

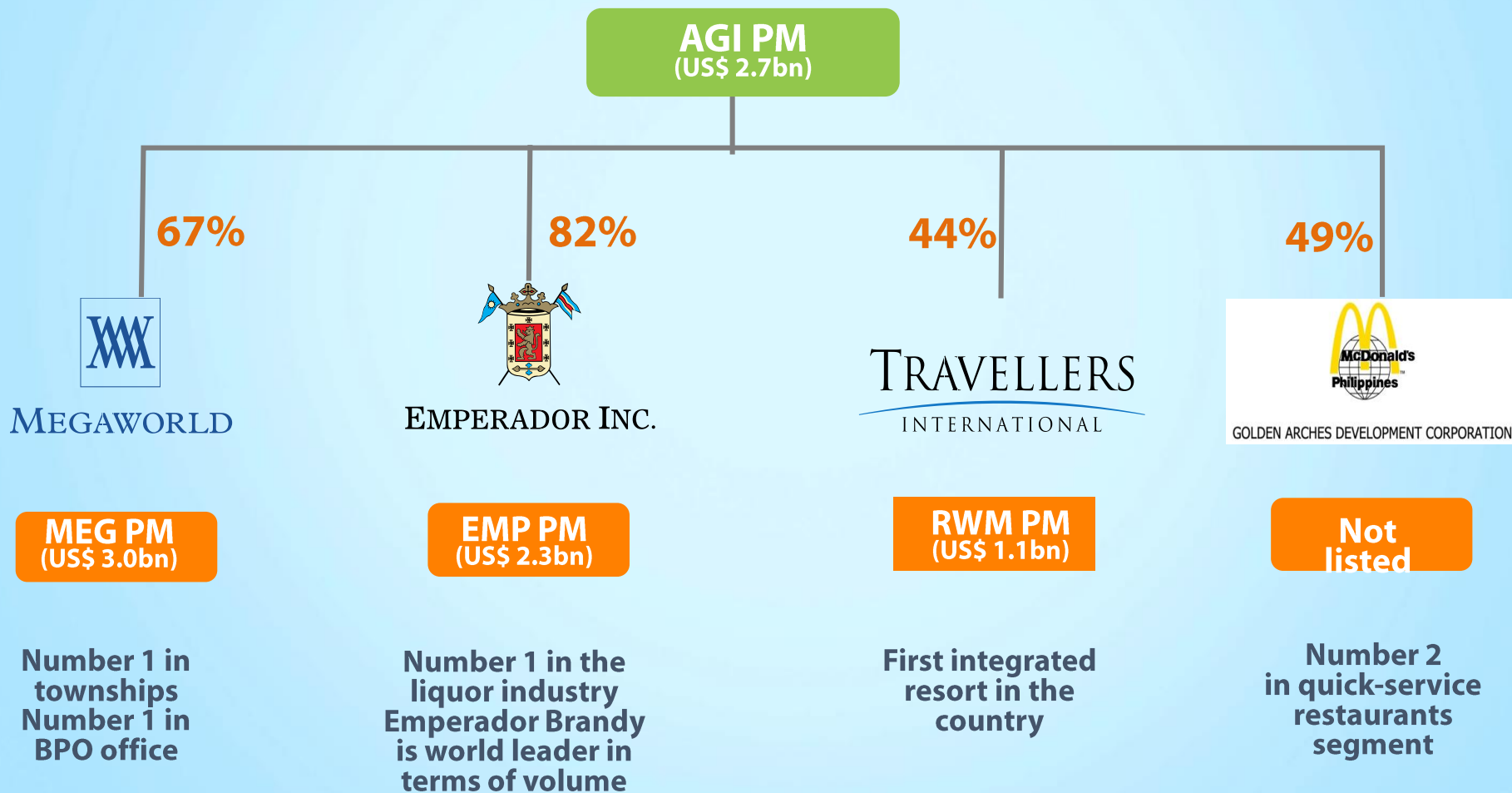


ALLIANCE GLOBAL GROUP INC

1H 2017 Analyst Presentation

14 August 2017

AGI Group Structure

 ALLIANCE GLOBAL


Market cap as of 11 August 2017.

Alliance Global Group Inc.

1H 2017 performance highlights

AGI By the Numbers



P492bn
in total resources
(2016)

P140bn
in total
revenues (2016)

2%
Parent net
debt/equity
(end-Jun17)

3,643
Hotel room keys
(2016)



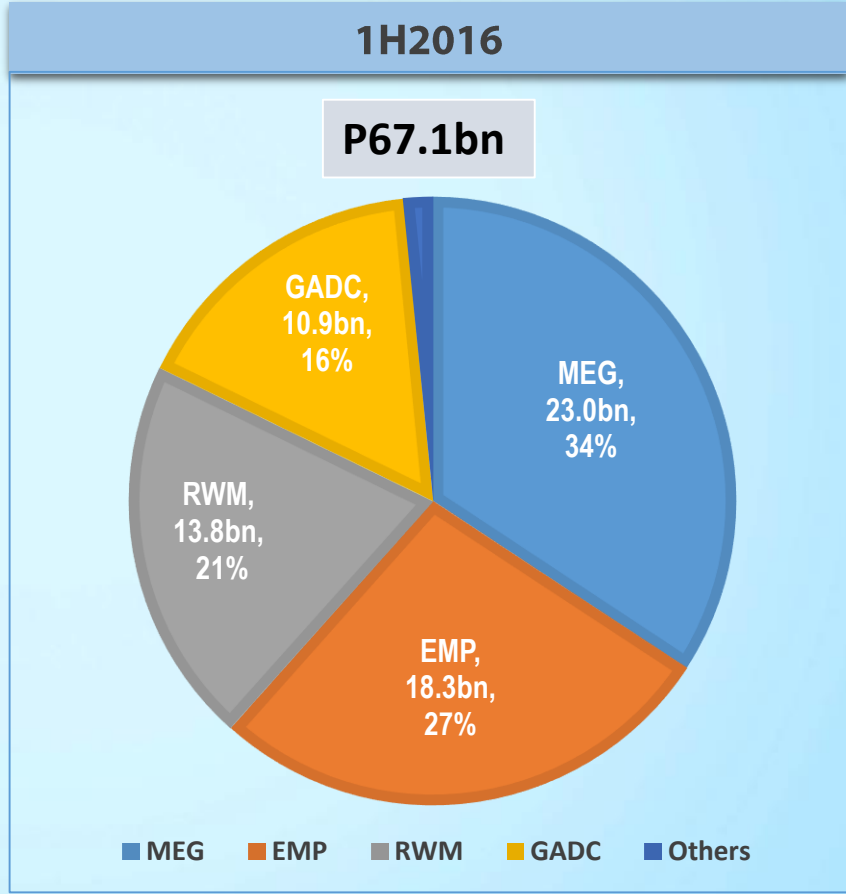
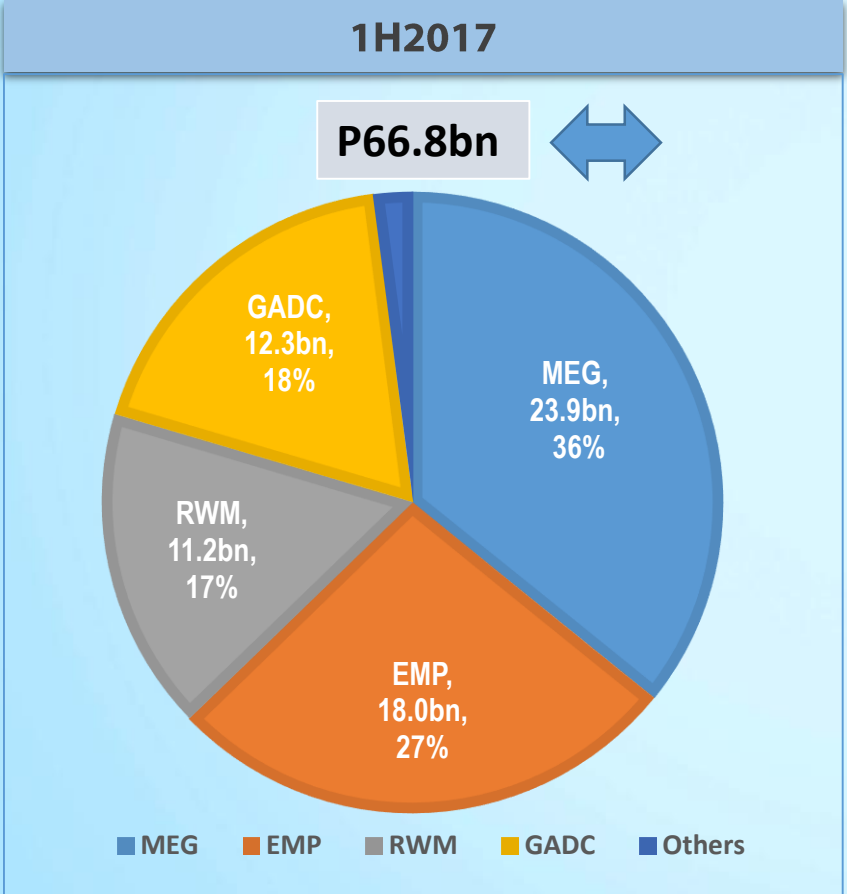
AGI's 2Q2017 performance at a glance ALLIANCE GLOBAL

| P&L highlights (Pbn) | 2Q17 | 2Q16 | % chg | Comments |
|---------------------------------|----------------|----------------|----------------|---|
| Group revenues | 33.14 | 33.99 | -3% | |
| Megaworld | 12.14 | 11.52 | 5% | Sustained strong growth in rentals; higher completion of residential projects. |
| Emperador | 9.04 | 9.41 | -4% | Improvement in whisky sales cushions impact of softer brandy sales; lower interest & other income |
| Travellers | 4.97 | 6.98 | -29% | Closure of casino operations for 27 days. |
| GADC | 6.32 | 5.64 | 12% | 5.2% systemwide SSSG; store expansion. |
| Others | 0.67 | 0.44 | 51% | |
| Group costs/expenses | (26.67) | (26.30) | 1% | |
| Megaworld | (7.25) | (7.21) | 1% | Overall costs steady |
| Emperador | (7.56) | (7.05) | 7% | Increased COGS and marketing/promo spend related to aggressive push for new products. |
| Travellers | (5.08) | (6.12) | -17% | Decline in casino-related expenses due to closure. |
| GADC | (5.83) | (5.23) | 12% | Higher raw material costs but slower growth in G&A. |
| Others | (0.95) | (0.69) | 38% | |
| Net income to owners | 3.15 | 3.95 | -20% | |
| Megaworld | 2.42 | 2.20 | 10% | |
| Emperador | 0.98 | 1.64 | -40% | |
| Travellers | (0.12) | 0.28 | -144% | |
| GADC | 0.16 | 0.15 | 6% | |
| Others | (0.28) | (0.32) | -12% | |
| Net profit margin | 9.5% | 11.6% | -210bps | |

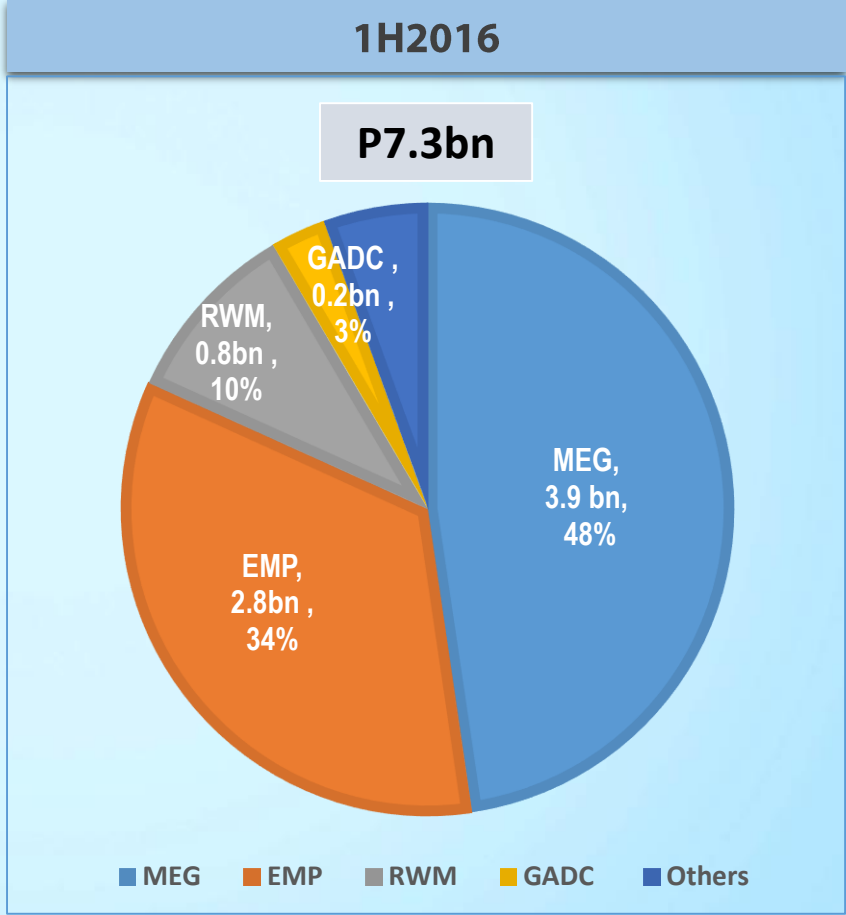
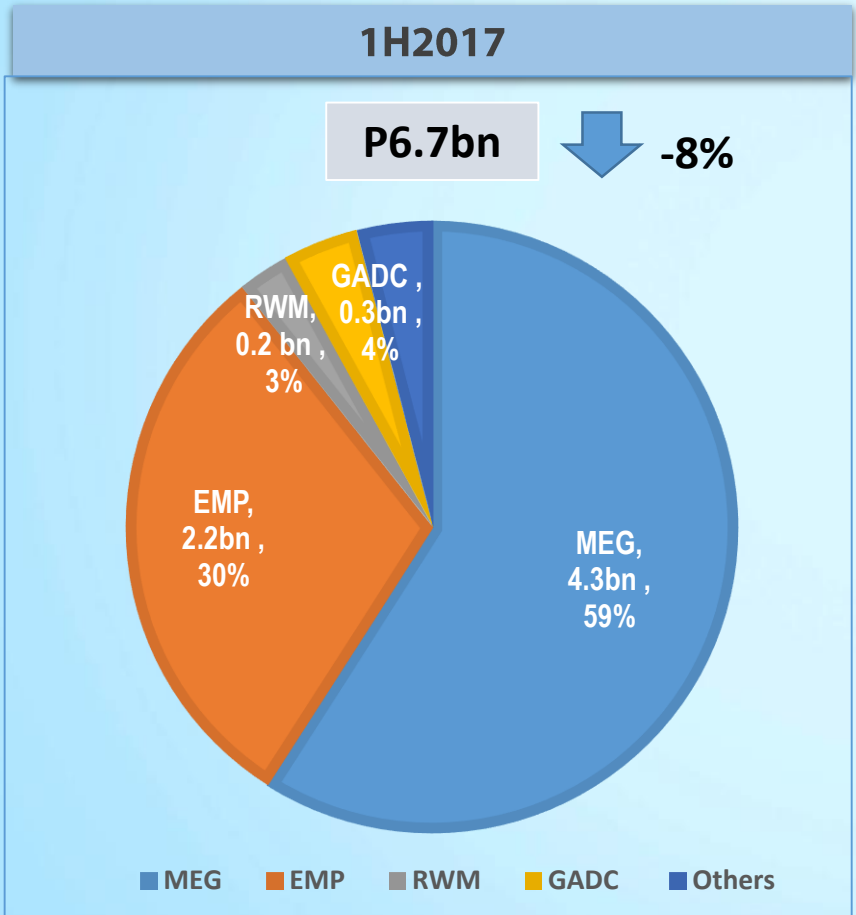
AGI's 1H2017 performance at a glance ALLIANCE GLOBAL

| P&L highlights (Pbn) | 1H2017 | 1H2016 | % chg | Comments |
|-----------------------------|----------------|----------------|---------------|--|
| Group revenues | 66.84 | 67.07 | -0% | |
| Megaworld | 23.94 | 22.97 | 4% | Robust performance of rental segment; higher completion of residential projects |
| Emperador | 18.01 | 18.34 | -2% | Stronger whisky sales capped impact of softer brandy sales; lower interest & other income. |
| Travellers | 11.24 | 13.84 | -19% | Closure of casino operations for 27 days mitigated by improving hotel operations |
| GADC | 12.29 | 10.88 | 13% | 5.2% systemwide SSSG; opening of new stores |
| Others | 1.36 | 1.04 | 30% | |
| Group costs/expenses | (53.63) | (52.88) | 1% | |
| Megaworld | (15.22) | (15.18) | 0% | Cost of sales steady; modest growth in opex. |
| Emperador | (14.75) | (14.32) | 3% | Higher COGS & marketing spend for new products; increases in salaries and depreciation expenses. |
| Travellers | (10.64) | (11.81) | -10% | Drop in casino-related expenses; higher interest. |
| GADC | (11.39) | (10.19) | 12% | Higher raw material costs but slower growth in G&A |
| Others | (1.63) | (1.38) | 18% | |
| Net income to owners | 6.72 | 7.28 | -8% | |
| Megaworld | 4.31 | 3.90 | 10% | |
| Emperador | 2.21 | 2.79 | -21% | |
| Travellers | 0.20 | 0.80 | -75% | |
| GADC | 0.29 | 0.24 | 19% | |
| Others | (0.29) | (0.45) | -36% | |
| Net profit margin | 10.1% | 10.9% | -80bps | |

Consolidated revenues

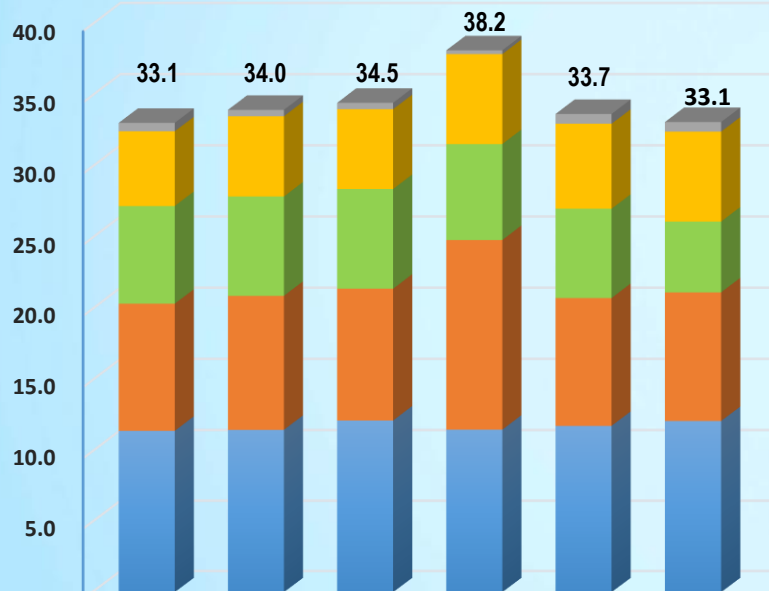


Attributable net income (in Pbn)



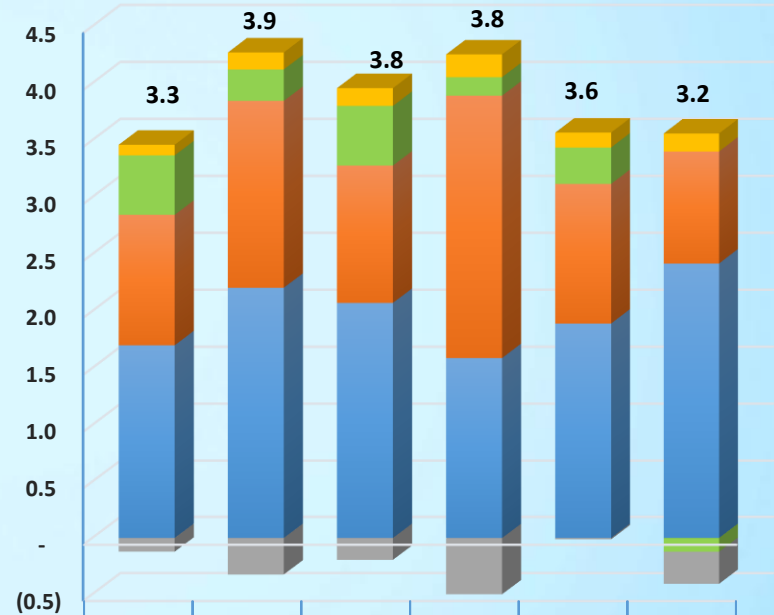
AGI's financial highlights

Consolidated revenues (Pbn)



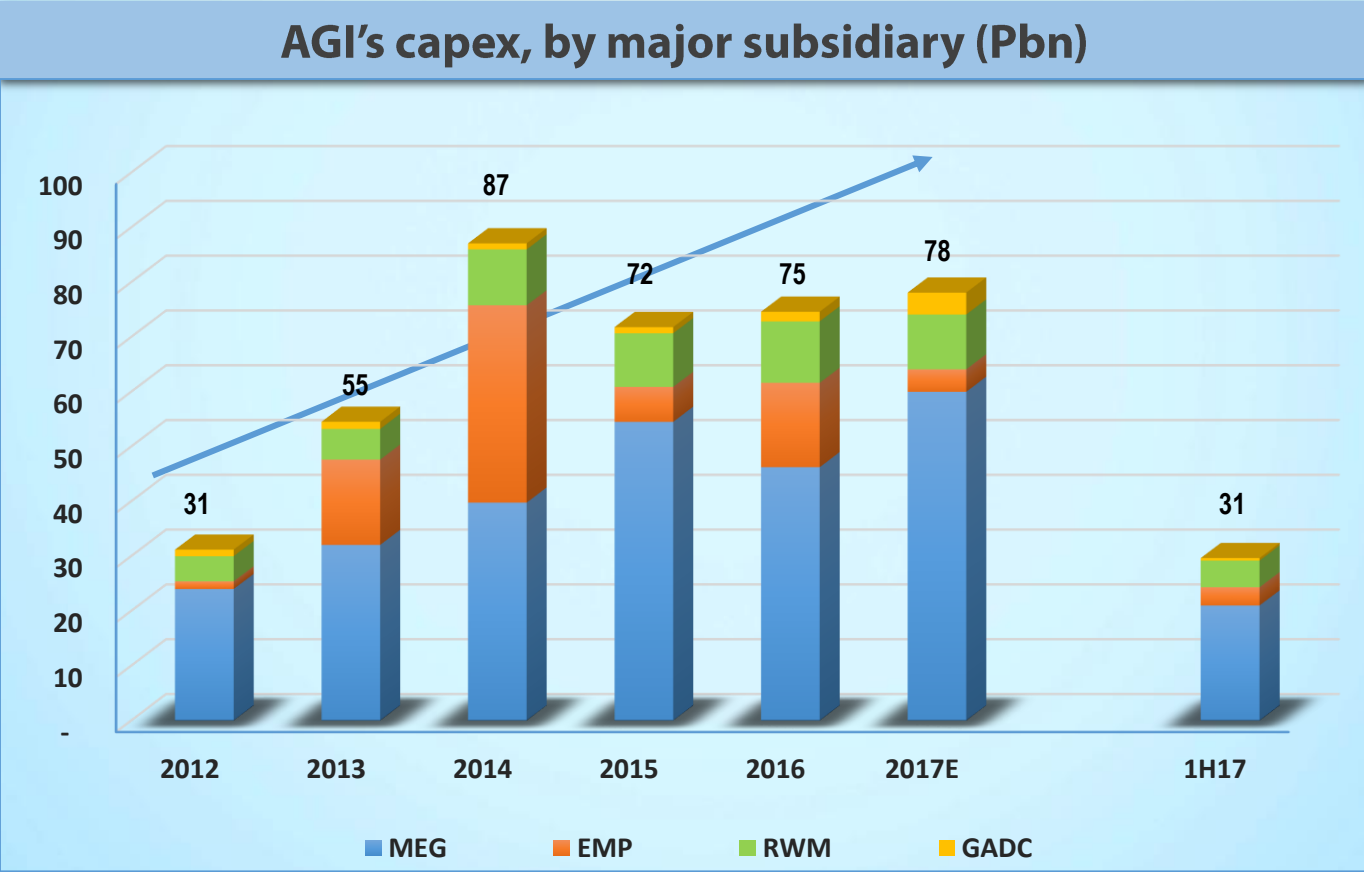
| | Q116 | Q216 | Q316 | Q416 | Q117 | Q217 |
|--------|------|------|------|------|------|------|
| Others | 0.6 | 0.4 | 0.4 | 0.3 | 0.7 | 0.7 |
| GADC | 5.2 | 5.6 | 5.6 | 6.3 | 6.0 | 6.3 |
| RWM | 6.9 | 7.0 | 7.0 | 6.7 | 6.3 | 5.0 |
| EMP | 8.9 | 9.4 | 9.3 | 13.3 | 9.0 | 9.0 |
| MEG | 11.5 | 11.5 | 12.2 | 11.5 | 11.8 | 12.1 |

Net profit (Pbn)



| | Q116 | Q216 | Q316 | Q416 | Q117 | Q217 |
|--------|-------|-------|-------|-------|-------|-------|
| Others | (0.1) | (0.3) | (0.2) | (0.5) | (0.0) | (0.3) |
| GADC | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 | 0.2 |
| RWM | 0.5 | 0.3 | 0.5 | 0.2 | 0.3 | (0.1) |
| EMP | 1.1 | 1.6 | 1.2 | 2.3 | 1.2 | 1.0 |
| MEG | 1.7 | 2.2 | 2.1 | 1.6 | 1.9 | 2.4 |

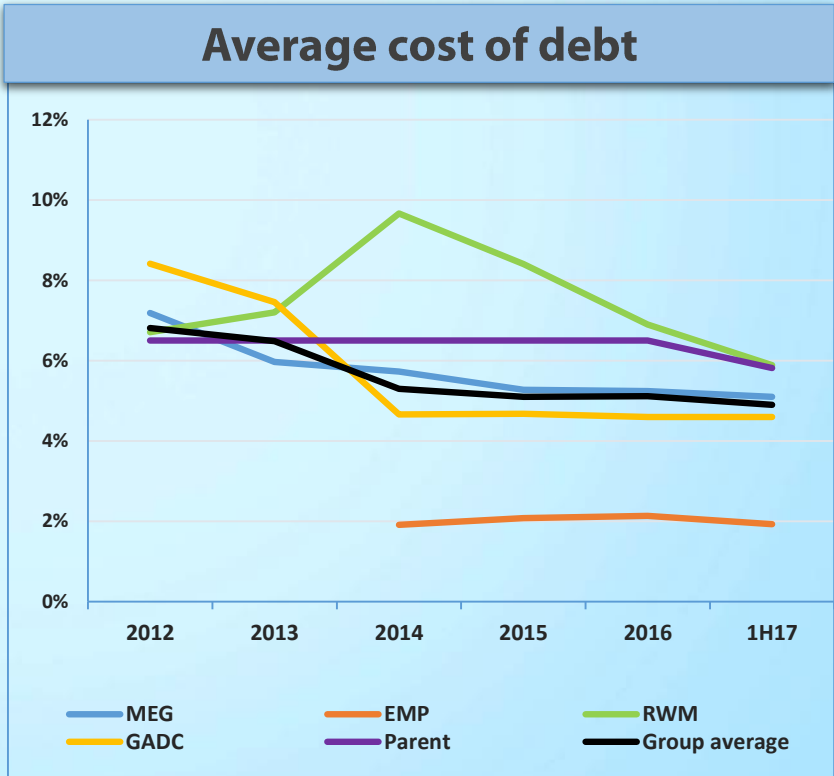
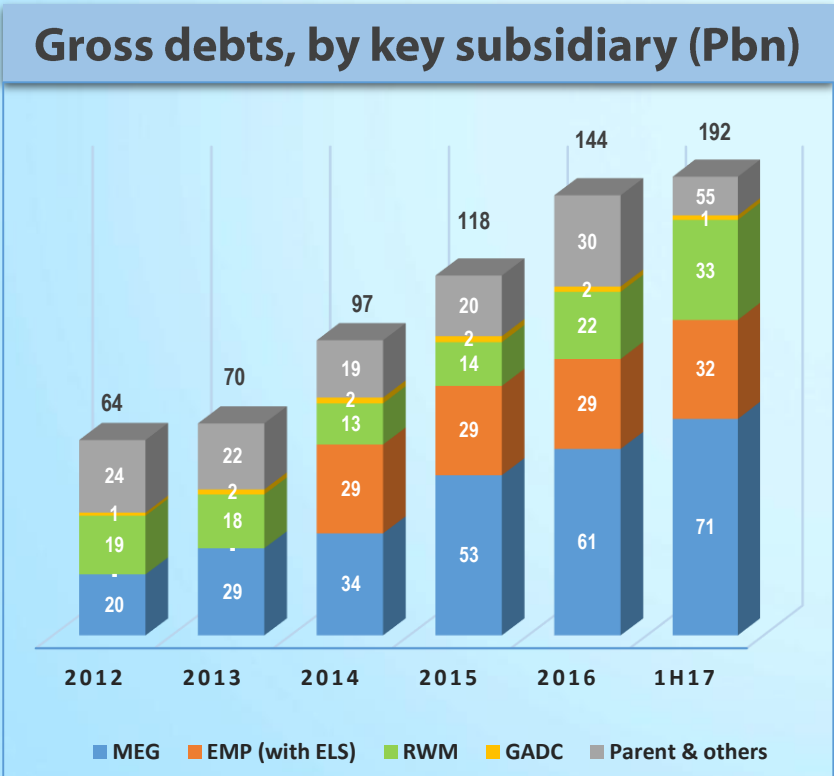
Investment commitments



E - Estimated.

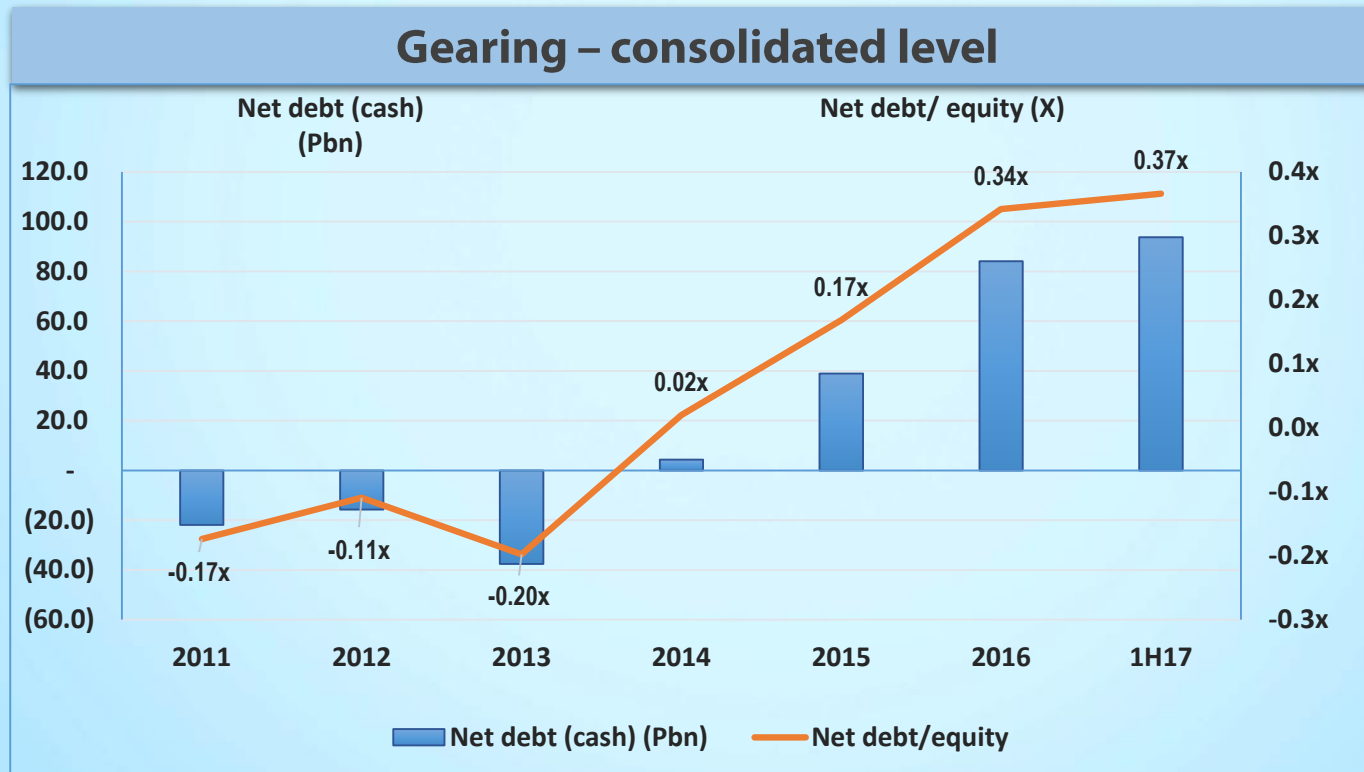
Group borrowings

- Increased borrowings to fund capex.
- Average cost of debt stable.



Gearing remains comfortable

- In end-June 2017, group net debt/equity stood at 0.37x.
- Parent net debt/equity remained low at 0.02x.







- Megaworld
 - ✓ More resi projects for launch for the balance of the year.
 - ✓ Expanding rental GLA capacity by ~20%; bring contribution of rentals to P12bn this year.
- Emperador
 - ✓ Aggressive push for new products both in the domestic and international markets.
 - ✓ Increasing share of millennial drinks in the domestic market.
- Travellers
 - ✓ Phase 3 expansion (Maxims, Hilton, Sheraton) ongoing.
- GADC
 - ✓ Pursuing more aggressive store expansion plans.
- Alliance Global
 - ✓ Expanding presence in the hotel industry.

Megaworld Corporation
1H2017 performance highlights

Megaworld by the Numbers

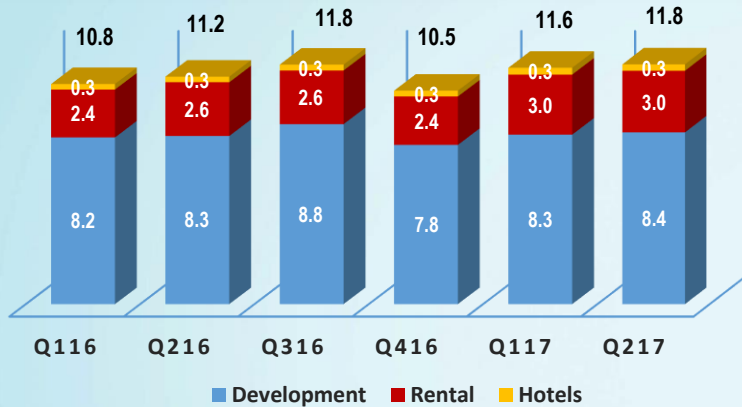


MEG's 1H2017 performance at a glance

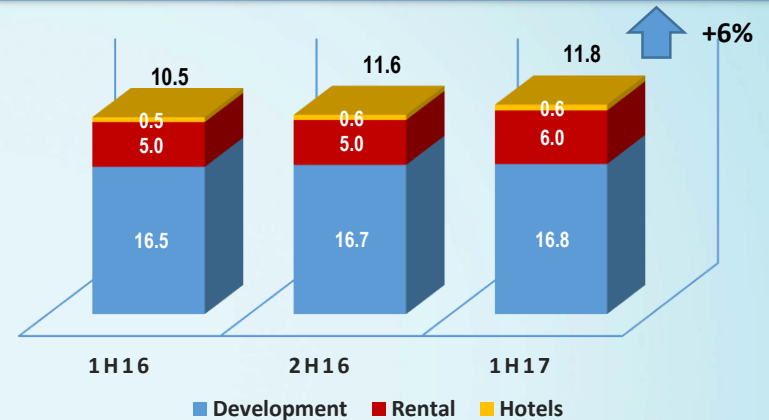
- Total revenues +5% YoY to P24.3bn.
 - Real estate revenues +2% to P16.8bn; total realized gross profit +12% amid increasing project completion.
 - Real estate sales stood at P13.6bn: 67% MEG+SPI, 16% GERI, 17% ELI.
 - Metro Manila/provincial projects split: 73% / 27%
 - Rentals (office and commercial) +20% to P5.8bn.
 - Increasing share of rentals to 24% of total revenues (from 21% a year before).
 - Hotel income +10% to P648m.
- Margin direction  helped by improving business mix.
 - Residential gross profit margin  46%.
 - Rental EBIT margin  75% from 74.5%.
 - Overall EBIT margin  39% from 37%.
- Attributable net income +11% to P6.4bn.
- Net debt/equity at 0.37x (vs 0.31x in end-2016).

MEG's interim financial highlights

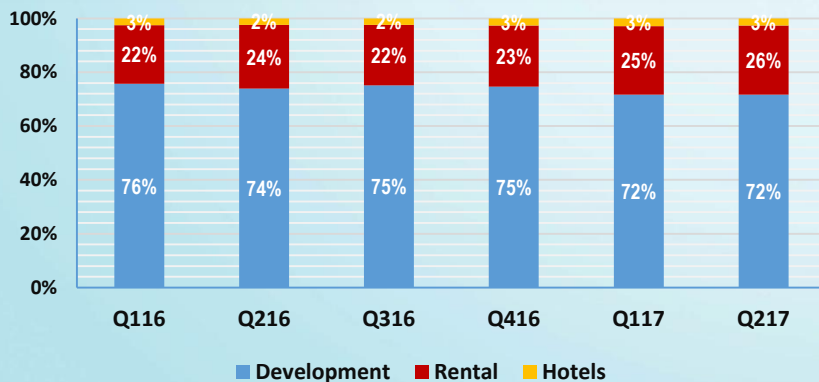
Revenues*, quarterly (Pbn)



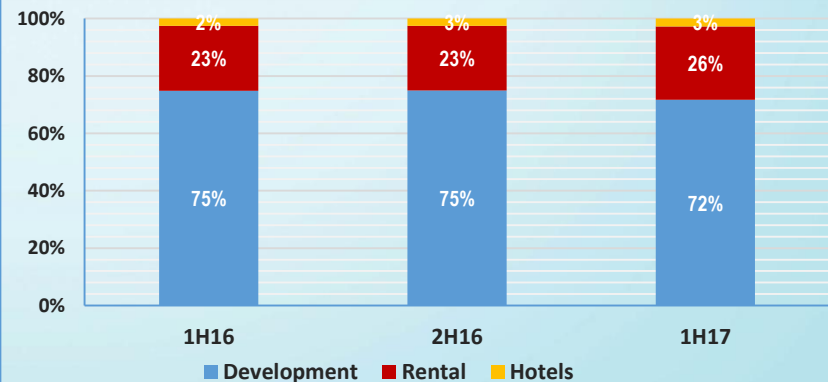
Revenues*, semestral (Pbn)



Share of revenues*, quarterly

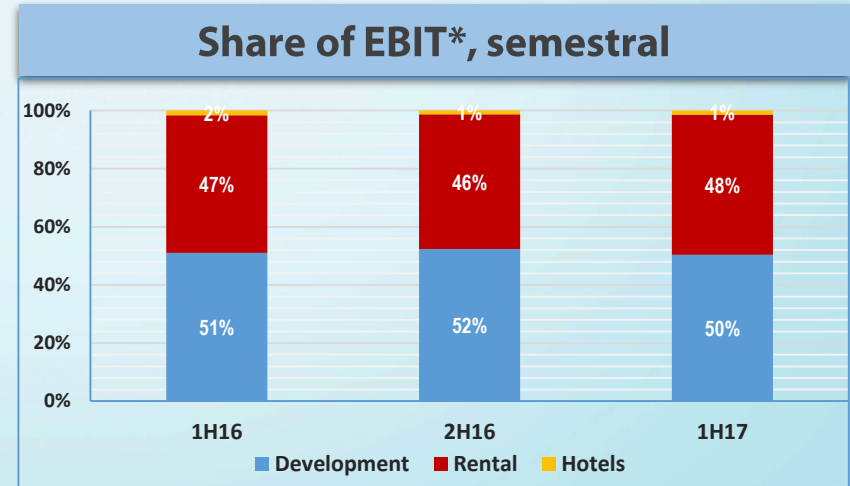
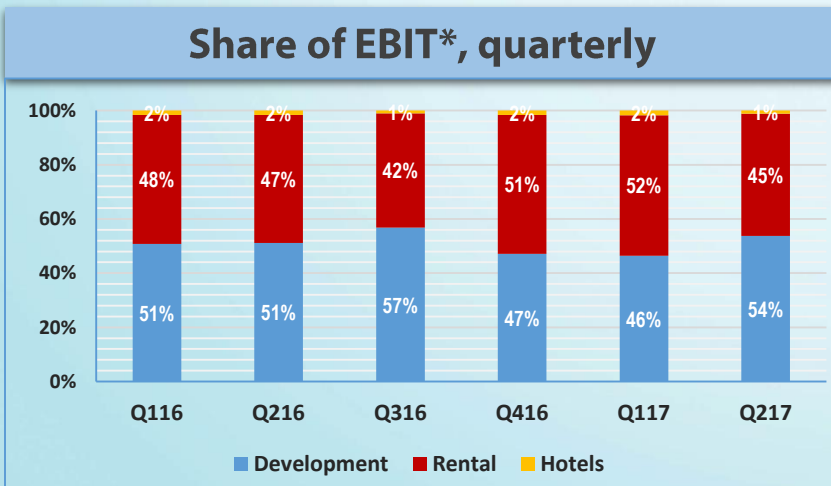
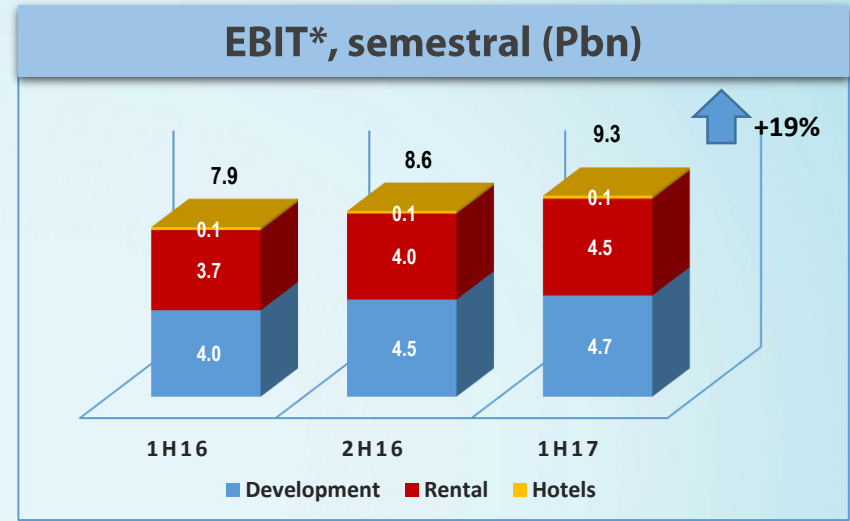
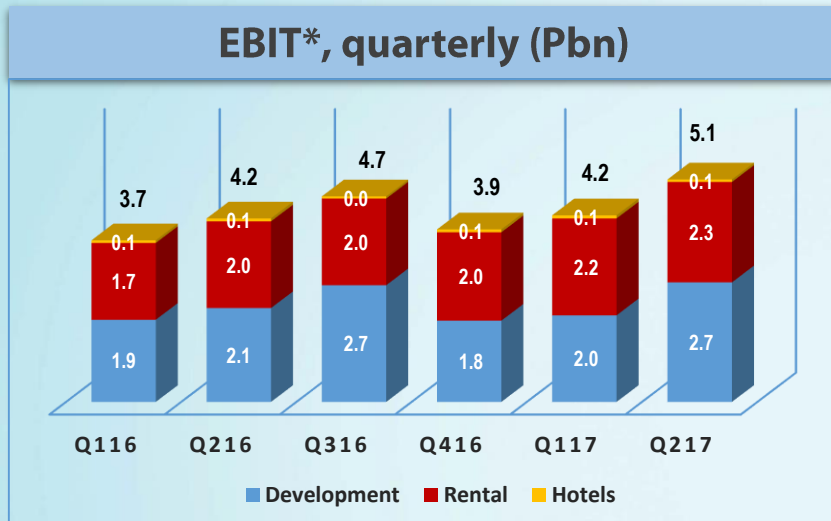


Share of revenues*, semestral



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

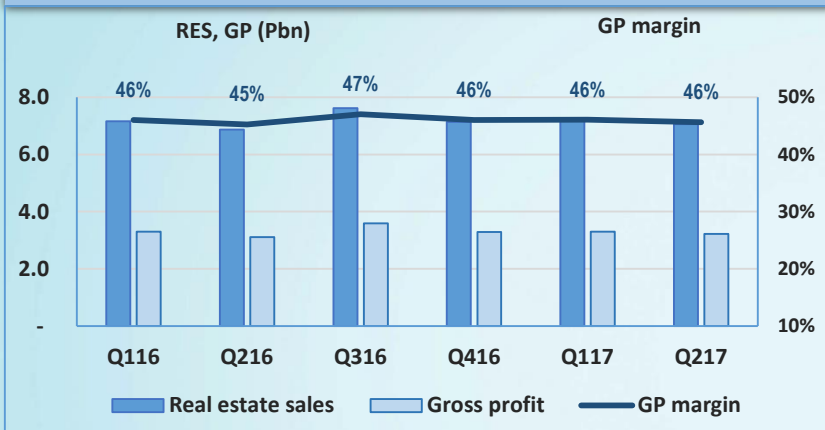
MEG's interim financial highlights - cont'd



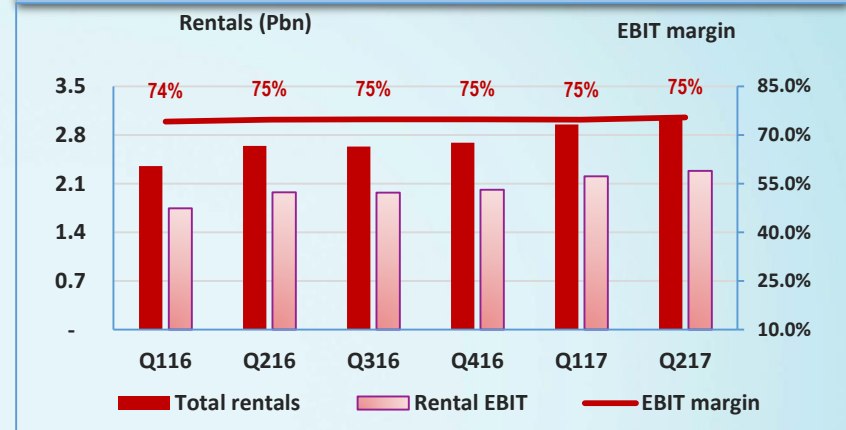
*Covers residential, rental and hotel operations only. Excludes financial and other income.

MEG's interim financial highlights - cont'd

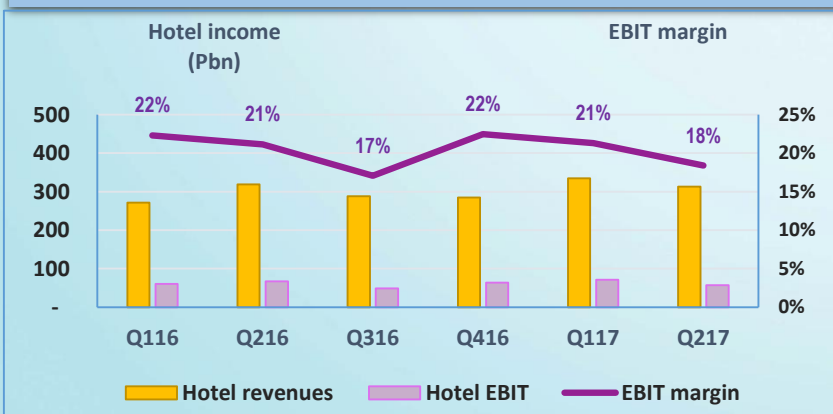
Real estate sales vs Gross profit (Pbn)



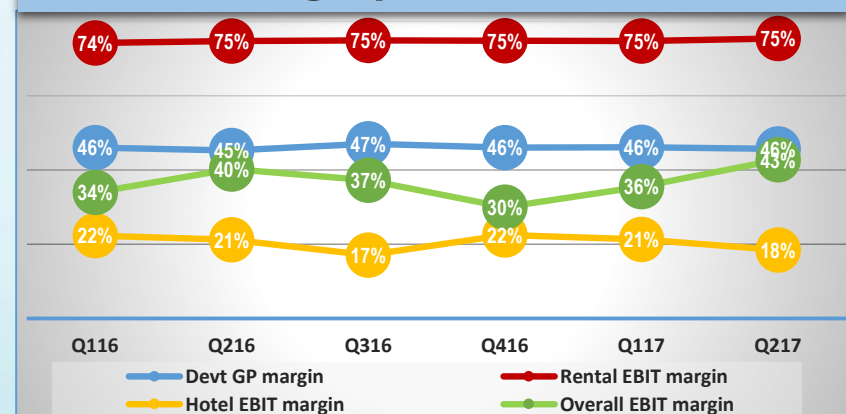
Rentals vs EBIT (Pbn)



Hotel income vs EBIT (Pbn)



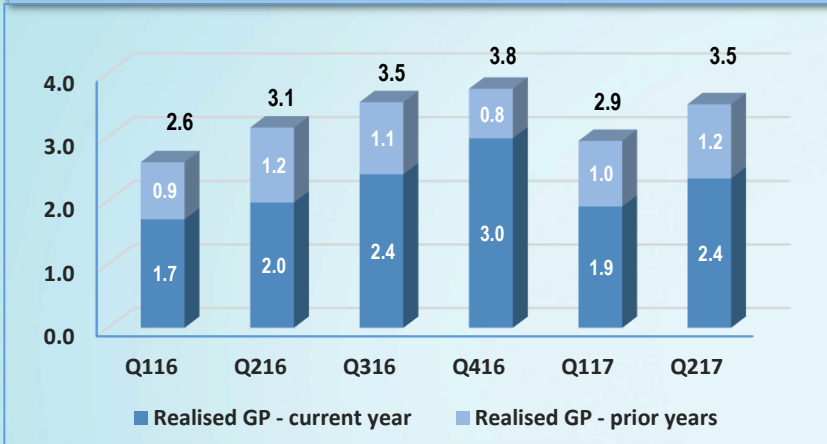
Margin performance*



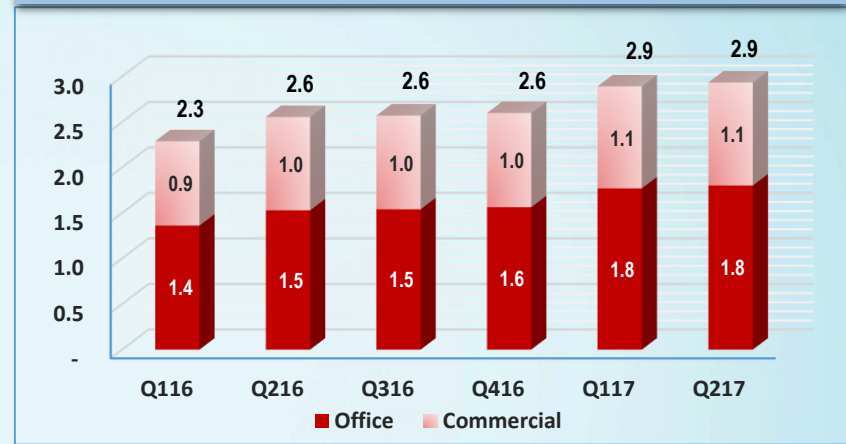
*Rental margins were computed inclusive of intersegment sales.

MEG's interim financial highlights - cont'd

Realised gross profit (Pbn)



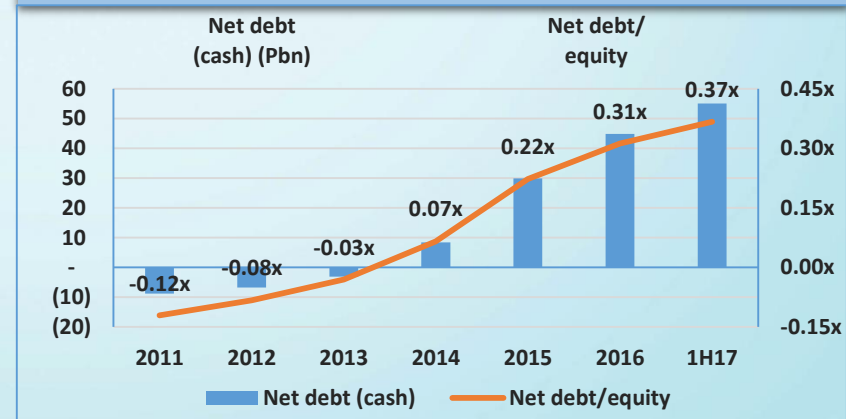
Rentals: office vs commercial (Pbn)



Net income (Pbn)



Gearing



Initiatives: More Township Development

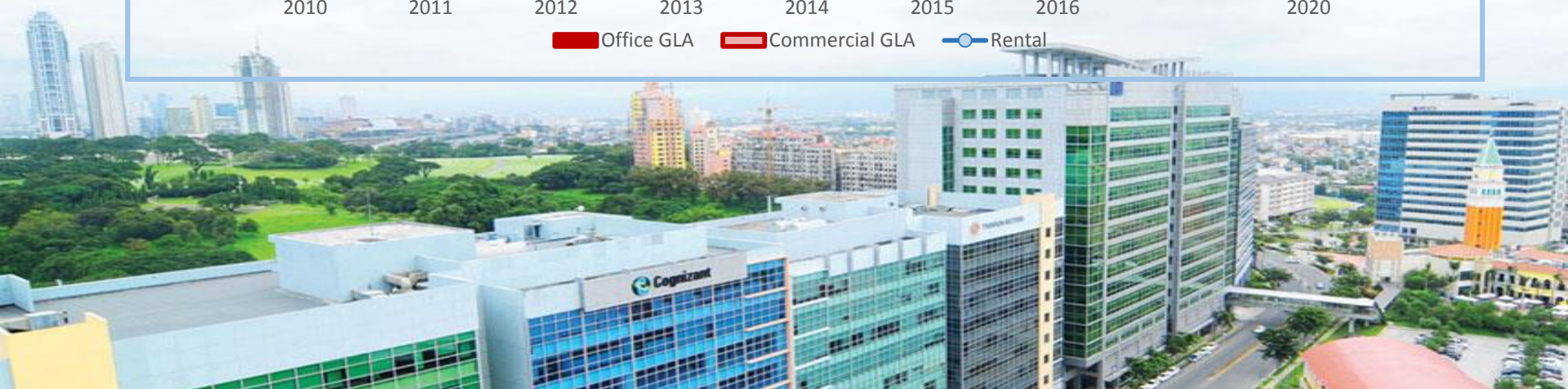
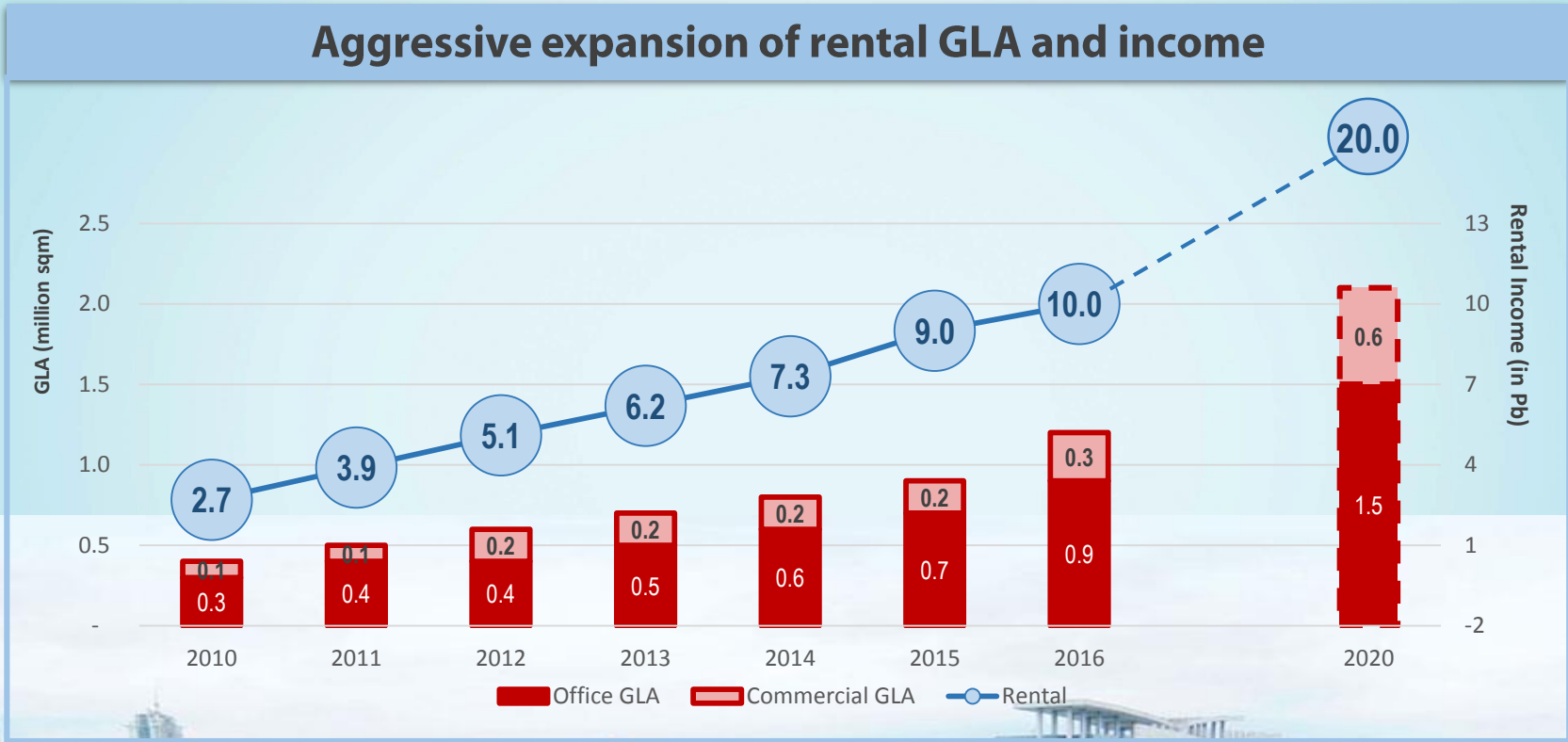


Total of
22 Townships

*Launched in 2016

Initiatives: Expansion of rental GLA

Aggressive expansion of rental GLA and income



Did you know?



Festive Walk is the longest retail and dining strip in Western Visayas. It is located in **Megaworld's Iloilo Business Park**.



Emperador Inc.

1H2017 performance highlights

Emperador by the Numbers

22
Sales offices
nationwide

1st Dalmore flagship
store in the
Philippines






121,000
Distribution
network

P41bn
Consolidated
Revenues (2016)

P96bn
Total resources
(end-Jun 2017)

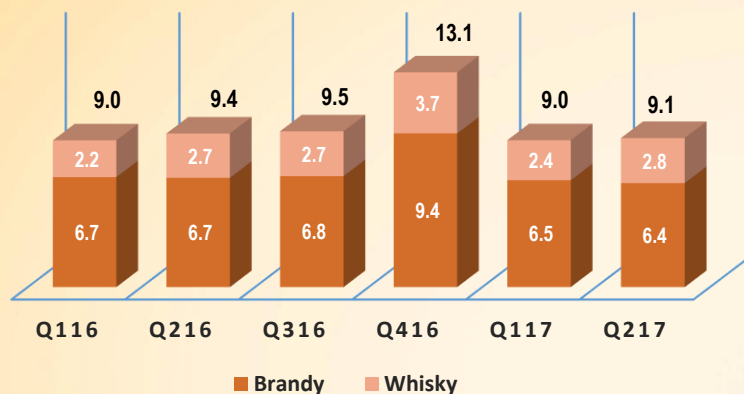


EMP's 1H2017 performance at a glance

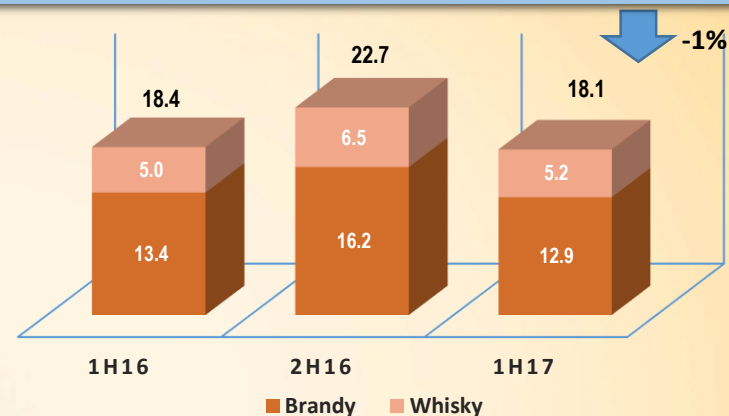
- Consolidated revenues down slightly to P18.1bn.
 - Brandy revenues stood at P12.9bn (71% of total).
 - Brandy sales -2%, but EMP's aggressive push for its small brandy SKU *Bunso* and new products Andy Cola, Smirnoff Mule and Raffa Sparkling is gaining market traction.
 - Includes incremental sales contribution from Fundador.
 - Whisky revenues reached P5.2bn (29% of total).
 - Whisky sales +7% driven by increased sales of Dalmore and Jura in UK, Travel Retail, Asia and Greater Europe.
 - Other income (mainly interest) fell 48%.
- Margin direction  amid heavy strategic marketing spend on new products (eg, Hotshots, Shackleton, Terry White).
 - GP margin  to 33% from 34%
 - Brandy GP margin  to 35% from 37%; Whisky GP margin  to 28% from 26%.
 - EBITDA margin  to 22% from 26%.
- Net income -22% to P2.7bn due to higher interest charges.
- Net debt/equity (with ELS) stood at 0.45x (from 0.37x in end-2016).

EMP's interim financial highlights

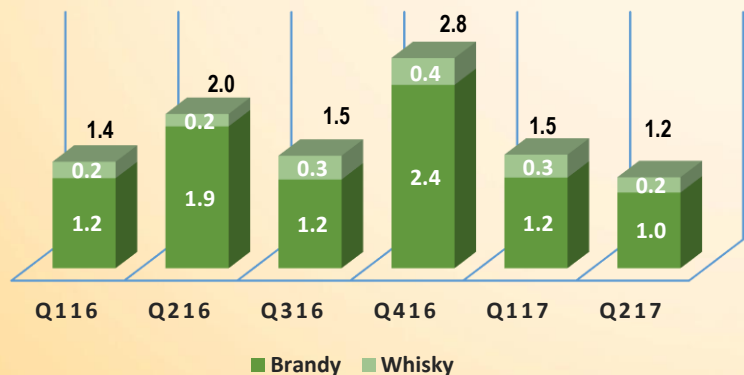
Revenues, quarterly (Pbn)



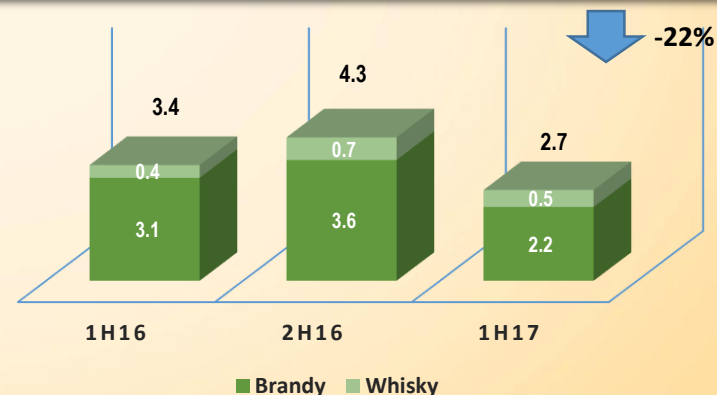
Revenues, semestral (Pbn)



Net income, quarterly (Pbn)

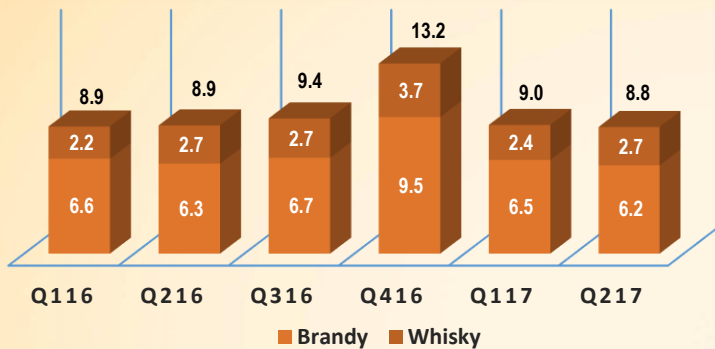


Net income, semestral (Pbn)

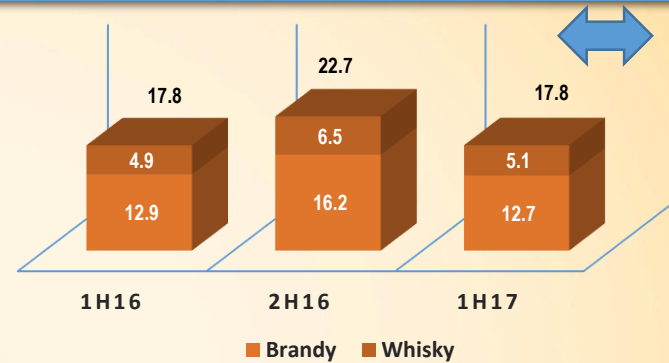


EMP's interim financial highlights – cont'd

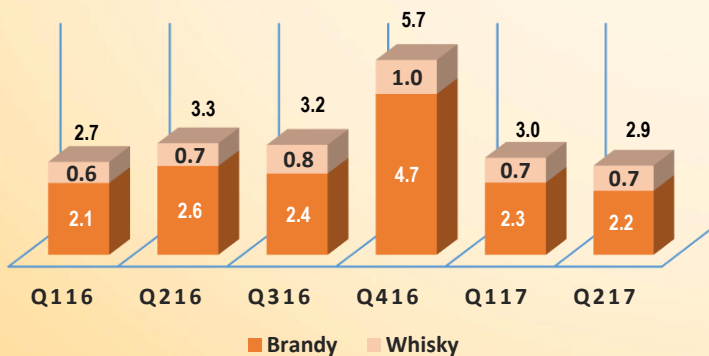
Sale of goods: Brandy vs Whisky (quarterly, Pbn)



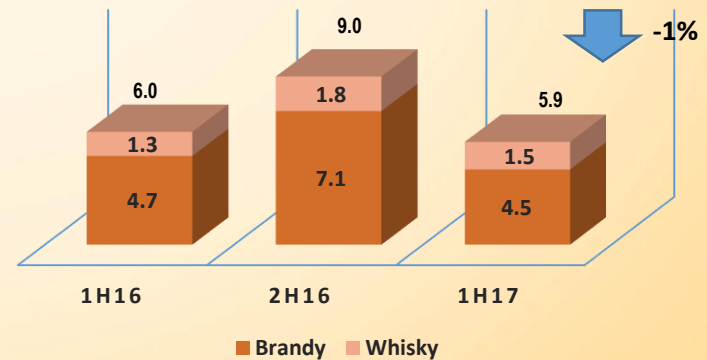
Sale of goods: Brandy vs Whisky (semestral, Pbn)



Gross profit: Brandy vs Whisky (quarterly, Pbn)

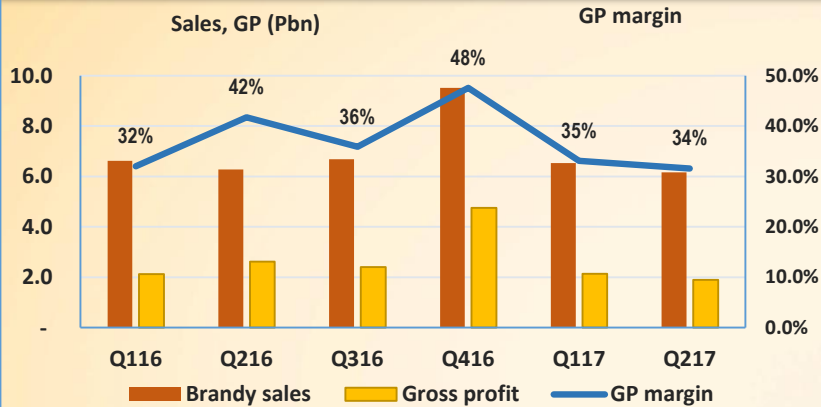


Gross profit: Brandy vs Whisky (semestral, Pbn)

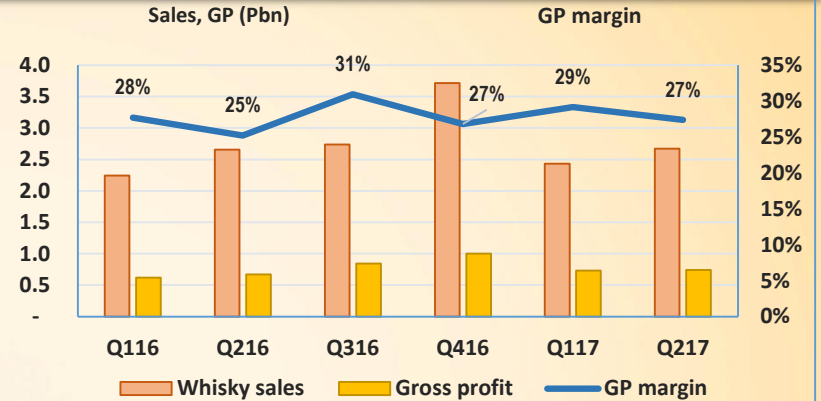


EMP's interim financial highlights – cont'd

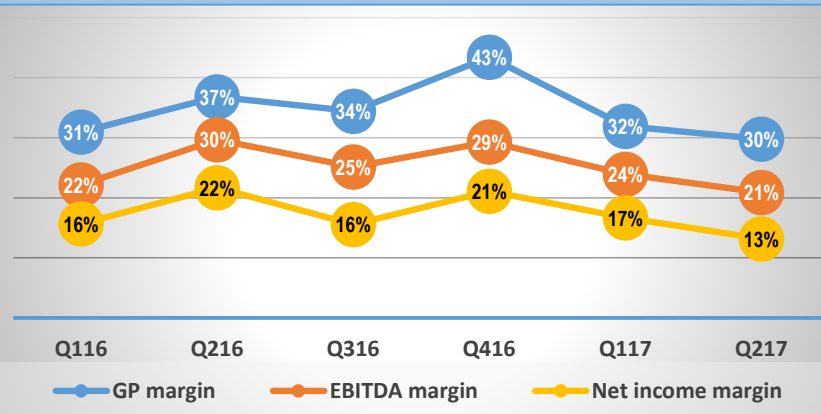
Brandy: Sale of goods vs GP margin



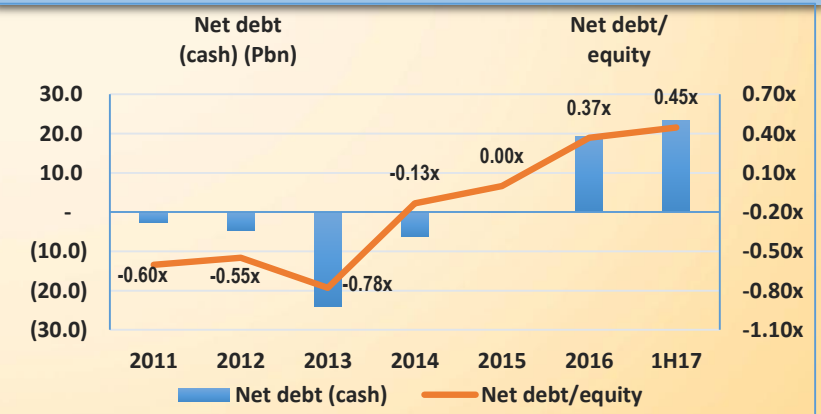
Whisky: Sale of goods vs GP margin



Margins



Gearing



Initiatives: Premiumization strategy

Luxury



Super Premium



Premium



Standard



Millennials/ RTD



Mainstream



Initiatives: Pushing new products in the market

Cola Goes Swabe



GAME CHANGER

Andy Cola: now a favorite drink in Food Parks



Did you know?



Emperador Hotshot contains **cinnamon**, a well-known all-natural antioxidant.

Even if you drink a bottle, it will not give you a hangover on the following day.



Travellers International Hotel Group Inc.
1H2017 performance highlights

Travellers By The Numbers

11,534

sqm
retail
space

1,454

hotel
rooms

80%

hotel
occupancy
rate (IH17)

218

gaming
tables
(end-Jun17)

1,407

Slots
(end-Jun17)

4,000

Capacity
MGB

88

retail
outlets

P27.5bn

Gross Revenues
(2016)

P86.8bn





Total Resources (end-
Jun2017)

P6.4bn

EBITDA
(2016)

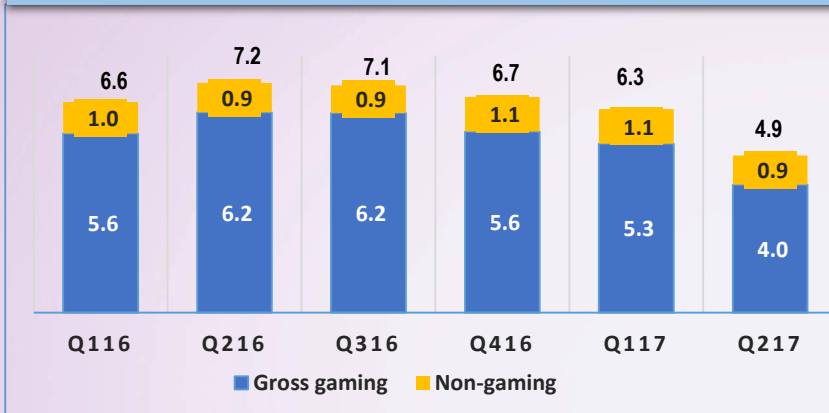


RWM's 1H2017 performance at a glance

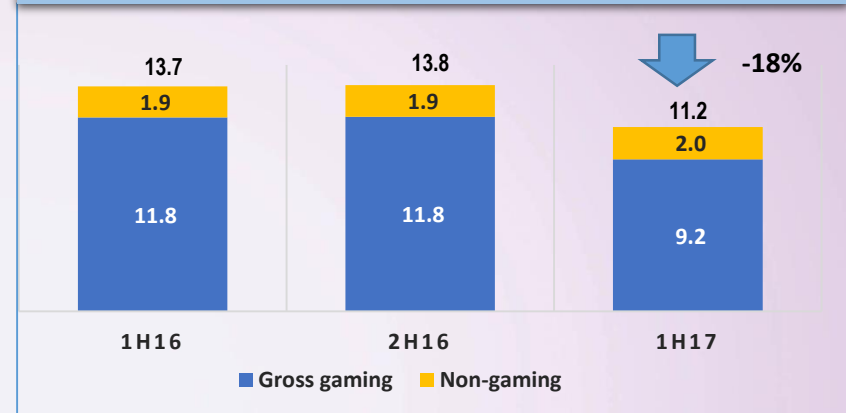
- Net revenues -17% to P10.4bn.
 - GGR -22% to P9.2bn.
 - 27 days of non-casino operations weighed heavily on GGR.
 - Mass GGR (mass tables and slots/ETGs) -12% although hold rate was steady at 10%.
 - Blended hold rate improved to 5.4% (from 4.8% a year before).
 - Mass/VIP GGR mix now at 71%/29% (from 61%/39% a year before).
 - Non-gaming revenues +4% to P2.0bn, buoyed by hotel contribution.
- EBITDA stood at P2.2bn.
- Margin direction  due mainly to lost sales resulting from the 2 June incident.
 - GP margins  50% from 53%
 - EBIT margins  11% from 17.5%
 - EBITDA margins  19.5% from 23%
- Core profit -70% to P533m net of P159m losses from casualty.
- Net debt/equity at 0.29x (vs 0.19x in end-2016).

RWM's interim financial highlights

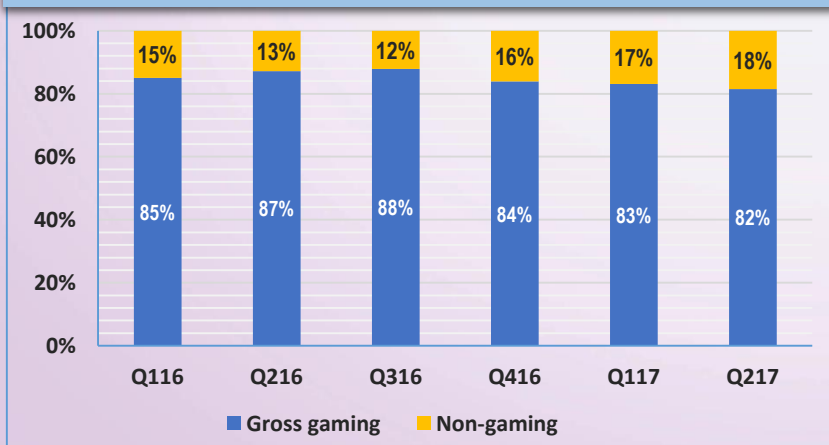
Gross revenues, quarterly (Pbn)



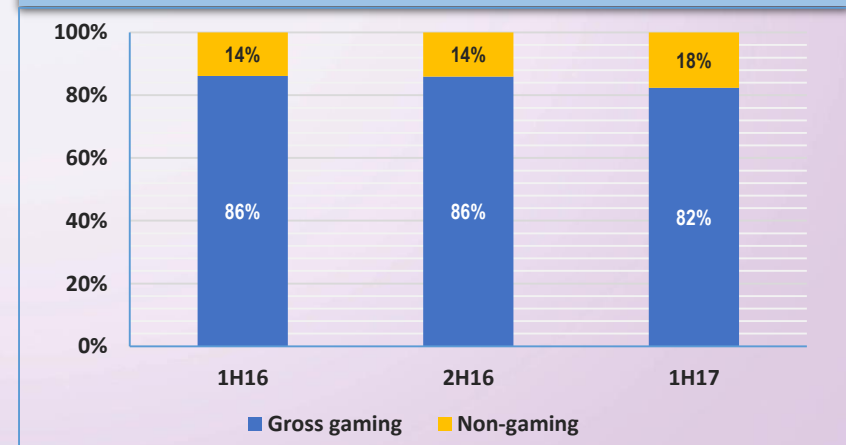
Gross revenues, semestral (Pbn)



Quarterly gross revenues, share of total

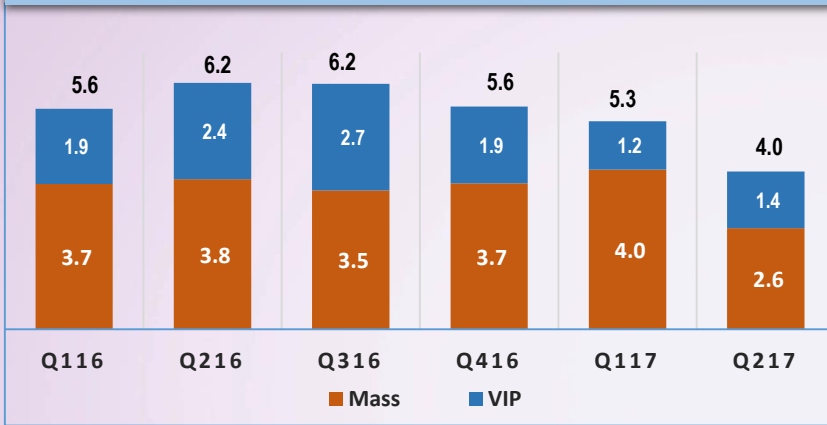


Semestral gross revenues, share of total

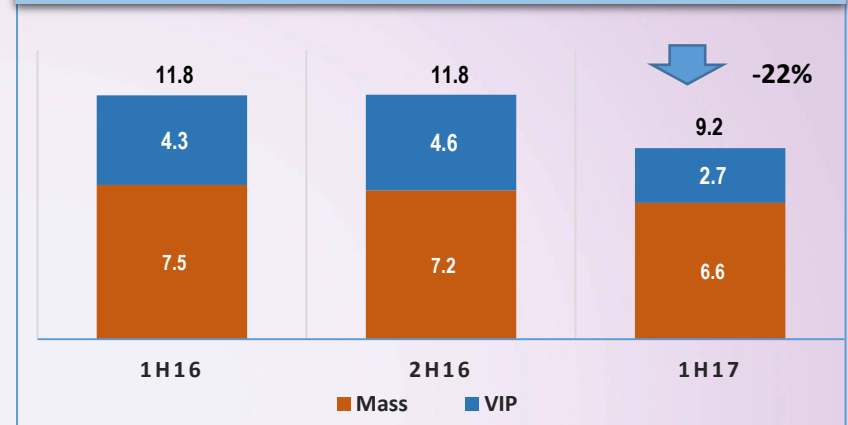


RWM's interim financial highlights – cont'd

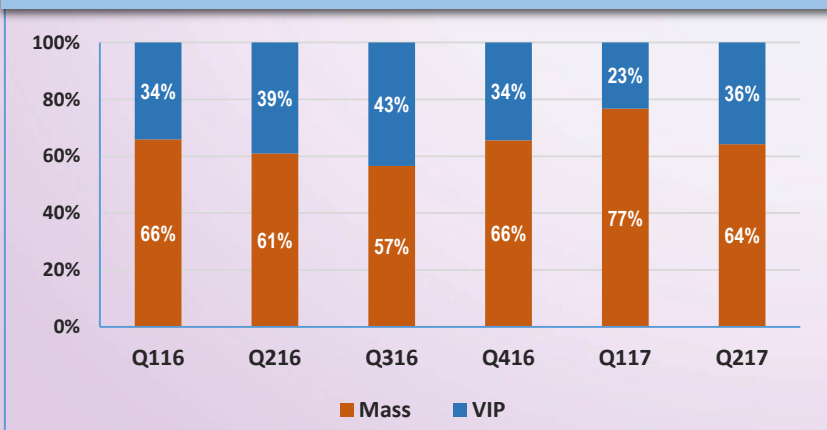
GGR: Mass vs VIP (quarterly, Pbn)



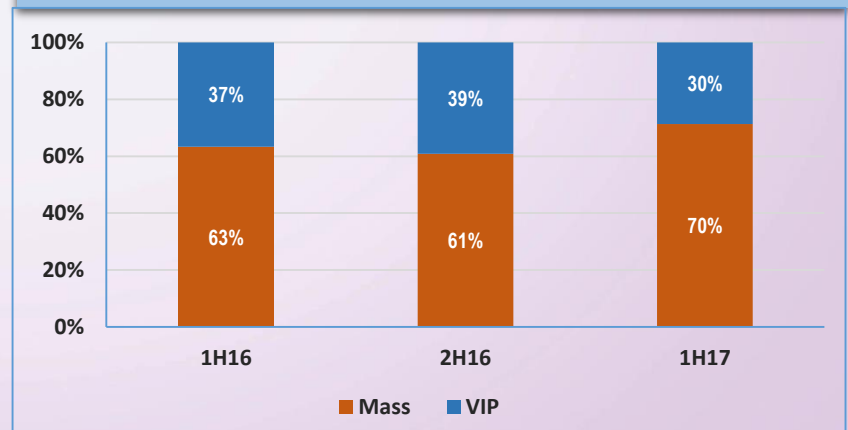
GGR: Mass vs VIP (semestral, Pbn)



Quarterly GGR, share of total

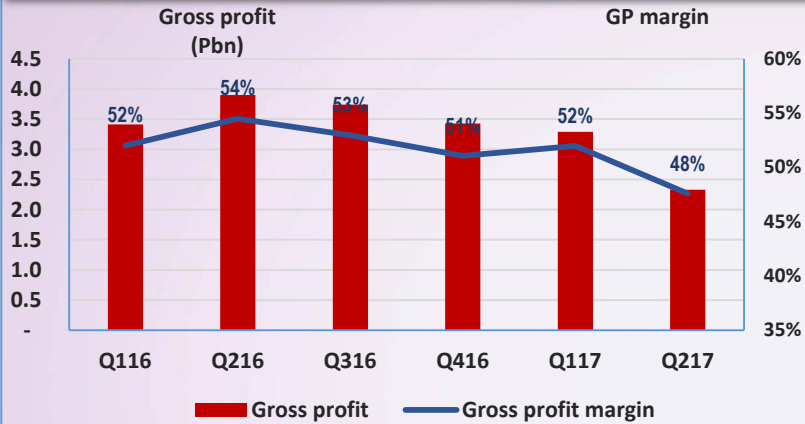


Semestral GGR, share of total

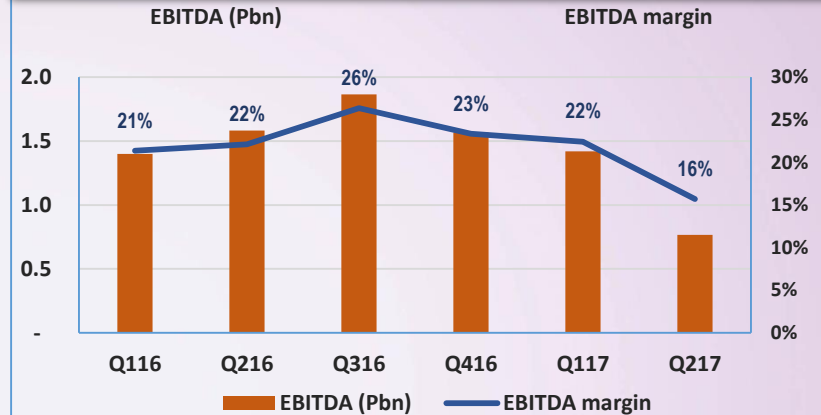


RWM's interim financial highlights – cont'd

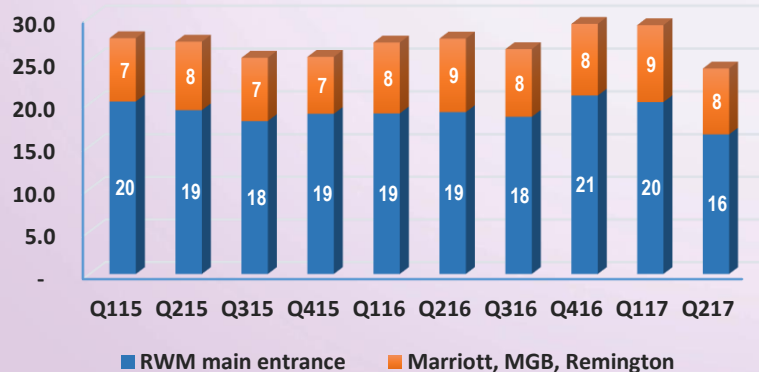
Gross profit vs GP margin



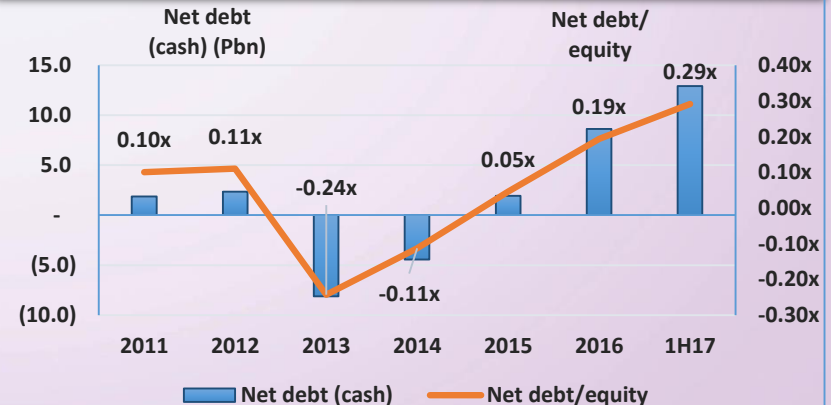
EBITDA vs EBITDA margin



Number of visitors ('000)



Gearing



Initiatives: Multi-phased expansions at RWM



Initiatives: Ongoing Phase 3 expansion



128,000 SQ. M.
GROSS FLR. AREA



391
ROOMS



357
ROOMS



191
ROOMS

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



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



Did you know?



Resorts World Manila houses the
first LED stairway in the Philippines?

Golden Arches Development Corporation 1H2017 performance highlights

GADC By The Numbers



533
Stores nationwide
(end-Jun2017)



P23bn
In sales revenues (2016)



5.2%
Systemwide same-store sales growth (1H 2017)







310
dessert centers (2016)



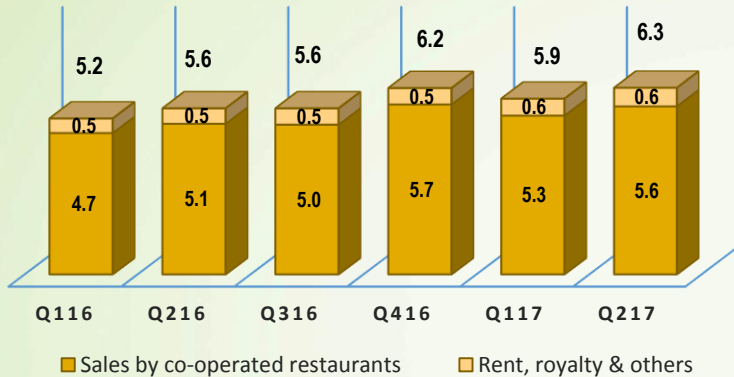
292
McDelivery hubs (2016)

GADC's 1H2017 performance at a glance

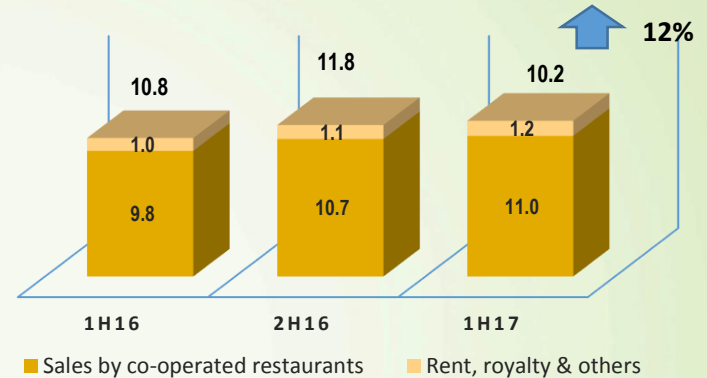
- Sustained +12% growth in sales revenues to P12.2bn.
 - Sales by co-owned stores (90% of total): +12% to P11bn
 - Rent, royalty & others (10%): +18% to P1.2bn
 - Systemwide same-store sales growth +5.2% YoY.
 - Number of stores by end-June 2017: 533 vs 494 a year before.
 - Average sales per store +5% YoY.
- Margin direction   helped by economies of scale with ongoing store expansion.
 - GP margin  22%
 - EBITDA margin  13% vs 11%
 - EBIT margin  8% vs 7%
- Net income +19% to P589m.
- Higher net cash position.

GADC's interim financial highlights

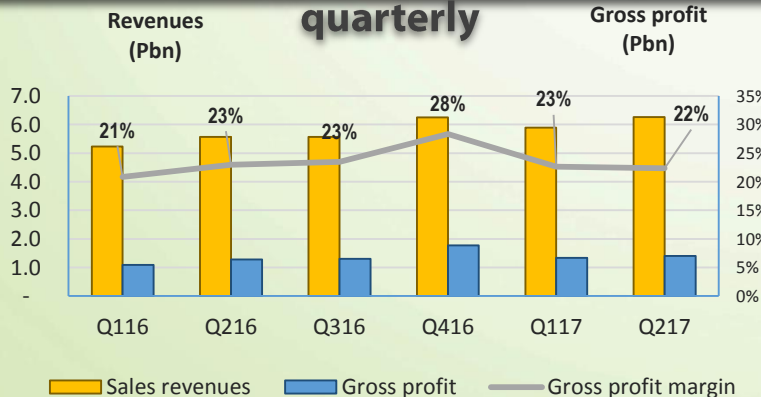
Total revenues, quarterly (Pbn)



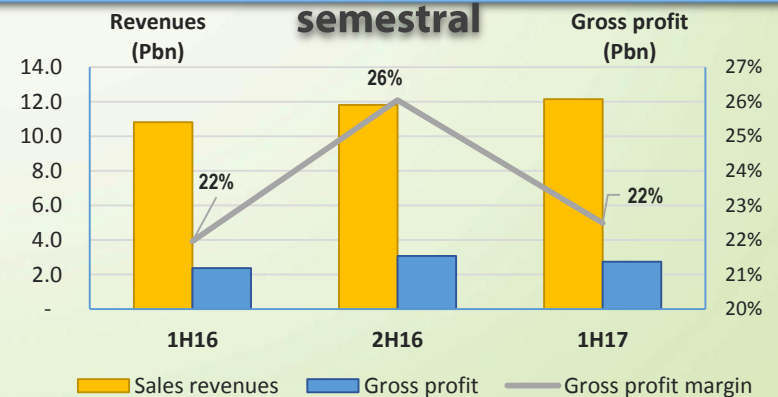
Total revenues, semestral (Pbn)



Revenues, gross profit & margin, quarterly

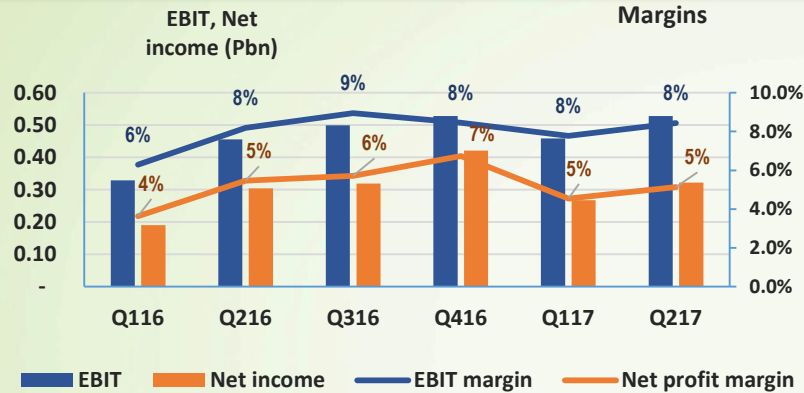


Revenues, gross profit & margin, semestral

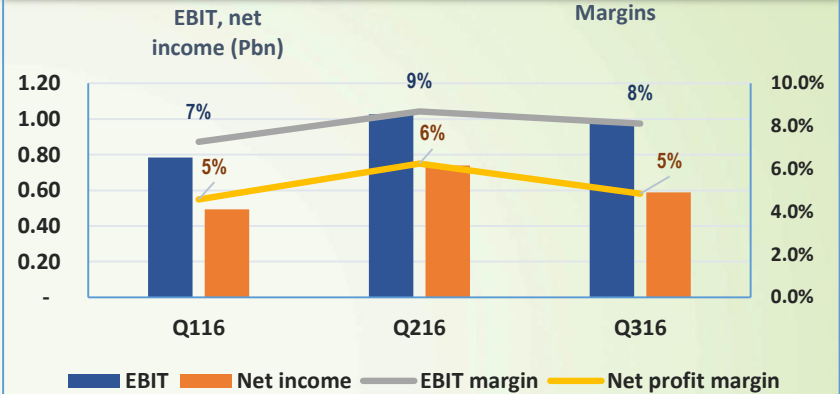


GADC's interim financial highlights – cont'd

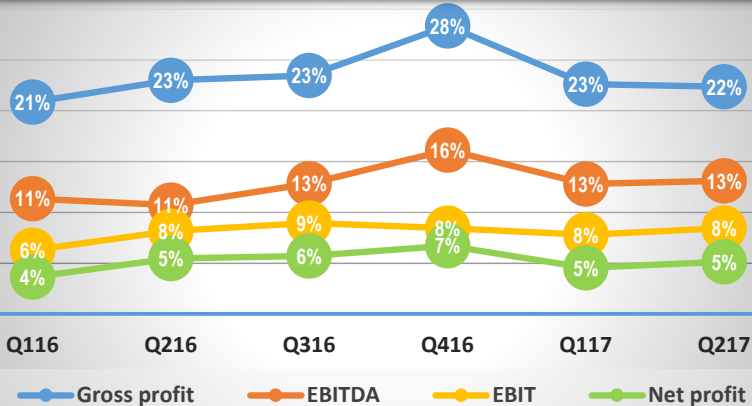
EBIT, net profit & margin, quarterly



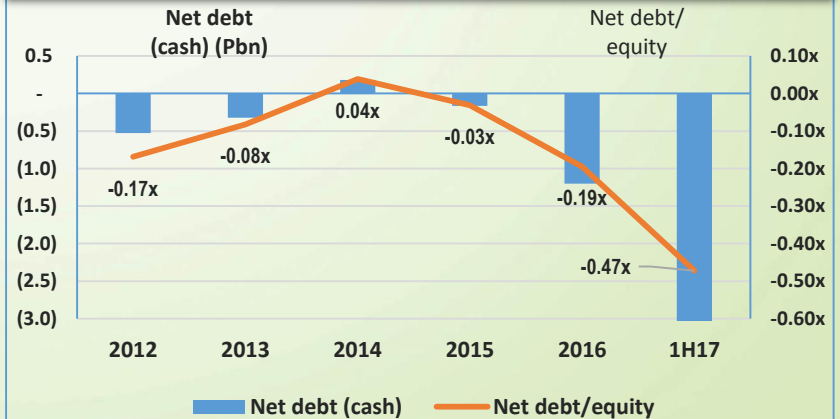
EBIT, net profit & margin, semestral



Margins

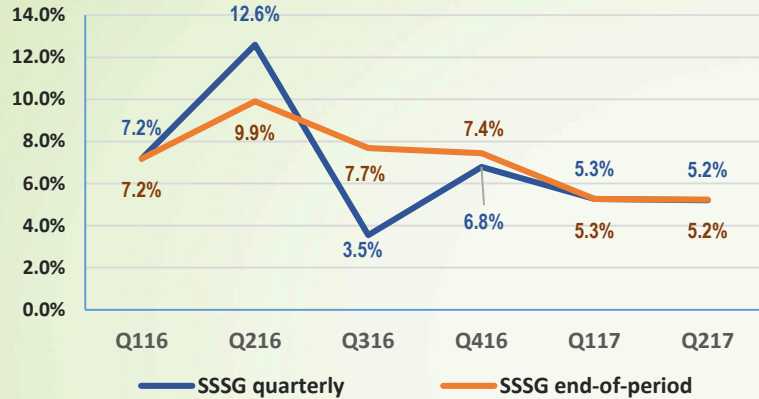


Gearing



GADC's interim financial highlights – cont'd

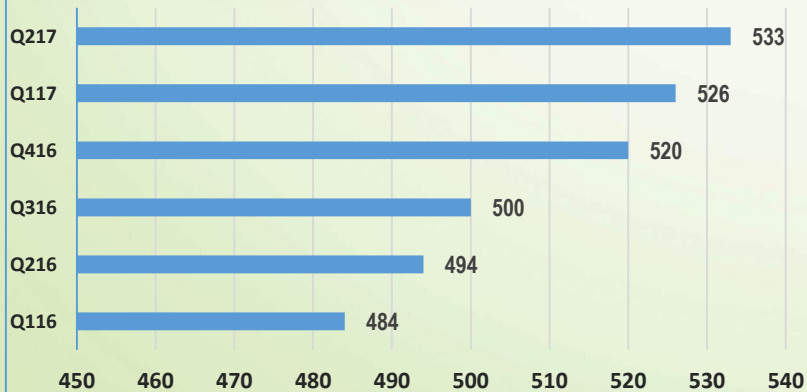
Systemwide same-store sales growth



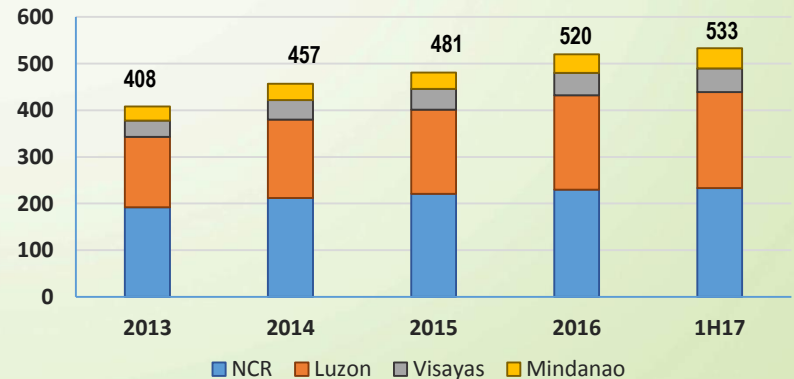
Average sales per store (Pm)



Number of stores



Store geographic distribution



Initiatives: Adding more McDo stores



Lagro, Quezon City



Cubao, Quezon City



Tagaytay



Kawit, Cavite

Did you know?



McDonald's Philippines only uses farm-fresh, low-cholesterol, grade-A eggs from **local suppliers**.

The Philippines is the only country under the McDonald's international operations that serves **McSpaghetti**.



- Key strategies:
 - Continue pursuit of ongoing expansion projects across all business segments.
 - Launch more residential projects to take advantage of improving market demand.
 - Push new liquor products in the domestic and international markets.
- Still on the lookout for opportunities : new products, initiatives, undertakings.
- Funding capex mainly through debt, raising financial gearing.
- Balance sheet remains healthy.

Thank you.