



PHILIPPINE SEVEN CORPORATION

7th Floor, The Columbia Tower, Ortigas Avenue, Mandaluyong City 1550 Philippines
Telephone Nos. (632) 724-44-41 to 53 / 705-52-00
www.7-eleven.com.ph

March 19, 2014

PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, PSE PLAZA, Ayala Triangle
Ayala Avenue, Makati City

Attention: JANET A. ENCARNACION
Head, Disclosure Department

Dear Ms. Encarnacion:

Attached is the copy of the Current Report SEC Form 17-C Re: Press Release.

Thank you.

Very truly yours,


ATTY. EVELYN S. ENRIQUEZ
Corporate Secretary

COVER SHEET

0 0 0 0 1 0 8 4 7 6

S.E.C Registration Number

P H I L I P P I N E
S E V E N
C O R P O R A T I O N

(Company's full Name)

7 t h F l r . T h e C o l u m b i a T o w e r
O r t i g a s A v e . M a n d a l u y o n g C i t y

(Business Address: No. Street City / Town / Province)

Atty. Evelyn S. Enriquez
Corporate Secretary

Contact Person

724-44-41 to 51

Company Telephone Number

1 2 3 1
Month Day
Fiscal Year

1 7 - C
FORM TYPE

0 7 3rd Thursday
Month Day
Annual Meeting

PRESS RELEASE

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC personnel concerned

File Number

LCU

Document I.D.

Cashier


STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2 (c) THEREUNDER

1. Date of Report : March 19, 2014
2. SEC Identification Number : 108476
3. BIR Tax Identification No. : 000-390-189-000
4. Exact Name of Issuer as specified in its charter : Philippine Seven Corporation
5. Province, Country or other jurisdiction : PHILIPPINES
6. Industry Classification Code:  (SEC Use only)
7. Address of principal office : 7th Floor, The Columbia Tower
Ortigas Avenue, Mandaluyong
City 1501
8. Issuer's Telephone number, including area code : (632) 724-4441 to 51
9. Former name of former address, if changed since last report : n / a

10. Securities Registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8

Number of Shares of Common Stock

Shares Outstanding – Common 458,435,323

Units – Warrants 0

11. Indicate the item number reported herein :

Item 9. Other Events

Item 9. Other Events

Please see attached Press Release.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned duly authorized for the purpose.

PHILIPPINE SEVEN CORPORATION

By:


ATTY. EVELYN S. ENRIQUEZ
Corporate Secretary

Philippine Seven Corporation Announces 2013 Full Year Earnings

- Net income rose by 46.7% to P682.6 million at the end of FY 2013 from P465.2 million the previous year translating into earnings per share of P1.49.
- Retail sales of all stores posted growth of 29.0% to P17.2 billion at the end of 2013 from P13.4 billion during the same period in 2012.
- Store count went up by 21.7% to end 2013 with a total of 1,009 stores, while franchise stores accounted for 68% of all stores, slightly up from 67% in the preceding year.

March 17, 2014 – Philippine Seven Corporation (PSE:SEVN) – Results for the year ended December 31, 2013.

The following are the financial highlights of Philippine Seven Corporation for the year ended December 31, 2013 based from its unaudited financial statements:

Financial Summary	For the Year Ended December 31,		
	2013	2012	% Change
Store count	1,009	829	21.7
Corporate	32%	33%	
Franchise	68%	67%	
Sales of all stores	17,240	13,364	29.0
Operating income	1,000	692	44.5
Net income	683	465	46.7
Earnings per share	1.49	1.01	46.7
EBITDA	1,674	1,187	41.1
EBITDA %	9.7%	8.9%	9.4

** Amount in Php million except EPS and store data*

Philippine Seven Corporation (PSC), the local licensee of 7-Eleven Convenience Stores in the country, registered an increase of 46.7% in net income at the end of 2013. Full year net profits reached P682.6 million from P465.2 million in 2012. This translated into earnings per share of P1.49, up by 46.7% compared with the preceding year's level of P1.01.

The improved financial performance was largely driven by the increase in sales of all corporate and franchise operated stores, which posted growth of 29.0% from P13.4 billion at the end of 2012 to P17.2 billion in 2013.

During the fourth quarter, earnings growth slowed down to 4.5%, from the 9-month year-to-date growth rate of 92.0%.

The seeming slowdown in earnings growth is due primarily to an ongoing transition from cash to accrual-based accounting that affects comparability across quarters.

For example, 58M in marketing-related income was accrued as it was earned through September 2013 YTD, while the corresponding comparable in the preceding year was booked only when payment was received in the fourth quarter of 2012. Had accounting practice remained unchanged, earnings growth for 2013 would have been at 67% for YTD September and 29% for Q4.

Some accruals are also contingent on estimates of full year performance, and inherently risk overprovisioning (as in 2012) or underprovisioning (2013) - only to be brought to balance as the year unfolds, usually in the 4th quarter.

Although accrual effects were particularly pronounced this quarter, core profitability did not deviate significantly from preceding quarters (even as tobacco-related sales growth slowed as anticipated).

Management remains committed to moving towards reporting based on accrual of revenue and expense as they occur, rather than booked when they are paid for, as such will eventually result in more relevant quarterly filings. In the transition, however, caution is emphasized when comparing across quarters. Performance is instead most reliably evaluated on an annual basis, where comparability remains unaffected after evolving (and occasionally over/under provisioned) quarterly accruals are brought to balance by yearend.

For the whole year 2013, sales generated by mature stores registered significant growth, with correspondingly significant effects to operating income. Sales growth is attributed to improving economic conditions and the implementation of the new excise tax law on tobacco and liquor at the start of the year, and to the success of new foodservice lines rolled out throughout the year.

Much of the effect of the new sin tax law was temporary, brought about by significant disruptions in the supply chain. Sales in the affected categories have since settled down, although higher prices, steady demand, and a more level playing field will continue to benefit these categories going forward. Therefore, while the Company continues to expect improved profitability against previous years, the rate of sales and income growth recorded in 2013 should not be considered indicative of future performance.

As the Company continues to scale up, total selling, general and administrative expenses (SG & A) went down as a percentage of revenues from 33.0% in 2012 to 32.5% at the end of last year.

Management believes the company can sustain momentum moving forward to meet store expansion and profit goals. It has taken steps to protect and expand its leadership in light of increased competition, recognizing that rewards for market share are especially strong in the convenience store sector.

For 2014, the Company has allotted P2.3 billion in capital expenditures to open new stores and renovate existing ones - more than double its capital expenditures in 2013.

Philippine Seven Corporation (PSE:SEVN) operates the largest convenience store network in the country. It acquired from Southland Corporation (now Seven Eleven Inc.) of Dallas, Texas the license to operate 7-Eleven stores in the Philippines in December 1982. It was listed in the Philippine Stock Exchange on February 4, 1998.



PING-HUNG CHEN
Treasurer & CFO