



LT GROUP, INC.

ANALYSTS' BRIEFING
FY2016 Results
March 17, 2017

INVESTING FOR THE FUTURE

Consolidated Income Statement Highlights

(In Php Billions)

	2016	2015	Inc/ (Dec)	% Change
REVENUES				
Banking	29.11	26.60	2.51	9%
Beverage	10.93	10.39	0.54	5%
Distilled Spirits	14.90	12.00	2.90	24%
Property Development	2.85	2.48	0.37	15%
Tobacco	0.00	0.00	-	--
Total Revenues	57.79	51.47	6.32	12%
Cost of Sales	26.13	22.00	4.13	19%
Gross Income	31.66	29.47	2.19	7%
Equity Income	2.71	1.19	1.52	128%
	34.37	30.66	3.71	12%
Operating Expenses	27.91	23.36	4.55	19%
Other Income/(Charges)	6.47	4.92	1.55	32%
Provision for Income Tax	2.17	2.73	(0.56)	(21%)
NET INCOME FROM CONTINUING OPERATIONS	10.76	9.49	1.27	13%
NET INCOME FROM DISCONTINUED OPERATIONS	1.33	0.01	1.32	13200%
TOTAL NET INCOME	12.09	9.50	2.59	27%
Net Income Attributable To:				
Equity Holders of LTG	9.39	6.60	2.79	42%
Non-controlling Interests	2.70	2.90	(0.20)	(7%)
TOTAL NET INCOME	12.09	9.50	2.59	27%

Net Income by Segment

<i>(In Php Millions)</i>	Net Income		LTG's Share in Net Income					
Segment	2016	2015	2016	% to total	Y-o-Y Change		2015	% to total
					Inc/(Dec)	%		
Banking	7,382	6,769	4,140	44%	424	11%	3,716	56%
Tobacco	2,592	1,040	2,582	27%	1,546	149%	1,036	16%
Beverage	1,755	1,099	1,753	19%	655	60%	1,098	17%
Distilled Spirits	908	422	908	10%	486	-115%	422	6%
Property Development	390	313	388	4%	76	24%	312	5%
VMC*	142	214	142	2%	(72)	-34%	214	3%
Others	(1,080)	(360)	(523)	-6%	(324)	163%	(199)	-3%
<i>LTG's share in PNB's gain from sale of ROPA to Eton</i>	<i>(1,282)</i>	<i>(369)</i>	<i>(725)</i>		<i>(517)</i>		<i>(208)</i>	
<i>LTG level adjustments arising from JV projects of PNB and Eton</i>	<i>173</i>	<i>-</i>	<i>173</i>		<i>173</i>		<i>-</i>	
<i>Others</i>	<i>29</i>	<i>9</i>	<i>29</i>		<i>20</i>		<i>9</i>	
TOTAL	12,089	9,497	9,390	100%			6,599	
Earnings Per Share (Php)			0.87				0.61	

* VMC stake at 22.54% as of end-2015; equivalent to 25.12% after VMC purchased treasury shares in Feb 2016. LTG purchased additional shares in Feb 2016, bringing effective stake to 30.17%

Consolidated Balance Sheet Highlights

(In Php Billions)

As of:	2016	2015	Inc/(Dec)	% Change
Cash	174.7	137.6	37.1	27.0%
Total Assets	829.1	750.2	78.9	10.5%
Total Liabilities	650.5	579.9	70.6	12.2%
Total Equity	178.6	170.2	8.4	4.9%
D-E Ratio	3.64	3.41	0.23	6.9%
D-E Ratio (w/o bank)	0.15	0.13	0.02	15.4%



PNB Income Statement

<i>(In Php Millions)</i>	2016	2015	Inc/(Dec)	%
Net Interest Income				
Interest Income	24,354	21,719	2,635	12%
Interest Expense	4,808	4,090	718	18%
	19,546	17,629	1,917	11%
Net Service Fees and Commission Income				
Service Fee Income	3,570	4,313	(743)	(17%)
Service Fee Expense	915	717	198	28%
	2,655	3,596	(941)	(26%)
Other Income				
Trading Gains & PRX	2,866	1,787	1,079	60%
Others	6,427	3,829	2,598	68%
	9,293	5,616	3,677	65%
Operating Expenses	23,215	18,886	4,329	23%
Prov. for Income Tax	1,517	1,544	(27)	(2%)
Profit - Continuing	6,762	6,411	351	5%
Profit - Discontinued	620	358	262	73%
Segment Profit	7,382	6,769	613	9%
EBITA Computation:				
Net Income	7,382	6,769	613	9%
Depreciation	1,389	1,169	220	19%
Prov. for Income Tax	1,517	1,544	(27)	(2%)
EBITDA	10,288	9,482	806	9%

<i>Balance Sheet (In Php Billions)</i>	As of Dec '16	As of Dec '15
COH & Due from Banks	171	135
AFS Investments	67	68
Loans and Receivables	428	366
Deposit Liabilities	570	486
Equity	97	92
<i>Ratios</i>	As of Dec '16	As of Dec '15
Return on Equity	7.8%	7.6%
Return on Assets	1.0%	1.1%
Net Interest Margin	3.1%	3.1%
Cost Efficiency	63.2%	67.7%
NPL Ratio, net	0.2%	0.3%
Loans to Deposit Ratio	73.3%	74.0%
CAR - solo	12.3%	14.4%
CAR - conso	16.7%	19.2%
Tier 1 - solo	11.5%	11.2%
Tier 1 - conso	15.8%	16.2%

Income Statement

(In Php Millions)	2016	2015	Inc/(Dec)	%
Segment Revenue	-	-	-	
Cost of Sales	-	-	-	
Gross Profit	-	-	-	
Equity in Net Earnings fr PMFTC	2,593	975	1,618	166%
	2,593	975	1,618	166%
Operating Expenses	153	141	12	9%
Operating Income	2,440	834	1,606	193%
Other Inc./ (Charges)	148	259	(111)	(43%)
Prov. for Income Tax	(4)	53	-57	(108%)
Segment Profit	2,592	1,040	1,552	149%

EBITDA Computation:

Net Income	2,592	1,040	1,552	149%
Depr. and Amort.	12	12	-	0%
Prov. for Income Tax	(4)	53	(57)	(108%)
EBITDA	2,600	1,105	1,495	135%

New Products/Launches:





Income Statement

(In Php Millions)	2016	2015	Inc/(Dec)	%
Segment Revenue	11,850	11,398	452	4%
Cost of Sales	7,819	7,384	435	6%
Gross Profit	4,031	4,014	17	0%
<i>Gross Profit Margin</i>	<i>34%</i>	<i>35%</i>	<i>-1%pt</i>	
Operating Expenses	2,218	1,982	236	12%
Operating Income	1,813	2,032	(219)	(11%)
Other Inc./(Charges)	(217)	26	(243)	(935%)
Prov. for Income Tax	549	609	(60)	(10%)
Profit - Continuing	1,047	1,449	(402)	(28%)
Profit - Discontinued	708	(350)	1,058	(302%)
Segment Profit	1,755	1,099	656	60%
<i>Net Income Margin</i>	<i>9%</i>	<i>13%</i>	<i>-4%pts</i>	

EBITDA Computation:

Net Income	1,047	1,449
Depr. and Amort.	1,539	1,550
Interest Expense	49	2
Prov. for Income Tax	549	609

New Products:



Thai Tea



Coffee Caramel

JV with Heineken:





Income Statement

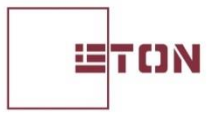
TANDUAY Distillers Inc.

(In Php Millions)	2016	2015	Inc/(Dec)	%
Sales Volume (liquor)	16.916	16.519	0.397	2%
Sales Volume (bio, ltr)	38.548	-	38.548	
Segment Revenue	15,014	12,117	2,897	24%
Cost of Sales	12,293	9,831	2,462	25%
Gross Profit	2,721	2,286	435	19%
Gross Profit Margin	18%	19%	-1%pt	
OPERATING EXPENSES				
Selling Expenses	1,000	939	61	6%
Admin. Expenses	552	640	(88)	(14%)
Operating Income	1,169	707	462	65%
Other Inc./(Charges)	3	(42)	45	(107%)
Prov. for Income Tax	265	243	22	9%
Segment Profit	908	422	486	115%
Net Income Margin	6%	3%	+2%pts	

EBITDA Computation:

Net Income	908	422
Depr. and Amort.	530	551
Interest Expense	11	58
Prov. for Income Tax	265	243
EBITDA	1,714	1,274





Income Statement

(In Php Millions)	2016	2015	Inc/(Dec)	%
Segment Revenue				
<i>Residential</i>	1,553	1,312	241	18%
<i>Leasing</i>	1,278	1,173	105	9%
Cost of Sales				
<i>Residential</i>	1,089	953	136	14%
<i>Leasing</i>	254	227	27	12%
Gross Profit				
<i>Residential</i>	464	359	105	29%
<i>Leasing</i>	1,024	946	78	8%
Gross Profit Margin				
<i>Residential</i>	30%	27%	+3%pts	
<i>Leasing</i>	80%	81%	-1%pt	
Operating Expenses	682	631	51	8%
Operating Income	806	674	132	20%
Other Inc./ (Charges)	(204)	(111)	(93)	84%
Prov. for Income Tax	212	250	(38)	(15%)
Segment Profit	390	313	77	25%
<i>Net Income Margin</i>	<i>14%</i>	<i>13%</i>	<i>+1%pt</i>	

EBITDA Computation:

Net Income	390	313
Depr. and Amort.	137	140
Interest Expense	358	176
Prov. for Income Tax	212	250
EBITDA	1,097	879



Centris Cyberpod Five



Eton WestEnd Square