



LT GROUP, INC.

ANALYSTS' BRIEFING
First Half 2018 Results
August 13, 2018

TOWARD A STRONGER TOMORROW

Consolidated Income Statement Highlights

(In Php Billions)

	1H18	1H17	Inc/ (Dec)	% Change
REVENUES				
Banking	18.76	15.50	3.26	21.0%
Beverage	6.76	6.43	0.33	5.1%
Distilled Spirits	8.83	8.25	0.58	7.0%
Property Development	1.21	1.11	0.10	9.0%
Tobacco	-	-	-	--
Total Revenues	35.56	31.29	4.27	13.6%
Cost of Sales	16.36	14.94	1.42	9.5%
Gross Income	19.20	16.35	2.85	17.4%
Equity Income	4.46	1.89	2.57	136.0%
	23.66	18.24	5.42	29.7%
Operating Expenses	16.62	13.28	3.34	25.2%
Other Income/(Charges)	7.00	2.19	4.81	219.6%
Provision for Income Tax	2.63	1.38	1.25	90.6%
TOTAL NET INCOME	11.41	5.77	5.64	97.7%
Net Income Attributable To:				
Equity Holders of LTG	8.96	4.53	4.43	97.8%
Non-controlling Interests	2.45	1.24	1.21	97.6%
TOTAL NET INCOME	11.41	5.77	5.64	97.7%

Net Income by Segment

<i>(In Php Millions)</i>	Net Income		LTG's Share in Net Income					
Segment	1H18	1H17	1H18	% to total	Y-o-Y Change		1H17	% to total
					Inc/(Dec)	%		
Tobacco	4,876	1,861	4,856	54%	3,003	162%	1,853	41%
Banking	5,509	2,751	3,079	35%	1,556	102%	1,523	34%
Distilled Spirits	437	339	437	5%	98	29%	339	7%
Beverage	218	401	218	2%	(183)	-46%	401	9%
Property Development	212	174	212	2%	38	22%	174	4%
VMC	115	246	115	1%	(131)	-53%	246	5%
Others	46	(7)	46	1%	53	757%	(7)	0%
TOTAL	11,413	5,765	8,963	100%	4,434	98%	4,529	100%
Earnings Per Share (Php)			0.83		0.41	98%	0.42	

Consolidated Balance Sheet Highlights

(In Php Billions)

As of:	Jun-18	Dec-17	Inc/(Dec)	% Change
Cash	155.9	174.0	(18.1)	(10.4%)
Total Assets	961.2	917.1	44.1	4.8%
Total Liabilities	757.0	721.8	35.2	4.9%
Total Equity	204.2	195.3	8.9	4.6%
D-E Ratio	3.71	3.70	-	
D-E Ratio (w/o bank)	0.14	0.15	-	

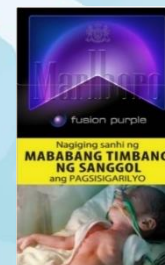
Income Statement

<i>(In Php Millions)</i>	1H18	1H17	Inc/(Dec)	%
Segment Revenue	-	-	-	
Cost of Sales	-	-	-	
Gross Profit	-	-	-	
Equity in Net Earnings fr PMFTC	4,718	1,853	2,865	155%
	4,718	1,853	2,865	155%
Operating Expenses	74	90	(16)	(18%)
Operating Income	4,644	1,763	2,881	163%
Other Inc./ (Charges)	269	108	161	149%
Prov. for Income Tax	37	10	27	270%
Segment Profit	4,876	1,861	3,015	162%

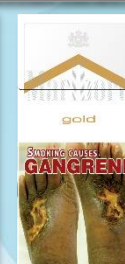
EBITDA Computation:

Net Income	4,876	1,861	3,015	162%
Depr. and Amort.	12	9	3	33%
Prov. for Income Tax	37	10	27	270%
EBITDA	4,925	1,880	3,045	162%

New Products:



Marlboro 10s Launch





PNB Income Statement

<i>(In Php Millions)</i>	1H18	1H17	Inc/(Dec)	%
Net Interest Income				
Interest Income	16,710	13,308	3,402	26%
Interest Expense	3,620	3,008	612	20%
	13,090	10,300	2,790	27%
Net Service Fees and Commission Income				
Service Fee Income	2,080	2,005	75	4%
Service Fee Expense	402	388	14	4%
	1,678	1,617	61	4%
Other Income				
Trading Gains & PRX	786	1,018	(232)	(23%)
Others	5,856	1,296	4,560	352%
	6,642	2,314	4,328	187%
Operating Expenses	13,861	10,657	3,204	30%
Prov. for Income Tax	2,040	823	1,217	148%
Segment Profit	5,509	2,751	2,758	100%
EBITA Computation:				
Net Income	5,509	2,751	2,758	100%
Depreciation	865	695	170	24%
Prov. for Income Tax	2,040	378	1,662	440%
EBITDA	8,414	3,824	4,590	120%

<i>Balance Sheet (In Php Billions)</i>	As of Jun '18	As of Jun '17	As of Dec '17
COH & Due from Banks	152	211	171
AFS Investments	54	65	70
Loans and Receivables	529	455	502
Deposit Liabilities	672	625	638
Equity	111	101	107
<i>Ratios</i>	As of Jun '18	As of Jun '17	As of Dec '17
Return on Equity	10.1%	5.6%	8.4%
Return on Assets	1.3%	0.7%	1.1%
Net Interest Margin	3.3%	2.9%	3.1%
Cost Efficiency	57.2%	72.4%	64.2%
NPL Ratio, net	0.3%	0.3%	0.3%
Loans to Deposit Ratio	77.4%	70.8%	75.9%
CAR - solo	12.2%	11.9%	12.0%
CAR - conso	15.1%	15.7%	15.4%
Tier 1 - solo	11.4%	11.1%	11.3%
Tier 1 - conso	14.4%	14.9%	14.6%



Income Statement

TANDUAY Distillers Inc.

<i>(In Php Millions)</i>	1H18	1H17	Inc/(Dec)	%
Sales Volume (liquor)	10.089	9.672	0.417	4%
Sales Volume (bio, ltr)	16.021	14.852	1.169	8%
Segment Revenue	8,861	8,306	555	7%
Cost of Sales	7,248	6,991	257	4%
Gross Profit	1,613	1,315	298	23%
<i>Gross Profit Margin</i>	<i>18%</i>	<i>16%</i>	<i>+2%pts</i>	
OPERATING EXPENSES				
Selling Expenses	702	564	138	24%
Admin. Expenses	318	303	15	5%
Operating Income	593	448	145	32%
Other Inc./ (Charges)	(16)	17	(33)	(194%)
Prov. for Income Tax	140	126	14	11%
Segment Profit	437	339	98	29%
<i>Net Income Margin</i>	<i>5%</i>	<i>4%</i>	<i>+1%pt</i>	

EBITDA Computation:

Net Income	437	339
Depr. and Amort.	288	254
Interest Expense	20	11
Prov. for Income Tax	140	126
EBITDA	885	730

New Product:





Income Statement

<i>(In Php Millions)</i>	1H18	1H17	Inc/(Dec)	%
Segment Revenue	7,334	6,899	435	6%
Cost of Sales	5,342	4,688	654	14%
Gross Profit	1,992	2,211	(219)	(10%)
<i>Gross Profit Margin</i>	<i>27%</i>	<i>32%</i>	<i>-5%pts</i>	
Operating Expenses	1,150	1,219	(69)	(6%)
Operating Income	842	992	(150)	(15%)
Equity in net loss	(392)	(254)	(138)	54%
Other Inc./(Charges)	37	(23)	60	(261%)
Prov. for Income Tax	269	314	(45)	(14%)
Segment Profit	218	401	(183)	(46%)
<i>Net Income Margin</i>	<i>3%</i>	<i>6%</i>	<i>-3%pts</i>	

EBITDA Computation:

Net Income	218	401
Depr. and Amort.	706	743
Interest Expense	31	25
Prov. for Income Tax	269	314
EBITDA	1,224	1,483

New Products:





Income Statement

<i>(In Php Millions)</i>	1H18	1H17	Inc/(Dec)	%
Segment Revenue				
<i>Residential</i>	486	438	48	11%
<i>Leasing</i>	727	672	55	8%
Cost of Sales				
<i>Residential</i>	244	272	(28)	(10%)
<i>Leasing</i>	176	140	36	26%
Gross Profit				
<i>Residential</i>	242	166	76	46%
<i>Leasing</i>	551	532	19	4%
Gross Profit Margin				
<i>Residential</i>	50%	38%	+12%pts	
<i>Leasing</i>	76%	79%	-3%pts	
Operating Expenses	435	356	79	22%
Operating Income	358	342	16	5%
Other Inc./ (Charges)	(47)	(75)	28	(37%)
Prov. for Income Tax	99	93	6	6%
Segment Profit	212	174	38	22%
<i>Net Income Margin</i>	<i>17%</i>	<i>16%</i>	<i>+1%pt</i>	

EBITDA Computation:

Net Income	212	174
Depr. and Amort.	152	109
Interest Expense	143	185
Prov. for Income Tax	99	93
EBITDA	606	561

New Projects:

Eton Square Ortigas

