



**ROBINSONS
RETAIL**
HOLDINGS, INC.

9M2017 Unaudited Earnings Results

16 November 2017



Agenda

-  *Financial Highlights*
-  *Store Network*
-  *Consolidated Results*
-  *Business Segments*
-  *Working Capital*
-  *Capital Expenditure*
-  *E-commerce*



9M2017 Financial Highlights



Resilient
blended
SSSG of
2.8%

1,658
stores plus
1,982 TGP
branches
nationwide

7.3% yoy
increase in
gross floor
area
(excl. TGP)

10.0%
yoy lift in
consolidated
net sales

20bps
expansion
in EBITDA
margin

80bps
expansion
in GP
margin

12.9% yoy
increase in
Core Net
income



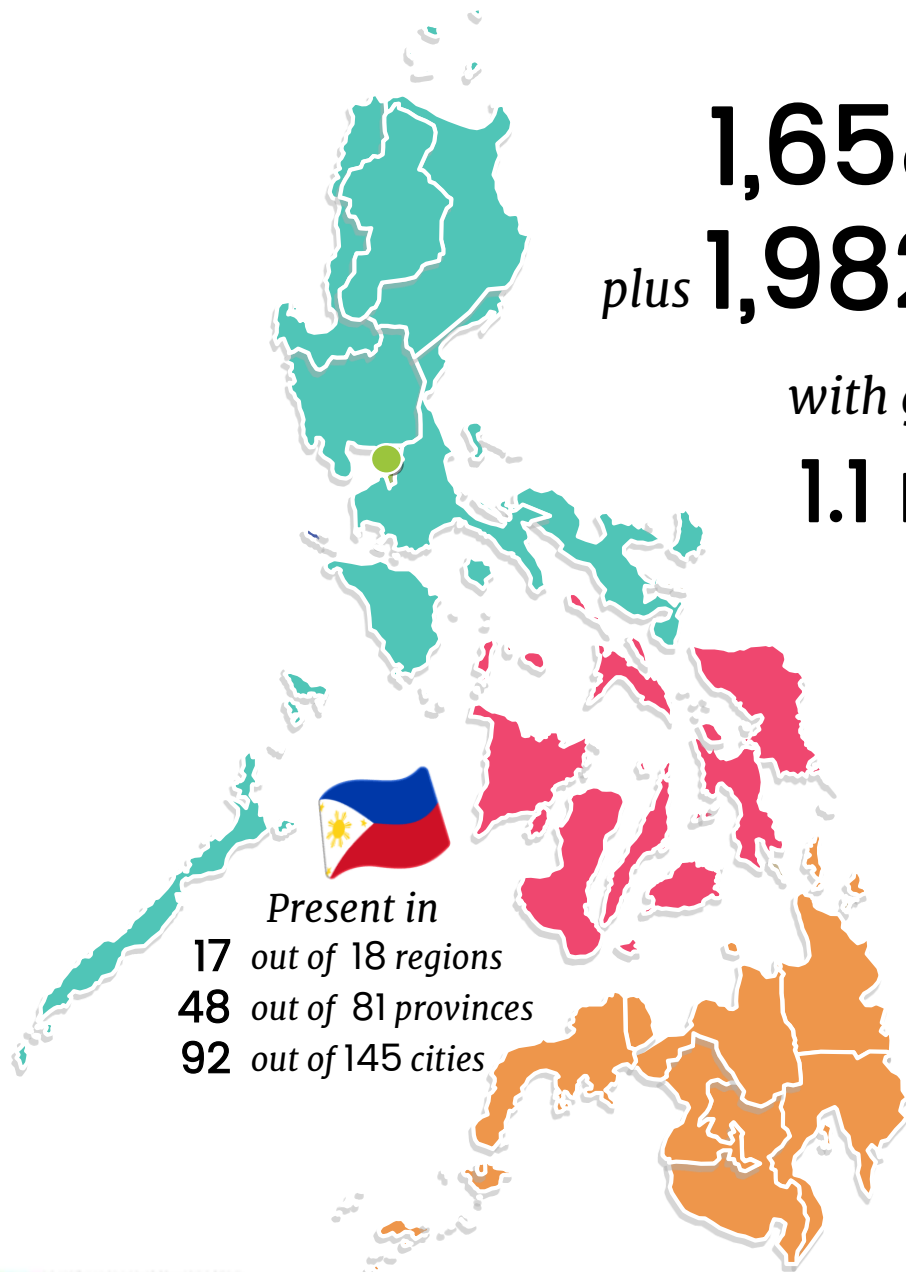
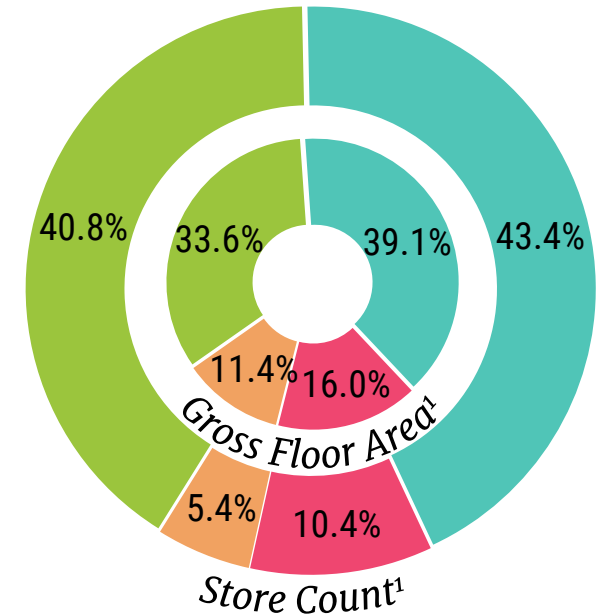
Store Network: 9M2017


1,658 stores

plus **1,982** TGP branches

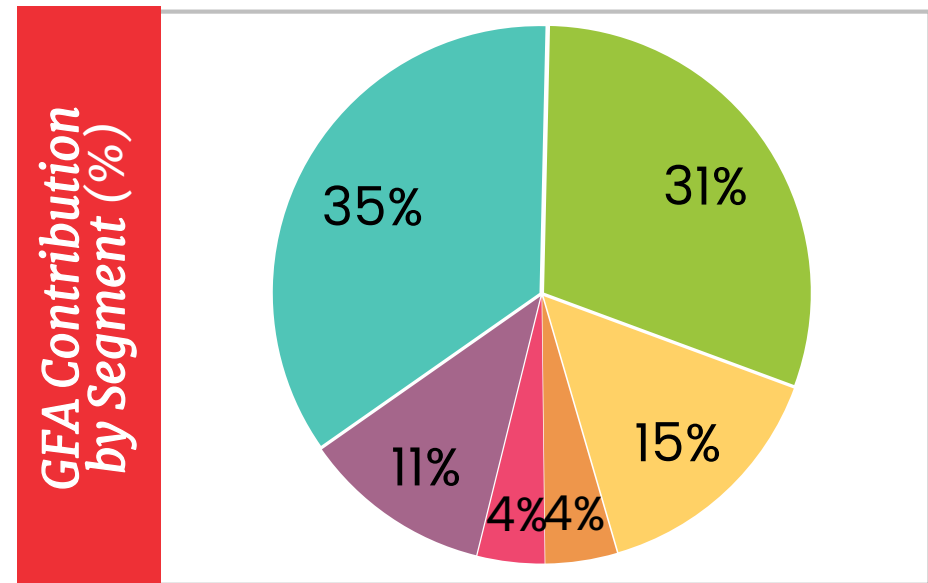
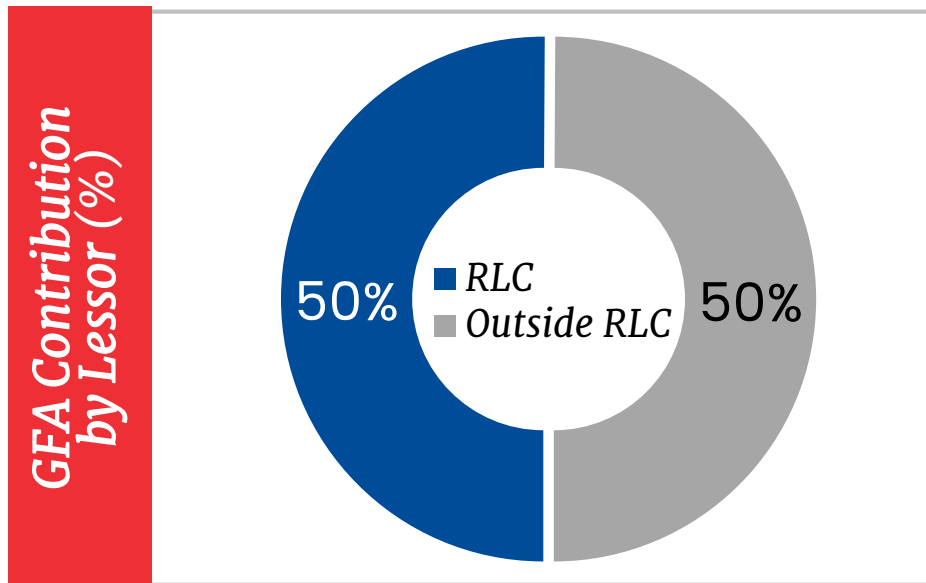
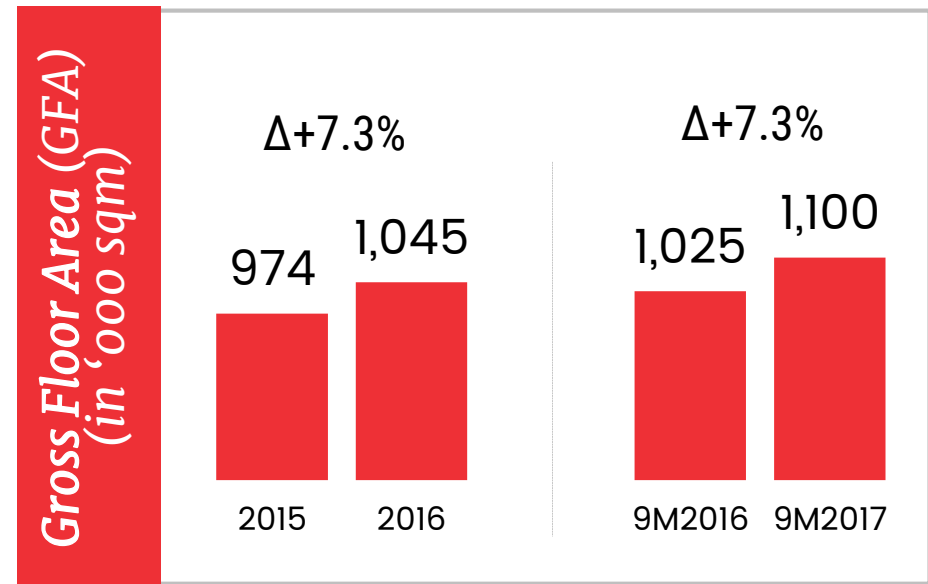
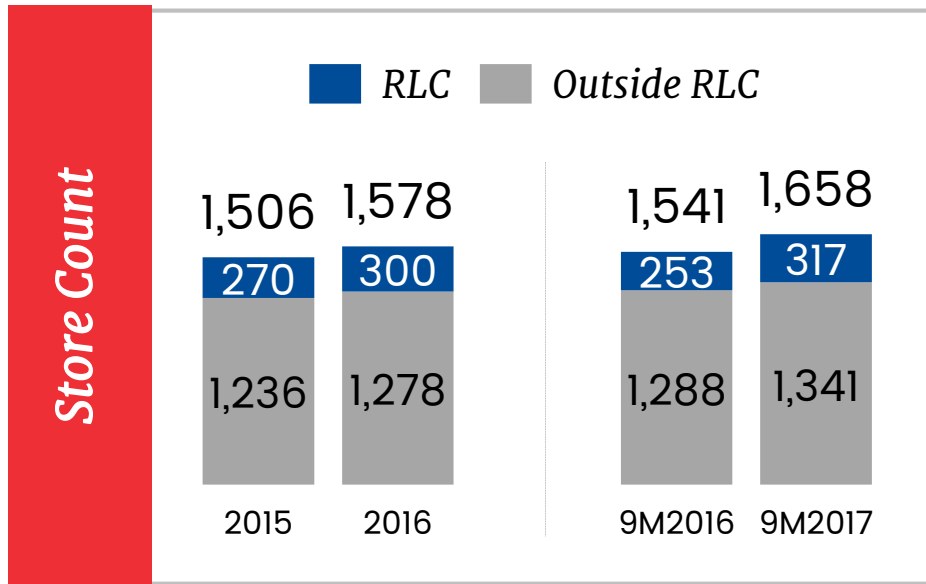
with gross floor area of

1.1 million sqm¹



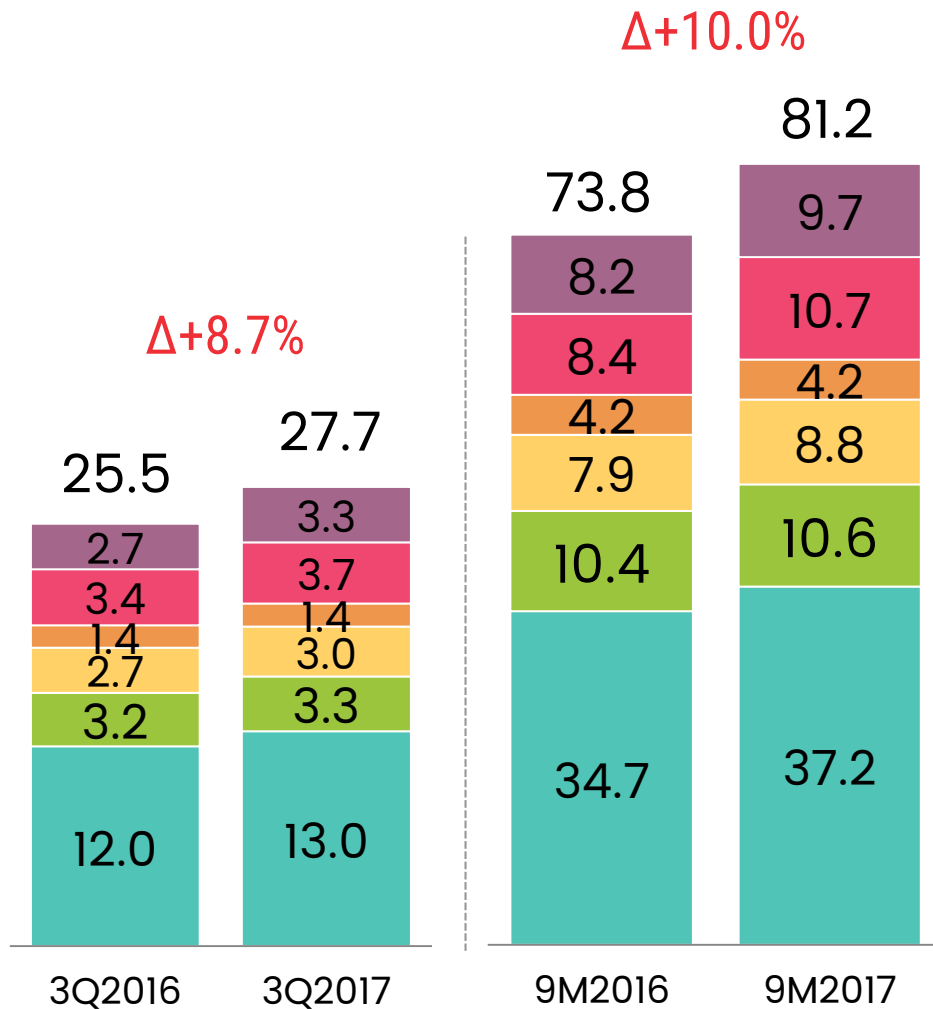
	Metro Manila	Luzon	Visayas	Mindanao
				
Supermarkets	49	65	20	12
Department Stores	12	19	8	7
DIY Stores	50	79	36	20
Convenience Stores	313	149	27	-
Drugstores ¹	114	291	38	24
Specialty Stores	139	115	44	27
Total	677	718	173	90
<i>TGP</i>	<i>487</i>	<i>1,013</i>	<i>285</i>	<i>197</i>

Store Network: 9M2017

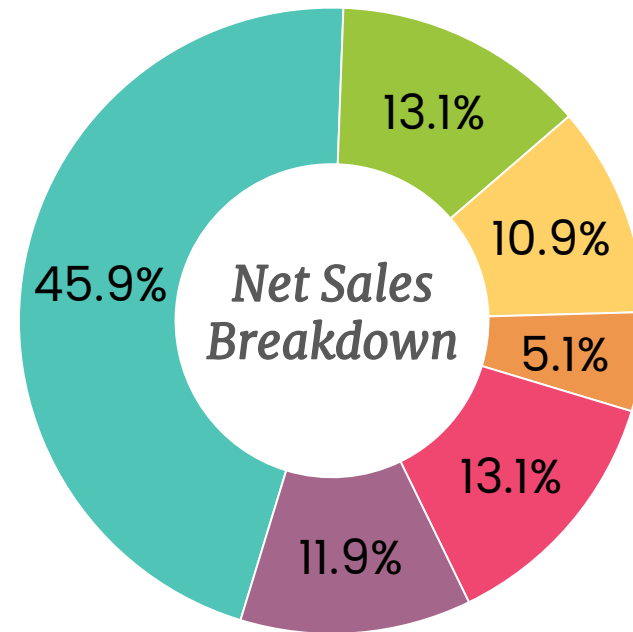


9M2017 Consolidated Results

Net Sales¹ (₹ bn)



Same Store Sales Growth

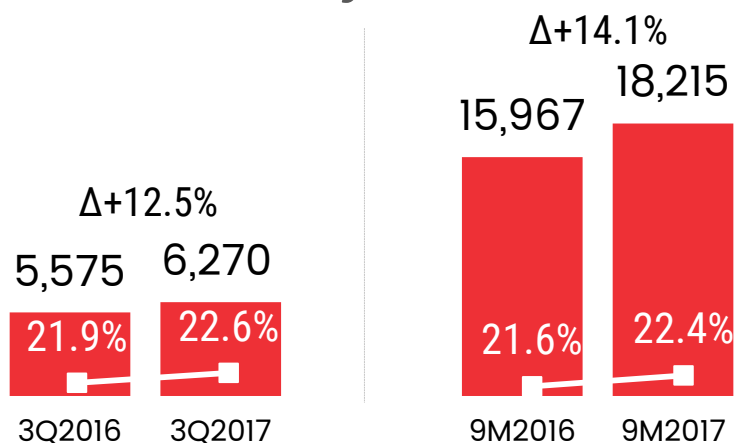


■ Supermarkets
 ■ Department Stores
 ■ DIY Stores
■ Convenience stores
 ■ Drugstores
 ■ Specialty Stores

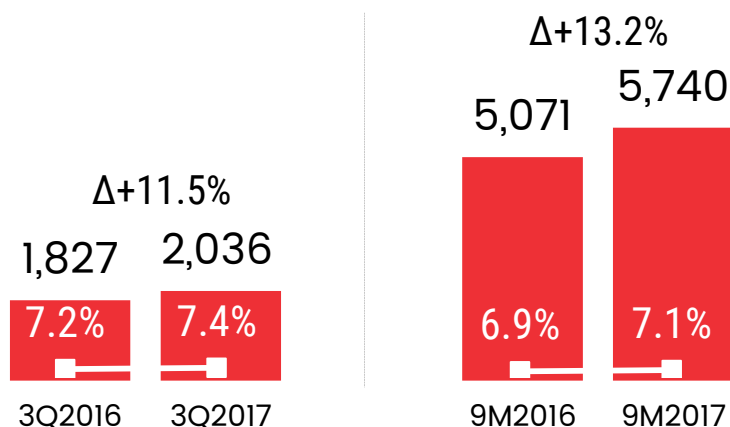
9M2017 Consolidated Results



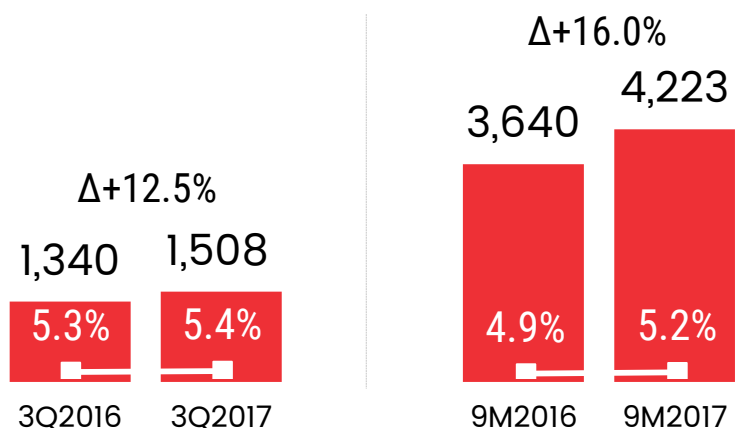
Gross Profit (₹ mm)



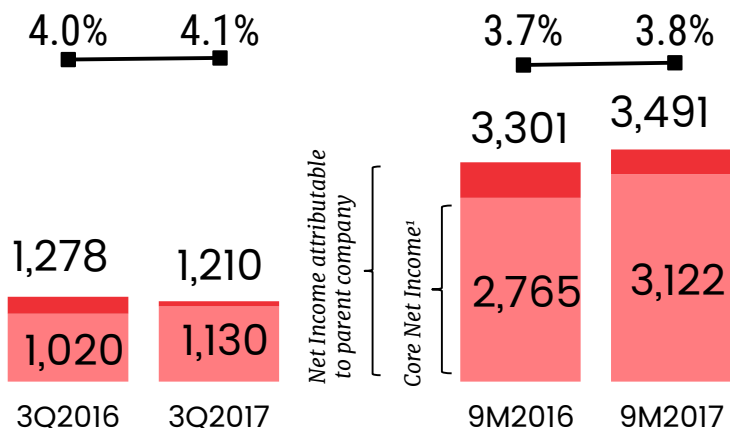
EBITDA (₹ mm)



EBIT (₹ mm)



Net Income (₹ mm)



9M2017 Highlights:

Gross profit margin expanded by 80bps;

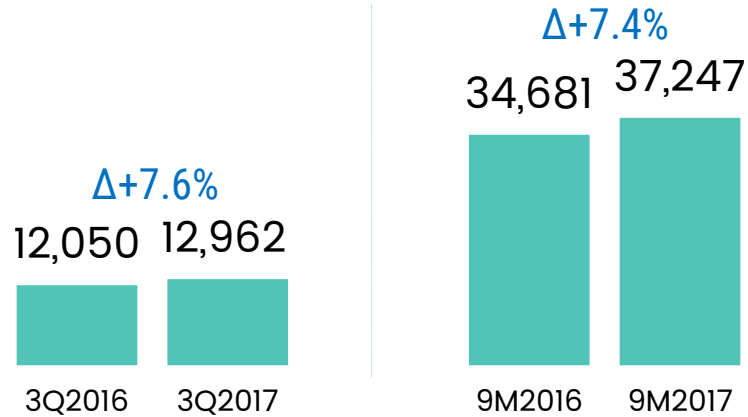
EBITDA margin expanded by 20bps;

Core net income rose 12.9% to ₹3.12bn

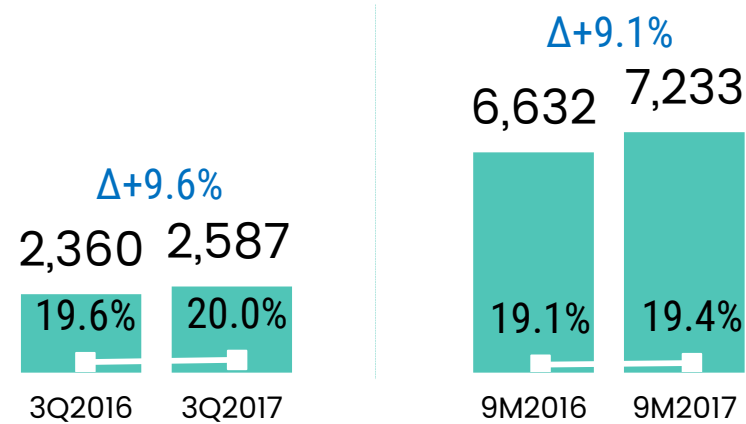
◆ Core net income as a % of net sales

Supermarket Business Segment

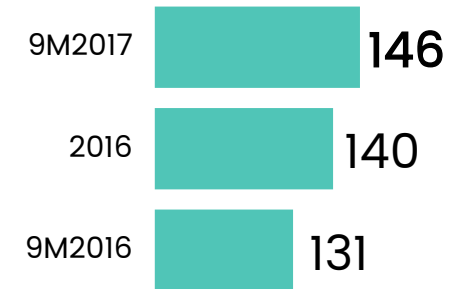
Net Sales (₱ mm)



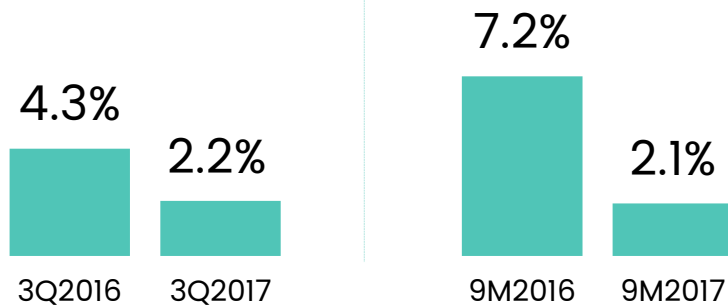
Gross Profit (₱ mm)



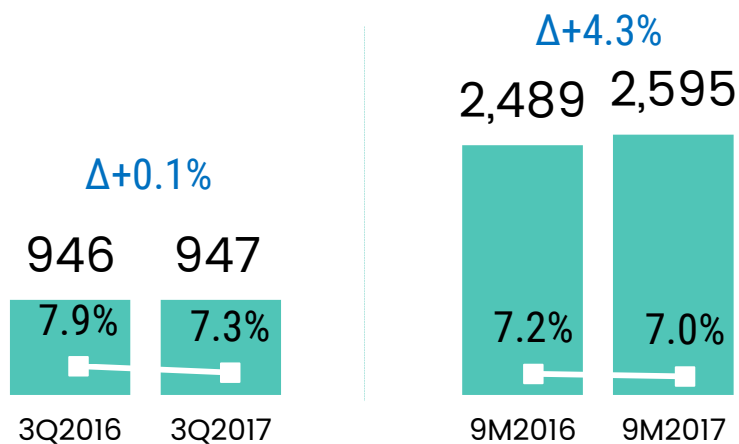
Store Count



Same Store Sales Growth



EBITDA (₱ mm)



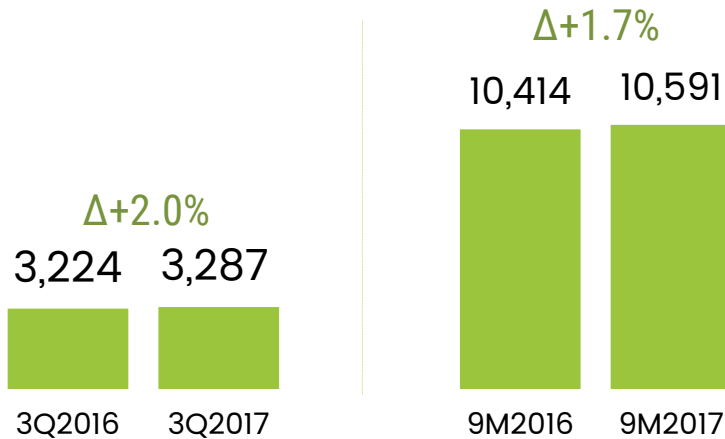
9M2017 Highlights:

Increase in net sales driven by new store additions (5.3%) and healthy SSSG (2.1%);

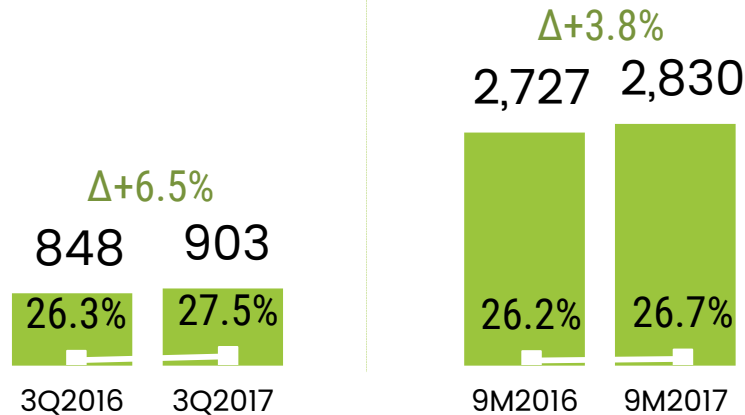
SSSG softened due to high base effect spiked by election spending

Department Store Business Segment

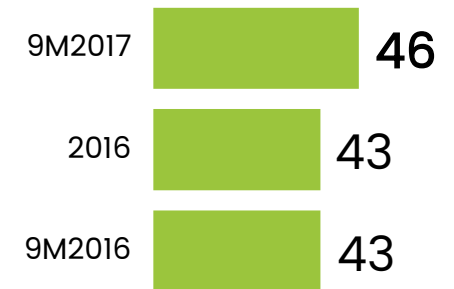
Net Sales (₪ mm)



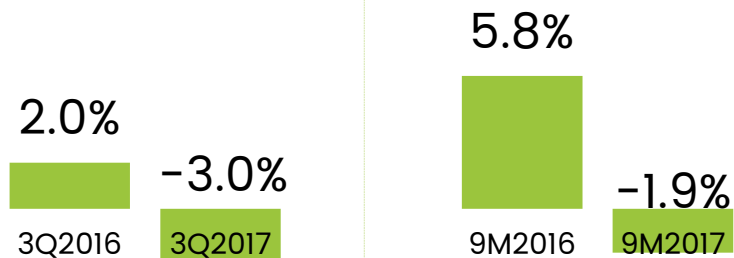
Gross Profit (₪ mm)



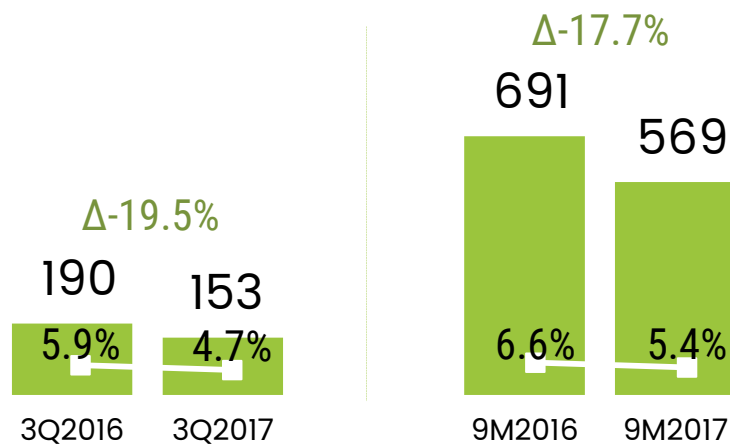
Store Count



Same Store Sales Growth



EBITDA (₪ mm)

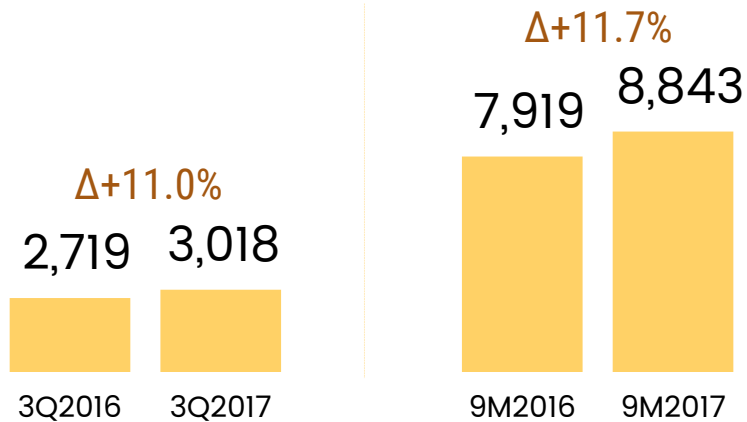


9M2017 Highlights:

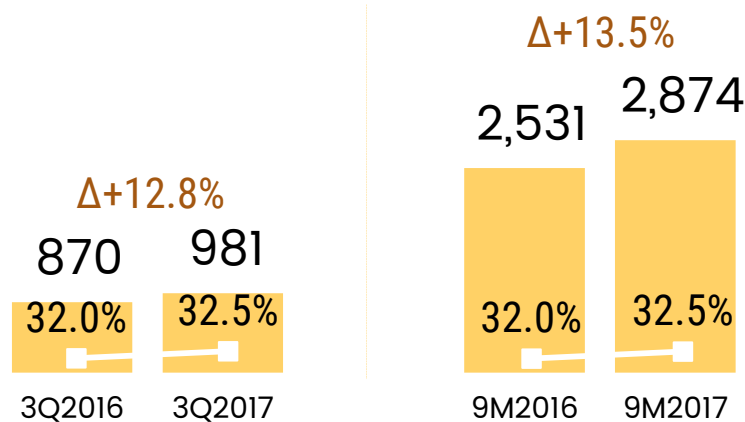
Slower growth in net sales due to decline in SSSG;
 SSSG softened due to prevalence of global retailers;
 New competitive pressures in certain provinces

DIY Store Business Segment

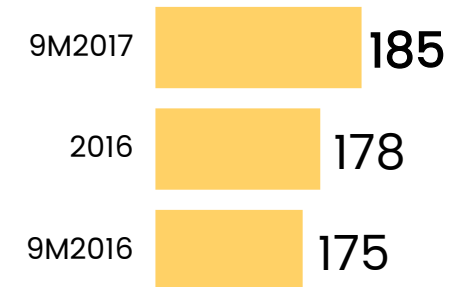
Net Sales (₱ mm)



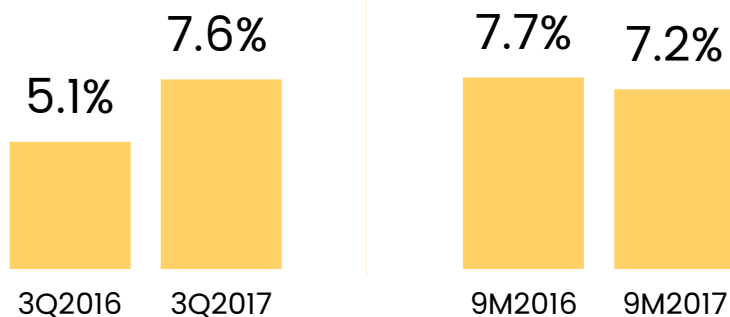
Gross Profit (₱ mm)



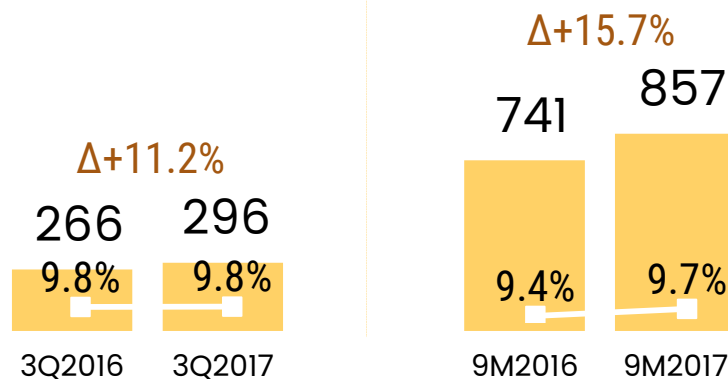
Store Count



Same Store Sales Growth



EBITDA (₱ mm)



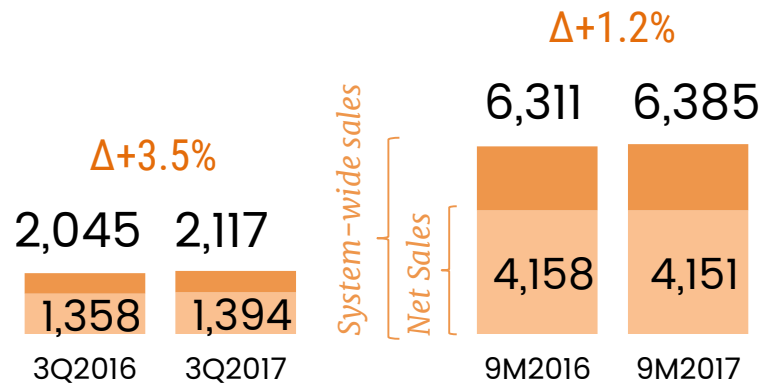
9M2017 Highlights:

Double-digit sales growth due to strong SSSG (7.2%) and sustained expansion (4.5%);

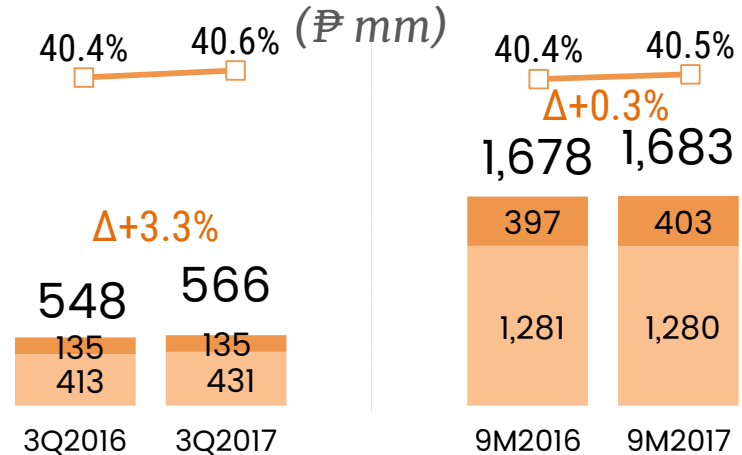
Continued to benefit from the growing residential market

Convenience Store Business Segment

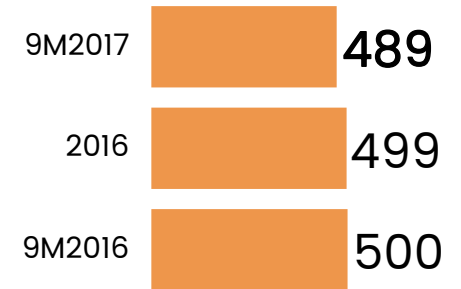
Systemwide Sales & Net Sales (₹ mm)



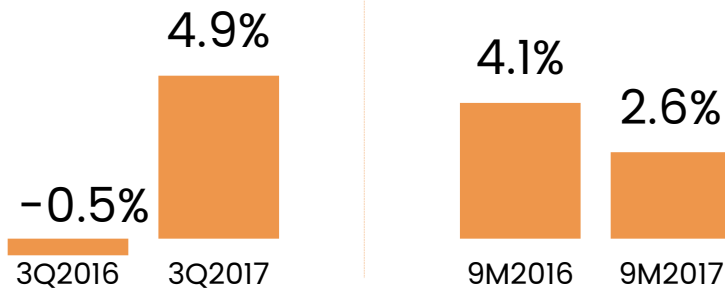
Gross Profit + Royalty Income (₹ mm)



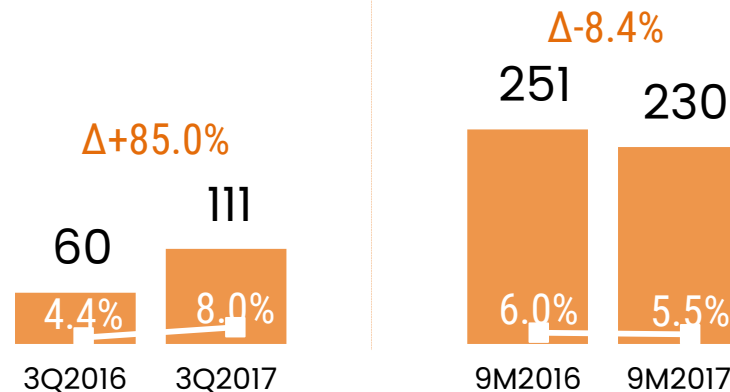
Store Count



Same Store Sales Growth



EBITDA (₹ mm)



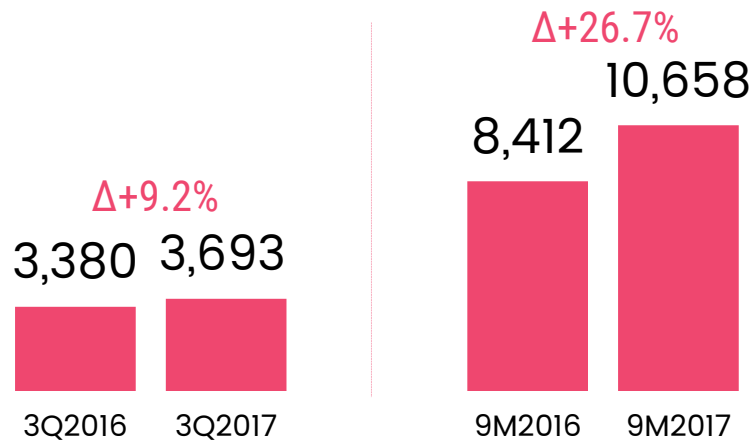
9M2017 Highlights:

Ready-to-eat category continued to drive growth;

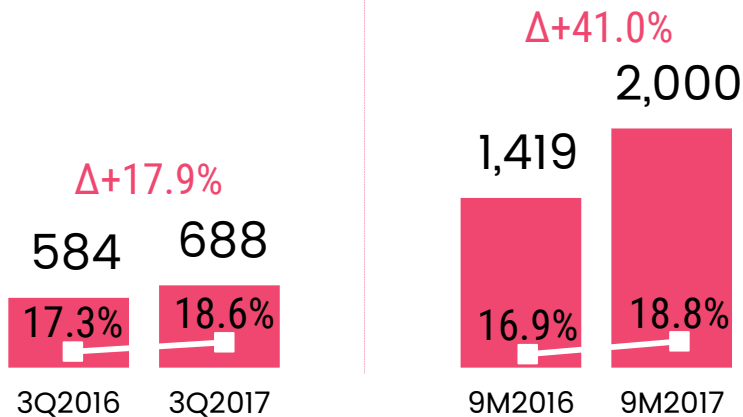
Ratio of franchised to company-managed stores improved from 43:57 last year to 47:53 this year

Drugstore Business Segment

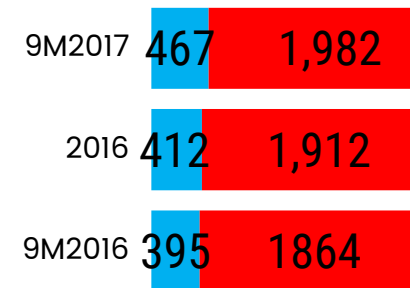
Net Sales (₱ mm)



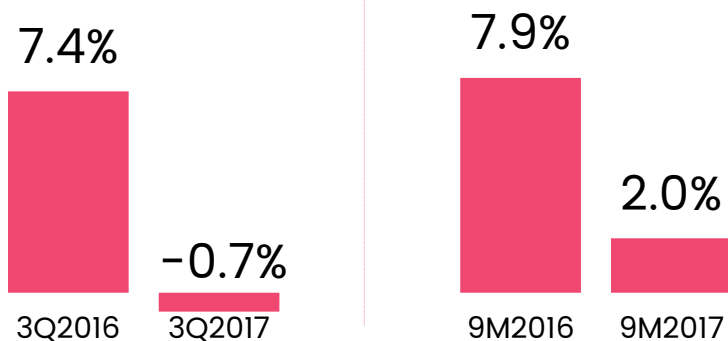
Gross Profit (₱ mm)



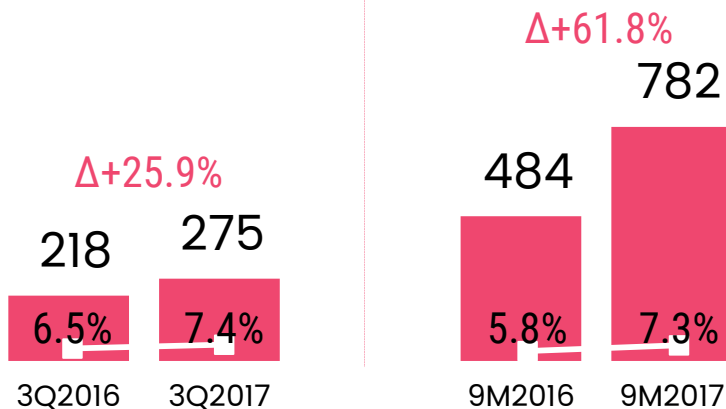
Store Count



Same Store Sales Growth (South Star Drug only)



EBITDA (₱ mm)



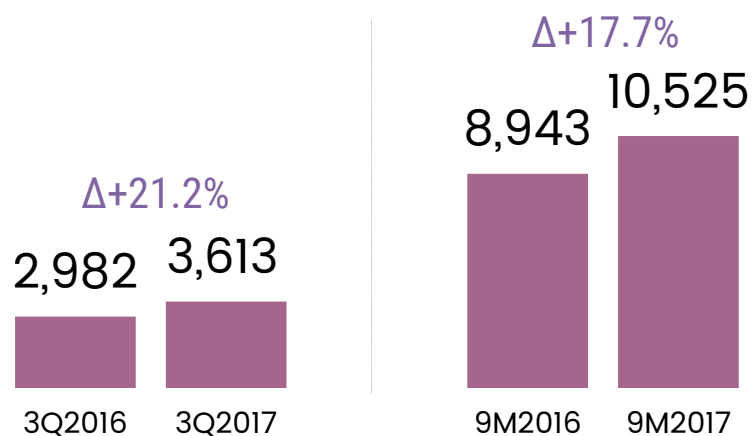
9M2017 Highlights:

Increase in net sales propelled by the acquisition of The Generics Pharmacy;

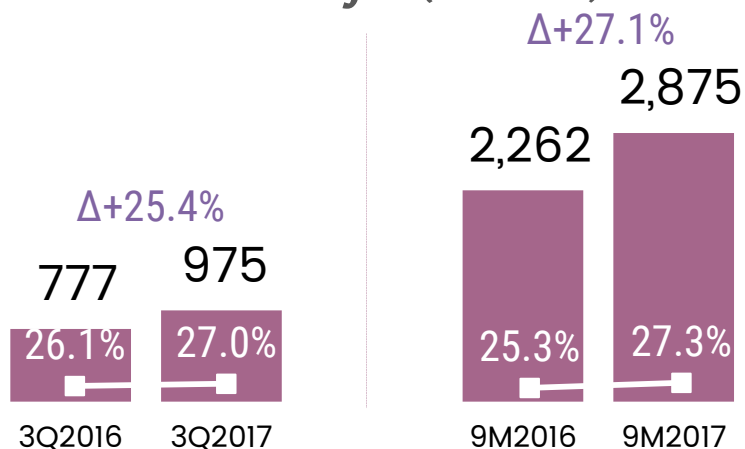
Replenishment issues in 3Q due to migration to a new merchandising system

Specialty Store Business Segment

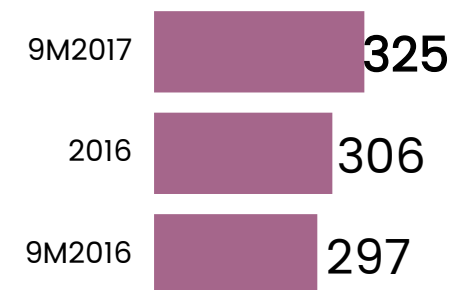
Net Sales (₹ mm)



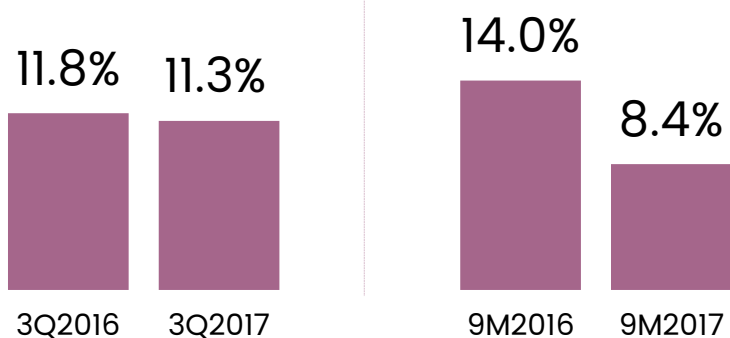
Gross Profit (₹ mm)



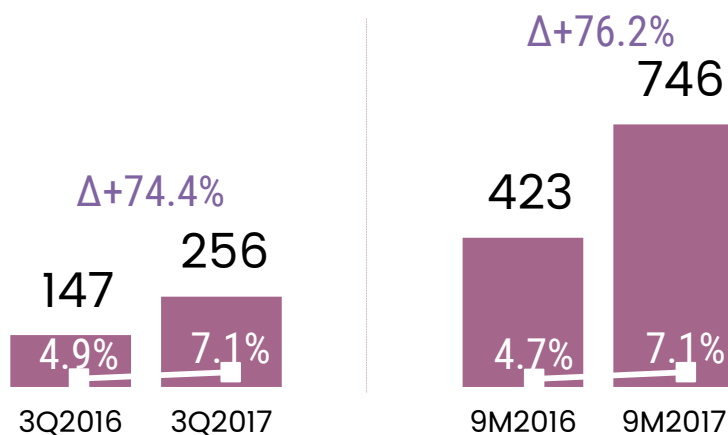
Store Count



Same Store Sales Growth



EBITDA (₹ mm)

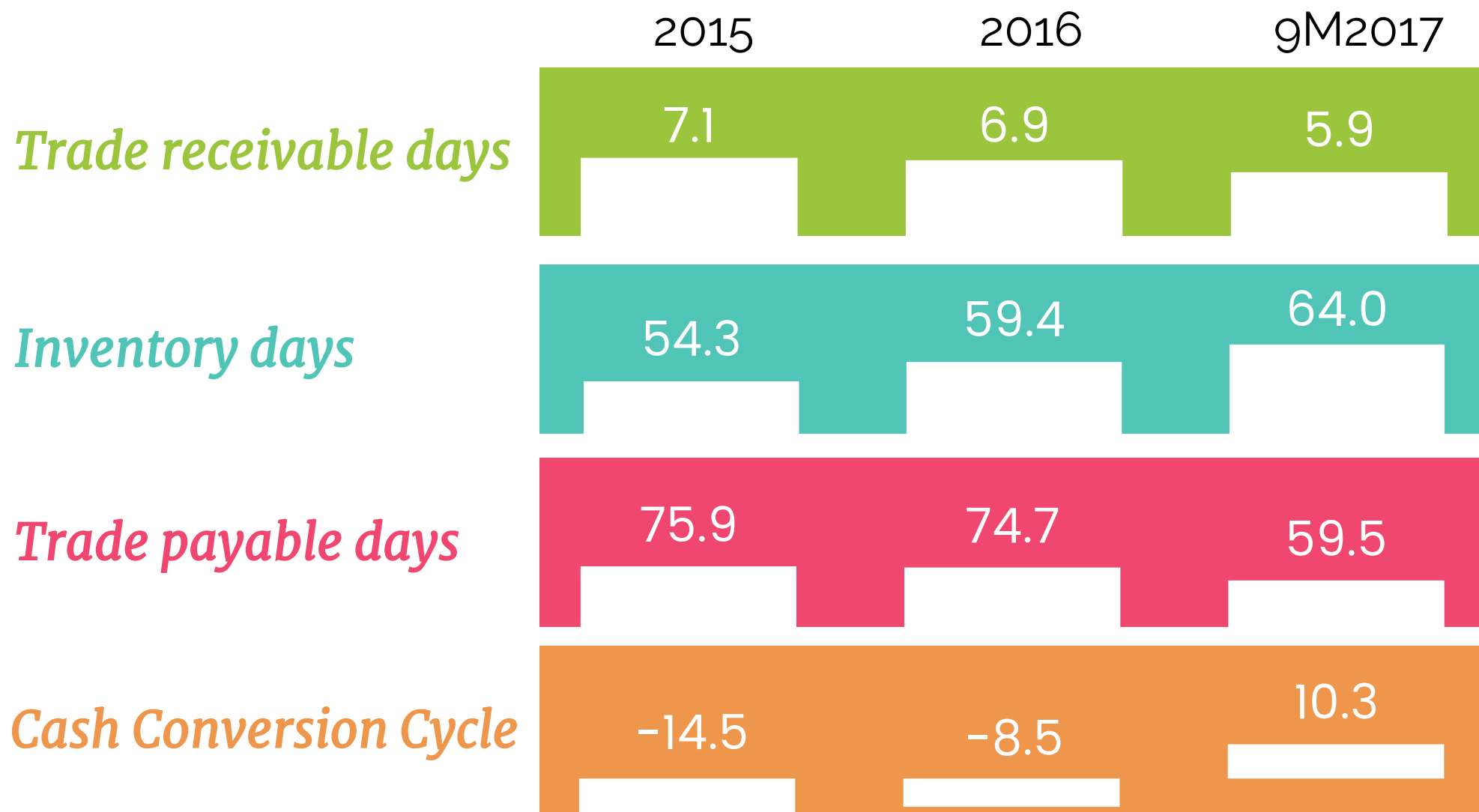


9M2017 Highlights:

Expansion in net sales driven by the strong sales performance of most formats;

Strong SSSG driven by appliances, beauty and Daiso Japan

Working Capital



Capital Expenditure

	2015	2016	9M2017
<i>Supermarkets</i>	32%	26%	40%
<i>Department stores</i>	10%	10%	24%
<i>DIY Stores</i>	7%	7%	11%
<i>Convenience Stores</i>	10%	4%	4%
<i>Drugstores</i>	3%	43%	10%
<i>Specialty Stores</i>	37%	10%	11%
Total CAPEX (in ₱ mm)	4,089	5,620	2,145
<i>% of net sales</i>	4.5%	5.3%	2.6%

E-commerce

LAZADA
•COM•PH

 Robinsons
Appliances

 SAVERS
APPLIANCES

HANDYMAN
From Best

True Value

ZALORA
PHILIPPINES

TOPSHOP

TOPMAN

DOROTHY PERKINS

BURTON
MENSWEAR
LONDON



honestbee

 Robinsons
Supermarket



ROBINSONS
RETAIL
HOLDINGS, INC.

Thank you!



Income Statement (Unaudited)

PHP mm	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2017	2016	2017	2016
Sales - net of sales discounts and returns	27,695	25,479	81,180	73,812
Cost of merchandise sold	21,424	19,904	62,965	57,845
Gross Profit	6,270	5,575	18,215	15,967
Royalty, rent and other revenues	576	519	1,689	1,572
Gross profit including other revenue	6,846	6,094	19,905	17,539
Operating expenses	(5,339)	(4,754)	(15,682)	(13,900)
Earnings before interest and taxes	1,508	1,340	4,223	3,639
OTHER INCOME (CHARGES)				
Interest income	216	225	665	614
Foreign currency exchange gain (losses) - net	14	118	80	115
Dividend income	28	28	84	84
Equity in net earnings of an associate	40	34	105	87
Interest expense	(28)	(29)	(100)	(54)
	270	376	834	846
INCOME BEFORE INCOME TAX	1,778	1,716	5,057	4,485
Provision for income tax	421	354	1,158	958
NET INCOME	1,357	1,362	3,899	3,527
Net income attributable to:				
Equity holders of the Parent Company	1,210	1,278	3,491	3,301
Non-controlling interest in consolidated subsidiaries	147	83	407	226
	1,357	1,362	3,899	3,527
Earnings Per Share				
Basic	0.87	0.92	2.52	2.38
Weighted	0.87	0.92	2.52	2.38
Shares Outstanding				
End of Period	1,385	1,385	1,385	1,385
Weighted	1,385	1,385	1,385	1,385

Balance Sheet (Unaudited)

PHP mm	September 30 2017	December 31 2016
ASSETS		
Current Assets		
Cash and cash equivalents	7,531	12,718
Trade and other receivables	1,742	1,988
Merchandise inventories	14,752	13,342
Other current assets	2,412	2,185
Total Current Assets	26,437	30,232
Noncurrent assets		
Available-for-sale (AFS) financial assets	20,662	20,430
Property and equipment - net	13,199	12,562
Investment in shares of stocks	5,263	5,078
Other noncurrent assets	8,602	8,393
Total Noncurrent Assets	47,725	46,463
Total Assets	74,162	76,695
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	13,736	16,797
Current portion of loans payable	3,848	6,576
Other current liabilities	934	1,106
Total Current Liabilities	18,518	24,478
Total Noncurrent Liabilities	1,764	1,652
Total Liabilities	20,281	26,129
Equity		
Capital stock	1,385	1,385
Additional paid-in capital	27,227	27,227
Equity reserve	(1,022)	(1,022)
Retained earnings	22,166	19,645
Others	430	352
Total equity attributable to equity holders	50,186	47,587
Non-controlling interest in consolidated	3,694	2,978
Total Equity	53,880	50,566
Total Liabilities and Equity	74,162	76,695

Cash Flow Statement (Unaudited)

PHP mm	Nine Months Ended Sept 30		Years Ended December 31	
	2017	2016	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	5,057	4,485	6,667	5,848
Adjustments for:				
Depreciation and amortization	1,517	1,431	2,038	1,647
Interest expense	100	54	87	15
Equity in net earnings of an associate	(105)	(87)	(103)	(40)
Dividend income	(84)	(84)	(112)	(112)
Interest income	(665)	(614)	(827)	(799)
Others	(80)	(120)	(112)	(238)
Operating income before working capital changes	5,740	5,066	7,639	6,321
Working capital changes	(4,383)	(4,110)	(1,039)	(1,311)
Interest received	667	517	962	707
Income tax paid	(1,355)	(1,158)	(1,393)	(1,268)
Net cash flows generated from (used in) operations	668	315	6,169	4,449
CASH FLOWS FROM INVESTING ACTIVITIES				
AFS investments	(301)	(455)	(531)	(1,359)
Property and equipment - net	(2,145)	(2,208)	(3,244)	(3,099)
Acquisition through business combination	-	(2,076)	(2,180)	(988)
Others	80	(24)	30	(1,388)
Net cash flows used in investing activities	(2,366)	(4,763)	(5,924)	(6,834)
CASH FLOWS FROM FINANCING ACTIVITIES				
Availment of loans	357	2,445	4,398	2,939
Payment of loans	(3,085)	(478)	(667)	(206)
Dividends paid	(1,151)	(873)	(936)	(729)
Others	390	(33)	(87)	167
Net cash flows used in financing activities	(3,489)	1,061	2,709	2,172
Net increase (decrease) in cash and cash equivalents	(5,187)	(3,386)	2,961	(212)
Cash and cash equivalents at beginning of year	12,718	9,757	9,757	9,970
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7,531	6,371	12,718	9,757

Disclaimer

This presentation contains certain forward looking statements with respect to the financial condition, results of operations and businesses of Robinsons Retail Holdings, Inc. (RRHI). Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of RRHI to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements were based on numerous assumptions regarding RRHI's present and future business strategies and the political and economic environment in which RRHI will operate in the future.

