



LT GROUP, INC.

ANALYSTS' BRIEFING
First Quarter 2018 Results
May 11, 2018

TOWARD A STRONGER TOMORROW

Consolidated Income Statement Highlights

(In Php Billions)

	1Q18	1Q17	Inc/ (Dec)	% Change
REVENUES				
Banking	9.23	7.50	1.73	23.1%
Beverage	3.11	2.86	0.25	8.7%
Distilled Spirits	4.22	4.22	-	0.0%
Property Development	0.58	0.54	0.04	7.4%
Tobacco	-	-	-	--
Total Revenues	17.14	15.12	2.02	13.4%
Cost of Sales	7.67	7.09	0.58	8.2%
Gross Income	9.47	8.03	1.44	17.9%
Equity Income	2.17	1.00	1.17	117.0%
	11.64	9.03	2.61	28.9%
Operating Expenses	7.58	6.66	0.92	13.8%
Other Income/(Charges)	1.02	1.08	(0.06)	(5.6%)
Provision for Income Tax	0.77	0.63	0.14	22.2%
TOTAL NET INCOME	4.31	2.82	1.49	52.8%
Net Income Attributable To:				
Equity Holders of LTG	3.63	2.25	1.38	61.3%
Non-controlling Interests	0.68	0.57	0.11	19.3%
TOTAL NET INCOME	4.31	2.82	1.49	52.8%

Net Income by Segment

<i>(In Php Millions)</i>	Net Income		LTG's Share in Net Income					
Segment	1Q18	1Q17	1Q18	% to total	Y-o-Y Change		1Q17	% to total
					Inc/(Dec)	%		
Tobacco	2,361	1,002	2,352	65%	1,354	136%	998	44%
Banking	1,499	1,272	833	23%	134	19%	699	31%
Beverage	149	151	149	4%	(2)	-1%	151	7%
Distilled Spirits	135	207	135	4%	(72)	-35%	207	9%
Property Development	97	75	97	3%	22	29%	75	3%
VMC	59	116	59	2%	(57)	-49%	116	5%
Others	6	(1)	6	0%	7	700%	(1)	0%
TOTAL	4,306	2,822	3,631	100%	1,386	62%	2,245	100%
Earnings Per Share (Php)			0.34		0.13	62%	0.21	

Consolidated Balance Sheet Highlights

(In Php Billions)

As of:	Mar-18	Dec-17	Inc/(Dec)	% Change
Cash	173.2	174.0	(0.8)	(0.5%)
Total Assets	936.9	917.1	19.8	2.2%
Total Liabilities	737.8	721.8	16.0	2.2%
Total Equity	199.1	195.3	3.8	1.9%
D-E Ratio	3.71	3.70	-	
D-E Ratio (w/o bank)	0.16	0.15	-	

Income Statement

<i>(In Php Millions)</i>	1Q18	1Q17	Inc/(Dec)	%
Segment Revenue	-	-	-	
Cost of Sales	-	-	-	
Gross Profit	-	-	-	
Equity in Net Earnings fr PMFTC	2,288	1,028	1,260	123%
	2,288	1,028	1,260	123%
Operating Expenses	38	57	(19)	(33%)
Operating Income	2,250	971	1,279	132%
Other Inc./ (Charges)	131	35	96	274%
Prov. for Income Tax	20	4	16	400%
Segment Profit	2,361	1,002	1,359	136%

EBITDA Computation:

Net Income	2,361	1,002	1,359	136%
Depr. and Amort.	5	4	1	25%
Prov. for Income Tax	20	4	16	400%
EBITDA	2,386	1,010	1,376	136%

New Products:





PNB Income Statement

<i>(In Php Millions)</i>	1Q18	1Q17	Inc/(Dec)	%
Net Interest Income				
Interest Income	8,121	6,541	1,580	24%
Interest Expense	1,691	1,393	298	21%
	6,430	5,148	1,282	25%
Net Service Fees and Commission Income				
Service Fee Income	1,049	899	150	17%
Service Fee Expense	197	190	7	4%
	852	709	143	20%
Other Income				
Trading Gains & PRX	47	501	(454)	(91%)
Others	910	596	314	53%
	957	1,097	(140)	(13%)
Operating Expenses	6,210	5,304	906	17%
Prov. for Income Tax	530	378	152	40%
Segment Profit	1,499	1,272	227	18%
EBITA Computation:				
Net Income	1,499	1,272	227	18%
Depreciation	426	343	83	24%
Prov. for Income Tax	530	378	152	40%
EBITDA	2,455	1,993	462	23%

<i>Balance Sheet (In Php Billions)</i>	As of Mar '18	As of Mar '17	As of Dec '17
COH & Due from Banks	169	190	171
AFS Investments	65	73	70
Loans and Receivables	504	432	502
Deposit Liabilities	658	590	638
Equity	109	99	107
<i>Ratios</i>	As of Mar '18	As of Mar '17	As of Dec '17
Return on Equity	5.6%	5.2%	8.4%
Return on Assets	0.7%	0.7%	1.1%
Net Interest Margin	3.3%	3.0%	3.1%
Cost Efficiency	73.0%	74.0%	64.2%
NPL Ratio, net	0.3%	0.2%	0.3%
Loans to Deposit Ratio	75.5%	71.5%	75.9%
CAR - solo	12.1%	12.0%	12.0%
CAR - conso	15.3%	16.3%	15.4%
Tier 1 - solo	11.3%	11.2%	11.3%
Tier 1 - conso	14.6%	15.5%	14.6%



Income Statement

(In Php Millions)	1Q18	1Q17	Inc/(Dec)	%
Segment Revenue	3,400	3,140	260	8%
Cost of Sales	2,396	2,041	355	17%
Gross Profit	1,004	1,099	(95)	(9%)
Gross Profit Margin	30%	35%	-5%pts	
Operating Expenses	556	669	(113)	(17%)
Operating Income	448	430	18	4%
Equity in net loss	(194)	(137)	(57)	42%
Other Inc./ (Charges)	14	(7)	21	(300%)
Prov. for Income Tax	119	135	(16)	(12%)
Segment Profit	149	151	(2)	(1%)
Net Income Margin	4%	5%	-1%pt	

EBITDA Computation:

Net Income	149	151
Depr. and Amort.	351	377
Interest Expense	16	13
Prov. for Income Tax	119	135
EBITDA	635	676

New Products:





Income Statement

TANDUAY Distillers Inc.

<i>(In Php Millions)</i>	1Q18	1Q17	Inc/(Dec)	%
Sales Volume (liquor)	4.787	4.845	(0.058)	(1%)
Sales Volume (bio, ltr)	7.987	9.165	(1.178)	(13%)
Segment Revenue	4,243	4,246	(3)	(0%)
Cost of Sales	3,520	3,567	(47)	(1%)
Gross Profit	723	679	44	6%
<i>Gross Profit Margin</i>	<i>17%</i>	<i>16%</i>	<i>+1%pt</i>	
OPERATING EXPENSES				
Selling Expenses	367	268	99	37%
Admin. Expenses	168	150	18	12%
Operating Income	188	261	(73)	(28%)
Other Inc./ (Charges)	(3)	17	(20)	(118%)
Prov. for Income Tax	50	71	(21)	(30%)
Segment Profit	135	207	(72)	(35%)
<i>Net Income Margin</i>	<i>3%</i>	<i>5%</i>	<i>-2%pts</i>	

EBITDA Computation:

Net Income	135	207
Depr. and Amort.	159	125
Interest Expense	11	5
Prov. for Income Tax	50	71
EBITDA	355	408

New Product:





Income Statement

<i>(In Php Millions)</i>	1Q18	1Q17	Inc/(Dec)	%
Segment Revenue				
<i>Residential</i>	226	207	19	9%
<i>Leasing</i>	353	328	25	8%
Cost of Sales				
<i>Residential</i>	111	134	(23)	(17%)
<i>Leasing</i>	81	69	12	17%
Gross Profit				
<i>Residential</i>	115	73	42	58%
<i>Leasing</i>	272	259	13	5%
Gross Profit Margin				
<i>Residential</i>	51%	35%	+16%pts	
<i>Leasing</i>	77%	79%	-2%pts	
Operating Expenses	194	162	32	20%
Operating Income	193	170	23	14%
Other Inc./ (Charges)	(47)	(54)	7	(13%)
Prov. for Income Tax	49	41	8	20%
Segment Profit	97	75	22	29%
<i>Net Income Margin</i>	<i>17%</i>	<i>14%</i>	<i>+3%pts</i>	

EBITDA Computation:

Net Income	97	75
Depr. and Amort.	70	53
Interest Expense	80	96
Prov. for Income Tax	49	41
EBITDA	296	265

New Projects:

Eton Square Ortigas

