



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

24<sup>th</sup> of July 2015

To: The President of the Stock Exchange of Thailand

Ref: Reporting on Company's Financial Results for the second quarter of 2015

Dear Sir,

Big C Supercenter PCL is pleased to report the results of its company and subsidiaries (the "Company") for the second quarter 2015 that have been examined by our auditors.

The key highlights for the second quarter 2015 are as follows:

- Positive core food business same-store-sales trend despite slight retail sales decline of -1.5%;
- Continued good performance of the Company's shopping centers with a solid growth in rental and service income of +5.0% reflecting added space from store expansion, and continued high occupancy rate;
- Resilient Net Income growth of 4.7% reflecting the abovementioned, continued cost optimization initiatives leading to increased operating income, and lower financial costs;

#### Economic environment

The soft economic conditions in Thailand continued from first quarter into the second quarter of the year as Thai economy lacked positive drivers apart from a growing tourism sector. During 2015 Thai exports year-on-year comparison has contracted every month since the beginning of the year and at the end of May 2015 exports were down -4.2% year-to-date. Lackluster exports together with the worst drought in "half-of-a-century" and Eurozone's issues with Greece, fuelled the continued slide in the consumer confidence index to 74.4 points in June 2015 down from 75.6 in May. This situation also led The Bank of Thailand to cut their 2015 GDP growth expectation to 3.0% from previous expectation of 3.8%.

#### Operations

Big C continued making progress on positioning itself as the market place at the heart of the community and we were, for fourth consecutive year, voted "Thailand's Most Favorite Hypermarket" in "Marketeer No. 1 Brand Thailand 2014-2015" survey by customers nationwide. Our various campaigns stimulated spending and helped our customers to save amidst continued challenging economic environment. Our new fresh food distribution center was opened during the quarter, and we continued our work on various cost efficiency programs helping us in maintaining our price leadership whilst delivering the bottom line. We also continued giving back to the communities through our various CSR activities such as supporting local farmers through direct buying, organizing the Ratchasuda — Big C Mini Marathon, and launched fifth year of "Green Roof Project" in collaboration with Tetra Pack Thailand, the Princess Pa Foundation, and TV3.

We accelerated our store expansion from previous quarter by opening 1 Big C Supercenter hypermarket in Nan, 3 Big C Market in Sikhio, Borabue, and Wiset Chaichan, 14 Mini Big C in Bangchak service stations, and 4 Pure Drugstores. These openings took our total store

network to 124 large format stores (Big C Supercenter, Extra, and Jumbo), 40 Big C Market, 342 Mini Big C (109 in Bangkok service stations), and 159 Pure Drugstores at the end of June 2015.

## **Financial performance**

### ***1. Revenues***

Big C's Total Revenues, from retail sales, rental and service Income, and other income, for the quarter reached 34,159 million baht, representing a decrease of Baht 387 million or -1.1% over the same period last year. This decrease was driven mainly by a slight retail sales decline of -1.5% compared to same period last year, as whilst our core food business remained solid with positive same-store-sales performance for the quarter, our general merchandise categories experienced declining basket size stemming from higher comparatives due to positive impact during The 2014 World Cup dragging our total same-store-sales evolution to -1.8%. Meanwhile our Rental and Service Income continued recording solid growth of 5.0% arising from the additional lettable space from store expansion and from the continued successful management of lettable space.

### ***2. Expenses***

Big C's Total Expenses amounted to Baht 31,546 million for the quarter, representing a decrease of Baht 415 million or -1.3% compared to same period last year. This decrease was due to lower cost of sales and services, and our continued cost optimization initiatives on various areas enabling us to control our costs.

### ***3. Operating Profit and Net Income***

Big C's Operating Profit amounted to Baht 2,613 million for the quarter, representing an increase of Baht 27 million or 1.1% compared to same period last year. This increase is due to our continued store expansion, solid rental and service income performance, and continued cost optimization and productivity enhancement initiatives. Big C's Net income to Equity holders of the Company for the quarter reached Baht 1,978 million, solid increase of Baht 88 million or 4.7% over the last year despite the lackluster economic environment, driven by the abovementioned factors and decreased finance costs due to lower debt level and interest rate environment.

Yours very truly,

Ms Rumpa Kumhomreun

CFO & Vice President of Accounting and Finance