



LT GROUP, INC.

Analyst Briefing Full Year 2014 Financial Results

March 20, 2015



CONQUERING CHALLENGES

Consolidated Unaudited Income Statement Highlights

(In Php Billions)

	2014	2013	Inc/ (Dec)	% Change
REVENUES				
Banking	24.63	28.86	(4.23)	(15%)
Beverage	13.32	12.70	0.62	5%
Property Development	2.28	3.66	(1.38)	(38%)
Distilled Spirits	11.92	10.43	1.49	14%
Tobacco	0.00	0.15	(0.15)	(100%)
Total Revenues	52.15	55.80	(3.65)	(7%)
Cost of Sales	25.07	26.01	(0.94)	(4%)
Gross Income	27.08	29.79	(2.71)	(9%)
Equity Income	0.85	3.70	(2.85)	(77%)
Operating Expenses	27.93	33.49	(5.56)	(17%)
Other Income/(Charges)	24.83	24.38	0.45	2%
Provision for Income Tax	6.08	4.48	1.60	36%
NET INCOME	6.15	11.48	(5.33)	(46%)
Net Income Attributable To:				
Equity Holders of LTG	4.22	8.67	(4.45)	(51%)
Non-controlling Interests	1.93	2.81	(0.88)	(31%)
TOTAL NET INCOME	6.15	11.48	(5.33)	(46%)

Unaudited Net Income by Segment

<i>(In Php Millions)</i>	Net Income		LTG's Share in Net Income		
Segment	2014	2013	2014	2013	Inc/(Dec)
Banking	5,622	6,235	3,114	3,447	(333)
Beverage	1,123	1,043	1,122	1,042	80
Property Development	120	105	119	104	15
Distilled Spirits	101	185	101	185	(84)
Tobacco	99	3,937	99	3,921	(3,822)
Others	(911)	(30)	(331)	(30)	(301)
TOTAL – Actual	6,154	11,475	4,224	8,669	(4,445)
Earnings Per Share (Php)			0.39	0.80	

Unaudited Consolidated Balance Sheet Highlights

(In Php Billions)

	2014	2013	Inc/(Dec)	% Change
Cash	149.4	188.3	(38.9)	(20.7%)
Total Assets	710.8	678.5	32.3	4.8%
Total Liabilities	549.5	528.7	20.8	3.9%
Total Equity	161.4	149.8	11.6	7.7%
D-E Ratio	3.4	3.5	(0.1)	(3.5%)



PNB Unaudited Income Statement

<i>(In Php Millions)</i>	2014	2013	Inc/(Dec)	%
Net Interest Income				
Interest Income	20,812	19,398	1,414	7%
Interest Expense	3,894	5,157	(1,263)	(24%)
	16,918	14,241	2,677	19%
Net Service Fees and Commission				
Service Fee Income	3,268	3,469	(201)	(6%)
Service Fee Expense	813	964	(151)	(16%)
	2,455	2,505	(50)	(2%)
Other Income				
Trading Gains & PRX	2,644	7,156	(4,512)	(63%)
Others	5,315	2,695	2,620	97%
	7,959	9,851	(1,892)	(19%)
Operating Expenses	19,706	19,134	572	3%
Prov. for Income Tax	2,004	1,228	776	63%
Segment Profit	5,622	6,235	(613)	(10%)
EBITA Computation:				
Net Income	5,622	6,235	(613)	(10%)
Depreciation	1,097	1,609	(512)	(32%)
Prov. for Income Tax	2,004	1,228	776	63%
EBITDA	8,723	9,072	(349)	(4%)

Balance Sheet <i>(In Php Billions)</i>	As of Dec '14	As of Dec '13
COH & Due from Banks	136	179
AFS Investments	62	79
Loans and Receivables	316	274
Deposit Liabilities	448	461
Equity	84	69
Ratios	As of Dec '14	As of Dec '13
Return on Equity	6.6%	9.1%
Return on Assets	0.9%	1.1%
Net Interest Margin	3.2%	2.8%
Cost Efficiency	65.7%	68.2%
NPL Ratio, net	0.9%	1.4%
Loans to Deposit Ratio	68.6%	56.0%
CAR - solo	15.4%	17.0%
CAR - conso	20.6%	19.7%
Tier 1 - solo	12.0%	15.4%
Tier 1 - conso	17.4%	16.4%



Unaudited Income Statement

(In Php Millions)	2014	2013	Inc/(Dec)	%
Segment Revenue	14,356	13,385	971	7%
Cost of Sales	10,238	9,739	499	5%
Gross Profit	4,118	3,646	472	13%
Gross Profit Margin	29%	27%	+2%pts	
Operating Expenses	2,474	2,527	(53)	(2%)
Operating Income	1,644	1,119	525	47%
Other Inc./ (Charges)	(35)	254	(289)	(114%)
Prov. for Income Tax	486	330	156	47%
Segment Profit	1,123	1,043	80	8%
Net Income Margin	8%	8%	0%pts	

EBITDA Computation:

Net Income	1,123	1,043
Depr. and Amort.	1,676	1,713
Interest Expense	12	37
Prov. for Income Tax	486	330
EBITDA	3,297	3,123

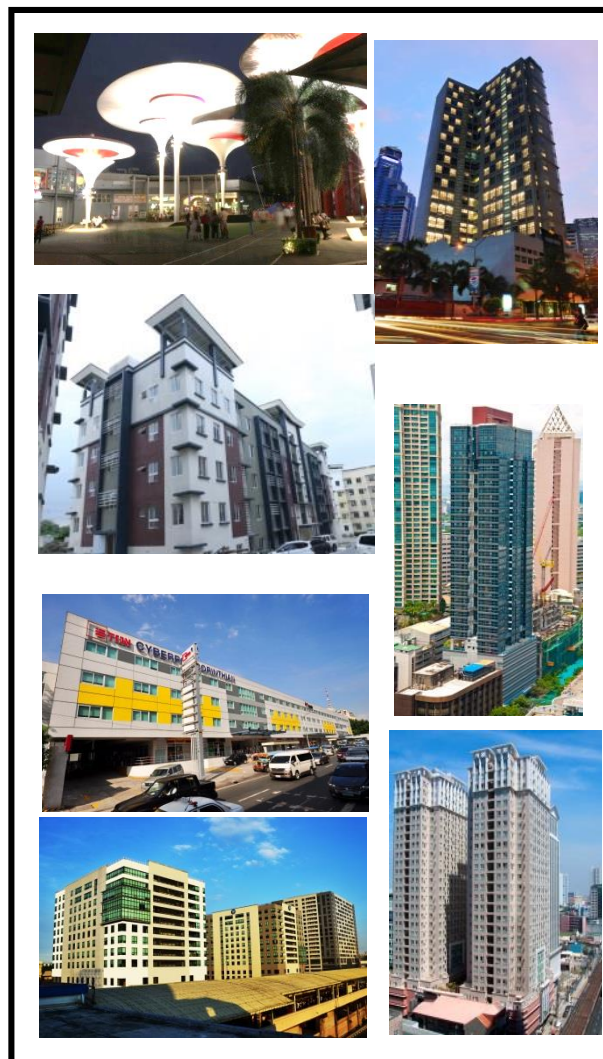


Unaudited Income Statement

<i>(In Php Millions)</i>	2014	2013	Inc/(Dec)	%
Segment Revenue				
<i>Residential</i>	1,538	3,208	(1,670)	(52%)
<i>Leasing</i>	740	449	291	65%
Cost of Sales				
<i>Residential</i>	1,304	2,490	(1,186)	(48%)
<i>Leasing</i>	279	179	100	56%
Gross Profit				
<i>Residential</i>	234	718	(484)	(67%)
<i>Leasing</i>	461	270	191	71%
Gross Profit Margin				
<i>Residential</i>	15%	22%	-7%pts	
<i>Leasing</i>	62%	60%	+2%pts	
Operating Expenses	582	808	(226)	(28%)
Operating Income	113	180	(67)	(37%)
Other Inc./ (Charges)	89	85	4	5%
Prov. for Income Tax	82	160	(78)	(49%)
Segment Profit	120	105	15	14%
<i>Net Income Margin</i>	<i>5%</i>	<i>3%</i>	<i>+2%pts</i>	

EBITDA Computation:

Net Income	120	105
Depr. and Amort.	183	132
Interest Expense	49	36
Prov. for Income Tax	82	160
EBITDA	434	433





TANDUAY Distillers Inc.

Unaudited Income Statement



LT GROUP, INC.

<i>(In Php Millions)</i>	2014	2013	Inc/(Dec)	%
Sales Volume	17.012	14.600	2.412	17%
Segment Revenue	12,021	10,540	1,481	14%
Cost of Sales	9,819	8,293	1,526	18%
Gross Profit	2,202	2,247	(45)	(2%)
<i>Gross Profit Margin</i>	<i>18%</i>	<i>21%</i>	<i>-3%pts</i>	
OPERATING EXPENSES				
Selling Expenses	958	649	309	48%
Admin. Expenses	666	894	(228)	(26%)
Operating Income	578	704	(126)	(18%)
Other Inc./ (Charges)	(405)	(339)	(66)	19%
Prov. for Income Tax	73	180	(107)	(59%)
Segment Profit	101	185	(84)	(45%)
<i>Net Income Margin</i>	<i>1%</i>	<i>2%</i>	<i>-1%pt</i>	

EBITDA Computation:

Net Income	101	185
Depr. and Amort.	539	547
Interest Expense	418	417
Prov. for Income Tax	73	180
EBITDA	1,131	1,329



Unaudited Income Statement

<i>(In Php Millions)</i>	2014	2013	Inc/(Dec)	%
Segment Revenue	-	152	(152)	(100%)
Cost of Sales	-	153	(153)	(100%)
Gross Profit	-	(1)	1	(100%)
Equity in Net Earnings fr PMFTC	466	3,704	(3,238)	(87%)
	466	3,703	(3,237)	(87%)
Operating Expenses	356	121	235	194%
Operating Income	110	3,582	(3,472)	(97%)
Other Inc./ (Charges)	321	529	(208)	(39%)
Prov. for Income Tax	332	174	158	91%
Segment Profit	99	3,937	(3,838)	(97%)

EBITDA Computation:

Net Income	99	3,937	(3,838)	(97%)
Depr. and Amort.	11	16	(5)	(31%)
Prov. for Income Tax	332	174	158	91%
EBITDA	442	4,127	(3,685)	(89%)

