

LT GROUP, INC.

**Analysts' Briefing
9M17 Financial Results
November 10, 2017**

TOMORROW TOGETHER

Consolidated Income Statement Highlights

(In Php Billions)

	9M17	9M16	Inc/ (Dec)	% Change
REVENUES				
Banking	23.55	21.62	1.93	8.9%
Beverage	9.56	8.28	1.28	15.5%
Distilled Spirits	12.36	10.85	1.51	13.9%
Property Development	1.66	2.20	(0.54)	(24.5%)
Tobacco	-	-	-	-
Total Revenues	47.13	42.95	4.18	9.7%
Cost of Sales	22.04	18.89	3.15	16.7%
Gross Income	25.09	24.06	1.03	4.3%
Equity Income	2.71	1.92	0.79	41.1%
Operating Expenses	27.80	25.98	1.82	7.0%
Other Income/(Charges)	3.61	4.56	(0.95)	(20.8%)
Provision for Income Tax	2.05	2.53	(0.48)	(19.0%)
NET INCOME FROM CONTINUING OPERATIONS	8.89	8.18	0.71	8.7%
NET INCOME FROM DISCONTINUED OPERATIONS	-	0.16	(0.16)	(100.0%)
TOTAL NET INCOME	8.89	8.34	0.55	6.6%
Net Income Attributable To:				
Equity Holders of LTG	6.83	6.25	0.58	9.3%
Non-controlling Interests	2.06	2.09	(0.03)	(1.4%)
TOTAL NET INCOME	8.89	8.34	0.55	6.6%

Net Income by Segment

(In Php Millions)	Net Income		LTG's Share in Net Income					
Segment	9M17	9M16	9M17	% to total	Y-o-Y Change		9M16	% to total
					Inc/(Dec)	%		
Tobacco	2,877	1,800	2,865	42%	1,072	60%	1,793	29%
Banking	4,637	5,910	2,586	38%	(678)	-21%	3,264	52%
Beverage	455	895	455	7%	(439)	-49%	894	14%
Distilled Spirits	438	679	438	6%	(241)	-35%	679	11%
Property Development	246	249	246	4%	(2)	-1%	248	4%
VMC*	246	96	246	4%	150	156%	96	2%
Others	(7)	(1,284)	(7)	0%	720	99%	(727)	-12%
<i>LTG's share in PNB's gain from sale of ROPA to Eton</i>	-	(1,282)	-		725		(725)	
<i>Others</i>	(7)	(2)	(7)		(5)		(2)	
TOTAL	8,892	8,345	6,829	100%	582	9%	6,247	100%
Earnings Per Share (Php)			0.63				0.58	

Consolidated Balance Sheet Highlights

(In Php Billions)


As of:	Sep-17	Dec-16	Inc/(Dec)	% Change
Cash	176.9	174.7	2.2	1.2%
Total Assets	880.5	829.1	51.4	6.2%
Total Liabilities	691.3	650.5	40.8	6.3%
Total Equity	189.2	178.6	10.6	5.9%
D-E Ratio	3.65	3.64	0.01	
D-E Ratio (w/o bank)	0.16	0.15	0.01	

Income Statement



(In Php Millions)	9M17	9M16	Inc/(Dec)	%
Segment Revenue	-	-	-	
Cost of Sales	-	-	-	
Gross Profit	-	-	-	
Equity in Net Earnings	2,864	1,803	1,061	59%
	2,864	1,803	1,061	59%
Operating Expenses	128	116	12	10%
Operating Income	2,736	1,687	1,049	62%
Other Inc./(Charges)	159	123	36	29%
Prov. for Income Tax	18	10	8	80%
Segment Profit	2,877	1,800	1,077	60%

EBITDA Computation:

Net Income	2,877	1,800	1,077	60%
Depr. and Amort.	14	8	6	75%
Prov. for Income Tax	18	10	8	80%
EBITDA	2,909	1,818	1,091	60%




SOFT TO BOX TRANSITION



FORTUNE NATIONAL CASCADE

JULY 26, 2017 | MAKATI CITY



PINATINDING MENTHOL,
SAGOT NAMIN!



p2.50
PER STICK
PER PAK

WHEN FLIP-TOX BOX MEET

FORTUNE
NATIONAL CASCADE

Naapang sarili ng
**KAWALANG-KAKAYAHAN
SA SEX** ang PANGSIGABILYO

GOVERNMENT WARNING: CIGARETTE SMOKING
IS DANGEROUS TO YOUR HEALTH

**KILO PANALO
EMPTY PACK
REDEMPTION**



PNB Income Statement

<i>(In Php Millions)</i>	9M17	9M16	Inc/(Dec)	%
Net Interest Income				
Interest Income	20,236	18,163	2,073	11%
Interest Expense	4,076	3,532	544	15%
	16,160	14,631	1,529	10%
Net Service Fees and Commission Income				
Service Fee Income	2,937	2,473	464	19%
Service Fee Expense	576	477	99	21%
	2,361	1,996	365	18%
Other Income				
Trading Gains & PRX	1,614	2,298	(684)	(30%)
Others	2,261	4,620	(2,359)	(51%)
	3,875	6,918	(3,043)	(44%)
Operating Expenses	16,482	16,513	(31)	(0%)
Prov. for Income Tax	1,277	1,630	(353)	(22%)
Profit - Continuing	4,637	5,402	(765)	(14%)
Profit - Discontinued	-	508	(508)	(100%)
Segment Profit	4,637	5,910	(1,273)	(22%)
EBITA Computation:				
Net Income	4,637	5,910	(1,273)	(22%)
Depreciation	1,103	1,016	87	9%
Prov. for Income Tax	1,277	1,630	(353)	(22%)
EBITDA	7,017	8,556	(1,539)	(18%)

<i>Balance Sheet (In Php Billions)</i>	As of Sep '17	As of Sep '16	As of Dec '16
COH & Due from Banks	172	173	171
AFS Investments	61	70	67
Loans and Receivables	474	389	428
Deposit Liabilities	611	539	570
Equity	103	99	97

<i>Ratios</i>	As of Sep '17	As of Sep '16	As of Dec '16
Return on Equity	6.2%	8.2%	7.8%
Return on Assets	0.8%	1.1%	1.0%
Net Interest Margin	3.1%	3.2%	3.1%
Cost Efficiency	70.0%	64.0%	63.2%
NPL Ratio, net	0.1%	0.1%	0.2%
Loans to Deposit Ratio	75.7%	70.8%	73.3%
CAR - solo	12.0%	13.1%	12.3%
CAR - conso	15.7%	17.6%	16.7%
Tier 1 - solo	11.2%	12.2%	11.5%
Tier 1 - conso	14.9%	16.7%	15.8%



Income Statement

(In Php Millions)	9M17	9M16	Inc/(Dec)	%
Segment Revenue	10,111	9,034	1,077	12%
Cost of Sales	6,984	5,766	1,218	21%
Gross Profit	3,127	3,268	(141)	(4%)
Gross Profit Margin	31%	36%	-5%pts	
Operating Expenses	1,769	1,502	267	18%
Operating Income	1,358	1,766	(408)	(23%)
Equity in Net Income/(Loss)	(472)	17	(489)	(2876%)
Other Inc./(Charges)	2	(2)	4	(200%)
Prov. for Income Tax	433	535	(102)	(19%)
Profit - Continuing	455	1,246	(791)	(63%)
Profit - Discontinued	-	(351)	351	(100%)
Segment Profit	455	895	(440)	(49%)
Net Income Margin	5%	10%	-5%pts	

EBITDA Computation:

Net Income	455	895
Depr. and Amort.	1,042	1,163
Interest Expense	38	34
Prov. for Income Tax	433	535
EBITDA	1,968	2,627

The image displays three distinct advertisements stacked vertically. The top advertisement is for 'Beer Strong', featuring a bottle of beer against a fiery background with text like 'NEW! STRONG', 'GREAT-TASTING TRIPLE MALT QUALITY BEER', and '7% ALC/VOL'. The middle advertisement is for 'Cobra', showing a man holding a bottle of 'ICE COLD 330 ML LANG' with a price tag of 'P15.00'. The bottom advertisement is for 'Heineken', featuring a woman in a yoga pose with the text 'LEAVE THE MAT. BE ONE WITH NATURE.' and 'CELEBRATE WITH THE WORLD'.



TANDUAY Distillers Inc.

Income Statement

(In Php Millions)	9M17	9M16	Inc/(Dec)	%
Sales Volume (liquor)	14.422	12.254	2.168	18%
Sales Volume (bio, ltr)	22.437	29.820	(7.383)	(25%)
Segment Revenue	12,387	10,889	1,498	14%
Cost of Sales	10,421	8,896	1,525	17%
Gross Profit	1,966	1,993	(27)	(1%)
Gross Profit Margin	16%	18%	-2%pts	
OPERATING EXPENSES				
Selling Expenses	928	726	202	28%
Admin. Expenses	451	412	39	9%
Operating Income	587	855	(268)	(31%)
Other Inc./ (Charges)	9	-	9	
Prov. for Income Tax	158	176	(18)	(10%)
Segment Profit	438	679	(241)	(35%)
Net Income Margin	4%	6%	-2%pts	

EBITDA Computation:

Net Income	438	679
Depr. and Amort.	385	426
Interest Expense	18	6
Prov. for Income Tax	158	176
EBITDA	999	1,287

SA LIKOD NG TAGUMPAY
ILANG GABING
PAGPAPATIBAY

TIBAY NG LOOB
TIBAY TANDUAY
TanduayRumOfficial

FOR 18 YEARS OLD AND ABOVE ONLY DRINK RESPONSIBLY

ETON Income Statement

(In Php Millions)	9M17	9M16	Inc/(Dec)	%
Segment Revenue				
Residential	628	1,258	(630)	(50%)
Leasing	1,030	940	90	10%
Cost of Sales				
Residential	381	863	(482)	(56%)
Leasing	221	186	35	19%
Gross Profit				
Residential	247	395	(148)	(37%)
Leasing	809	754	55	7%
Gross Profit Margin				
Residential	39%	31%	+8%pts	
Leasing	79%	80%	-1%pt	
Operating Expenses	592	481	111	23%
Operating Income	464	668	(204)	(31%)
Other Inc./ (Charges)	(69)	(252)	183	(73%)
Prov. for Income Tax	149	167	(18)	(11%)
Segment Profit	246	249	(3)	(1%)
Net Income Margin	15%	11%	+4%pts	

EBITDA Computation:

Net Income	246	249
Depr. and Amort.	182	120
Interest Expense	285	239
Prov. for Income Tax	149	167
EBITDA	862	775



Eton City Square, Greenfield



Community Lifestyle Dev't.
Ortigas Ave, San Juan

Eton
eWestMall,
Makati

