



SUN ART
Retail Group Limited
Stock Code : 6808

2014 First Quarter Result Announcement



Content





OPERATING ENVIRONMENT

SUN ART

Retail Group Limited

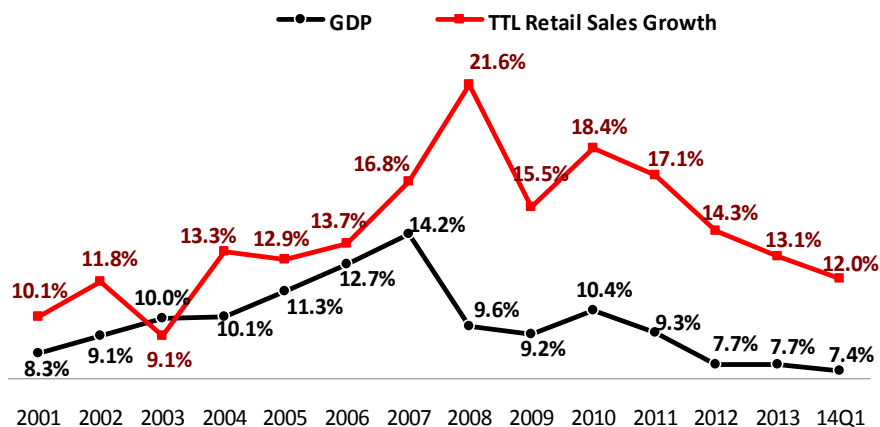
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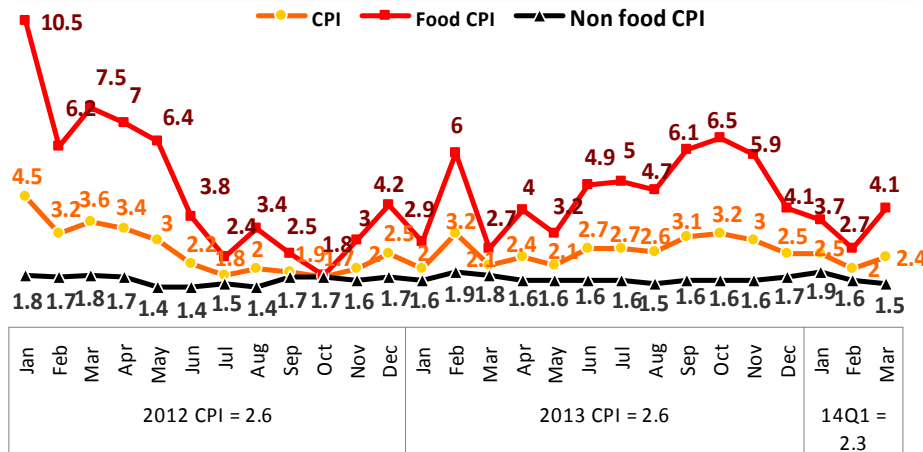
Ruchan 欧尚

Operating environment

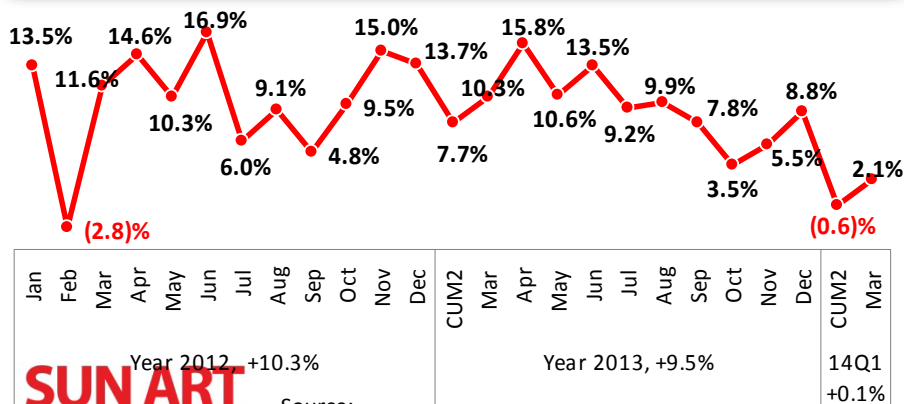
Growth of GDP and Total Retail Sales of Consumer Goods ⁽¹⁾



Consumer Price Index of 14Q1: 2.3, Food CPI 3.5 ⁽²⁾



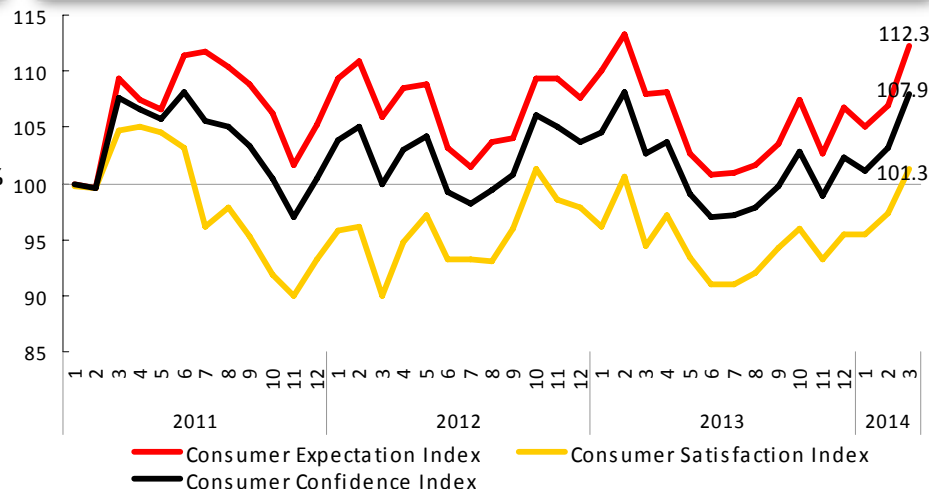
50 Key Retail Enterprises Sales Growth of 14Q1: +0.1% ⁽³⁾



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Source:
Chart (1),(2),(4) from National Bureau of Statistics of China
Chart (3) from China Nation Commercial Information Center

Consumer Confidence Index ⁽⁴⁾

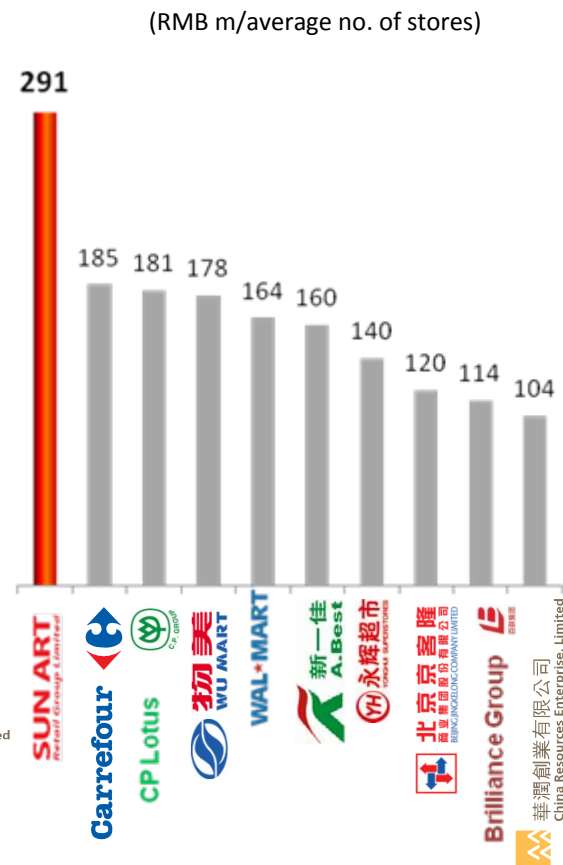
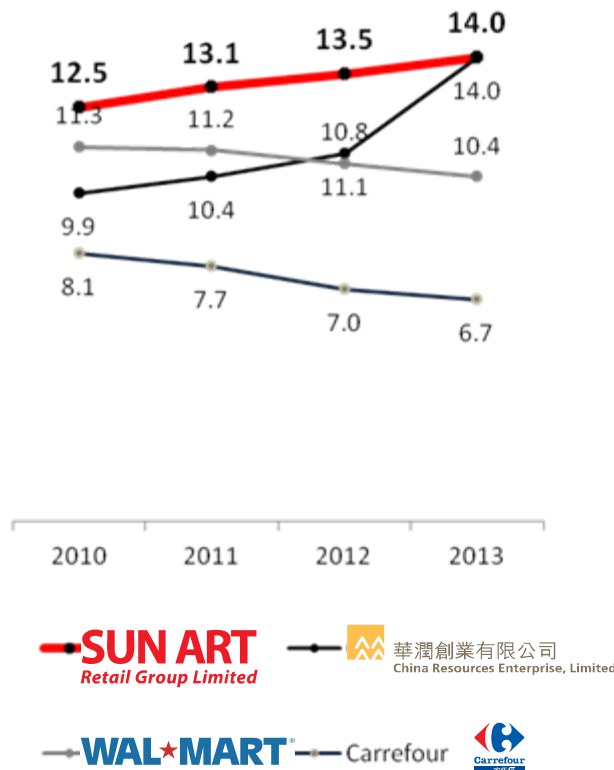
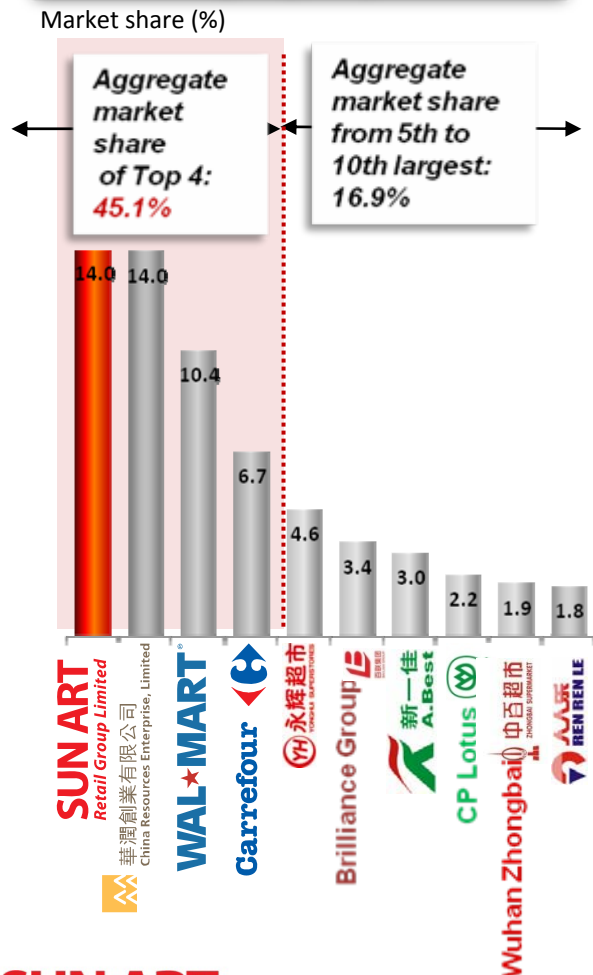


The largest and most productive hypermarket operator in China

Sun Art –Maintaining market leadership through organic growth

Market share evolving of top 4 hypermarket players from 2010-2013

Sales per average number of store in 2013



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Source: Euromonitor

- (1)According to Euromonitor, the retail value of Sun Art and China Resources Hypermarkets in 2013 was RMB 86,926.3 million and 86,802.5 million respectively.
- (2)CRE figure included CRE and Tesco in 2013 in all three charts above.
- (3)Calculated based on figure from Euromonitor: retail value of 2013/(average number of stores between beginning and ending of 2013)



FINANCIAL REVIEW

SUN ART

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Financial Highlights

As of 31Mar (RMB million)	2014Q1	2013Q1	Change
Turnover	27,751	25,399	9.3%
Gross profit	5,794	5,097	13.7%
Gross profit margin	20.9%	20.1%	0.8pt
Profit from operations (EBIT)	1,707	1,529	11.6%
Operating profit margin	6.2%	6.0%	0.2pt
Profit for the period	1,241	1,125	10.3%
Net profit margin	4.5%	4.4%	0.1pt
Profit attributable to equity shareholders of the Company	1,179	1,063	10.9%
Earnings per share			
- Basic and diluted (RMB)^[*]	0.12	0.11	-

Note [*]: The calculation of basic and diluted EPS for the years ended 31 March 2014 and 31 March 2013 is based on the weighted average number of 9,539,704,700 ordinary shares in issue during the year.



BUSINESS REVIEW

SUN ART





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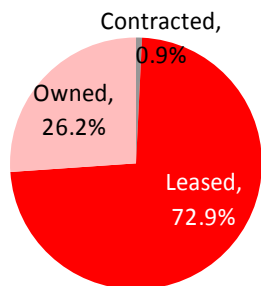
Proactively expanded store network

2 new hypermarket complexes were opened in the First Quarter of 2014

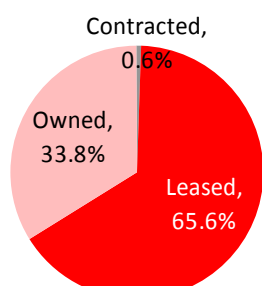
Region	No. of hypermarket complexes (31 Mar 2014)			GFA of hypermarket complexes (sqm) (31 Mar 2014)		
						
Eastern China	41	100	141	1,651,053	2,503,068	4,154,121
Northern China	6	34	40	196,444	814,075	1,010,519
North-Eastern China	1	30	31	23,906	821,222	845,128
Southern China	2	52	54	42,226	1,297,921	1,340,147
Central China	5	39	44	170,463	1,016,730	1,187,193
Western China	4	11	15	178,609	264,368	442,977
Total	59	266	325	2,262,701	6,717,384	8,980,085



Store no. breakdown (31 Mar 2014)



GFA breakdown (31 Mar 2014)



A total of **325** hypermarkets across China as at 31 March 2014, covering **26** Provinces, autonomous regions and municipalities. By 31st Dec 2013, **160** secured sites to open hypermarket complexes in next 3 years, of which **99** were under construction.



Q & A

THANK YOU!

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