



INVESTMENTS  
CORPORATION

# Investor and Analysts' Briefing FY2018 Results

28 February 2019



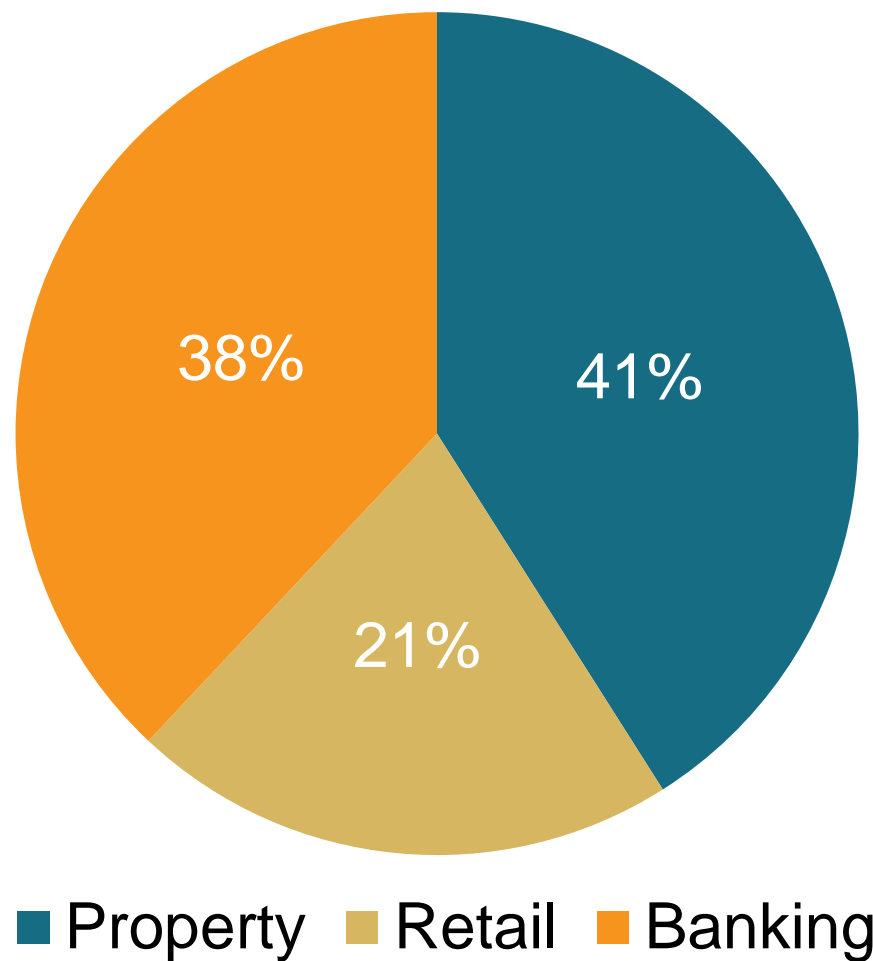
# SMIC 2018 Consolidated Results

- **SM Investments' core businesses delivered strong results in 2018 amidst macroeconomic concerns**
- **Alfamart is now consolidated with SM Retail**

<b>SM Investments</b>	<b>2018</b>	<b>Chg</b>	<b>w/o Alfamart</b>	<b>2018</b>	<b>Chg</b>
Revenues	450	13%	Revenues	441	11%
Earnings	37	13%	Earnings	38	15%
Assets	1,059	10%			
Net D:E	44:56				

*Figures in PHP B except percentages*

# Net Income Mix



# Property

- **SM Prime registered healthy revenue and earnings growth driven by its malls and residential businesses**

<b>SM Prime</b>	<b>2018</b>	<b>Chg</b>
Revenues	104	14%
Earnings	32	17%
Mall Revenue	59	11%
Same Mall Rental Growth	8%	
Residential Reservations Sales	72	25%
Other Revenues	8	7%

*Figures in PHP B except percentages*

# Banking

- **BDO and China Bank both benefitted from NIM expansion, loan growth**

Banking	BDO		CHIB	
	2018	Chg	2018	Chg
Net Income	33	17%	8	7%
Net Interest Inc.	98	20%	23	17%
Loans	2,021	15%	513	13%
Deposits	2,420	14%	722	14%
NIM	3.64%		3.10%	
NPL	1.0%		1.2%	
CET 1	12.1%		12.2%	
CAR	13.7%		13.1%	

*Figures in PHP B except percentages*

# Retail

- **Solid 4Q resulted in double-digit growth across all retail segments**
- **Continued expansion program, 80% of new stores outside Metro Manila**

<b>SM Retail</b>	<b>Revenue</b>	<b>Chg</b>	<b>NIAT</b>	<b>Chg</b>	<b>GSA</b>	<b>Chg</b>
Total Retail	336	12%	11	8%	3,115	13%
SM Store	108	10%	2	24%	798	4%
Food Group	171	14%	5	-5%	1,482	13%
Specialty	85	18%	6	37%	615	12%

*Figures in PHP B except percentages, GSA in '000s*



# Alfamart Update

- Consolidated in FY 2018
- 526 stores at end-2018
- EBITDA positive
- High SSSG
- 200+ expansion in 2019



# Portfolio Investments / Other

- **GrabPay JV**
- **Goldilocks minority stake**
- **SMIC and BDO listed in Forbes Best Regarded Companies & Forbes Best Employers Globally**
- **SMIC awarded The Asset Platinum Award for consistent high ESG performance**



# Key Messages

- **Very good performance by all three core businesses in 2018 – delivering both revenues and earnings growth**
- **Ongoing footprint expansion into provincial areas**
- **Expanding Equity Investments portfolio**
- **Focus on Sustainability and Governance**
- **Continued positive outlook for 2019**