

May 15, 2018

## Robinsons Retail's 1Q 2018 Net Income Up 21.7%

### Financial Highlights:

<i>(In ₱ million)</i>	For the First Quarter ended March 31		
	2018	2017	% change
<b>Net Sales</b>	<b>28,961</b>	<b>25,723</b>	<b>12.6</b>
Gross Profit	6,484	5,719	13.4
<b>Operating Income</b>	<b>1,275</b>	<b>1,159</b>	<b>10.0</b>
Net Income	1,353	1,101	22.9
<b>Net Income attributable to equity holders of the Parent company</b>	<b>1,211</b>	<b>996</b>	<b>21.7</b>
Core Net Income	958	842	13.7
<b>EBITDA</b>	<b>1,847</b>	<b>1,651</b>	<b>11.9</b>
Earnings per share (₱)*	0.87	0.72	21.7

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

Robinsons Retail Holdings, Inc.'s net income attributable to equity holders of the parent company surged by 21.7% to ₱1.2 billion for the first quarter ending March 2018. This was driven by the 10% increase in operating income on the back of the 20bps gain in gross margins and healthy same store sales growth (SSSG) of 6.4% for the period and increase in foreign exchange gains.

Core net earnings (net income excluding interest from bonds, equitized net earnings from the 40% stake in Robinsons Bank and unrealized forex gains/losses) increased by 13.7% year-on-year to ₱958 million from ₱842 million in the same period last year.

Consolidated net sales expanded by 12.6% in 1Q 2018 to ₱29.0 billion from ₱25.7 billion last year, brought about by the strong SSSG and sales contribution of new stores.

All retail formats registered positive SSSG, substantially benefitting from the positive impact of the TRAIN law on consumption, led by supermarket segment at 8.0%, specialty stores at 10.8%, DIY at 5.0%, convenience stores at 5.5%, drugstores at 2.4% and department store at 0.9%.

Blended gross profit increased at a much faster rate than topline growth in 1Q 2018 gaining 13.4% growth to ₱6.5 billion, with gross margins expanding by 20bps to 22.4%, as a result of increasing scale, improvement in category mix and margin windfall from increase in prices. Meanwhile, EBITDA (earnings before interest, taxes, depreciation and amortization) improved by 11.9% to ₱1.8 billion, with EBITDA margin sustained at 6.4%.

Robinsons Retail's balance sheet remained solid with net cash amounting to ₱27.4 billion as of end March 2018. The company spent a total of ₱683 million in capital expenditures in 1Q 2018.

The supermarket segment continued to be the group's largest segment, accounting for 46.8% of consolidated net sales and 42.8% of consolidated EBITDA.

Robinsons Retail ended the year with a total of 1,715 stores comprising of 154 supermarkets, 49 department stores, 195 do-it-yourself stores, 489 convenience stores, 487 drugstores and 341 specialty stores. This is on top of the 2,031 franchised stores of the Generics Pharmacy (TGP). The group's gross floor area, excluding TGP, expanded by 8.7% year-on-year to 1.15 million square meters.