

March 18, 2019

Robinsons Retail's 2018 Core Net Earnings Up 6.2%

Financial Highlights:

<i>(In ₱ million)</i>	For the Full Year ended December 31		
	2018	2017	% change
Net Sales	132,680	115,238	15.1
Gross Profit	29,669	25,792	15.0
Operating Income	6,620	6,305	5.0
Net Income	5,793	5,599	3.5
Core Net Earnings	4,985	4,694	6.2
Net Income attributable to equity holders of the Parent company	5,080	4,978	2.0
EBITDA	9,015	8,378	7.6
Earnings per share (₱)*	3.63	3.59	0.9

*Based on net income attributable to equity holders of the Parent company. Ave. shares outstanding used in the calculation for FY18 is 1,401m and FY17 at 1,385m.

Robinsons Retail Holdings, Inc. recorded 6.2% increase to ₱5.0 billion in core net earnings (net income excluding interest from bonds, equitized net earnings from the 40% stake in Robinsons Bank, unrealized forex gains/losses and non-recurring expenses) for the full year 2018. This was primarily due to the 5.0% lift in operating income on the back of strong same store sales growth (SSSG) across all formats. Likewise, unaudited net income attributable to equity holders of the Parent company increased by 2.0% year-on-year to ₱5.1 billion from ₱4.9 billion in the same period last year.

Consolidated net sales improved by 15.1% to ₱132.7 billion in 2018 from ₱115.2 billion in 2017 driven by the strong blended SSSG of 5.9%, the sales contribution from the 104 net new stores opened during the twelve months of 2018 and the one-month consolidation of the Rustan Supercenters, Inc. The supermarket segment continued to account for the biggest share of sales at 47% in 2018. Its share to total net sales is expected to further increase this year due to the full year consolidation of Rustan.

The strong SSSG in 2018 brought about by the increase in disposable income from the reduction in personal income tax was largely driven by the supermarket segment which recorded SSSG of 7.6%, followed by specialty stores at 6.9%, convenience stores at 5.1%, DIY at 5.0%, drugstores at 3.3%, and department store at 2.3%.

Blended gross profit expanded by 15.0% to ₱29.7 billion from ₱25.8 billion the previous year. Meanwhile, EBITDA (earnings before interest, taxes, depreciation and amortization) rose by 7.6% to ₱9.0 billion.

Excluding the franchised stores of The Generics Pharmacy, Robinsons Retail ended the year with a total of 1,910 stores comprising of 252 supermarkets, 52 department stores, 210 do-it-yourself stores, 499 convenience stores, 510 drugstores and 387 specialty stores. The group's gross floor area expanded by 28.8% year-on-year to 1.48 million square meters.

Robinsons Retail's balance sheet remained solid with net cash amounting to ₱27.8 billion as of end December 2018. The company spent a total of ₱4.4 billion in capital expenditures for the year.

Signed:



Gina Roa-Dipaling

Investor Relations Officer

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

Email: gina.dipaling@robinson retail.com.ph