

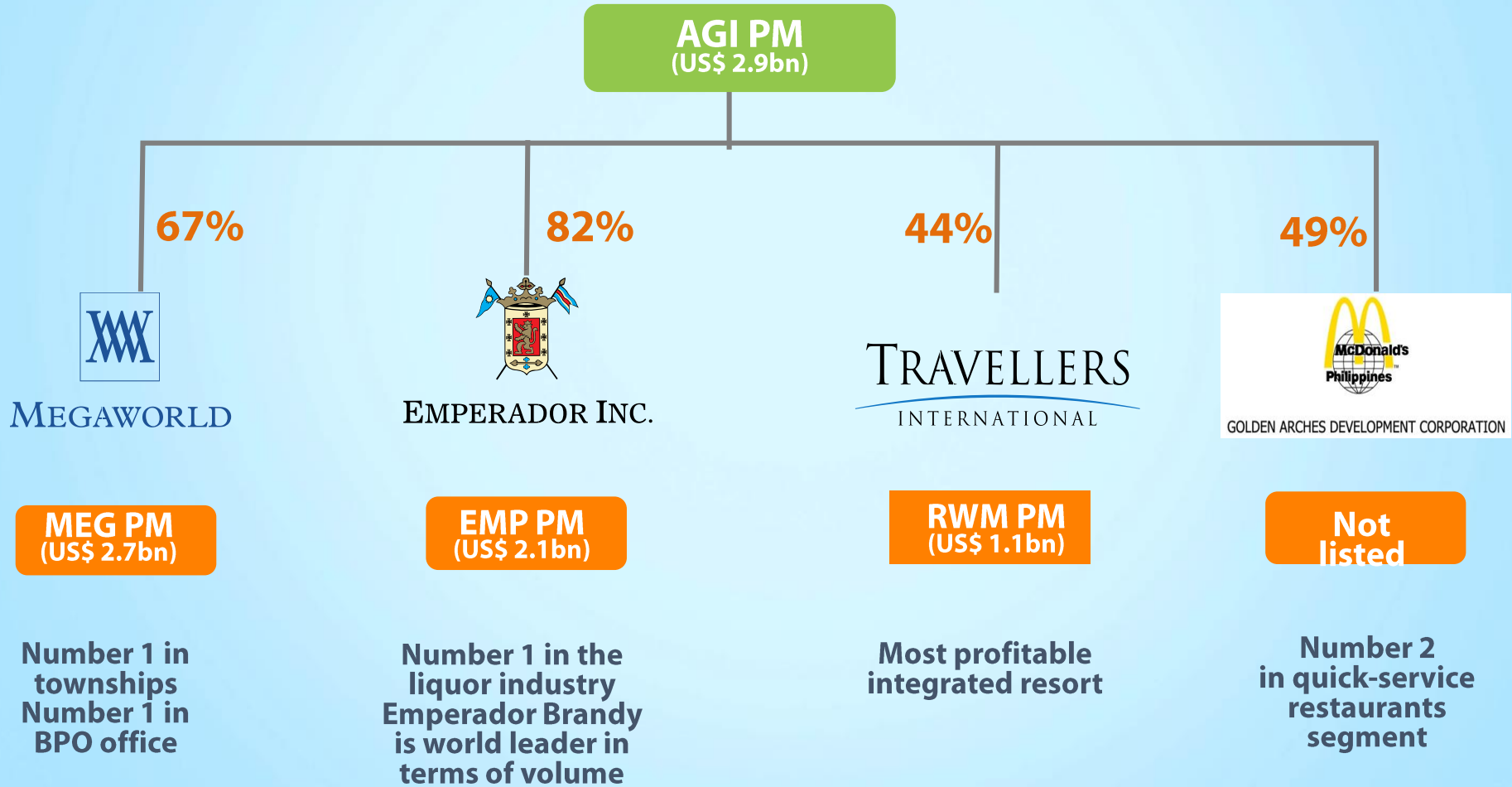


ALLIANCE GLOBAL GROUP INC

1Q 2017 Analyst Presentation

15 May 2017

AGI Group Structure

 ALLIANCE GLOBAL


Market cap as of 12 May 2017.

Alliance Global Group Inc.
1Q 2017 performance highlights

AGI By the Numbers



P491bn
in total resources
(2016)



P140bn
in total
revenues (2016)



7%
Parent net
debt/equity (1Q
2017)



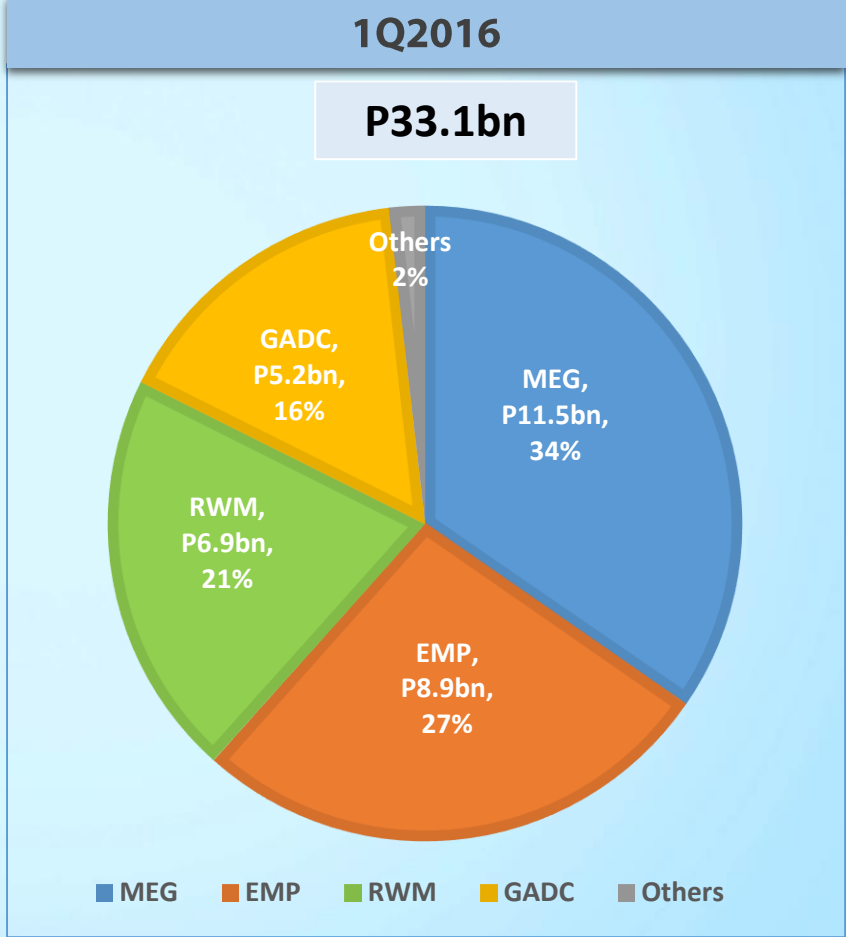
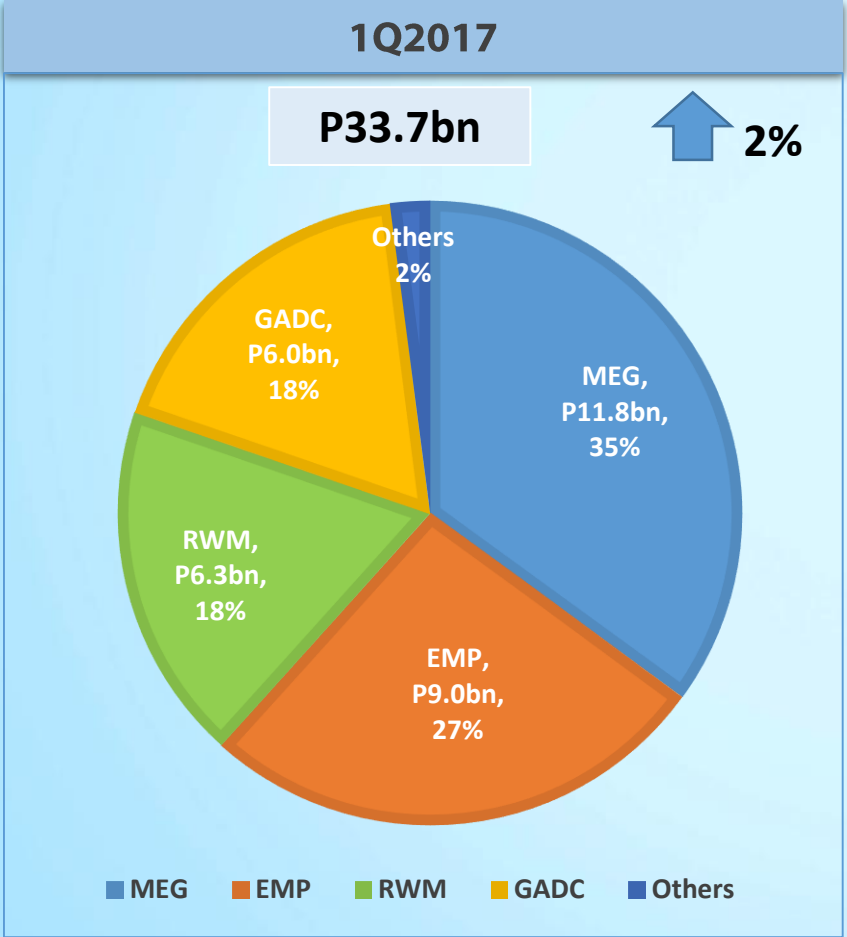
3,643
Hotel room keys
(2016)



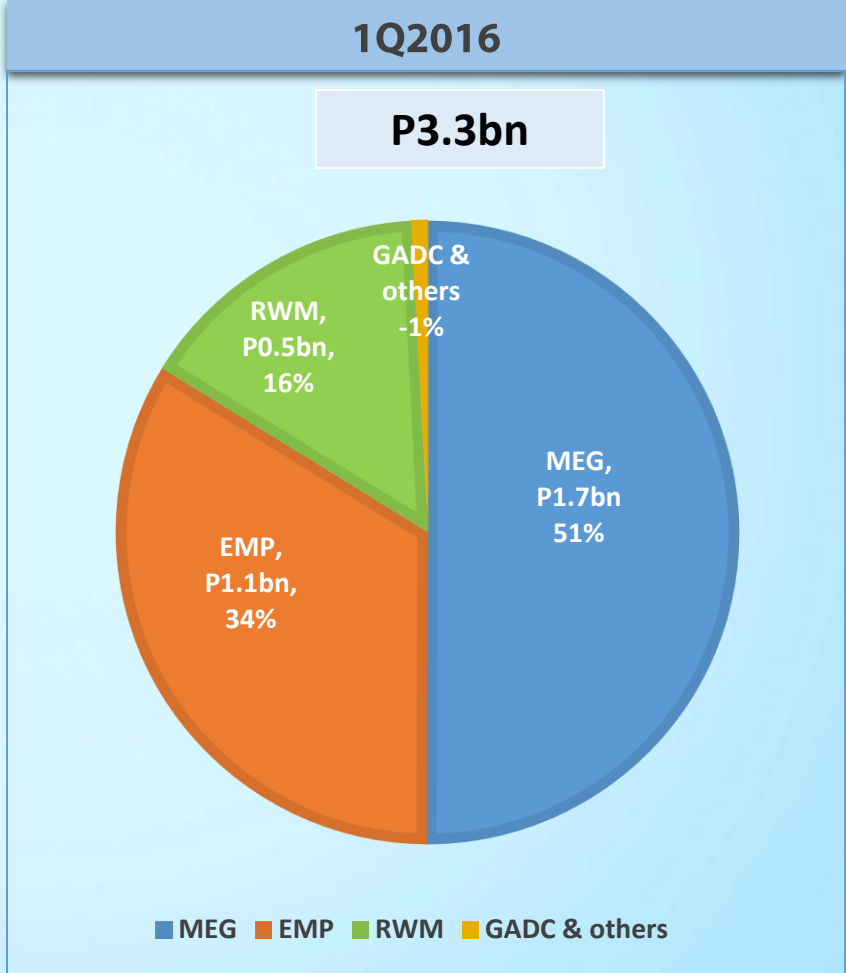
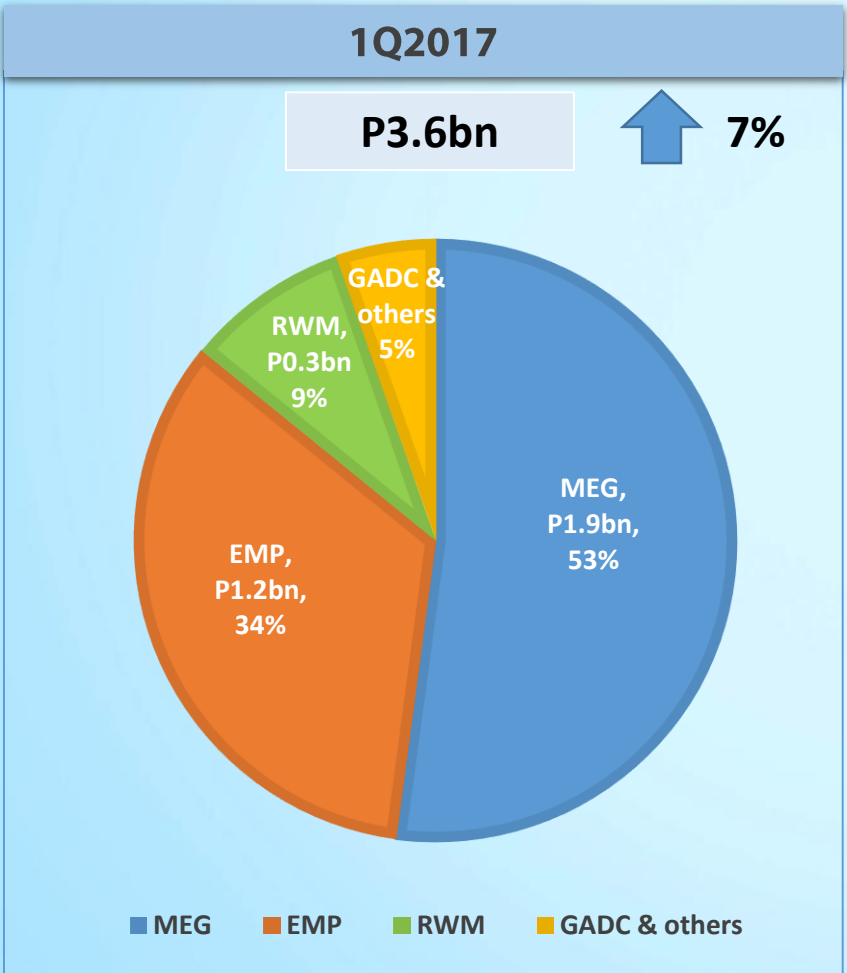
AGI's 1Q2017 performance at a glance ALLIANCE GLOBAL

P&L highlights (Pbn)	1Q2017	1Q2016	% chg	Comments
Group revenues	33.70	33.08	2%	
Megaworld	11.80	11.45	3%	Robust growth in rentals + hotel income; modest improvement in residential revenues
Emperador	8.98	8.93	1%	Increasing contribution from whisky sales offset weaker brandy sales.
Travellers	6.27	6.86	-9%	Non-VIP and non-gaming revenues cushioned decline in VIP revenues
GADC	5.97	5.25	14%	5.3% systemwide SSSG; store expansion
Others	0.68	0.59	15%	
Group costs/expenses	(26.96)	(26.58)	1%	
Megaworld	(7.97)	(7.96)	0%	Overall costs steady
Emperador	(7.19)	(7.27)	-1%	Benefitting from cost efficiencies
Travellers	(5.56)	(5.69)	-2%	Gaining operating leverage
GADC	(5.56)	(4.96)	12%	Cost increases in step with topline growth
Others	(0.68)	(0.69)	-2%	
Net income to owners	3.57	3.34	7%	
Megaworld	1.89	1.70	11%	
Emperador	1.23	1.14	7%	
Travellers	0.32	0.52	-39%	
GADC	0.13	0.09	41%	
Others	(0.00)	(0.12)	--	
Net profit margin	10.6%	10.1%	50bps	

Revenue mix

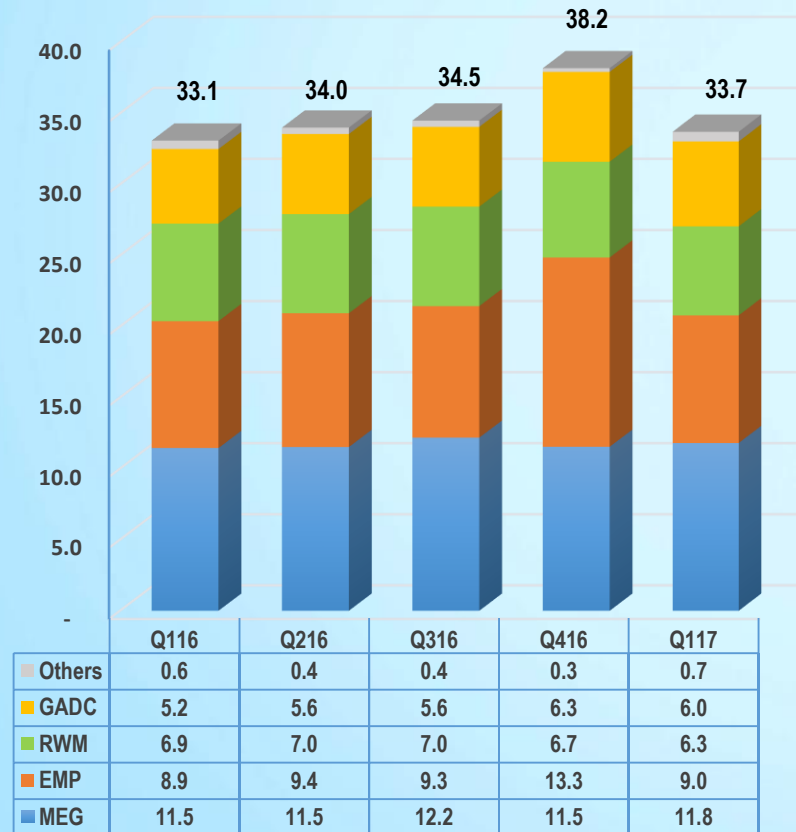


Attributable net income mix (in Pbn)

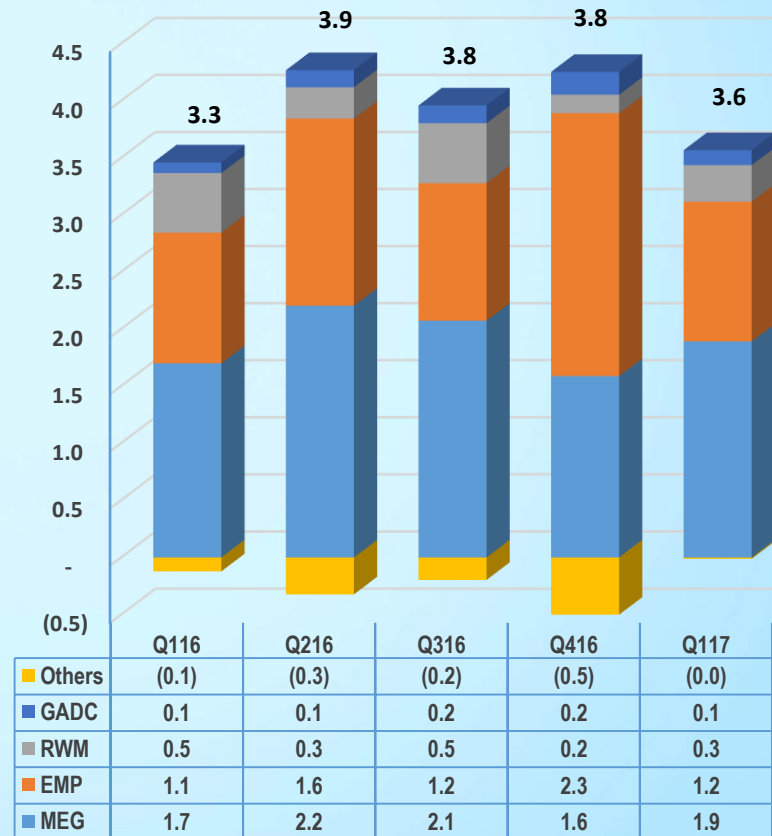


AGI's financial highlights

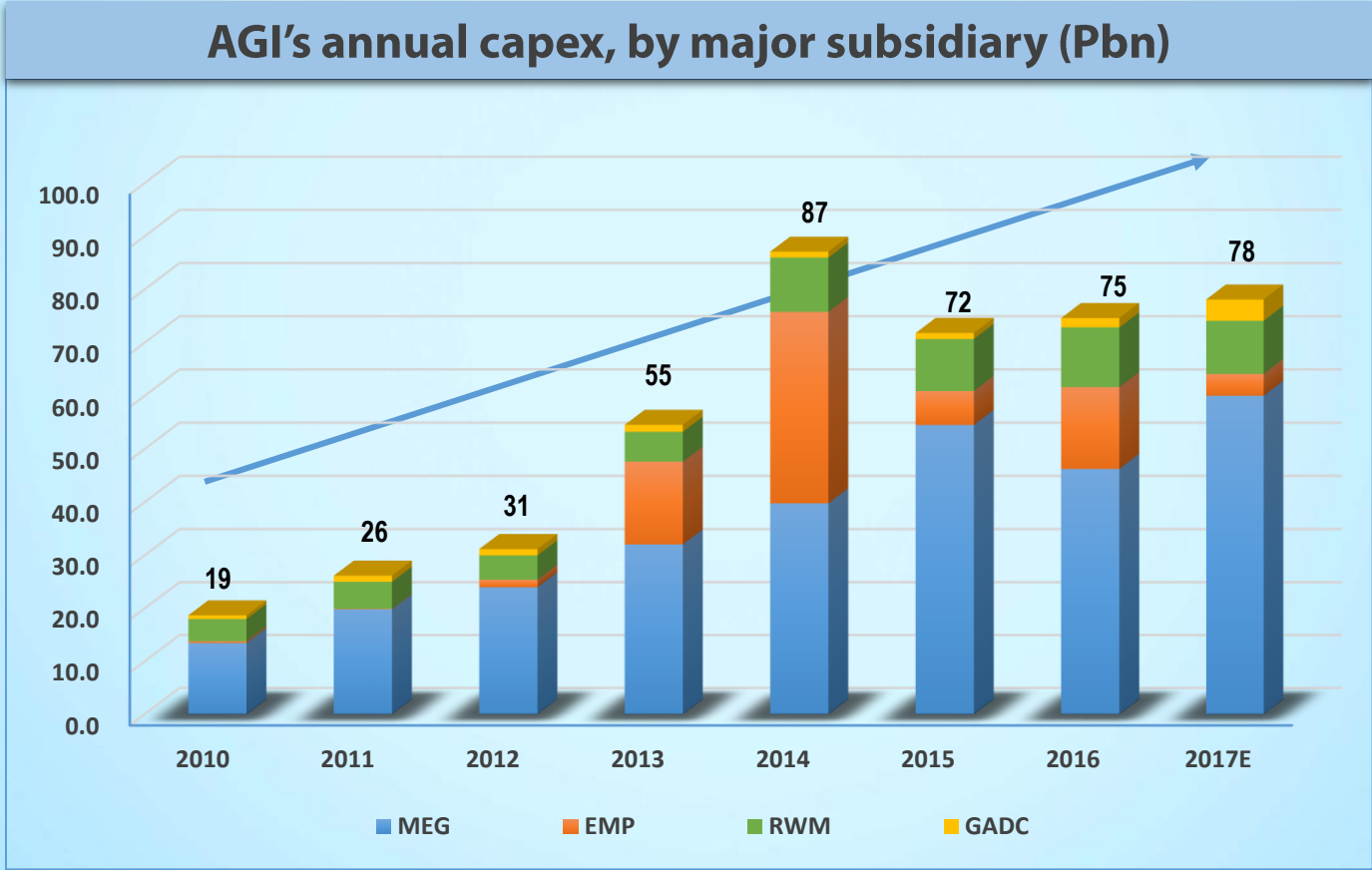
Consolidated revenues (Pbn)



Net profit (Pbn)



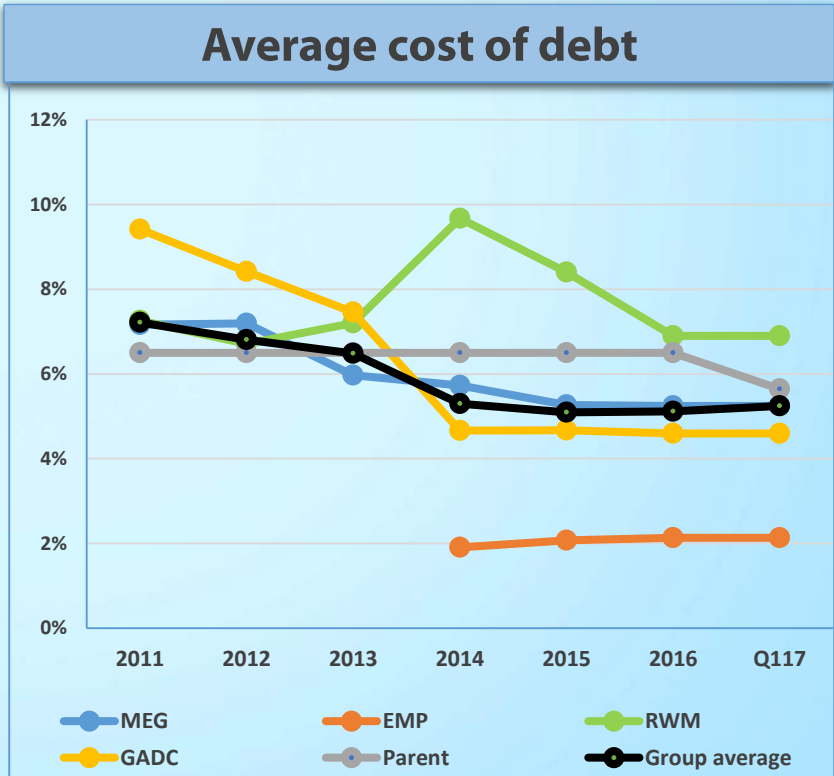
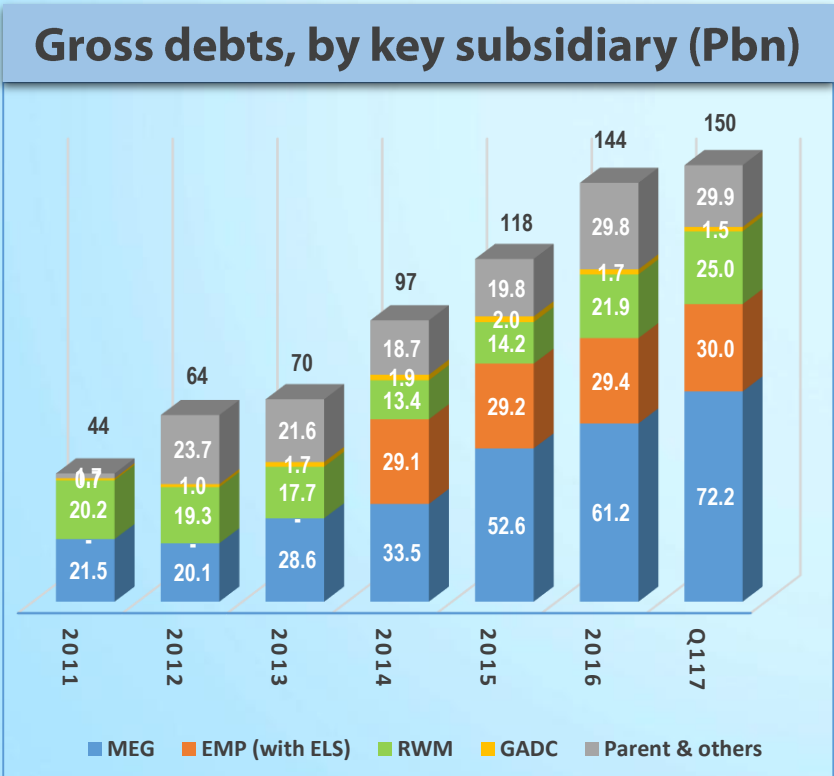
Still on heavy capex mode



E - Estimated.

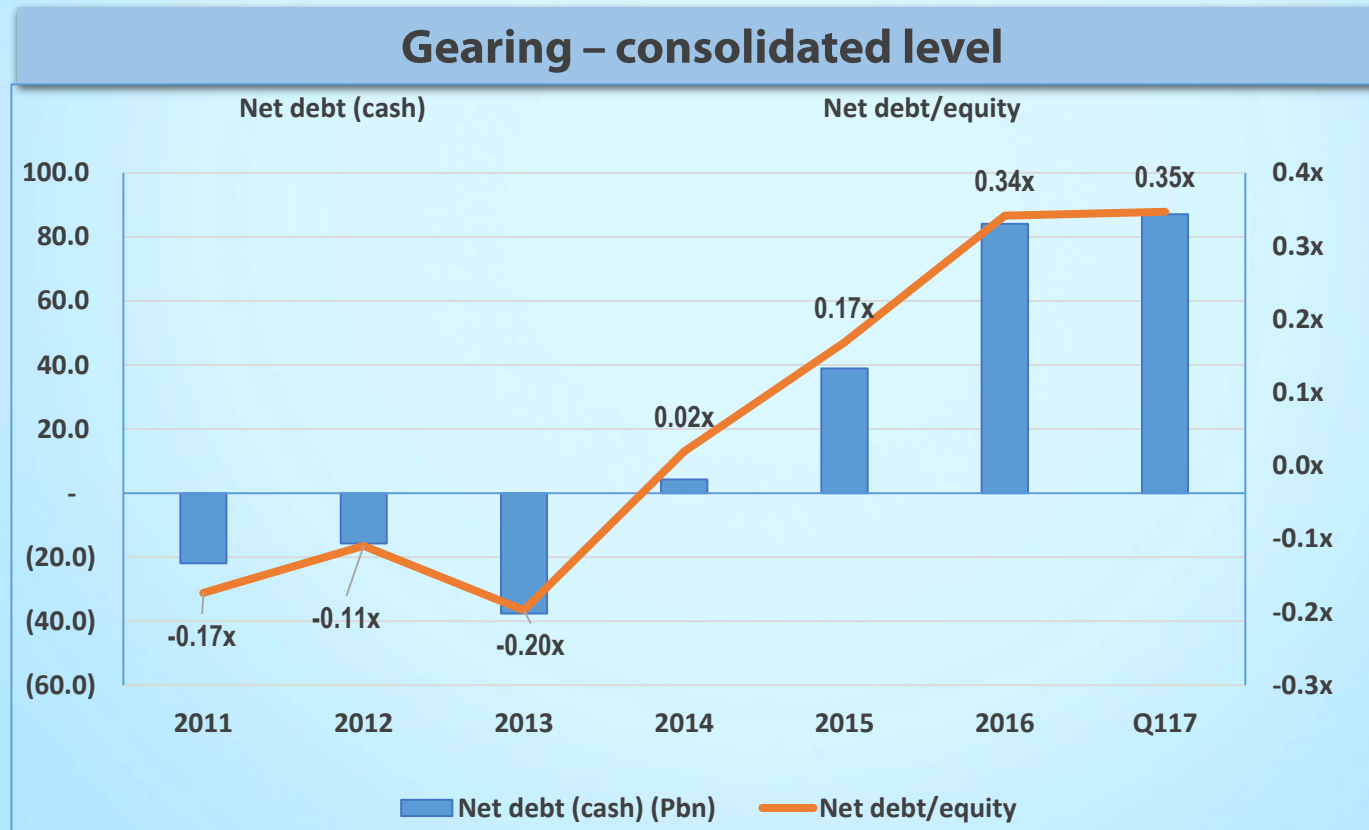
Group borrowings

- Funding capex through internal cash flows and debts.
- Further rise in debt levels across all segments; cost of debt stable.



Gearing remains comfortable

- In end-March 2017, group net debt/equity stood at 0.35x.
- Parent net debt/equity remained low at 0.07x.







- Megaworld
 - ✓ Targeting to increase rental GLA capacity this year by ~20%; raise contribution of rentals to P12bn.
 - ✓ More project launches throughout the country.
- Emperador
 - ✓ More product initiatives in the domestic market.
 - ✓ Increasing share of revenues and profit from overseas operations.
- 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
1Q2017 performance highlights

Megaworld by the Numbers

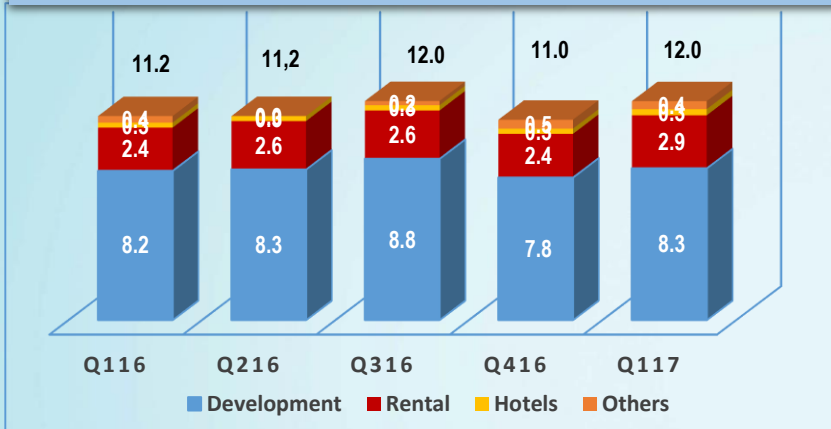


MEG's 1Q2017 results at a glance

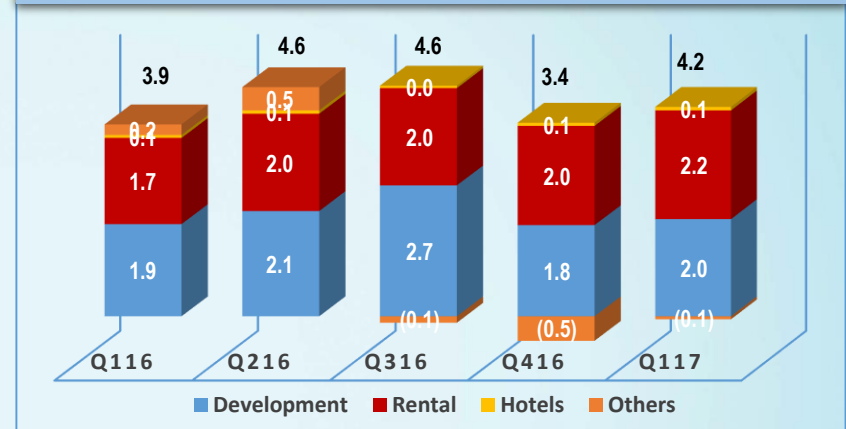
- Total revenues +5% YoY to P12.0bn.
 - Rentals (office and commercial) +25% to P3.0bn.
 - Increasing share of rentals to 25% of total revenues (from 21% a year before).
 - Real estate revenues +2% to P8.3bn.
 - Real estate sales (RES): 66% from MEG+SPI, 17% each from GERI and ELI.
 - Increasing share of projects outside Metro Manila: 31% of RES from 22%.
 - Hotel income +23% to P335m.
- Margin direction:  / 
 - Residential gross profit margin  46%.
 - Rental EBIT margin  75% from 74%.
- Attributable net income +12% to P2.8bn.
- Comfortable net debt/equity at 0.33x (vs 0.23x in end-Mar2016 and 0.31x in end-2016).

MEG's interim financial highlights

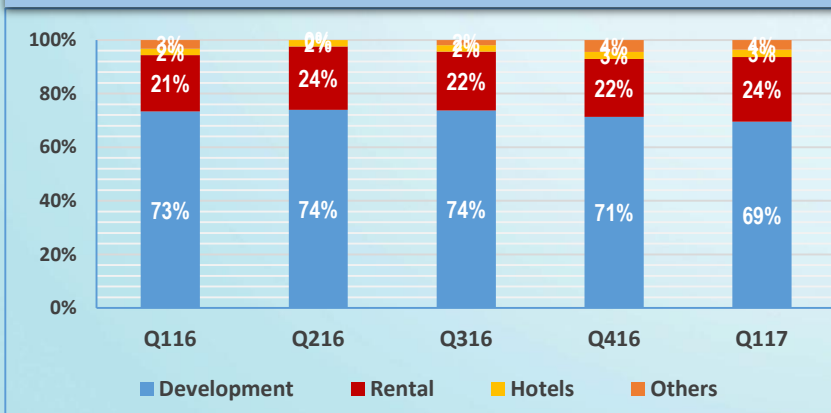
Revenues (Pbn)



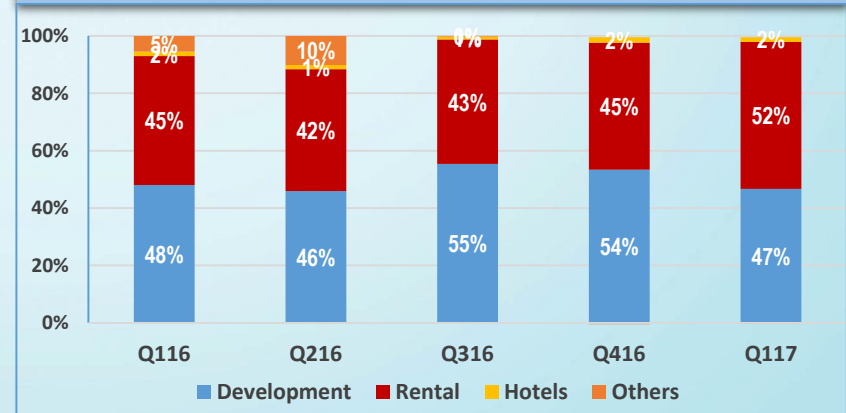
EBIT (Pbn)



Share of revenues

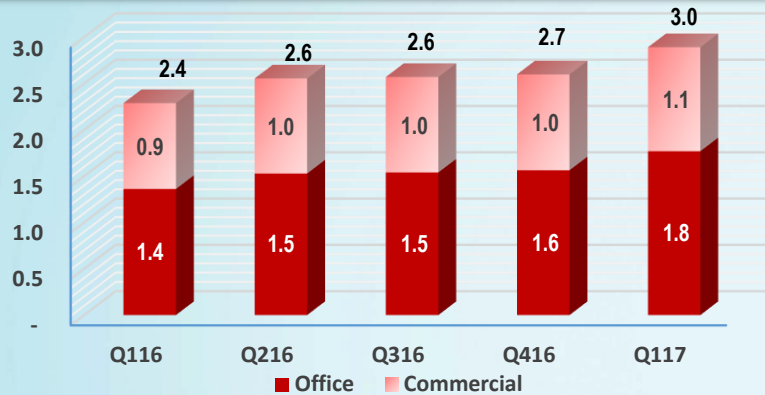


Share of EBIT

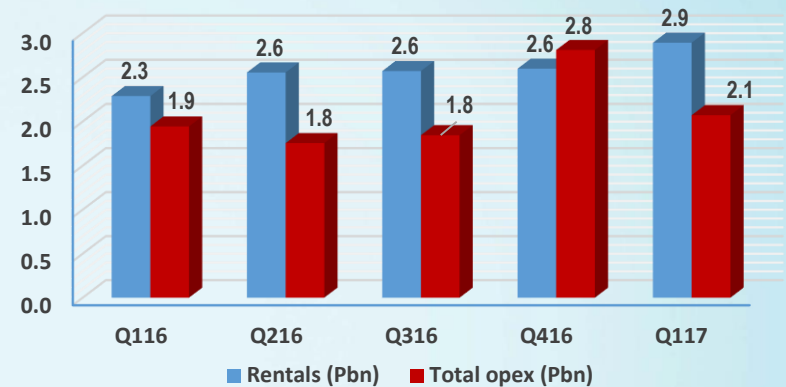


MEG's interim financial highlights

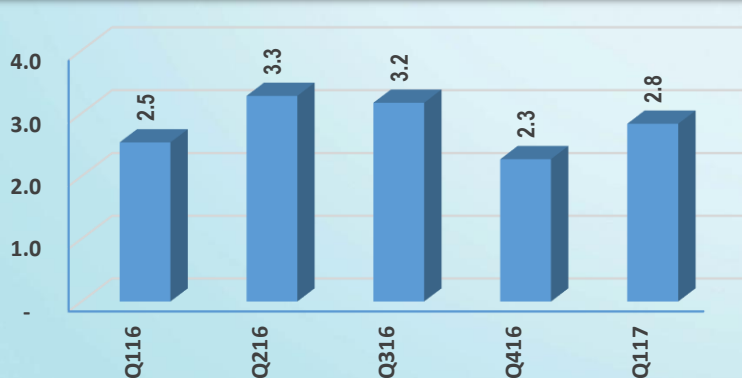
Rentals: office vs commercial (Pbn)



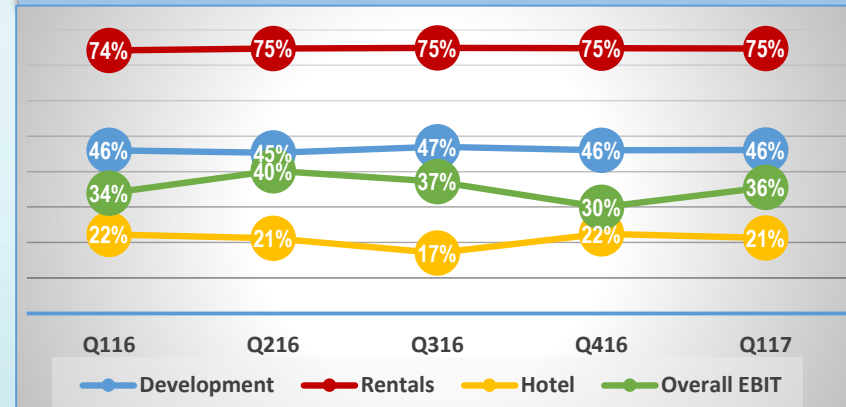
Rentals vs Group opex (Pbn)



Net income (Pbn)



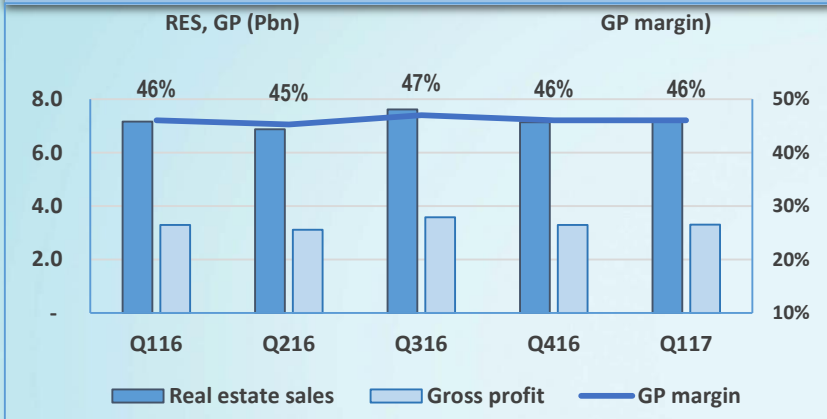
Margin performance*



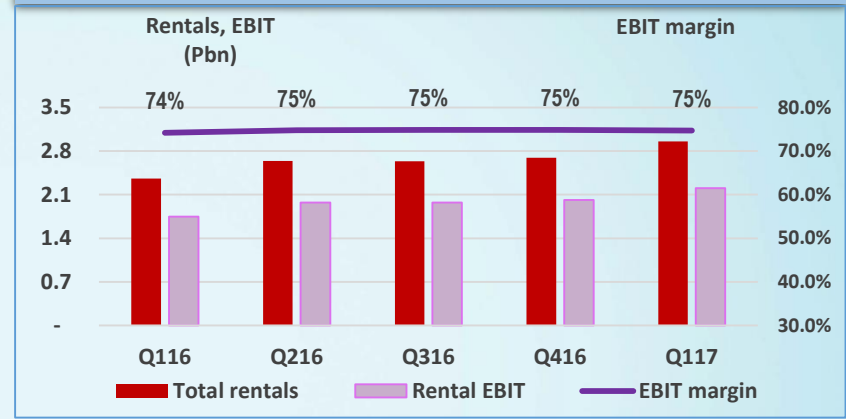
*Rental margins were computed inclusive of intersegment sales.

MEG's interim financial highlights - cont'd

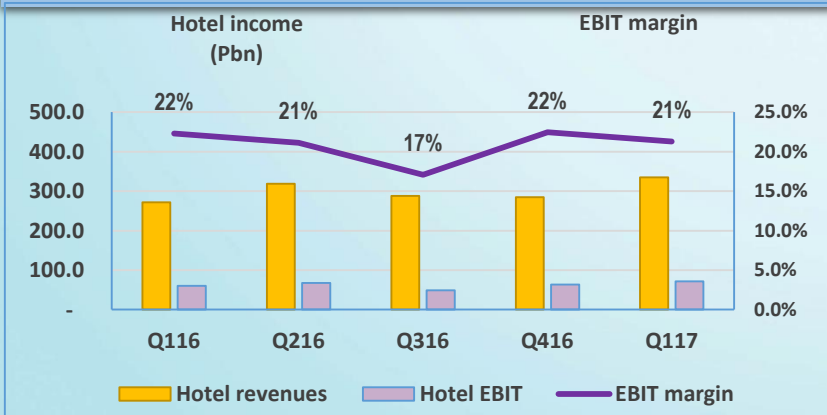
Real estate sales vs Gross profit (Pbn)



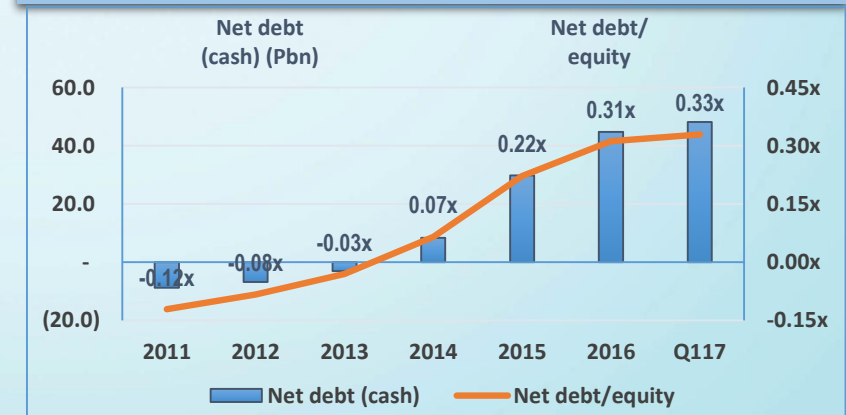
Rentals vs EBIT (Pbn)



Hotel income vs EBIT (Pbn)



Gearing



Initiatives: More Township Development



Total of
22 Townships

*Launched in 2016

Initiatives: Expansion of rental GLA

Combined office and commercial gross leasable area ('000 sqm)



Emperador Inc.

1Q2017 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)

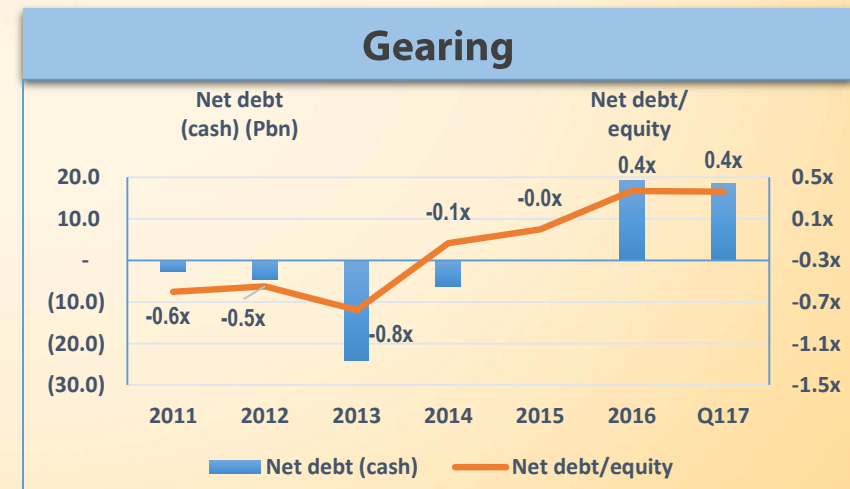
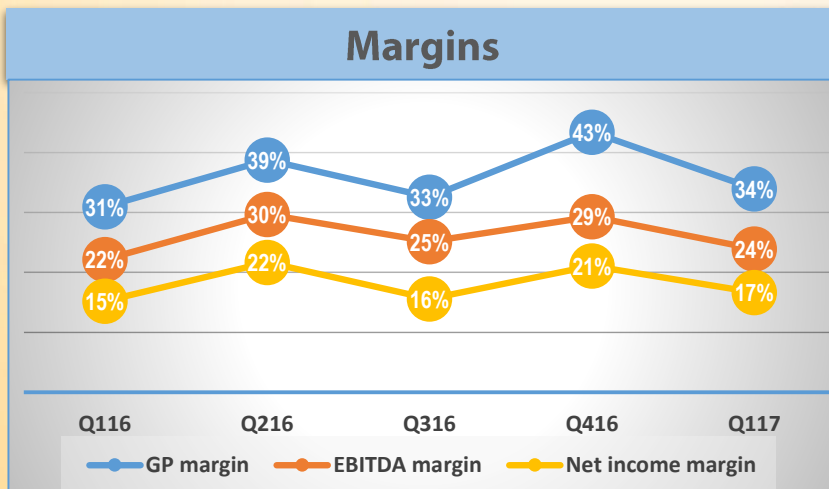
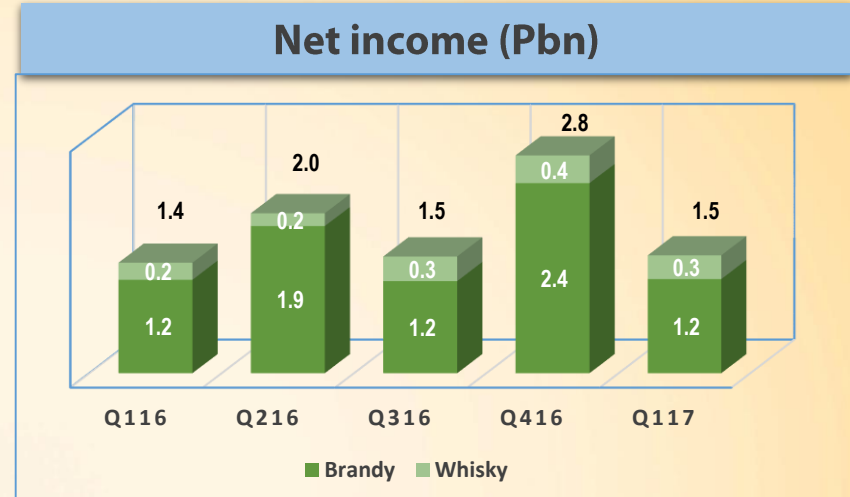
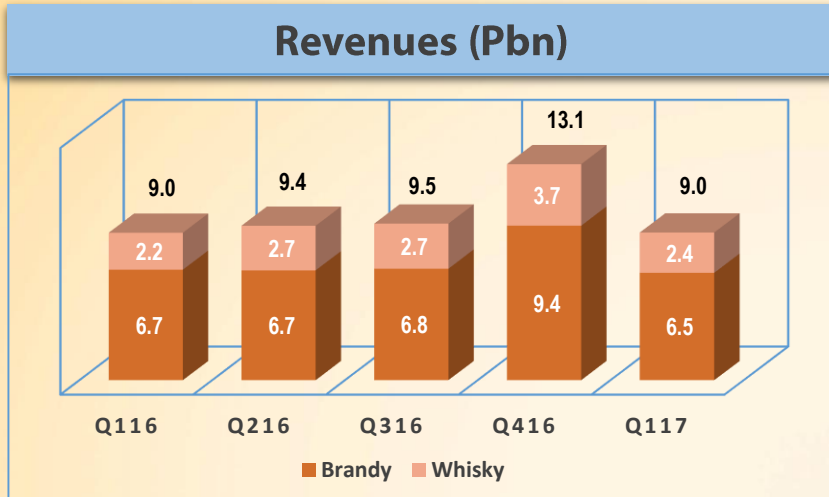
P94bn
Total resources (2016)



EMP's 1Q2017 performance at a glance

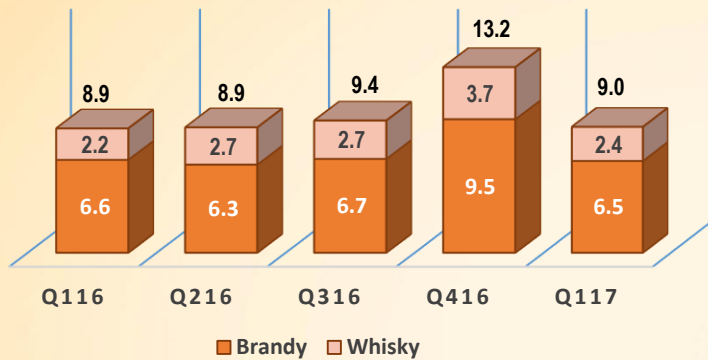
- Revenues flat to P9.0bn.
 - Brandy revenues fell 3% to P6.5bn (73% of total).
 - Domestic competitive landscape remains challenging: In Q117, EMP aggressively pushing for new products and its small brandy SKU.
 - Incremental contribution from Fundador.
 - Whisky revenues up 9% to P2.4bn (27% of total).
 - Increasing sales of Dalmore products in Asia, US and travel retail.
- Margin direction: 
 - GP margin  to 34% from 31%
 - Brandy GP margin  to 35% from 32%
 - Whisky GP margin  to 29% from 28%.
 - EBITDA margin  to 24% from 22%.
- Net income +7% to P1.5bn.
- Net debt/equity (with ELS) stood at 0.36x (from 0.20x in end-March 2016 and 0.37x in end-2016).

EMP's interim financial highlights

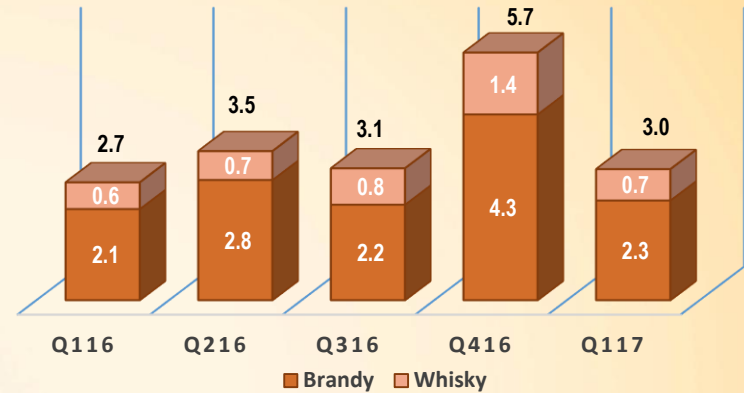


EMP's interim financial highlights – cont'd

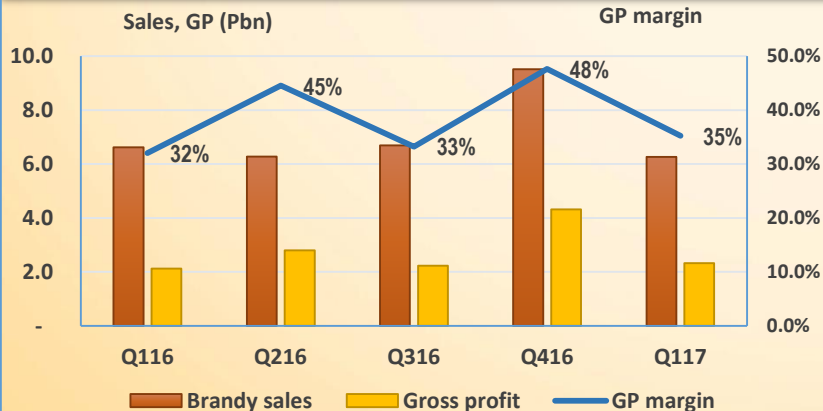
Sale of goods: Brandy vs Whisky (Pbn)



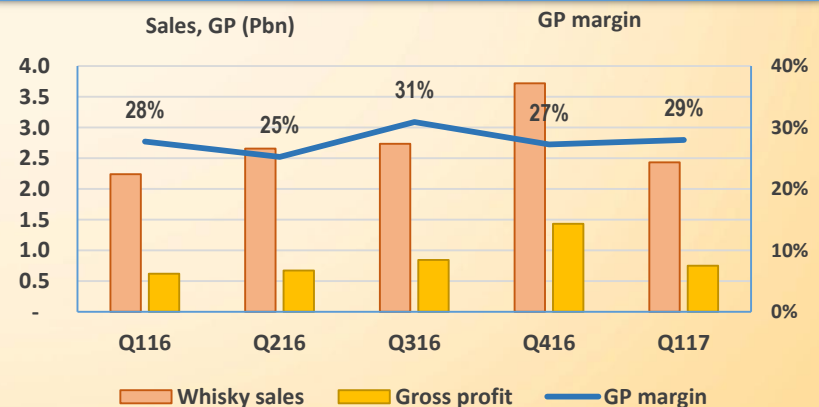
Gross profit: Brandy vs Whisky (Pbn)



Brandy: Sale of goods vs GP margin



Whisky: Sale of goods vs GP margin



Initiatives: Reinforcing brandy dominance

"Bunso"



350ml
USD0.84-0.96/
PHP42-48



750ml
USD1.65-1.90/
PHP83-95



1l
USD2.25-2.60/
PHP 113-130



1l
USD4.28-4.90/
PHP215-246



1l
USD6.17-7.05/
PHP310-354

Initiatives: Acquainting consumer tastes with whisky



Cola Goes Swabe

- has preserved the familiar taste of cola with the addition of the “SWABE” whisky component of The Andy Player Whisky
- Perfect for meals, snacking around, or when you are just simply winding down.

Initiatives: Expanding target market base



62 proof
31% ABV

GAME CHANGER

The classic taste of Emperador Brandy that everybody loves spiced up with super hot cinnamon to give it an edge we dare you to drink

Target Generation Z & young Millennials

a Fiery Delicious Blend; a first of its kind in the Philippines

Initiatives: Premiumization strategy

Luxury



Super Premium



Premium



Standard



Millennials/ RTD



Mainstream



Travellers International Hotel Group Inc.
1Q2017 performance highlights

Travellers By The Numbers

11,534
sqm. retail
space

1,454
hotel
rooms

86%
hotel
occupancy
rate (Q117)

316
gaming
tables

1,805
Slots

4,000
Capacity
MGB

90
retail
outlets






P27.5bn
Gross Revenues
(2016)

P76.3bn
Total Resources
(2016)

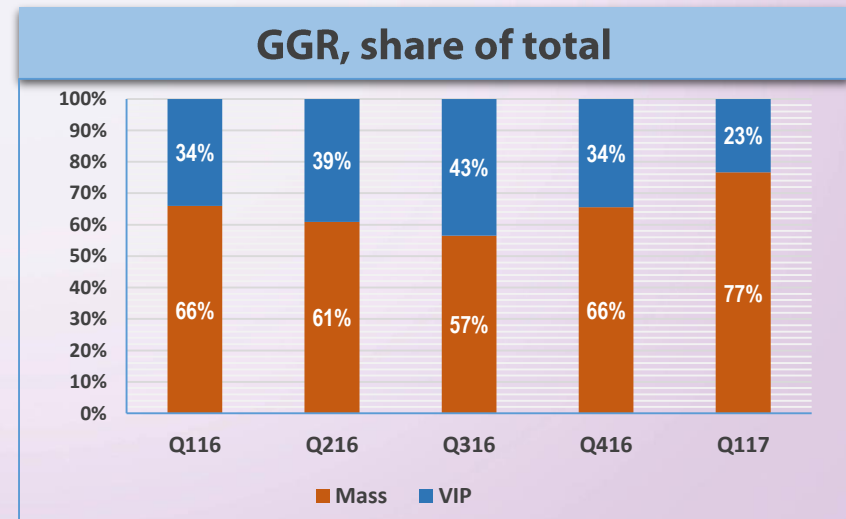
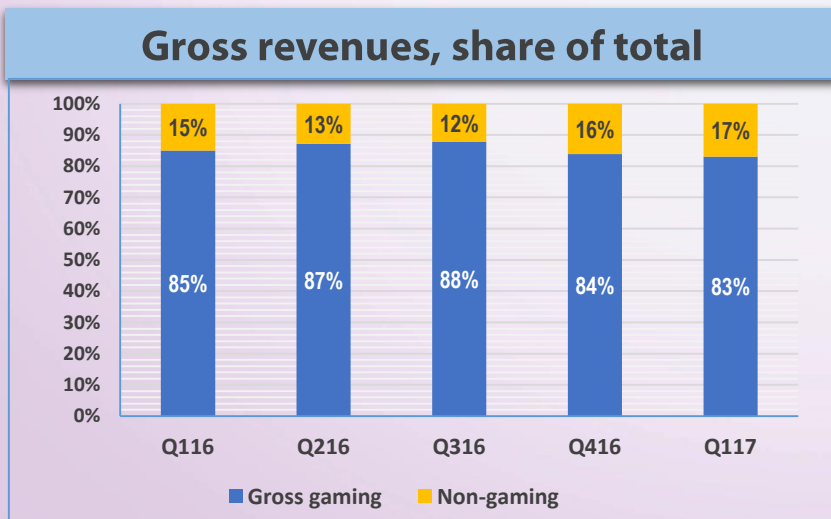
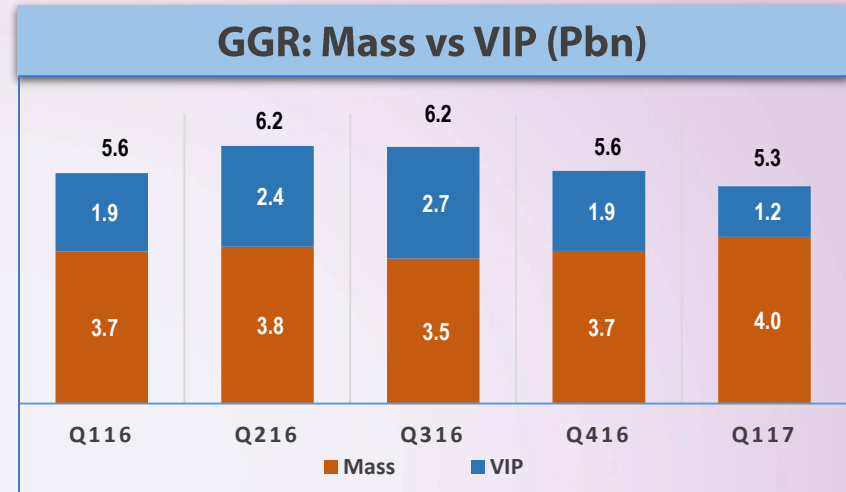
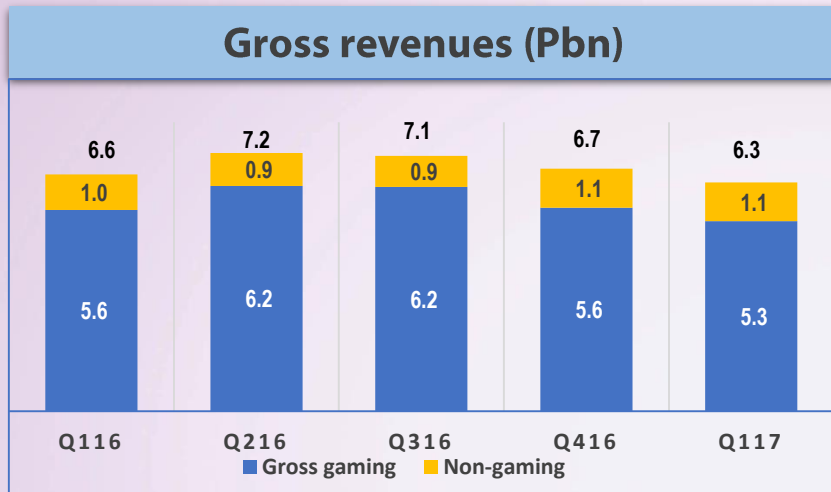
P6.4bn
EBITDA
(2016)



RWM's 1Q2017 performance at a glance

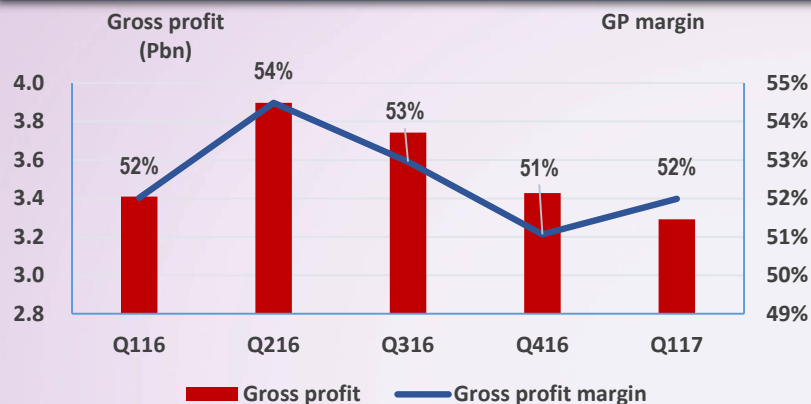
- Net revenues -2% to P5.8bn.
 - GGR -6% to P5.3bn.
 - Growth in mass drop cushioned fall in VIP volumes.
 - Sustained growth (+10%) in mass GGR also buoyed by better win rate.
 - Mass/VIP GGR mix now at 77%/23% (from 66%/34% a year before).
 - Non-gaming revenues +9% to P1.1bn.
 - 86% occupancy rate for RWM hotels (from 85%); MGB is preferred MICE venue.
- Margin direction:  / 
 - GP margins  52%
 - EBIT margins  15%
 - EBITDA margins  22% vs 21%
- EBITDA steady at P1.4bn.
- Net income -41% to P686m due to higher interest charges.
- Net debt/equity at 0.22x (from 0.05x in end-Mar2016 and 0.19x in end-2016).

RWM's interim financial highlights

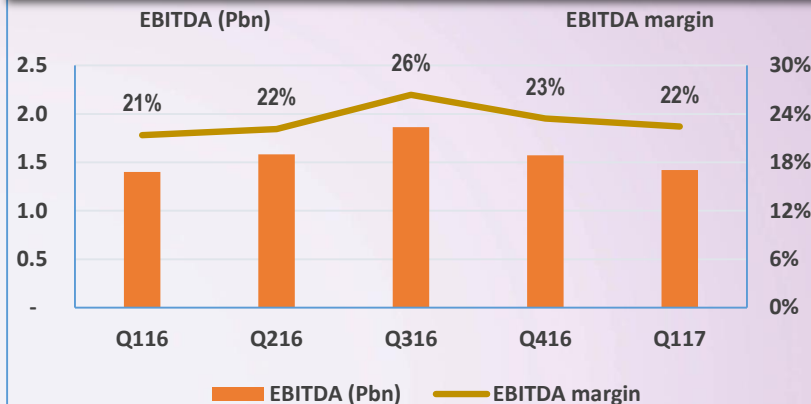


RWM's interim financial highlights – cont'd

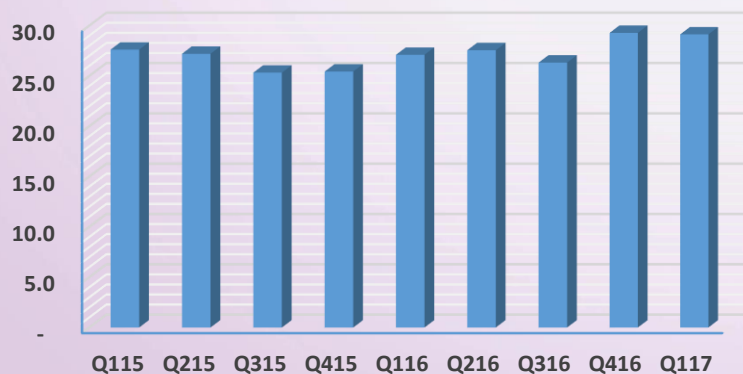
Gross profit vs GP margin



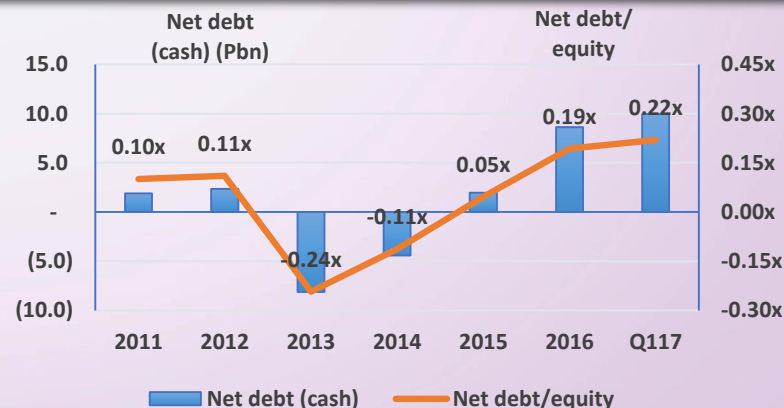
EBITDA vs EBITDA margin



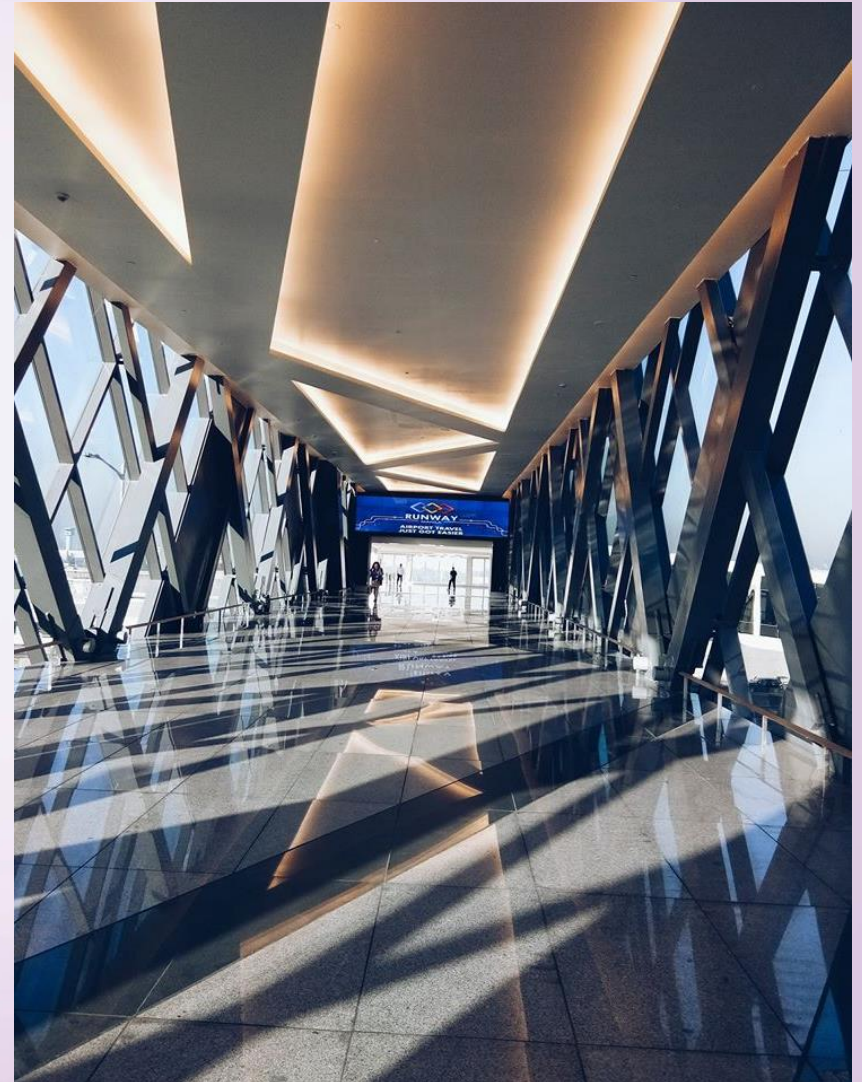
Number of visitors



Gearing



Runway Manila launched in April



Initiatives: Ongoing Phase 3 expansion

Maxims Hotel (191 keys)



Hilton Manila Hotel (357 keys)



Sheraton Hotel Manila (391 keys)



- Three (3) new hotels
- Additional 14,000 sqm in gaming areas
- Additional 3,200 sqm in retail space
- Six (6) level basement parking
- Target completion by 2018

Golden Arches Development Corporation 1Q2017 performance highlights

GADC By The Numbers



526
Stores nationwide



P23bn
In sales revenues (2016)



5%
System wide same-store sales growth (1Q 2017)







310
dessert centers (2016)



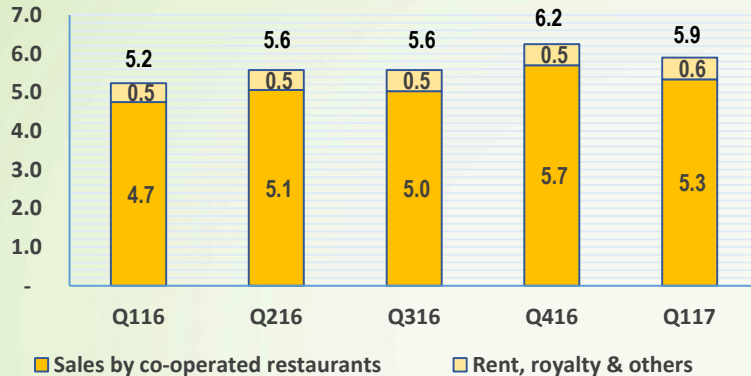
292
McDelivery hubs (2016)

GADC's 1Q2017 performance at a glance

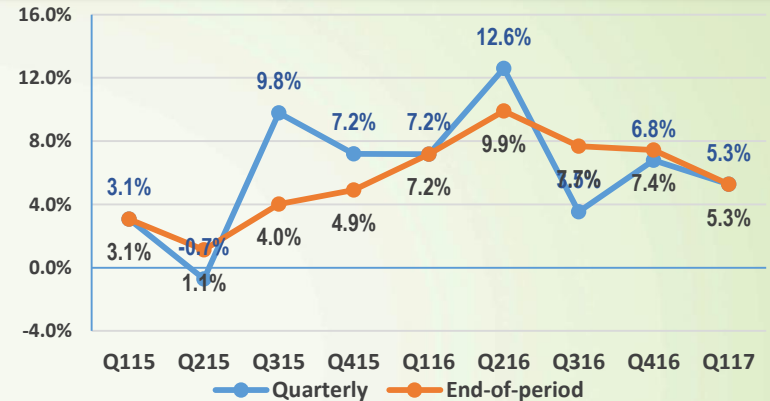
- Sales revenues remained robust, +13% to P5.9bn.
 - 90% from sales by co-owned stores; 10% from rent, royalty & others.
 - Systemwide same-store sales +5.3% YoY.
 - Number of stores by end-Mar 2017: 526 vs 484 a year before.
 - Sales per store +6% YoY, despite coming off a high base.
- Margin direction: 
 - GP margin  23% vs 21%
 - EBITDA margin  13% vs 11%
 - EBIT margin  8% vs 6%
- Net income +41% to P267m.
- Enjoys net cash position.

GADC's interim financial highlights

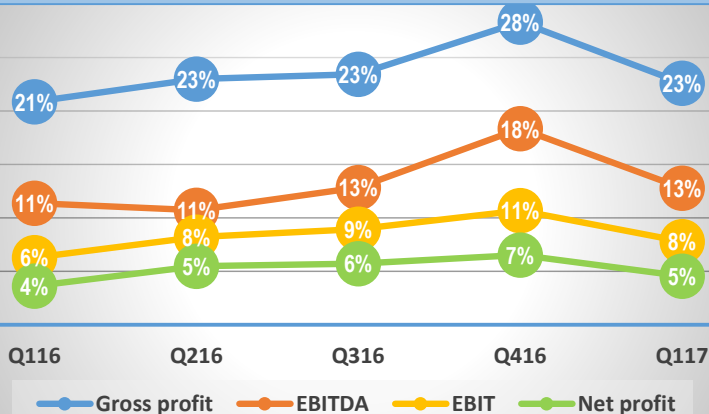
Total revenues (Pbn)



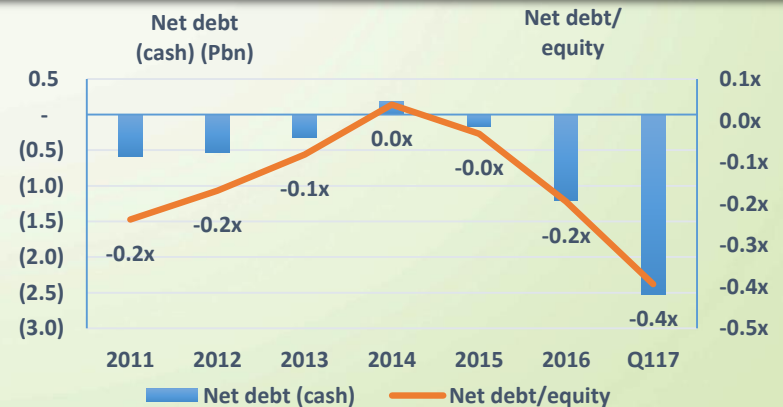
Systemwide same-store sales growth



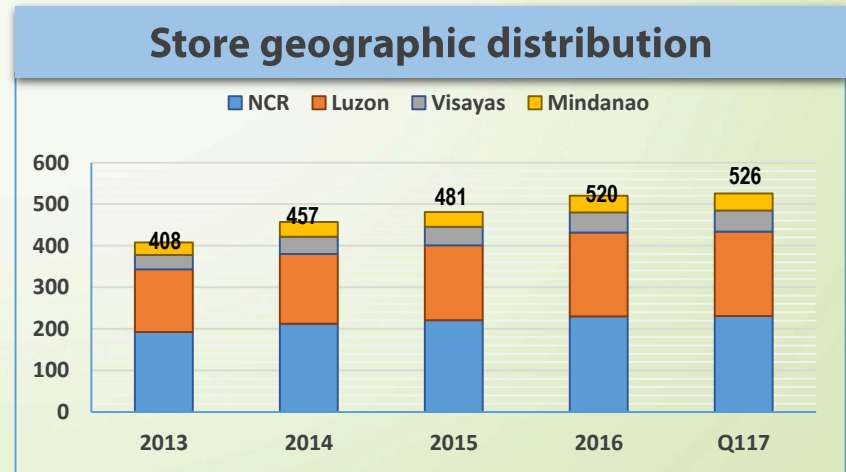
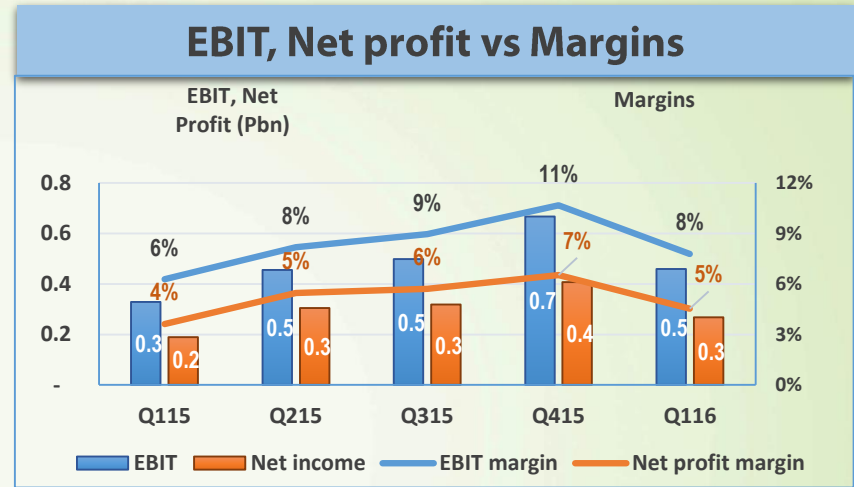
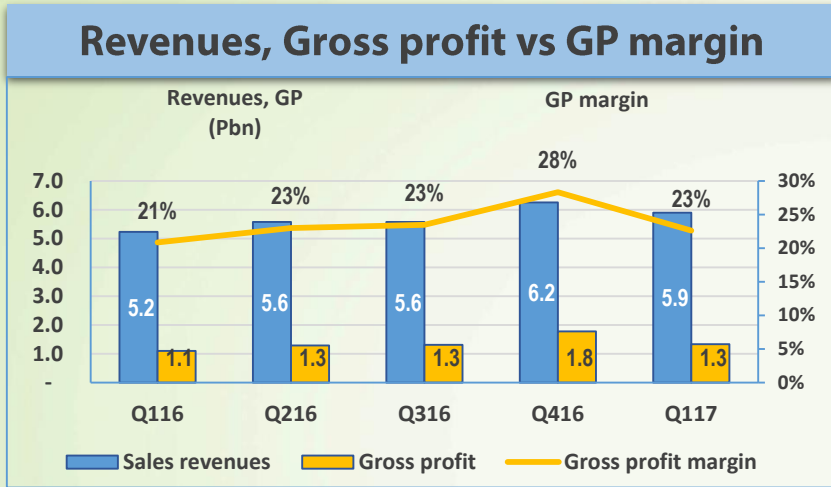
Margins



Gearing



GADC's interim financial highlights – cont'd



Initiatives: Adding more McDo stores



Lagro, Quezon City



Cubao, Quezon City



Tagaytay



Kawit, Cavite

- Current strategy: focusing on developing multiple, high-margin revenue sources for more stable, sustainable income streams.
- Still on the lookout for opportunities : new products, initiatives, undertakings.
- Capex program remains robust.
- While debt levels have risen, financial gearing is still comfortable.
- Healthy balance sheet.

Thank you.