.3)	9.6%	13.4%
C company	8.0%	7.8%

By Volume

	17H1	16H1
A company	25.7%	25.0%
B company	15.8%	15.6%
UPCH (No.3)	12.2%	16.3%
D company	6.4%	7.3%

UPCH (220HK) Margin & Expenses Breakdown

Gross Margin As % of revenue

	17H1	16H1	15H1
Company	33.60%	36.90%	37.80%
Instant Noodle	29.90%	31.00%	32.50%
Beverage	36.70%	41.00%	40.70%

Expenses As % of revenue

	17H1	16H1	15H1
Company	28.00%	29.70%	31.50%
Selling&Marketing	23.70%	25.30%	27.00%
Administration	4.30%	4.40%	4.50%

Net Margin As % of revenue

	17H1	16H1	15H1
Company	5.20%	6.60%	5.70%
Instant Noodle	4.80%	3.70%	2.50%
Beverage	10.10%	12.70%	11.00%