



Philippine Seven Corporation (SEVN:PM)

INVESTORS BRIEFING

Q2 2016

**7th Floor The Columbia Tower,
Ortigas Avenue, Mandaluyong City, Philippines**

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

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.

A Global Brand



The World's Largest Retailer: ~ 55,000 Stores

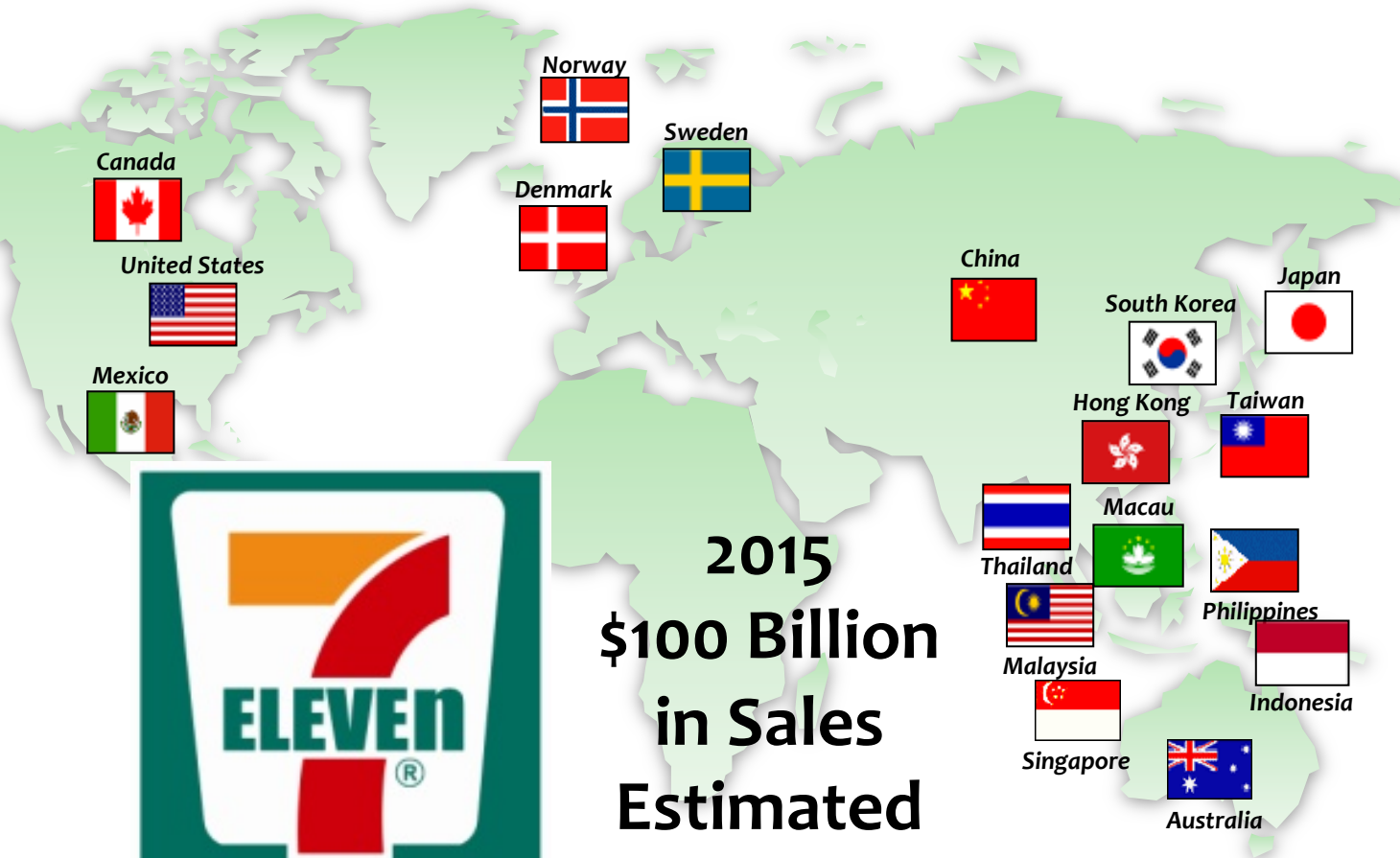
SERVING OVER

44M
GUESTS
DAILY

2X
WORLD'S
POPULATION
EVERY
YEAR



2015
\$100 Billion
in Sales
Estimated



Local Coverage



By Location	Store Count	%
Metro Manila	728	42%
Luzon-ex MM	746	43%
Visayas	203	12%
Mindanao	63	3%
Total	1,740	100%

1,740 stores

+ 335 stores vs. H12015

As of June 30, 2016



7-Eleven has at least 65% market share in the Philippines.

PSC History at a Glance



1982	PSC was established	2005	Moved to a full-scale distribution center
1984	Opened first store	2007	PhilSeven Foundation was established
1996	Opened 100 th Store	2010	Opened 500 th Store
1998	PSC launches its IPO; Opened first Franchise store	2012	Opened 711 th Store and entered Visayas Market via Cebu
2000	PCSC purchased 50.4% of PSC's common shares	2013	Opened 1,000 th Store



PHILIPPINE SEVEN CORPORATION



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



1998
PSC, NOW WITH OVER 100 STORES, LAUNCHES ITS INITIAL PUBLIC OFFERING, WITH SHARES OFFERED AT P440.



2000
PRESIDENT CHAIN STORE CORP. (PCSC) PURCHASES 50.4% OF PSC'S COMMON SHARES AT P8.30 PER SHARE, WHICH HELPED STRENGTHEN THE COMPANY AND ENABLED IT TO PURSUE ITS STORE EXPANSION PLANS.



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



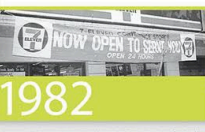
2012
PSC OPENS ITS 711TH STORE IN THE COUNTRY.



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



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.



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



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



1998
CONVENIENCE DISTRIBUTION INC. (CDI), PSC'S WHOLLY OWNED SUBSIDIARY, IS OPENED TO PROVIDE CENTRALIZED WAREHOUSE AND DISTRIBUTION SYSTEMS TO SERVICE ITS 7-ELEVEN STORES.



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



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



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



2013
PSC CELEBRATES A MAJOR MILESTONE AS IT OPENS 1,000TH STORE AT GREENFIELD DISTRICT, MANDALAYONG CITY.



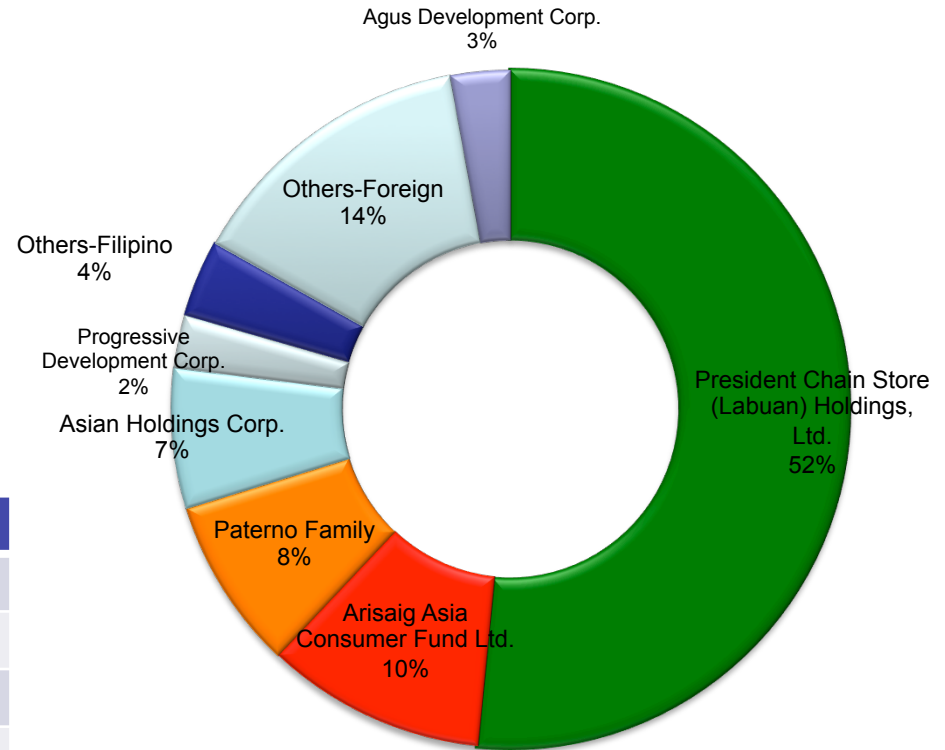
2014
PSC CONTINUES ITS AGGRESSIVE EXPANSION PLANS IN THE VISAYAS REGION BY OPENING SIX 7-ELEVEN STORES IN ILOILO CITY.

Shareholding Structure



Present Shareholding Structure

As of June 30, 2016	%
President Chain Store (Labuan) Holdings, Ltd	51.56%
Others-Foreign	14.00%
Arisaig Asia Consumer Fund Ltd.	10.47%
Paterno Family	8.21%
Asian Holdings Corporation	6.69%
Others-Filipino	3.68%
Agus Development Corporation	2.87%
Progressive Development Corporation	2.51%



SEVN Share Information



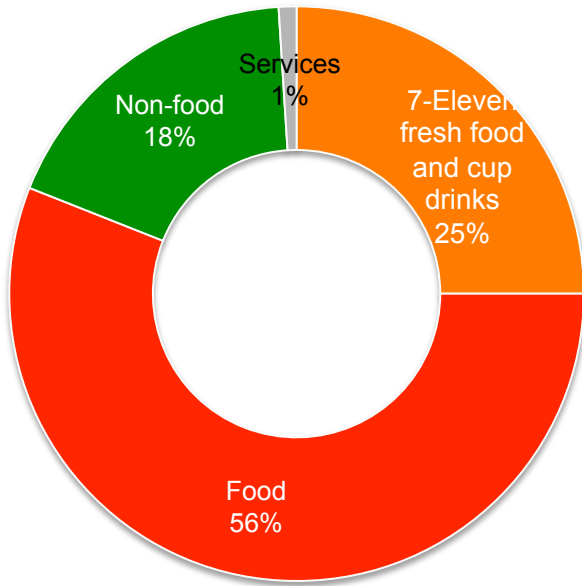
Price (July 15, 2016)	Php 142.00
Hi/Low (12 months)	Php 87.00 – Php 142.00
Free Float	32%
Outstanding Shares	458.44 million
Market Capitalization	USD 1.38 billion

Dividend Payment	2008	2009	2010	2011	2012	2013	2014	2015	2016
Stock	.10	.10	.05	.15	.15	.15	-	-	-
Cash	-	-	.05	.10	.10	.10	.30	.40	.55
Total (Php/share)	.10	.10	.10	.25	.25	.25	.30	.40	.55
Dividend Payout	43.3%	31.0%	18.4%	27.2%	24.3%	21.4%	20.1%	20.9%	25.0%

Proprietary Products



By Section



1. 7-Eleven fresh food and drinks includes, rice meal, sandwiches, Slurpee® and coffee.
2. Food section are FMCG and alcoholic beverages
3. Non-food are cigarettes and health & beauty items
4. Services pertains to fees earned from bill payment, loads and consignment.

Promotions and Events



#7Election

The voice of the **GULP** generation!

Available only for Size (850ml) Cups

Reminded, certified! **THE FUN WAY TO VOTE**

REMEMBER: We will not sell unless all 7-Election cups are available in this store.

Results updated weekly at www.7-election.com.ph

Made Partner: Rappeller, Coca-Cola, Pepsi, 7-Itam

Brought to you by

City Blends Presents **JADINE LOVE**

20 FEBRUARY 2016

GET A CHANCE TO WIN **FREE TICKETS**

EARN 1 E-RAFFLE ENTRY FOR EVERY 5 CUPS OF ANY SIZE & FLAVOR

1 NUMBER OF 2 VIP TICKETS | 1 NUMBER OF 2 PATRON TICKETS | 2 NUMBER OF 2 GEN AD TICKETS

7-ELEVEN -TRAIL- 1500

7-ELEVEN RUN 2016

in partnership with

SKYWAY

FILINVEST CITY

01/17/16

500M KIDS RUN	5KM	10KM BUDDY RUN	21KM
3KM	10KM	16KM	42KM

NEVER MISS YOUR MESSAGES!

CLiQQ TO CONNECT!

FREE 70MB FOR FIRST TIME DOWNLOADERS

DOWNLOAD NOW!

Available on the App Store | Get it on Google play

#CLiQQtoConnect

City Blends EVERY DAY BREAKFAST COMBO

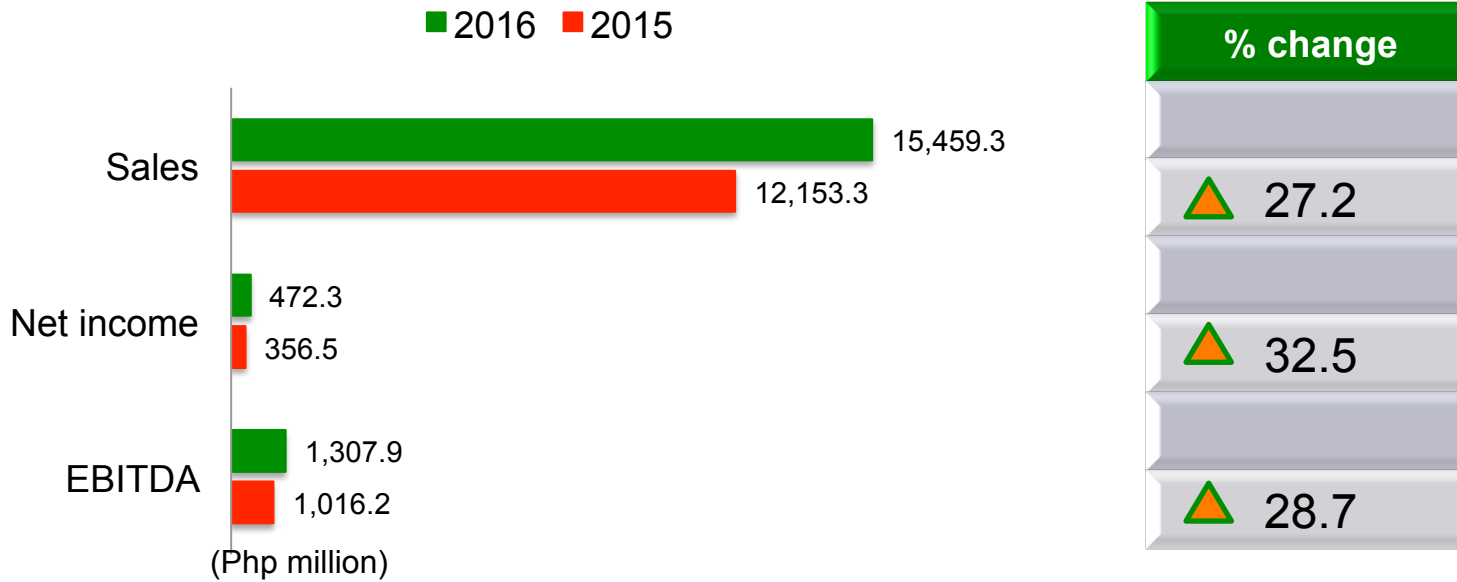
Pair any 12oz City Blends drink with your favorite breakfast item!

Any BigBite flavor P54	Any Cookie flavor P64	Any Pastry flavor P54 Stuffed Pandesal flavor
----------------------------------	---------------------------------	--

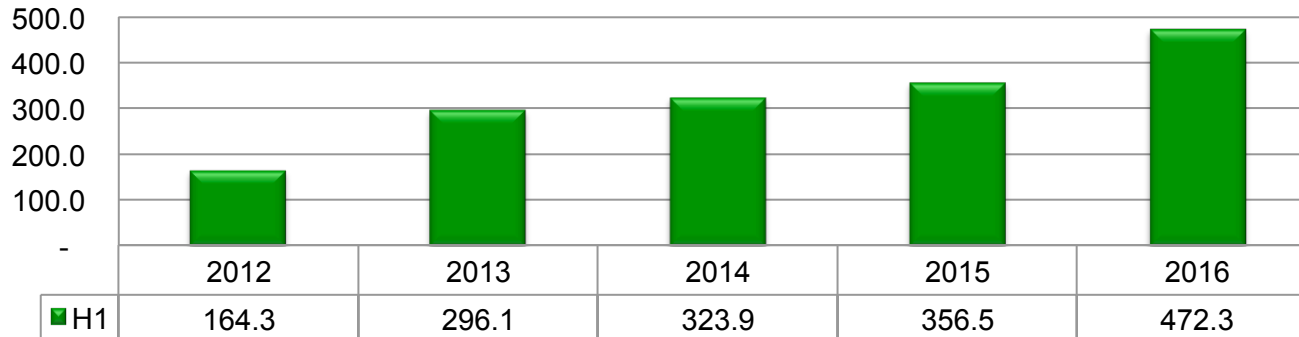
SAVE P4!

#7iICityBlends

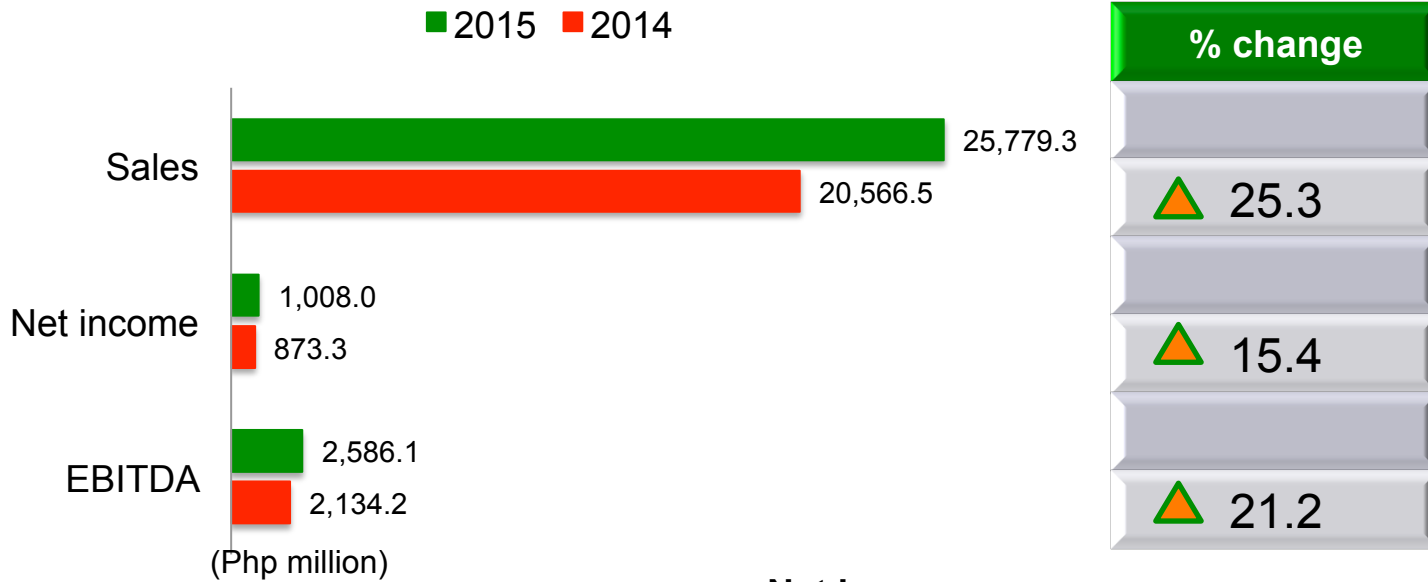
H1 2016 Financial Highlights



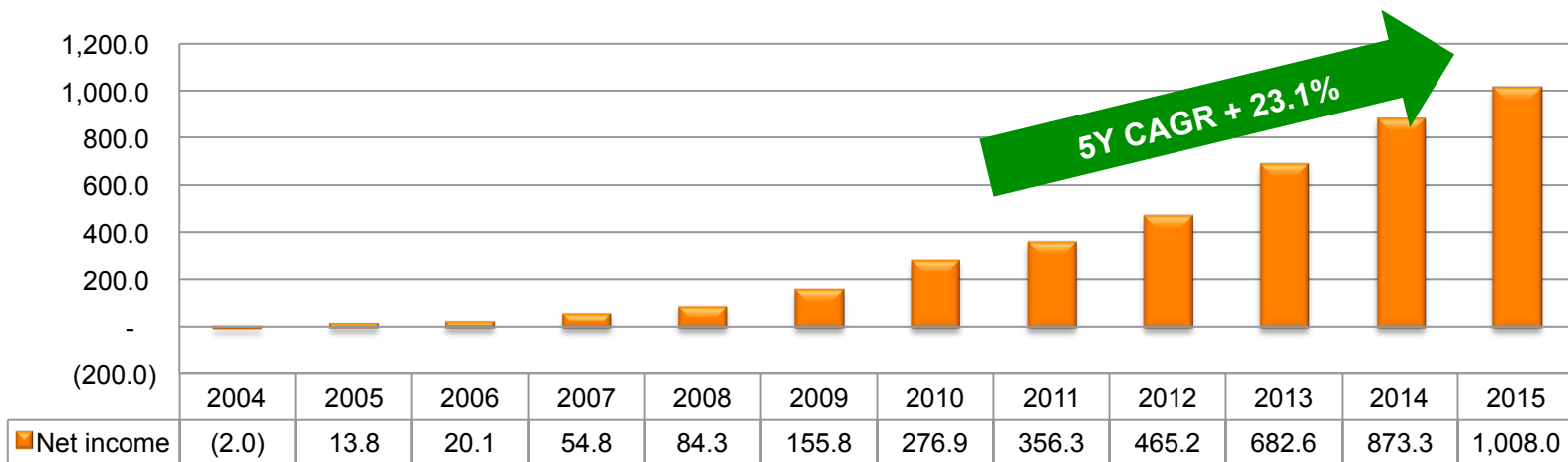
H1 Net Income 5-Year Trend



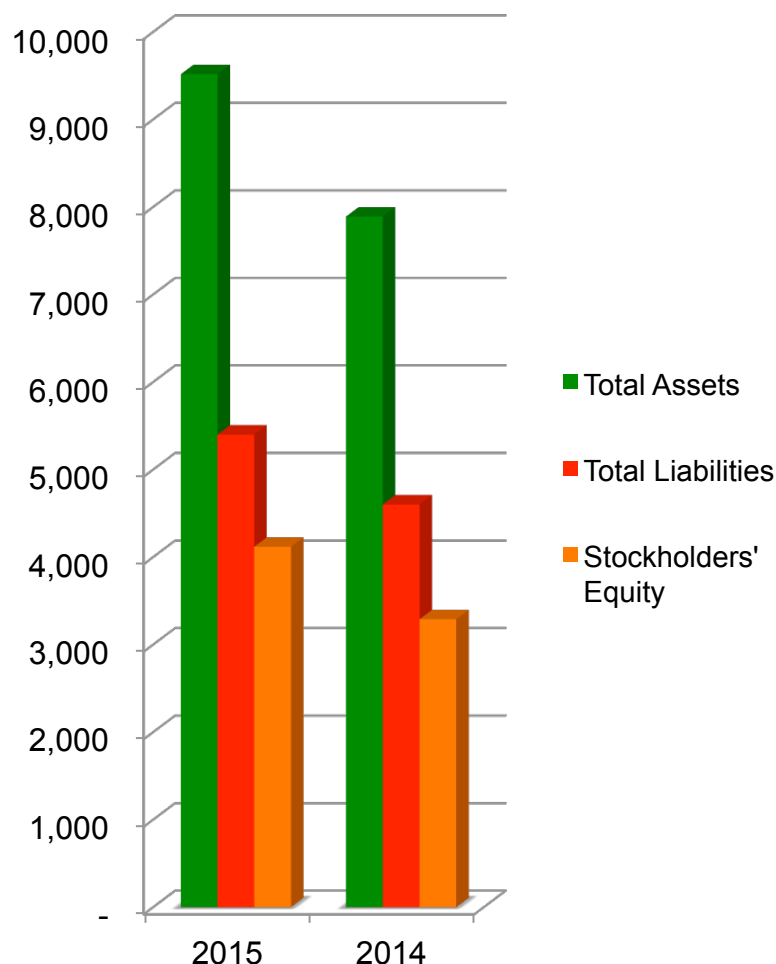
FY 2015 Financial Highlights



Net income



FY 2015 Financial Highlights

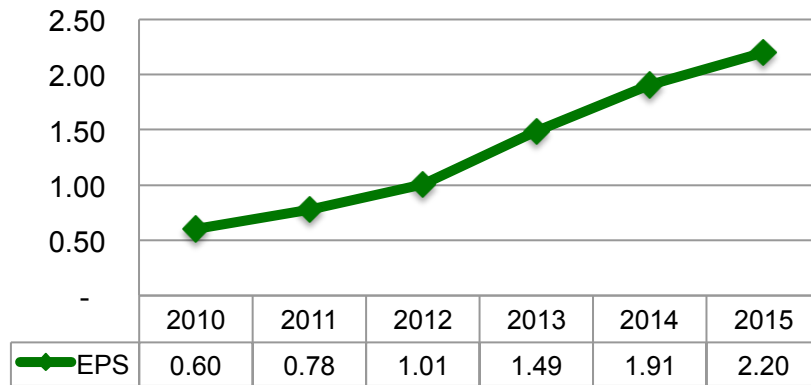


Balance Sheet and Cash Flow (in Php Million except Book Value per Share)	As of Dec. 31, 2015	% change
Total Assets	9,515.9	21%
Current Assets	3,648.8	8%
Non-current Assets	5,867.2	30%
Current Liabilities	4,976.6	18%
Total Liabilities	5,398.6	17%
Stockholders' Equity	4,117.3	25%
Book Value per Share (P)	8.98	25%
Cash Flow from Operating Activities	1,802.1	-17%
Cash Flow used in Investing Activities	-2,432.2	25%
Cash Flow from Financing Activities	264.4	644%

FY 2015 Financial Highlights



EPS



Selected Financial Ratio	2015	2014
Liquidity and Leverage Ratio:		
Current Ratio (x)	0.73	0.80
Net Debt to Equity (%)	8.6%	-14.9%
Profitability Ratio:		
Return on Equity (%)	27.2	30.0
Return on Capital Employed (%)	25.3	31.3
EBITDA Margin (%)	11.5	12.4
EBIT Margin (%)	6.6	7.4
Net Margin (%)	4.5	5.1
Activity Ratio:		
Days Inventory Outstanding	29.7	29.4
Days Payable Outstanding	40.8	50.2
Days Receivable Outstanding	9.6	9.9
Cash Conversion Days	-1.5	-10.8



* Based from revenue from merchandise sales

Comparative Metrics



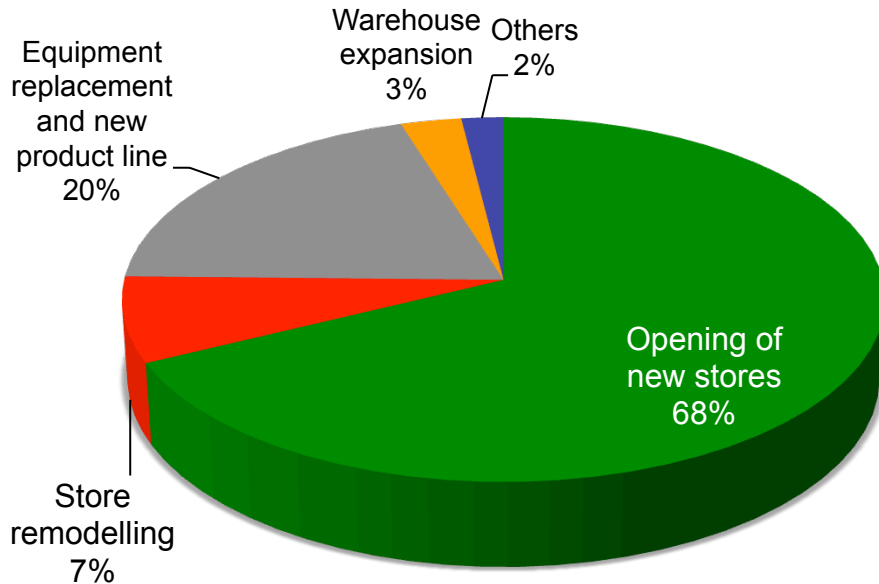
2015			
7-Eleven	PSC (Philippines)	PCSC (Taiwan)	CPALL (Thailand)
Key Performance Ratio:			
Store count	1,602	5,028	8,832
Net Margin %	3.9*	6.9	4.6
EBITDA %	10.0*	8.9	10.2
EBIT %	5.8*	4.8	8.4
ROE	27.2	36.1	40.6
Days inventory outstanding	29.7	21.4	22.6
Days payable outstanding	40.8	50.1	69.2

• Based from system-wide sales

2016 CAPEX

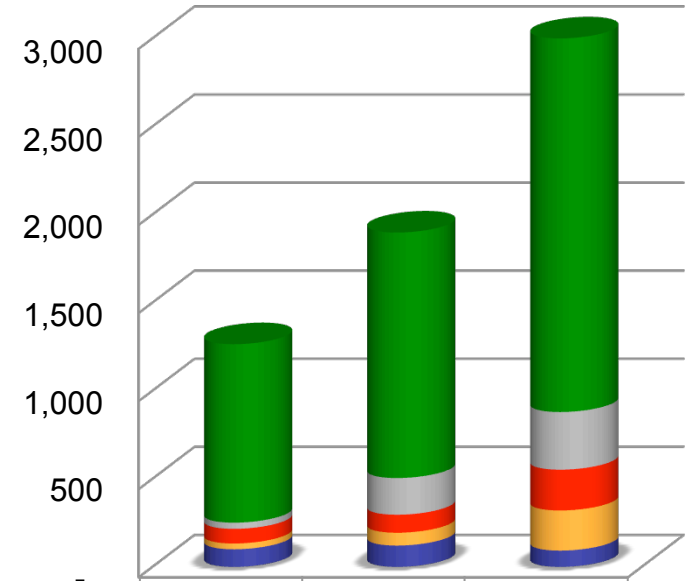


2016 Budget of Php3.5 billion



- To open close to 400 stores in 2016
- Cost to build store ranges from P5.0 to P6.0 million
- To remodel close to 100 existing stores aged 6 to 7 years.

• 3 Year Trend



	2013	2014	2015
■ Opening of new stores	1,013	1,394	2,121
■ Equipment replacement and new product line	35	208	327
■ Store remodelling	83	102	231
■ Warehouse expansion	33	73	228
■ Others	100	121	92



*** End of Presentation ***