



LT GROUP, INC.

Analyst Briefing

1H16 Results

August 12, 2016

INVESTING FOR THE FUTURE

Consolidated Income Statement Highlights

(In Php Billions)	1H16	1H15	Inc/ (Dec)	% Change
REVENUES				
Banking	14.29	12.77	1.52	12%
Beverage	7.25	6.57	0.68	10%
Distilled Spirits	7.05	5.59	1.46	26%
Property Development	1.31	1.25	0.06	5%
Tobacco	0.00	0.00	-	--
Total Revenues	29.90	26.18	3.72	14%
Cost of Sales	13.91	12.06	1.85	15%
Gross Income	15.99	14.12	1.87	13%
Equity Income	1.50	0.59	0.91	154%
	17.49	14.71	2.78	19%
Operating Expenses	13.03	11.03	2.00	18%
Other Income/(Charges)	3.47	2.65	0.82	31%
Provision for Income Tax	2.33	1.21	1.12	93%
NET INCOME FROM CONTINUING OPERATIONS	5.60	5.12	0.48	9%
NET INCOME FROM DISCONTINUED OPERATIONS	0.38	0.20	0.18	90%
TOTAL NET INCOME	5.98	5.32	0.66	12%
Net Income Attributable To:				
Equity Holders of LTG	4.56	3.57	0.99	28%
Non-controlling Interests	1.40	1.75	(0.35)	(20%)
TOTAL NET INCOME	5.96	5.32	0.64	12%

Net Income by Segment

(In Php Millions)	Net Income		LTG's Share in Net Income					
Segment	1H16	1H15	1H16	% to total	Y-o-Y Change		1H15	% to total
					Inc/(Dec)	%		
Banking	4,419	4,104	2,458	54%	194	9%	2,264	63%
Tobacco	1,456	425	1,450	32%	1,027	243%	423	12%
Beverage	721	524	720	16%	197	38%	523	15%
Distilled Spirits	444	179	444	10%	265	-148%	179	5%
Property Development	133	114	132	3%	19	17%	113	3%
VMC*	96	172	96	2%	(76)	-44%	172	5%
Others	(1,296)	(185)	(738)	-16%	(637)	631%	(101)	-3%
<i>LTG's share in PNB's gain from sale of ROPA to Eton</i>	<i>(1,282)</i>	<i>(193)</i>	<i>(725)</i>		<i>(616)</i>		<i>(109)</i>	
<i>Others</i>	<i>(14)</i>	<i>8</i>	<i>(13)</i>				<i>8</i>	
TOTAL	5,973	5,333	4,562	100%			3,573	
Earnings Per Share (Php)			0.42				0.33	

* VMC stake at 30.17%; was 22.59% as of end-2015

Consolidated Balance Sheet Highlights

(In Php Billions)

As of:	Jun-16	Dec-15	Inc/(Dec)	% Change
Cash	165.0	137.6	27.4	19.9%
Total Assets	783.0	750.2	32.8	4.4%
Total Liabilities	607.6	579.9	27.7	4.8%
Total Equity	175.3	170.2	5.1	3.0%
D-E Ratio	3.5	3.4	0.1	1.7%
D-E Ratio (w/o bank)	0.2	0.1	0.0	15.4%

* VMC stake at 30.17%; was 22.59% as of end-2015



PNB Income Statement

<i>(In Php Millions)</i>	1H16	1H15	Inc/(Dec)	%
Net Interest Income				
Interest Income	11,855	10,444	1,411	14%
Interest Expense	2,326	2,017	309	15%
	9,529	8,427	1,102	13%
Net Service Fees and Commission Income				
Service Fee Income	1,771	1,977	(206)	(10%)
Service Fee Expense	328	317	11	3%
	1,443	1,660	(217)	(13%)
Other Income				
Trading Gains & PRX	1,538	928	610	66%
Others	3,919	2,276	1,643	72%
	5,457	3,204	2,253	70%
Operating Expenses	10,574	8,598	1,976	23%
Prov. for Income Tax	1,820	790	1,030	130%
Profit - Continuing	4,035	3,903	132	3%
Profit - Discontinued	384	201	183	91%
Segment Profit	4,419	4,104	315	8%
EBITA Computation:				
Net Income	4,419	4,104	315	8%
Depreciation	660	547	113	21%
Prov. for Income Tax	1,820	790	1,030	130%
EBITDA	6,899	5,441	1,458	27%

<i>Balance Sheet (In Php Billions)</i>	As of Jun '16	As of Jun '15	As of Dec '15
COH & Due from Banks	163	123	135
AFS Investments	75	80	68
Loans and Receivables	391	340	366
Deposit Liabilities	535	456	486
Equity	98	90	92
<i>Ratios</i>	As of Jun '16	As of Jun '15	As of Dec '15
Return on Equity	9.3%	9.3%	7.6%
Return on Assets	1.3%	1.3%	1.1%
Net Interest Margin	3.1%	3.0%	3.2%
Cost Efficiency	58.8%	66.6%	67.7%
NPL Ratio, net	0.2%	0.3%	0.3%
Loans to Deposit Ratio	71.6%	73.6%	74.0%
CAR - solo	12.7%	14.4%	14.4%
CAR - conso	17.3%	19.6%	19.2%
Tier 1 - solo	11.9%	11.2%	11.2%
Tier 1 - conso	16.5%	16.6%	16.2%

Income Statement

(In Php Millions)	1H16	1H15	Inc/(Dec)	%
Segment Revenue	-	-	-	
Cost of Sales	-	-	-	
Gross Profit	-	-	-	
Equity in Net Earnings fr PMFTC	1,400	420	980	233%
	1,400	420	980	233%
Operating Expenses	62	54	8	15%
Operating Income	1,338	366	972	266%
Other Inc./ (Charges)	99	65	34	52%
Prov. for Income Tax	(19)	6	-25	(417%)
Segment Profit	1,456	425	1,031	243%

EBITDA Computation:

Net Income	1,456	425	1,031	243%
Depr. and Amort.	6	6	-	0%
Prov. for Income Tax	(19)	6	(25)	(417%)
EBITDA	1,443	437	1,006	230%

New Products:





Income Statement

(In Php Millions)	1H16	1H15	Inc/(Dec)	%
Segment Revenue	7,762	7,100	662	9%
Cost of Sales	5,410	5,176	234	5%
Gross Profit	2,352	1,924	428	22%
<i>Gross Profit Margin</i>	<i>30%</i>	<i>27%</i>	<i>+3%pts</i>	
Operating Expenses	1,303	1,199	104	9%
Operating Income	1,049	725	324	45%
Other Inc./ (Charges)	(16)	22	(38)	(173%)
Prov. for Income Tax	312	223	89	40%
Segment Profit	721	524	197	38%
<i>Net Income Margin</i>	<i>9%</i>	<i>7%</i>	<i>+2%pts</i>	

EBITDA Computation:

Net Income	721	524
Depr. and Amort.	774	831
Interest Expense	23	7
Prov. for Income Tax	312	223
EBITDA	1,830	1,585

New Products:



Thai Tea



Coffee Caramel

JV with Heineken:





Income Statement

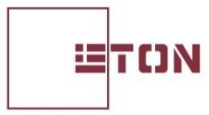
TANDUAY Distillers Inc.

(In Php Millions)	1H16	1H15	Inc/(Dec)	%
Sales Volume	7.955	7.842	0.113	1%
Segment Revenue	7,077	5,651	1,426	25%
Cost of Sales	5,799	4,567	1,232	27%
Gross Profit	1,278	1,084	194	18%
<i>Gross Profit Margin</i>	<i>18%</i>	<i>19%</i>	<i>-1%pt</i>	
OPERATING EXPENSES				
Selling Expenses	414	425	(11)	(3%)
Admin. Expenses	300	342	(42)	(12%)
Operating Income	564	317	247	78%
Other Inc./ (Charges)	(6)	(41)	35	(85%)
Prov. for Income Tax	115	97	18	19%
Segment Profit	444	179	265	148%
<i>Net Income Margin</i>	<i>6%</i>	<i>3%</i>	<i>+3%pts</i>	

EBITDA Computation:

Net Income	444	179
Depr. and Amort.	216	217
Interest Expense	4	48
Prov. for Income Tax	115	97
EBITDA	779	541





Income Statement

(In Php Millions)	1H16	1H15	Inc/(Dec)	%
Segment Revenue				
Residential	680	713	(33)	(5%)
Leasing	631	535	96	18%
Cost of Sales				
Residential	486	539	(53)	(10%)
Leasing	124	114	10	9%
Gross Profit				
Residential	194	174	20	11%
Leasing	507	421	86	20%
Gross Profit Margin				
Residential	29%	24%	+5%pts	
Leasing	80%	79%	+1%pt	
Operating Expenses	315	355	(40)	(11%)
Operating Income	386	240	146	61%
Other Inc./ (Charges)	(156)	(39)	(117)	300%
Prov. for Income Tax	97	88	9	10%
Segment Profit	133	113	20	18%
Net Income Margin	10%	9%	+1%pt	

EBITDA Computation:

Net Income	133	113
Depr. and Amort.	80	74
Interest Expense	149	63
Prov. for Income Tax	97	88
EBITDA	459	338



Centris Cyberpod Five



Eton WestEnd Square