

SUN ART

Retail Group Limited

高鑫零售有限公司

Stock code: 6808

2016 Third Quarter Result Announcement



About SUN ART

SUN ART Retail Group Limited

Mortar Stores

 Auchan 欧尚

 大润发
RT-Mart



RH lavia 

E-Commerce

 飞牛网
feiniu.com

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A Taste of Quality

 校呵呵
hehexiao.org

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ines
auchanwines.com

Operating Environment

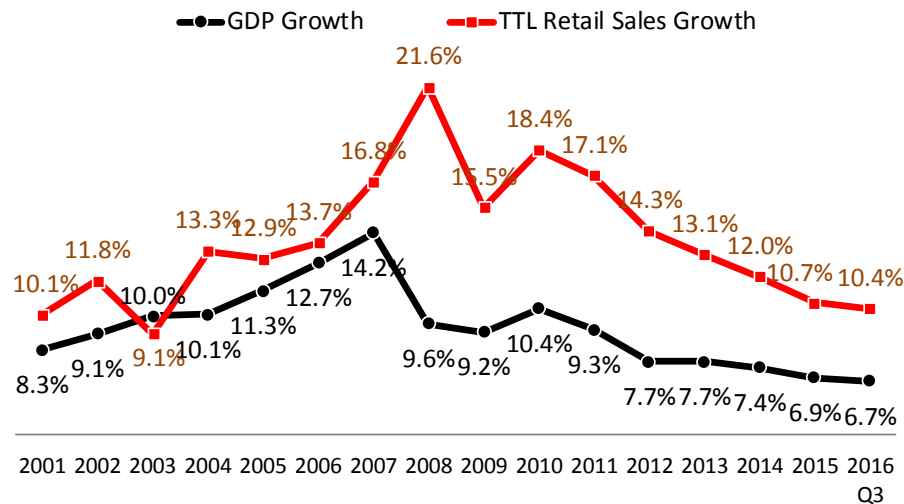
Financial Review

Business Review

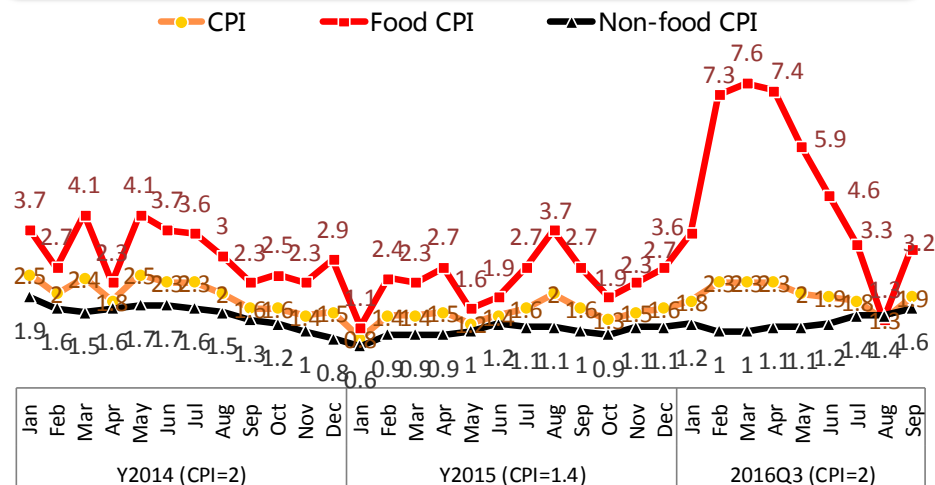


Operating Environment

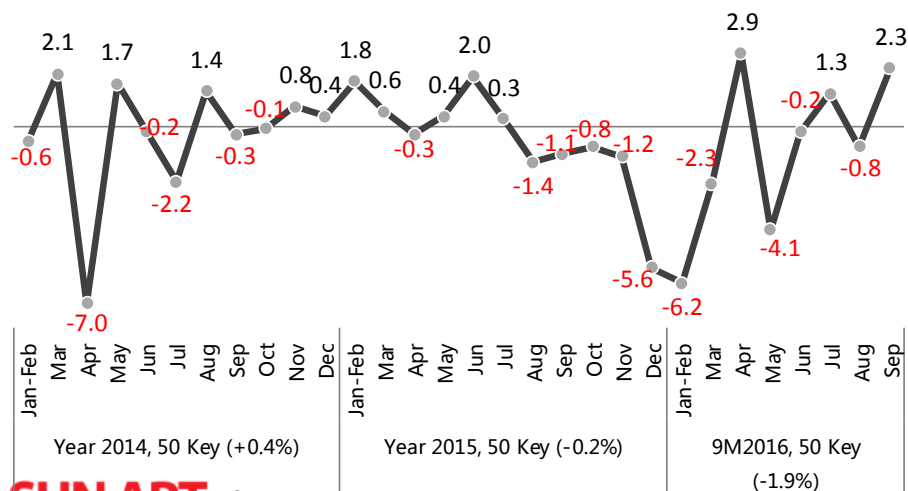
Growth of GDP & Total Retail Sales of Consumer Goods



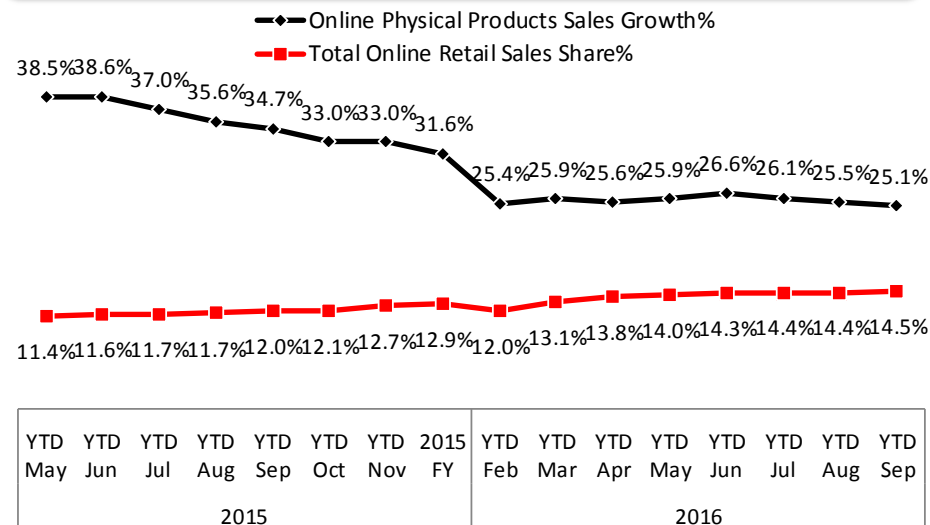
9M2016 CPI 2.0% Food CPI 5.0%, Non Food CPI 1.2%



50 Key Retailers Sales Growth of 9M2016 : -1.9%

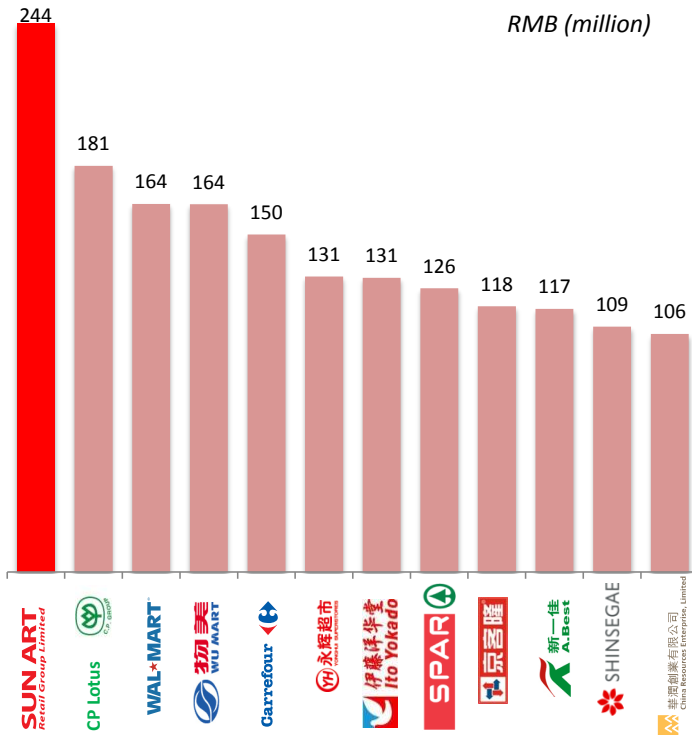


Online physical products sales accounted for 11.7% of total retail sales in 9M2016, up by 25.1%



Leading Retailer in China

Average Sales Per Store in 2015 in the Hypermarkets Industry



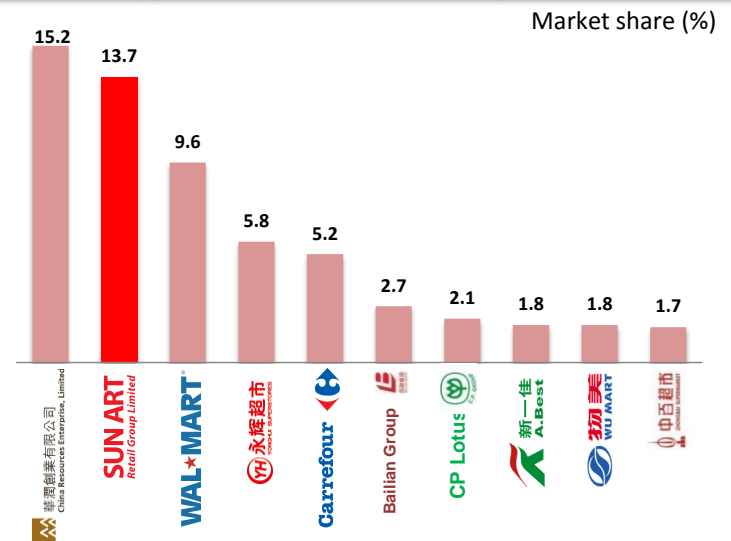
Source: Euromonitor

- (1) Calculated based on figure from Euromonitor: retail value of 2015/(average number of stores between beginning and ending of 2015)
- (2) The definition of hypermarkets from Euromonitor is retail outlets with a selling space of over **2,500** square metres and with a primary focus on selling food/beverages/tobacco and other groceries.

Top 10 China Retailers Market Share in 2015

	Market share (%)
Alibaba Group Holding Ltd	6.5
JD.com Inc	2.8
China Resources Enterprise Ltd	1.2
Suning Appliance Co Ltd	0.9
GOME Electrical Appliances Holding Ltd	0.8
Wal-Mart Stores Inc	0.8
Sun Art Retail	0.7
Bailian Group Co Ltd	0.5
Beijing Xiao Mi Co Ltd	0.5
Belle International Holdings Ltd	0.3
Total	15.0

Market Share in the Hypermarkets Industry 2015



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Financial Highlights

As of 30 September (RMB in million)	2016	2015 Restated	Change
Revenue	77,319	74,065	+4.4%
Gross Profit	18,058	17,006	+6.2%
Gross Profit Margin	23.4%	23.0%	+0.4ppt
EBIT	3,133	2,987	+4.9%
EBIT Margin	4.0%	4.0%	-
Profit for the period	2,080	2,040	+2.0%
Net profit margin	2.7%	2.8%	-0.1ppt
Profit attributable to equity shareholders	2,031	2,010	+1.0%
Earnings per share -Basic and diluted (RMB) ⁽¹⁾	0.21	0.21	

(1) The calculation of basic and diluted EPS for the years ended 30 September 2016 and 2015 is based on the weighted average number of 9,539,704,700 ordinary shares in issue during the year.

(2) The profit for the period ended 30 September 2016, compared to the corresponding period in 2015, would have increased by 6.2%, had the losses occurred by the E-commerce entities and Oney Accord been excluded from both periods.

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Business Review – Mortar Stores

Hypermarket Complexes

Supermarkets

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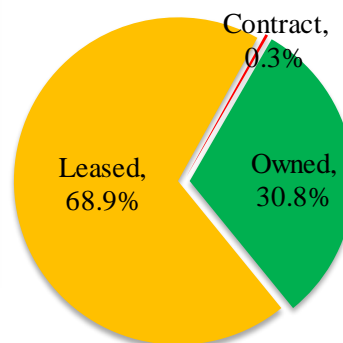
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- A total of **427** hypermarkets and supermarkets across China as of 30 September 2016, opened **18** new stores, covering **216** cities cross **28** Provinces, autonomous regions and municipalities.
- Secured **98** sites to open hypermarket complexes in next 3 years, of which **88** were under construction.

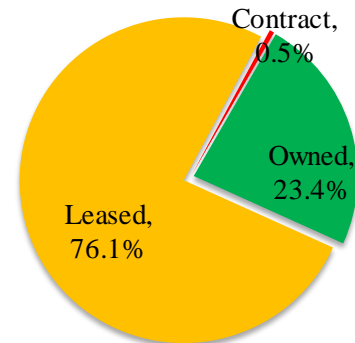


Region	No. of stores (30 September 2016)			GFA (sqm) (30 September 2016)		
			Total			Total
Eastern China	48	127	175	2,003,045	3,079,453	5,082,498
Northern China	6	40	47	177,594	971,865	1,149,459
N-Eastern China	2	41	43	55,660	1,132,568	1,188,228
Southern China	5	74	79	124,523	1,816,218	1,940,741
Central China	9	57	66	278,821	1,398,679	1,677,500
Western China	5	13	18	223,839	307,498	531,337
Total	75	352	427	2,863,482	8,706,281	11,569,763

GFA breakdown



Store no. breakdown



Thank You!



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Auchanwines Website



Xiaohehe WeChat



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