



บริษัท บิ๊กซี ซูเปอร์เซ็นเตอร์ จำกัด (มหาชน) (สำนักงานใหญ่)

เลขที่ 97/11 ชั้น 6 ถนนราชดำริห์ แขวงลุมพินี

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Company Registration Number / Tax ID : 0-1075-36000-63-3

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To: The President of the Stock Exchange of Thailand

Ref: Reporting on Company's Financial Results for the full year of 2013.

Dear Sir,

Big C Supercenter PCL is pleased to report the results of its company and subsidiaries (the "Company") for the FY2013 that have been examined by our auditors.

The key highlights for the FY2013 are as follows:

- Resilient retail sales with a growth of +5.4% year-on-year resulting from new store openings during 2013 and the full impact of new stores opened in 2012;
- Continued strong performance of the Company's shopping centers with robust growth in rental and service income of +10.3%
- Successfully maintained recurring operating margin at high level of 8.3% despite significant cost pressures during the year
- Vigorous year-on-year net income growth of 14.8%.

Economic environment

2013 was a challenging year for retail market in Thailand, marked by a slowing economy, political instability, soft consumer sentiment and increased cost pressures. During the first half of the year, Thai export industry was suffering from the strengthening Thai Baht against US dollar. Although Baht started its decline in late May on worries that the US Federal Reserve Bank would start tapering its quantitative easing program, Thai exports did not reach their expected growth rate in 2013. Thai manufacturing index continued its decline for the 9th straight month in December 2013 thus impacting the manufacturing sector with the average manufacturing index for 2013 slipping by -3.2%. On the private spending side, consumer sentiment remained sluggish for most of the year and the consumer confidence index kept declining from March hitting its 24 months low of 73.4 points in December 2013. Public spending was also slower than originally anticipated as the Government's planned mega infrastructure and water management projects were still on hold at the end of the year. Tourism sector was doing very well for most part of the year with tourist arrivals growing strongly through the year until October, but continued anti-government protests started affecting tourist arrivals at the end of the year. Thai companies also faced increased cost pressures during the year as the daily minimum wage was increased to 300 baht / day nationwide since the beginning of January 2013.

Operations

Despite the challenging economic context and increased cost pressures, the Company recorded very satisfactory results for the full year 2013 and was able to maintain its same-store-sales levels in-line with the previous year with its strong price leadership position in the Thai retail market.

During Q4 2013, Big C continued its store expansion by opening 1 Hypermarket in Trang, 5 Big C Markets in Sawankhalok, Ranot, Sichon, Prasat, and Rasi Salai, 32 Mini Big C (of which 14 at Bangchak stations) and 11 Pure Drugstores. These openings brought FY 2013 openings to 6 Hypermarkets, 12 Big C Markets, 153 Mini Big C (55 at Bangchak stations) and 41 Pure Drugstores. Big C also

continued stores renovation to offer its customers a fresh shopping experience and it opened an additional Jumbo station within our existing Ayutthaya Big C Hypermarket to better capture professional customers.

The total number of stores of the Company at the end of 2013 was 119 large format stores (Big C Supercenter, Extra, and Jumbo), 30 Big C Markets, 278 Mini Big C (62 at Bangchak stations) and 132 Pure Drugstores.

Financial performance

1. Net Retail Sales

Net retail sales for FY 2013 amounted to Baht 118,177 million for the Company and its subsidiaries, which represented an increase of Baht 6,041 million or +5.4% over the last year. Retail sales growth in FY 2013 was driven by new store openings and the Company's ability maintain its same-store sales at par with FY 2012 despite a very high base of 5.3% same-store-sales growth achieved in 2012. Same-store-sales were also impacted by 3 large Alcludia renovations during 2013 and by political rallies in some areas in Bangkok at the end of the year during the traditional high season.

During 2013, Big C confirmed its low-price leadership and its focus on customer satisfaction with unique marketing campaigns such as Golden Saturday Campaigns, long-term joint campaign with Ministry of Commerce to offer additional savings for customers amidst the slowdown economy, targeted marketing, as well as stamp collection campaigns for premium items strengthening customer loyalty and spending. Big C also launched additional services with retail assurance services to enhance its one-stop shopping destination concept.

2. Rental and Service Income from tenants

Rental and Service Income from tenants amounted to Baht 8,745 million for FY 2013 which represented an increase of Baht 818 million or 10.3% over the last year. This increase resulted mainly from the additional lettable space as 18 new shopping malls have been opened during FY 2013 increasing the rental area by 5.5% and from the continued successful management of lettable space. During the year, the Company finished construction work of its Alcludia renovations in its Srinakarin and Khon Kaen stores, and has since finished its renovation work at Phitsanulok store in January 2014.

3. Gross Profit

The Company's gross profit in FY 2013 was Baht 17,687 million, an increase of Baht 1,570 million or +9.7% over the last year, resulting from the increase in sales during the year, successful logistics cost optimization and productivity enhancement initiatives, and continued supplier negotiations.

4. Other Income

Other income amounted to Baht 4,049 million in FY 2013, which represented an increase of Baht 379 million or 10.3% over the last year. This increase is mainly due to growing brochure advertising income from the Company's growing store network, and increased service income arising mainly from concession fees for in-store media.

5. Selling and Administration Expenses

Selling and Administration Expenses amounted to Baht 20,936 million for FY 2013, which represented an increase of Baht 2,359 million or 12.7% over the last year. This increase includes a non-recurring insurance receivable write-off of Baht 248 million which was recorded in

Q3 2013 as the Company entered into a final agreement with the insurance company relating to flooding events of late 2011 and resulting in a lower immediate cash payment than the amount previously recorded as insurance claim receivable. Excluding this one-off impact, Selling and Administration Expenses for the period of FY2013 grew by 11.4% compared to same period in 2012 with an increase in personnel expenses due to store expansion and the second round of minimum wage increase which took effect in January 2013. The second round of minimum wage increase is in parallel with a decrease in the corporate income tax rate from 23% to 20% in 2013.

6. Finance cost

Finance cost for FY 2013 decreased to Baht 1,053 million, a decrease of Baht 242 million or -18.7% over the last year, as a result of lower debt level due to partial debt repayment during 2012 and 2013. The Company has also been enjoying decreasing interest rates during the year.

7. Corporate tax

The Company's corporate income tax for FY 2013 amounted to Baht 1,502 million, a decrease of Baht 246 million or -14.1% when compared to last year. The Company's effective tax rate in FY 2013 was 17.7% compared to 22.3% in FY 2012. This decrease is due to the corporate income tax rate cut at the beginning of 2013 from 23% to 20%, and from one-off effect from the liquidation process of one of the Company's subsidiaries during Q3 2013.

8. Net Income

Net income to Equity holders of the Company for the FY 2013 was Baht 6,976 million, a robust increase of Baht 902 million or 14.8% over the last year. This increase is due to the factors mentioned above: satisfactory sales performance arising from successful marketing activities amidst economic slowdown and sluggish consumer sentiment, store expansion, strong rental performance, continued supplier negotiations, well-managed cost structure enabling the Company to achieve improved operating margins from previous year, lower debt level and finance costs and reduced tax rate.

Yours very truly,

Ms Rumpa Kumhomreun
CFO & Vice President of Accounting and Finance