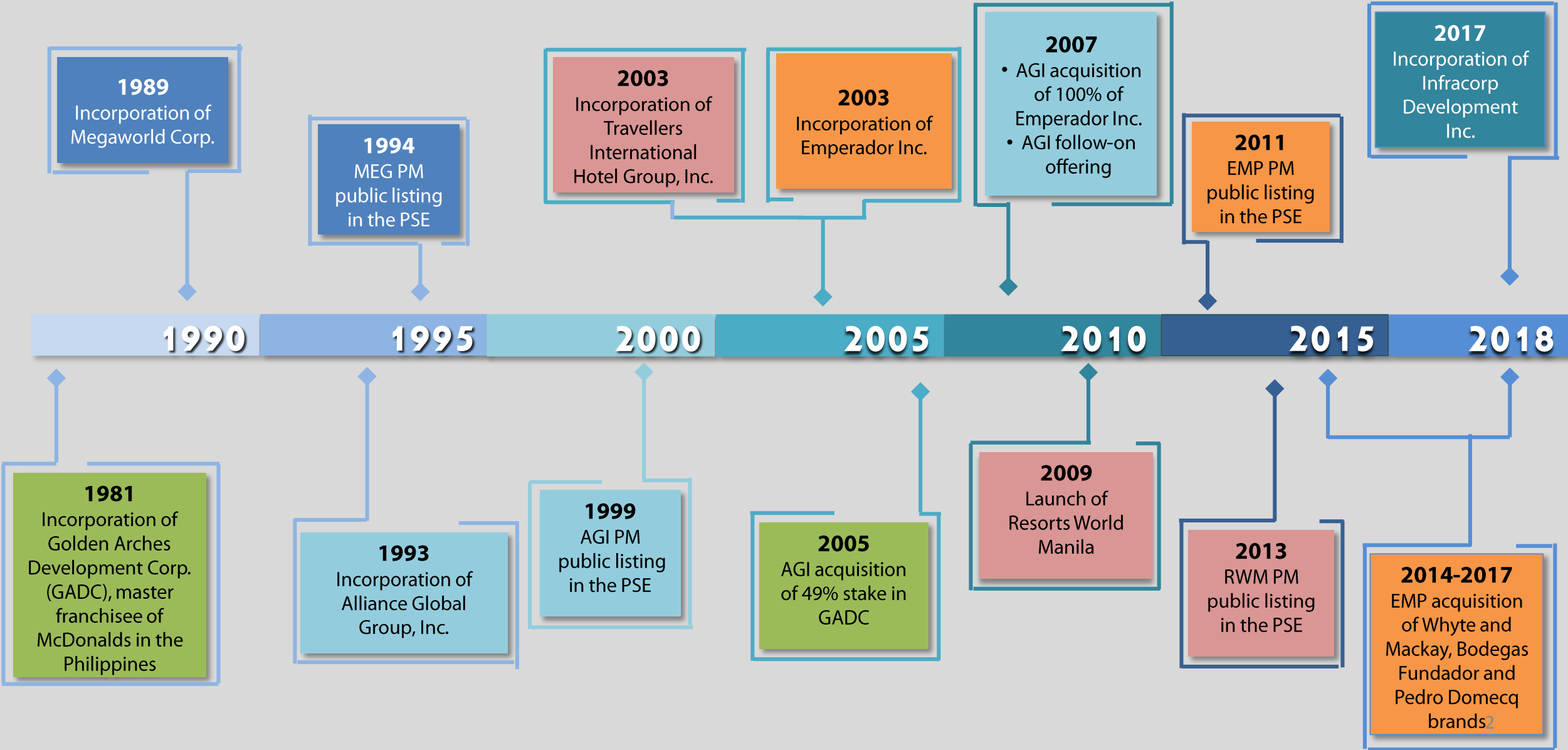


 **ALLIANCE GLOBAL**  
**JP Morgan Philippine Corporate Day**  
**21-22 January 2019**



# AGI Brief History



# AGI Organizational Structure



AGI PM  
(USD 2.6BN)



MEG PM  
(USD 3.2BN)

Number 1 in  
Townships  
Number 1 in  
BPO Office



EMP PM  
(USD 2.2BN)

World leader in  
the brandy spirits  
category



RWM PM  
(USD 1.6BN)

First integrated  
resort in the  
country



NOT LISTED

Number 2  
in quick-service  
restaurants  
segment



NOT LISTED

Forays into  
infrastructure  
development  
projects





MEGAWORLD



- ★ Largest township developer incorporating the Live-Work-Play concept.
- ★ Leading developer of residential condominiums catering mainly to the mid- and high-end market segments.
- ★ Biggest office landlord.



# iTownships

*iLive. iWork. iPlay. iConnect.*



digitization of customer service and payment processes



smart home technology in residential units



Green sustainability



Urban art installations



**660**  
TOWERS



**54**  
TOWERS



**17**  
FULL-SCALE



**2,648**  
ROOM KEYS

RESIDENTIAL

OFFICE

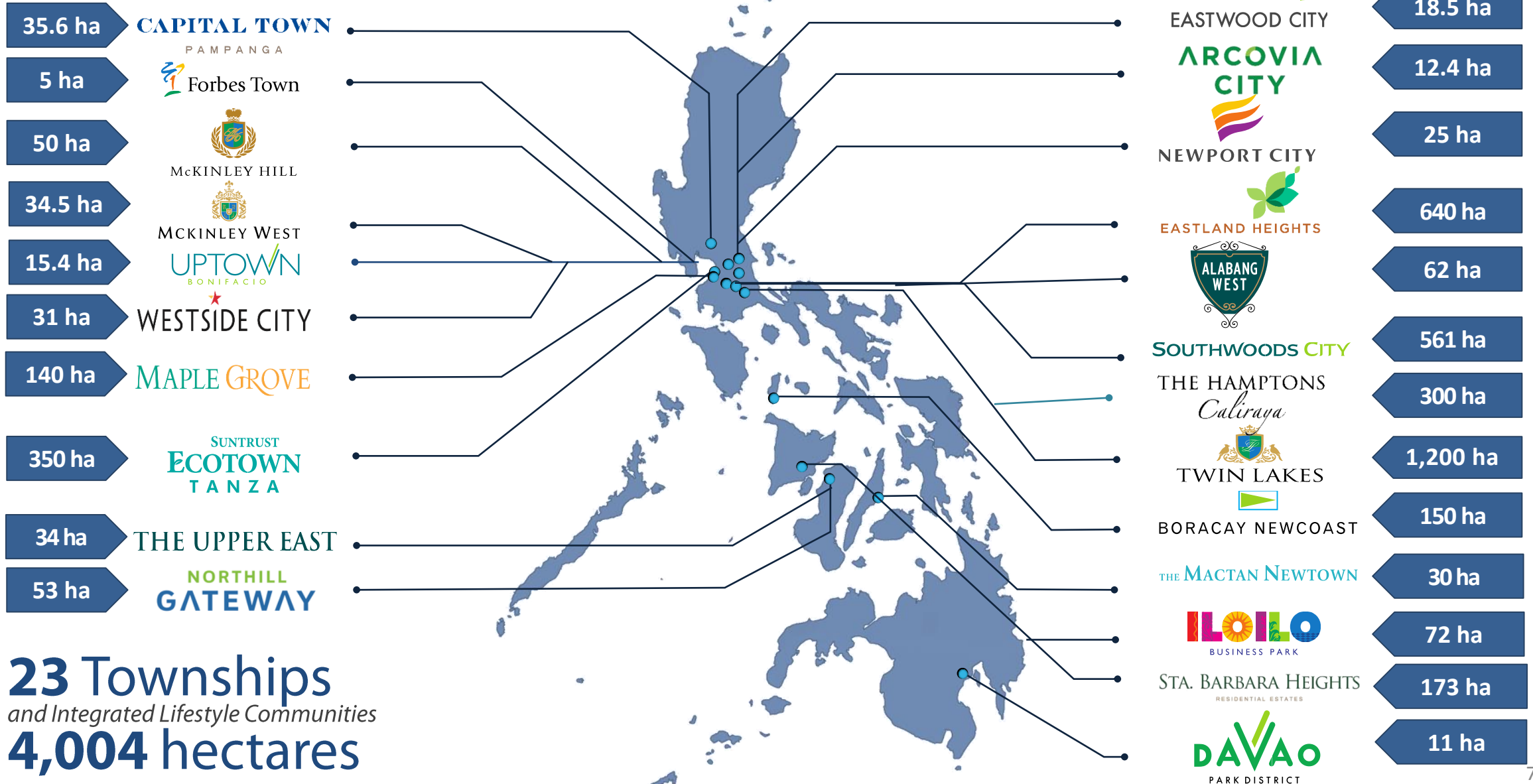
LIFESTYLE MALLS

HOTELS





# Township Developments



**23 Townships**  
and Integrated Lifestyle Communities  
**4,004 hectares**



# TRAVELLERS INTERNATIONAL



- ★ Owns **Resorts World Manila**, the first integrated resort in the country.
- ★ Upcoming development: **Westside City Resorts World** in the Entertainment City complex.

# Resorts World Manila

## All-day entertainment for all age groups

- 1,500-seat Newport Performing Arts Theater
- Features biggest LED screen in Asia and the widest in the Philippines



## World-class gaming facilities

- Garden Wing
- Grand Wing (newly-opened)



## Diverse range of hotel offerings

- Largest concentration of hotel brands in one location
- 2,137 hotel room keys



## One stop dining and retail destination

- 91 retail outlets spanning 11,534 sqm of space
- Award-winning restaurants that offer a diverse range of cuisines



## Preferred MICE destination

- Marriott Grand Ballroom with 3,000 sq.m. main ballroom, capacity: 4,000 guests





# AGI: The country's largest hotel developer

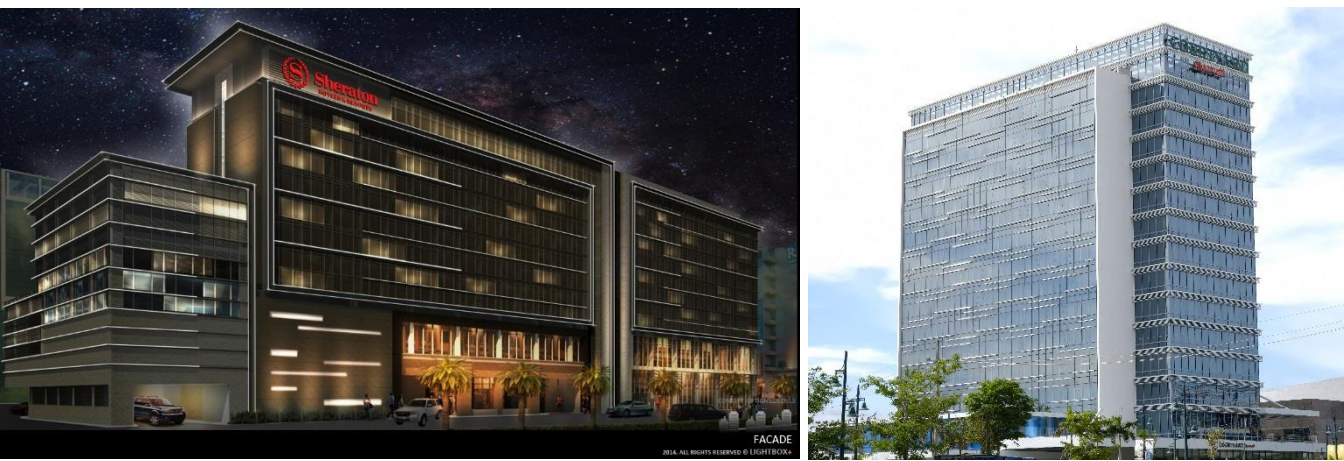


~4,800  
room keys at present

Near-term target:  
**12,000**  
room keys  
throughout the Philippines







# Well-known International Hotel Brands under Travellers

## 2,137 room keys

Existing brands:

- ✓ Marriott Hotel Manila
- ✓ Holiday Inn Express
- ✓ Marriott Courtyard
- ✓ Hilton Hotel Manila

Upcoming brands:

- ✓ Sheraton Manila Hotel
- ✓ Hotel Okura
- ✓ Ritz Carlton Hotel

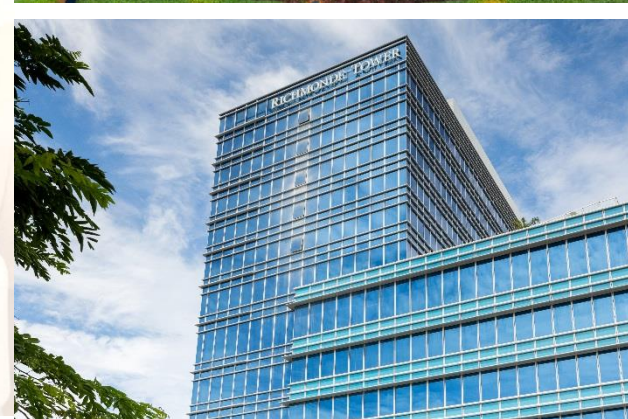


# Home-Grown Hotel Brands

under Megaworld

## 2,648 room keys

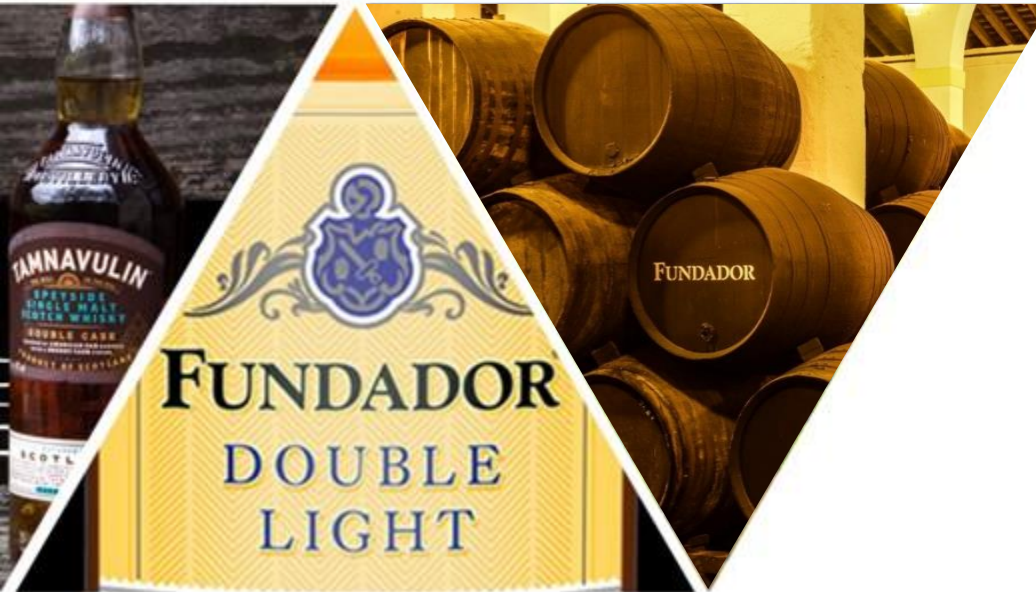
- ✓ Eastwood Richmond Hotel
- ✓ Richmond Hotel Ortigas
- ✓ Richmond Hotel Iloilo
- ✓ Fairways & Bluewater
- ✓ Belmont Hotel Manila
- ✓ Savoy Hotel Boracay
- ✓ Savoy Hotel Manila
- ✓ Twin Lakes Hotel
- ✓ Lucky Chinatown Hotel







# EMPERADOR INC.



- ★ The only global spirits company based in the Philippines and with operations in Scotland and Spain.
- ★ The world's largest brandy producer.
- ★ The Philippines' largest spirits company.
- ★ Vertically-integrated operations.



# Emperador Distillers, Inc.



Flagship Emperador Brandy is the most popular liquor brand, leading the Philippines spirits market.



# Bodegas Fundador

- Major brands: Fundador, Terry Centenario, Tres Cepas, Harveys sherry.
- Production facilities in Jerez and Tomelloso regions in Spain.



# Pedro Domecq

- Major brands: Presidente, Don Pedro, Azteca de Oro.
- Presidente: No. 1 brandy in Mexico and most popular brandy in Latin America





# Whyte and Mackay



Major brands: Dalmore, Jura, Shackleton, Whyte&Mackay, Glayva, John Barr, Vladivar.



Distilleries in Scotland: Dalmore, Tamnavulin, Fettercairn, Jura and Invergordon.





# Distribution Network

## International Reach

---

**102 Countries**

6 Continents



**Nationwide**

---

**25**

**Sales  
Offices**





  
GOLDEN ARCHES  
DEVELOPMENT CORPORATION



★ Owns the exclusive McDonald's franchise in the Philippines.



# GADC Through the Years



1981

## McDonald's Morayta

Officially opens as the first branch in the Philippines.



1992

## Business Expansions

McDonald's has opened its first stores in Visayas and Mindanao, making them nationwide.



2005

## Proudly Filipino

Became a wholly-owned Filipino company and inculcated culture to its designs.



2016

## McDonald's Tagaytay

Revolutionary & modern interior design with a breathtaking mountainside view.



2018

## McDonald's: NXTGEN

Officially opens as the first high-tech branch in McKinley West that offers self-service & cashless transactions.



**603**

**Stores Nationwide**

**268**

**Dessert Centers**

**268**

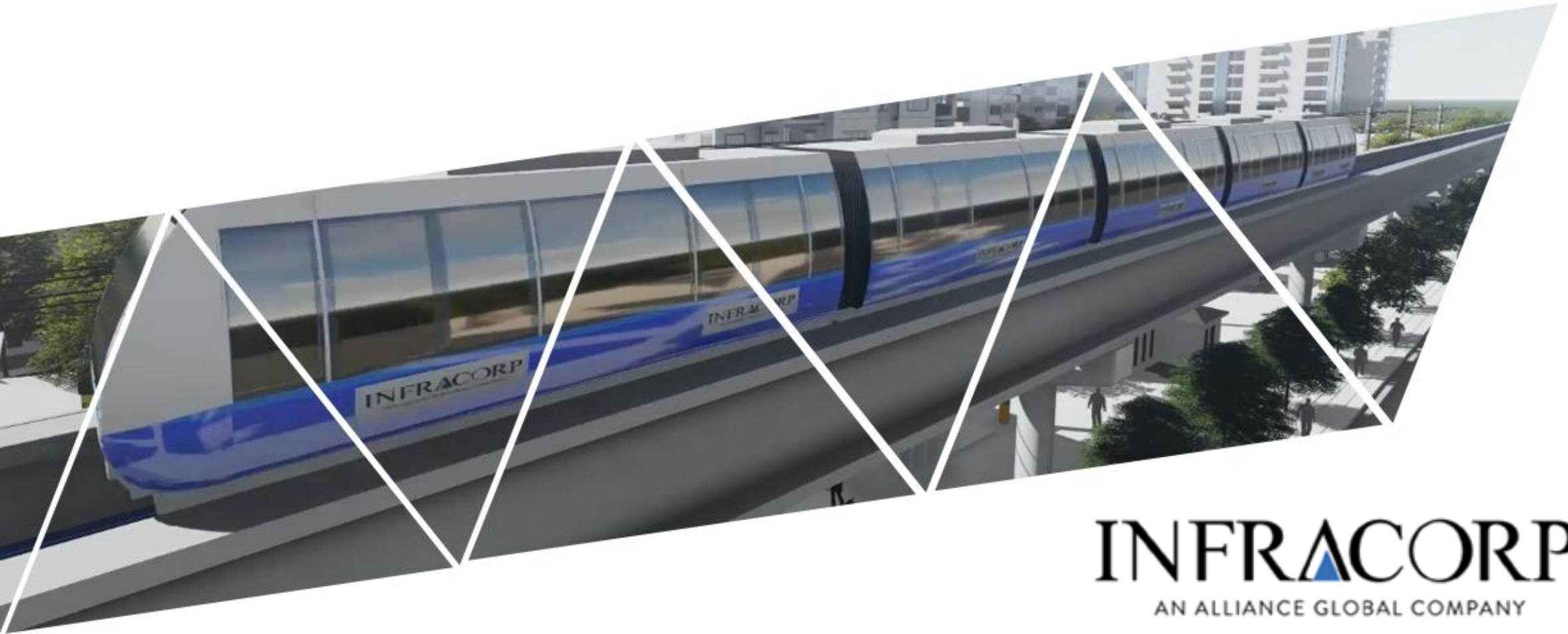
**Stores With Drive-thru**

**339**

**McDelivery Hub**





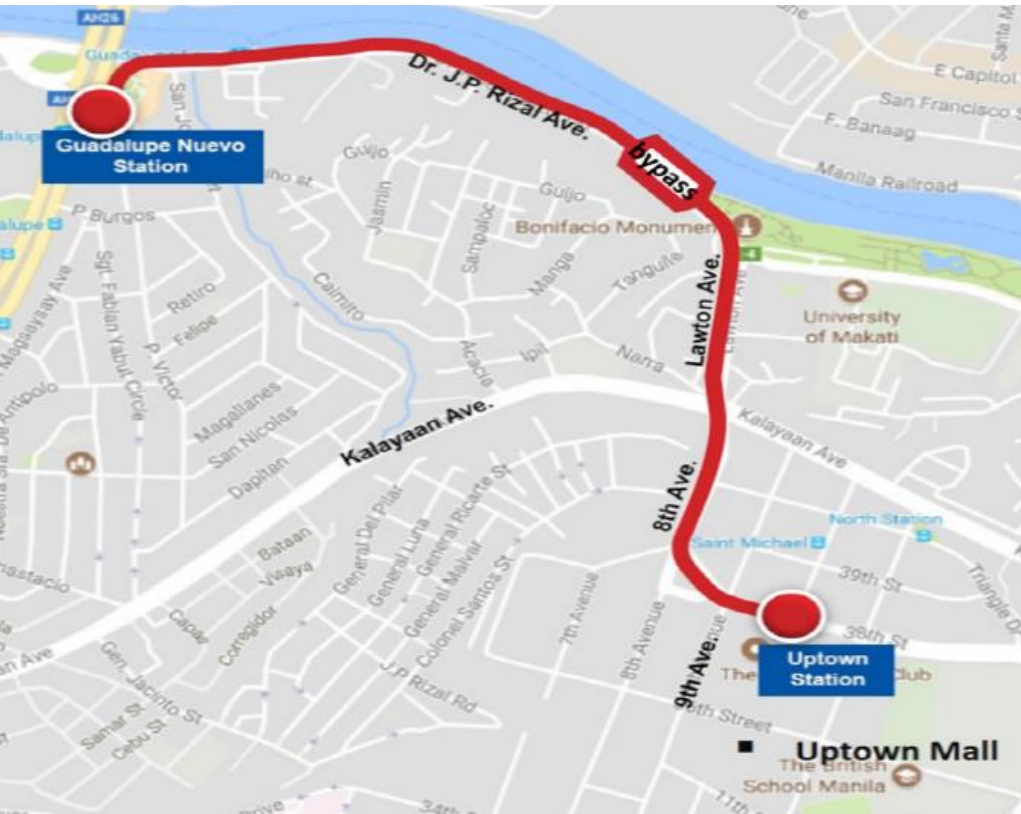


**INFRACORP**  
AN ALLIANCE GLOBAL COMPANY

- ★ Wholly-owned AGI subsidiary engaged in infrastructure projects supportive of the Group's township development.

# Fort Bonifacio - Makati Skytrain

- ◆ 1.88 km Monorail Project
- ◆ Automated Cable-Propelled Monorail
- ◆ To connect MRT 3 Guadalupe Station to Uptown Bonifacio





# NAIA Rehabilitation

## Consortium Members

 ALLIANCE GLOBAL

 AC Infra  
An Ayala Company

 aboitiz



 METRO PACIFIC INVESTMENTS

 FILINVEST DEVELOPMENT CORPORATION

 JG SUMMIT HOLDINGS, INC.

Asia's Emerging Dragon Corporation

## Gateway Strategy

2022



**65** MPPA

PHASE 1B:  
New Terminals  
Airside  
Expansion

2020

**47** MPPA

PHASE 1A:  
Terminal  
Improvements  
Space Rationalization  
Optimize operation

2018

**31** MPPA

Present capacity<sup>23</sup>



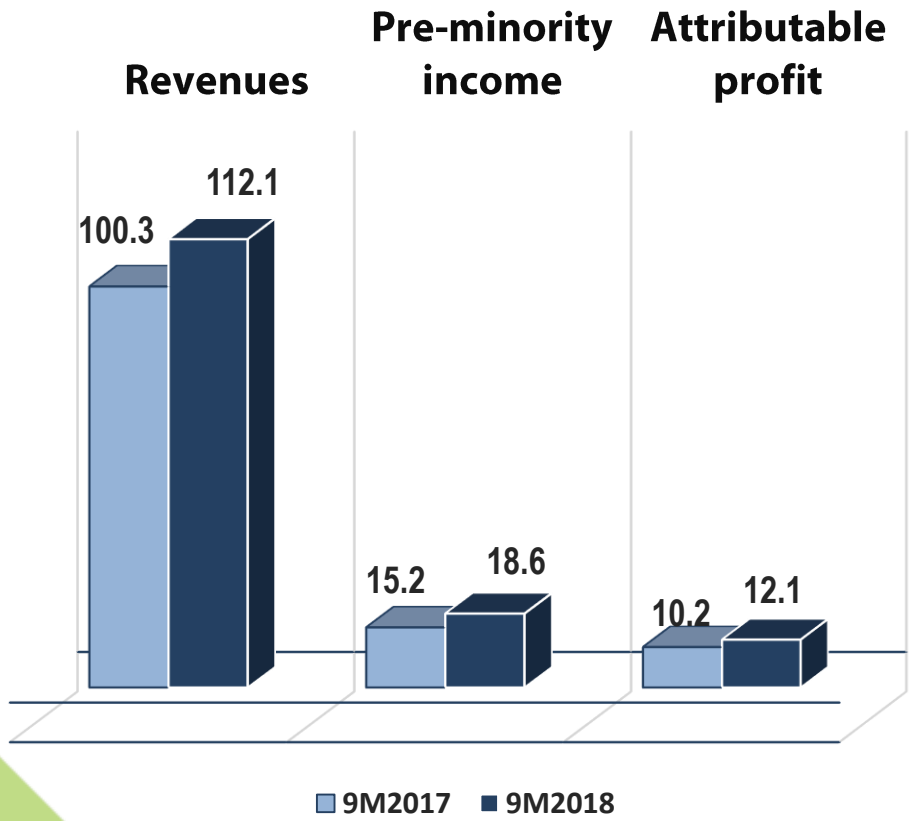
 **ALLIANCE GLOBAL**  
**9M2018 Financial Performance**



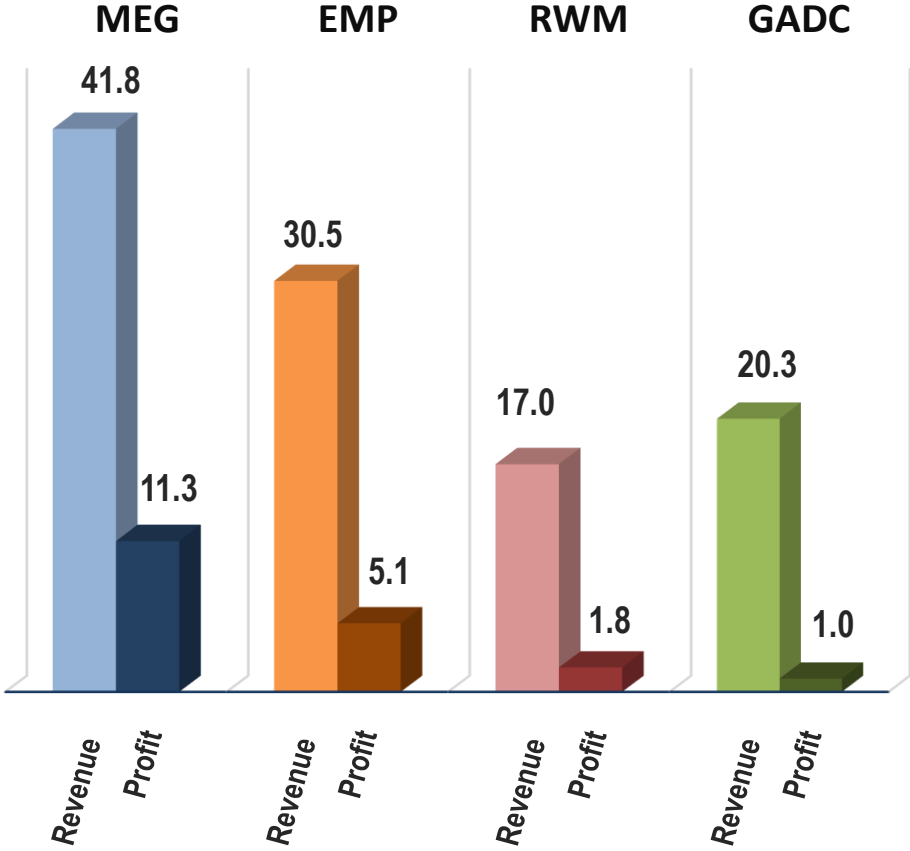


# 9M2018 performance at a glance

## AGI P&L highlights (Pbn)



## 9M2018 P&L highlights of subsidiaries (Pbn)



# 9M2018 P&L highlights

P&L highlights (Pbn)	9M18	9M17	% chg	Comments
<b>Group revenues</b>	<b>112.1</b>	<b>100.3</b>	<b>12%</b>	
Megaworld	41.5	36.5	14%	Sustained growth in residential and rentals.
Emperador	30.4	27.5	11%	Growth driven by foreign brands
Travellers	18.5	15.8	18%	Continued recovery in VIP segment, nongaming.
GADC	20.5	18.7	10%	3.8% systemwide SSSG, ongoing store expansion.
Others	1.3	2.0	-34%	
<b>Group costs/expenses</b>	<b>(88.8)</b>	<b>(80.7)</b>	<b>10%</b>	
Megaworld	(26.5)	(23.2)	15%	COS contained; increased opex.
Emperador	(24.3)	(22.2)	10%	Steady COGS; higher selling, G&A expenses.
Travellers	(16.7)	(15.6)	8%	Higher gaming fees, marketing expenses.
GADC	(18.9)	(17.2)	10%	Rising COGS.
Others	(2.3)	(2.5)	-9%	
<b>Net income to owners</b>	<b>12.1</b>	<b>10.2</b>	<b>18%</b>	
Megaworld	7.5	6.7	12%	Improving profit mix.
Emperador	4.3	3.7	17%	Increasing share of international business.
Travellers	0.8	0.0	--	Core profit recovers.
GADC	0.5	0.5	16%	Store expansion allowed for efficiency gains.
Others	(1.0)	(0.6)	64%	
<b>Net profit margin</b>	<b>10.8%</b>	<b>10.1%</b>	<b>+61bps</b>	



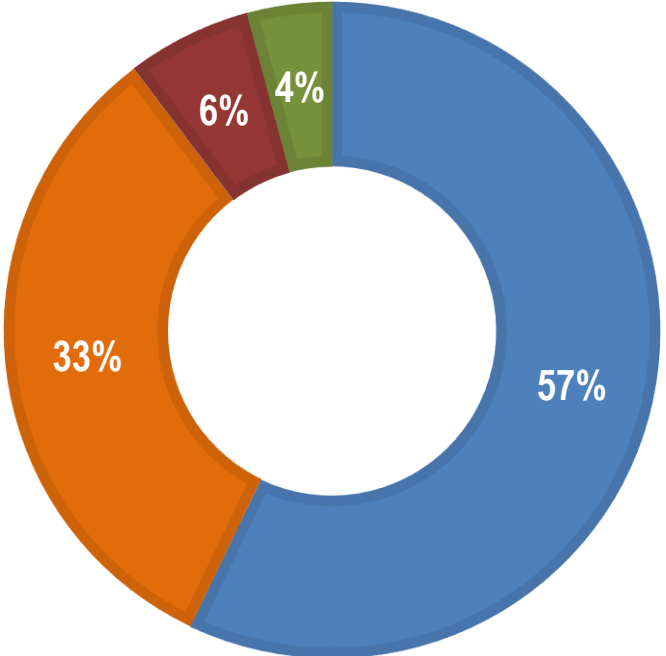
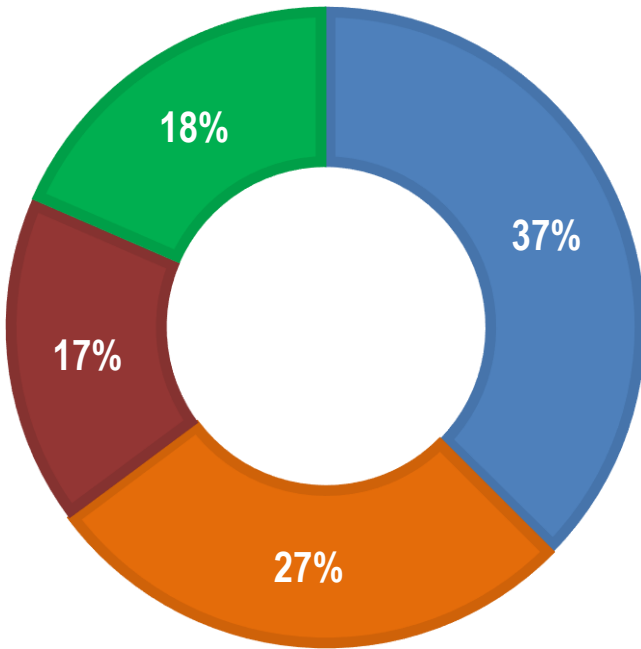
# 9M2018 performance at a glance

9M 2018 Consolidated Revenues

9M 2018 Attributable Net Income

P112.1bn

P12.1bn



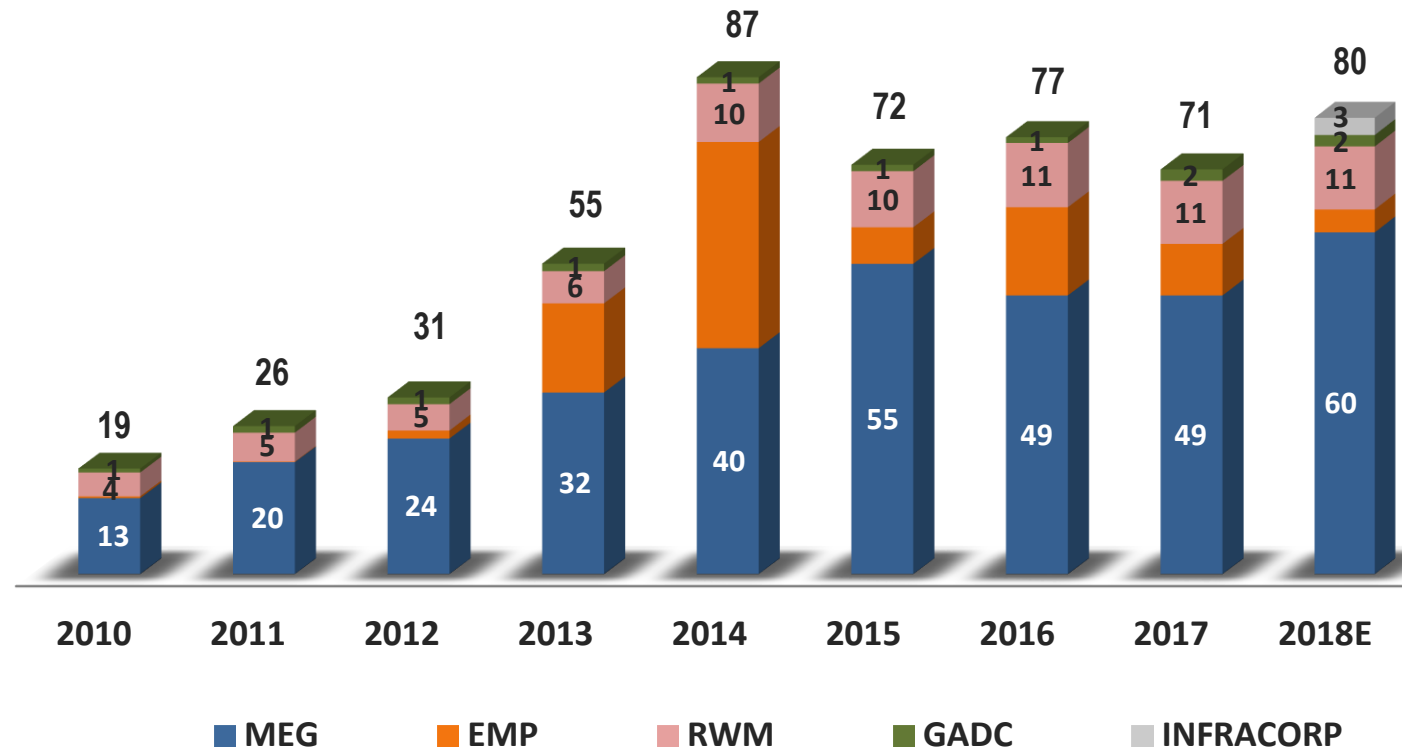
■ MEG ■ EMP ■ RWM ■ GADC

■ MEG ■ EMP ■ RWM ■ GADC

# Group investment commitments

- Total capex budget for 2018-2020: **P240bn**

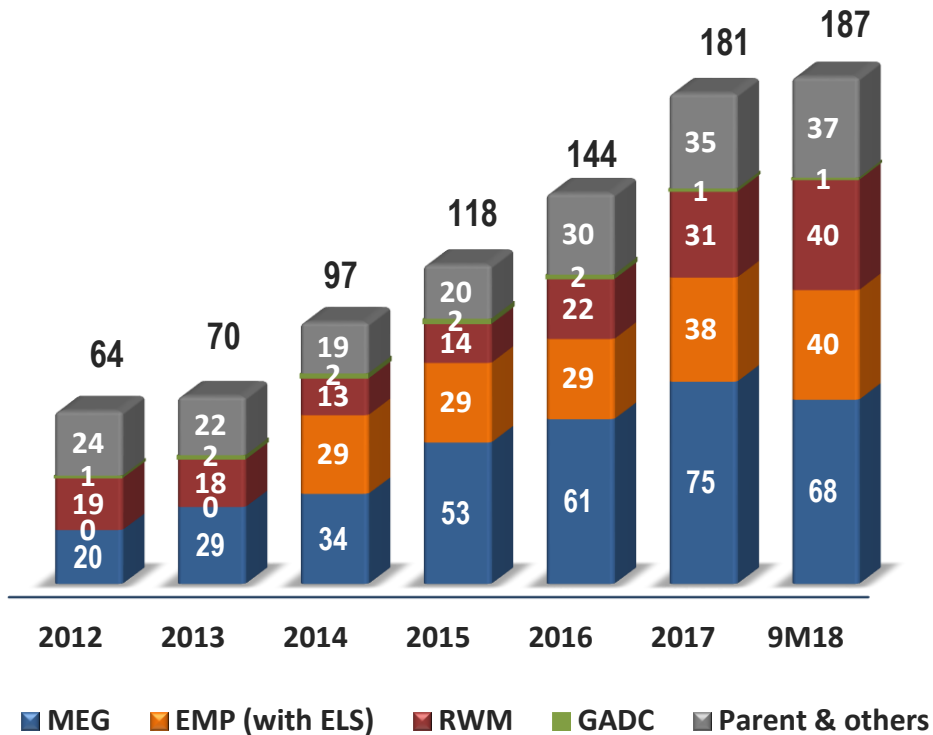
AGI's capex, by major subsidiary (Pbn)





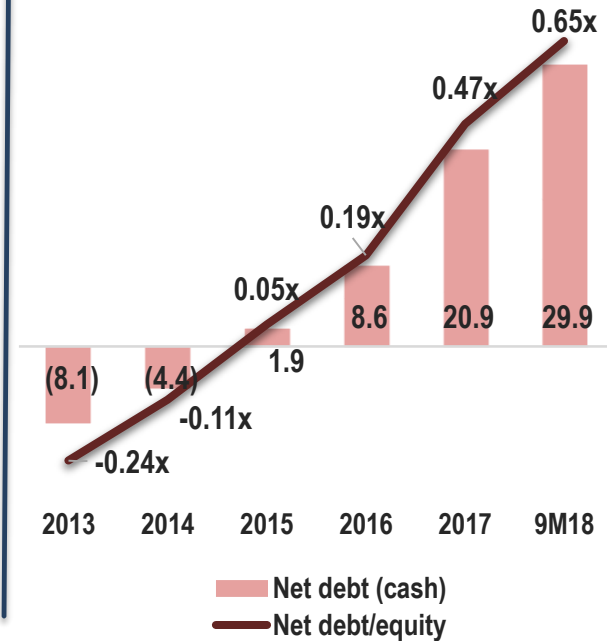
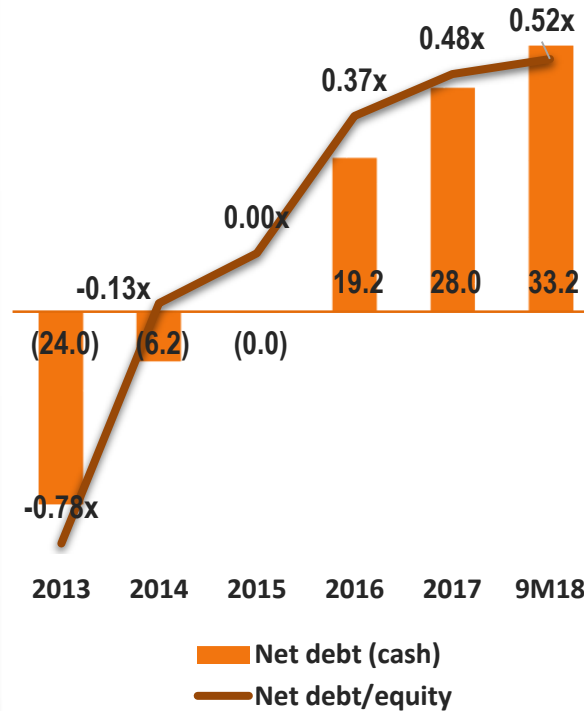
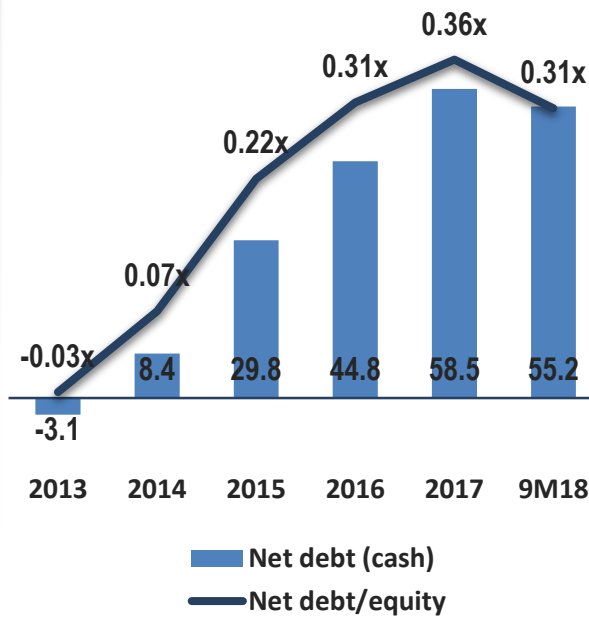
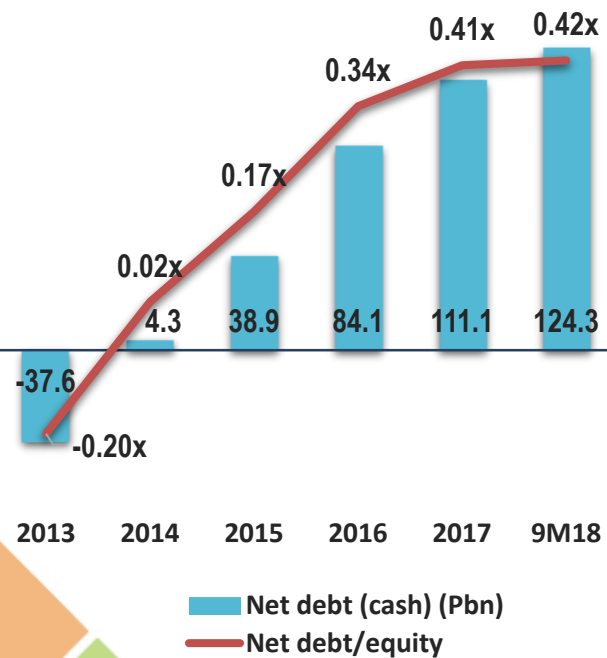
# Group borrowings

## Gross debts, by key subsidiary (Pbn)



- At end-Sep 2018, Group borrowings stood at P187bn, while net debt/equity rose to 0.42x (vs 0.41x in 2017)
- Parent net debt/equity stood at 0.04x.

# Group gearing



\*All items are in billion pesos except net debt/equity(x)





MEGAWORLD



# MEGAWORLD CORPORATION

## 9M2018 PERFORMANCE HIGHLIGHTS

# MEG: 9M2018 financial performance



MEGAWORLD

P&L (in Pbn)	9M2018	9M2017	%
<b>Revenue</b>	<b>41.8</b>	<b>37.1</b>	<b>13%</b>
Residential	28.4	25.7	11%
Rental	10.5	8.8	19%
Hotel	1.0	1.0	8%
<b>EBITDA</b>	<b>17.6</b>	<b>15.8</b>	<b>12%</b>
<b>EBIT</b>	<b>16.0</b>	<b>14.5</b>	<b>11%</b>
<b>Net profit</b>	<b>11.7</b>	<b>10.3</b>	<b>13%</b>
<b>Attributable profit</b>	<b>11.3</b>	<b>10.0</b>	<b>13%</b>
<b>Gearing</b>	<b>Sep2018</b>	<b>Dec2017</b>	<b>Sep2017</b>
Net debt (cash)	55.2	58.5	58.6
Net debt/equity	0.31x	0.36x	0.38x

- Total realized GP up 20% YoY
- Higher GLA, occupancy & rent
- Improving profit mix
- Increased depreciation charges

**Development GP margin**

47%  
9M18

vs  
45%  
9M17

**Rental EBITDA margin**

88%  
9M18

vs  
87%  
9M17

**Hotel EBITDA margin**

26%  
9M18

vs  
26%  
9M17

**Overall EBITDA margin**

42%  
9M18

vs  
43%  
9M17



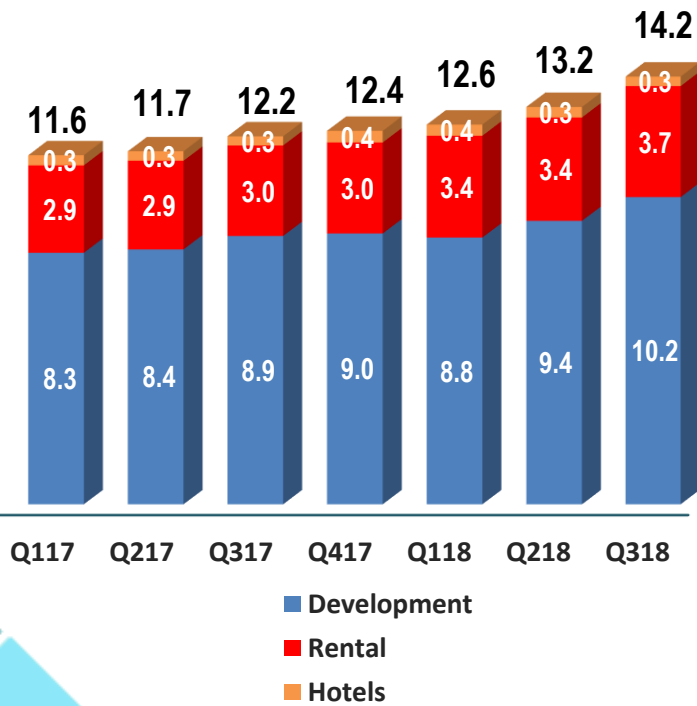
# MEG: Changing business mix



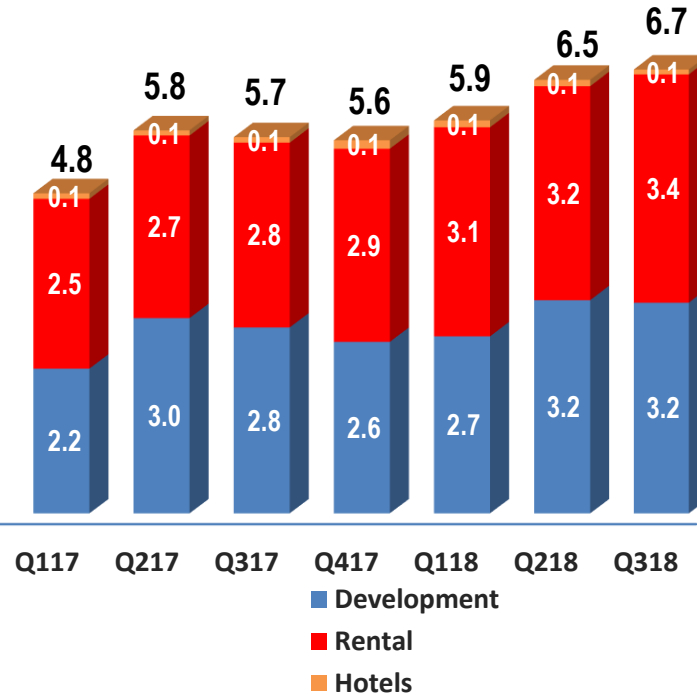
MEGAWORLD



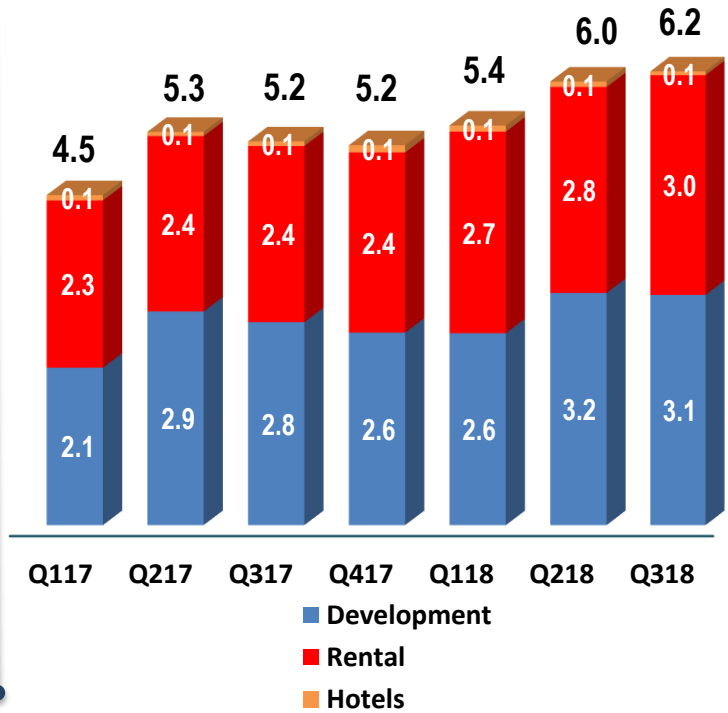
REVENUE



EBITDA



EBIT



\*All items are in billion pesos.

\*Covers residential, rental and hotel operations only. Excludes financial and other income.

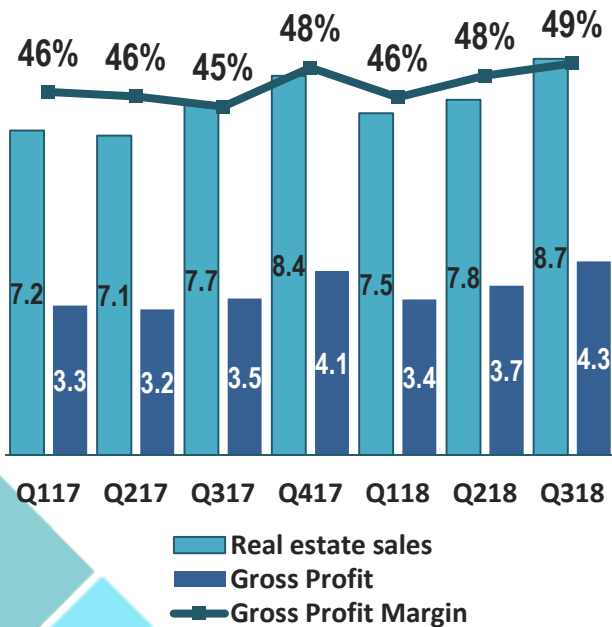
# MEG: Sustained growth trajectory



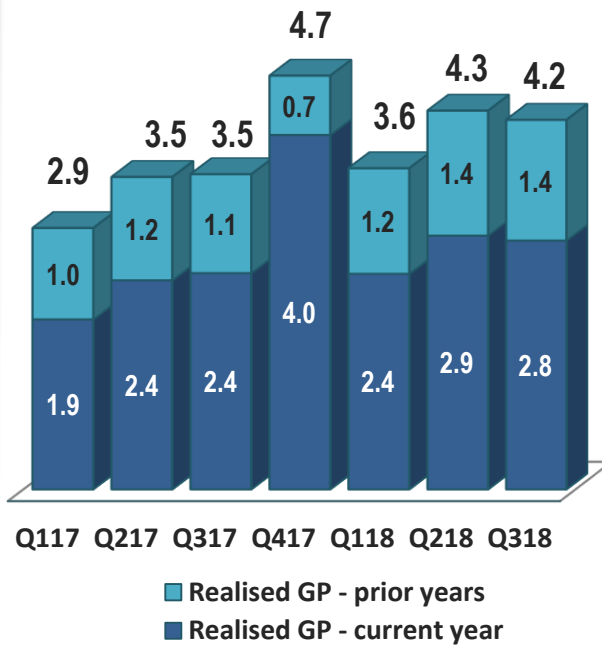
MEGAWORLD



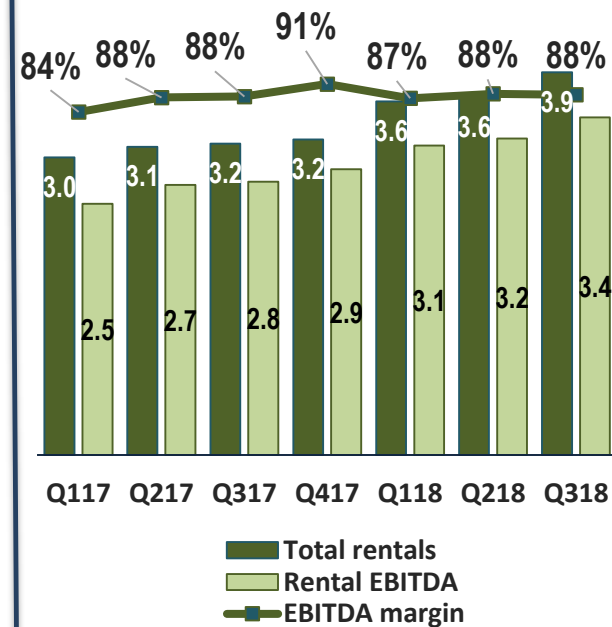
### REAL ESTATE SALES vs GROSS PROFIT



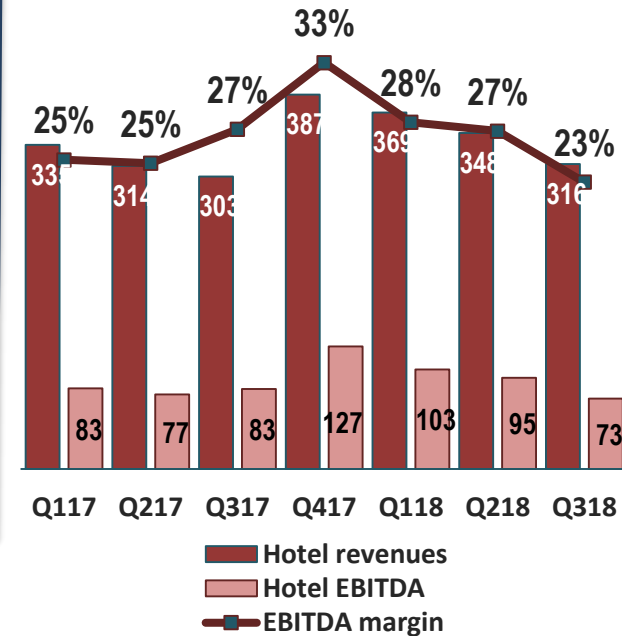
### REALIZED GROSS PROFIT



### RENTAL vs EBITDA



### HOTEL vs EBITDA

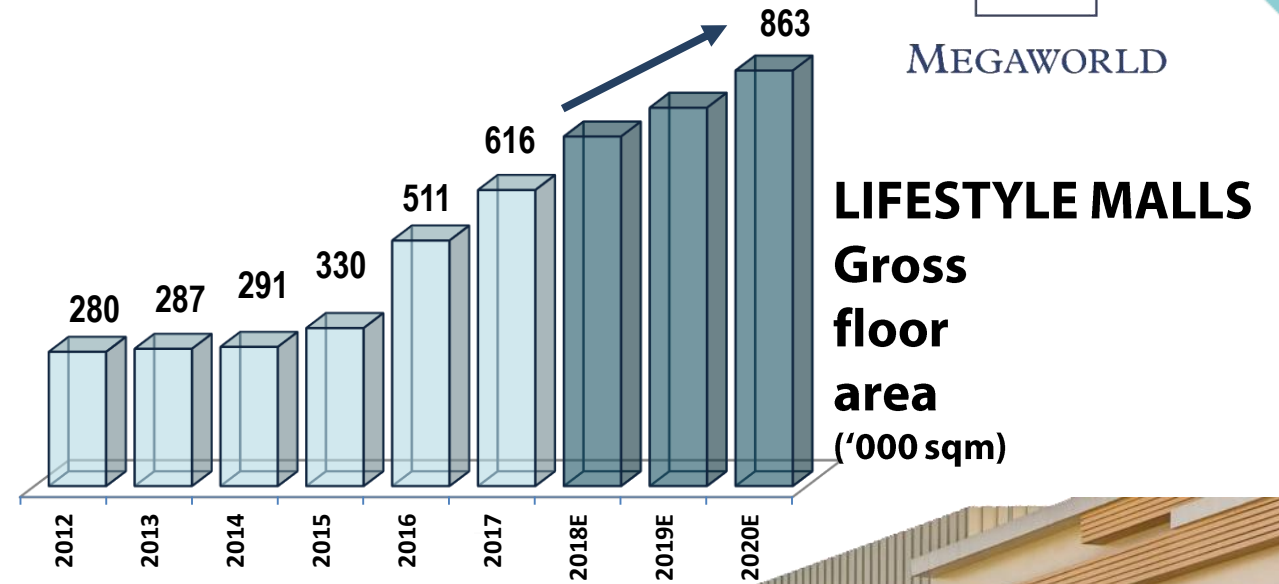
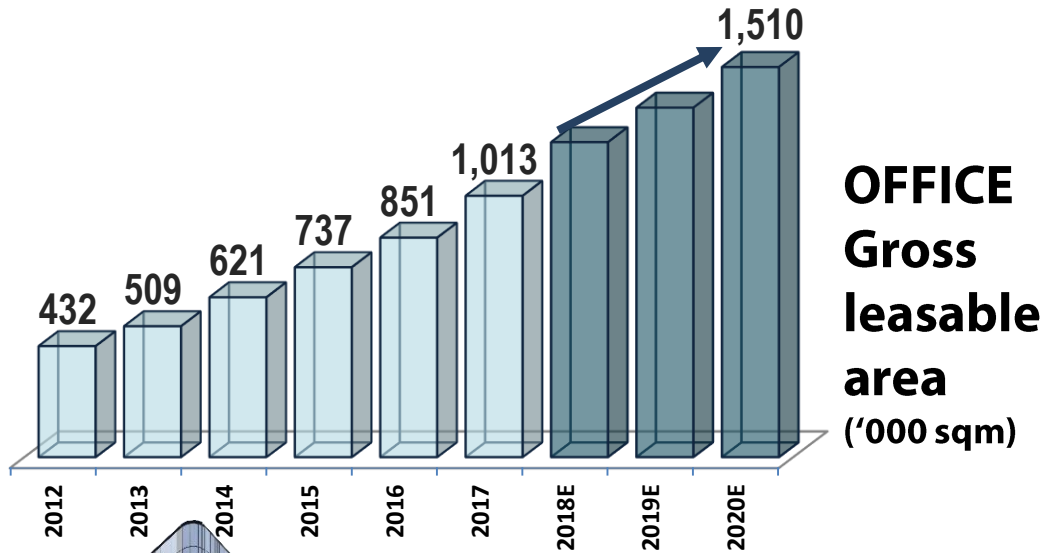




# Initiative: Expansion of rental segment

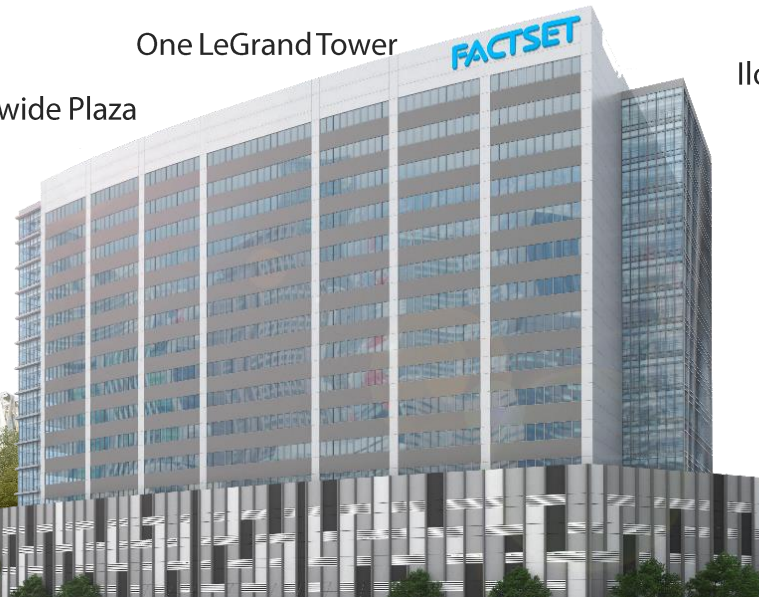


MEGAWORLD



One LeGrand Tower

Worldwide Plaza



Iloilo Festive Walk Mall

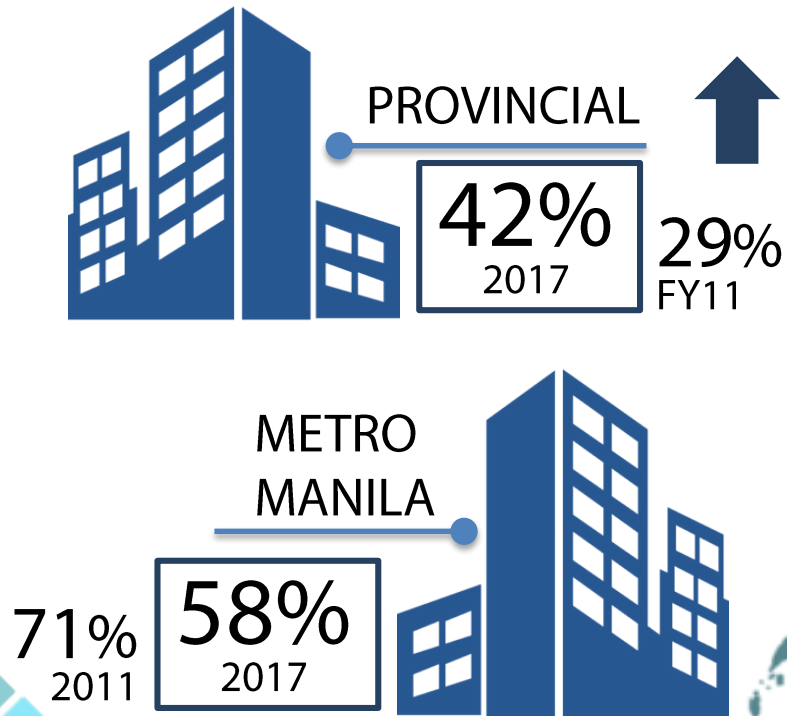


# Initiative: Geographic diversification

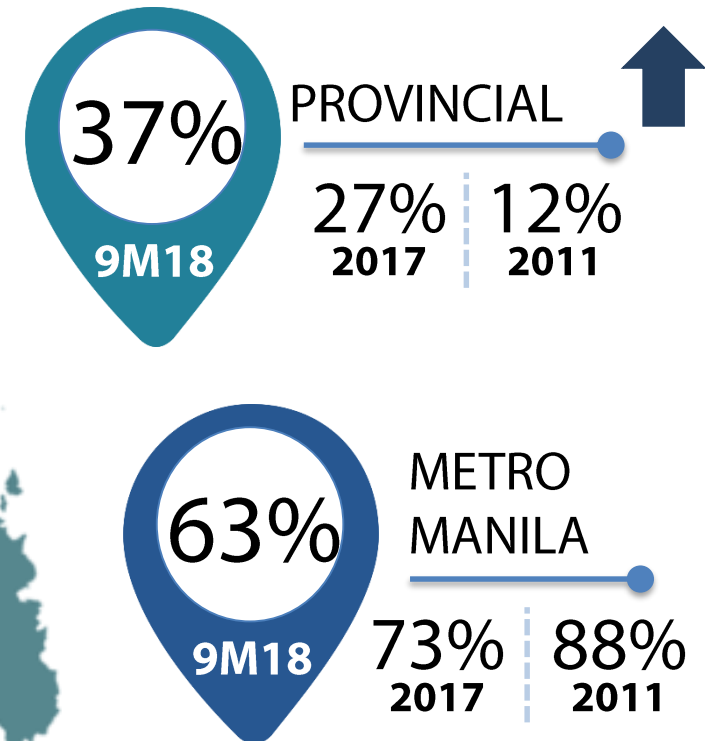


MEGAWORLD

## RESIDENTIAL PROJECT LAUNCHES BY LOCATION



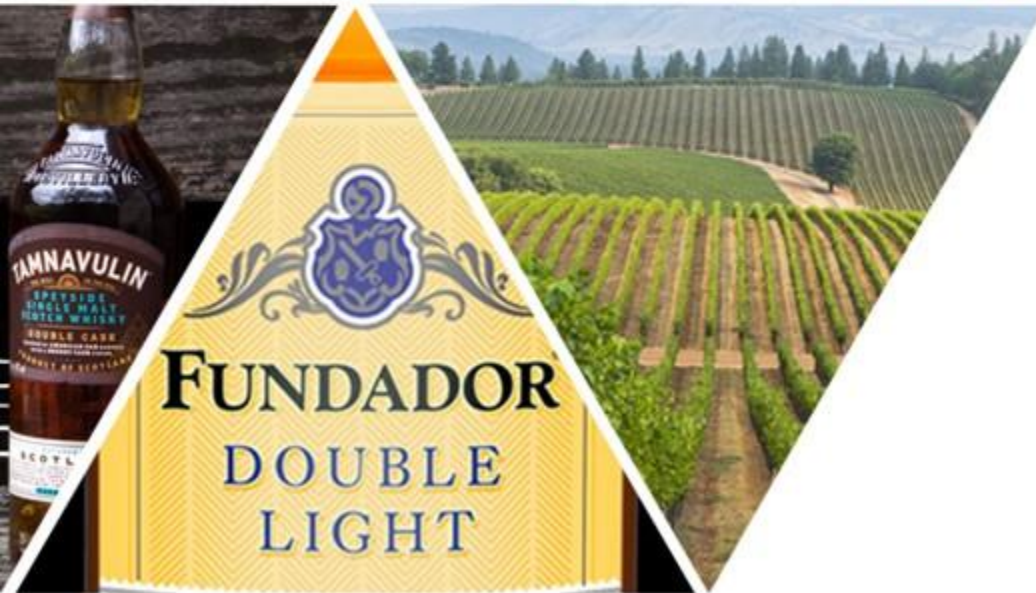
## REAL ESTATE SALES BY LOCATION







EMPERADOR INC.



## EMPERADOR INC.

9M2018 PERFORMANCE HIGHLIGHTS

# EMP: 9M2018 financial performance



EMPERADOR INC.

P&L (in Pbn)	9M2018	9M2017	%
<b>Revenue*</b>	<b>30.5</b>	<b>27.6</b>	<b>11%</b>
Whisky	9.3	8.1	15%
Brandy	21.3	19.5	9%
<b>Gross Profit</b>	<b>10.6</b>	<b>8.8</b>	<b>21%</b>
Whisky	3.4	2.2	55%
Brandy	7.2	6.6	10%
<b>EBITDA</b>	<b>7.4</b>	<b>6.3</b>	<b>17%</b>
<b>Net profit</b>	<b>5.2</b>	<b>4.4</b>	<b>18%</b>
<b>Attributable profit</b>	<b>5.1</b>	<b>4.4</b>	<b>16%</b>
<b>Gearing</b>	<b>Sep2018</b>	<b>Dec2017</b>	<b>Sep2017</b>
Net debt (cash)	33.2	28.0	24.2
Net debt/equity	0.52x	0.48x	0.44x

- Driven by The Dalmore, Jura sales

- Supported by Fundador sales

- Raw material costs kept low, offsetting higher salaries & manufacturing overhead costs

- Increasing share of whisky vs brandy

**Overall  
GP margin**

**36%**  
9M18

vs  
32%  
9M17

**Whisky  
GP margin**

**37%**  
9M18

vs  
28%  
9M17

**Brandy  
GP margin**

**35%**  
9M18

vs  
33%  
9M17

**Overall  
EBITDA  
margin**

**24%**  
9M18

vs  
23%  
9M17

\*NET OF INTERSEGMENT



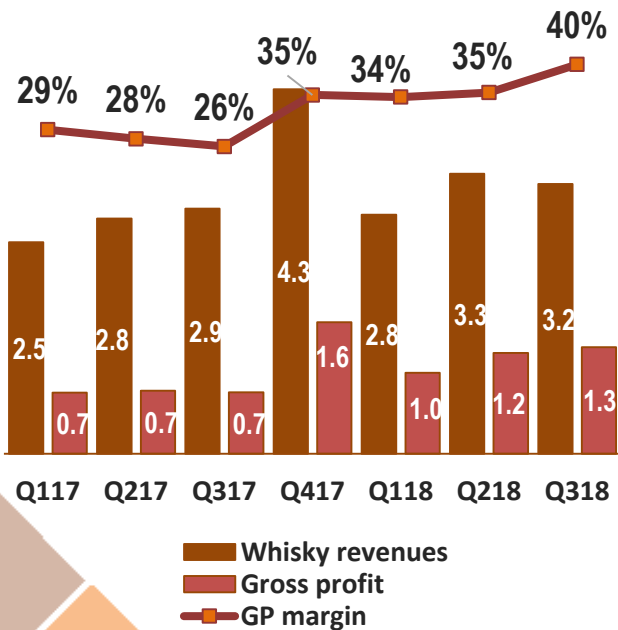
# EMP: Whisky segment steers the growth



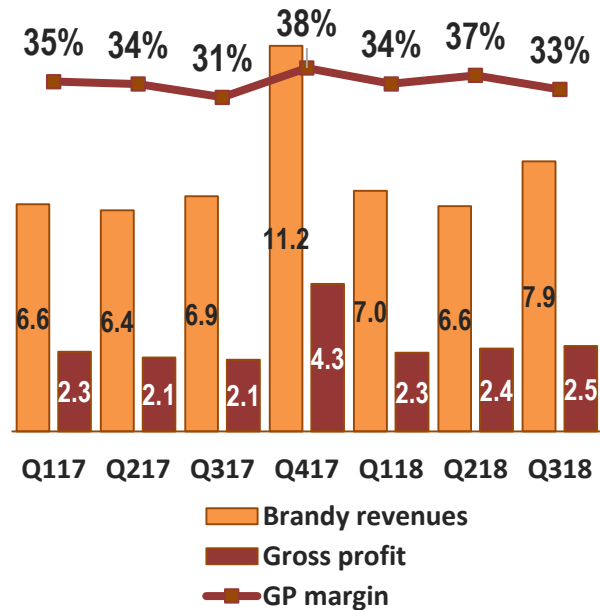
EMPERADOR INC.



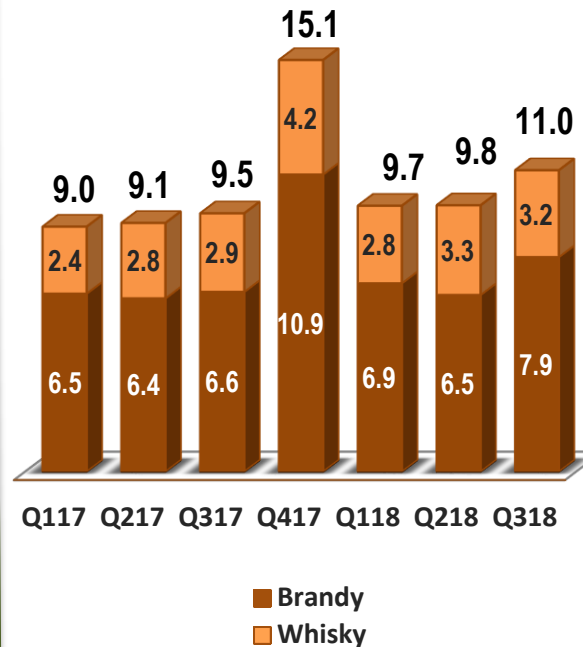
## WHISKY REVENUE vs GROSS PROFIT



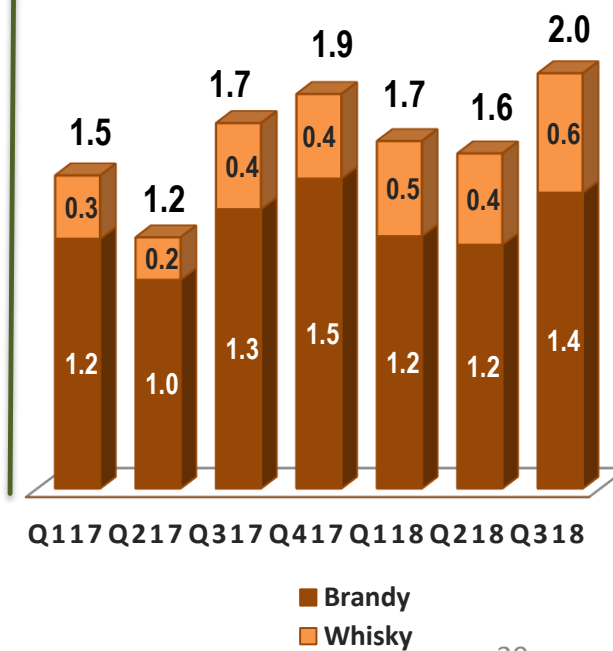
## BRANDY REVENUE vs GROSS PROFIT



## CONSOLIDATED REVENUE



## NET PROFIT



\*All items are in billion pesos except margin(%)

# Initiative: Diversifying product line



EMPERADOR INC.

## FUNDADOR SUPREMO

- ✓ A super-premium Brandy
- ✓ Introduced through the Travel Retail channel in Europe and Asia, and is now available in the Philippines.



Php12,800



Php95

## THE BAR PREMIUM GIN

- ✓ Innovation of a Gin product
- ✓ Creates excitement and differentiation
- ✓ Premiumized thru the botanicals used
  - ❖ Almond
  - ❖ Thyme
  - ❖ Juniper
  - ❖ Mint
  - ❖ Coriander
  - ❖ Orrisroot
  - ❖ Grapefruit



TRAVELLERS  
INTERNATIONAL



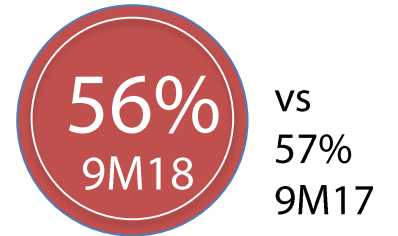
**TRAVELLERS INTERNATIONAL HOTEL GROUP, INC.**  
9M2018 PERFORMANCE HIGHLIGHTS

# RWM 9M2018 financial highlights

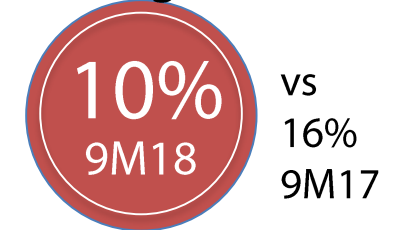
P&L (in Pbn)	9M2018	9M2017	%
<b>Total revenue</b>	<b>17.0</b>	<b>15.7</b>	<b>8%</b>
Gaming	13.8	12.8	7%
Mass	8.9	9.2	-3%
VIP	4.8	3.6	33%
Non-gaming	3.2	2.9	11%
<b>Gross profit</b>	<b>9.6</b>	<b>8.9</b>	<b>7%</b>
<b>EBITDA</b>	<b>1.8</b>	<b>2.6</b>	<b>-31%</b>
<b>Net profit</b>	<b>1.8</b>	<b>-0.0</b>	<b>n/a</b>
<b>Gearing</b>	<b>Sep2018</b>	<b>Dec2017</b>	<b>Sep2017</b>
Net debt (cash)	29.9	20.9	15.4
Net debt/equity	0.65x	0.47x	0.35x

- Improvement in volume but lower hold rate
- Continued recovery in quarterly rolling volume
- Hotel occupancy rates at 80% (vs 78%)
- Increased gaming taxes with rise in GGR
- Higher opex from new facilities.
- Boosted by one-time non-operating gains.

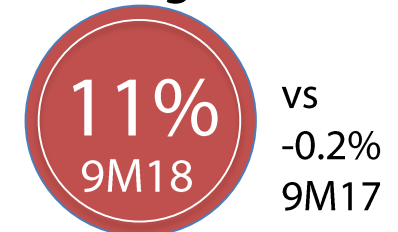
## Gross profit margin



## EBITDA margin



## Net profit margin

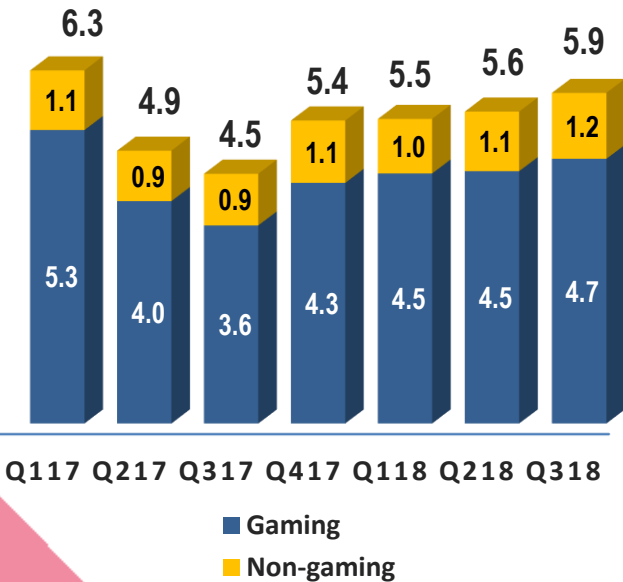




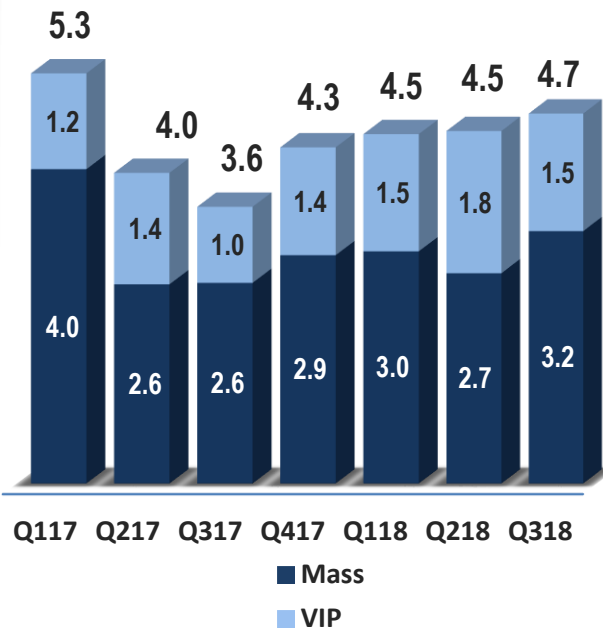
# RWM: Buoyed by continued VIP recovery



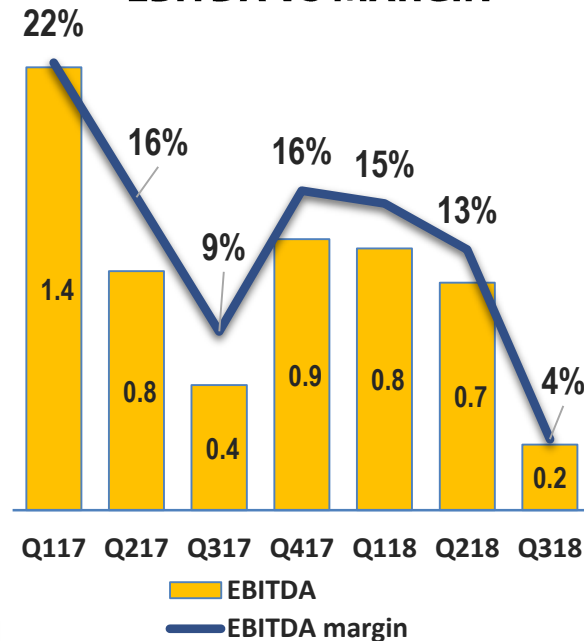
**GROSS REVENUES**



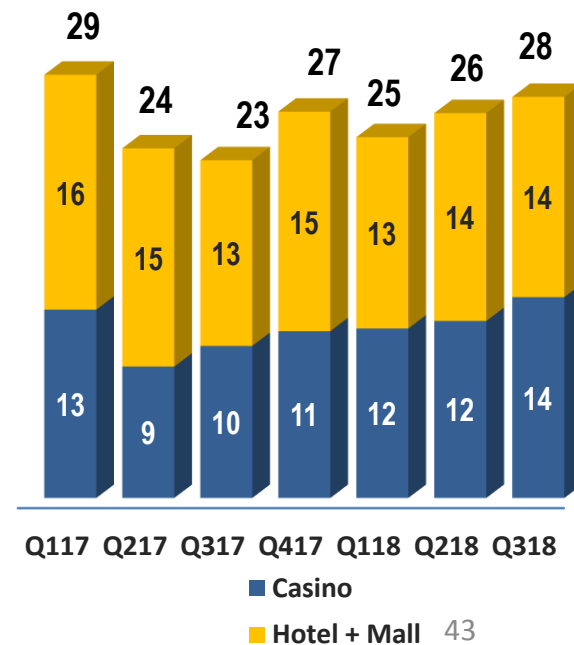
**GGR: MASS VS VIP**



**EBITDA VS MARGIN**



**AVERAGE DAILY VISITORS**



\*All items are in billion pesos except margin(%) and average daily visitors ('000)

# Initiative: Broadening international hotel brands

## Existing hotels



570  
keys



172  
keys



326  
keys



712  
keys



357  
keys

## Upcoming hotels



191  
keys



391  
keys





# **GOLDEN ARCHES DEVELOPMENT CORPORATION**

## **9M2018 PERFORMANCE HIGHLIGHTS**



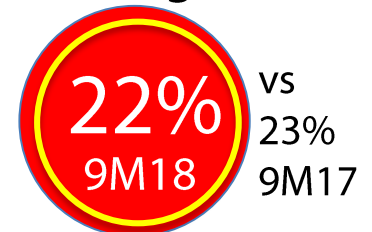
# GADC: 9M2018 financial performance



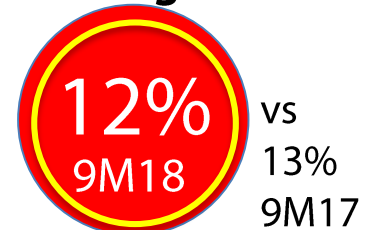
P&L (in Pbn)	9M2018	9M2017	%
<b>Systemwide sales</b>	<b>34.4</b>	<b>30.7</b>	<b>12%</b>
<b>Sales revenue</b>	<b>20.3</b>	<b>18.5</b>	<b>10%</b>
Sales by co. restos	<b>18.4</b>	16.7	10%
Rent, royalty & others	<b>1.9</b>	1.8	8%
<b>Gross profit</b>	<b>4.4</b>	<b>4.2</b>	<b>5%</b>
<b>EBITDA</b>	<b>2.5</b>	<b>2.4</b>	<b>3%</b>
<b>EBIT</b>	<b>1.6</b>	<b>1.6</b>	<b>1%</b>
<b>Net profit</b>	<b>1.0</b>	<b>1.0</b>	<b>3%</b>
<b>Gearing</b>	<b>Sep2018</b>	<b>Dec2017</b>	<b>Sep2017</b>
Net debt (cash)	<b>(4.0)</b>	(3.8)	(4.4)
Net debt/equity	<b>Net cash</b>	Net cash	Net cash

- Helped by store expansion program
- Higher inflation slowed Q318 growth to 8%
- SSSG: 9M18 +3.8%; Q318 flat
- Higher number of franchised stores
- Slower topline growth, rising RM costs
- Costs & expenses up 12% YoY driven by higher inventory, rental and personnel costs.

## Gross profit margin



## EBITDA margin



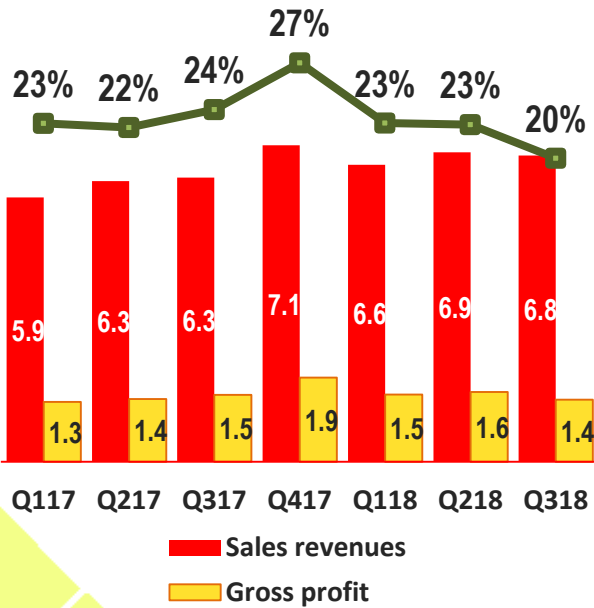
## Net profit margin



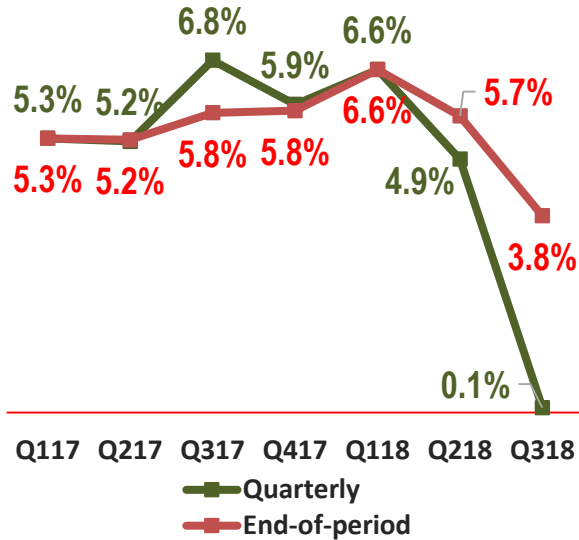
# GADC: Interim weakness in spending



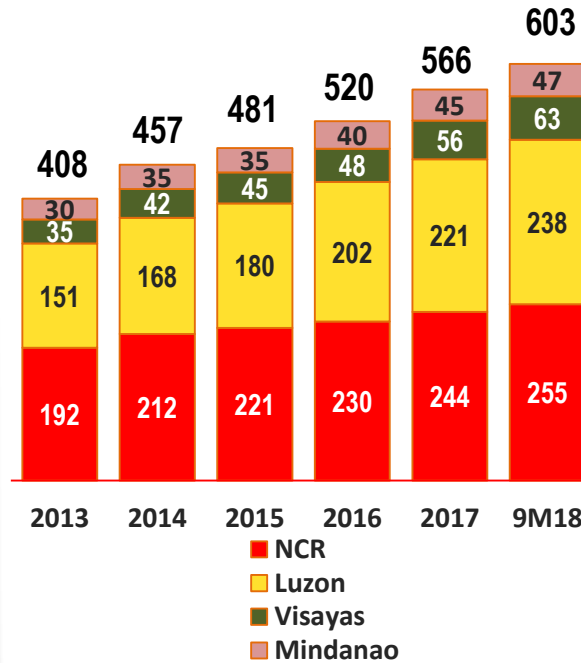
SALES VS GROSS PROFIT



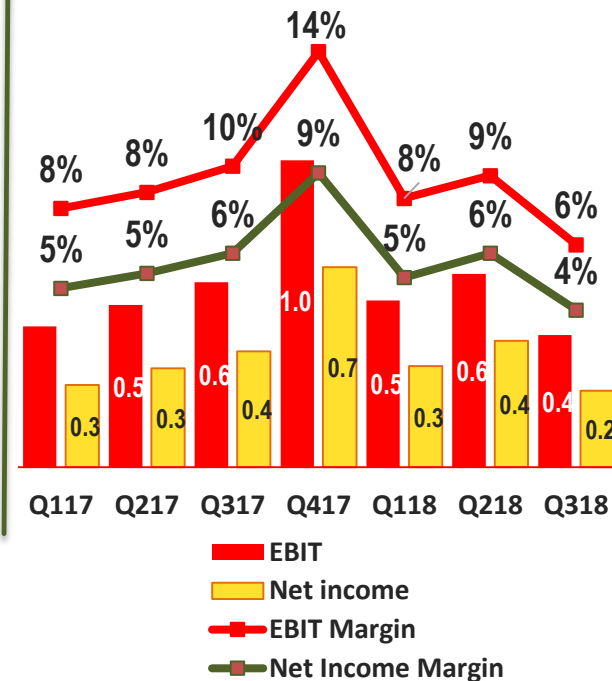
SYSTEMWIDE SAME-STORE SALES GROWTH



STORE GEOGRAPHIC DISTRIBUTION



EBIT vs NET INCOME



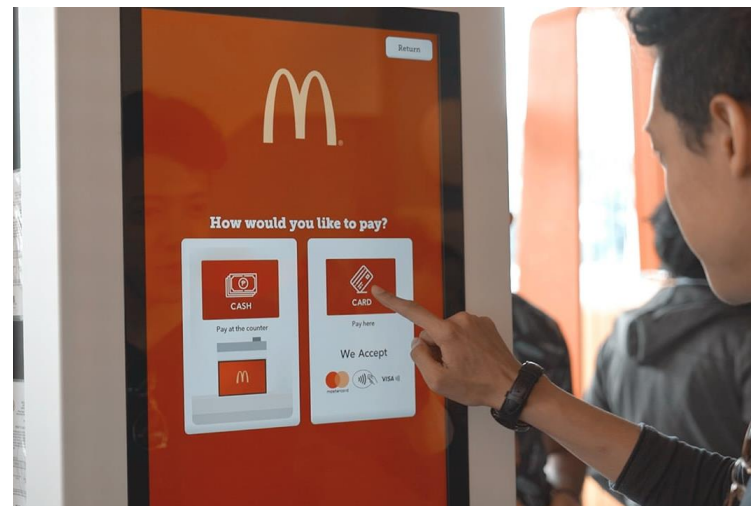
\*All items are in billion pesos except margin(%) and store geographic distribution

# Initiative: McDonald's NXTGEN stores



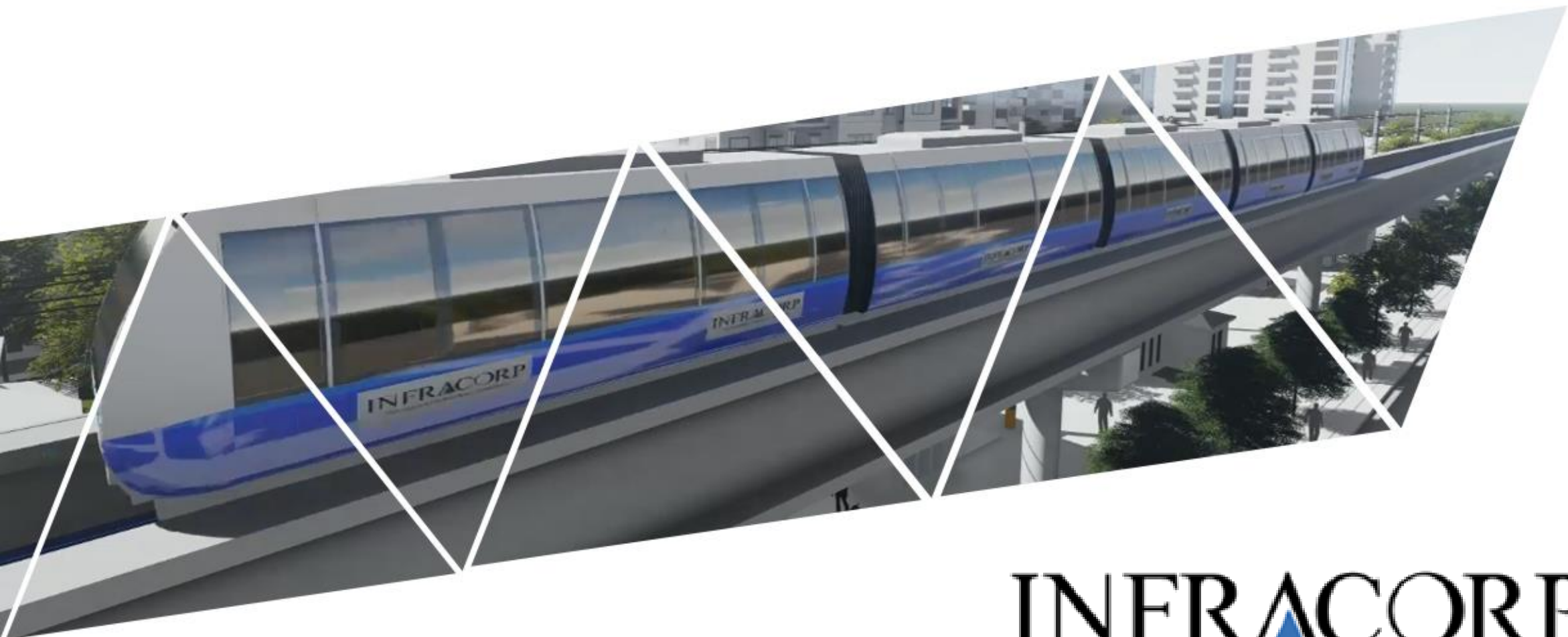
## More to love

- ❖ Sleek and minimalist modern look
- ❖ High tech self-ordering kiosks
  - ✓ let customers skip the line;
  - ✓ order at their own pace
  - ✓ option to pay using cash or card
- ❖ Split Counters
- ❖ impeccable service from crew



- Experience it at the ff branches:
- McDonald's Madison
  - McDonald's McKinley West
  - McDonald's Pioneer Reliance
  - McDonald's Kapitolyo
  - McDonald's Robinson's Galleria
  - McDonald's Market Market
  - McDonald's Boracay Main Road
  - McDonald's Boracay Regency

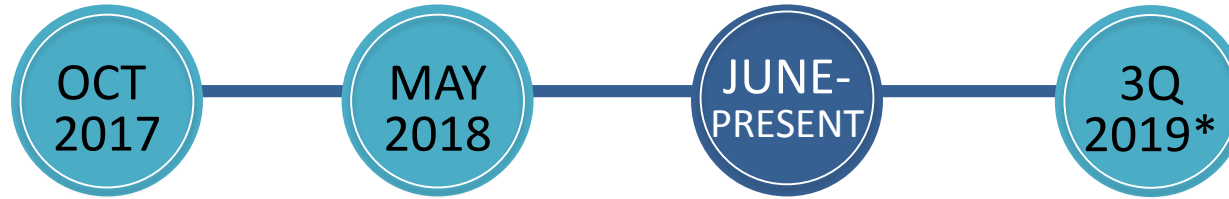




**INFRACORP**  
AN ALLIANCE GLOBAL COMPANY

# Fort Bonifacio - Makati Skytrain

## Project Timeline



OCT 2017  
Submission of unsolicited proposal

MAY 2018  
DOTr grant of Original Proponent Status

JUNE-PRESENT  
NEDA evaluation

3Q 2019\*  
Estimated project award  
\*subject to change

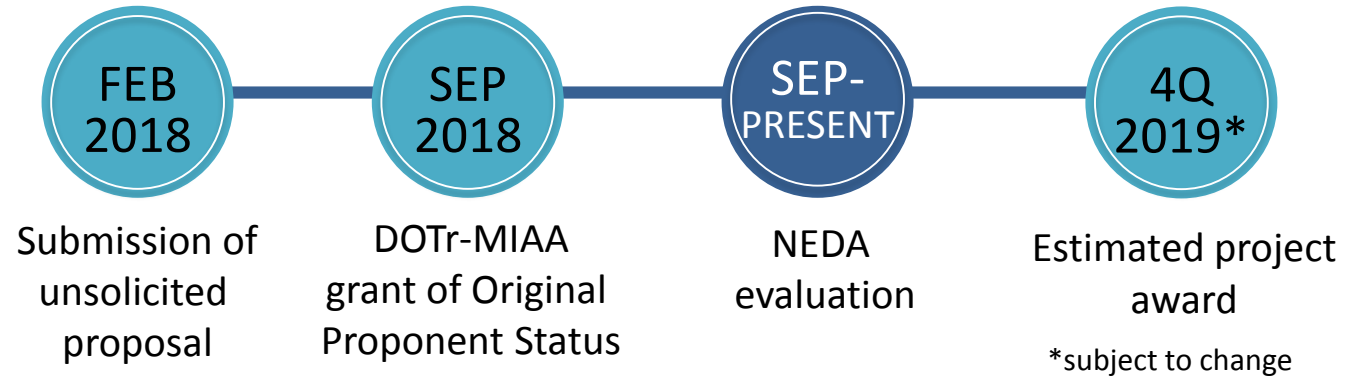
- 1.88 km Monorail Project
- Automated Cable-Propelled Monorail
- To connect MRT 3 Guadalupe Station to Uptown Bonifacio



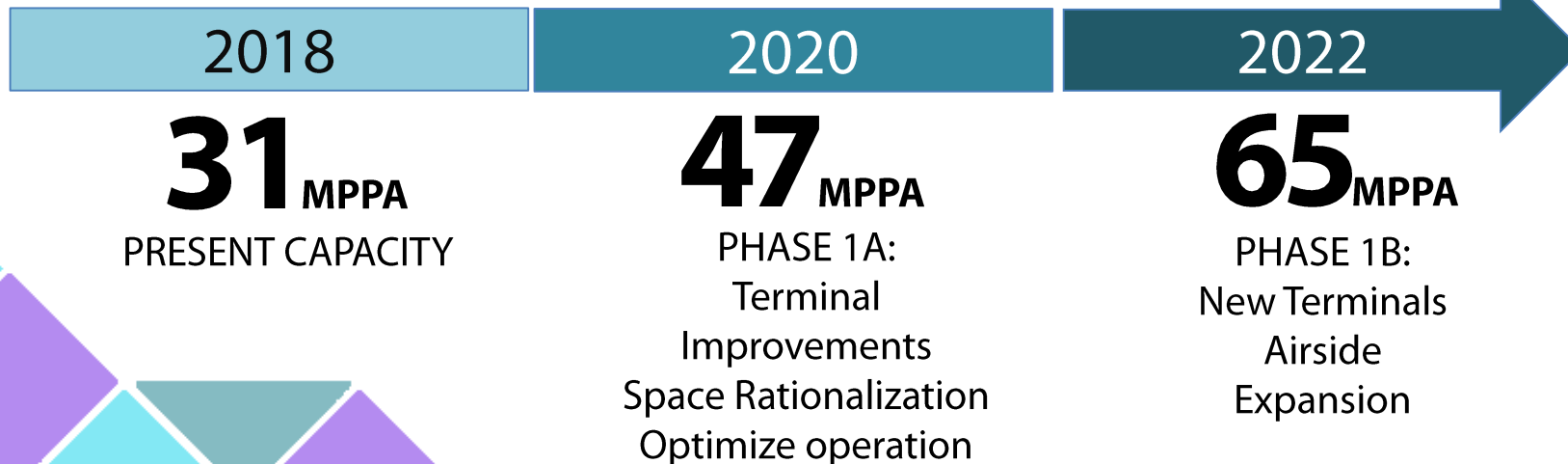
# NAIA consortium



## Project timeline



## Gateway strategy





# Key Messages

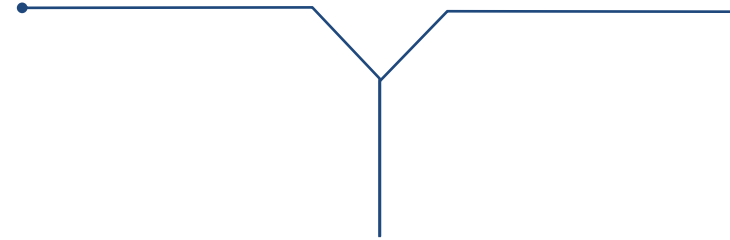


- Expansive and strategic land bank.
- Township dominance.
- Strong rental growth.
- Healthy financials.

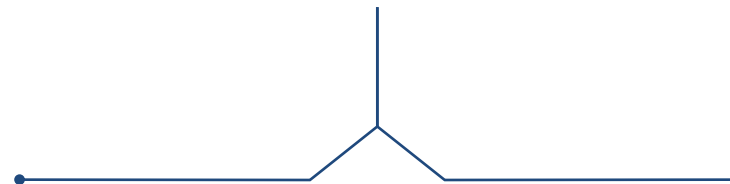


EMPERADOR INC.

- Vertically-integrated liquor operations.
- Global brandy dominance.
- Strong growth potential of whisky business.
- Improving free cash flows.



- Excellent, experienced management.
- Focused business segments: property & consumer.
- Aiming for higher share of reliable income sources.
- Increasing contribution of international operations.
- Reasonable gearing despite heavy capex.



- Country's first IR; the only one with expansion capability on two sites.
- Resorts World Manila: highest concentration of premier foreign and local hotel brands in one location.
- World class gaming facilities.
- Marriott Grand Ballroom: biggest hotel ballroom; most popular MICE facility.



- Owns the exclusive McDonald's franchise in the Philippines.
- Fastest-growing QSR in the country.
- Net cash position despite ongoing store expansion program.

 **ALLIANCE GLOBAL**  
**End of Presentation**

