



A total of **385*** hypermarkets across China

*As of 31 March 2015



SUN ART
Retail Group Limited
Stock Code : 6808

2015 First Quarter Results Announcement



No.1 hypermarket in the nation in terms of market share⁽¹⁾



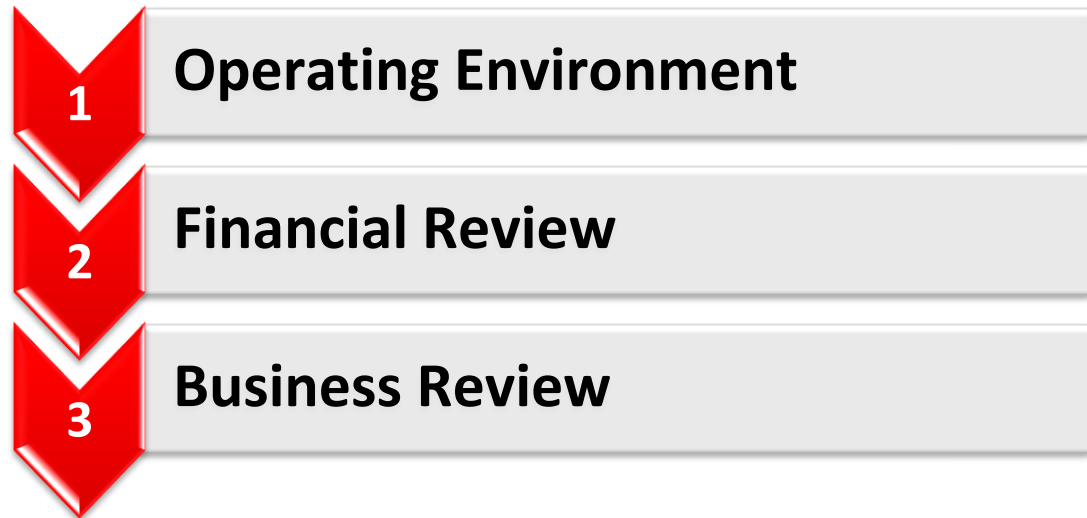
Auchan 欧尚

飞牛网
feiniu.com

大润发
RT-Mart

Source: (1) Data from Euromonitor

Content





OPERATING ENVIRONMENT

SUN ART

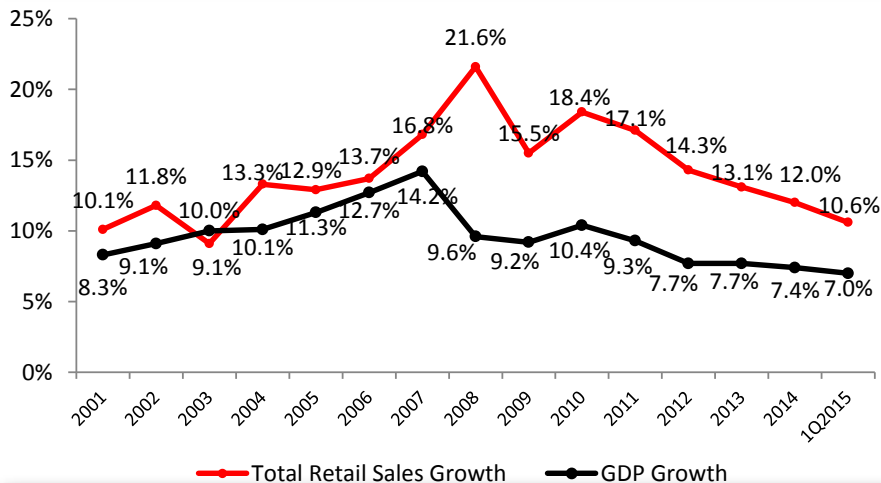
Retail Group Limited

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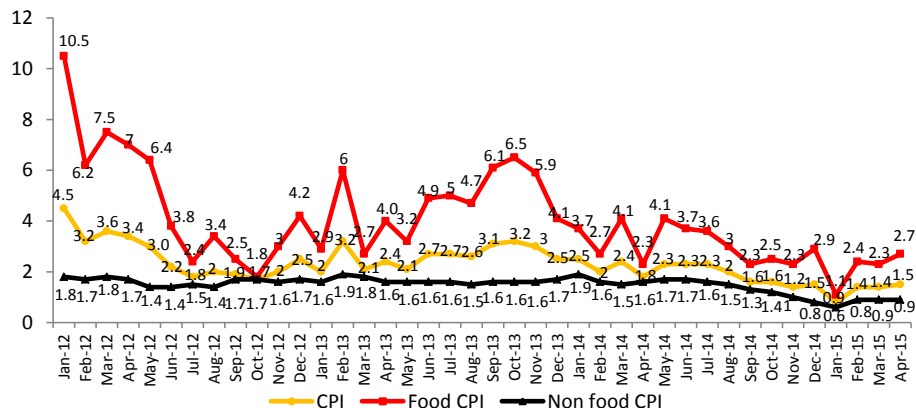


Operating Environment

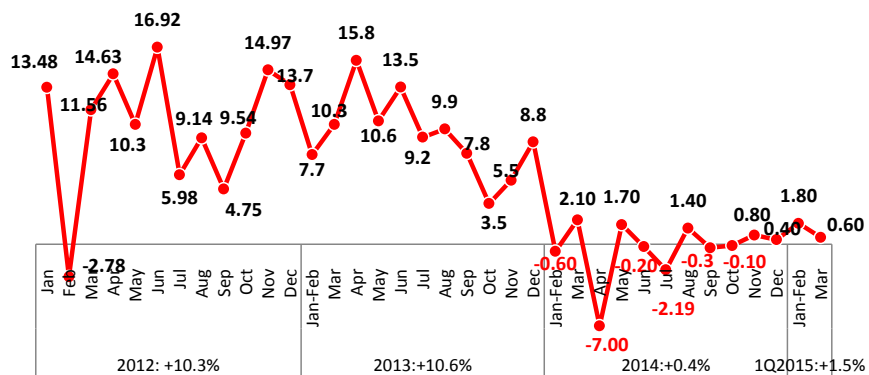
Growth of GDP and Total Retail Sales of Consumer Goods⁽¹⁾



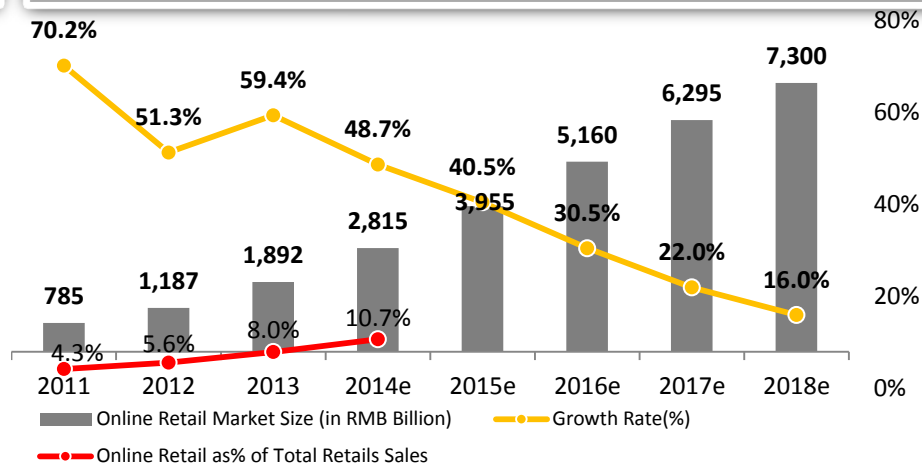
1Q2015: CPI 1.2%, Food CPI 1.9% (2)



1Q2015 50 Key Retail Enterprises Sales Growth: +1.5% (3)



China's Online Shopping Market Size (4)



Source: Chart(1),(2) from the National Bureau of Statistics of China; Chart (3) from China Nation Commercial Information; Chart (4) from iResearch

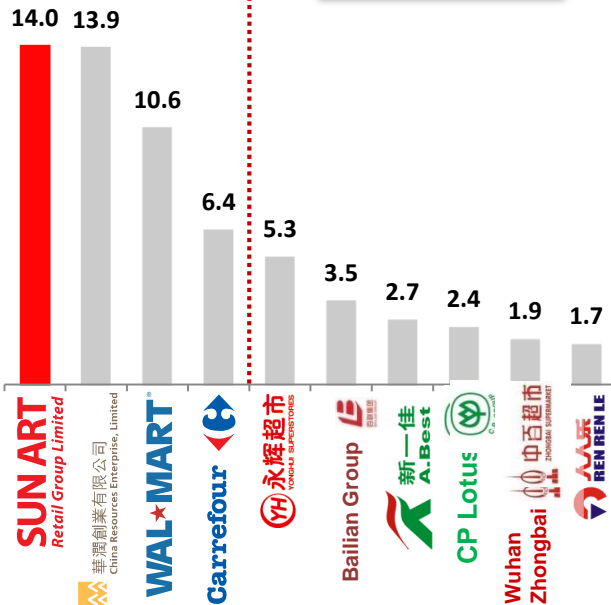
Largest and Most Productive Hypermarket Operator in China

Sun Art – Maintaining Market Leadership Through Organic Growth

Market share (%)

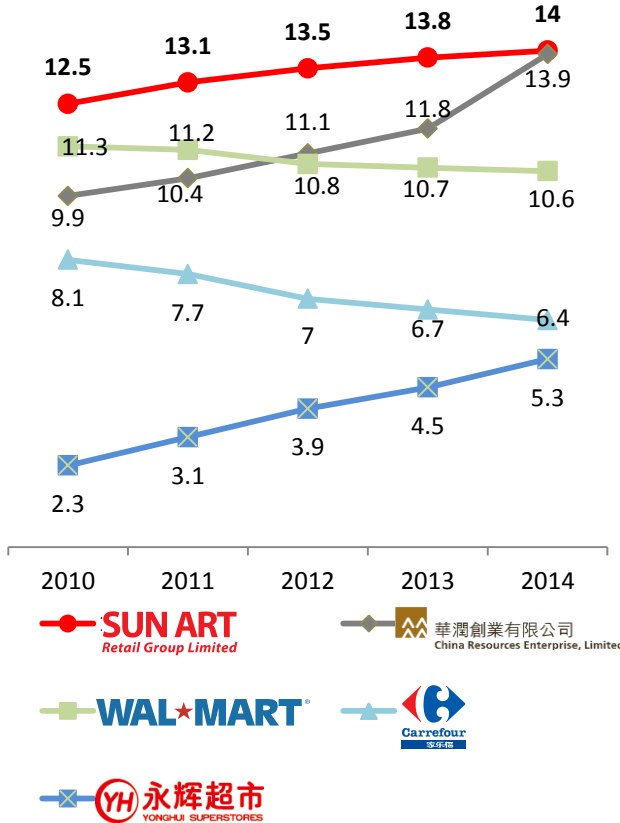
Aggregate market share of Top 4: 44.9%

Aggregate market share from 5th to 10th largest: 17.5%

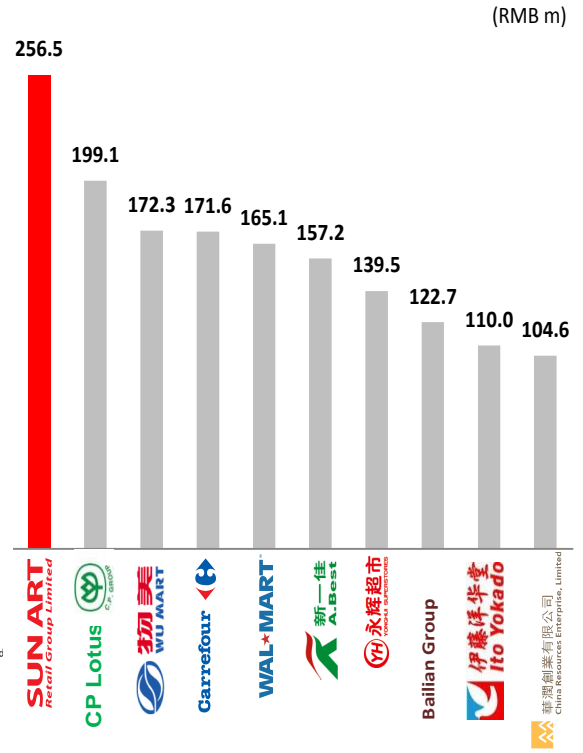


Market Share Evolving of Top 5 Hypermarket Players from 2010-2014

Market share (%)



Sales Per Average Number of Store in 2014



Source: Euromonitor

- (1) CRE 2014 figure was CRE +Tesco full year pro forma .
- (2) Calculated based on figure from Euromonitor: retail value of 2014/(average number of stores between beginning and ending of 2014)



FINANCIAL REVIEW

SUN ART
Retail Group Limited

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Financial Highlights

As of 31 Mar (RMB million)	2015	2014	Change
Turnover	29,294	27,751	5.6%
Gross profit	6,318	5,794	9.0%
Gross profit margin	21.6%	20.9%	0.7ppt
Profit from operations (EBIT)	1,578	1,707	-7.6%
Operating profit margin	5.4%	6.2%	-0.8ppt
Profit for the period	1,114	1,241	-10.2%
Net profit margin	3.8%	4.5%	-0.7 ppt
Profit attributable to equity shareholders of the Company	1,065	1,179	-9.7%
Earnings per share			
— Basic and diluted (RMB) ⁽³⁾	0.11	0.12	-

(1) The decrease of Profit for the period was mainly attributed to :

- a. Increase loss from Feiniu.com
- b. New stores loss: 13 new stores opened during first 3 months 2015 compared to 2 in the same period of 2014
- c. Decrease in interest income

(2) The calculation of basic and diluted EPS for the years ended 31 December 2014 and 2013 is based on the weighted average number of 9,539,704,700 ordinary shares in issue during the year.



BUSINESS REVIEW





SUN ART
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Proactively Expanded Store Network

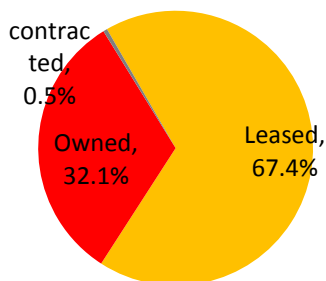
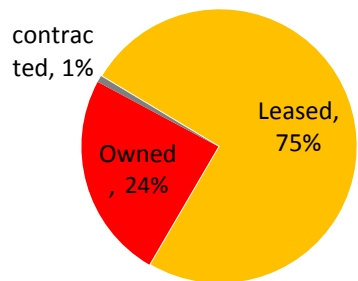
13 new hypermarket complexes were opened in 1Q2015

Region	No. of Hypermarket Complexes (31 Mar 2015)		Total	GFA of Hypermarket Complexes (sqm) (31 Mar 2015)		Total
						
Eastern China	43	114	157	1,834,683	2,810,050	4,644,733
Northern China	7	38	45	216,810.8	907,113	1,123,924
North-Eastern China	1	37	38	23,906	1,014,622	1,038,528
Southern China	5	66	71	124,523	1,625,136	1,749,659
Central China	8	50	58	262,506	1,286,285	1,548,791
Western China	4	12	16	178,609	284,518	463,127
Total	68	317	385	2,641,038	7,927,724	10,568,762



Store Number Breakdown (31 Mar 2015)

GFA Breakdown (31 Mar 2015)



A total of **385** hypermarkets across China as at 31 March 2015, covering **27** Provinces, autonomous regions and municipalities. Secured **162** sites to open hypermarket complexes in next 3 years, of which **116** were under construction.



Q&A

THANK YOU!

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