



บริษัท บิ๊กซี ซูเปอร์เซ็นเตอร์ จำกัด (มหาชน) (สำนักงานใหญ่)

เลขที่ 97/11 ชั้น 6 ถนนราชดำริห์ แขวงลุมพินี

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5th of November 2014

To: The President of the Stock Exchange of Thailand

Ref: Reporting on Company's Financial Results for the third quarter of 2014.

Dear Sir,

Big C Supercenter PCL is pleased to report the results of its company and subsidiaries (the "Company") for the third quarter 2014 that have been examined by our auditors.

The key highlights for the third quarter 2014 are as follows:

- Satisfactory retail sales during low season with a growth of +2.7% year-on-year;
- Continued strong performance of the Company's shopping centers with a solid growth in rental and service income of +8.6% year-on-year;
- Continued strong margin increases across the line resulting from continued supply chain developments, strong rental and service income growth, and continued cost optimization and productivity initiatives;
- Robust net income growth of +14.3% year-on-year arising from factors mentioned above and lower finance cost.

Economic environment

Although Thai economy has generally been improving, the third quarter of the year did not present the V-shape recovery some were expecting. While consumer confidence index continued to rise during first two months of the quarter, hitting a 13-month high in August 2014, it suffered in September its first step back in 5 months with a decline to 79.2 points from 80.1 points recorded in August. The Tourism sector was still impacted by the martial law which remains in place, and tourist arrivals continued to decline by -10.3% y-o-y for the first 9 months of 2014. On the private consumption front, July saw a first increase since October 2013, however the increase was followed by a slow-down in August of -0.8%. In September The Bank of Thailand maintained its full year 2014 GDP growth forecast of 1.5% citing expectations that the domestic consumption and public spending in the last quarter of the year will offset a flat export growth.

Operations

Big C managed to record satisfactory sales level during the traditionally low Q3 season. Our rental income once again continued its strong performance as we have been adding new rental space since Q3 2013. We continued our supply chain development as our new Cross Dock distribution center was opened in August 2014, and the construction of our new Fresh Food distribution center is currently underway.

Our store expansion continued during the quarter with the opening of 3 Big C Market at Selaphum (Roi et), Takua Pa (Phang Nga), and Bang Mun Nak (Pichit), 5 Mini Big C (3 in Bangchak service stations) and 2 Pure Drugstore. The total number of stores at the end of

September 2014 was 123 large format stores (Big C Supercenter, Extra, and Jumbo), 35 Big C Market, 316 Mini Big C (82 in Bangchak service stations), and 150 Pure Drugstores.

Financial performance

1. Net Retail Sales

Net retail sales for Q3 2014 amounted to Baht 29,692 million for the Company and its subsidiaries, which represented an increase of Baht 788 million or +2.7% over the last year. Retail sales growth in Q3 2014 was mainly driven by new store openings, as the company's same-store-sales trend continued in line with the slight decline experienced in the previous quarter; for the full Q3 2014, the company recorded same-store-sales growth of -1.5% excluding calendar effect.

During the quarter we continued to exhibit resilient performance by focusing on Big C's strong price leadership in Thai retail market through both own initiatives (such as our customer-proven popular One-Day-One-Price campaign) - and public-private initiatives (such as the Big C Helps Thais Save with the Ministry of Commerce). We strengthened our customer marketing campaigns further, leveraging our Big Card data for targeted SMS and direct mail, promotion selection and local marketing activities. Last but not least, we successfully launched Big C on LINE, the popular chat apps. More than half a million customers signed up in only a few weeks, and follow our daily news.

2. Rental and Service Income from tenants

Rental and Service Income from tenants amounted to Baht 2,383 million for Q3 2014, which represented an increase of Baht 190 million or 8.6% over the last year. This increase resulted from the additional lettable space, as we opened 9 new shopping malls during 9M 2014 and 6 shopping malls during Q4 2013, and from the continued successful management of lettable space. The Company also completed three Alcudia renovations during the Q4 2013 - Q1 2014 period.

3. Segment performance

During Q3 2014 the large store segment contributed Baht 29,011 million or 90.9% of total revenues, down from 92.4% in Q3 2013. Small store segments contribution to total revenues grew to 9.1% in Q3 2014 from 7.6% in Q3 2013, and represented Baht 2,918 million at the end of Q3 2014, a growth of Baht 553 million from Q3 2013. The growth in small store segment is due to a continued expansion particularly in Big C Market and Mini Big C formats.

4. Gross Profit

The Company's gross profit in Q3 2014 was Baht 4,230 million, a strong increase of Baht 419 million or 11.0% over the same period last year, resulting from the increase in sales, and continued supply chain developments. The Company's gross profit margin increased by robust 106 basis points to 14.3% in Q3 2014 from 13.2% in same period last year.

5. Other Income

Other income amounted to Baht 1,133 million in Q3 2014, which represented an increase of Baht 52 million or 4.8% over last year. This increase is mainly due to the growth in brochure advertising income from the Company's growing store network, and increased service income arising mainly from concession fees for in-store media.

6. Selling and Administration Expenses

Selling and Administration Expenses amounted to Baht 5,519 million for Q3 2014, which represented a slight increase of Baht 129 million or 2.4% compared to same period in last year. The Company has continued its successful cost optimization and productivity enhancement initiatives in various areas and the slight y-o-y increase is mainly due to increased expenses in personnel, utilities, properties, and depreciation and amortization areas due to store expansion in all formats. Q3 2013 selling and administration expenses also included a non-recurring insurance receivable write-off of 248 million Baht relating to flooding events of late 2011.

7. Finance cost

Finance cost for Q3 2014 decreased to Baht 211 million, a decrease of Baht 36 million or -14.5% over last year, as a result of lower debt level due to partial debt repayment in Q1 2014 and 2013, and lower interest rates.

8. Corporate tax

The Company's corporate income tax for Q3 2014 amounted to Baht 402 million, an increase of Baht 332 million or 469% compared to last year, and the Company's effective tax rate was 20.4% in Q3 2014 compared to 4.9% during the same period last year. The year-on-year increase is due to a one-off effect from the liquidation process of one of the Company's subsidiaries during Q3 2013.

9. Net Income

Net income to Equity holders of the Company for the Q3 2014 was Baht 1,570 million, an increase of Baht 196 million or 14.3% over the same period last year. This increase is due to the factors mentioned above: satisfactory sales performance arising from successful marketing activities, continued store expansion, strong rental and service income performance, continued supply chain developments, on-going cost optimization and productivity enhancement initiatives, and lower debt level and finance costs.

Yours very truly,

Ms. Rumpa Kumhomreun
CFO & Vice President of Accounting and Finance