



2015 Full Year Results Presentation

4 March 2016





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Agenda

Strategic Context

2015 Highlights

Financial Results

Outlook

Dairy Farm Strongly Committed to Retail Journey

Strategy	What It Means
Winning Brands	Clear positioning; Customer centric range discipline
Format Leadership	Strong average unit volumes for each format
Operational Excellence	Improving shopper experience; investment in stores
Profitable Growth	Unit expansion based on sound business models
Passionate People	Talented people committed to a consumer centric retail model

Markets Challenging but Businesses Well Positioned

- Immediate outlook uncertain
- Long-term market position strong
- Strategy on track
- Gaining market share in most markets
- Continuing to invest for long-term growth



Significant Steps Forward despite Margin Pressures

Sales
Up 5% in
constant currency

Underlying profit
Down 14% due
to margin squeeze

Operating
Cash Flows
Up 4%

Record Year
for Home
Furnishings and
Restaurants

Investments in
Yonghui and
San Miu

IT and supply chain
investments
on Track

Lower Underlying Profit but Strong Operating Cash Flow

(US\$ m)	2015	2014	%		CCY %	
Total Sales ¹	17,907	13,103	↑	37	↑	42
Sales ex-Acquisitions ²	13,066	13,073		—	↑	5
Operating Profit ³	431	534	↓	19	↓	17
Underlying Net Profit	428	500	↓	14	↓	13
Underlying EPS (US¢)	31.7	37.0	↓	14	↓	13
Final Dividend per Share (US¢)	13.5	16.5	↓	18		
Operating Cashflow	700	676	↑	4		

Note: 1 Sales include 100% of associates & joint ventures

2 Excludes Yonghui and San Miu in 2015 (2014: excludes India)

3 Includes non-trading items of US\$-4m (2014: US\$10m)

All Formats Achieved Constant Currency Sales Growth

(US\$ m)	Sales				CCY	
	2015	2014	%		%	
Food	8,053	8,394	↓	4	↑	2
Supermarkets & Hypermarkets	6,172	6,534	↓	6	↑	2
Convenience Stores	1,881	1,860	↑	1	↑	3
Health and Beauty	2,563	2,435	↑	5	↑	9
Home Furnishings	568	497	↑	14	↑	18
Restaurants	1,882	1,747	↑	8	↑	8
	13,066	13,073	—		↑	5
Yonghui and San Miu	4,841	-	—		—	
India	-	30	—		—	
Total	17,907	13,103	↑	37	↑	42

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

Supermarkets and Hypermarkets

Supermarkets and Hypermarkets



Financial Highlights

Sales* +4%

Stores* -3

Op Profit* -22%

* Excluding Yonghui
Financial highlights are expressed in CCY



Business Milestones

- Increased Fresh participation: range and quality enhancements, more direct sourcing
- Increased corporate brand penetration
- Improved shopper experience
- Nascent collaboration with Yonghui
- Successful integration of San Miu



Geographic Performance

- Market share gains in most markets
- Hong Kong resilient
- Excellent results in Taiwan
- Indonesia: solid sales but profits dented by balance sheet charges
- Malaysia: strong Q1 but weaker after GST
- Singapore: Cold Storage margins pinched

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Convenience Stores

Convenience Stores



Financial Highlights

Sales +3%

Stores +40*

Op Profit -12%

* Excludes closure of 50 Starmart stores
Financial highlights are expressed in CCY



Business Milestones

- Ready-to-Eat momentum sustained
- 61 new stores in China
- 35 fewer stores in Singapore
- Divestment of Starmart in Indonesia



Geographic Performance

- China: improved sales and profitability
- Hong Kong: market share gains in most categories
- Singapore: lower sales from "tourist" stores and alcohol

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Health and Beauty

Health & Beauty



Financial Highlights

Sales* +8%

Stores +15

Op Profit* -12%

* Includes India sold in 2014
Financial highlights are expressed in CCY



Business Milestones

- Corporate brands growing
- E-commerce offer evolving in Singapore
- Successful SAP implementation in China
- Integration of Rose Pharmacy
- Mannings Baby encouraging in Hong Kong



Geographic Performance

- HK: market share gains
- Singapore: good sales growth and profit improvement
- Malaysia: disappointing performance
- Indonesia: solid sales growth; store rationalization
- China: Sales under pressure

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Home Furnishings

Home Furnishings



Financial Highlights

Sales +18%

Stores: No Change

Op Profit +30%

Financial highlights are expressed in CCY



Business Milestones

- Record profits and sales; new METHOD kitchen range doing well
- E-commerce in 2016
- Pick-up points planned for all markets



Geographic Performance

- Hong Kong and Taiwan: solid LFL sales growth
- Indonesia: very strong first full-year operation

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Restaurants

Restaurants



Financial Highlights

Sales +8%

Stores +43

Op Profit* +9%

* Represents share of results
Financial highlights are expressed in CCY



Business Milestones

- Brand portfolio addresses different market segments (Wildfire, Cheesecake Factory)
- Procurement investments
- Continued expansion in China and Vietnam
- Investment in new headquarters and production facilities



Geographic Performance

- Hong Kong solid
- China expansion continued with casual dining and Japanese restaurants
- Good progress with Starbucks in Vietnam
- First Starbucks opened in Cambodia

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Profit & Loss (US\$ m)	2015	2014	Change %
Sales			
- Including Associates & JVs	17,907	13,103	↑ 37%
- Ex-Acquisitions ¹	13,066	13,073	—
- Subsidiaries	11,137 ²	11,008	↑ 1%
Operating Profit ³	431	534	↓ 19%
Share of Results of Associates and JVs	85	69	↑ 23%
Net Finance Charge	(14)	(2)	
Profit Before Tax	502	601	↓ 16%
Tax	(84)	(93)	↓ 9%
Profit After Tax	418	508	↓ 18%
Underlying Net Profit	428	500	↓ 14%
Final Dividend per Share (US¢) ⁴	13.5	16.5	↓ 18%

Note: 1 Excludes Yonghui and San Miu in 2015 (2014: excludes India)

2 Includes San Miu since date of acquisition

3 Includes non-trading items of US\$(4m) (2014: US\$10m)

4 Total dividend at US¢20 (2014: US¢23) represents a decrease of 13%

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Operating Profit Margin Pressure throughout 2015

(US\$ m)	2015	2014	%	2015 Margin ¹			
					FY15 pp	1H15 pp	
Food	236	299	2.9	↓	0.8	↓	1.1
Supermarkets & Hypermarkets	172	226	2.7	↓	0.9	↓	1.2
Convenience stores	64	73	3.4	↓	0.5	↓	0.5
Health and Beauty	185	219	7.8	↓	1.3	↓	0.9
Home Furnishings	64	50	11.2	↑	1.0	↑	0.9
	485	568	4.4	↓	0.8	↓	0.9
Support Office	(50)	(44)					
Operating Profit	435	524	3.9	↓	0.9	↓	1.0
Non-trading Items	(4)	10					
Underlying Operating Profit	431	534	3.9	↓	1.0	↓	1.3

Note: 1 Margin represents operating profit to subsidiaries' sales

Balance Sheet (US\$ m)

	2015	2014
Non-current assets	3,381	2,386
Stocks	937	1,011
Debtors	234	252
Other	11	4
Bank balances and other liquid funds	258	662
	1,440	1,929
Non-current assets held for sale	-	1
Current assets	1,440	1,930
Creditors	(2,355)	(2,413)
Borrowings	(730)	(93)
Others	(66)	(59)
Current liabilities	(3,151)	(2,565)
Net current liabilities	(1,711)	(635)
Non-current liabilities	(215)	(228)
Total equity	1,455	1,523

Yonghui and San Miu investments

Lower stock level with higher sales

Increased debt to fund investments

Trade Creditors to Stock Ratio
Stock to Sales

1.7x
8.4%

1.6x
9.2%

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Cash Flow (US\$ m)

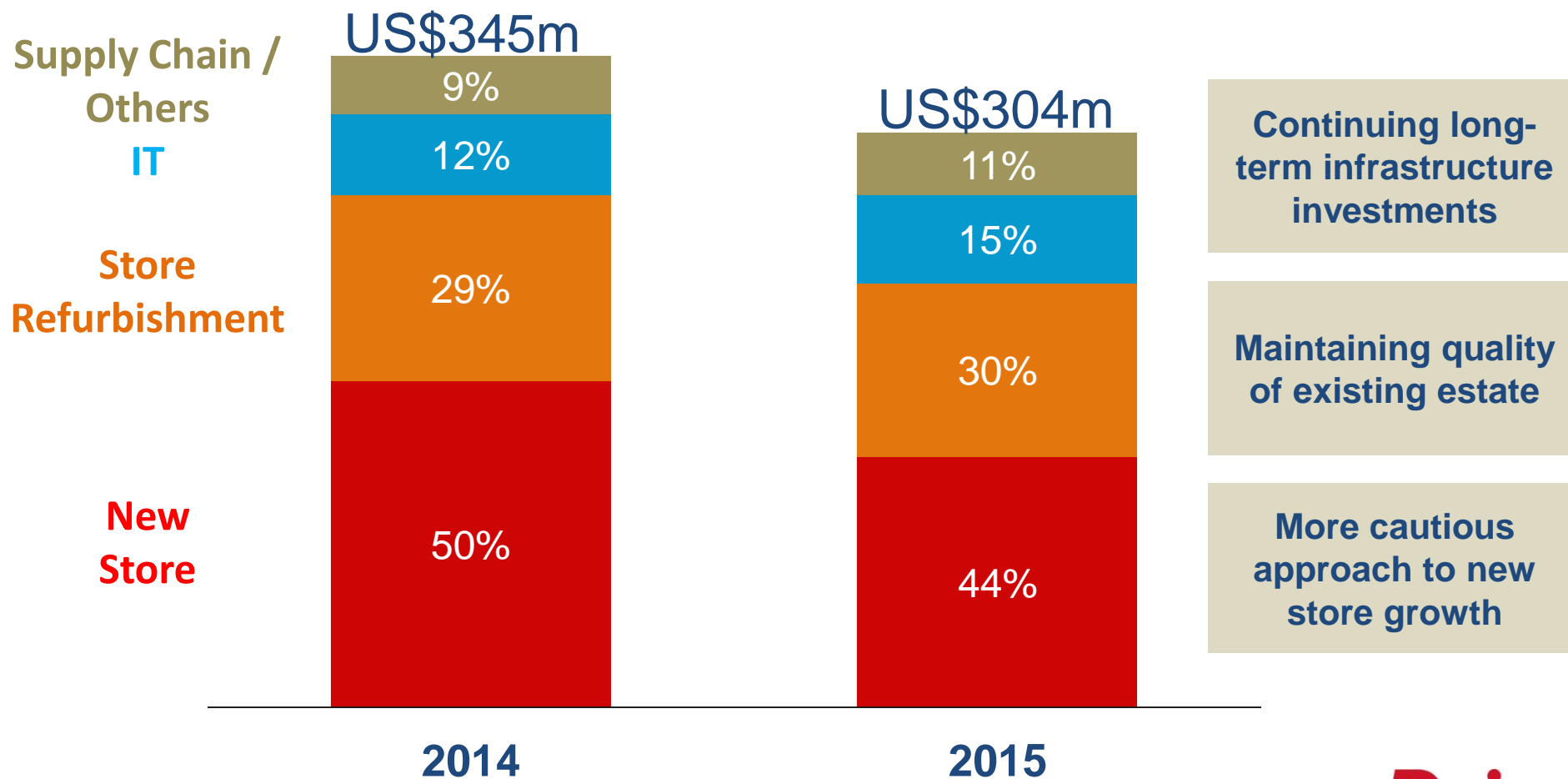
	2015	2014
Operating Cash Flow	700	676
Normal Capex	(304)	(345)
Free Cash Flow	396	331
Asset Sales	3	30
Investments	(1,065)	(118)
Change in Interests in Subsidiaries	16	(2)
Net Drawdown of Borrowings	573	20
Dividends Paid	(311)	(311)
Net Decrease in Cash and Cash Equivalents	(388)	(50)
Opening Balance of Cash and Cash Equivalents	657	711
Effect of Exchange Rates Changes	(12)	(4)
Closing Balance of Cash and Cash Equivalents	257	657

Operating cash flow up despite lower trading

Optimising capex

Investments in Yonghui and San Miu

Normal Capex





2016 Outlook

- Trading conditions uncertain
- Focus on building stronger businesses with a better consumer offer
- Sustain long-term infrastructure investment
- Success in creating market-leading retail businesses is the way we measure ourselves

