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27th of October 2016

To: The President of the Stock Exchange of Thailand
Ref: Management Discussion and Analysis for the Third Quarter of 2016

Dear Madam,

Big C Supercenter PCL is pleased to report the results of its company and subsidiaries (the “Company”) for the third quarter 2016 that have been examined by our auditors.

The key highlights for the third quarter 2016 are as follows:

- Continued resilient rental and service income growth;
- Vigorous margin improvement across the line due to our focus to the quality of sales;
- Robust net income growth arising from margin improvements, and lower finance cost.

Economic environment

After posting stronger than expected recovery in the second quarter of the year, the Thai economy continued improving during the third quarter, albeit with slightly slower pace. Thai Commerce Ministry announced that Thai Exports posted a growth of 6.5% in August, the strongest in six months, leading to a narrowing year-to-date export decline of -1.2%. The Thai Government's mega projects are also expected to proceed after passing the Constitution referendum in August and further paving the way for general elections in 2017. Also, the worries regarding draught conditions during previous quarters subsided with rainy season, which has actually led to some flooding issues. The floods however are expected to have only minor negative impact to overall GDP growth for the year. These factors and hopes that the Government will focus on investment and stimulate the economy in the last quarter of the year managed to reverse the 6-month trend of declining consumer confidence, which started to pick-up in July and continued to its ascent for the rest of the quarter reaching 74.1 points in September. The Bank of Thailand also raised slightly its GDP growth expectation for 2016 to 3.2% from previous 3.1%, however it still remained cautions and maintained its GDP growth expectation for 2017 at 3.2% due to remaining domestic and external risks.

Operations

Third quarter was the first full quarter of our new strategic focus on the quality of sales, rather than just the absolute sales amount, and the first results of this shift of focus are evident in margin improvements during the quarter. On our operations we continued our push to localize our offer in order to become the “Thai retailer with customers in our heart” as we will be better positioned to serve local communities and their varying tastes. Our work to capture synergies between BJC and Big C is continuing, and during the quarter we for example moved some of our private label tissue manufacturing to BJC. We also started serving Big C Soft Serve ice cream in pilot Hypermarkets and Mini Big C stores. Our access to TCC “land bank” also made it possible for us to open an additional Big C Market store at Pantip Chiang Mai during the quarter. Our work to improve our online offer continued as we rebranded our Cdiscount.co.th to Cmart.co.th, with over 70,000 SKUs available through our own and market place offer. Our store expansion continued during the quarter in all store formats as we opened 2 Hypermarkets in Phonphisai and Na Thawi, 2 Big C Market stores in Loei and Chiangmai, 23 Mini Big C stores including 15 franchise stores, and 1 Pure Drugstore. These openings brought the total number of our stores at the end of

September 2016 to 128 large format stores (Big C Supercenter, Extra, and Jumbo), 59 Big C Market, 431 Mini Big C (including 21 franchise stores), and 142 Pure Drugstores.

Financial performance

1. Revenues

Big C's Total Revenues from retail sales, rental and service income, and other income, for the quarter reached Baht 25,892 million, representing a decline of Baht 5,799 million or -18.3% over the same period last year. This decrease was driven by a retail sales decline of -20.0% from the same period last year, due to negative same-store-sales evolution of -22.6% for the third quarter. The significantly declining same-store-sales trend was driven by our strategic focus on the quality of sales rather than absolute sales volume. Our resilient dual retail-property model continued its steady performance with rental income for the quarter increasing by +2.3% from last year from combination of added rental space and rental escalation, whilst our other income decreased by -21.7% from same period last year mainly due to declining service income from in store media concessions, and due to one-time adjustment in Q3 2015.

2. Expenses

Big C's Total Expenses amounted to Baht 23,887 million for the quarter, representing a decrease of Baht -6,025 million or -20.1% compared to same period last year. This decrease was mainly due to lower cost of sales and services due to declining sales during the quarter, whilst our SG&A expenses remained relatively flat year-on-year, despite the increasing administration expenses mainly due to increasing personnel expenses.

3. Net Income and Operating Profit

Big C's Net Income to Equity Holders of the Company grew by +14.6% reaching Baht 1,538 million for the quarter, an increase of Baht 196 million baht from the same period last year. The robust net income growth was driven by significant margin expansion across the line and continued resilient rental and service income growth, leading to Operating Profit of Baht 2,005 million for the quarter, representing an increase of Baht 226 million or +12.7% from the same period last year. Our finance costs continued to decline due to lower debt level. The effective tax rate of 19.1% was also lower than the statutory tax rate during the quarter due Thai Government's Investment Incentive program allowing tax benefits from certain investments done during a period from November 2015 to December 2016.

4. Ratios

Big C's Gross Profit margin reached 17.8% for the quarter, representing a significant increase of +487 basis points from last year. This increase was driven by our strategic focus on quality of sales. Big C's Operating Profit margin reached 8.8% for the quarter, representing an increase of +256 basis points from the same period last year. This increase was driven by increasing gross profit, and resilient rental and service income growth. Big C's Net Income margin reached 6.8% for the quarter, representing an increase of +204 basis points from last year, driven by margin improvements, lower finance cost as we have continued reducing our debt level, and lower effective tax rate. Our Debt-to-Equity ratio declined to 0.37 times at the end of the quarter, down from 0.49 times during the same period last year, due to continued debt repayments and increased Total Shareholders' Equity.

Yours very truly,

Ms. Rumpa Kumhomreun

CFO & Vice President of Accounting and Finance