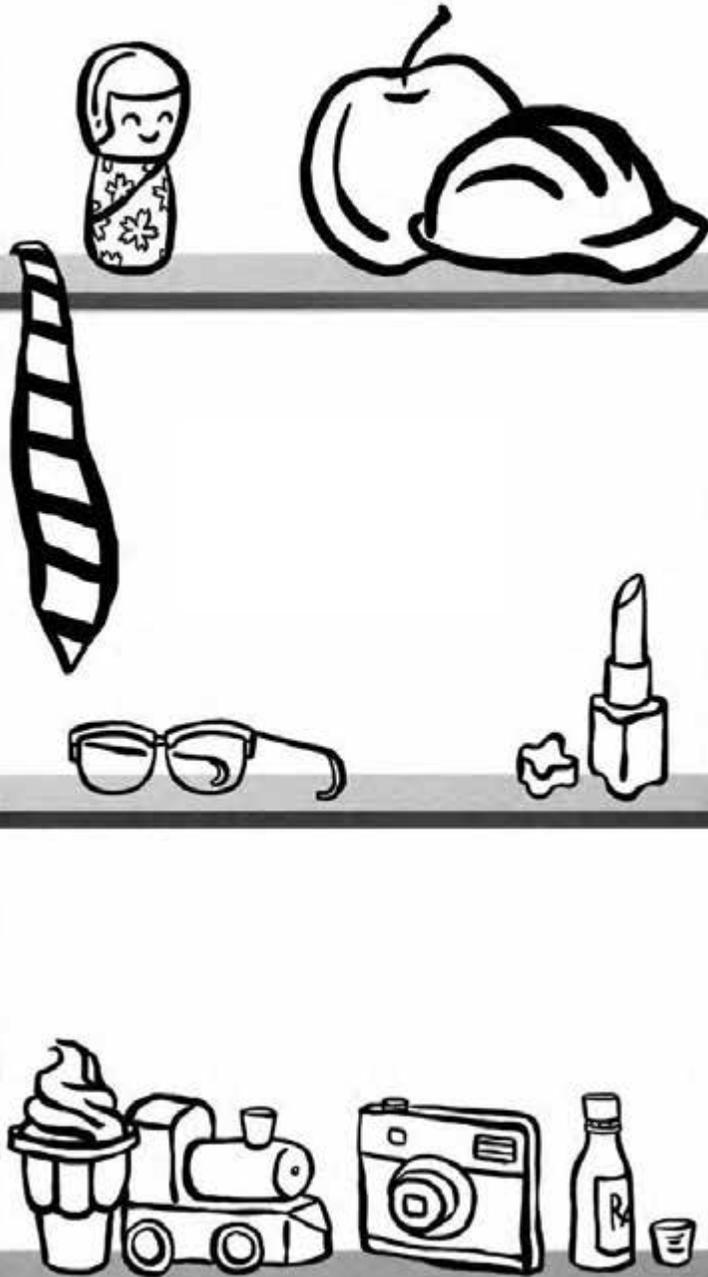


ROBINSONS
RETAIL
HOLDINGS, INC.

9M2015
UNAUDITED EARNINGS
PRESENTATION

November 2015

Agenda



Results Highlights



Store Network



Consolidated Results



Business Segments



Working Capital



Capital Expenditure



Recent Developments



Plans and Prospects



9M2015 Unaudited Results Highlights

1
Robust
SSSG of
3.8%

2
1,466
stores
nationwide

3
10.7% yoy
increase in
gross floor
area

4
12.7% yoy
expansion
in
consolidated
net sales

5
30bps
yoy increase
in GP margin
to 21.8%

6
11.7% yoy
expansion
in EBITDA

7
26.7% yoy
increase in
net income
attributable
to parent
company



Nationwide Presence

Metro Manila

| Business segment | # of stores |
|--------------------|-------------|
| Supermarkets | 38 |
| Department stores | 13 |
| DIY stores | 48 |
| Convenience stores | 326 |
| Drug stores | 76 |
| Specialty stores | 132 |
| Total | 633 |

Visayas

| Business segment | # of stores |
|--------------------|-------------|
| Supermarkets | 16 |
| Department stores | 6 |
| DIY stores | 34 |
| Convenience stores | 22 |
| Drug stores | 26 |
| Specialty stores | 32 |
| Total | 136 |

Luzon¹

| Business segment | # of stores |
|--------------------|-------------|
| Supermarkets | 53 |
| Department stores | 17 |
| DIY stores | 66 |
| Convenience stores | 162 |
| Drug stores | 237 |
| Specialty stores | 97 |
| Total | 632 |

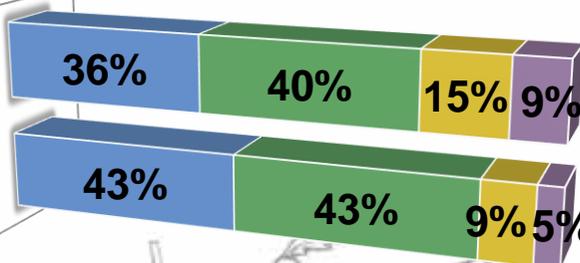
Mindanao

| Business segment | # of stores |
|--------------------|-------------|
| Supermarkets | 10 |
| Department stores | 5 |
| DIY stores | 14 |
| Convenience stores | 1 |
| Drug stores | 15 |
| Specialty stores | 20 |
| Total | 65 |

1,466 stores
Nationwide
 with gross floor area of
939,000sqm

Gross Floor Area

Store Count

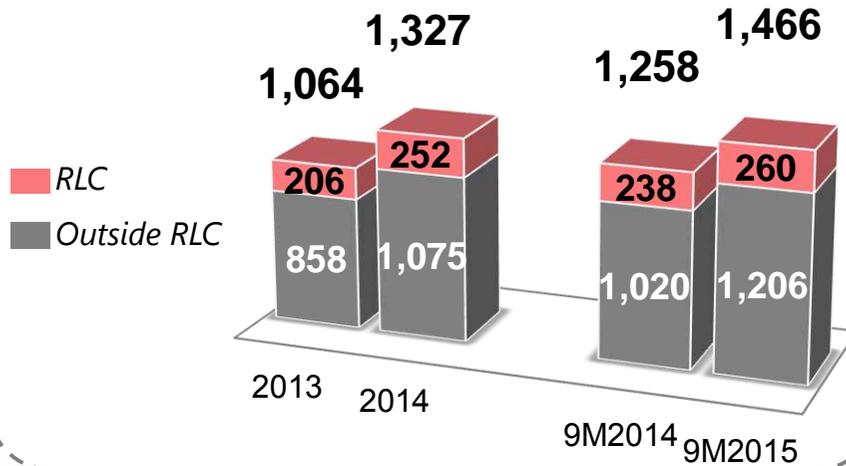


■ Metro Manila ■ Luzon ■ Visayas ■ Mindanao

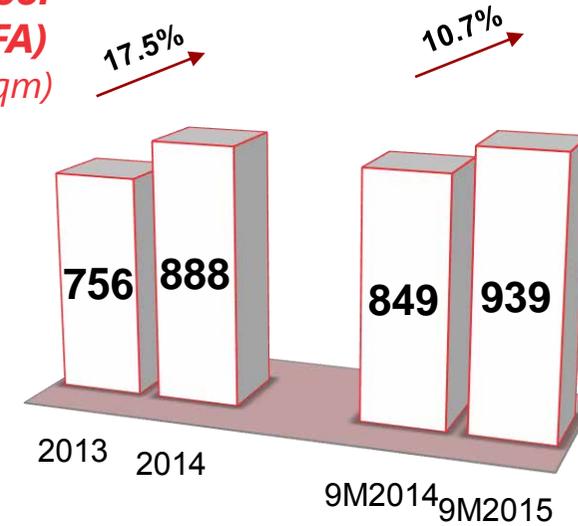
¹ Outside of Metro Manila
 * Figures as of September 2015

9M2015 Stores and Gross Floor Area Statistics

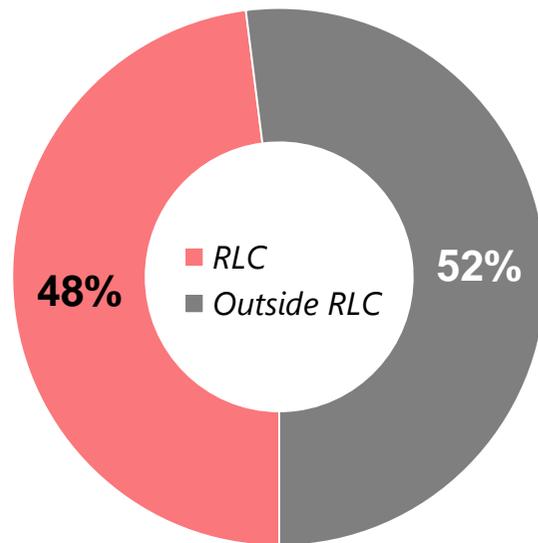
Number of Stores



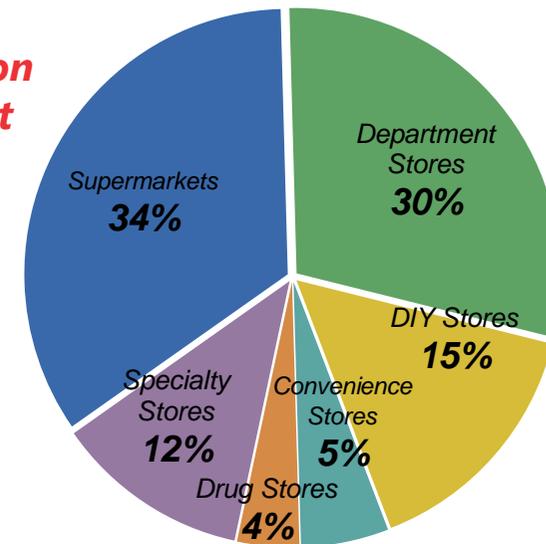
Gross Floor Area (GFA) (in '000 sqm)



GFA Contribution by Lessor (%)

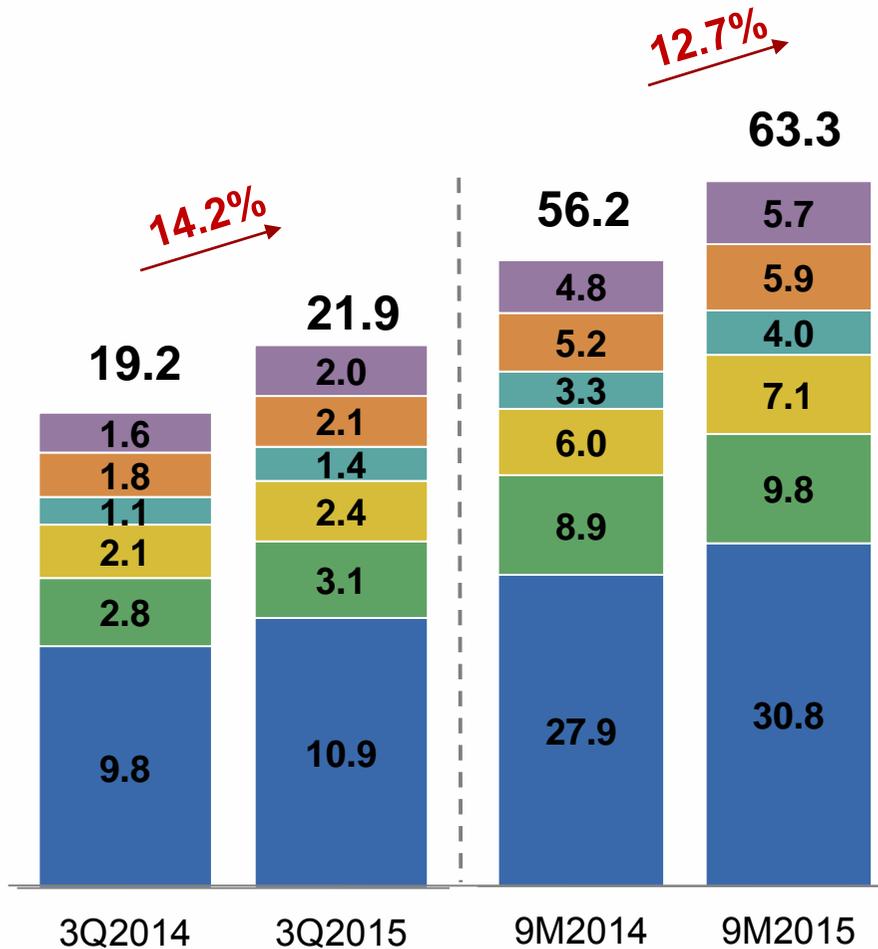


GFA Contribution by Segment (%)

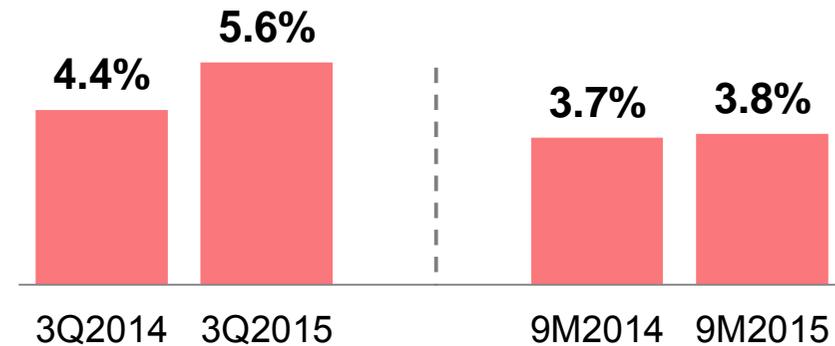


Consolidated Results

Net Sales¹ (₱ bn)



SSSG (%)



❖ **12.7% yoy net sales growth in 9M2015:**

- 8.9% from new stores
- 3.8% from SSSG

■ Supermarkets ■ Department stores ■ DIY stores ■ Convenience stores ■ Drug stores ■ Specialty stores

¹ Net sales after intersegment eliminating adjustments

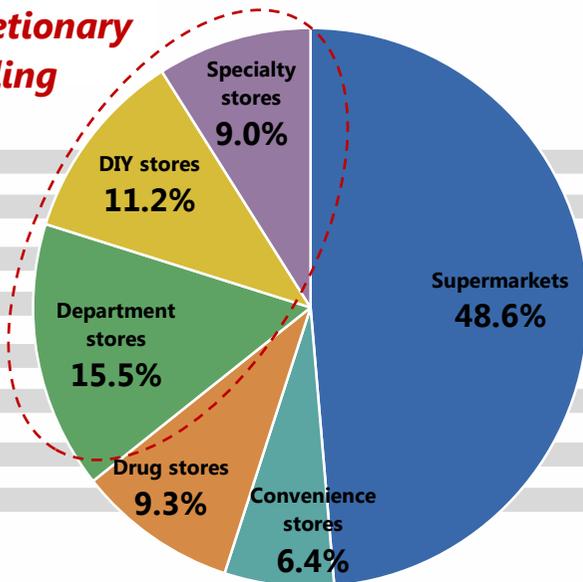


9M2015 Contribution Per Segment

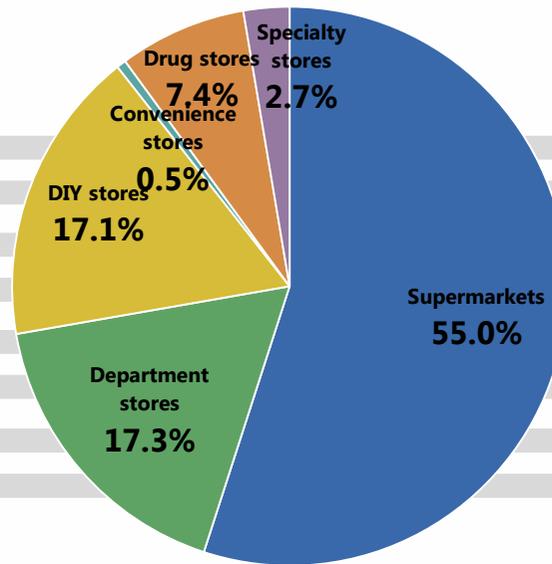


Net Sales Breakdown

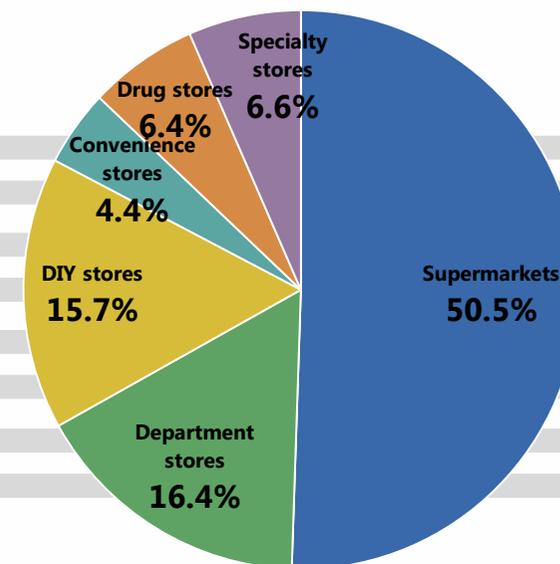
Discretionary Retailing
36%



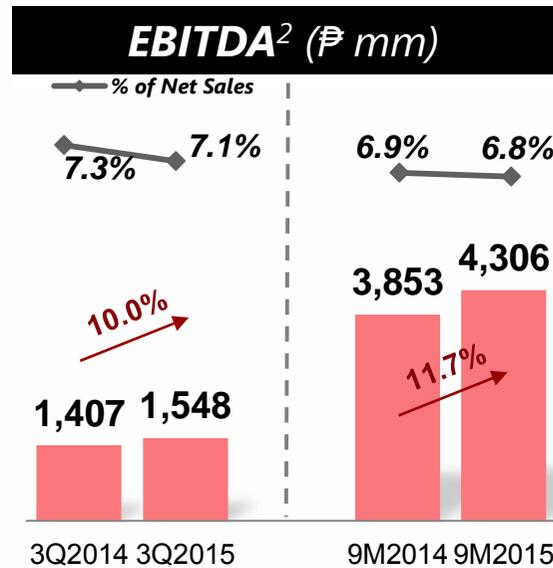
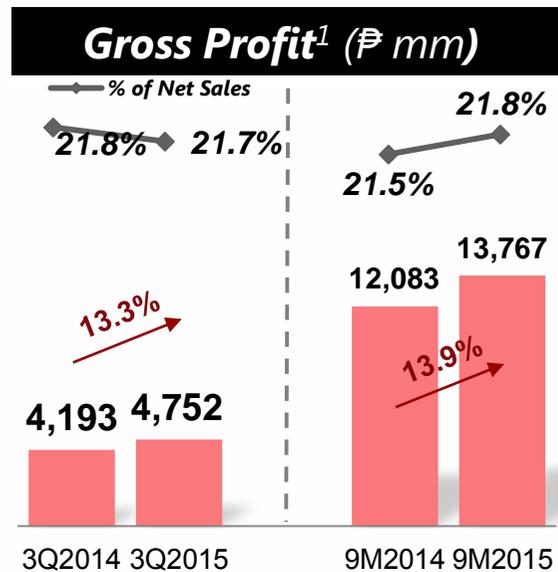
EBIT Breakdown



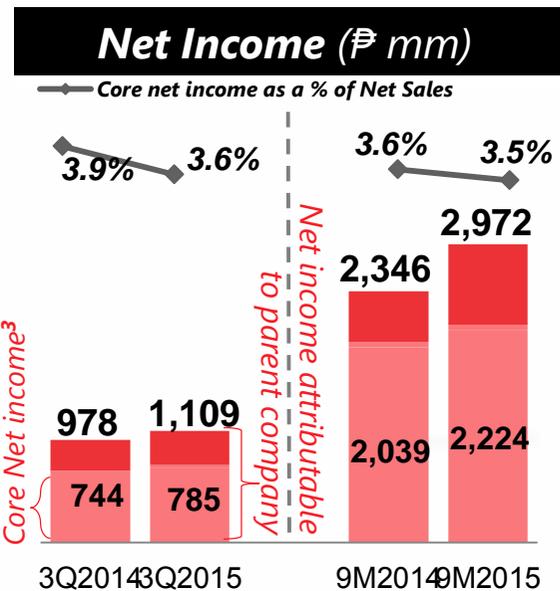
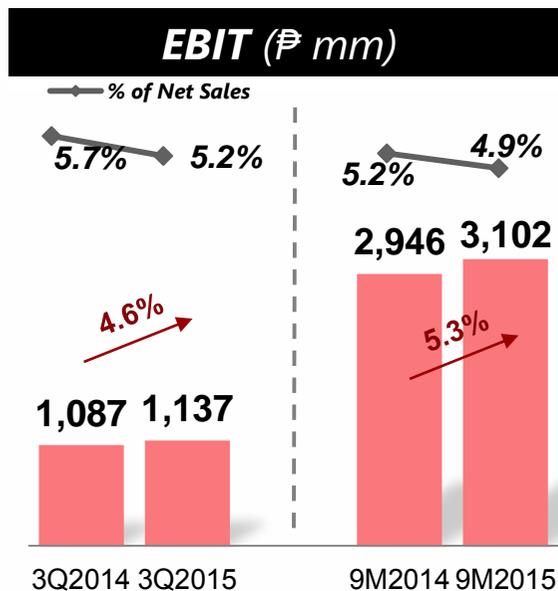
EBITDA Breakdown



Consolidated Results



❖ **GP margin pushed by additional suppliers' support and growing scale**

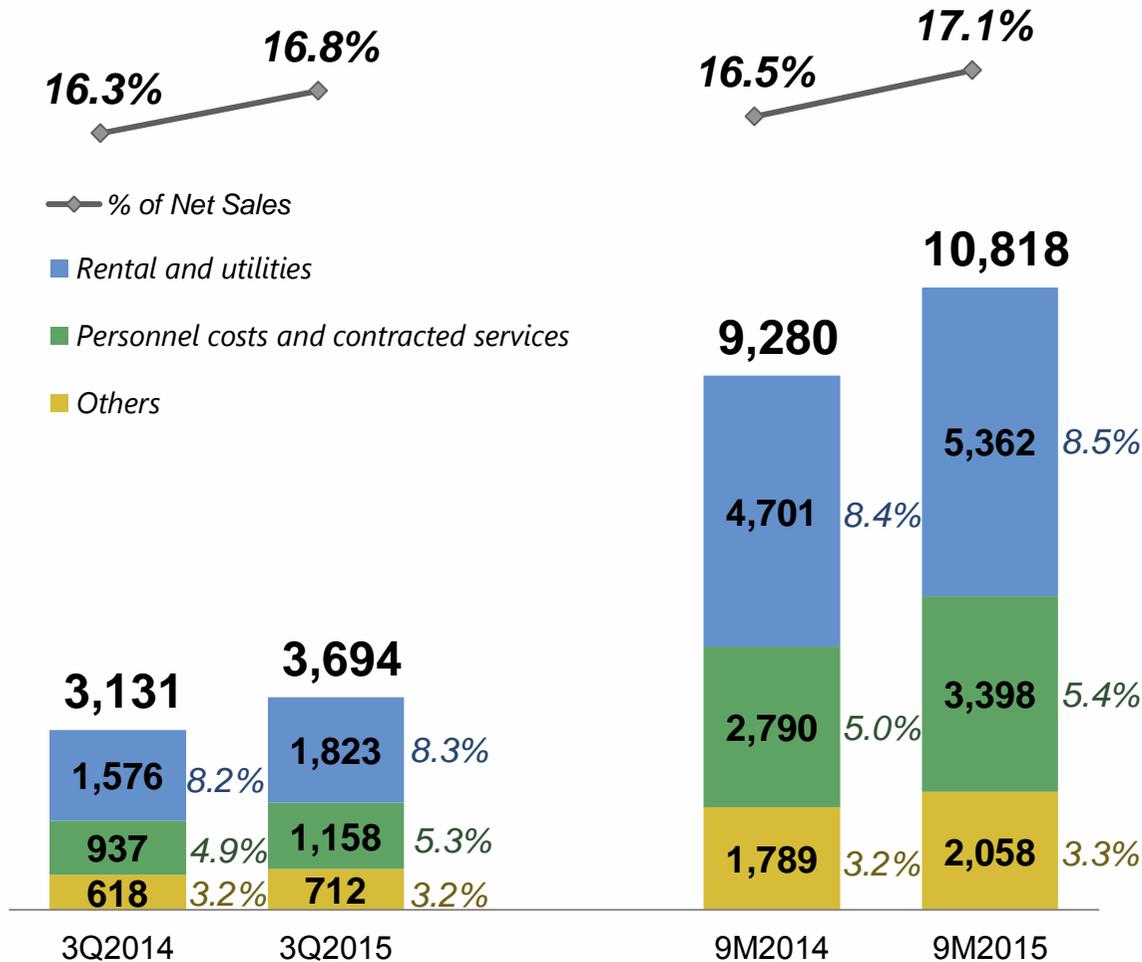


¹ Gross profit = Net sales – Cost of merchandise sold; ² EBITDA = Operating income + Depreciation and amortization + Provision for impairment losses;

³ Core net income = Net income – Equity in net earnings of an associate – Interest income – Foreign currency exchange gain (loss) – Dividend income

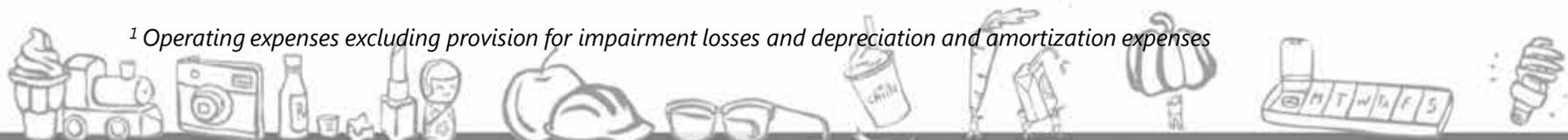
Operating Expenses

Adjusted Operating Expenses¹ (₹ mm, % of Net Sales)



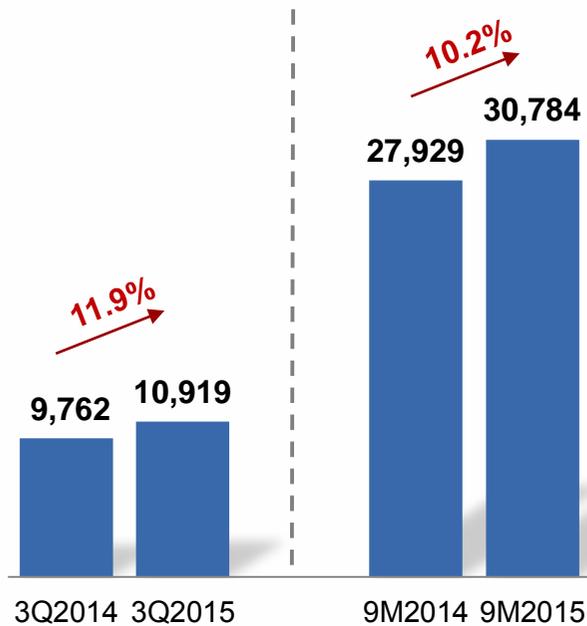
■ Increase in OPEX
*as % of net sales due to **new store openings** with sales still on the **ramp-up stage***

¹ Operating expenses excluding provision for impairment losses and depreciation and amortization expenses

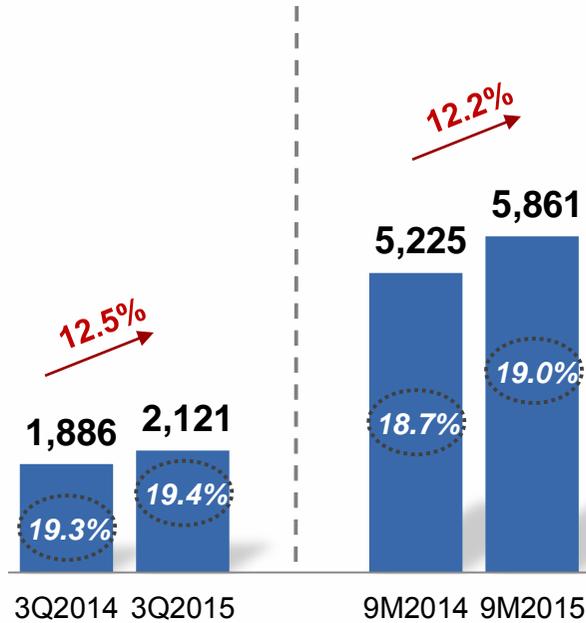


Supermarket Business Segment

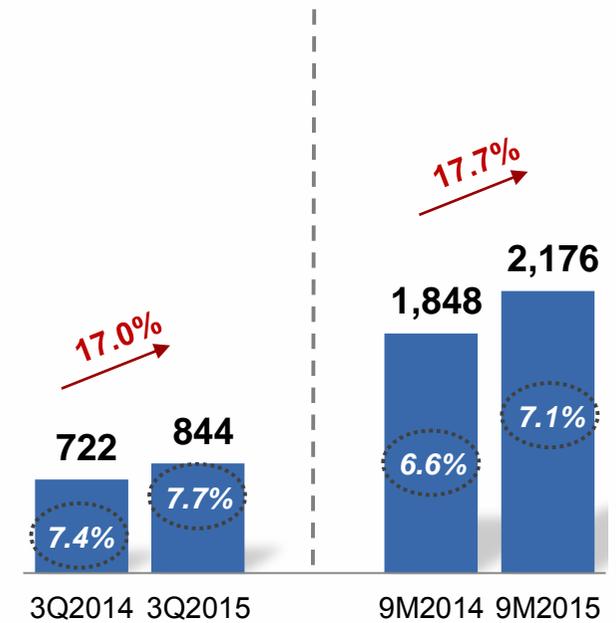
Net Sales (₱ mm)



Gross Profit (₱ mm)



EBITDA (₱ mm)



❖ Increase in sales in 9M2015 largely driven by **new store additions** (7.4%) and **healthy SSSG** (2.8%)

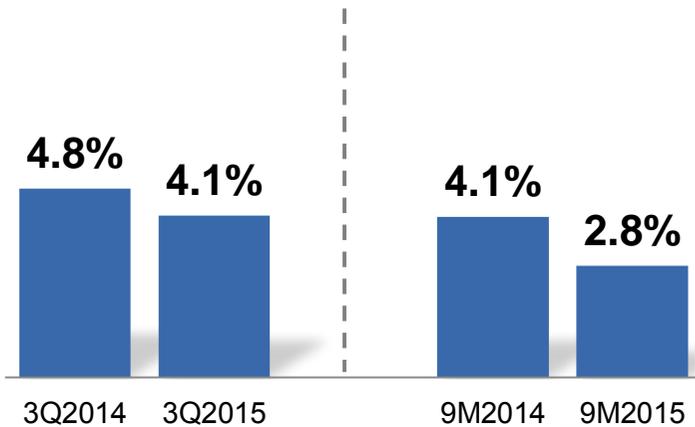


= % of segment's net sales

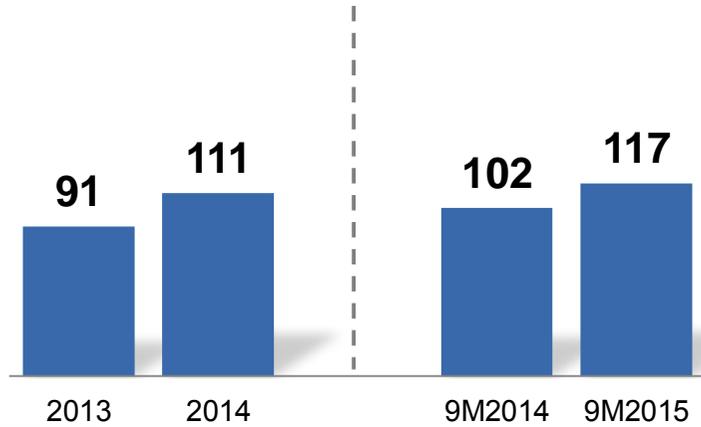


Supermarket Business Segment

SSSG (%)



Store Count

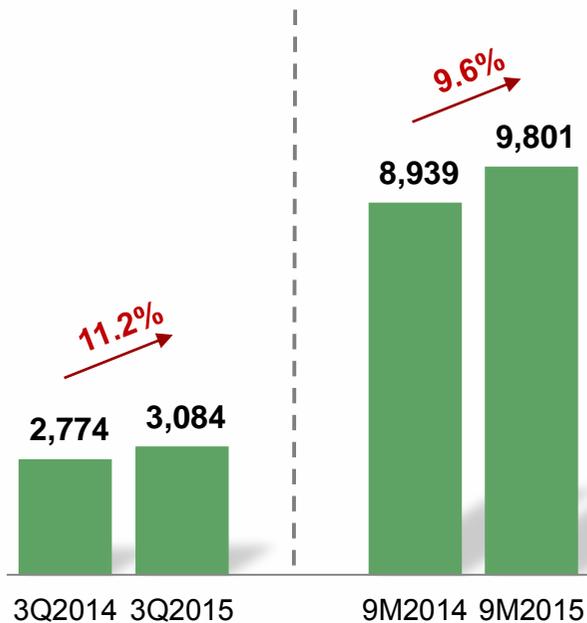


❖ **Robust 3Q SSSG**
due higher basket size

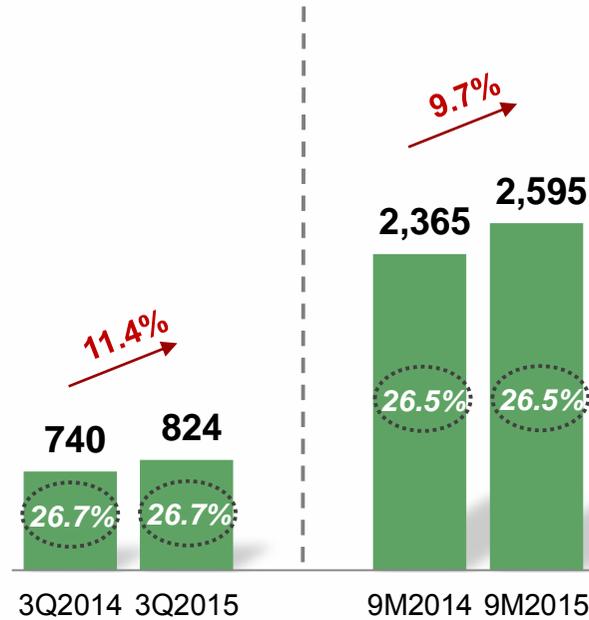


Department Store Business Segment

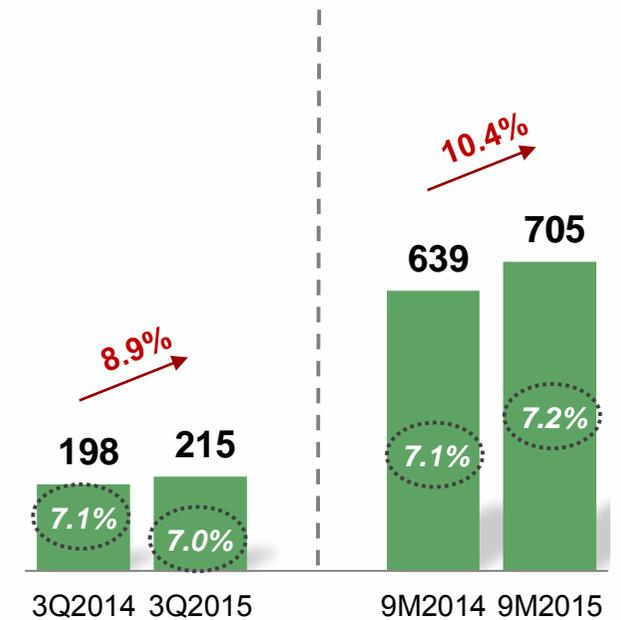
Net Sales (₱ mm)



Gross Profit (₱ mm)



EBITDA (₱ mm)



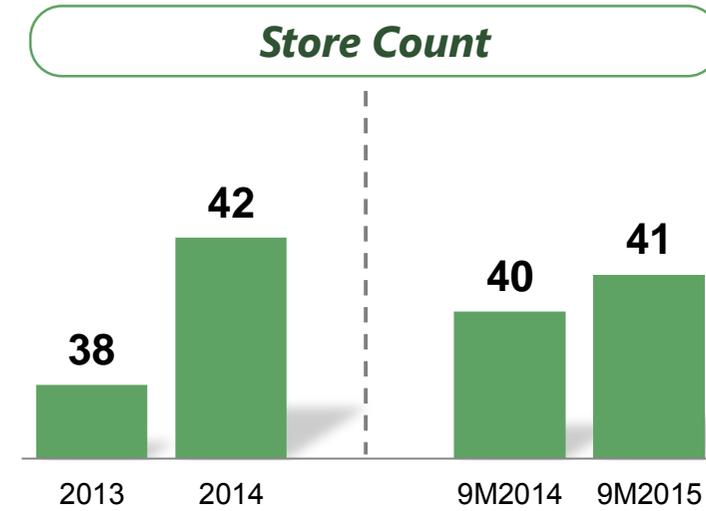
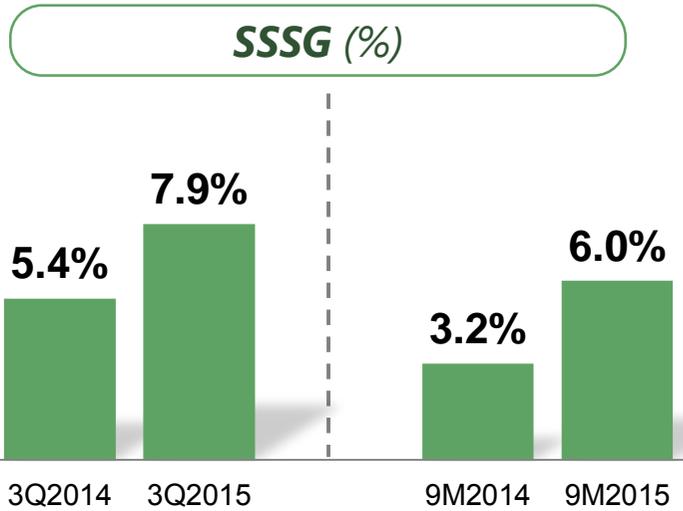
❖ Increase in sales in 9M2015 driven by **robust SSSG** (6.0%) and **new store sales contribution** (3.6%)



 = % of segment's net sales



Department Store Business Segment

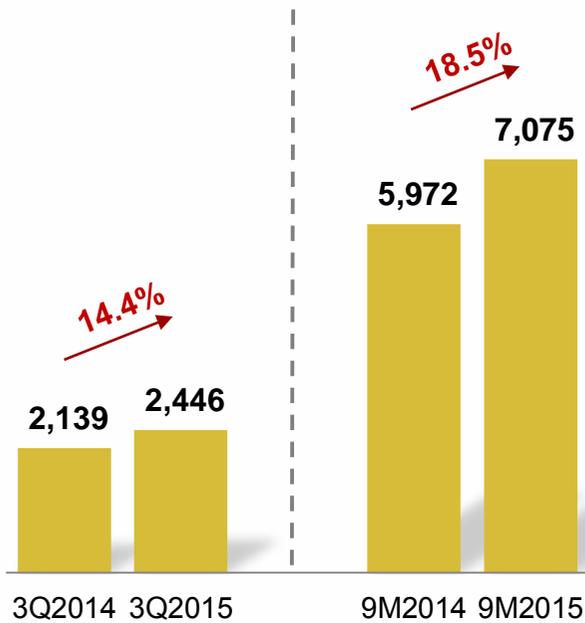


❖ **Robust SSSG**
mainly due
to higher
basket size

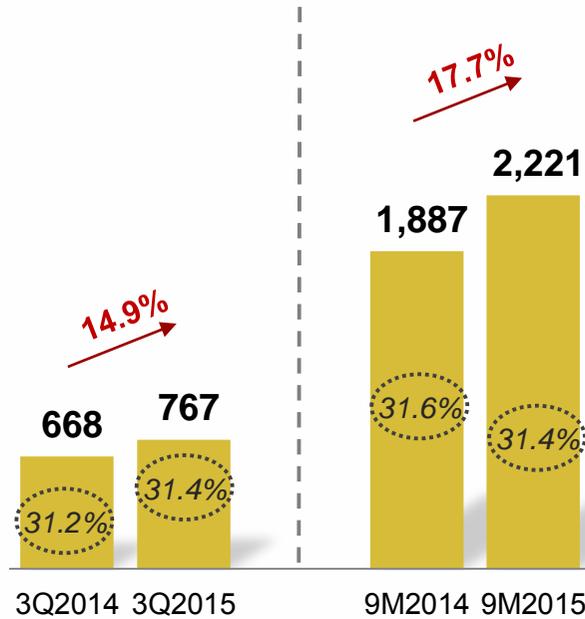


DIY Store Business Segment

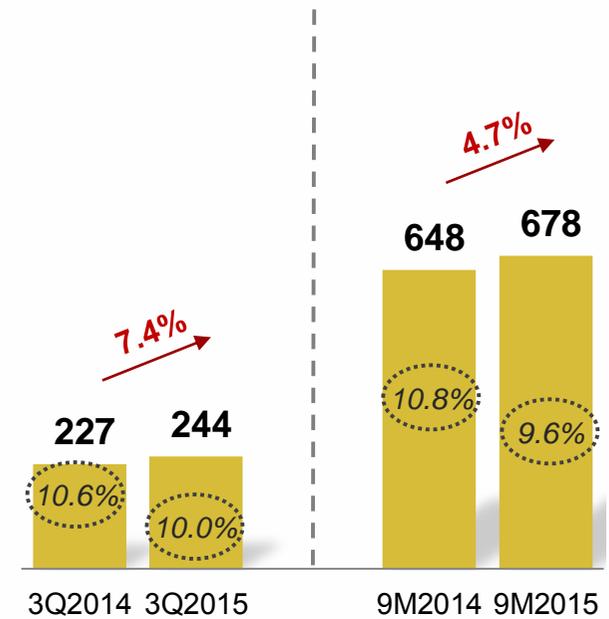
Net Sales (₱ mm)



Gross Profit (₱ mm)



EBITDA (₱ mm)



❖ Growth in net sales driven by **new store sales contribution** (13.6%) and **strong SSSG** (4.9%)

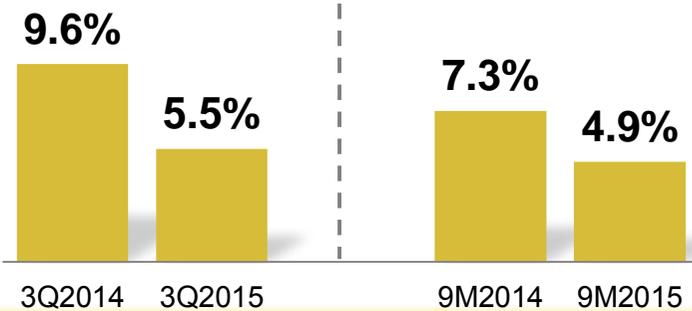


○ = % of segment's net sales

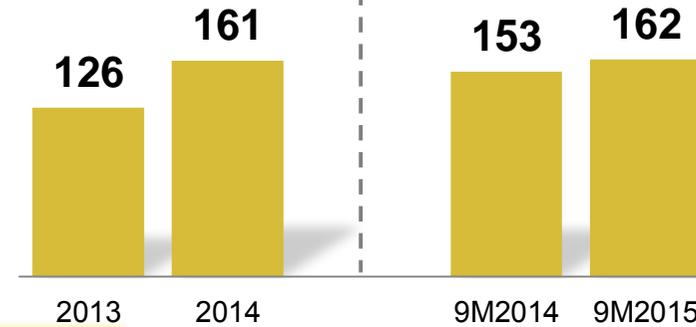


DIY Store Business Segment

SSSG (%)



Store Count

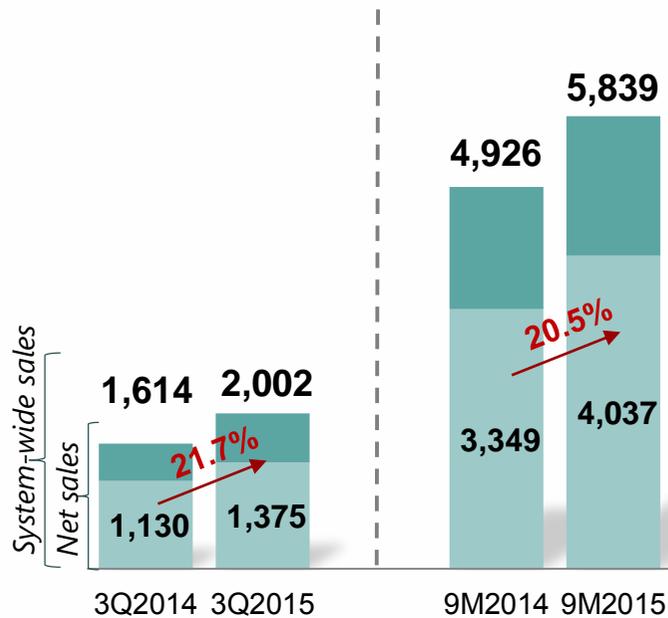


❖ **Strong SSSG**
*due to sustained
 strong residential
 construction
 activities*

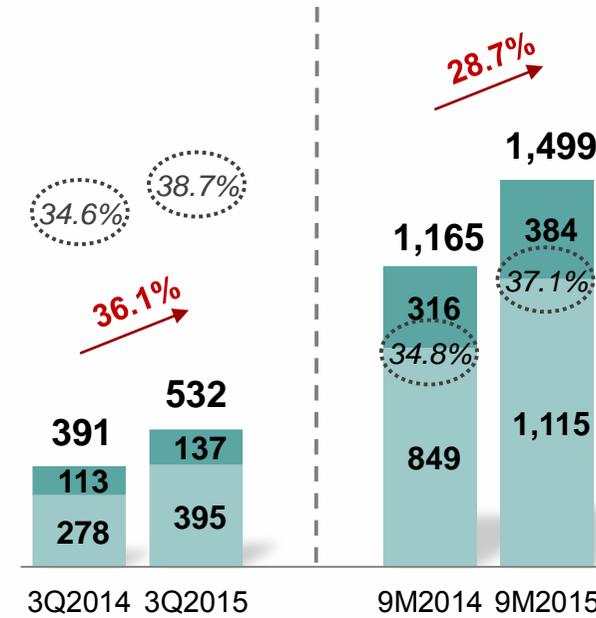


Convenience Store Business Segment

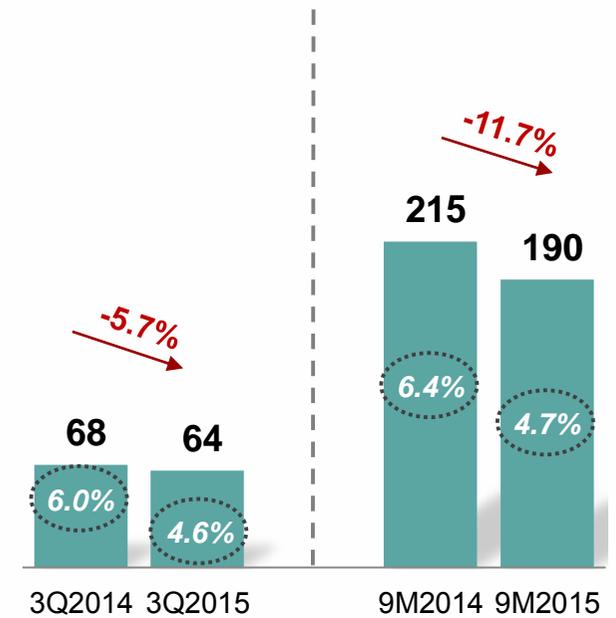
System-wide Sales & Net Sales
(₱ mm)



Gross Profit & Royalty Income
(₱ mm)



EBITDA (₱ mm)



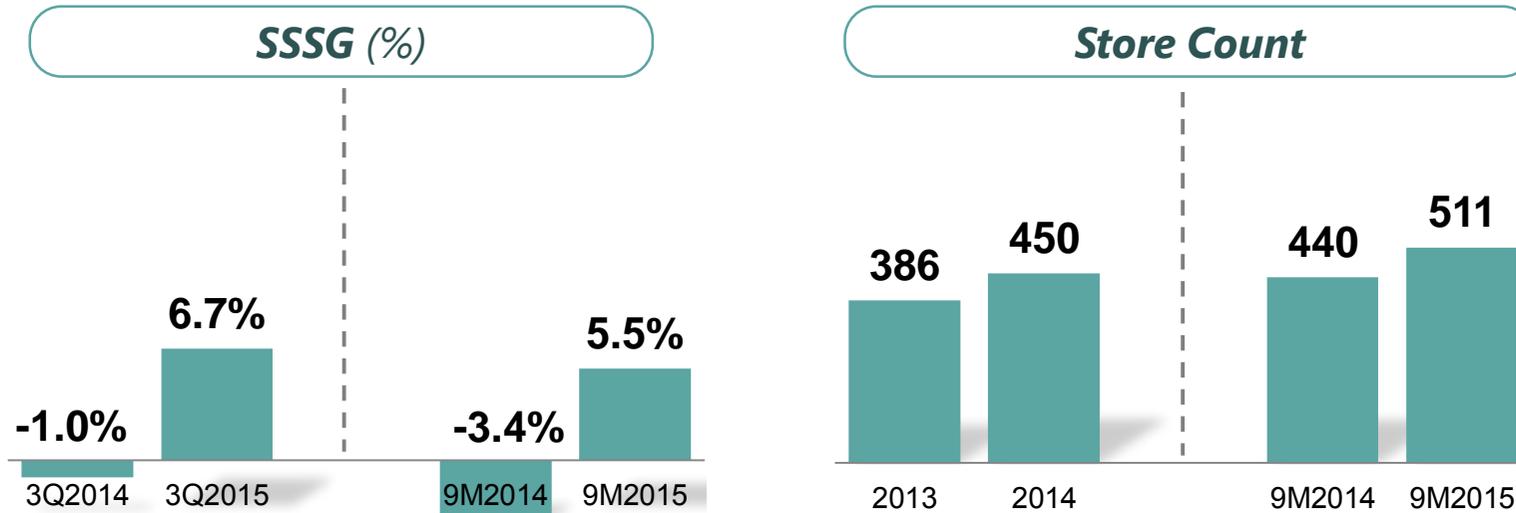
○ = GP + Royalty Income % of segment's net sales

○ = % of segment's net sales

❖ Increase in net sales driven by **new store openings** (15.0%) and **robust SSSG** (5.5%)



Convenience Store Business Segment

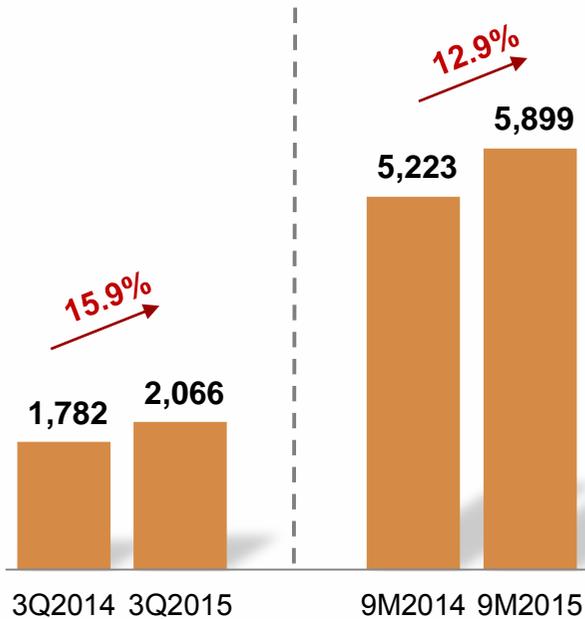


❖ **SSSG turned around** driven by the strong sales performance of ready-to-eat category

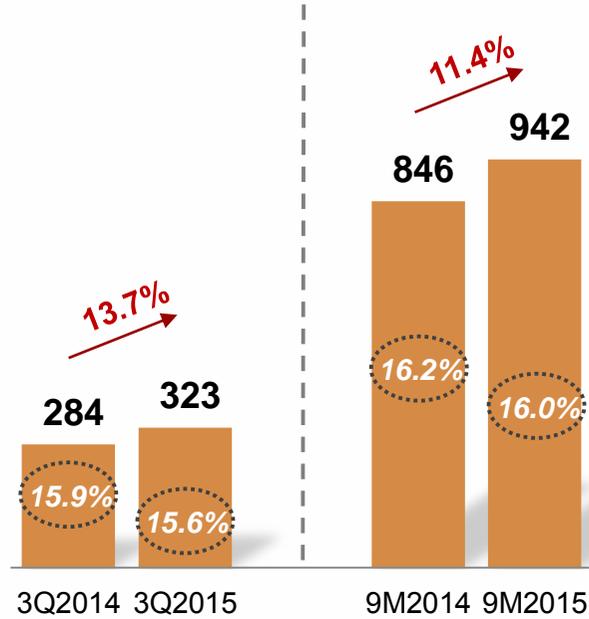


Drug Store Business Segment

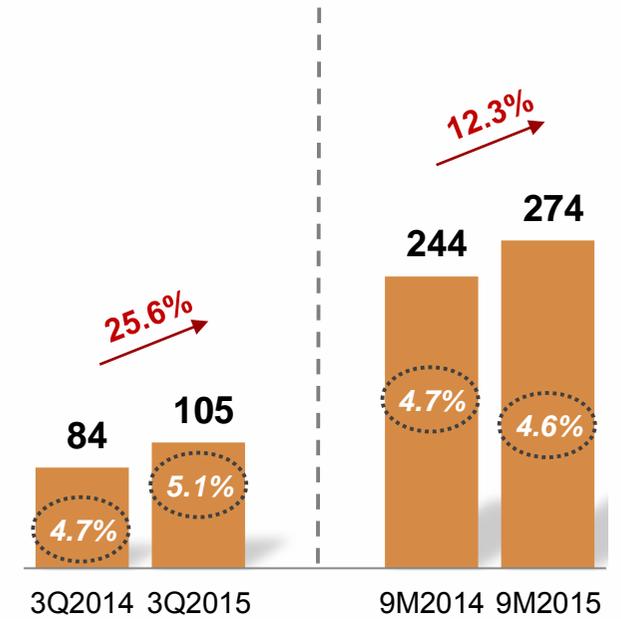
Net Sales (₱ mm)



Gross Profit (₱ mm)



EBITDA (₱ mm)



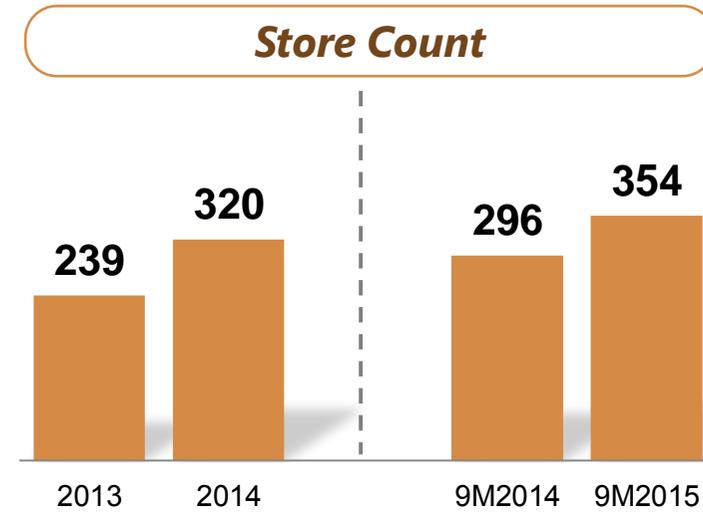
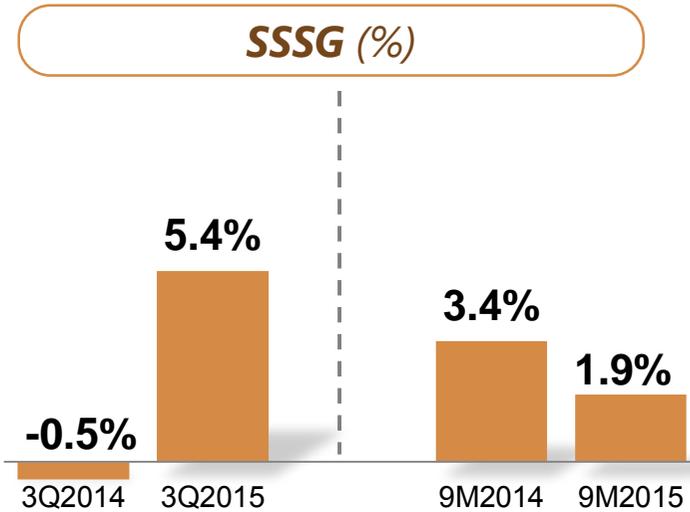
❖ Growth in sales propelled by the sales contribution of new stores

southstar drug⁺
manson drug

○ = % of segment's net sales



Drug Store Business Segment

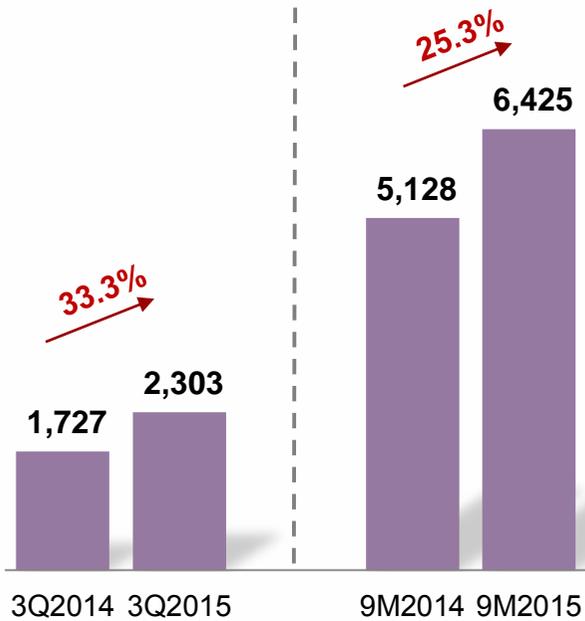


❖ **3Q2015 SSSG**
turned around as sales from stores ravaged by typhoon LY improved

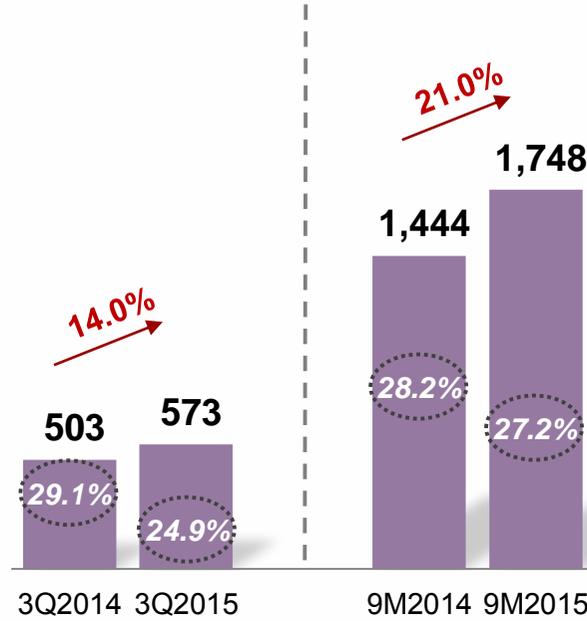


Specialty Store Business Segment

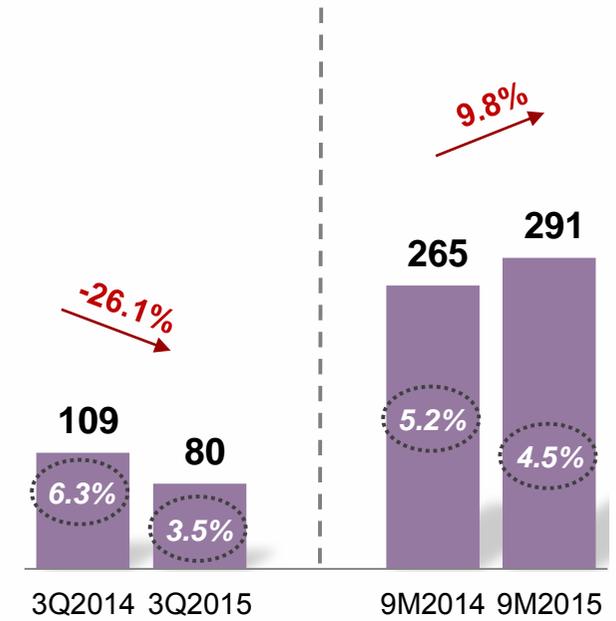
Net Sales (₱ mm)



Gross Profit (₱ mm)



EBITDA (₱ mm)



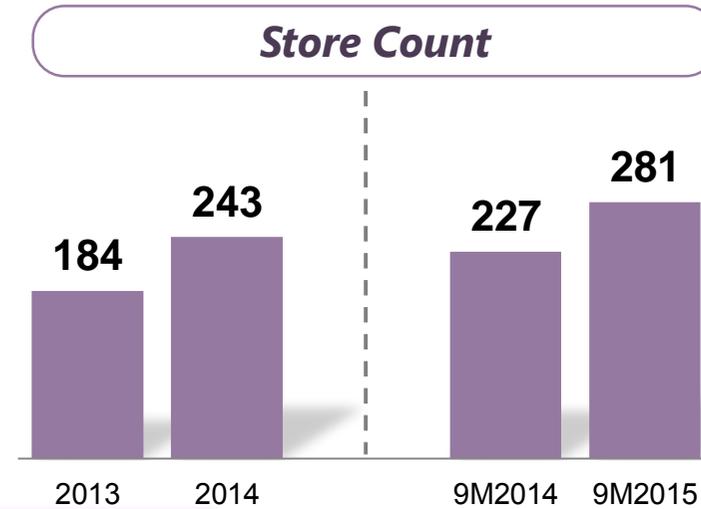
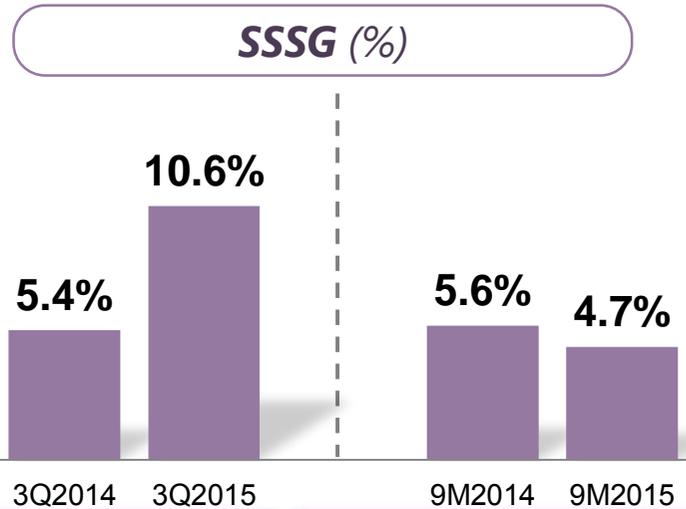
❖ Growth in net sales driven by the **double-digit sales growth of all formats**



○ = % of segment's net sales



Specialty Store Business Segment

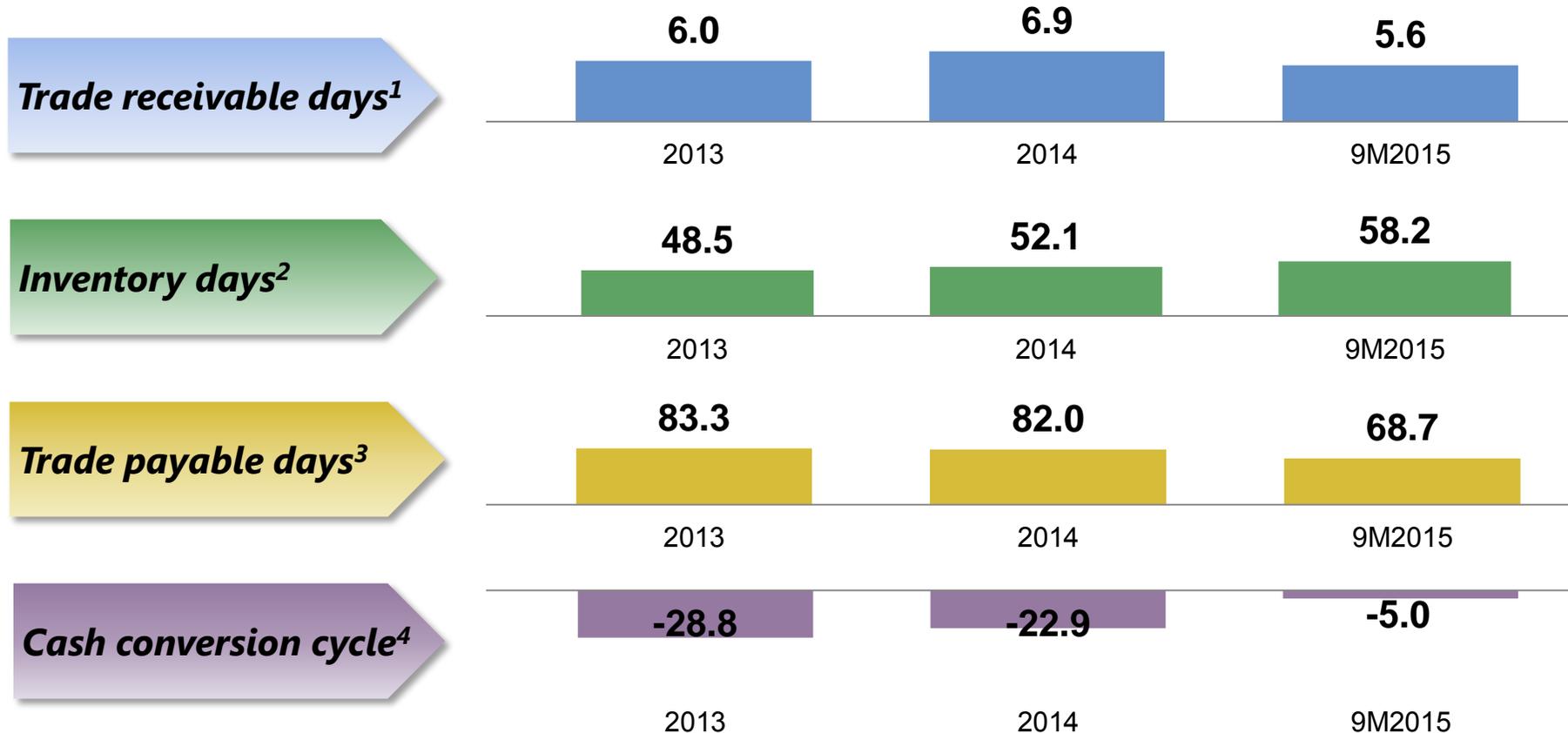


❖ **Stellar SSSG** in 3Q due to robust SSSG of appliances, toys and Daiso Japan



Working Capital

Working capital days trend



❖ **Negative cash conversion cycle sustained in 9M2015**

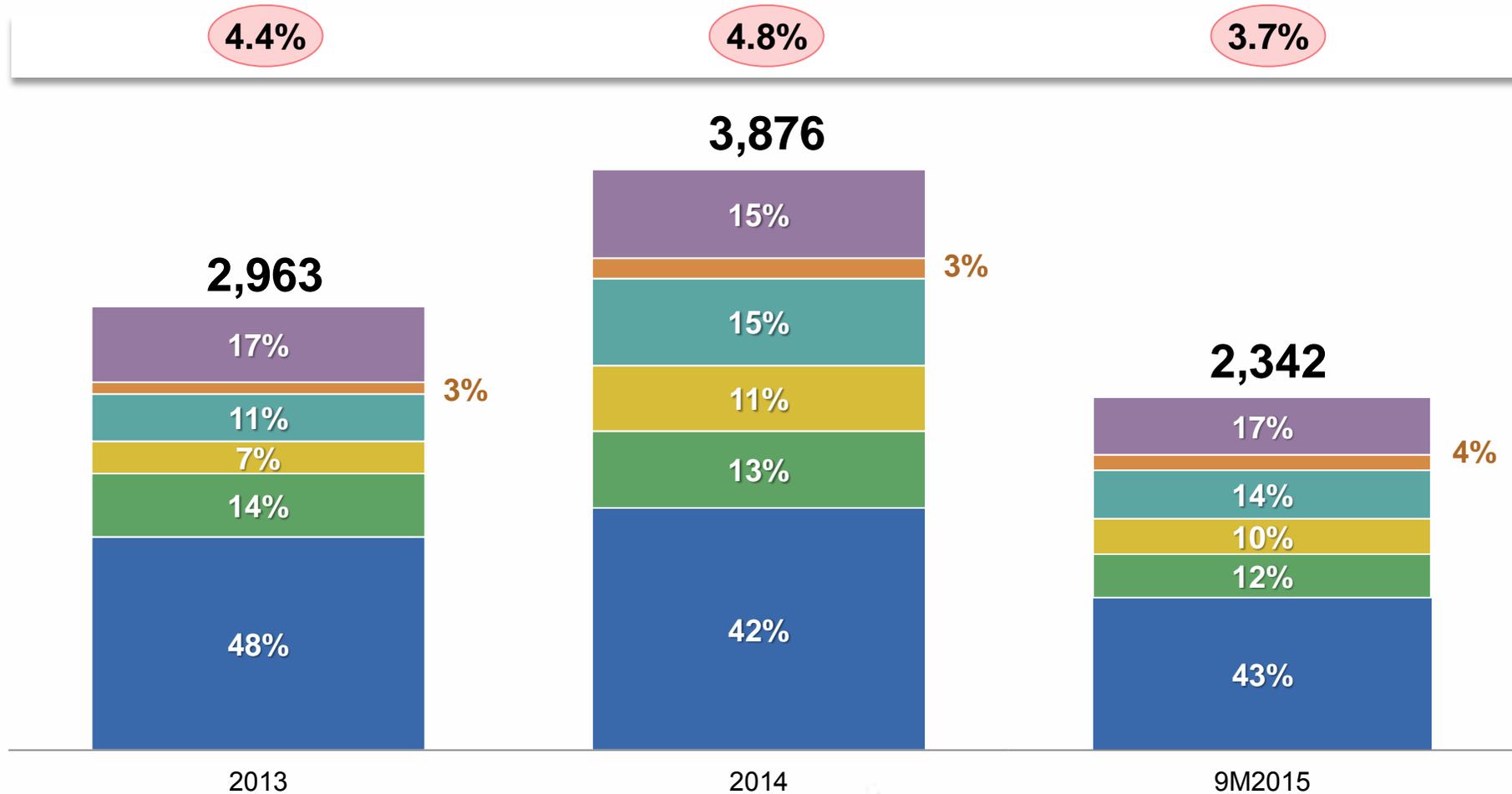
¹ Trade receivable days = Number of days x Trade and other receivables / Net sales; ² Inventory days = Number of days x Merchandise inventories / Cost of merchandise sold; ³ Trade payable days = Number of days x Trade and other payables / Cost of merchandise sold; ⁴ Cash conversion cycle = Trade receivable days + Inventory days - Trade payable days

Capital Expenditure

Capital expenditure breakdown (P mm)¹

■ Supermarkets ■ Department stores ■ DIY stores ■ Convenience stores ■ Drug stores ■ Specialty stores

% of group's net sales



¹ Capital expenditure includes expenses on leasehold improvements, store and furniture fixtures, office furniture and fixtures, transportation equipment, building and other equipment and computer equipment

Recent Developments

Specialty Stores – Saver's Appliance Depot



- ❖ *Robinson's Inc. acquired **90%** of Savers Electronic World, Inc., owner and operator of **Saver's Appliance Depot**, a consumer electronics and home appliance store chain with **25 stores** (26,600 sqm).*



Upcoming Store Openings

Robinsons Galleria Cebu



❖ *RLC's **Robinsons Galleria Cebu** will open this December and will house **11 Robinsons Retail stores** across formats*



Plans and Prospects



Organic expansion of 150-200 new stores in 2016 with CAPEX of ₱6bn



GP margin increase of 20-40 bps



Same store sales growth of 2-3%



Mergers and acquisitions



Consolidated Statements of Financial Position

| PHP mm | September 30 2015 | December 31 2014 | December 31 2013 |
|--|----------------------|---------------------|---------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 5,713 | 9,970 | 30,129 |
| Short-term investments | 179 | 1,853 | 342 |
| Merchandise inventories | 10,561 | 8,993 | 7,029 |
| Other current assets | 6,179 | 2,897 | 2,117 |
| Total Current Assets | 22,632 | 23,713 | 39,617 |
| Noncurrent assets | | | |
| Available-for-sale (AFS) financial assets | 19,464 | 17,718 | — |
| Property and equipment - net | 10,787 | 9,654 | 7,063 |
| Investment in shares of stocks | 1,990 | 1,990 | 1,803 |
| Intangible assets | 3,979 | 3,034 | 2,790 |
| Other noncurrent assets | 1,453 | 1,385 | 1,078 |
| Total Noncurrent Assets | 37,673 | 33,781 | 12,734 |
| Total Assets | 60,305 | 57,494 | 52,351 |
| LIABILITIES AND EQUITY | | | |
| Current Liabilities | | | |
| Trade and other payables | 12,470 | 14,139 | 12,075 |
| Current portion of loans payable | 1,849 | 56 | 396 |
| Other current liabilities | 710 | 828 | 904 |
| Total Current Liabilities | 15,029 | 15,023 | 13,375 |
| Noncurrent Liabilities | | | |
| Loans payable - net of current portion | 14 | 56 | 112 |
| Others | 1,247 | 1,179 | 881 |
| Total Noncurrent Liabilities | 1,261 | 1,235 | 993 |
| Total Liabilities | 16,290 | 16,258 | 14,368 |
| Equity | | | |
| Capital stock | 1,385 | 1,385 | 1,385 |
| Additional paid-in capital | 27,227 | 27,227 | 27,027 |
| Treasury shares | — | — | (1,100) |
| Retained earnings | 14,318 | 12,052 | 9,051 |
| Others | (834) | (1,016) | 144 |
| Total equity attributable to equity holders of Parent Company | 42,096 | 39,648 | 36,507 |
| Non-controlling interest in consolidated subsidiaries | 1,919 | 1,588 | 1,476 |
| Total Equity | 44,015 | 41,236 | 37,983 |
| Total Liabilities and Equity | 60,305 | 57,494 | 52,351 |



Consolidated Statements of Comprehensive Income

| PHP mm | Three Months Ended Sept 30 | | Nine Months Ended Sept 30 | |
|---|----------------------------|--------------|---------------------------|---------------|
| | 2015 | 2014 | 2015 | 2014 |
| Sales - net of sales discounts and returns | 21,935 | 19,200 | 63,289 | 56,179 |
| Cost of merchandise sold | 17,183 | 15,007 | 49,522 | 44,096 |
| Gross Profit | 4,752 | 4,193 | 13,767 | 12,083 |
| Royalty, rent and other revenues | 490 | 344 | 1,357 | 1,050 |
| Gross profit including other revenue | 5,242 | 4,537 | 15,124 | 13,133 |
| Operating expenses | (4,105) | (3,450) | (12,023) | (10,187) |
| Earnings before interest and taxes | 1,137 | 1,087 | 3,101 | 2,946 |
| OTHER INCOME (CHARGES) | | | | |
| Interest income | 196 | 254 | 597 | 490 |
| Equity in net earnings of an associate | 25 | 7 | 51 | 57 |
| Dividend income | 28 | — | 84 | — |
| Foreign currency exchange gain (losses) - net | 129 | 66 | 160 | 36 |
| Interest expense | (4) | (3) | (7) | (12) |
| | 374 | 324 | 885 | 571 |
| INCOME BEFORE INCOME TAX | 1,511 | 1,411 | 3,986 | 3,517 |
| Provision for income tax | 348 | 340 | 871 | 894 |
| NET INCOME | 1,163 | 1,071 | 3,115 | 2,623 |
| Net income attributable to: | | | | |
| Equity holders of the Parent Company | 1,109 | 977 | 2,972 | 2,346 |
| Non-controlling interest in consolidated subsidiaries | 54 | 94 | 143 | 277 |
| | 1,163 | 1,071 | 3,115 | 2,623 |
| Earnings Per Share | | | | |
| Basic | 0.80 | 0.72 | 2.15 | 1.72 |
| Weighted | 0.80 | 0.72 | 2.15 | 1.72 |
| Shares Outstanding | | | | |
| End of Period | 1,385 | 1,366 | 1,385 | 1,366 |
| Weighted | 1,385 | 1,366 | 1,385 | 1,366 |



Consolidated Statements of Cash Flows

| PHP mm | Nine Months Ended Sept 30 | | Years Ended December 31 | |
|--|---------------------------|-----------------|-------------------------|----------------|
| | 2015 | 2014 | 2014 | 2013 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Income before income tax | 3,986 | 3,517 | 5,219 | 4,319 |
| Adjustments for: | | | | |
| Depreciation and amortization | 1,204 | 907 | 1,280 | 1,000 |
| Interest expense | 7 | 17 | 12 | 77 |
| Interest income | (597) | (494) | (634) | (113) |
| Equity in net earnings of an associate | (51) | (57) | (57) | (191) |
| Dividend income | (84) | 0 | (28) | (3) |
| Others | (92) | 11 | 43 | 21 |
| Operating income before working capital changes | 4,373 | 3,901 | 5,835 | 5,110 |
| Working capital changes | (4,732) | (5,219) | (2,105) | (1,789) |
| Interest received | 503 | 299 | 503 | 56 |
| Income tax paid | (1,007) | (1,033) | (1,385) | (638) |
| Net cash flows generated from (used in) operations | (863) | (2,052) | 2,848 | 2,739 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| AFS investments - net | (1,264) | (15,260) | (17,704) | 50 |
| Property and equipment - net | (2,324) | (2,625) | (3,696) | (2,754) |
| Others | (1,005) | (538) | (1,939) | (618) |
| Net cash flows used in investing activities | (4,593) | (18,423) | (23,339) | (3,322) |
| Payment of loans | (42) | (382) | (396) | (2,121) |
| Availment of loans | 1,793 | — | — | 100 |
| Interest paid | (7) | 17 | (12) | (72) |
| Dividends paid | (706) | (563) | (561) | (3) |
| Proceeds from sale of treasury shares, net of transaction cost | — | — | 1,301 | — |
| Acquisition of treasury shares | — | — | — | (1,100) |
| Proceeds from stock issuance | — | — | — | 28,601 |
| Others | 161 | 117 | — | (745) |
| Net cash flows used in financing activities | 1,198 | (811) | 332 | 24,660 |
| Net increase (decrease) in cash and cash equivalents | (4,257) | (21,286) | (20,159) | 24,077 |
| Cash and cash equivalents at beginning of year | 9,970 | 30,136 | 30,129 | 6,052 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 5,713 | 8,850 | 9,970 | 30,129 |

