

# Cosco Capital, Inc.

## 1H 2018 Financial Results Investor Presentation



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## **Head Office Address**

2nd floor, Tabacalera Building, 900 Romualdez Street, Paco, Manila, 1007  
Philippines

# Company Overview

Lucio Co Family  
73%

Public  
27%



cosco capital  
i n c o r p o r a t e d

51%

100%

100%

## Grocery Retailing



LAWSON

## Liquor Distribution



## Specialty Retailing

90%



100%



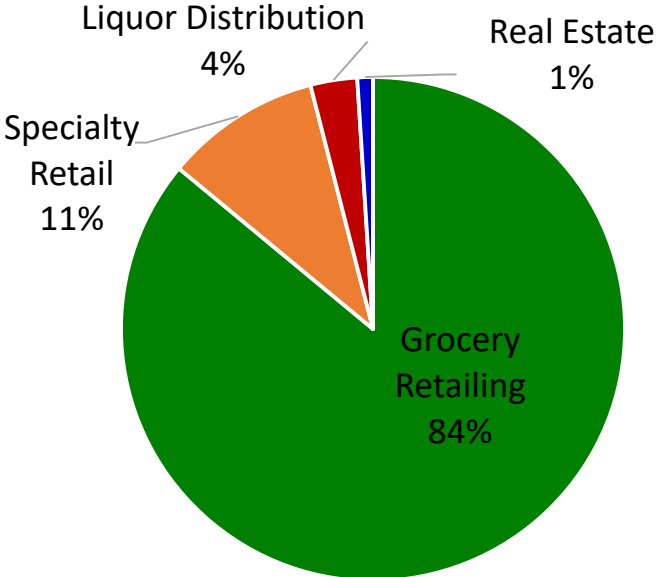
## Commercial Real Estate

- *Ellimac Prime Holdings, Inc.,*
- *Fertuna Holdings Corp.,*
- *Patagonia Holdings Corp.,*
- *Nation Realty, Inc.*
- *NE Pacific Shopping Centers Corporation*
- *Pure Petroleum Corp.,*

# Revenue & Net Income Contribution 1H 2018

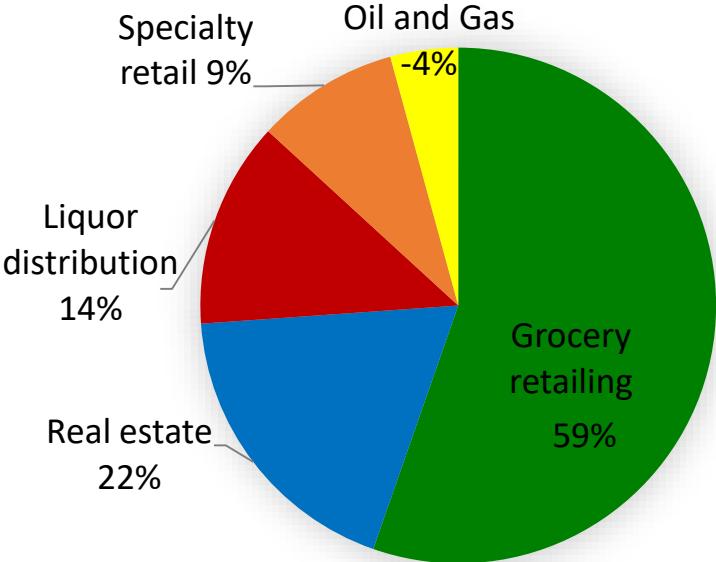


Revenues



PHP 76.3 billion

PATMI



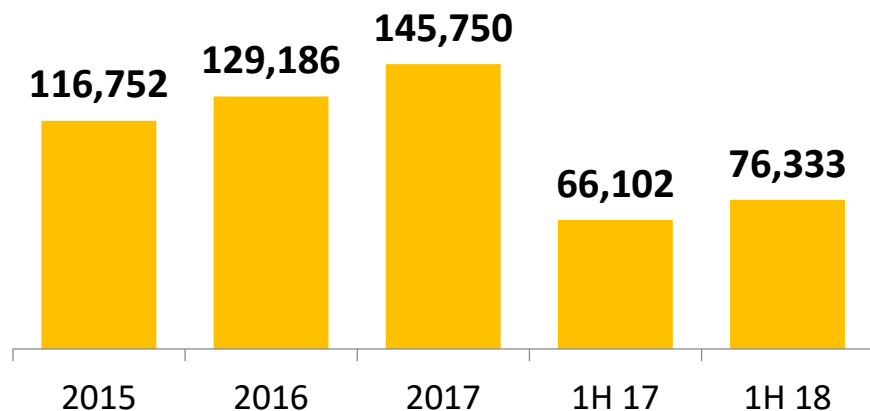
\*PHP 4.2 billion

\*Net Income includes one-time gain on sale of Lawson amounting to Php 362.8 million

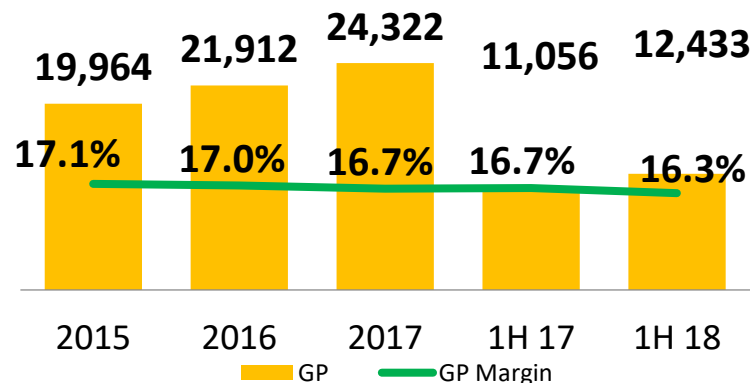
# 1H 2018 Consolidated Financial Highlights

(In PHP millions)

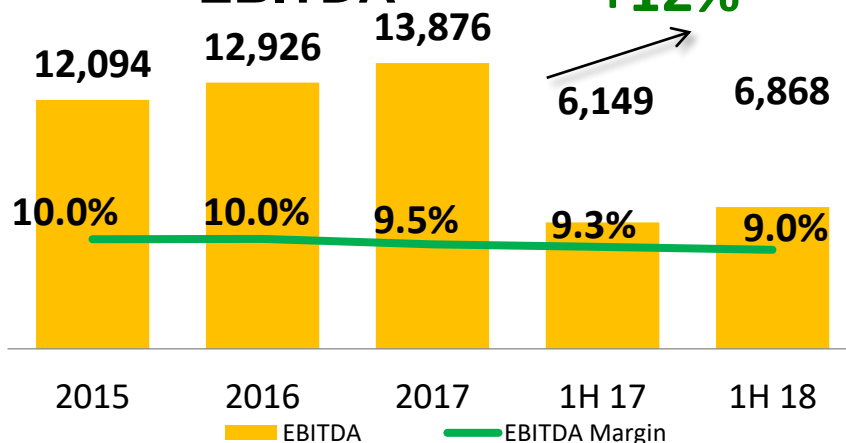
## Revenues +15.5%



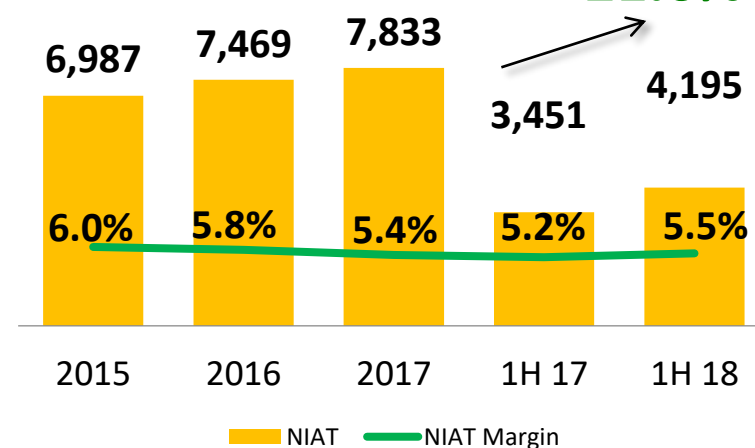
## Gross Profit +12.5%



## EBITDA +12%



## Net Income +21.6%

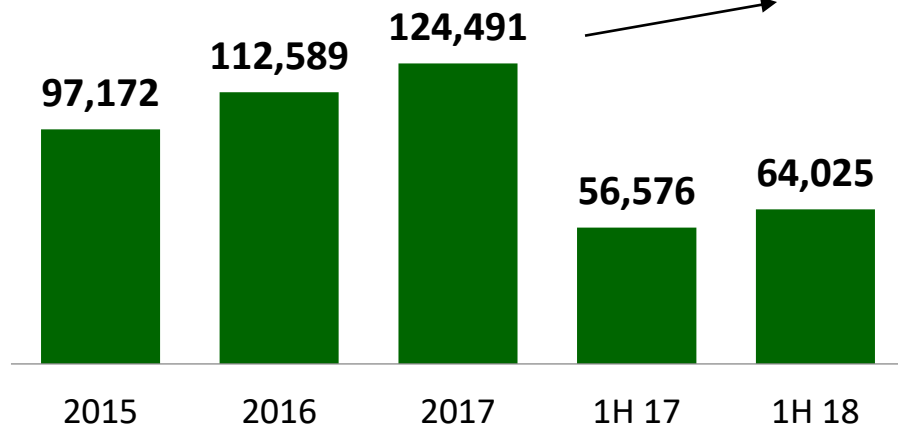


# Grocery Retailing: 1H 2018 Financial Highlights

(In PHP millions)

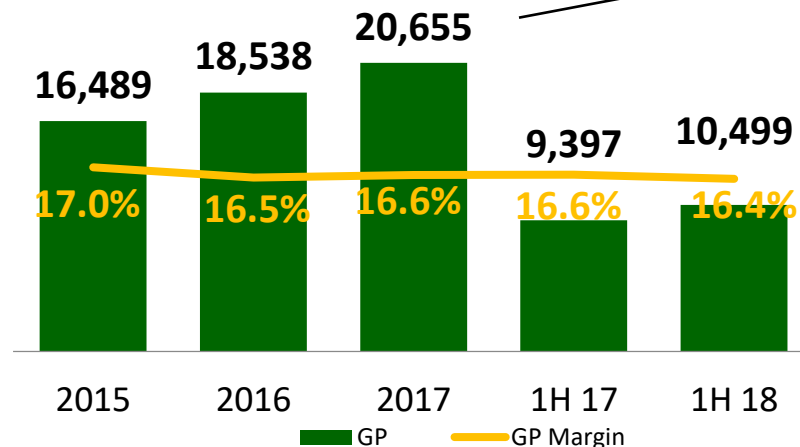
## Revenues

**+13.2%**



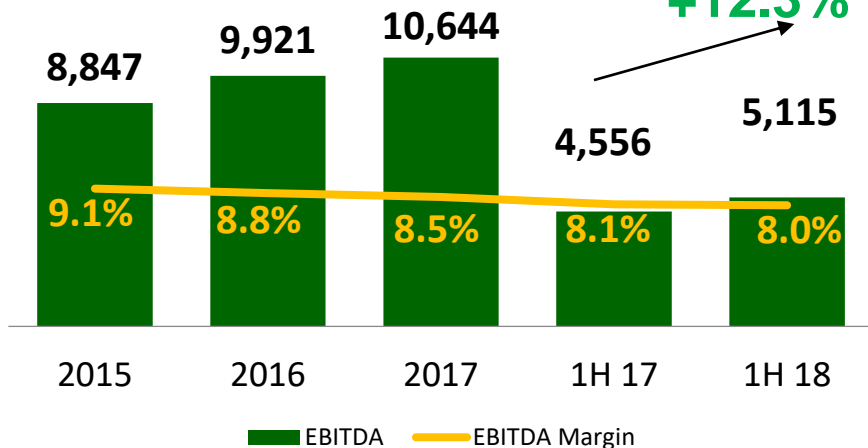
## Gross Profit and Margin

**+11.7%**



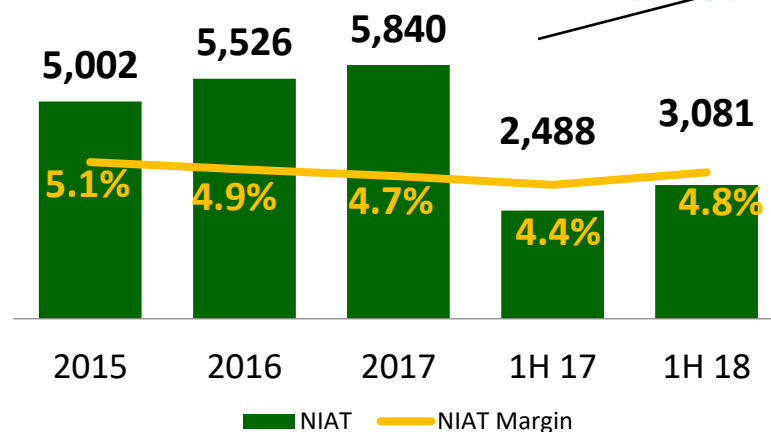
## EBITDA and Margin

**+12.3%**



## Net Profit and Margin

**+23.8%**



\*Net Income includes one-time gain on sale of Lawson amounting to Php 362.8 million

# Grocery Retailing: Operational Highlights



- Puregold opened **15 new stores** in 1H 2018
- S&R opened **2 new S&R warehouse** and **4 new S&R QSR**
- As of 1H 2018, the Grocery Retailing segment is operating a **total of 393 stores**
- SSSG PGOLD only is at 6.1% while S&R is at 5.9%
- Merger and conversion of NE Bodega and Budgetlane supermarket stores effective **January 1, 2018**



	<b>PUREGOLD</b>	<b>S&amp;R</b>	<b>S&amp;R QSR</b>
Metro Manila	121	7	23
Luzon	189	5	8
Visayas	22	2	4
Mindanao	9	2	1
<b>Total</b>	<b>341</b>	<b>16</b>	<b>36</b>

# Liquor Distribution: Products



## Brandy

Alfonso  
Alfonso Light  
Excelente

## Tequila

Patron

## Whiskey

Johnnie Walker  
Jack Daniels

Various Wines



## Brandy

Fundador  
Fundador Light

## Whiskey

Jim Beam  
Glenfiddich



## Tequila

Jose Cuervo

## Whiskey

Bushmills  
Chivas Regal

## Cognac

Martel

## Vodka

Absolut

## Liqueurs

Jagermeister

## Specialty Beverages

Red Bull

Various Wines

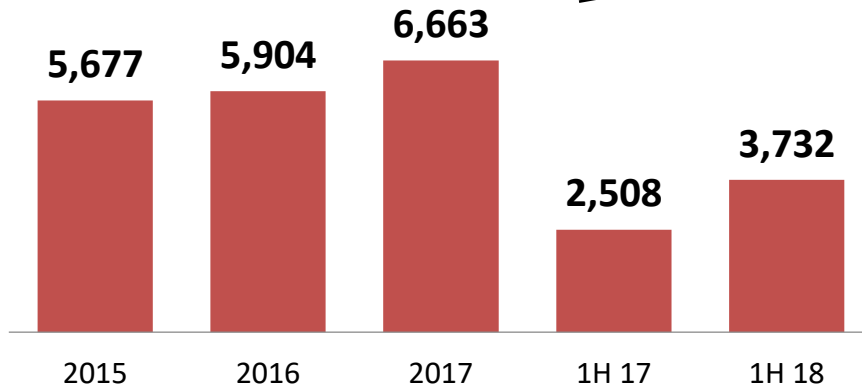


# Liquor Distribution: 1H 2018 Financial Highlights

(In PHP millions)

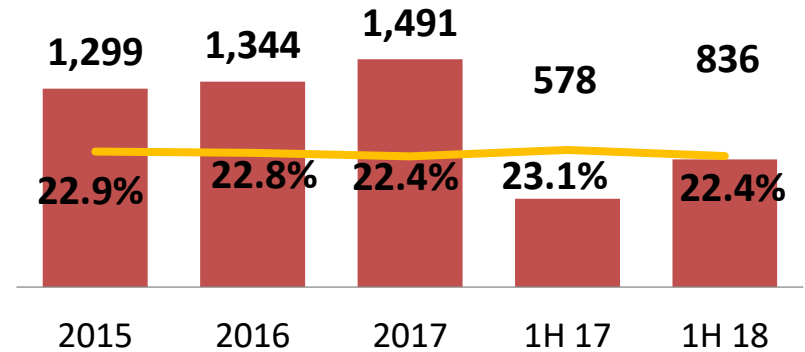
## Revenues

**+48.8%**



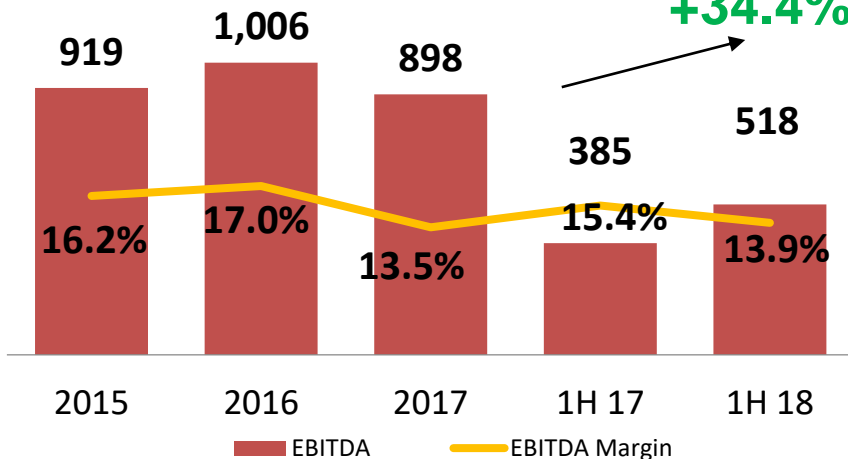
## Gross Profit and Margin

**+44.5%**



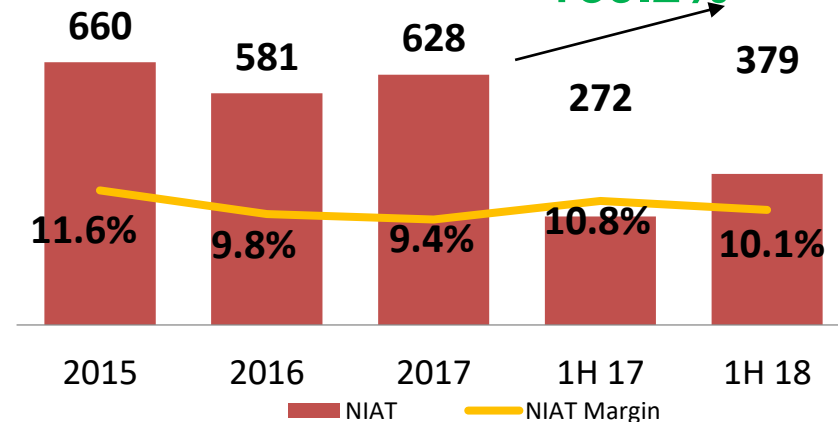
## EBITDA and Margin

**+34.4%**



## Net Profit and Margin

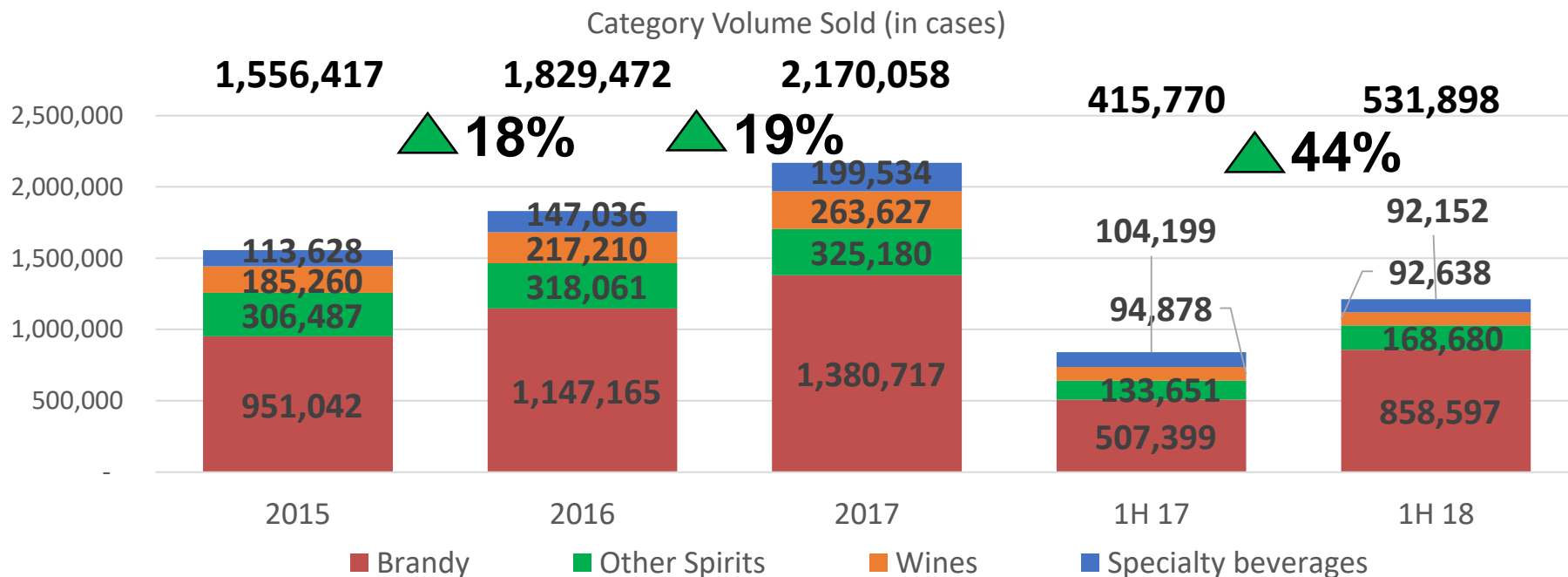
**+39.2%**



# Liquor Distribution: Total Volume Sales

- 44% growth in total volume of cases sold in 1H 2018
- Growth driven by the increase in Alfonso Light and Alfonso .

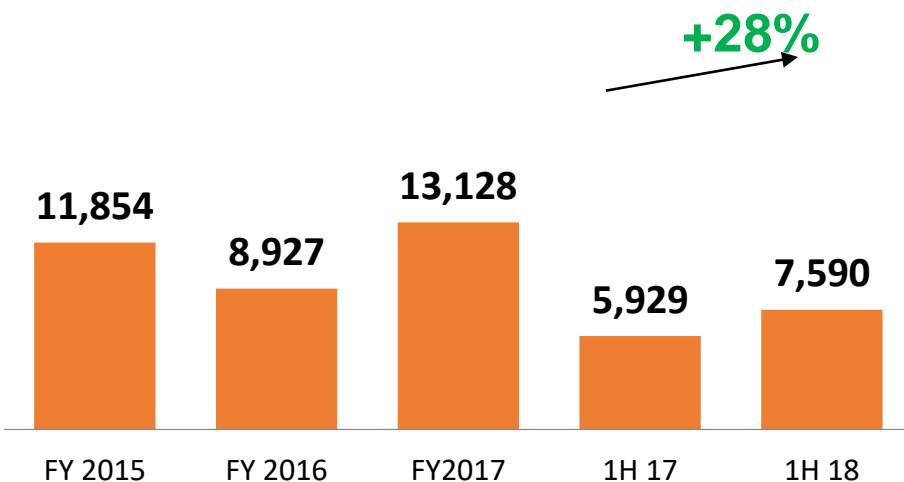
Category	1H 2017	Mix %	1H 2018	Mix %	Inc/Dec	%
Brandy	507,399	60%	858,597	71%	351,198	69%
Other spirits	133,651	16%	168,680	14%	35,028	26%
Wines	94,878	11%	92,638	8%	(2,240)	-2%
Specialty beverages	104,199	12%	92,152	8%	(12,046)	-12%
	<b>840,127</b>	<b>100%</b>	<b>1,212,067</b>	<b>100%</b>	<b>371,940</b>	<b>44%</b>



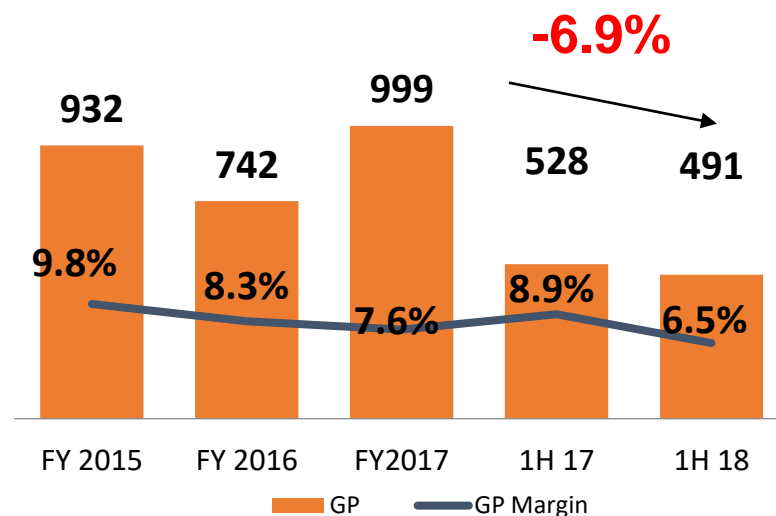
# Liquigaz: 1H 2018 Financial Highlights

(In PHP millions)

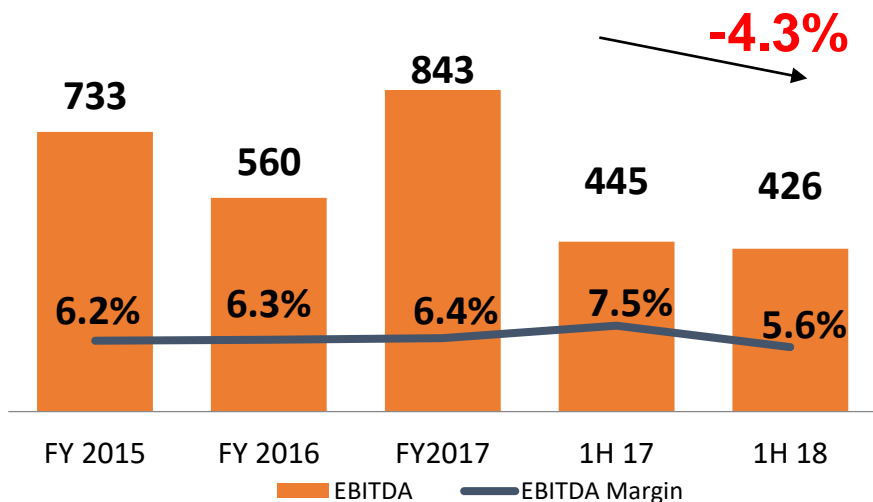
## Revenues



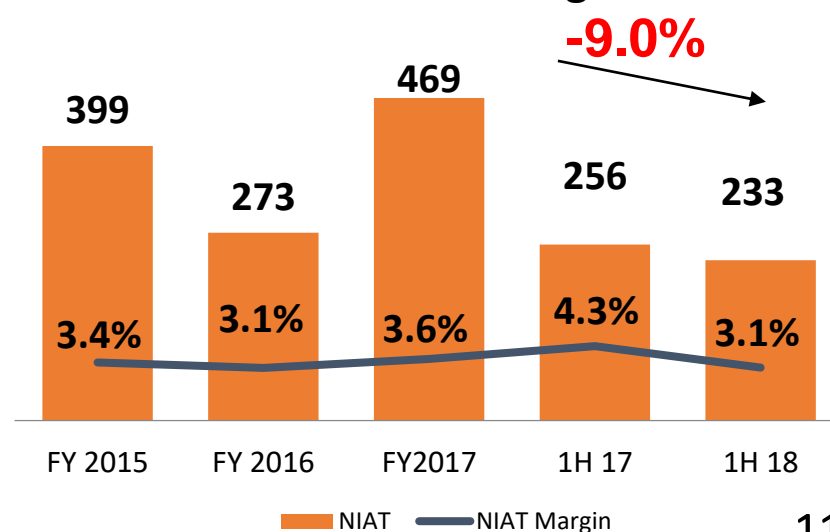
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin

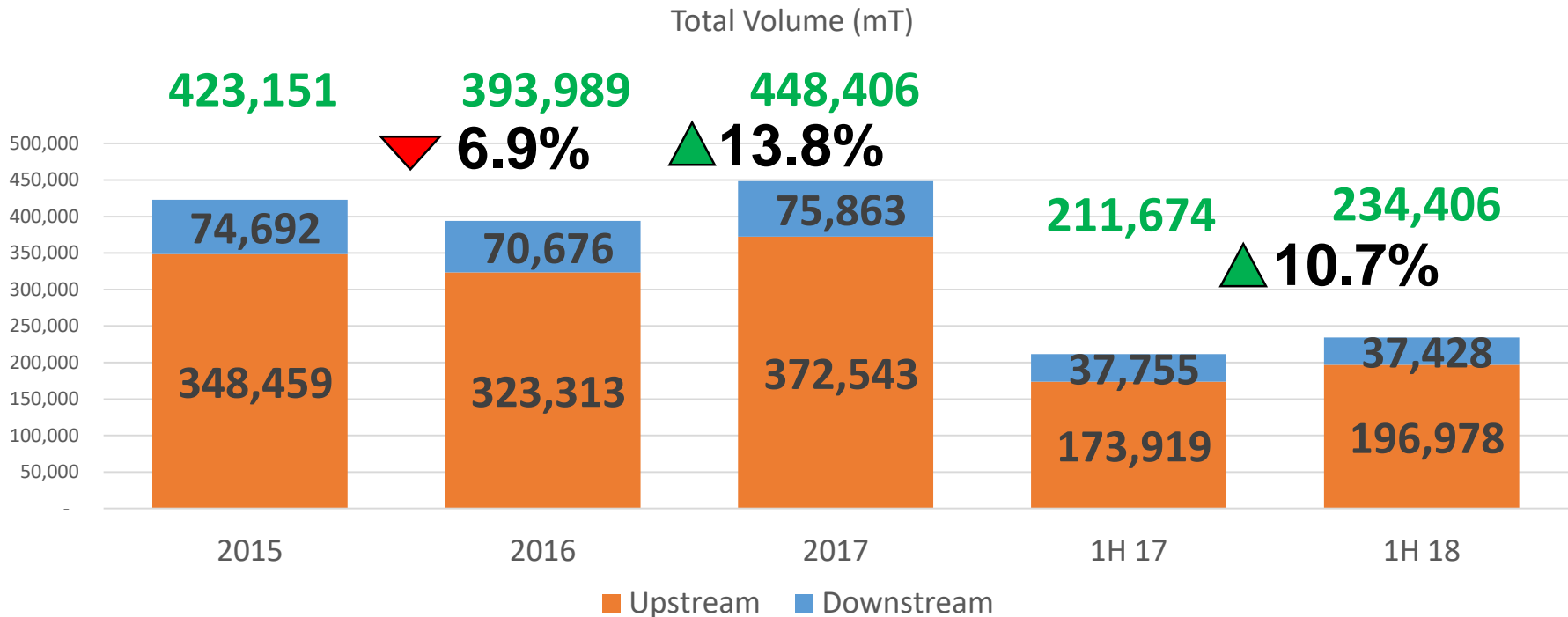


# Liquigaz: Operational Highlights



## LIQUIGAZ PHILIPPINES CORPORATION

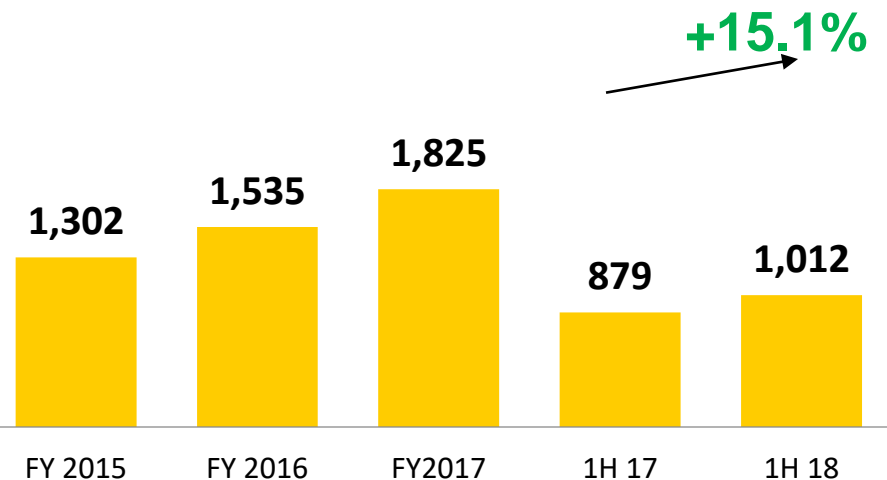
- 10.7% increase in total sales volume due to higher sales from wholesale and major clients in 1H 2018
- New terminal facility in Sairaya, Quezon to start full commercial operations in 2H 2018



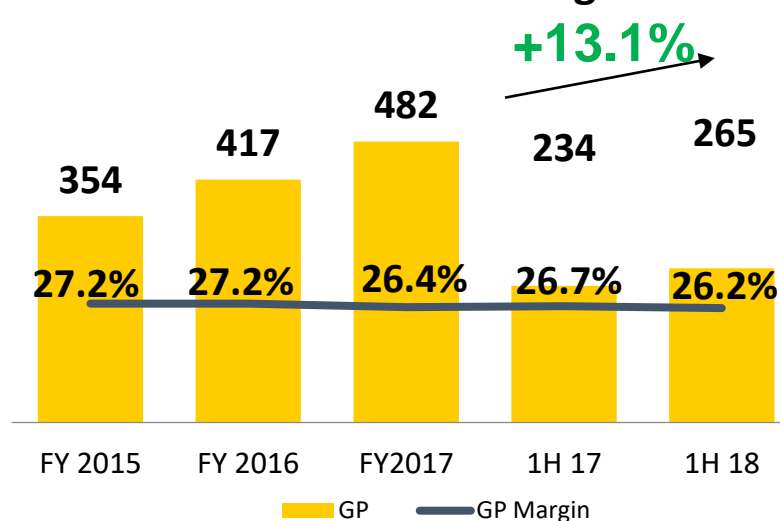
# Office Warehouse: 1H 2018 Financial Highlights

(In PHP millions)

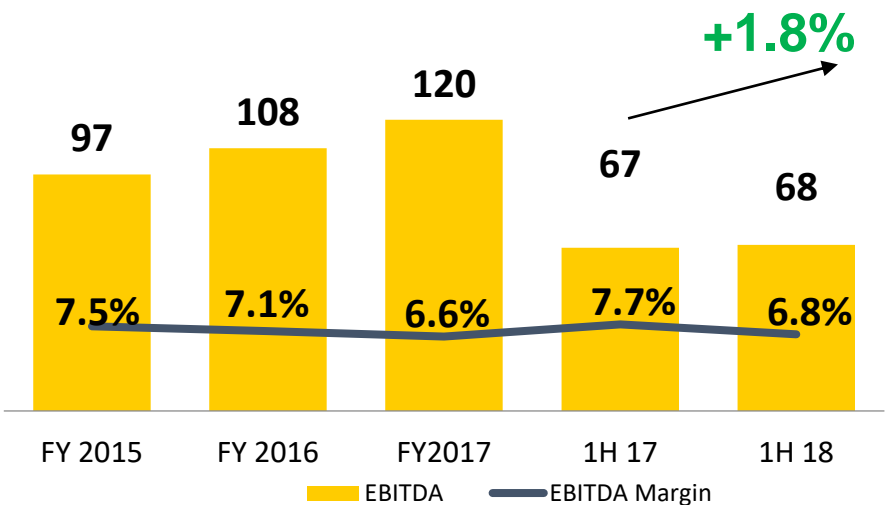
## Revenues



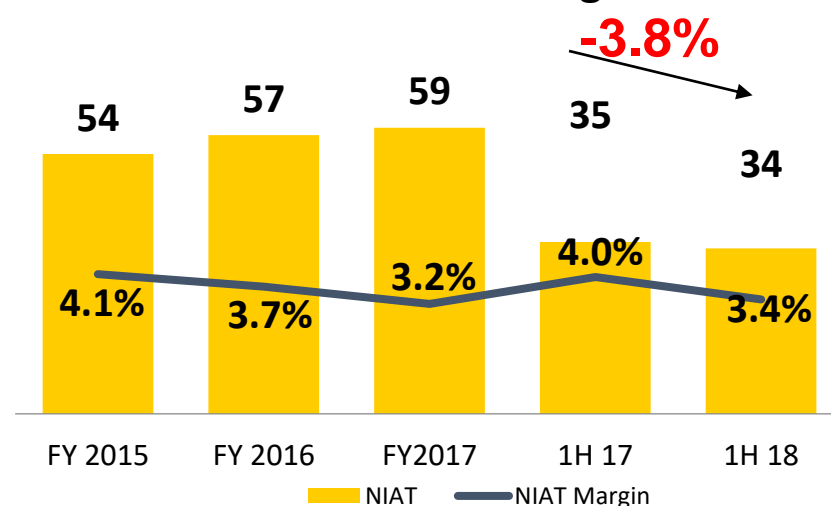
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Office Warehouse: Operational Highlights

## OFFICE WAREHOUSE, INC.

- Strong growth driven by store expansion and enhanced product offerings
- Office Warehouse opened 3 new store during 1H 2018

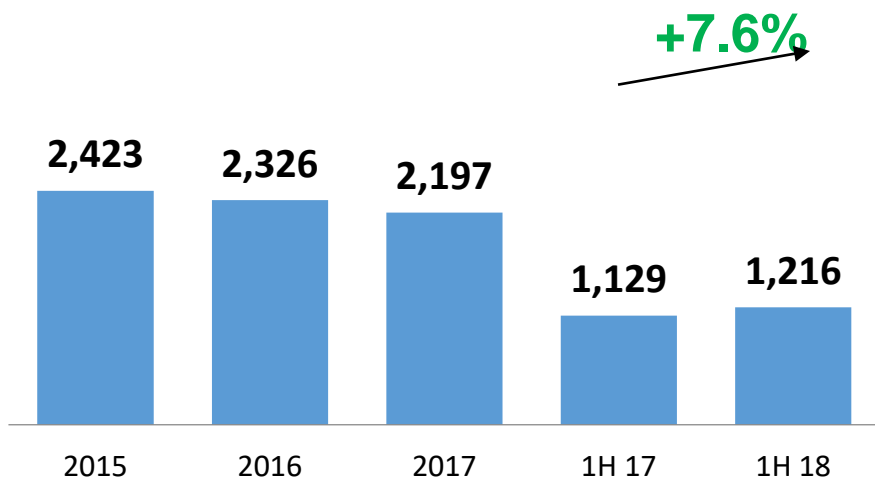


	Y2015	Y2016	Y2017	1H 2017	1H 2018
<b>No. Stores</b>	59	71	82	73	85
<b>Net selling area</b>	11,036 sqm	14,014 sqm	15,945 sqm	14,645 sqm	16,615 sqm

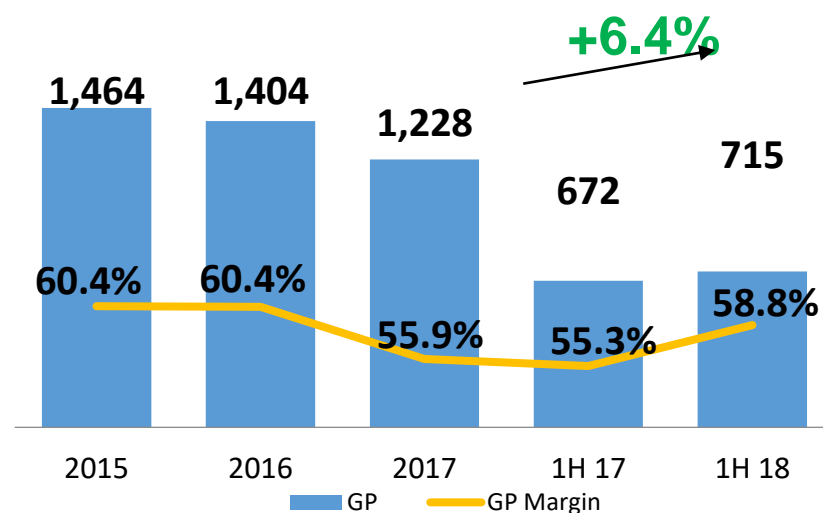
# Real Estate: 1H 2018 Financial Highlights

(In PHP millions)

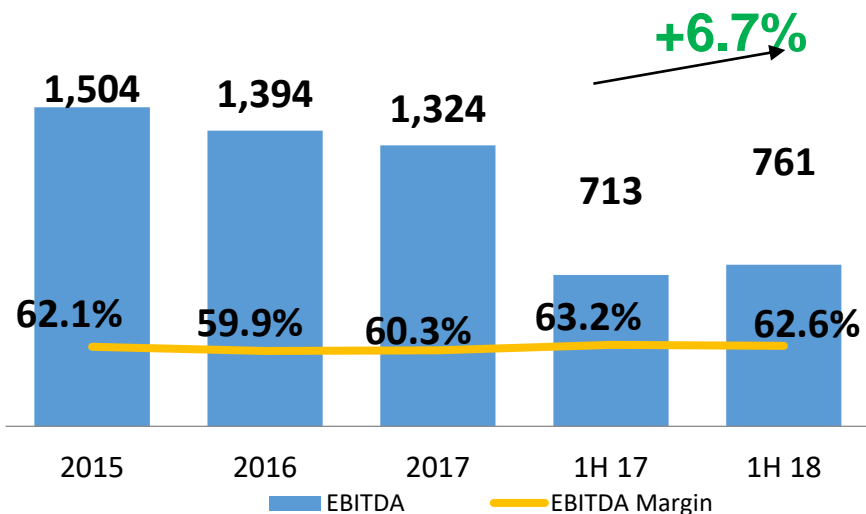
## Revenues



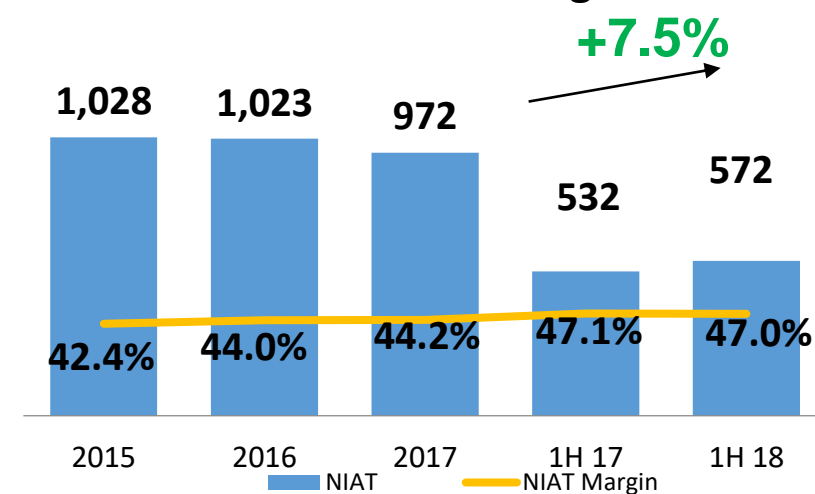
## Gross Profit and Margin



## EBITDA and Margin



## Net Profit and Margin



# Real Estate Group: Operational Highlights

- Total of 53 commercial properties with 96% average occupancy rate
- Pure Petroleum operating at 100% capacity in 2017 and 2016 (9 storage tanks with 88.5M liters capacity)

Category	1H2018	FY2017	GLA/Lot Area in sq.m.
Land under lease	10	9	158,123
Commercial Buildings	32	29	261,722
Under Development	3	4	20,841
Future Development	8	10	98,686
<b>Total</b>	<b>53</b>	<b>52</b>	<b>539,372</b>

- 3 new community malls opened in Q12018 located in **Cavite, Muntinlupa and Subic.**
- **San Miguel, Pasig** property partly lease out to Lawson in February 2018
- On-going development of **3 new** community malls in **Las Pinas, Bayawan Negros Oriental and Maria Aurora, Aurora**
- Acquired 1 property for future development located in **Cabatuan, Iloilo**



- **CAPEX Budget of Php 5.55 billion in 2018**
  - Php 3.65 billion for Puregold Group
  - Php 1.5 billion for Real Estate Group
  - Php 300 million for Liquigaz
  - Php 100 million for Office Warehouse
- To be funded by internally generated cash and short term untapped bank credit lines if necessary



**Thank you.**

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