

# Cosco Capital, Inc.

## 1Q2017 Financial Results Investor Presentation



LAWSON



fairview  
terraces



HARBOR POINT

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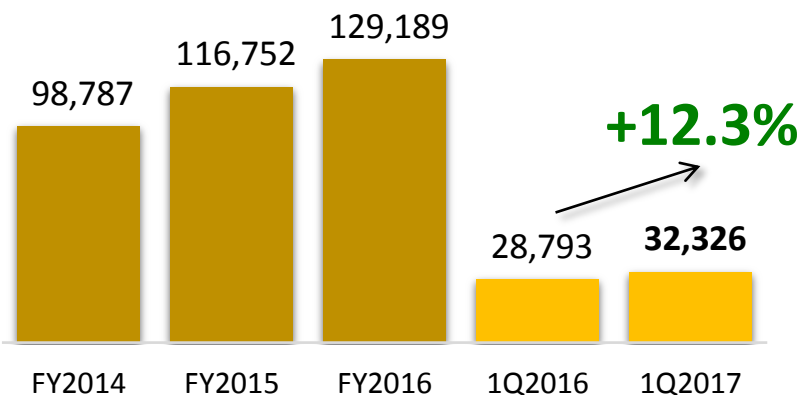
# Agenda

- 1Q2017 Consolidated Financial Results
- Core Businesses
  - Grocery Retailing
  - Liquor Distribution
  - Specialty Retailing
  - Commercial Real Estate

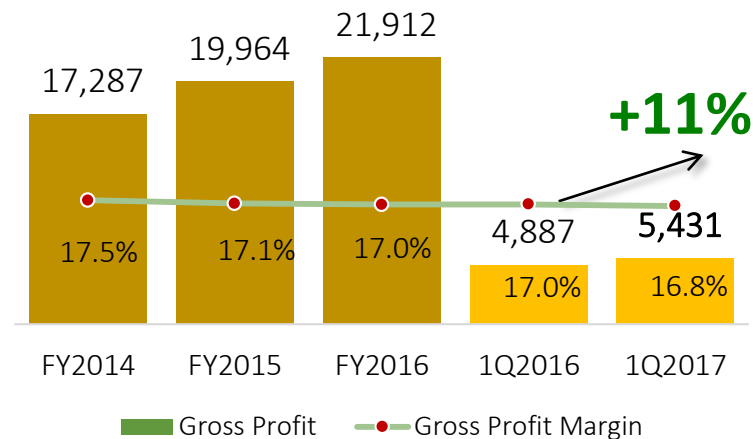
# 1Q2017 Consolidated Financial Highlights

(In PHP millions)

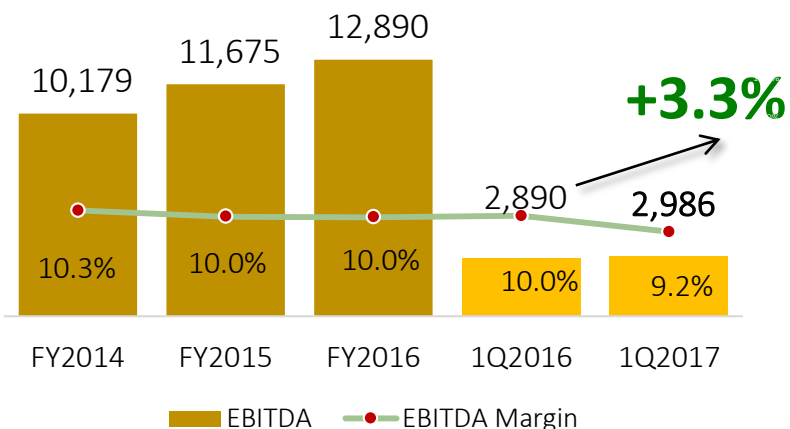
## REVENUES



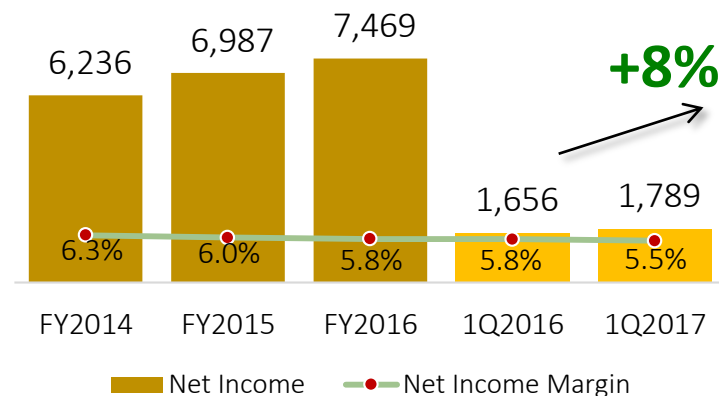
## GROSS PROFIT



## EBITDA



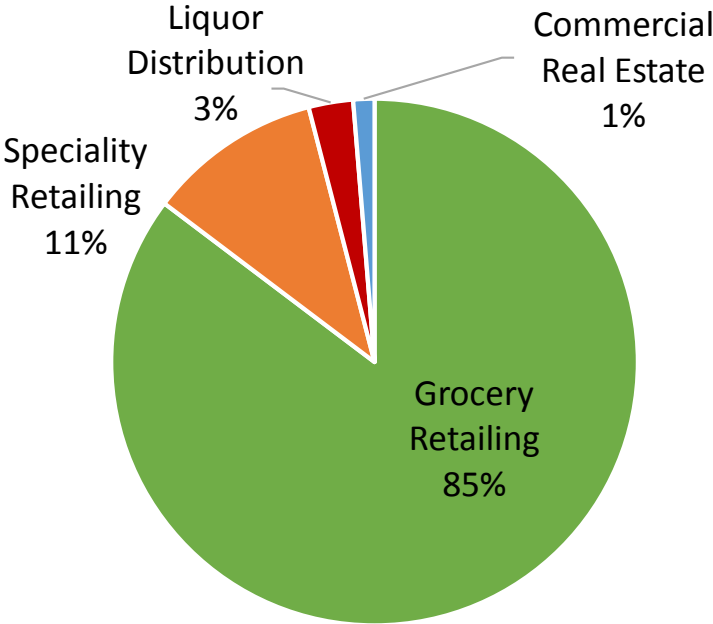
## NET INCOME



# Revenue Contribution

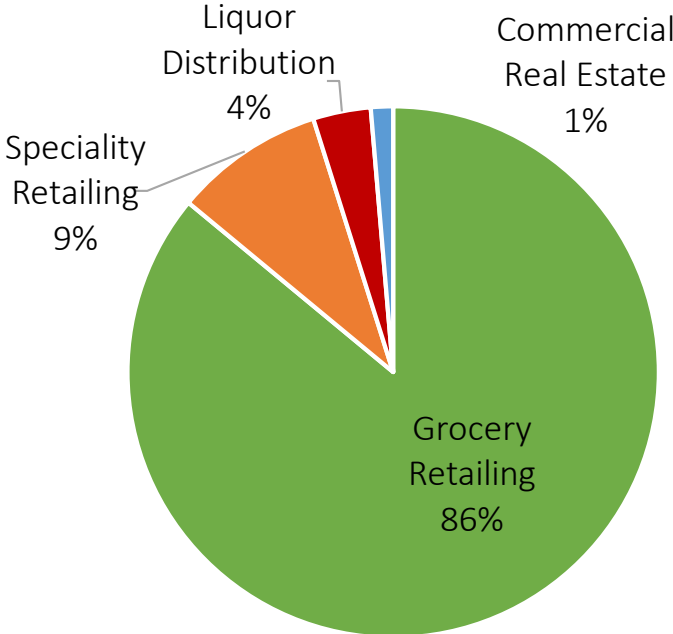
## Consolidated Revenues

### 1Q2017



PHP 32.3 billion

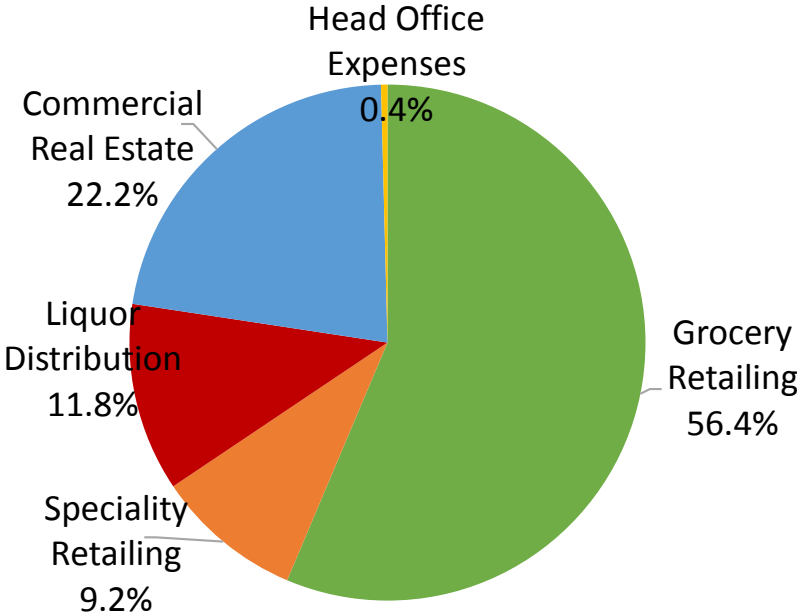
### 1Q2016



PHP28.8 billion

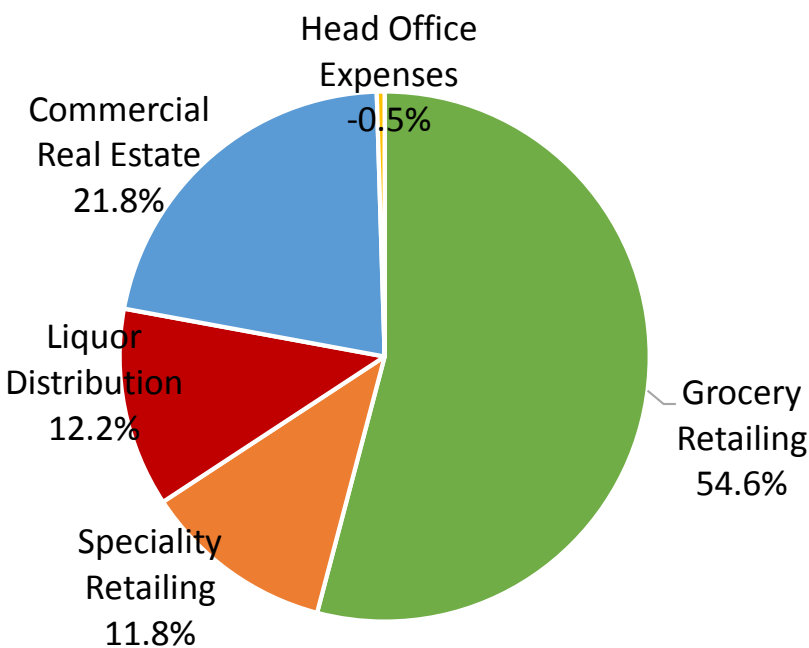
# Net Income Contribution

1Q2017



**PHP1.15 billion**

1Q2016



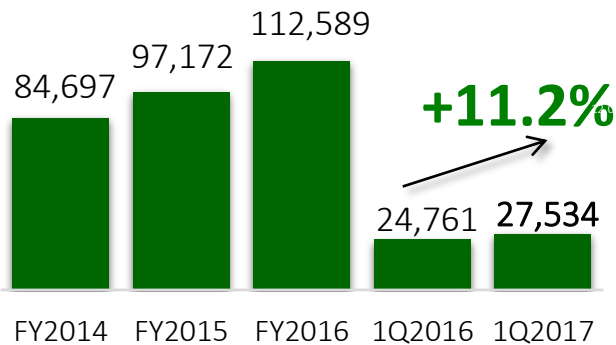
**PHP 1.08 billion**

*\*attributable to equity holders of the parent company*

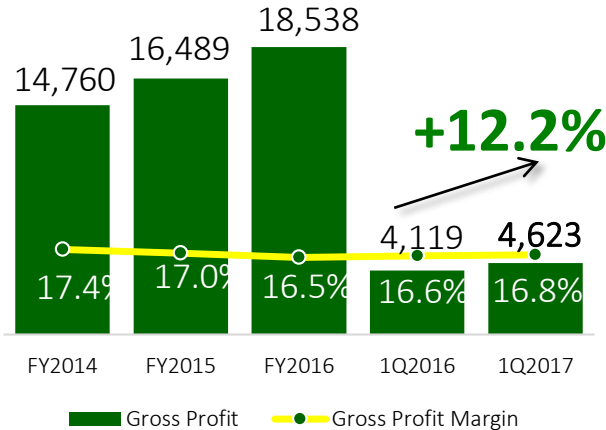
# Grocery Retailing: 1Q2017 Financial Highlights

(In PHP millions)

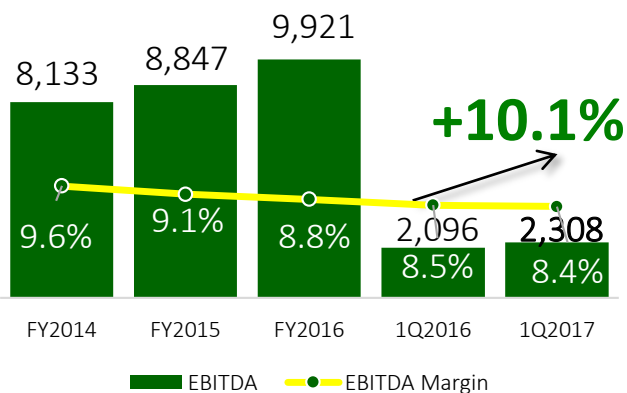
## Revenues



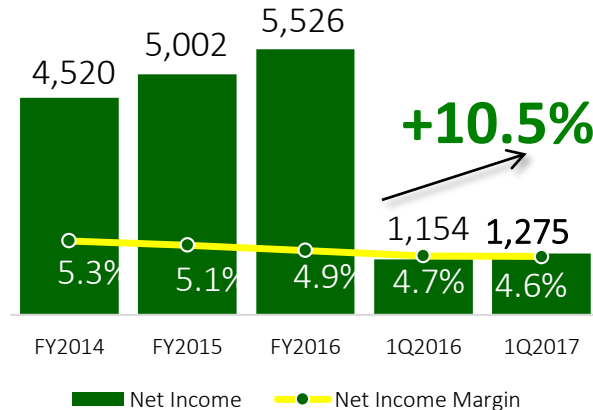
## Gross Profit



## EBITDA



## Net Income



## Key Highlights

- 11.2% growth in Consolidated Net Sales to PHP27.5 billion, with Puregold contributing 80% and S&R 20% of total.
- Growth in Revenues driven by Puregold's Same Store Sales Growth ("SSSG") of 4.5% due to positive growth in traffic count of 1.7%, and growth in basket size of 2.7%. S&R posted SSSG of 13% due to positive growth in traffic of 6.1% and basket size of 6.5%.
- Consolidated Net Profit Margin of 4.6%. Puregold only net margin is 4% while S&R net margin is 7.2%.

# Grocery Retailing: Recent Developments



- Puregold opened 6 new stores out of targeted 25 new stores
- S&R opened 1 S&R New York Style Pizza (QSR)
- As of 1Q2017, the Grocery Retailing segment is operating a total of 336 stores

	PUREGOLD	S&R	S&R QSR	NE Bodega	Budgetlane
Metro Manila	112	5	15	0	1
Luzon	152	3	7	9	7
Visayas	11	2	1	0	0
Mindanao	8	2	1	0	0
<b>Total</b>	<b>283</b>	<b>12</b>	<b>24</b>	<b>9</b>	<b>8</b>



# Liquor Distribution: Products



**MONTOSCO INC.**

## **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: 1Q2017 Financial Highlights

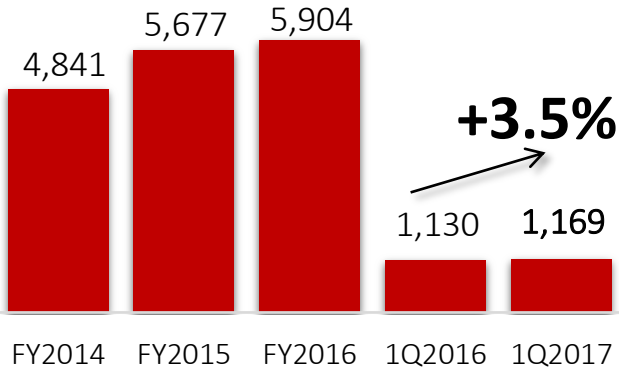
(In PHP millions)



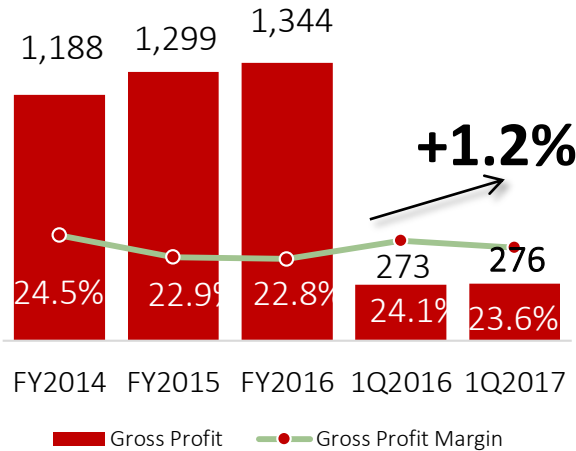
MONTOSCO INC.



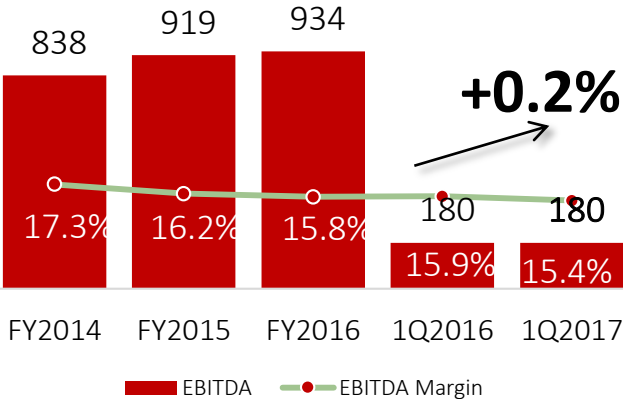
## Revenues



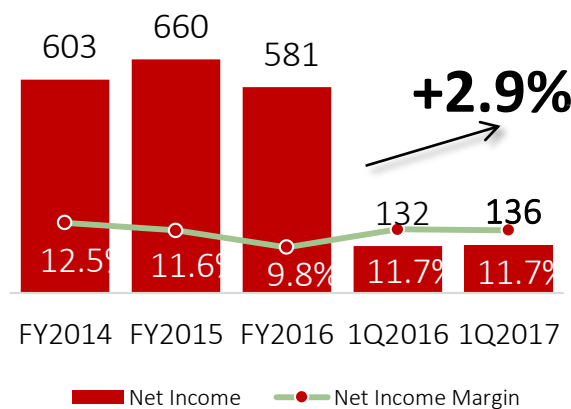
## Gross Profit



## EBITDA



## Net Income



## Key Highlights

- Revenues growth due to the 26% increase in volume of cases sold.
- Slight decline in GP Margin due to sales mix

# Liquor Distribution: Total Volume Sales

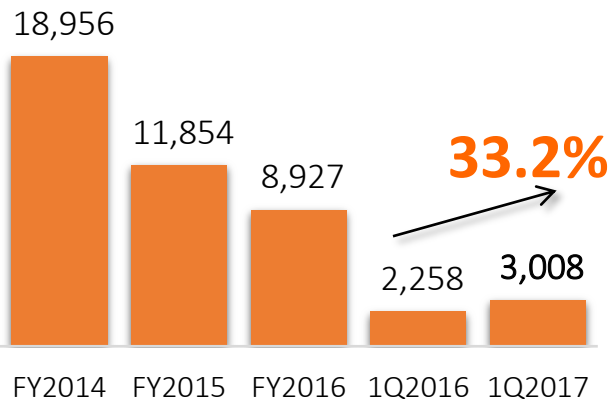
- 29% growth in total volume of cases sold
- Growth mainly driven by Alfonso Light and Alfonso

	1Q2017	% to total	1Q2016	% to total	Inc (Dec)	% Inc (Dec)
Brandy	268,219	65%	195,510	61%	72,708	37%
Other spirits	67,658	16%	69,013	21%	(1,355)	-2%
Wines	38,986	9%	29,320	9%	9,756	33%
Specialty Beverages	40,907	10%	27,349	9%	13,558	50%
<b>Total Volume (in cases)</b>	<b>415,770</b>	<b>100%</b>	<b>321,101</b>	<b>100%</b>	<b>94,669</b>	<b>29%</b>

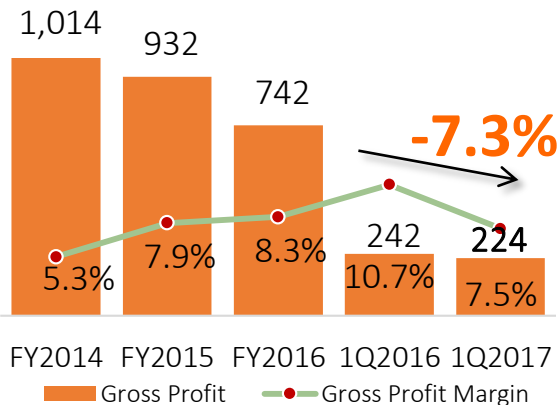
# Liquigaz: 1Q2017 Financial Highlights

(In PHP millions)

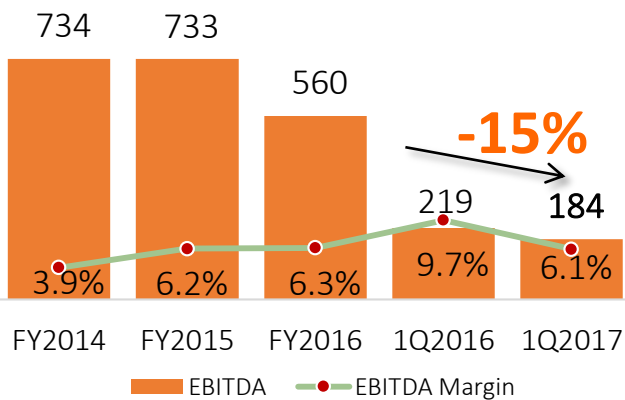
## Revenues



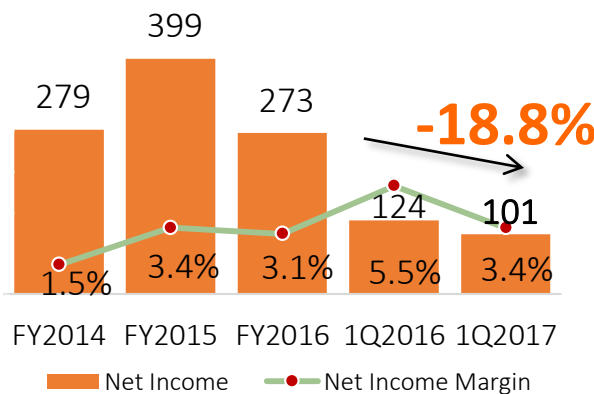
## Gross Profit



## EBITDA



## Net Income



## Key Highlights

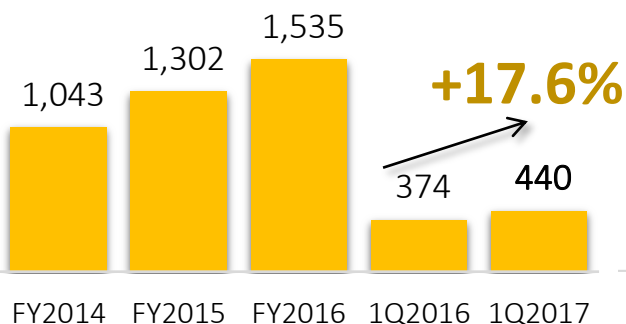
- Increase in Revenues due to rise in global LPG prices
- Decline in Gross Profit due to higher cost of goods and compression in margins
- Sustained volume sales despite lower

	1Q2017	1Q2016	Inc (Dec)	% Change
Volume Sold (metric tons)	98,978	99,166	(188)	-0.19%

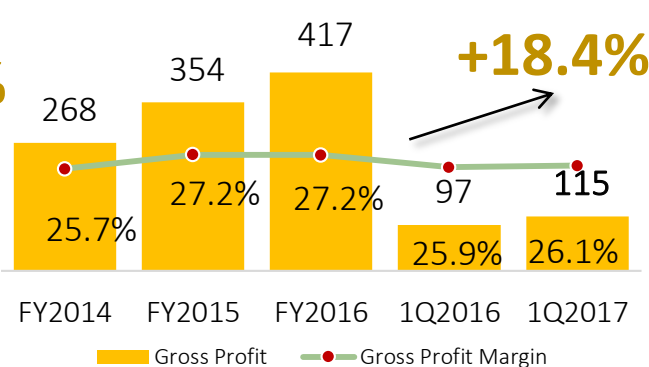
# Office Warehouse, Inc. 1Q2017 Financial Highlights

(In PHP millions)

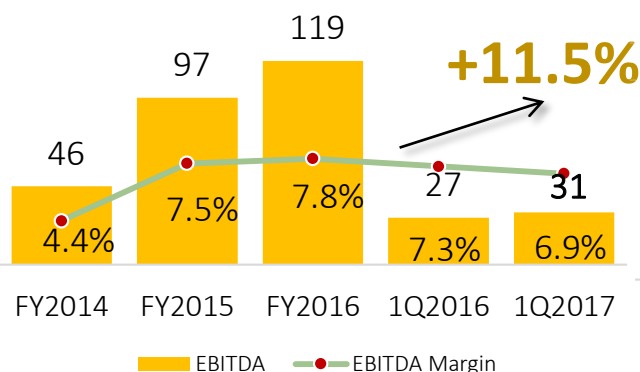
## Revenues



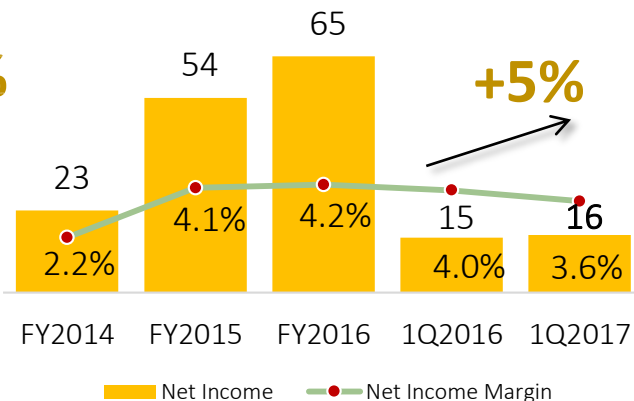
## Gross Profit



## EBITDA



## Net Income



## Key Highlights

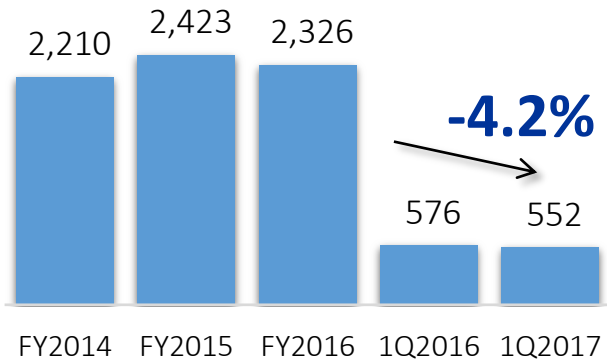
- Opened 3 new stores and closed down 2 stores during the first quarter
- Sales grew by 18% to PHP440 million, driven by SSSG of 6.12%
- Positive results is due to store network expansion, enhanced product offerings, and active sales and marketing campaigns.

	2014	2015	2016	1Q2017
# of Stores	48	59	71	72
Net Selling Area		11,036sqm	14,014 sqm	14,445sqm

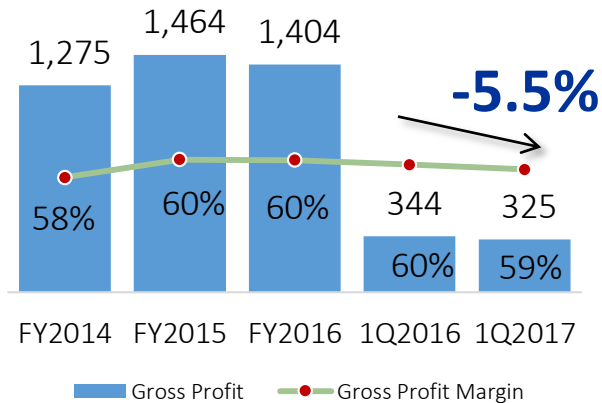
# Commercial Real Estate: 1Q2017 Financial Highlights

(In PHP millions)

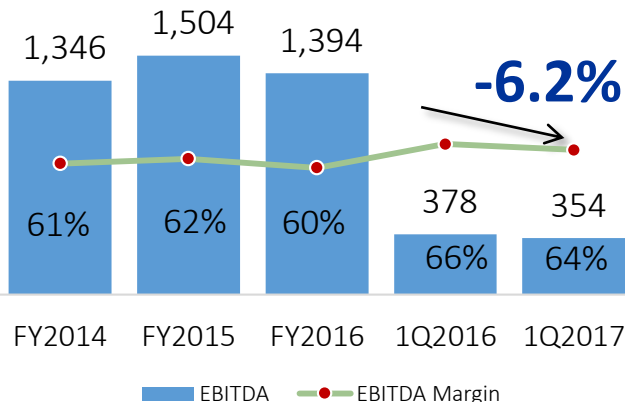
## Revenues



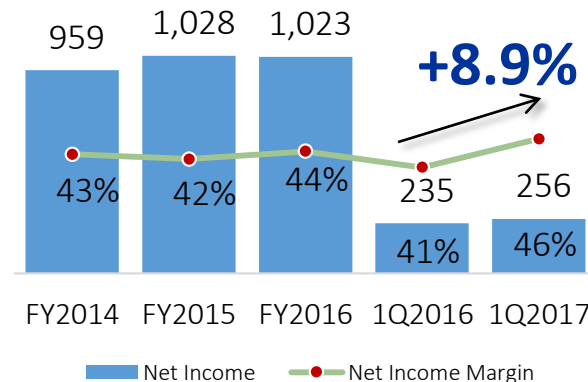
## Gross Profit



## EBITDA



## Net Income



## Key Highlights

- Increase in Net Income due to lower interest expenses

	1Q2017
Rental Yield, gross	11.1%
Rental Yield, net	6.37%
Debt : Equity	0.59
ROE	7.0%

# Commercial Real Estate: Property Portfolio

## Key statistics

Category	3Q2016	GLA/Lot Area in sq.m.	Investment cost in PHP million
Land under lease	9	146,148	4,243.50
Commercial Buildings	29	259,215	12,973.30
<b>Total</b>	<b>38</b>	<b>405,363</b>	<b>17,216.80</b>

\* Ave. Occupancy Rate 94%

## Geographic coverage

### Metro Manila

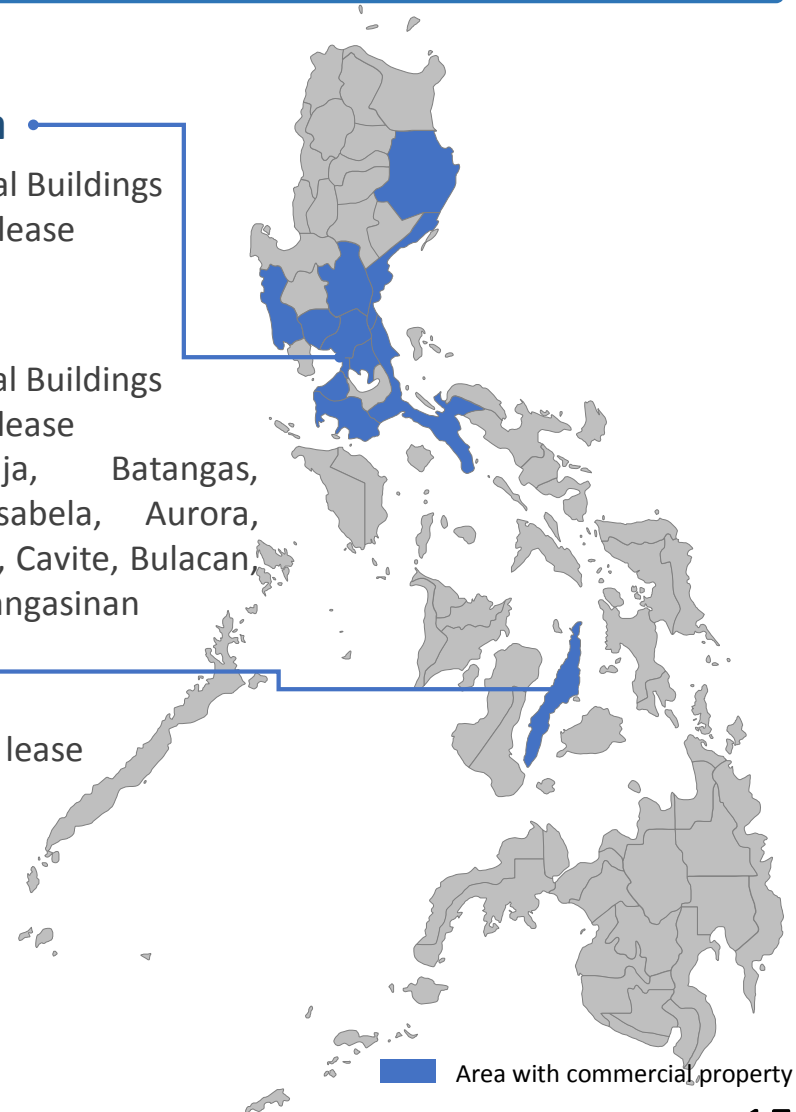
- 13 Commercial Buildings
- 5 Land under lease

### Luzon

- 16 Commercial Buildings
- 3 Land under lease
- Nueva Ecija, Batangas, Zambales, Isabela, Aurora, Quezon, Rizal, Cavite, Bulacan, Pampanga, Pangasinan

### Visayas

- 1 Land under lease
- Cebu City





**Thank you.**

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