



# Investor and Analysts' Briefing 1H 2019 Results

07 Aug 2019



# SMIC 1H 2019 Consolidated Results

- **SM Investments continued to deliver strong top and bottom line growth in 1H**
- **Adjusted for impact of PFRS 16**

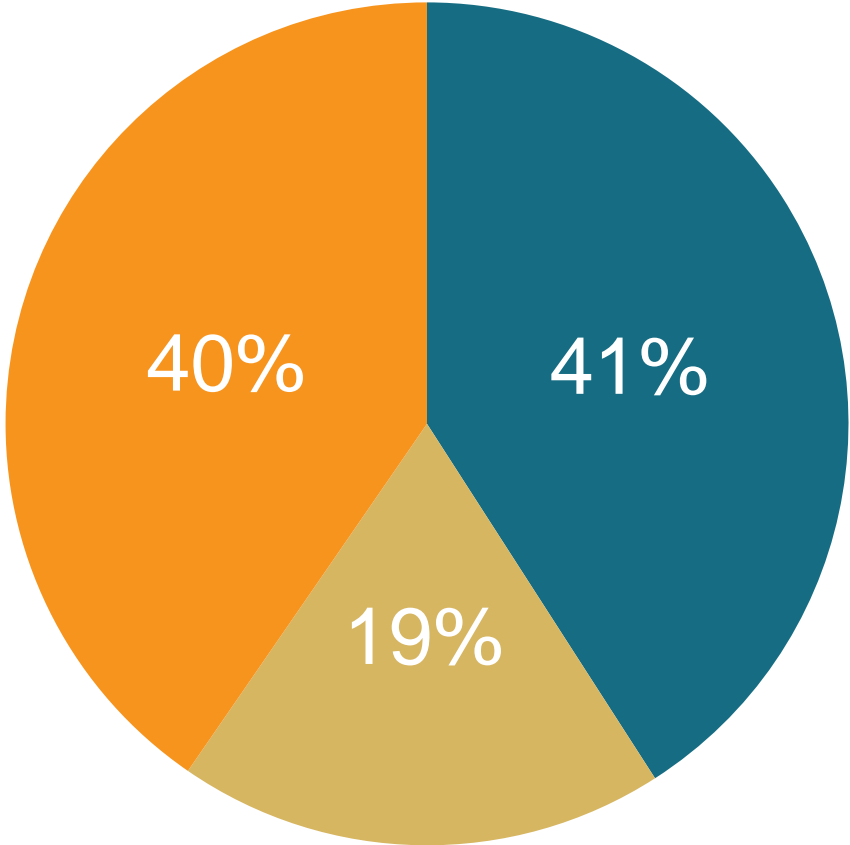
<b>SM Investments</b>	<b>1H 2019</b>	<b>Chg</b>
Revenues	233.7	14%
<i>w/o Alfamart</i>	227.6	11%
Earnings	23.0	27%
<i>w/o PFRS 16</i>	23.5	30%
Assets*	1,117.1	5%
Net D:E	44:56	

*Figures in PHP B except percentages*

*\*Asset growth compares 1H2019 vs FY2018*

# Net Income Mix

- **Banking continues to be particularly strong YTD**



■ Property ■ Retail ■ Banking

# BDO

- **BDO benefitted from strong growth in its core business and in normalized non-interest income**

Banking	BDO	
	1H 2019	Chg
Net Income	20.2	53%
Net Interest Inc.	56.9	24%
Other Income	29.5	29%
Loans	2,043.1	7%
Deposits	2,399.6	3%
NIM	4.0%	
NPL	1.2%	
CET 1	12.6%	
CAR	14.2%	

*Figures in PHP B except percentages*

# Property

- **SM Prime delivered consistent revenue and earnings growth, driven by rental income and robust residential sales**

<b>SM Prime</b>	<b>1H 2019</b>	<b>Chg</b>
Revenues	57.0	15%
Earnings	19.3	16%
Mall Revenue	31.1	8%
Same Mall Rental Growth	7.0%	-
Residential Reservation Sales	41.5	20%

*Figures in PHP B except percentages*

# Retail

- Retail revenue continues to be strong
- Excluding impact of PFRS 16, net income +10%

SM Retail	Revenue	Chg	NIAT	Chg	NIAT w/o PFRS 16
Total Retail	169.8	13%	5.7	0%	10%
SM Store	52.2	7%	1.4	15%	15%
Specialty	42.6	15%	2.9	11%	18%
Food Group	86.9	16%	1.8	-20%	3%

w/o Alfamart	Revenue	Chg	NIAT	Chg	NIAT w/o PFRS 16
Total Retail	163.7	9%	5.7	0%	11%
Food Group	80.8	8%			6%

Figures in PHP B except percentages

# Retail Footprint Expansion

- **Store expansion on track**
- **GSA increased 9% vs. 1H last year, driven by Specialty and Alfamart**
- **Added fewer large formats**

<b>SM Retail</b>	<b>GSA</b>	<b>Chg</b>	<b>Stores</b>	<b>YTD</b>
Total Retail	2,934.6	9%	2,600	+176
SM Store	795.9	2%	63	0
Specialty	626.8	12%	1,548	+66
Food Group	1,511.9	11%	989	+110

*Figures in '000s except store count*

# Key Messages

- **Strong top and bottom line growth in 1H**
- **BDO a significant driver of earnings growth**
- **Property continued good growth, especially in Residential**
- **Retail revenues strong**
- **Retail earnings adjusted for PFRS 16 impact**
- **Footprint growth driven by Specialty and Alfamart**
- **Continued positive outlook for 2019**