



LT GROUP, INC.

ANALYSTS' BRIEFING  
Audited FY2018 Financial Results  
March 18, 2019

**TOWARD A STRONGER TOMORROW**

# Consolidated Income Statement Highlights

(In Php Billions)

	FY18	FY17	Inc/ (Dec)	% Change
<b>REVENUES</b>				
Banking	40.17	31.84	8.33	26.2%
Beverage	14.13	12.95	1.18	9.1%
Distilled Spirits	18.06	16.70	1.36	8.1%
Property Development	3.20	2.23	0.97	43.5%
Tobacco	-	-	-	--
<b>Total Revenues</b>	<b>75.56</b>	<b>63.72</b>	<b>11.84</b>	<b>18.6%</b>
<b>Cost of Sales</b>	<b>35.97</b>	<b>29.68</b>	<b>6.29</b>	<b>21.2%</b>
<b>Gross Income</b>	<b>39.59</b>	<b>34.04</b>	<b>5.55</b>	<b>16.3%</b>
<b>Equity Income</b>	<b>7.97</b>	<b>3.96</b>	<b>4.01</b>	<b>101.3%</b>
	47.56	38.00	9.56	25.2%
<b>Operating Expenses</b>	<b>31.00</b>	<b>27.07</b>	<b>3.93</b>	<b>14.5%</b>
<b>Other Income/(Charges)</b>	<b>8.99</b>	<b>7.07</b>	<b>1.92</b>	<b>27.2%</b>
<b>Provision for Income Tax</b>	<b>4.77</b>	<b>3.49</b>	<b>1.28</b>	<b>36.7%</b>
<b>NET INCOME - CONTINUING OPERATIONS</b>	<b>20.78</b>	<b>14.51</b>	<b>6.27</b>	<b>43.2%</b>
<b>NET INCOME - DISCONTINUED OPERATIONS</b>	<b>(0.22)</b>	<b>0.07</b>	<b>(0.29)</b>	<b>(100.0%)</b>
<b>TOTAL NET INCOME</b>	<b>20.56</b>	<b>14.58</b>	<b>5.98</b>	<b>41.0%</b>
<b>Net Income Attributable To:</b>				
Equity Holders of LTG	16.19	10.83	5.36	49.5%
Non-controlling Interests	4.37	3.75	0.62	16.5%
<b>TOTAL NET INCOME</b>	<b>20.56</b>	<b>14.58</b>	<b>5.98</b>	<b>41.0%</b>

## Net Income by Segment

<i>(In Php Millions)</i>	Net Income		LTG's Share in Net Income					
Segment	FY18	FY17	FY18	% to total	Y-o-Y Change		FY17	% to total
					Inc/(Dec)	%		
Tobacco	8,751	4,403	8,716	54%	4,331	99%	4,385	40%
Banking	9,777	8,557	5,468	33%	642	13%	4,826	45%
Distilled Spirits	909	631	890	5%	259	41%	631	6%
Property Development	479	348	479	3%	131	38%	348	3%
Beverage	421	552	421	3%	(130)	-24%	551	5%
VMC	247	174	247	2%	73	42%	174	2%
Others	(26)	(84)	(26)	0%	58	69%	(84)	-1%
<b>TOTAL</b>	<b>20,558</b>	<b>14,581</b>	<b>16,195</b>	<b>100%</b>	<b>5,364</b>	<b>50%</b>	<b>10,831</b>	<b>100%</b>
Earnings Per Share (Php)			1.50		0.50	50%	1.00	

## Consolidated Balance Sheet Highlights

*(In Php Billions)*

As of:	2018	2017	Inc/(Dec)	% Change
Cash	176.5	174.0	2.5	1.4%
Total Assets	1097.8	917.1	180.7	19.7%
Total Liabilities	866.6	721.8	144.8	20.1%
Total Equity	231.2	195.3	35.9	18.4%
D-E Ratio	3.75	3.70	-	
D-E Ratio (w/o bank)	0.14	0.15	(0.0)	

# Income Statement

<i>(In Php Millions)</i>	2018	2017	Inc/(Dec)	%
Segment Revenue	-	-	-	
Cost of Sales	-	-	-	
<b>Gross Profit</b>	-	-	-	
Equity in Net Earnings fr PMFTC	8,462	4,367	4,095	94%
	<b>8,462</b>	<b>4,367</b>	<b>4,095</b>	94%
Operating Expenses	124	141	(17)	(12%)
<b>Operating Income</b>	<b>8,338</b>	<b>4,226</b>	<b>4,112</b>	97%
Other Inc./ (Charges)	468	196	272	139%
Prov. for Income Tax	55	19	36	189%
<b>Segment Profit</b>	<b>8,751</b>	<b>4,403</b>	<b>4,348</b>	99%

## EBITDA Computation:

Net Income	8,751	4,403	4,348	99%
Depr. and Amort.	27	19	8	42%
Prov. for Income Tax	55	19	36	189%
<b>EBITDA</b>	<b>8,833</b>	<b>4,441</b>	<b>4,392</b>	99%

## New Products:





# PNB Income Statement

<i>(In Php Millions)</i>	2018	2017	Inc/(Dec)	%
<b>Net Interest Income</b>				
Interest Income	36,019	27,572	8,447	31%
Interest Expense	9,011	5,552	3,459	62%
	<b>27,008</b>	<b>22,020</b>	<b>4,988</b>	<b>23%</b>
<b>Net Service Fees and Commission Income</b>				
Service Fee Income	4,252	3,983	269	7%
Service Fee Expense	773	787	(14)	(2%)
	<b>3,479</b>	<b>3,196</b>	<b>283</b>	<b>9%</b>
<b>Other Income</b>				
Trading Gains & PRX	1,088	2,237	(1,149)	(51%)
Others	7,388	5,113	2,275	44%
	<b>8,476</b>	<b>7,350</b>	<b>1,126</b>	<b>15%</b>
Operating Expenses	25,302	21,764	3,538	16%
Prov. for Income Tax	3,664	2,315	1,349	58%
<b>Segment Profit - Continuing</b>	<b>9,997</b>	<b>8,487</b>	<b>1,510</b>	<b>18%</b>
<b>Segment Profit - Discontinued</b>	<b>(220)</b>	<b>70</b>	<b>(290)</b>	<b>(414%)</b>
<b>Segment Profit</b>	<b>9,777</b>	<b>8,557</b>	<b>1,220</b>	<b>14%</b>
<b>EBITA Computation:</b>				
Net Income	9,777	8,557	1,220	14%
Depreciation	1,783	1,513	270	18%
Prov. for Income Tax	3,664	2,315	1,349	58%
<b>EBITDA</b>	<b>15,224</b>	<b>12,385</b>	<b>2,839</b>	<b>23%</b>

<i>Balance Sheet (In Php Billions)</i>	As of Dec '18	As of Dec '17
COH & Due from Banks	172	171
AFS Investments*	52	70
Loans and Receivables	581	502
Deposit Liabilities	733	638
Equity	103	107
<i>Ratios</i>	As of Dec '18	As of Dec '17
Return on Equity	7.9%	8.4%
Return on Assets	1.1%	1.1%
Net Interest Margin	3.2%	3.1%
Cost Efficiency	60.5%	64.2%
NPL Ratio, net	0.3%	0.3%
Loans to Deposit Ratio	78.6%	75.9%
CAR - solo	11.6%	12.0%
CAR - conso	14.4%	15.4%
Tier 1 - solo	10.9%	11.3%
Tier 1 - conso	13.6%	14.6%



# Income Statement

TANDUAY Distillers Inc.

<i>(In Php Millions)</i>	2018	2017	Inc/(Dec)	%
<b>Sales Volume (liquor)</b>	<b>20.126</b>	<b>19.515</b>	0.611	3%
<b>Sales Volume (bio, ltr)</b>	<b>36.263</b>	<b>30.653</b>	5.610	18%
Segment Revenue	18,134	16,794	1,340	8%
Cost of Sales	14,846	14,077	769	5%
<b>Gross Profit</b>	<b>3,288</b>	<b>2,717</b>	<b>571</b>	21%
<i>Gross Profit Margin</i>	<i>18%</i>	<i>16%</i>	<i>+2%pts</i>	
<b>OPERATING EXPENSES</b>				
Selling Expenses	1,468	1,319	149	11%
Admin. Expenses	650	585	65	11%
<b>Operating Income</b>	<b>1,170</b>	<b>813</b>	<b>357</b>	44%
Other Inc./ (Charges)	(22)	20	(42)	(210%)
Prov. for Income Tax	239	202	37	18%
<b>Segment Profit</b>	<b>909</b>	<b>631</b>	<b>278</b>	44%
<i>Net Income Margin</i>	<i>5%</i>	<i>4%</i>	<i>+1%pt</i>	

## EBITDA Computation:

Net Income	909	631
Depr. and Amort.	554	515
Interest Expense	50	33
Prov. for Income Tax	239	202
<b>EBITDA</b>	<b>1,752</b>	<b>1,381</b>

New Product:





# Income Statement

<i>(In Php Millions)</i>	2018	2017	Inc/(Dec)	%
<b>Segment Revenue</b>				
<i>Residential</i>	1,704	845	859	102%
<i>Leasing</i>	1,495	1,388	107	8%
<b>Cost of Sales</b>				
<i>Residential</i>	1,209	500	709	142%
<i>Leasing</i>	374	308	66	21%
<b>Gross Profit</b>				
<i>Residential</i>	495	345	150	43%
<i>Leasing</i>	1,121	1,080	41	4%
<b>Gross Profit Margin</b>				
<i>Residential</i>	29%	41%	-12%pts	
<i>Leasing</i>	75%	78%	-3%pts	
<b>Operating Expenses</b>	948	732	216	30%
<b>Operating Income</b>	<b>668</b>	<b>693</b>	<b>(25)</b>	(4%)
Other Inc./ (Charges)	1	(181)	182	(101%)
Prov. for Income Tax	190	164	26	16%
<b>Segment Profit</b>	<b>479</b>	<b>348</b>	<b>131</b>	38%
<i>Net Income Margin</i>	<i>15%</i>	<i>16%</i>	<i>-1%pt</i>	

## EBITDA Computation:

Net Income	479	348
Depr. and Amort.	313	254
Interest Expense	291	355
Prov. for Income Tax	190	164
<b>EBITDA</b>	<b>1,273</b>	<b>1,121</b>

## New Projects:

### Eton Square Ortigas





# Income Statement

(In Php Millions)	2018	2017	Inc/(Dec)	%
Segment Revenue	15,095	13,893	1,202	9%
Cost of Sales	10,995	9,592	1,403	15%
<b>Gross Profit</b>	<b>4,100</b>	<b>4,301</b>	<b>(201)</b>	<b>(5%)</b>
Gross Profit Margin	27%	31%	-4%pts	
Operating Expenses	2,361	2,413	(52)	(2%)
<b>Operating Income</b>	<b>1,739</b>	<b>1,888</b>	<b>(149)</b>	<b>(8%)</b>
Equity in net loss	(736)	(636)	(100)	16%
Other Inc./ (Charges)	(21)	(60)	39	(65%)
Prov. for Income Tax	561	640	(79)	(12%)
<b>Segment Profit</b>	<b>421</b>	<b>552</b>	<b>(131)</b>	<b>(24%)</b>
Net Income Margin	3%	4%	-1%pt	

## EBITDA Computation:

Net Income	421	552
Depr. and Amort.	1,463	1,393
Interest Expense	75	51
Prov. for Income Tax	561	640
<b>EBITDA</b>	<b>2,520</b>	<b>2,636</b>

## New Products:

