

August 12, 2016

## Robinsons Retail's 2Q2016 Net Income Up 16.3%

### *Financial Highlights:*

<i>(In ₱ million)</i>	<b>For the Second Quarter ended June 30</b>			<b>For the First Half ended June 30</b>		
	<b>2016</b>	<b>2015</b>	<b>% change</b>	<b>2016</b>	<b>2015</b>	<b>% change</b>
Net Sales	25,638	21,639	18.5	48,334	41,354	16.9
Gross Profit	5,587	4,763	17.3	10,392	9,016	15.3
Operating Income	1,396	1,174	18.8	2,300	1,965	17.1
Net Income	1,332	1,130	17.8	2,165	1,953	10.9
Net Income attributable to equity holders of the Parent company	1,238	1,082	14.4	2,023	1,863	8.6
Core Net Earnings	1,049	902	16.3	1,745	1,537	13.5
EBITDA	1,897	1,568	20.9	3,244	2,758	17.6
Earnings per share (₱)*	0.89	0.78	14.4	1.46	1.35	8.1

\*Based on net income attributable to equity holders of the Parent company. Shares outstanding used in the calculation is 1,385m.

Robinsons Retail Holdings, Inc.'s net income attributable to equity holders of the parent company climbed by 14.4% in the 2Q 2016 to ₱1.24 billion from ₱1.08 billion in the same quarter last year buoyed by the 18.8% lift in operating income driven mainly by the strong same store sales growth (SSSG) of 8.9% recorded during the period. For 1H 2016, net income attributable to equity holders of the parent increased by 8.6% to ₱2.02 billion from ₱1.86 billion last year.

Core net earnings (net income excluding interest, equitized net earnings from the 40% stake in Robinsons Bank and unrealized forex gains/losses), on the other hand, increased by 16.3% to ₱1.05 billion for 2Q 2016, bringing 1H 2016 core earnings to ₱1.75 billion, up 13.5% year-on-year from ₱1.54 billion in the same period last year.

Consolidated net sales for 2Q 2016 expanded by 18.5% from ₱21.64 billion to ₱25.64 billion, brought about by the sustained high single-digit SSSG, the sales contribution of the new stores as well as the sales from Savers Appliances (acquired in September last year) and The Generics Pharmacy (acquired this May). Net sales for 1H 2016 reached ₱48.33 billion, an increase of 16.9% from ₱41.35 billion last year. The robust blended SSSG of 9.0% in 1Q 2016 was sustained in 2Q 2016 at 8.8% brought about by the general bullish consumers sentiment on the back of successful and peaceful national elections, lower commodity prices and stable exchange and interest rates environment. The 2Q 2016 like-for-like sales were strong across all segments led by supermarket at 8.9%, department store at 7.6%, DIY at 8.3%, specialty stores at 16.8%, drugstores at 5.5% and convenience stores at 2.9%.

From July 2015 to June 2016, Robinsons Retail added a total of 129 stores to end at 1,528 stores at end June 2016. GFA increased by 10.7% year-on-year to approximately 998,000 square meters. Including TGP's franchised store portfolio of 1,878 at end June 2016, the total store network of the group hit 3,406 stores.

Operating income increased at a faster clip of 18.8% in 2Q 2016 to ₱1.40 billion while EBITDA (earnings before interest, taxes, depreciation and amortization) expanded by 20.9% to ₱1.90 billion. On the back of the hearty SSSG, 2Q 2016 consolidated operating profit margin was at par with the 5.4% margin in the same period last year while EBITDA margin expanded by 20 basis points to 7.4% in 2Q 2016 vs. same period last year.

Robinsons Retail's balance sheet remained solid with cash, cash equivalents and liquid marketable securities amounting to ₱27.65 billion as of end June 2016 versus borrowings of ₱4.43 billion. The company spent a total of ₱3.53 billion in capital expenditures for the first half of 2016 including acquisition, which is 70.6% of the full year budget of ₱5.0 billion. Cash conversion cycle remained healthy at negative level of 2 days.

Signed:



**Gina Roa-Dipaling**

Investor Relations Officer

Tel nos. DL: (632) 6311490 TL: (632) 6350751 to 64 ext 555

Email: [gina.dipaling@robinsonsretail.com.ph](mailto:gina.dipaling@robinsonsretail.com.ph)