



**ROBINSONS
RETAIL
HOLDINGS, INC.**

1H2019 UNAUDITED EARNINGS RESULTS

August 1, 2019

Day Buy Day





Financial Highlights

Store Network

Consolidated Results

Business Segments

Working Capital

Capital Expenditure

Recent Developments

1H2019 FINANCIAL HIGHLIGHTS

Healthy
blended
SSSG of
3.9%

1,920
stores plus
1,958 TGP
branches
nationwide

19% yoy
increase in
gross floor
area
(excl. TGP)

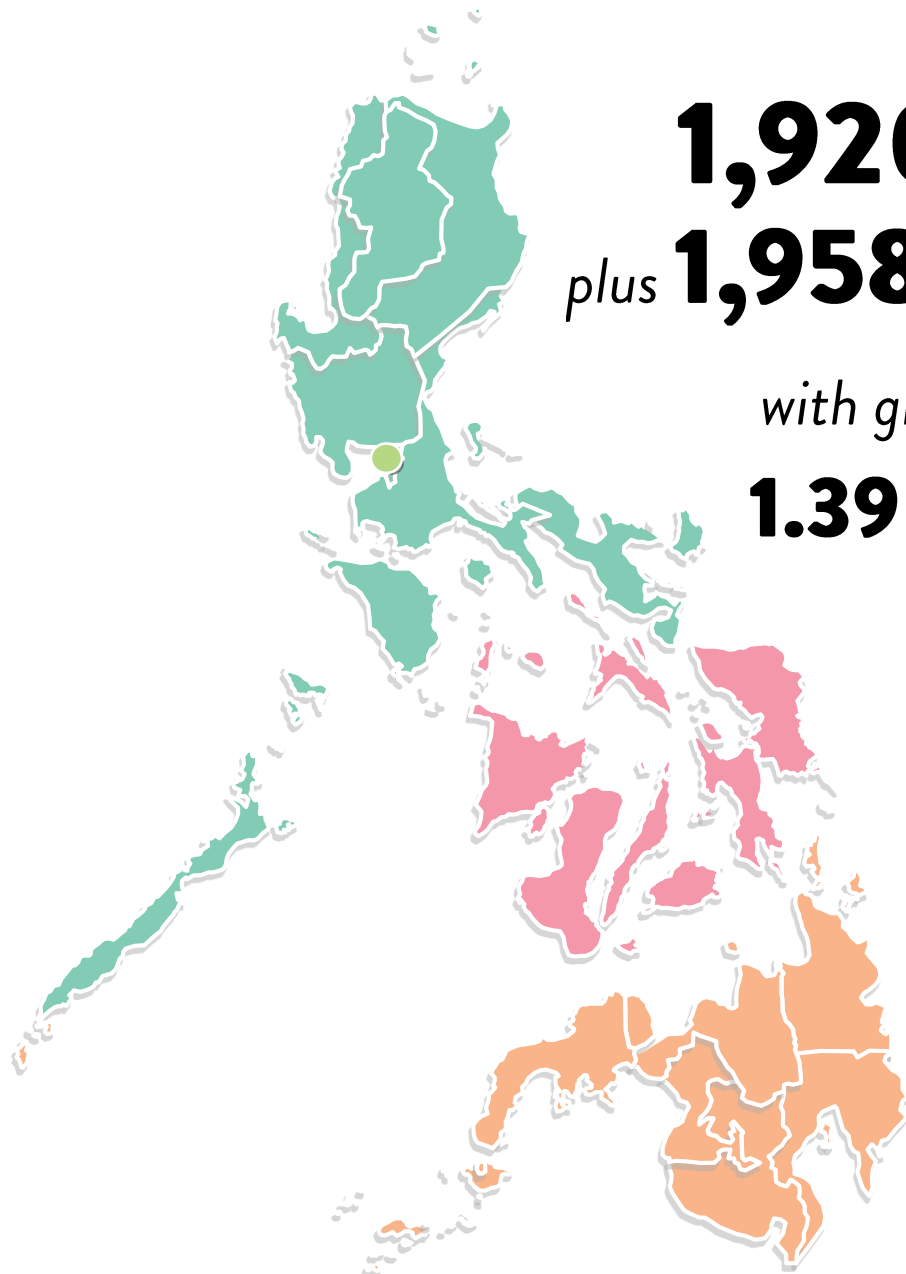
27.7%
yoy lift in
consolidated
net sales

210bps
increase in
EBITDA
margin
after PFRS adj

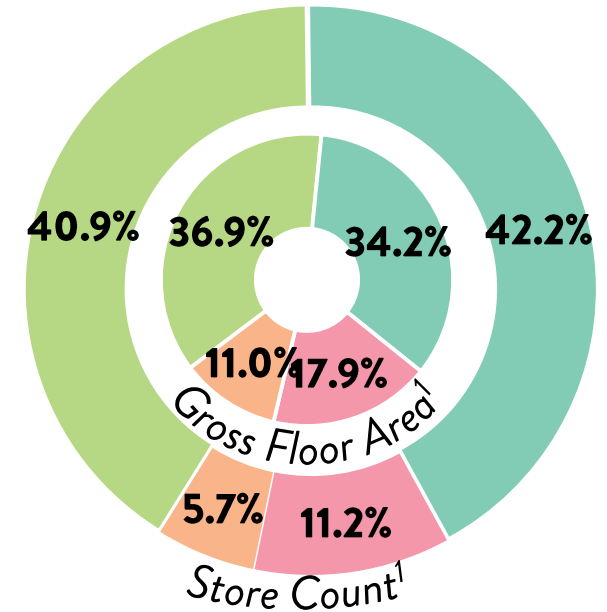
30bps
expansion
in GP
margin


Core net
income of
₱1.7bn

STORE NETWORK: 1H2019

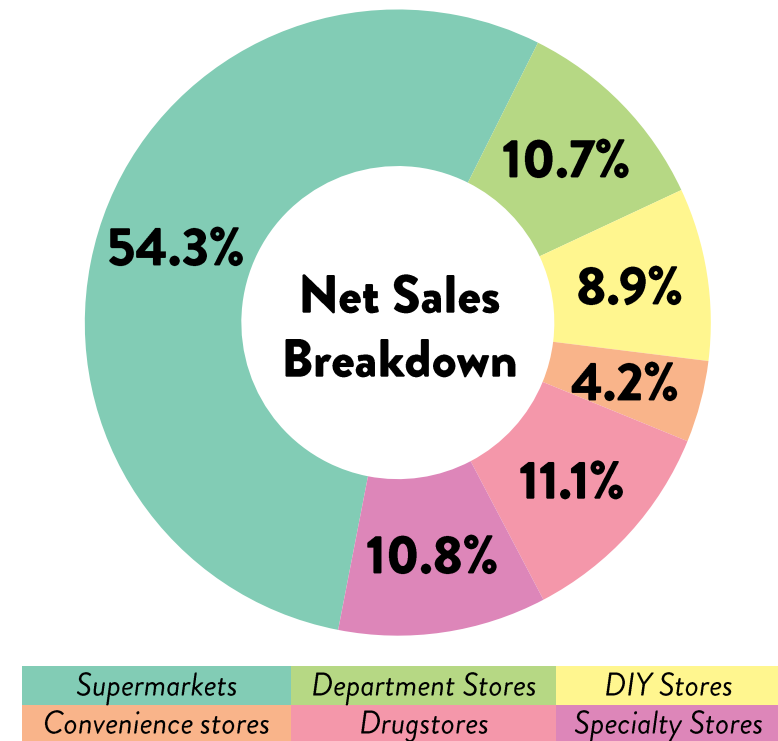
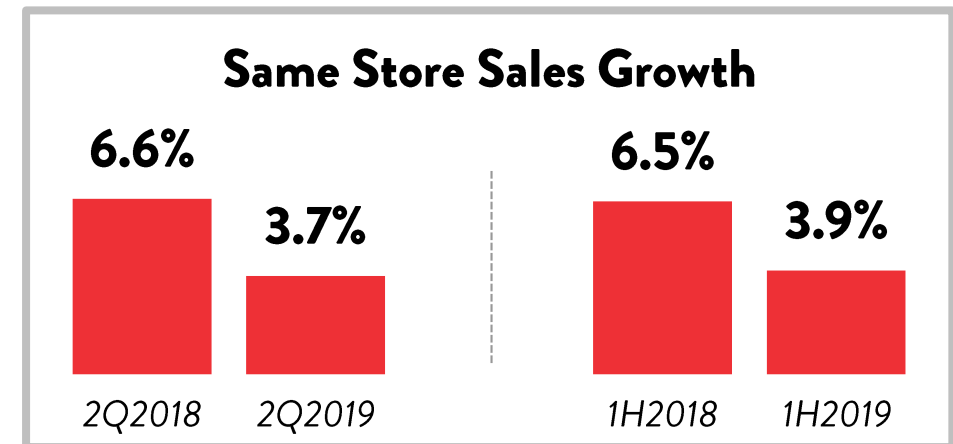
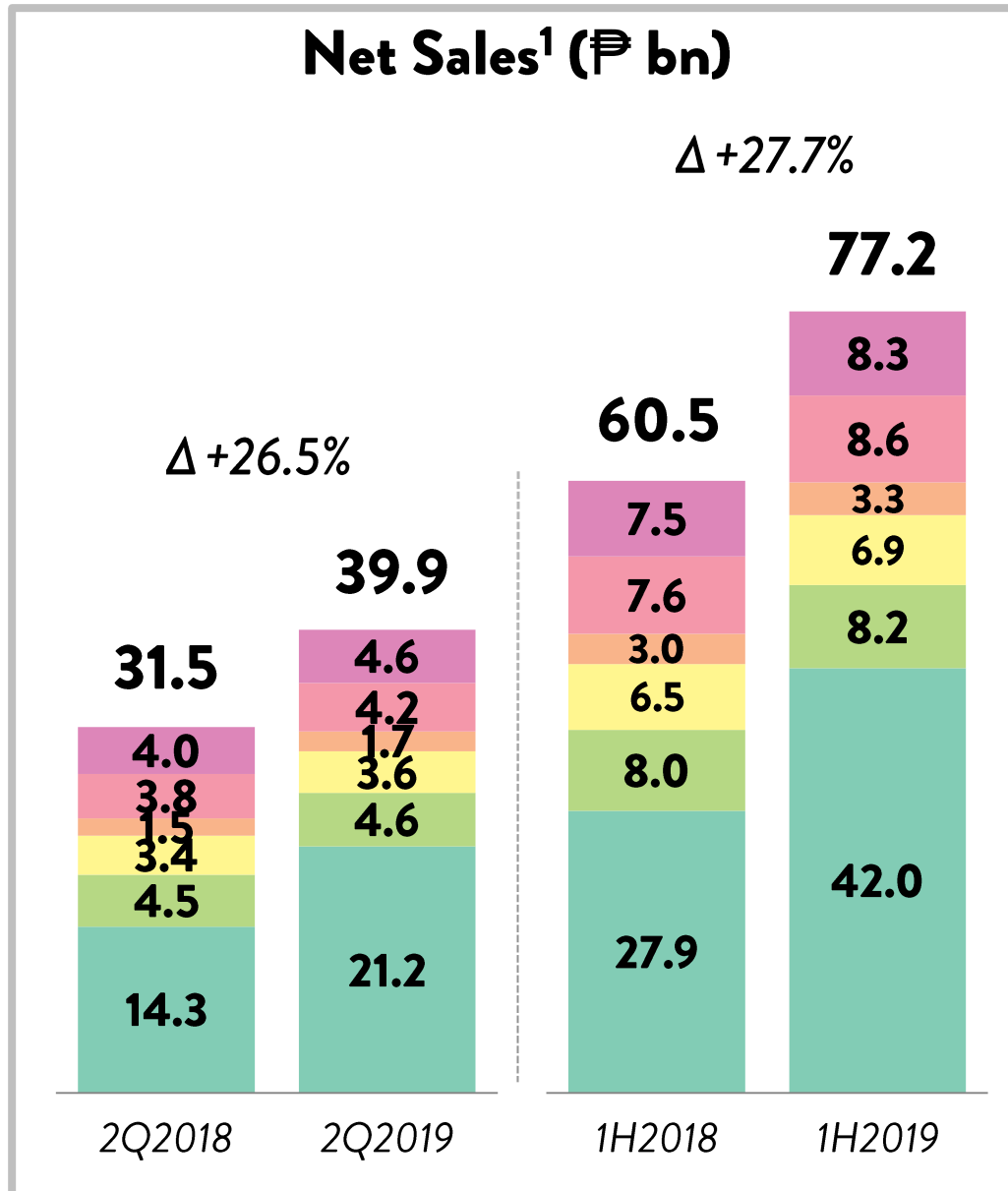


1,920 stores
 plus **1,958** TGP branches
 with gross floor area of
1.39 million sqm¹



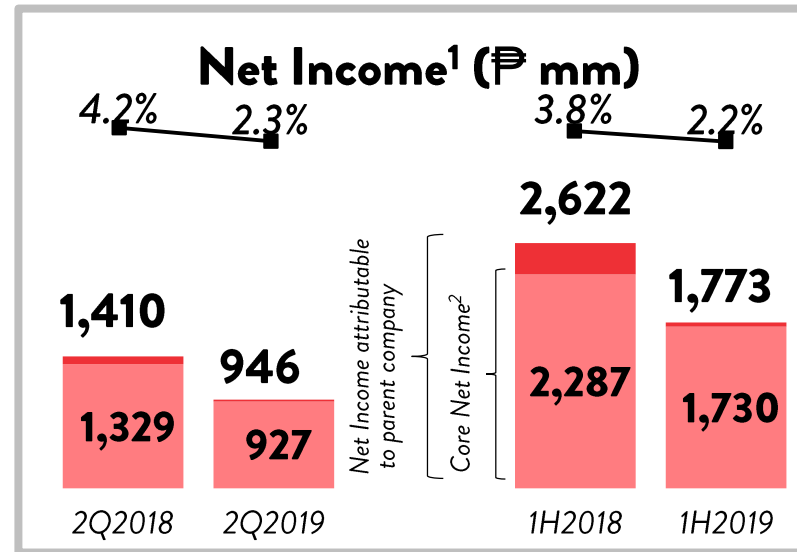
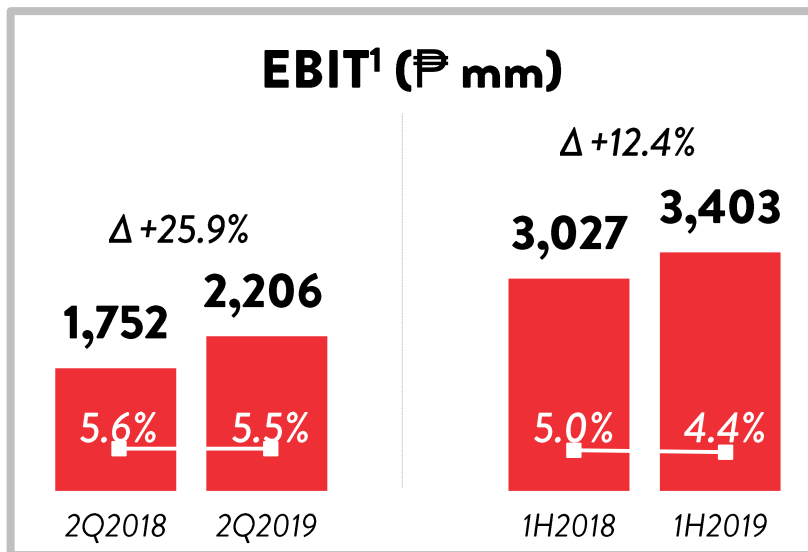
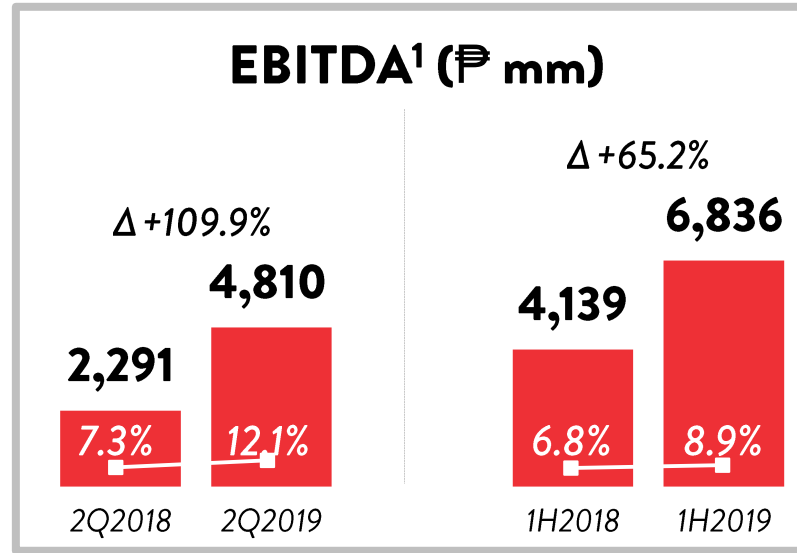
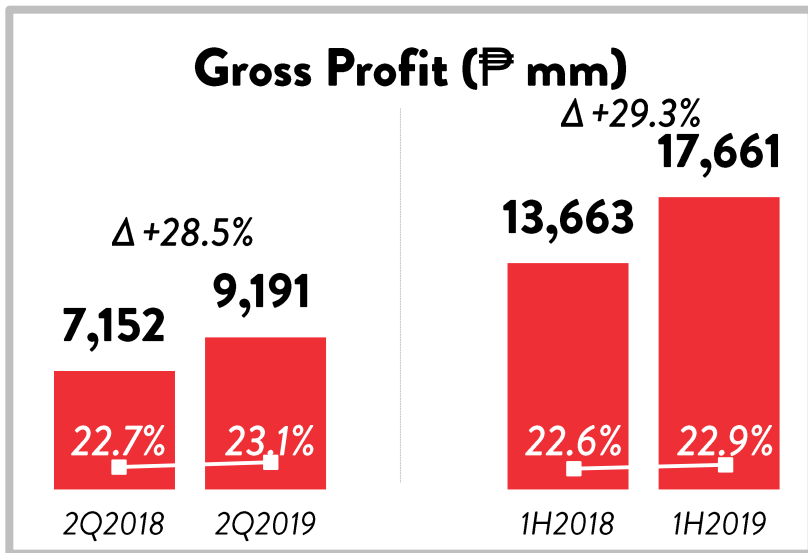
	Metro Manila	Luzon	Visayas	Mindanao
 Supermarkets	114	87	38	16
Department Stores	12	17	11	9
DIY Stores	59	87	42	23
Convenience Stores	339	156	23	-
Drugstores ¹	110	327	44	29
Specialty Stores	152	137	56	32
Total	786	811	214	109
TGP	460	1,020	286	192

1H2019 CONSOLIDATED RESULTS



¹ Net sales after intersegment eliminating adjustments; Rustan Supercenters, Inc. was consolidated starting December 2018;

1H2019 CONSOLIDATED RESULTS



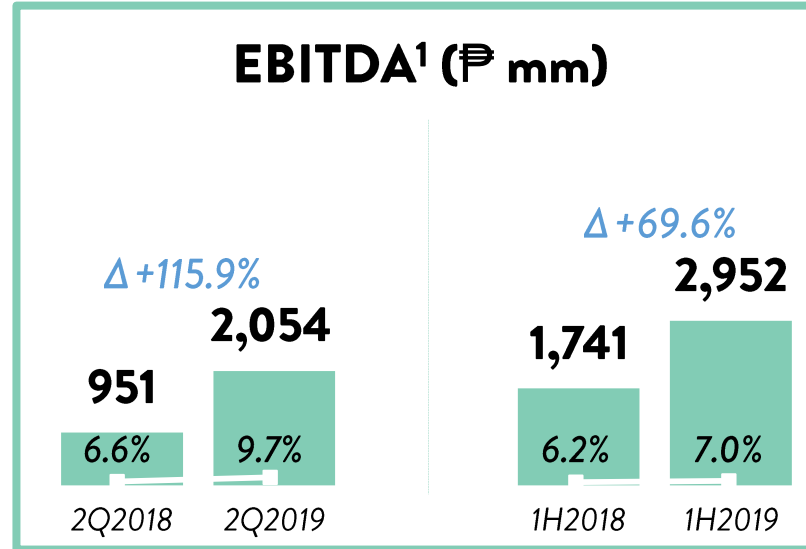
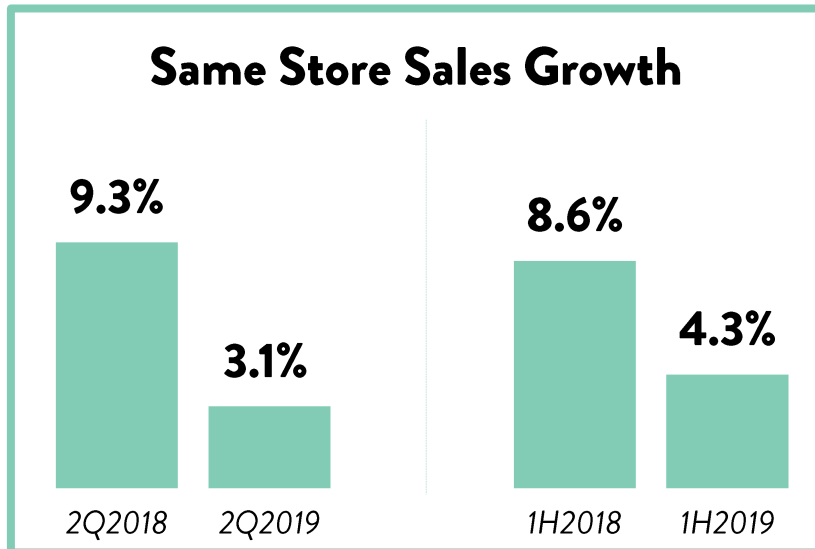
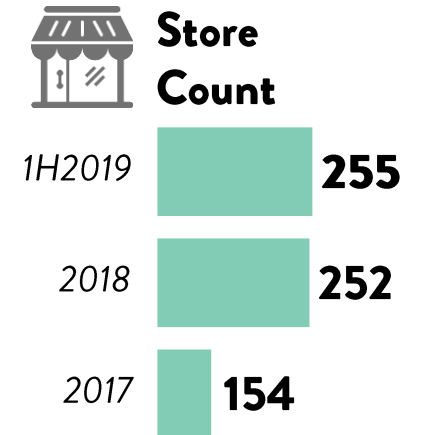
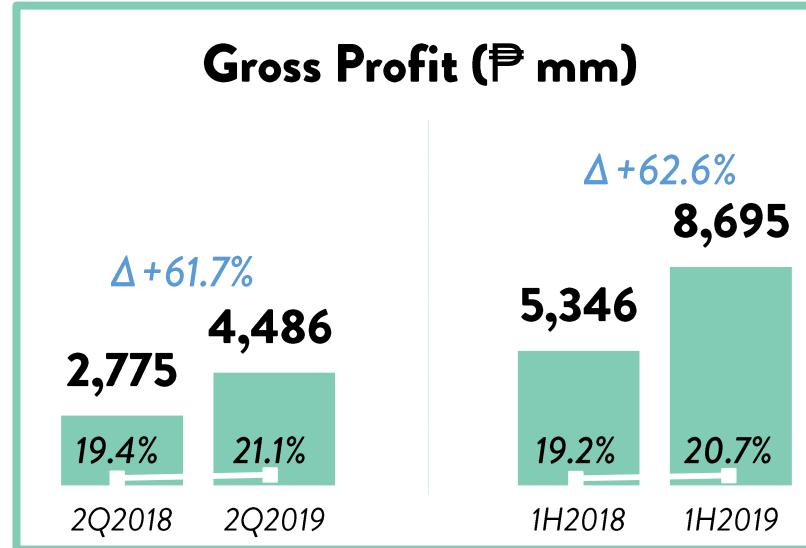
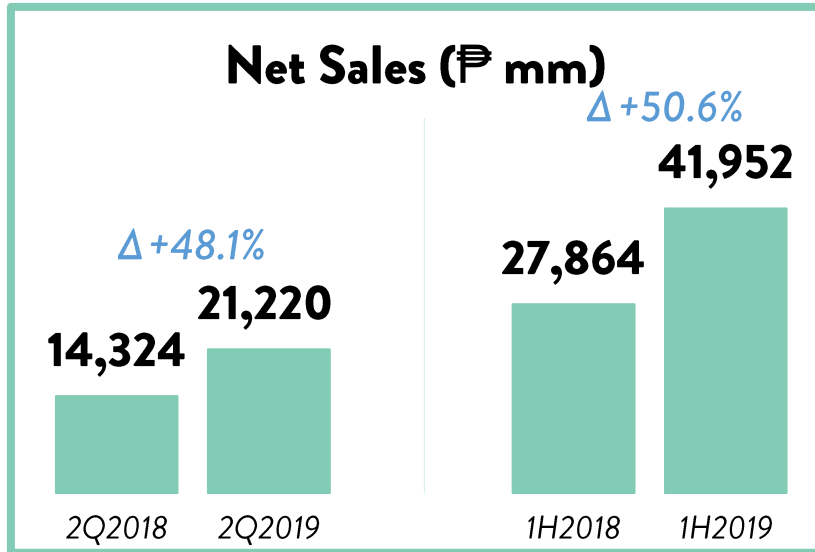
1H19 Highlights:

Gross profit margin expanded by 30bps;

Adjustments in accordance to PFRS 16 (Leases) were reflected in 2Q2019.

-♦- Core net income as a % of net sales

SUPERMARKET BUSINESS SEGMENT



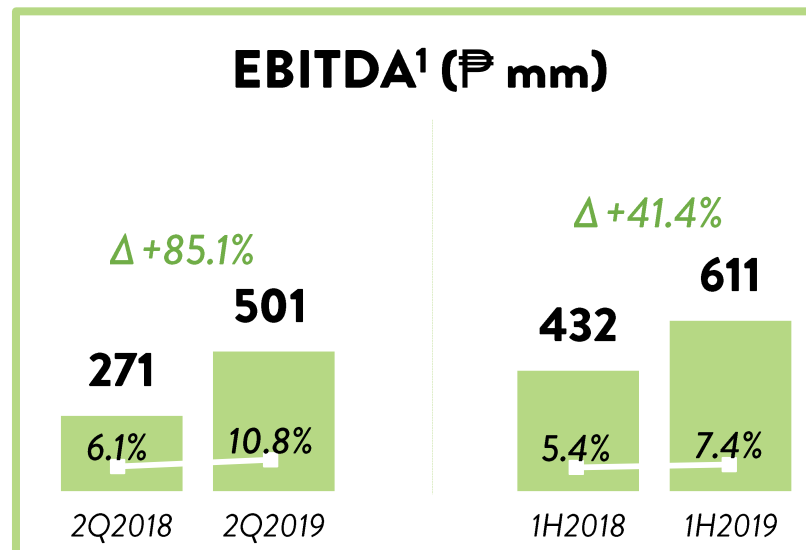
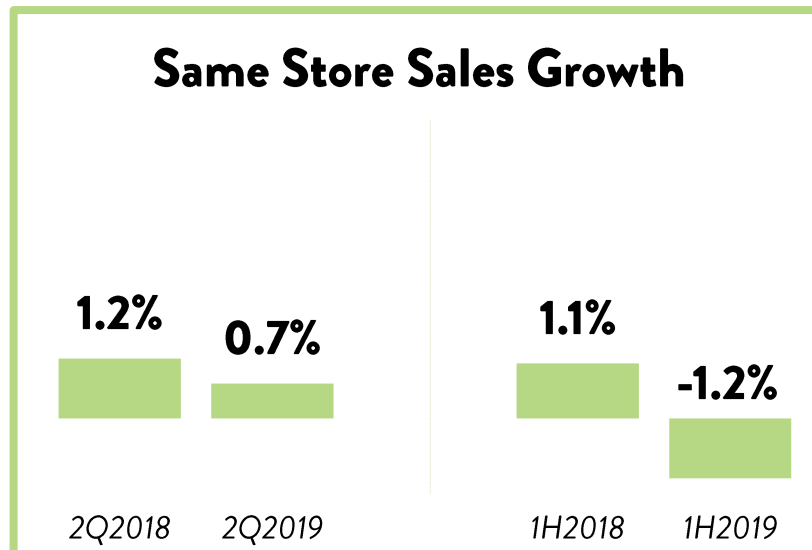
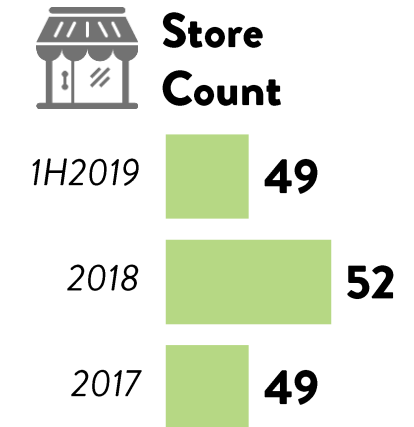
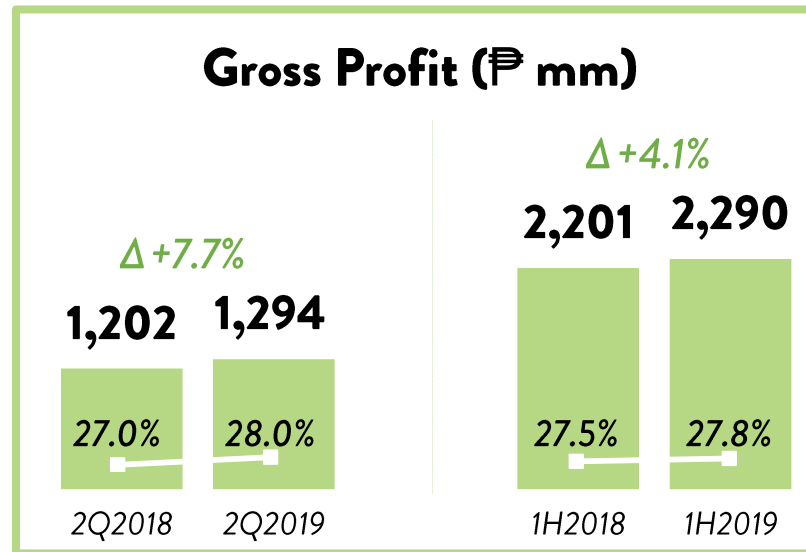
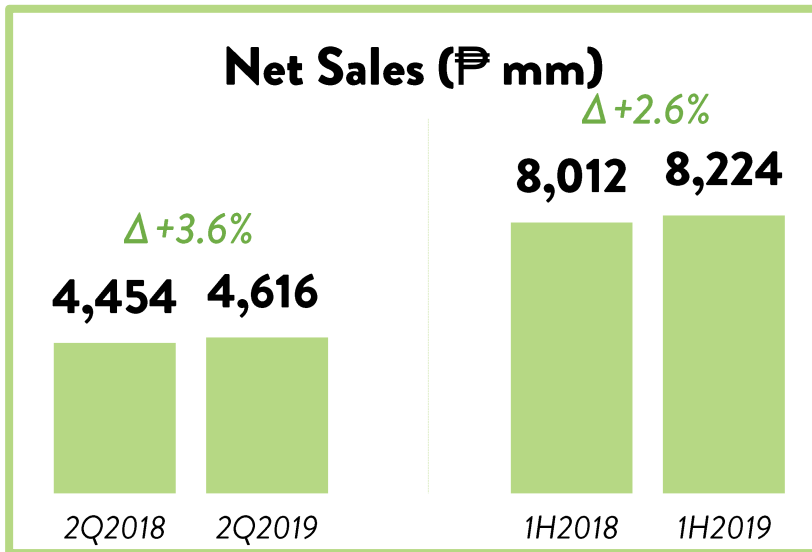
1H19 Highlights:

Healthy SSSG driven by 4.0% increase in basket size;

Rustan Supercenters was consolidated starting Dec 1, 2018.

¹ Adjustments in accordance to PFRS 16 (Leases) were reflected in 2Q2019;

DEPARTMENT STORE BUSINESS SEGMENT



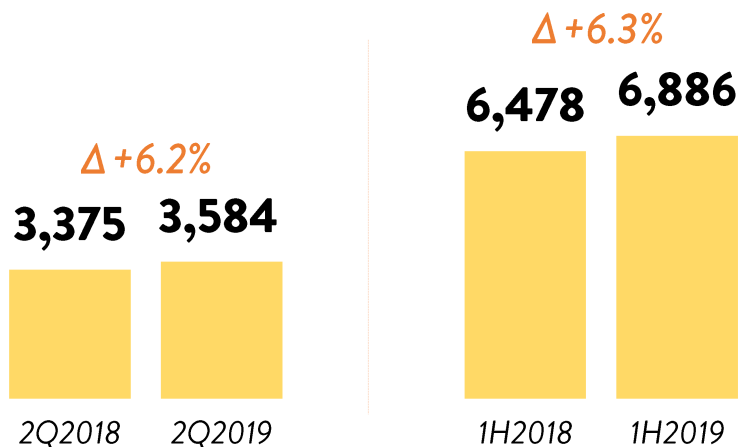
1H19 Highlights:

Minimal increase in net sales due to closure of 3 department stores;

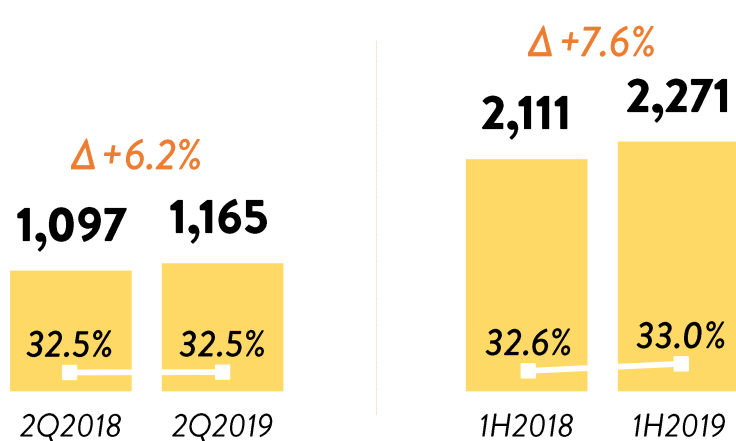
SSSG was challenged by renovation of top stores and competition

DIY STORE BUSINESS SEGMENT

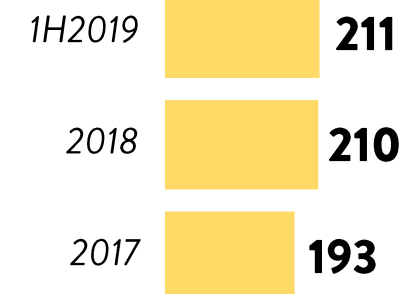
Net Sales (₱ mm)



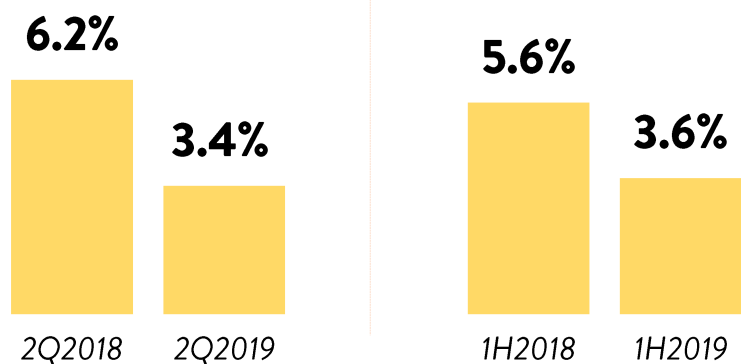
Gross Profit (₱ mm)



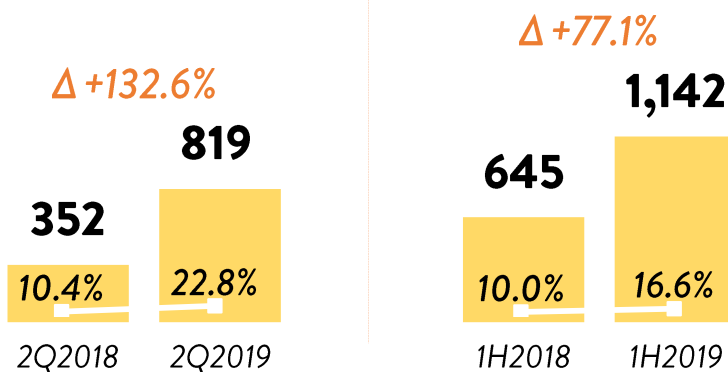
Store Count



Same Store Sales Growth



EBITDA¹ (₱ mm)

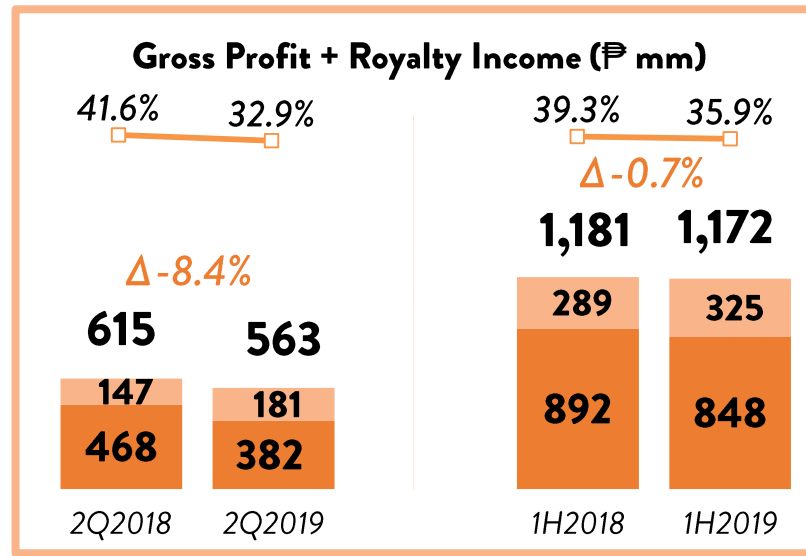
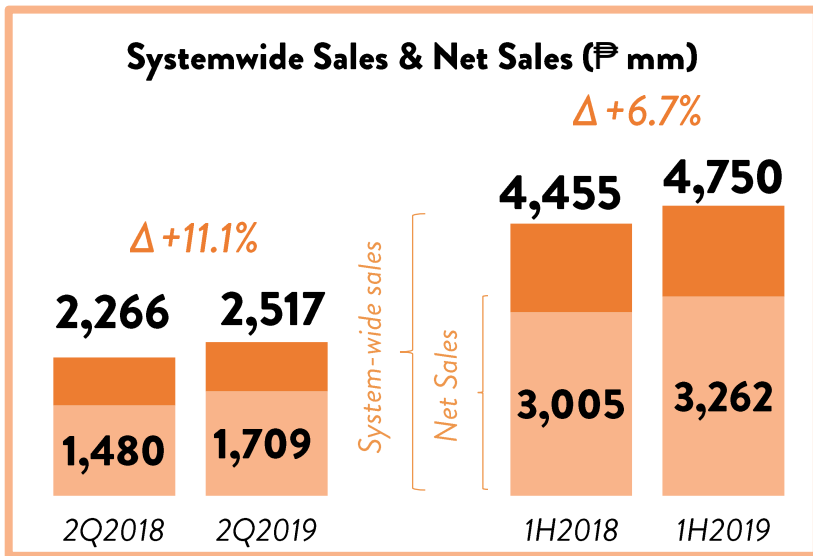


1H19 Highlights:

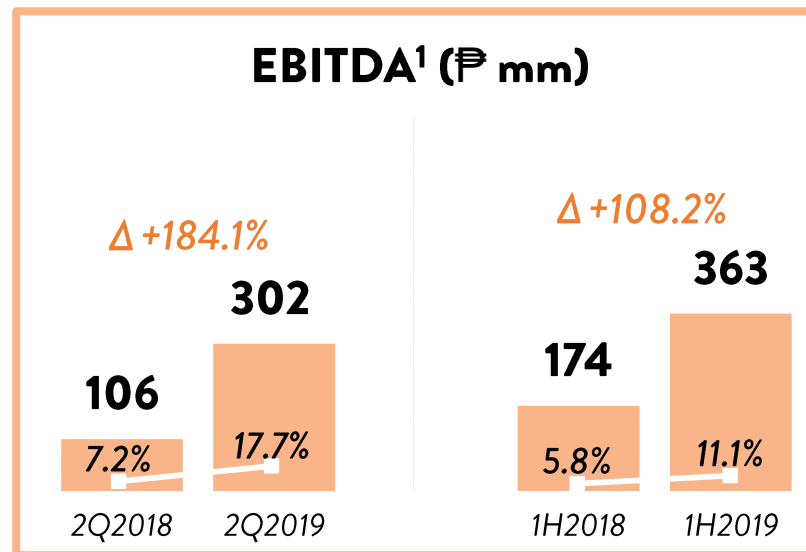
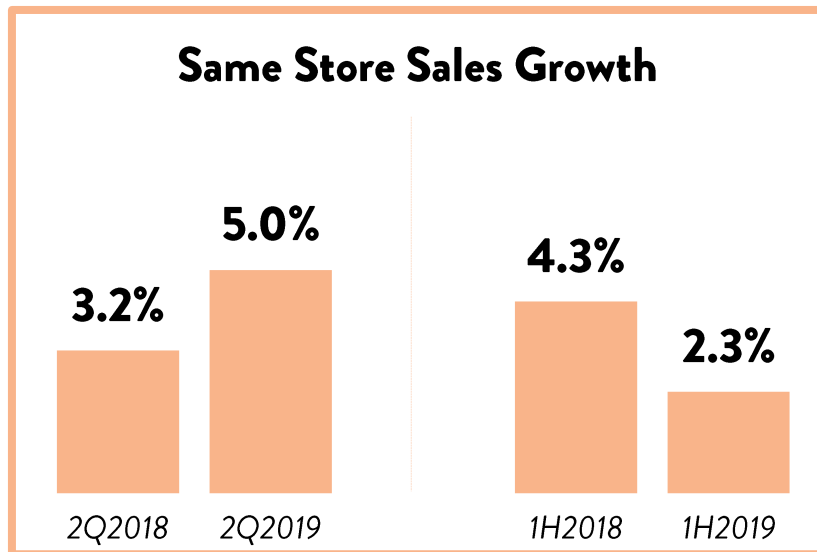
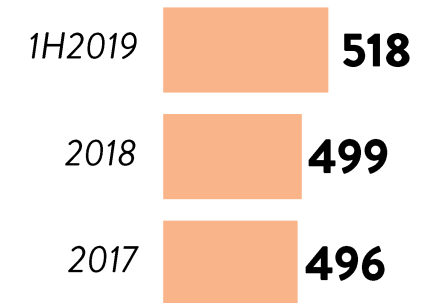
Increase in net sales due to healthy SSSG (3.6%) and sales contribution of new stores (2.7%);

SSSG softened due to competition and poor sales of automotives and tools.

CONVENIENCE STORE BUSINESS SEGMENT



Store Count



1H19 Highlights:

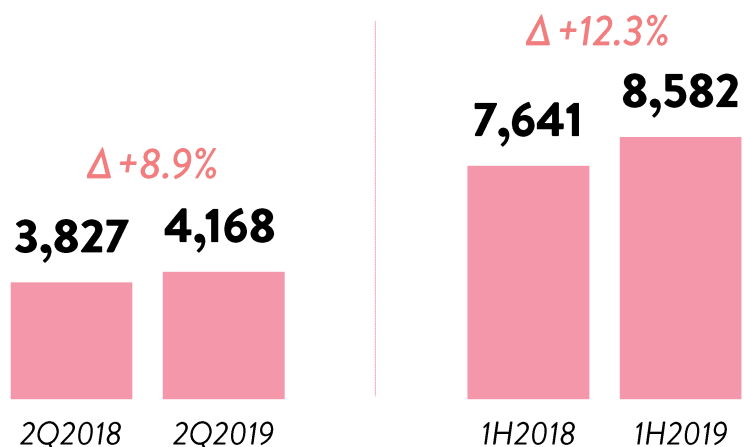
Increase in sales driven by new store openings;

SSSG improved as most supply chain disruptions that we encountered in Q1 have been progressively resolved.

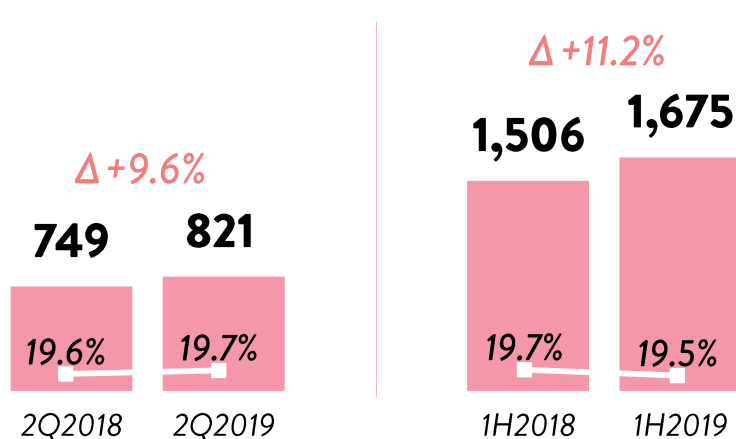
¹ Adjustments in accordance to PFRS 16 (Leases) were reflected in 2Q2019;

DRUGSTORE BUSINESS SEGMENT

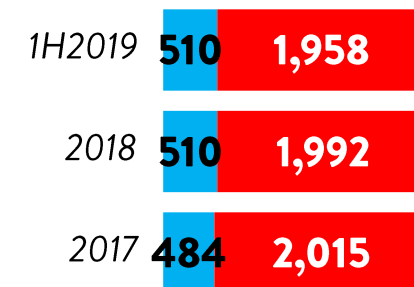
Net Sales (₱ mm)



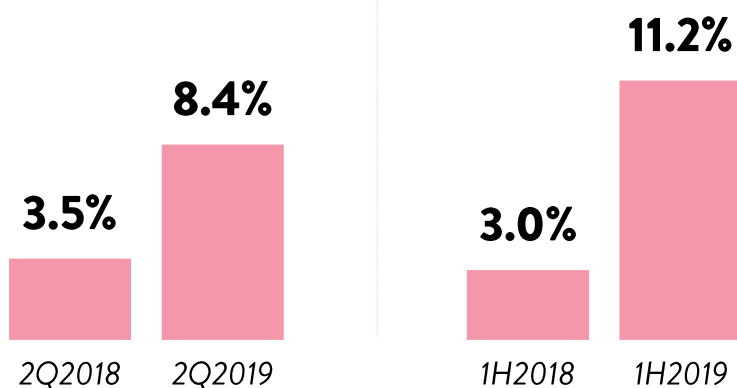
Gross Profit (₱ mm)



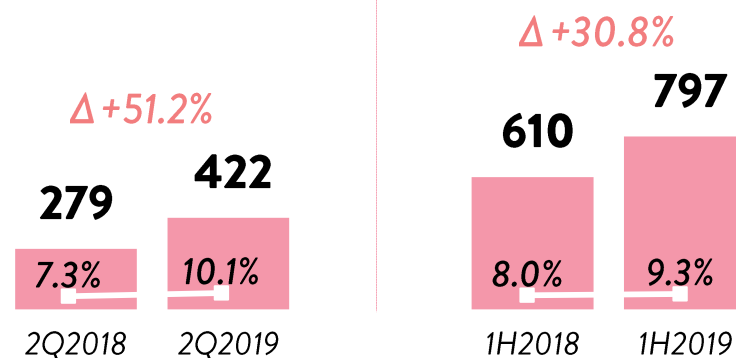
Store Count



Same Store Sales Growth



EBITDA¹ (₱ mm)



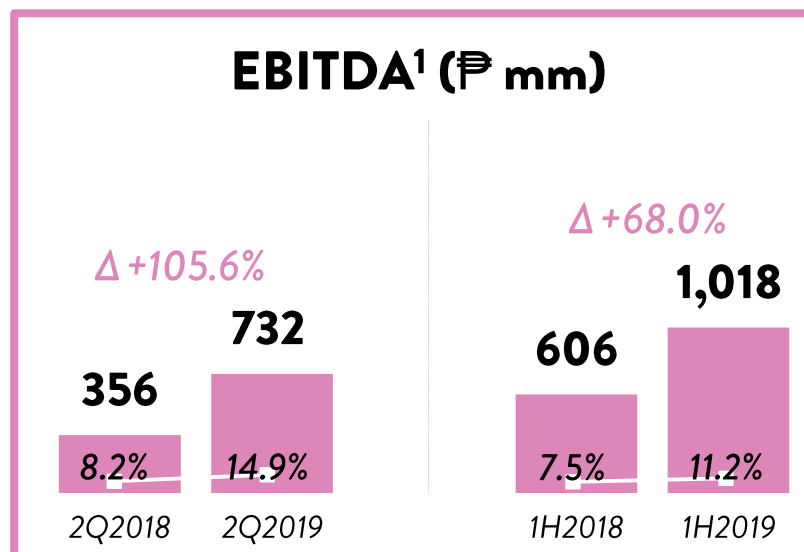
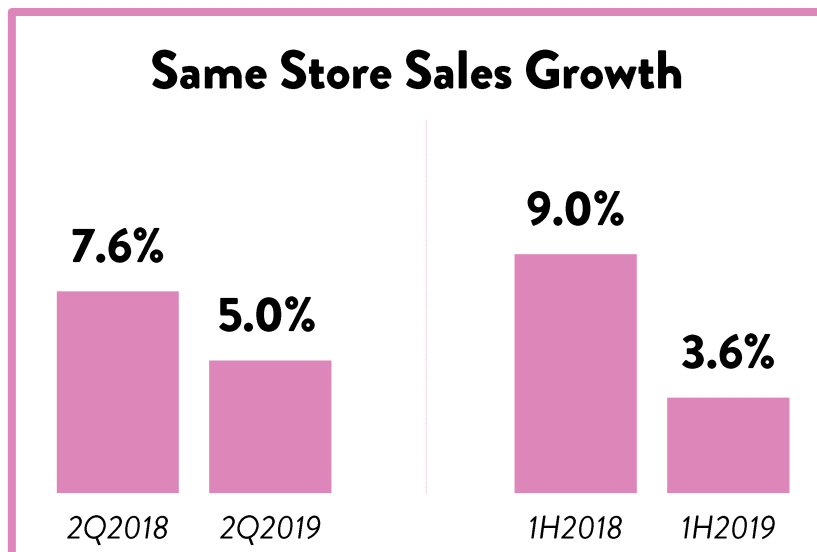
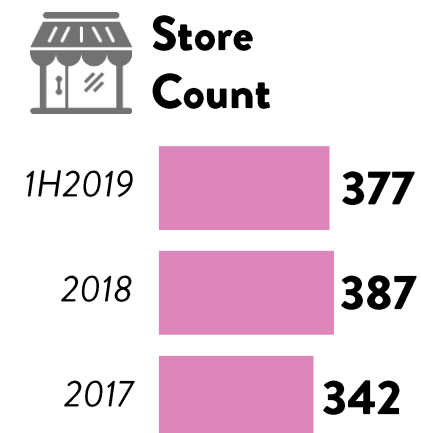
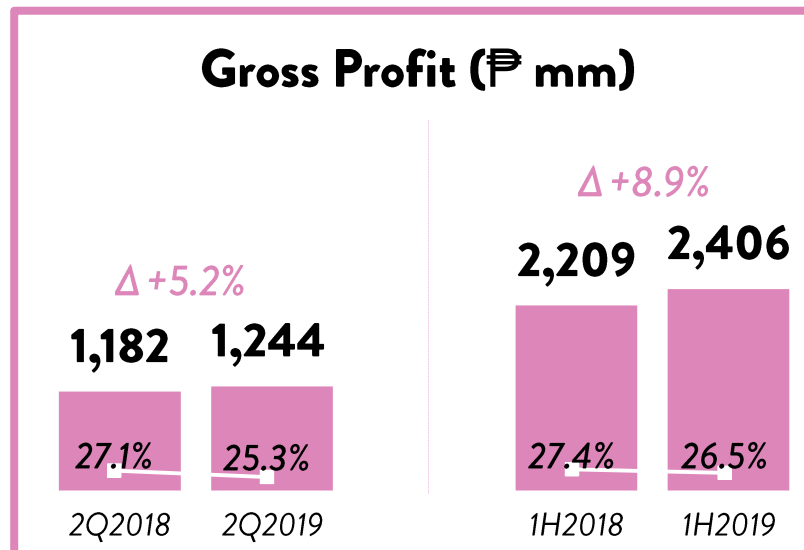
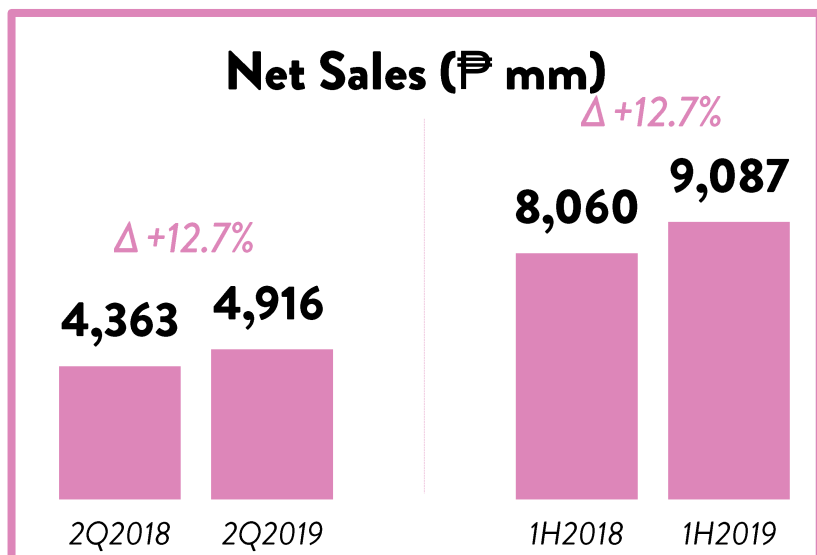
1H19 Highlights:

Increase in net sales propelled by strong SSSG (11.2%) and new store openings (1.1%);

Unprecedented SSSG due to high occurrence of flu and measles



SPECIALTY STORE BUSINESS SEGMENT

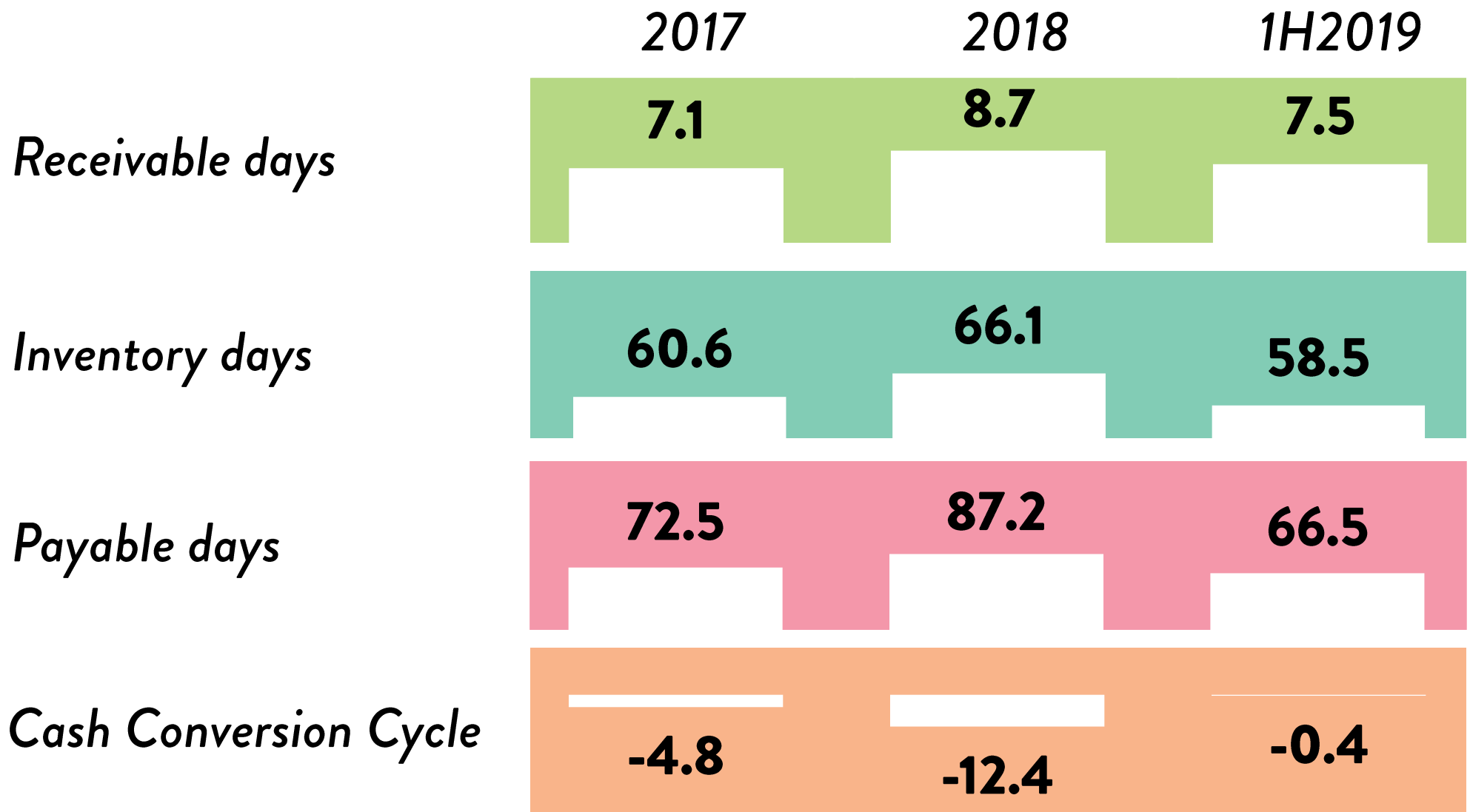


1H19 Highlights:

Healthy SSSG driven by appliances and beauty formats;

New specialty brands include Arcova, Pet Lovers Centre and Super50

WORKING CAPITAL



CAPITAL EXPENDITURE

	2017	2018	1H2019
<i>Supermarkets</i>	41%	52%	42%
<i>Department stores</i>	24%	14%	11%
<i>DIY Stores</i>	11%	10%	8%
<i>Convenience Stores</i>	4%	5%	16%
<i>Drugstores</i>	8%	3%	4%
<i>Specialty Stores</i>	12%	16%	19%
Total CAPEX (in ₱ mm)	3,105	4,419	1,500
<i>% of net sales</i>	2.7%	3.3%	1.9%

ROBINSONS GALLERIA SOUTH MALL OPENING



ROBINSONS GALLERIA SOUTH MALL OPENING



ROBINSONS GALLERIA SOUTH MALL OPENING



INCOME STATEMENT (UNAUDITED)

PHP mm	Three Months Ended June 30 (Unaudited)			Six Months Ended June 30 (Unaudited)		
	2019 (Pre-PFRS 16)	2019 (Post-PFRS 16)	2018	2019 (Pre-PFRS 16)	2019 (Post-PFRS 16)	2018
Sales - net of sales discounts and returns	39,861	39,861	31,498	77,211	77,211	60,459
Cost of merchandise sold	30,669	30,669	24,346	59,550	59,550	46,796
Gross Profit	9,191	9,191	7,152	17,661	17,661	13,663
Royalty, rent and other revenues	628	628	575	1,253	1,253	1,118
Gross profit including other revenue	9,819	9,819	7,727	18,914	18,914	14,781
Operating expenses	(7,895)	(7,613)	(5,975)	(15,792)	(15,510)	(11,754)
EBIT	1,924	2,206	1,752	3,121	3,403	3,027
EBITDA	2,582	4,810	2,291	4,608	6,836	4,139
OTHER INCOME (CHARGES)						
Interest income	284	284	238	563	563	475
Foreign currency exchange gain (loss)	(84)	(84)	85	(91)	(91)	246
Dividend income	28	28	28	56	56	56
Equity in net earnings of an associate	47	47	42	58	58	81
Interest expense	(98)	(1,104)	(29)	(188)	(1,195)	(55)
Others	8	8	(53)	6	6	(53)
	186	(821)	312	403	(604)	749
INCOME BEFORE INCOME TAX	2,110	1,385	2,064	3,524	2,799	3,777
Provision for income tax	503	286	469	911	694	829
NET INCOME	1,607	1,100	1,595	2,613	2,106	2,948
Net income attributable to:						
Equity holders of the Parent Company	1,427	946	1,410	2,254	1,773	2,622
Non-controlling interest in consolidated subs	180	154	185	359	333	326
	1,607	1,100	1,595	2,613	2,106	2,948
Earnings Per Share						
Basic	0.91	0.60	1.02	1.43	1.12	1.89
Weighted	0.91	0.60	1.02	1.43	1.12	1.89
Shares Outstanding						
End of Period	1,576	1,576	1,385	1,576	1,576	1,385
Weighted	1,576	1,576	1,385	1,576	1,576	1,385

BALANCE SHEET (UNAUDITED)

	June 30 (Unaudited)	December 31 (Audited)
PHP mm	2019	2018
ASSETS		
Current Assets		
Cash and cash equivalents	12,187	14,788
Trade and other receivables	3,203	3,172
Merchandise inventories	19,368	18,628
Other current assets	3,027	3,160
Total Current Assets	37,785	39,747
Noncurrent assets		
Debt and equity instrument financial assets	18,830	19,752
Property and equipment	19,293	19,269
Right-of-use asset	23,812	-
Investment in associates	7,511	6,814
Intangible assets	19,086	19,106
Other noncurrent assets	3,353	3,088
Total Noncurrent Assets	91,885	68,030
Total Assets	129,670	107,777
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	21,987	24,577
Short-term loans payable	5,629	6,794
Current portion of lease liability	3,563	-
Other current liabilities	747	1,118
Total Current Liabilities	31,925	32,489
Total Noncurrent Liabilities	23,578	2,584
Total Liabilities	55,503	35,073
Equity		
Capital stock	1,577	1,576
Additional paid-in capital	40,768	40,768
Equity reserve	(988)	(970)
Retained earnings	28,348	27,710
Others	76	(564)
Total equity attributable to equity holders of Parent Company	69,780	68,521
Non-controlling interest in consolidated subsidiaries	4,387	4,183
Total Equity	74,167	72,704
Total Liabilities and Equity	129,670	107,777

CASH FLOW STATEMENT (UNAUDITED)

PHP mm	Six Months Ended June 30 (Unaudited)			Years Ended December 31 (Audited)	
	2019 (Pre-PFRS 16)	2019 (Post-PFRS 16)	2018	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES					
Income before income tax	3,524	2,799	3,777	7,597	7,303
Depreciation and amortization	1,487	3,433	1,111	2,395	2,073
Retirement expense	73	73	77	156	171
Interest expense	188	1,195	55	159	127
Equity in net earnings in associates	(58)	(58)	(81)	(109)	(124)
Dividend income	(56)	(56)	(56)	(112)	(112)
Interest income	(563)	(563)	(475)	(982)	(873)
Others	79	79	(191)	16	10
Operating income before working capital changes	4,676	6,904	4,218	9,122	8,575
Working capital changes	(4,305)	(4,305)	(2,066)	1,311	(740)
Interest received	563	563	792	997	864
Retirement	(136)	(136)	–	(409)	(239)
Income tax paid	(1,257)	(1,257)	(1,375)	(1,934)	(1,657)
Net cash flows generated from (used in) operations	(460)	1,768	1,569	9,087	6,804
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment in associate	(280)	(280)	0	(1,466)	(125)
Debt and equity instrument financial assets	1,228	1,228	(63)	(112)	(267)
Property and equipment	(1,500)	(1,500)	(1,874)	(4,419)	(3,105)
Others	2	2	(6)	(376)	(16)
Net cash flows used in investing activities	(550)	(550)	(1,943)	(6,374)	(3,512)
CASH FLOWS FROM FINANCING ACTIVITIES					
Availment of loans	1,645	1,645	738	7,508	3,725
Payment of loans	(2,810)	(2,810)	(3,861)	(8,592)	(3,923)
Dividends paid	(147)	(147)	(116)	(1,266)	(1,624)
Payment of lease liabilities	–	(2,228)	–	–	–
Others	(188)	(188)	(55)	(144)	363
Net cash flows used in financing activities	(1,500)	(3,728)	(3,294)	(2,495)	(1,459)
Effect of forex on cash and cash equivalents	(91)	(91)	–	4	14
Net increase (decrease) in cash and cash equivalents	(2,602)	(2,602)	(3,668)	223	1,847
Cash and cash equivalents at beginning of year	14,788	14,788	14,565	14,565	12,718
CASH AND CASH EQUIVALENTS AT END OF PERIOD	12,186	12,186	10,897	14,788	14,565

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.