



LT GROUP, INC.

ANALYSTS' BRIEFING  
Nine Months 2018 Results  
November 12, 2018

**TOWARD A STRONGER TOMORROW**

# Consolidated Income Statement Highlights

(In Php Billions)

	9M18	9M17	Inc/ (Dec)	% Change
<b>REVENUES</b>				
Banking	28.94	23.55	5.39	22.9%
Beverage	10.11	9.56	0.55	5.8%
Distilled Spirits	13.62	12.36	1.26	10.2%
Property Development	1.80	1.66	0.14	8.4%
Tobacco	-	-	-	--
<b>Total Revenues</b>	<b>54.47</b>	<b>47.13</b>	<b>7.34</b>	<b>15.6%</b>
<b>Cost of Sales</b>	<b>25.35</b>	<b>22.04</b>	<b>3.31</b>	<b>15.0%</b>
<b>Gross Income</b>	<b>29.12</b>	<b>25.09</b>	<b>4.03</b>	<b>16.1%</b>
<b>Equity Income</b>	<b>6.23</b>	<b>2.71</b>	<b>3.52</b>	<b>129.9%</b>
	35.35	27.80	7.55	27.2%
<b>Operating Expenses</b>	<b>24.50</b>	<b>20.47</b>	<b>4.03</b>	<b>19.7%</b>
<b>Other Income/(Charges)</b>	<b>8.52</b>	<b>3.61</b>	<b>4.91</b>	<b>136.0%</b>
<b>Provision for Income Tax</b>	<b>3.40</b>	<b>2.05</b>	<b>1.35</b>	<b>65.9%</b>
<b>TOTAL NET INCOME</b>	<b>15.97</b>	<b>8.89</b>	<b>7.08</b>	<b>79.6%</b>
<b>Net Income Attributable To:</b>				
Equity Holders of LTG	12.57	6.83	5.74	84.0%
Non-controlling Interests	3.40	2.06	1.34	65.0%
<b>TOTAL NET INCOME</b>	<b>15.97</b>	<b>8.89</b>	<b>7.08</b>	<b>79.6%</b>

# Net Income by Segment

<i>(In Php Millions)</i>	Net Income		LTG's Share in Net Income					
Segment	9M18	9M17	9M18	% to total	Y-o-Y Change		9M17	% to total
					Inc/(Dec)	%		
Tobacco	6,858	2,877	6,831	54%	3,966	138%	2,865	42%
Banking	7,628	4,637	4,267	34%	1,681	65%	2,586	38%
Distilled Spirits	722	438	707	6%	269	61%	438	6%
Property Development	314	246	314	3%	68	28%	246	4%
Beverage	291	455	291	2%	(164)	-36%	455	6%
VMC	115	246	115	1%	(131)	-53%	246	4%
Others	44	(7)	44	0%	51	729%	(7)	0%
<b>TOTAL</b>	<b>15,972</b>	<b>8,892</b>	<b>12,569</b>	<b>100%</b>	<b>5,740</b>	<b>84%</b>	<b>6,829</b>	<b>100%</b>
Earnings Per Share (Php)			1.16		0.53	84%	0.63	

## Consolidated Balance Sheet Highlights

*(In Php Billions)*

As of:	Sep-18	Dec-17	Inc/(Dec)	% Change
Cash	165.6	174.0	(8.4)	(4.8%)
Total Assets	999.5	917.1	82.4	9.0%
Total Liabilities	791.6	721.8	69.8	9.7%
Total Equity	208.0	195.3	12.7	6.5%
D-E Ratio	3.81	3.70	-	
D-E Ratio (w/o bank)	0.15	0.15	-	

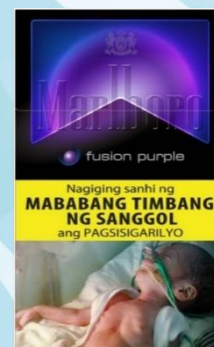
# Income Statement

<i>(In Php Millions)</i>	9M18	9M17	Inc/(Dec)	%
Segment Revenue	-	-	-	
Cost of Sales	-	-	-	
<b>Gross Profit</b>	-	-	-	
Equity in Net Earnings fr PMFTC	6,667	2,864	3,803	133%
	<b>6,667</b>	<b>2,864</b>	<b>3,803</b>	133%
Operating Expenses	123	128	(5)	(4%)
<b>Operating Income</b>	<b>6,544</b>	<b>2,736</b>	<b>3,808</b>	139%
Other Inc./ (Charges)	372	159	213	134%
Prov. for Income Tax	58	18	40	222%
<b>Segment Profit</b>	<b>6,858</b>	<b>2,877</b>	<b>3,981</b>	138%

## EBITDA Computation:

Net Income	6,858	2,877	3,981	138%
Depr. and Amort.	19	14	5	36%
Prov. for Income Tax	58	18	40	222%
<b>EBITDA</b>	<b>6,935</b>	<b>2,909</b>	<b>4,026</b>	138%

## New Products:





# PNB Income Statement

<i>(In Php Millions)</i>	9M18	9M17	Inc/(Dec)	%
<b>Net Interest Income</b>				
Interest Income	25,940	20,236	5,704	28%
Interest Expense	5,890	4,076	1,814	45%
	<b>20,050</b>	<b>16,160</b>	<b>3,890</b>	<b>24%</b>
<b>Net Service Fees and Commission Income</b>				
Service Fee Income	3,111	2,938	173	6%
Service Fee Expense	606	576	30	5%
	<b>2,505</b>	<b>2,362</b>	<b>143</b>	<b>6%</b>
<b>Other Income</b>				
Trading Gains & PRX	1,412	1,614	(202)	(13%)
Others	6,579	2,260	4,319	191%
	<b>7,991</b>	<b>3,874</b>	<b>4,117</b>	<b>106%</b>
Operating Expenses	20,331	16,482	3,849	23%
Prov. for Income Tax	2,587	1,277	1,310	103%
<b>Segment Profit</b>	<b>7,628</b>	<b>4,637</b>	<b>2,991</b>	<b>65%</b>
<b>EBITA Computation:</b>				
Net Income	7,628	4,637	2,991	65%
Depreciation	1,323	1,103	220	20%
Prov. for Income Tax	2,587	378	2,209	584%
<b>EBITDA</b>	<b>11,538</b>	<b>6,118</b>	<b>5,420</b>	<b>89%</b>

<i>Balance Sheet (In Php Billions)</i>	As of Sep '18	As of Sep '17	As of Dec '17
COH & Due from Banks	159	172	171
AFS Investments	54	61	70
Loans and Receivables	551	474	502
Deposit Liabilities	693	611	638
Equity	113	103	107
<i>Ratios</i>	As of Sep '18	As of Sep '17	As of Dec '17
Return on Equity	9.3%	6.2%	8.4%
Return on Assets	1.2%	0.8%	1.1%
Net Interest Margin	3.3%	3.1%	3.1%
Cost Efficiency	59.9%	70.0%	64.2%
NPL Ratio, net	0.4%	0.1%	0.3%
Loans to Deposit Ratio	78.1%	75.7%	75.9%
CAR - solo	11.8%	12.0%	12.0%
CAR - conso	14.8%	15.5%	15.4%
Tier 1 - solo	11.1%	11.2%	11.3%
Tier 1 - conso	14.0%	14.7%	14.6%





# Income Statement

TANDUAY Distillers Inc.

<i>(In Php Millions)</i>	9M18	9M17	Inc/(Dec)	%
<b>Sales Volume (liquor)</b>	<b>15.257</b>	<b>14.422</b>	0.835	6%
<b>Sales Volume (bio, ltr)</b>	<b>27.118</b>	<b>22.437</b>	4.681	21%
Segment Revenue	13,656	12,387	1,269	10%
Cost of Sales	11,192	10,421	771	7%
<b>Gross Profit</b>	<b>2,464</b>	<b>1,966</b>	<b>498</b>	<b>25%</b>
<i>Gross Profit Margin</i>	<i>18%</i>	<i>16%</i>	<i>+2%pts</i>	
<b>OPERATING EXPENSES</b>				
Selling Expenses	1,081	928	153	16%
Admin. Expenses	463	451	12	3%
<b>Operating Income</b>	<b>920</b>	<b>587</b>	<b>333</b>	<b>57%</b>
Other Inc./ (Charges)	(22)	9	(31)	(344%)
Prov. for Income Tax	176	158	18	11%
<b>Segment Profit</b>	<b>722</b>	<b>438</b>	<b>284</b>	<b>65%</b>
<i>Net Income Margin</i>	<i>5%</i>	<i>4%</i>	<i>+1%pt</i>	

## EBITDA Computation:

Net Income	722	438
Depr. and Amort.	407	385
Interest Expense	29	18
Prov. for Income Tax	176	158
<b>EBITDA</b>	<b>1,334</b>	<b>999</b>

New Product:





# Income Statement

<i>(In Php Millions)</i>	9M18	9M17	Inc/(Dec)	%
<b>Segment Revenue</b>				
<i>Residential</i>	703	628	75	12%
<i>Leasing</i>	1,102	1,030	72	7%
<b>Cost of Sales</b>				
<i>Residential</i>	350	381	(31)	(8%)
<i>Leasing</i>	279	221	58	26%
<b>Gross Profit</b>				
<i>Residential</i>	353	247	106	43%
<i>Leasing</i>	823	809	14	2%
<b>Gross Profit Margin</b>				
<i>Residential</i>	50%	39%	+11%pts	
<i>Leasing</i>	75%	79%	-4%pts	
<b>Operating Expenses</b>	645	592	53	9%
<b>Operating Income</b>	<b>531</b>	<b>464</b>	<b>67</b>	14%
Other Inc./ (Charges)	(80)	(69)	(11)	16%
Prov. for Income Tax	137	149	(12)	(8%)
<b>Segment Profit</b>	<b>314</b>	<b>246</b>	<b>68</b>	28%
<i>Net Income Margin</i>	<i>17%</i>	<i>15%</i>	<i>+2%pts</i>	

## EBITDA Computation:

Net Income	314	246
Depr. and Amort.	240	182
Interest Expense	211	285
Prov. for Income Tax	137	149
<b>EBITDA</b>	<b>902</b>	<b>862</b>

## New Projects:

### Eton Square Ortigas







## Income Statement

(In Php Millions)	9M18	9M17	Inc/(Dec)	%
Segment Revenue	10,971	10,111	860	9%
Cost of Sales	8,018	6,984	1,034	15%
<b>Gross Profit</b>	<b>2,953</b>	<b>3,127</b>	<b>(174)</b>	<b>(6%)</b>
Gross Profit Margin	27%	31%	-4%pts	
Operating Expenses	1,744	1,769	(25)	(1%)
<b>Operating Income</b>	<b>1,209</b>	<b>1,358</b>	<b>(149)</b>	<b>(11%)</b>
Equity in net loss	(571)	(472)	(99)	21%
Other Inc./ (Charges)	47	2	45	2250%
Prov. for Income Tax	394	433	(39)	(9%)
<b>Segment Profit</b>	<b>291</b>	<b>455</b>	<b>(164)</b>	<b>(36%)</b>
Net Income Margin	3%	5%	-2%pts	

### EBITDA Computation:

Net Income	291	455
Depr. and Amort.	1,090	1,042
Interest Expense	51	38
Prov. for Income Tax	394	433
<b>EBITDA</b>	<b>1,826</b>	<b>1,968</b>

### New Products:

