



ROBINSONS RETAIL HOLDINGS, INC.

9M2018 UNAUDITED EARNINGS RESULTS

OCTOBER 29, 2018



20181113

AGENDA

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

9M2018 FINANCIAL HIGHLIGHTS



Strong
blended
SSSG of
6.6%

1,778
stores plus
1,914 TGP
branches
nationwide

9.0% yoy
increase in
gross floor
area
(excl. TGP)

13.1%
yoy lift in
consolidated
net sales

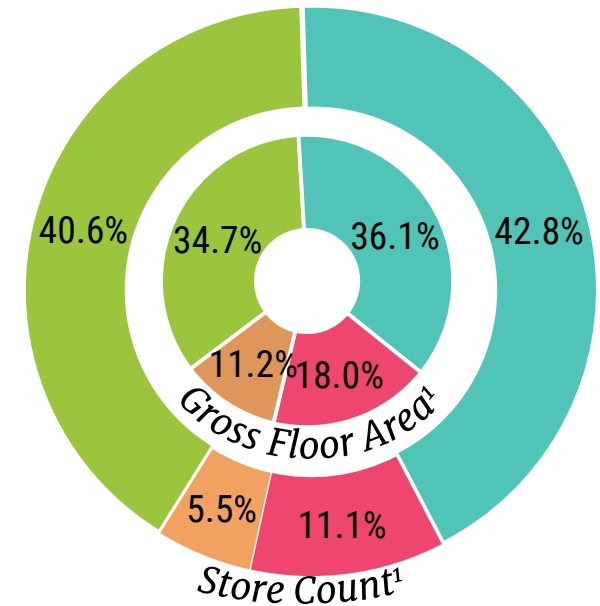
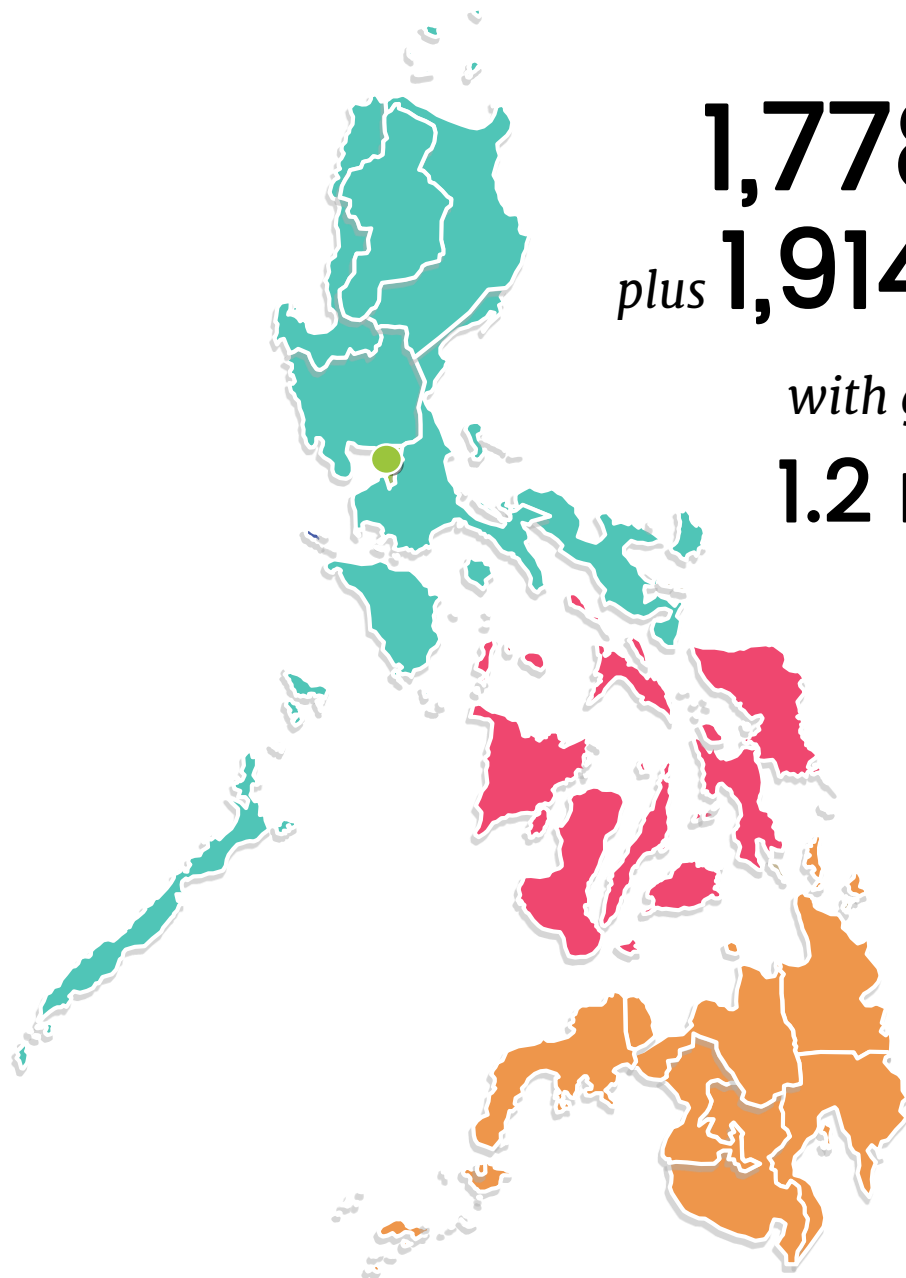
EBITDA
margin at
7.0%


Gross
margin at
22.4%

12.7% yoy
increase in
Core Net
income

STORE NETWORK: 9M2018

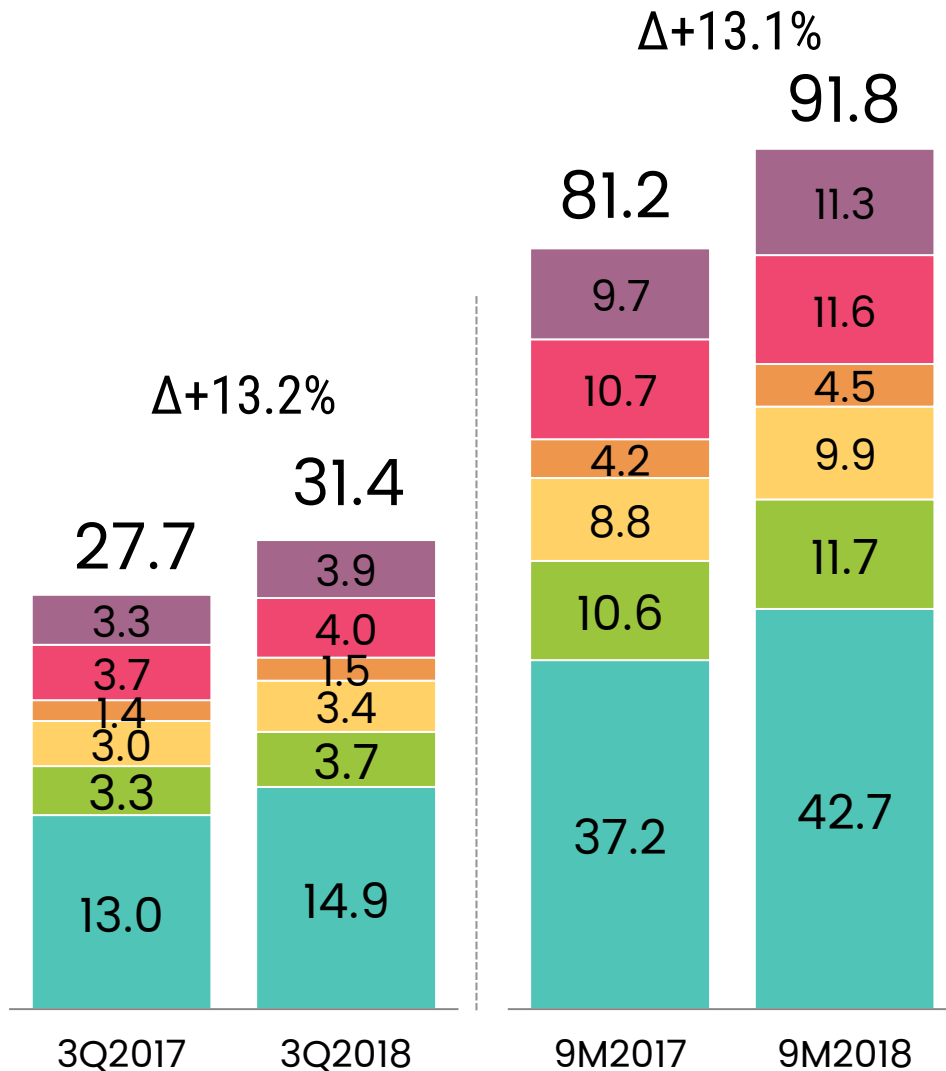
1,778 stores
 plus **1,914** TGP branches
 with gross floor area of
1.2 million sqm¹



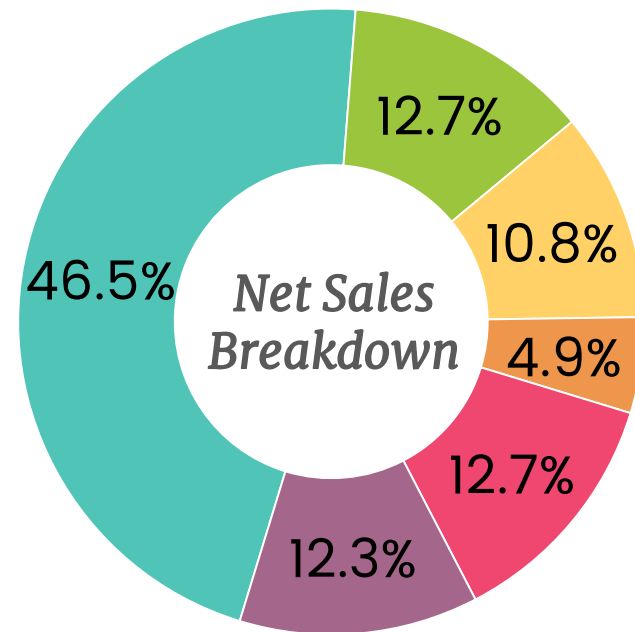
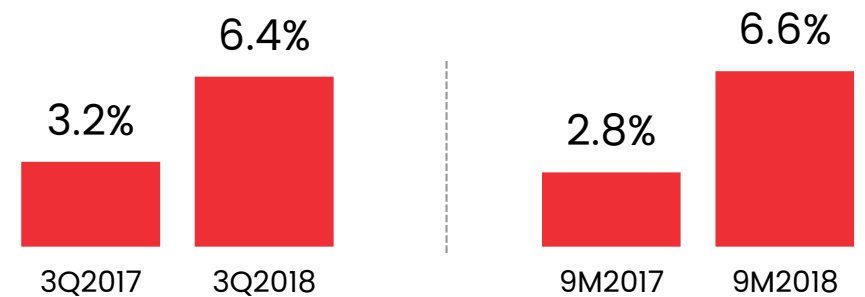
	Metro Manila	Luzon	Visayas	Mindanao
 Supermarkets	53	67	25	13
Department Stores	14	18	11	8
DIY Stores	60	85	40	21
Convenience Stores	323	148	25	-
Drugstores ¹	114	316	42	27
Specialty Stores	158	128	54	28
Total	722	762	197	97
<i>TGP</i>	<i>446</i>	<i>998</i>	<i>272</i>	<i>198</i>

9M2018 CONSOLIDATED RESULTS

Net Sales¹ (₹ bn)

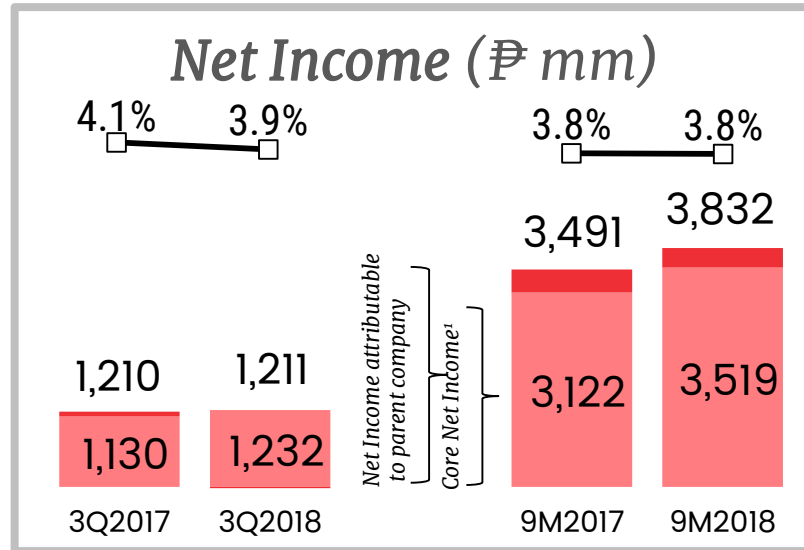
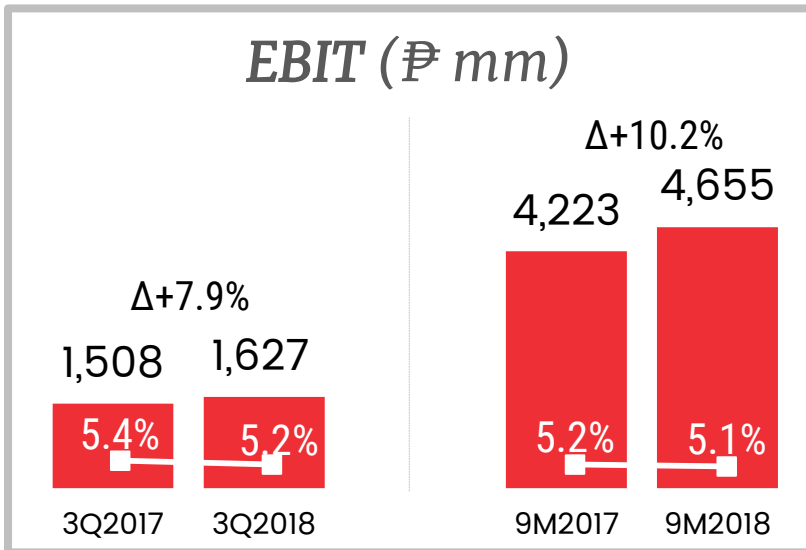
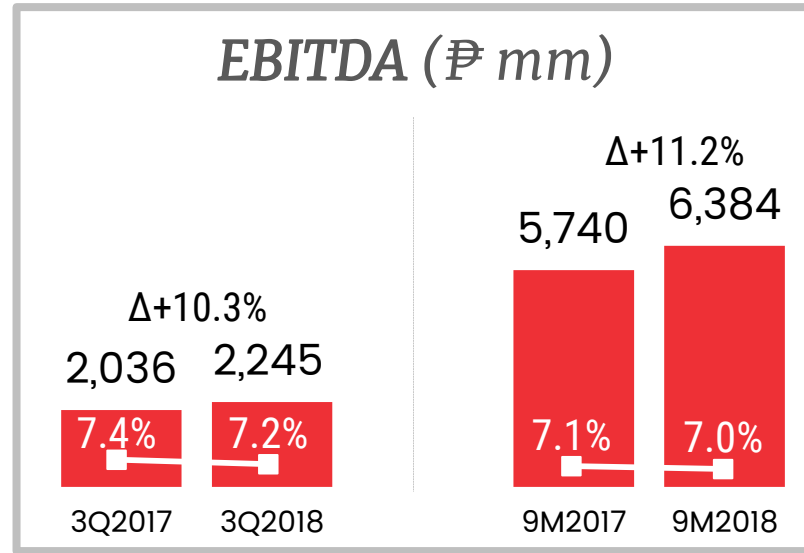
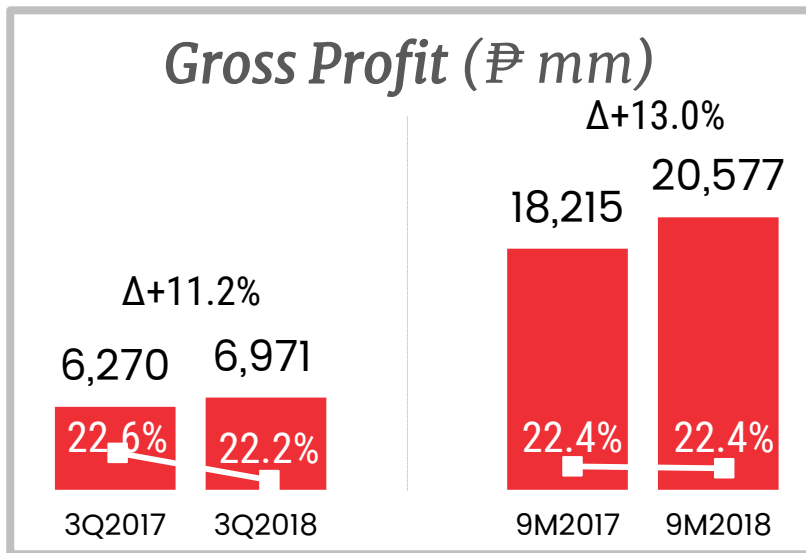


Same Store Sales Growth



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

9M2018 CONSOLIDATED RESULTS



9M18 Highlights:

Gross profit margin sustained at 22.4%;

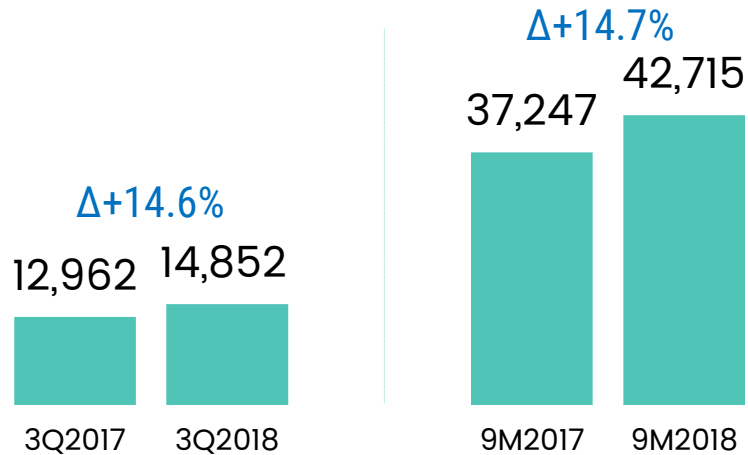
EBITDA margin at 7.0% level;

Net income attributable to parent up by 9.8%.

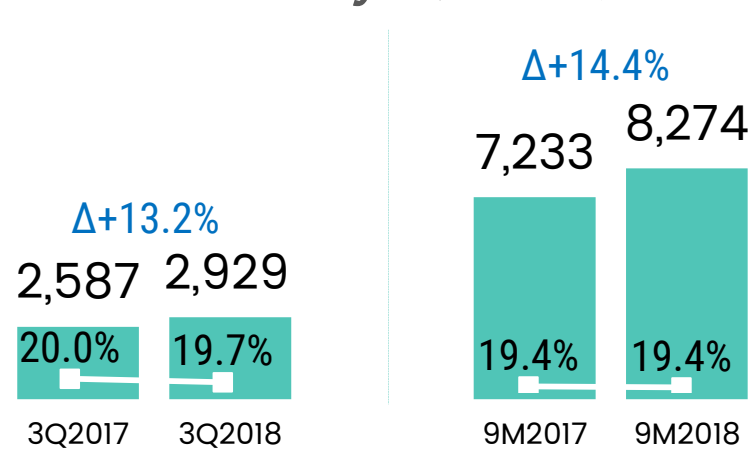
—◆— Core net income as a % of net sales

SUPERMARKET BUSINESS SEGMENT

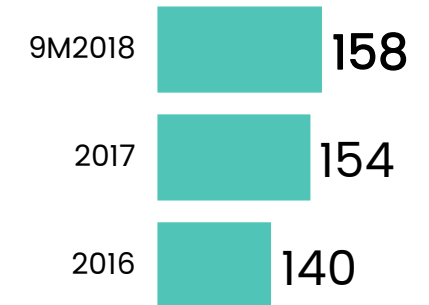
Net Sales (₱ mm)



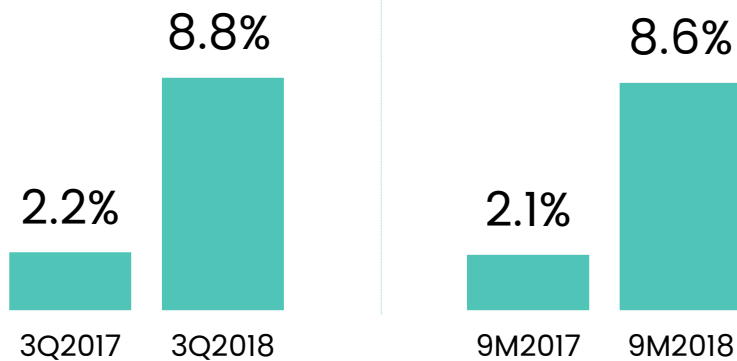
Gross Profit (₱ mm)



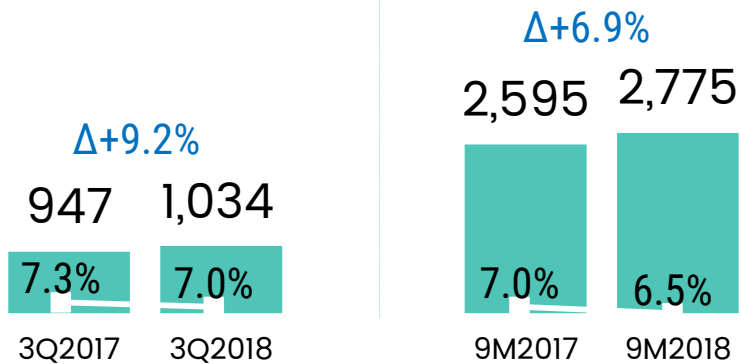
Store Count



Same Store Sales Growth



EBITDA (₱ mm)



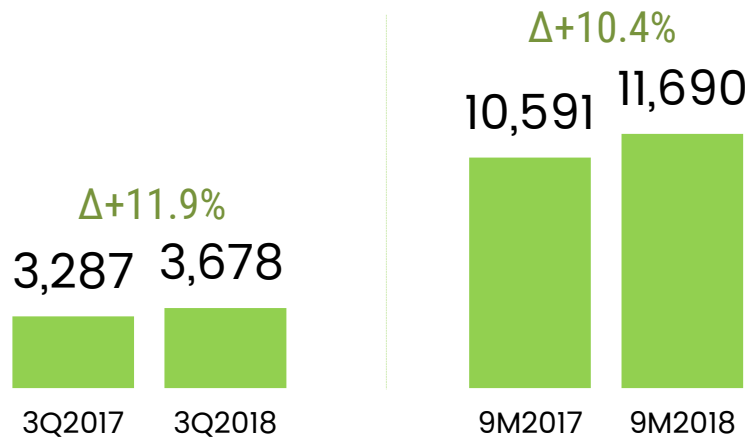
9M18 Highlights:

Increase in net sales driven by new store additions (6.0%) and strong SSSG (8.6%);

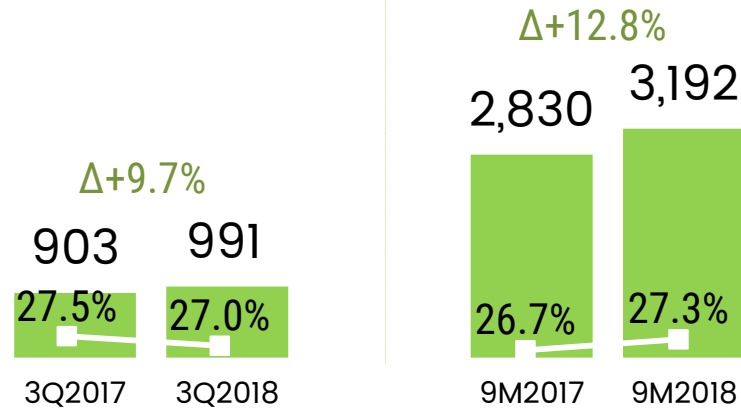
SSSG was robust due to higher consumption among salaried employees

DEPARTMENT STORE BUSINESS SEGMENT

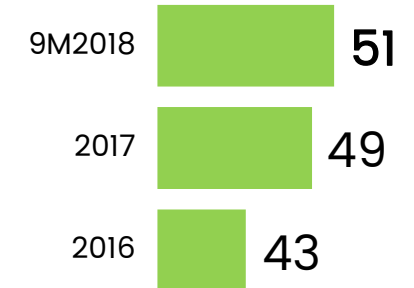
Net Sales (₱ mm)



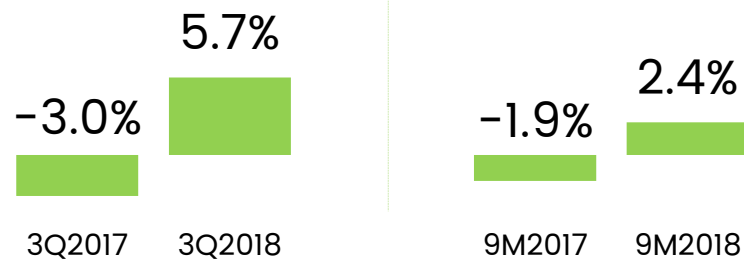
Gross Profit (₱ mm)



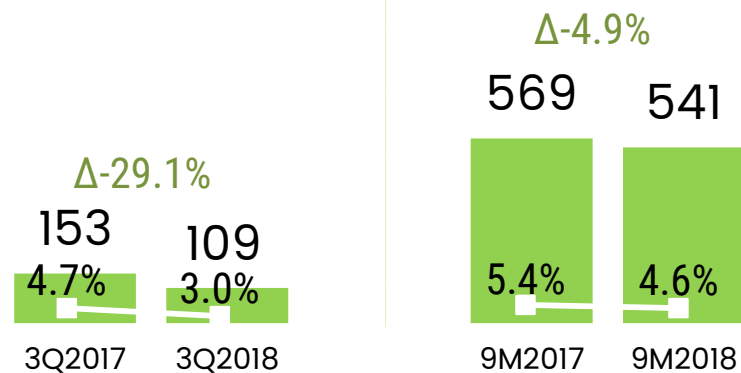
Store Count



Same Store Sales Growth



EBITDA (₱ mm)



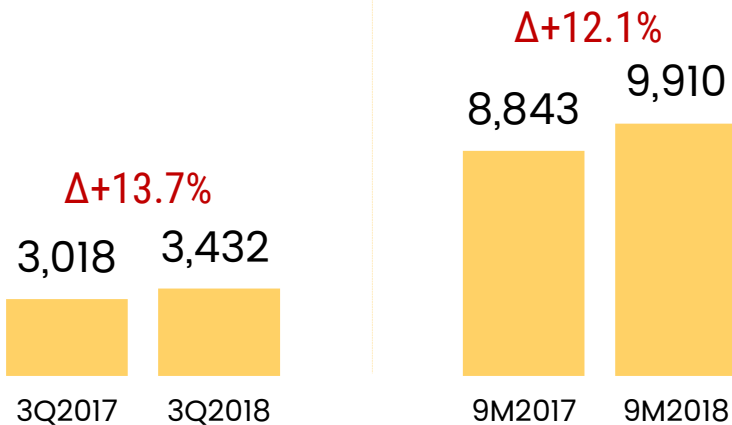
9M18 Highlights:

Increase in net sales driven by new store additions (8.0%) and strong SSSG (2.4%);

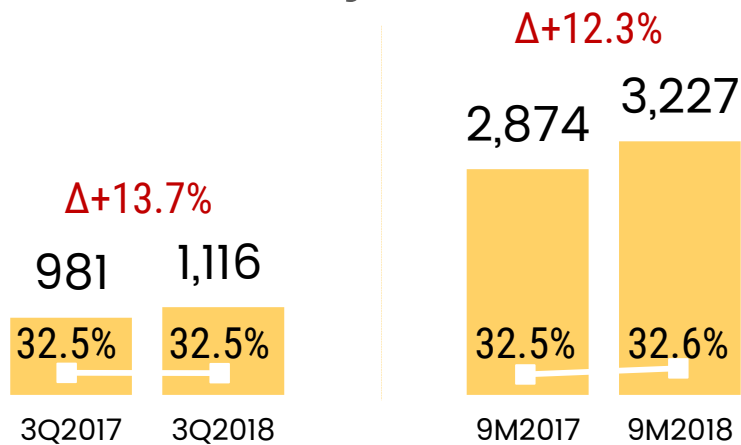
Opened 3 new stores in Ormoc, Iloilo and Tuguegarao.

DIY STORE BUSINESS SEGMENT

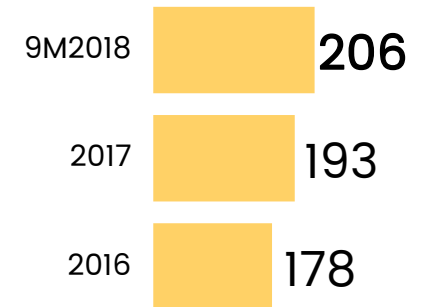
Net Sales (₱ mm)



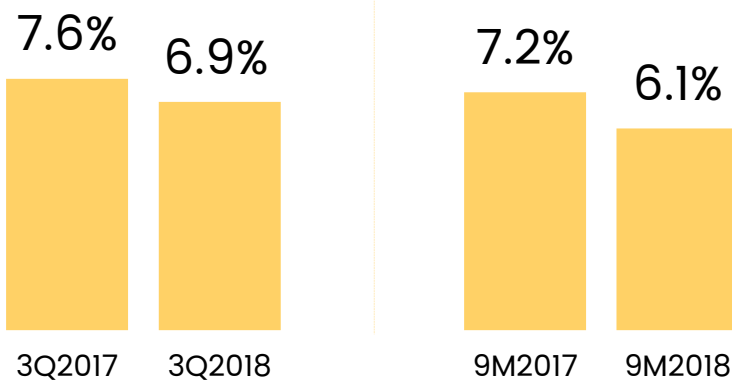
Gross Profit (₱ mm)



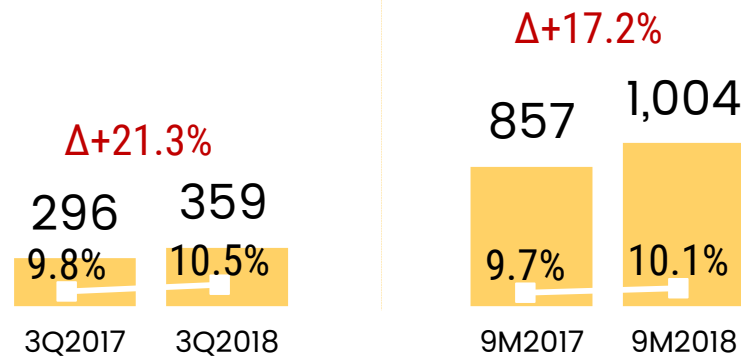
Store Count



Same Store Sales Growth



EBITDA (₱ mm)

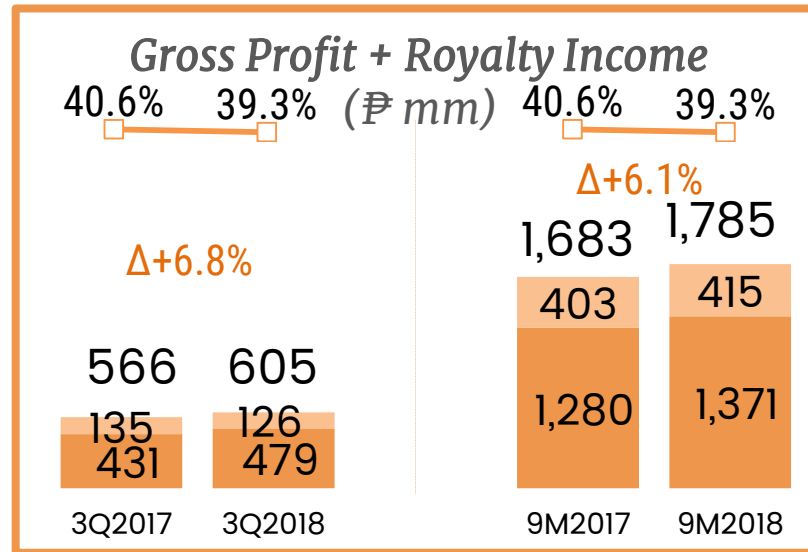
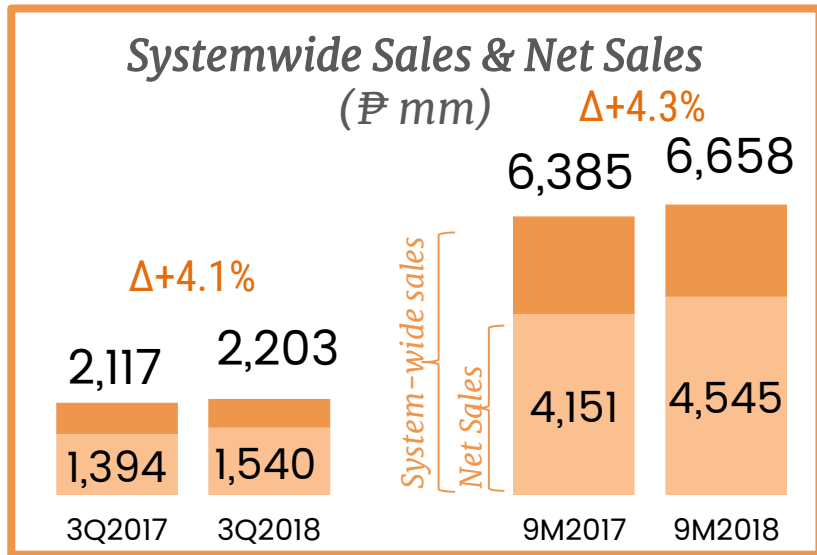


9M18 Highlights:

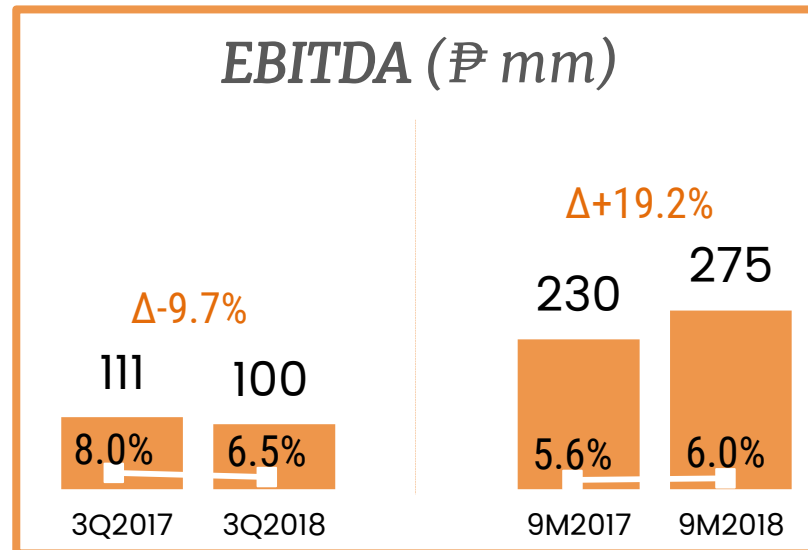
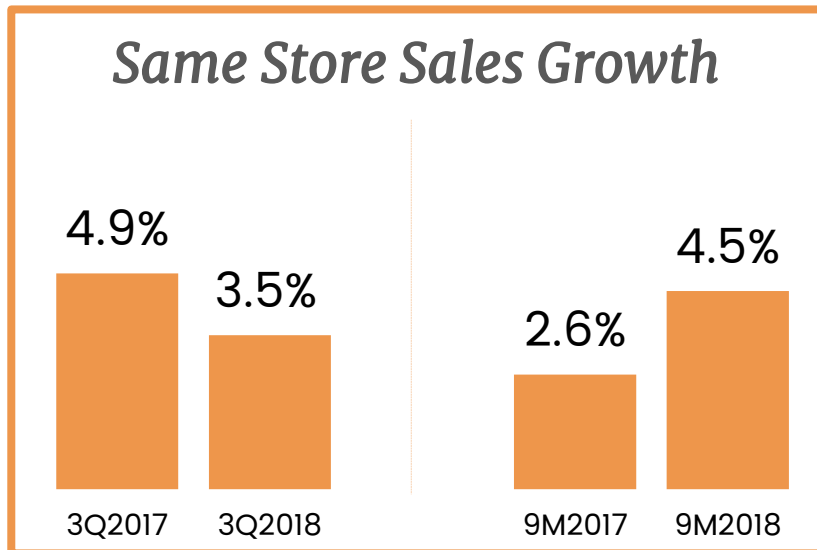
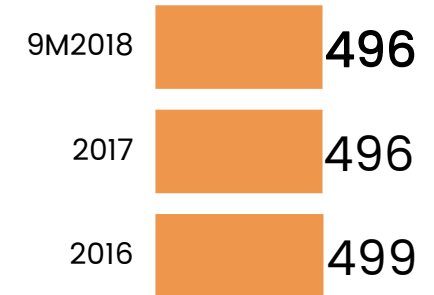
Double-digit sales growth equally due to healthy SSSG and sustained expansion;

Notable category drivers include home organizers, pet food and hardware

CONVENIENCE STORE BUSINESS SEGMENT



Store Count



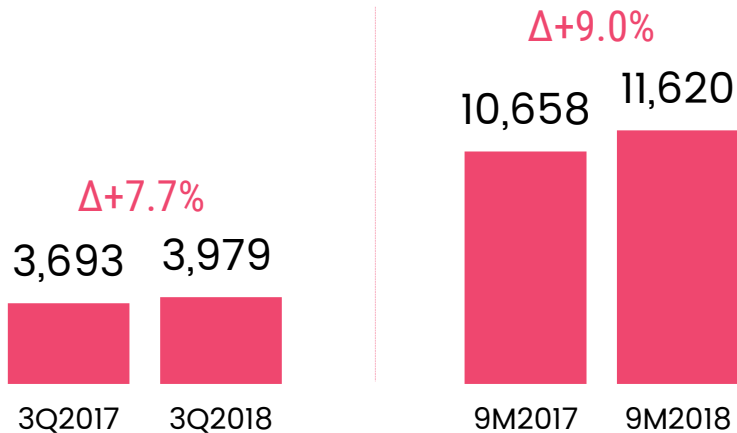
9M18 Highlights:

Increased in purchasing power drives growth;

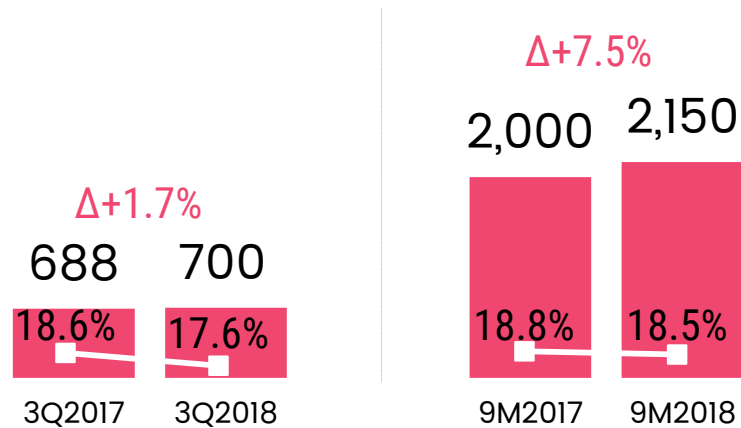
Ratio of franchised to company-managed stores is now at 42:58.

DRUGSTORE BUSINESS SEGMENT

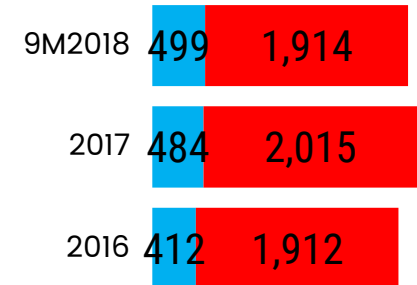
Net Sales (₹ mm)



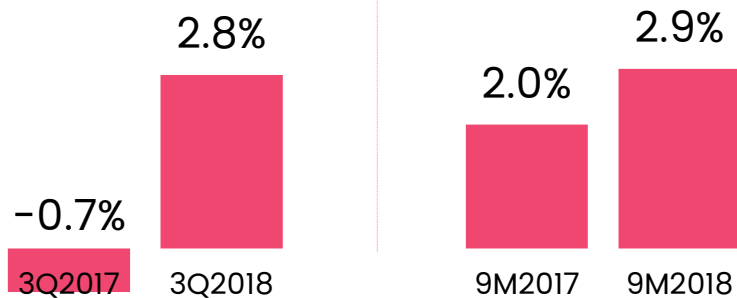
Gross Profit (₹ mm)



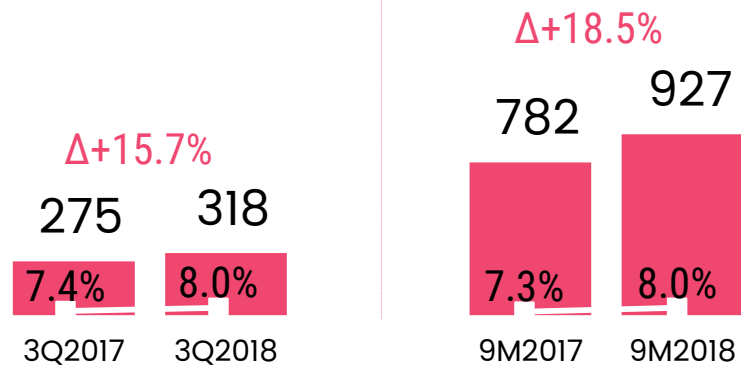
Store Count



Same Store Sales Growth



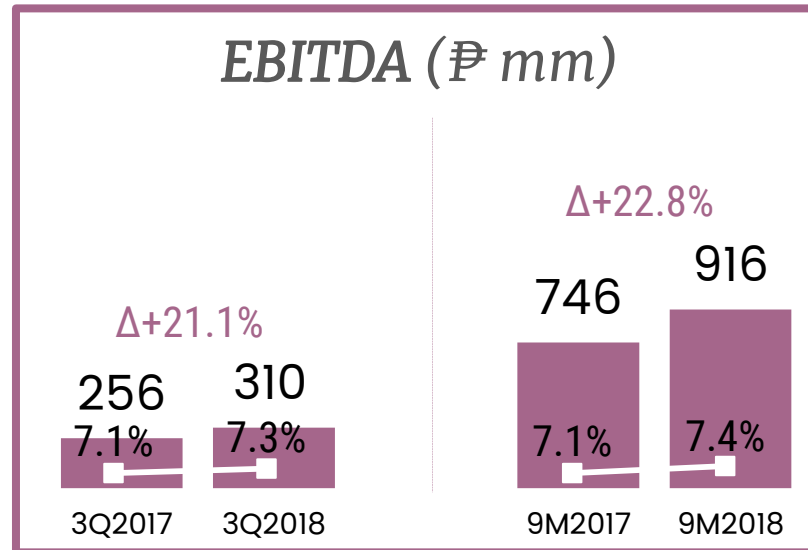
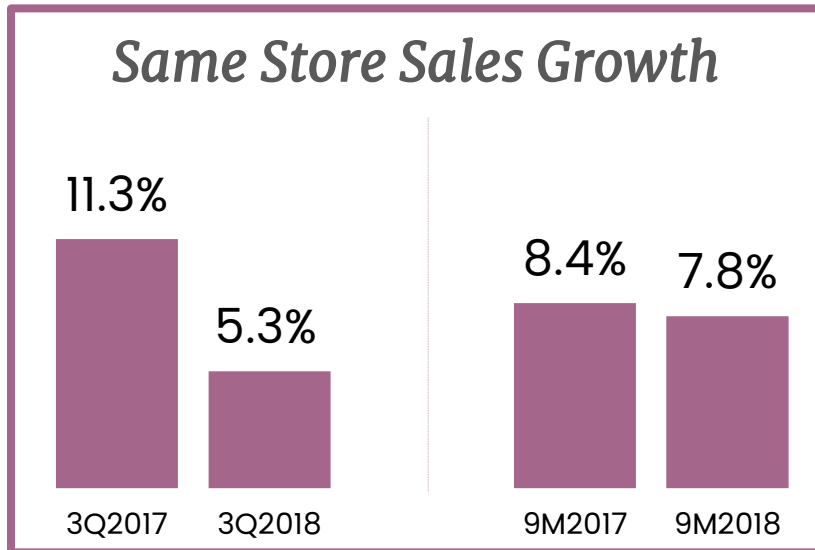
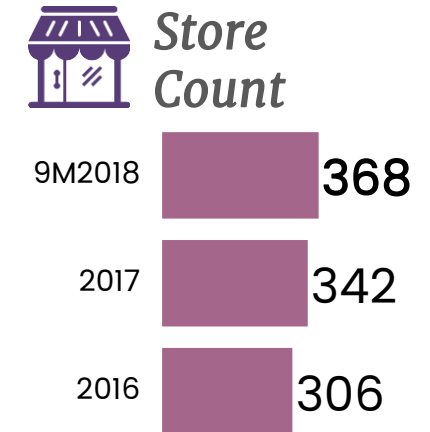
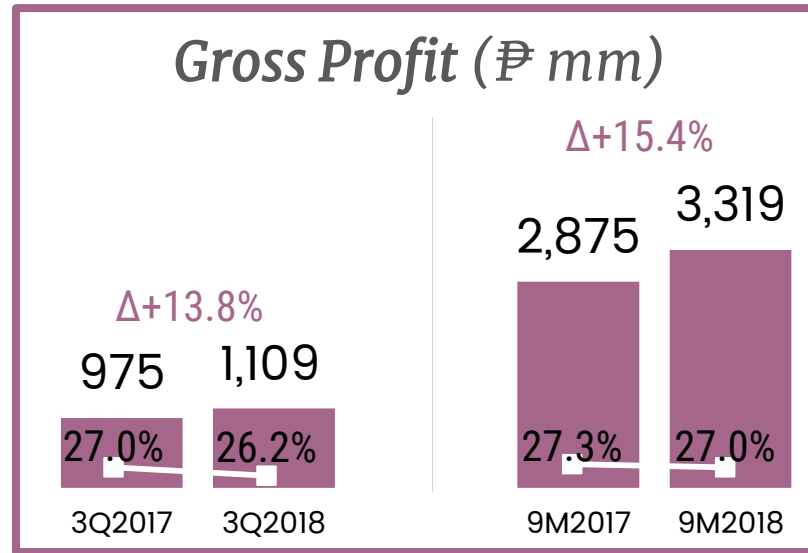
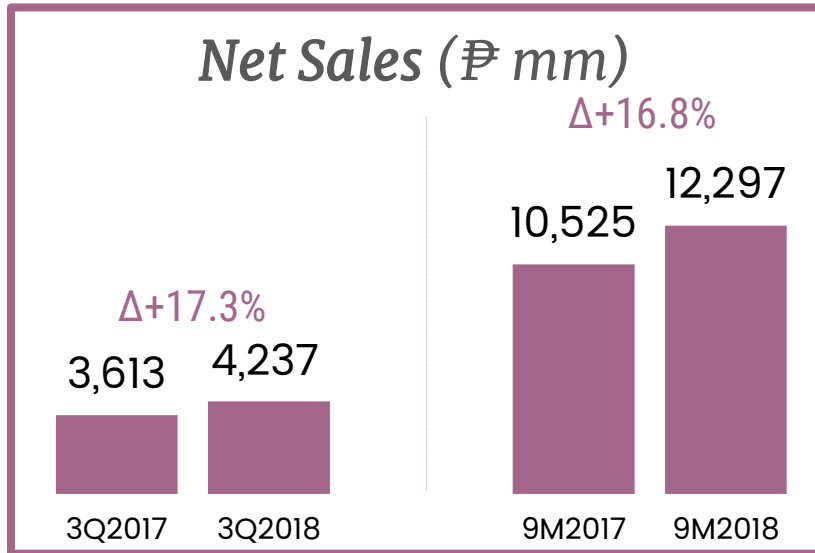
EBITDA (₹ mm)



9M18 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

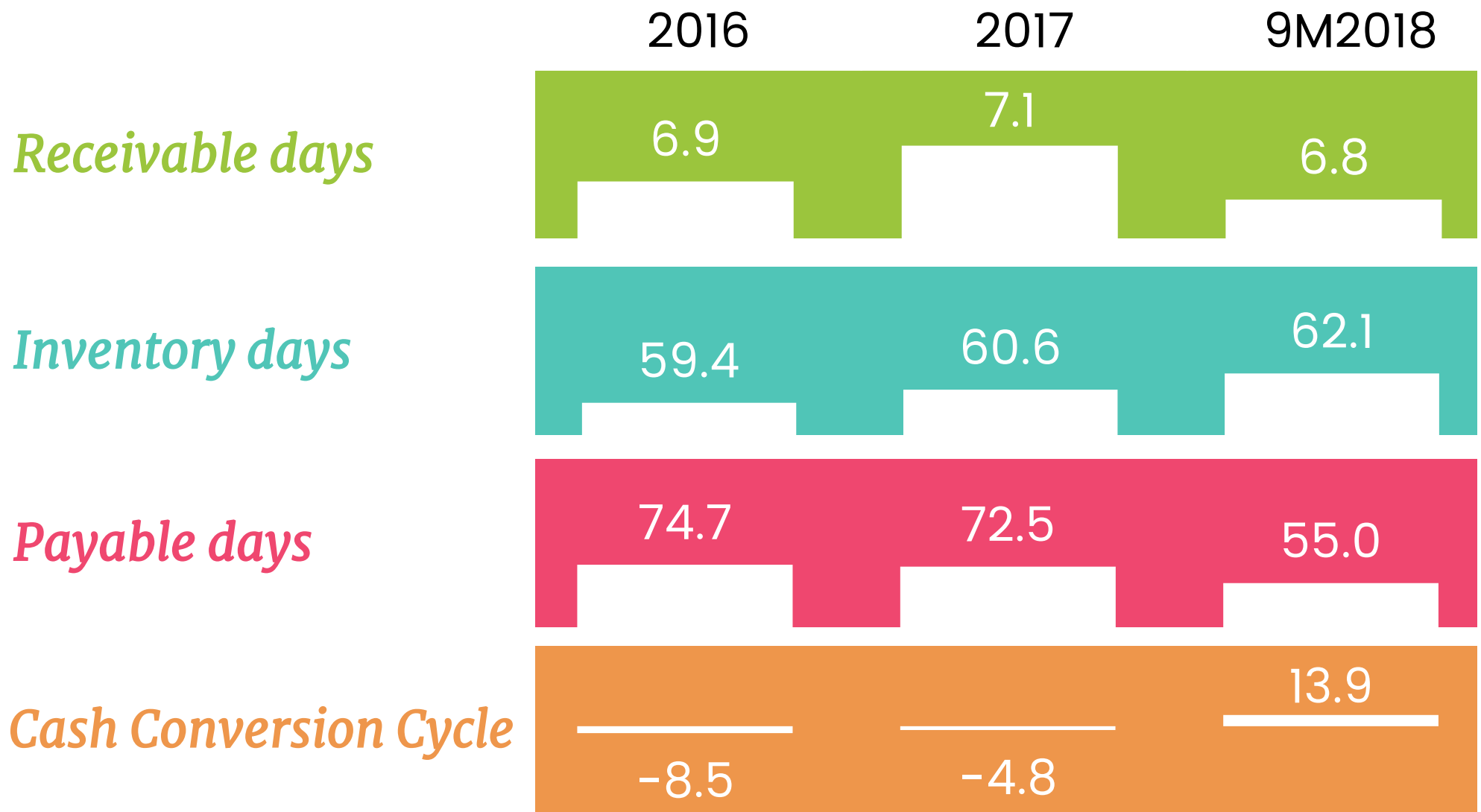


9M18 Highlights:

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

Strong SSSG driven by appliances, Daiso Japan and beauty formats












WORKING CAPITAL



CAPITAL EXPENDITURE

	2016	2017	9M2018
<i>Supermarkets</i>	26%	41%	51%
<i>Department stores</i>	10%	24%	16%
<i>DIY Stores</i>	7%	11%	12%
<i>Convenience Stores</i>	4%	4%	5%
<i>Drugstores</i>	43%	8%	3%
<i>Specialty Stores</i>	10%	12%	13%
Total CAPEX (in ₱ mm)	5,620	3,105	2,865
<i>% of net sales</i>	5.3%	2.7%	3.1%

E-COMMERCE TIMELINE

Launch	Brand	Platform
Sep 2018		honestbee
Jun 2018	[W A R E H O U S E]	Zalora
May 2018		Shopee
Apr 2018		honestbee
Apr 2018		Lazada
Jan 2018		Lazada
Dec 2017	 (invested 20% stake)	BeautyMNL
Oct 2017	 	Lazada
May 2017		honestbee
Apr 2017	TOPSHOP TOPMAN BURTON MENSWEAR DOROTHY PERKINS L O N D O N	Zalora
Mar 2015	 	Lazada

LAUNCH OF MOBILE APP



released in



last October 18

Available soon on



NEW LOOK OF DAISO JAPAN



OPENING OF PET LOVERS CENTRE





 **ROBINSONS
RETAIL
HOLDINGS, INC.**

THANK YOU!



INCOME STATEMENT (UNAUDITED)

PHP mm	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2018	2017	2018	2017
Sales - net of sales discounts and returns	31,358	27,695	91,817	81,180
Cost of merchandise sold	24,387	21,424	71,240	62,965
Gross Profit	6,971	6,270	20,577	18,215
Royalty, rent and other revenues	706	576	1,880	1,689
Gross profit including other revenue	7,677	6,846	22,458	19,905
Operating expenses	(6,049)	(5,339)	(17,803)	(15,682)
Earnings before interest and taxes	1,627	1,508	4,655	4,223
OTHER INCOME (CHARGES)				
Interest income	240	216	715	665
Foreign currency exchange gain - net	59	14	305	80
Dividend income	28	28	84	84
Equity in net earnings of an associate	29	40	110	105
Interest expense	(37)	(28)	(92)	(100)
Others	(139)		(192)	
	181	270	930	834
INCOME BEFORE INCOME TAX	1,808	1,778	5,585	5,057
Provision for income tax	421	421	1,250	1,158
NET INCOME	1,387	1,357	4,335	3,899
Net income attributable to:				
Equity holders of the Parent Company	1,211	1,210	3,832	3,491
Non-controlling interest in consolidated subsidiaries	176	147	503	407
	1,387	1,357	4,335	3,899
Earnings Per Share				
Basic	0.87	0.87	2.77	2.52
Weighted	0.87	0.87	2.77	2.52
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	September 30 2018	December 31 2017
ASSETS		
Current Assets		
Cash and cash equivalents	7,523	14,565
Trade and other receivables	2,296	2,235
Merchandise inventories	16,211	14,847
Other current assets	2,446	2,424
Total Current Assets	28,475	34,070
Noncurrent assets		
Available-for-sale (AFS) financial assets	20,160	20,667
Property and equipment	14,734	13,601
Investment in associates	6,709	5,272
Other noncurrent assets	8,846	8,571
Total Noncurrent Assets	50,448	48,111
Total Assets	78,923	82,181
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	14,359	17,774
Short-term loans payable	4,234	6,378
Other current liabilities	924	1,204
Total Current Liabilities	19,517	25,356
Total Noncurrent Liabilities	1,672	1,558
Total Liabilities	21,189	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	26,488	23,653
Others	(459)	290
Total equity attributable to equity holders	53,620	51,533
Non-controlling interest in consolidated	4,114	3,733
Total Equity	57,734	55,267
Total Liabilities and Equity	78,923	82,181

CASH FLOW STATEMENT (UNAUDITED)

PHP mm	Nine Months Ended Sept 30		Years Ended December 31	
	2018	2017	2017	2016
Income before income tax	5,585	5,057	7,303	6,667
Adjustments for:				
Depreciation and amortization	1,729	1,517	2,073	2,038
Retirement expense	115	95	171	117
Interest expense	92	100	127	87
Equity in net earnings in associates	(110)	(105)	(124)	(103)
Dividend income	(84)	(84)	(112)	(112)
Interest income	(715)	(665)	(873)	(827)
Others	(224)	(80)	10	(160)
Operating income before working capital changes	6,389	5,835	8,575	7,707
Working capital changes	(4,827)	(4,479)	(740)	(1,098)
Interest received	884	667	864	962
Retirement	—	—	(239)	(9)
Income tax paid	(1,708)	(1,355)	(1,657)	(1,393)
Net cash flows generated from (used in) operations	737	668	6,804	6,169
Investment in associate	(1,305)	—	—	—
AFS investments	(91)	(155)	(267)	(531)
Property and equipment	(2,865)	(2,145)	(3,105)	(3,244)
Acquisition through business combination	—	—	—	(2,180)
Others	(149)	(66)	(141)	30
Net cash flows used in investing activities	(4,410)	(2,366)	(3,512)	(5,924)
Availment of loans	2,488	357	3,725	4,398
Payment of loans	(4,632)	(3,085)	(3,923)	(667)
Dividends paid	(1,133)	(1,151)	(1,624)	(936)
Others	(92)	390	363	(87)
Net cash flows used in financing activities	(3,370)	(3,489)	(1,459)	2,709
Effect of forex on cash and cash equivalents			14	8
Net increase (decrease) in cash and cash equivalents	(7,042)	(5,187)	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	7,523	7,531	14,565	12,718