

# Dairy Farm



fresh



trendy



convenient



healthy



# **Dairy Farm International Holdings Limited 2008 Preliminary Announcement of Results**

Supplementary Financial Information

# 2008 Highlights

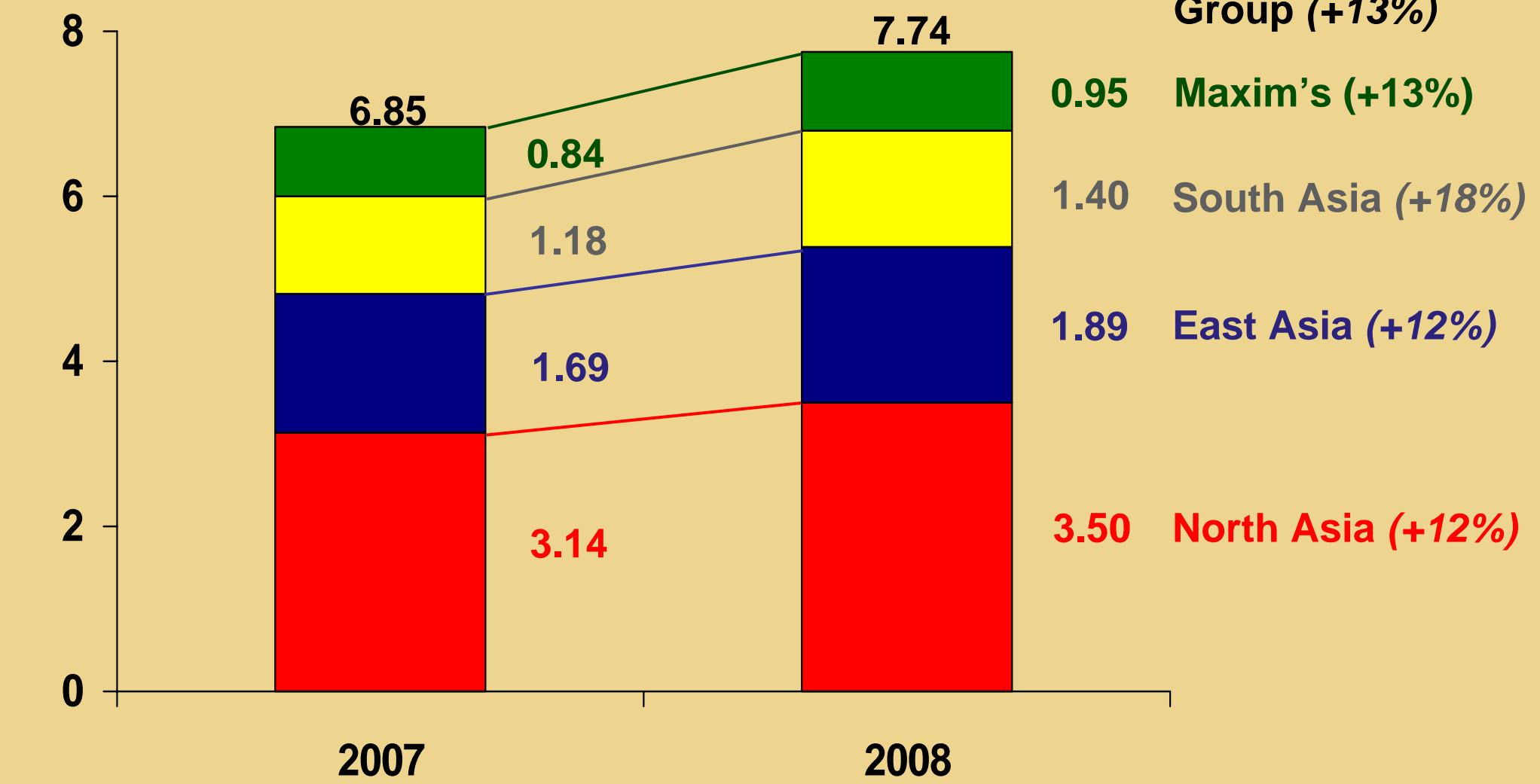
- Sales US\$7,742m (+13%)
- Underlying PATAM US\$320m (+24%)
- Reported PATAM US\$333m (+29%)
- Underlying EPS US¢23.77 (+24%)
- Ordinary dividend US¢14 (+22%)
- Store network 4,649 (+500 vs *Dec 07*)

*Note: Exchange effect on Sales: +2%; PATAM: +2%*

# Sales



(US\$b)



# Key financials

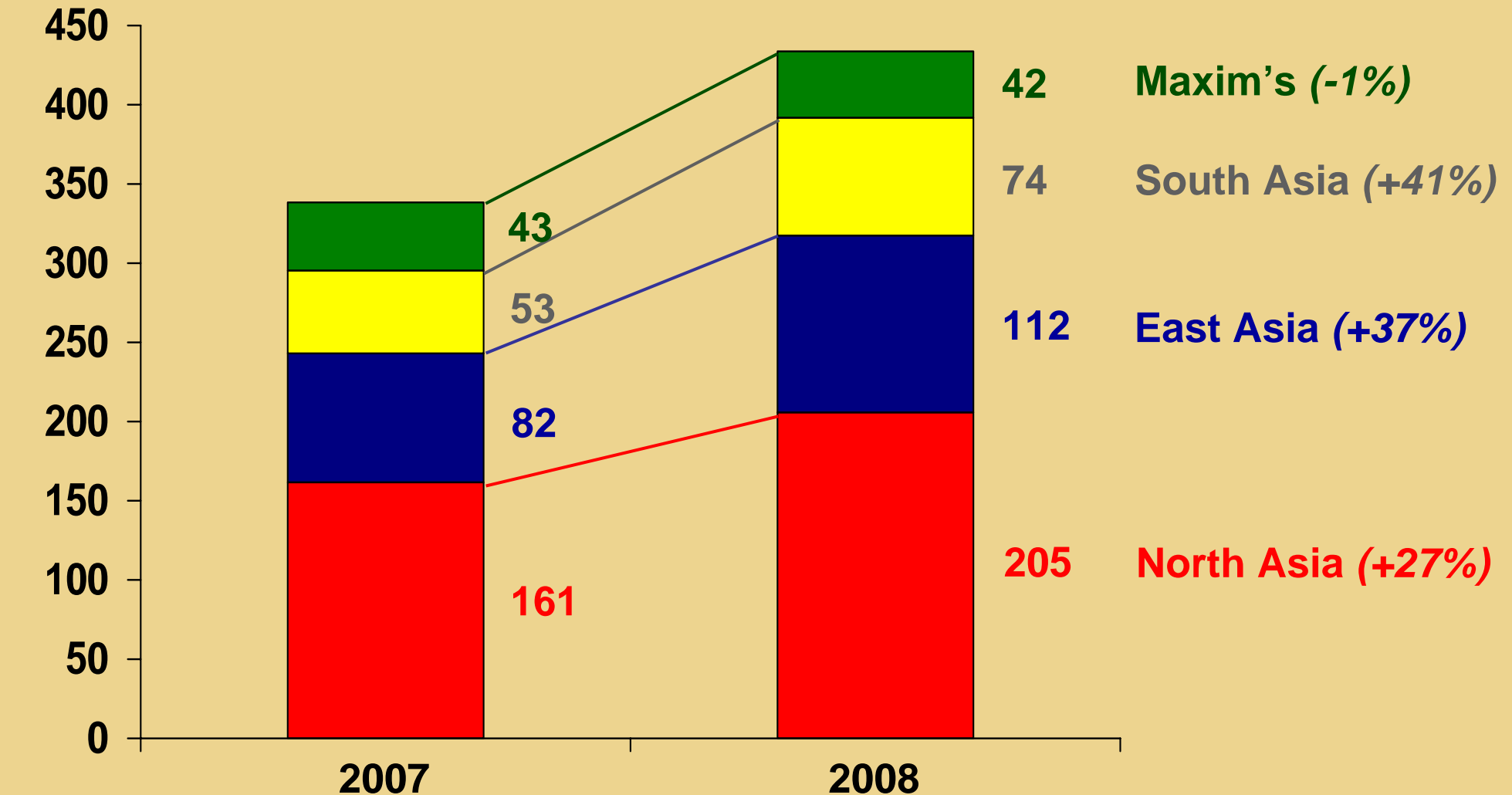


<i>(US\$m)</i>	<u>2007</u>	<u>2008</u>	<u>Increase</u>	
Sales incl. associates	6,845	<b>7,742</b>	897	13%
Underlying EBITDA	399	<b>509</b>	110	28%
Underlying PBIT	314	<b>411</b>	97	31%
Underlying PATAM	258	<b>320</b>	62	24%
Underlying EPS (US¢)	19.19	<b>23.77</b>	4.58	24%

# Underlying PBIT by region



(US\$m)



# Retail PBIT by format



(US\$m)

	<u>2007</u>	<u>2008</u>	<u>Increase</u>	
Super / hypermarkets	152	<b>206</b>	54	36%
H&B stores	72	<b>94</b>	22	31%
C-stores	60	<b>70</b>	10	17%
IKEA	5	<b>10</b>	5	>100%

# Underlying PATAM



<i>(US\$m)</i>	<u>2007</u>	<u>2008</u>	<u>Change</u>
Underlying PBIT	314	411	97
Net interest expense	(3)	(14)	(11)
Tax	(54)	(77)	(23)
Minorities	1	-	(1)
Underlying PATAM	<u>258</u>	<u>320</u>	62

# Non-trading items



*(US\$m)*

Cash

Profit

Sale of interests in  
Olive Young, S. Korea

21

12

Sale of club debentures

1

1

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22

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13

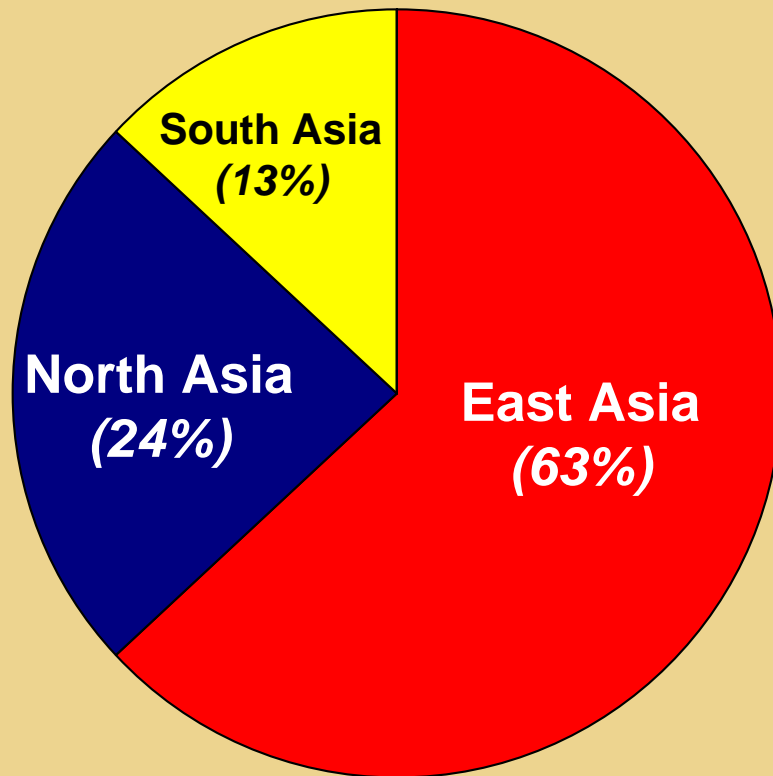
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# Capex

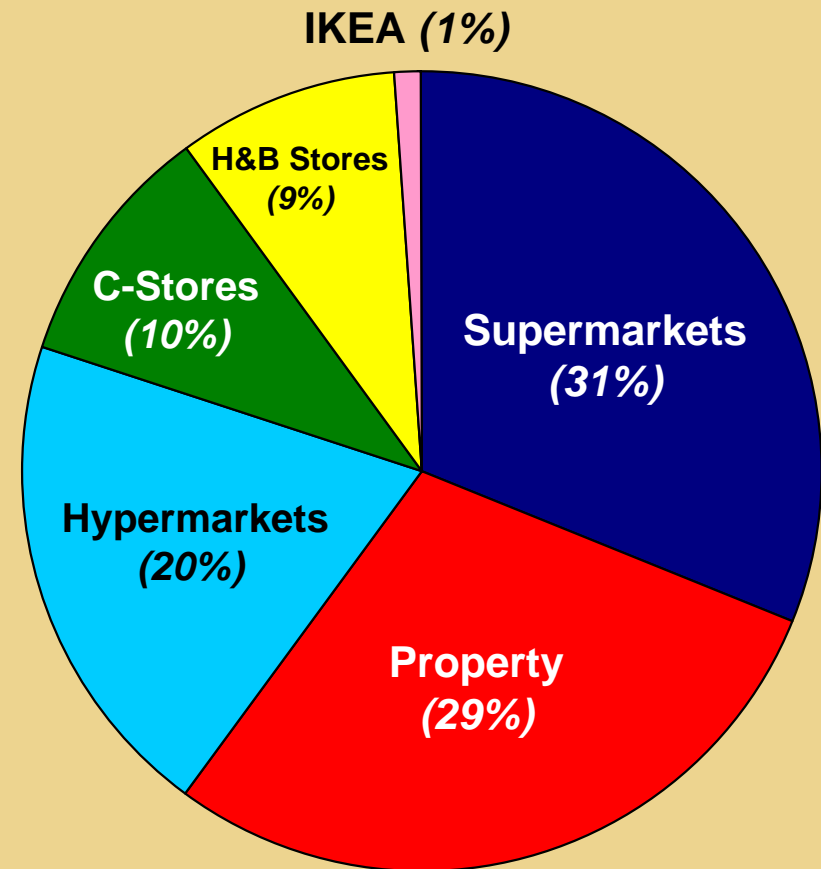


Total: US\$308m

By region



By format

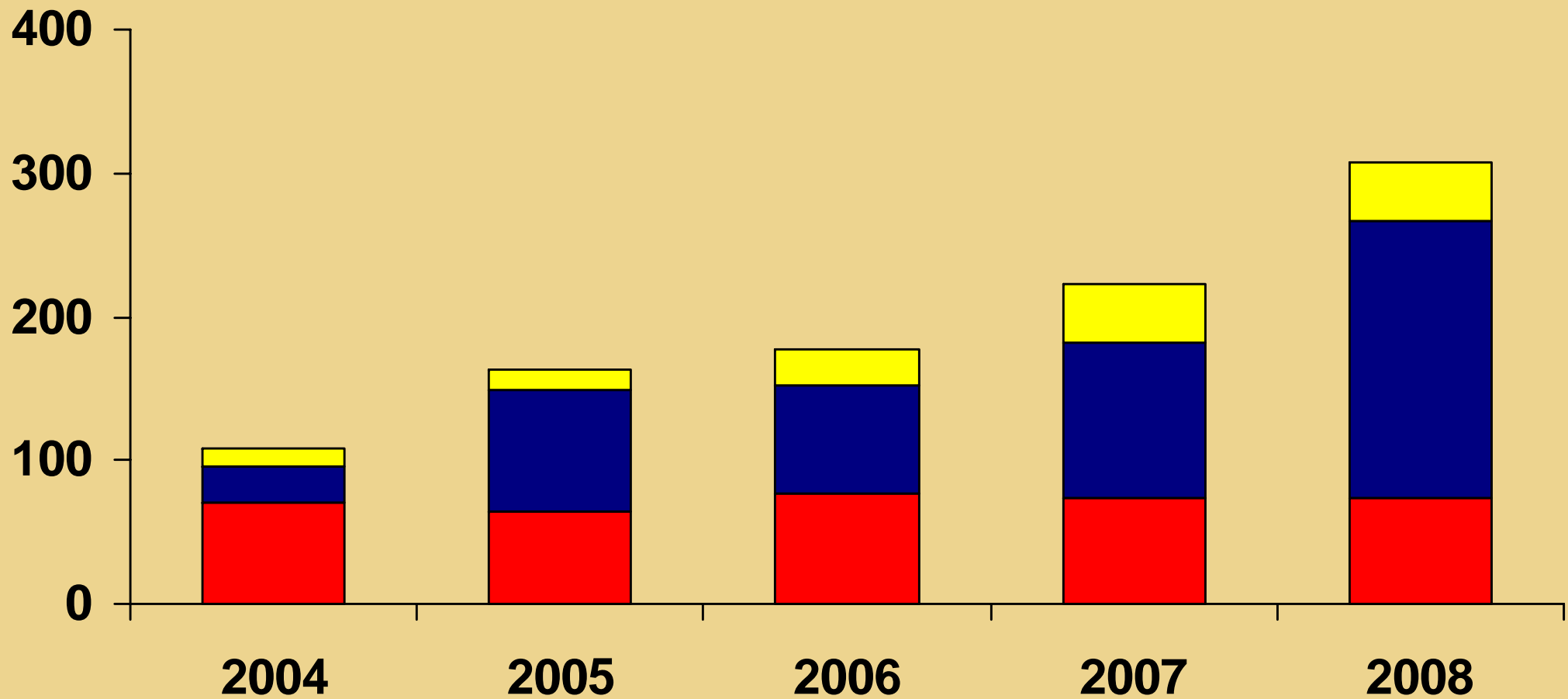


# Total capex



(US\$m)

- South Asia
- East Asia
- North Asia



# Cash flow (I)



<i>(US\$m)</i>	<u>2007</u>	<u>2008</u>
Underlying EBITDA	399	<b>509</b>
Dividends from associates	26	<b>25</b>
Working capital	84	<b>37</b>
Interest / tax / other	<u>(35)</u>	<u>(48)</u>
Operating cash flow	474	<b>523</b>
Normal capex	<u>(209)</u>	<u>(257)</u>
Free cash flow	<u>265</u>	<u><b>266</b></u>

# Cash flow (II)



(US\$m)

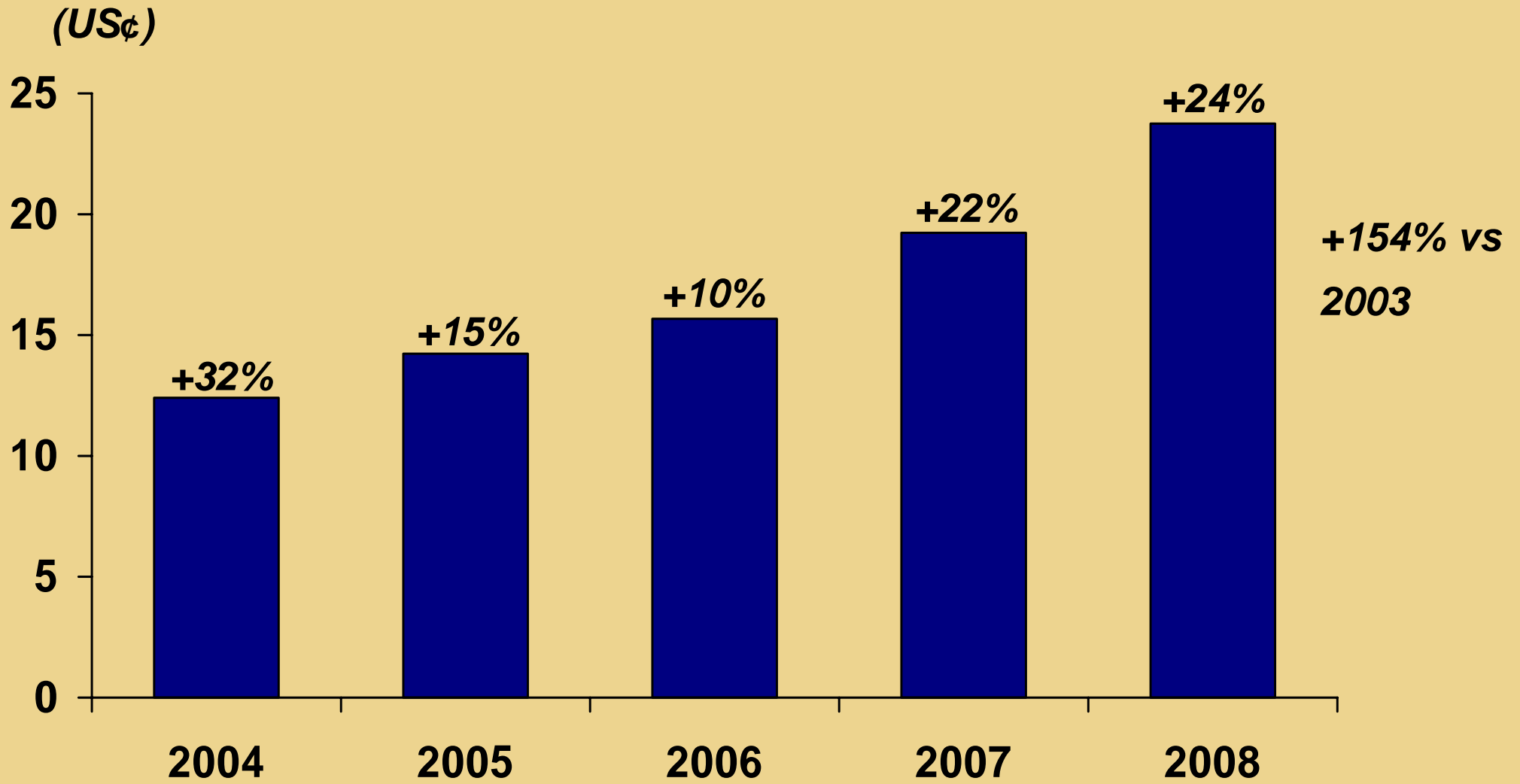
	<u>2007</u>	<u>2008</u>
Free cash flow	265	<b>266</b>
Investment / asset sales	6	<b>22</b>
Investment capex	(14)	<b>(51)</b>
Dividends paid - ordinary	(132)	<b>(168)</b>
- special	(215)	-
Net cash (outflow) / inflow	<u>(90)</u>	<u><b>69</b></u>

# Balance sheet

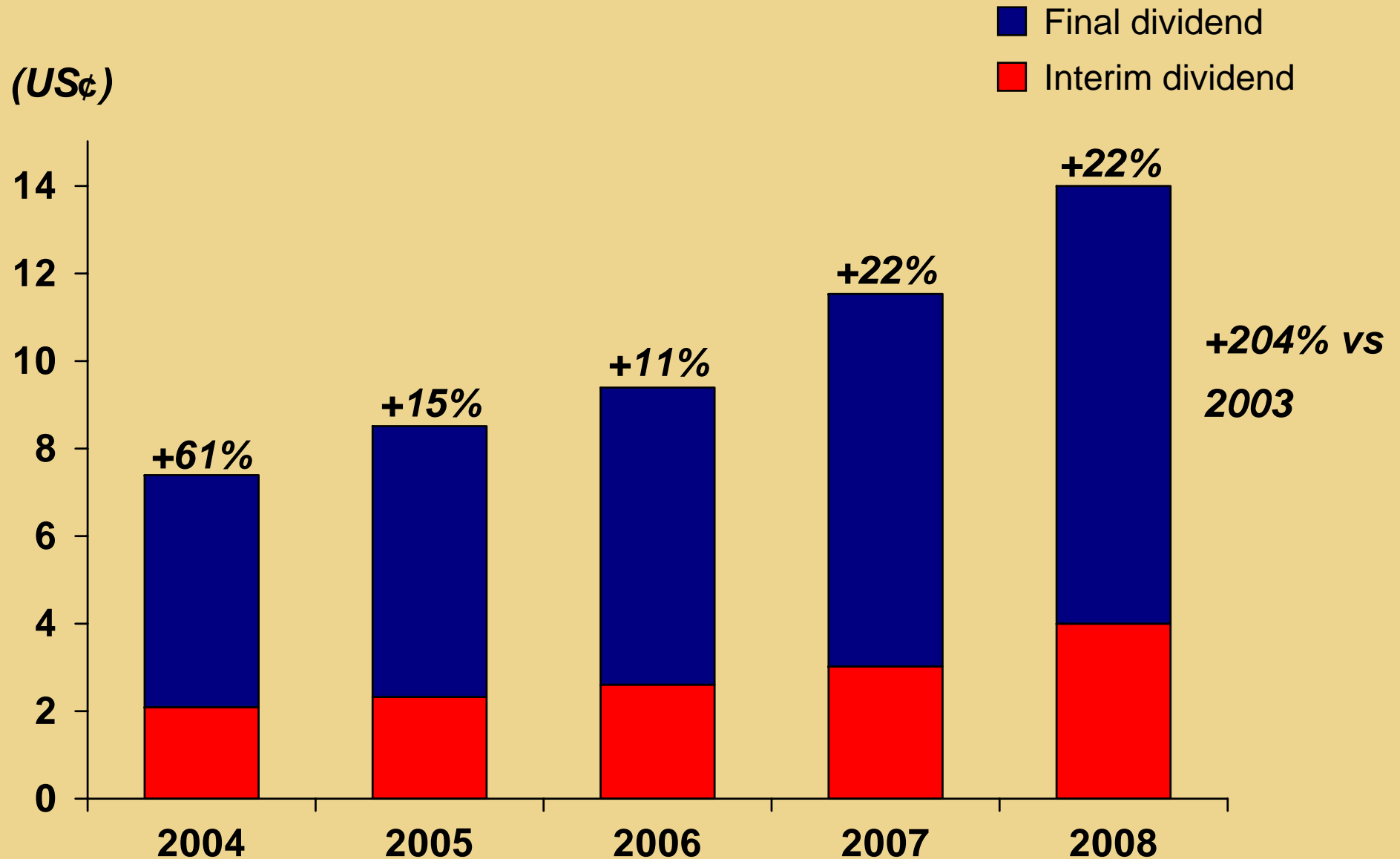


<i>(US\$m)</i>	<u>At 31/12/07</u>	<u>At 31/12/08</u>
Property	231	<b>280</b>
Other fixed assets	805	<b>753</b>
Net working capital	(712)	<b>(695)</b>
Net debt	<u>(83)</u>	<u><b>(4)</b></u>
Total equity	<u>241</u>	<u><b>334</b></u>
<i>Net debt / equity ratio</i>	35%	<b>1%</b>
<i>Net interest cover</i>	153x	<b>38x</b>

# Underlying earnings per share



# Ordinary dividends per share



# Trading Outlook



- Acceptable sales in early 2009
- “Discretionary” sales more affected
- Sales in Taiwan and Southern China likely to be weaker

# Retail Outlets Summary



	<i>As at 31st December</i>				
	2008	2007	2006	2005	2004
<b>Hong Kong</b>					
• Wellcome/MarketPlace/ThreeSixty/Oliver's supermarkets	264	256	248	247	242
• 7-Eleven convenience stores	899	828	747	665	610
• Mannings health and beauty stores	282	250	243	230	219
• IKEA home furnishings stores	3	3	3	4	4
• Maxim's					
Chinese restaurants	60	57	55	60	58
Fast food/catering services	98	101	95	95	95
Cake shops/bakeries	213	153	147	145	141
European restaurants/other	28	29	27	19	18
Starbucks+	110	98	72	60	46
Genki Sushi	36	32	23	-	-
<b>Brunei</b>					
• Giant hypermarkets	1	-	-	-	-
• Guardian health and beauty stores	10	-	-	-	-
<b>India</b>					
• Foodworld supermarkets	67	74	55	46	94
• Health and Glow health and beauty stores	60	57	42	34	30
<b>Indonesia</b>					
• Hero/Giant supermarkets	108	105	99	95	99
• Giant hypermarkets	26	17	17	12	10
• Guardian health and beauty stores	180	155	134	101	81
• Starmart convenience stores	116	98	70	54	43
<b>Macau</b>					
• 7-Eleven convenience stores	35	30	24	16	-
• Mannings health and beauty stores	7	5	4	2	-
• Starbucks+	4	4	2	1	1
<b>Mainland China</b>					
• 7-Eleven convenience stores	506	440	284	241	188
• Mannings health and beauty stores	70	30	12	11	4
• Maxim's					
Cake shops	30	15	7	6	-
Starbucks+	87	67	35	20	12
Fast Food/other	5	4	4	5	5
<b>Malaysia</b>					
• Giant/Cold Storage supermarkets	65	60	58	49	47
• Giant hypermarkets	44	41	28	22	13
• Guardian health and beauty stores	323	288	228	171	157
<b>Singapore</b>					
• Cold Storage/MarketPlace/Shop N Save supermarkets	91	85	80	80	77
• Giant hypermarkets	7	6	8	7	6
• 7-Eleven convenience stores	435	415	345	315	261
• Guardian health and beauty stores	120	118	123	127	112
• Photo Finish	9	14	17	19	32
<b>Taiwan</b>					
• Wellcome/Jasons supermarkets	243	207	182	167	167
• IKEA home furnishings stores	4	4	4	2	2
<b>Vietnam</b>					
• Wellcome supermarkets	3	3	2	-	-
<b>Total</b>	<b>4,649</b>	<b>4,149</b>	<b>3,524</b>	<b>3,128</b>	<b>2,874</b>

Note: Includes associates and joint ventures.

+ Starbucks stores in Hong Kong, Macau, South and South West China are owned by joint venture companies established by Maxim's Caterers Limited (in Hong Kong and Macau)/Mei-Xin (International) Limited (in South and South West China) and Starbucks Coffee International, Inc.