COVER SHEET

A 2 0 0 2 0 1 7 5 6

SEC Registration Number

ROBINSONS RETAIL HOLDINGS, INC. AND SUBSIDIARIES

(Company's Full Name)

110 E. Rodriguez Jr. Avenue, Libis, Quezon City

(Business Address: No. Street City/Town/Province)

Diosdado Felix Zapata III

(Contact Person)

635-0751

(Company Telephone Number)

0 9 | 3 0

Month *Day*

(Fiscal Year)

1 7 - Q

(Form Type)

Month *Day*

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended September 30, 2013

2. Commission identification number A200201756

3. BIR Tax Identification No 216-303-212-000

4. Exact name of issuer as specified in its charter

   ROBINSONS RETAIL HOLDINGS, INC.

5. Province, country or other jurisdiction of incorporation or organization Philippines

6. Industry Classification Code: (SEC Use Only)

....

7. Address of issuer's principal office Postal Code

   110 E. Rodriguez Jr. Avenue, Libis, Quezon City, Philippines 1226

8. Issuer's telephone number, including area code

   (632) 635-07-51

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	900,250,000

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [X] No [ ]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

    Philippine Stock Exchange - Common Shares

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

    Yes [ ] No [X]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [ ] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements

Please refer to the attached.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Please refer to the attached.

PART II--OTHER INFORMATION

Not applicable.

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Registrant: **Robinsons Retail Holdings, Inc.**

Signature and Title: James L. Go
Vice Chairman and Deputy Chief Executive Officer

Date: Nov. 14, 2013

Signature and Title: Robina Y. Gokongwei - Pe
President and Chief Executive Officer

Date: Nov. 14, 2013

Signature and Title: Diosdado Felix A. Zapata III
Vice President and Chief Financial Officer

Date: Nov. 14, 2013

PART 1 – FINANCIAL INFORMATION

Item 1 – Financial Statements

A. Unaudited Consolidated Balance Sheet as of September 30, 2013 and Audited Consolidated Balance Sheet as of December 31, 2012

B. Unaudited Consolidated Income Statements of Comprehensive Income for the Nine Months Ended September 30, 2013 and 2012

C. Unaudited Consolidated Statement of Changes in Equity for the Nine Months Ended September 30, 2013 and 2012

D. Unaudited Consolidated Statements of Cash Flow for the Nine Months Ended September 30, 2013 and 2012

E. Notes to Unaudited Consolidated Financial Statements

ROBINSONS RETAIL HOLDINGS, INC. AND SUBSIDIARIES
(Formerly Robinsons Holdings, Inc. and Subsidiaries)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2013
(with Comparative Audited Figures as of December 31, 2012)

	September 30, 2013 (Unaudited)	December 31, 2012 (As restated- Note 25)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 6 and 17)	₱3,248,973,951	₱6,051,728,328
Short-term investments (Note 7)	310,835,700	309,852,939
Available-for-sale (AFS) financial assets (Note 8)	-	51,800,000
Trade and other receivables (Notes 9 and 22)	494,186,300	736,797,631
Merchandise inventories (Note 10)	6,433,465,801	6,081,812,428
Other current assets (Note 11)	921,166,183	872,569,082
Total Current Assets	11,408,627,935	14,104,560,408
Noncurrent Assets		
Property and equipment (Note 12)	6,136,244,235	5,163,589,147
Investment in shares of stocks (Note 13)	1,842,898,291	1,549,423,116
Intangible assets (Note 14)	2,797,587,344	2,519,178,253
Deferred tax assets (Note 23)	180,444,472	151,842,112
Other noncurrent assets (Note 15)	882,141,435	743,277,672
Total Noncurrent Assets	11,839,315,777	10,127,310,300
	₱23,247,943,712	₱24,231,870,708
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 16)	₱9,297,042,775	₱12,319,576,603
Current portion of loans payable (Notes 17 and 25)	345,555,556	411,530,897
Income tax payable	471,876,809	336,135,427
Other current liabilities	254,578,030	235,231,520
Total Current Liabilities	10,369,053,170	13,302,474,447
Noncurrent Liabilities		
Loans payable - net of current portion (Notes 17 and 25)	1,355,785,616	2,116,666,667
Deferred tax liability (Notes 23 and 25)	470,075,260	470,075,260
Pension liability (Note 21)	405,486,656	285,272,547
Total Noncurrent Liabilities	2,231,347,532	2,872,014,474
Total Liabilities	12,600,400,702	16,174,488,921

(Forward)

	September 30, 2013 (Unaudited)	December 31, 2012 (As restated- Note 25)
Equity		
Capital stock (Note 18)	**₱900,250,000**	₱415,000,000
Additional paid-in capital	**141,816,919**	141,816,919
Other comprehensive income (loss) (Notes 13 and 21)	**33,989,523**	(30,049,176)
Equity reserve (Note 2)	**116,459,430**	116,459,430
Retained earnings (Note 18)	**8,065,048,930**	6,308,645,466
Total equity attributable to equity holders of the Parent Company	**9,257,564,802**	6,951,872,639
Non-controlling interest in consolidated subsidiaries	**1,389,978,208**	1,105,509,148
Total Equity	**10,647,543,010**	8,057,381,787
	₱23,247,943,712	₱24,231,870,708

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ROBINSONS RETAIL HOLDINGS, INC. AND SUBSIDIARIES
(Formerly Robinsons Holdings, Inc. and Subsidiaries)

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Nine Months Ended September 30		For the Three-Month Period July to September	
	2013 (Unaudited)	2012 (Unaudited)	**2013 (Unaudited)**	2012 (Unaudited)
REVENUE				
Sales - net of sales discounts and returns	**₱47,176,194,209**	₱39,431,291,363	**₱15,859,560,175**	₱14,197,083,52[illegible]
Royalty, rent and other income	**969,298,063**	786,277,400	**322,823,063**	241,583,844
	48,145,492,272	40,217,568,763	**16,182,383,238**	14,438,667,367
COST AND EXPENSES				
Cost of merchandise sold (Note 10)	**37,203,373,376**	31,931,098,498	**12,432,934,230**	11,507,800,714
Operating expenses (Note 19)	**8,300,489,055**	7,453,712,366	**2,726,859,799**	2,629,933,393
	45,503,862,431	39,384,810,864	**15,159,794,029**	14,137,734,107
	2,641,629,841	832,757,899	**1,022,589,209**	300,933,260
OTHER INCOME (CHARGES)				
Equity in net earnings of an associate (Note 13)	**185,628,898**	141,405,094	**58,809,869**	37,902,216
Interest income (Notes 6 and 7)	**49,867,080**	69,096,855	**9,058,983**	21,538,674
Dividend income	**3,271,519**	4,363,038	**-**	2,182,104
Investment income (Note 22)	**-**	129,874,167	**-**	-
Interest expense (Note 17)	**(63,936,312)**	(36,869,005)	**(18,316,945)**	(21,679,039)
	174,831,185	307,870,149	**49,551,907**	39,943,955
INCOME BEFORE INCOME TAX	**2,816,461,026**	1,140,628,048	**1,072,141,116**	340,877,215
PROVISION FOR INCOME TAX (Note 23)				
Current	**773,543,056**	245,138,103	**304,335,278**	92,475,978
Deferred	**(621,225)**	1,026,570	**(3,644,988)**	(5,029,949)
	772,921,831	246,164,673	**300,690,290**	87,446,029
NET INCOME	**₱2,043,539,195**	₱894,463,375	**₱771,450,826**	₱253,431,186

(Forward)

	Nine Months Ended September 30		For the Three-Month Period July to September	
	2013 (Unaudited)	2012 (Unaudited)	**2013 (Unaudited)**	2012 (Unaudited)
OTHER COMPREHENSIVE INCOME (LOSS)				
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:				
Changes in fair value of AFS financial assets (Note 13)	**₱417,133,034**	(₱250,000)	**₱-**	₱-
Share in change in fair value of AFS financial assets of an associate (Note 13)	**(279,413,383)**	(84,416,824)	**(4,737,788)**	(52,685,895)
Share in change in translation adjustment of an associate (Note 13)	**(24,413,320)**	-	**(1,099,621)**	-
Income tax effect	**15,093,539**	-	**-**	-
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:				
Share in actuarial losses on pension liability of an associate (Note 13)	**(7,260,054)**	-	**-**	-
Actuarial losses on pension liabilities (Note 21)	**(81,530,638)**	(35,229,714)	**(141,316)**	(6,619,613)
Income tax effect	**24,429,515**	10,568,914	**42,395**	1,985,884
	64,038,693	(109,327,624)	**(5,936,330)**	(57,319,624)
TOTAL COMPREHENSIVE INCOME	**₱2,107,577,888**	₱785,135,751	**₱765,514,496**	₱196,111,562
Net income attributable to:				
Equity holders of the Parent Company	**₱1,759,070,135**	₱788,376,932	**₱673,262,279**	₱220,401,636
Non-controlling interest in consolidated subsidiaries	**284,469,060**	106,086,443	**98,188,547**	33,029,550
	₱2,043,539,195	₱894,463,375	**₱771,450,826**	₱253,431,186
Total comprehensive income attributable to:				
Equity holders of the Parent Company	**₱1,823,108,828**	₱679,049,308	**₱667,325,949**	₱163,082,012
Non-controlling interest in consolidated subsidiaries	**284,469,060**	106,086,443	**98,188,547**	33,029,550
	₱2,107,577,888	₱785,135,751	**₱765,514,496**	₱196,111,562
Basic/Diluted Earnings Per Share (Note 24)	**₱1.95**	₱1.90	**₱0.75**	₱0.53

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ROBINSONS RETAIL HOLDINGS, INC. AND SUBSIDIARIES
(Formerly Robinsons Holdings, Inc. and Subsidiaries)
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital Stock (Note 18)	Additional Paid-in Capital	Other Comprehensive Income (Loss) (Notes 13 and 21)	Equity Reserve (Note 2)	Retained Earnings Appropriated (Note 18)	Retained Earnings Unappropriated (Note 18)	Total Equity Attributable to Equity Holders of the Parent Company	Non-controlling Interest in Consolidated Subsidiaries (As restated- Note 25	Total
At January 1, 2013	**₱415,000,000**	**₱141,816,919**	**(₱30,049,176)**	**₱116,459,430**	**₱4,235,825,899**	**₱2,072,819,567**	**₱6,951,872,639**	**₱1,105,509,148**	**₱8,057,381,787**
Subscriptions of shares of stocks during the period	**485,250,000**	–	–	–	–	–	485,250,000	–	485,250,000
Appropriation during the period	–	–	–	–	917,531,811	(917,531,811)	–	–	–
Net income	–	–	–	–	–	1,759,070,137	1,759,070,137	284,469,060	2,043,539,197
Other comprehensive income	–	–	64,038,693	–	–	–	64,038,693	–	64,038,693
Total comprehensive income	–	–	64,038,693	–	–	1,759,070,137	1,823,108,830	284,469,060	2,107,577,890
Dividends paid	–	–	–	–	–	(2,666,667)	(2,666,667)	–	(2,666,667)
At September 30, 2013 (Unaudited)	**₱900,250,000**	**₱141,816,919**	**₱33,989,517**	**₱116,459,430**	**₱5,153,357,710**	**₱2,911,691,226**	**₱9,257,564,802**	**₱1,389,978,208**	**₱10,647,543,010**
At January 1, 2012	₱415,000,000	₱141,816,919	(₱3,948,537)	₱98,101,590	₱4,716,251,453	₱392,750,076	₱5,759,971,501	₱729,226,419	₱6,489,197,920
Effect of decrease in ownership interest in subsidiaries	–	–	–	18,357,840	–	–	18,357,840	28,306,160	46,664,000
Acquisition of a subsidiary								202,697,558	202,697,558
Appropriation during the period	–	–	–	–	499,000,000	(499,000,000)	–	–	–
Net income	–	–	–	–	–	788,376,932	788,376,932	106,086,443	894,463,375
Other comprehensive loss	–	–	(109,327,624)	–	–	–	(109,327,624)	–	(109,327,624)
Total comprehensive income (loss)	–	–	(109,327,624)	–	–	788,376,932	679,049,308	106,086,443	785,135,751
At September 30, 2012 (Unaudited)	₱415,000,000	₱141,816,919	(₱113,276,161)	₱116,459,430	₱5,215,251,453	₱682,127,008	₱6,457,378,649	₱1,066,316,580	₱7,523,695,229

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ROBINSONS RETAIL HOLDINGS, INC. AND SUBSIDIARIES
(Formerly Robinsons Holdings, Inc. and Subsidiaries)
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30		For the Three-Month Period July to September	
	2013 (Unaudited)	2012 (Unaudited)	2013 (Unaudited)	2012 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	₱2,816,461,026	₱1,140,628,048	₱1,072,141,116	₱340,877,215
Adjustments for:				
Depreciation and amortization (Notes 12 and 19)	708,071,103	1,080,257,478	240,922,228	376,884,545
Interest expense (Note 17)	63,936,312	36,869,005	18,316,945	21,679,039
Provision for impairment loss on property and equipment (Notes 12 and 19)	5,241,126	10,465,815	1,376,148	3,682,055
Investment income (Note 22)	-	(129,874,167)	-	-
Dividend income	(3,271,519)	(4,363,038)	-	(2,182,104)
Interest income (Notes 6 and 7)	(49,867,080)	(69,096,855)	(9,058,983)	(21,538,674)
Equity in net earnings of an associate (Note 13)	(185,628,898)	(141,405,094)	(58,809,869)	(37,902,216)
Operating income before working capital changes	3,354,942,070	1,923,481,192	1,264,887,585	681,499,860
Decrease (increase) in:				
Trade and other receivables	244,493,817	134,372,768	(9,589,989)	(56,941,865)
Merchandise inventories	(351,653,372)	(778,960,096)	(760,111,181)	(326,336,088)
Other current assets	(136,505,802)	(218,380,546)	48,547,896	(73,239,247)
Short-term investments	(982,761)	(31,741,107)	-	-
Increase (decrease) in:				
Trade and other payables	(3,023,478,395)	(752,092,957)	(97,429,090)	603,245,545
Other current liabilities	14,872,187	17,898,983	65,112,594	86,246,123
Pension liability	38,724,208	21,271,228	13,274,543	2,681,098
Net cash flows used in operations	140,411,952	315,849,465	524,692,358	917,155,426
Income tax paid	(534,850,378)	(186,366,839)	(268,119,777)	(20,563,185)
Interest received	47,984,594	66,362,761	3,235,802	18,804,580
Net cash flows used in operating activities	(346,453,832)	195,845,387	259,808,383	915,396,821
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposals of:				
AFS financial assets	50,000,000	-	-	-
Property and equipment	17,306,290	-	16,014,509	-
Shares of stocks (Note 22)	-	141,667,700	-	-
Dividends received	3,271,519	4,363,038	-	2,182,104
Acquisitions of:				
Property and equipment (Note 12)	(1,689,209,084)	(1,717,442,341)	(635,867,545)	(479,776,947)
License	-	(121,212,122)	-	(121,212,122)
Acquisition through business combination	(290,000,000)	(2,152,086,494)	(290,000,000)	(2,152,086,494)
Increase in other noncurrent assets	(139,323,081)	(103,151,967)	(35,846,123)	(7,645,129)
Net cash flows used in investing activities	(₱2,047,954,356)	(₱3,947,862,186)	(₱945,699,159)	(₱2,758,538,588)

(Forward)

	Nine Months Ended September 30		For the Three-Month Period July to September	
	2013 (Unaudited)	2012 (Unaudited)	**2013 (Unaudited)**	2012 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from stock subscriptions (Note 18)	**₱485,250,000**	₱-	**₱-**	₱-
Proceeds from issuances of capital stock by subsidiaries to non-controlling interest (Note 2)	**–**	46,664,000	**-**	-
Availments / Payments of loans (Note 17)	**(826,856,392)**	1,805,664,203	**(13,921,401)**	1,890,664,203
Interest paid (Note 17)	**(64,073,130)**	(36,924,545)	**(18,453,763)**	(21,734,579)
Dividends paid	**(2,666,667)**	-	**-**	-
Net cash flows used in financing activities	**(408,346,189)**	1,815,403,658	**(32,375,164)**	1,868,929,624
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(2,802,754,377)**	(1,936,613,141)	**(718,265,940)**	25,787,857
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**6,051,728,328**	5,242,208,579	**3,967,239,891**	3,279,807,581
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 6)	**₱3,248,973,951**	₱3,305,595,438	**₱3,248,973,951**	₱3,305,595,438

See accompanying Notes to Interim Condensed Consolidated Financial Statements

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Robinsons Retail Holdings, Inc. (Formerly Robinsons Holdings, Inc.), (herein referred to as either "RRHI" or the "Parent Company") is a stock corporation organized under the laws of the Philippines. The Parent Company was registered with the Philippine Securities and Exchange Commission (SEC) on February 4, 2002. The primary purpose of the Parent Company and its subsidiaries (herein referred to as "the Group") is to engage in the business of trading goods, commodities and merchandise of any kind.

The registered office address of the Parent Company is 110 E. Rodriguez Jr. Avenue, Libis, Quezon City.

On March 26, 2013, the SEC approved the change of the Parent Company's corporate name from Robinsons Holdings, Inc. to Robinsons Retail Holdings, Inc.

2. Basis of Preparation

The accompanying interim condensed consolidated financial statements as at September 30, 2013 and for the nine months ended September 30, 2013 and 2012 have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. The interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the 2012 annual audited consolidated financial statements, comprising the consolidated statements of financial position as at December 31, 2012, 2011 and 2010, and the consolidated statements of income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, issued on September 13, 2013 (referred to as the "2012 annual consolidated financial statements").

The Group adopted the new accounting standards effective beginning January 1, 2013 in the 2012 annual audited consolidated financial statements which have been prepared for inclusion in the Parent Company's prospectus for purposes of its plan for initial public offering.

The interim condensed consolidated financial statements have been prepared under the historical cost basis, except for available-for-sale (AFS) financial assets, which are measured at fair value. The interim condensed consolidated financial statements are presented in Philippine Peso (₱), the Group's functional currency. All amounts are rounded to the nearest peso unless otherwise indicated.

The interim condensed consolidated financial statements represent the consolidation of the financial statements of RRHI and the following subsidiaries directly and indirectly owned by the Parent Company.

	September 30, 2013		December 31, 2012	
	Percentage of Ownership			
Investee Companies	Direct	Indirect	Direct	Indirect
Robinsons, Inc. (RI)	100.00%	–	100.00%	–
Robinsons Ventures Corporation (RVC)	–	65.00%	–	65.00%
Robinsons Toys, Inc. (RTI)	–	100.00%	–	100.00%
Robinsons Convenience Stores, Inc. (RCSI)	–	51.00%	–	51.00%
South Star Drug, Inc. (SSDI)	–	45.00%	–	45.00%
Robinsons Supermarket Corporation (RSC)	100.00%	–	100.00%	–
Angeles Supercenter, Inc. (ASI)	–	67.00%	–	67.00%
Eurogrocer Corp. (EC)	–	100.00%	–	–
Robinsons Appliances Corp. (RAC)	–	67.00%	–	67.00%
South Star Drug, Inc. (SSDI)	–	45.00%	–	45.00%
Robinsons Handyman, Inc. (RHMI)	–	55.00%	–	55.00%
Handyman Express Mart, Inc. (HEMI)	–	65.00%	–	65.00%
Waltermart Handyman, Inc. (WHI)	–	65.00%	–	65.00%
Robinsons True Serve Hardware Philippines, Inc. (RTSHPI)	–	66.67%	–	66.67%
Everyday Convenience Stores, Inc. (ECSI)	100.00%	–	100.00%	–
Robinsons Specialty Stores, Inc. (RSSI)	100.00%	–	100.00%	–
Robinsons Daiso Diversified Corp. (RDDC)	90.00%	–	90.00%	–
RHD Daiso-Saizen Inc. (RHDDS)	59.40%	–	59.40%	–
RHMI Management and Consulting, Inc.	100.00%	–	–	–
RRHI Management and Consulting, Inc.	100.00%	–	–	–
RRG Trademarks and Private Labels, Inc.	100.00%	–	–	–
RRHI Trademarks Management, Inc.	100.00%	–	–	–

All subsidiaries were incorporated in the Philippines.

Establishment of New Companies

On May 23, 2013, RRG Trademarks and Private Labels, Inc., wholly-owned subsidiary of the Parent Company, was incorporated to administer and own marks that are registered to companies with shareholding owned by third parties. The Parent Company provided equity funding to RRG Trademarks and Private Labels, Inc. amounting ₱0.19 million.

On May 23, 2013, RRHI Trademarks Managements, Inc., wholly-owned subsidiary of the Parent Company, was incorporated to administer and own marks that are registered to companies that are wholly-owned by the Parent Company. The Parent Company provided equity funding to RRHI Trademarks Management, Inc. amounting ₱0.19 million.

On May 27, 2013, RHMI Management and Consulting, Inc., wholly-owned subsidiary of the Parent Company, was incorporated to handle management agreements in relation to companies with shareholdings owned by third parties. The Parent Company provided equity funding to RHMI Management and Consulting, Inc. amounting ₱0.19 million.

On May 27, 2013, RRHI Management and Consulting, Inc., wholly-owned subsidiary of the Parent Company, was incorporated to handle management agreements that are registered to companies that are wholly-owned by the Parent Company. The Parent Company provided equity funding to RRHI Management and Consulting, Inc. amounting ₱0.19 million.

On July 8, 2013, Robinsons Gourmet Food and Beverage, Inc., wholly-owned subsidiary of RI, was incorporated to engage in the business of establishing, operating and managing of retail coffee shops and espresso shops. RI provided equity funding to Robinsons Gourmet Food and Beverage, Inc. amounting ₱ 100 million.

On September 14, 2013, Robinsons Supermarket Corporation acquired 100% ownership of Eurogrocer Corp., a company incorporated in the Philippines and engage in the business of grocery retailing.

3. Changes in Accounting Policies

The accounting policies adopted in the preparation of the Group's interim condensed consolidated financial statements are consistent with those of the previous financial years except for the adoption of the following new and amended Philippine Financial Reporting Standards (PFRS) and Philippine Interpretations which became effective beginning January 1, 2013. Except as otherwise stated, the adoption of these new and amended Standards and Philippine Interpretations did not have any impact on the interim condensed consolidated financial statements.

- PAS 1, *Financial Statement Presentation - Presentation of Items of Other Comprehensive Income*
  The amendments to PAS 1 change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or "recycled") to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only in the consolidated statement of comprehensive income and has therefore no impact on the Group's financial position or performance.

- PAS 19, *Employee Benefits* (Amendment) (effective for annual periods beginning on or after January 1, 2013)
  For defined benefit plans, the Revised PAS 19 requires all actuarial gains and losses to be recognized in other comprehensive income and unvested past service costs previously recognized over the average vesting period to be recognized immediately in profit or loss when incurred.

  Prior to adoption of the Revised PAS 19, the Group recognized actuarial gains and losses immediately to profit or loss while past service cost, if any, is recognized immediately to profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service cost is amortized on a straight-line basis over the vesting period. Upon adoption of the PAS 19 Revised, the Group changed its accounting policy to recognize all actuarial gains and losses in other comprehensive income and all past service costs in profit or loss in the period they occur. Moving forward, the Group will retain the recognized actuarial gains and losses in other comprehensive income and will not transfer this to other items of equity.

  The Revised PAS 19 replaced the interest cost and expected return on plan assets with the concept of net interest on defined benefit liability or asset which is calculated by multiplying the net balance sheet defined benefit liability or asset by the discount rate used to measure the employee benefit obligation, each as at the beginning of the annual period.

The Revised PAS 19 also amended the definition of short-term employee benefits and requires employee benefits to be classified as short-term based on expected timing of settlement rather than the employee's entitlement to the benefits. In addition, the Revised PAS 19 modifies the timing of recognition for termination benefits. The modification requires the termination benefits to be recognized at the earlier of when the offer cannot be withdrawn or when the related restructuring costs are recognized.

Changes to definition of short-term employee benefits and timing of recognition for termination benefits do not have any impact on the Group's financial position and financial performance.

The changes in accounting policies have been applied retrospectively. The effects of the adoption of the Revised PAS 19 on the interim condensed consolidated financial statements are as follows:

	As at September 30, 2013	As at December 31, 2012
Consolidated statements of financial position		
Increase (decrease) in:		
Net plan assets	**₱–**	₱–
Deferred tax assets	**56,219,907**	31,844,202
Retirement liability	**(187,399,689)**	(106,147,340)
Other comprehensive income	**127,019,634**	70,017,432
Retained earnings	**3,909,137**	4,022,139
Noncontrolling interest	**251,011**	263,567

	Nine Months Ended September 30 2013	2012
Consolidated statements of comprehensive income		
Increase (decrease) in:		
Net benefit expense	**(₱179,368)**	(₱1,451,007)
Provision for income tax	**53,810**	435,302
Net income	**(113,002)**	884,638
Other comprehensive income for the period, net of tax	**57,002,202**	(5,609,025)

There is no material impact on interim condensed consolidated statement of cash flow or the basic and diluted earnings per share (EPS).

- PFRS 7, *Financial instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities* (effective for annual periods beginning on or after January 1, 2013)
  These amendments require an entity to disclose information about rights of set-off and related arrangements (such as collateral agreements). The new disclosures are required for all recognized financial instruments that are set off in accordance with PAS 32. These disclosures also apply to recognized financial instruments that are subject to an enforceable master netting arrangement or 'similar agreement', irrespective of whether they are set-off in accordance with PAS 32. The amendments require entities to disclose, in a tabular format unless another format is more appropriate, the following minimum quantitative information.

  This is presented separately for financial assets and financial liabilities recognized at the end of the reporting period:
  a) The gross amounts of those recognized financial assets and recognized financial liabilities;
  b) The amounts that are set off in accordance with the criteria in PAS 32 when determining the net amounts presented in the statement of financial position;
  c) The net amounts presented in the statement of financial position;
  d) The amounts subject to an enforceable master netting arrangement or similar agreement that are not otherwise included in (b) above, including:
     i. Amounts related to recognized financial instruments that do not meet some or all of the offsetting criteria in PAS 32; and
     ii. Amounts related to financial collateral (including cash collateral); and
  e) The net amount after deducting the amounts in (c) from the amounts in (d) above.

  As the Group is not setting off financial instruments in accordance with PAS 32 and does not have relevant offsetting arrangements, the amendment does not have an impact on the Group.

- PFRS 10, *Consolidated Financial Statements* (effective for annual periods beginning on or after January 1, 2013)
  PFRS 10 replaces the portion of PAS 27, *Consolidated and Separate Financial Statements*, which addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12, Consolidation - *Special Purpose Entities*. PFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by PFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore,

are required to be consolidated by a parent, compared with the requirements that were in PAS 27. The adoption of PFRS 10 have no impact on the financial statements of the Group.

- PFRS 11, *Joint Arrangements* (effective for annual periods beginning on or after January 1, 2013)
  PFRS 11 replaces PAS 31, *Interests in Joint Ventures*, and SIC 13, *Jointly Controlled Entities - Non-Monetary Contributions by Venturers*. PFRS 11 removes the option to account for jointly controlled entities using proportionate consolidation. Instead, jointly controlled entities that meet the definition of a joint venture must be accounted for using the equity method. The adoption of PFRS 11 has no impact on the Group's financial position and performance as the Group has no interest in joint venture.

- PFRS 12, *Disclosures of Interests with Other Entities* (effective for annual periods beginning on or after January 1, 2013)
  This standard includes all of the disclosures that were previously in PAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in PAS 31 and PAS 28. These disclosures relate to an entity's interests in
  subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. The Group provides these disclosures in Note 13.

- PFRS 13, *Fair Value Measurement* (effective for annual periods beginning on or after January 1, 2013)
  PFRS 13 establishes a single source of guidance under PFRSs for all fair value measurements. PFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under PFRS when fair value is required or permitted. This standard should be applied prospectively as of the beginning of the annual period in which it is initially applied. Its disclosure requirements need not be applied in comparative information provided for periods before initial application of PFRS 13. The amendments affect disclosures and the valuation of the Group's investment in preferred stock of Robinsons Bank Corporation. The changes in the valuation are reflected in the other comprehensive income (Note 13).

- Revised PAS 27, *Separate Financial Statements* (effective for annual periods beginning on or after January 1, 2013)
  As a consequence of the issuance of the new PFRS 10, *Consolidated Financial Statements*, and PFRS 12, *Disclosure of Interests in Other Entities*, what remains of PAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in the separate financial statements. The adoption of the amended PAS 27 does not have a significant impact on the separate financial statements of the entities in the Group.

- Revised PAS 28, *Investment in Associates and Joint Ventures* (effective for annual periods beginning on or after January 1, 2013)
  As a consequence of the issuance of the new PFRS 11, *Joint Arrangements*, and PFRS 12, *Disclosure of Interests in Other Entities*, PAS 28 has been renamed PAS 28, *Investments in Associates and Joint Ventures*, and describes the application of the equity method to investments in joint ventures in addition to associates. The application of this new standard will not significantly impact the financial statements of the Group.

- Philippine Interpretation IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine* (effective for annual periods beginning on or after January 1, 2013)
  This interpretation applies to waste removal (stripping) costs incurred in surface mining activity, during the production phase of the mine. The interpretation addresses the accounting for the benefit from the stripping activity. This new interpretation is not relevant to the Group.

The Group will adopt the following standards, interpretations and amendments to standards enumerated below when these become effective. Except as otherwise indicated, the Group does not expect the adoption of these new and amended PFRS and Philippine Interpretations from International Financial Reporting Interpretation Committee (IFRIC) to have significant impact on the Group's financial statements.

Effective in 2014

- PAS 32, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities* (effective for annual periods beginning on or after January 1, 2014)
  These amendments to PAS 32 clarify the meaning of "currently has a legally enforceable right to set-off" and also clarify the application of the PAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The application of this new standard will not impact the financial statements of the Group.

Effective in 2015

- *PFRS 9, Financial Instruments - Classification and Measurement* (effective for annual periods beginning on or after January 1, 2015)
  PFRS 9, as issued, reflects the first phase on the replacement of PAS 39 and applies to the classification and measurement of financial assets and liabilities as defined in PAS 39, *Financial Instruments: Recognition and Measurement*. Work on impairment of financial instruments and hedge accounting is still ongoing, with a view to replacing PAS 39 in its entirety. PFRS 9 requires all financial assets to be measured at fair value at initial recognition. A debt financial asset may, if the fair value option (FVO) is not invoked, be subsequently measured at amortized cost if it is held within a business model that has the objective to hold the assets to collect the contractual cash flows and its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding. All other debt instruments are subsequently measured at fair value through profit or loss. All equity financial assets are measured at fair value either through other comprehensive income (OCI) or profit or loss. Equity financial assets held for trading must be measured at fair value through profit or loss. For FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in OCI.

  The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other PAS 39 classification and measurement requirements for financial liabilities have been carried forward into PFRS 9, including the embedded derivative separation rules and the criteria for using the FVO. The adoption of the
  first phase of PFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will have no impact on the classification and measurement of financial liabilities. The Group will quantify the effect in conjunction with the other phases, when issued, to present a more comprehensive picture.

- Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate*
  The implementation of the Philippine Interpretation is deferred until the final Review Standard is issued by IASB and after an evaluation on the requirements and guidance in the standard vis-à-vis the practices and regulations in the Philippine real estate industry is completed. This Philippine Interpretation covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. This Philippine Interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contract qualifies as construction contract to be
  accounted for under PAS 11, *Construction Contracts*, or involves rendering of services in which case revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis will also be accounted for based on stage of completion. The SEC and Financial Reporting Standards have deferred the effectivity of this interpretation until the final Revenue Standard is issued by the International
  Accounting Standards Board and an evaluation of requirements of the final Revenue Standard against the practice of the Philippine retail industry is completed. The adoption of the interpretation when it becomes effective will not have any impact on the financial statements of the Group as they are not engaged in real estate business.

4. Seasonality of Operations

Due to the seasonal nature of the Group's business, higher revenues and operating profits are usually expected in the last quarter of the year than the first nine (9) months. Higher revenues from October to December are mainly attributed to the increased sales during the peak holiday season.

5. Operating Segment

Business Segment

The business segment is determined as the primary segment reporting format as the Group's risks and rates of return are affected predominantly by each operating segment.

Management monitors the operating results of its operating segments separately for the purpose of making decision about resource allocation and performance assessment. Group financing (including interest income, dividend income, investment income and interest expense) and income taxes are managed on a group basis and are not allocated to operating segments. The Group evaluates performance based on income before income tax, and earnings before income tax, depreciation and amortization. The Group does not report its results based on geographical segments because the Group operates only in the Philippines.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Cost and expenses exclude interest, taxes, depreciation and amortization.

The amount of segment assets and liabilities are based on the measurement principles that are similar with those used in measuring the assets and liabilities in the consolidated statements of financial position which is in accordance with PFRS.

The Group derives its revenue from the following reportable units:

- *Supermarket Division*
  The first major retailer to promote health and wellness. Robinson's Supermarket commits to bring together healthy options and affordable prices in a refreshingly clean and organized shopping destination. It makes a bold lifelong commitment to educate and empower its customers to make healthy choices.

- *Department Store Division*
  Robinson's Department Store is one of the premier shopping destinations in the country today. It offers an exceptional selection of merchandise from top international and local brands. From the trendiest fashion pieces, the most coveted lifestyle products, the latest items for the home, to playthings and necessities for the little ones. It provides experience that goes beyond ordinary shopping.

- *Hardware Division*
  Handyman has grown to be one of the most aggressive hardware and home improvement centers in the country. It aims to cover the Philippine landscape with more branches in key commercial centers to promote self reliance among "do-it yourselfers".

- *Convenience Store Division*
  Ministop is a 24 hour convenience store chain and is a franchise of Ministop Co. Ltd., one of the largest convenience store chains in Japan. The store carries a wide assortment of merchandise and an extensive selection of ready to eat products.

- *Drug Store Division*
  South Star Drug Store offers over a thousand brands from food and pharmaceuticals to personal care products.

- *Specialty Store Division*
  The Specialty Store Division is the lifestyle retail arm of Robinsons Retail Group. It is committed to bringing the best loved international lifestyle brands, top entertainment systems, and unparalleled selection of toys and games.

The financial information about these operating segments as of and for the nine months ended September 30, 2013 and 2012 and as of December 31, 2012 is summarized below:

September 30, 2013

	Supermarket Division	Department Store Division	Hardware Division	Convenience Store Division	Drug Store Division	Specialty Store Division	Parent Company	Intersegment Eliminating Adjustments	Consolidated
Revenue									
Segment revenue	₱23,004,072,502	₱7,955,788,369	₱5,087,590,999	₱3,082,879,713	₱4,595,976,709	₱3,449,885,917	₱-	₱-	₱47,176,194,209
Other income	61,922,423	19,056,022	-	812,820,855	64,587,464	10,911,299	185,628,898	-	1,154,926,961
Intersegment revenue	65,772,098	-	-	-	-	307,690,921	-	(373,463,019)	-
Total Revenue	23,131,767,023	7,974,844,391	5,087,590,999	3,895,700,568	4,660,564,173	3,768,488,137	185,628,898	(373,463,019)	48,331,121,170
Costs and expenses									
Segment cost of merchandise sold	18,765,118,833	5,547,422,479	3,491,374,035	2,816,368,398	3,839,471,229	2,743,618,402	-	-	37,203,373,376
Segment operating expenses	2,901,153,659	1,493,627,061	994,701,066	808,052,731	569,433,537	791,667,706	28,541,066	-	7,587,176,826
Intersegment costs and expenses	-	344,714,135	14,102,730	-	7,110,359	7,535,795	-	(373,463,019)	-
Total Costs and Expenses	21,666,272,492	7,385,763,675	4,500,177,831	3,624,421,129	4,416,015,125	3,542,821,903	28,541,066	(373,463,019)	44,790,550,202
Earnings before interest, taxes and depreciation and amortization	1,465,494,531	589,080,716	587,413,168	271,279,439	244,549,048	225,666,234	157,087,832	-	3,540,570,968
Depreciation and amortization*	305,061,245	116,702,824	73,114,740	116,882,043	27,653,485	73,897,892	-	-	713,312,229
Earnings before interest and taxes	1,160,433,286	472,377,892	514,298,428	154,397,396	216,895,563	151,768,342	157,087,832	-	2,827,258,739
Interest expense	(22,821,935)	(17,758,611)	-	(6,264,423)	(12,425,397)	(4,665,946)	-	-	(63,936,312)
Interest income	2,882,401	12,486,636	11,409,095	5,118,054	5,010,723	4,960,207	7,999,964	-	49,867,080
Dividend income	3,271,519	-	-	-	-	-	-	-	3,271,519
Income before income tax	₱1,143,765,271	₱467,105,917	₱525,707,523	₱153,251,027	₱209,480,889	₱152,062,603	₱165,087,796	₱-	₱2,816,461,026
Assets and Liabilities									
Segment assets	₱7,240,212,826	₱1,998,365,409	₱2,779,636,733	₱1,754,501,035	₱2,353,599,323	₱2,155,564,409	₱ 2,730,100,244	₱2,235,963,733	₱23,247,943,712
Investment in subsidiaries - at cost	1,326,328,033	1,734,770,374	-	-	-	-	1,676,124,134	(4,737,222,541)	-
Total segment assets	₱8,566,540,859	₱3,733,135,783	₱2,779,636,733	₱1,754,501,035	₱2,353,599,323	₱2,155,564,409	₱4,406,224,378	(₱2,501,258,808)	₱23,247,943,712
Total segment liabilities	₱5,393,536,547	₱1,388,485,756	₱1,349,278,885	₱1,054,521,501	₱1,216,352,246	₱1,835,822,407	₱30,217,503	₱332,185,857	₱12,600,400,702
Other segment information:									
Capital expenditures	₱715,179,745	₱215,271,611	₱160,239,197	₱235,755,188	₱39,395,790	₱323,367,553	₱-	₱-	₱1,689,209,084

*includes provision for impairment loss amounting ₱5,241,126.

September 30, 2012

	Supermarket Division	Department Store Division	Hardware Division	Convenience Store Division	Drug Store Division	Specialty Store Division	Parent Company	Intersegment Eliminating Adjustments	Consolidated
Revenue									
Segment revenue	₱20,893,189,021	₱7,530,773,704	₱4,438,720,092	₱2,817,393,003	₱966,646,978	₱2,784,568,565	₱-	₱-	₱39,431,291,363
Other income	56,672,442	6,018,320	-	699,615,933	14,336,306	9,634,399	141,405,094	-	927,682,494
Intersegment revenue	54,827,366	-	-	-	-	301,305,352	-	(356,132,718)	-
Total Revenue	21,004,688,829	7,536,792,024	4,438,720,092	3,517,008,936	980,983,284	3,095,508,316	141,405,094	(356,132,718)	40,358,973,857
Costs and expenses									
Segment cost of merchandise sold	17,441,428,977	5,488,349,948	3,305,410,641	2,579,045,839	820,024,075	2,296,839,018	-	-	31,931,098,498
Segment operating expenses	2,702,092,005	1,340,481,980	813,921,861	732,028,921	115,961,917	658,400,469	101,920	-	6,362,989,073
Intersegment costs and expenses		335,995,341	12,170,548	-	1,138,439	6,828,390	-	(356,132,718)	-
Total Costs and Expenses	20,143,520,982	7,164,827,269	4,131,503,050	3,311,074,760	937,124,431	2,962,067,877	101,920	(356,132,718)	38,294,087,571
Earnings before interest, taxes and depreciation and amortization	861,167,847	371,964,755	307,217,042	205,934,176	43,858,853	133,440,439	141,303,174	-	2,064,886,286
Depreciation and amortization*	501,704,230	217,217,084	119,575,613	132,190,757	8,558,552	111,477,057	-	-	1,090,723,293
Earnings before interest and taxes	359,463,617	154,747,671	187,641,429	73,743,419	35,300,301	21,963,382	141,303,174	-	974,162,993
Interest expense	(7,839,241)	(5,480,903)	-	(16,212,881)	(2,128,143)	(5,207,837)	-	-	(36,869,005)
Interest income	7,553,441	23,272,061	14,431,506	7,189,222	1,728,206	10,917,998	4,004,421	-	69,096,855
Dividend income	4,363,038	-	-	-	-	-	-	-	4,363,038
Investment income	-	129,874,167	-	-	-	-	-	-	129,874,167
Income before income tax	₱363,540,855	₱302,412,996	₱202,072,935	₱64,719,760	₱34,900,364	₱27,673,543	₱145,307,595	₱-	₱1,140,628,048
Other segment information:									
Capital expenditures	₱1,046,094,522	₱329,250,961	₱158,997,397	₱44,447,469	₱26,982,187	₱111,669,805	₱-	₱-	₱1,717,442,341

*includes provision for impairment loss amounting ₱10,465,815.

December 31, 2012

	Supermarket Division	Department Store Division	Hardware Division	Convenience Store Division	Drug Store Division	Specialty Store Division	Parent Company	Intersegment Eliminating Adjustments	Consolidated
Assets and Liabilities									
Segment assets	₱7,000,611,015	₱3,992,747,419	₱2,614,931,910	₱1,736,225,785	₱2,325,383,829	₱2,370,573,837	₱1,955,433,184	₱2,235,963,729	₱24,231,870,708
Investment in subsidiaries - at cost	1,326,328,033	1,734,770,374	–	–	–	–	1,676,124,134	(4,737,222,541)	–
Total segment assets	₱8,326,939,048	₱5,727,517,793	₱2,614,931,910	₱1,736,225,785	₱2,325,383,829	₱2,370,573,837	₱3,631,557,318	(₱2,501,258,812)	₱24,231,870,708
Total segment liabilities	₱5,933,317,905	₱3,697,880,183	₱1,543,649,855	₱1,148,796,633	₱1,335,027,794	₱2,153,351,538	₱30,279,168	₱332,185,845	₱16,174,488,921

The revenue of the Group consists mainly of sales to external customers. Inter-segment revenue arising from purchase arrangements amounting ₱373,463,019 and ₱356,132,718 in 2013 and 2012, respectively, are eliminated on consolidation.

No operating segments have been aggregated to form the above reportable segments.

Capital expenditures consists of additions to property and equipment.

The Group has no significant customer which contributes 10.00% or more to the revenues of the Group.

6. Cash and Cash Equivalents

This account consists of:

	September 30,		December 31,
	2013	2012	2012
	(Unaudited)	(Unaudited)	(Audited)
Cash on hand	**₱201,634,046**	₱330,729,479	₱496,827,741
Cash in banks and cash equivalents	**3,047,339,905**	2,974,865,959	5,554,900,587
	₱3,248,973,951	₱3,305,595,438	₱6,051,728,328

Cash in banks earn interest at the respective bank deposit rates. Short-term investments are made for varying periods of one (1) to three (3) months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term investment rates that range from 0.30% to 6.00%, 1.20% to 3.68% and 1.20% to 4.75% for the nine months ended September 30, 2013, September 30, 2012 and for the year ended December 31, 2012, respectively.

Interest income arising from cash in banks and cash equivalents amounted to ₱32,036,358 and ₱48,124,070 for the nine months ended September 30, 2013 and 2012, respectively. .

7. Short-term Investments

This account consists of dollar-denominated investments with a period of one (1) year.

Short-term investments are made for varying periods of up to one (1) year, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term investment rates based on annual interest rates of 2.31% in 2013 and 2012.

Interest income arising from short-term investments amounted to ₱17,830,722 and ₱20,972,785 for the nine months ended September 30, 2013 and 2012, respectively.

8. Available-for-Sale Financial Assets

This account consists of investment in equity securities as follows:

Movements in AFS financial assets follows:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Cost		
At January 1	**₱50,000,000**	₱50,000,000
Disposal	**(50,000,000)**	–
At September 30 and December 31	**–**	50,000,000
Change in fair value of AFS financial assets		
At January 1	**1,800,000**	2,500,000
Changes	**(1,800,000)**	(700,000)
At September 30 and December 31	**–**	1,800,000
Total	**₱–**	₱51,800,000

In May 2013, the AFS financial assets were disposed for a total consideration of ₱50,000,000.

Dividend income received from investments amounted to ₱3,271,519 and ₱4,363,038 for the nine months ended September 30, 2013 and 2012, respectively.

9. Trade and Other Receivables

This account consists of:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Trade	**₱375,059,755**	₱612,831,447
Due from lessees/franchisees	**93,144,247**	118,347,415
Nontrade	**56,024,399**	35,660,870
	524,228,401	766,839,732
Less allowance for impairment losses	**30,042,101**	30,042,101
	₱494,186,300	₱736,797,631

Trade receivables are noninterest-bearing and are generally on a one to thirty (1-30) days' term.

Nontrade receivables consist mainly of advances to officers and employees and interest receivable arising from short-term investments.

As of September 30, 2013 and December 31, 2012, the allowance for impairment losses amounting ₱30,042,101 pertains to the provision for amounts due from lessees/franchisees.

10. Merchandise Inventories

This account consists of:

	September 30, 2013 (Nine months) (Unaudited)	December 31, 2012 (One year) (Audited)
Beginning inventory	**₱6,081,812,428**	₱3,310,227,402
Add: Purchases - net	**37,555,026,749**	49,186,038,205
Cost of goods available for sale	**43,636,839,177**	52,496,265,607
Cost of merchandise sold	**37,203,373,376**	46,414,453,179
Ending inventory	**₱6,433,465,801**	₱6,081,812,428

There are no merchandise inventories pledged to secure liabilities.

11. Other Current Assets

This account consists of:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Input value-added tax (VAT) - net	**₱671,529,099**	₱593,669,866
Prepayments	**240,094,722**	269,562,973
Others	**9,542,362**	9,336,243
	₱921,166,183	₱872,569,082

Input VAT will be applied against output VAT in the succeeding periods. Management believes that the amount is fully realizable.

Prepayments mainly consist of creditable withholding taxes (CWT) which will be applied against income tax payable in future periods. Management believes that the amount is fully realizable.

12. Property and Equipment

The rollforward analysis of this account follows:

September 30, 2013

	Leasehold Improvements	Store Furniture and Fixtures	Office Furniture and Fixtures	Transportation Equipment	Building and Other Equipment	Computer Equipment	Construction in-Progress	Total
Cost								
At January 1	₱5,898,150,930	₱5,008,462,446	₱153,578,746	₱85,661,445	₱1,290,007,404	₱984,071,634	₱5,754,412	₱13,425,687,017
Additions	815,008,376	500,426,920	99,812,822	5,028,857	212,132,899	54,411,656	2,387,554	1,689,209,084
Acquisition through business combination	-	2,500,000	-	-	-	-	-	2,500,000
Transfers and Disposals	(2,687,416)	(18,547,978)	(10,363,014)	-	-	23,441,234	(8,141,966)	(16,299,140)
At September 30	6,710,471,890	5,492,841,388	243,028,554	90,690,302	1,502,140,303	1,061,924,524	-	15,101,096,961
Accumulated Depreciation and Amortization								
At January 1	3,459,227,451	3,048,782,106	90,846,952	57,393,902	740,154,822	768,417,862	-	8,164,823,095
Depreciation and amortization (Note 19)	312,202,991	275,726,945	9,181,305	4,557,285	62,999,289	33,853,064	-	698,520,879
Transfers and Disposals	(500,397)	(15,430,730)	(7,362,351)	-	-	22,286,329	-	(1,007,149)
At September 30	3,770,930,045	3,309,078,321	92,665,906	61,951,187	803,154,111	824,557,255	-	8,862,336,825
Allowance for impairment losses								
At January 1	56,268,472	39,172,943	205,491	202,806	-	1,425,063	-	97,274,775
Provision during the period (Note 19)	1,741,717	3,150,610	48,396	43,492	-	256,911	-	5,241,126
At September 30	58,010,189	42,323,553	253,887	246,298	-	1,681,974	-	102,515,901
Net Book Value	₱2,881,531,656	₱2,141,439,514	₱150,108,761	₱28,492,817	₱698,986,192	₱235,685,295	₱-	₱6,136,244,235

December 31, 2012

	Leasehold Improvements	Store Furniture and Fixtures	Office Furniture and Fixtures	Transportation Equipment	Building and Other Equipment	Computer Equipment	Construction in-Progress	Total
Cost								
At January 1	₱4,940,424,539	₱4,338,667,914	₱116,705,244	₱72,826,326	₱1,178,241,300	₱893,526,108	₱-	₱11,540,391,431
Additions due to business combination (Note 25)	144,144,954	16,316,208	–	5,161,200	–	6,736,349	9,566,124	181,924,835
Additions	894,419,573	745,679,179	55,454,680	7,673,919	112,391,904	96,330,503	–	1,911,949,758
Disposals	(17,506,325)	(67,190,842)	–	–	(625,800)	(11,473,179)	–	(96,796,146)
Transfers	21,325,006	–	(17,513,294)	–	–	–	(3,811,712)	–
Retirement	(84,656,817)	(25,010,013)	(1,067,884)	–	–	(1,048,147)	–	(111,782,861)
At December 31	5,898,150,930	5,008,462,446	153,578,746	85,661,445	1,290,007,404	984,071,634	5,754,412	13,425,687,017
Accumulated Depreciation and Amortization								
At January 1	2,819,903,540	2,548,565,348	75,740,414	48,744,865	604,134,451	686,429,080	–	6,783,517,698
Depreciation and amortization	730,349,063	589,534,652	16,174,422	8,649,037	136,648,314	94,510,108	–	1,575,865,596
Disposals	(6,368,335)	(64,310,024)	–	-	(625,800)	(11,473,179)	–	(82,777,338)
Retirement	(84,656,817)	(25,007,870)	(1,067,884)	-	(2,143)	(1,048,147)	–	(111,782,861)
At December 31	3,459,227,451	3,048,782,106	90,846,952	57,393,902	740,154,822	768,417,862	–	8,164,823,095
Allowance for impairment losses								
At January 1	49,567,673	25,882,986	–	–	–	349,273	–	75,799,932
Provision during the year	6,700,799	13,289,957	205,491	202,806	–	1,075,790	–	21,474,843
At December 31	56,268,472	39,172,943	205,491	202,806	–	1,425,063	–	97,274,775
Net Book Value	₱2,382,655,007	₱1,920,507,397	₱62,526,303	₱28,064,737	₱549,852,582	₱214,228,709	₱5,754,412	₱5,163,589,147

There are no property and equipment items as of September 30, 2013 and December 31, 2012 that are pledged as security to liability.

Allowance for impairment losses pertains to closing of nonperforming stores.

Construction in-progress is not depreciated until such time when the relevant assets are completed and available for use. As of December 31, 2012, the Company's capitalized payments as construction in-progress amounted to ₱5,754,412.

In 2013, the Management concluded its reassessment of the estimated useful life (EUL) of its property and equipment items to reflect the appropriate pattern of economic benefits. In general, the revised average EUL of property and equipment follows (in years):

	Revised	Old
Leasehold improvements	10	5
Store furniture and fixtures	10	5
Office furniture and fixtures	10	5
Transportation equipment	10	5
Building and other equipment	20	10
Computer equipment	10	5

The change in accounting estimates is accounted for prospectively resulting in a decrease in the depreciation expense of the Group by ₱587 million for the nine months ended September 30, 2013.

13. Investment in Shares of Stocks

This account consists of investment in shares of stocks of Robinsons Bank Corporation (RBC):

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Investment in preferred stock	**₱1,470,083,439**	₱1,051,150,405
Investment in common stock	**372,814,852**	498,272,711
	₱1,842,898,291	₱1,549,423,116

The details of the investment in preferred stock of RBC follow:

	September 30, 2013 (Nine months) (Unaudited)	December 31, 2012 (One year) (Audited)
Beginning balance	**₱1,051,150,405**	₱1,051,150,405
Change in fair value of investment in preferred stocks	**418,933,034**	–
	₱1,470,083,439	₱1,051,150,405

The details of the investment in common stock of RBC follow:

	September 30, 2013 (Nine months) (Unaudited)	December 31, 2012 (One year) (Audited)
Shares of common stock - at equity:		
Acquisition cost	₱124,933,383	₱124,933,383
Accumulated equity in net earnings:		
Beginning balance	320,077,533	161,053,965
Equity in net earnings of an associate for the period	185,628,898	159,023,568
Ending balance	505,706,431	320,077,533
Share in other comprehensive income of RBC:		
Beginning balance	53,261,795	57,796,853
Change in fair value of AFS financial assets of an associate	(279,413,383)	(4,535,058)
Change in translation adjustment of an associate	(24,413,320)	–
Actuarial losses on pension liability of an associate	(7,260,054)	–
Ending balance	(257,824,962)	53,261,795
	₱372,814,852	₱498,272,711

The Group has 40% ownership in RBC.

No dividends have been declared by RBC in 2013 and 2012.

Financial information of RBC follows:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Total assets	₱41,861,687,100	₱39,099,939,112
Total liabilities	36,419,177,568	33,360,871,812

The statements of income follow:

	Nine Months Ended September 30	
	2013 (Unaudited)	2012 (Audited)
Total operating income	₱1,762,145,808	₱1,275,195,529
Total operating expenses and provision for income tax	1,334,316,012	921,682,793
Net income	₱427,829,796	₱353,512,736

The reconciliation of the net assets of the material associate to the carrying amounts of the interest in an associate recognized in the consolidated financial statements is as follows:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Net assets of associate attributable to common shareholders	**₱209,962,565**	₱523,607,213
Proportionate ownership in the associate		
Share in net identifiable assets	**83,985,026**	209,442,885
Difference	**288,829,826**	288,829,826
	₱372,814,852	₱498,272,711

The difference is attributable to the commercial banking license and goodwill embedded in the carrying amount of the investment in common stock of RBC.

14. Intangible Assets

This account consists of:

	September 30, 2013 (Unaudited)	December 31, 2012 (As restated- Note 25)
Trademark (Note 25)	**₱1,566,917,532**	₱1,566,917,532
Goodwill	**1,118,548,599**	831,048,599
Licenses	**112,121,213**	121,212,122
	₱2,797,587,344	₱2,519,178,253

The Trademark was acquired through business combination in 2012 and was recognized at fair value at the date of acquisition. This has indefinite useful life. Following initial recognition, the trademark is carried at cost and subject to annual impairment testing.

The Group's goodwill pertains to the excess of the acquisition cost over the fair value of the net assets of SSDI, EC, and RTSHPI as follows:

	September 30, 2013 (Unaudited)	December 31, 2012 (As restated- Note 25)
SSDI (Note 25)	**₱745,887,131**	₱745,887,131
EC	**287,500,000**	–
RTSHPI	**85,161,468**	85,161,468
	₱1,118,548,599	₱831,048,599

Acquisition of SSDI by RSC and RI

SSDI was acquired by RSC and RI in July 4, 2012. The acquisition represents 90% ownership interest on the shares of stock of SSDI (Note 25).

Acquisition of RTSHPI by RHMI
RTSHPI was acquired by RHMI in February 2007. The acquisition represents 66.67% ownership interest on the shares of stock of RTSHPI.

Acquisition of EC by RSC
EC was acquired by RSC in September 2013. The acquisition represents 100% ownership interest on the shares of stock of EC.

The Group performed its annual impairment test. The Group compared the recoverable amount against the book value of the cash generating unit (CGU). The recoverable amount of the CGU is also determined based on a value in use calculation using cash flow projections from financial budgets approved by management covering a five (5) year period. As a result of the impairment test as of September 30, 2013 and December 31, 2012, the Group did not identify any impairment on its CGU to which the goodwill is allocated.

Acquisition of trademark by RSSI to secure a franchise/license
On September 21, 2012, RSSI acquired a local trademark registered in the Philippine Intellectual Property Rights Office which is similar to a known international mark for ₱121,212,122. Due to such acquisition, RSSI was able to secure a franchise/license to exclusively use the similar known international mark in the Philippines. The franchise/license agreement is for an initial period of five (5) years which can be renewed for another five (5) years upon mutual agreement of the parties.

Amortization amounted to ₱9,090,909 and nil for the nine months ended September 30, 2013 and 2012, respectively.

15. Other Noncurrent Assets

This account consists of:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Security and other deposits	**₱852,061,437**	₱724,937,140
Construction bond	**30,079,998**	18,340,532
	₱882,141,435	₱743,277,672

Security and other deposits mainly consist of advances for the lease of stores which are refundable at the end of the lease term.

16. Trade and Other Payables

This account consists of:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Trade	**₱7,275,454,659**	₱10,127,884,624
Nontrade (Note 22)	**1,891,562,510**	2,086,166,502
Others	**130,025,606**	105,525,477
	₱9,297,042,775	₱12,319,576,603

Trade payables are noninterest-bearing and are normally settled on forty five (45) to sixty (60) days' term. This account represents trade payables arising mainly from purchases of merchandise inventories.

Nontrade payables consist mainly of liabilities/obligations payable to nontrade suppliers and due to related parties.

Others consist of taxes and licenses payable and salaries payable.

17. Loans Payable

The rollforward analysis of this account follows:

	September 30, 2013 (Nine months) (Unaudited)	December 31, 2012 (One year) (Audited)
At January 1	**₱2,528,197,564**	₱540,000,000
Addition through business combination (Note 25)	**–**	246,483,209
Availments	**–**	2,003,516,791
Payments	**(826,856,392)**	(261,802,436)
At September 30 and December 31	**1,701,341,172**	2,528,197,564
Less current portion	**345,555,556**	411,530,897
Noncurrent portion	**₱1,355,785,616**	₱2,116,666,667

The outstanding loans are the following:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
RSC	**₱820,000,000**	₱990,000,000
RI	**410,000,000**	960,000,000
SSDI	**181,341,172**	223,197,564
RCSI	**150,000,000**	215,000,000
RAC	**140,000,000**	140,000,000
	₱1,701,341,172	₱2,528,197,564

a.) On August 8, 2012, a local commercial bank (Metrobank) granted ₱1,000,000,000 each to RSC and RI for a total amount of ₱2,000,000,000. The proceeds of the loan were used to acquire SSDI. The clean loan bears annual interest rate of 3.88%. During the period, RSC and RI made loan payments amounting ₱170,000,000 and ₱ 550,000,000, respectively.

b.) RAC loans payable represents secured short-term promissory notes obtained from local commercial banks which are payable within twelve (12) months after reporting date with interest rates ranging from 4.12% to 7.0% per annum. The short-term note was obtained to support working capital requirements which mainly includes store expansion and renovation of existing stores.

c.) SSDI loans payable represents a five-year loan at a floating rate benchmark, based on 12M PDST-F. SSDI also entered into an interest rate swap agreement with a total notional amount of ₱250,000,000 to hedge its interest rate exposures on the Inverse Floating Rate. Notes bearing an interest rate of 5.34%. The interest rate swap has a term of five (5) years and interest exchange is every 2nd day of every month for 60 months.

d.) RCSI has outstanding loans amounting ₱150,000,000 and ₱215,000,000 as of September 30, 2013 and December 31, 2012, respectively. The interest on the loans is computed at prevailing market interest rates. As of September 30, 2013, RHMI act as guarantor for RCSI's loan in which the bank restricts ₱150,000,000 from the guarantors' bank accounts as guarantee for the said loan. As of December 31, 2012, RSC and RI act as guarantors for RCSI's loan in which the bank restricts ₱100,000,000 and ₱115,000,000, respectively from the guarantors' bank accounts as guarantee for the said loan.

Total interest expense charged to operations amounted to ₱63,936,312 and ₱36,869,005 for the nine months ended September 30, 2013 and 2012, respectively.

18. Equity

Capital Stock
The details of this account follow:

	No. of Shares	Amount
Common stock - ₱1 par value		
Authorized	2,000,000,000	₱2,000,000,000
Issued and outstanding	900,250,000	900,250,000

Capital Stock
As approved by the Board of Directors (BOD) on June 7, 2013, the Parent Company increased its authorized capital stock from ₱500,000,000 divided into 500,000,000 common shares with par value of ₱1.00 to 2,000,000,000 common shares with par value of ₱1.00.

Of the said increase in the authorized capital stock, 485,250,000 shares have been subscribed.

The increase in the authorized capital stock was approved by the SEC on July 3, 2013.

On November 11, 2013, the Parent Company listed with the Philippine Stock Exchange its common shares by way of primary share offering, wherein it offered 461,897,500 shares to the public at ₱58.00 per share. All shares were sold with total proceeds amounting ₱26,790.1 million. The offering includes 22,852,500 greenshoe primary shares allocated for the 30-day stabilization period starting from the listing date. The Parent Company's share in the total transaction costs incurred incidental to the IPO amounted to around ₱738.0 million excluding costs relating to the greenshoe shares.

Retained Earnings
The income of the subsidiaries and associates that are recognized in the consolidated statement of comprehensive income are not available for dividend declaration unless these are declared by the subsidiaries and associates. The accumulated earnings of subsidiaries and an associate included in retained earnings amounted to ₱5,873,722,766 as at September 30, 2013.

In accordance with SRC Rule 68, as Amended (2011), Annex 68-C, the Parent Company's retained earnings available for dividend declaration as of September 30, 2013 amounted to ₱2,191,326,170.

Appropriation of Retained Earnings
On November 25, 2011, the Parent Company's BOD authorized and approved the appropriation of the retained earnings in the amount of P1,400,000,000 for continuing investment in subsidiaries. These shall be used to augment funds of subsidiaries to renovate the Group's existing stores and construct new stores in line with the Group's expansion various locations nationwide.

On July 4, 2013, the BOD approved the reversal of the appropriated retained earnings amounting ₱1,400,000,000. The appropriation was made in 2011 for continuing investment in subsidiaries.

Declaration of Dividends

On July 17, 2013, the BOD of wholly-owned subsidiaries of the Parent Company approved the declaration of cash dividends as follow:

RI	₱360,000,000
RSC	240,000,000
RTI	150,000,000
RSSI	50,000,000
Total	₱800,000,000

19. Operating Expenses

Operating expenses for the nine months ended September 30 consist of:

	2013 (Unaudited)	2012 (Unaudited)
Rental and utilities (Note 22)	**₱3,921,381,076**	₱3,366,533,055
Personnel costs and contracted services (Note 20)	**2,276,009,135**	1,798,181,132
Depreciation and amortization (Notes 12 and 14)	**708,071,103**	1,080,257,478
Transportation and travel	**328,869,523**	297,279,366
Supplies	**267,977,816**	213,167,787
Bank and credit charges	**203,548,488**	176,594,452
Advertising	**180,450,647**	176,944,584
Repairs and maintenance	**132,829,201**	138,141,150
Royalty	**66,211,406**	50,278,417
Provision for impairment loss on property and equipment (Note 12)	**5,241,126**	10,465,815
Others	**209,899,534**	145,869,130
	₱8,300,489,055	₱7,453,712,366

Depreciation and amortization expense pertains to the depreciation of property and equipment and amortization of franchise fee and license amounting ₱698,520,879 and ₱9,550,224, respectively, in 2013 and ₱1,080,064,996 and ₱ 192,482 in 2012, respectively.

Others consist mainly of taxes and licenses, insurance and professional fees.

20. Personnel Costs and Contracted Services

Personnel costs and contracted services for the nine month ended September 30, consist of (Note 19):

	2013 (Unaudited)	2012 (Unaudited)
Salaries, allowances and benefits (Note 21)	**₱1,187,413,677**	₱959,740,721
Contracted services	**1,088,595,458**	838,440,411
	₱2,276,009,135	₱1,798,181,132

21. Employee Benefits

The Group has a defined benefit plan, covering substantially all of its employees. The latest retirement valuation was issued in June 2013.

The following tables summarize the components of net pension expense recognized in the consolidated statements of comprehensive income and the amounts recognized in the consolidated statements of financial position for the plan:

Net pension expense

	Nine Months Ended September 30	
	2013	2012
	(Unaudited)	(Unaudited)
Current service cost	**₱27,104,777**	₱19,221,727
Interest cost on net benefit obligation	**12,667,078**	11,061,307
Net pension expense	**₱39,771,855**	₱30,283,034

Pension liability

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Pension obligation	**₱422,012,603**	₱301,606,425
Fair value of plan assets	**(16,525,947)**	(16,333,878)
Pension liability	**₱405,486,656**	₱285,272,547

The movements in pension liability recognized in the consolidated statements of financial position follow:

	September 30, 2013 (Nine months) (Unaudited)	December 31, 2012 (One year) (Audited)
Balance at beginning of period	**₱285,272,547**	₱215,414,264
Pension expense	**39,771,855**	44,021,711
Recognized in OCI	**81,489,901**	32,051,568
Addition arising from business combination (Note 25)	**–**	6,024,363
Benefits paid	**(1,047,647)**	(12,239,359)
Balance at end of period	**₱405,486,656**	₱285,272,547

Changes in the present value of defined benefit obligation follow:

	September 30, 2013 (Nine months) (Unaudited)	December 31, 2012 (One year) (Audited)
Balance at beginning of period	₱301,606,425	₱215,414,264
Current service cost	27,104,777	29,397,758
Interest cost	12,667,078	14,623,953
Actuarial losses on:		
Changes in financial assumptions	74,845,351	(3,266,700)
Experience adjustments	6,836,617	46,418,171
Changes in demographic assumptions	–	(8,972,511)
Addition arising from business combination	–	20,230,849
Benefits paid	(1,047,647)	(12,239,359)
Balance at end of period	₱422,012,601	₱301,606,425

Movements in the fair value of plan assets follow:

	September 30, 2013 (Nine months) (Unaudited)	December 31, 2012 (One year) (Audited)
Balance at beginning of period	₱16,333,878	₱–
Addition arising from business combination (Note 25)	–	14,206,486
Interest income included in net interest cost	141,587	852,389
Actual return excluding amount in net interest cost	50,480	1,275,003
Balance at end of period	₱16,525,945	₱16,333,878

Amounts of the current and previous periods follow:

	2013	2012	2011	2010	2009
Defined benefit obligation	₱422,012,601	₱301,606,325	₱215,414,164	₱128,765,336	₱102,552,066
Plan assets	16,525,946	16,333,878	–	–	–
Experience adjustments on plan liabilities	6,836,617	46,418,171	(13,840,865)	–	967,223

The principal assumptions used in determining pensions for the Group's plan are shown below:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Discount rates	4.17%-4.86%	5.57%-4.17%
Salary increase rates	5.00%-5.50%	5.50%

The Group expects to contribute ₱22 million to its retirement fund in 2013.

The sensitivity analysis that follows has been determined based on reasonably possible changes of the assumption occurring as of the end of the reporting period, assuming if all other assumptions were held constant.

			PVO
Salary increase	5.50%	+0.50%	₱436,977,900
		-0.50%	376,810,600
Discount rates	5.50%	+0.50%	375,986,200
		-0.50%	438,289,800

Each year, an Asset-Liability Matching Study (ALM) is performed with the result being analyzed in terms of risk-and-return profiles. The Group's investment consists of 81% of debt instruments, 5% of equity instruments and 14% for cash and receivables. The principal technique of the Group's ALM is to ensure the expected return on assets to be sufficient to support the desired level of funding arising from the defined benefit plans.

Salaries, allowances and benefits (Note 20):

	September 30, 2013 (Unaudited)	September 30, 2012 (Unaudited)
Salaries, wages and allowances	**₱1,147,641,822**	₱929,457,687
Net pension expense	**39,771,855**	30,283,034
	₱1,187,413,677	₱959,740,721

22. **Related Party Disclosures**

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Affiliates are related parties of the Group by virtue of common ownership and representations to management where significant influence is apparent.

Significant Related Party Transactions

(1) The Group, in the regular conduct of business, has receivables from/payables to affiliates arising from the normal course of operations.

Outstanding amounts due from (to) related parties arising from operations follow (Notes 9 and 16):

September 30, 2013

Related parties	Sales	Royalty Fee	Purchases - Net	Rent and Utilities	Outstanding Balance	Terms	Conditions
Consolidated Global Imports	₱781,614,920	₱332,500,473	₱–	₱–	₱84,207,203	Noninterest bearing; payable in 30 days	Unsecured, Unimpaired
Universal Robina Corporation	–	–	(1,076,548,769)	(15,226,325)	(148,603,103)	Noninterest bearing; payable in 30 days	Unsecured
Robinsons Land Corporation	–	–	–	(2,055,789,739)	(98,684,643)	Noninterest bearing; payable in 30 days	Unsecured
Total	₱781,614,920	₱332,500,473	(₱1,076,548,769)	(₱2,071,016,064)	(₱163,080,543)		

December 31, 2012

Related parties	Sales	Royalty Fee	Purchases - Net	Rent and Utilities	Outstanding Balance	Terms	Conditions
Consolidated Global Imports	₱929,558,921	₱336,171,723	₱–	₱–	₱68,883,197	Noninterest bearing; payable in 30 d	Unsecured, Unimpaired
Universal Robina Corporation	–	–	(1,389,842,771)	(19,692,993)	(127,798,881)	Noninterest bearing; payable in 30 d	Unsecured
Robinsons Land Corporation	–	–	–	(2,529,782,731)	(156,219,112)	Noninterest bearing; payable in 30 d	Unsecured
JG Summit Holdings Inc.	–	–	–	–	(454,283,254)	Noninterest bearing; payable in 30 d	Unsecured
Total	₱929,558,921	₱336,171,723	(₱1,389,842,771)	(₱2,549,475,724)	(₱669,418,050)		

September 30, 2012

Related parties	Sales	Royalty Fee	Purchases - Net	Rent and Utilities	Outstanding Balance	Terms	Conditions
Consolidated Global Imports	₱620,328,845	₱241,174,469	₱–	₱–	₱56,596,578	Noninterest bearing; payable in 30 days	Unsecured, Unimpaired
Universal Robina Corporation	–	–	(869,350,124)	(14,640,224)	(116,463,961)	Noninterest bearing; payable in 30 days	Unsecured
Robinsons Land Corporation	–	–	–	(1,873,566,664)	(146,160,963)	Noninterest bearing; payable in 30 days	Unsecured
JG Summit Holdings Inc.	–	–	–	–	(473,869,680)	Noninterest bearing; payable in 30 days	Unsecured
Total	₱620,328,845	₱241,174,469	(₱869,350,124)	(₱1,888,206,888)	(₱679,898,026)		

In 2012, RI received ₱141,667,700 from JG Summit Holdings, Inc. (JGSHI) representing proceeds on sale of investments of JGSHI. RI recognized corresponding investment income amounting ₱129,874,167.

(2) Key management personnel of the Group include the Chairman of the BOD, President and Treasurer. These officers do not receive any form of compensation or benefits from the Group.

Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured, interest-free and settlement occur in cash. There have been no guarantees provided or received for any related party payables or receivables. The Group has not recognized any impairment losses on amounts due from related parties for the nine months ended September 30, 2013 and the year ended December 31, 2012. This assessment is undertaken each financial year through a review of the financial position of the related party and the market in which the related party operates.

23. Income Tax

Provision for income tax for the nine months ended September 30 follows:

	2013 (Unaudited)	2012 (Unaudited)
Current	**₱773,543,056**	₱245,138,103
Deferred	**(621,225)**	1,026,570
	₱772,921,831	₱246,164,673

The components of the Group's deferred tax assets follow:

	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Tax effects of:		
Pension liability	**₱121,645,940**	₱85,581,764
Minimum corporate income tax	**33,318,931**	44,732,962
Allowance for impairment losses	**8,343,784**	6,771,445
Unrealized foreign exchange loss	**6,164,916**	5,648,208
Net operating losses carryover	**3,545,079**	18,117,731
Accrued rent	**4,160,408**	4,160,408
Allowance for inventory write-down	**1,923,125**	1,923,125
Mark to market loss	**1,342,289**	-
Fair value adjustment on AFS financial assets and investment in an associate	**-**	(15,093,531)
	₱180,444,472	₱151,842,112

The deferred tax liability of the Group amounting ₱470,075,260 pertains to the deferred tax attributable to the trademark acquired in business combination (Note 25).

24. Earnings Per Share

The following table presents information necessary to calculate EPS on net income attributable to equity holders of the Parent Company for the nine months ended September 30, 2013 and 2012:

	2013	2012
Net income attributable to equity holders of the Parent Company	**₱ 1,759,070,135**	₱788,376,932
Weighted average number of common shares	**900,250,000**	415,000,000
Adjusted weighted average number of common shares for diluted EPS	**900,250,000**	415,000,000
Basic/ Diluted EPS	**₱1.95**	₱1.90

The Parent Company and its subsidiaries and an associate have no dilutive potential common shares in 2013 and 2012.

25. Business Combination

On July 4, 2012, RSC and RI, wholly-owned subsidiaries of RRHI, each acquired 45% interest in SSDI, aggregating to 90%, for a total consideration amounting ₱2,570 million.

The Group elected to measure the non-controlling interest in SSDI at the proportionate share of its interest in SSDI's identifiable net assets.

The fair value of the identifiable assets and liabilities of SSDI at the date of acquisition were:

	Fair Value recognized on acquisition (Restated)
Assets	
Cash	₱418,078,660
Trade and other receivables	59,002,918
Inventories	1,348,427,599
Other current assets	60,866,170
Property and equipment (Note 12)	181,924,835
Trademark	1,566,917,532
Other noncurrent assets	37,252,913
	3,672,470,627
Liabilities	
Trade and other payables	₱906,773,885
Income tax payable	5,134,007
Loans payable (Note 17)	246,483,209
Deferred tax liability	470,075,260
Pension liability (Note 21)	17,028,684
	1,645,495,045
Net assets before non-controlling interest	2,026,975,582
Non-controlling interest measured at share of net assets (10%)	202,697,558
Net assets (90%)	₱1,824,278,024
Goodwill arising on acquisition	745,887,131
Acquisition cost	₱2,570,165,155

The net assets recognized in the 2012 annual consolidated financial statements were based on a provisional assessment of fair value. The valuation had not been completed when the 2012 financial statements were approved for issue by management.

In June 2013, the Group finalized the price allocation and the fair value computation of trademark and goodwill. The December 31, 2012 comparative information was restated to reflect the adjustment to the provisional amounts. As a result, trademark, deferred tax liability, non-controlling interest increased by ₱1,566,917,532, ₱470,075,260 and ₱ 109,684,227, respectively. The final purchase price allocation resulted in goodwill of ₱745,887,131.

From the date of acquisition, the Group's share in SSDI's 2012 revenue and net income amounted to ₱2,242,026,198 and ₱48,041,824, respectively. If the combination had taken place at the beginning of the year, the Group's share in SSDI's total revenue would have been ₱5,201,621,559, while SSDI's net income would have been ₱87,685,812.

26. Contingencies

The Group is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense on these matters and is based upon an analysis of potential results. The Group currently does not believe these proceedings will have a material effect on the Group's financial position. It is possible, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

27. Subsequent Events

On October 18, 2013, RAC obtained a short-term loan from Metrobank in the amount of P50 million to finance its working capital requirements.

Six of the Company's stores in Tacloban, Leyte were damaged by super typhoon Yolanda last November 8, 2013. These stores were closed on November 8 and remain closed as of November 12, 2013. The Company believes that the closure of these stores will not materially affect the results of the Company's operations.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Consolidated Results of Operations
For the Nine Months Ended September 30, 2013 and 2012
(Amounts in Millions Pesos)

Robinsons Retail Holdings, Inc. recorded net income of P2,044 million for the nine months ended September 30, 2013, an increase of 128.4% as compared to P895 million for the nine months ended September 30, 2012. The increase was largely due to increased income from operations as a result of new store openings, as well as the consolidation of South Star Drug.

Consolidated revenues increased by 19.6% from P39,431 million for the nine months ended September 30, 2012 to P47,176 million for the nine months ended September 30, 2013. The robust growth was largely due to increase in sales volume as a result of the addition of 111 number of stores, as well as the acquisition of South Star Drug and Eurogrocer Corp. Royalty, rent and other income also increased from P786 million to P969 million or a 23.3% growth due to higher royalty fee income of the convenience store segment.

Gross profit for the nine months ended September 30, 2013 amounted to P9,973 million, 33.0% higher than P7,500 million for the nine months ended September 30, 2012. The increase was on the back of increased margins of the supermarket segment, higher vendor volume incentives and discounts.

Operating expenses grew by 11.3% from P7,454 million to P8,300 million for the nine months ended September 30, 2013 due to higher selling expenses and accelerated store network expansion which was partially offset by the decrease in operating expenses caused by the change in depreciation policy.

Other income and charges decreased by 43.2% from P308 million to P175 million for the nine months ended September 30, 2013 . Last year's other income includes gain on sale of shares in JG summit amounting to P130 million. Interest expense also increased by 73.0% on higher loan balances from the acquisition of South Star Drug.

EBITDA (earnings before interests, taxes, depreciation, amortization and other non-cash items) expanded by 71.5% from P2,065 million for the nine months ended September 30, 2012 to P3,541 million for the nine months ended September 30, 2013. The increase was largely due to higher gross profit margins as compared to last year.

Supermarket

Robinsons Supermarket registered net sales of P23,004 million for the nine months ended September 30, 2013, a 10.1% growth from P20,893 million in the same period last year, mainly due to the sales contribution of new stores this year. We added a net total of 15 stores (opened 16 new stores but closed one old store). Same store sales growth was flat as we are continuously challenged by the new store openings of our competitors especially in Mindanao. Another reason for the flat same stores sales growth was the deflationary trend this year for the two key categories: 1) basic commodities (rice, sugar and cooking oil) posted same store sales decline of 13.2%, and 2) packed seafood (sardines) with same store sales decline of 4.2%.

The cost of merchandise sold of Robinsons Supermarket was P18,765 million for the nine months ended September 30, 2013, an increase by 7.6% from last year's P17,441 due to higher sales volume. Gross margin grew from 16.5% last year to 18.4% this year primarily due to 1) price increases in most categories, 2) increase in vendor volume incentives because of attainment of pre-agreed sales quota, and 3) higher discounts negotiated with some vendors as a result of increasing scale.

As of September 30, 2013, Robinsons Supermarket generated EBITDA of P1,465 million, an increase by 70.2% compared to P861 million recorded in the same period last year.

Robinsons Supermarket has a total of 84 stores as of end of September 2013 and with eight more stores in the various stages of construction which we target to open until the end of this year.

Department Store

Robinsons Department Store (RDS) registered net sales of P7,956 million for the nine months ended September 30, 2013, a growth of 5.6% from P7,531 million for the same period last year. This increase in net sales was largely due to the increased volumes of products sold from new stores.

RDS' cost of sales amounted to P5,855 million for the nine months ended September 30, 2013, an increase of 1.1% from P5,790 million in 2012. This resulted to a gross margin of P2,101 million representing 26.4% of net sales for the nine months ended September 30, 2013 against P1,741 million representing 23.1% in 2012. The increase in gross margin was due to an increase in sales with improved margins coming from additional discounts on advertising support and value-added services such as distribution center fees and SPA (?) fees.

RDS generated EBIT (earnings before interests and taxes) of P472 million representing 5.9% of net sales for the nine months ended September 30, 2013 against P155 million representing 2.1% of net sales in the same period last year. RDS also generated EBITDA of P589 million representing 7.4% of net sales for the nine months ended September 30, 2013 against P372 million representing 4.9% of net sales in the same period last year.

Convenience Store

Convenience stores segment registered a system wide sales and merchandise sales of P4,664.2 million and P3.082.9 million, respectively for the nine months ended September 30, 2013, a 6.7% and 9.4% growth from P4,371.0 million and P2,871.4 million in the same period last year. The key drivers for the increase were as follows: (1) increase in the number of operating stores from last year's 321 to this year's 354, and(2) improvement in the average daily sales per store by 2.5% from P49,212 last year to P50,467 this year. Other Income which mainly consist of Royalty Fee also posted a marked increase from P699.6 million last year to P812.8 million this year. Royalty Fee is computed as a percentage of system wide Gross Profit and is about 98% of the total Other Income. Main reason for the growth was the 0.3% addition in the system wide Gross Margin from 29.5% in 2012 to 29.8% in 2013.

Cost of Sales grew by P237.2 million or 9.2%, to P2,816.4 million for the nine months ended September 30, 2013 from P2,579.0 million in 2012 due to higher sales volume. Gross Margin slightly increased from 8.5% last year to 8.6% this year. Convenience stores recorded an EBIT of P154.4 million this year versus last year's P73.7 million.

EBITDA generated for the nine months ended September 30, 2013 was P271.3 million, 32% higher than the P205.9 million recorded in the same period last year.

Convenience stores will continue its expansion mostly in the central business district areas and is targeting to end the year with 400 operating stores.

Drug Store

South Star Drug, Inc. (SSD) registered net sales of P4,596.0 Million for the nine months ended September 30, 2013. Since SSD was acquired in July 2012, only the sales for August and September 2012, amounting to P966.6 Million were included in the consolidated financials of the Company last year. Sales for the two months in August and September 2013 amounted to P1,056.8 million, representing a growth of 9.3% from the same period last year. The growth can be attributed to the 18 stores that opened from September 2012 to September 2013. SSD also experienced strong same store sales performance, posting a growth of 5%, brought about by the specific supplier-supported promotions on over-the-counter medicines and food supplements, which are offered exclusively at South Star Drug branches.

SSD's cost of sales for the nine months ended September 30, 2013 reached P3,830.5 million, resulting to a gross profit of P756.5 million or 16.5% of sales as against only 15.2% of sales for the two months in August and September 2012. The higher margin was mainly due to the rebates given in the form of free goods or additional inventories with zero cost which are easily convertible to margins and sales.

SSD generated EBITDA of P244.5 Million for the nine months ended September 30, 2013, representing 5.3% of sales compared to only 4.5% of sales for the two months August and September 2012 period.

SSD will continue to focus on improving its customer service, product assortment and availability to increase its competitive advantages over other drug store chains.

Hardware

DIY segment concluded the nine months of 2013 with significant increases in growth, gross margins and profitability key performance indicators (KPIs). Net sales lifted by 14.6% from P4,438 million to P5,088 million for the nine months ended September 30, 2012 and September 30, 2013, respectively. The improvement was driven by the fairly strong same store sales growth of 5.3% coupled with the sales contribution of the net additional 16 new stores after end of September 2012.

DIY's cost of sales grew by 5.6% from P3,305 million to P3,491 million relative to the sales volume. The increase, however, was at a considerably slower pace compared to growth in sales primarily due to the additional discounts collaborated with the suppliers and consignors in exchange for advertising support, product distribution, preferential gondola placements and display and supplier portal analytics. In addition, we optimized the product offering mix by stretching the mix of higher margin imported items. Gross profit, as a result, expanded to P1,596 million from P1,133 million. As a percentage to sales, gross profit was at 31.4% this year against 25.5% last year. Operating expenses, on the other hand, remained relatively constant at 21.3% of net sales, as a factor of our cost control measures. Accordingly, EBIT this year reached a high of P514 million against P188 million last year.

DIY registered EBITDA of P587 million for the nine months ended September 30, 2013 against P307 million for the same period in 2012. As a percentage to sales, EBITDA reached 11.5% this year, a 4.6 percentage points spread over the EBITDA margin of 6.9% last year.

DIY intends to continuously improve the customers' average basket size by focusing on its core products and expanding the product range through new product launches, including its private-label products.

Specialty Stores

The net sales of the Specialty Stores segment increased by 21.8% from □3,086 million to □3,758 million for the nine months ended September 30, 2012 and September 30, 2013, respectively. The increase in net sales was primarily due to the 25.3% growth in the net sales of Robinsons Appliances, which contributed 53% to the total net sales of the Specialty Stores segment. Robinsons Appliances was able to increase its net sales through its strong same stores sales growth at 16.6% and by the higher sales volume of high-end products with higher selling prices. We opened 33 more stores after September 30, 2012 and the segment's same store sales growth hit 8.7%.

The cost of merchandise sold of Specialty Stores segment increased by 19.5% from □2,297 million for the nine months ended September 30, 2012 to □2,744 million for the nine months ended September 30, 2013, which was relative to the increase in the volume of sales. The cost of merchandise increased at a slower rate than net sales mainly due to the additional support from vendors for Robinsons Appliances such as marketing support, sell out rebate support and other forms of subsidies. This led to a 28.5% rise in the Specialty Stores segment gross profit from □789 million for the nine months ended September 30, 2012 to □1,014 million for the nine months ended September 30, 2013.

As a result of the foregoing, for the nine months ended September 30, 2013, the Specialty Stores segment generated an EBITDA of □226 million, an increase of 69.1% compared to □133 million for the nine months ended September 30, 2012. As a percentage to sales, EBITDA improved by 1.7 percentage points from 4.3% to 6.0% for the nine months ended September 30, 2012 and September 30, 2013, respectively.

Financial Position

September 30, 2013 versus December 31, 2012

As of September 30, 2013, the Company's balance sheet showed consolidated assets of P23,248 million, which was almost at par with total consolidated assets of P24,232 million as of December 31, 2012.

Cash and cash equivalents significantly decreased from P6,052 million as of December 31, 2012 to P3,249 million as of September 31, 2013. Net cash used in operating activities totaled P346 million. Net cash used in investing activities amounted to P2,048 million, P1,689 million of which were used to acquire properties and equipments. Net cash used in financing activities amounted to P408 million. The company received P485 million as additional investment and P827 million were used to pay outstanding loans.

Trade and other receivables decreased by 33.0% from P737 million to P494 million.

Goodwill increased from P831 million to P1,119 million due to the acquisition of Eurogrocer Corp amounting to P287.5 million.

Other noncurrent assets also increased from P743 million to P882 million due to additional construction bonds and security deposit of our additional stores.

Trade and other payables decreased from P12,320 million to P9,297 million.

Current and noncurrent loans payable decreased due to settlement of loans during the period.

Stockholder's equity grew from P8,057 million as of December 31, 2012 to P10,648 million as of September 31, 2013 due to higher net income and increase in the company's paid up capital brought about by the increase in authorized capital from P500 million to P2,000 million.