



**ROBINSONS
RETAIL**
HOLDINGS, INC.

1Q2018 Unaudited Earnings Results

May 2018



Agenda

-  *Financial Highlights*
-  *Store Network*
-  *Consolidated Results*
-  *Business Segments*
-  *Working Capital*
-  *Capital Expenditure*
-  *Recent Developments*



1Q2018 Financial Highlights



Strong
blended
SSSG of
6.4%

1,715
stores plus
2,031 TGP
branches
nationwide

8.7% yoy
increase in
gross floor
area
(excl. TGP)

12.6%
yoy lift in
consolidated
net sales

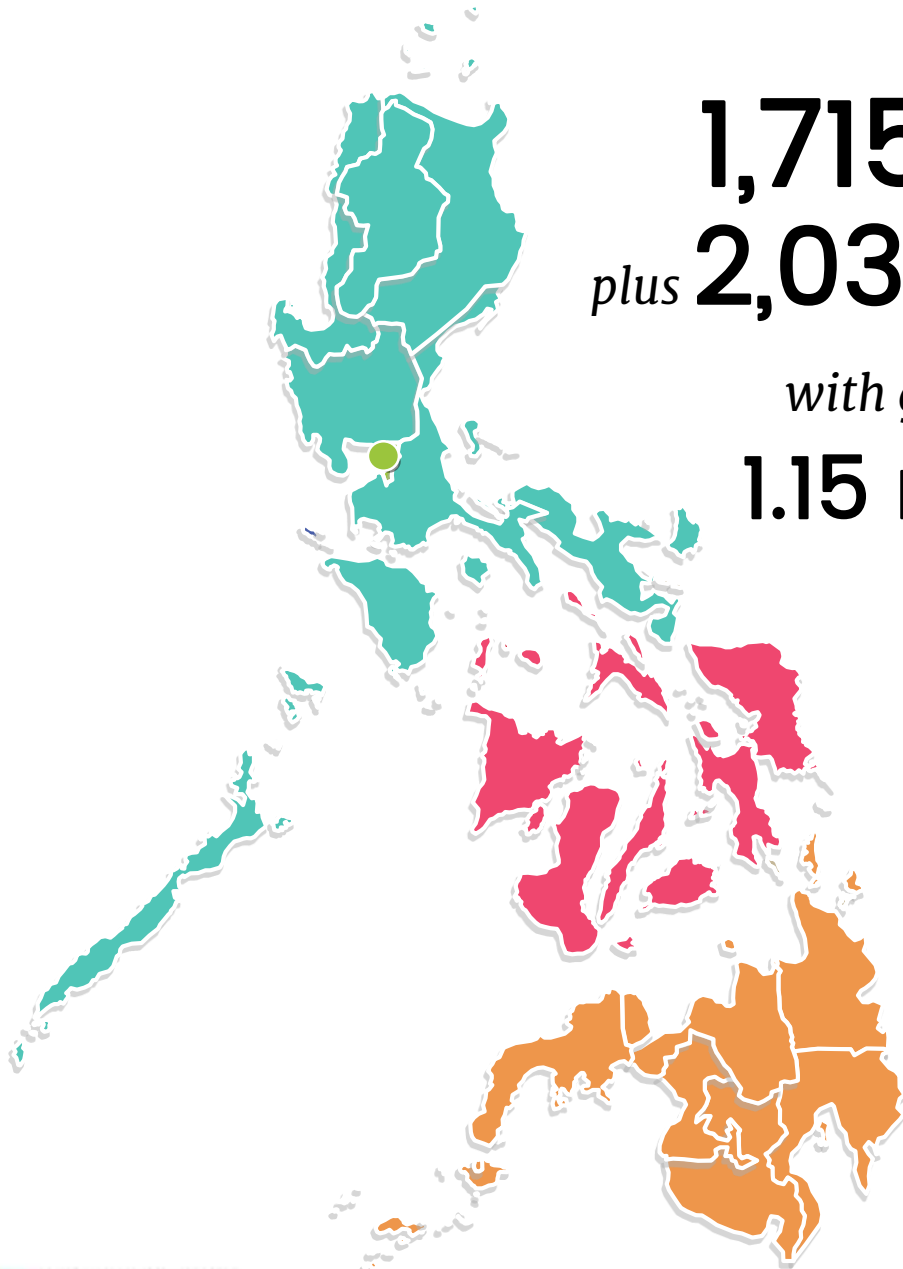
EBITDA
margin
kept at
6.4%

20bps
expansion
in GP
margin

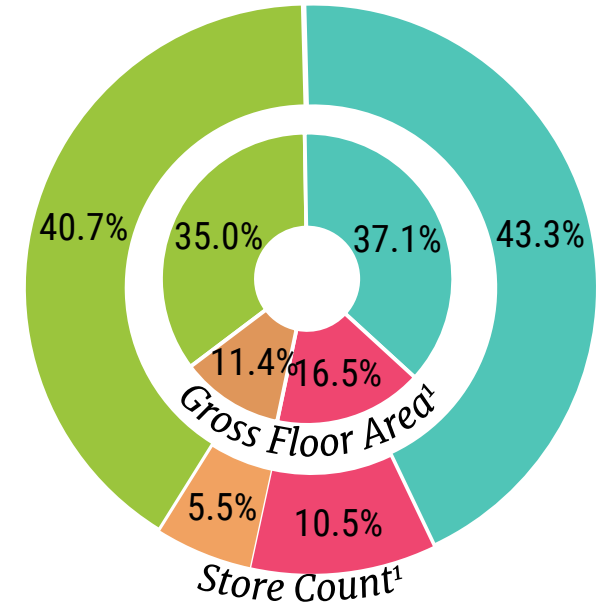
13.7% yoy
increase in
Core Net
income




Store Network: 1Q2018

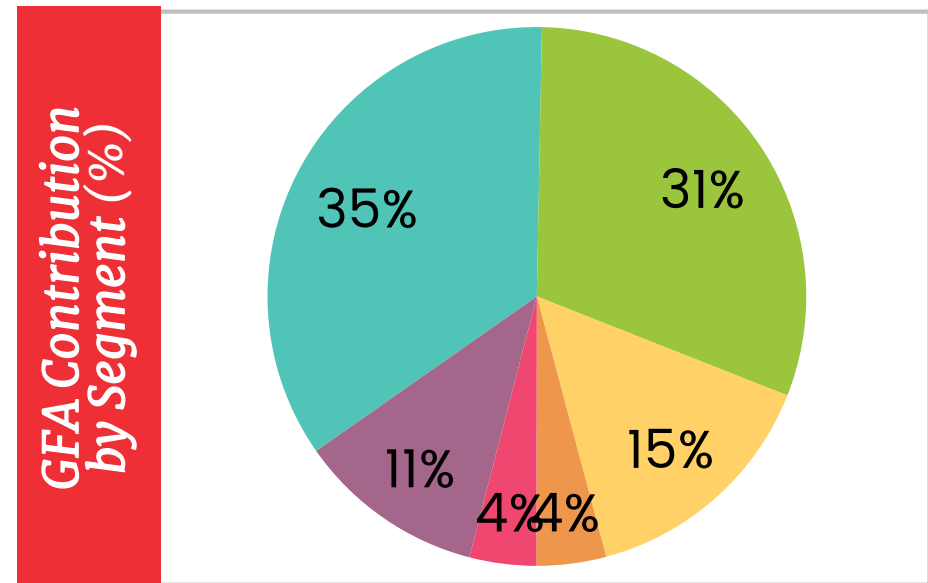
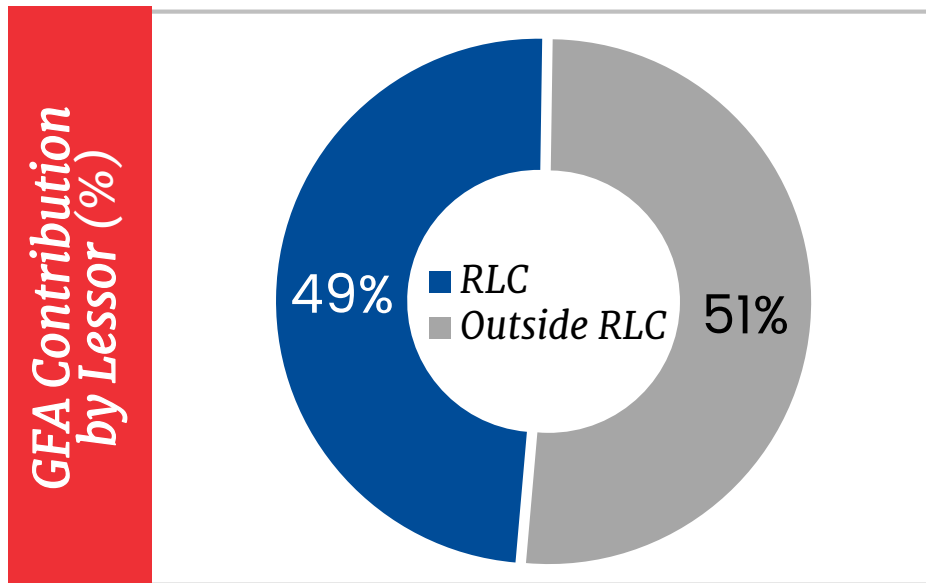
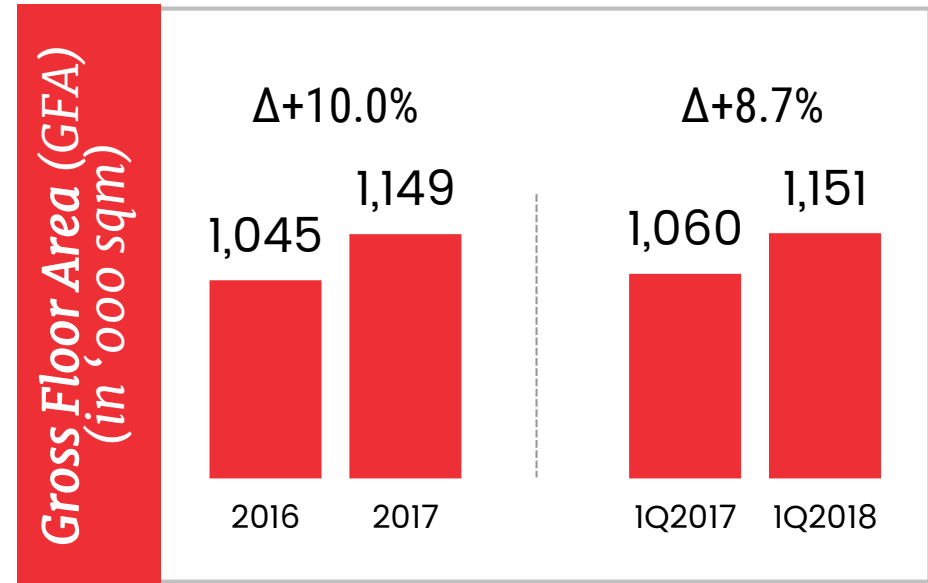
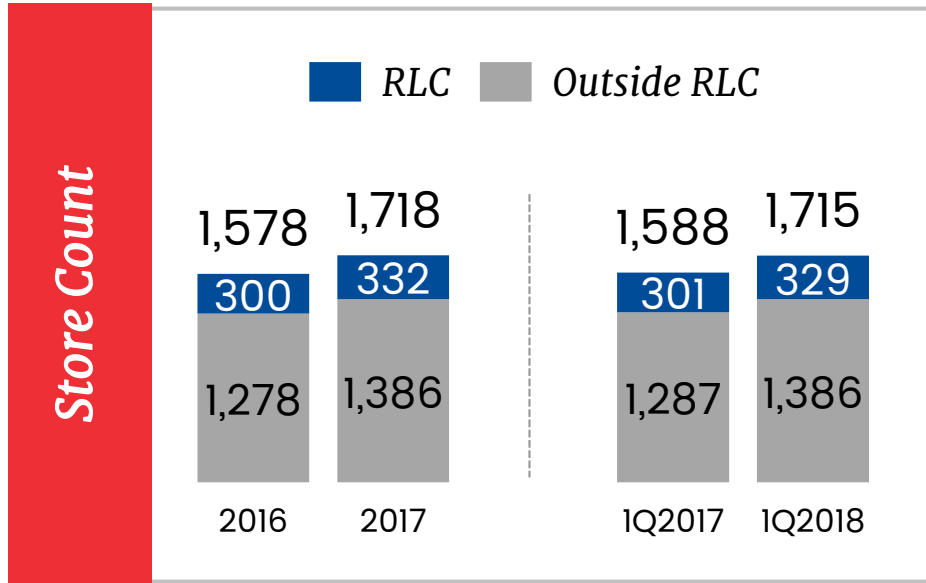


1,715 stores
 plus **2,031** TGP branches
 with gross floor area of
1.15 million sqm¹



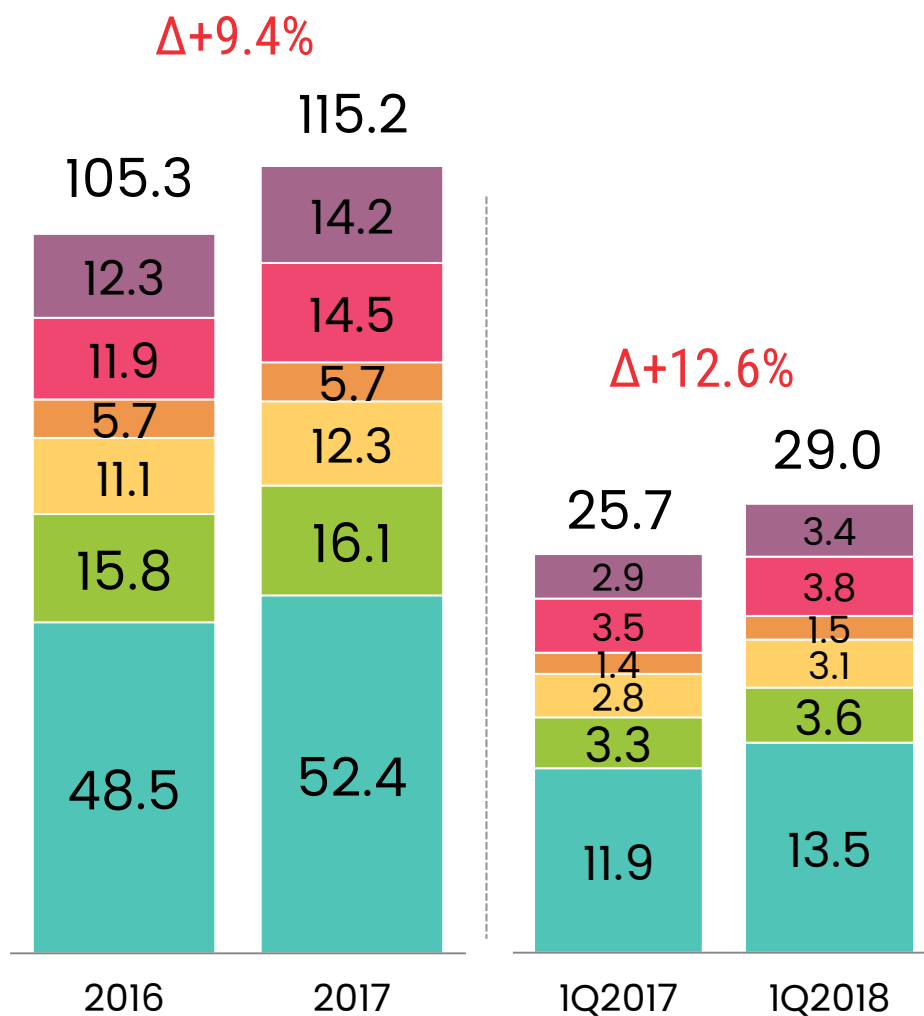
	Metro Manila	Luzon	Visayas	Mindanao
				
Supermarkets	52	67	22	13
Department Stores	14	18	9	8
DIY Stores	55	82	38	20
Convenience Stores	316	148	25	-
Drugstores ¹	115	307	40	25
Specialty Stores	146	121	46	28
Total	698	743	180	94
TGP	494	1,040	293	204

Store Network: 1Q2018

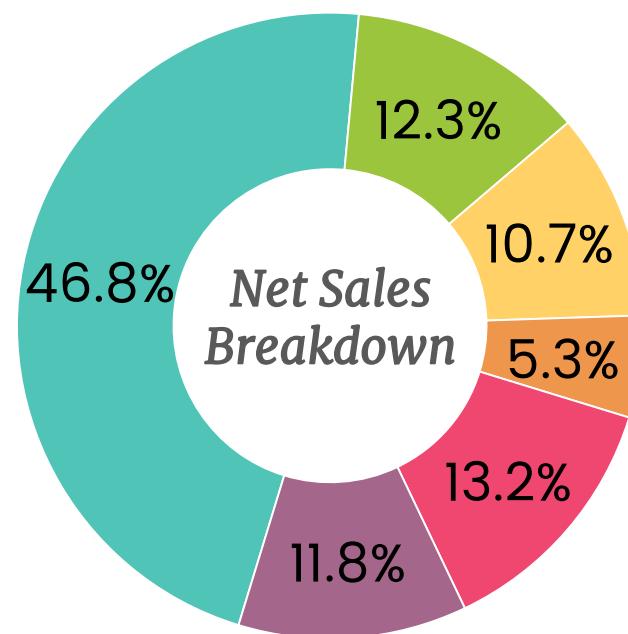


1Q2018 Consolidated Results

Net Sales¹ (₹ bn)

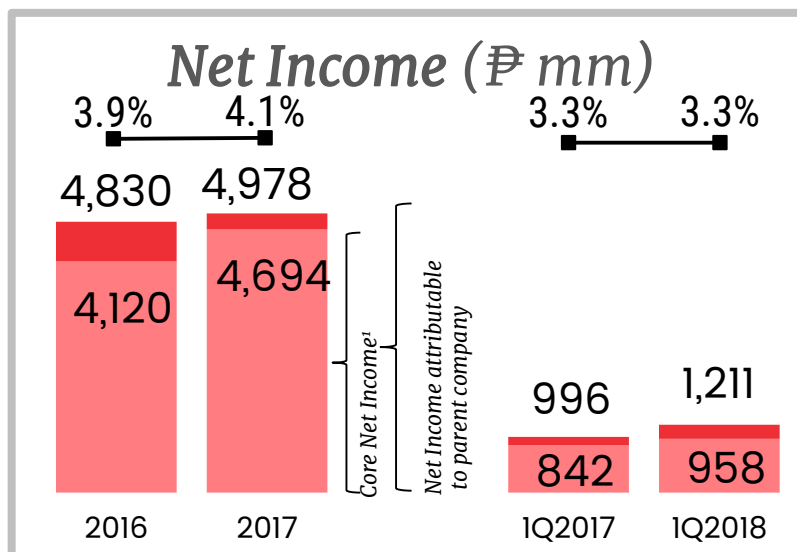
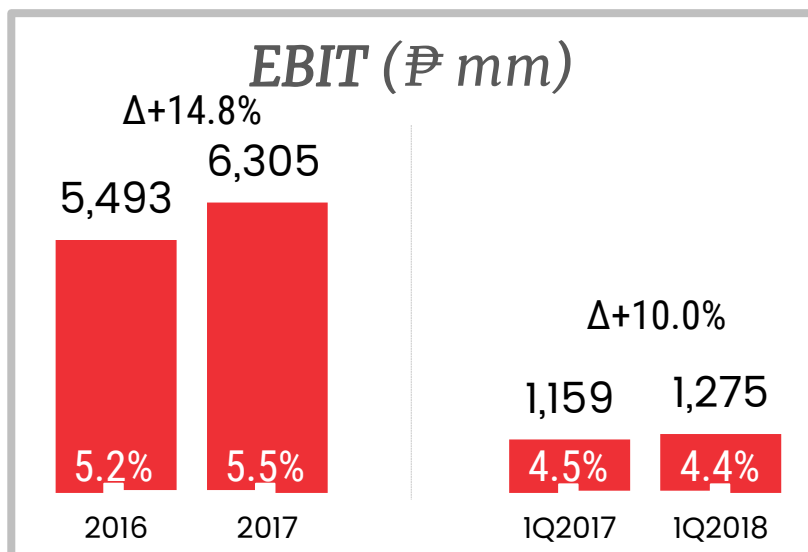
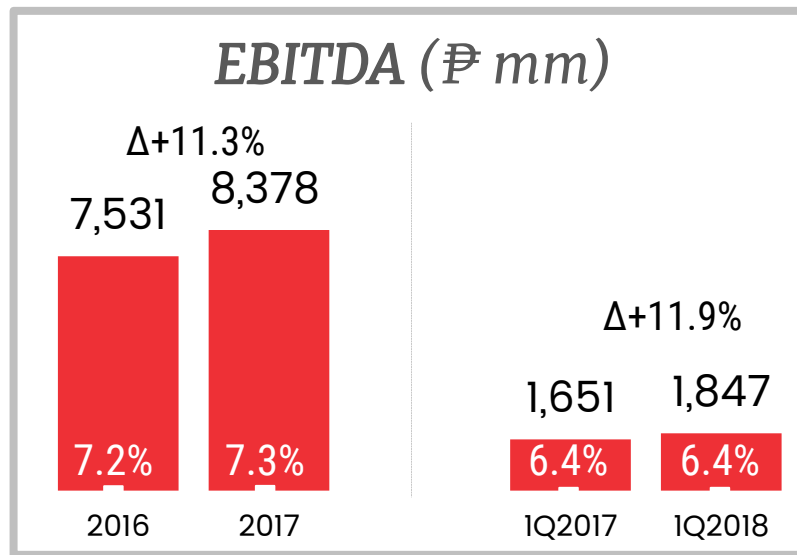
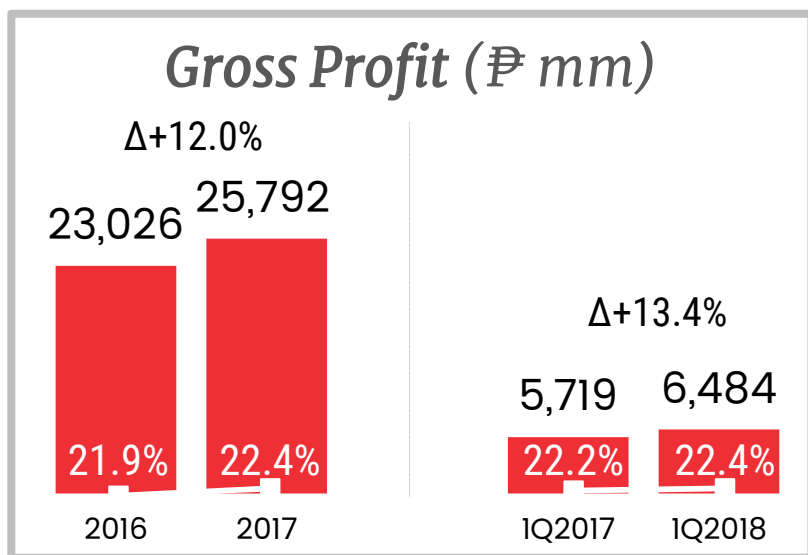


Same Store Sales Growth



■ Supermarkets
 ■ Department Stores
 ■ DIY Stores
■ Convenience stores
 ■ Drugstores
 ■ Specialty Stores

1Q2018 Consolidated Results



1Q18 Highlights:

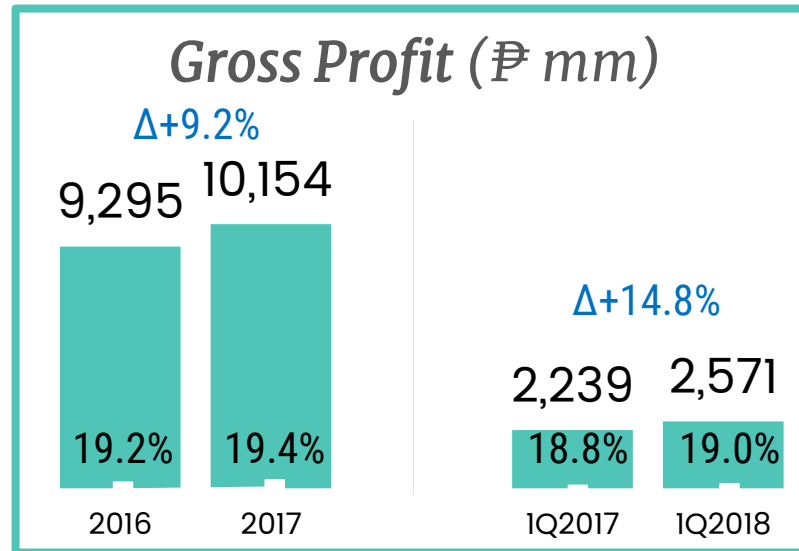
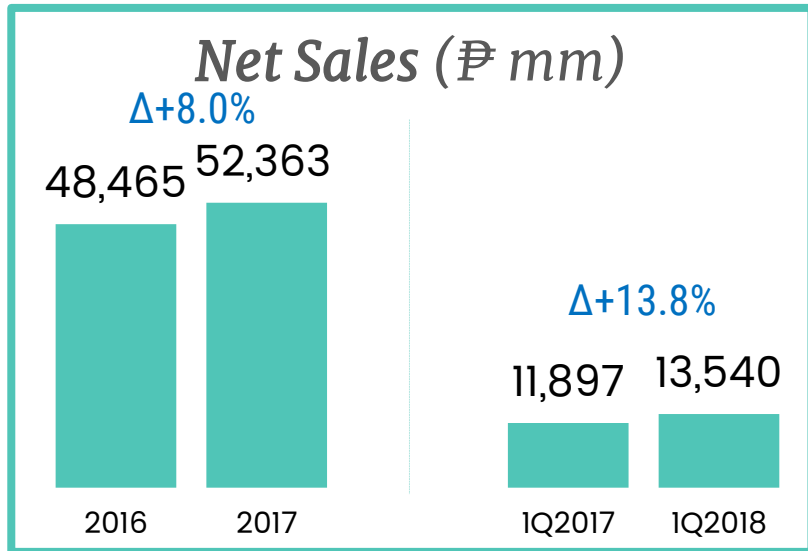
Gross profit margin expanded by 20bps;

EBITDA margin kept at 6.4% level;

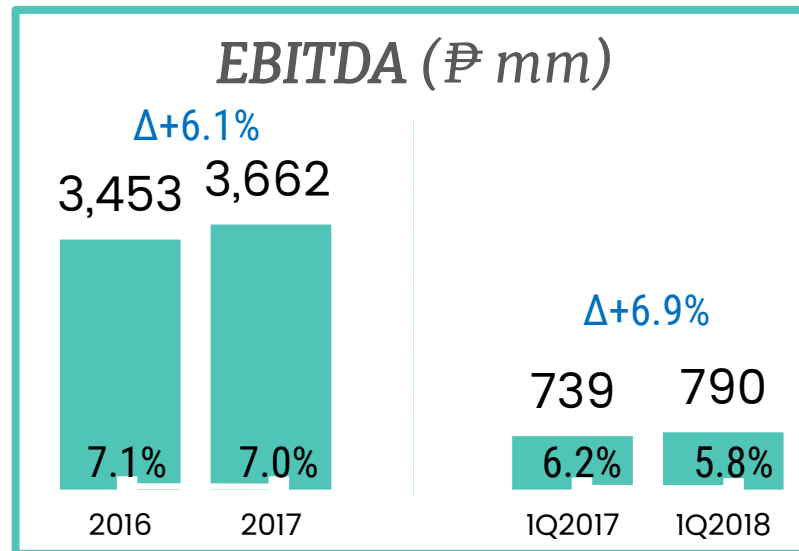
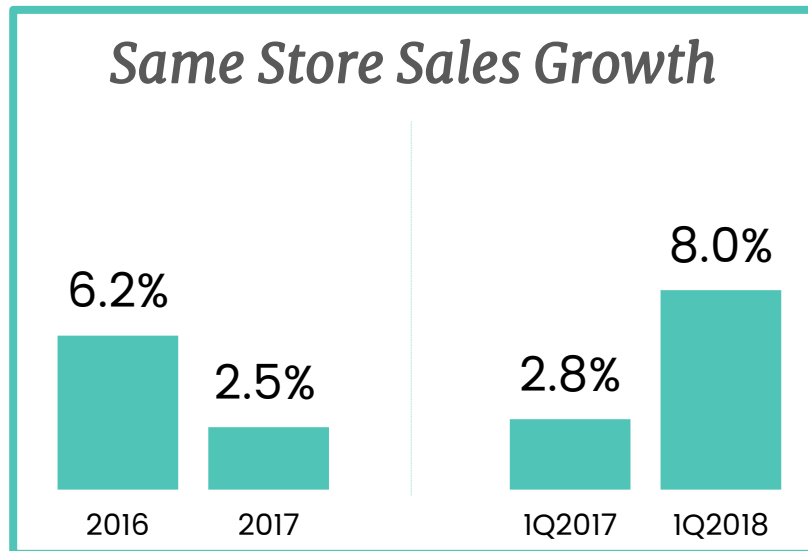
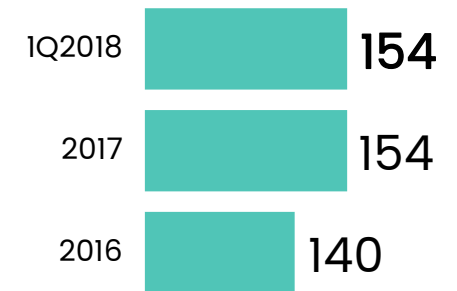
Net income attributable to parent up by 21.7%.

—◆— Core net income as a % of net sales

Supermarket Business Segment



Store Count



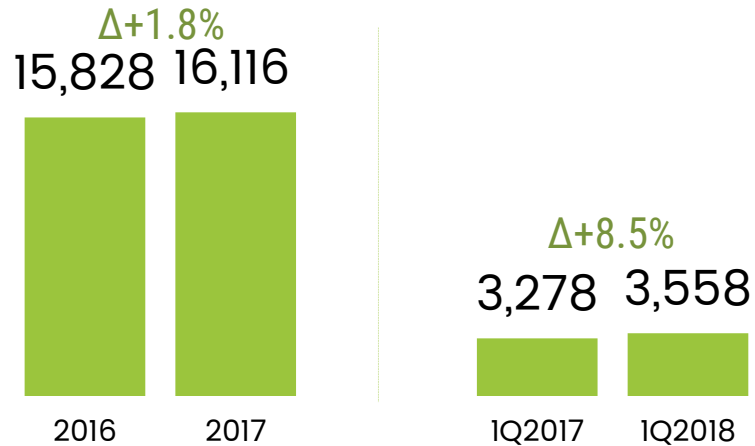
1Q18 Highlights:

Increase in net sales driven by new store additions (5.8%) and strong SSSG (8.0%);

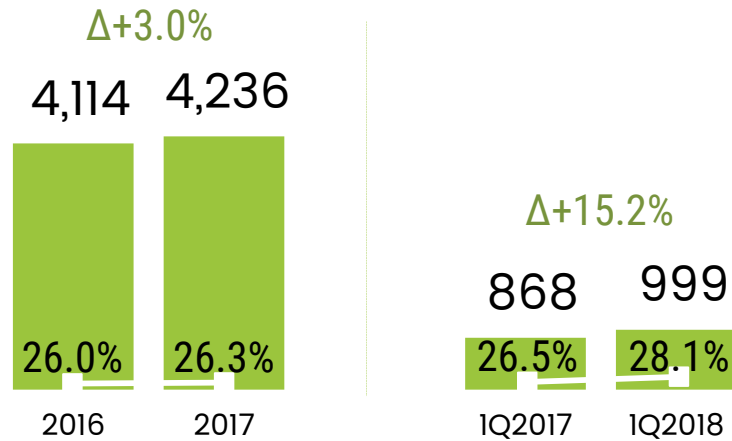
SSSG was robust due to price increases & higher consumption among salaried employees

Department Store Business Segment

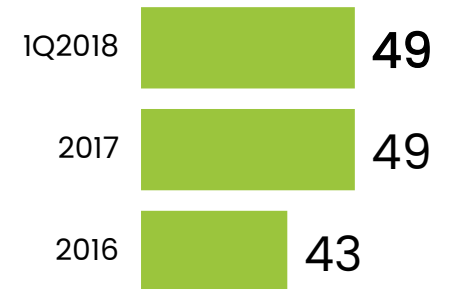
Net Sales (₱ mm)



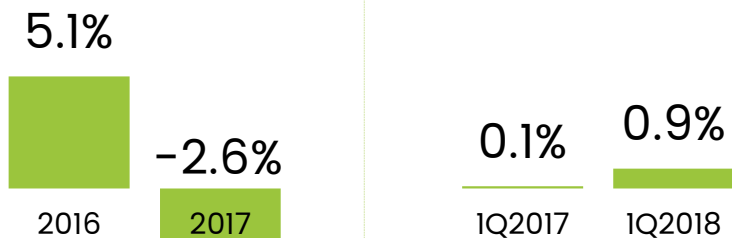
Gross Profit (₱ mm)



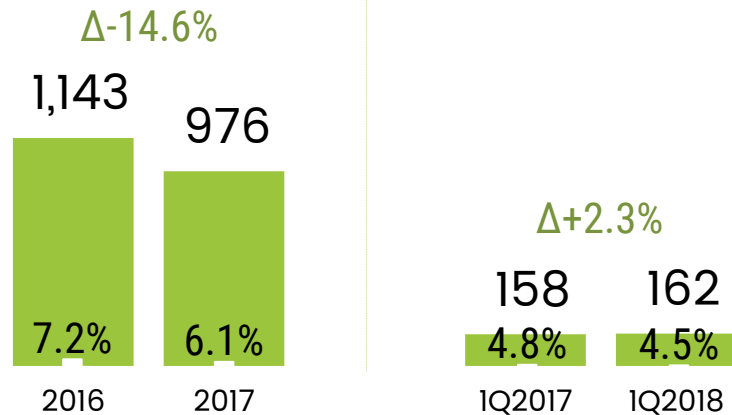
Store Count



Same Store Sales Growth



EBITDA (₱ mm)

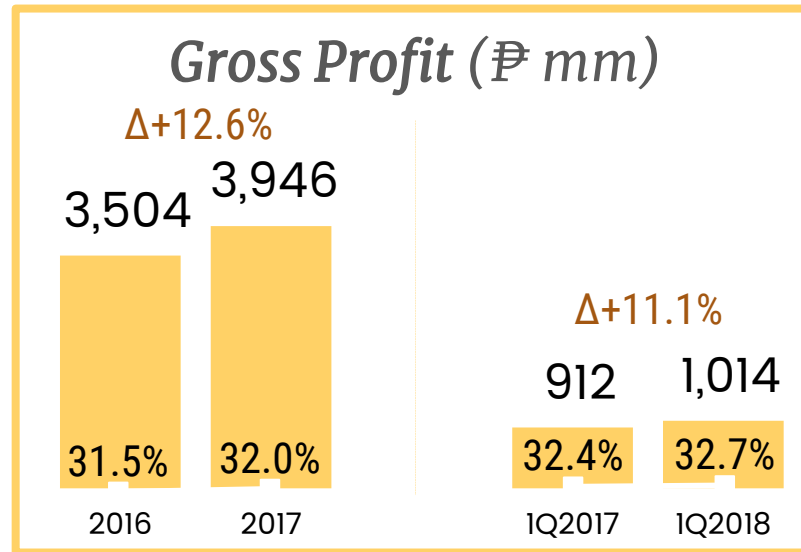
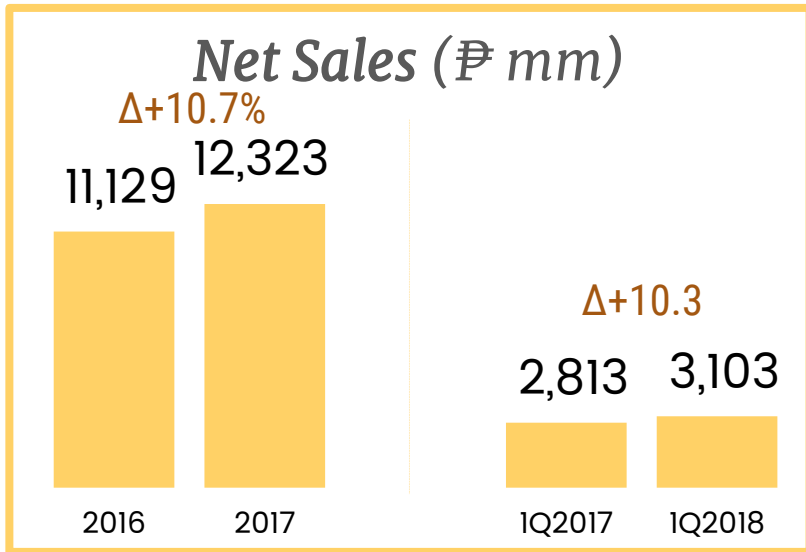


1Q18 Highlights:

Significant sales improvement in stores impacted by competitive pressures last year;

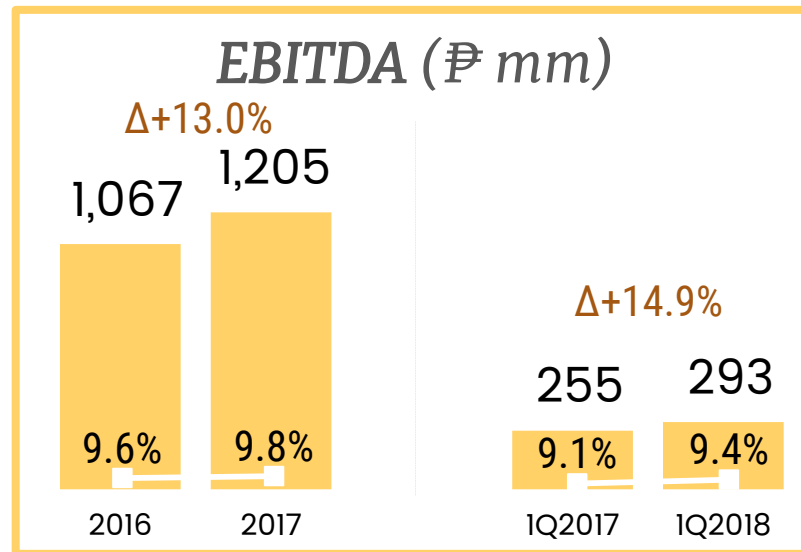
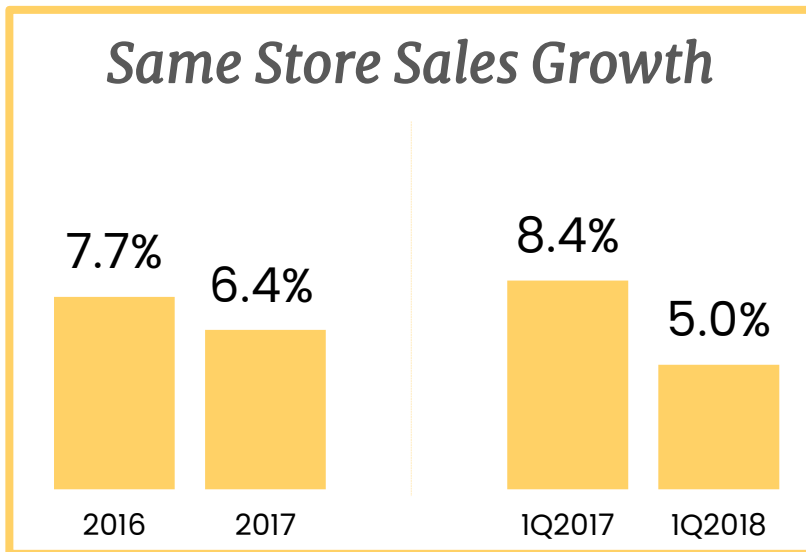
Massive renovation in Robinsons Galleria still ongoing

DIY Store Business Segment



Store Count

1Q2018	195
2017	193
2016	178



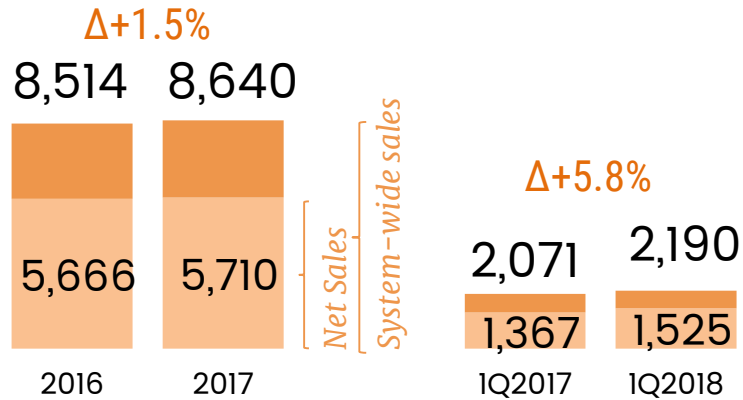
1Q18 Highlights:

Double-digit sales growth due to healthy SSSG (5.0%) and sustained expansion (5.3%);

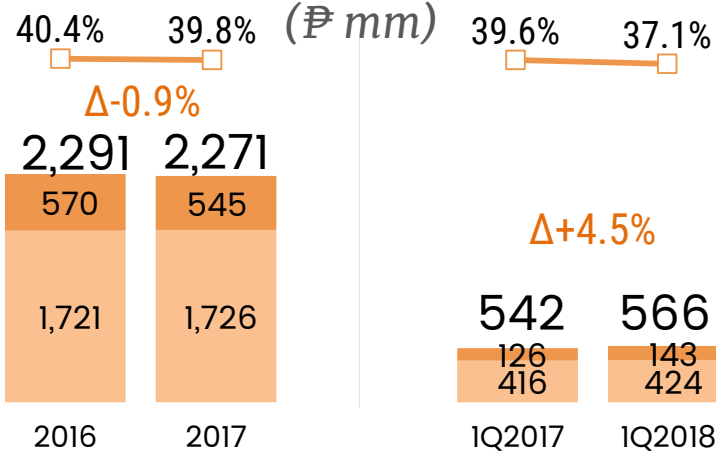
Continued to benefit from the growing residential market

Convenience Store Business Segment

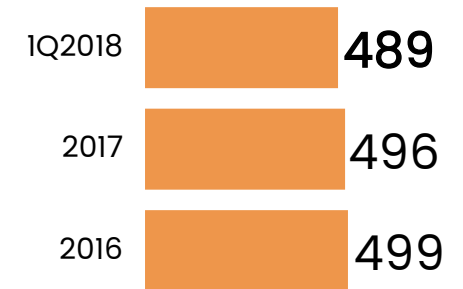
Systemwide Sales & Net Sales (₹ mm)



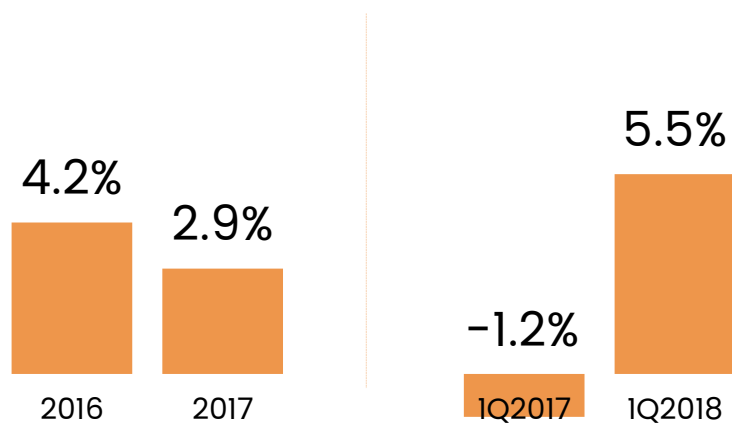
Gross Profit + Royalty Income (₹ mm)



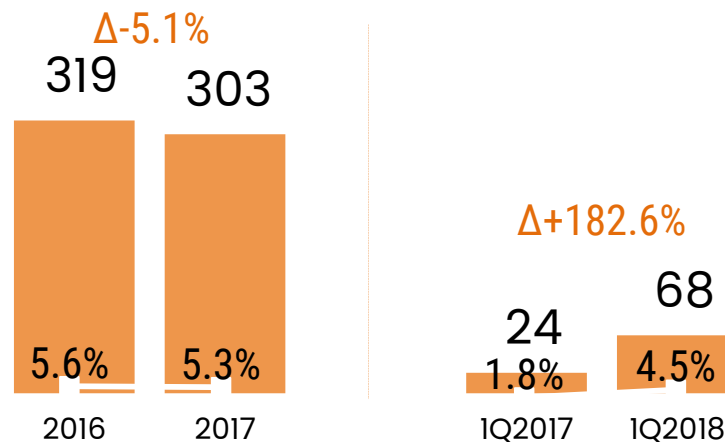
Store Count



Same Store Sales Growth



EBITDA (₹ mm)

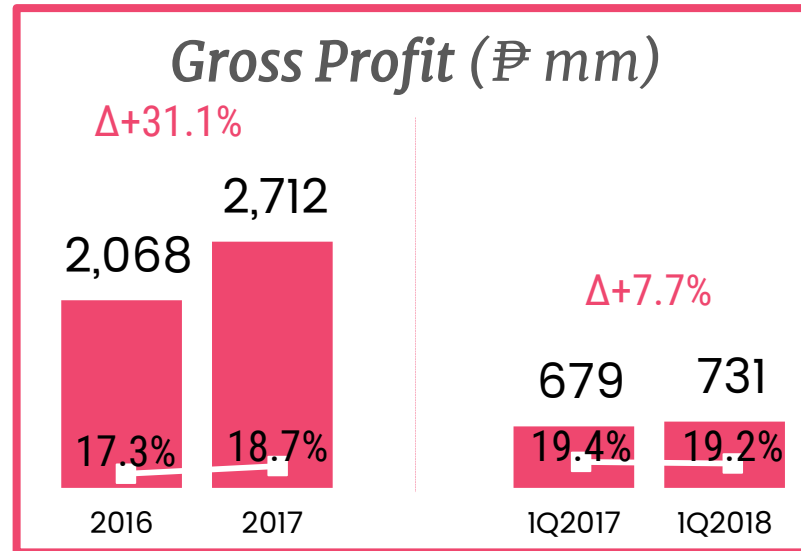
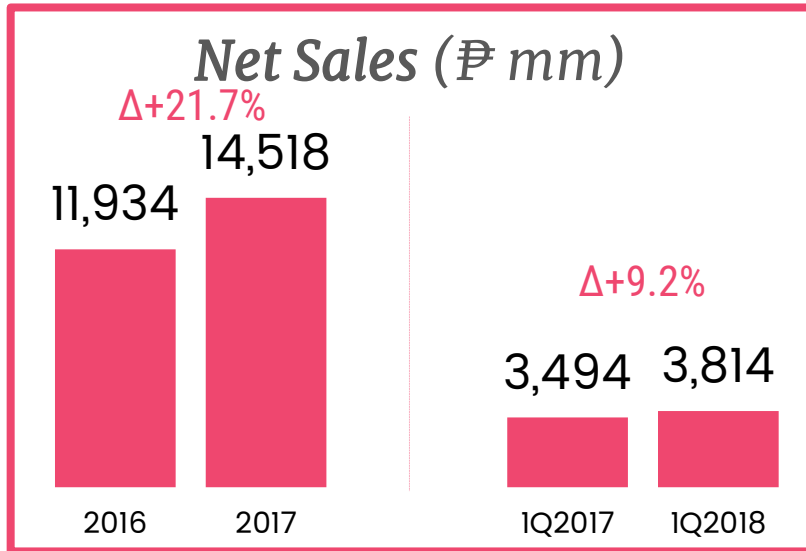


1Q18 Highlights:

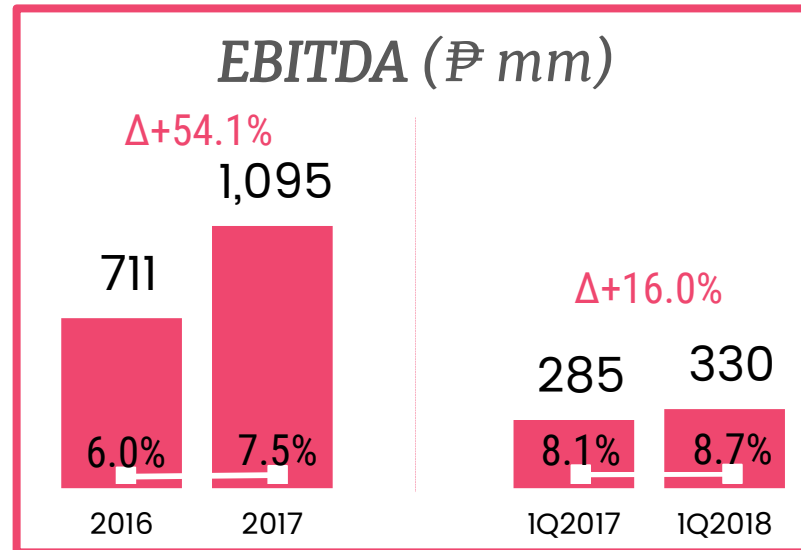
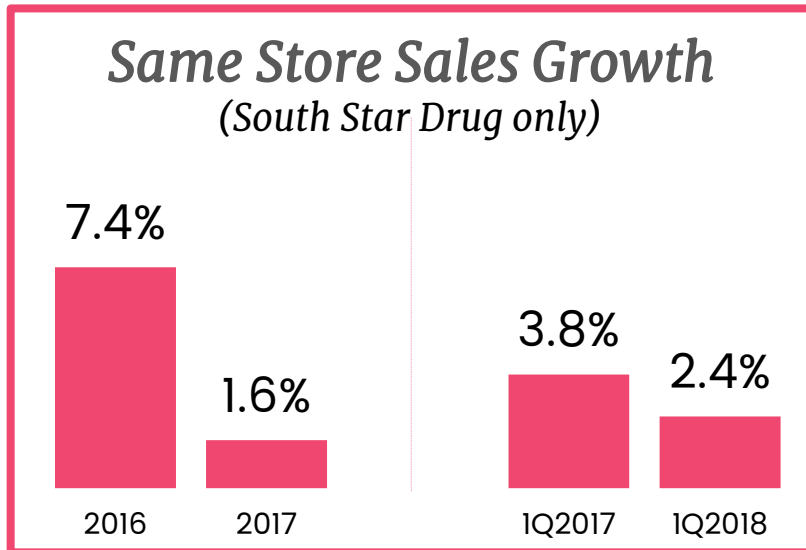
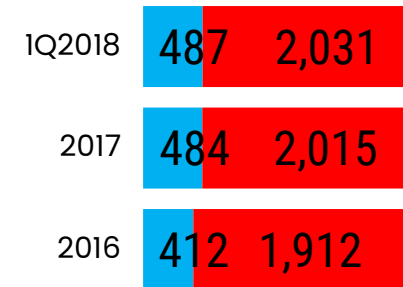
Ready-to-eat category continued to drive growth;

Ratio of franchised to company-managed stores improved to 46:54

Drugstore Business Segment



Store Count

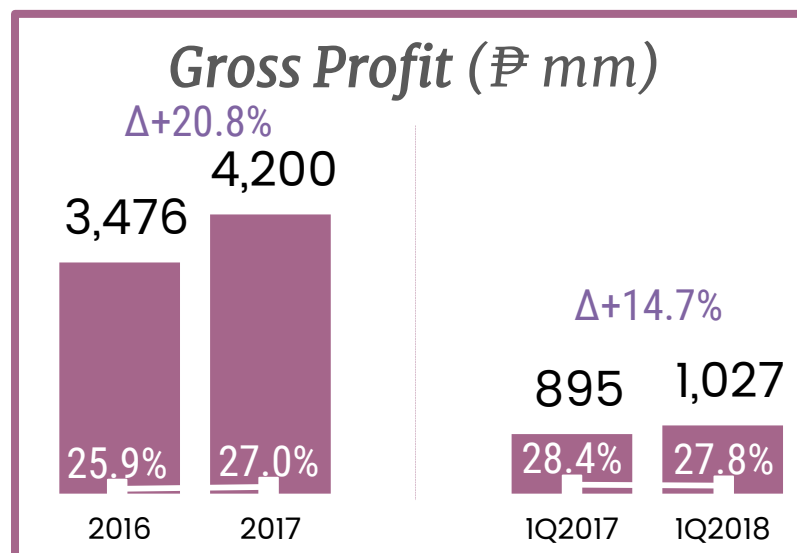
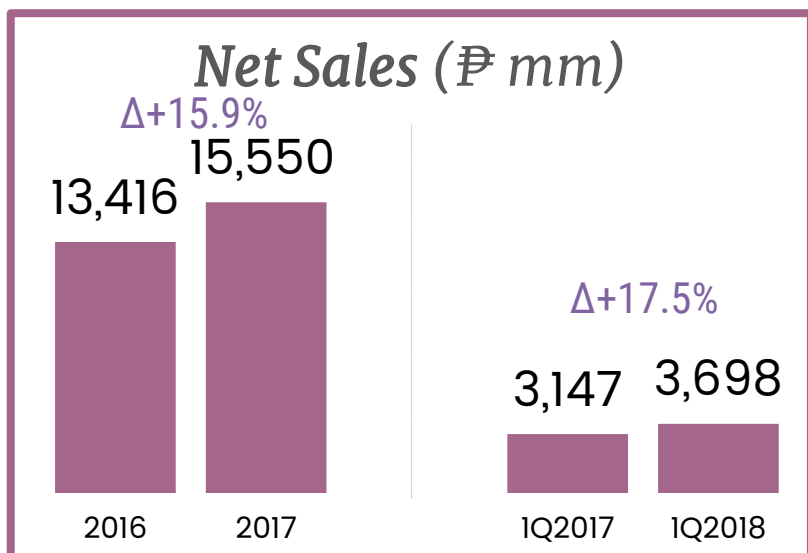


1Q18 Highlights:

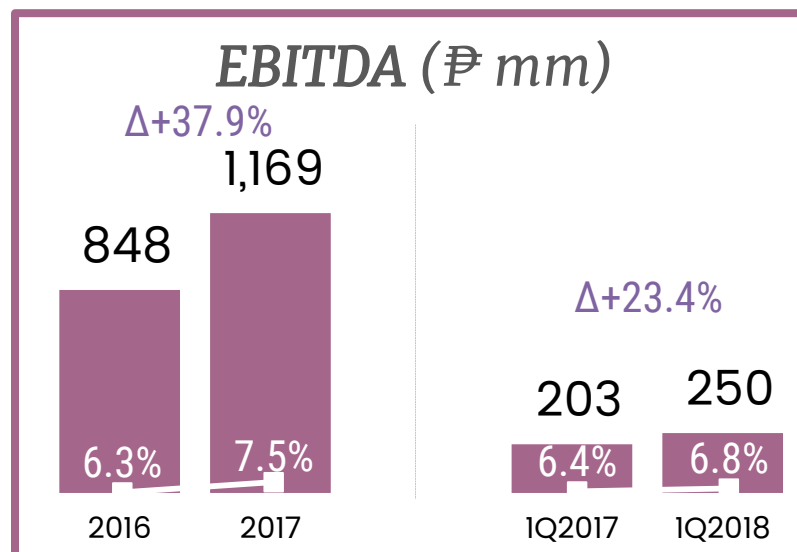
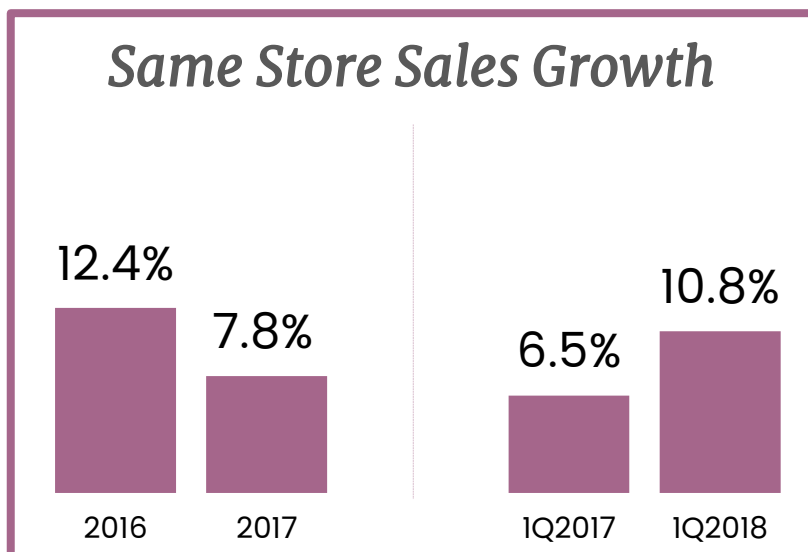
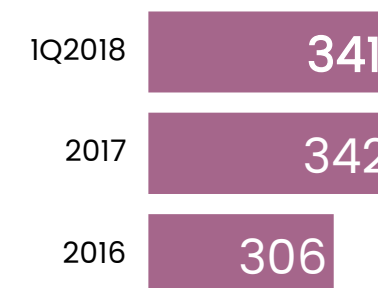
Increase in net sales propelled by new store openings and addition of The Generics Pharmacy;

SSSG improved due to continuous efforts to address stock availability

Specialty Store Business Segment



Store Count

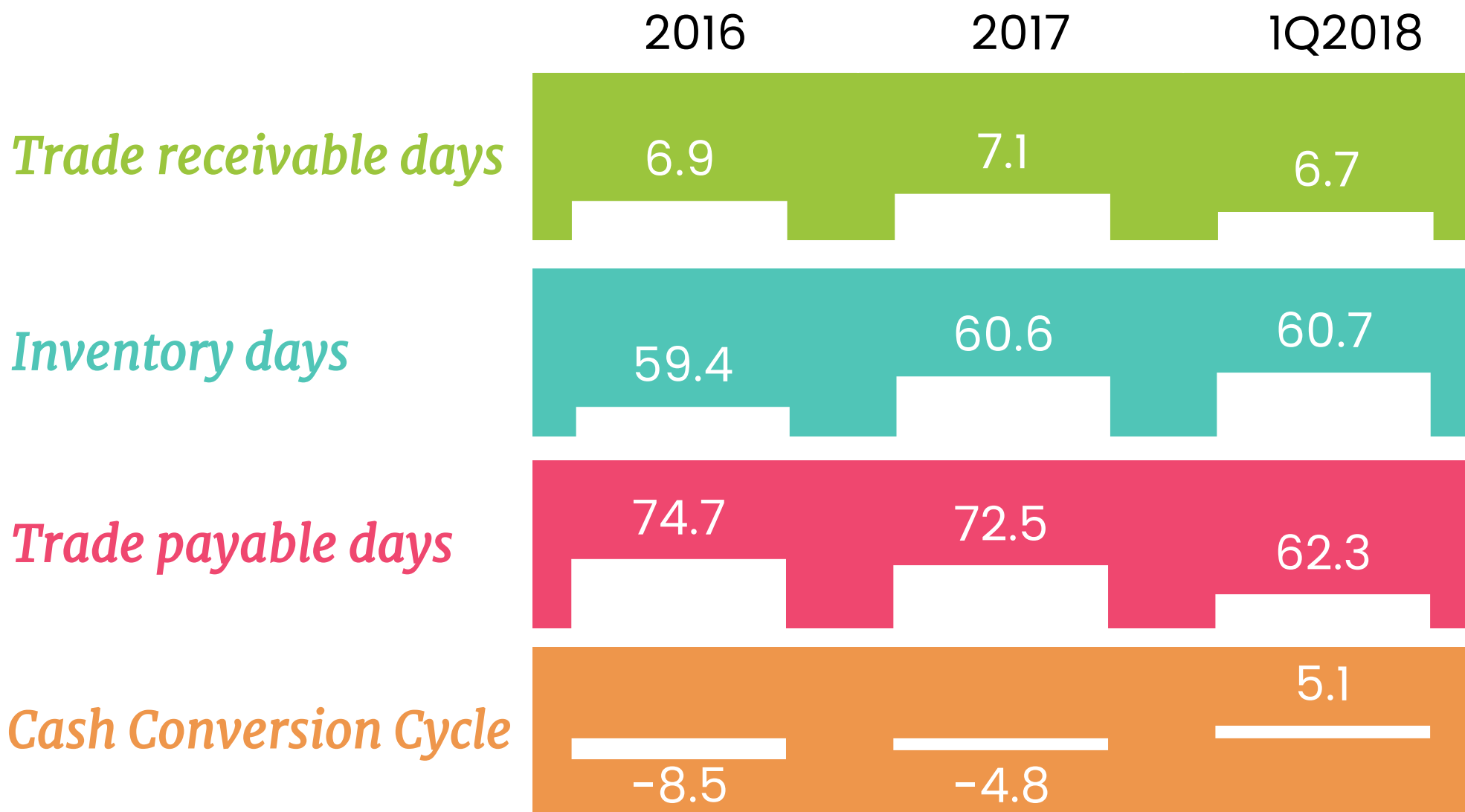


1Q18 Highlights:

Expansion in net sales driven by the strong sales performance of most formats;

Strong SSSG driven by appliances, Daiso Japan and beauty

Working Capital



Capital Expenditure

	2016	2017	1Q2018
<i>Supermarkets</i>	26%	41%	38%
<i>Department stores</i>	10%	24%	24%
<i>DIY Stores</i>	7%	11%	14%
<i>Convenience Stores</i>	4%	4%	7%
<i>Drugstores</i>	43%	8%	5%
<i>Specialty Stores</i>	10%	12%	12%
Total CAPEX (in ₱ mm)	5,620	3,105	683
<i>% of net sales</i>	5.3%	2.7%	2.4%

Robinsons Place Ormoc Opening



Robinsons Department Store, Toys 'R' Us and South Star Drug are now online

Robinsons Department S...
 Official Store
 80% Positive Seller Ratings

FOLLOW

Homepage All Products

Up to **50% OFF**
 SHOP NOW

WOMEN MEN
 BAGS SHOES
 BEAUTY KIDS

Categories Profile

Toys R Us
 Official Store
 100% Positive Seller Ratings

FOLLOW

Homepage All Products

FROM THE NEW FILM **STAR WARS**
SOLO
 IN THEATERS MAY 25, 2018

Buy Now >

EXCLUSIVE TO **Toys R Us**

just like home Pavilion totally me! ANIMAL ZONE
 EPOCH HEROES FASTLANE you & me dream DAZZLERS
 EPOCH SCIENTIST UNIVERSE OF imagination STATS
 AVIGO BABIES R US

Avengers: Infinity War

LEGENDS TITAN HERO POWER FX

Categories Profile

Southstar Drug

Earliest delivery Tomorrow, 9 – 10 am

Departments Sort

southstar drug
 Southstar Drug is one of the largest drugstore chains in the Philippines. Since 1937, it has carried a wide range ...

SUPPLEMENTS & NUTRITION **SEE ALL >**

Groceries Orders Services You Cart

Acquisition of Rustan Supercenters, Inc.





ROBINSONS
RETAIL
HOLDINGS, INC.

Thank you!



Income Statement (Unaudited)

PHP mm	Three Months Ended March 31		Years Ended December 31	
	2018	2017	2017	2016
Sales - net of sales discounts and returns	28,961	25,723	115,238	105,293
Cost of merchandise sold	22,477	20,004	89,446	82,267
Gross Profit	6,484	5,719	25,792	23,026
Royalty, rent and other revenues	570	512	2,262	2,118
Gross profit including other revenue	7,054	6,231	28,054	25,145
Operating expenses	(5,779)	(5,072)	(21,749)	(19,652)
Earnings before interest and taxes	1,275	1,159	6,305	5,493
OTHER INCOME (CHARGES)				
Interest income	237	228	873	827
Foreign currency exchange gain - net	162	32	16	219
Dividend income	28	28	112	112
Equity in net earnings of an associate	38	25	124	103
Interest expense	(27)	(43)	(127)	(87)
	438	270	997	1,174
INCOME BEFORE INCOME TAX	1,713	1,429	7,303	6,667
Provision for income tax	360	328	1,703	1,471
NET INCOME	1,353	1,101	5,599	5,196
Net income attributable to:				
Equity holders of the Parent Company	1,212	996	4,978	4,830
Non-controlling interest in consolidated subsidiaries	141	105	621	366
	1,353	1,101	5,599	5,196
Earnings Per Share				
Basic	0.87	0.72	3.59	3.49
Weighted	0.87	0.72	3.59	3.49
Shares Outstanding				
End of Period	1,385	1,385	1,385	1,385
Weighted	1,385	1,385	1,385	1,385

Balance Sheet (Unaudited)

PHP mm	March 31 2018	December 31 2017
ASSETS		
Current Assets		
Cash and cash equivalents	10,823	14,565
Trade and other receivables	2,143	2,235
Merchandise inventories	15,168	14,847
Other current assets	2,463	2,424
Total Current Assets	30,597	34,070
Noncurrent assets		
Available-for-sale (AFS) financial assets	20,341	20,667
Property and equipment	13,731	13,601
Investment in associates	5,493	5,272
Other noncurrent assets	8,602	8,571
Total Noncurrent Assets	48,166	48,111
Total Assets	78,763	82,181
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	15,564	17,774
Short-term loans payable	3,731	6,378
Other current liabilities	1,432	1,204
Total Current Liabilities	20,727	25,356
Total Noncurrent Liabilities	1,648	1,558
Total Liabilities	22,375	26,914
Equity		
Capital stock	1,385	1,385
Additional paid-in capital	27,227	27,227
Equity reserve	(1,022)	(1,022)
Retained earnings	24,865	23,653
Others	59	290
Total equity attributable to equity holders	52,514	51,533
Non-controlling interest in consolidated	3,875	3,733
Total Equity	56,388	55,267
Total Liabilities and Equity	78,763	82,181

Cash Flow Statement (Unaudited)

PHP mm	Three Months Ended March 31		Years Ended December 31	
	2018	2017	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	1,713	1,429	7,303	6,667
Adjustments for:				
Depreciation and amortization	572	492	2,073	2,038
Retirement expense	38	31	171	117
Interest expense	27	43	127	87
Equity in net earnings in associates	(38)	(25)	(124)	(103)
Dividend income	(28)	(28)	(112)	(112)
Interest income	(237)	(228)	(873)	(827)
Others	(160)	(32)	10	(160)
Operating income before working capital changes	1,887	1,683	8,575	7,707
Working capital changes	(2,486)	(2,907)	(740)	(1,098)
Interest received	261	229	864	962
Retirement	—	—	(239)	(9)
Income tax paid	(115)	(46)	(1,657)	(1,393)
Net cash flows generated from (used in) operations	(453)	(1,042)	6,804	6,169
CASH FLOWS FROM INVESTING ACTIVITIES				
AFS investments	67	(137)	(267)	(531)
Property and equipment	(683)	(634)	(3,105)	(3,244)
Acquisition through business combination	—	—	—	(2,180)
Others	1	(12)	(141)	30
Net cash flows used in investing activities	(615)	(783)	(3,512)	(5,924)
CASH FLOWS FROM FINANCING ACTIVITIES				
Availment of loans	28	30	3,725	4,398
Payment of loans	(2,675)	(2,390)	(3,923)	(667)
Dividends paid	—	—	(1,624)	(936)
Others	(27)	447	363	(87)
Net cash flows used in financing activities	(2,674)	(1,913)	(1,459)	2,709
Effect of forex on cash and cash equivalents	—	0	14	8
Net increase (decrease) in cash and cash equivalents	(3,742)	(3,737)	1,847	2,961
Cash and cash equivalents at beginning of year	14,565	12,718	12,718	9,757
CASH AND CASH EQUIVALENTS AT END OF PERIOD	10,823	8,981	14,565	12,718

Disclaimer

This presentation contains certain forward looking statements with respect to the financial condition, results of operations and businesses of Robinsons Retail Holdings, Inc. (RRHI). Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of RRHI to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements were based on numerous assumptions regarding RRHI's present and future business strategies and the political and economic environment in which RRHI will operate in the future.

