

# FULL YEAR 2019 AUDITED RESULTS



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# Agenda

Full Year 2019 Audited Results

Key Business Updates

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# JGS: Strong recovery on the back of favorable macro environment and consumer sentiment

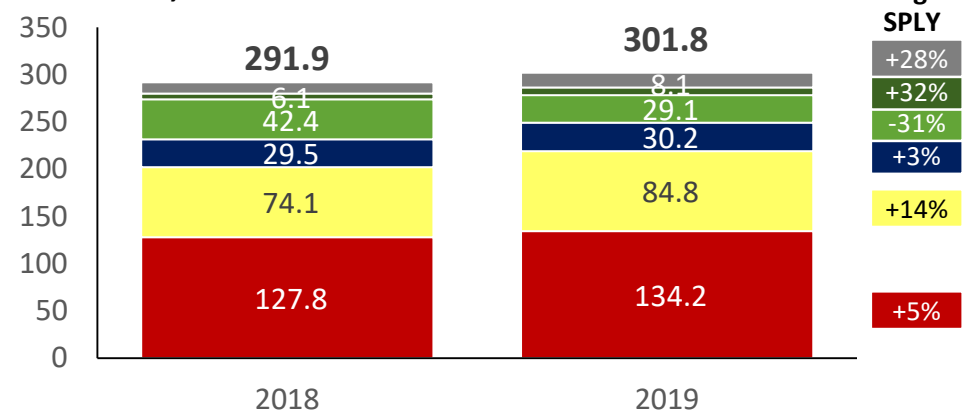
In billion pesos	2018	2019	Growth
Revenues	291.9	301.8	+3%
Core net income after taxes	22.4	25.3	+13%
Net Income*	19.2	31.3	+63%

\*attributable to equity holders of the parent

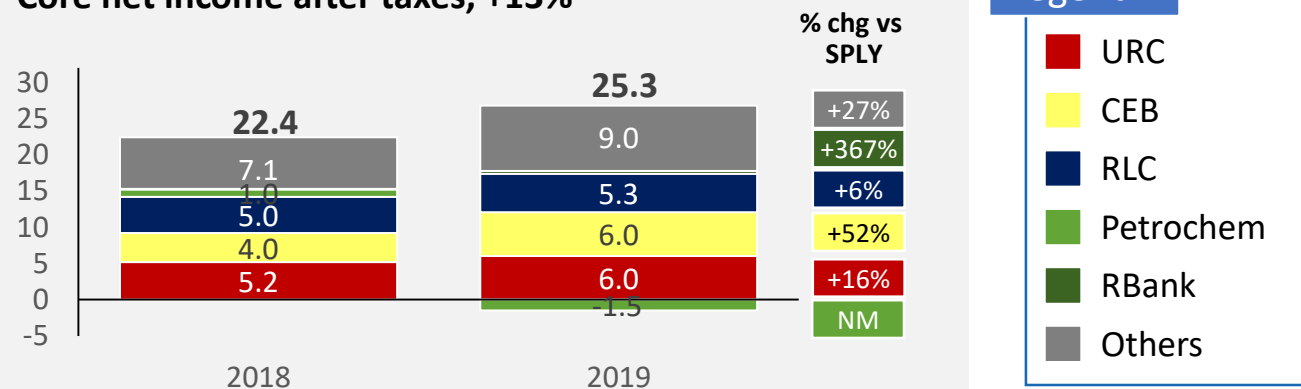
- Topline growth was mainly driven by CEB's passenger & ancillary segments, RBank's better yields & trading gains, and JGS' share in UIC's acquisition gain
- Core net income rose faster than sales due to CEB's lower CASK, RBank's wider NIMs, URC's margin improvements, and the parent's lower debt service costs
- Mark-to-market & forex gains, Petrochem's impairment loss reversal and UIC's gain on acquisition boosted net income expansion

## Segment Breakdown (in billion pesos)

### Revenues, +3%



### Core net income after taxes, +13%

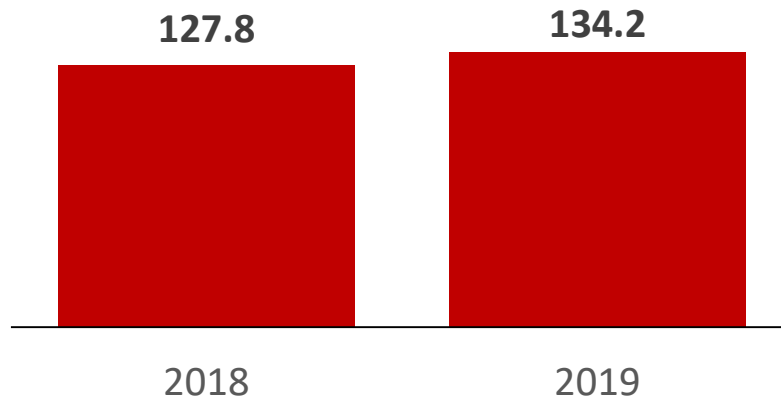


## Legend

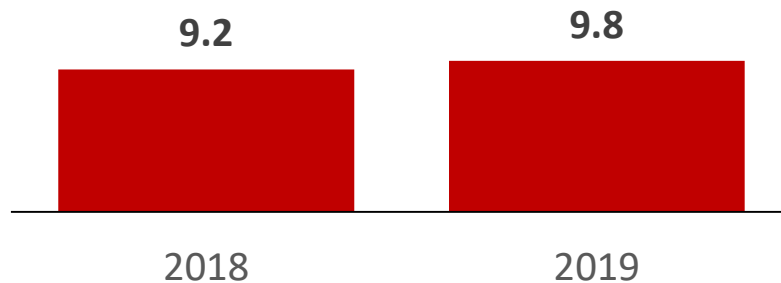
- URC
- CEB
- RLC
- Petrochem
- RBank
- Others

# URC: Strong home market supported overall growth

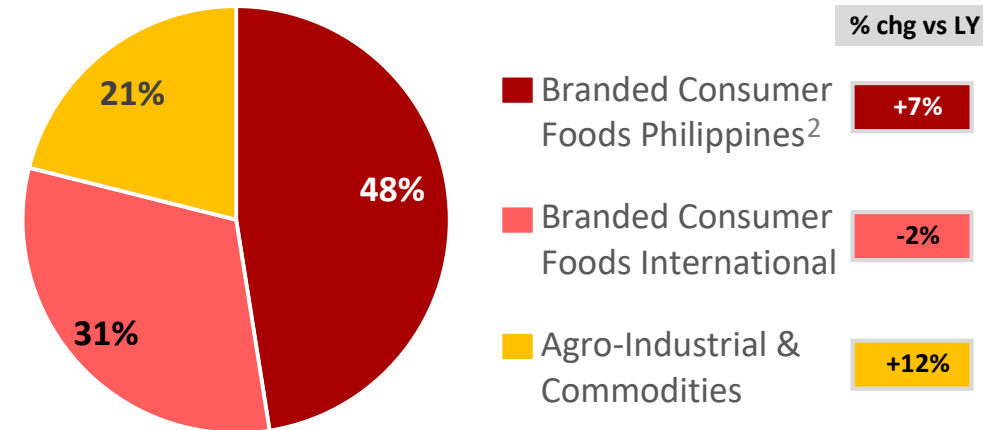
## Revenue, +5%



## Net Income, +6%



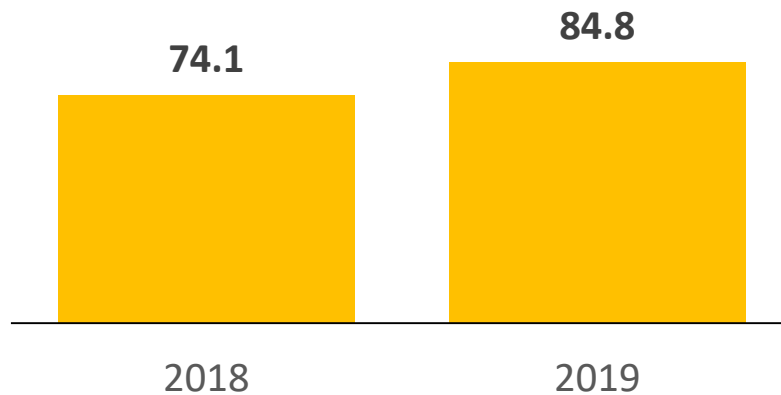
## Revenue Breakdown



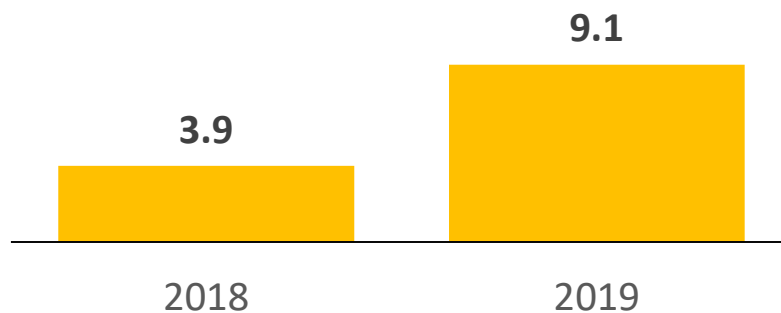
- Strong sales across all product categories in BCF PH, Animal Nutrition & Health, and Flour was slightly tempered by FX translation impact on BCF international
- Growth in operating income and margins was driven by Branded Foods Business, while net income expansion was impacted by higher forex losses and restructuring reserves

# CEB: Net income more than doubled on strong demand, efficient operations & favorable macro

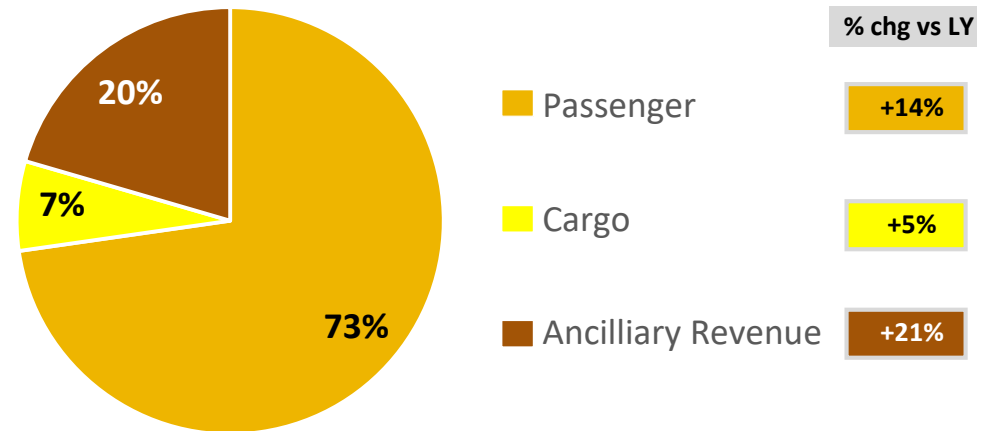
## Revenue, +14%



## Net Income, +133%



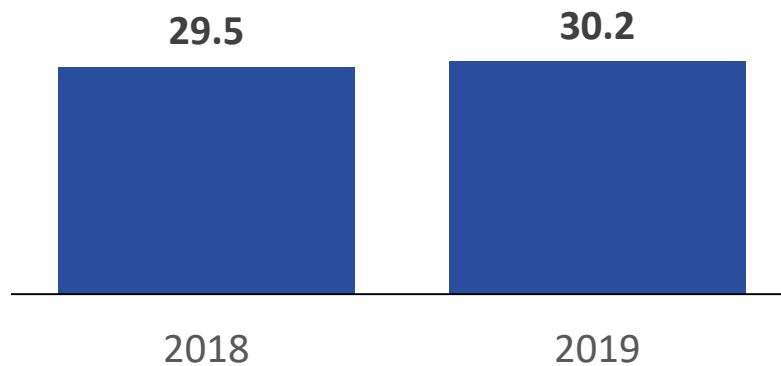
## Revenue Breakdown



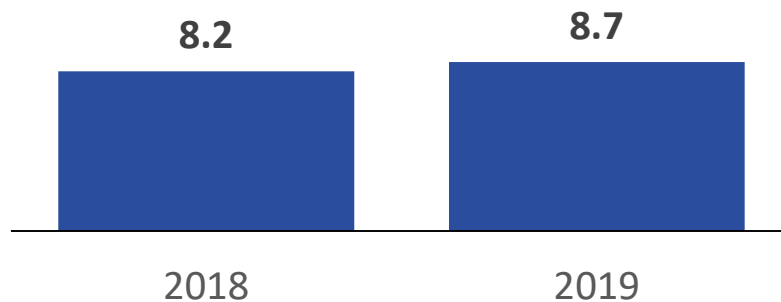
- Double-digit revenue growth was sustained driven by strong passenger demand coupled with higher average fares and ancillary rev/pax
- Effective cost management which led to lower CASK coupled with the decline in average jet fuel prices and stronger peso for the year resulted in triple-digit net income growth

# RLC: Investment properties mainly drove growth

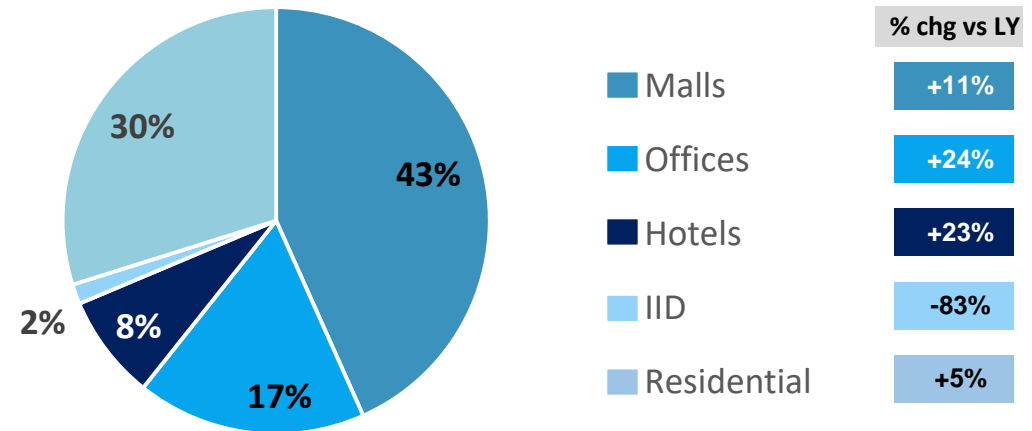
## Revenue, +3%



## Net Income, +6%



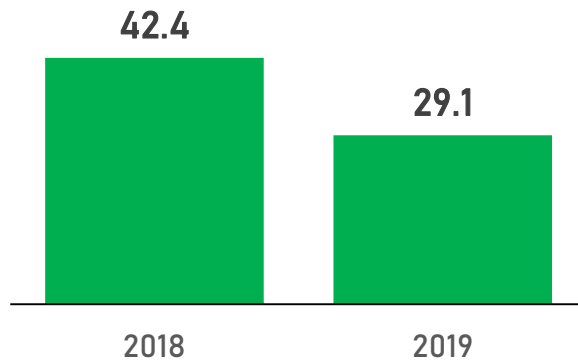
## Revenue Breakdown



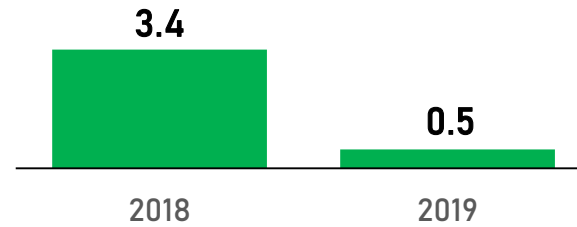
- Topline increased driven by strong performances of Malls, Offices and Hotels
- Net Income grew despite higher depreciation expenses mainly from the newly opened Hotels, and higher interest expenses

# Petrochem: Challenging market conditions & 4Q19 planned facility shutdown dragged profitability

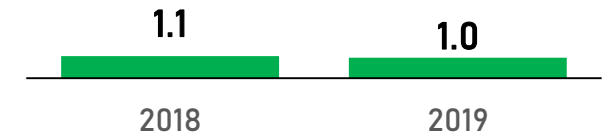
Revenue, -31%



EBITDA, -84%



Net Income, -8%



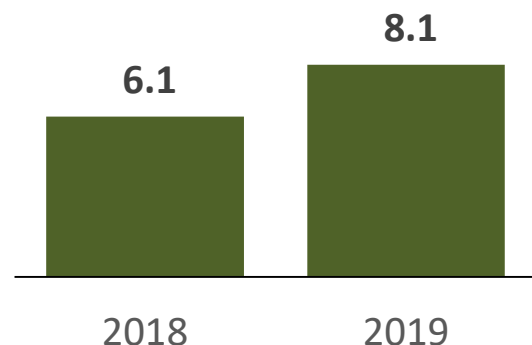
- Topline declined as a result of lower average selling prices and volumes, brought about by the global economic slowdown caused by the US-China trade tensions, as well as the planned facility shutdown in 4Q 2019 for turnaround maintenance and project tie-ins
- Net income drop from narrower margins and higher interest expense was cushioned by a reversal of the impairment loss recognized in 2004

SALES VOLUME (MT)	FY18	FY19	%chg
*C2 (Ethylene)	60,367	25,567	-58%
*C3 (Propylene)	12,274	7,978	-35%
Pygas	218,484	179,832	-18%
Mixed C4	111,684	83,420	-25%
PE	229,149	218,617	-5%
PP	168,921	133,328	-21%
<b>TOTAL</b>	<b>800,879</b>	<b>648,742</b>	<b>-19%</b>

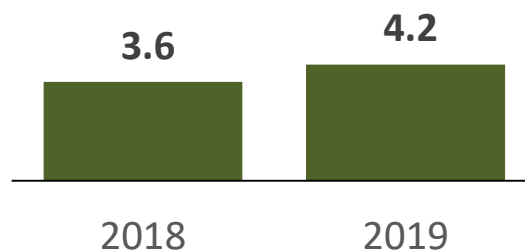
*\*After eliminations*

# Robinsons Bank: Solid results on the back of favorable rate environment and loan growth

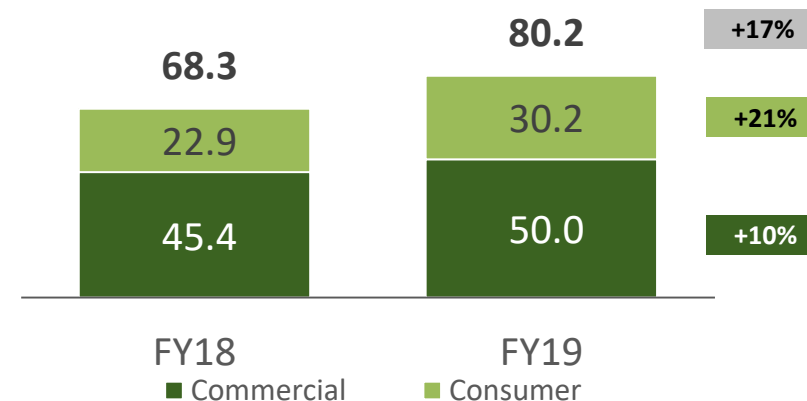
Revenues, +32%



Net Interest Income, +19%



Loans



- Consolidated loan portfolio expanded 17% to Php80.2 billion, led by faster growth in consumer loans
- Net interest income account for 85% of net revenues
- Current consolidated network of 168<sup>(2)</sup> branches and 338 ATMs

Consolidated (Php Bn)	2018	2019	Growth
Assets	121.4	131.1	8%
Equity	12.4	17.1	38%
Gross TLP	68.3	80.2	17%
Gross NPLs	1.1	1.4	32%
Capital Adequacy Ratio	15.0%	17.5%	
Tier 1 Ratio	14.1%	16.6%	

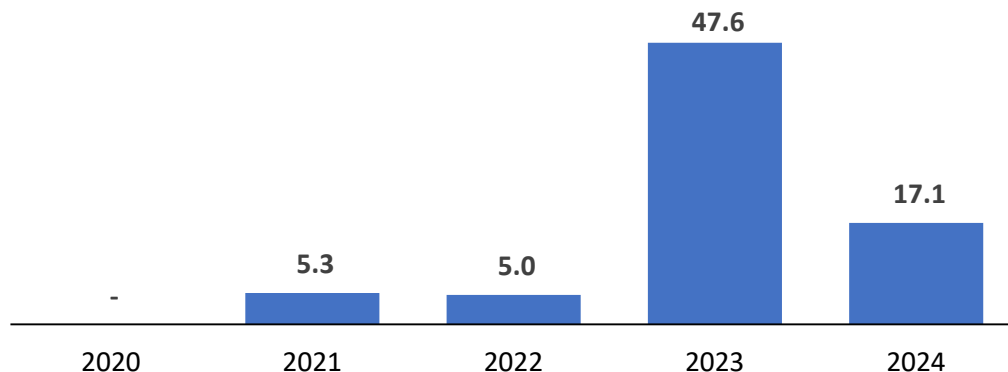


# JGS: Balance sheet remains healthy

## Consolidated

	Dec 2018	Dec 2019	Growth
Cash(1)	50.3	58.7	17%
Financial Debt	245.7	273.0	11%
Total LT Debt	210.2	218.9	4%
FX-Denominated	110.8	118.6	7%
Net Debt	195.4	214.3	10%
D/E Ratio	0.7	0.7	
Net D/E Ratio	0.5	0.5	

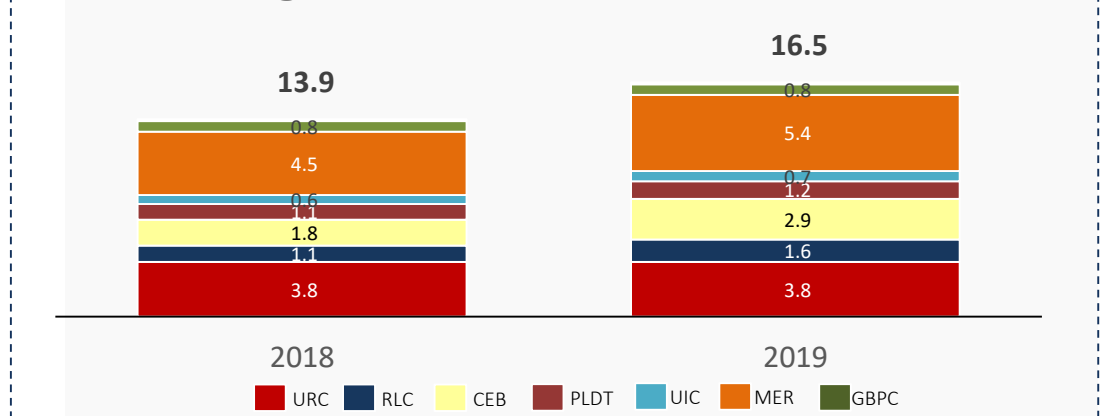
## Schedule of parent LT debt maturities



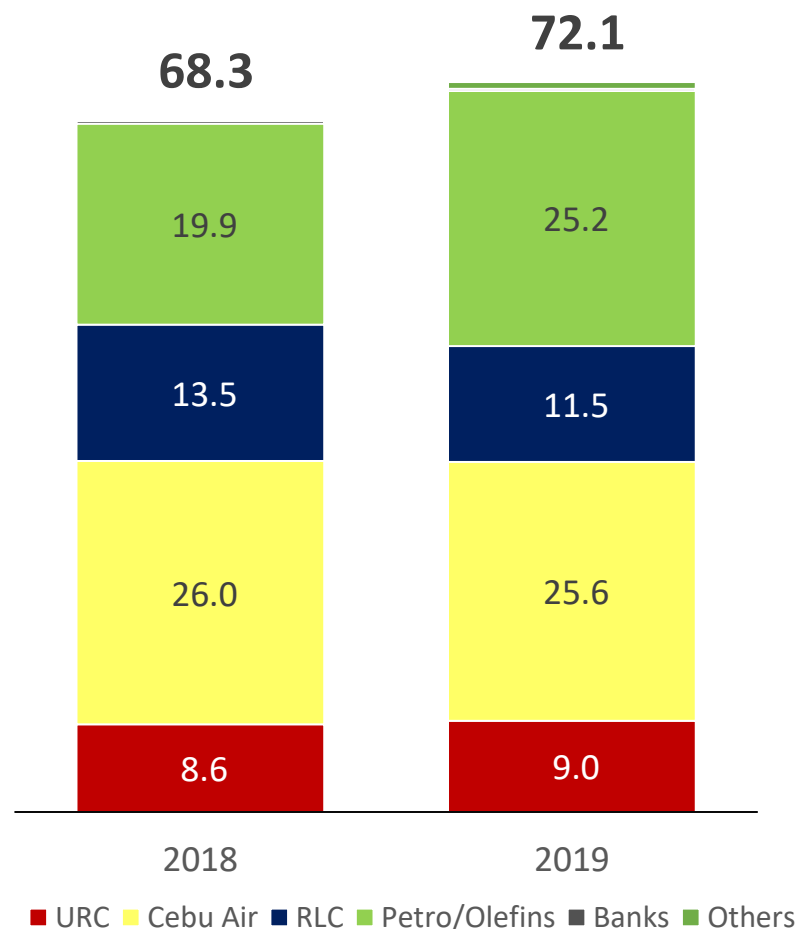
## Parent

	Dec 2018	Dec 2019	Growth
Cash	15.9	10.1	-36%
Total LT Debt	88.5	74.7	-16%
Total ST Debt	5.1	11.4	124%
Net Debt	77.6	76.0	-2%
Blended Cost of LT Debt	5.00%	4.69%	
Blended Avg. Remaining Life	3.1 yrs	3.3 yrs	

## Stable recurring dividends



# CEB and Petrochem mainly contributed to the Group's 2019 CAPEX Spending



## 2019 CAPEX Spending



- Capacity expansion of BCFG PH & International, and AIC



ROBINSONS LAND CORPORATION

- Land acquisitions
- Development of malls, offices, hotels and warehouse facilities



- Aircraft acquisitions
- Flight and ground equipment



JG SUMMIT PETROCHEMICALS GROUP

- Expansion projects
- Machineries and equipment



A Commercial Bank

- Expansion CAPEX
- Business Development Initiatives

# Key Business Updates



- Completed the Intersnack transaction where the company acquires 40% of URC Oceania
- Completed the Supply Network Design study that determines the optimal configuration of our manufacturing facilities
- Determined that AIC will focus on the profitable and growing Animal Nutrition & Health business and to further accelerate our move up the value added chain in the more stable processed meat business



- CCD opened its 52nd mall and began the construction of two new malls and two mall expansions while Offices have geared up for the completion of three new offices. Hotels & Resorts division opened Dusit Thani Mactan Cebu Resort and Summit Hotel Greenhills
- Residential launched the first of the four towers of Sync Residences and launched Aurelia Residences in partnership with Shang Properties while China has sold 100% of the condominium units in Cheng Du the phase 1 project
- Officially unveiled the first destination estate named Bridgetowne



- Operations remain to be solid with on-time performance
- Seat Load Factor levels are still on the 80s as redeployment is domestically focused
- Continue to protect stronghold in Manila airport while expand network in other hubs by adding new routes in Clark and making Cebu a transit hub to other islands in the country



- Start-up activities are ongoing for the naphtha cracker. Integrated operations with the polymer plants are anticipated to resume within March 2020
- The organization is now preparing for expanded operations and upcoming new products which are scheduled to come onstream within 2020.
- New downstream products are expected to improve overall margins starting 2H 2020



- Awarded as the fastest growing commercial bank in the Philippines by the Global Business Outlook Awards, and the best commercial bank in the Philippines by the International Banker 2019 Banking Awards
- Launched 3 hybrid branches which incorporate traditional banking with digital banking platforms to simplify customer journey and experience
- Issued a Php5B 2YR corporate bond at 5.125% and another Php5B at 4.3% in August and Nov 2019, respectively



- Undergone series of long-term strategic planning sessions to update our purpose and core values, and to determine the 5-year ambition, goals and strategies of the conglomerate and its businesses
- Incorporated Data Analytics Ventures, Inc. and Digital Equity Ventures (DEV)
- LIPAD has started to operate and maintain Clark International Airport last August 2019
- Formed DHL Summit Solutions, Inc. (DSSI), a joint venture with DHL Supply Chain
- Acquired additional 3% stake in PLDT

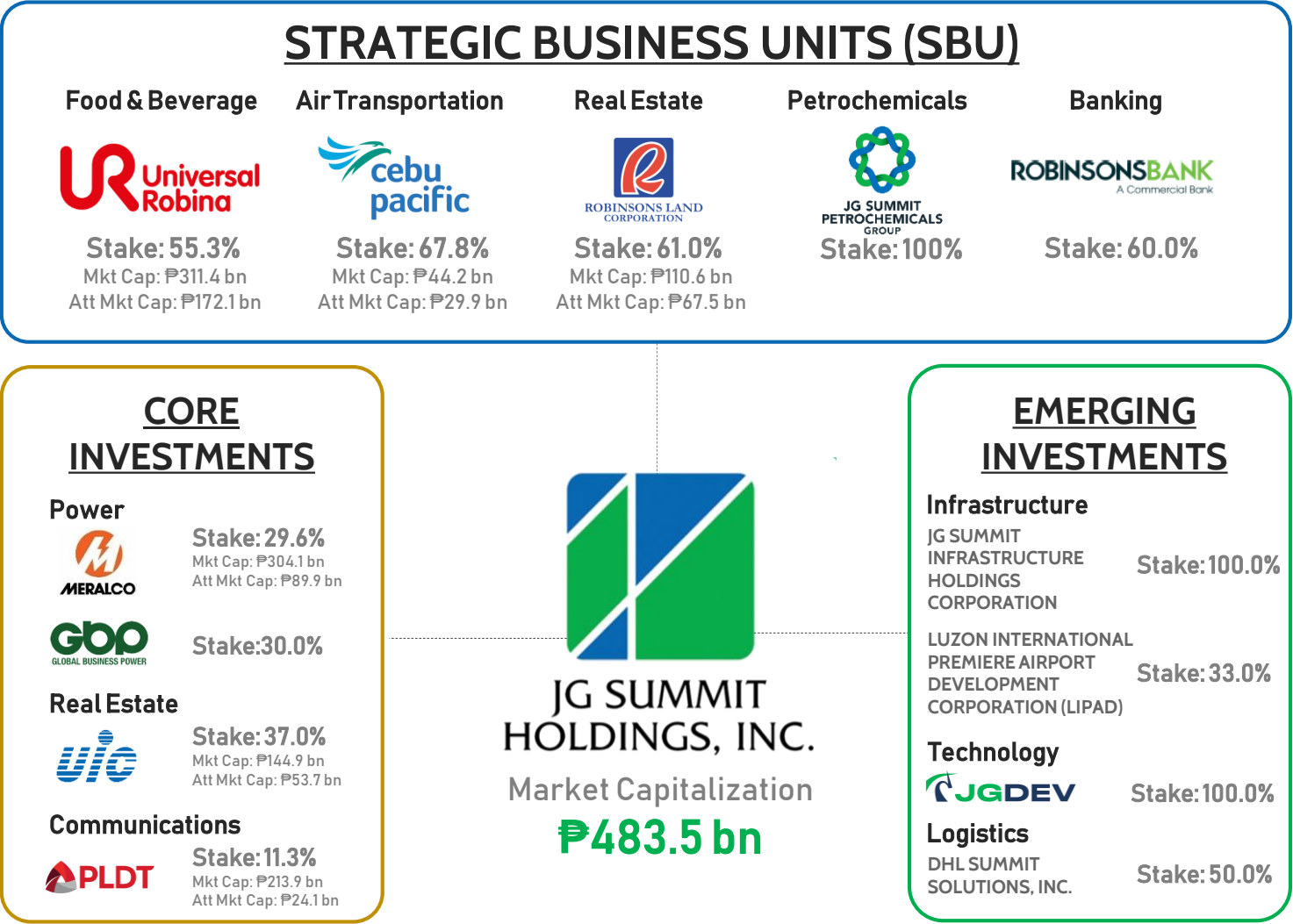
**Thank You!**

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# Appendix

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# Corporate Structure



# Audited Balance Sheet

(Php Millions)	As of Dec 2018	As of Dec 2019
Cash & cash equivalents (including Financial assets at FVPL and financial assets at FVOCI)	76,761	88,415
Other current assets	137,544	145,740
Investments in Associates and JVs - net	144,915	151,692
Property, plant, and equipment	218,274	259,243
Other noncurrent assets	241,794	283,219
<b>TOTAL ASSETS</b>	<b>819,287</b>	<b>928,310</b>
Current liabilities	229,419	245,139
Noncurrent liabilities	222,390	274,523
<b>TOTAL LIABILITIES</b>	<b>451,809</b>	<b>519,662</b>
Stockholders' Equity	276,586	304,812
Non-Controlling Interest	90,892	103,836
<b>TOTAL EQUITY</b>	<b>367,478</b>	<b>408,647</b>

# Audited Income Statement

(Php Millions)	FY18	FY19	YoY
REVENUES	291,916	301,823	3%
Cost of sales and services	193,593	189,782	-2%
GROSS INCOME	98,323	112,041	14%
Operating Expenses	53,058	55,838	5%
OPERATING INCOME	45,265	56,203	24%
Financing costs & other charges	(9,635)	(10,966)	14%
Foreign exchange gain/ (loss) - net	(2,854)	829	-129%
Market valuation gain/ (loss)	(1,020)	641	-163%
Finance income	1,746	2,096	20%
Others	(459)	(765)	66%
INCOME BEFORE TAX	33,041	48,038	45%
Provision for Income Tax	5,144	5,372	4%
NET INCOME	27,897	42,666	53%
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	19,186	31,285	63%
CORE NET INCOME	22,404	25,293	13%