



LT GROUP, INC.

Analyst Briefing
First Half 2015 Financial Results
August 14, 2015

Resilience Amid Challenges

Consolidated Income Statement Highlights

(In Php Billions)

	1H15	1H14	Inc/ (Dec)	% Change
REVENUES				
Banking	13.02	12.38	0.64	5%
Beverage	6.57	6.49	0.08	1%
Distilled Spirits	5.59	5.54	0.05	1%
Property Development	1.25	0.87	0.38	44%
Tobacco	0.00	0.00	-	--
Total Revenues	26.43	25.28	1.15	5%
Cost of Sales	12.21	12.03	0.18	1%
Gross Income	14.22	13.25	0.97	7%
Equity Income	0.59	0.70	(0.11)	(16%)
	14.81	13.95	0.86	6%
Operating Expenses	10.82	12.54	(1.72)	(14%)
Other Income/(Charges)	2.57	2.83	(0.26)	(9%)
Provision for Income Tax	1.23	1.28	(0.05)	(4%)
NET INCOME	5.33	2.96	2.37	80%
Net Income Attributable To:				
Equity Holders of LTG	3.57	2.16	1.41	65%
Non-controlling Interests	1.76	0.80	0.96	120%
TOTAL NET INCOME	5.33	2.96	2.37	80%

Net Income by Segment

<i>(In Php Millions)</i>	Net Income		LTG's Share in Net Income					
Segment	1H15	1H14	1H15	% to total	Y-o-Y Change		1H14	% to total
					Inc/(Dec)	%		
Banking	4,104	3,120	2,264	63%	477	27%	1,787	83%
Beverage	524	629	523	15%	(105)	-17%	628	29%
Tobacco	425	713	423	12%	(287)	-40%	710	33%
Distilled Spirits	179	(172)	179	5%	351	204%	(172)	-8%
Property Development	114	38	113	3%	75	197%	38	2%
Others	(13)	(1,366)	71	2%	902	-109%	(831)	-38%
TOTAL	5,333	2,962	3,573	100%			2,160	100%
Earnings Per Share (Php)			0.33				0.20	

Consolidated Balance Sheet Highlights

(In Php Billions)

As of:	June 2015	Dec 2014	Inc/(Dec)	% Change
Cash	126.5	147.3	(20.8)	(14.1%)
Total Assets	715.1	696.8	18.3	2.6%
Total Liabilities	548.5	534.1	14.4	2.7%
Total Equity	166.6	162.7	3.9	2.4%
D-E Ratio	3.3	3.3	0.0	0.3%

<i>(In Php Millions)</i>	1H15	1H14	Inc/(Dec)	%
Net Interest Income				
Interest Income	10,669	10,239	430	4%
Interest Expense	2,017	1,956	61	3%
	8,652	8,283	369	4%
Net Service Fees and Commission Income				
Service Fee Income	1,976	1,675	301	18%
Service Fee Expense	471	390	81	21%
	1,505	1,285	220	17%
Other Income				
Trading Gains & PRX	949	1,962	(1,013)	(52%)
Others	2,194	1,855	339	18%
	3,143	3,817	(674)	(18%)
Operating Expenses	8,386	9,332	(946)	(10%)
Prov. for Income Tax	810	933	(123)	(13%)
Segment Profit	4,104	3,120	984	32%
EBITA Computation:				
Net Income	4,104	3,120	984	32%
Depreciation	552	828	(276)	(33%)
Prov. for Income Tax	810	1,228	(418)	(34%)
EBITDA	5,466	5,176	290	6%

Balance Sheet	As of	As of	As of
<i>(In Php Billions)</i>	Jun '15	Jun '14	Dec '14
COH & Due from Banks	123	158	144
AFS Investments	80	64	63
Loans and Receivables	340	279	316
Deposit Liabilities	456	437	448
Equity	90	74	86
	As of	As of	As of
Ratios	Jun '15	Jun '14	Dec '14
Return on Equity	9.3%	8.7%	7.6%
Return on Assets	1.3%	1.1%	1.0%
Net Interest Margin	3.1%	3.1%	3.2%
Cost Efficiency	65.9%	62.8%	64.8%
NPL Ratio, net	0.3%	1.2%	0.9%
Loans to Deposit Ratio	73.6%	61.9%	67.7%
CAR - solo	14.4%	16.0%	15.4%
CAR - conso	19.6%	18.8%	20.6%
Tier 1 - solo	11.2%	12.4%	12.0%
Tier 1 - conso	16.6%	15.5%	17.4%



Income Statement



LT GROUP, INC.

(In Php Millions)	1H15	1H14	Inc/(Dec)	%
Segment Revenue	7,100	7,184	(84)	(1%)
Cost of Sales	5,176	5,161	15	0%
Gross Profit	1,924	2,023	(99)	(5%)
<i>Gross Profit Margin</i>	<i>27%</i>	<i>28%</i>	<i>-1%pt</i>	
Operating Expenses	1,199	1,153	46	4%
Operating Income	725	870	(145)	(17%)
Other Inc./ (Charges)	22	20	2	10%
Prov. for Income Tax	223	261	(38)	(15%)
Segment Profit	524	629	(105)	(17%)
<i>Net Income Margin</i>	<i>7%</i>	<i>9%</i>	<i>-2%pts</i>	

EBITDA Computation:

Net Income	524	629
Depr. and Amort.	831	811
Interest Expense	7	6
Prov. for Income Tax	223	261
EBITDA	1,585	1,707



Income Statement

(In Php Millions)	1H15	1H14	Inc/(Dec)	%
Segment Revenue	-	-	-	
Cost of Sales	-	-	-	
Gross Profit	-	-	-	
Equity in Net Earnings fr PMFTC	420	687	(267)	(39%)
	420	687	(267)	(39%)
Operating Expenses	54	140	(86)	(61%)
Operating Income	366	547	(181)	(33%)
Other Inc./ (Charges)	65	225	(160)	(71%)
Prov. for Income Tax	6	59	-53	(90%)
Segment Profit	425	713	(288)	(40%)

EBITDA Computation:

Net Income	425	713	(288)	(40%)
Depr. and Amort.	6	5	1	20%
Prov. for Income Tax	6	59	(53)	(90%)
EBITDA	437	777	(340)	(44%)

New Products:





TANDUAY Distillers Inc.

Income Statement



LT GROUP, INC.

(In Php Millions)	1H15	1H14	Inc/(Dec)	%
Sales Volume	7.842	8.012	(0.170)	(2%)
Segment Revenue	5,651	5,561	90	2%
Cost of Sales	4,567	4,638	(71)	(2%)
Gross Profit	1,084	923	161	17%
<i>Gross Profit Margin</i>	<i>19%</i>	<i>17%</i>	<i>+2%pts</i>	
OPERATING EXPENSES				
Selling Expenses	425	515	(90)	(17%)
Admin. Expenses	342	369	(27)	(7%)
Operating Income	317	39	278	713%
Other Inc./ (Charges)	(42)	(208)	166	(80%)
Prov. for Income Tax	97	3	94	3133%
Segment Profit	179	(172)	351	(204%)
<i>Net Income Margin</i>	<i>3%</i>	<i>-3%</i>	<i>+6%pts</i>	

EBITDA Computation:

Net Income	179	(172)
Depr. and Amort.	217	255
Interest Expense	48	208
Prov. for Income Tax	97	3
EBITDA	541	294

New Product:





Income Statement



LT GROUP, INC.

(In Php Millions)	1H15	1H14	Inc/(Dec)	%
Segment Revenue				
<i>Residential</i>	713	597	116	19%
<i>Leasing</i>	535	274	261	95%
Cost of Sales				
<i>Residential</i>	539	516	23	4%
<i>Leasing</i>	114	106	8	8%
Gross Profit				
<i>Residential</i>	174	81	93	115%
<i>Leasing</i>	421	168	253	151%
Gross Profit Margin				
<i>Residential</i>	24%	14%	+10%pts	
<i>Leasing</i>	79%	61%	+18%pt	
Operating Expenses	355	320	35	11%
Operating Income	240	(71)	311	(438%)
Other Inc./ (Charges)	(38)	128	(166)	(130%)
Prov. for Income Tax	88	19	69	363%
Segment Profit	114	38	76	200%
<i>Net Income Margin</i>	<i>9%</i>	<i>4%</i>	<i>+5%pts</i>	

EBITDA Computation:

Net Income	114	38
Depr. and Amort.	74	52
Interest Expense	63	22
Prov. for Income Tax	88	19
EBITDA	339	131

Pipeline of BPO Office Buildings:



Cyberpod
Centris
Five,
Eton
Centris,
Quezon
City

Project in
Ortigas
Center, Pasig

