



Convenience Retail Asia Limited 2010Q1 Results Announcement

10 May 2010



Agenda

- Overall Hong Kong & Guangzhou Retail Markets
- 2010Q1 Key Highlight
- 2010Q1 Financial Results Highlight
- 2010 Update & Outlook

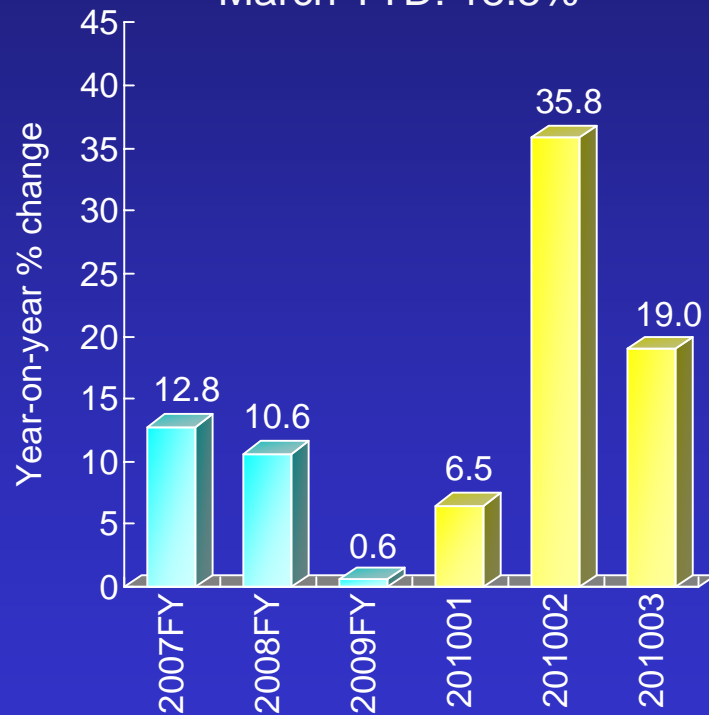


Hong Kong & Guangzhou Retail Markets

Hong Kong Retail Market

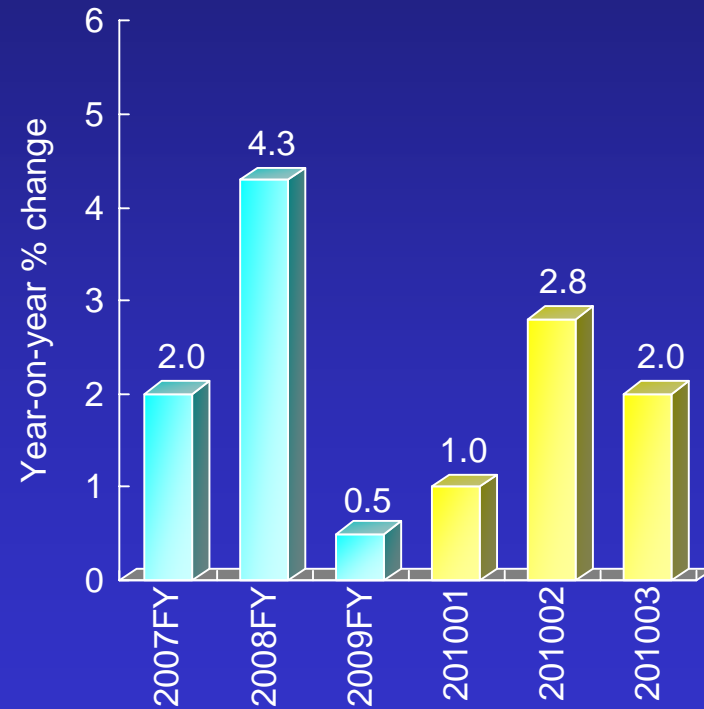
HK Retail Sales Value

March YTD: 18.8%



HK Consumer Price Index

March YTD: 1.9%





Hong Kong Retail Market

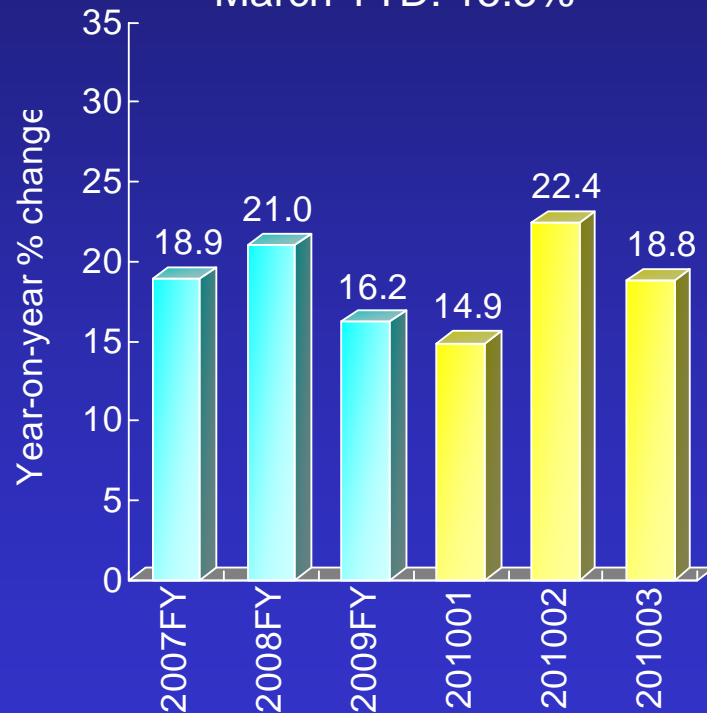
	March YTD 2010 Retail Value	March YTD 2010 Retail Volume
	<i>(vs. March YTD 2009 % Change)</i>	
All Retail Outlets	+18.8%	+15.8%
Motor Vehicles and Parts	+53.7%	+52.8%
Other Consumer Durable Goods	+37.8%	+43.7%
Jewellery, Watches & Clocks, and Valuable Gifts	+37.1%	+25.3%
Electrical Goods and Photographic Equipment	+22.3%	+28.7%
Supermarkets	+3.3%	+0.8%

Source: Census and Statistics Department, HKSAR

Guangzhou Retail Market

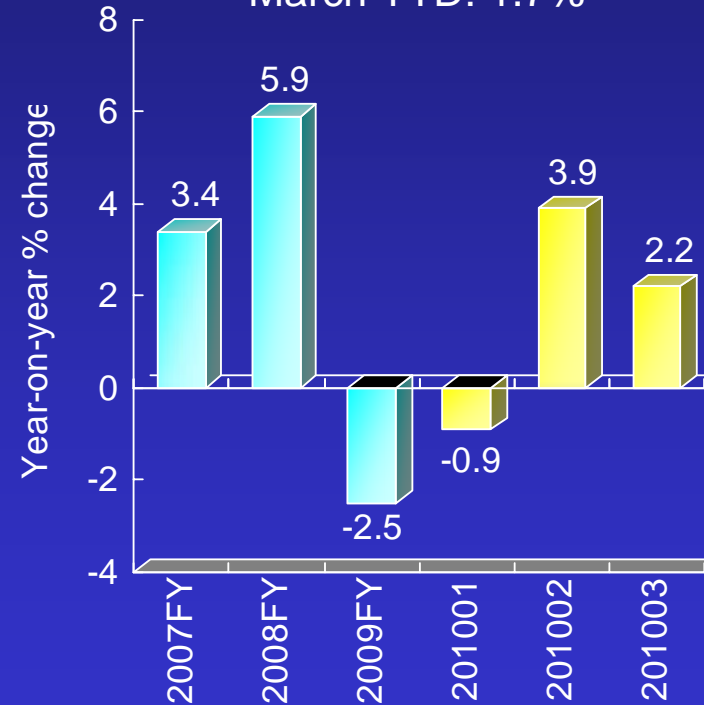
GZ Retail Sales Value

March YTD: 15.3%



GZ City Consumer Price Index

March YTD: 1.7%





2010Q1 Key Highlight



2010Q1 Key Highlight Hong Kong Market

- Overall market for daily necessities and food remained stagnant
- CVS sales still impacted by the plastic bag levy
- Keen competition in cake and bakery business due to the emergence of local bakery shops and steam buns outlets
- Increase in comparable store sales was driven by a series of aggressive promotions

Aggressive Promotions in 2009Q1

慶祝第300間分店啓業
每日勁抽300個蛋糕
 即抽即中，價值\$120 聖安娜蛋糕現金券！
 * 凡以此券收滿\$200，可隨即參加OK抽獎。
 * 詳情請向各店經理查詢，一按即抽，抽獎結果即時顯示。

獎品總值高達三百萬，中獎機會超過50%!

Winnie the Pooh 陪你Cute爆暢遊

OK FUN 迪士尼 Winnie the Pooh "Hooey Cuties" 系列

to celebrate Winnie the Pooh DVD launch.

凡購買 \$200 或 OK FUN 抽獎券一張，即贈送一個 Winnie the Pooh "Hooey Cuties" 系列，數量有限，送完即止。

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www.circlek.hk，發掘更多新驚喜

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Rilakkuma

2010 限量版 3 套 6 款開心咭

Saint Honore Happy Plates 2010 Limited Collection

聖安娜為您送上甜滋滋的生日禮物——輕鬆小熊 Happy Plates

凡惠顧聖安娜 1 磅生日蛋糕或生日蛋糕券，即送 2010 限量版輕鬆小熊 Happy Plate 一套(2隻)價值\$50。

生日快樂 縱有聖安娜蛋糕

全新 2010 年限量版 Rilakkuma 巨型開心生日咭

聖安娜生日蛋糕 送

惠顧任何聖安娜 1 磅或以上生日蛋糕 2 個，即送限量版“輕鬆小熊”巨型開心生日咭 (Rilakkuma Jumbo Happy Birthday Card) 一張 (生日咭連信封，價值\$50)，與“輕鬆小熊”一起渡過開心生日。

* 以每磅價值\$118或以上(折實價)計算，每個蛋糕送1張(其他卡通蛋糕除外)。數量有限，送完即止；詳情請參閱店內宣傳單張或向店員查詢。

VIP 感謝日免費贈品

VIP 感謝日預告：於 2010 年 2 月 23 日 (星期二) 憑聖安娜 VIP 會員卡 / 尊享卡惠顧任何產品，即可免費獲贈飛雪礦物質飲品 330ml 乙支，數量有限，送完即止。

贈品

通訊 2010 年 2 月



2010Q1 Key Highlight Southern China Market

- Store traffic and comparable store sales were adversely affected by loss of cigarette sales
- Effective January 2010, started to pay VAT for all Hot & In food services products
- Comparable store sales narrowed to -0.6%
- Franchise stores all showing improvements in performance



2010Q1 Financial Results Highlight

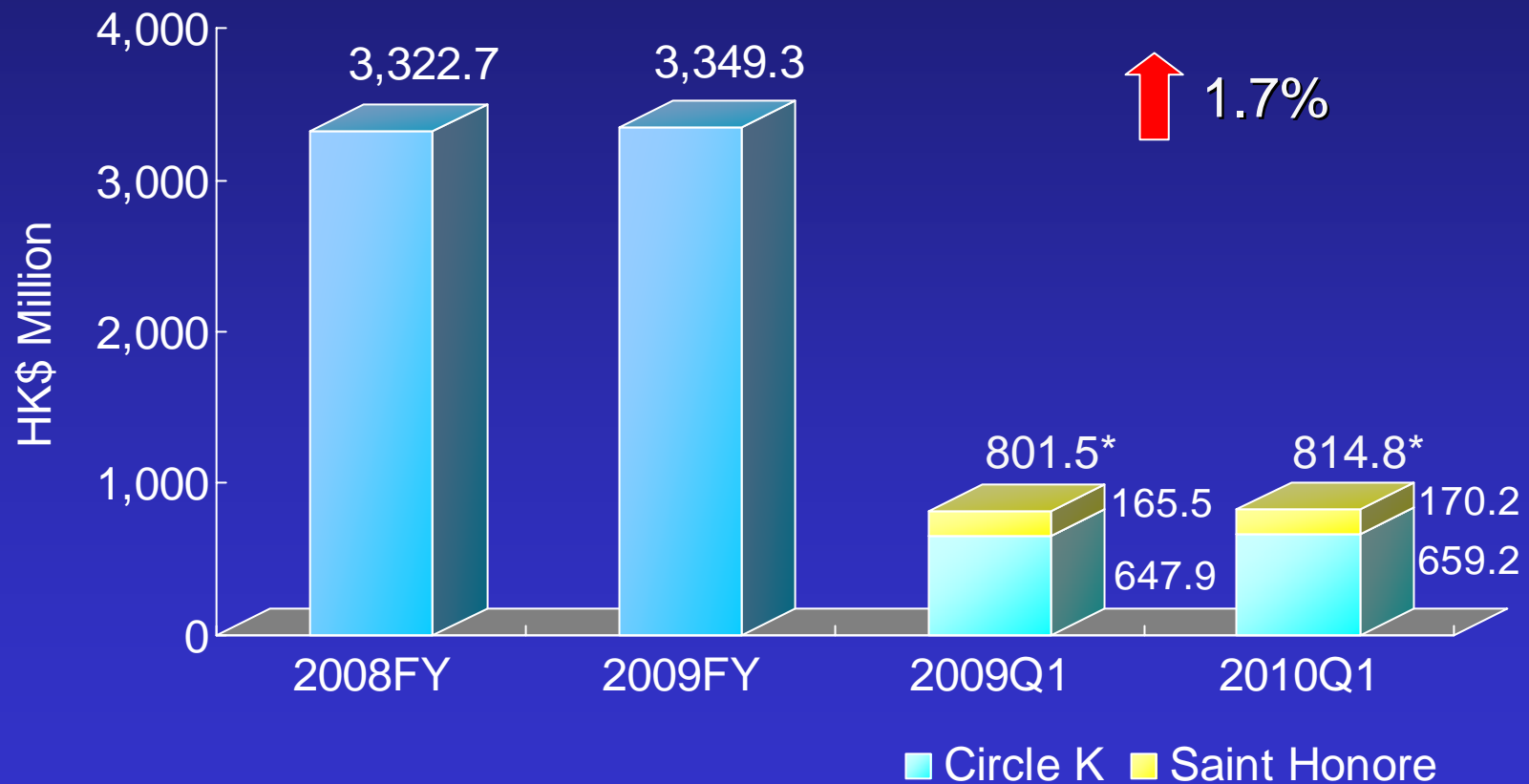


2010Q1 Financial Results Highlight Number of Stores

	End of 2009	Opened	Closed	End of 2010Q1
Circle K Hong Kong	299	6	(2)	303
Circle K Southern China	62	2	(6)	58
- Guangzhou (owned)	57	2	(5)	54
- Guangzhou (franchised)	4	0	(1)	3
- Shenzhen	1	0	0	1
Circle K Macau (J.V.)	19	2	0	21
Circle K Zhuhai (J.V.)	12	1	(1)	12
Saint Honore Group	101	0	0	101
CRA Group Total	493	11	(9)	495



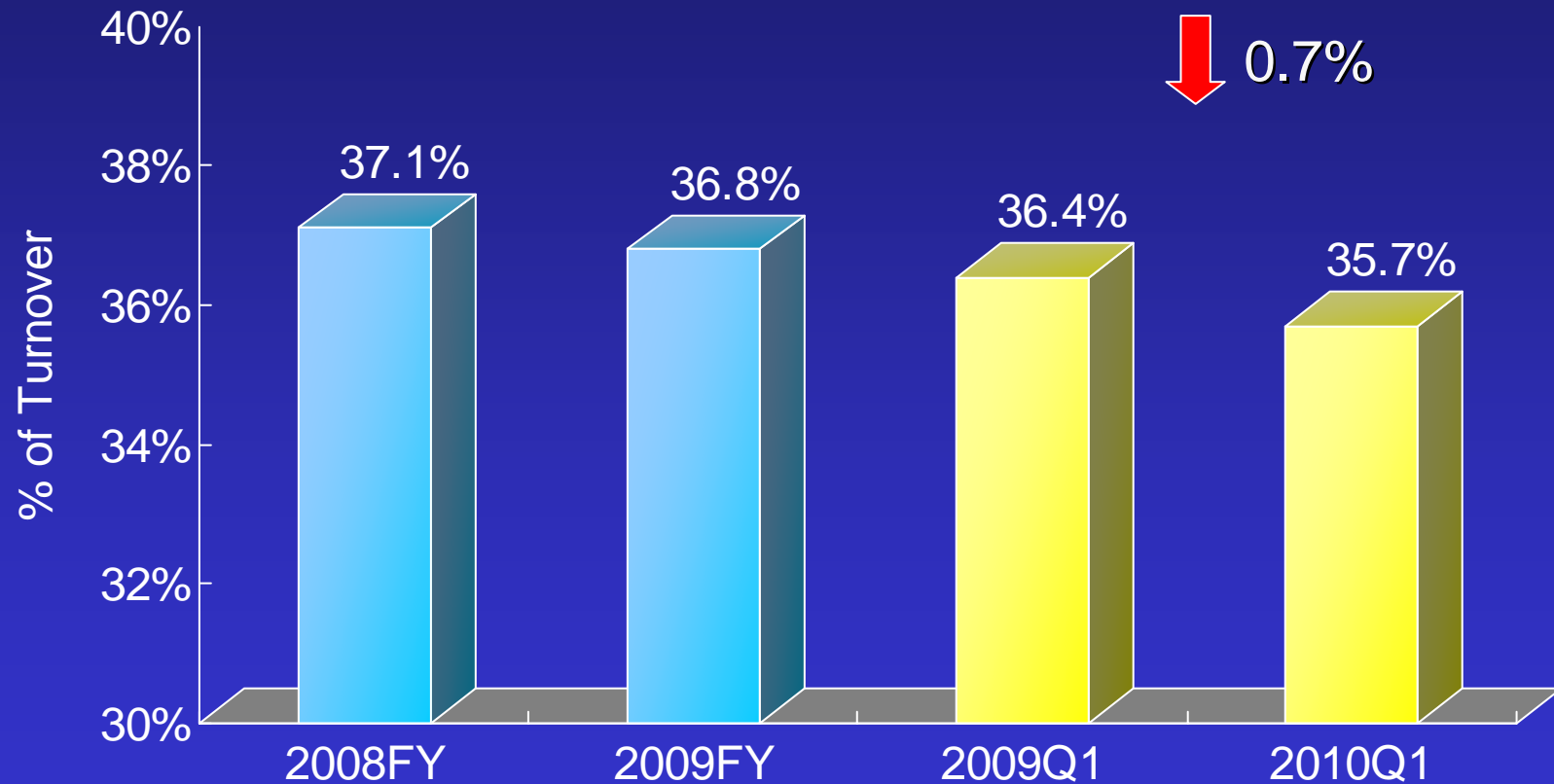
2010Q1 Financial Results Highlight Group Turnover



* Less inter-group sales: HK\$11.9M in 2009Q1 and HK\$14.6M in 2010Q1



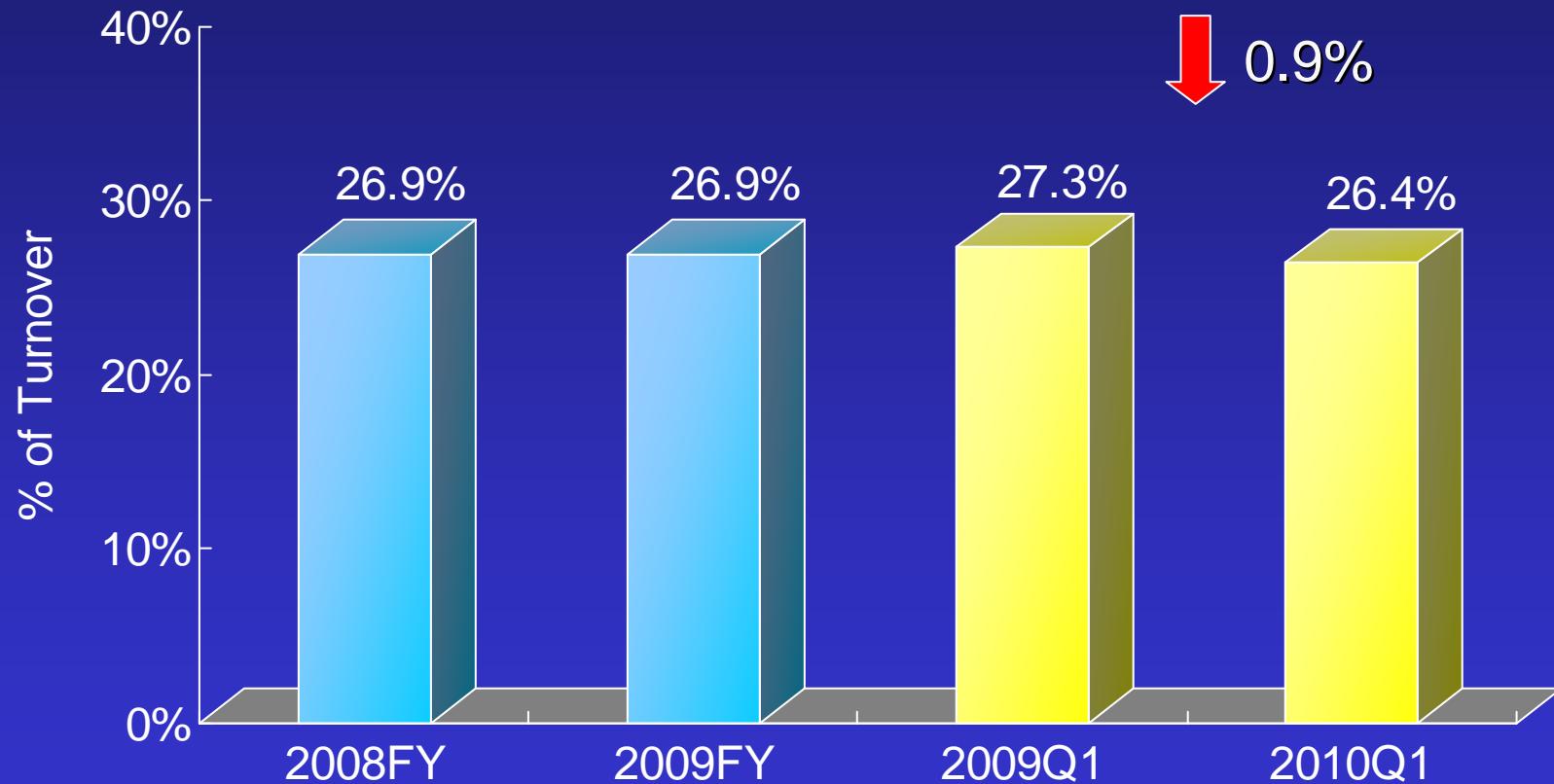
2010Q1 Financial Results Highlight Gross Margin / Other Income



* Excluding interest income

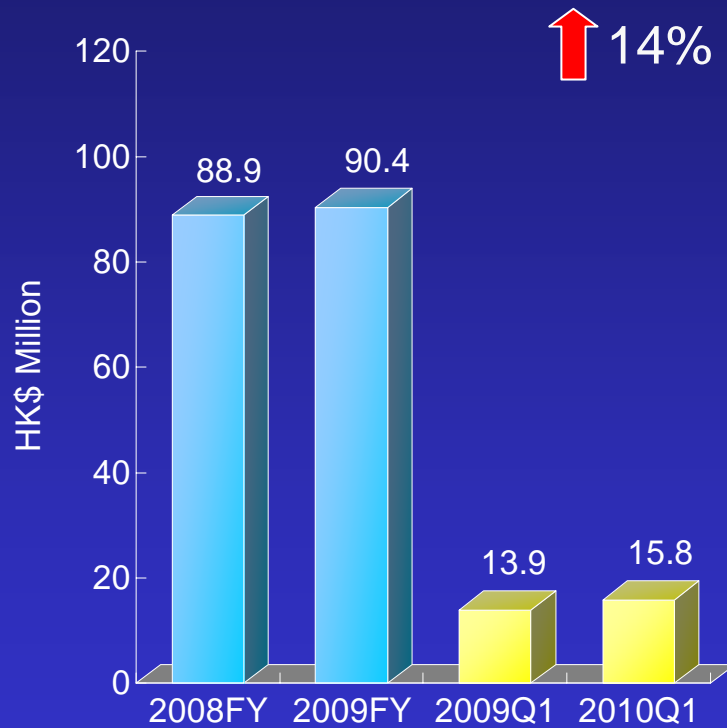


2010Q1 Financial Results Highlight Store Operating Expenses

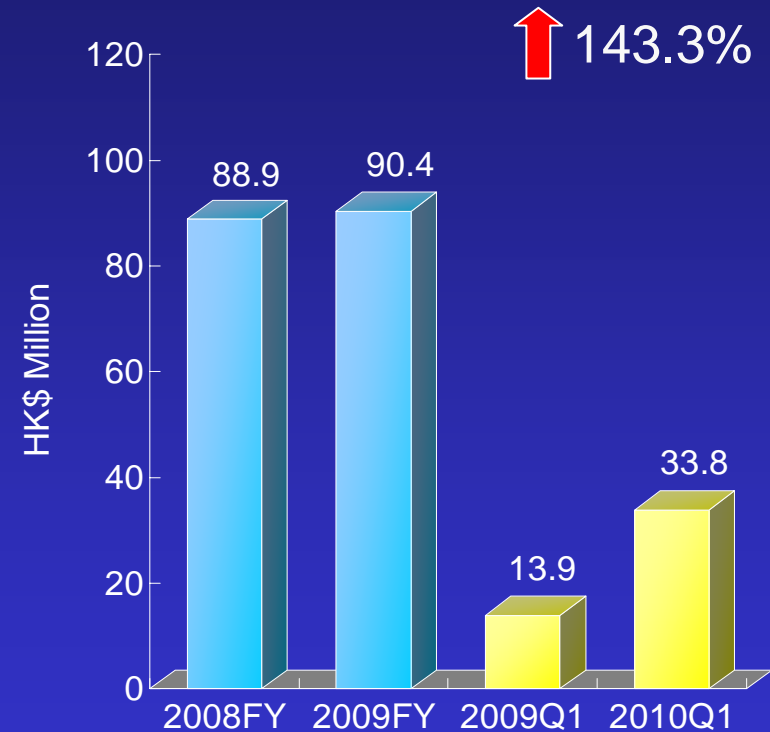




2010Q1 Financial Results Highlight Group Net Profit



** Net profit from business operations*



** 2010Q1 net profit including \$18M gain on disposal of property*

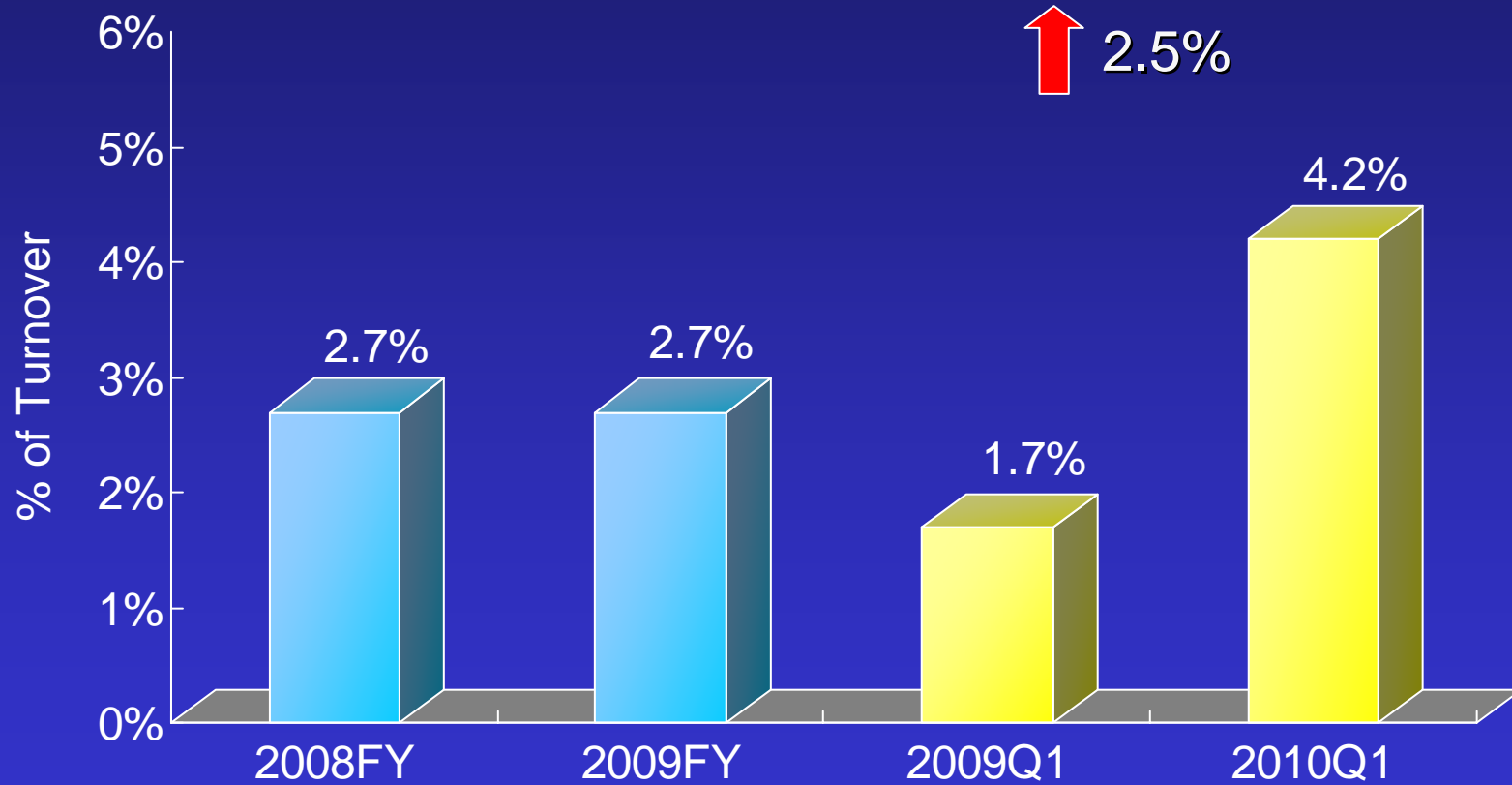


2010Q1 Financial Results Highlight Net Profit By Market

<i>(HK\$'000)</i>	2009Q1	2010Q1	Change
Hong Kong & Macau Markets	23,161	40,750	+75.9%
China Market	(9,260)	(6,926)	+25.2%
CRA Group Total	13,901	33,824	+143.3%

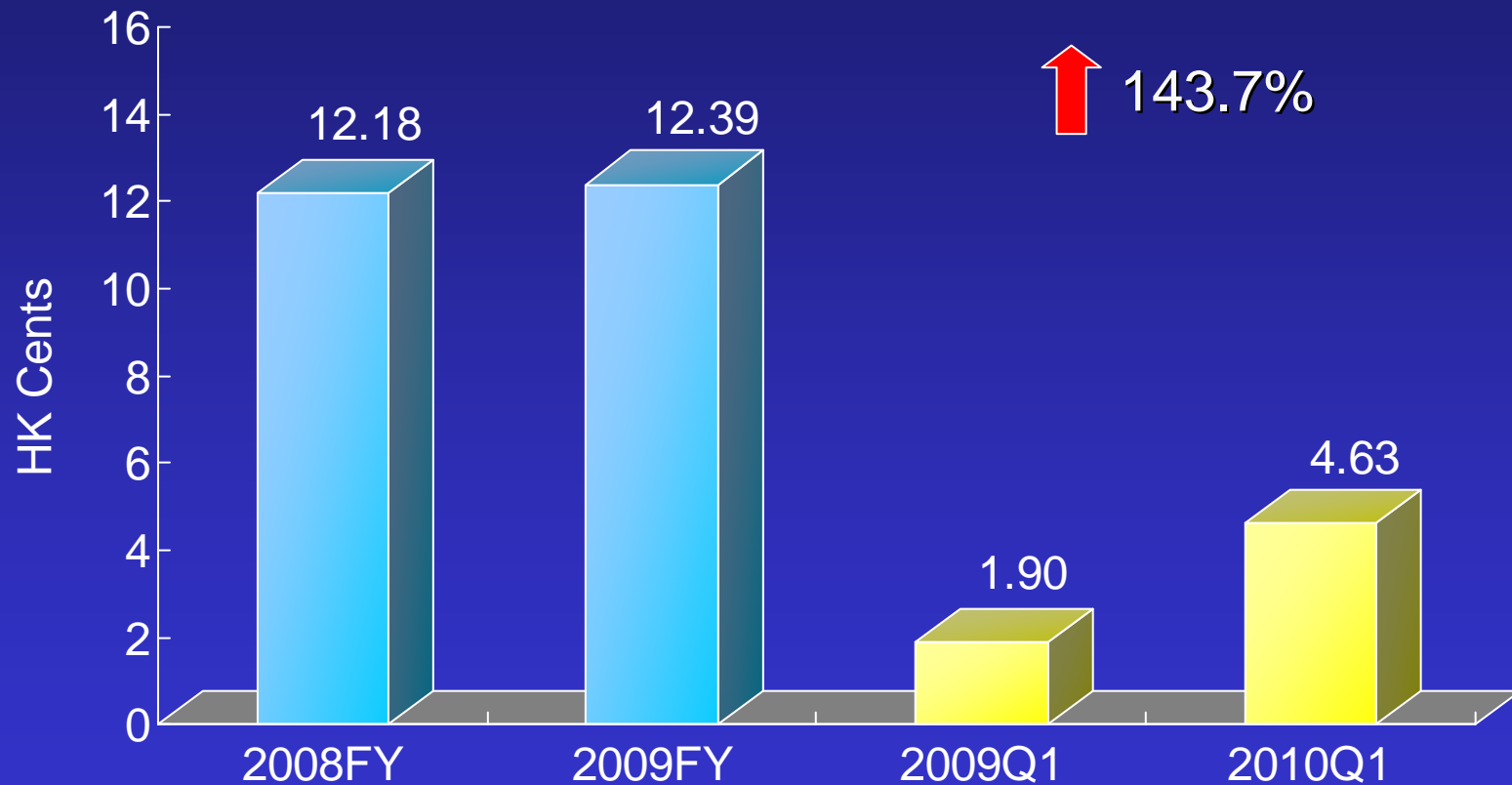


2010Q1 Financial Results Highlight Net Profit as % of Turnover





2010Q1 Financial Results Highlight Basic Earning Per Share





2010Q1 Financial Results Highlight

	2009Q1	2010Q1	Change
Number of Stores	500	495	-1.0%
Group Turnover (HK\$M)	801.5	814.8	+1.7%
Group Net Profit (HK\$M)	13.9	33.8	+143.3%
Net Profit as % of Turnover	1.7%	4.2%	2.5%
Basic Earnings Per Share	1.90 cents	4.63 cents	+143.7%



2010 Update and Outlook



2010 Update & Outlook

- Demand volume expected to be constant and sales value increase mainly due to inflation factor
- Intense competition limiting increase in prices and gross margin
- Raw material cost, labour and rental expenses all showing signs of increase
- Circle K Hong Kong and Saint Honore both trending well
- CRSC bottomed out and starting to show up trend again



To Summarize

- 2010Q1 retail volume almost unchanged
- Aggressive restructuring in Southern China, creative promotions in Hong Kong as well as tight control of expenses led to satisfactory improvement in sales and profitability for 2010Q1
- Similar trends for April and May
- Outlook for June to December 2010 is expected to be better