

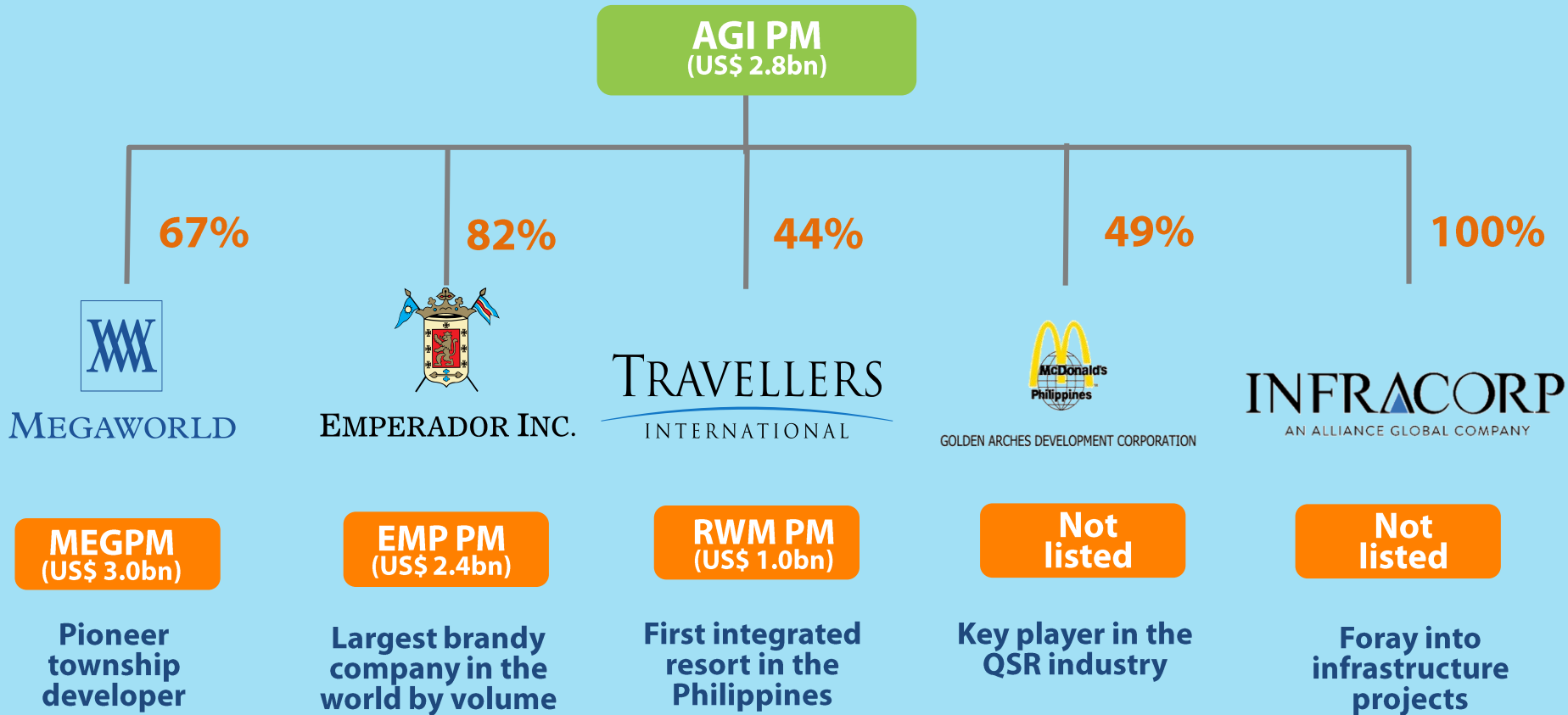


 ALLIANCE GLOBAL
Credit Suisse
Asian Investment Conference
19 – 22 March 2018



AGI Group structure

ALLIANCE GLOBAL

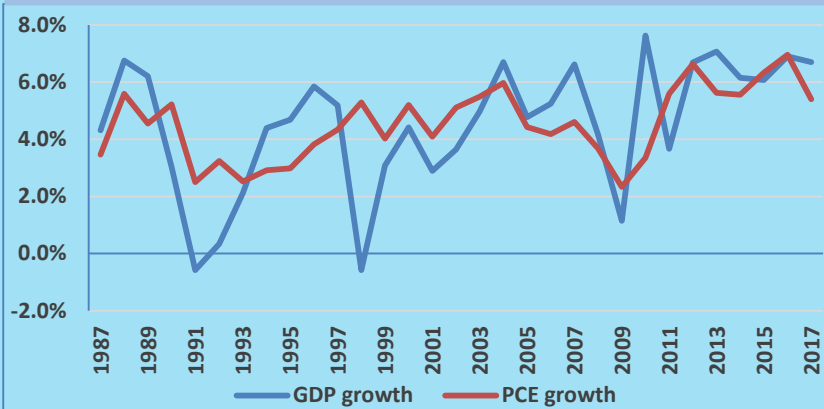




Macro Drivers

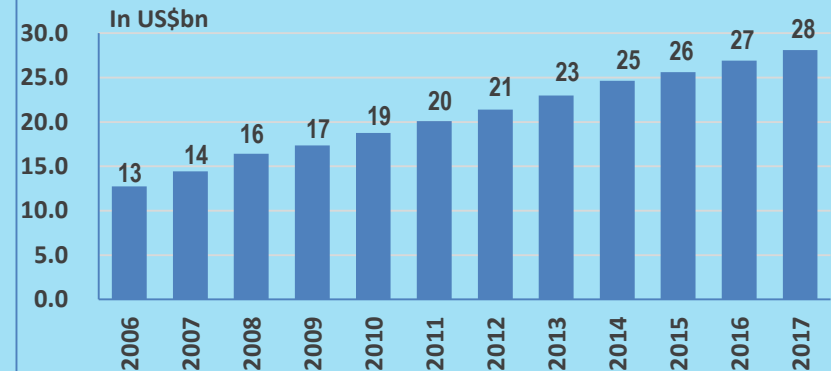
Key economic drivers

Economy remains on a growth path



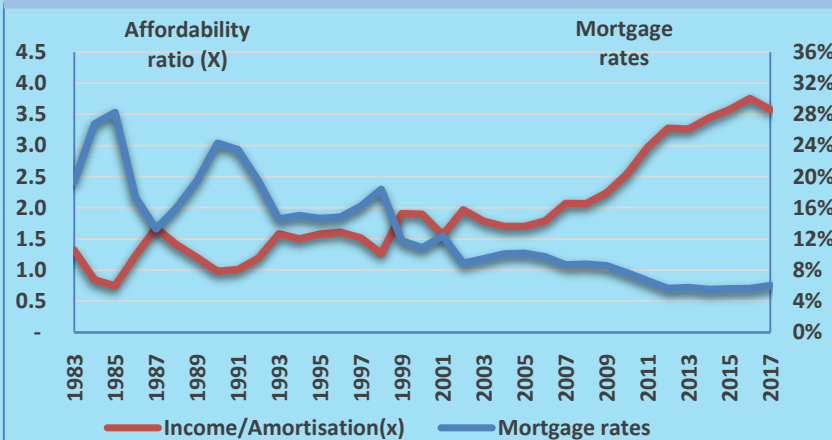
Source: Philippine Statistics Authority (PSA).

Steady flows in OFW remittances



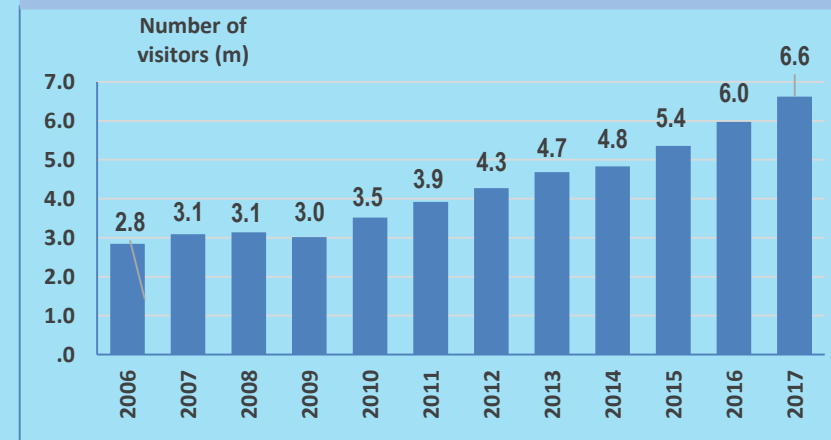
Source: Bangko Sentral ng Pilipinas (BSP).

Improving affordability



Source: BSP, National Statistics Coordinating Board.

Sustained expansion in tourism sector



Source: Philippine Statistics Authority



Alliance Global Group Inc.

AGI By the Numbers



P545bn
in total resources
(end-Sep2017)



P140bn
in total
revenues (2016)



2%
Parent net
debt/equity
(end-Sep2017)



4,203
Hotel room keys
(2017)



- Competitive strengths: property and consumer sectors.
- Future-proofing the business:
 - iTownships – *ilive. iwork. iplay. iconnect*
 - Increasing share of dependable recurring income.
 - ❖ Rentals contribute ~25% of MEG revenues and 50% of EBITDA.
 - ❖ Non-gaming revenues account for 15-20% of RWM net revenues.
 - Undertaking geographical expansion, both domestic and international.
 - ❖ Ex-Metro Manila projects contribute ~30% of MEG real estate sales.
 - ❖ WMG accounts for ~30% of EMP revenues.
 - ❖ RWM is looking to launch Westside City Resorts World by 2020/21.
 - Going into hospitality, a new area of growth.
 - Pursuing infrastructure projects to promote connectivity and sustainability of Group property assets.
- Continued heavy capital spending to ensure future growth.
- Implementing prudential practices to keep balance sheet strong.

iTownship: townships of the future

Uptown Bonifacio



McKinley Hill



McKinley West



iLive. iWork. iPlay. iConnect.

Mactan Newtown

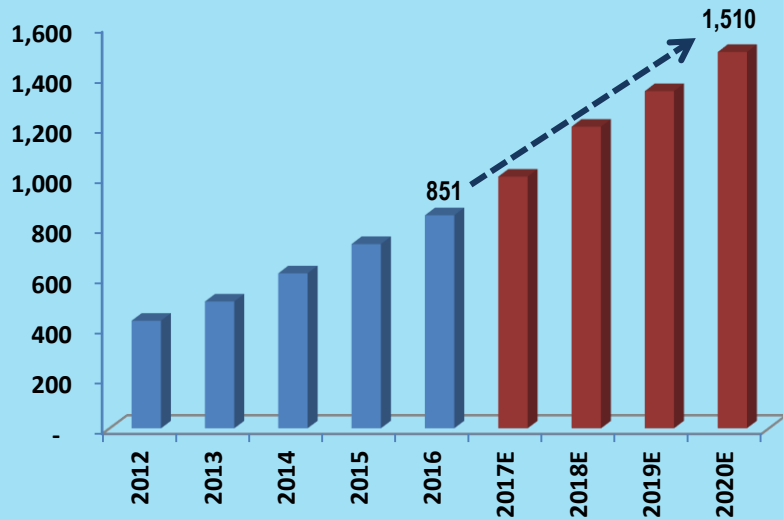


Iloilo Business Park

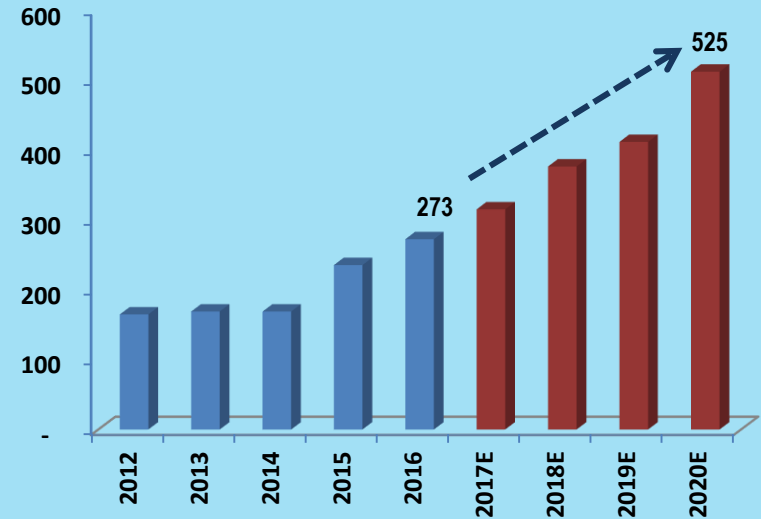


MEG: growing the rental segment

Office GLA expansion ('000 sqm)



Commercial GLA expansion ('000 sqm)

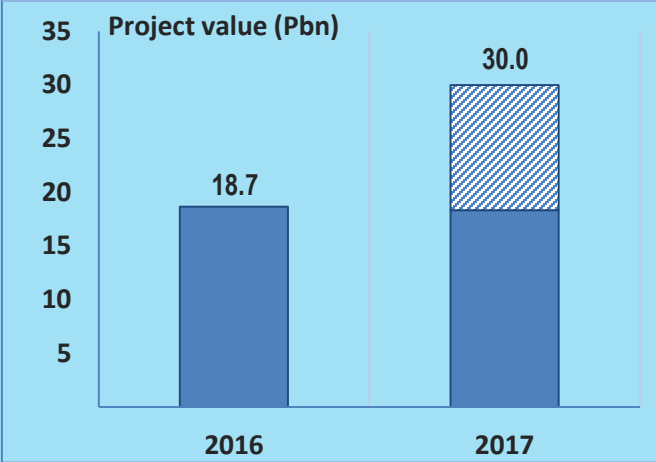


MEG: diversifying geographically

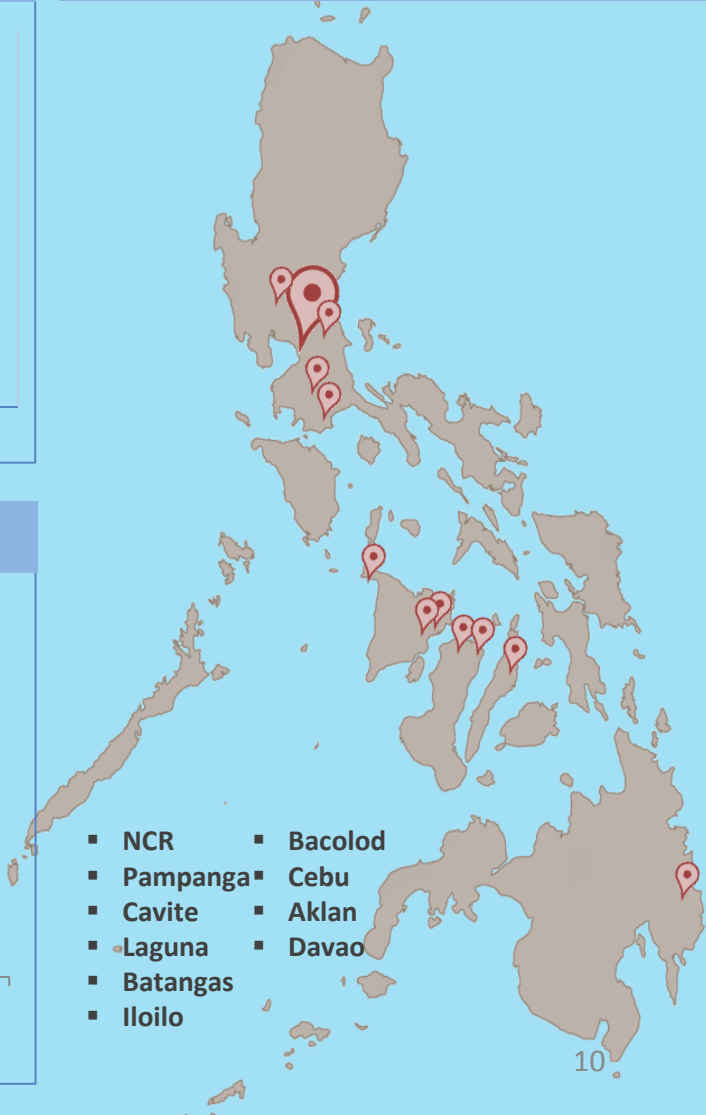


The Ellis

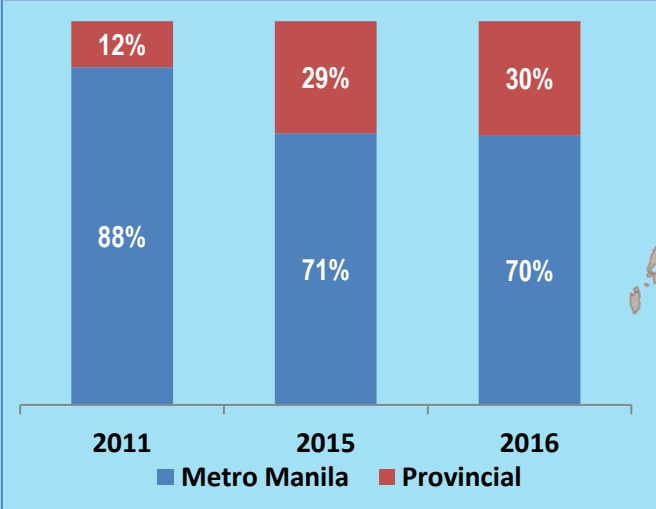
Residential project launches...



...throughout the country

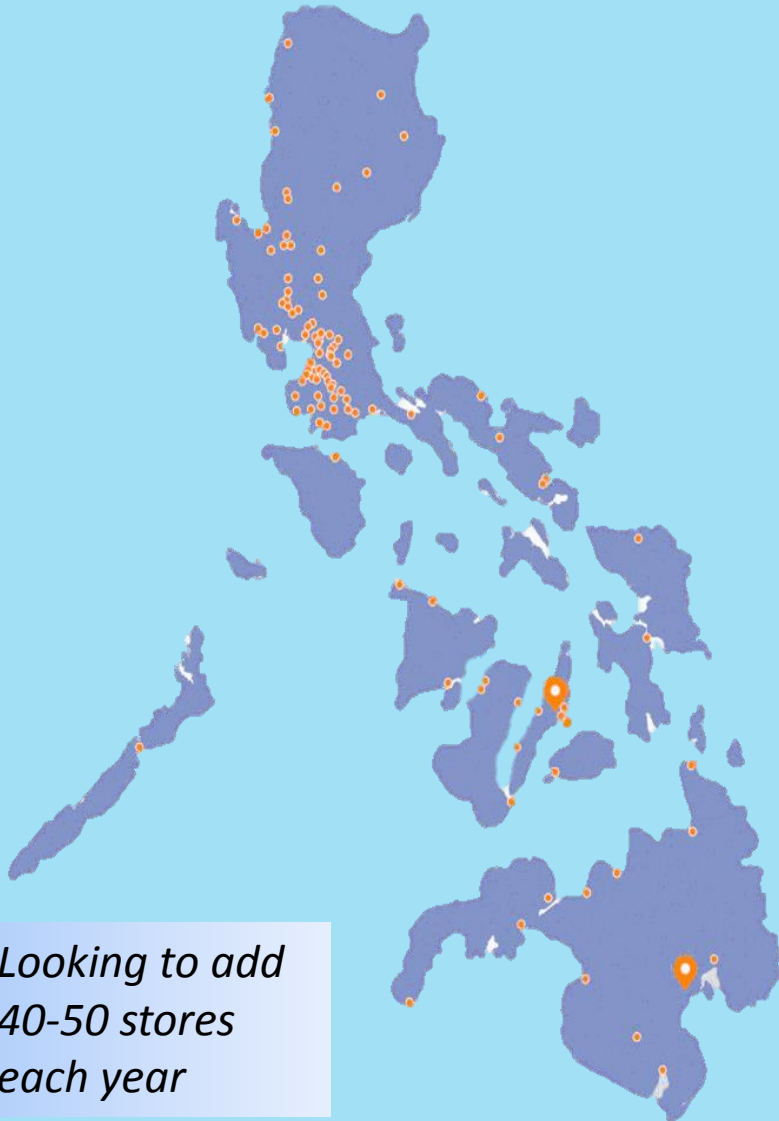


Real estate sales, by location



GADC: improving QSR penetration

McDo penetration throughout the country



EMP: continuing premiumization

2017 Emperor product launches



PHP 120-140 (1L)



US\$ 24



€ 10.95

EMP: increasing share of foreign brands ALLIANCE GLOBAL

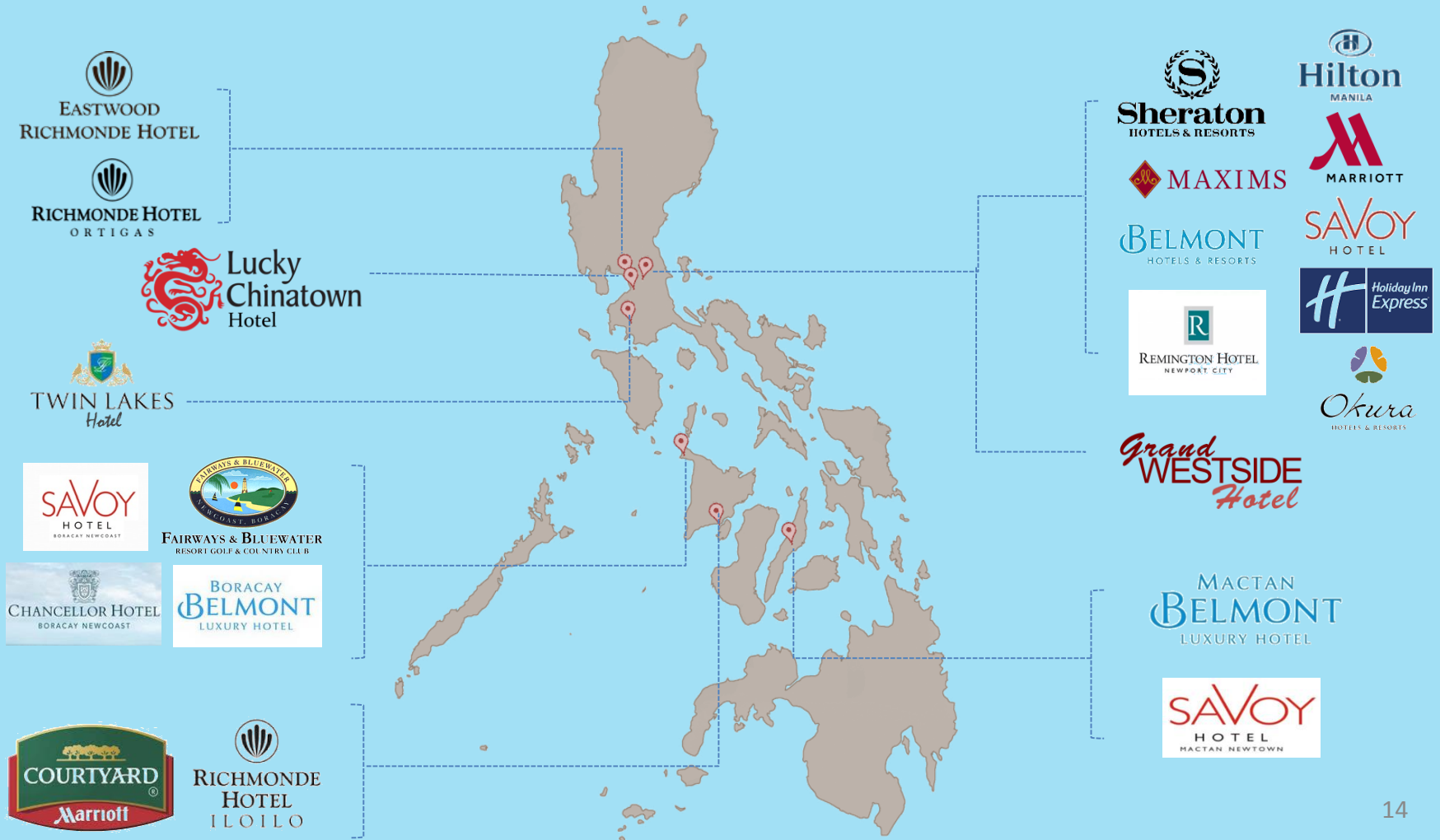


Fundador store at Venice Grand Canal Mall

Dalmore flagship store at Uptown Bonifacio

AGI: expanding hospitality business ALLIANCE GLOBAL

- AGI is the country's largest hotel developer, with widest selection of well-known international brands.
 - Existing capacity 4,203 rooms: targeting to reach 12,000 capacity in five years



RWM: launching of Phase 3 expansion

128,000 sq.m. Gross Floor Area

391 rooms

357 rooms

191 rooms



14,000 SQ. M.
GROSS FLR. AREA
GAMING



3,200 SQ. M.
GROSS FLR. AREA
RETAIL



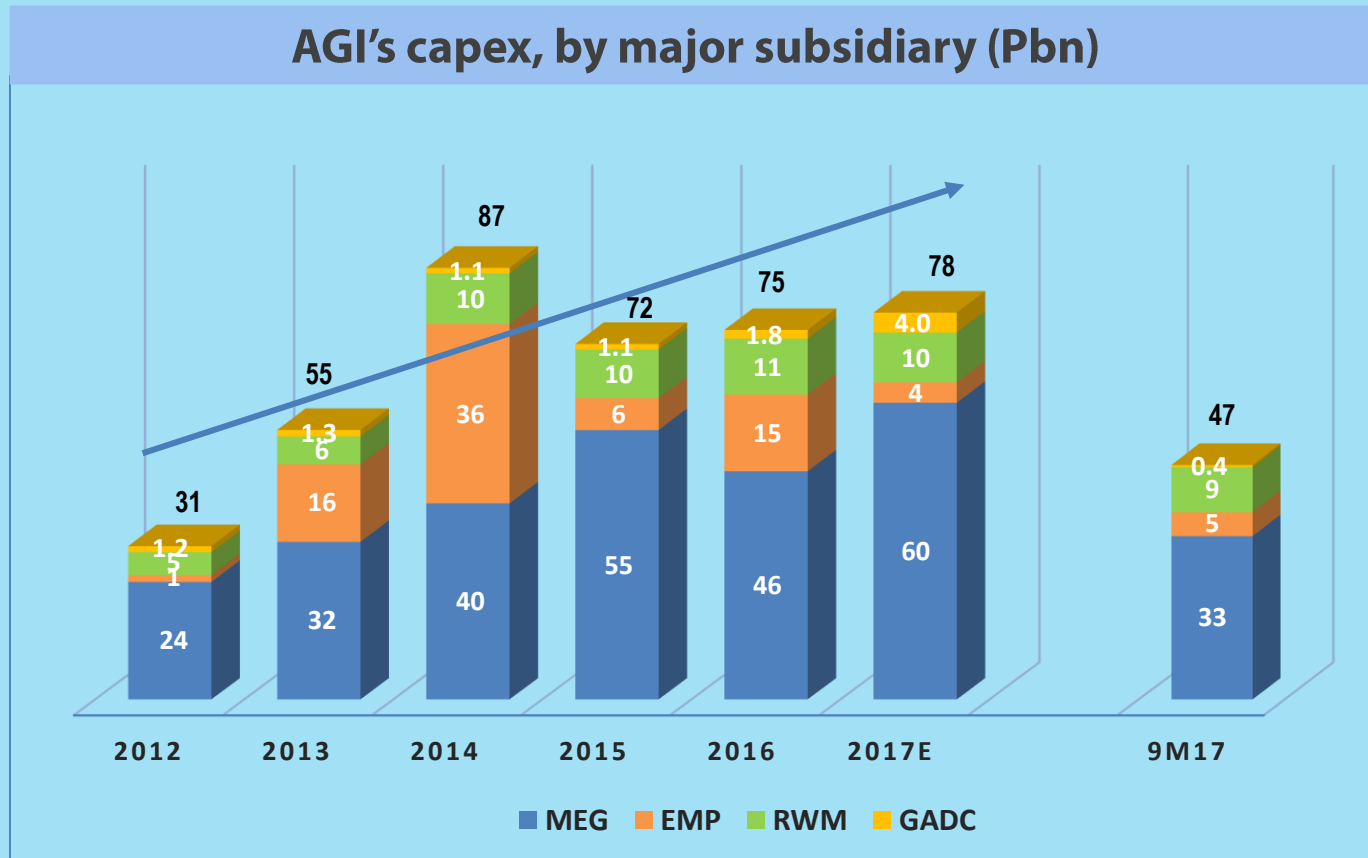
INFRACORP

AN ALLIANCE GLOBAL COMPANY



- The 5th leg of AGI that will handle infrastructure projects, particularly transport solutions around Metro Manila, key growth areas throughout the country and various AGI/MEG township developments.
- INFRACORP is expected to help transform MEG into a transit-oriented township developer.
- Its first project is *Skytrain*, a 1.88-km monorail that will connect MRT 3 Guadalupe Station to MEG township in Uptown Bonifacio.

Group investment commitments

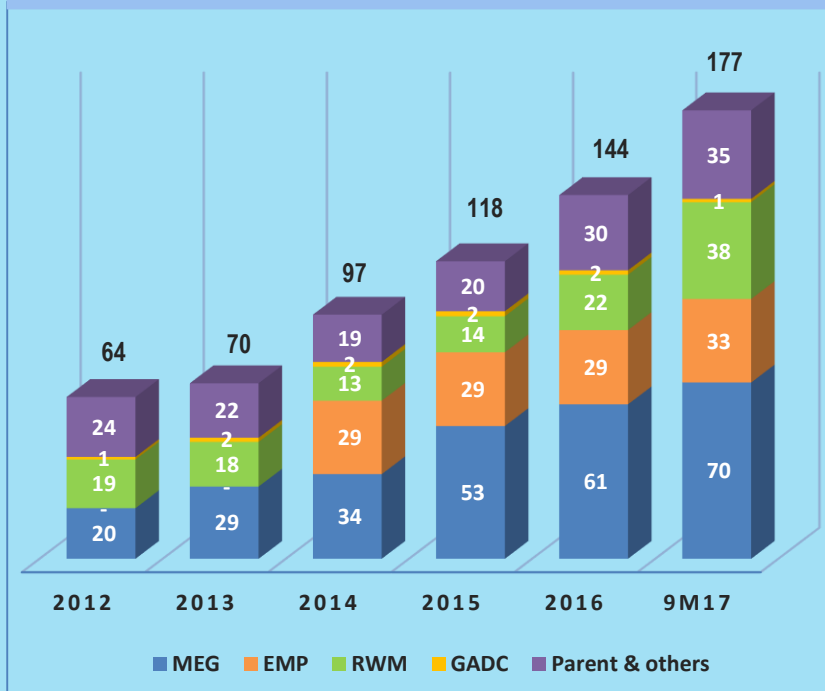


E - Estimated.

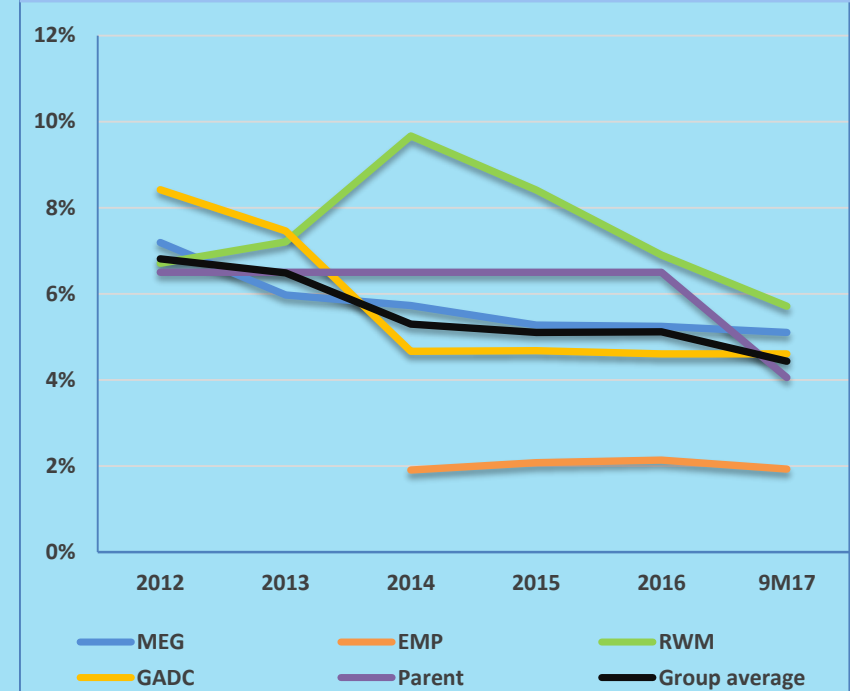
- AGI remains committed to a heavy capex to grow the business.
- 60% of this year's capex already spent in 9M2017.

Group borrowings

Gross debts, by key subsidiary (Pbn)

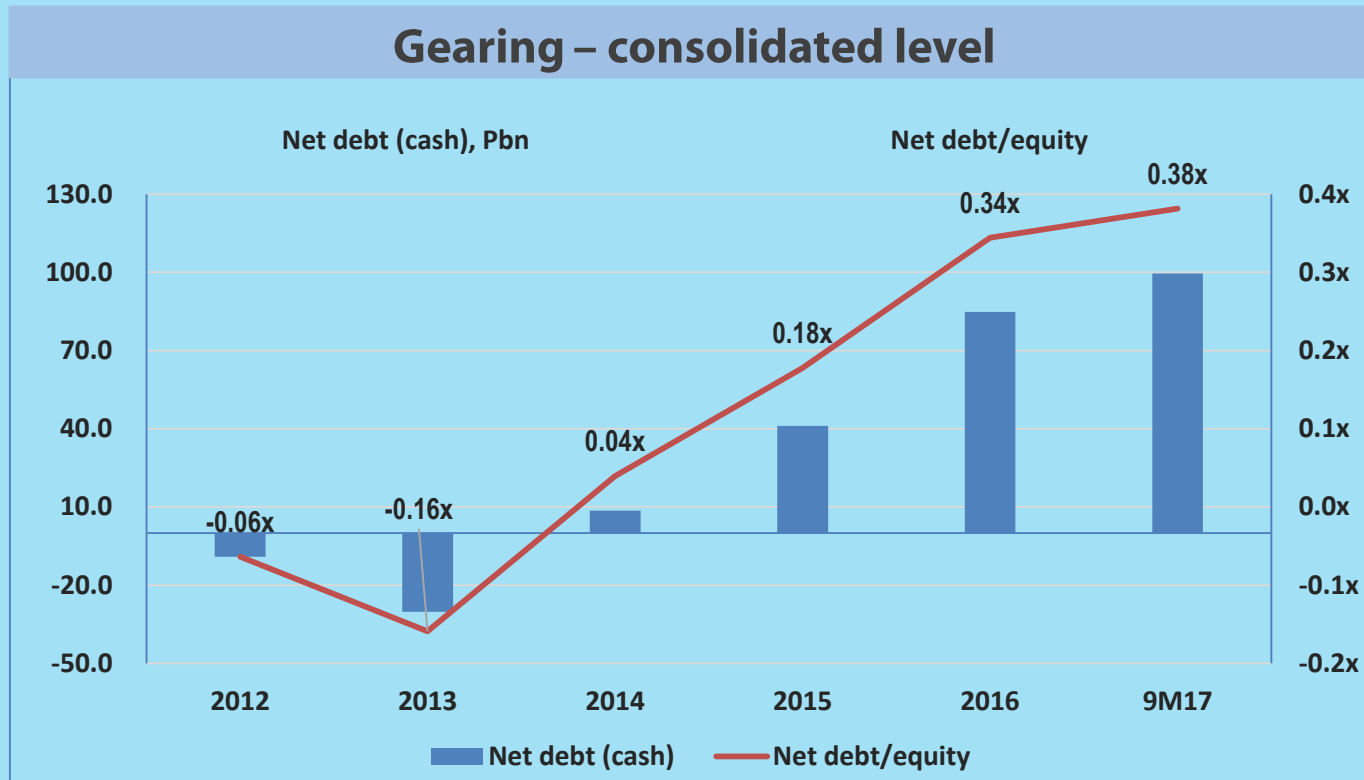


Average cost of debt



- End-Sep2017 group borrowings stood at P177bn, mainly to fund capex, taking advantage of lower average cost of debt.

Consolidated gearing



- Group net debt/equity in end-Sep 2017 stood at 0.38x (vs 0.34x in end-2016).
- Parent net debt/equity remained low at 0.02x.



Alliance Global Group Inc.

9M2017 performance highlights

- Group revenues -1% to P100.3bn; net income -8% to P10.2bn.
 - MEG: revenues +4% / profit +11%
 - Driven by strong revenue growth in rentals and hotels; residential segment up due to faster completion rate.
 - Broad-based improvement in pre-sales.
 - Overall margin enhancement given changing income mix.
 - EMP: revenues flat / profit -8%
 - Brandy sales steady helped by new product offerings; whisky sales grew 4%.
 - Lower margins amid higher packaging costs, salaries and marketing expenses.
 - RWM: revenues -24% / profit -98%.
 - Weighed down by June 2 incident; recovery underway.
 - Non-gaming business up given higher hotel occupancy rate.
 - GADC: revenues +13% / profit +19%.
 - Boosted by new stores, healthy same-store sales growth and economies of scale.
- Increased borrowings to fund ongoing capex, but financial gearing remains comfortable.

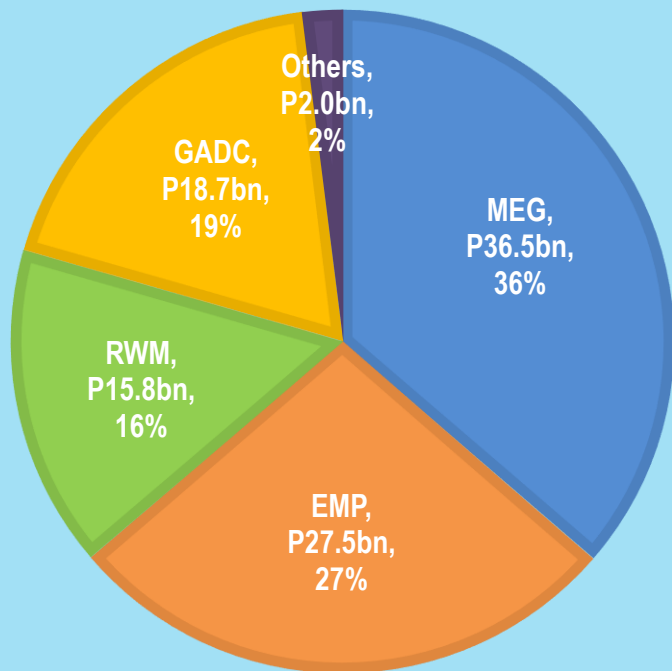
9M2017 performance at a glance

P&L highlights (Pbn)	9M2017	9M2016	% chg	Comments
Group revenues	100.3	101.6	-1%	
Megaworld	36.5	35.2	4%	Robust growth in rentals; higher project completion.
Emperador	27.5	27.6	0%	Continued in growth in whisky sales; contribution from new product offerings support brandy sales.
Travellers	15.8	20.8	-24%	Weighed by June 2 incident, ramping up casino business; hotel/MICE operations continued to do well.
GADC	18.7	16.5	13%	5.8% systemwide SSSG; active store expansion.
Others	2.0	1.5	32%	
Group costs/expenses	(80.6)	(80.0)	1%	
Megaworld	(23.2)	(23.2)	0%	Cost of sales steady; modest growth in cash opex.
Emperador	(22.2)	(21.7)	2%	Higher packaging costs, salaries, marketing spend.
Travellers	(15.5)	(17.7)	-12%	Drop in casino-related expenses but higher interest.
GADC	(17.2)	(15.3)	12%	Increases in COGS, G&A expenses.
Others	(2.5)	(2.0)	24%	
Net income to owners	10.2	11.0	-8%	
Megaworld	6.7	6.0	11%	Changing profit mix buoys overall margins.
Emperador	3.7	4.0	-8%	Improved whisky margins pared the profit decline.
Travellers	0.0	1.3	-98%	Includes P321m in losses from casualty.
GADC	0.5	0.4	19%	Achieving economies of scale with store growth.
Others	(0.6)	(0.6)	-1%	
Net profit margin	10.1%	10.9%	-73bps	

Financial highlights

9M2017 Consolidated Revenues

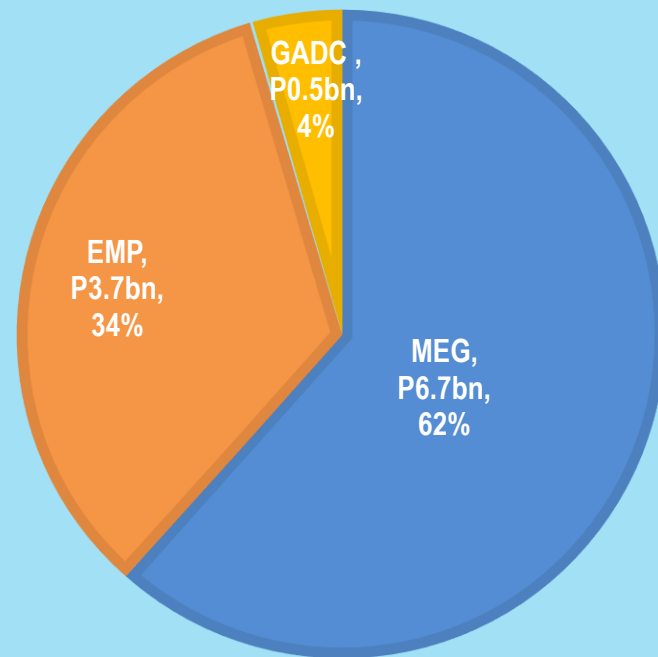
P100.3bn



■ MEG ■ EMP ■ RWM ■ GADC ■ Others

9M2017 Attributable Net Income

P10.2bn



■ MEG ■ EMP ■ RWM ■ GADC



MEGAWORLD



Megaworld Corporation

9M2017 performance highlights





Megaworld by the Numbers



MEGAWORLD

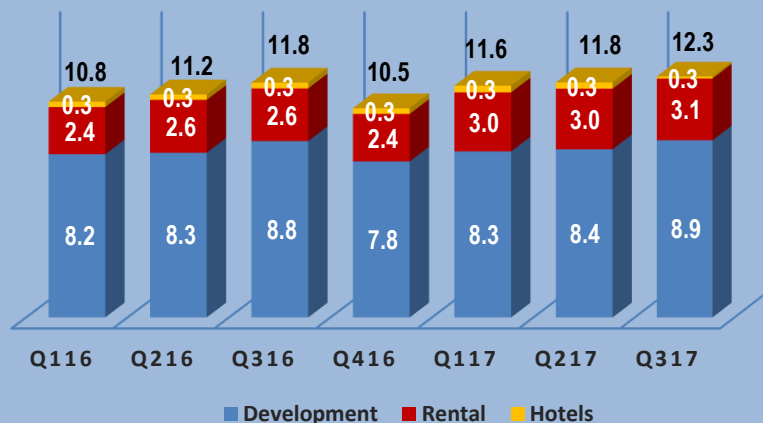


Megaworld's 9M2017 performance at a glance

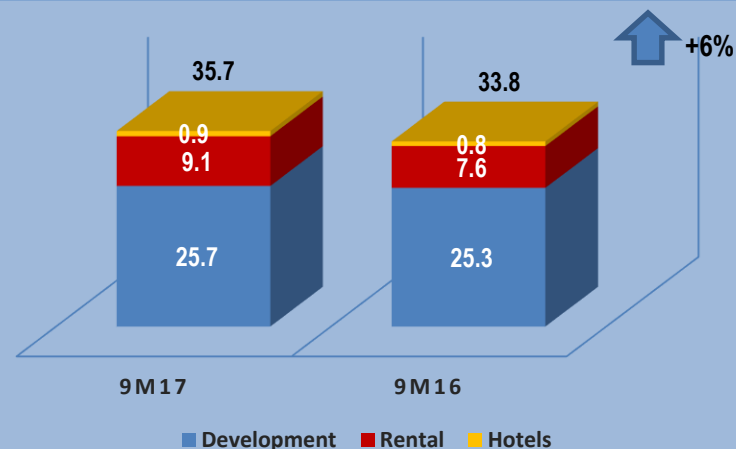
- Total revenues +5% YoY to P37.1bn.
 - Residential revenues +1% to P25.7bn (or 69% of total).
 - Total realized gross profit +8% to P10.0bn with higher project completion.
 - Growing share of projects outside of Metro Manila.
 - Rentals +19% to P8.8bn (or 24% of total).
 - Increasing share of rentals to 24% from 22% a year before.
 - Rental income split: office 61% / commercial 39%.
 - Rental GLA split: office 76% / commercial 24%.
 - Hotel income +8% to P950m.
- Overall margin direction  due to changing income mix.
 - Residential gross profit margin  45.4% from 46.1%.
 - Rental EBIT margin  75.2% from 74.6%.
 - Overall EBIT margin  39.0% from 37.1%.
- Net income +12% to P10.3bn.
- Net debt/equity in end-Sep2017 at 0.38x (vs 0.31x in end-2016).

Megaworld's interim financial highlights

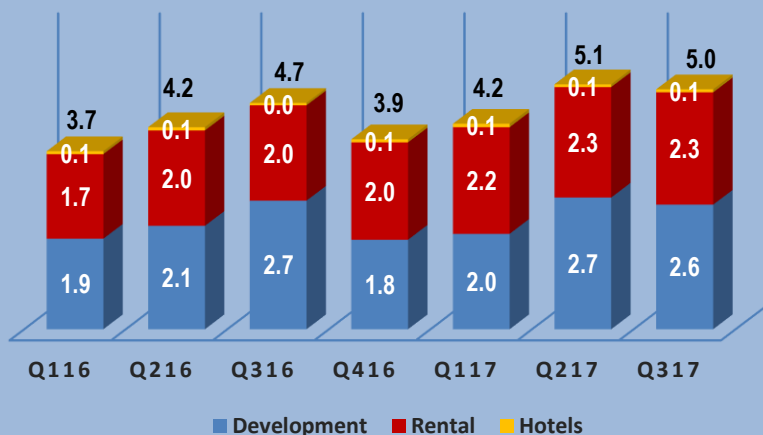
Revenues*, quarterly (Pbn)



Revenues*, 9M-period (Pbn)



EBIT*, quarterly (Pbn)



EBIT*, 9M-period (Pbn)



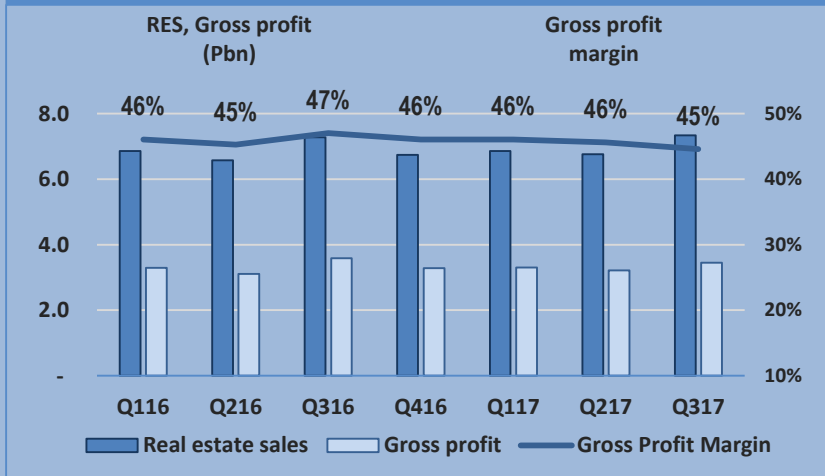
*Covers residential, rental and hotel operations only. Excludes financial and other income.

Megaworld's interim financial highlights

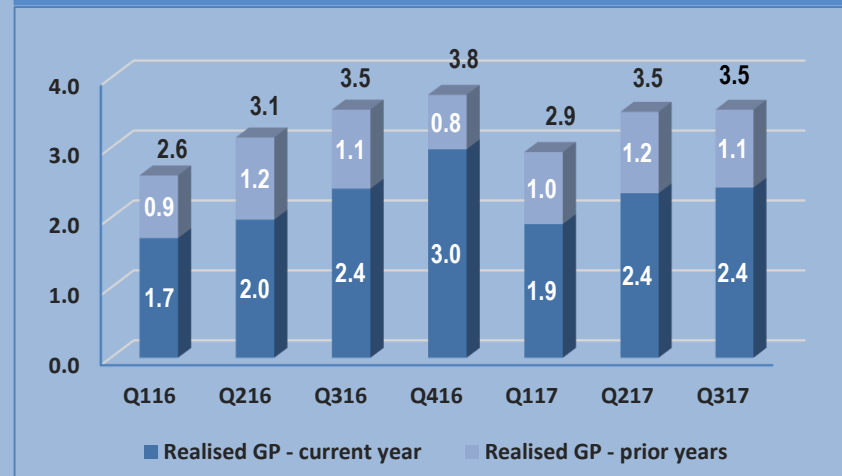


MEGAWORLD

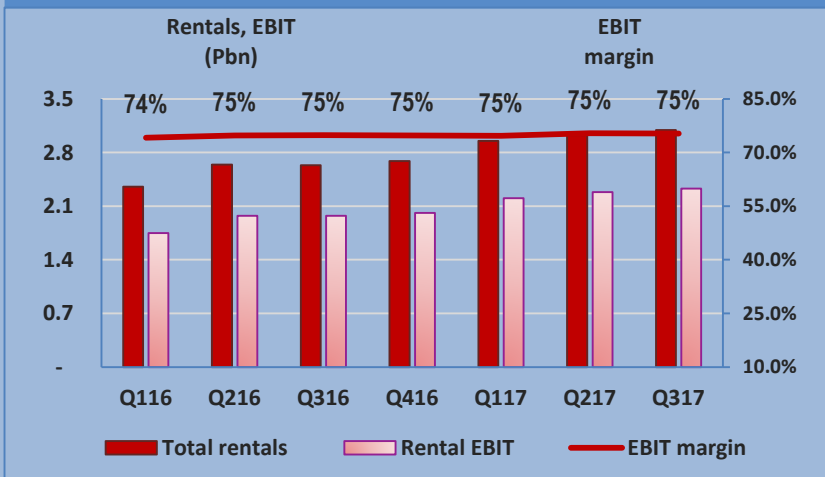
Real estate sales vs Gross profit (Pbn)



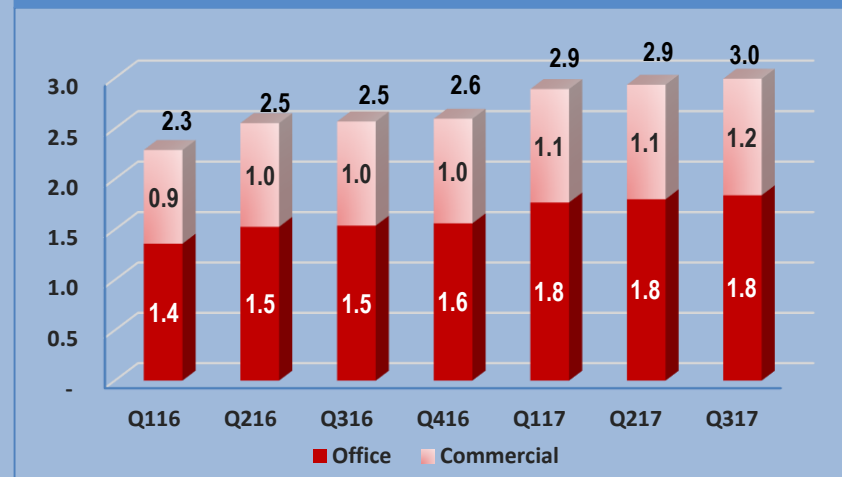
Realized gross profit (Pbn)



Rentals vs EBIT (Pbn)



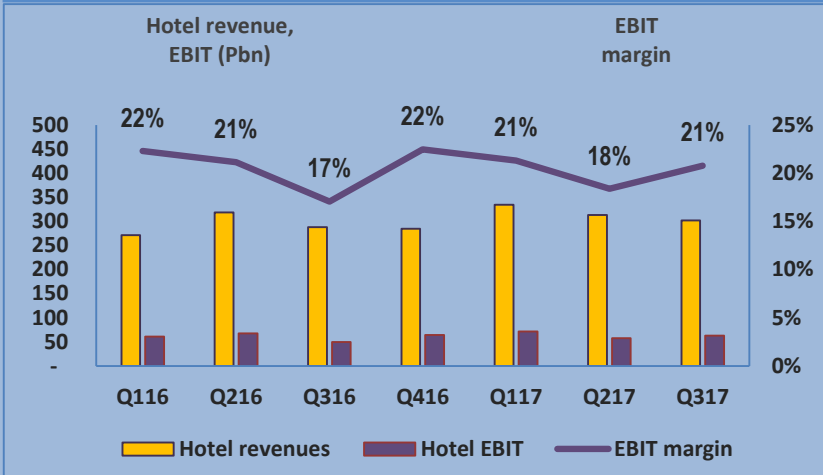
Rentals: office vs commercial (Pbn)



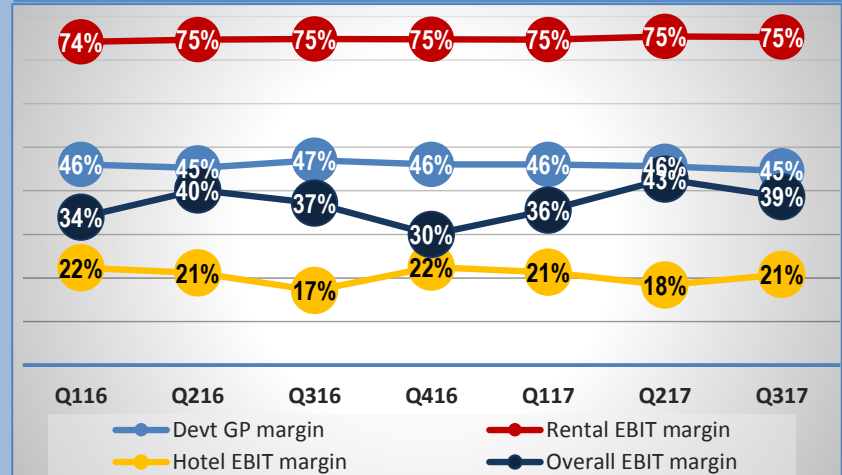


Megaworld's interim financial highlights

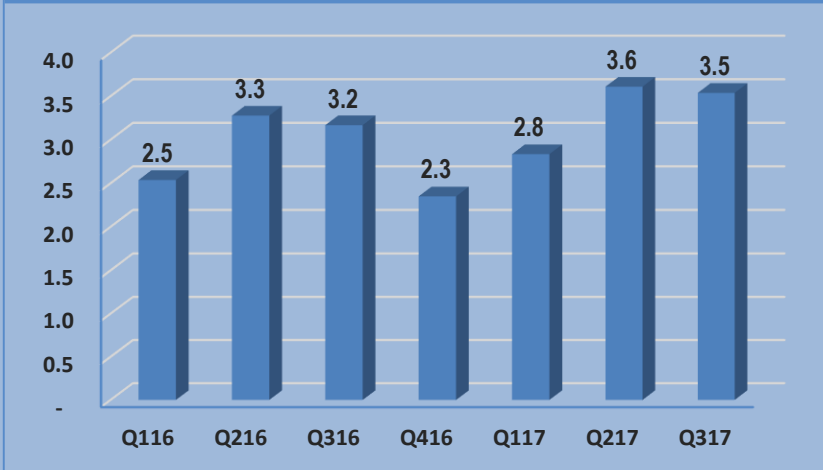
Hotel income vs EBIT (Pbn)



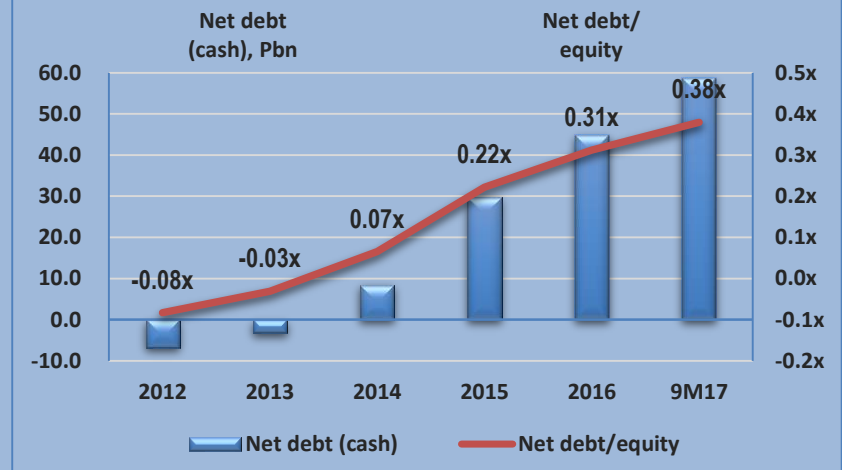
Margin performance



Attributable net income (Pbn)

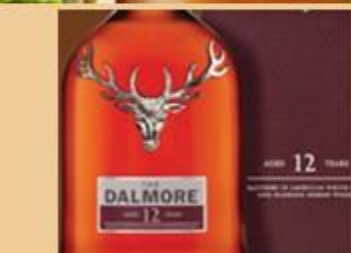


Gearing





EMPERADOR INC.



Emperador Inc.

9M2017 performance highlights



Emperador by the Numbers



EMPERADOR INC.

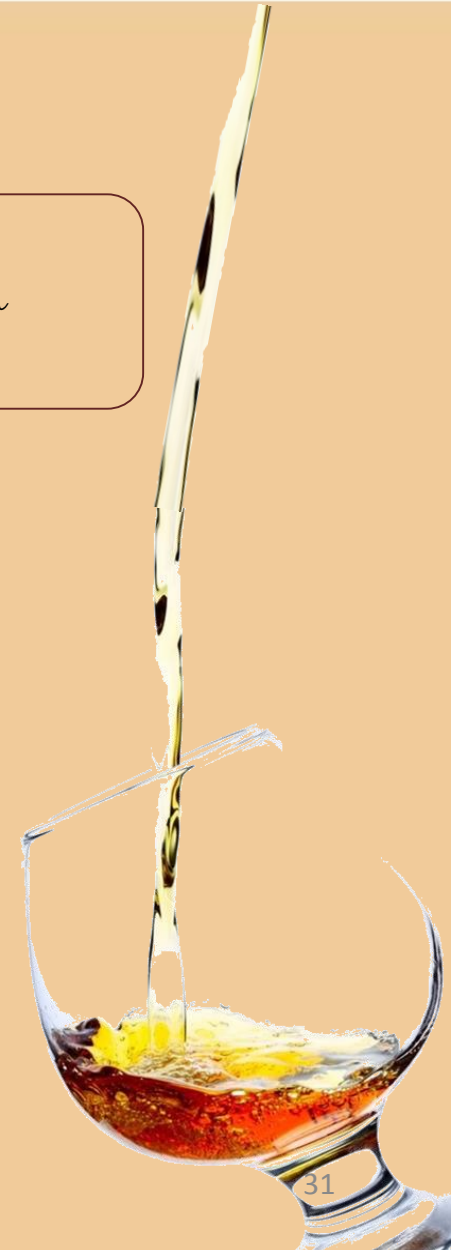
22
Sales offices
nationwide

1st Dalmore flagship
store in the
Philippines

121,000
Distribution
network







P41bn
Consolidated
Revenues (2016)

P989bn
Total resources
(end-Sep2017)





Emperador's 9M2017 performance at a glance

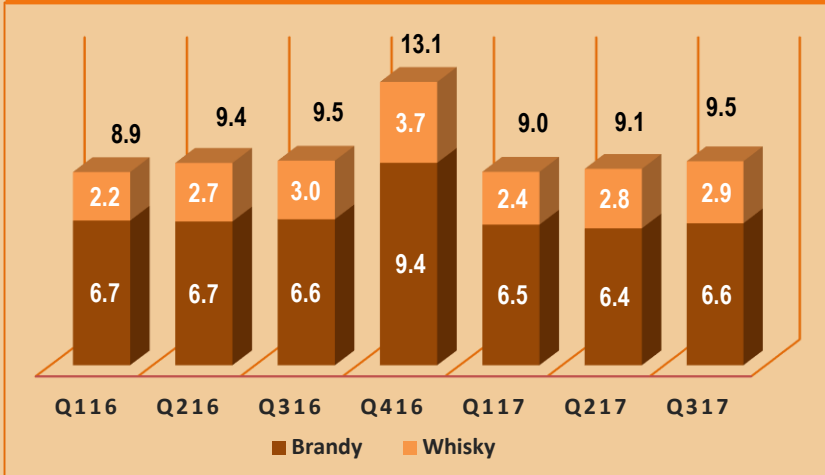
- Consolidated revenues -1% to P27.6bn.
 - Brandy revenues stood at P19.5bn (or 71% of total).
 - 'New' products lifted brandy sales in Q317; kept 9M2017 brandy sales steady.
 - RTDs Hotshots, Smirnoff Mule and Andy Cola continued to gain market traction.
 - Whisky revenues reached P8.1bn (or 29% of total).
 - Whisky sales +4% in 9M2017 driven by increased sales of Dalmore, Jura and Whyte & Mackay labels in UK, Travel Retail, US, Asia and Greater Europe.
- Overall margin direction  amidst higher packaging costs, salaries, selling and marketing expenses.
 - GP margin  to 32.5% from 33.4%.
 - Brandy GP margin  to 33.5% from 35.9%; Whisky GP margin  to 27.5% from 27.2%.
 - EBITDA margin  to 23.0% from 25.7%.
 - Net profit margin  to 16.1% from 17.7%.
- Net income -10% to P4.4bn helped by lower interest, income taxes.
- Net debt/equity in end-Sep2017 at 0.45x (vs 0.37x in end-2016).

Emperador's interim financial highlights

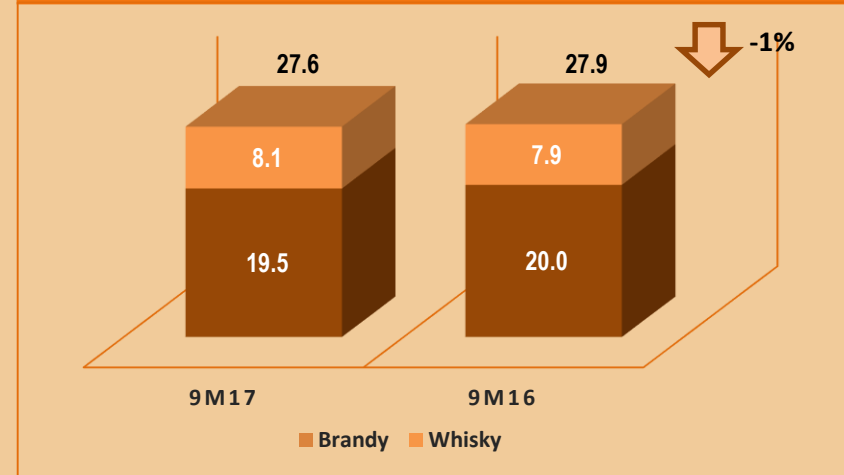


EMPERADOR INC.

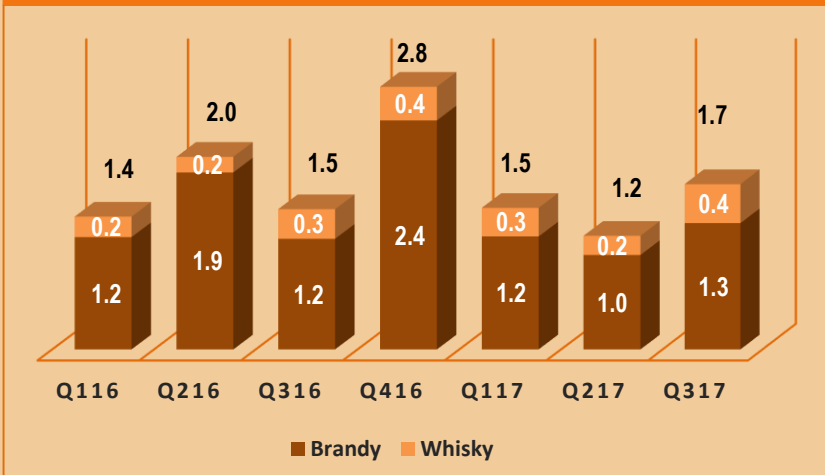
Revenues, quarterly (Pbn)



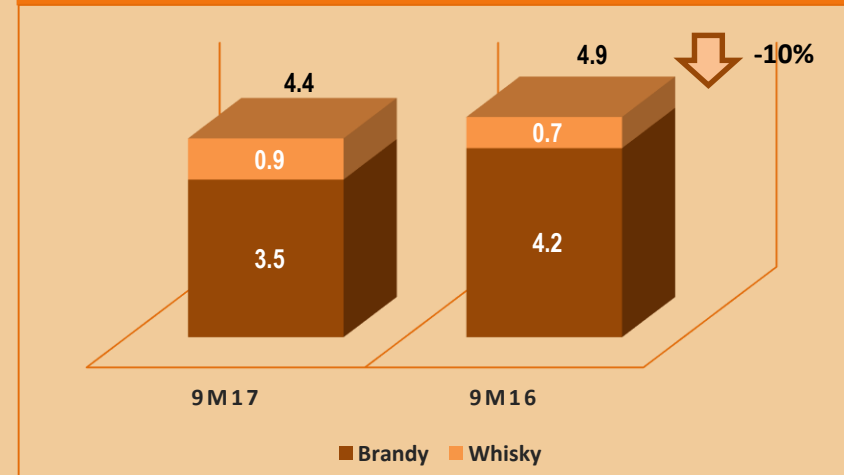
Revenues, 9M-period (Pbn)



Net income, quarterly (Pbn)



Net income, 9M-period (Pbn)

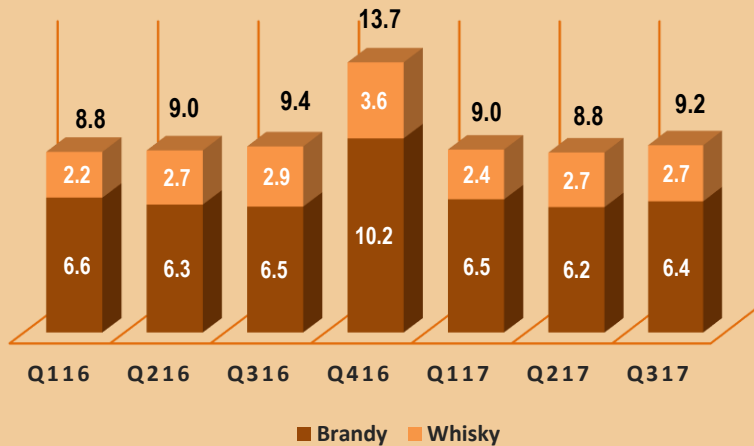


Emperador's interim financial highlights

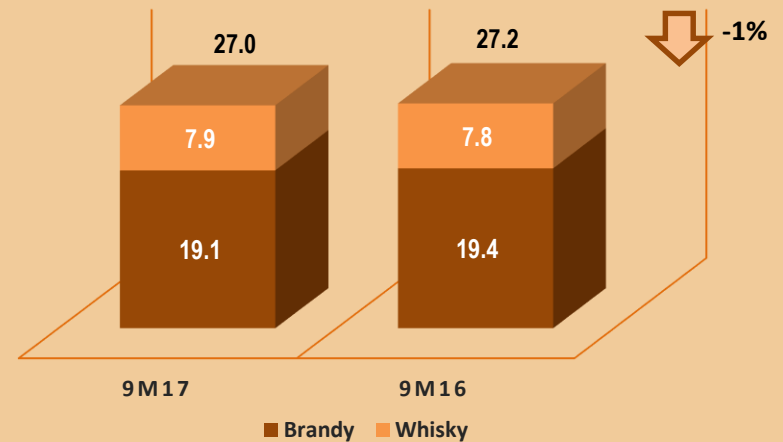


EMPERADOR INC.

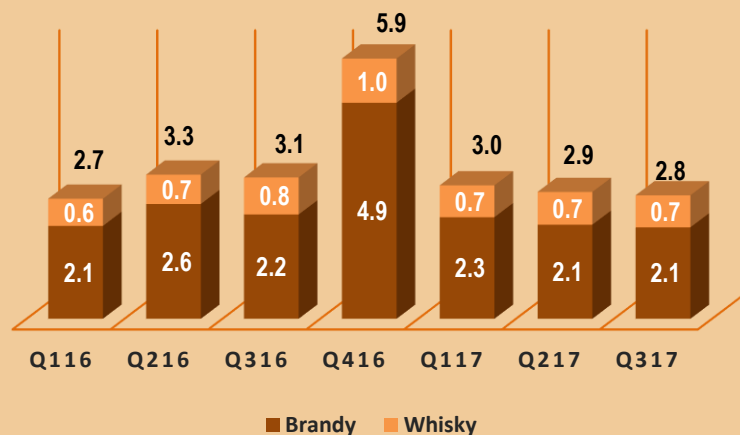
Sales: Brandy vs Whisky (quarterly, Pbn)



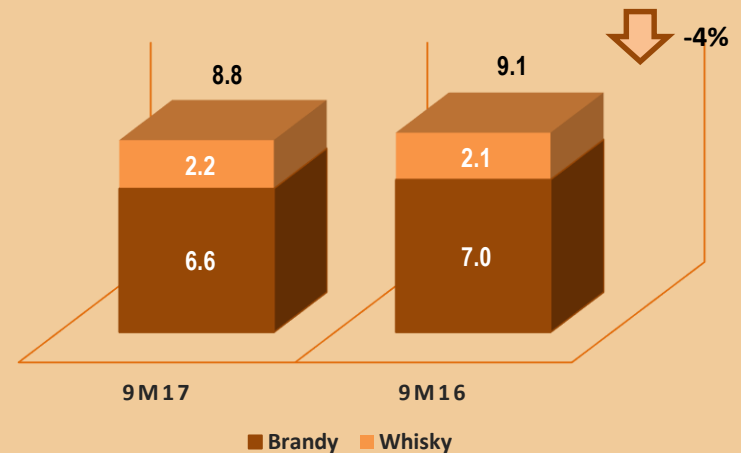
Sales: Brandy vs Whisky (9M, Pbn)



GP: Brandy vs Whisky (quarterly, Pbn)



GP: Brandy vs Whisky (9M, Pbn)

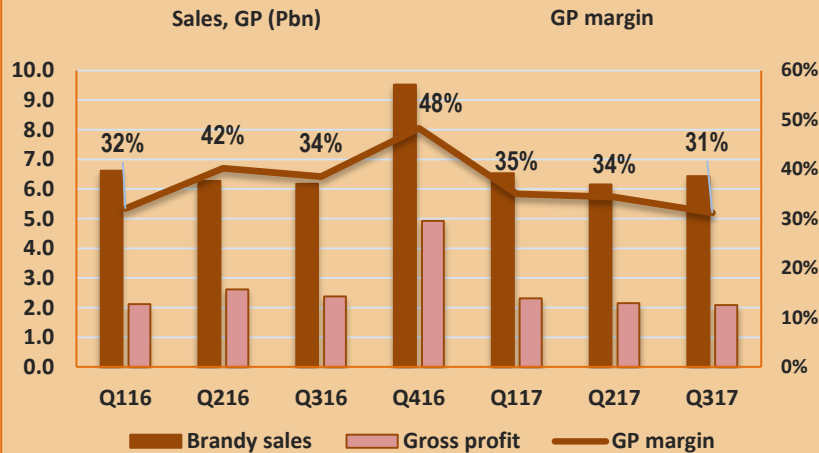


Emperador's interim financial highlights

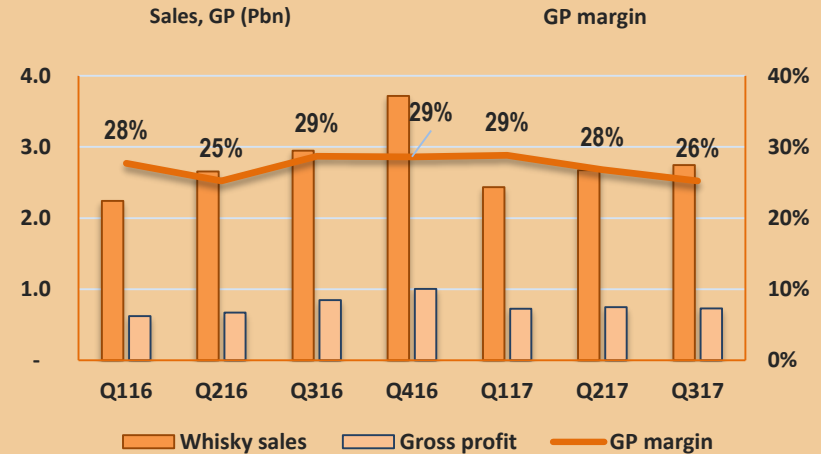


EMPERADOR INC.

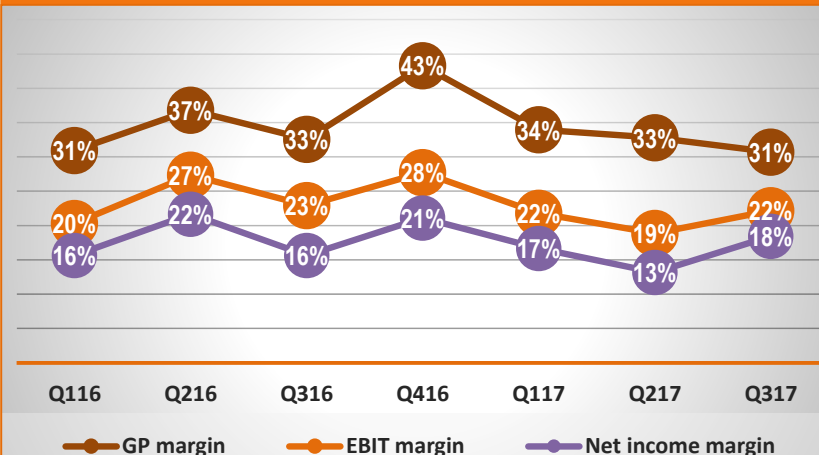
Brandy: Sale of goods vs GP margin



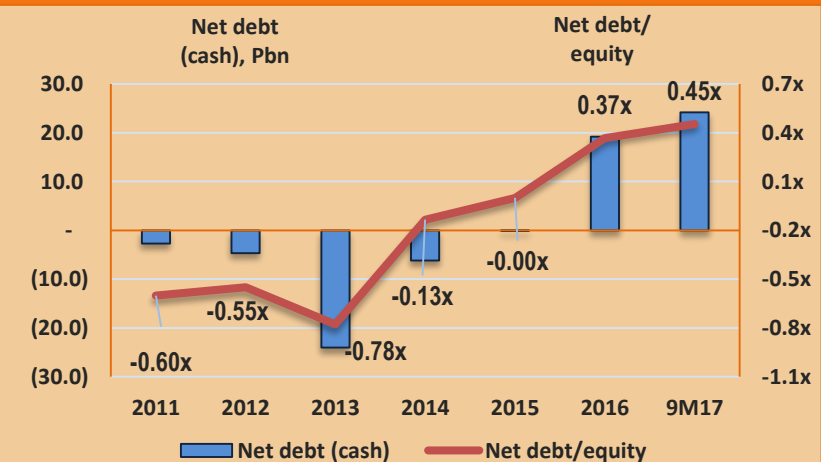
Whisky: Sale of goods vs GP margin



Margins



Gearing





Travellers International Hotel Group Inc.

9M2017 performance highlights



Travellers By The Numbers

11,534

sqm
retail
space

1,454

hotel
rooms

78%

hotel
occupancy
rate
(9M17)

216

gaming
tables
(end-
Sep17)

1,415

Slots
(end-
Sep17)

4,000

seating
capacity
MGB

88

retail
outlets

P27.5bn

Gross Revenues
(2016)

P94.3bn





Total Resources (end-
Sep2017)

P6.4bn

EBITDA
(2016)

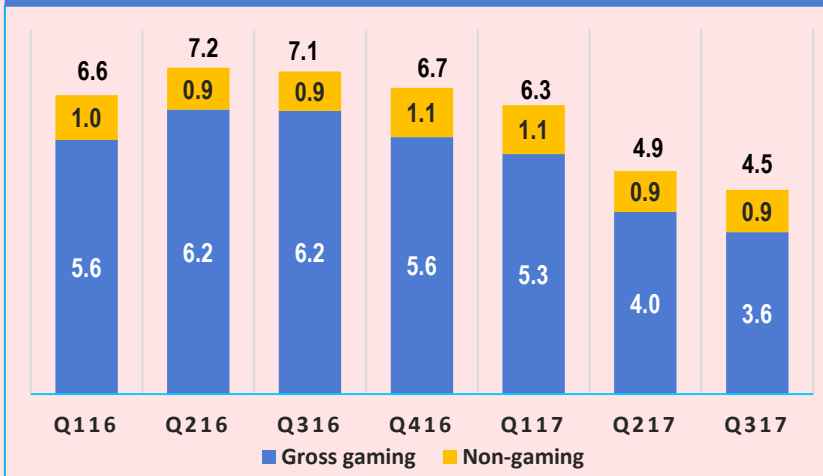


Travellers' 9M2017 performance at a glance

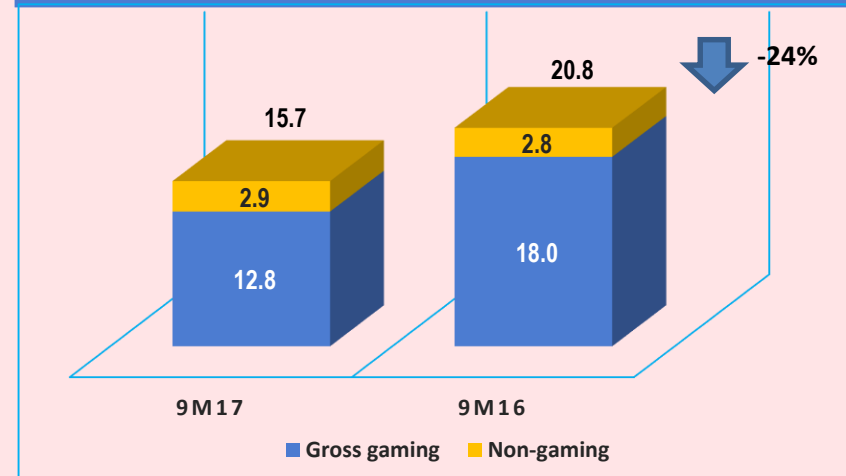
- Net revenues -24% to P14.4bn weighed by the June 2 incident.
 - Gross gaming revenues -29% to P12.8bn due to lower gaming capacity while RWM ramps up casino operations in Q317.
 - Non-gaming revenues +5% to P2.9bn, boosted by healthy hotel and MICE operations; average hotel room occupancy rates at 78%.
 - Visitation has recovered: Q317 average daily visitors reached 23k; 25k in 9M17.
- EBITDA stood at P2.6bn in 9M17 (from P4.9bn in 9M16).
- Margin direction  due mainly to decline in gaming capacity.
 - GP margins  48.3% from 53.2%
 - EBITDA margins  16.5% from 23.4%
 - EBIT margins  7.4% from 17.5%
- Net loss of P37m, inclusive of P321m in losses from casualty.
- Net debt/equity in end-Sep2017 at 0.35x (vs 0.19x in end-2016).

Travellers' interim financial highlights

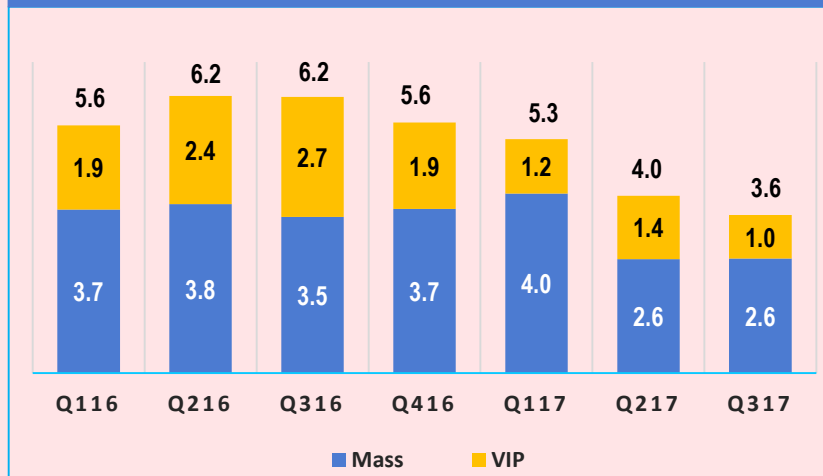
Gross revenues, quarterly (Pbn)



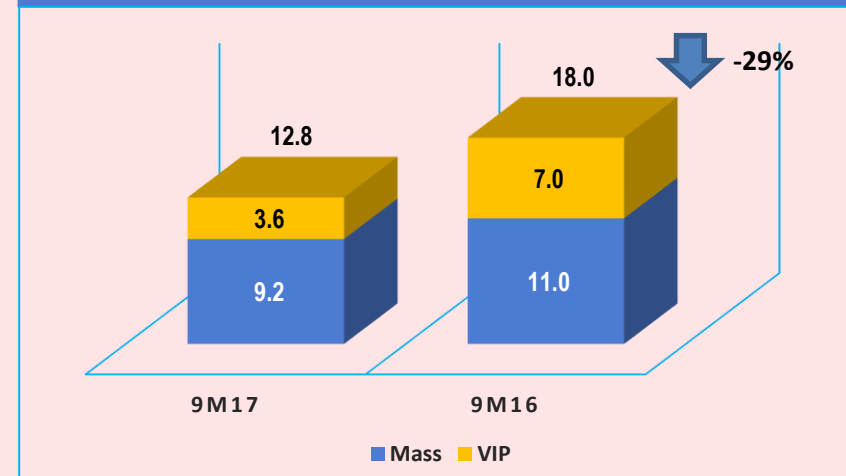
Gross revenues, 9M-period (Pbn)



GGR: Mass vs VIP (quarterly, Pbn)

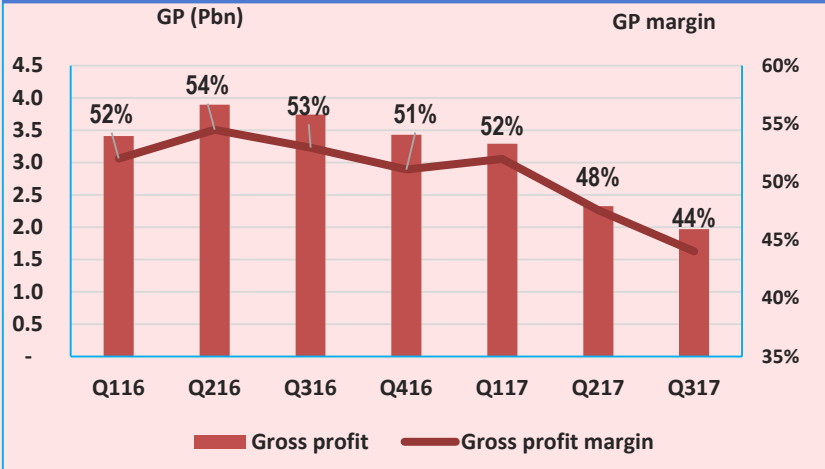


GGR: Mass vs VIP (9M-period, Pbn)

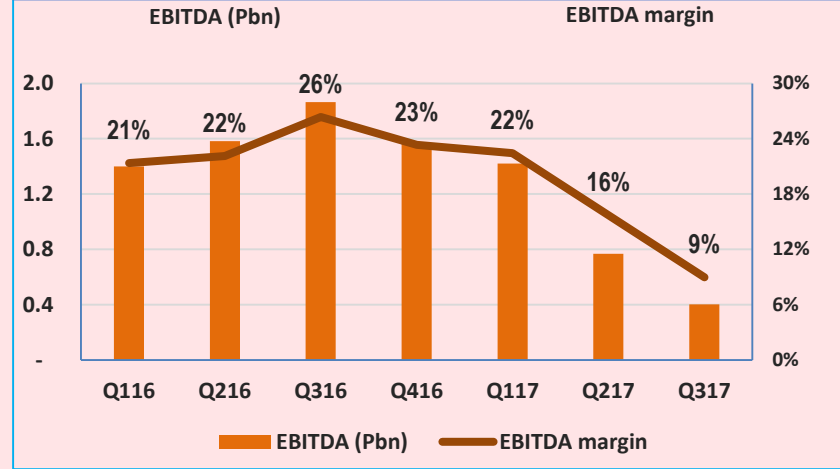


Travellers' interim financial highlights

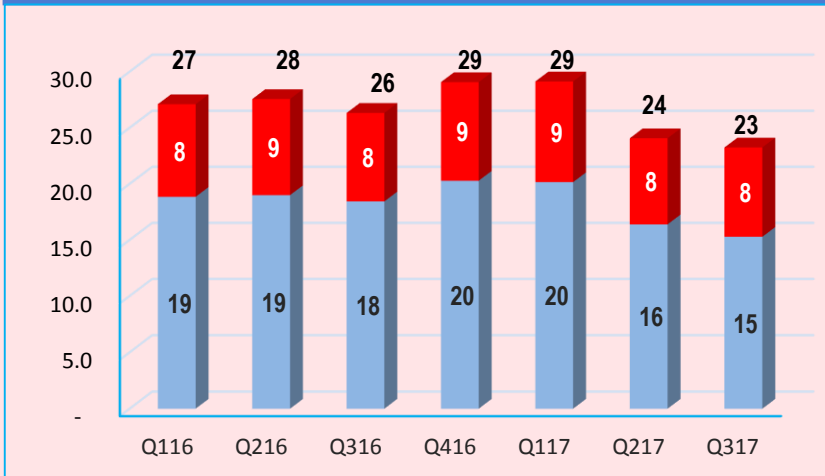
Gross profit vs GP margin



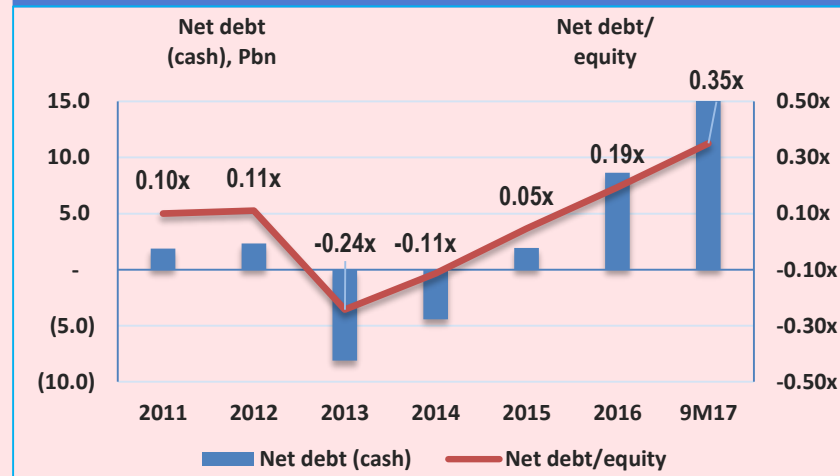
EBITDA vs EBITDA margin



Number of visitors ('000)



Gearing





GOLDEN ARCHES DEVELOPMENT CORPORATION



Golden Arches Development Corporation

9M2017 performance highlights



GADC By The Numbers



GOLDEN ARCHES DEVELOPMENT CORPORATION



547
Stores
nationwide
(end-Sep2017)



P23bn
In sales revenues (2016)



5.8%
Systemwide same-store sales growth (9M 2017)



310
dessert centers (2016)



292
McDelivery hubs (2016)

GADC's 9M2017 performance at a glance



GOLDEN ARCHES DEVELOPMENT CORPORATION

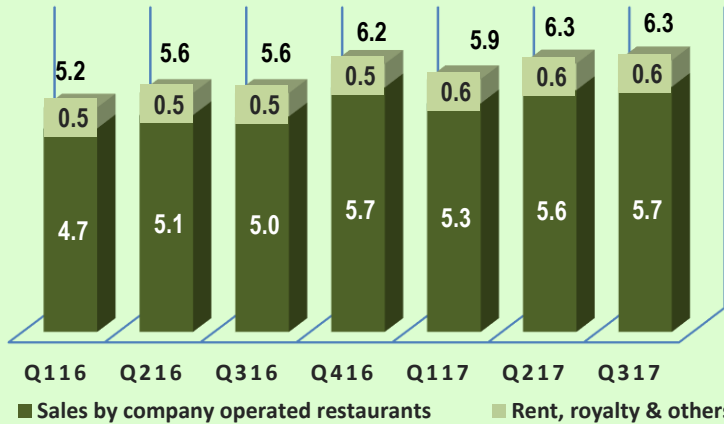
- Sales revenues grew at a healthy clip of +13% to P18.5bn.
 - Sales by company-owned stores (90% of total): +12% to P16.7bn.
 - Rent, royalty & others (10% of total): +17% to P1.8bn.
 - Systemwide same-store sales growth +5.8% YoY (6.8% in 3Q17).
 - Number of stores by end-Sep2017: 547 vs 500 a year before.
 - Average sales per store +5% YoY.
- Margin direction  given economies of scale.
 - GP margin  22.9% from 22.5%.
 - EBITDA margin  13.0% from 12.8%.
 - EBIT margin  8.6% from 7.8%.
 - Net profit margin  5.3% from 5.0%.
- Net income +19% to P966m.
- Net cash position further improved.

GADC's interim financial highlights

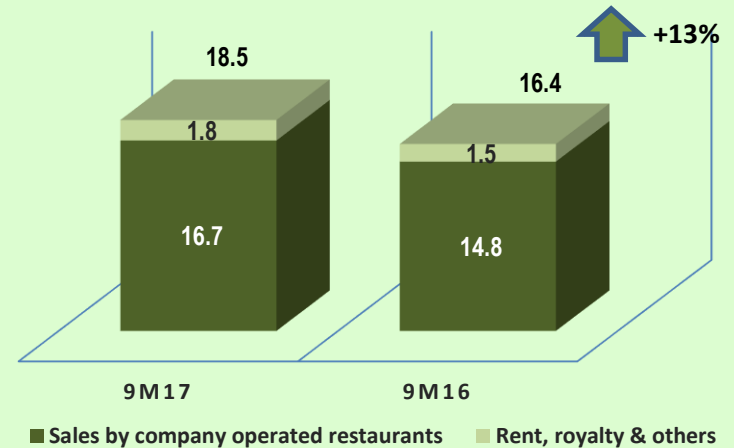


GOLDEN ARCHES DEVELOPMENT CORPORATION

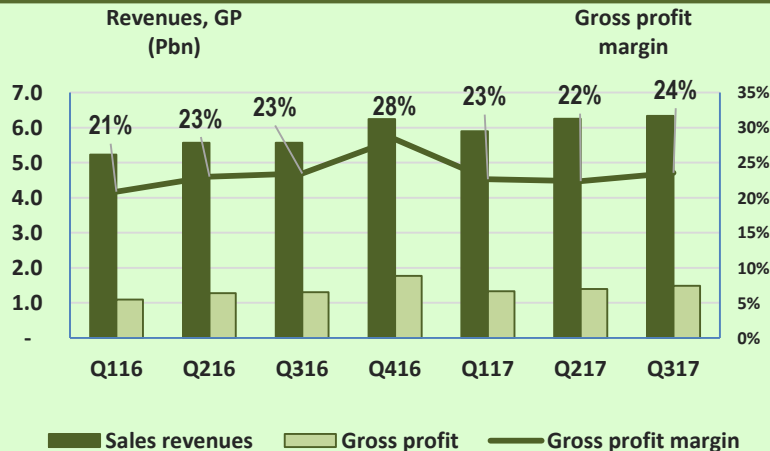
Total revenues, quarterly (Pbn)



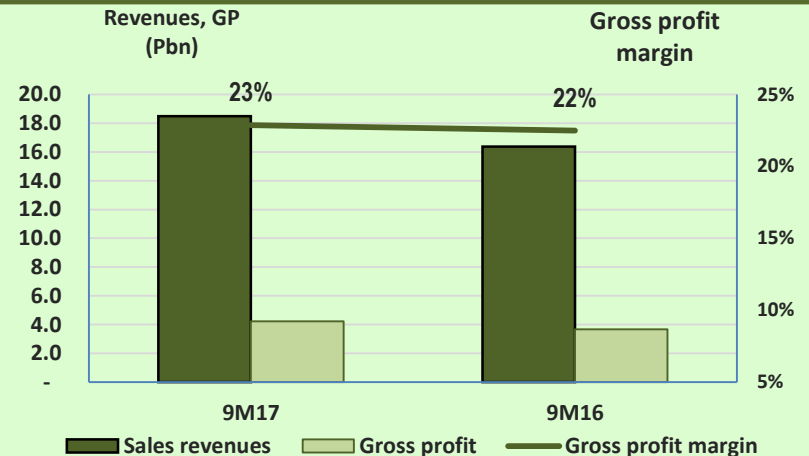
Total revenues, 9M-period (Pbn)



Revenues, GP & GP margin, quarterly



Revenues, GP & GP margin, 9M-period

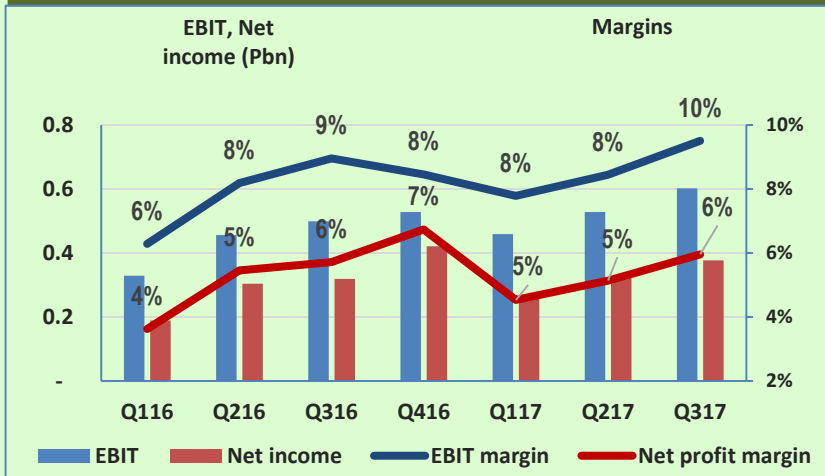


GADC's interim financial highlights

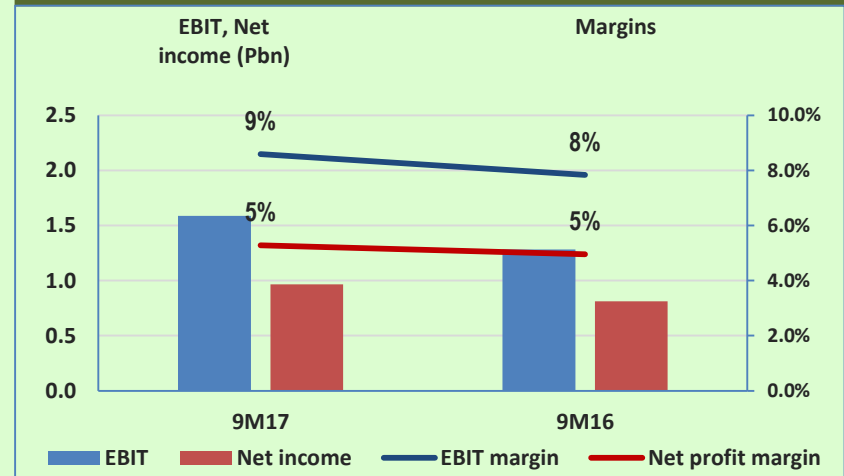


GOLDEN ARCHES DEVELOPMENT CORPORATION

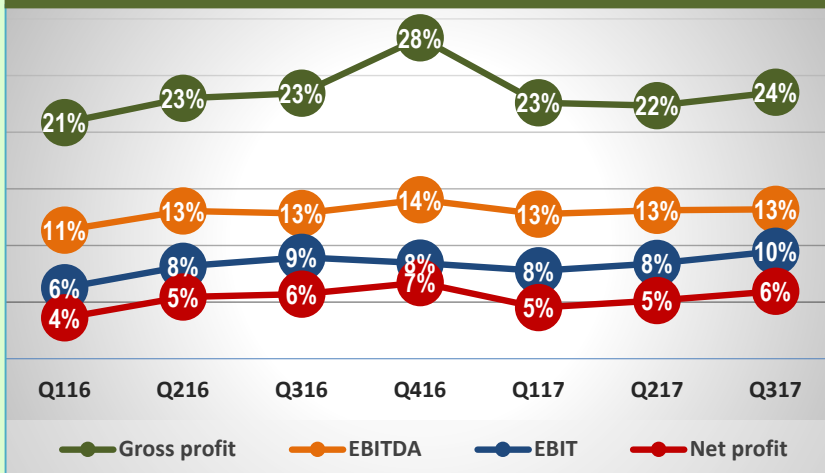
EBIT, net income & margin, quarterly



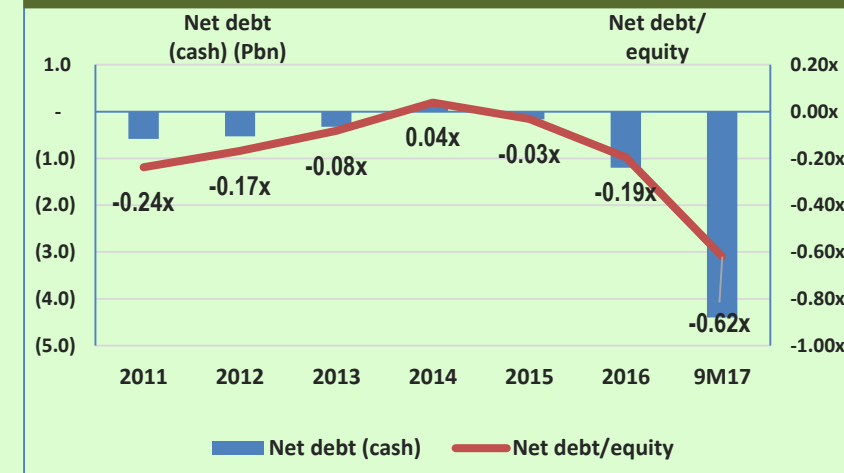
EBIT, net income & margin, 9M-period



Margins



Gearing

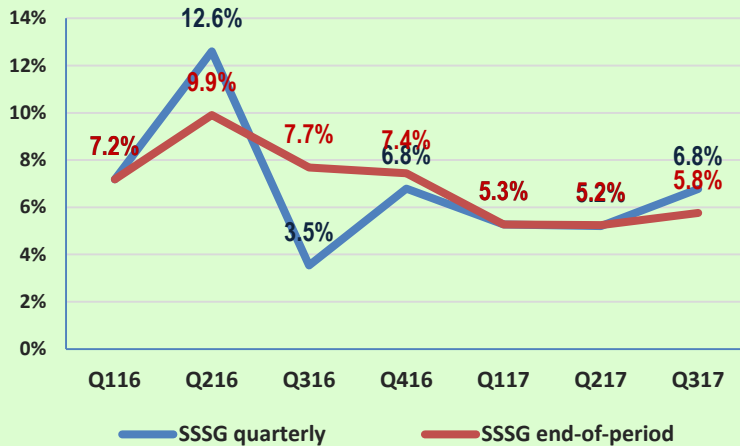


GADC's interim financial highlights

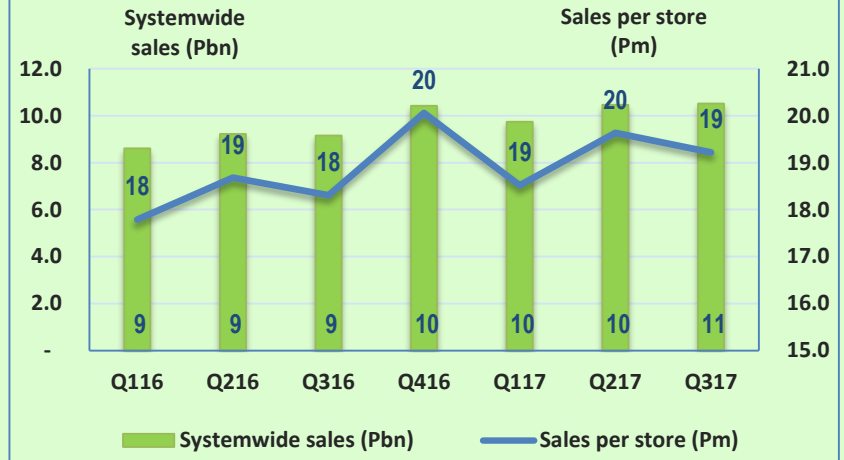


GOLDEN ARCHES DEVELOPMENT CORPORATION

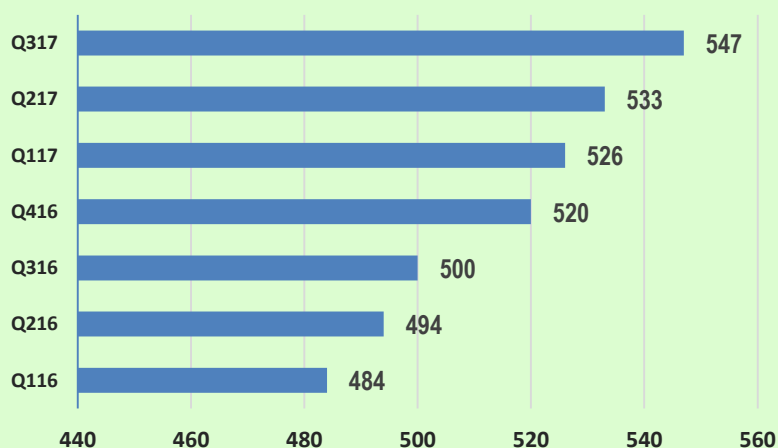
Systemwide same-store sales growth



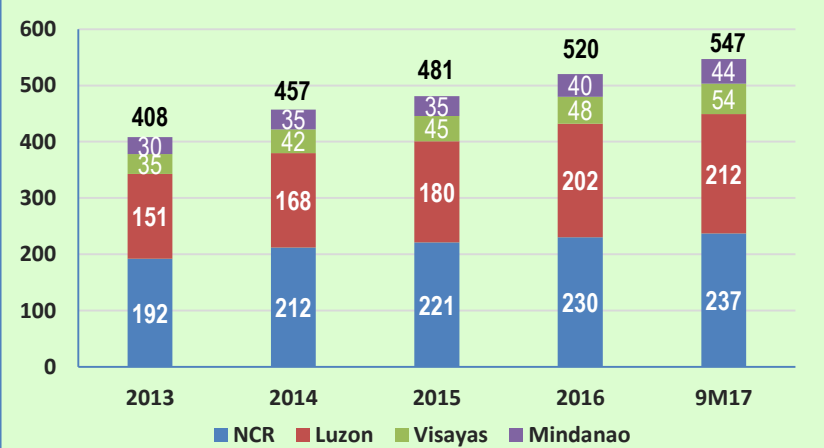
Average sales per store (Pm)



Number of stores



Store geographic distribution



Key takeaways

- 9M2017 mixed performance: property, QSR segments as key growth drivers, mitigating weaker gaming, liquor businesses.
- AGI continues to pursue the following growth initiatives:
 - Ongoing build-up in office + commercial GLA.
 - ❖ Rental revenues to hit P20bn, rental GLA to reach 2m sqm by 2020.
 - Initiating more residential projects in high-growth areas.
 - ❖ Backed by massive landbank outside of Metro Manila.
 - Continuing aggressive tourism thrust.
 - ❖ Targeting 12,000 hotel room keys in next five years.
 - Launching new gaming and non-gaming facilities at RWM by 2018.
 - Increasing market penetration for McDonald's.
 - Expanding liquor product portfolio, a move towards premiumization.
 - Initiating infra projects to enhance the Group's overall value.
- Aggressive capex to continue but maintain healthy balance sheet.

Thank you.