

### Robinsons Retail's 9M 2014 Net Income Up 33.3%

#### Financial Highlights:

(In P million)	For the Third Quarter ended September 30			For the Nine Months ended September 30		
	2014	2013	% change	2014	2013	% change
<b>Net Sales</b>	<b>19,200</b>	<b>15,860</b>	<b>21.1</b>	<b>56,179</b>	<b>47,176</b>	<b>19.1</b>
Gross Profit	4,193	3,427	22.4	12,083	9,973	21.2
<b>Operating Income</b>	<b>1,087</b>	<b>1,020</b>	<b>6.6</b>	<b>2,946</b>	<b>2,633</b>	<b>11.9</b>
Net Income	1,071	771	38.8	2,623	2,044	28.3
<b>Net Income attributable to equity holders of the Parent company</b>	<b>978</b>	<b>673</b>	<b>45.2</b>	<b>2,346</b>	<b>1,759</b>	<b>33.3</b>
Core Net Earnings	744	701	6.1	2,039	1,799	13.3
<b>EBITDA</b>	<b>1,407</b>	<b>1,262</b>	<b>11.4</b>	<b>3,853</b>	<b>3,346</b>	<b>15.2</b>
Earnings per share (P)*	0.72	0.75		1.72	1.95	

\*Based on net income attributable to equity holders of the Parent company. Shares outstanding used in the calculation is 900m in 2013 versus 1,366m in 2014.

Robinsons Retail Holdings, Inc. posted 33.3% increase in net income attributable to equity holders of the parent company to P2.3 billion from P1.8 billion for the first nine months of the year driven by increased income from operations as well as higher interest income.

For the third quarter alone, consolidated net income attributable to equity holders of the parent company surged by 45.2% to P978 million from P673 million last year.

For the nine month period ending September 2014, core net earnings which excludes interest income, equitized net earnings from its 40% stake in Robinsons Bank and forex gains, increased by 13.3% to P2.0 billion from P1.8 billion last year.

Consolidated net sales swelled 19.1% from P47.2 billion to P56.2 billion, arising from the sales contribution of the 276 new stores which includes the newly acquired businesses (15.4%) and the higher-than-expected same store sales growth (SSSG) of 3.7%.



Notwithstanding the tough competition, we have shown consistent improvement in our SSSG. From 2.4% SSSG in 1Q2014, to 3.9% in 2Q2014, to 4.4% SSSG in 3Q2014 or 3.7% SSSG for 9M2014, well above our target range of 2-3% this year. Growth is coming from Robinsons Supermarket with 4.1% SSSG, boosted by the performance of stores that opened in 2012 and the healthy SSSG of Robinsons Department Store at 3.2%, DIY stores at 7.3%, the drug stores at 3.4%, and the Specialty Stores segment's 5.6% which was driven by the positive SSSG of Robinsons Appliances, Toys "R" Us and Daiso Japan.

As of end-September 2014, Robinsons Retail operated a total of 1,258 stores, up from the previous year's 982 stores and expanded its total gross floor area by 19.9% yoy, in line with the target of growing its floor space by mid to high teens.

Blended gross margin expanded by 0.4% to 21.5% in the nine month period this year arising from the group's increasing economies of scale, additional supplier discounts and the offering of additional value-added services.

Operating income increased by 11.9% to P2.9 billion while EBITDA (earnings before interest, taxes, depreciation and amortization) grew by 15.2% to P3.9 billion from January to September of this year which translates to an EBITDA margin of 6.9%, 0.3% higher than the level in the first semester of 6.6%.

Robinsons Retail's balance sheet remained solid with cash, cash equivalents and liquid marketable securities of P25.9 billion as of end-September 2014 versus borrowings of only P125.6 million. The company spent a total of P2.7 billion in capital expenditures for the first nine months of 2014. Cash conversion cycle was kept at negative level of 3.5 days.

"I am very encouraged with the sustained strong same store sales growth performance of most of our retail formats. We will continue to find ways to offer new shopping experience to our customers. Recently, we launched our first premium supermarket called Robinsons Selections at Bonifacio Global City. Besides its modern look, this new format offers a wide assortment of gourmet and imported products." said **Robina Gokongwei-Pe**, the President and Chief Operating Officer of Robinsons Retail Holdings, Inc.

Signed:



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