



2015 Interim Results Presentation

31st July, 2015



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Sales Solid but Margin Pressure Has Hit Profits

- Sales of continuing businesses up 3%, up 7% in constant currency
- Ongoing margin pressures in Food and in Health and Beauty
- Underlying profit 14% lower
- Key transactions completed: Yonghui, San Miu, Malaysia sell down
- IT infrastructure development on track



Underlying Net Profit of \$193m or 14.25¢ per Share

| (US\$ m) | 1H2015 | 1H2014 | | Change | Constant Currency % | |
|---|--------------|--------|---|--------|------------------------|-----|
| Sales of Continuing Businesses ¹ | 6,495 | 6,312 | ↑ | 3% | ↑ | 7 |
| Operating Profit ² | 202 | 245 | ↓ | 18% | ↓ | 15 |
| Underlying Net Profit | 193 | 224 | ↓ | 14% | ↓ | 12 |
| Underlying EPS (US¢) | 14.25 | 16.56 | ↓ | 14% | ↓ | 12 |
| Dividend Per Share (US¢) | 6.5 | 6.5 | — | | | N/A |
| Store Count ³ | 6,450 | 6,101 | ↑ | 349 | | N/A |

Note: 1 Sales include 100% associates & joint ventures, exclude Yonghui and San Miu

2 Exclude non-trading items

3 Store Count include 100% associates & joint venture; 6,101 represent store count (exclude discontinued operations) as of 31 st December 2014



Sales Positive across All Business Segments...

| (US\$ m) | SALES | | Change % | | Constant Currency % | |
|-----------------------------|--------------|--------------|----------|----|---------------------|----|
| | 1H2015 | 1H2014 | | | | |
| Food | 4,087 | 4,132 | ↓ | 1 | ↑ | 4 |
| Supermarkets & Hypermarkets | 3,168 | 3,228 | ↓ | 2 | ↑ | 4 |
| Convenience Stores | 919 | 904 | ↑ | 2 | ↑ | 3 |
| Health and Beauty | 1,284 | 1,185 | ↑ | 8 | ↑ | 11 |
| Home Furnishings | 271 | 226 | ↑ | 20 | ↑ | 23 |
| Restaurants | 853 | 769 | ↑ | 11 | ↑ | 11 |
| Continuing Businesses | 6,495 | 6,312 | ↑ | 3 | ↑ | 7 |
| Yonghui and San Miu | 1,516 | - | - | - | - | - |
| Total | 8,011 | 6,312 | ↑ | 27 | ↑ | 31 |

Note: Sales include 100% associates & joint ventures; sales of Yonghui and San Miu since completion of investment



...but Rising Costs Have Pinched Operating Margins

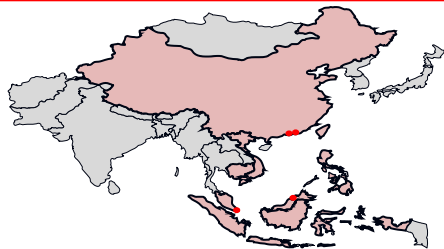
| (US\$ m) | OPERATING PROFIT | | Margin ² Change |
|-------------------------------|------------------|--------|-------------------------------|
| | 1H2015 | 1H2014 | |
| Food | 112 | 148 | ↓ 1.1 pts |
| Supermarkets & Hypermarkets | 86 | 117 | ↓ 1.2 pts |
| Convenience stores | 26 | 31 | ↓ 0.5 pts |
| Health and Beauty | 89 | 97 | ↓ 0.9 pts |
| Home Furnishings | 26 | 20 | ↑ 0.9 pts |
| | 227 | 265 | ↓ 0.9 pts |
| Support Office | (25) | (20) | |
| Operating Profit ¹ | 202 | 245 | ↓ 1 pts |

Note: 1 Operating Profit include only subsidiaries and exclude non-trading items; Operating Profit would be US\$207m in constant currency

2 Margin represents operating profit to sales



Supermarkets & Hypermarkets Segment Remains Highly Competitive



- Good LFL growth in Malaysia
- Strong LFL in Indonesia
- LFL flat in Singapore
- Slower sales growth in Hong Kong



- Fresh participation up 50 basis points
- 9 category brands, 308 SKUs; category brand sales up 18%
- Margins under pressure in most markets



- New fresh DCs planned in Malaysia and Singapore
- Cooperation with Yonghui progressing well
- Systems investment continuing to support consumer centric model



Market Leading Private Label Program to Support Growth





Convenience Stores Performance Mixed



- Solid sales and profit growth in Hong Kong
- Continuing growth momentum in China
- Weaker results in Singapore



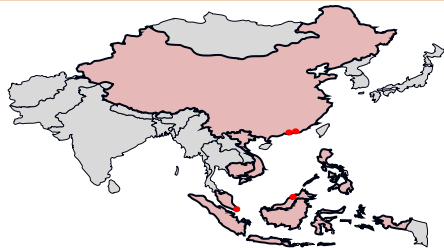
- Ready-To-Eat participation up 40 basis points
- Branded coffee now available in all 3 markets
- Single store daily sales record of 1,500+ soft ice



- Opened in Jiangmen; now in 7 cities in Guangdong
- 41 new stores opened with 711th store opened in June



Health and Beauty Hit by Weakness in Malaysia



- Hong Kong sales resilient
- Good sales growth in Indonesia, Singapore and China
- Malaysia sales disappointing



- Integration of Rose Pharmacy underway
- 8 category brands available with 206 SKUs, up by 41% in 1H2015
- Margin erosion most acute in Malaysia



- Store growth continuing in China
- Up to 31 stores in Vietnam
- Building know-how and capability in e-commerce



Building Private Label Presence in Health and Beauty Too

8 brands
206 SKUs





Home Furnishings Results Very Encouraging



- Solid sales growth in Hong Kong
- Strong growth in Taiwan
- Indonesia ahead of target



- New kitchen range launched in June
- Strong performance in Market Hall and Food
- Margin benefits from supply chain



- Planning second site in Indonesia
- Additional access points in Hong Kong & Macau
- Developing E-commerce offer



Maxim's Performance Again Solid



- Further growth in Hong Kong
- Strong performance and continued growth in China
- Starbucks in Vietnam now at 15 stores



- No. 1 Mooncake company in Hong Kong for 17 consecutive years
- The Cheesecake Factory to open in Shanghai by first half of 2016



- New food production facility operational
- Now have 171 outlets in China



A Shared Vision with Yonghui



- Completion of investment in April
- Business performance solid in a challenging market
- Strong shared commitment to business partnership
 - Fresh into Singapore, Philippines, Malaysia
 - Sharing of international suppliers
 - Potential on Private Label and GMS
 - Mannings store development





San Miu Strengthens Macau



新苗超級市場有限公司
SAN MIU SUPERMARKET LIMITED

- Dairy Farm acquired 100% of San Miu in March
- Market leader in Macau with 15 stores
- Integration progressing well
 - Corporate brands launched in San Miu in May
 - Introduced more than 50 SKUs from Hong Kong
 - Expanded fresh offerings to more stores





Making Good Progress on Strategic Priorities

| Strategic Priority | Recent Developments |
|-------------------------|---|
| E-commerce | <ul style="list-style-type: none">• H&B: Offer launched in Singapore• Food: Enhancing current offers |
| IT Infrastructure | <ul style="list-style-type: none">• SAP system implementation completed in China• Stock ordering system implemented |
| Supply Chain | <ul style="list-style-type: none">• Increased focus on direct sourcing• Higher DC centralisation• New fresh DCs in Malaysia and Singapore |
| Food and Product Safety | <ul style="list-style-type: none">• Group QA function established• Harmonised supplier standards |



Profit & Loss Account

(US\$ m)

Sales

- Including Associates & JVs

- Subsidiaries

Operating Profit¹

Non-trading items

Share of Results of Associates and JVs

Net Finance (Charge) / Income

Profit Before Tax

Tax

Profit After Tax

Underlying Net Profit

Dividend Per Share (US¢)

| | 1H2015 | 1H2014 | Change % | |
|--|--------|--------|----------|-----|
| | | | | |
| - Including Associates & JVs | 8,011 | 6,312 | ↑ | 27% |
| - Subsidiaries | 5,593 | 5,299 | ↑ | 6% |
| Operating Profit ¹ | 202 | 245 | ↓ | 18% |
| Non-trading items | (1) | 11 | | |
| Share of Results of Associates and JVs | 32 | 22 | ↑ | 47% |
| Net Finance (Charge) / Income | (6) | 1 | | |
| Profit Before Tax | 227 | 279 | ↓ | 19% |
| Tax | (40) | (44) | ↓ | 10% |
| Profit After Tax | 187 | 235 | ↓ | 20% |
| Underlying Net Profit | 193 | 224 | ↓ | 14% |
| Dividend Per Share (US¢) | 6.5 | 6.5 | — | |

Note: 1 Include support office



Balance Sheet

(US\$ m)

Intangible Assets

Property

Other Fixed Assets

Associates and Joint Ventures

Net Working Capital

Net (Debt) / Cash

Others

Total Equity

Trade Creditors to Stock Ratio

30/06/2015

743

518

644

1,323

(1,077)

(589)

(108)

1,454

1.6x

31/12/2014

566

520

701

388

(1,027)

475

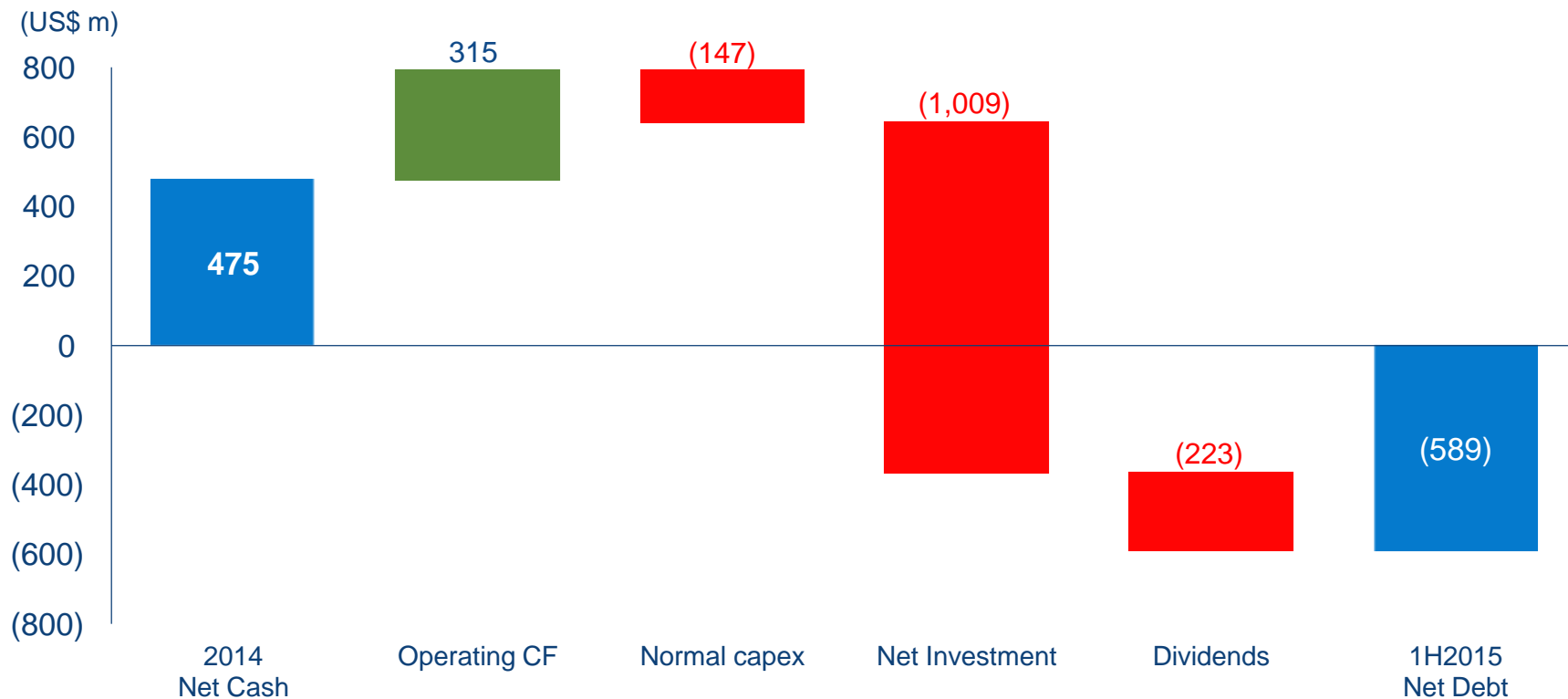
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1,523

1.6x



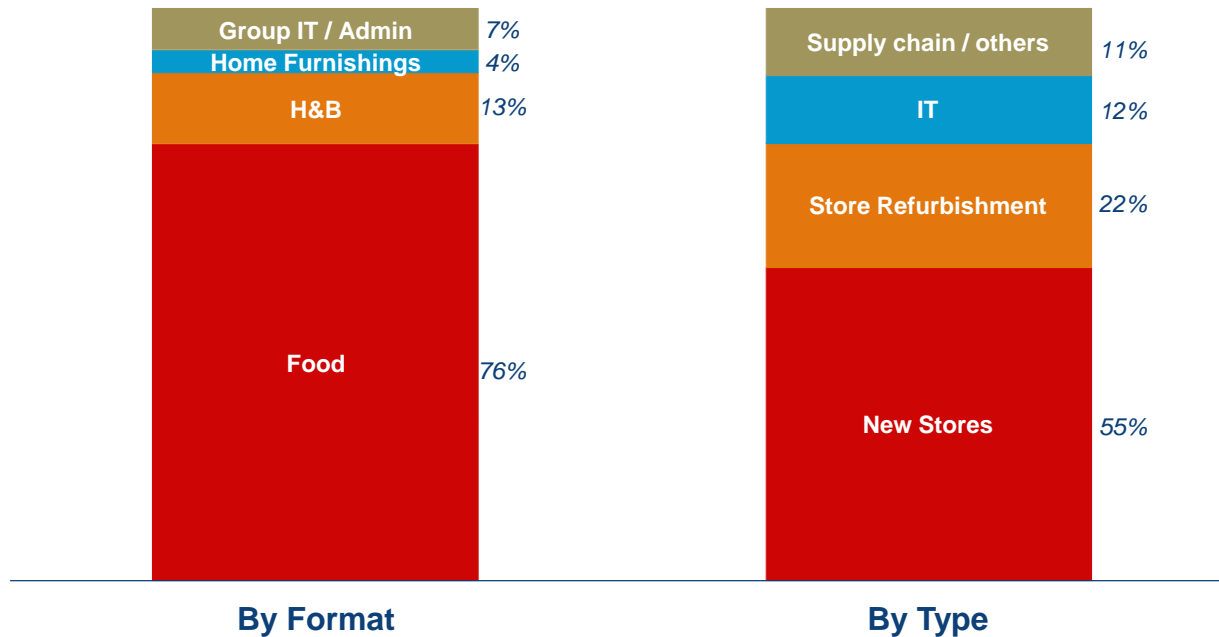
DF Group Cash Flow





Normal Capex

US\$147m
(1H2014: US\$184m)





Outlook

- Expect new investments to make important contribution
- Clear commitment to customer centric business model
- Increased focus on exploiting benefits of scale
- Continuing headwinds but building a strong platform to compete for the long-term