



INVESTOR BRIEFING

dbAccess Philippines 2014

Philippine Seven Corporation

11th Floor The Columbia Tower, Ortigas Avenue,
Mandaluyong City, Philippines 1550

Email: investor-relations@7-eleven.com.ph

October 8-9, 2014

Who We Are



MISSION: To make daily life easier by providing modern convenience.

VISION: To be the best retailer of convenience for emerging markets.

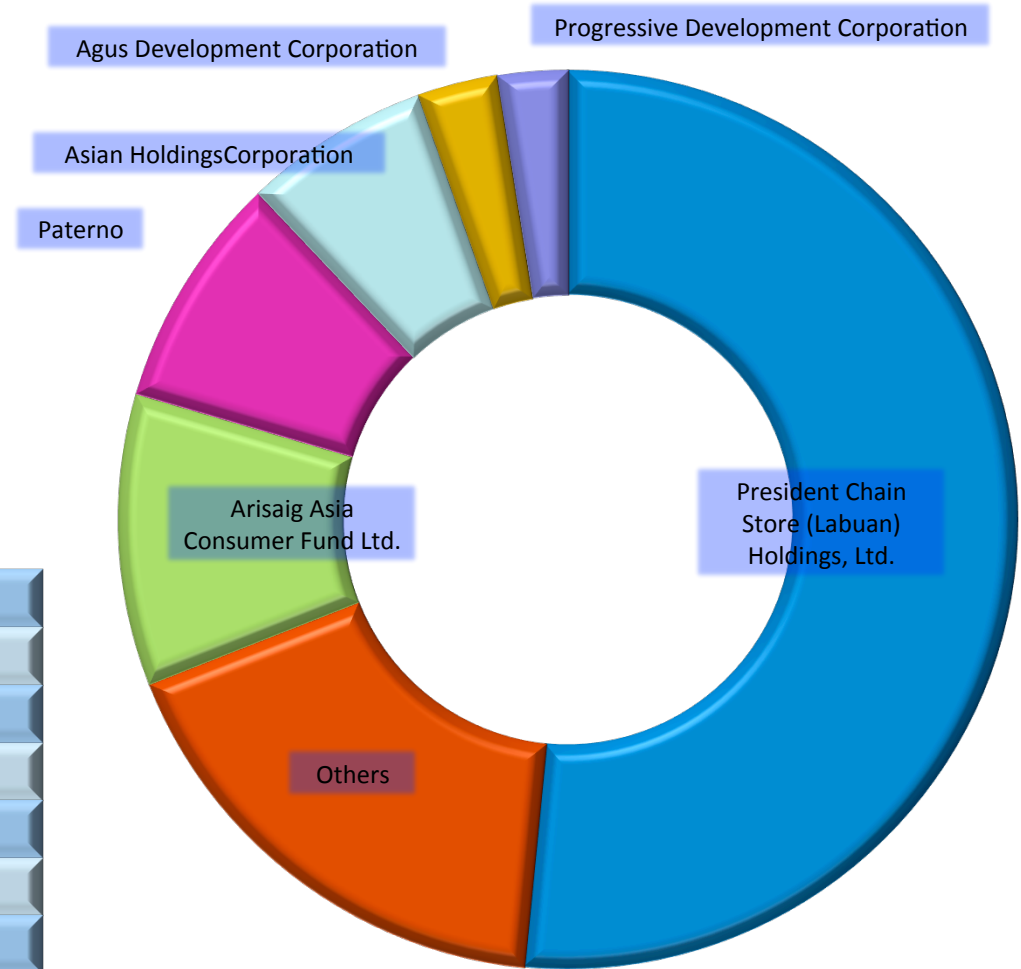
VALUES: We value integrity, teamwork, and reliability. We are data-driven and customer focused in our decisions.

Shareholding Structure



Present Shareholding Structure

President Chain Store (Labuan) Holdings, Ltd.	51.56%
Others	23.43%
Arisaig Asia Consumer Fund Ltd.	10.47%
Paterno Family	7.15%
Asian Holdings Corporation	3.37%
Agus Development Corporation	2.87%
Progressive Development Corporation	1.15%



SEVN Share Information



Price (September 30, 2014)	Php 91.00
Hi/Low (12 months)	Php 77.00 – Php 130.00
Free Float	32%
Outstanding Shares	458.44 million
Market Capitalization	Php 41.72 billion

Dividend Payment	2008	2009	2010	2011	2012	2013	2014
Stock	.10	.10	.05	.15	.15	.15	-
Cash	-	-	.05	.10	.10	.10	.30
Total	.10	.10	.10	.25	.25	.25	.30
Dividend Payout	43.3%	31.0%	18.4%	27.2%	24.3%	21.4%	20.1%

Geographic Coverage



1,170 stores

As of Sep. 30, 2014

7-Eleven has at least 60% market share.

PSC History at a Glance



1982	PSC was established.
1984	Opened first store.
1996	Opened 100 th Store.
1998	PSC launches its IPO; Opened first Franchise store.
2000	PCSC purchased 50.4% of PSC's common shares.
2005	Moved to a full-scale distribution center.
2007	PhilSeven Foundation was established.
2010	Opened 500 th Store.
2012	Entered Visayan Market through Cebu.
2013	Opened 1,000 th Store.

1982
PHILIPPINE SEVEN CORPORATION (PSC) IS ESTABLISHED AND SECURES ITS MASTER LICENSE TO OPERATE 7-ELEVEN STORES IN THE COUNTRY.

1984
THE FIRST 7-ELEVEN STORE OPENS AT THE CORNER OF EDSA AND SANJAL, QUEZON CITY.

1989
THIS YEAR MARKS THE FIRST YEAR PSC TURNS A PROFIT WITH A TOTAL OF 9 STORES IN OPERATION.

1996
CONVENIENCE DISTRIBUTION INC. (CDI), PSC'S WHOLESALE SUPPLIER, IS OPENED TO PROVIDE CENTRALIZED WAREHOUSE AND DISTRIBUTION SYSTEM TO SERVICE ITS 7-ELEVEN STORES.

1998
PSC NOW WITH OVER 100 STORES, LAUNCHES ITS INITIAL PUBLIC OFFERING, WITH SHARES OFFERED AT P14.00.

1998
PSC PURCHASES 50.4% OF PSC'S COMMON SHARES AT P15.00 PER SHARE, WHICH HELPS STRENGTHEN THE COMPANY AND ENABLED IT TO PURSUE ITS STORE EXPANSION PLANS.

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2005
PSC LAUNCHES FULL-SCALE FRANCHISING AND ENDS THE YEAR WITH 85 FRANCHISE STORES OUT OF OVER 200 STORES.

2007
PSC'S BOARD OF DIRECTORS ESTABLISHES PHILSEVEN FOUNDATION INC., THE COMPANY'S CSR WING.

2010
THE 500TH STORE OPENS AT QUINZON AVENUE, QUEZON CITY.

2012
7-ELEVEN EXPANDS BEYOND LUZON AND CROSSES OVER INTO CEBU, QUEEN CITY OF THE SOUTH.

2012
PSC OPENS ITS 711TH STORE IN THE COUNTRY.

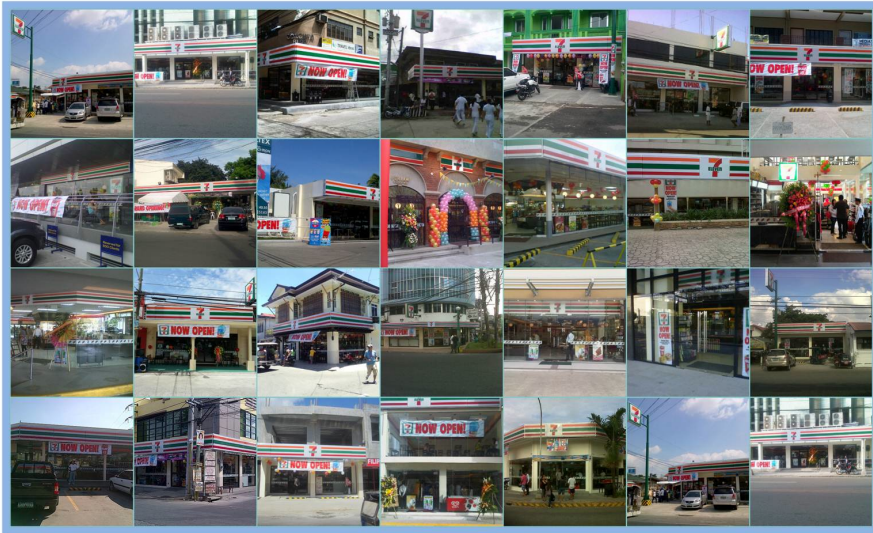
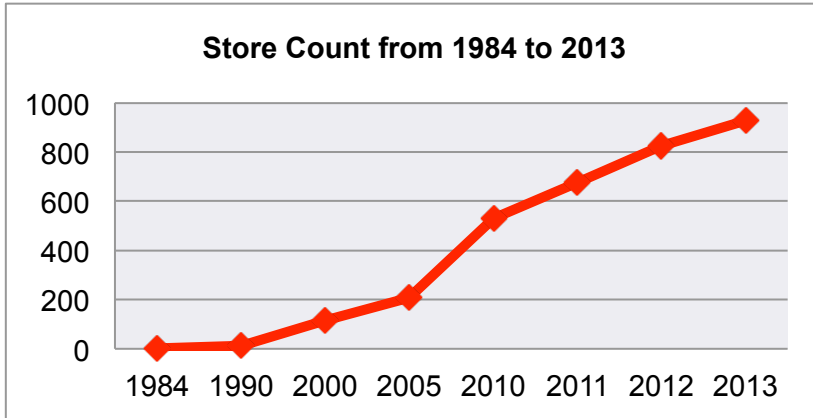
2013
EXPANSION CONTINUES IN VISAYAS AS 7-ELEVEN OPENS IN BACOLOD.

2013
PSC CELEBRATES A MILESTONE BY OPENING 1,000TH STORE AT GREENFIELD DISTRICT, MANDALUYONG CITY.

2014
7-ELEVEN'S UPGRADED LOOK CONTINUES TO BE ROLLED OUT ACROSS NEW AND EXISTING STORES AND OFFERS CUSTOMERS A MORE INVITING AMBIENCE AND EASY ACCESS TO ITS PRODUCTS.

2014
PSC CONTINUES ITS AGGRESSIVE EXPANSION PLANS IN THE VISAYAS REGION BY OPENING SIX 7-ELEVEN STORES IN ILOILO CITY.

Store Count

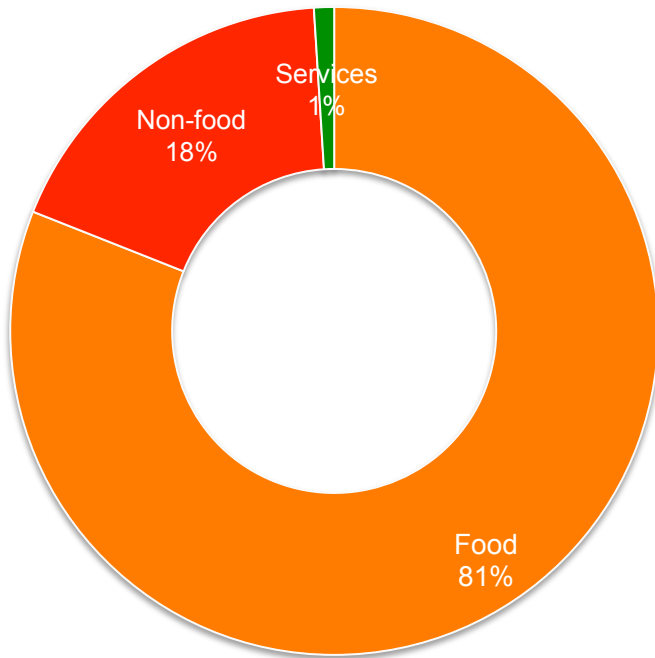


- Number of stores grew by 20% to 25% annually
- Close to 70% of stores are franchised
- Expects to end 2014 with 1,250 stores.

Proprietary Products



By Section



Promotions and Events



BREAKFAST. MORE COMBOS. ALL DAY.

To MAKE A COMBO: DRINK + Food

JUST ADD **P5** to GET A BREADROLL with your COMBO.

P39 COMBOS **P49 COMBOS** **P59 COMBOS**

SAVE UP TO **P25**

EVERY DAY! REWARDS

Visit 7-Eleven every day and redeem your rewards.

CHECK BALANCE REDEEM NOW HELP

<http://rewards.7-eleven.com.ph>

EVERY DAY! WiFi

Now available at

7-ELEVEN

1 point = 15 mins of WiFi

(Available in selected stores only)



1000 THANKS! RAFFLE PROMO

A THOUSAND THANKS TO OUR MOST LOYAL CUSTOMERS

CONGRATULATIONS TO ALL THE WINNERS!

2014 TOYOTA ALTIS WINNER
Patricia Marie Pamesa

IPAD AIR 16GB WINNERS

- Lea Delilla
- Gaudencio Tambuba
- Elision Herrera
- Germdil Bayadon
- Winston Dandagan
- Arlvin Honrado
- Maryann Catapang
- Genene Atiño Calapog
- Almora Akud
- Aylene Batugal

Franchise Packages

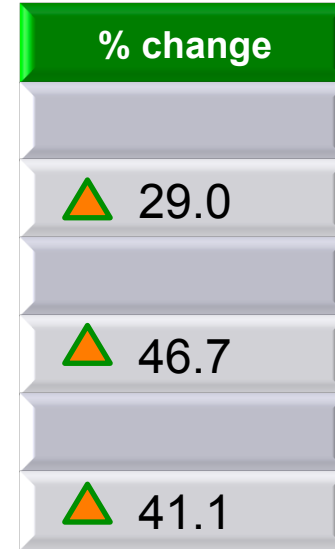
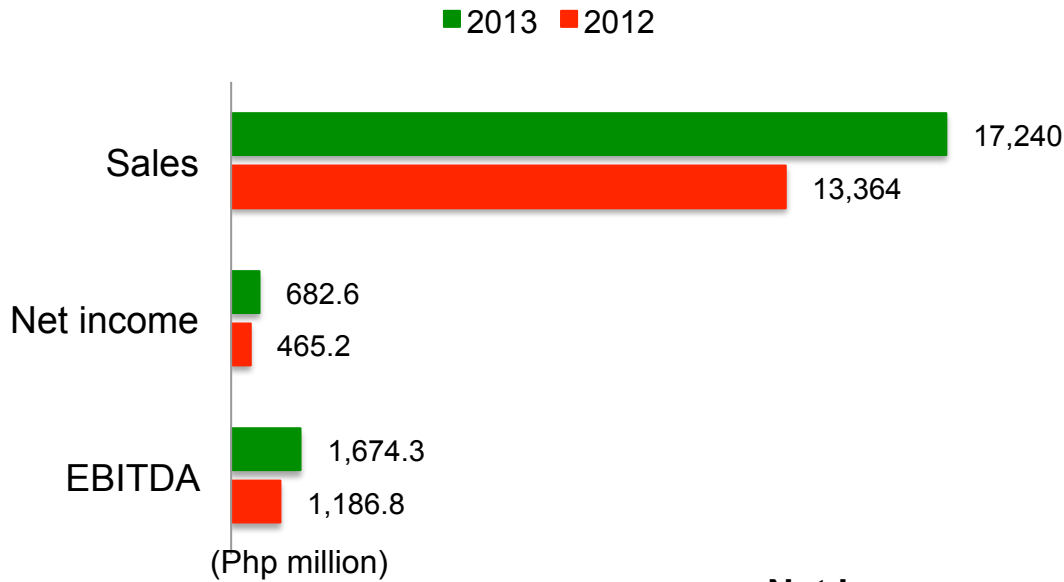


	FC1	FC2
Franchise Type	Investor	Industrial
Investment	USD 80,000-100,000	USD 20,000-25,000
Building	Franchisee	PSC
Merchandise	Franchisee	
Equipment	PSC	
Cash Bond (PGD)	-	Franchisee
Term	5+5 years	
GP Split	66% FC, 34% PSC	40% FC, 60% PSC
Rent	Franchisee	PSC
Electricity	50 - 50 split	60 - 40 split
Manpower	Franchisee	

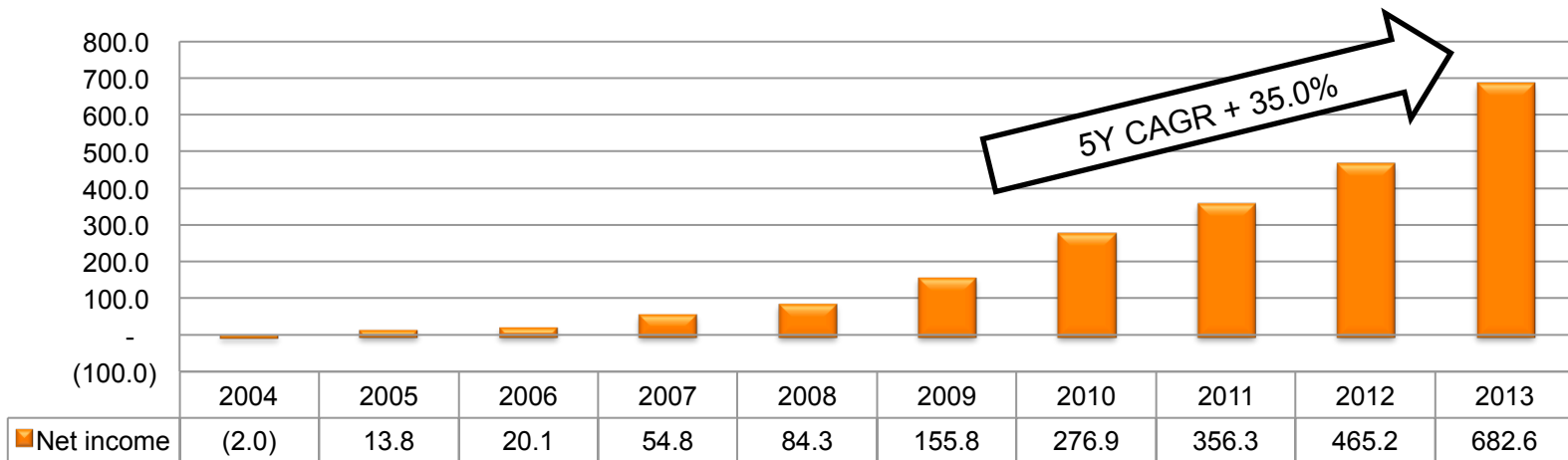
* USD 1.00 = PhP 44.00



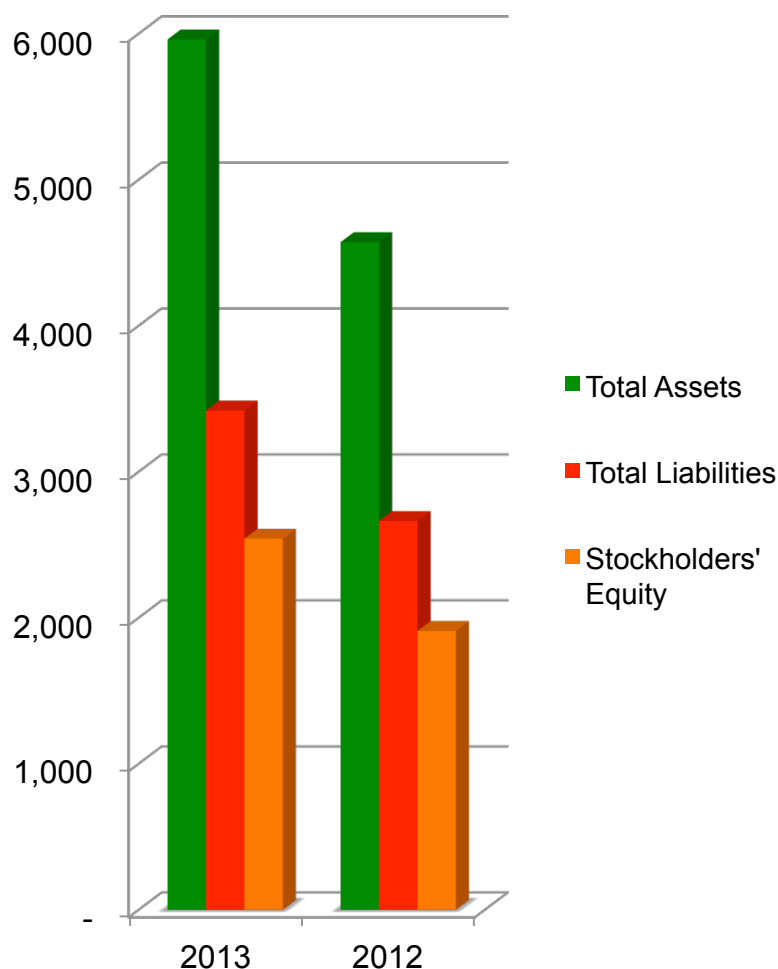
Financial Highlights



Net income



Financial Highlights

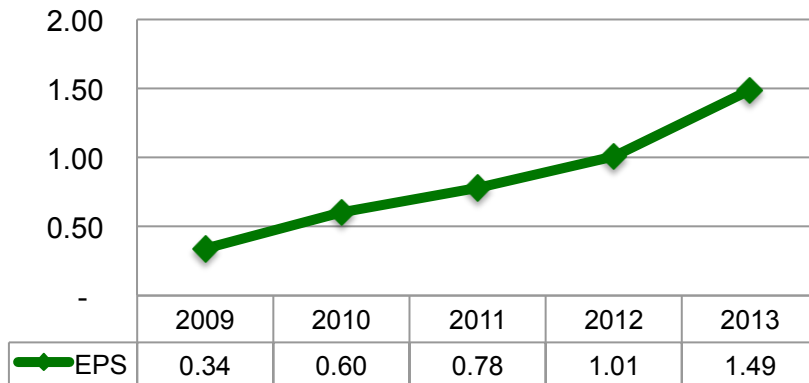


Balance Sheet and Cash Flow (in Php Million except Book Value per Share)	As of Dec. 31, 2013	% change
Total Assets	5,961.8	30%
Current Assets	2,606.1	46%
Non-current Assets	3,355.7	20%
Current Liabilities	3,113.6	30%
Total Liabilities	3,420.6	28%
Stockholders' Equity	2,541.2	33%
Book Value per Share (P)	5.54	33%
Cash Flow from Operating Activities	1,799.6	107%
Cash Flow used in Investing Activities	-1,268.5	41%
Cash Flow from Financing Activities	26.8	-48%

Financial Highlights



EPS



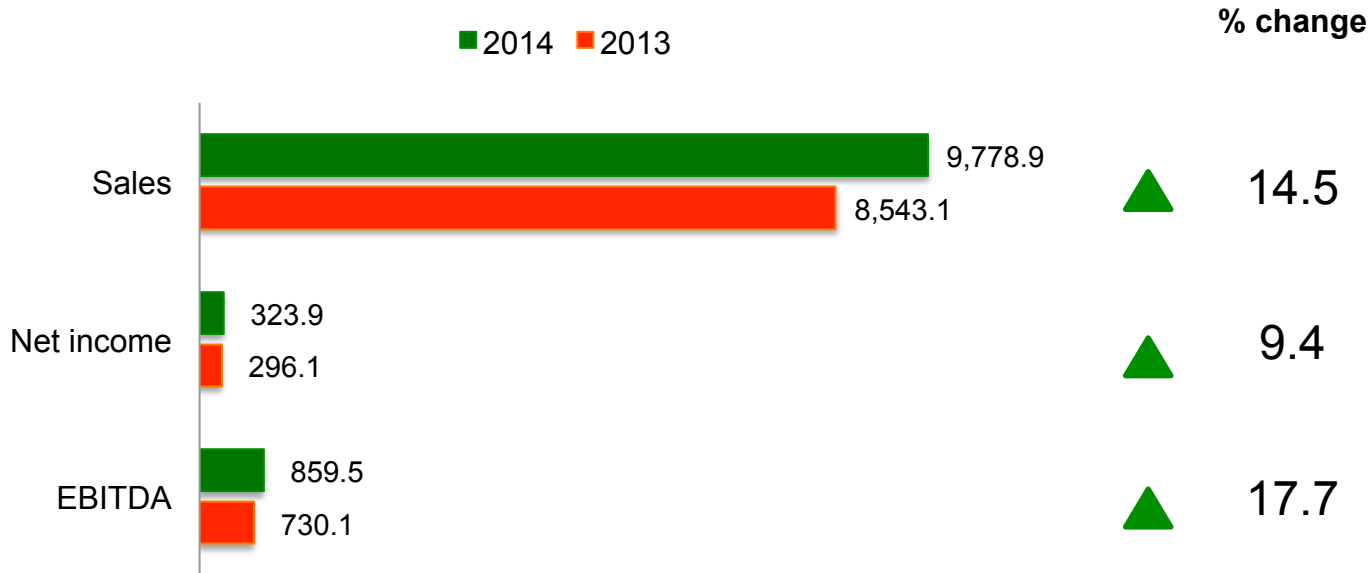
Selected Financial Ratio	2013	2012
Liquidity and Leverage Ratio:		
Current Ratio (x)	0.79	0.75
Net Debt to Equity (%)	-16.3%	3.3%
Profitability Ratio:		
Return on Equity (%)	30.7	27.5
Return on Capital Employed (%)	30.2	24.7
EBITDA Margin (%)	11.1	9.9
EBIT Margin (%)	6.4	5.6
Net Margin (%)	4.4	3.8
Activity Ratio:		
Days Inventory Outstanding	28.0	26.8
Days Payable Outstanding	42.3	40.8
Cash Conversion Days	-14.3	-14.0

Comparative Metrics



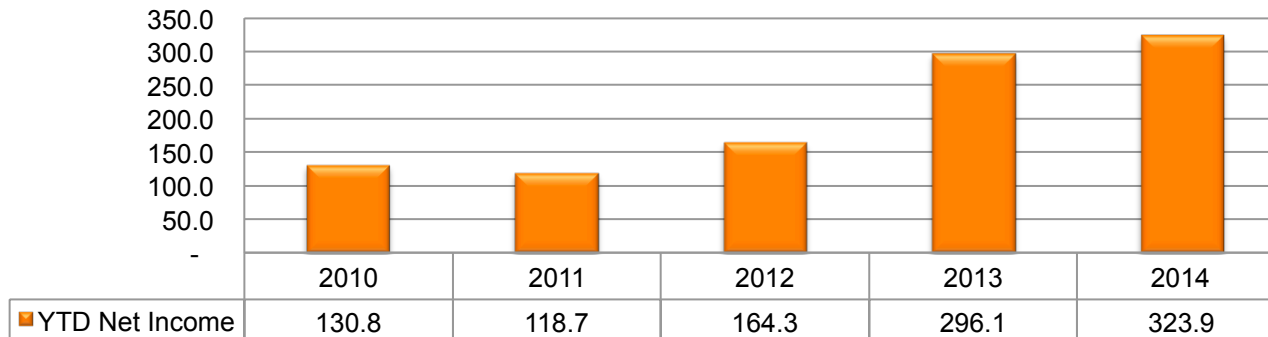
2013			
7-Eleven	PSC (Philippines)	PCSC (Taiwan)	CPALL (Thailand)
Key Performance Ratio:			
Store count	1,009	4,922	7,429
Net Margin %	4.0	6.3	4.7
EBITDA %	9.9	8.9	7.9
EBIT %	5.8	5.0	6.4
ROE	30.7	36.1	42.3
Days inventory outstanding	28.0	20.8	21.2
Days payable outstanding	42.3	54.2	64.6

1st Half 2014 Financial Highlights



(in PhP million)

YTD Net Income

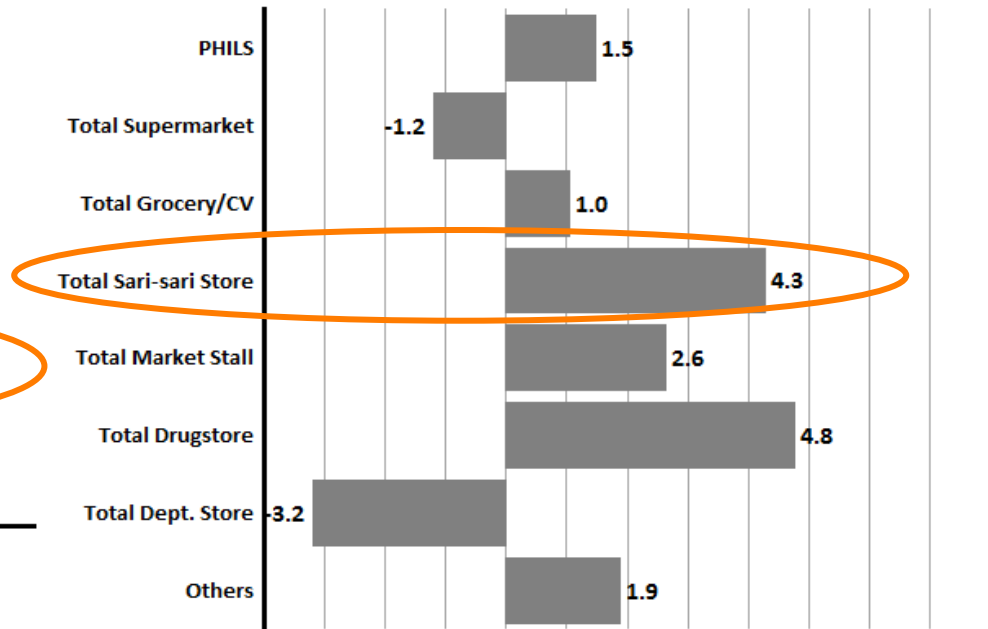
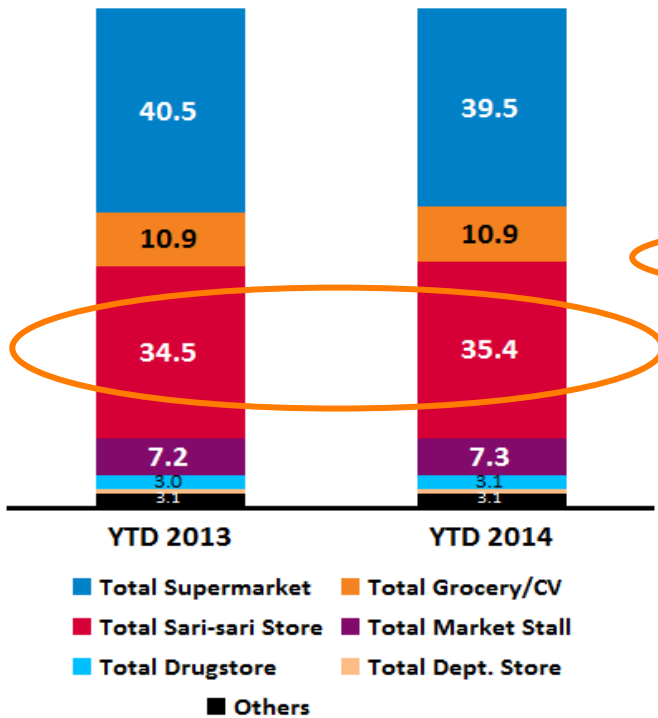


Future Growth affected by trend of traditional stores



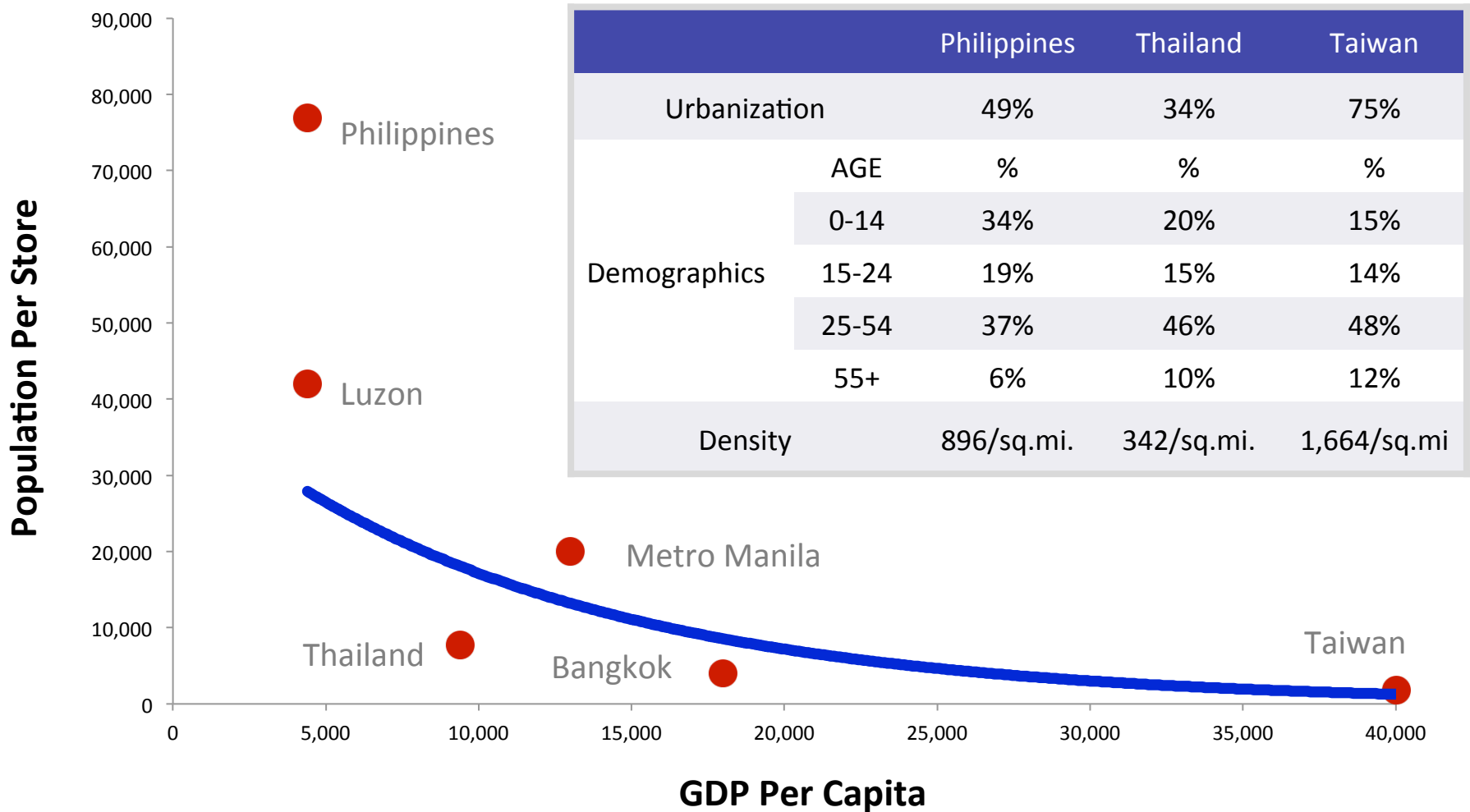
PHILS by Channel | YTD TY vs YTD LY
Value Share of Trade

PHILS by Channel | Period Ended MAY14
Value Change % vs Year Ago



Source: AC Nielsen 2014

Potential to improve penetration...





*** End of Presentation ***