



Convenience Retail Asia Ltd
3rd Quarter 2007
Result Announcement

1 November 2007

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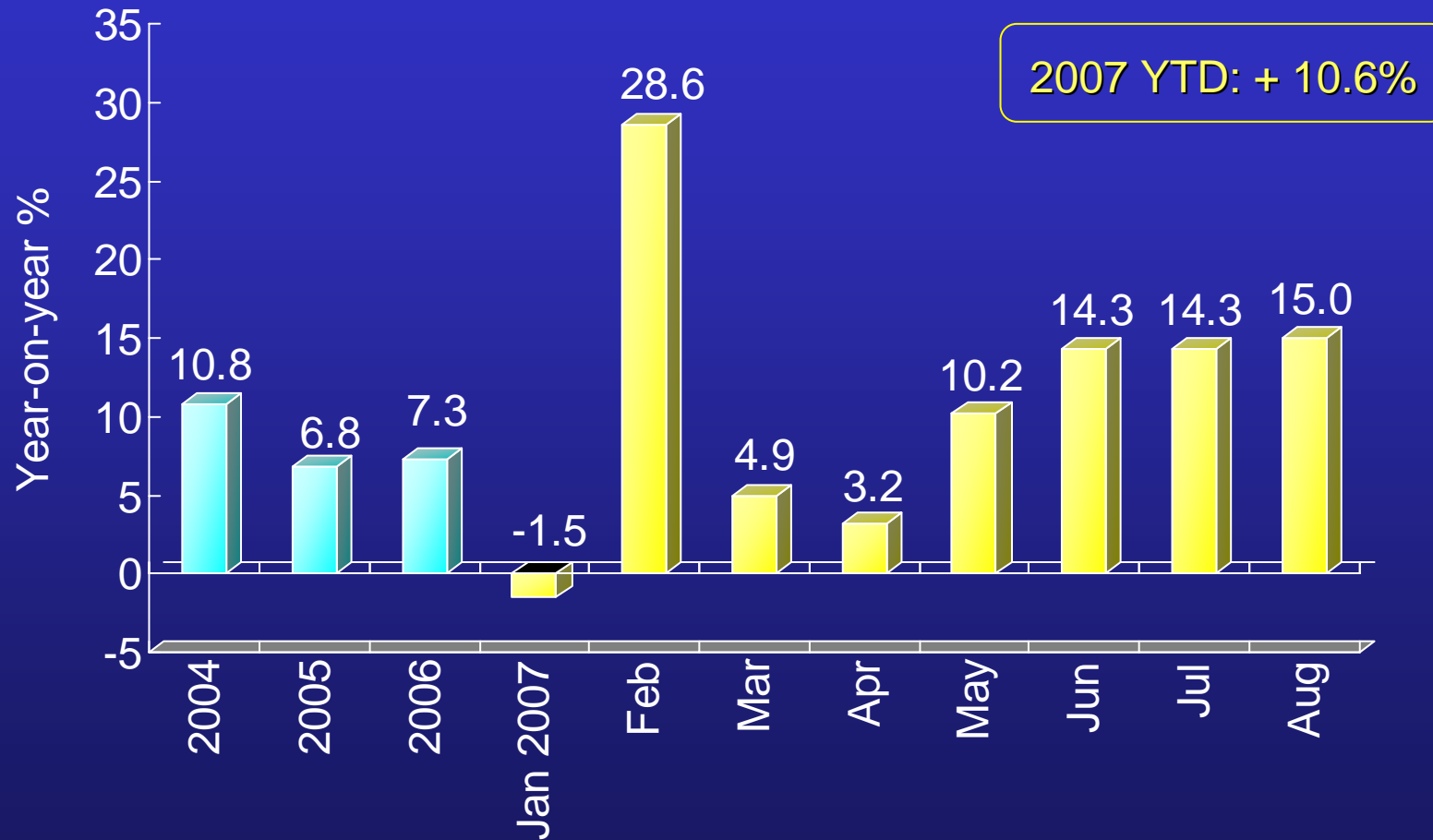


3rd Quarter 2007 Results Presentation Agenda

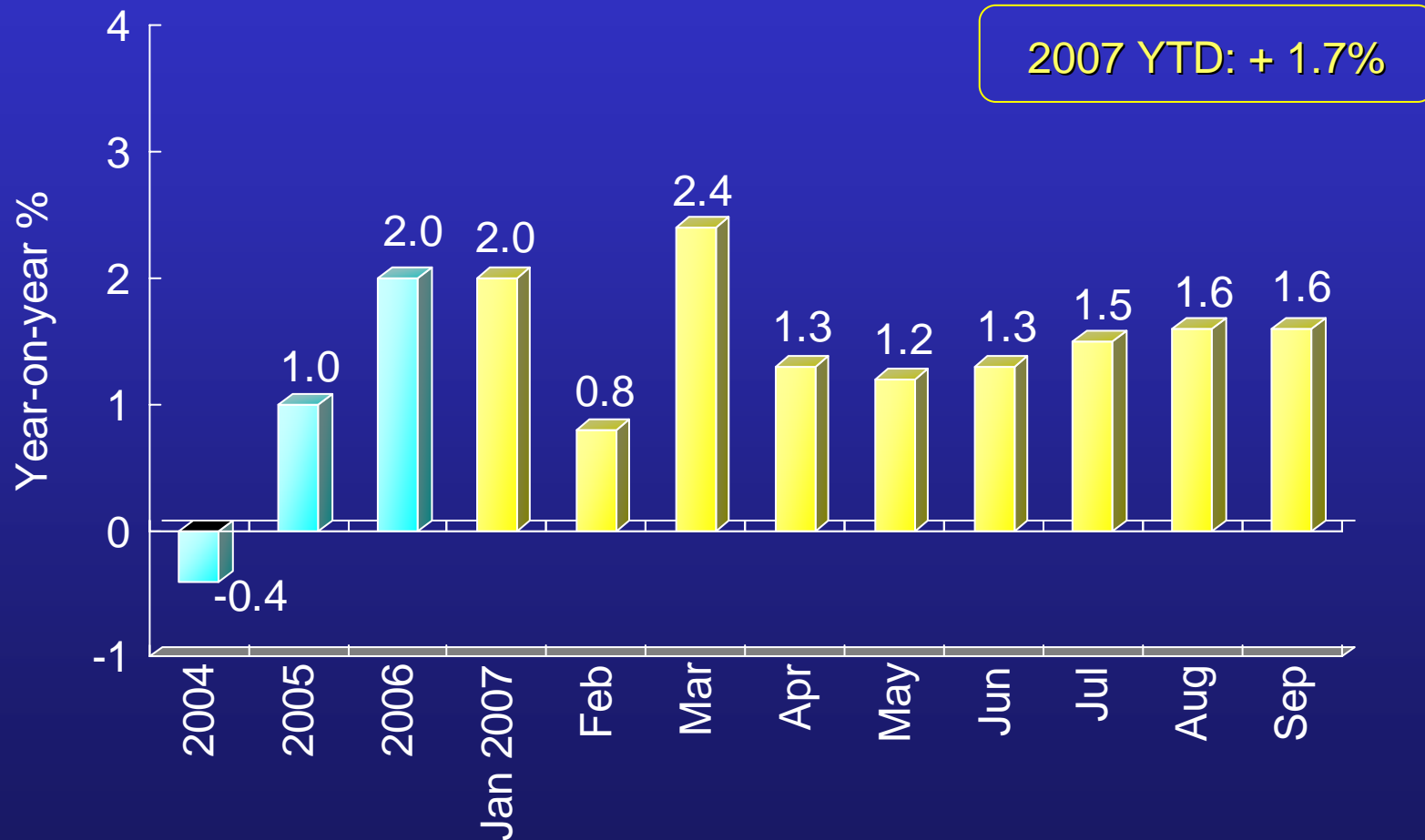
- Overall Hong Kong and Guangzhou Retail Markets Update
- 3rd Quarter 2007 Financial Results Highlights
- 2007 Update and Outlook



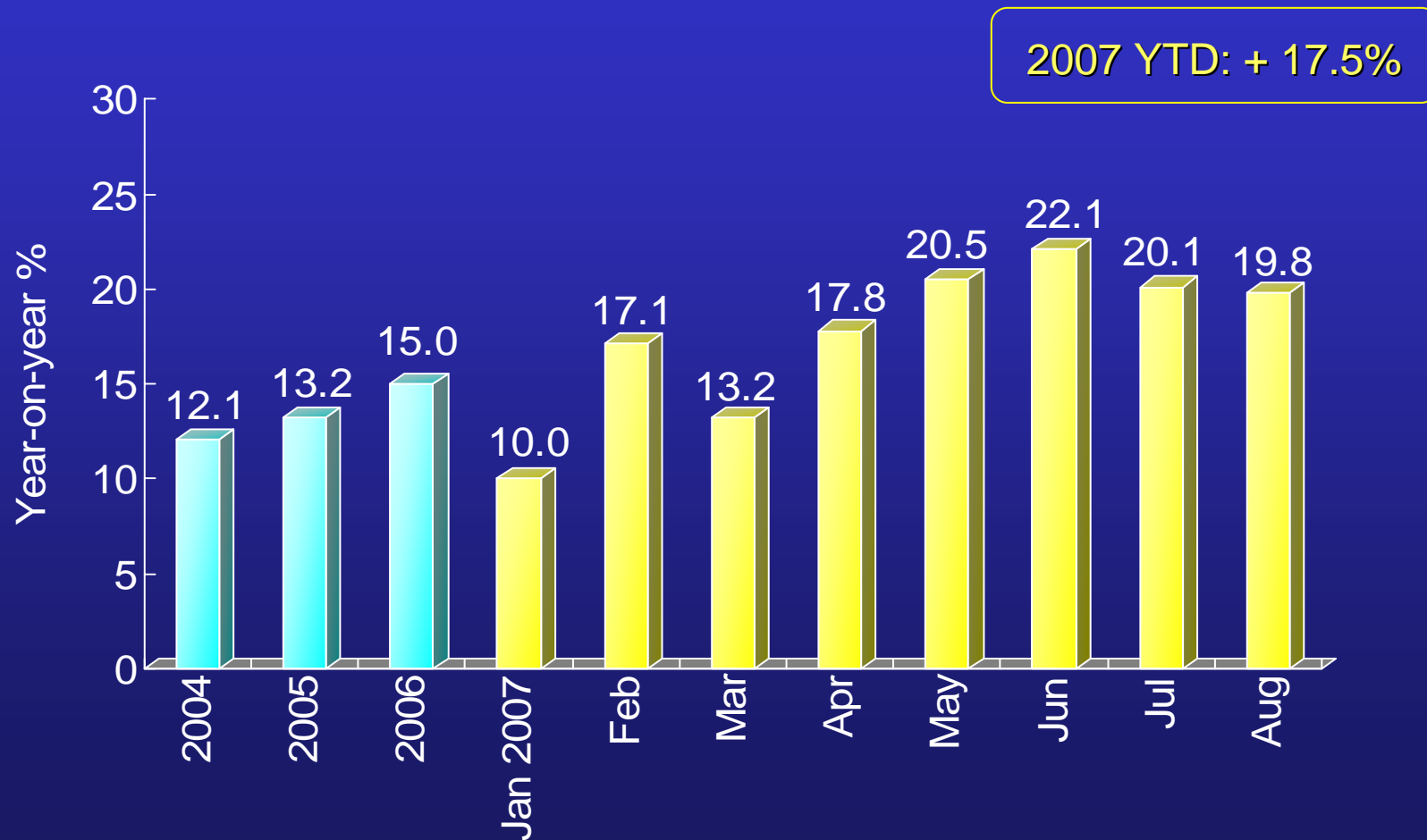
2007 HK Retail Sales Value Year-on-year % Change



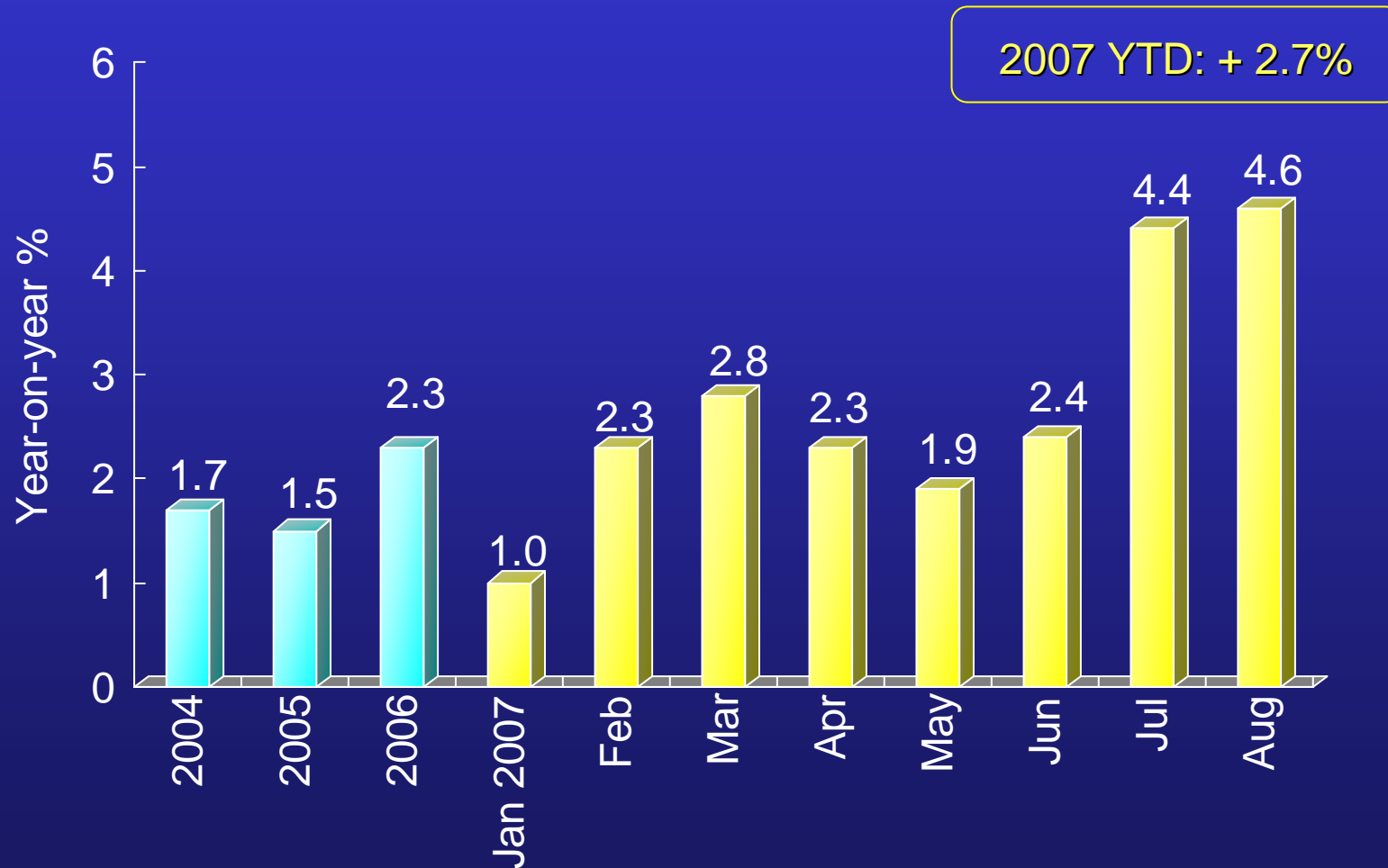
2007 HK Consumer Price Index Year-on-year % Change



2007 Guangzhou Retail Sales Value Year-on-year % Change



2007 Guangzhou City Consumer Price Index Year-on-year % Change





3rd Quarter 2007 Financial Results Highlights



2007 Financial Results Highlights No. of Stores – Circle K Group

	3rd Qtr 2006	3rd Qtr 2007
▪ Circle K Hong Kong	249	265
▪ Circle K Guangzhou	47	60
▪ Circle K Dongguan	7	9
▪ Circle K Shenzhen	2	3
CRA Operated Circle K Stores	305	337
▪ Zhuhai J.V.	6	10
▪ Macau J.V.	15	15
Total Circle K Stores	326	362

2007 Financial Results Highlights

No. of Stores – Saint Honore Group

	3rd Qtr 2007
<ul style="list-style-type: none"> ▪ Saint Honore Hong Kong <ul style="list-style-type: none"> • <i>Cake Shop</i> • <i>Bread Boutique</i> 	76
<ul style="list-style-type: none"> ▪ Saint Honore Macau 	7
<ul style="list-style-type: none"> ▪ Saint Honore Guangzhou 	9
Total Saint Honore Stores	92

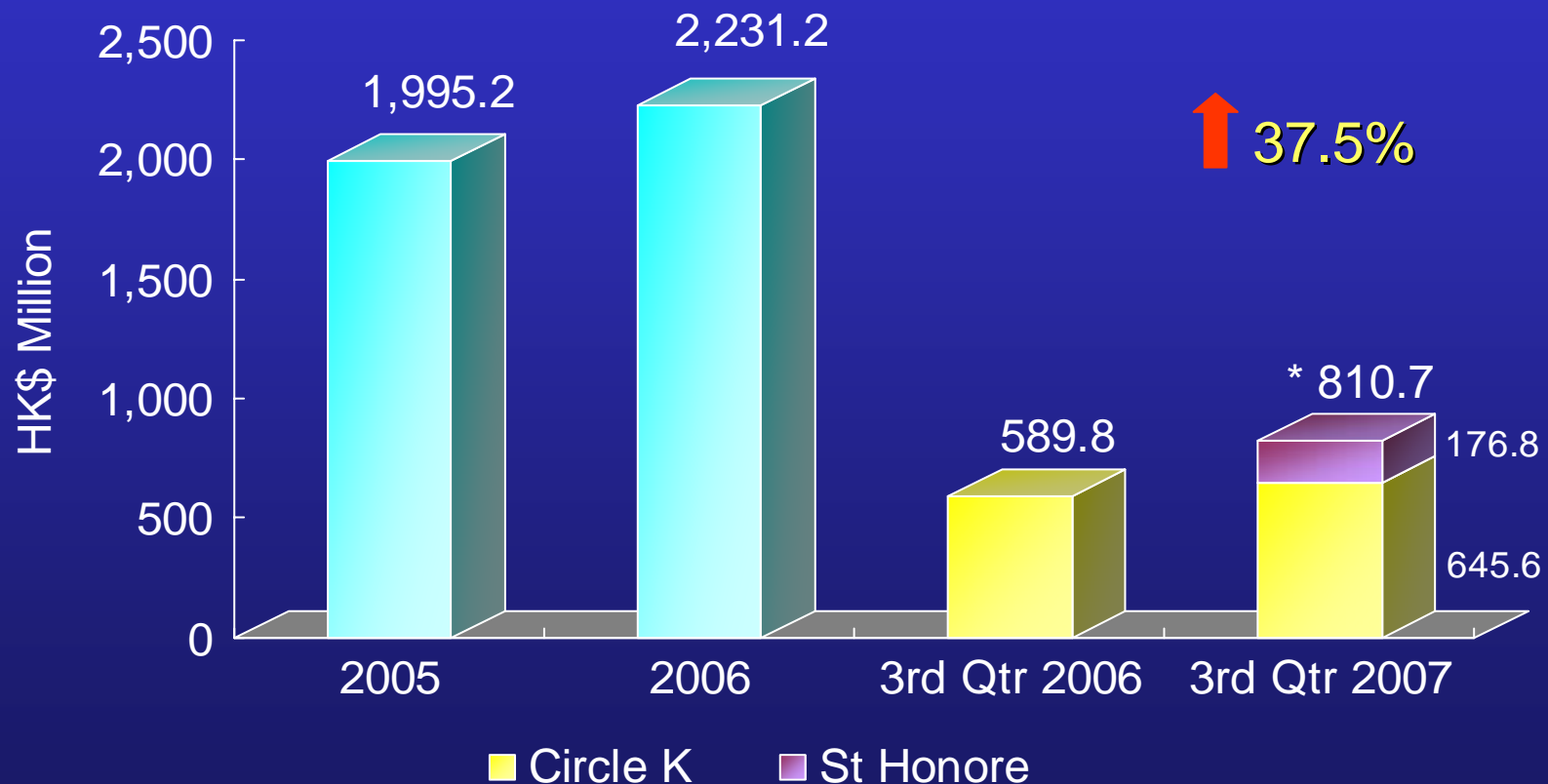


2007 Financial Results Highlights No. of Stores – CRA Group

	3rd Qtr 2006	3rd Qtr 2007
▪ Circle K Group	326	362
▪ Saint Honore Group	-	92
Total Number of Stores	326	454

2007 Financial Results Highlights

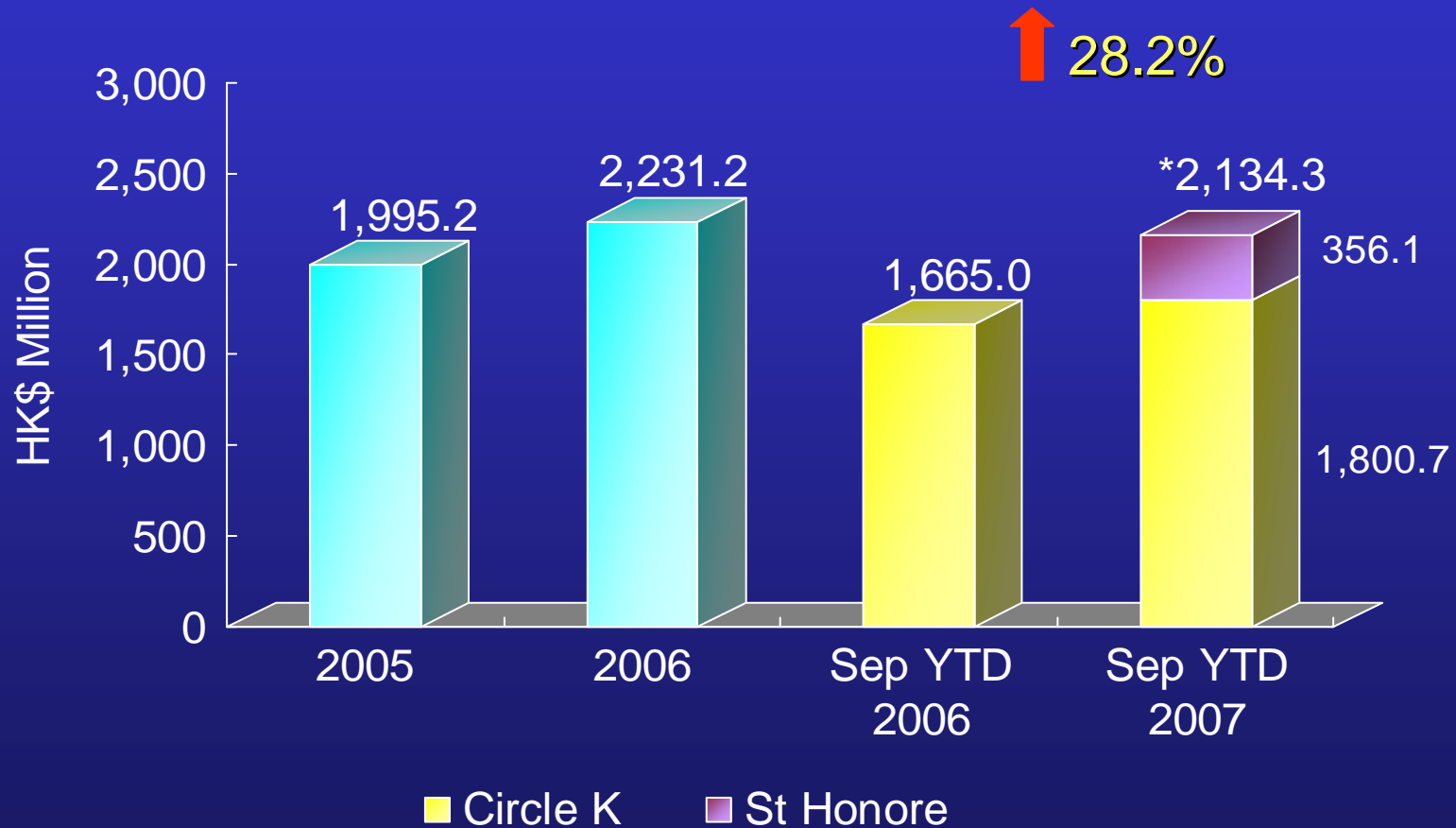
Group Turnover – 3rd Quarter



* After consolidation adjustment (less inter-group sales HK\$11.7M)

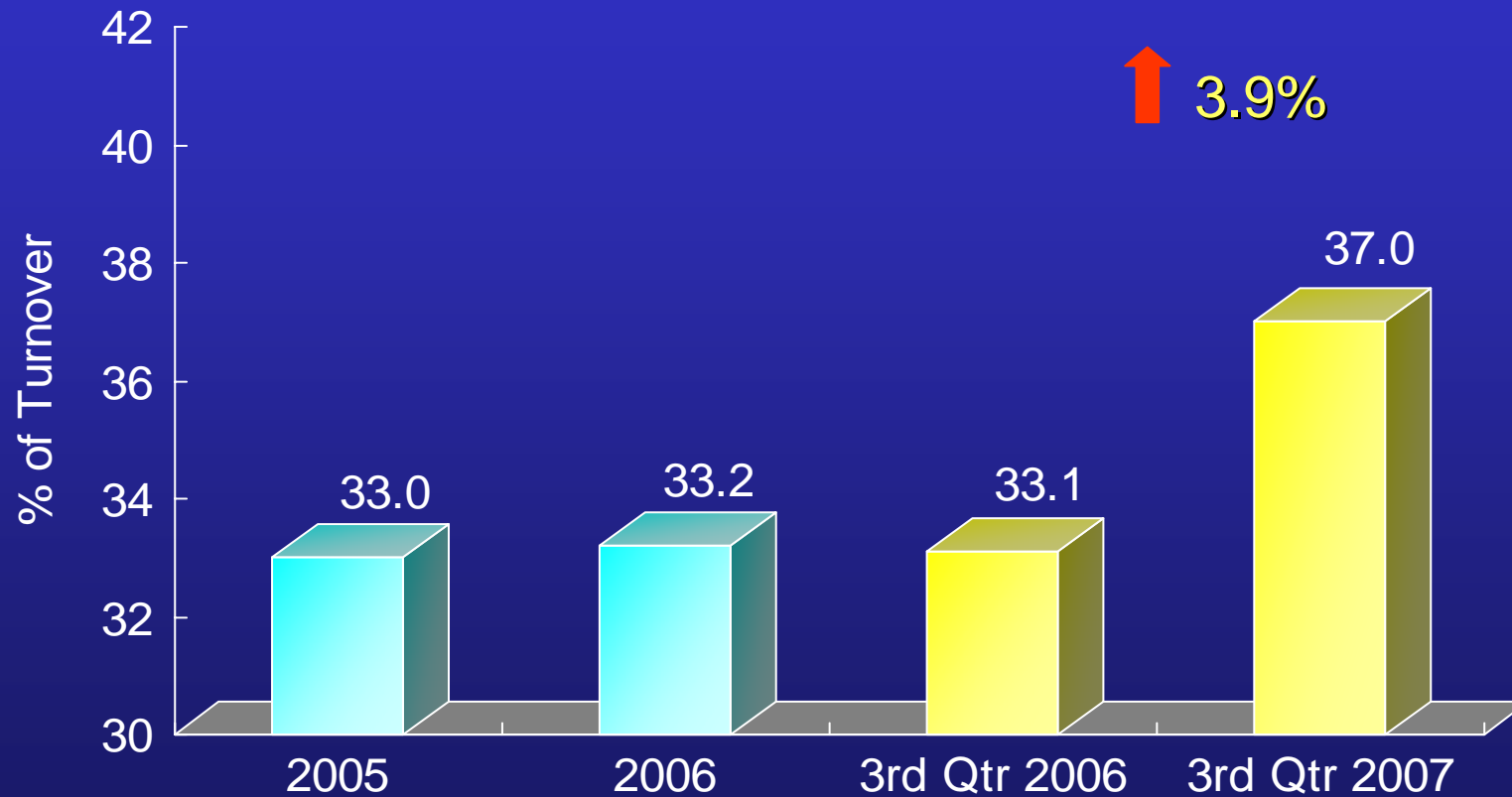
2007 Financial Results Highlights

Group Turnover – Sep YTD



* After consolidation adjustment (less inter-group sales HK\$22.5M)

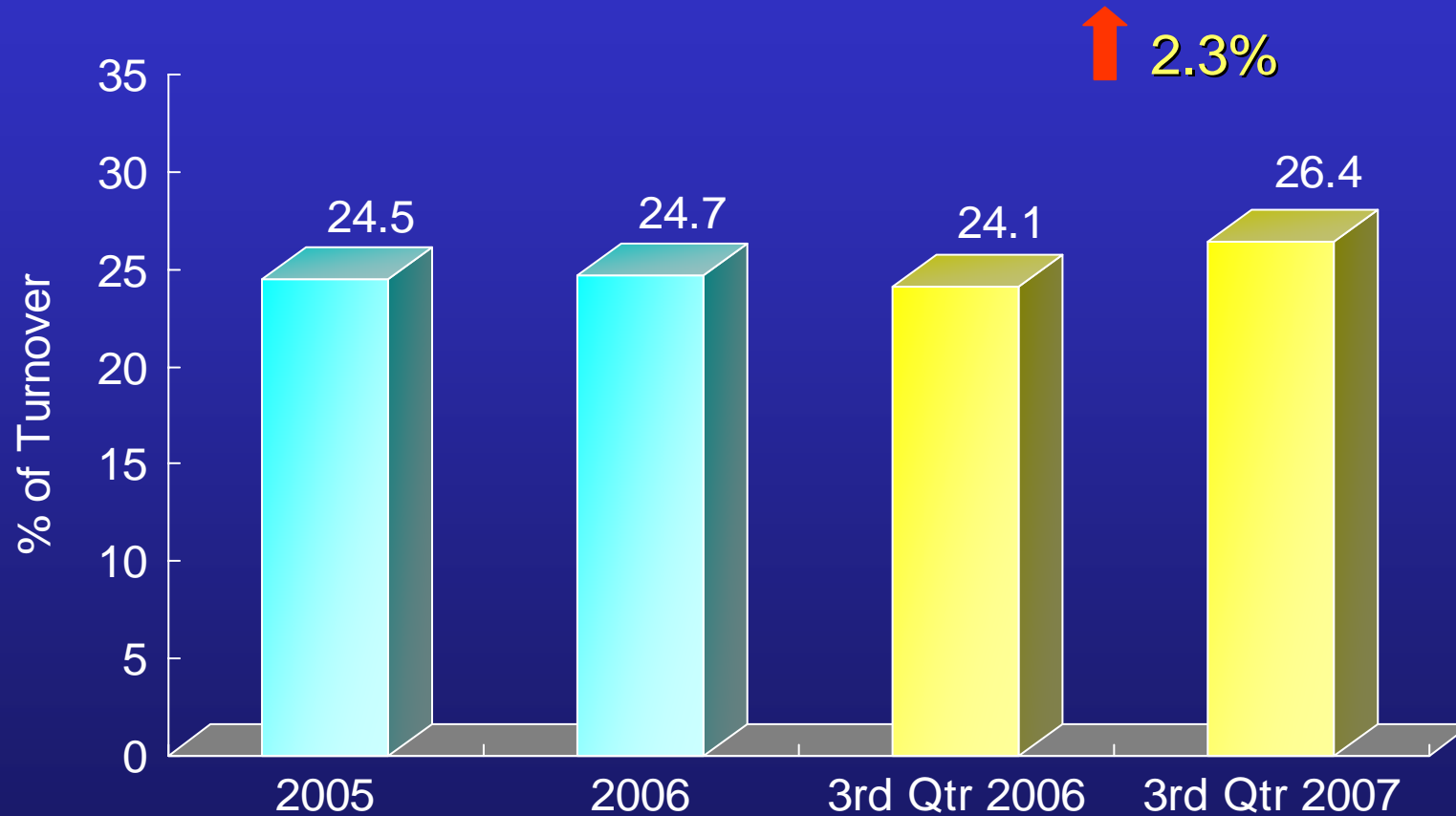
2007 Financial Results Highlights Gross Margin / Other Income



* Excluding interest income

2007 Financial Results Highlights

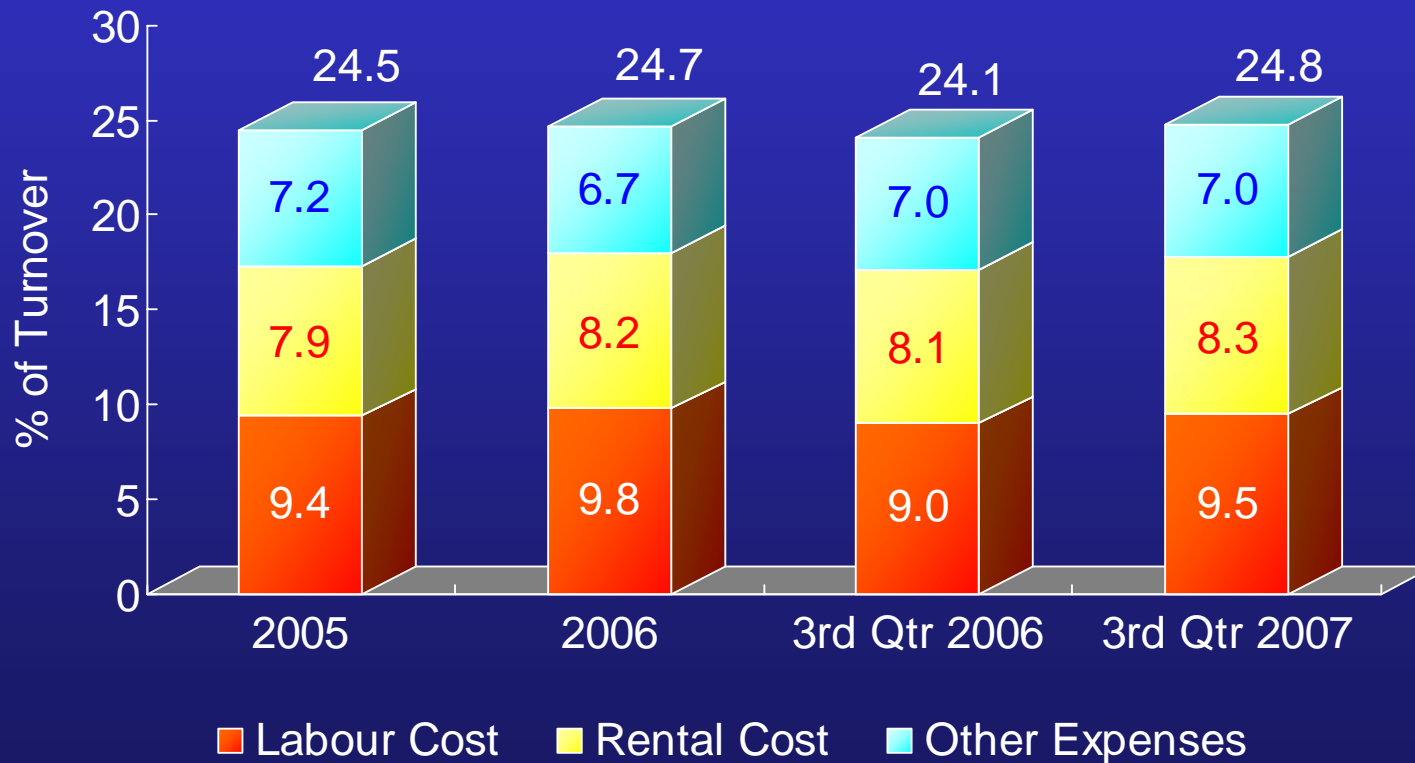
Store Operating Expenses



2007 Financial Results Highlights

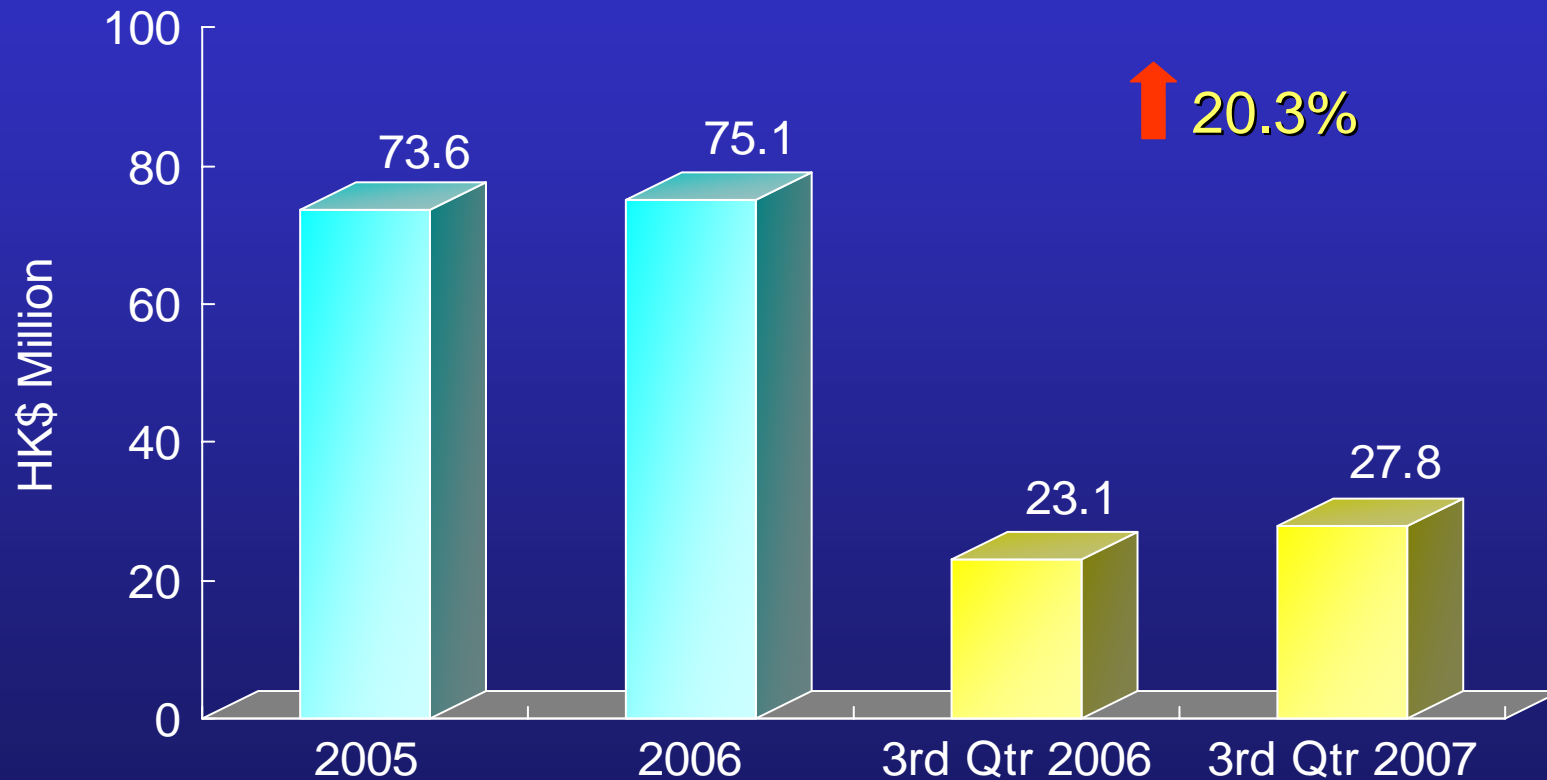
Store Operating Expenses

Circle K Group Store Operating Expenses



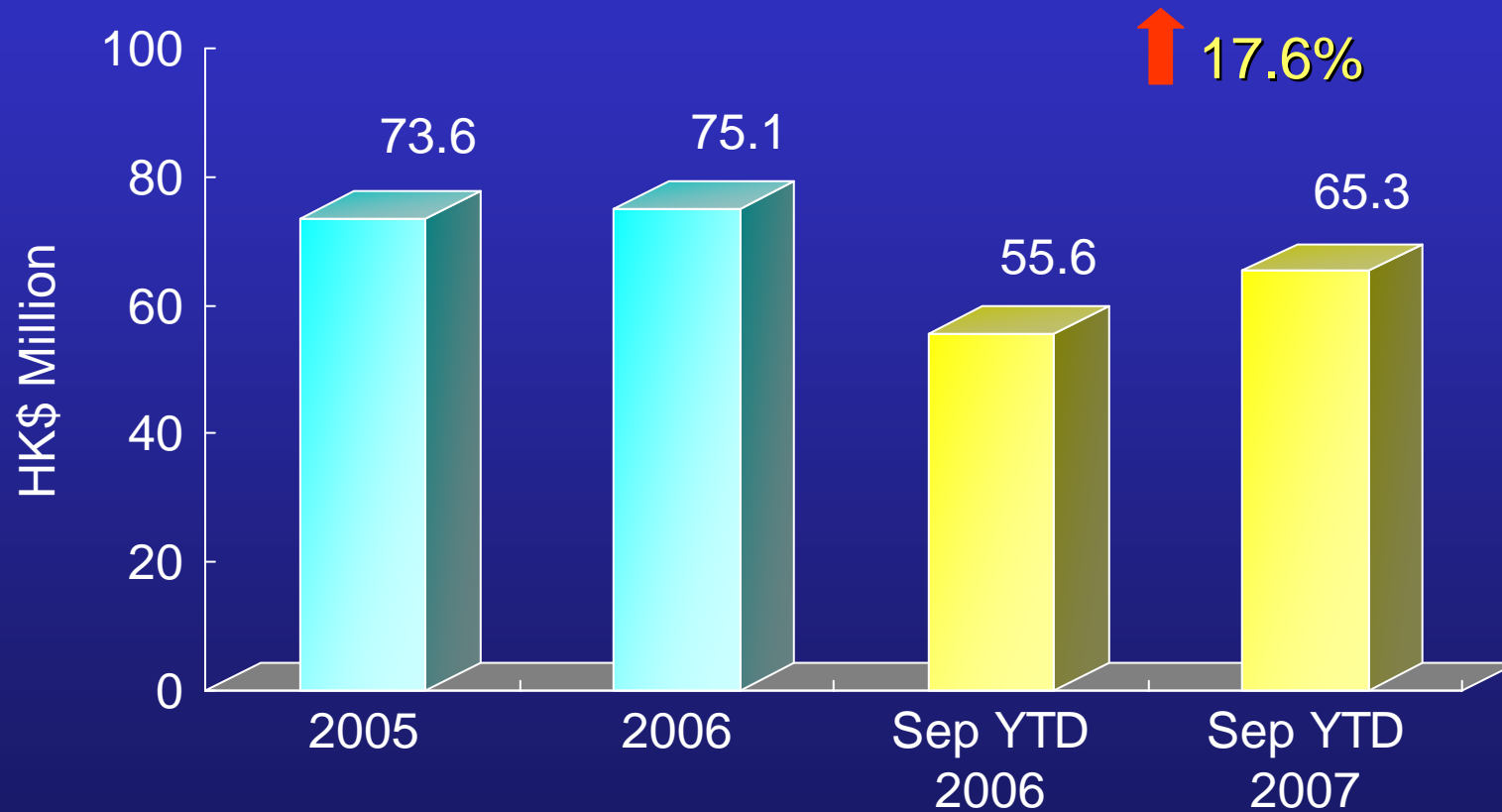
2007 Financial Results Highlights

Group Net Profit – 3rd Quarter



2007 Financial Results Highlights

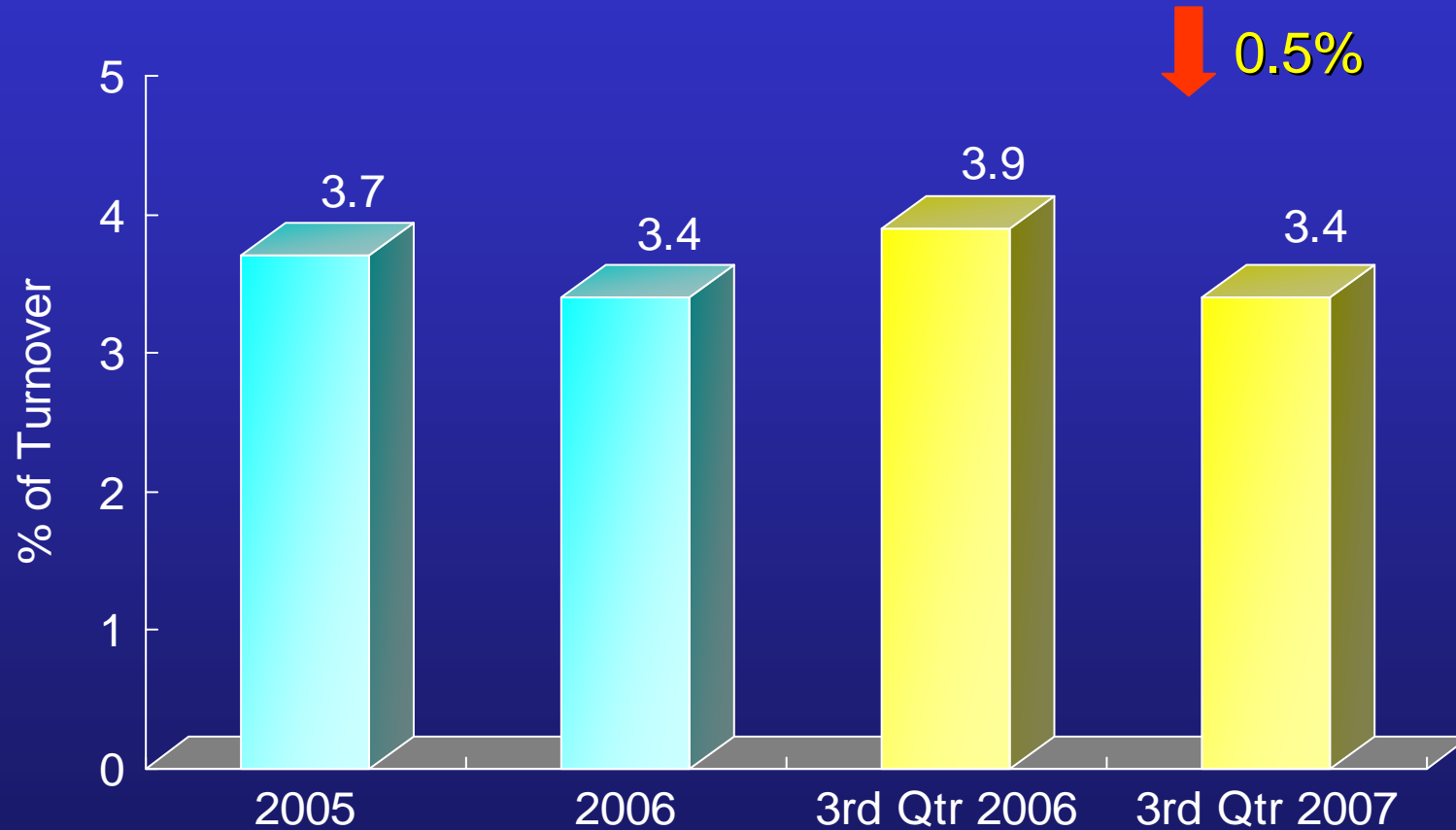
Group Net Profit – Sep YTD



2007 Financial Results Highlights Net Profit By Market

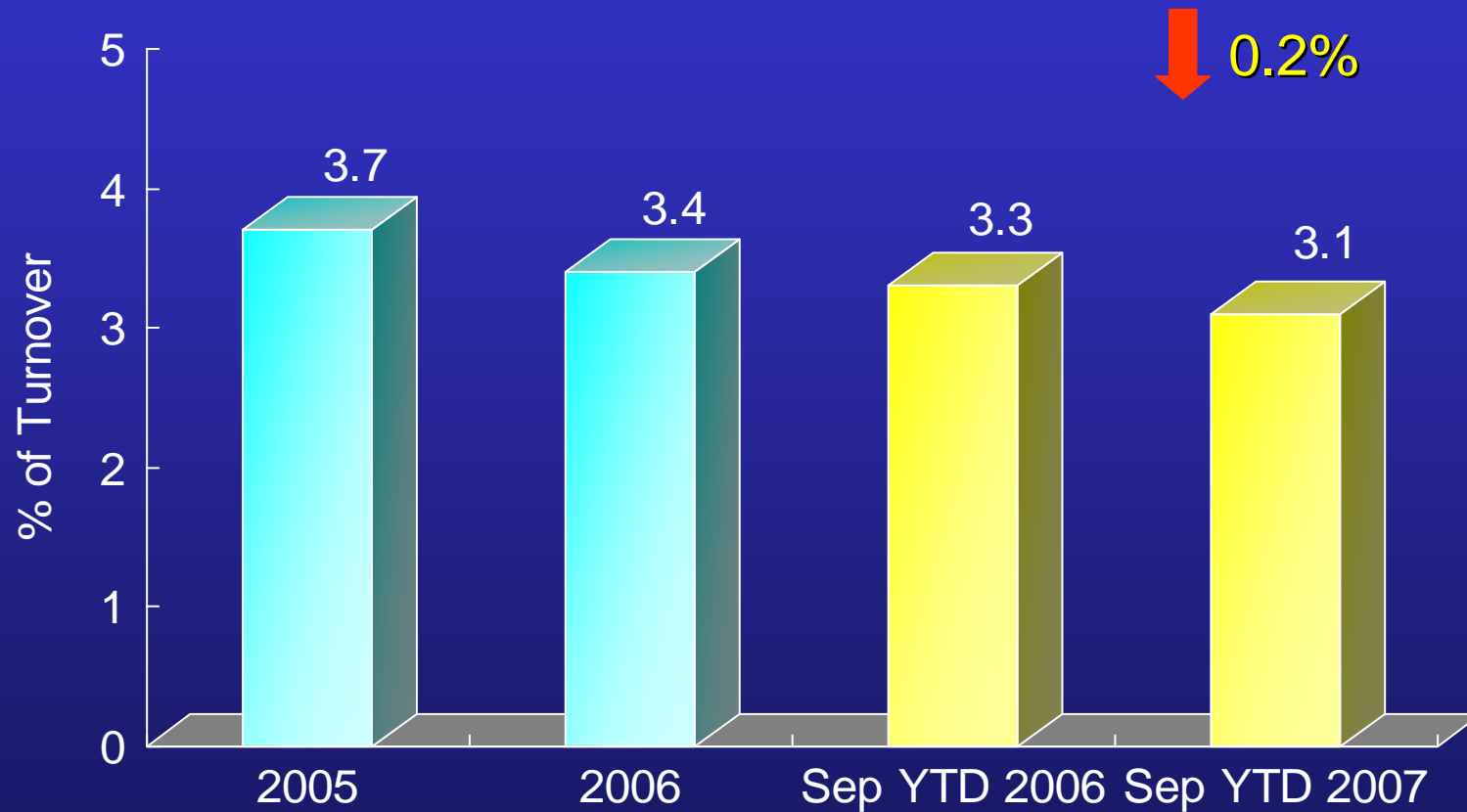
	<u>3rd Qtr 2006</u> (HK\$M)	<u>3rd Qtr 2007</u> (HK\$M)	<u>Change</u> (HK\$M)
Hong Kong Market	28.4	31.3	2.9
China Market	(5.3)	(3.5)	1.8
Total	23.1	27.8	4.7

2007 Financial Results Highlights Net Profit as % of Turnover – 3rd Quarter



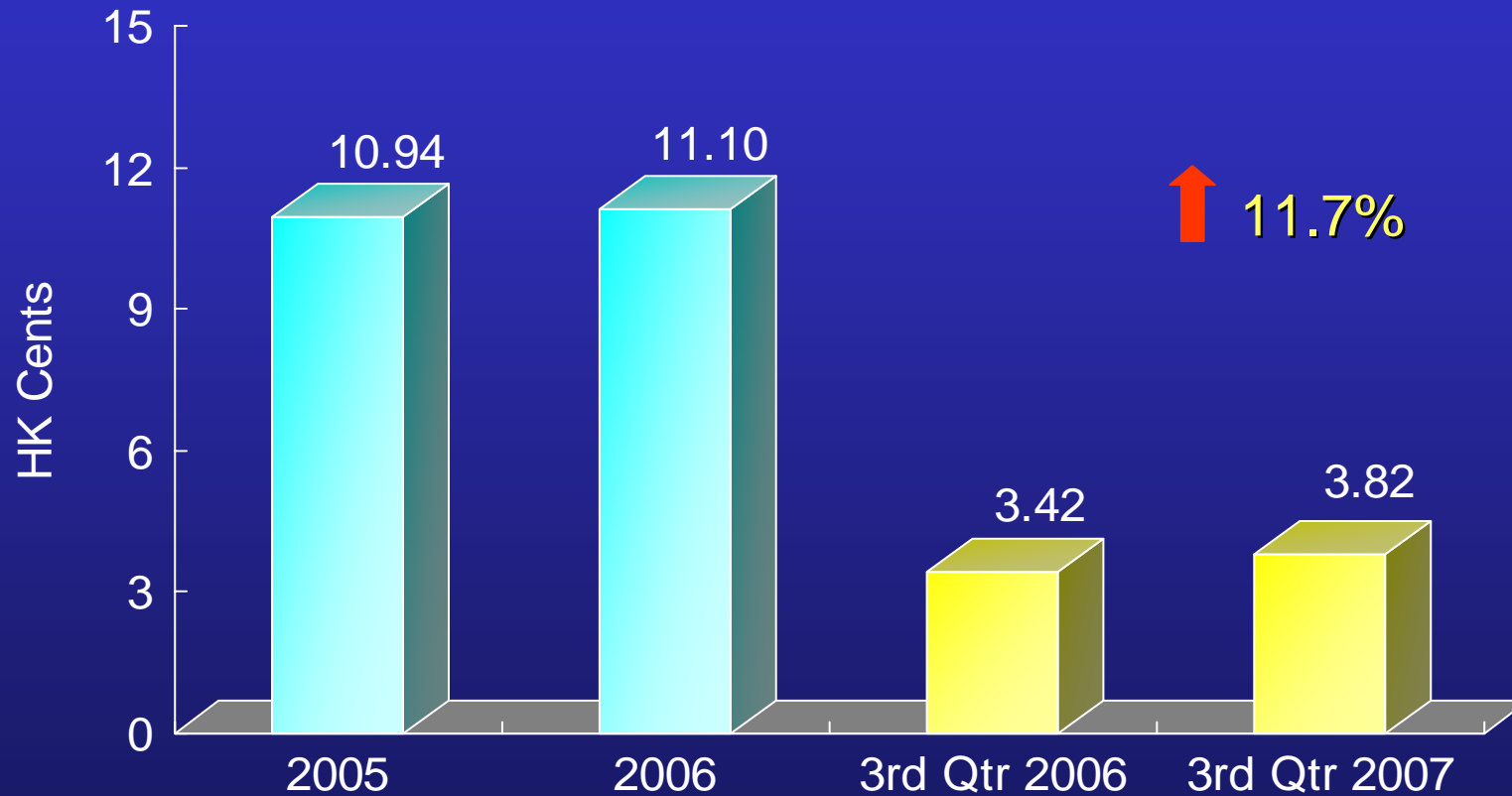
2007 Financial Results Highlights

Net Profit as % of Turnover – Sep YTD



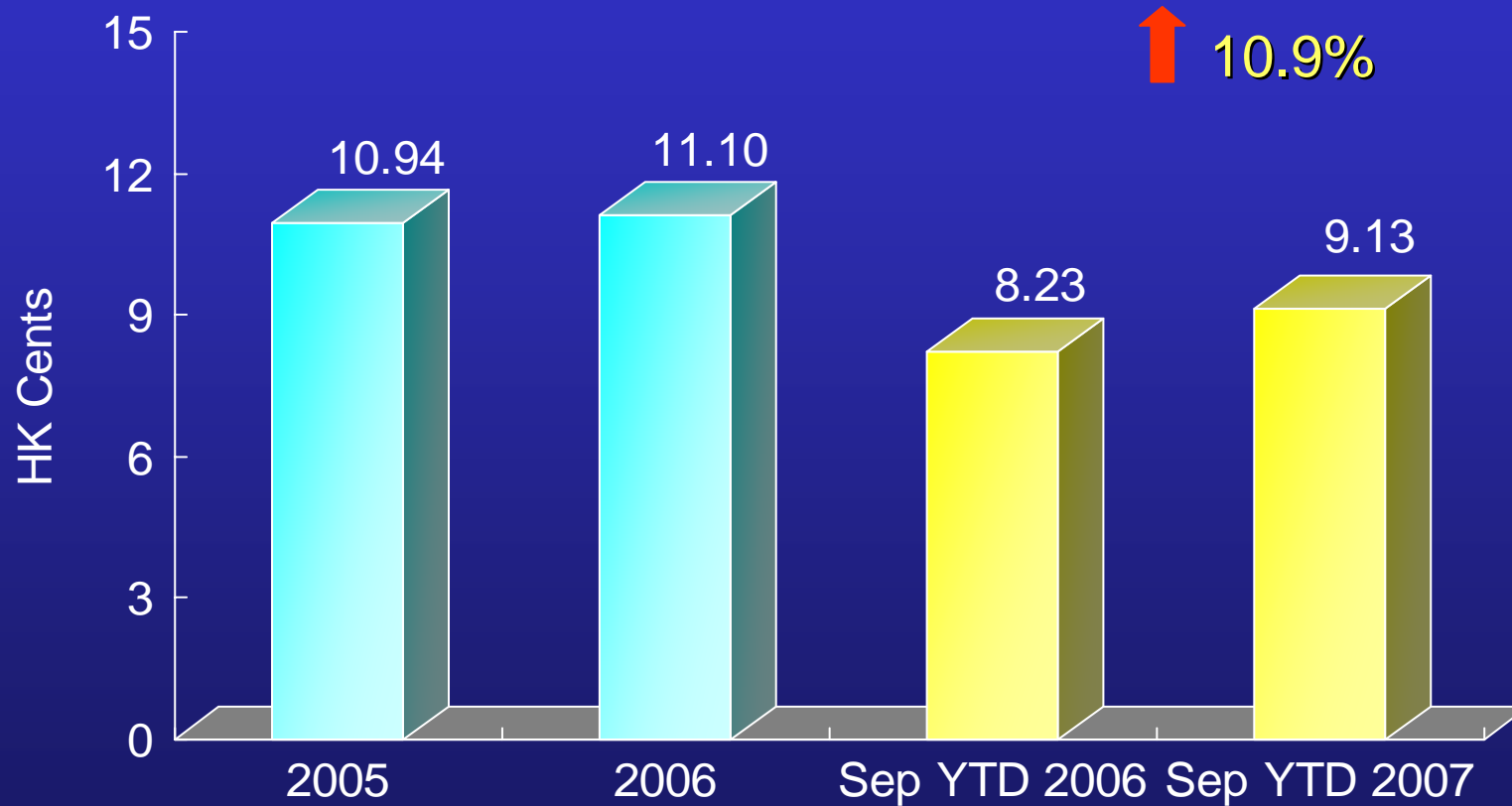
2007 Financial Results Highlights

Basic Earnings Per Share – 3rd Quarter



2007 Financial Results Highlights

Basic Earnings Per Share – Sep YTD





2007 Financial Results Highlights 3rd Quarter

	3rd Qtr 2006	3rd Qtr 2007	Change
Number of Stores	326	454	+39.3%
Group Turnover (HK\$M)	589.8	810.7	+37.5%
Group Net Profit (HK\$M)	23.1	27.8	+20.3%
Net Profit as % of Turnover	3.9%	3.4%	-0.5%
Basic Earnings Per Share	3.42 Cents	3.82 Cents	+11.7%



2007 Financial Results Highlights September YTD

	Sep YTD 2006	Sep YTD 2007	Change
Group Turnover (HK\$M)	1,665.0	2,134.3	+28.2%
Group Net Profit (HK\$M)	55.6	65.3	+17.6%
Net Profit as % of Turnover	3.3%	3.1%	-0.2%
Basic Earnings Per Share	8.23 Cents	9.13 Cents	+10.9%



2007 Update and Outlook



2007 Hong Kong Market Outlook

1. + Consumers willing to spend
+ inflation kicking in
- smoking ban and warning graphics
2. Successful “Always Something New” Campaign, gaining momentum
3. Rental increase becoming the major issue
4. Labour market getting tighter
5. Head-to-head competition happening every week

2007 Southern China Market Outlook

1. Sales continues to be strong
2. Inflation at worrying level
3. Franchising ready to be rolled out
4. Cigarette licenses for new stores a major issue
5. Focus on increasing number of high DSPS and store contribution stores in Southern China
6. Will finish 2007 with about 90 Circle K stores



2007 Market Outlook To Summarize

- Favourable consumer sentiments and strong performance
- Inflation and increase in operating expenses the major concerns
- Contribution from Saint Honore business in Q4 not as significant
- Total Circle K and Saint Honore stores to reach 470 by end of year
- Solid cash-flow, balance sheet and good outlook



Thank You!

