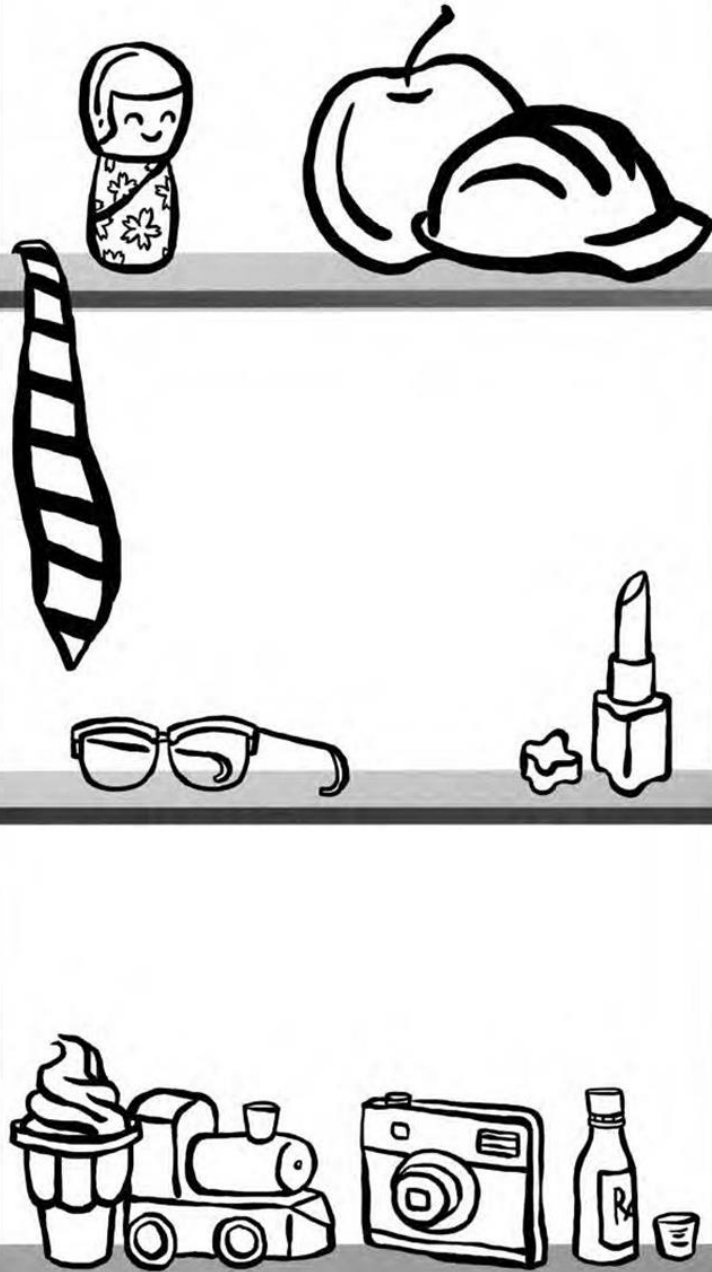


**ROBINSONS  
RETAIL**  
HOLDINGS, INC.

**1H2015  
UNAUDITED EARNINGS  
PRESENTATION**

*August 2015*

# Agenda



**Results Highlights**



**Store Network**



**Consolidated Results**



**Business Segments**



**Working Capital**



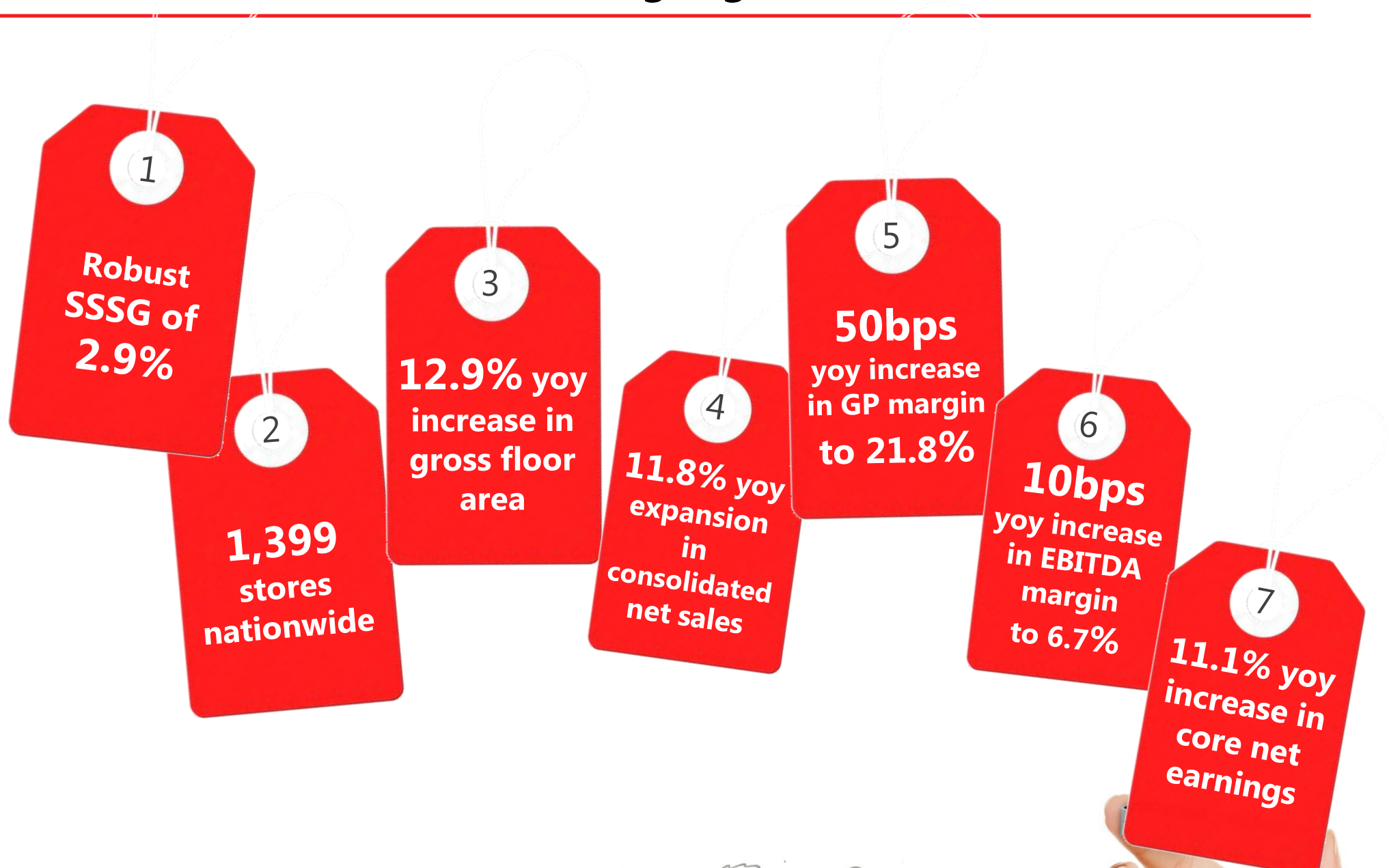
**Capital Expenditure**



**Recent Developments**



# 1H2015 Unaudited Results Highlights



# Nationwide Presence

## Metro Manila

Business segment	# of stores
Supermarkets	37
Department stores	13
DIY stores	47
Convenience stores	310
Drug stores	74
Specialty stores	127
<b>Total</b>	<b>608</b>

## Visayas

Business segment	# of stores
Supermarkets	15
Department stores	6
DIY stores	33
Convenience stores	22
Drug stores	25
Specialty stores	30
<b>Total</b>	<b>131</b>

## Luzon<sup>1</sup>

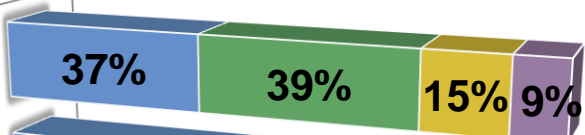
Business segment	# of stores
Supermarkets	52
Department stores	17
DIY stores	66
Convenience stores	161
Drug stores	228
Specialty stores	71
<b>Total</b>	<b>595</b>

## Mindanao

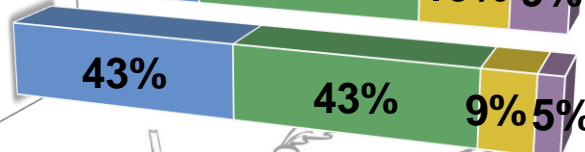
Business segment	# of stores
Supermarkets	10
Department stores	5
DIY stores	14
Convenience stores	1
Drug stores	14
Specialty stores	21
<b>Total</b>	<b>65</b>

**1,399** stores  
**Nationwide**  
 with gross floor area of  
**901,000sqm**

Gross Floor Area



Store Count



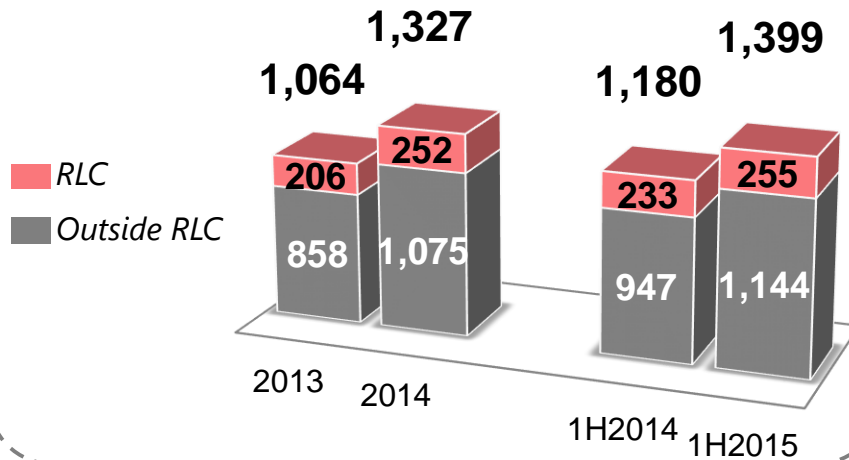
■ Metro Manila ■ Luzon ■ Visayas ■ Mindanao

<sup>1</sup> Outside of Metro Manila  
 \* Figures as of June 2015

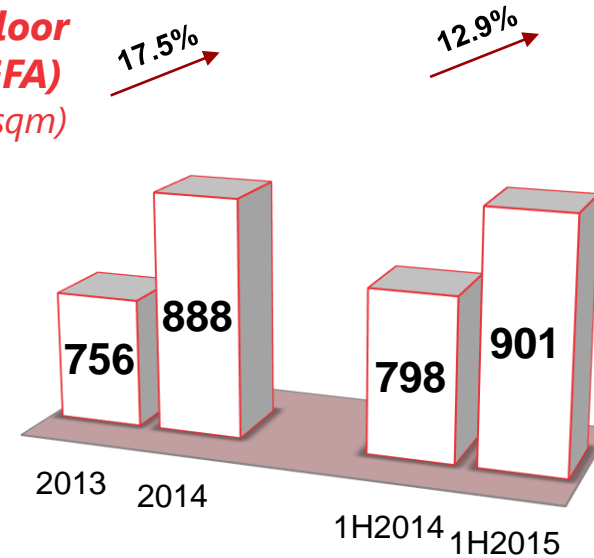


# 1H2015 Stores and Gross Floor Area Statistics

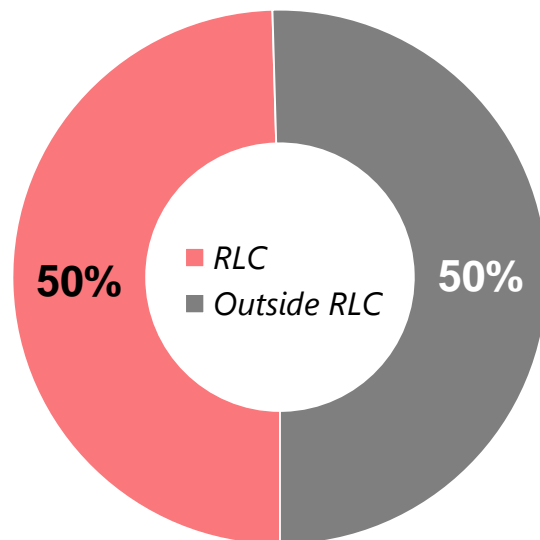
## Number of Stores



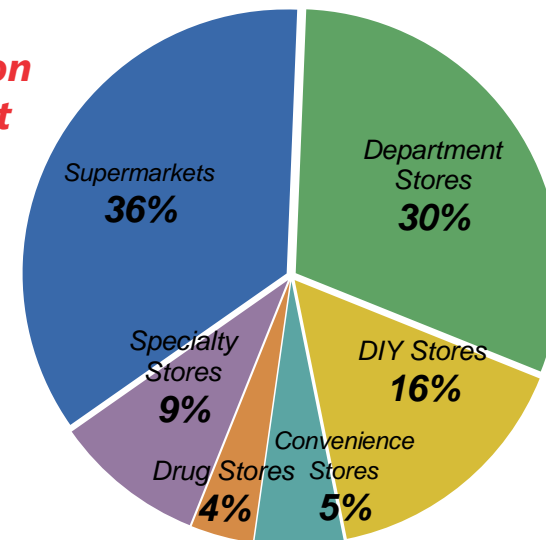
## Gross Floor Area (GFA) (in '000 sqm)



## GFA Contribution by Lessor (%)



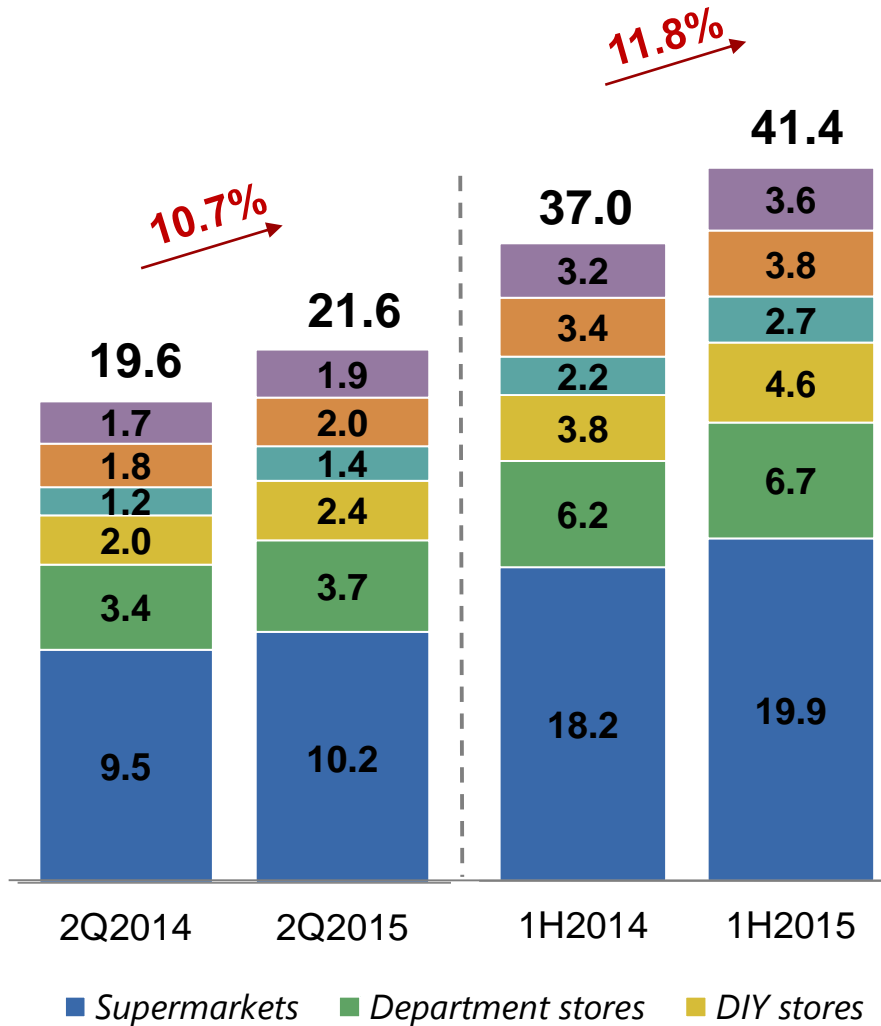
## GFA Contribution by Segment (%)



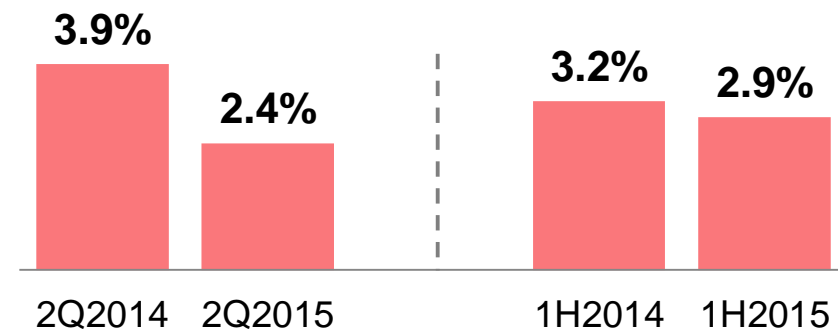


# Consolidated Results

## Net Sales<sup>1</sup> (₹ bn)



## SSSG (%)



❖ **11.8% yoy net sales growth in 1H2015:**

- 8.9% from new stores
- 2.9% from SSSG

<sup>1</sup> Net sales after intersegment eliminating adjustments

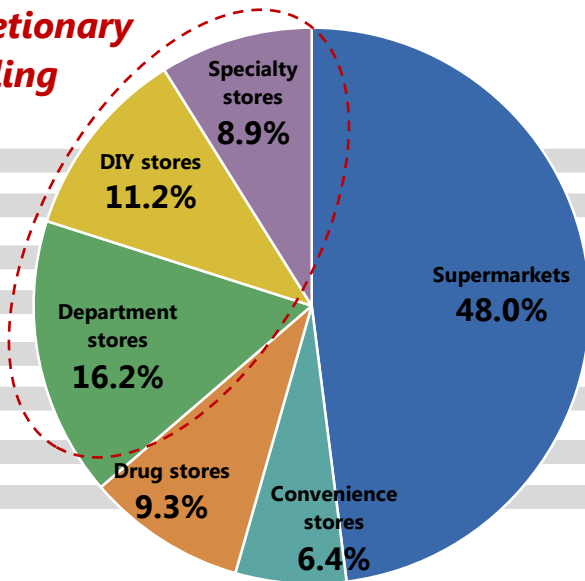


# 1H2015 Contribution Per Segment

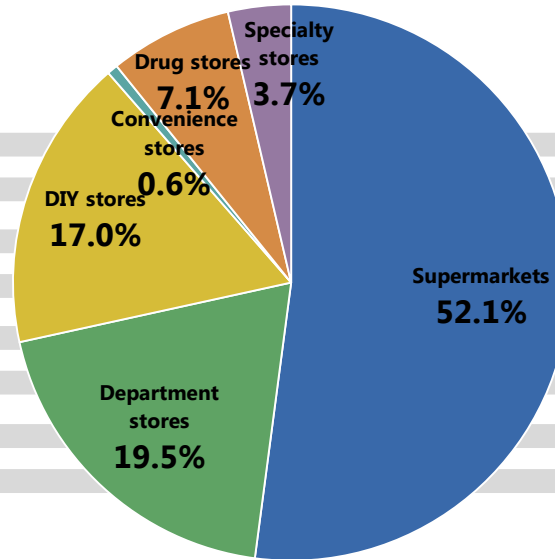


### Net Sales Breakdown

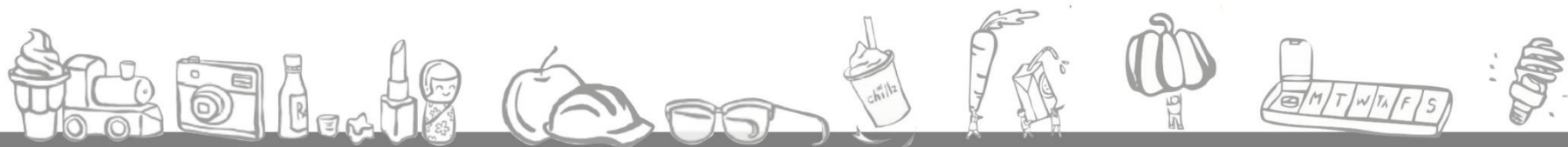
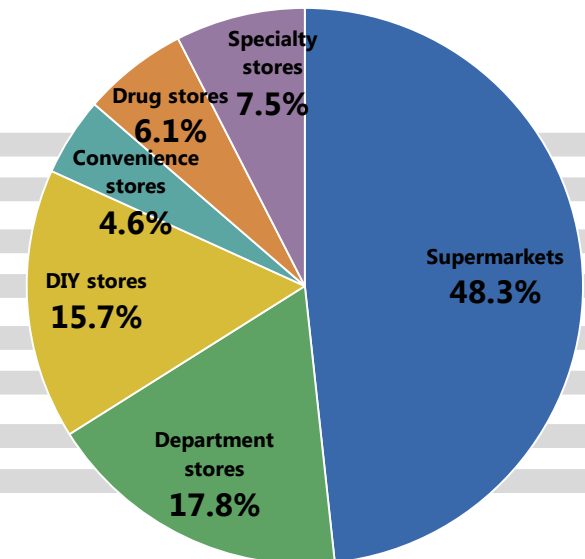
**Discretionary Retailing**  
36%



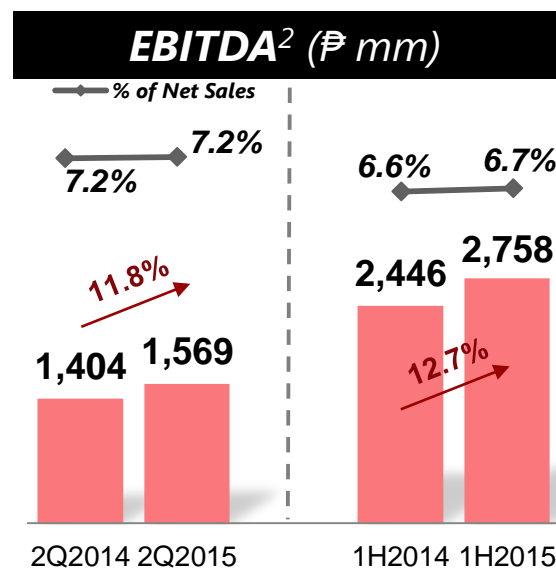
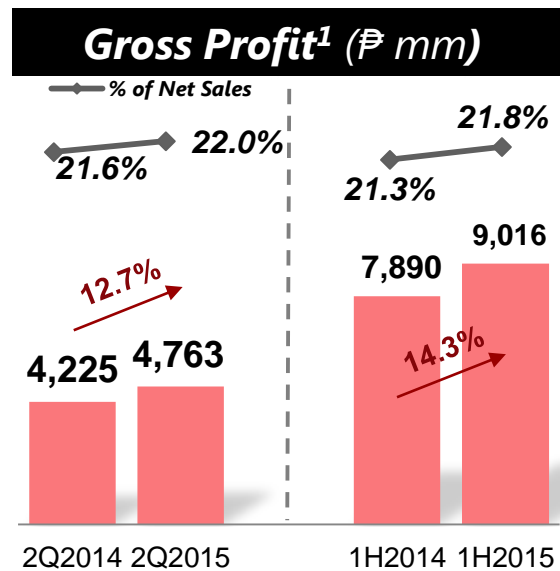
### EBIT Breakdown



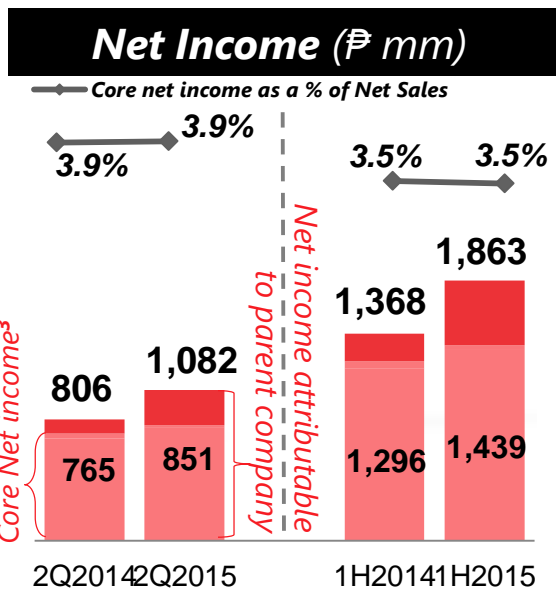
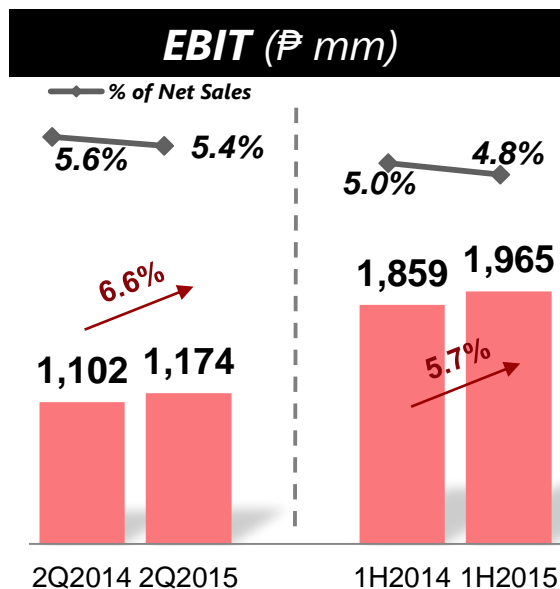
### EBITDA Breakdown



# Consolidated Results

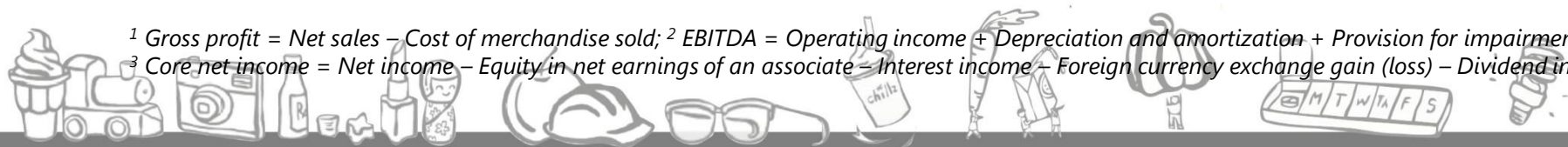


❖ **GP margin pushed by additional suppliers' support and growing scale**



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

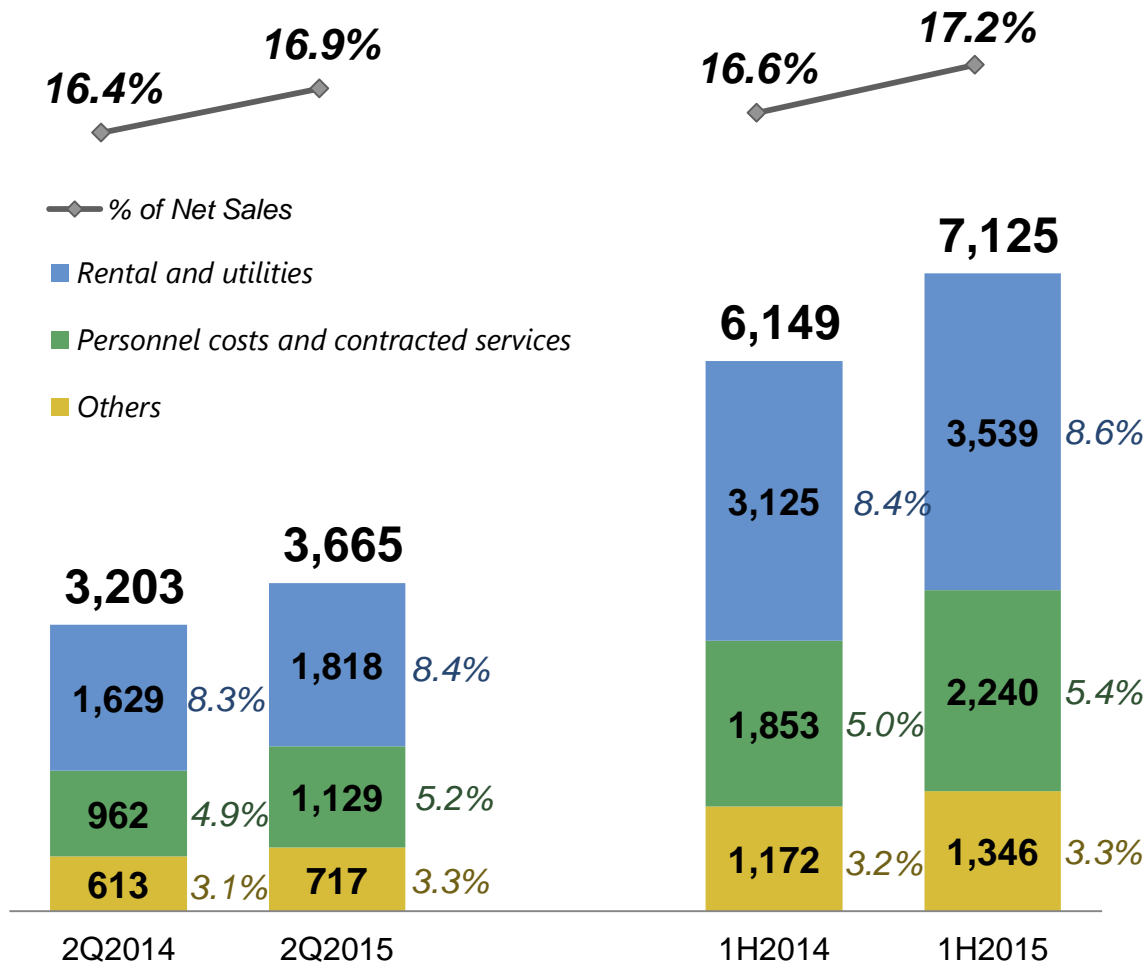
<sup>3</sup> Core net income = Net income – Equity in net earnings of an associate – Interest income – Foreign currency exchange gain (loss) – Dividend income





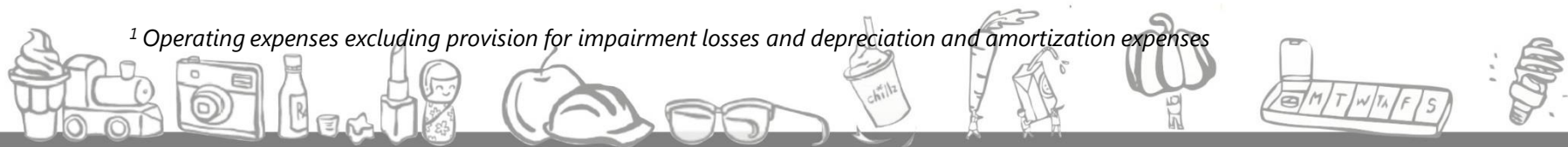
# Operating Expenses

## Adjusted Operating Expenses<sup>1</sup> (₹ mm, % of Net Sales)



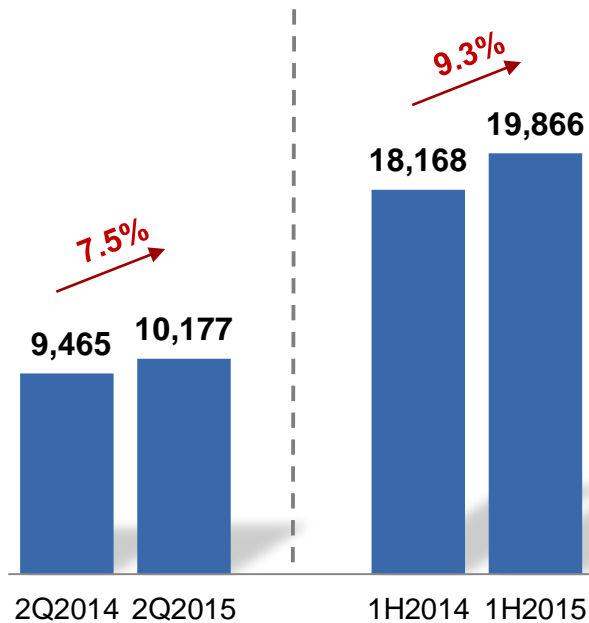
**■ Increase in OPEX**  
as % of net sales  
due to **new store openings** with  
sales still on the  
**ramp-up stage**

<sup>1</sup> Operating expenses excluding provision for impairment losses and depreciation and amortization expenses

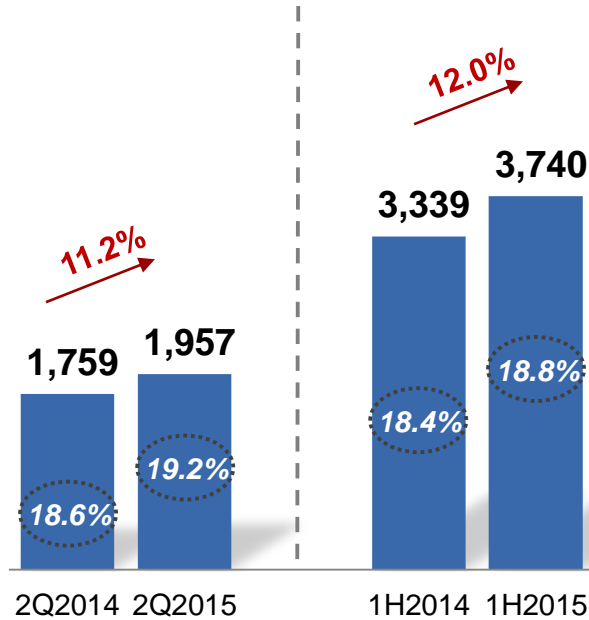


# Supermarket Business Segment

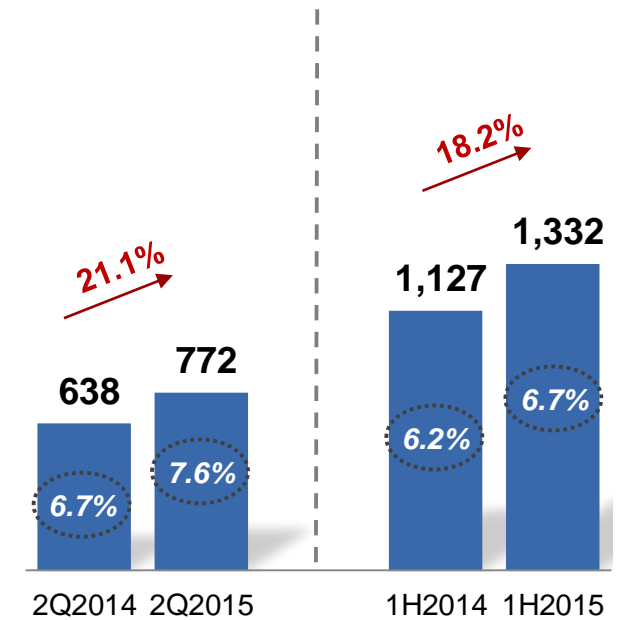
**Net Sales (₹ mm)**



**Gross Profit (₹ mm)**



**EBITDA (₹ mm)**



❖ Increase in sales in 1H2015 largely driven by **new store additions** (7.1%) and resilient **SSSG** (2.2%)

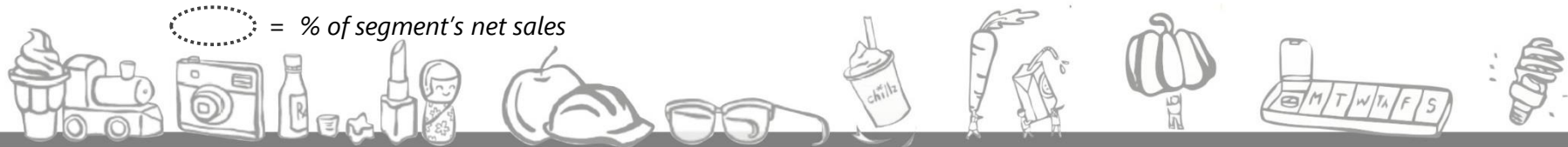
**Robinsons Supermarket**

**Robinsons Easymart**

ROBINSONS SELECTIONS

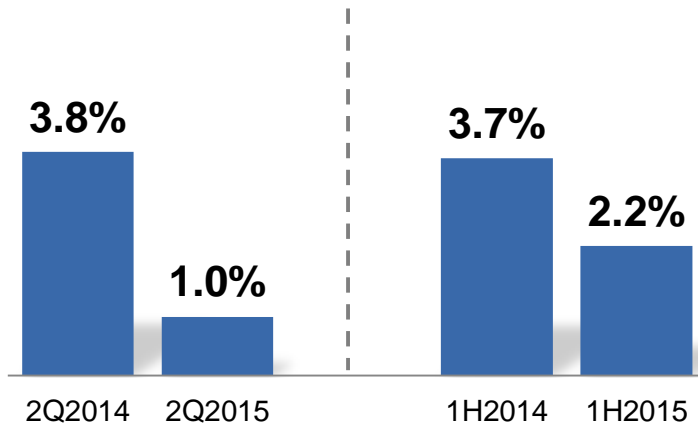
**JAYNITH'S SUPERMART**

= % of segment's net sales

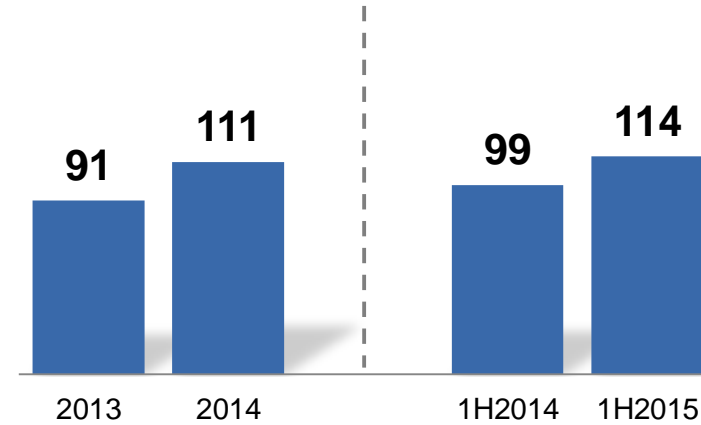


# Supermarket Business Segment

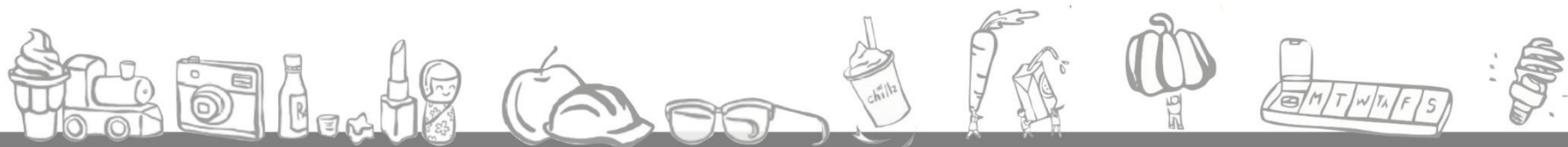
SSSG (%)



Store Count

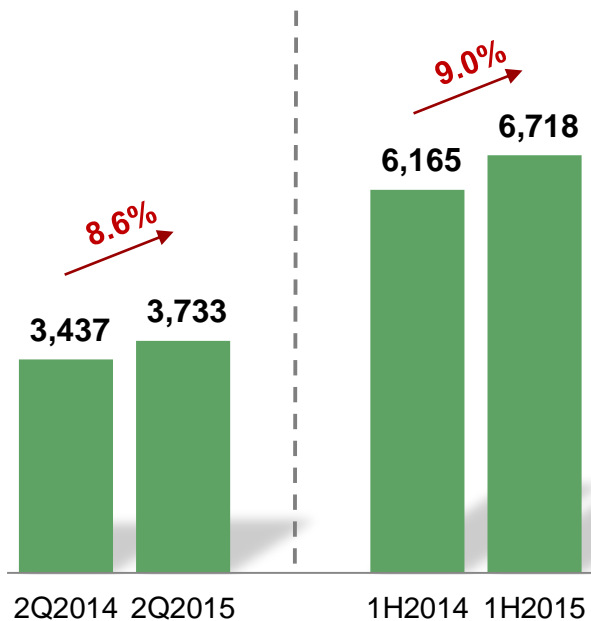


❖ SSSG affected by competition, a store closure due to fire and some bulk sales last year

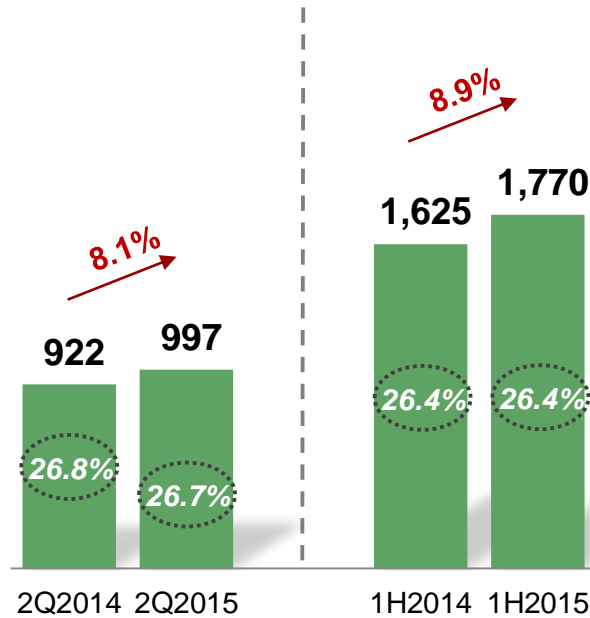


# Department Store Business Segment

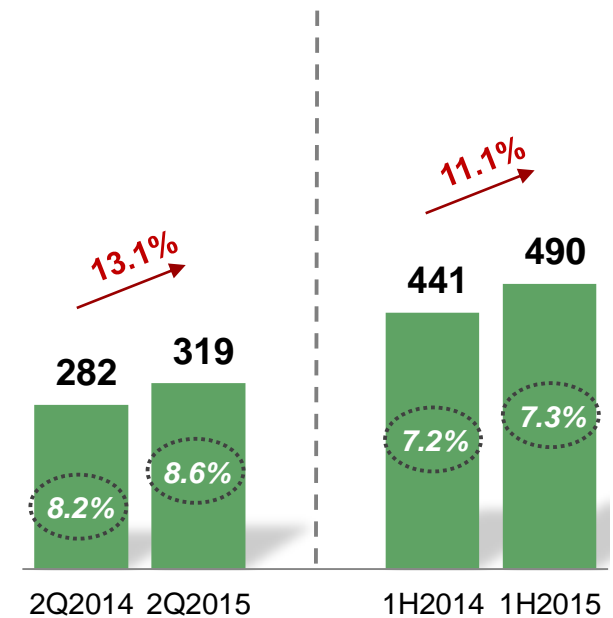
**Net Sales** (₱ mm)



**Gross Profit** (₱ mm)



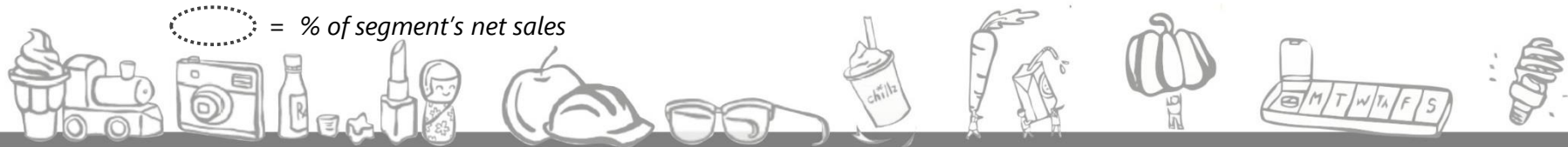
**EBITDA** (₱ mm)



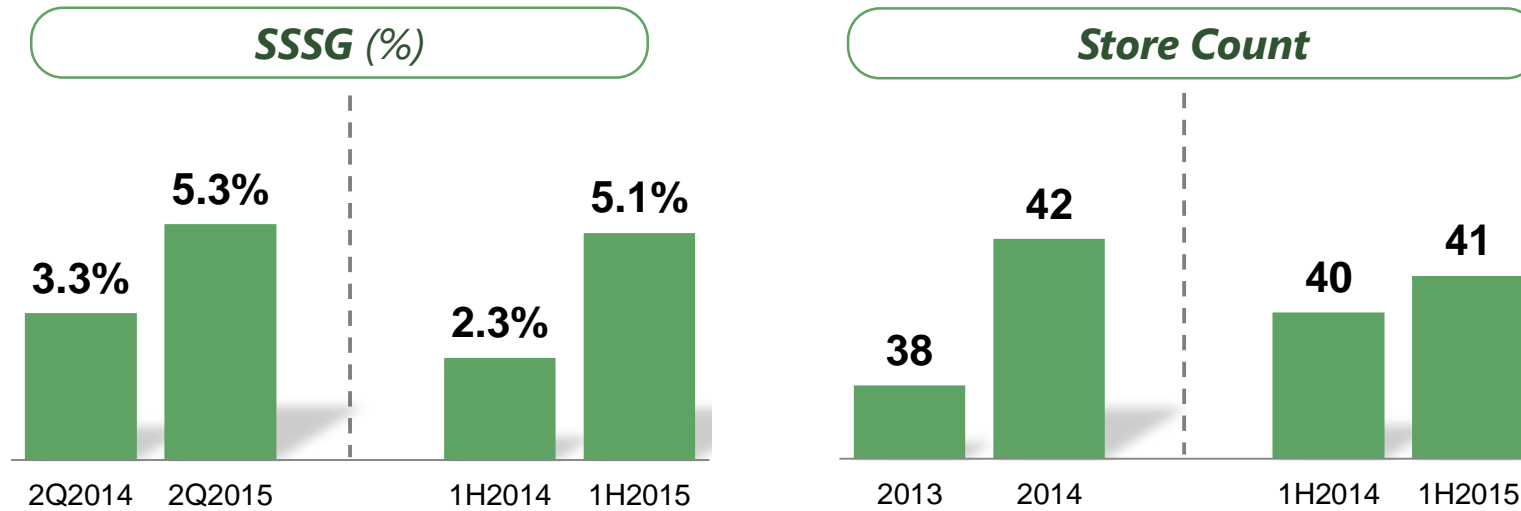
❖ Increase in sales in 1H2015 driven by **strong SSSG** (5.1%) and **new store sales contribution** (3.9%)



= % of segment's net sales



# Department Store Business Segment



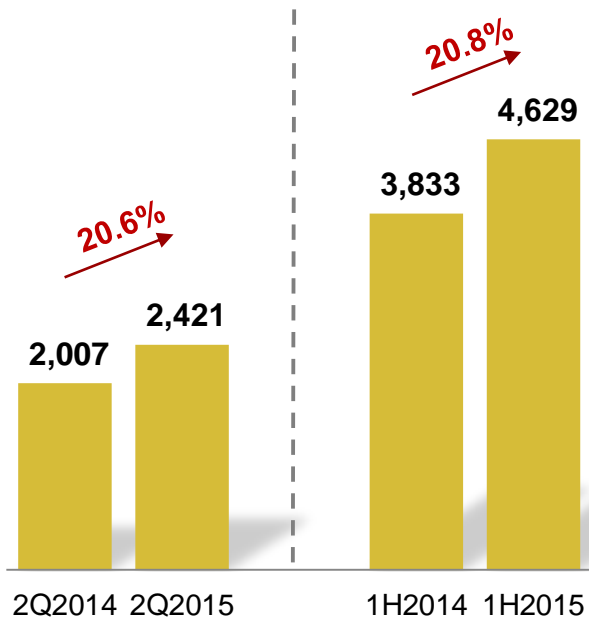
❖ **Strong SSSG** mainly due to higher basket size



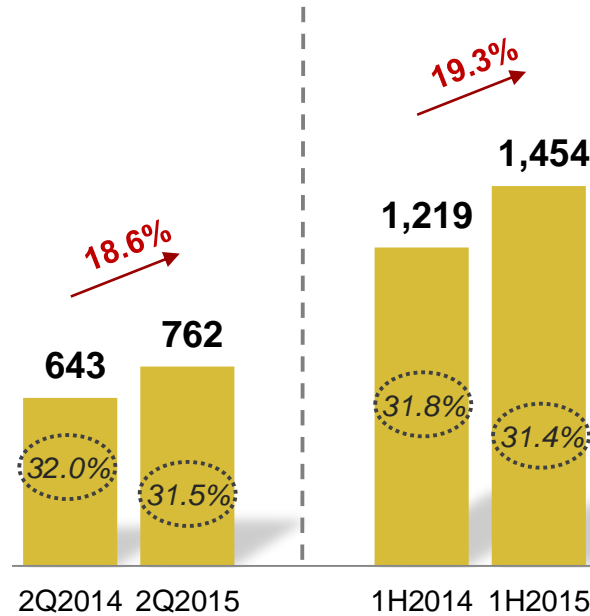


# DIY Store Business Segment

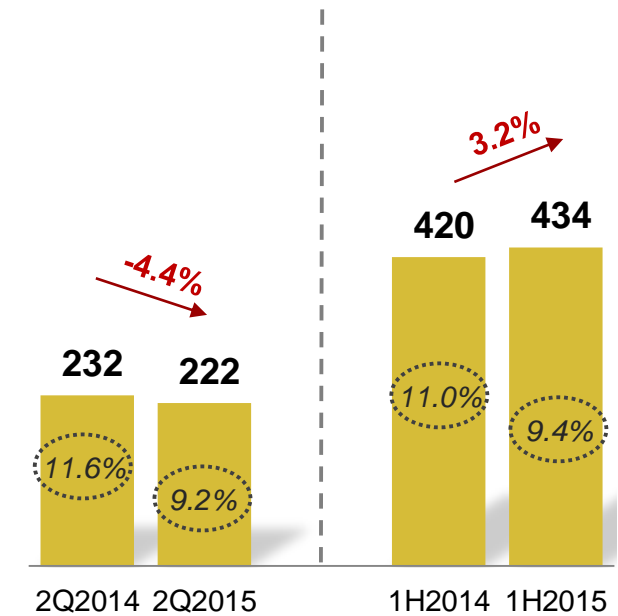
**Net Sales (₱ mm)**



**Gross Profit (₱ mm)**



**EBITDA (₱ mm)**



❖ Growth in net sales driven by **new store sales contribution** (16.3%) and **robust SSSG** (4.5%)

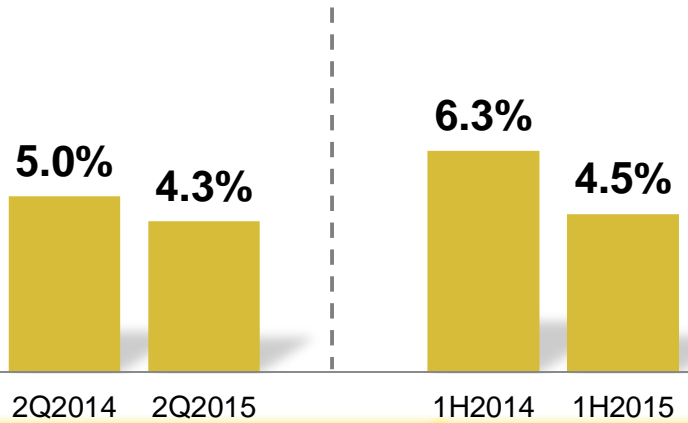


= % of segment's net sales

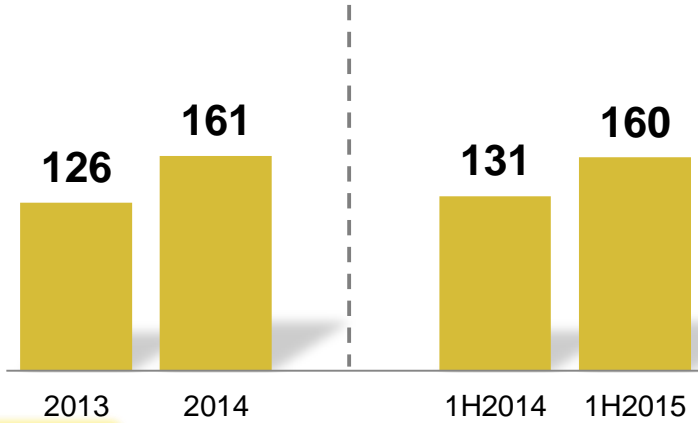


# DIY Store Business Segment

SSSG (%)



Store Count

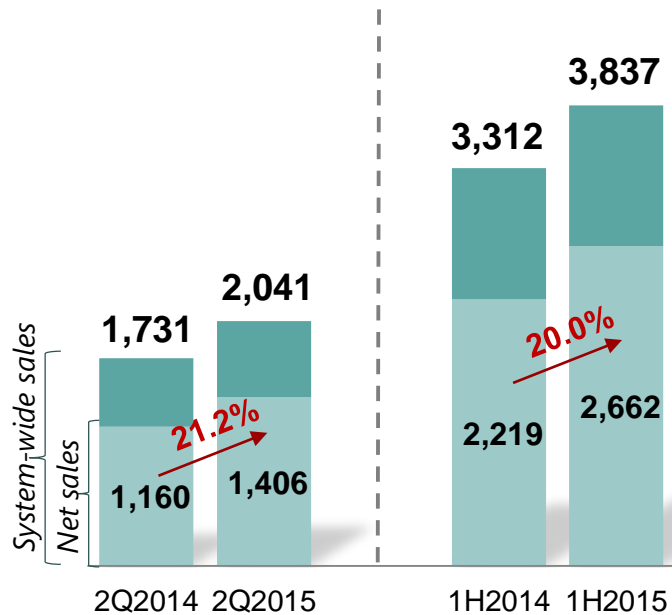


❖ **Healthy SSSG**  
 due to sustained  
 strong residential  
 construction  
 activities

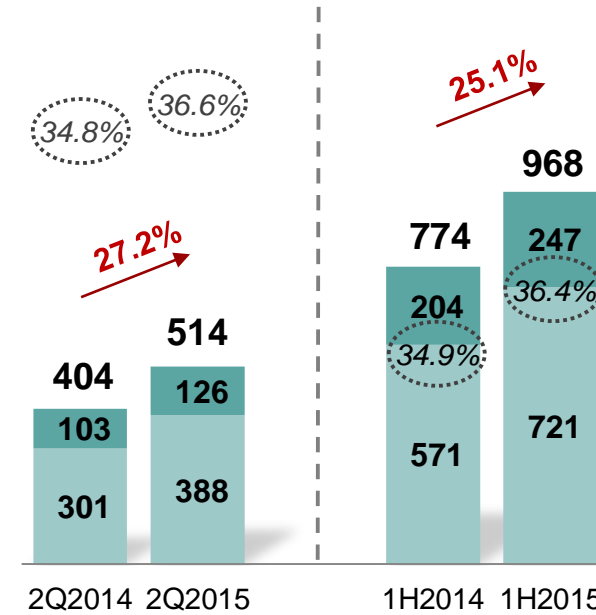


# Convenience Store Business Segment

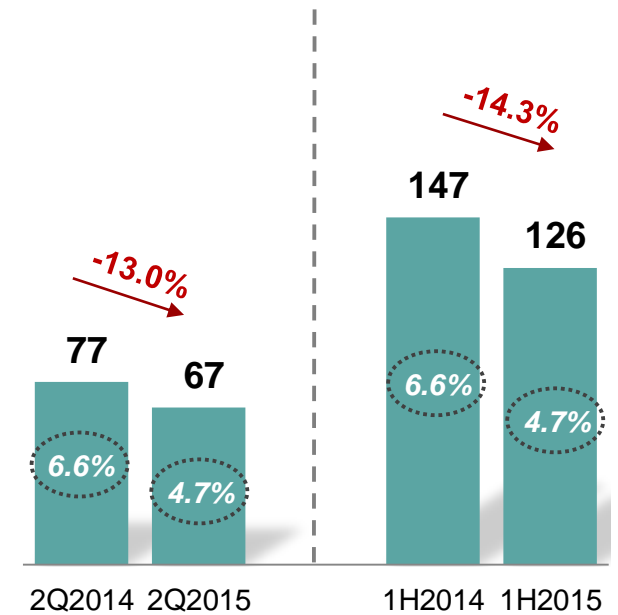
**System-wide Sales & Net Sales**  
(₱ mm)



**Gross Profit & Royalty Income**  
(₱ mm)



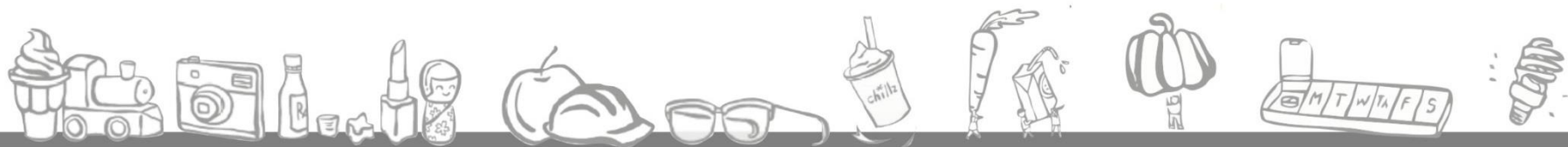
**EBITDA** (₱ mm)



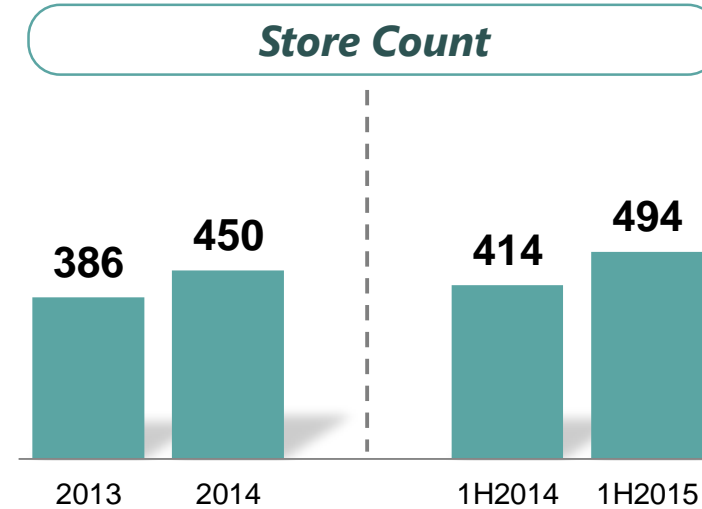
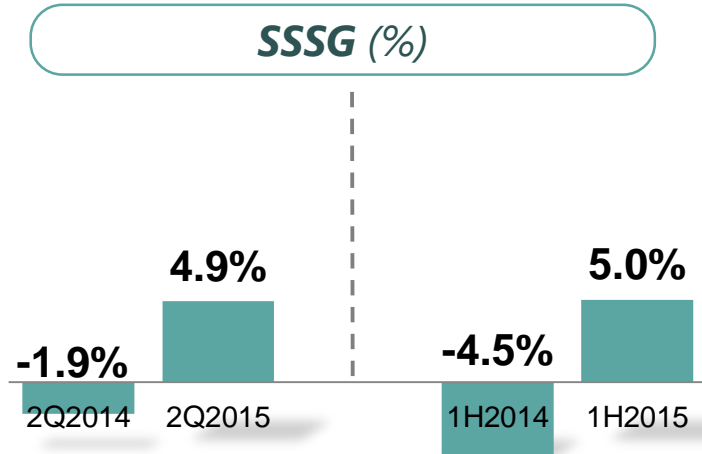
○ = GP + Royalty Income % of segment's net sales

○ = % of segment's net sales

❖ Increase in net sales driven by **new store openings** (14.9%) and a **turnaround in SSSG** (5.0%)



# Convenience Store Business Segment

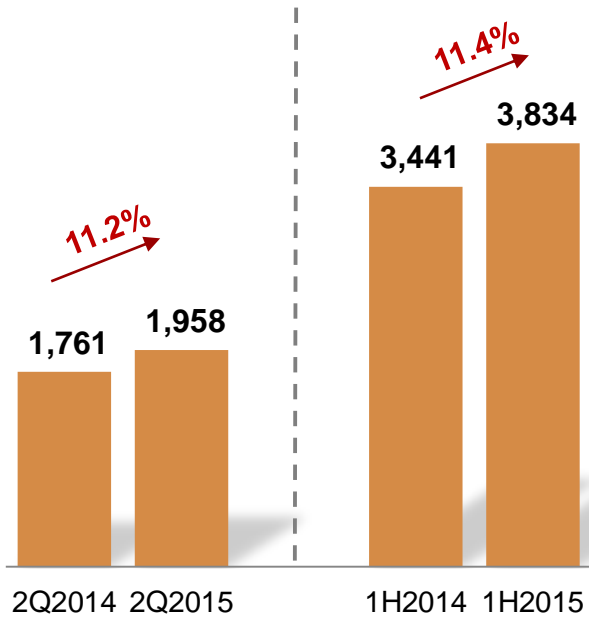


❖ **SSSG turned around** as cigarette high sales base effect is now gone and supply chain has improved

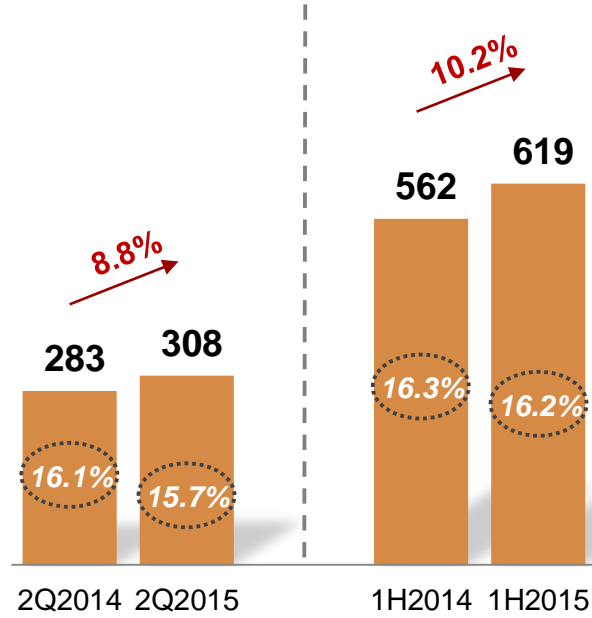


# Drug Store Business Segment

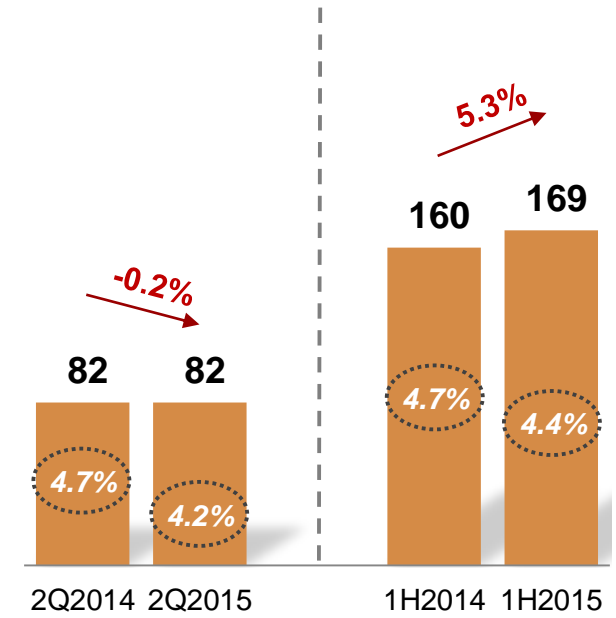
**Net Sales (₱ mm)**



**Gross Profit (₱ mm)**



**EBITDA (₱ mm)**

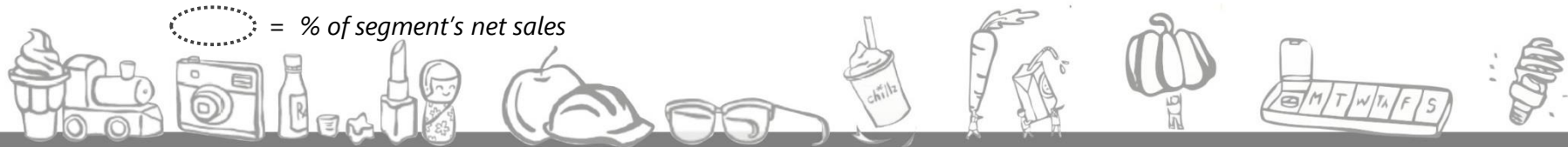


❖ Growth in sales propelled by the sales contribution of new stores

**southstar drug<sup>+</sup>**  
**manson drug**

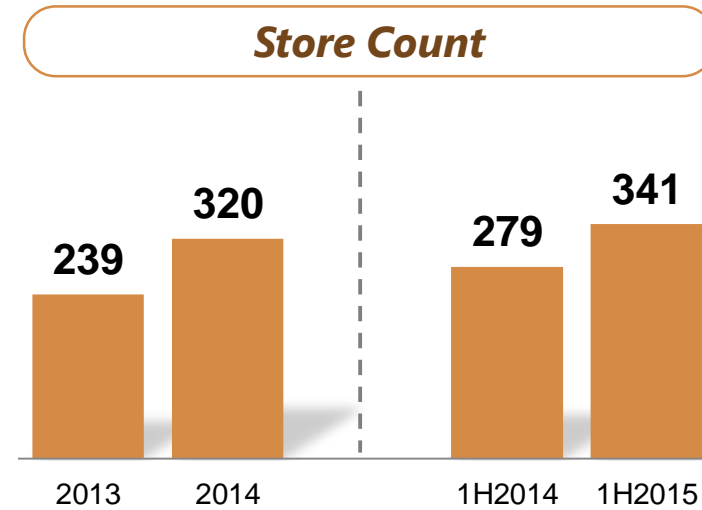
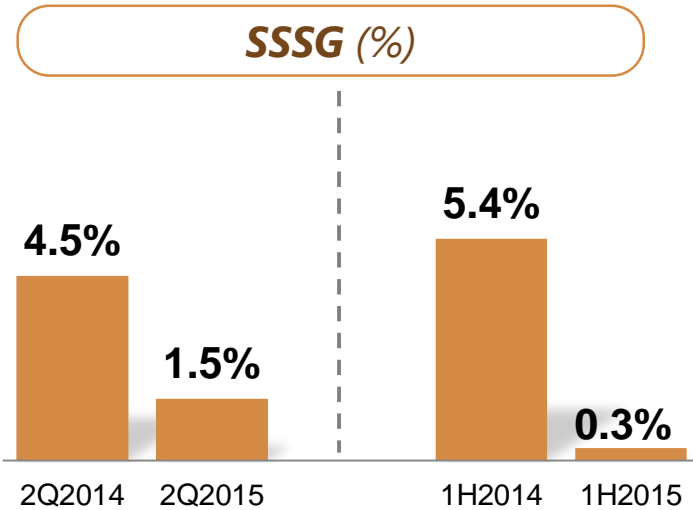
**CHAVEZ** Pharmacy  
*Trabaja con nosotros.*

= % of segment's net sales

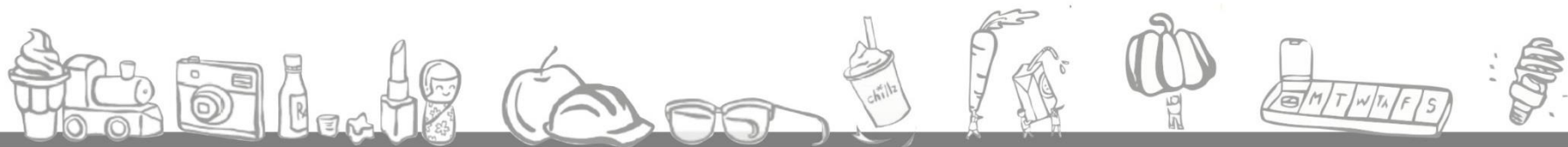




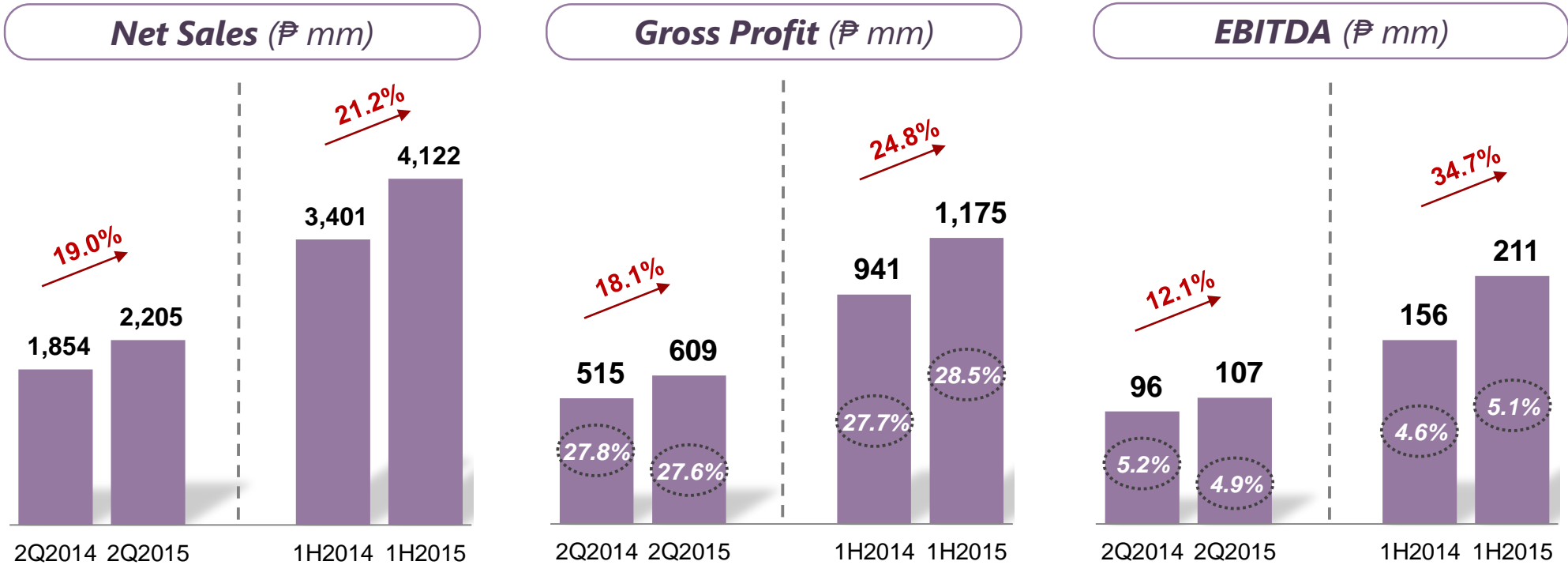
# Drug Store Business Segment



❖ *Flattish 1H2015 SSSG due to **high base** effect in January and April 2014*



# Specialty Store Business Segment



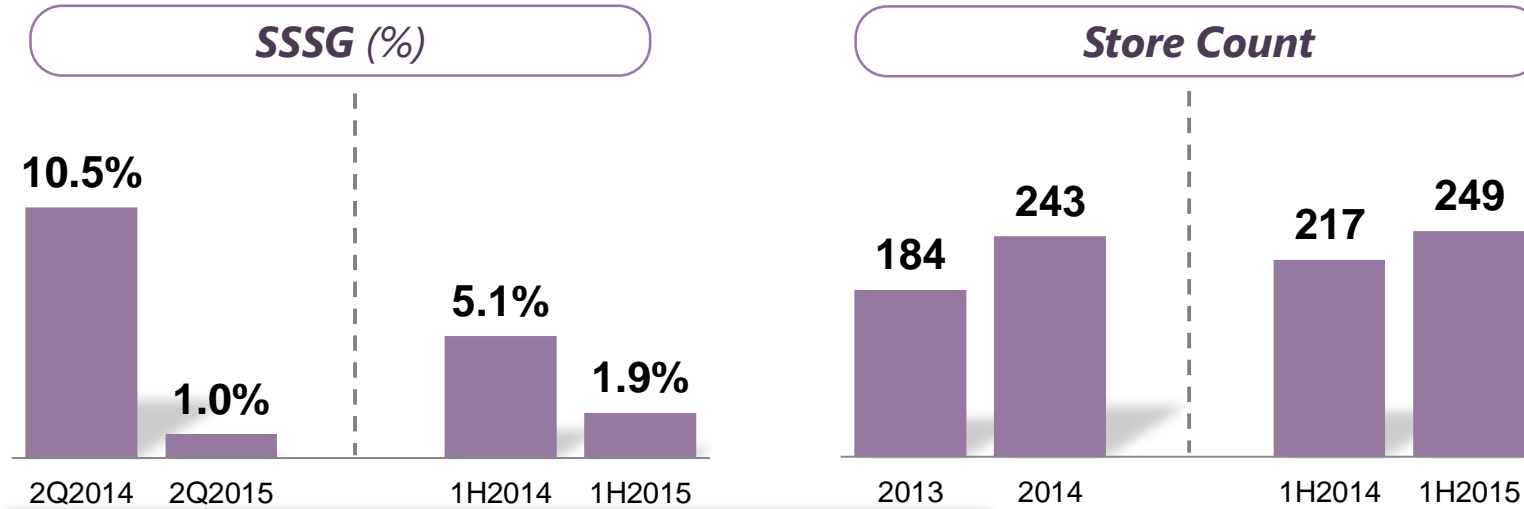
❖ Growth in net sales driven by the **high teens sales growth of most formats**



○ = % of segment's net sales



# Specialty Store Business Segment

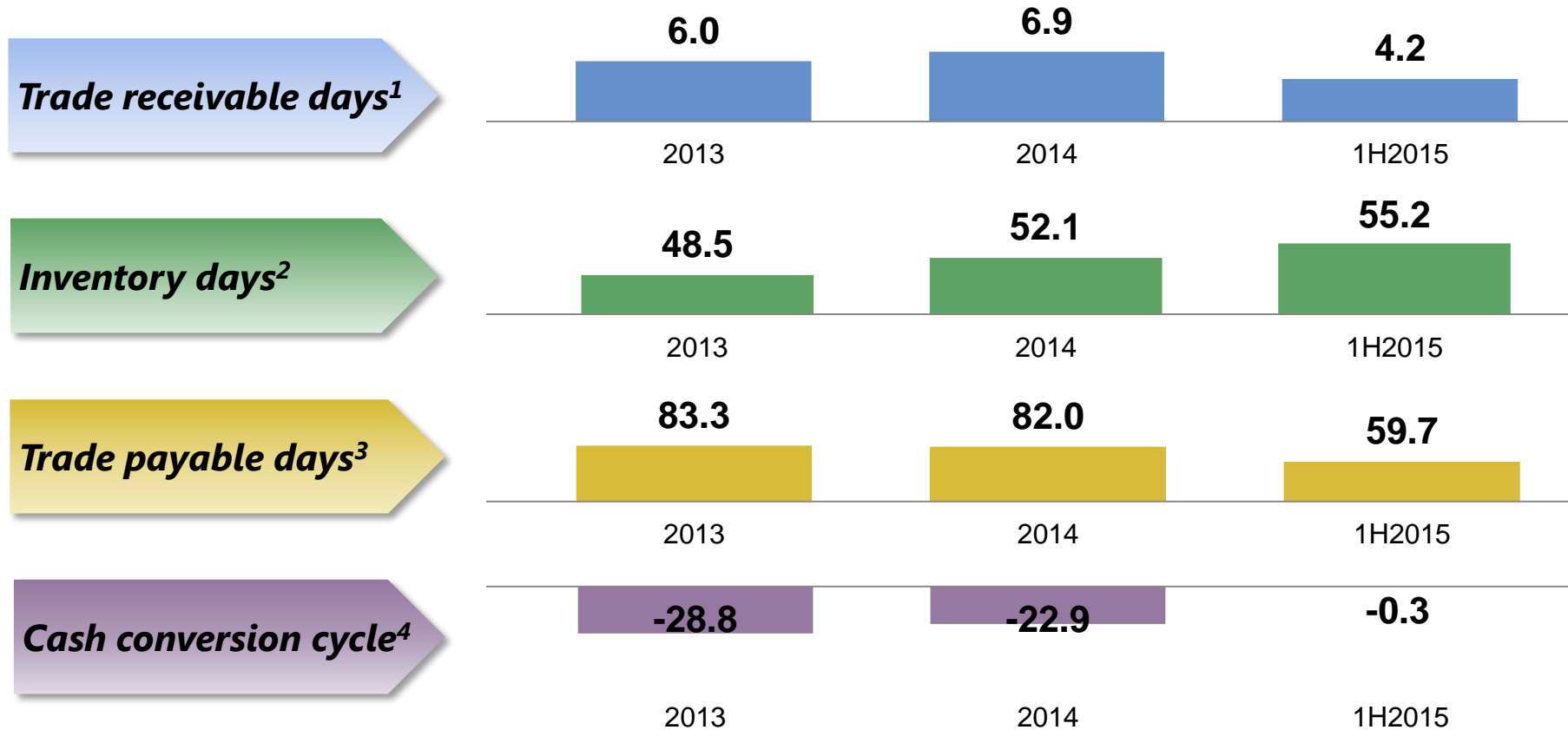


❖ **Soft SSSG** due to negative SSSG of toys and fashion formats



# Working Capital

## Working capital days trend



❖ **Negative working capital sustained in 1H2015**

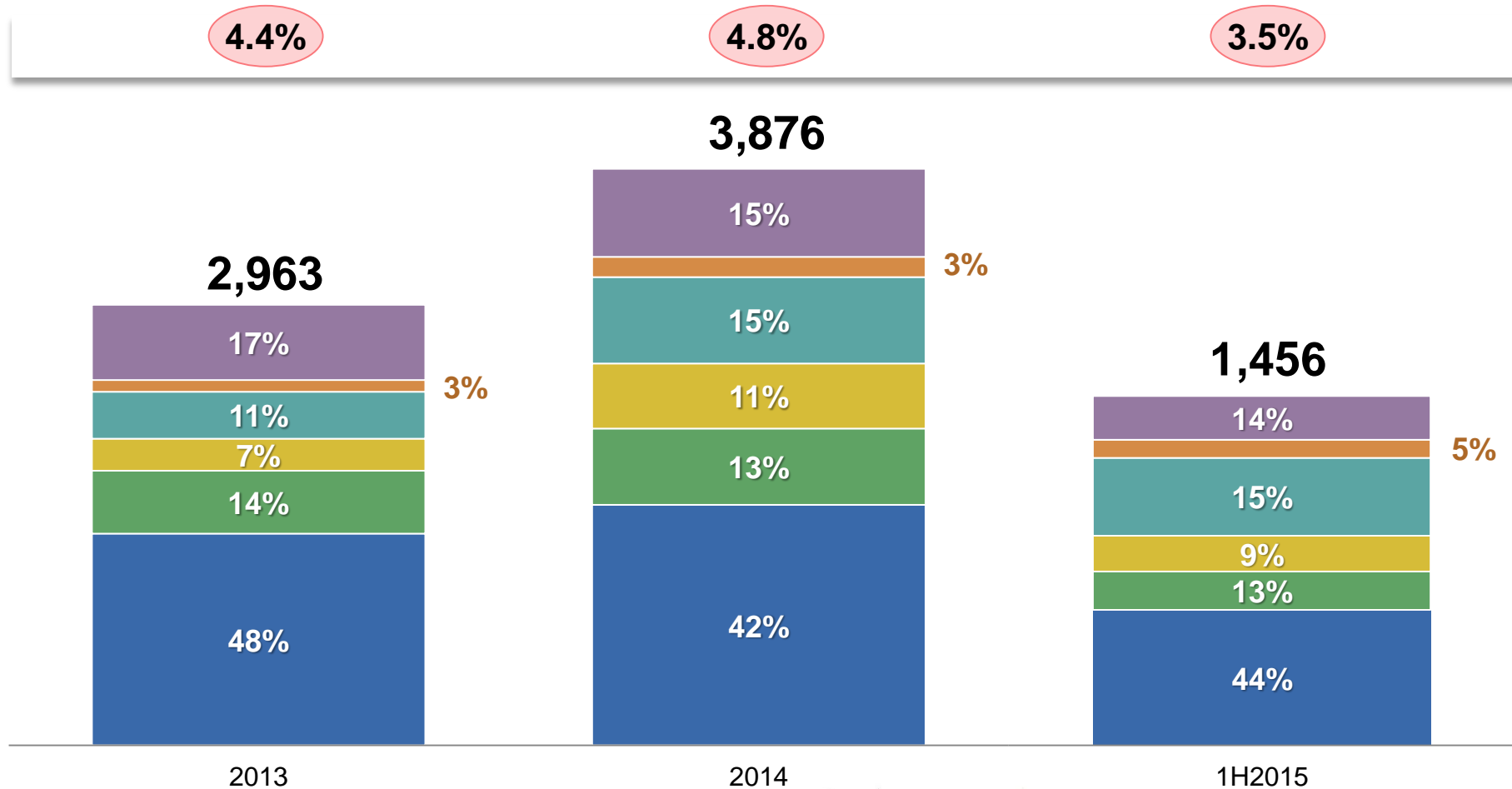
<sup>1</sup> Trade receivable days = Number of days x Trade and other receivables / Net sales; <sup>2</sup> Inventory days = Number of days x Merchandise inventories / Cost of merchandise sold; <sup>3</sup> Trade payable days = Number of days x Trade and other payables / Cost of merchandise sold; <sup>4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

# Capital Expenditure

## Capital expenditure breakdown (P mm)<sup>1</sup>

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

% of group's net sales



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



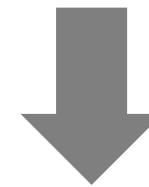


## Recent Developments

### DIY Stores – Robinsons Builders



A.M. BUILDERS' DEPOT



ROBINSONS BUILDERS

❖ We have started to rebrand A.M. Builder's Depot into **Robinsons Builders**, starting with the Tanza, Iloilo store last July 27, 2015



# Recent Developments

## Specialty Stores – Costa Coffee



1<sup>st</sup> Costa Coffee store  
**Eastwood, Quezon City**  
Opening date: June 29, 2015

2<sup>nd</sup> Costa Coffee store  
**Robinsons Place Manila**  
Opening date: July 31, 2015



# Consolidated Statements of Financial Position

PHP mm	June 30 2015	December 31 2014	December 31 2013
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4,521	9,970	30,129
Short-term investments	7	1,853	342
Merchandise inventories	9,867	8,993	7,029
Other current assets	5,736	2,897	2,117
<b>Total Current Assets</b>	<b>20,131</b>	<b>23,713</b>	<b>39,617</b>
<b>Noncurrent assets</b>			
Available-for-sale (AFS) financial assets	19,389	17,718	—
Property and equipment - net	10,306	9,654	7,063
Investment in shares of stocks	2,009	1,990	1,803
Intangible assets	3,028	3,034	2,790
Other noncurrent assets	1,388	1,385	1,078
<b>Total Noncurrent Assets</b>	<b>36,120</b>	<b>33,781</b>	<b>12,734</b>
<b>Total Assets</b>	<b>56,251</b>	<b>57,494</b>	<b>52,351</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and other payables	10,671	14,139	12,075
Current portion of loans payable	158	56	396
Other current liabilities	597	828	904
<b>Total Current Liabilities</b>	<b>11,426</b>	<b>15,023</b>	<b>13,375</b>
<b>Noncurrent Liabilities</b>			
Loans payable - net of current portion	28	56	112
Others	1,226	1,179	881
<b>Total Noncurrent Liabilities</b>	<b>1,254</b>	<b>1,235</b>	<b>993</b>
<b>Total Liabilities</b>	<b>12,680</b>	<b>16,258</b>	<b>14,368</b>
<b>Equity</b>			
Capital stock	1,385	1,385	1,385
Additional paid-in capital	27,227	27,227	27,027
Treasury shares	—	—	(1,100)
Retained earnings	13,915	12,052	9,051
Others	(781)	(1,016)	144
<b>Total equity attributable to equity holders of Parent Company</b>	<b>41,746</b>	<b>39,648</b>	<b>36,507</b>
Non-controlling interest in consolidated subsidiaries	1,825	1,588	1,476
<b>Total Equity</b>	<b>43,571</b>	<b>41,236</b>	<b>37,983</b>
<b>Total Liabilities and Equity</b>	<b>56,251</b>	<b>57,494</b>	<b>52,351</b>



# Consolidated Statements of Comprehensive Income

PHP mm	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	2015	2014
Sales - net of sales discounts and returns	21,639	19,553	41,354	36,979
Cost of merchandise sold	16,876	15,328	32,338	29,090
<b>Gross Profit</b>	<b>4,763</b>	<b>4,225</b>	<b>9,016</b>	<b>7,889</b>
Royalty, rent and other revenues	470	382	867	706
<b>Gross profit including other revenue</b>	<b>5,233</b>	<b>4,607</b>	<b>9,883</b>	<b>8,595</b>
Operating expenses	(4,059)	(3,505)	(7,918)	(6,736)
Earnings before interest and taxes	1,174	1,102	1,965	1,859
<b>OTHER INCOME (CHARGES)</b>				
Interest income	206	135	401	235
Equity in net earnings of an associate	15	38	26	50
Dividend income	28	—	56	—
Foreign currency exchange gain (losses) - net	31	(30)	31	(30)
Interest expense	(2)	(4)	(3)	(9)
	<b>278</b>	<b>139</b>	<b>511</b>	<b>246</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>1,452</b>	<b>1,241</b>	<b>2,476</b>	<b>2,105</b>
Provision for income tax	322	332	523	554
<b>NET INCOME</b>	<b>1,130</b>	<b>910</b>	<b>1,954</b>	<b>1,551</b>
<b>Net income attributable to:</b>				
Equity holders of the Parent Company	1,082	807	1,864	1,368
Non-controlling interest in consolidated subsidiaries	48	102	89	183
	<b>1,130</b>	<b>909</b>	<b>1,953</b>	<b>1,551</b>
<b>Earnings Per Share</b>				
Basic	0.78	0.59	1.35	1.00
Weighted	0.78	0.59	1.35	1.00
<b>Shares Outstanding</b>				
End of Period	1,385	1,385	1,385	1,385
Weighted	1,385	1,366	1,385	1,366





# Consolidated Statements of Cash Flows

PHP mm	Six Months Ended June 30		Years Ended December 31	
	2015	2014	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax	2,476	2,105	5,219	4,319
<b>Adjustments for:</b>				
Depreciation and amortization	793	587	1,280	1,000
Interest expense	3	9	12	77
Interest income	(401)	(235)	(634)	(113)
Equity in net earnings of an associate	(26)	(50)	(57)	(191)
Dividend income	(56)	0	(28)	(3)
Others	14	61	43	21
<b>Operating income before working capital changes</b>	<b>2,803</b>	<b>2,477</b>	<b>5,835</b>	<b>5,110</b>
Working capital changes	(5,258)	(8,794)	(2,105)	(1,789)
Interest received	343	161	503	56
Income tax paid	(773)	(844)	(1,385)	(638)
<b>Net cash flows generated from (used in) operations</b>	<b>(2,885)</b>	<b>(7,001)</b>	<b>2,848</b>	<b>2,739</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
AFS investments - net	(1,258)	(10,844)	(17,704)	50
Property and equipment - net	(1,435)	(1,563)	(3,696)	(2,754)
Others	58	(477)	(1,939)	(618)
<b>Net cash flows used in investing activities</b>	<b>(2,635)</b>	<b>(12,884)</b>	<b>(23,339)</b>	<b>(3,322)</b>
Payment of loans	(28)	(278)	(396)	(2,121)
Interest paid	(3)	9	(12)	(72)
Dividends paid	—	(3)	(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	102	—	—	(645)
<b>Net cash flows used in financing activities</b>	<b>71</b>	<b>(272)</b>	<b>332</b>	<b>24,660</b>
Net increase (decrease) in cash and cash equivalents	(5,449)	(20,156)	(20,159)	24,077
Cash and cash equivalents at beginning of year	9,970	30,136	30,129	6,052
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>4,521</b>	<b>9,980</b>	<b>9,970</b>	<b>30,129</b>

