



EMPERADOR INC.

EMPERADOR INC.
First Half 2016 Results Briefing
August 15, 2016



EMPERADOR INC.



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Our Financials

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Key Takeaways

Our Financials



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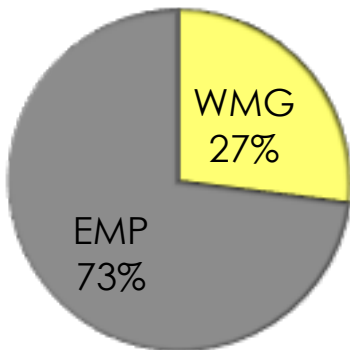
1H16 Financial Highlights

PHP18.4b
Consolidated
Revenues

Net Income
Margin
19%



Revenue Breakdown



PHP3.4b
Consolidated
Net Income

Consolidated
Revenue
Growth
0.2%

Our Financials



EMPERADOR INC.

1H16 Performance Update

	2Q16	QoQ	YoY	1H15	1H16	YoY	Commentary
Revenues (PHPm)	9,391	4.7%	-0.4%	18,322	18,358	0.2%	Impact of Russian Standard exit partially offset by Fundador consolidation, price increase, new products
Gross profit (PHPm)	3,466	26.5%	-0.5%	6,235	6,206	-0.5%	Higher blended GPM due to lower COGS, WMG margin improvement; 38% GPM for EMP (ex WMG), 26% for WMG
Gross profit margin (%)	39%			34%	35%		
EBITDA (PHPm)	2,788	40.2%	1.9%	4,788	4,777	-0.2%	Stable EBITDA margin driven by EMP's (ex WMG) 32% and WMG's 10% margins
EBITDA margin	30%			26%	26%		
Net income (PHPm)	2,034	44.8%	9.4%	3,261	3,439	5.5%	Higher margin resulted in higher earnings, both in absolute and growth terms
Net income margin	22%			18%	19%		

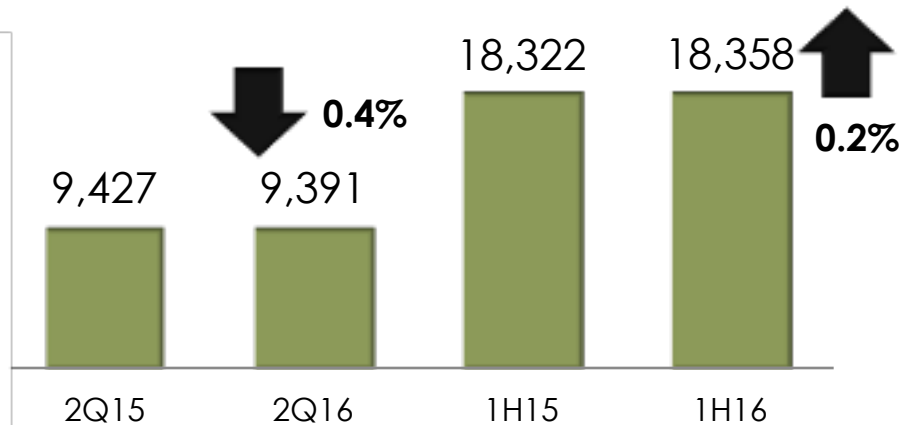
Our Financials



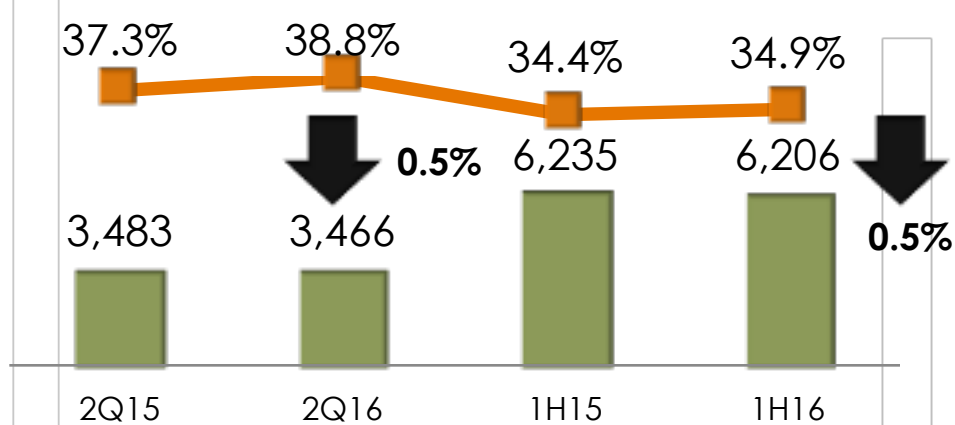
EMPERADOR INC.

Latest Financial Performance

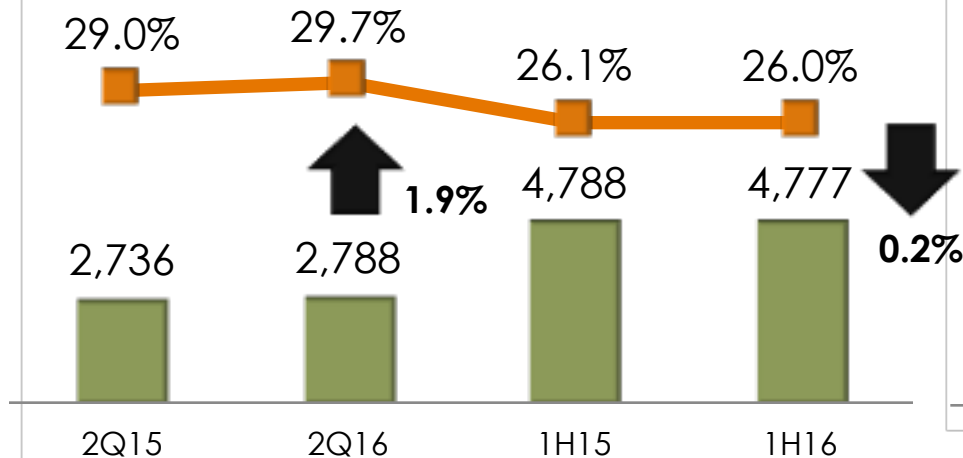
Revenues (PHPm)



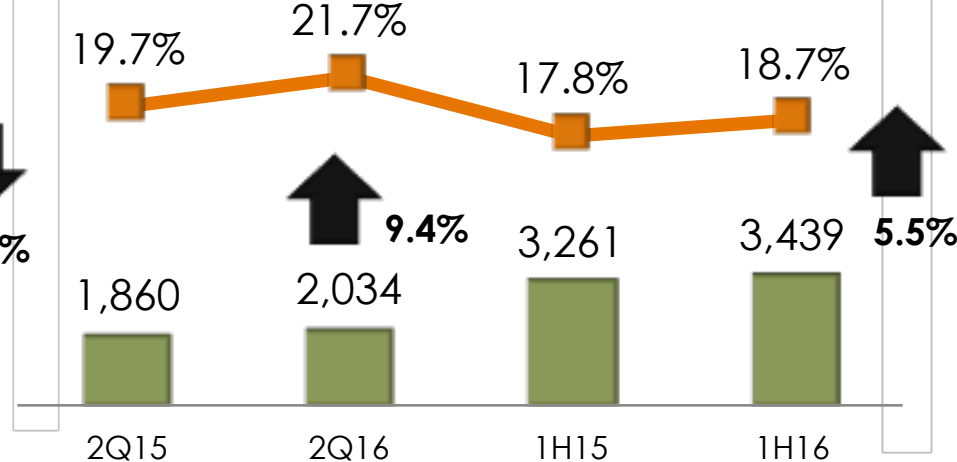
Gross profit & margin



EBITDA & margin



Net income & margin



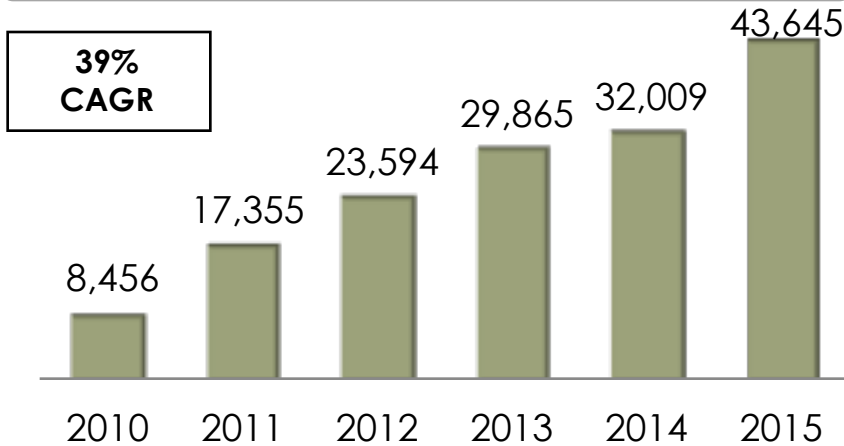
Our Financials



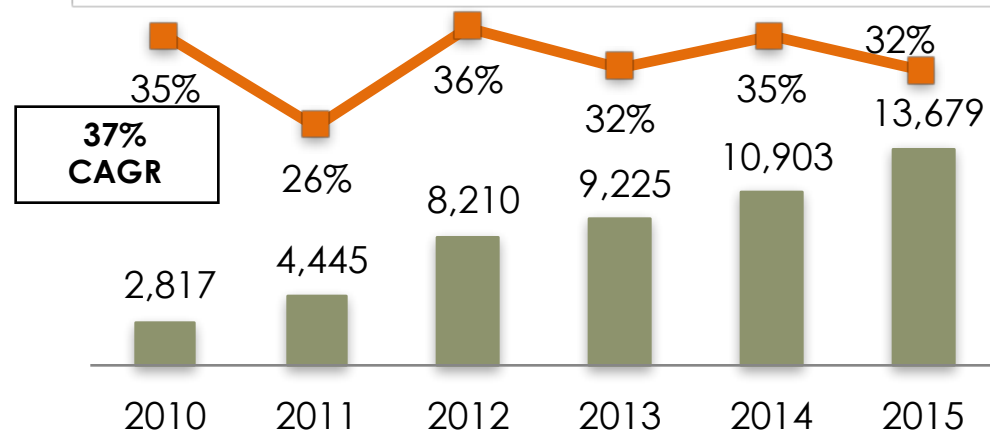
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Financial History

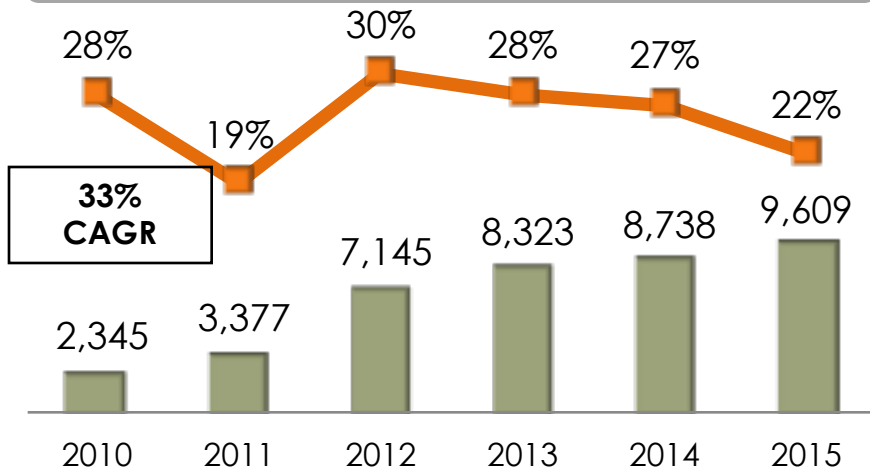
Revenues* (PHPm)



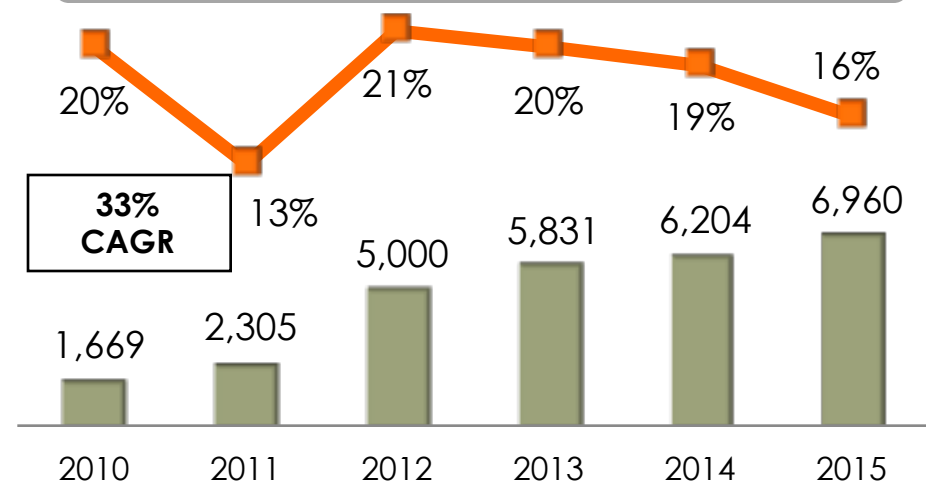
Gross profit* & margin



EBITDA & margin



Net income & margin



* Consolidated (sale of goods + other revenues); gross profit on sale of goods



Segment Breakdown

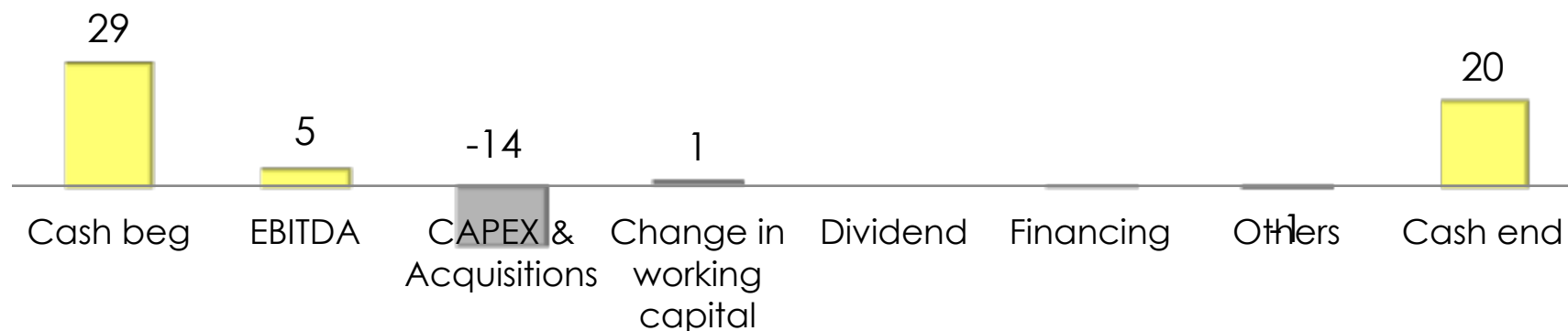
In PHP millions	Revenues		Gross Profit		EBITDA		Net Income	
	1H15	1H16	1H15	1H16	1H15	1H16	1H15	1H16
EMP (ex WMG)	11,734	13,398	4,939	4,916	4,394	4,269	2,961	3,059
WMG	6,588	4,960	1,296	1,290	395	508	300	380
EMP (consolidated)	18,322	18,358	6,235	6,206	4,788	4,777	3,261	3,439



Solid Capital Position

(PHPm)	Cash	Debt	Net Debt	Net Debt to Equity	Commentary
1H16	20,020	29,220	9,200	18%	Use of cash to close Fundador transaction
	20,020	23,959	3,939	8%*	* Ex Equity-linked security
2015	29,178	29,159	cash	na	Additional debt to purchase Fundador

Cash Position (PHPb)





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Our Recent Initiatives



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Travel Retail

The World's Finest Liquor

Terminal 3 Pre Departure

Opening Date: March 15, 2016



Our Recent Initiatives

Travel Retail



EMPERADOR INC.

Opening of T3 Pre-Dep Double Lion Bar, April 18



JURA
SINGLE MALT SCOTCH WHISKY



- Emperor's first ever bar was opened in T3 pre-departure area.



Our Recent Initiatives



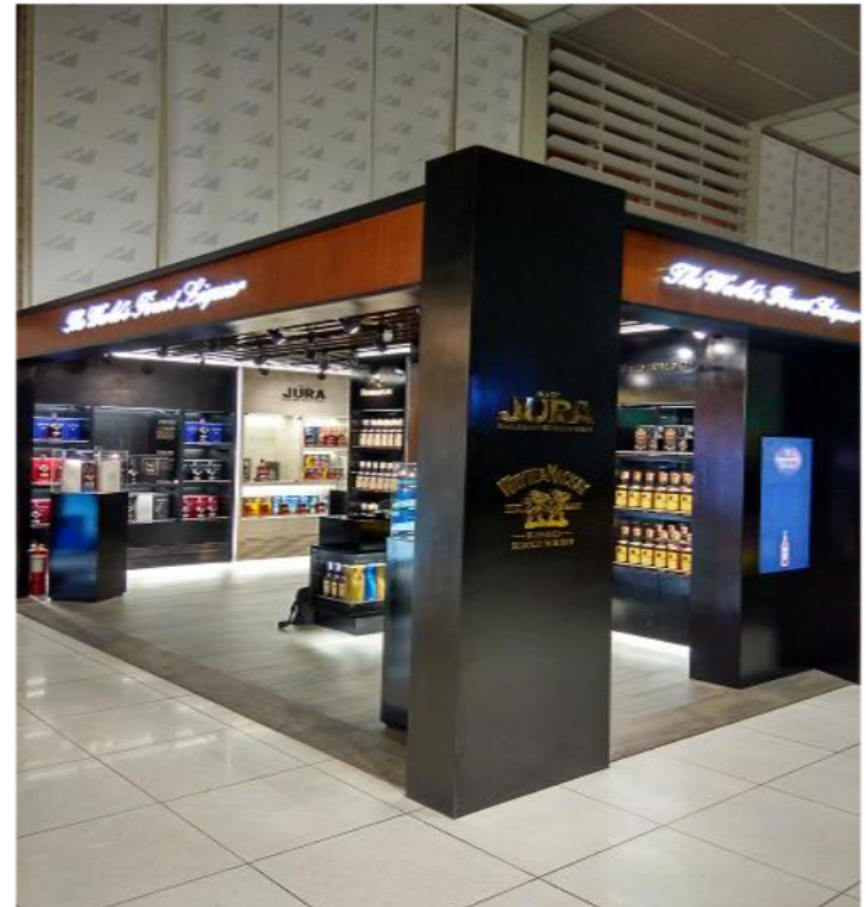
EMPERADOR INC.

Travel Retail

The World's Finest Liquor

Terminal 2 Departure

Opening Date: April 29, 2016



Our Recent Initiatives



EMPERADOR INC.

Travel Retail

The World's Finest Liquor

Terminal 2 Arrival

Opening Date: April 29, 2016



Our Recent Initiatives

Supermarkets



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Our Recent Initiatives

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EMPERADOR INC.

Dominance, Premiumization, Profitability


Future-proofing dominance

We want to secure our dominance in Philippine liquor while making a dent on global liquor.



Premiumization

We are best positioned to do premiumization in the Philippines.



Profitability

We want margin sustainability and stability.





EMPERADOR INC.

END OF PRESENTATION