

4th August 2017



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2017 First Half Highlights

Regional Review

Format Review

Financial Results

Outlook

Sales mixed, profits up



- Consolidated sales flat*; total sales up 6%*
- Underlying net profit up 6%* to US\$211m
- Sales and profit growth in most divisions
- Greater China driving performance
- Strong performances from Yonghui and Maxim's
- Unchanged interim dividend of US¢ 6.50 per share

*In constant currency



Greater China driving overall results

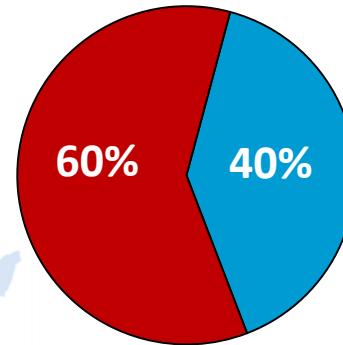


Greater China

Southeast Asia

Sales

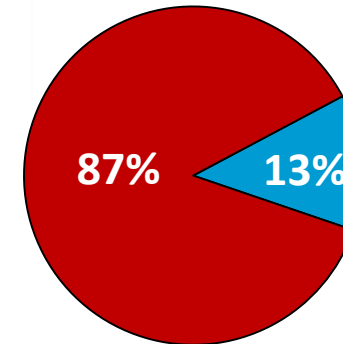
+3%



-3%

Op. Profit

+9%

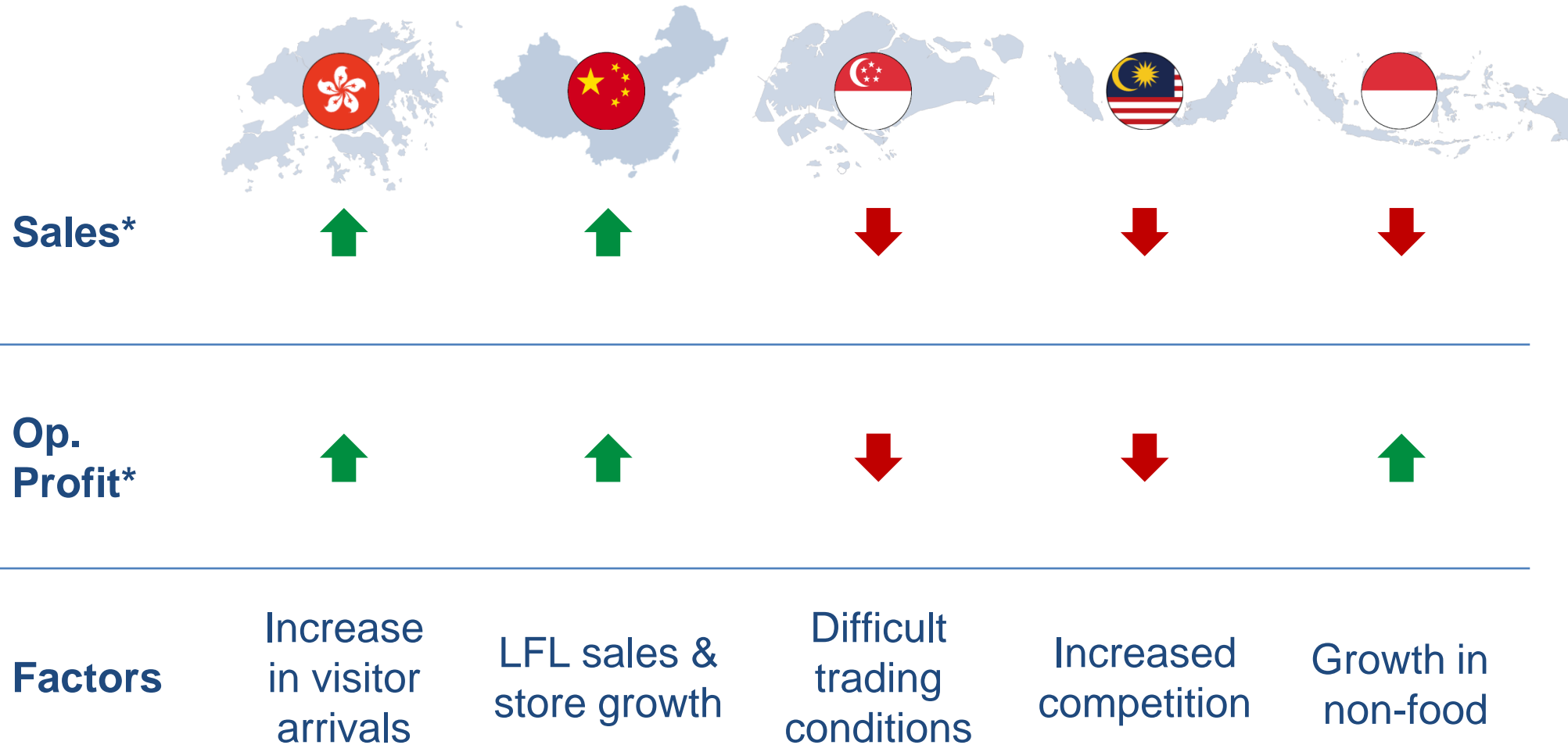


-36%

Sales and operating profit of subsidiaries
in constant currency

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Varied performance across our key markets









* In constant currency

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Supers & Hypers holding back performance



	Sales	Op Profit
	-3%	-20%
	+4%	+27%
	+4%	+11%
	+4%	+4%
	+8%	+13%
	+15%	+57%

All in constant currency versus 1H 2016
*Restaurants share of profit after tax

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Supermarkets and Hypermarkets



Fresh and private label remain key priorities

- Challenges in certain markets
- Fresh and private label participation up
- Supply chain investment continues
- Agreed to acquire the remaining interest in RSCI



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Convenience Stores



Ready-to-Eat and Guangdong expansion offer big opportunities

- Hong Kong main profit driver
- RTE participation up
- Continuing range innovation with 7-Eleven Japan collaboration
- Alternative store formats



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Health and Beauty



Operational improvement has shown good results

- Private label participation flat
- Increased focus on beauty
- Growth in exclusive products
- Improved stock availability with SAP implementation
- Digital innovation



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Home Furnishings



Improving accessibility and customer experience

- 4th Hong Kong store to open in 4Q 2017
- Land purchase for 2nd Indonesia store
- Online sales growth in all markets
- Piloting parcel pick-up at selected 7-Eleven HK stores



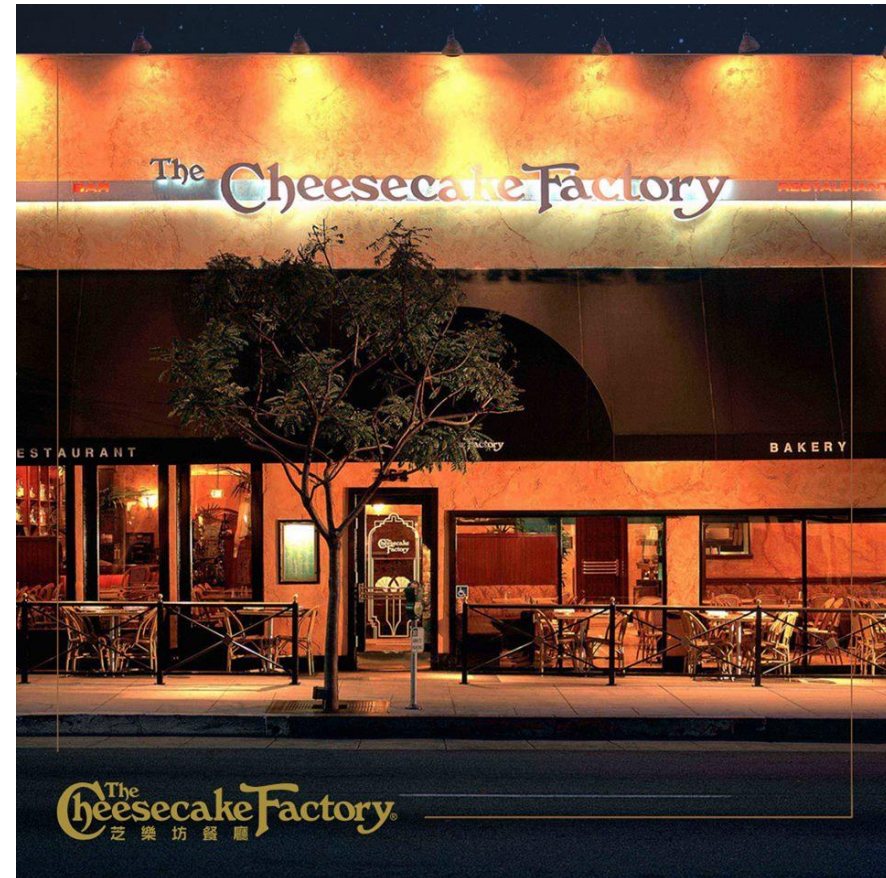
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Restaurants



Concept and product innovation driving growth at Maxim's

- Reached 1,000th store milestone
- Strong growth in China
- The Cheesecake Factory Hong Kong launched in May
- New Shake Shack franchise in Hong Kong & Macau



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Flat sales with improving profit



Profit and Loss (US\$m)	1H 2017	%△		CCY %△	
Sales					
- Including Associates & JVs	10,448	↑	3	↑	6
- Subsidiaries	5,505	↓	1	↔	-
Operating Profit	201	↑	2	↑	1
Share of Results of Associates and JVs	62	↑	33	↑	36
Underlying Net Profit	211	↑	6	↑	6
Underlying EPS (US¢)	15.63	↑	6	↑	6
Interim Dividend per Share (US¢)	6.5				



Supers & Hypers hold back Group performance



Sales (US\$m)	1H 2017	%		CCY %	
Food	3,972	↓	3	↓	1
Supermarkets & Hypermarkets	3,001	↓	5	↓	3
Convenience Stores	971	↑	3	↑	4
Health and Beauty	1,229	↑	3	↑	4
Home Furnishings	304	↑	8	↑	4
<u>Key Associates*</u>					
Maxim's	974	↑	8	↑	8
Yonghui	3,876	↑	9	↑	15

* Includes 100% of Maxim's and Yonghui.



Modest overall improvement in operating margin



(US\$m)	Op. Profit	Margin*		
	1H 2017	%	△pp	
Food	105	2.7	↓	0.2
Supermarkets & Hypermarkets	71	2.4	↓	0.4
Convenience stores	34	3.5	↑	0.7
Health and Beauty	89	7.2	↑	0.5
Home Furnishings	33	11.0	↔	-
	227	4.1	↑	0.1
Support Office	(27)			
Underlying Operating Profit	200	3.6	↑	0.1

* Margin represents operating profit to subsidiaries' sales

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Free cash flow improvement driven by working capital



(US\$m)	1H 2017	1H 2016
EBITDA	308	304
Working Capital Movement	(25)	(131)
Normal Capex	(150)	(110)
Free Cash Flow	133	63
Investments	(5)	(4)
Dividends Paid	(197)	(185)
Dividends Received	57	39
Net Drawdown of Borrowings	9	92
Other items	(33)	(33)
Net cash flow	(36)	(28)

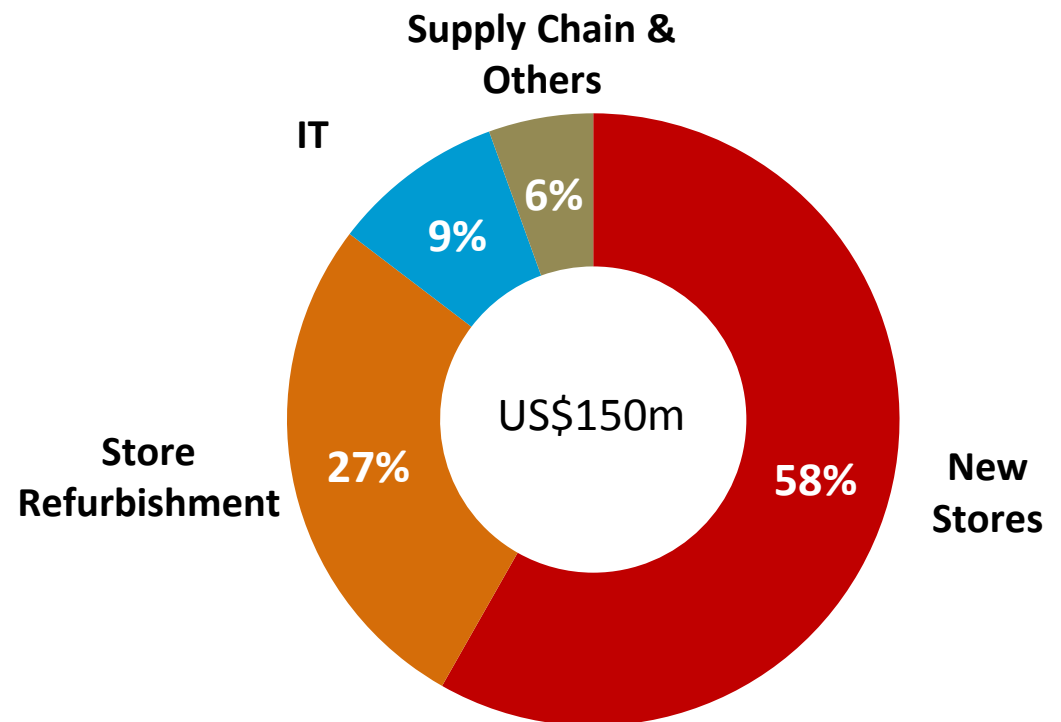
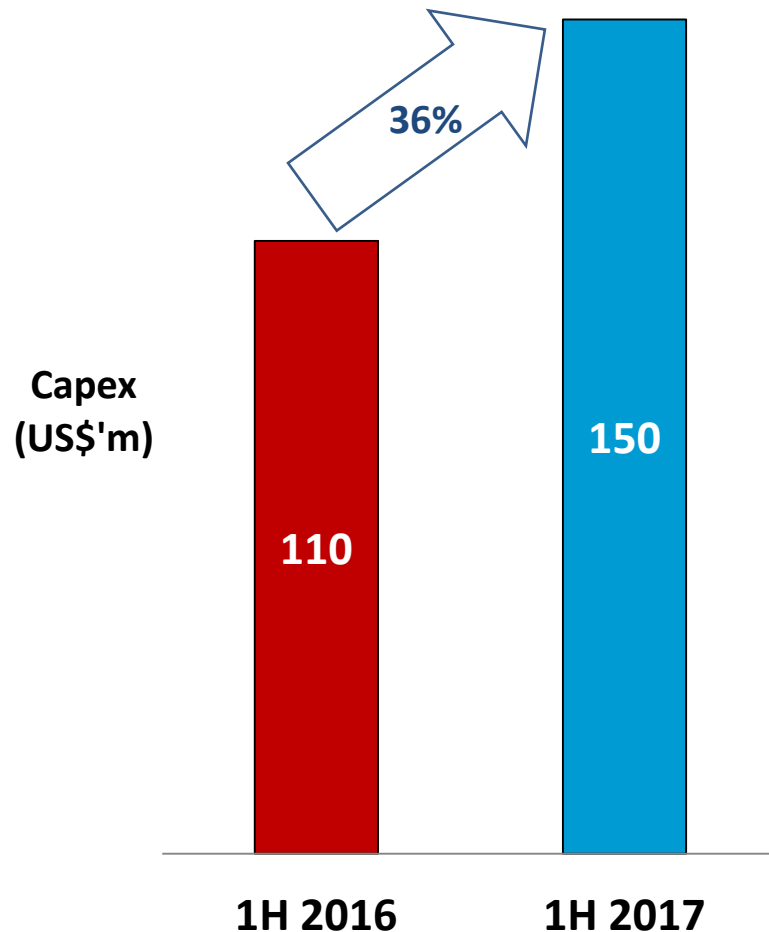
	1H 2017	2016YE
Net Debt	685	641

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Capital expenditure in 1H 2017



- IKEA store expansion in Hong Kong and Indonesia
- Store format upgrades





- Addressing challenges in Southeast Asia
- Focusing on driving growth in Supermarkets & Hypermarkets
- Building on momentum across the rest of the Group
- Ian McLeod joining as CEO on Sep 18th
- Strategic priorities ongoing