



2012

AUDITED  
FINANCIAL  
STATEMENTS

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# PHILIPPINE SEVEN CORPORATION

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## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Philippine Seven Corporation is responsible for the preparation and fair presentation of the consolidated financial statements for the years ended December 31, 2012 and 2011, including the additional components attached herein, in accordance with Philippine Financial Reporting Standards. This responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Board of Directors or the Executive Committee or the Audit Committee, as authorized by the Board, reviews and approves the consolidated financial statements and submits the same to the stockholders.

SyCip Gorres Velayo & Co. the independent auditor appointed by the stockholders for the period December 31, 2012 and 2011, respectively, have examined the consolidated financial statements of the company in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such examination.

**VICENTE T. PATERNO**  
Chairman of the Board

**JOSE VICTOR P. PATERNO**  
Chief Executive Officer

**PING-HUNG CHEN**  
Chief Financial Officer

**LAWRENCE M. DE LEON**  
Finance Division Manager

Signed this 18th day of February, 2013



## INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors  
Philippine Seven Corporation

We have audited the accompanying consolidated financial statements of Philippine Seven Corporation and Subsidiaries, which comprise the consolidated balance sheets as at December 31, 2012 and 2011, and the consolidated statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2012, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



***Opinion***

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Philippine Seven Corporation and Subsidiaries as at December 31, 2012 and 2011, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2012 in accordance with Philippine Financial Reporting Standards.

SYCIP GORRES VELAYO & CO.

*Julie Christine O. Mateo*

Julie Christine O. Mateo

Partner

CPA Certificate No. 93542

SEC Accreditation No. 0780-AR-1 (Group A),

February 2, 2012, valid until February 1, 2015

Tax Identification No. 198-819-116

BIR Accreditation No. 08-001998-68-2012,

April 11, 2012, valid until April 10, 2015

PTR No. 3670009, January 2, 2013, Makati City

February 18, 2013

**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

	December 31	
	2012	2011
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Notes 4, 29 and 30)	P415,285,569	P394,696,749
Short-term investment (Notes 4, 29 and 30)	10,632,115	10,409,907
Receivables (Notes 5, 29 and 30)	374,597,843	239,289,287
Inventories (Note 6)	726,986,563	519,258,936
Prepayments and other current assets (Note 7)	259,007,887	161,522,138
<b>Total Current Assets</b>	<b>1,786,509,977</b>	<b>1,325,177,017</b>
<b>Noncurrent Assets</b>		
Property and equipment (Note 8)	2,276,921,044	1,946,032,976
Deposits (Note 9)	249,418,061	215,964,826
Deferred income tax assets - net (Note 27)	43,009,798	40,662,817
Goodwill and other noncurrent assets (Note 10)	208,489,602	206,461,345
<b>Total Noncurrent Assets</b>	<b>2,777,838,505</b>	<b>2,409,121,964</b>
<b>TOTAL ASSETS</b>	<b>P4,564,348,482</b>	<b>P3,734,298,981</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Bank loans (Notes 11, 29 and 30)	P477,777,778	P374,666,667
Accounts payable and accrued expenses (Notes 12, 29 and 30)	1,261,289,989	1,243,937,457
Income tax payable	105,144,142	73,922,196
Other current liabilities (Notes 13 and 25)	541,881,392	298,435,516
<b>Total Current Liabilities</b>	<b>2,386,093,301</b>	<b>1,990,961,836</b>
<b>Noncurrent Liabilities</b>		
Deposits payable (Note 14)	181,901,238	171,457,833
Net retirement obligations (Note 24)	61,120,420	65,192,720
Cumulative redeemable preferred shares (Note 15)	6,000,000	6,000,000
Deferred revenue - net of current portion (Note 16)	2,643,179	4,057,482
<b>Total Noncurrent Liabilities</b>	<b>251,664,837</b>	<b>246,708,035</b>
<b>Total Liabilities</b>	<b>2,637,758,138</b>	<b>2,237,669,871</b>
<b>Equity</b>		
Common stock (Notes 17 and 31) - P1 par value		
Authorized - 600,000,000 and 400,000,000 shares as of		
December 31, 2012 and 2011, respectively		
Issued - 399,325,661 and 347,329,216 shares as of		
December 31, 2012 and 2011, respectively		
[held by 656 and 666 equity holders in 2012		
and 2011, respectively (Note 1)]	399,325,661	347,329,216
Additional paid-in capital (Note 31)	293,525,037	293,525,037
Retained earnings (Notes 17 and 31)	1,233,432,997	855,468,208
Revaluation increment on land [net of deferred income tax liability		
(Notes 8 and 27)]	3,229,895	3,229,895
	1,929,513,590	1,499,552,356
Cost of 686,250 shares held in treasury (Note 17)	(2,923,246)	(2,923,246)
<b>Total Equity</b>	<b>1,926,590,344</b>	<b>1,496,629,110</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P4,564,348,482</b>	<b>P3,734,298,981</b>

*See accompanying Notes to Consolidated Financial Statements.*



**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended December 31		
	2012	2011	2010
<b>REVENUES</b>			
Revenue from merchandise sales (Note 32)	<b>₱11,713,760,468</b>	₱9,435,604,073	₱7,612,243,056
Franchise revenue (Note 32)	<b>683,572,827</b>	534,025,712	442,822,680
Marketing income (Note 20)	<b>375,768,257</b>	239,888,660	147,469,060
Commission income (Note 32)	<b>67,396,391</b>	37,236,539	29,271,506
Rental income (Note 26)	<b>45,751,718</b>	44,143,593	37,361,844
Interest income (Notes 4, 9, 22 and 26)	<b>5,377,093</b>	5,864,713	5,355,769
Other income (Note 26)	<b>123,025,663</b>	99,300,756	72,802,078
	<b>13,014,652,417</b>	10,396,064,046	8,347,325,993
<b>EXPENSES</b>			
Cost of merchandise sales (Notes 18 and 32)	<b>8,523,151,274</b>	6,844,562,019	5,388,497,887
General and administrative expenses (Note 19)	<b>3,785,661,595</b>	3,012,177,978	2,531,390,104
Interest expense (Notes 11, 15 and 21)	<b>16,596,830</b>	16,024,647	16,398,169
Other expenses	<b>14,595,186</b>	4,806,251	5,403,913
	<b>12,340,004,885</b>	9,877,570,895	7,941,690,073
<b>INCOME BEFORE INCOME TAX</b>	<b>674,647,532</b>	518,493,151	405,635,920
<b>PROVISION FOR INCOME TAX</b> (Note 27)	<b>210,022,001</b>	162,150,162	128,755,672
<b>NET INCOME</b>	<b>464,625,531</b>	356,342,989	276,880,248
<b>OTHER COMPREHENSIVE INCOME</b>	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱464,625,531</b>	₱356,342,989	₱276,880,248
<b>BASIC/DILUTED EARNINGS</b>			
<b>PER SHARE</b> (Note 28)	<b>₱1.17</b>	₱0.89	₱0.69

*See accompanying Notes to Consolidated Financial Statements.*



**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010**

	Common Stock (Note 17)	Additional Paid-in Capital	Retained Earnings (Note 17)	Revaluation Increment on Land - net (Note 8)	Treasury Stock (Note 17)	Total
<b>BALANCES AS OF DECEMBER 31, 2009</b>	<b>₱287,761,172</b>	<b>₱293,525,037</b>	<b>₱326,309,628</b>	<b>₱3,229,895</b>	<b>(₱2,923,246)</b>	<b>₱907,902,486</b>
Total comprehensive income:						
Net income for the year	-	-	276,880,248	-	-	276,880,248
Other comprehensive income	-	-	-	-	-	-
Stock dividends (Note 17)	14,353,746	-	(14,353,746)	-	-	-
Cash dividends (Note 17)	-	-	(14,353,746)	-	-	(14,353,746)
<b>BALANCES AS OF DECEMBER 31, 2010</b>	<b>302,114,918</b>	<b>293,525,037</b>	<b>574,482,384</b>	<b>3,229,895</b>	<b>(2,923,246)</b>	<b>1,170,428,988</b>
Total comprehensive income:						
Net income for the year	-	-	356,342,989	-	-	356,342,989
Other comprehensive income	-	-	-	-	-	-
Stock dividends (Note 17)	45,214,298	-	(45,214,298)	-	-	-
Cash dividends (Note 17)	-	-	(30,142,867)	-	-	(30,142,867)
<b>BALANCES AS OF DECEMBER 31, 2011</b>	<b>347,329,216</b>	<b>293,525,037</b>	<b>855,468,208</b>	<b>3,229,895</b>	<b>(2,923,246)</b>	<b>1,496,629,110</b>
Total comprehensive income:						
Net income for the year	-	-	464,625,531	-	-	464,625,531
Other comprehensive income	-	-	-	-	-	-
Stock dividends (Note 17)	51,996,445	-	(51,996,445)	-	-	-
Cash dividends (Note 17)	-	-	(34,664,297)	-	-	(34,664,297)
<b>BALANCES AS OF DECEMBER 31, 2012</b>	<b>₱399,325,661</b>	<b>₱293,525,037</b>	<b>₱1,233,432,997</b>	<b>₱3,229,895</b>	<b>(₱2,923,246)</b>	<b>₱1,926,590,344</b>

*See accompanying Notes to Consolidated Financial Statements.*

**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax	<b>₱674,647,532</b>	₱518,493,151	₱405,635,920
Adjustments for:			
Depreciation and amortization (Notes 8 and 19)	<b>527,786,925</b>	378,355,521	291,803,754
Interest expense (Notes 11, 15, and 21)	<b>16,596,830</b>	16,024,647	16,398,169
Net retirement benefits cost (Notes 23 and 24)	<b>16,206,912</b>	12,368,401	11,220,501
Interest income (Notes 4, 9, 22 and 26)	<b>(5,377,093)</b>	(5,864,713)	(5,355,769)
Amortization of:			
Deferred lease (Notes 10 and 26)	<b>2,485,728</b>	2,779,684	1,414,700
Software and other program costs (Notes 10 and 19)	<b>1,490,475</b>	2,598,741	3,089,728
Deferred revenue on exclusivity contract (Notes 16 and 32)	<b>(1,934,524)</b>	(1,934,524)	(5,476,190)
Deferred revenue on finance lease (Notes 16 and 26)	<b>(589,567)</b>	(589,567)	(709,665)
Unrealized foreign exchange loss (gain)	<b>439,728</b>	(49,798)	378,900
Loss on retirement of property and equipment	<b>—</b>	—	67,751
Operating income before working capital changes	<b>1,231,752,946</b>	922,181,543	718,467,799
Decrease (increase) in:			
Receivables	<b>(130,841,872)</b>	(75,684,791)	14,301,014
Inventories	<b>(207,727,627)</b>	(116,839,359)	13,233,094
Prepayments and other current assets	<b>(97,485,749)</b>	(32,811,310)	(58,286,054)
Increase (decrease) in:			
Accounts payable and accrued expenses	<b>17,353,481</b>	165,298,414	50,754,902
Other current liabilities	<b>243,445,876</b>	32,636,218	21,551,666
Deposits payable	<b>10,443,405</b>	28,595,696	22,895,083
Deferred revenue	<b>1,109,788</b>	(418,727)	5,133,336
Retirement benefits contributions (Note 24)	<b>(20,279,212)</b>	(4,629,263)	(9,434,042)
Cash generated from operations	<b>1,047,771,036</b>	918,328,421	778,616,797
Income taxes paid	<b>(181,147,036)</b>	(133,352,439)	(118,023,813)
Interest received	<b>2,866,833</b>	2,933,116	3,711,520
Net cash provided by operating activities	<b>869,490,833</b>	787,909,098	664,304,504
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to:			
Property and equipment (Note 8)	<b>(858,674,993)</b>	(717,091,736)	(671,923,830)
Software and other program costs (Note 10)	<b>(190,000)</b>	—	(161,900)
Decrease (increase) in:			
Deposits	<b>(35,553,176)</b>	(37,156,223)	(28,984,235)
Goodwill and other noncurrent assets	<b>(7,405,740)</b>	(7,922,962)	6,339,916
Short-term investment	<b>(222,208)</b>	(268,352)	(10,141,555)
Collection of lease receivable (Note 26)	<b>1,591,280</b>	1,591,280	1,775,466
Net cash used in investing activities	<b>(900,454,837)</b>	(760,847,993)	(703,096,138)

(Forward)



	<b>Years Ended December 31</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Availments of bank loans (Note 11)	<b>₱210,000,000</b>	₱230,000,000	₱290,000,000
Payments of bank loans (Note 11)	<b>(106,888,889)</b>	(175,333,333)	(310,000,000)
Interest paid	<b>(16,597,779)</b>	(15,725,011)	(16,577,074)
Cash dividends paid (Note 17)	<b>(34,664,297)</b>	(30,142,867)	(14,353,746)
Net cash provided by (used in) financing activities	<b>51,849,035</b>	8,798,789	(50,930,820)
<b>EFFECT OF EXCHANGE RATE CHANGES ON</b>			
<b>CASH AND CASH EQUIVALENTS</b>	<b>(296,211)</b>	107,321	(378,900)
<b>NET INCREASE (DECREASE) IN CASH AND</b>			
<b>CASH EQUIVALENTS</b>	<b>20,588,820</b>	35,967,215	(90,101,354)
<b>CASH AND CASH EQUIVALENTS</b>			
<b>AT BEGINNING OF YEAR</b>	<b>394,696,749</b>	358,729,534	448,830,888
<b>CASH AND CASH EQUIVALENTS</b>			
<b>AT END OF YEAR</b>	<b>₱415,285,569</b>	₱394,696,749	₱358,729,534

*See accompanying Notes to Consolidated Financial Statements.*



# **PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**

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## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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### **1. Corporate Information and Authorization for Issuance of the Consolidated Financial Statements**

#### Corporate Information

Philippine Seven Corporation (the Company or PSC) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on November 29, 1982. The Company and its subsidiaries (collectively referred to as “the Group”), are primarily engaged in the business of retailing, merchandising, buying, selling, marketing, importing, exporting, franchising, acquiring, holding, distributing, warehousing, trading, exchanging or otherwise dealing in all kinds of grocery items, dry goods, food or foodstuffs, beverages, drinks and all kinds of consumer needs or requirements and in connection therewith, operating or maintaining warehouses, storages, delivery vehicles and similar or incidental facilities. The Group is also engaged in the management, development, sale, exchange, and holding for investment or otherwise of real estate of all kinds, including buildings, houses and apartments and other structures.

The Company is controlled by President Chain Store (Labuan) Holdings, Ltd., an investment holding company incorporated in Malaysia, which owns 51.56% of the Company’s outstanding shares. The remaining 48.44% of the shares are widely held. The ultimate parent of the Company is President Chain Store Corporation (PCSC), which is incorporated in Taiwan, Republic of China.

The Company has its primary listing on the Philippine Stock Exchange. As of December 31, 2012 and 2011, the Company has 656 and 666 equity holders, respectively.

The registered business address of the Company is 7th Floor, The Columbia Tower, Ortigas Avenue, Mandaluyong City.

#### Authorization for Issuance of the Consolidated Financial Statements

The consolidated financial statements as of December 31, 2012 and 2011 and for each of the three years in the period ended December 31, 2012 were authorized for issue by the Board of Directors (BOD) on February 18, 2013.

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### **2. Summary of Significant Accounting Policies and Financial Reporting Practices**

#### Basis of Preparation

The consolidated financial statements are prepared under the historical cost basis, except for parcels of land, which are carried at revalued amount. The consolidated financial statements are presented in Philippine Peso (Peso), which is the Company’s functional currency and all amounts are rounded to the nearest Peso except when otherwise indicated.

#### Statement of Compliance

The consolidated financial statements, which are prepared for submission to the SEC, are prepared in compliance with Philippine Financial Reporting Standards (PFRS). PFRS also includes Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC) issued by the Philippine Financial Reporting Standards Council (FRSC).



### Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except for the following amended PFRS and PAS, which were adopted on January 1, 2012.

- Amendments to PFRS 7, *Financial Instruments: Disclosures - Transfers of Financial Assets*  
The amendments require additional disclosures about financial assets that have been transferred but not derecognized to enhance the understanding of the relationship between those assets that have not been derecognized and their associated liabilities. In addition, the amendments require disclosures about continuing involvement in derecognized assets to enable users of financial statements to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognized assets. The amendments affect disclosures only and have no impact on the Group's financial position or performance.
- Amendments to PAS 12, *Income Taxes - Deferred Tax: Recovery of Underlying Assets*  
This amendment to PAS 12 clarifies the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that the carrying amount of investment property measured using the fair value model in PAS 40, *Investment Property*, will be recovered through sale and, accordingly, requires that any related deferred tax should be measured on a 'sale' basis. The presumption is rebutted if the investment property is depreciable and it is held within a business model whose objective is to consume substantially all of the economic benefits in the investment property over time ('use' basis), rather than through sale. Furthermore, the amendment introduces the requirement that deferred tax on non-depreciable assets measured using the revaluation model in PAS 16, *Property, Plant and Equipment*, always be measured on a sale basis of the asset.

The Group has parcels of land under PAS 16 carried under the revaluation model. These assets are all classified as ordinary assets for income tax purposes. As the jurisdiction in which the Group operates does not have a different tax rate for 'sale' or 'use' basis of assets classified as ordinary assets for income tax purposes, the amendment has no impact on the consolidated financial statements of the Group.

### New Accounting Standards, Interpretations and Amendments to Existing Standards Effective Subsequent to December 31, 2012

The Group will adopt the following standards, interpretations and amendments to existing standards enumerated below when these become effective. Except as otherwise indicated, the Group does not expect the adoption of these standards, interpretations and amendments to existing standards to have a significant impact on the consolidated financial statements.

#### *Effective in 2013*

- Amendments to PFRS 7, *Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities*  
These amendments require an entity to disclose information about rights of set-off and related arrangements (such as collateral agreements). The new disclosures are required for all recognized financial instruments that are set-off in accordance with PAS 32, *Financial Instruments: Presentation - Classification of Rights Issues*. These disclosures also apply to recognized financial instruments that are subject to an enforceable master netting arrangement or 'similar agreement', irrespective of whether they are set-off in accordance with PAS 32. The amendments require entities to disclose, in a tabular format unless another format is more appropriate, the following minimum quantitative information:
  - a) The gross amounts of those recognized financial assets and recognized financial liabilities;



- b) The amounts that are set-off in accordance with the criteria in PAS 32 when determining the net amounts presented in the balance sheet;
- c) The net amounts presented in the balance sheet;
- d) The amounts subject to an enforceable master netting arrangement or similar agreement that are not otherwise included in (b) above, including:
  - i. Amounts related to recognized financial instruments that do not meet some or all of the offsetting criteria in PAS 32; and
  - ii. Amounts related to financial collateral (including cash collateral); and
- e) The net amount after deducting the amounts in (d) from the amounts in (c) above.

This is presented separately for financial assets and financial liabilities recognized at the end of the balance sheet period. The amendments to PFRS 7 are to be applied retrospectively and are effective for annual periods beginning on or after January 1, 2013. The amendments affect disclosures only and have no impact on the Group's financial position or performance.

- **PFRS 10, *Consolidated Financial Statements***  
PFRS 10 replaces the portion of PAS 27, *Consolidated and Separate Financial Statements*, that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC 12, *Consolidation - Special Purpose Entities*. PFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by PFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in PAS 27. The standard becomes effective for annual periods beginning on or after January 1, 2013.

A reassessment of control was performed by the Company in accordance with the provisions of PFRS 10. The Company determined that there will be no change in the composition of subsidiaries currently included in the consolidated financial statements.

- **PFRS 11, *Joint Arrangements***  
PFRS 11 replaces PAS 31, *Interests in Joint Ventures*, and SIC 13, *Jointly Controlled Entities - Non-Monetary Contributions by Venturers*. PFRS 11 removes the option to account for jointly controlled entities using proportionate consolidation. Instead, jointly controlled entities that meet the definition of a joint venture must be accounted for using the equity method. The standard becomes effective for annual periods beginning on or after January 1, 2013.
- **PFRS 12, *Disclosure of Interest with Other Entities***  
PFRS 12 includes all of the disclosures related to consolidated financial statements that were previously in PAS 27, as well as all the disclosures that were previously included in PAS 31 and PAS 28, *Investments in Associates*. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. The standard becomes effective for annual periods beginning on or after January 1, 2013.

Adoption of PFRS 12 will affect disclosures only and have no impact on the Group's financial position or performance.

- **PFRS 13, *Fair Value Measurement***  
PFRS 13 establishes a single source of guidance under PFRSs for all fair value measurements. PFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under PFRS when fair value is required or permitted.



This standard should be applied prospectively as of the beginning of the annual period in which it is initially applied. Its disclosure requirements need not be applied in comparative information provided for periods before initial application of PFRS 13.

The Group is currently assessing the impact of adopting this standard, but based on preliminary analyses, no material impact is expected, apart from additional disclosures required by the standard.

- Amendments to PAS 1, *Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income or OCI*

The amendments to PAS 1 change the grouping of items presented in OCI. Items that can be reclassified (or “recycled”) to profit or loss at a future point in time (for example, upon derecognition or settlement) will be presented separately from items that will never be recycled. The amendment becomes effective for annual periods beginning on or after July 1, 2012. The amendments will be applied retrospectively and will result to the modification of the presentation of items of OCI. The amendments affect presentation only and have no impact on the Group’s financial position or performance.
- Amendment to PAS 19, *Employee Benefits (Revised)*

Amendments to PAS 19 range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and rewording. The revised standard also requires new disclosures such as, among others, a sensitivity analysis for each significant actuarial assumption, information on asset-liability matching strategies, duration of the defined benefit obligation, and disaggregation of plan assets by nature and risk. The amendments become effective for annual periods beginning on or after January 1, 2013. Once effective, the Group has to apply the amendments retroactively to the earliest period presented.

The Group reviewed its existing employee benefits and determined that the amended standard has significant impact on its accounting for retirement benefits. The Group obtained the services of an external actuary to compute the impact to the financial statements upon adoption of the standard. The accounts below are expected to increase (decrease) as follows:

Consolidated balance sheets

	As at December 31, 2012	As at January 1, 2012
Net retirement obligations	₱24,892,273	₱25,063,278
Deferred income tax asset	7,467,682	7,518,983
Retained earnings	(17,424,591)	(17,544,295)

Consolidated statements of comprehensive income

	2012	2011
Net retirement benefits cost	(₱786,417)	(₱600,386)
Income tax expense	235,925	180,116
Net income for the year	550,492	420,270
Other comprehensive income	(430,788)	(7,183,143)
Total comprehensive income	119,704	(6,762,873)



- **Amendment to PAS 27, *Separate Financial Statements (Revised)***  
As a consequence of the issuance of the new PFRS 10 and PFRS 12, what remains of PAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in the separate financial statements. The amendment becomes effective for annual periods beginning on or after January 1, 2013.
- **Amendment to PAS 28, *Investments in Associates and Joint Ventures (Revised)***  
As a consequence of the issuance of the new PFRS 11 and PFRS 12, PAS 28, *Investments in Associates*, has been renamed PAS 28, *Investments in Associates and Joint Ventures*, and describes the application of the equity method to investments in joint ventures in addition to associates. The amendment becomes effective for annual periods beginning on or after January 1, 2013.
- **Philippine Interpretation IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine***  
This interpretation applies to waste removal costs (“stripping costs”) that are incurred in surface mining activity during the production phase of the mine (“production stripping costs”). The interpretation becomes effective for annual periods beginning on or after January 1, 2013. The new interpretation is not relevant to the Group.

#### *Effective in 2014*

- **Amendments to PAS 32, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities***  
The amendments clarify the meaning of “currently has a legally enforceable right to set-off” and also clarify the application of the PAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments to PAS 32 are to be retrospectively applied for annual periods beginning on or after January 1, 2014. The amendments affect presentation only and have no impact on the Group’s financial position or performance.

#### *Effective in 2015*

- **PFRS 9, *Financial Instruments***  
PFRS 9, as issued, reflects the first phase on the replacement of PAS 39 and applies to the classification and measurement of financial assets and liabilities as defined in PAS 39, *Financial Instruments: Recognition and Measurement*. Work on impairment of financial instruments and hedge accounting is still ongoing, with a view to replacing PAS 39 in its entirety. PFRS 9 requires all financial assets to be measured at fair value at initial recognition. A debt financial asset may, if the fair value option (FVO) is not invoked, be subsequently measured at amortized cost if it is held within a business model that has the objective to hold the assets to collect the contractual cash flows and its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding. All other debt instruments are subsequently measured at fair value through profit or loss. All equity financial assets are measured at fair value either through OCI or profit or loss. Equity financial assets held for trading must be measured at fair value through profit or loss. For FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability’s credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other PAS 39 classification and measurement requirements for financial liabilities have been carried forward into PFRS 9, including the embedded derivative separation rules and the criteria for using the FVO. PFRS 9 is effective for annual periods beginning on or after January 1, 2015.



The adoption of the first phase of PFRS 9 may have an effect on the classification and measurement of the Group's financial assets, but will potentially have no impact on the classification and measurement of financial liabilities.

As of December 31, 2012, the Group did not conduct an evaluation of the impact of PFRS 9 in its consolidated financial statements. The Group did not early adopt PFRS 9 in its December 31, 2012 consolidated financial statements. The Group will assess the impact of PFRS 9 in its consolidated financial statements upon completion of all phases of PFRS 9.

*Effective date to be determined*

- *Philippine Interpretation IFRIC 15, Agreements for the Construction of Real Estate*  
This interpretation covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The SEC and the FRSC have deferred the effectivity of this interpretation until the final Revenue standard is issued by the International Accounting Standards Board (IASB) and an evaluation of the requirements of the final Revenue standard against the practices of the Philippine real estate industry is completed. Adoption of the interpretation when it becomes effective will not have any impact on the financial statements of the Group.

*Annual Improvements to PFRSs (2009-2011 cycle)*

The *Annual Improvements to PFRSs (2009-2011 cycle)* contain non-urgent but necessary amendments to PFRSs. The amendments are effective for annual periods beginning on or after January 1, 2013 and are applied retrospectively. Earlier application is permitted.

- *PFRS 1, First-time Adoption of PFRS - Borrowing Costs*  
The amendment clarifies that, upon adoption of PFRS, an entity that capitalized borrowing costs in accordance with its previous generally accepted accounting principles, may carry forward, without any adjustment, the amount previously capitalized in its opening balance sheet at the date of transition. Subsequent to the adoption of PFRS, borrowing costs are recognized in accordance with PAS 23, *Borrowing Costs*. The amendment does not apply to the Group as it is not a first-time adopter of PFRS.
- *PAS 1, Presentation of Financial Statements - Clarification of the Requirements for Comparative Information*  
The amendments clarify the requirements for comparative information that are disclosed voluntarily and those that are mandatory due to retrospective application of an accounting policy, or retrospective restatement or reclassification of items in the financial statements. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the minimum required comparative period. The additional comparative period does not need to contain a complete set of financial statements. On the other hand, supporting notes for the third balance sheet (mandatory when there is a retrospective application of an accounting policy, or retrospective restatement or reclassification of items in the financial statements) are not required. The amendments affect disclosures only and have no impact on the Group's financial position or performance.
- *PAS 16, Property, Plant and Equipment - Classification of Servicing Equipment*  
The amendment clarifies that spare parts, stand-by equipment and servicing equipment should be recognized as property, plant and equipment when they meet the definition of property, plant and equipment and should be recognized as inventory if otherwise. The amendment will not have any significant impact on the Group's financial position or performance.



- *PAS 32, Financial Instruments: Presentation - Tax Effect of Distributions to Holders of Equity Instruments*  
 The amendment clarifies that income taxes relating to distributions to equity holders and to transaction costs of an equity transaction are accounted for in accordance with PAS 12. The Group expects that this amendment will not have any impact on its financial position or performance.
- *PAS 34, Interim Financial Reporting - Interim Financial Reporting and Segment Information for Total Assets and Liabilities*  
 The amendment clarifies that the total assets and liabilities for a particular reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been a material change from the amount disclosed in the entity's previous annual financial statements for that reportable segment. The amendment affects disclosures only and has no impact on the Group's financial position or performance.

#### Basis of Consolidation

The consolidated financial statements include the accounts of the Company and the following subsidiaries:

	Country of Incorporation	Percentage of Ownership
Convenience Distribution, Inc. (CDI)	Philippines	100
Store Sites Holding, Inc. (SSHI)	Philippines	100

Subsidiaries are those entities in which the Company has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies through interlocking directorships such that substantial benefits from the subsidiaries' activities flow to the Company. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date on which control ceases. The results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date of acquisition or up to the date of the disposal, as appropriate.

SSHI's capital stock, which is divided into 40% common shares and 60% preferred shares are owned by the Company and by Philippine Seven Corporation-Employees Retirement Plan (PSC-ERP) through its trustee, Bank of the Philippines Islands-Asset Management and Trust Group (BPI-AMTG), respectively. These preferred shares which accrue and pay guaranteed preferred dividends and are redeemable at the option of the holder are recognized as a financial liability in accordance with PFRS (see Note 15). The Company owns 100% of SSHI's common shares, which, together with common key management, gives the Company control over SSHI.

The financial statements of the subsidiaries are prepared for the same balance sheet period as the Company, using uniform accounting policies. Intercompany transactions, balances and unrealized gains and losses are eliminated in full.

#### Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from the date of acquisition and that are subject to an insignificant risk of change in value.



## Financial Instruments

The Group recognizes a financial asset or a financial liability in the consolidated balance sheet when it becomes a party to the contractual provisions of the instrument.

### *Initial Recognition and Measurement*

Financial assets and financial liabilities are recognized initially at fair value. Transaction costs are included in the initial measurement of all financial assets and financial liabilities, except for financial instruments measured at fair value through profit or loss (FVPL).

All regular way purchases and sales of financial assets are recognized on the trade date, i.e. the date the Group commits to purchase or sell the financial asset. Regular way purchases or sales of financial assets require delivery of assets within the time frame generally established by regulation in the market place.

The Group classifies its financial assets as financial assets at FVPL, held-to-maturity (HTM) financial assets, available-for-sale (AFS) financial assets or loans and receivables. Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or other financial liabilities. The classification depends on the purpose for which the financial assets and financial liabilities were acquired. Management determines the classification at initial recognition and, where allowed and appropriate, re-evaluates classification at every balance sheet date.

As of December 31, 2012 and 2011, the Group has no financial assets or liabilities at FVPL, HTM financial assets and AFS financial assets.

The Group's financial instruments are as follows:

#### a. Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently carried either at cost or amortized cost in the consolidated balance sheet. Amortization is determined using the effective interest rate method. Loans and receivables are classified as current assets if maturity is within 12 months from balance sheet date. Otherwise, these are classified as noncurrent assets.

The Group's loans and receivables consists of cash and cash equivalents, short-term investment, receivables and deposits (excluding rent deposits) as of December 31, 2012 and 2011 (see Note 29).

#### b. Other Financial Liabilities

This category pertains to financial liabilities that are neither held-for-trading nor designated as at FVPL upon the inception of the liability. Other financial liabilities are subsequently carried at amortized cost, taking into account the impact of applying the effective interest rate method of amortization (or accretion) for any related premium, discount and any directly attributable transaction costs.

Other financial liabilities are classified as current liabilities if maturity is within the normal operating cycle of the Company and it does not have unconditional right to defer settlement of the liability for at least 12 months from balance sheet date. Otherwise, these are classified as noncurrent liabilities.

The Group's other financial liabilities consist of bank loans, accounts payable and accrued expenses, other current liabilities, and cumulative redeemable preferred shares as of December 31, 2012 and 2011 (see Note 29).



### Determination of Fair Value

The fair value of financial instruments traded in active markets at balance sheet date is based on their quoted market price or dealer price quotations (bid price for long positions and ask price for short positions), without deduction for transaction costs. When current bid and ask prices are not available, the price of the most recent transaction provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of the transaction.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include present value techniques, comparison to similar instruments for which observable market prices exist, and other relevant valuation models.

### Day 1 Difference

Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a Day 1 difference) in profit or loss unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is only recognized in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the Day 1 difference.

### Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### Impairment of Financial Assets

The Group assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired.

#### *Financial Assets Carried at Amortized Cost*

If there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of impairment loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced by the impairment loss, which is recognized in profit or loss.

The Group first assesses whether objective evidence of impairment exists for financial assets that are individually significant and collectively for financial assets that are not individually significant. Objective evidence includes observable data that comes to the attention of the Group about loss events such as but not limited to significant financial difficulty of the counterparty, a breach of contract, such as a default or delinquency in interest or principal payments, probability that the borrower will enter bankruptcy or other financial reorganization. If it is determined that no objective evidence of impairment exists for an individually or collectively assessed financial asset, whether significant or not, the asset is included in the group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment.



Assets that are individually assessed for impairment and for which an impairment loss is or continue to be recognized are not included in a collective assessment of impairment. The impairment assessment is performed at each balance sheet date. For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of such credit risk characteristics such as customer type, payment history, past-due status and term.

Loans and receivables, together with the related allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realized. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in profit or loss, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

#### Derecognition of Financial Assets and Liabilities

##### *Financial Assets*

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognized when:

- the right to receive cash flows from the asset has expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a pass-through arrangement; or
- the Group has transferred its right to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

##### *Financial Liabilities*

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

#### Inventories

Inventories are stated at the lower of cost and net realizable value (NRV). Cost of inventories is determined using the first-in, first-out method. NRV is the selling price in the ordinary course of business, less the estimated cost of marketing and distribution.

#### Prepayments and Other Current Assets

Prepayments and other current assets are primarily comprised of advances to suppliers, deferred input value-added tax (VAT), prepaid rent and prepaid store expenses. Prepayments and other current assets that are expected to be realized for no more than 12 months after the balance sheet date are classified as current assets; otherwise, these are classified as other noncurrent assets.



Advances to suppliers are downpayments for acquisitions of property and equipment not yet received. Once the property and equipment are received, the asset is recognized together with the corresponding liability. These are stated at cost less any impairment in value.

#### Property and Equipment

Property and equipment, except for land, are carried at cost less accumulated depreciation and amortization, and any impairment in value.

The initial cost of property and equipment consists of its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the assets have been put into operation, such as repairs and maintenance and overhaul costs, are recognized in profit or loss in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of the assets.

Construction in progress includes cost of construction and other direct costs and is stated at cost less any impairment in value. Construction in progress is not depreciated until such time the relevant assets are completed and put into operational use.

Depreciation and amortization commence once the assets are available for use. It ceases at the earlier of the date that it is classified as noncurrent asset held-for-sale and the date the asset is derecognized.

Depreciation is computed on a straight-line method over the estimated useful lives of the assets as follows:

	<u>Years</u>
Buildings and improvements	10 to 12
Store furniture and equipment	5 to 10
Office furniture and equipment	3 to 5
Transportation equipment	3 to 5
Computer equipment	3

Leasehold improvements are amortized over the estimated useful life of the improvements, ranging from five to ten years, or the term of the lease, whichever is shorter.

The assets' estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that the period and method of depreciation and amortization are consistent with the expected pattern of economic benefits from the items of property and equipment. When assets are retired or otherwise disposed of, the cost or revalued amount and the related accumulated depreciation and amortization and any impairment in value are removed from the accounts and any resulting gain or loss is recognized in profit or loss. The revaluation increment in equity relating to the revalued asset sold is transferred to retained earnings.

Fully depreciated assets are retained in the books until disposed.

Land is carried at revalued amount less any impairment in value. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the balance sheet period. When the fair value of a revalued land differs materially from its carrying amount, a further revaluation is required.



A revaluation surplus is recorded in OCI and credited to the “Revaluation increment on land - net of deferred tax” account in equity. However, to the extent that the Group reverses a revaluation deficit previously recognized in profit or loss, the increase is recognized in profit or loss. A revaluation deficit is recognized in the profit or loss, except to the extent that it offsets an existing surplus.

#### Deposits

Deposits are amounts paid as guarantee in relation to noncancelable lease agreements entered into by the Group. These deposits are recognized at cost and can be refunded or applied to future billings.

#### Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment loss, if any. Internally-generated intangible assets, if any, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and amortization method for an intangible asset with a finite useful life is reviewed at least at each balance sheet date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in profit or loss in the expense category consistent with the function of the intangible asset. Intangible assets with indefinite useful lives are tested for impairment annually at the cash generating unit level and are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite useful life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

#### *Software and Program Cost*

Software and program cost, which are not specifically identifiable and integral to a specific computer hardware, are shown under “Goodwill and other noncurrent assets” in the consolidated balance sheet. These are carried at cost, less accumulated amortization and any impairment in value. Amortization is computed on a straight-line method over their estimated useful life of five years.

#### *Goodwill*

Goodwill, included in “Goodwill and other noncurrent assets” in the consolidated balance sheet, represents the excess of the cost of an acquisition over the fair value of the businesses acquired. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.



### Impairment of Non-financial Assets

The Group assesses at each balance sheet date whether there is an indication that its non-financial assets such as property and equipment, deposits and intangible assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. For land, the asset's recoverable amount is the land's net selling price, which may be obtained from its sale in an arm's length transaction. For goodwill, the asset's recoverable amount is its value-in-use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Impairment losses, if any, are recognized in profit or loss, except for revalued property and equipment when revaluation was taken to OCI. In this case, the impairment is also recognized in OCI up to the amount of any previous revaluation.

For non-financial assets, excluding goodwill, an assessment is made at each balance sheet date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in previous years. Such reversal is recognized in profit or loss, unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase. After such reversal, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Goodwill is reviewed for impairment, annually or more frequently if event or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit or group of cash-generating units to which the goodwill relates. Where the recoverable amount of the cash-generating unit or group of cash-generating units is less than the carrying amount of the cash-generating unit or group of cash-generating units to which goodwill has been allocated, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

### Deposits Payable

Deposits payable are amounts received from franchisees, store operators and sub lessees as guarantee in relation to various agreements entered into by the Group. These deposits are recognized at cost and payable or applied to future billings.

### Cumulative Redeemable Preferred Shares

Cumulative redeemable preferred shares that exhibit characteristics of a liability is recognized as a financial liability in the consolidated balance sheet, net of transaction cost. The corresponding dividends on those shares are charged as interest expense in profit or loss.



### Deferred Revenue

Deferred revenue is recognized for cash received for income not yet earned. Deferred revenue is recognized as revenue over the life of the revenue contract or upon delivery of goods or services.

### Equity

#### *Common Stock*

Common stock is measured at par value for all shares issued and outstanding.

#### *Additional Paid-in Capital*

When the shares are sold at premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received. In case the shares are issued to extinguish or settle the liability of the Group, the shares shall be measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable.

#### *Retained Earnings*

Retained earnings represent the cumulative balance of periodic net income or loss and changes in accounting policy. When the retained earnings account has a debit balance, it is called "deficit." A deficit is not an asset but a deduction from equity.

#### *Treasury Stock*

Treasury stock is stated at acquisition cost and is deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Group's own equity instruments.

### Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. The Group has assessed its revenue arrangements against the criteria enumerated under PAS 18, *Revenue Recognition*, and concluded that it is acting as principal in all arrangements, except for its sale of consigned goods. The following specific recognition criteria must also be met before revenue is recognized:

#### *Merchandise Sales*

Revenue from merchandise sales is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue is measured at the fair value of the consideration received, excluding discounts, returns, rebates and sales taxes.

#### *Franchise*

Franchise fee is recognized upon execution of the franchise agreement and performance of initial services required under the franchise agreement. Franchise revenue is recognized in the period earned.

#### *Marketing*

Marketing income is recognized when service is rendered. In case of marketing support funds, revenue is recognized upon start of promotional activity for the suppliers.

#### *Rental*

Rental income is accounted for on a straight-line basis over the term of the lease.

#### *Commission*

Commission income is recognized upon the sale of consigned goods.

#### *Interest*

Interest income is recognized as it accrues based on the effective interest rate method.



#### Costs and Expenses Recognition

Costs of merchandise sold are recognized in profit or loss at the point of sale. Expenses are recognized in profit or loss upon utilization of the services or when they are incurred.

#### Other Comprehensive Income

Other comprehensive income comprises items of income and expense (including items previously presented under the statement of changes in equity) that are not recognized in profit or loss for the year in accordance with PFRS.

#### Retirement Benefits

Retirement benefits cost is determined using the projected unit credit actuarial valuation method. Actuarial gains and losses are recognized as income or expense when the net cumulative unrecognized actuarial gains and losses for each individual plan at the end of the previous balance sheet year exceeded 10% of the higher of the present value of the retirement obligations and the fair value of the net plan assets as of that date. These gains or losses are recognized over the expected average remaining working lives of the employees participating in the plan.

Past service cost is recognized as an expense in profit or loss on a straight-line basis over the average period until the benefits become vested. If the benefits are already vested following the introduction of, or changes to the plan, past service cost is recognized immediately.

The net retirement obligation is the aggregate of the present value of the retirement obligation and actuarial gains and losses not recognized reduced by past service cost not yet recognized and the fair value of the net plan assets out of which obligations are to be settled directly. If such aggregate is negative, the asset is measured at the lower of such aggregate or the aggregate of cumulative unrecognized net actuarial losses and past service cost and the present value of any economic benefits available in the form of refund from the plan or reductions in the future contributions to the plan.

#### Leases

Finance leases, which transfer to the lessee substantially all the risks and rewards of ownership of the asset, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the interest income and reduction of the lease receivable so as to achieve a constant rate of interest on the remaining balance of the receivable. Interest income is recognized directly in profit or loss.

Leases where the lessor retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Operating leases are recognized as an expense in profit or loss on a straight-line basis over the lease term.

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. A reassessment is made after inception of the lease only if one of the following applies:

- a. there is a change in contractual terms, other than a renewal or extension of the arrangement; or
- b. a renewal option is exercised or extension is granted, unless the term of the renewal or extension was initially included in the lease term; or
- c. there is a change in the determination of whether fulfillment is dependent on a specified asset; or
- d. there is a substantial change to the asset.



Where a re-assessment is made, lease accounting shall commence or cease from the date when the change in circumstance gave rise to the re-assessment for scenarios (a), (c) or (d) above, and the date of renewal or extension for scenario (b).

#### Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### Foreign Currency-denominated Transactions

Transactions in foreign currency are initially recorded at the exchange rate at the date of transaction. Outstanding foreign currency-denominated monetary assets and liabilities are translated using the applicable exchange rate at balance sheet date. Exchange differences arising from translation of foreign currency monetary items at rates different from those at which they were originally recorded are recognized in profit or loss.

#### Taxes

##### *Current Income Tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted at the balance sheet date.

##### *Deferred Income Tax*

Deferred income tax is recognized for all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred income tax relating to items recognized directly in equity is recognized in profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that sufficient future taxable profits will allow the deferred income tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.



### *VAT*

Input VAT is the 12% indirect tax paid by the Group in the course of the Group's trade or business on local purchase of goods or services, including lease or use of property, from a VAT-registered entity. For acquisition of capital goods over ₱1,000,000, the related input taxes are deferred and amortized over the useful life of the asset or 60 months, whichever is shorter, commencing on the date of acquisition. Deferred input VAT which is expected to be utilized for more than 12 months after the balance sheet date is included under "Goodwill and other noncurrent assets" account in the consolidated balance sheet.

Output VAT pertains to the 12% tax due on the sale of merchandise and lease or exchange of taxable goods or properties or services by the Group.

If at the end of any taxable month the output VAT exceeds the input VAT, the excess shall be paid by the Group. Any outstanding balance is included under "Accounts payable and accrued expenses" account in the consolidated balance sheet. If the input VAT exceeds the output VAT, the excess shall be carried over to the succeeding month or months. Excess input VAT is included under "Prepayments and other current assets" account in the consolidated balance sheet. Input VAT on capital goods may, at the option of the Group, be refunded or credited against other internal revenue taxes, subject to certain tax laws.

Revenue, expenses and assets are recognized net of the amount of VAT.

### Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing the net income or (loss) for the year attributable to common shareholders by the weighted average number of shares outstanding during the year, excluding treasury shares.

Diluted earnings (loss) per share is calculated by dividing the net income or (loss) for the year attributable to common shareholders by the weighted average number of shares outstanding during the year, excluding treasury shares and adjusted for the effects of all potential dilutive common shares, if any.

In determining both the basic and diluted earnings (loss) per share, the effect of stock dividends, if any, is accounted for retrospectively.

### Segment Reporting

Operating segments are components of an entity for which separate financial information is available and evaluated regularly by management in deciding how to allocate resources and assessing performance. The Group considers the store operation as its primary activity and its only business segment. Franchising, renting of properties and commissioning on bills payment services are considered an integral part of the store operations.

### Provisions

Provisions are recognized when: (a) the Group has a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. When the Group expects a provision or loss to be reimbursed, the



reimbursement is recognized as a separate asset only when the reimbursement is virtually certain and its amount is estimable. The expense relating to any provision is presented in profit or loss, net of any reimbursement.

#### Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but disclosed when an inflow of economic benefit is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements.

#### Events after the Balance Sheet Date

Post year-end events that provide additional information about the Group's position at the balance sheet date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to the consolidated financial statements when material.

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### **3. Use of Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the consolidated financial statements in accordance with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes. The judgments, estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of balance sheet date. Future events may occur which can cause the assumptions used in arriving at those judgments, estimates and assumptions to change. The effects of any changes will be reflected in the consolidated financial statements of the Group as they become reasonably determinable.

#### Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the consolidated financial statements:

##### *Determination of Functional Currency*

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the Peso. The Peso is the currency of the primary economic environment in which the Company operates. It is the currency that mainly influences the revenue, costs and expenses of the Company.

##### *Classification of Financial Instruments*

The Group classifies a financial instrument, or its components, on initial recognition as a financial asset, liability or equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, liability or equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated balance sheet.

Financial assets are classified as financial assets at FVPL, HTM financial assets, AFS financial assets and loans and receivables. Financial liabilities, on the other hand, are classified as financial liabilities at FVPL and other financial liabilities.



The Group determines the classification at initial recognition and, where allowed and appropriate, re-evaluates this classification at every balance sheet date.

The Group's financial instruments consist of loans and receivables and other financial liabilities (see Note 29).

#### *Classification of Leases*

a. Finance lease as lessor

The Group entered into a sale and leaseback transaction with an armored car service provider where it has determined that the risks and rewards related to the armored vehicles leased out will be transferred to the lessee at the end of the lease term. As such, the lease agreement was accounted for as a finance lease (see Note 26).

b. Operating lease as lessee

The Group entered into various property leases, where it has determined that the risks and rewards related to the properties are retained with the lessors. As such, the lease agreements were accounted for as operating leases (see Note 26).

c. Operating lease as lessor

The Company entered into property subleases on its leased properties. The Company determined that it retains all the significant risks and rewards of these properties which are leased out on operating leases (see Note 26).

#### *Impairment of Non-financial Assets Other than Goodwill*

The Group assesses whether there are any indicators of impairment for all non-financial assets, other than goodwill, at each balance sheet date. These non-financial assets (property and equipment, rent deposits, and software and program cost) are tested for impairment when there are indicators that the carrying amounts may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business;
- significant negative industry or economic trends; and
- decline in appraised value.

As of December 31, 2012 and 2011, the Group has not identified any indicators or circumstances that would indicate that the Group's property and equipment, rent deposits and software and program costs are impaired. Thus, no impairment losses on these non-financial assets were recognized in the years ended December 31, 2012, 2011 and 2010. The carrying value of these non-financial assets is as follows:

	<b>2012</b>	2011
Property and equipment (Note 8)	<b>₱2,276,921,044</b>	₱1,946,032,976
Rent deposits (Note 9)	<b>183,893,042</b>	155,379,984
Software and program costs (Note 10)	<b>1,183,651</b>	2,484,126



### Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities follow:

#### *Determination of Fair Values*

The fair value for financial instruments traded in active markets at the balance sheet date is based on their quoted market price or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. When current bid and asking prices are not available, the price of the most recent transaction provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of the transaction.

For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include net present value techniques, comparison to similar instruments for which market observable prices exist, options pricing models, and other relevant valuation models.

Note 29 presents the fair values of the financial instruments and the methods and assumptions used in estimating their fair values.

#### *Impairment of Loans and Receivables*

The Group reviews its loans and receivables at each balance sheet date to assess whether a provision for impairment should be recognized in profit or loss or loans and receivables balance should be written off. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance. Moreover, management evaluates the presence of objective evidence of impairment which includes observable data that comes to the attention of the Group about loss events such as but not limited to significant financial difficulty of the counterparty, a breach of contract, such as a default or delinquency in interest or principal payments, probability that the borrower will enter bankruptcy or other financial re-organization.

In addition to specific allowances against individually significant loans and receivables, the Group also makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This takes into consideration the credit risk characteristics such as customer type, payment history, past due status and term.

The carrying value of loans and receivables amounted to ₱869,050,177 and ₱710,118,389 as of December 31, 2012 and 2011, respectively (see Note 29). Allowance for impairment on loans and receivables amounted to ₱8,227,261 and ₱7,438,483 as of December 31, 2012 and 2011, respectively (see Note 5). Provision for impairment amounted to ₱788,778, ₱3,810,991 and ₱1,622,883 in 2012, 2011 and 2010, respectively (see Notes 5 and 19).

#### *Decline in Inventory Value*

Provisions are made for inventories whose NRV are lower than their carrying cost. This entails determination of replacement costs and costs necessary to make the sale. The estimates are based on a number of factors, such as but not limited to the age, status and recoverability of inventories.

The carrying value of inventories amounted to ₱726,986,563 and ₱519,258,936 as of December 31, 2012 and 2011, respectively (see Note 6). No provisions for decline in inventory value were recognized in 2012, 2011 and 2010.



#### *Estimation of Useful Lives of Property and Equipment and Software and Program Cost*

The Group estimates the useful lives of its property and equipment and software and program cost based on a period over which the assets are expected to be available for use and on collective assessment of industry practices, internal evaluation and experience with similar arrangement. The estimated useful lives of property and equipment and software and program cost are revisited at the end of each balance sheet period and updated if expectations differ materially from previous estimates.

Property and equipment, net of accumulated depreciation and amortization, amounted to ₱2,276,921,044 and ₱1,946,032,976 as of December 31, 2012 and 2011, respectively (see Note 8). The carrying amount of software and program cost amounted to ₱1,183,651 and ₱2,484,126 as of December 31, 2012 and 2011, respectively (see Note 10).

#### *Revaluation of Land*

The Group's parcels of land are carried at revalued amounts, which approximate its fair values at the date of the revaluation, less any subsequent accumulated impairment losses. The valuations of land are performed by independent appraisers. Revaluations are made every three to five years or more frequently as necessary, to ensure that the carrying amounts do not differ materially from those which would be determined using fair values at balance sheet date.

The last appraisal made on the Group's parcels of land was on February 5, 2007, where it resulted to an appraisal increase of ₱3,229,895, net of ₱1,384,249 deferred income tax liability. The Group believes that carrying value of the revalued parcels of land as of December 31, 2012 and 2011 amounting to ₱44,481,000 does not materially differ from its fair value as of these balance sheet dates (see Note 8).

#### *Impairment of Goodwill*

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Based on the assessment made by the Group, there is no impairment of goodwill as the recoverable amount of the cash-generating units exceeds the carrying amount of the unit, including goodwill as of December 31, 2012 and 2011. The carrying value of goodwill amounted to ₱65,567,524 as of December 31, 2012 and 2011 (see Note 10). No impairment losses were recognized in 2012, 2011 and 2010 (see Note 10).

#### *Estimation of Retirement Benefits*

The determination of the net retirement obligation and related expense is dependent on management's assumptions used by the actuary in calculating such amounts. Those assumptions are described in Note 24 and include, among others, discount rates per annum, expected annual rate of return on plan assets and salary rate increase. Actual results that differ from the Group's assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded obligation in such future periods. While the Group believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the retirement obligations.

The Group's net retirement obligations amounted to ₱61,120,420 and ₱65,192,720 as of December 31, 2012 and 2011, respectively (see Note 24). Retirement benefits cost amounted to ₱16,206,912, ₱12,368,401 and ₱11,220,501 in 2012, 2011 and 2010, respectively (see Notes 23 and 24).



#### *Provisions and Contingencies*

The Group has pending legal cases. The Group's estimate of the probable costs for the resolution of these legal cases has been developed in consultation with in-house and outside legal counsels and is based upon the analysis of the potential outcomes. It is possible, however, that future results of operations could be affected by changes in the estimates or in the effectiveness of strategies relating to these proceedings.

As of December 31, 2012 and 2011, the Group has provision for litigation losses amounting to ₱7,066,290 and is reported as part of "Others" under "Accounts payable and accrued expenses" in the consolidated balance sheets (see Note 12). Provisions and contingencies are further explained in Note 34.

#### *Realizability of Deferred Income Tax Assets*

Deferred income tax assets are recognized for all temporary deductible differences to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences can be utilized. Management has determined based on business forecast of succeeding years that there is enough taxable profits against which the recognized deferred income tax assets will be realized.

The Group's recognized deferred income tax assets amounted to ₱49,036,340 and ₱47,717,236 as of December 31, 2012 and 2011, respectively (see Note 27).

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#### 4. Cash and Cash Equivalents and Short-Term Investment

	2012	2011
Cash on hand and in banks	<b>₱367,285,569</b>	₱394,696,749
Cash equivalents	<b>48,000,000</b>	—
	<b>₱415,285,569</b>	₱394,696,749

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods up to three months depending on the immediate cash requirements of the Group and earn interest at the respective cash equivalent rates.

As of December 31, 2012 and 2011, short-term investment amounting to ₱10,632,115 and ₱10,409,907, respectively, pertains to time deposit which has a maturity date of more than 90 days.

Interest income from savings and deposits accounts and short-term investment amounted to ₱2,857,696, ₱2,911,480 and ₱3,675,553 in 2012, 2011 and 2010, respectively (see Note 22).

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#### 5. Receivables

	2012	2011
Franchisees	<b>₱184,444,213</b>	₱89,638,852
Suppliers	<b>139,512,975</b>	99,035,030
Store operators	<b>19,452,194</b>	12,878,514
Employees	<b>12,993,209</b>	15,407,124
Rent	<b>5,638,673</b>	7,068,009
Due from PhilSeven Foundation, Inc. (PFI) (Note 25)	<b>1,637,912</b>	173,945
(Forward)		



	2012	2011
Current portion of:		
Notes receivable	<b>₱1,403,344</b>	₱1,328,983
Lease receivable - net of unearned interest income amounting to ₱197,221 and ₱291,204 as of December 31, 2012 and 2011, respectively (Note 26)	<b>1,394,060</b>	1,300,075
Insurance receivable	<b>614,135</b>	319,208
Others	<b>15,734,389</b>	19,578,030
	<b>382,825,104</b>	246,727,770
Less allowance for impairment	<b>8,227,261</b>	7,438,483
	<b>₱374,597,843</b>	₱239,289,287

The classes of receivables of the Group are as follows:

- Franchisees - pertains to receivables for the inventory loans obtained by the franchisees at the start of their store operations, cash deposits and deposits still in transit, negative balance on franchisees' holding account and inventory variation noted during monthly store audit.
- Suppliers - pertains to receivables from the Group's suppliers for display allowances, annual volume discount and commission income from different service providers.
- Store operators - pertains to the advances given to third party store operators under service agreements (see Note 32).
- Employees - includes car loans, salary loans and cash shortages from stores which are charged to employees.
- Rent - pertains to receivables from sublease agreements with third parties, which are based on an agreed fixed monthly rate or as agreed upon by the parties.
- Notes receivable - pertains to three notes receivable issued by third party borrowers evidenced by written promises of payment with three to five year terms maturing in 2013 and 2014. As of December 31, 2012 and 2011, unamortized discount amounted to ₱128,251 and ₱256,502, respectively. Accretion of interest income amounted to ₱128,251, ₱186,596 and ₱241,113 in 2012, 2011 and 2010, respectively (see Note 10).
- Lease receivable - pertains to a five-year sale and leaseback finance lease agreement entered by the Company with an armored car service provider (see Note 26).

Receivables are noninterest-bearing and are generally on 30 to 90 day terms except for lease receivable with a 7% interest rate per annum (see Note 26).

Impairment on receivables is based on individual assessment of accounts. Movements in allowance for impairment are as follows:

	2012		
	Suppliers	Others	Total
Beginning balances	<b>₱1,777,954</b>	<b>₱5,660,529</b>	<b>₱7,438,483</b>
Provision for the year (Note 19)	<b>500,000</b>	<b>288,778</b>	<b>788,778</b>
Ending balances	<b>₱2,277,954</b>	<b>₱5,949,307</b>	<b>₱8,227,261</b>
	2011		
	Suppliers	Others	Total
Beginning balances	₱381,786	₱3,245,706	₱3,627,492
Provision for the year (Note 19)	1,396,168	2,414,823	3,810,991
Ending balances	₱1,777,954	₱5,660,529	₱7,438,483



## 6. Inventories

	2012	2011
At cost (Note 18):		
Warehouse merchandise	P415,590,676	P271,683,488
Store merchandise	311,395,887	247,575,448
	<b>P726,986,563</b>	<b>P519,258,936</b>

## 7. Prepayments and Other Current Assets

	2012	2011
Advances to suppliers	P109,149,544	P47,628,097
Current portion of:		
Deferred input VAT	64,041,931	43,844,078
Prepaid rent (Note 10)	42,241,979	36,729,050
Deferred lease (Notes 10 and 26)	421,194	2,425,557
Prepaid store expenses	11,625,230	11,354,992
Advances for expenses	6,600,314	5,176,635
Prepaid taxes	3,558,689	-
Supplies	3,256,203	1,825,459
Dues and subscription	2,983,004	1,126,881
Prepaid repairs and maintenance	2,214,838	1,992,019
Prepaid uniform	1,704,252	2,145,413
Others	11,210,709	7,273,957
	<b>P259,007,887</b>	<b>P161,522,138</b>

Deferred input VAT pertains to the acquisition of capital goods over P1,000,000 which are being amortized over the useful life or 60 months, whichever is shorter, commencing on the date of acquisition.

## 8. Property and Equipment

Movements in property and equipment are as follows:

	2012								Total
	Land- at revalued amount	Buildings and Improvements	Store Furniture and Equipment	Office Furniture and Equipment	Transportation Equipment	Computer Equipment	Leasehold Improvements	Construction In-Progress	
<b>Costs/Revalued Amount</b>									
Beginning balances	P44,481,000	P110,179,849	P1,307,026,502	P454,106,297	P38,988,602	P176,359,215	P978,634,236	P72,806,750	P3,182,582,451
Additions	-	7,975,000	449,148,981	129,124,221	8,818,393	36,162,964	127,255,239	100,190,195	858,674,993
Retirements	-	-	(15,762,339)	(3,859,420)	(4,160,819)	(965,837)	(9,907,251)	-	(34,655,666)
Reclassifications	-	-	-	-	-	-	105,627,648	(105,627,648)	-
Ending balances	44,481,000	118,154,849	1,740,413,144	579,371,098	43,646,176	211,556,342	1,201,609,872	67,369,297	4,006,601,778
<b>Accumulated Depreciation and Amortization</b>									
Beginning balances	-	64,958,094	425,110,107	194,721,454	15,683,194	105,282,852	430,793,774	-	1,236,549,475
Depreciation and amortization (Note 19)	-	5,223,497	281,563,647	65,818,055	8,676,760	30,322,248	136,182,718	-	527,786,925
Retirements	-	-	(15,762,339)	(3,859,420)	(4,160,819)	(965,837)	(9,907,251)	-	(34,655,666)
Ending balances	-	70,181,591	690,911,415	256,680,089	20,199,135	134,639,263	557,069,241	-	1,729,680,734
<b>Net Book Values</b>	<b>P44,481,000</b>	<b>P47,973,258</b>	<b>P1,049,501,729</b>	<b>P322,691,009</b>	<b>P23,447,041</b>	<b>P76,917,079</b>	<b>P538,912,983</b>	<b>P172,996,945</b>	<b>P2,276,921,044</b>



	2011								
	Land- at revalued amount	Buildings and Improvements	Store Furniture and Equipment	Office Furniture and Equipment	Transportation Equipment	Computer Equipment	Leasehold Improvements	Construction- In-Progress	Total
<b>Costs/Revalued Amount</b>									
Beginning balances	P44,481,000	P109,312,911	P1,176,847,311	P419,230,096	P37,624,956	P248,482,190	P828,894,084	P41,487,041	P2,906,359,589
Additions	—	866,938	348,799,410	106,667,047	16,034,780	53,854,534	121,517,149	69,351,878	717,091,736
Disposals	—	—	(218,620,219)	(71,994,025)	(14,671,134)	(125,977,509)	(9,605,987)	—	(440,868,874)
Reclassifications	—	—	—	203,179	—	—	37,828,990	(38,032,169)	—
Ending balances	44,481,000	110,179,849	1,307,026,502	454,106,297	38,988,602	176,359,215	978,634,236	72,806,750	3,182,582,451
<b>Accumulated Depreciation and Amortization</b>									
Beginning balances	—	60,016,925	455,617,362	209,862,824	24,284,740	199,975,370	349,305,607	—	1,299,062,828
Depreciation and amortization (Note 19)	—	4,941,169	188,112,964	56,852,655	6,069,588	31,284,991	91,094,154	—	378,355,521
Disposals	—	—	(218,620,219)	(71,994,025)	(14,671,134)	(125,977,509)	(9,605,987)	—	(440,868,874)
Ending balances	—	64,958,094	425,110,107	194,721,454	15,683,194	105,282,852	430,793,774	—	1,236,549,475
<b>Net Book Values</b>	<b>P44,481,000</b>	<b>P45,221,755</b>	<b>P881,916,395</b>	<b>P259,384,843</b>	<b>P23,305,408</b>	<b>P71,076,363</b>	<b>P547,840,462</b>	<b>P72,806,750</b>	<b>P1,946,032,976</b>

On February 5, 2007, the Group revalued its land with cost amounting to P39,866,864 at appraised value of P44,481,000, as determined by a professionally qualified independent appraiser. The appraisal increase of P3,229,895, net of P1,384,241 deferred income tax liability, resulting from the revaluation was credited to "Revaluation increment on land" account under equity section of the consolidated balance sheets. The appraised value was determined using the market data approach, wherein the value of the land is based on sales and listings of comparable properties registered within the vicinity.

The carrying value of the Group's capitalized interest amounted to nil and P13,130 as of December 31, 2012 and 2011.

The cost of fully depreciated property and equipment that are still being used in operations amounted to P232,325,091 and P88,860,329 as of December 31, 2012 and 2011, respectively. No property and equipment are pledged nor treated as security to the outstanding liabilities as of December 31, 2012 and 2011.

## 9. Deposits

	2012	2011
Rent	<b>P183,893,042</b>	P155,379,984
Utilities (Notes 29 and 30)	<b>33,663,791</b>	29,267,868
Refundable (Notes 29 and 30)	<b>25,843,670</b>	26,789,004
Others (Notes 29 and 30)	<b>6,017,558</b>	4,527,970
	<b>P249,418,061</b>	P215,964,826

### Refundable

Refundable deposits on rent are computed at amortized cost as follows:

	2012	2011
Face value of security deposits	<b>P48,602,936</b>	P27,391,286
Additions	<b>2,248,407</b>	25,186,036
Refunded	<b>(4,797,455)</b>	(3,974,386)
Unamortized discount	<b>(20,210,218)</b>	(21,813,932)
	<b>P25,843,670</b>	P26,789,004



Movements in unamortized discount are as follows:

	2012	2011
Beginning balance	P21,813,932	P15,585,657
Additions	496,227	8,616,062
Accretion (Note 22)	(2,099,941)	(2,387,787)
Ending balance	P20,210,218	P21,813,932

#### 10. Goodwill and Other Noncurrent Assets

	2012	2011
Noncurrent portion of:		
Deferred input VAT	P115,865,751	P103,958,618
Deferred lease (Note 26)	15,281,651	15,266,788
Lease receivable - net of unearned interest income amounting to P102,216 and P299,438 as of December 31, 2012 and 2011, respectively (Notes 26, 29 and 30)	2,054,276	3,448,336
Note receivable (Notes 5, 29 and 30)	955,355	1,689,268
Prepaid rent	-	6,134,227
Intangible assets:		
Goodwill	65,567,524	65,567,524
Software and program cost	1,183,651	2,484,126
Garnished accounts (Note 34)	5,223,977	6,241,465
Others	2,357,417	1,670,993
	P208,489,602	P206,461,345

#### Deferred Lease

Deferred lease pertains to Day 1 loss recognized on refundable deposits on rent, which is amortized on a straight-line basis over the term of the related leases.

Movements in deferred lease are as follows:

	2012	2011
Beginning balance	P17,692,345	P11,855,967
Additions	496,228	8,616,062
Less amortization (Note 26)	2,485,728	2,779,684
Ending balance	15,702,845	17,692,345
Less current portion	421,194	2,425,557
Noncurrent portion	P15,281,651	P15,266,788

#### Goodwill

On March 22, 2004, the Group purchased the leasehold rights and store assets of Jollimart Philippines Corporation (Jollimart) for a total consideration of P130,000,000. The excess of the acquisition cost over the fair value of the assets acquired was recorded as goodwill amounting to P70,178,892. In 2008, the Group recognized an impairment loss in goodwill amounting to P4,611,368.

The recoverable amount of the goodwill was estimated based on the value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five year period. The pre-tax discount rate applied to cash flow projections is 10.67% in 2012 and 10.22% in 2011. The cash flows beyond the five-year period are extrapolated using a 3% growth rate in 2012 and 2011 which is the same as the long-term average growth rate for the retail industry.



No store acquired from Jollimart was closed in 2012. In 2011, the Group has closed one store out of the 25 remaining stores it purchased from Jollimart. No impairment loss was recognized in 2012, 2011 and 2010.

Goodwill is allocated to the group of cash generating unit (CGU) which comprises the working capital and property and equipment of all the purchased stores' assets.

Key assumptions used in value-in-use calculations in 2012 and 2011 follow:

a. Sales and Cost Ratio

Sales and cost ratio are based on average values achieved in the three years preceding the start of the budget period. These are increased over the budget period for anticipated efficiency improvements. Sales are projected to increase by two to three percent per annum while the cost ratio is set at 68.00% - 70.00% of sales per annum.

b. Discount Rates

Discount rates reflect management's estimates of the risks specific to the CGU. Management computed for its weighted average cost of capital (WACC). In computing for its WACC, the following items were considered:

- Average high and low range of average bank lending rates as of year-end
- Yield on a 10-year Philippine zero coupon bond as of valuation date
- Market risk premium
- Company relevered beta
- Alpha risk

c. Growth Rate Estimates

Rates are based on average historical growth rate which is consistent with the expected average growth rate for the industry. Annual inflation and rate of possible reduction in transaction count were also considered in determining growth rates used.

Management recognized that unfavorable conditions could materially affect the assumptions used in the determination of value in use. An increase of 6.10% and 0.52% in the discount rates, or a reduction of growth rates by 3.00% and 1.00%, would give a value in use equal to the carrying amount of the cash generating units in 2012 and 2011, respectively.

Software and Program Cost

Movements in software and program cost are as follows:

	2012	2011
Cost:		
Beginning balance	₱14,661,985	₱14,661,985
Additions	190,000	-
Ending balance	14,851,985	14,661,985
Accumulated amortization:		
Beginning balance	12,177,859	9,579,118
Amortization (Note 19)	1,490,475	2,598,741
Ending balance	13,668,334	12,177,859
Net book value	₱1,183,651	₱2,484,126



As of December 31, 2012 and 2011, the remaining amortization period of software and program cost is eight and nine years, respectively.

#### Garnished Accounts

Garnished accounts pertain to the amount set aside by the Group, as required by the courts, in order to answer for litigation claims should the results be unfavorable to the Group (see Note 34).

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### 11. Bank Loans

Bank loans represent unsecured Peso-denominated short-term borrowings from various local banks, payable in lump-sum in 2012 and 2011 with annual interest rates ranging from 3.30% to 3.75%, 3.50% to 4.25% and 4.20% to 5.20% in 2012, 2011 and 2010, respectively, which are repriced monthly based on market conditions. The proceeds of these loans were used for the operations of the Group.

Movements in bank loans are as follows:

	2012	2011
Beginning balance	₱374,666,667	₱320,000,000
Availments	210,000,000	230,000,000
Payments	(106,888,889)	(175,333,333)
Ending balance	₱477,777,778	₱374,666,667

Interest expense from these bank loans amounted to ₱16,338,080, ₱15,697,647 and ₱16,033,249 in 2012, 2011 and 2010, respectively (see Note 21). Interest payable amounted to ₱1,173,579 and ₱1,174,528 as of December 31, 2012 and 2011, respectively (see Note 12). The carrying value of the Group's capitalized interest amounted to nil and ₱13,130 as of December 31, 2012 and 2011.

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### 12. Accounts Payable and Accrued Expenses

	2012	2011
Trade payable	₱1,077,213,586	₱1,066,740,769
Utilities	55,148,912	38,219,462
Rent (Notes 26)	51,355,557	47,263,813
Employee benefits	22,772,206	23,954,117
Outsourced services	14,531,473	12,461,025
Advertising and promotion	8,754,528	16,054,548
Bank charges	3,860,300	2,278,700
Security services	3,361,310	3,054,419
Interest (Note 11)	1,173,579	1,174,528
Others	23,118,538	32,736,076
	₱1,261,289,989	₱1,243,937,457

The trade suppliers generally provide 15 or 30-day credit terms to the Group. Prompt payment discounts ranging from 0.5% to 5.0% are given by a number of trade suppliers. All other payables are due within 3 months.



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### 13. Other Current Liabilities

	2012	2011
Non-trade accounts payable	<b>₱423,183,843</b>	₱188,758,358
Withholding taxes	<b>26,913,387</b>	22,974,557
Output VAT	<b>25,064,839</b>	19,205,290
Retention payable	<b>24,673,598</b>	18,688,531
Service fees payable	<b>20,586,182</b>	19,370,472
Royalty (Note 25)	<b>12,579,753</b>	10,353,333
Employee related liabilities	<b>2,481,125</b>	3,860,665
Current portion of deferred revenue on:		
Exclusivity contract (Notes 16 and 32)	<b>818,452</b>	1,934,524
Finance lease (Notes 16 and 26)	<b>589,569</b>	589,567
Others	<b>4,990,644</b>	12,700,219
	<b>₱541,881,392</b>	₱298,435,516

Non-trade accounts payable pertains to payable to suppliers of goods or services that forms part of general and administrative expenses. These are noninterest-bearing and are due within one year.

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### 14. Deposits Payable

	2012	2011
Franchisees (Note 32)	<b>₱89,860,690</b>	₱88,795,094
Service agreements (Note 32)	<b>79,041,337</b>	69,260,533
Rent	<b>12,999,211</b>	13,402,206
	<b>₱181,901,238</b>	₱171,457,833

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### 15. Cumulative Redeemable Preferred Shares

Cumulative redeemable preferred shares, which are redeemable at the option of the holder, represent the share of PSC-ERP through its trustee, BPI-AMTG, in SSHI's net assets pertaining to preferred shares. PSC-ERP is entitled to an annual "Guaranteed Preferred Dividend" in the earnings of SSHI starting April 5, 2002, the date when the 25% of the subscription on preferred shares have been paid, in accordance with the Corporation Code.

The guaranteed annual dividends shall be calculated and paid in accordance with the Shareholder's Agreement dated November 16, 2000 which provides that the dividend shall be determined by the BOD of SSHI using the prevailing market conditions and other relevant factors. Further, the preferred shareholder shall not participate in the earnings of SSHI except to the extent of guaranteed dividends and whatever is left of the retained earnings will be declared as dividends in favor of common shareholders. Guaranteed preferred dividends included under "Interest expense" in the consolidated statements of comprehensive income amounted to ₱258,750, ₱327,000 and ₱364,920 in 2012, 2011 and 2010, respectively (see Note 21). Interest payable included as part of "Others" under "Other current liabilities" in the consolidated balance sheets amounted to ₱348,750 and ₱327,000 as of December 31, 2012 and 2011, respectively.



## 16. Deferred Revenue

	2012	2011
Noncurrent portion of:		
Deferred revenue on exclusivity contracts (Note 32)	<b>₱446,429</b>	₱1,264,881
Deferred revenue on finance lease (Note 26)	<b>687,829</b>	1,277,398
Deferred revenue - others	<b>1,508,921</b>	1,515,203
	<b>₱2,643,179</b>	₱4,057,482

### Deferred Revenue on Exclusivity Contracts

Movements in deferred revenue on exclusivity contracts are as follows:

	2012	2011
Beginning balance	<b>₱3,199,405</b>	₱5,133,929
Less amortization (Note 32)	<b>1,934,524</b>	1,934,524
Ending balance	<b>1,264,881</b>	3,199,405
Less current portion (Note 13)	<b>818,452</b>	1,934,524
Noncurrent portion	<b>₱446,429</b>	₱1,264,881

### Deferred Revenue on Finance Lease

Movements in deferred revenue on finance lease are as follows:

	2012	2011
Beginning balance	<b>₱1,866,965</b>	₱2,456,532
Less amortization (Note 26)	<b>589,567</b>	589,567
Ending balance (Note 26)	<b>1,277,398</b>	1,866,965
Less current portion (Notes 13 and 26)	<b>589,569</b>	589,567
Noncurrent portion (Note 26)	<b>₱687,829</b>	₱1,277,398

## 17. Equity

### Common Stock

The Group was listed with the Philippine Stock Exchange on February 4, 1998 with total listed shares of 71,382,000 common shares consisting of 47,000,000 shares for public offering and 24,382,000 shares for private placement. The Parent Company offered the share at a price of ₱4.40. As of December 31, 2012 and 2011, the Company has a total of 656 and 666 shareholders on record.

Movements in the number of shares are as follows:

	2012	2011	2010
Beginning balance	<b>347,329,216</b>	302,114,918	287,761,172
Issuance of stock dividends (Note 28)	<b>51,996,445</b>	45,214,298	14,353,746
Ending balance	<b>399,325,661</b>	347,329,216	302,114,918



On July 24, 2012, the BOD and at least 2/3 of the Company's stockholders approved the increase of the Company's authorized common stock from ₱400,000,000, divided into 400,000,000 common shares with par value of ₱1 per share, to ₱600,000,000, divided into 600,000,000 common shares with a par value of ₱1 per share.

The Philippine SEC approved the Company's application for the increase in its authorized capital stock on October 19, 2012.

#### Retained Earnings

The Company's retained earnings is restricted to the extent of ₱54,212,460 and ₱56,484,212 as of December 31, 2012 and 2011, respectively for the undistributed earnings of subsidiaries and ₱2,923,246 as of December 31, 2012 and 2011 for the cost of treasury shares.

Details of the Company's stock dividend declaration for the years ended December 31, 2012, 2011 and 2010 are as follows:

Declaration date	Record date	Stock dividend %	Outstanding no. of common shares as of declaration date	Total stock dividend issued
<b>July 24, 2012</b>	<b>November 15, 2012</b>	<b>15%</b>	<b>346,642,966</b>	<b>51,996,445</b>
July 21, 2011	August 19, 2011	15%	301,428,666	45,214,298
July 29, 2010	August 27, 2010	5%	287,074,922	14,453,746

The Company's BOD and at least 2/3 of the Company's stockholders approved all the aforementioned stock dividend declarations above.

Details of the Company's cash dividend declaration for the years ended December 31, 2012, 2011 and 2010 are shown below:

Declaration date	Record date	Payment date	Dividend per share	Outstanding no. of common shares as of declaration date	Total cash dividends
<b>July 24, 2012</b>	<b>August 22, 2012</b>	<b>September 14, 2012</b>	<b>₱0.10</b>	<b>346,642,966</b>	<b>₱34,664,297</b>
July 21, 2011	August 19, 2011	September 13, 2011	0.10	301,428,666	30,142,867
July 29, 2010	August 27, 2010	September 23, 2010	0.05	287,074,922	14,353,746

The Company's BOD approved all the cash dividends presented above.

#### Treasury Shares

There are 686,250 shares that are in the treasury amounting to ₱2,923,246 as of December 31, 2012 and 2011. There are no movement in the Group's treasury shares in 2012 and 2011.

### 18. Cost of Merchandise Sales

	2012	2011	2010
Merchandise inventory, beginning	<b>₱519,258,936</b>	₱402,419,577	₱415,652,671
Net purchases (Note 20)	<b>8,730,878,901</b>	6,961,401,378	5,375,264,793
	<b>9,250,137,837</b>	7,363,820,955	5,790,917,464
Less merchandise inventory, ending	<b>726,986,563</b>	519,258,936	402,419,577
	<b>₱8,523,151,274</b>	₱6,844,562,019	₱5,388,497,887



## 19. General and Administrative Expenses

	2012	2011	2010
Communication, light and water	<b>₱822,136,123</b>	₱610,997,841	₱528,123,729
Outside services (Note 32)	<b>663,221,838</b>	527,283,460	389,212,920
Depreciation and amortization (Note 8)	<b>527,786,925</b>	378,355,521	291,803,754
Rent (Note 26)	<b>488,292,500</b>	401,628,602	341,397,389
Personnel costs (Note 23)	<b>269,968,599</b>	271,925,395	287,246,482
Trucking services	<b>171,676,338</b>	128,105,699	89,415,946
Advertising and promotion	<b>139,445,376</b>	119,151,632	101,175,106
Royalties (Note 25)	<b>133,085,007</b>	106,490,524	90,693,176
Repairs and maintenance	<b>120,154,712</b>	101,447,166	86,964,361
Supplies	<b>119,944,818</b>	98,718,890	81,307,138
Warehousing services	<b>95,052,873</b>	69,397,133	58,179,955
Taxes and licenses	<b>85,985,255</b>	76,189,697	68,340,335
Transportation and travel	<b>38,476,668</b>	26,472,937	23,642,048
Entertainment, amusement and recreation	<b>24,609,677</b>	28,169,708	36,145,205
Inventory losses	<b>23,875,151</b>	19,906,752	14,659,113
Dues and subscription	<b>9,355,941</b>	5,898,075	5,143,890
Insurance	<b>8,968,897</b>	6,032,839	4,216,516
Amortization of software and program costs (Note 10)	<b>1,490,475</b>	2,598,741	3,089,728
Provision for impairment of receivables (Note 5)	<b>788,778</b>	3,810,991	1,622,883
Others	<b>41,345,644</b>	29,596,375	29,010,430
	<b>₱3,785,661,595</b>	₱3,012,177,978	₱2,531,390,104

## 20. Marketing Income

	2012	2011	2010
Promotions	<b>₱339,113,279</b>	₱171,330,886	₱112,766,444
Marketing support funds (Note 32)	<b>36,654,978</b>	68,557,774	34,702,616
	<b>₱375,768,257</b>	₱239,888,660	₱147,469,060

Display charges and certain marketing support funds previously recorded within marketing income have been reclassified as purchase discounts as part of “net purchases” under “cost of merchandise sales”. Total amount reclassified amounted to ₱297,943,350, ₱246,934,680 and ₱196,772,591 in 2012, 2011 and 2010, respectively (see Note 18).

## 21. Interest Expense

	2012	2011	2010
Interest on bank loans (Note 11)	<b>₱16,338,080</b>	₱15,697,647	₱16,033,249
Guaranteed preferred dividends (Note 15)	<b>258,750</b>	327,000	364,920
	<b>₱16,596,830</b>	₱16,024,647	₱16,398,169



## 22. Interest Income

	2012	2011	2010
Bank deposits (Note 4)	<b>₱2,589,071</b>	₱2,597,676	₱3,417,333
Accretion of refundable deposits (Note 9)	<b>2,099,941</b>	2,387,787	1,035,216
Finance lease (Note 26)	<b>291,205</b>	378,850	403,887
Short-term investment (Note 4)	<b>268,625</b>	313,804	258,220
Accretion of note receivable (Note 5)	<b>128,251</b>	186,596	241,113
	<b>₱5,377,093</b>	₱5,864,713	₱5,355,769

## 23. Personnel Costs

	2012	2011	2010
Salaries and wages	<b>₱217,356,126</b>	₱227,335,598	₱242,069,716
Employee benefits	<b>36,405,561</b>	32,221,396	33,956,265
Net retirement benefits cost (Note 24)	<b>16,206,912</b>	12,368,401	11,220,501
	<b>₱269,968,599</b>	₱271,925,395	₱287,246,482

## 24. Retirement Benefits

The Group maintains a trustee, non-contributory defined benefit retirement plan covering all qualified employees. Normal retirement benefits are equal to the employee's retirement pay as defined in Republic Act No. 7641 multiplied by the years of service. Normal retirement date is the attainment of age 60 and completion of at least five years of service.

The following tables summarize the components of net retirement benefits cost recognized in profit or loss and the funding status and amounts recognized in the consolidated balance sheets:

- a. Net retirement benefits cost for the year are as follows:

	2012		
	PSC	CDI	Total
Current service cost	<b>₱9,655,975</b>	<b>₱545,788</b>	<b>₱10,201,763</b>
Interest cost	<b>5,585,187</b>	<b>374,746</b>	<b>5,959,933</b>
Expected return on plan assets	<b>(673,153)</b>	<b>(31,105)</b>	<b>(704,258)</b>
Net actuarial losses	<b>749,474</b>	<b>–</b>	<b>749,474</b>
Net retirement benefits cost (Note 23)	<b>₱15,317,483</b>	<b>₱889,429</b>	<b>₱16,206,912</b>

	2011		
	PSC	CDI	Total
Current service cost	₱4,637,501	₱351,324	₱4,988,825
Interest cost	7,377,255	540,217	7,917,472
Expected return on plan assets	(645,048)	(31,373)	(676,421)
Net actuarial losses	138,525	–	138,525
Net retirement benefits cost (Note 23)	₱11,508,233	₱860,168	₱12,368,401



	2010		
	PSC	CDI	Total
Current service cost	₱3,706,434	₱705,342	₱4,411,776
Interest cost	6,749,595	520,065	7,269,660
Expected return on plan assets	(430,680)	(30,255)	(460,935)
Net retirement benefits cost (Note 23)	₱10,025,349	₱1,195,152	₱11,220,501

b. Net retirement obligations recognized by the Group are as follows:

	2012		
	PSC	CDI	Total
Present value of retirement obligations	₱109,977,260	₱6,625,244	₱116,602,504
Less fair value of net plan assets	29,548,266	1,041,545	30,589,811
Unfunded retirement obligation	80,428,994	5,583,699	86,012,693
Unrecognized net actuarial gain (losses)	(25,021,701)	129,428	(24,892,273)
Net retirement obligations	₱55,407,293	₱5,713,127	₱61,120,420

	2011		
	PSC	CDI	Total
Present value of retirement obligations	₱96,296,328	₱6,764,360	₱103,060,688
Less fair value of net plan assets	12,239,143	565,547	12,804,690
Unfunded retirement obligation	84,057,185	6,198,813	90,255,998
Unrecognized net actuarial gain (losses)	(25,368,578)	305,300	(25,063,278)
Net retirement obligations	₱58,688,607	₱6,504,113	₱65,192,720

c. Changes in the present value of the retirement obligations are as follows:

	2012		
	PSC	CDI	Total
Beginning balances	₱96,296,328	₱6,764,360	₱103,060,688
Current service cost	9,655,975	545,788	10,201,763
Interest cost	5,585,187	374,746	5,959,933
Benefits paid	(4,686,898)	(1,245,962)	(5,932,860)
Actuarial losses	3,126,668	186,312	3,312,980
Ending balances	₱109,977,260	₱6,625,244	₱116,602,504

	2011		
	PSC	CDI	Total
Beginning balances	₱72,897,778	₱5,615,558	₱78,513,336
Current service cost	4,637,501	351,324	4,988,825
Interest cost	7,377,255	540,217	7,917,472
Benefits paid	(4,018,237)	—	(4,018,237)
Actuarial losses	15,402,031	257,261	15,659,292
Ending balances	₱96,296,328	₱6,764,360	₱103,060,688



d. Changes in the fair value of net plan assets are as follows:

	2012		
	PSC	CDI	Total
Beginning balances	₱12,239,143	₱565,547	₱12,804,690
Expected return on plan assets	673,153	31,105	704,258
Contribution	18,598,797	1,680,415	20,279,212
Benefits paid	(4,686,898)	(1,245,962)	(5,932,860)
Actuarial gains	2,724,071	10,440	2,734,511
Ending balances	₱29,548,266	₱1,041,545	₱30,589,811

	2011		
	PSC	CDI	Total
Beginning balances	₱10,750,804	₱522,878	₱11,273,682
Expected return on plan assets	645,048	31,373	676,421
Contribution	4,629,263	–	4,629,263
Benefits paid	(4,018,237)	–	(4,018,237)
Actuarial gains	232,265	11,296	243,561
Ending balances	₱12,239,143	₱565,547	₱12,804,690

The Group's plan asset is being managed by Bank of the Philippine Islands (BPI) - Asset Management and Trust Group, a trustee bank. Breakdown of the Group's net plan assets are as follows:

	2012		2011	
	PSC	CDI	PSC	CDI
Investments in trust and mutual funds	69.00%	100.00%	46.00%	46.00%
Investments in equity securities	31.00%	–	54.00%	54.00%
	100.00%	100.00%	100.00%	100.00%

Details on the cost and fair value of the fund as of December 31 are as follows:

	2012					
	Face amount /No. of shares	PSC		Face amount /No. of shares	CDI	
		Cost	Fair Value		Cost	Fair Value
Investments in trust and mutual funds						
BPI - ALFM Mutual Fund	62,463	₱17,511,278	₱18,689,399	3,480	₱1,010,852	₱1,041,545
BPI - Short Term Fund Unit Investment Trust Fund	11,809	1,590,436	1,591,027	–	–	–
		19,101,714	20,280,426		1,010,852	1,041,545
Investments in equity securities						
PSC - listed shares	35,520	122,417	3,267,840	–	–	–
SSHI - unlisted shares	60,000	6,000,000	6,000,000	–	–	–
		6,122,417	9,267,840		–	–
		₱25,224,131	₱29,548,266		₱1,010,852	₱1,041,545



	2011					
	PSC			CDI		
	Face amount /No. of shares	Cost	Fair Value	Face amount /No. of shares	Cost	Fair Value
Investments in trust and mutual funds						
BPI - ALFM Mutual Fund	18,843	₱4,896,967	₱5,319,175	2,003	₱520,540	₱565,547
BPI - Short Term Fund						
Unit Investment Trust Fund						
		4,896,967	5,319,175		520,540	565,547
Investments in equity securities						
PSC - listed shares	35,520	122,417	919,968			
SSHI - unlisted shares	60,000	6,000,000	6,000,000			
		6,122,417	6,919,968			
		₱11,019,384	₱12,239,143		₱520,540	₱565,547

The trustee exercises the voting rights over the PSC shares held by the retirement fund.

Actual return on plan assets amounted to ₱3,397,224 in 2012 and ₱877,313 in 2011 for PSC and ₱41,545 in 2012 and ₱42,669 in 2011 for CDI.

The overall expected rate of return on plan assets is determined based on the market prices prevailing on the date applicable to the period over which the obligation is to be settled.

The Group expects to contribute ₱21,500,000 to its defined benefit plan in 2013.

The principal assumptions used in determining net retirement benefits cost for the Group's plan at the beginning of the year are as follows:

	PSC		CDI	
	2012	2011	2012	2011
Number of employees	681	655	23	20
Discount rate per annum	5.80%	5.80%	5.54%	5.54%
Expected annual rate of return on plan assets	5.50%	5.50%	5.50%	5.50%
Salary increase rate	5.50%	5.50%	5.50%	5.50%

Amounts for the current and prior four periods are as follows:

	2012		
	PSC	CDI	Total
Present value of retirement obligations	₱109,977,260	₱6,625,244	₱116,602,504
Fair value of net plan assets	29,548,266	1,041,545	30,589,811
Unfunded retirement obligation	80,428,994	5,583,699	86,012,693
Experience gain adjustments on retirement obligations	(5,731,481)	(39,492)	(5,770,973)
Experience gain adjustments on plan assets	2,724,071	10,440	2,734,511
	2011		
	PSC	CDI	Total
Present value of retirement obligations	₱96,296,328	₱6,764,360	₱103,060,688
Fair value of net plan assets	12,239,143	565,547	12,804,690
Unfunded retirement obligation	84,057,185	6,198,813	90,255,998
Experience loss (gain) adjustments on retirement obligations	324,950	(267,061)	57,889
Experience gain adjustments on plan assets	232,265	11,296	243,561



	2010		
	PSC	CDI	Total
Present value of retirement obligations	₱72,897,778	₱5,615,558	₱78,513,336
Fair value of net plan assets	10,750,804	522,878	11,273,682
Unfunded retirement obligation	62,146,974	5,092,680	67,239,654
Experience gain adjustments on retirement obligations	(6,251,982)	(857,124)	(7,109,106)
Experience loss adjustments on plan assets	(43,253)	(11,628)	(54,881)
	2009		
	PSC	CDI	Total
Present value of retirement obligations	₱62,438,440	₱4,864,964	₱67,303,404
Fair value of net plan assets	7,178,008	504,251	7,682,259
Unfunded retirement obligation	55,260,432	4,360,713	59,621,145
Experience gain adjustments on retirement obligations	(12,458,512)	(857,124)	(13,315,636)
Experience loss adjustments on plan assets	(69,753)	(10,086)	(79,839)
	2008		
	PSC	CDI	Total
Present value of retirement obligations	₱54,006,788	₱4,174,204	₱58,180,992
Fair value of net plan assets	6,165,743	471,869	6,637,612
Unfunded retirement obligation	47,841,045	3,702,335	51,543,380
Experience loss adjustments on retirement obligations	46,616	2,532,432	2,579,048
Experience loss adjustments on plan assets	(283,759)	(21,716)	(305,475)

The discount rate of PSC and CDI as of December 31, 2012 are 5.80% and 5.54%, respectively, based on market rates consistent with the obligation of the defined benefit plan. Future annual increase in salary as of December 31, 2012 is 5.5%. Expected rate of return as of December 31, 2012 is 5.5%.

## 25. Related Party Transactions

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprises and their key management personnel, directors or its stockholders.

Transactions with related parties consist of:

- a. The Group executed a licensing agreement with Seven Eleven, Inc. (SEI), a stockholder organized in Texas, U.S.A. This grants the Group the exclusive right to use the 7-Eleven System in the Philippines. In accordance with the agreement, the Group pays, among others, royalty fee to SEI based on a certain percentage of monthly gross sales, net of gross receipts tax.



- b. PSC has transactions with PFI, a foundation with common key management of the Group, consisting of donations and noninterest-bearing advances pertaining primarily to salaries, taxes and other operating expenses initially paid by PSC for PFI.

Balances arising from the foregoing transactions with related parties are as follows:

Related Parties	Nature of Transactions	Terms and Conditions	Transactions for the Year Ended December 31		Outstanding Balance as of December 31	
			2012	2011	2012	2011
<b>Receivables</b>						
PFI (Note 5)	Donations	None	<b>₱2,650,000</b>	₱61,355	<b>₱-</b>	₱-
	Non-interest bearing advances	Unsecured, no impairment in 2012 and 2011. Amounts are due and demandable	<b>1,463,967</b>	469,856	<b>1,637,912</b>	173,945
			<b>₱4,113,967</b>	<b>₱531,211</b>	<b>₱1,637,912</b>	<b>₱173,945</b>
<b>Other current liabilities</b>						
SEI (Note 13)	Royalty fee	Unsecured and payable monthly	<b>₱133,085,007</b>	₱106,490,524	<b>₱12,579,753</b>	₱10,353,333

- c. Compensation of key management personnel are as follows:

	2012	2011	2010
Short-term employee benefits	<b>₱34,979,611</b>	₱31,624,639	₱33,663,181
Post-employment benefits	<b>430,000</b>	1,664,000	1,662,152
Other long-term benefits	<b>376,073</b>	376,073	376,073
	<b>₱35,785,684</b>	<b>₱33,664,712</b>	<b>₱35,701,406</b>

## 26. Leases

### *Finance Lease as Lessor*

In March 2007, PSC entered into a five-year sale and leaseback finance lease agreement with an armored car service provider. The lease has no terms of renewal and no escalation clauses. Unguaranteed residual values accruing to the Company amounted to ₱300,000.

In March 2010, the Company amended its agreement with the armored car service provider extending the lease term for another five years from March 1, 2010 to February 1, 2015, imposing 7% interest per annum on the restructured loan obligation and reducing its monthly rental payments. The unguaranteed residual values accruing to the Company was retained. The restructuring resulted in the recognition of a gain on accretion amounting to ₱849,890 and is reported under "Other income" in the 2010 consolidated profit or loss.

Future minimum lease receivables under this lease as of December 31 are as follows:

	2012	2011
Within one year	<b>₱1,591,280</b>	₱1,591,280
After one year but not more than five years	<b>2,156,493</b>	3,747,773
Total minimum lease payments receivable	<b>3,747,773</b>	5,339,053
Less unearned interest income	<b>299,437</b>	590,642
Present value of future minimum lease payments receivable	<b>3,448,336</b>	4,748,411
Less current portion (Note 5)	<b>1,394,060</b>	1,300,075
Noncurrent portion (Note 10)	<b>₱2,054,276</b>	<b>₱3,448,336</b>



Collection of lease receivable amounted to ₱1,591,280 in 2012 and 2011, respectively.

Present value of lease receivable as of December 31 is as follows:

	2012	2011
Within one year	₱1,394,060	₱1,300,075
After one year but not more than five years	2,054,276	3,448,336
Total minimum lease payments receivable	3,448,336	4,748,411
Less current portion	1,394,060	1,300,075
Present value of future minimum lease payments receivable	₱2,054,276	₱3,448,336

Unearned interest income as of December 31, 2012 and 2011 amounted to ₱299,437 and ₱590,642, respectively. Related interest income amounted to ₱291,205, ₱378,850 and ₱403,887 in 2012, 2011 and 2010, respectively.

Difference between the original lease agreement's present value of minimum lease payments at the date of lease inception against the carrying value of the finance lease asset resulted in a deferred revenue on finance lease amounting to ₱6,550,753, which is to be amortized on a straight-line basis over the lease term. The related deferred revenue amounted to ₱1,277,398 and ₱1,866,965 as of December 31, 2012 and 2011, with current portion amounting to ₱589,569 in 2012 and ₱589,567 in 2011 (see Notes 13 and 16). Noncurrent portion amounted to ₱687,829 and ₱1,277,398 as of December 31, 2012 and 2011, respectively (see Note 16). Amortization of deferred revenue on finance lease amounted to ₱589,567, ₱589,567 and ₱709,665, in 2012, 2011 and 2010, respectively (see Note 16).

#### *Operating Lease as Lessee*

- a. PSC has various lease agreements with third parties relating to its store operations. Certain agreements provide for the payment of rentals based on various schemes such as an agreed percentage of net sales for the month and fixed monthly rate.

Rental expense related to these lease agreements amounted to ₱449,915,799, ₱375,908,146 and ₱314,390,025 in 2012, 2011 and 2010, respectively (see Note 19). Of the total rent expense, ₱2,573,518 in 2012, ₱2,019,210 in 2011 and ₱1,902,221 in 2010 pertains to contingent rent of some stores based on percentage ranging from 1.5% to 3.0% of merchandise sales. Amortization of deferred lease amounted to ₱719,536, ₱1,164,066 and ₱324,200 in 2012, 2011 and 2010, respectively.

The approximate annual future minimum rental payments of the PSC under its existing lease agreements as of December 31 are as follows:

	2012	2011
Within one year	₱62,130,526	₱52,930,899
After one year but not more than five years	131,556,590	114,077,970
More than five years	12,654,307	-
	₱206,341,423	₱167,008,869



- b. In April 2012, CDI entered into a 2-year lease contract for the lease of a warehouse in Cebu commencing in April 2012 until April 2014. The lease has a renewal option and is subject to an annual escalation rate of 5%.

In 2011, CDI entered into a 10-year lease contract for the lease of its warehouse extension effective March 2011. The lease is subject to an annual escalation rate of 4.0% starting on the second year of the lease.

In 2005, CDI entered into a 15-year operating lease contract for the lease of its warehouse effective November 1, 2005. The lease has a renewal option and is subject to an escalation rate of 7.0% every after two years starting on the third year of the lease.

Rent expense related to these lease agreements amounted to ₱33,952,195, ₱23,828,055 and ₱23,494,115 in 2012, 2011 and 2010, respectively (see Note 19). Amortization of deferred lease amounted to ₱1,766,192, ₱1,615,618 and ₱1,090,500 in 2012, 2011 and 2010, respectively.

The approximate annual future minimum rental payments of CDI under its existing lease contract as of December 31 are as follows:

	2012	2011
Within one year	<b>₱36,902,700</b>	₱31,879,766
After one year but not more than five years	<b>183,491,415</b>	138,038,344
More than five years	<b>75,839,671</b>	152,413,780
	<b>₱296,233,786</b>	₱322,331,890

CDI also has other various short-term operating leases pertaining to rental of warehouse and equipments. Related rent expense amounted to ₱4,424,506, ₱1,892,401 and ₱3,513,249 in 2012, 2011 and 2010, respectively (see Note 19).

#### *Operating Lease as Lessor*

The Group has various sublease agreements with third parties which provide for lease rentals based on an agreed fixed monthly rate or as agreed upon by the parties. Rental income related to these sublease agreements amounted to ₱45,751,718, ₱44,143,593 and ₱37,361,844 in 2012, 2011 and 2010, respectively.

## 27. Income Tax

- a. The components of the Group's provision for (benefit from) income tax are as follows:

	2012	2011	2010
Current:			
Regular corporate income tax	<b>₱211,923,436</b>	₱161,398,364	₱124,265,727
Final tax on interest income	<b>445,546</b>	586,624	693,335
	<b>212,368,982</b>	161,984,988	124,959,062
Deferred	<b>(2,346,981)</b>	165,174	3,796,610
	<b>₱210,022,001</b>	₱162,150,162	₱128,755,672



b. The components of the Group's net deferred income tax assets are as follows:

	2012			
	PSC	CDI	SSHI	Total
<b>Deferred income tax assets:</b>				
Net retirement obligations	₱16,622,188	₱1,713,938	₱–	₱18,336,126
Accrued rent	8,700,799	6,705,868	–	15,406,667
Unamortized discount on refundable deposit	4,336,926	1,726,139	–	6,063,065
Allowance for impairment on receivables	2,468,178	–	–	2,468,178
Provision for litigation losses	2,119,887	–	–	2,119,887
Unamortized past service cost	3,952,094	29,082	–	3,981,176
Deferred revenue on exclusivity contracts	379,464	–	–	379,464
Unearned rent income	127,680	–	–	127,680
Unamortized discount on receivable	37,323	–	–	37,323
Unrealized foreign exchange loss	37,765	79,009	–	116,774
	<b>38,782,304</b>	<b>10,254,036</b>	<b>–</b>	<b>49,036,340</b>
<b>Deferred income tax liabilities:</b>				
Deferred lease expense	3,088,956	1,248,107	–	4,337,063
Unamortized discount on purchase of refundable deposit	305,238	–	–	305,238
Revaluation increment on land	–	–	1,384,241	1,384,241
	<b>3,394,194</b>	<b>1,248,107</b>	<b>1,384,241</b>	<b>6,026,542</b>
<b>Net deferred income tax assets (liability)</b>	<b>₱35,388,110</b>	<b>₱9,005,929</b>	<b>(₱1,384,241)</b>	<b>₱43,009,798</b>
	2011			
	PSC	CDI	SSHI	Total
<b>Deferred income tax assets:</b>				
Net retirement obligations	₱17,606,582	₱1,951,234	₱–	₱19,557,816
Accrued rent	7,951,803	6,227,340	–	14,179,143
Unamortized discount on refundable deposit	4,683,505	1,860,674	–	6,544,179
Allowance for impairment on receivables	2,231,545	–	–	2,231,545
Provision for litigation losses	2,119,887	–	–	2,119,887
Unamortized past service cost	1,766,126	35,681	–	1,801,807
Deferred revenue on exclusivity contracts	959,822	–	–	959,822
Unearned rent income	243,731	–	–	243,731
Unamortized discount on receivable	79,102	–	–	79,102
Unrealized foreign exchange loss	205	–	–	205
	<b>37,642,308</b>	<b>10,074,929</b>	<b>–</b>	<b>47,717,237</b>
<b>Deferred income tax liabilities:</b>				
Deferred lease expense	3,500,192	1,807,512	–	5,307,704
Unamortized discount on purchase of refundable deposit	343,393	–	–	343,393
Unamortized capitalized interest	3,937	–	–	3,937
Unrealized foreign exchange gain	–	15,145	–	15,145
Revaluation increment on land	–	–	1,384,241	1,384,241
	<b>3,847,522</b>	<b>1,822,657</b>	<b>1,384,241</b>	<b>7,054,420</b>
<b>Net deferred income tax assets (liability)</b>	<b>₱33,794,786</b>	<b>₱8,252,272</b>	<b>(₱1,384,241)</b>	<b>₱40,662,817</b>



- c. The reconciliation of the provision for income tax computed at the statutory income tax rate to provision for income tax shown in the consolidated statements of comprehensive income follow:

	2012	2011	2010
Provision for income tax computed at statutory income tax rate	<b>₱202,394,260</b>	₱155,547,945	₱121,690,776
Adjustments for:			
Nondeductible expenses:			
Inventory losses	<b>7,162,545</b>	5,972,026	4,397,733
Interest expense and others	<b>867,483</b>	955,165	3,114,649
Tax effect of rate difference between final tax and statutory tax rate on bank interest income	<b>(364,133)</b>	(286,820)	(386,196)
Nontaxable other income	<b>(38,154)</b>	(38,154)	(61,290)
	<b>₱210,022,001</b>	₱162,150,162	₱128,755,672

- d. RA 9504, effective on July 7, 2008 allows availment of optional standard deductions (OSD). Corporations, except for nonresident foreign corporations, may now elect to claim standard deduction in an amount not exceeding 40% of their gross income. The Group did not avail of the OSD for the computation of its taxable income in 2012, 2011 and 2010.

## 28. Basic/Diluted Earnings Per Share

	2012	2011	2010
a. Net income	<b>₱464,625,531</b>	₱356,342,989	₱276,880,248
b. Weighted average number of shares issued	<b>399,325,661</b>	399,325,661	399,325,661
c. Less weighted average number of shares held in treasury	<b>686,250</b>	686,250	686,250
d. Weighted average number of shares outstanding (b-c)	<b>398,639,411</b>	398,639,411	398,639,411
e. Basic/diluted earnings per share (a/d)	<b>₱1.17</b>	₱0.89	₱0.69

The Group does not have potentially dilutive common shares as of December 31, 2012, 2011 and 2010. Thus, the basic earnings per share is equal to the diluted earnings per share as of those dates.

The Group's outstanding common shares increased from 347,329,216 to 399,325,661 as a result of stock dividend issuance equivalent to 15% of the outstanding common shares of the Company of 346,642,966 shares approved on July 24, 2012 (see Note 17). Therefore, the calculation of basic/diluted earnings per share for all periods presented has been adjusted retrospectively.



## 29. Financial Instruments

The following tables summarize the carrying value and fair value of the Group's financial assets and financial liabilities per class as of December 31:

	2012		2011	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>FINANCIAL ASSETS</b>				
<b>Loans and Receivables</b>				
Cash and cash equivalents				
Cash on hand and in banks	₱367,285,569	₱367,285,569	₱394,696,749	₱ 394,696,749
Cash equivalents	48,000,000	48,000,000	–	–
	415,285,569	415,285,569	394,696,749	394,696,749
Short-term investment	10,632,115	10,632,115	10,409,907	10,409,907
Receivables				
Franchisee	184,444,213	184,444,213	89,638,852	89,638,852
Suppliers	137,235,021	137,235,021	97,257,076	97,257,076
Store operators	19,452,194	19,452,194	12,878,514	12,878,514
Employees	12,993,209	12,993,209	15,407,124	15,407,124
Rent	5,638,673	5,638,673	7,068,009	7,068,009
Due from PFI	1,637,912	1,637,912	173,945	173,945
Current portion of:				
Notes receivable	1,403,344	1,403,344	1,328,983	1,328,983
Lease receivable	1,394,060	1,570,588	1,300,075	1,563,950
Insurance claims	614,135	614,135	319,208	319,208
Others	9,785,082	9,785,082	13,917,501	13,917,501
	374,597,843	374,774,371	239,289,287	239,553,162
Deposits				
Utilities	33,663,791	33,663,791	29,267,868	29,267,868
Refundable	25,843,670	32,667,920	26,789,004	27,301,992
Others	6,017,558	6,017,558	4,527,970	4,527,970
	65,525,019	72,349,269	60,584,842	61,097,830
Other noncurrent assets				
Noncurrent portion of:				
Lease receivable	2,054,276	2,036,402	3,448,336	3,439,941
Notes receivable	955,355	955,355	1,689,268	1,689,268
	3,009,631	2,991,757	5,137,604	5,129,209
<b>TOTAL FINANCIAL ASSETS</b>	<b>₱869,050,177</b>	<b>₱876,033,081</b>	<b>₱710,118,389</b>	<b>₱710,886,857</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Other Financial Liabilities</b>				
Bank loans	₱477,777,778	₱477,777,778	₱374,666,667	₱374,666,667
Accounts payable and accrued expenses:				
Trade payable	1,077,213,586	1,077,213,586	1,066,740,769	1,066,740,769
Utilities	55,148,912	55,148,912	38,219,462	38,219,462
Employee benefits	22,772,206	22,772,206	23,954,117	23,954,117
Outsourced services	14,531,473	14,531,473	12,461,025	12,461,025
Advertising and promotion	8,754,528	8,754,528	16,054,548	16,054,548
Bank charges	3,860,300	3,860,300	2,278,700	2,278,700
Security services	3,361,310	3,361,310	3,054,419	3,054,419
Interest	1,173,579	1,173,579	1,174,528	1,174,528
Others*	23,116,538	23,116,538	32,734,076	32,734,076
	1,209,932,432	1,209,932,432	1,196,671,644	1,196,671,644
Other current liabilities:				
Non-trade accounts payable	423,183,843	423,183,843	188,758,358	188,758,358
Retention payable	24,673,598	24,673,598	18,688,531	18,688,531
Service fees payable	20,586,182	20,586,182	19,370,472	19,370,472
Royalty	12,579,753	12,579,753	10,353,333	10,353,333
Others	4,990,644	4,990,644	12,700,219	12,700,219
	486,014,020	486,014,020	249,870,913	249,870,913
Cumulative redeemable preferred shares	6,000,000	6,000,000	6,000,000	6,000,000
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>₱2,179,724,230</b>	<b>₱2,179,724,230</b>	<b>₱1,827,209,224</b>	<b>₱1,827,209,224</b>

\*Excludes withholding taxes payable amounting to ₱2,000 as of December 31, 2012 and 2011.



### Fair Value Information

#### *Current Financial Assets and Financial Liabilities*

Due to the short-term nature of the related transactions, the fair values of cash and cash equivalents, short-term investment, receivables (except for lease receivables), accounts payable and accrued expenses and other current liabilities approximates their carrying values as of balance sheet date.

#### *Lease Receivables*

The fair value of lease receivable is determined by discounting the sum of future cash flows using the prevailing market rates for instruments with similar maturities as of December 31, 2012 and 2011, which is 3.80% and 4.64%, respectively.

#### *Utility and Other Deposits*

The fair value of utility and other deposits approximates its carrying value as it earns interest based on repriced market conditions.

#### *Refundable Deposits*

The fair value of deposits is determined by discounting the sum of future cash flows using the prevailing market rates for instruments with similar maturities as of December 31, 2012 and 2011 ranging from 1.33% to 4.36% and 2.74% to 6.09%, respectively.

#### *Bank Loans*

The carrying value approximates fair value because of recent and monthly repricing of related interest based on market conditions.

#### *Cumulative Redeemable Preferred Shares*

The carrying value approximates fair value because corresponding dividends on these shares that are charged as interest expense in profit or loss are based on recent treasury bill rates repriced annually at year end.

### Fair Value Hierarchy

As of December 31, 2012 and 2011, the Group has no financial instruments measured at fair value.

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## **30. Financial Risk Management Objectives and Policies**

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and foreign exchange risk. The BOD reviews and approves policies for managing each of these risks. The BOD also created a separate board-level entity, which is the Audit Committee, with explicit authority and responsibility in managing and monitoring risks. The Audit Committee, which ensures the integrity of internal control activities throughout the Group, develops, oversees, checks and pre-approves financial management functions and systems in the areas of credit, market, liquidity, operational, legal and other risks of the Group, and crisis management. The Internal Audit Department and the External Auditor directly report to the Audit Committee regarding the direction, scope and coordination of audit and any related activities.



Listed below are the summarized risk identified by the BOD.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The receivable balances are monitored on an ongoing basis with the result that the Group's exposure to impairment is managed to a not significant level. The Group deals only with counterparty duly approved by the BOD.

The following tables provide information regarding the maximum credit risk exposure of the Group as of December 31:

	2012	2011
Cash and cash equivalents (excluding cash on hand)		
Cash in bank	P204,668,267	P277,117,736
Cash equivalents	48,000,000	—
	<b>252,668,267</b>	277,117,736
Short-term investment	<b>10,632,115</b>	10,409,907
Receivables		
Franchisee	184,444,213	89,638,852
Suppliers	137,235,021	97,257,076
Store operators	19,452,194	12,878,514
Employees	12,993,209	15,407,124
Rent	5,638,673	7,068,009
Due from PFI	1,637,912	173,945
Current portion of:		
Notes receivable	1,403,344	1,328,983
Lease receivable	1,394,060	1,300,075
Insurance claims	614,135	319,208
Others	9,785,082	13,917,501
	<b>374,597,843</b>	239,289,287
Deposits		
Utilities	33,663,791	29,267,868
Refundable	25,843,670	26,789,004
Others	6,017,558	4,527,970
	<b>65,525,019</b>	60,584,842
Other noncurrent assets		
Noncurrent portion of:		
Lease receivable	2,054,276	3,448,336
Notes receivable	955,355	1,689,268
	<b>3,009,631</b>	5,137,604
	<b>P706,432,875</b>	P592,539,376



The following tables provide information regarding the credit risk exposure of the Group by classifying assets according to the Group's credit ratings of debtors:

	2012			
	Neither Past Due nor Impaired		Past Due Or Impaired	Total
	High Grade	Standard Grade		
<b>Cash and cash equivalents</b>				
Cash in bank	₱204,668,267	₱—	₱—	₱204,668,267
Cash equivalents	48,000,000	—	—	48,000,000
	252,668,267	—	—	252,668,267
<b>Short-term investment</b>	10,632,115	—	—	10,632,115
<b>Receivables</b>				
Franchisee	—	184,444,213	—	184,444,213
Suppliers	—	105,591,971	31,643,050	137,235,021
Store operators	—	19,452,194	—	19,452,194
Employees	—	12,993,209	—	12,993,209
Rent	—	5,638,673	—	5,638,673
Due from PFI	—	1,637,912	—	1,637,912
Current portion of:				
Notes receivable	—	1,403,344	—	1,403,344
Lease receivable	—	1,394,060	—	1,394,060
Insurance claims	—	614,135	—	614,135
Others	—	3,835,775	5,949,307	9,785,082
	—	337,005,486	37,592,357	374,597,843
<b>Deposits</b>				
Utilities	—	33,663,791	—	33,663,791
Refundable	—	25,843,670	—	25,843,670
Others	—	6,017,558	—	6,017,558
	—	65,525,019	—	65,525,019
<b>Other noncurrent assets</b>				
Noncurrent portion of:				
Lease receivable	—	2,054,276	—	2,054,276
Notes receivable	—	955,355	—	955,355
	—	3,009,631	—	3,009,631
	₱263,300,382	₱405,540,136	₱37,592,357	₱706,432,875

	2011			
	Neither Past Due nor Impaired		Past Due Or Impaired	Total
	High Grade	Standard Grade		
<b>Cash and cash equivalents</b>				
Cash in bank	₱277,117,736	₱—	₱—	₱277,117,736
<b>Short-term investment</b>	10,409,907	—	—	10,409,907
<b>Receivables</b>				
Suppliers	—	13,012,022	84,245,054	97,257,076
Franchisee	—	89,638,852	—	89,638,852
Store operators	—	12,878,514	—	12,878,514
Employees	—	15,407,124	—	15,407,124
Rent	—	7,068,009	—	7,068,009
Current portion of:				
Notes receivable	—	1,328,983	—	1,328,983
Current portion	—	1,300,075	—	1,300,075
Insurance claims	—	319,208	—	319,208
Due from PFI	—	173,945	—	173,945
Others	—	8,256,972	5,660,529	13,917,501
	—	149,383,704	89,905,583	239,289,287

(Forward)



	2011			
	Neither Past Due nor Impaired			Total
	High Grade	Standard Grade	Past Due Or Impaired	
<b>Deposits</b>				
Utilities	P-	P29,267,868	P-	P29,267,868
Refundable	-	26,789,004	-	26,789,004
Others	-	4,527,970	-	4,527,970
	-	60,584,842	-	60,584,842
<b>Other noncurrent assets</b>				
Noncurrent portion of:				
Lease receivable	-	3,448,336	-	3,448,336
Notes receivable	-	1,689,268	-	1,689,268
	-	5,137,604	-	5,137,604
	P287,527,643	P215,106,150	P89,905,583	P592,539,376

The Group uses the following criteria to rate credit quality:

Class	Description
High Grade	Financial assets that have a recognized foreign or local third party rating or instruments which carry guaranty/collateral.
Standard Grade	Financial assets of companies that have the apparent ability to satisfy its obligations in full.

The credit qualities of the financial assets were determined as follows:

Cash and cash equivalents and short-term investment are classified as high grade since these are deposited or transacted with reputable banks which have low probability of insolvency.

Receivables, deposits and other noncurrent asset are classified as standard grade since these pertain to receivables considered as unsecured from third parties with good paying habits.

The following tables provide the analysis of financial assets that are past due but not impaired and past due and impaired:

	2012					
	Aging analysis of financial assets past due but not impaired				Past due and impaired	Total
	31 to 60 days	61 to 90 days	> 90 days	Total		
<b>Receivables:</b>						
Suppliers	P9,537,555	P8,726,274	P11,101,267	P29,365,096	P2,277,954	P31,643,050
Others	-	-	-	-	5,949,307	5,949,307
	P9,537,555	P8,726,274	P11,101,267	P29,365,096	P8,227,261	P37,592,357

	2011					
	Aging analysis of financial assets past due but not impaired				Past due and impaired	Total
	31 to 60 days	61 to 90 days	> 90 days	Total		
<b>Receivables:</b>						
Suppliers	P3,565,821	P3,058,308	P75,842,971	P82,467,100	P1,777,954	P84,245,054
Others	-	-	-	-	5,660,529	5,660,529
	P3,565,821	P3,058,308	P75,842,971	P82,467,100	P7,438,483	P89,905,583

Receivables from suppliers are noninterest-bearing and are generally on 30-day to 90-day terms.

There are no significant concentrations of credit risk within the Group.



### Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments. The Group seeks to manage its liquidity profile to be able to finance its capital expenditures and service its maturing debts. To cover for its financing requirements, the Group intends to use internally generated funds and sales of certain assets.

As part of its liquidity risk management program, the Group regularly evaluates projected and actual cash flow information and continuously assesses conditions in the financial markets for opportunities to pursue fund raising initiatives. The Group uses historical figures and experiences and forecasts of collections and disbursements. These initiatives may include drawing of loans from the approved credit line intended for working capital and capital expenditures purposes and equity market issues.

The tables below summarize the maturity profile of the financial assets of the Group:

	2012				Total
	Three months or less	More than three months to one year	More than one year to five years	More than five years	
<b>Cash and cash equivalents</b>					
Cash on hand and in banks	₱367,285,569	₱-	₱-	₱-	₱367,285,569
Cash equivalents	48,000,000	-	-	-	48,000,000
	<b>415,285,569</b>	-	-	-	<b>415,285,569</b>
<b>Short-term investment</b>	<b>10,632,115</b>	-	-	-	<b>10,632,115</b>
<b>Receivables</b>					
Franchisee	184,444,213	-	-	-	184,444,213
Suppliers	31,685,993	105,549,028	-	-	137,235,021
Store operators	19,452,194	-	-	-	19,452,194
Employees	12,993,209	-	-	-	12,993,209
Rent	5,638,673	-	-	-	5,638,673
Due from PFI	-	1,637,912	-	-	1,637,912
Current portion of:					
Notes receivable	201,610	1,201,734	-	-	1,403,344
Lease receivable	339,448	1,054,612	-	-	1,394,060
Insurance claims	-	614,135	-	-	614,135
Others	9,785,082	-	-	-	9,785,082
	<b>264,540,422</b>	<b>110,057,421</b>	-	-	<b>374,597,843</b>
<b>Deposits</b>					
Utilities	-	-	33,663,791	-	33,663,791
Refundable	-	-	25,843,670	-	25,843,670
Others	-	-	6,017,558	-	6,017,558
	-	-	<b>65,525,019</b>	-	<b>65,525,019</b>
<b>Other noncurrent assets</b>					
Noncurrent portion of:					
Lease receivable	-	-	2,054,276	-	2,054,276
Notes receivable	-	-	955,355	-	955,355
	-	-	<b>3,009,631</b>	-	<b>3,009,631</b>
	<b>₱690,458,106</b>	<b>₱110,057,421</b>	<b>₱68,534,650</b>	<b>₱-</b>	<b>₱869,050,177</b>



	2011				Total
	Three months or less	More than three months to one year	More than one year to five years	More than five years	
<b>Cash and cash equivalents</b>					
Cash on hand and in banks	₱394,696,749	₱-	₱-	₱-	₱394,696,749
<b>Short-term investment</b>	-	10,409,907	-	-	10,409,907
<b>Receivables</b>					
Suppliers	97,257,076	-	-	-	97,257,076
Franchisee	89,638,852	-	-	-	89,638,852
Store operators	12,878,514	-	-	-	12,878,514
Employees	15,407,124	-	-	-	15,407,124
Rent	7,068,009	-	-	-	7,068,009
Current portion of:					
Notes receivable	189,303	1,139,680	-	-	1,328,983
Lease receivable	325,019	975,056	-	-	1,300,075
Insurance claims	-	319,208	-	-	319,208
Due from PFI	-	173,945	-	-	173,945
Others	13,917,501	-	-	-	13,917,501
	236,681,398	2,607,889	-	-	239,289,287
<b>Deposits</b>					
Utilities	-	-	29,267,868	-	29,267,868
Refundable	-	-	26,789,004	-	26,789,004
Others	-	-	4,527,970	-	4,527,970
	-	-	60,584,842	-	60,584,842
<b>Other noncurrent assets</b>					
Noncurrent portion of:					
Lease receivable	-	-	3,448,336	-	3,448,336
Notes receivable	-	-	1,689,268	-	1,689,268
	-	-	5,137,604	-	5,137,604
	₱631,378,147	₱13,017,796	₱65,722,446	₱-	₱710,118,389

The tables below summarize the maturity profile of the financial liabilities of the Group based on remaining undiscounted contractual obligations:

	2012			Total
	Three months or less	More than three months to one year	More than one year	
<b>Bank loans</b>	₱457,777,778	₱20,000,000	₱-	₱477,777,778
<b>Accounts payable and accrued expenses</b>				
Trade payable	1,077,213,586	-	-	1,077,213,586
Utilities	55,148,912	-	-	55,148,912
Employee benefits	22,772,206	-	-	22,772,206
Outsourced services	14,531,473	-	-	14,531,473
Advertising and promotion	8,754,528	-	-	8,754,528
Bank charges	3,860,300	-	-	3,860,300
Security services	3,361,310	-	-	3,361,310
Interest	1,173,579	-	-	1,173,579
Others	23,118,538	-	-	23,118,538
	1,209,934,432	-	-	1,209,934,432
<b>Other current liabilities</b>				
Non-trade accounts payable	47,226,209	375,957,634	-	423,183,843
Retention payable	-	24,673,598	-	24,673,598
Service fees payable	-	20,586,182	-	20,586,182
Royalty	12,579,753	-	-	12,579,753
Others	-	4,990,644	-	4,990,644
	59,805,962	426,208,058	-	486,014,020
<b>Cumulative redeemable preferred shares</b>	6,000,000	-	-	6,000,000
	₱1,733,518,172	₱446,208,058	₱-	₱2,179,726,230



	2011			Total
	Three months or less	More than three months to one year	More than one year	
<b>Bank loans</b>	₱293,389,375	₱81,277,292	₱-	₱374,666,667
<b>Accounts payable and accrued expenses</b>				
Trade payable	1,066,740,769	-	-	1,066,740,769
Utilities	38,219,462	-	-	38,219,462
Employee benefits	23,954,117	-	-	23,954,117
Advertising and promotion	16,054,548	-	-	16,054,548
Outsourced services	12,461,025	-	-	12,461,025
Security services	3,054,419	-	-	3,054,419
Bank charges	2,278,700	-	-	2,278,700
Interest	1,174,528	-	-	1,174,528
Others	32,736,076	-	-	32,736,076
	1,196,673,644	-	-	1,196,673,644
<b>Other current liabilities</b>				
Non-trade accounts payable	23,253,171	165,505,187	-	188,758,358
Service fees payable	-	19,370,472	-	19,370,472
Retention payable	-	18,688,531	-	18,688,531
Royalty	10,353,333	-	-	10,353,333
Others	-	12,700,219	-	12,700,219
	33,606,504	216,264,409	-	249,870,913
<b>Cumulative redeemable preferred shares</b>	6,000,000	-	-	6,000,000
	₱1,529,669,523	₱297,541,701	₱-	₱1,827,211,224

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's fair value and cash flows interest rate risk mainly arise from bank loans with floating interest rates. The Group is expecting to substantially reduce the level of bank loans over time. Internally generated funds coming from its cash generating units and from its franchising business will be used to pay off outstanding debts and consequently reduce the interest rate exposure.

The maturity profile of financial instruments that are exposed to interest rate risk are as follows:

	2012	2011
Due in less than one year	₱477,777,778	₱374,666,667
Rate	3.30%-3.75%	3.50%-4.25%

Interest of financial instruments classified as floating rate is repriced at intervals of 30 days. The other financial instruments of the Group that are not included in the above tables are noninterest-bearing and are therefore not subject to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's income before income tax (through the impact on floating rate borrowings):

	2012		2011	
	Increase/Decrease in Basis Points	Effect on Income Before Income Tax	Increase/Decrease in Basis Points	Effect on Income Before Income Tax
Bank loans - floating interest rate	+100	(₱4,777,778)	+100	(₱3,746,667)
	-100	4,777,778	-100	3,746,667

There is no other impact on the Group's equity other than those already affecting profit or loss.



### *Foreign Exchange Risk*

Foreign exchange risk is the risk to earnings or capital arising from changes in foreign exchange rates. The Group's foreign exchange exposure arises from holding foreign currency denominated rates, cash and cash equivalents, loans and receivables and merchandise sale to foreign entity. In order to balance this exposure, the Group has some sales denominated in foreign currency and maintains a foreign currency accounts in a reputable commercial bank. The Group does not enter into derivatives to hedge the exposure. The Group's cash and receivables denominated in foreign currency and converted into Peso using the closing exchange rates at each balance sheet date are summarized below.

	2012		2011	
	Dollar	Peso	Dollar	Peso
Cash	\$141,607	₱5,812,967	\$59,634	₱2,614,355
Receivables	27,049	1,110,362	90,349	3,960,900
	<b>\$168,656</b>	<b>₱6,923,329</b>	\$149,983	₱6,575,255

As of December 31, 2012 and 2011, the closing functional currency exchange rate is ₱41.05 and ₱43.84, respectively.

The following table represents the impact on the Group's income before income tax brought about by reasonably possible changes in Peso to Dollar exchange rate (holding all other variables constant) as of December 31, 2012 and 2011 until its next financial reporting date:

	Change in Peso to Dollar Exchange Rate	Effect on Income before Income Tax
2012	Increase by 6.36%	(₱440,324)
	Decrease by 6.36%	440,324
2011	Increase by 3.00%	(₱197,258)
	Decrease by 3.00%	197,258

There is no other effect on the Company's equity other than those already affecting profit or loss.

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### 31. Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

In the light of changes in economic conditions, the Group manages dividend payments to shareholders, pay-off existing debts, return capital to shareholders or issue new shares. The Group mainly uses financing from local banks. The Group considers equity contributed by shareholders as capital. The Group manages its capital structure by keeping a net worth of between 30% to 50% in relation to its total assets. The Group's net worth ratio is 42% and 40% as of December 31, 2012 and 2011, respectively. No changes were made in the objectives, policies and processes during the year.



	2012	2011
Common stock	₱399,325,661	₱347,329,216
Additional paid-in capital	293,525,037	293,525,037
Retained earnings	1,233,432,997	855,468,208
	<b>1,926,283,695</b>	1,496,322,461
Less cost of shares held in treasury	2,923,246	2,923,246
	<b>₱1,923,360,449</b>	₱1,493,399,215
Total assets	<b>₱4,564,348,482</b>	₱3,734,298,981
Net worth	<b>42%</b>	40%

As of December 31, 2012 and 2011, the Group was able to meet its objective.

### 32. Significant Agreements

#### a. Franchise Agreements

The Group has various store franchise agreements with third parties for the operation of certain stores. The agreement includes a one-time franchise fee payment and an annual 7-Eleven charge for the franchisee, which is equal to a certain percentage of the franchised store's gross profit. Details follows:

	2012	2011	2010
Franchise revenue	₱602,379,025	₱478,827,511	₱402,620,636
Franchise fee	81,193,802	55,198,201	40,202,044
	<b>₱683,572,827</b>	₱534,025,712	₱442,822,680

#### b. Service Agreements

The Group has service agreements with third parties for the management and operation of certain stores. In consideration thereof, the store operator is entitled to a service fee based on a certain percentage of the store's gross profit and operating expenses as stipulated in the service agreement. Service fees included under outside services shown as part of "General and administrative expenses" in profit or loss amounted to ₱231,622,046 in 2012, ₱174,464,102 in 2011 and ₱134,893,173 in 2010 (see Note 19).

#### c. Memorandum of Agreement with TAIT

On April 1, 2011, CDI has entered into a Memorandum of Agreement (MOA) with TAIT Marketing and Distribution Co., Ltd., a corporation duly organized and existing under the laws of the Republic of China (ROC) with principal office at Taiwan, ROC. The contract indicates that CDI shall provide consumer goods and products from Philippine Suppliers that meet the needs and specifications of TAIT. Revenue from merchandise sold to TAIT amounted to ₱2,864,202 and ₱11,974,766 in 2012 and 2011, respectively. Associated cost of goods sold amounted to ₱2,574,025 and ₱9,986,582 in 2012 and 2011, respectively.

#### d. Commission Income

The Group has entered into agreements with a phone card supplier and various third parties. Under the arrangements, the Group earns commission on the sale of phone cards and collection of bills payments based on a certain percentage of net sales and collections for the month and a fixed monthly rate. Commission income amounted to ₱67,396,391, ₱37,236,539 and ₱29,271,506 in 2012, 2011 and 2010, respectively.



e. 2007 Exclusivity Agreement

The Group has entered into an exclusivity agreement with a third party supplier in the Philippines on October 1, 2007. Upon the effectivity of the agreement, all existing branches of 7-Eleven shall exclusively carry the third party supplier's products and 7-Eleven should not carry any other similar or parallel products. The agreement is for a period of three years starting October 1, 2007 and shall continue in force and effect until December 31, 2010. In June 2008, the Company received a total consideration of ₱11,741,071 in relation to the agreement, to be amortized over three years.

On October 15, 2010, the said agreement was extended for another 3 years. The Company received ₱29,000,000 as a result of the extension.

Income from exclusivity agreement included as part of "Marketing support funds" under "Marketing income" in profit or loss amounted to nil, ₱29,000,000 and ₱3,913,690 in 2012, 2011 and 2010, respectively (see Note 20).

f. 2010 Exclusivity Contract

The Group has also entered into a 3-year exclusivity contract with a Third Party soda manufacturer in the Philippines effective April 2010 to March 2013. The contract indicates that the Third Party soda manufacturer will exclusively supply all slurpee products of 7-Eleven. The Group received a one-time signing bonus amounting to ₱4,464,286 upon the effectivity of the exclusivity supply contract amortized over three years. Income from exclusivity contract included as part of "Marketing support funds" under "Marketing income" in profit or loss amounted to ₱1,488,095, ₱1,488,095, and ₱1,116,071 in 2012, 2011 and 2010, respectively. Deferred revenue as of December 31, 2012 and 2011 amounted to ₱372,024 and ₱1,860,119, respectively (see Note 16).

g. 2010 Signing Bonus

In 2010, the Group collected a signing bonus amounting to ₱2,232,143 from one of the Group's food suppliers for awarding half of the Company's existing Hotdog Stock Keeping Units (SKUs) to the food supplier for the next five years starting January 1, 2010. Income from exclusivity contract included as part of "Marketing support funds" under "Marketing income" in profit or loss amounted to ₱446,429 in 2012, 2011 and 2010 (see Note 20). Deferred revenue as of December 31, 2012 and 2011 amounted to ₱892,857 and ₱1,339,286, respectively (see Note 16).

h. MOA with Chevron Philippines, Inc.

The Group has entered into MOA with Chevron Philippines, Inc. (CPI) on August 6, 2009, wherein CPI has granted the Group as authorized co-locator for a full term of three-years to establish, operate and/or franchise its 7-Eleven stores in CPI service stations. Both parties have identified 22 CPI service stations, wherein the Group will give the Retailers of these service stations a Letter Offer to Franchise (LOF) 7-Eleven stores. Upon acceptance of the Retailers of the LOF, the Retailers will sign a Store Franchise Agreement (SFA) with the Group. If LOF is not accepted by one of the 22 original service stations identified, that service station will be replaced with another mutually acceptable service station site.

Upon signing of the MOA, CPI executed a Caltex Retail Agreement with each of the 22 service station Retailers, which shall have a full term of three years and which will be co-terminus with the SFA.

As of December 31, 2012 and 2011, the Company has already opened 37 and 25 franchised serviced stations, respectively.



### 33. Segment Reporting

The Group considers the store operations as its only business segment based on its primary business activity. Franchising, renting of properties and commissioning on bills payment services are considered an integral part of the store operations. The Group's identified operating segments below are consistent with the segments reported to the BOD, which is the Chief Operating Decision Maker of the Group.

The products and services from which the store operations derive its revenues from are as follows:

- Merchandise sales
- Franchise revenue
- Marketing income
- Rental income
- Commission income
- Interest income

The aforementioned revenues are all revenues from external customers.

The segment's relevant financial information is as follows:

	2012	2011	2010
<b>Revenue</b>			
Revenue from merchandise sales	<b>₱11,713,760,468</b>	₱9,435,604,073	₱7,612,243,056
Franchise revenue	<b>683,572,827</b>	534,025,712	442,822,680
Marketing income	<b>375,768,257</b>	239,888,660	147,469,060
Commission income	<b>67,396,391</b>	37,236,539	29,271,506
Rent income	<b>45,751,718</b>	44,143,593	37,361,844
Interest income	<b>5,377,093</b>	5,864,713	5,355,769
Other income	<b>123,025,663</b>	99,300,756	72,802,078
	<b>13,014,652,417</b>	10,396,064,046	8,347,325,993
<b>Expenses</b>			
Cost of merchandise sales	<b>8,523,151,274</b>	6,844,562,019	5,388,497,887
General and administrative expenses:			
Depreciation and amortization	<b>529,277,400</b>	380,954,262	294,893,482
Others	<b>3,256,384,195</b>	2,631,223,716	2,236,496,622
Interest expense	<b>16,596,830</b>	16,024,647	16,398,169
Other expenses	<b>14,595,186</b>	4,806,251	5,403,913
	<b>12,340,004,885</b>	9,877,570,895	7,941,690,073
<b>Income Before Income Tax</b>	<b>674,647,532</b>	518,493,151	405,635,920
<b>Provision for Income Tax</b>	<b>210,022,001</b>	162,150,162	128,755,672
<b>Segment Profit</b>	<b>₱464,625,531</b>	₱356,342,989	₱276,880,248
<b>Segment Assets</b>	<b>₱4,564,348,482</b>	₱3,734,298,981	₱3,093,173,359
<b>Segment Liabilities</b>	<b>₱2,637,758,138</b>	₱2,237,669,871	₱1,922,744,371
<b>Capital Expenditure for the Year</b>	<b>₱858,674,993</b>	₱717,091,736	₱671,923,830



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**34. Provisions and Contingencies**

The Group is a party to various litigations involving, among others, employees suing for illegal dismissal, back wages and damage claims, lessors claiming for lease payments for the unexpired portion of the lease agreements in cases of pre-termination of lease agreements, claims arising from store operations and as co-respondents with manufacturers on complaints with the Bureau of Food and Drugs, specific performance and other civil claims. All such cases are in the normal course of business and are not deemed to be considered as material legal proceedings. Further, these cases are either pending in courts or under protest, the outcome of which are not presently determinable. Management and its legal counsel believe that the liability, if any, that may result from the outcome of these litigations and claims will not materially affect their financial position or financial performance.

As of December 31, 2012 and 2011, the Company has provisions amounting to ₱7,066,290 pertaining to probable loss on litigations.

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**35. Note to Consolidated Statements of Cash Flows**

The principal non-cash transaction of the Group under financing activities pertains to the issuance of stock dividends (see Note 17).



**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
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**SCHEDULES**  
**DECEMBER 31, 2012**

- Schedule I: Supplementary schedule of retained earnings available for dividend declaration
- Schedule II: Supplementary schedule of all the effective standards and interpretations as of December 31, 2012
- Schedule III. Map of the relationships of the companies within the group
- Schedule IV. Financial soundness indicators
- Schedule V. Supplementary schedules required by Annex 68-E

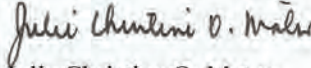


## **INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
Philippine Seven Corporation  
7th Floor, The Columbia Tower  
Ortigas Avenue, Mandaluyong City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Philippine Seven Corporation and Subsidiaries (the Group) as at December 31, 2012 and 2011 and for each of the three years in the period ended December 31, 2012, included in this Form 17-A, and have issued our report thereon dated February 18, 2013. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with Securities Regulation Code Rule 68, As Amended (2011), and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

  
Julie Christine O. Mateo  
Partner  
CPA Certificate No. 93542  
SEC Accreditation No. 0780-AR-1 (Group A),  
February 2, 2012, valid until February 1, 2015  
Tax Identification No. 198-819-116  
BIR Accreditation No. 08-001998-68-2012,  
April 11, 2012, valid until April 10, 2015  
PTR No. 3670009, January 2, 2013, Makati City

February 18, 2013



**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS**  
**AVAILABLE FOR DIVIDEND DECLARATION**  
**DECEMBER 31, 2012**

The reconciliation of retained earnings available for dividend declaration as of December 31, 2012 follows:

Retained earnings as of December 31, 2011		₱798,983,996
Less: Deferred income tax asset		(37,642,307)
Non-actual/unrealized income, net of tax		
Accretion of interest income*		(5,784,423)
Treasury shares		(2,923,246)
Unrealized foreign exchange gain		(684)
<b>Retained earnings as adjusted, December 31, 2011</b>		<b>752,633,336</b>
Net income during the year closed to retained earnings	466,897,283	
Less: Non-actual unrealized income, net of tax		
Accretion of interest income	(1,205,938)	
Movement in deferred income tax asset	(1,139,998)	
Net income actually earned during the year		464,551,347
Less: Dividend declarations during the year		(86,660,742)
<b>Retained earnings as adjusted, December 31, 2012</b>		<b>₱1,130,523,941</b>

*\*Based on accretion of income per PAS 39 from 2005-2011.*



**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**SUPPLEMENTARY SCHEDULE OF ALL THE EFFECTIVE**  
**STANDARDS AND INTERPRETATIONS**  
**AS OF DECEMBER 31, 2012**

<b>PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS</b> Effective as of December 31, 2012		<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
<b>Framework for the Preparation and Presentation of Financial Statements</b> Conceptual Framework Phase A: Objectives and qualitative characteristics		✓		✓
<b>PFRSs Practice Statement Management Commentary</b>		✓		
<b>Philippine Financial Reporting Standards</b>				
<b>PFRS 1 (Revised)</b>	First-time Adoption of Philippine Financial Reporting Standards	✓		
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	✓		✓
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters	✓		✓
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters	✓		✓
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters	✓		✓
	Amendments to PFRS 1: Government Loans	✓		✓
<b>PFRS 2</b>	Share-based Payment	✓		✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations	✓		✓
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions	✓		✓
<b>PFRS 3 (Revised)</b>	Business Combinations	✓		
<b>PFRS 4</b>	Insurance Contracts	✓		✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts	✓		✓
<b>PFRS 5</b>	Non-current Assets Held for Sale and Discontinued Operations	✓		✓
<b>PFRS 6</b>	Exploration for and Evaluation of Mineral Resources	✓		✓
<b>PFRS 7</b>	Financial Instruments: Disclosures	✓		



<b>PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS</b> Effective as of December 31, 2012		<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	✓		
	Amendments to PFRS 7: Disclosures - Transfers of Financial Assets	✓		
	Amendments to PFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities*		✓	
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures*		✓	
<b>PFRS 8</b>	Operating Segments	✓		
<b>PFRS 9</b>	Financial Instruments*		✓	
	Amendments to PFRS 9: Mandatory Effective Date of PFRS 9 and Transition Disclosures*		✓	
<b>PFRS 10</b>	Consolidated Financial Statements*		✓	
<b>PFRS 11</b>	Joint Arrangements*		✓	
<b>PFRS 12</b>	Disclosure of Interests in Other Entities*		✓	
<b>PFRS 13</b>	Fair Value Measurement*		✓	
<b>Philippine Accounting Standards</b>				
<b>PAS 1 (Revised)</b>	Presentation of Financial Statements	✓		
	Amendment to PAS 1: Capital Disclosures	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation	✓		✓
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income*		✓	
<b>PAS 2</b>	Inventories	✓		
<b>PAS 7</b>	Statement of Cash Flows	✓		
<b>PAS 8</b>	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
<b>PAS 10</b>	Events after the Balance Sheet Date	✓		
<b>PAS 11</b>	Construction Contracts	✓		✓
<b>PAS 12</b>	Income Taxes	✓		
	Amendment to PAS 12 - Deferred Tax: Recovery of Underlying Assets	✓		



<b>PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS</b> Effective as of December 31, 2012		<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
<b>PAS 16</b>	Property, Plant and Equipment	✓		
<b>PAS 17</b>	Leases	✓		
<b>PAS 18</b>	Revenue	✓		
<b>PAS 19</b>	Employee Benefits	✓		
	Amendments to PAS 19: Actuarial Gains and Losses, Group Plans and Disclosures	✓		
<b>PAS 19 (Revised)</b>	Employee Benefits*		✓	
<b>PAS 20</b>	Accounting for Government Grants and Disclosure of Government Assistance	✓		✓
<b>PAS 21</b>	The Effects of Changes in Foreign Exchange Rates	✓		
	Amendment: Net Investment in a Foreign Operation	✓		✓
<b>PAS 23 (Revised)</b>	Borrowing Costs	✓		
<b>PAS 24 (Revised)</b>	Related Party Disclosures	✓		
<b>PAS 26</b>	Accounting and Reporting by Retirement Benefit Plans	✓		✓
<b>PAS 27 (Amended)</b>	Separate Financial Statements*		✓	
<b>PAS 28 (Amended)</b>	Investments in Associates and Joint Ventures*		✓	
<b>PAS 29</b>	Financial Reporting in Hyperinflationary Economies	✓		✓
<b>PAS 31</b>	Interests in Joint Ventures	✓		✓
<b>PAS 32</b>	Financial Instruments: Disclosure and Presentation	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation	✓		✓
	Amendment to PAS 32: Classification of Rights Issues	✓		✓
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities*		✓	
<b>PAS 33</b>	Earnings per Share	✓		
<b>PAS 34</b>	Interim Financial Reporting	✓		
<b>PAS 36</b>	Impairment of Assets	✓		
<b>PAS 37</b>	Provisions, Contingent Liabilities and Contingent Assets	✓		



<b>PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS</b> Effective as of December 31, 2012		<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
<b>PAS 38</b>	Intangible Assets	✓		
<b>PAS 39</b>	Financial Instruments: Recognition and Measurement	✓		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities	✓		
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions	✓		✓
	Amendments to PAS 39: The Fair Value Option	✓		✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts	✓		✓
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives	✓		✓
	Amendment to PAS 39: Eligible Hedged Items	✓		✓
<b>PAS 40</b>	Investment Property	✓		
<b>PAS 41</b>	Agriculture	✓		✓
<b>Philippine Interpretations</b>				
<b>IFRIC 1</b>	Changes in Existing Decommissioning, Restoration and Similar Liabilities	✓		✓
<b>IFRIC 2</b>	Members' Share in Co-operative Entities and Similar Instruments	✓		✓
<b>IFRIC 4</b>	Determining Whether an Arrangement Contains a Lease	✓		
<b>IFRIC 5</b>	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	✓		✓
<b>IFRIC 6</b>	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	✓		✓
<b>IFRIC 7</b>	Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies	✓		✓
<b>IFRIC 8</b>	Scope of PFRS 2	✓		✓
<b>IFRIC 9</b>	Reassessment of Embedded Derivatives	✓		✓
	Amendments to Philippine Interpretation	✓		✓

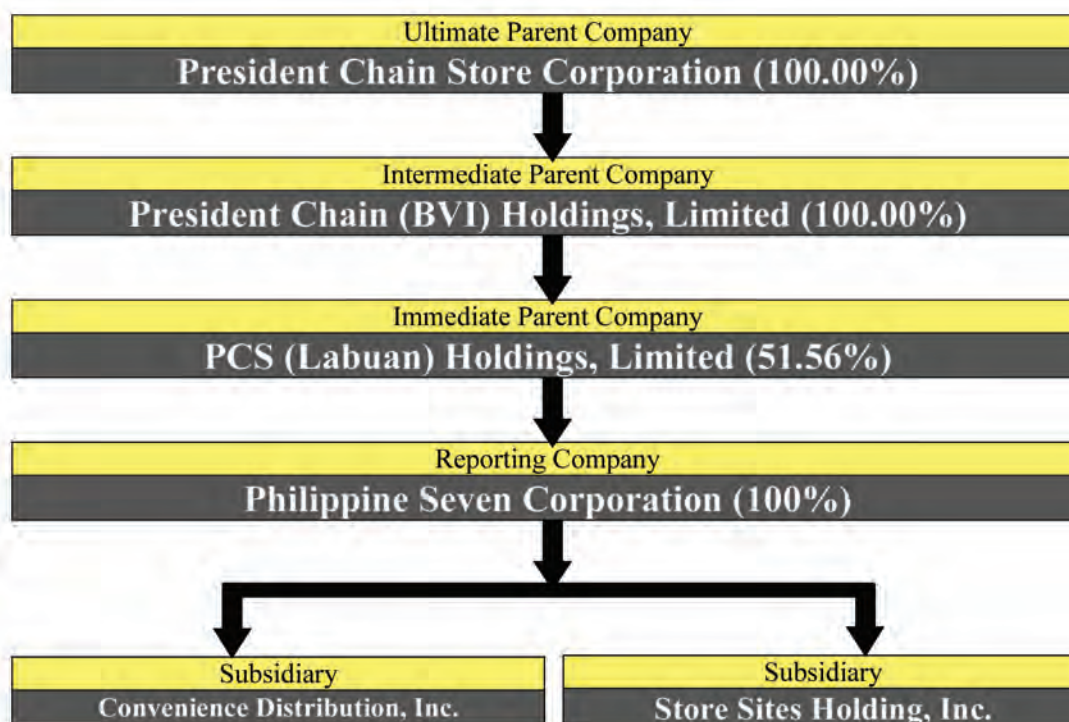


<b>PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS</b> Effective as of December 31, 2012		<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
	IFRIC - 9 and PAS 39: Embedded Derivatives			
<b>IFRIC 10</b>	Interim Financial Reporting and Impairment	✓		
<b>IFRIC 11</b>	PFRS 2 - Group and Treasury Share Transactions	✓		✓
<b>IFRIC 12</b>	Service Concession Arrangements	✓		✓
<b>IFRIC 13</b>	Customer Loyalty Programmes	✓		✓
<b>IFRIC 14</b>	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	✓		✓
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement	✓		✓
<b>IFRIC 16</b>	Hedges of a Net Investment in a Foreign Operation	✓		✓
<b>IFRIC 17</b>	Distributions of Non-cash Assets to Owners	✓		✓
<b>IFRIC 18</b>	Transfers of Assets from Customers	✓		✓
<b>IFRIC 19</b>	Extinguishing Financial Liabilities with Equity Instruments	✓		✓
<b>IFRIC 20</b>	Stripping Costs in the Production Phase of a Surface Mine*		✓	
<b>SIC-7</b>	Introduction of the Euro	✓		✓
<b>SIC-10</b>	Government Assistance - No Specific Relation to Operating Activities	✓		✓
<b>SIC-12</b>	Consolidation - Special Purpose Entities	✓		✓
	Amendment to SIC - 12: Scope of SIC 12	✓		✓
<b>SIC-13</b>	Jointly Controlled Entities - Non-Monetary Contributions by Venturers	✓		✓
<b>SIC-15</b>	Operating Leases - Incentives	✓		
<b>SIC-21</b>	Income Taxes - Recovery of Revalued Non-Depreciable Assets	✓		✓
<b>SIC-25</b>	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders	✓		✓
<b>SIC-27</b>	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	✓		
<b>SIC-29</b>	Service Concession Arrangements: Disclosures.	✓		✓
<b>SIC-31</b>	Revenue - Barter Transactions Involving Advertising Services	✓		✓
<b>SIC-32</b>	Intangible Assets - Web Site Costs	✓		✓

\*These standards, interpretations and amendments to existing standards will become effective subsequent to December 31, 2012.



**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**MAP OF THE RELATIONSHIP OF THE COMPANIES WITHIN**  
**THE GROUP**  
**DECEMBER 31, 2012**





**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**FINANCIAL SOUNDNESS INDICATORS**  
**DECEMBER 31, 2012**

Ratios	Formula	In Php	2012	2011	% Change
<b>Current Ratio</b>	$\frac{\text{Current assets}}{\text{Current liabilities}}$	$\frac{1,786,509,977}{2,386,093,301}$	0.75	0.67	11.94%
<b>Debt-to-equity ratio</b>	$\frac{\text{Total liabilities}}{\text{Total stockholders' equity}}$	$\frac{2,637,758,138}{1,926,590,344}$	1.37	1.50	-8.67%
<b>Asset-to-equity ratio</b>	$\frac{\text{Total assets}}{\text{Total stockholders' equity}}$	$\frac{4,564,348,482}{1,926,590,344}$	2.37	2.50	-5.20%
<b>Interest rate coverage ratio</b>	$\frac{\text{Earnings before interest \& tax}}{\text{Interest expense}}$	$\frac{674,647,532 + 16,596,830}{16,596,830}$	41.65	33.36	24.86%
<b>Net income margin</b>	$\frac{\text{Net income}}{\text{Revenue}}$	$\frac{464,625,531}{13,014,652,417}$	3.57%	3.43%	4.08%
<b>Return on equity</b>	$\frac{\text{Net income}}{\text{Ave. Total stockholders' equity}}$	$\frac{464,625,531}{(1,926,590,344 + 1,496,629,110)/2}$	24.12%	23.81%	1.59%



**PHILIPPINE SEVEN CORPORATION AND SUBSIDIARIES**  
**SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-E**  
**DECEMBER 31, 2012**

**Schedule A. Financial Assets**

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Valued based on market quotations at end of reporting period	Income received and accrued
<b>Loans and Receivables</b>				
Cash and cash equivalents	N/A	₱415,285,569	N/A	₱2,589,071
Short-term investment	N/A	10,632,115	N/A	268,625
Receivables	N/A	374,597,843	N/A	128,251
Deposits	N/A	65,525,019	N/A	2,099,941
Other noncurrent assets	N/A	3,009,631	N/A	—
		₱869,050,177		₱5,085,888

**Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)**

Name and Designation of debtor	Balance of Beginning of Period	Additions	Amounts collected	Amounts Written off	Current	Non Current	Balance at end of period
BARCENAS, ANGELITO SIGUENZA	₱535,135.65	₱44,485.13	₱67,546.80	—	₱512,073.98	—	₱512,073.98
APOLINARIO, VIOLETA BUMALAY	483,562.65	46,534.97	134,929.34	—	395,168.28	—	395,168.28
BATACLAN, EDUARDO PEREZ	6,752.32	505,714.44	133,168.00	—	379,298.76	—	379,298.76
BUENO, OLIVIA ENRIQUEZ	—	308,820.11	18,682.53	—	290,137.58	—	290,137.58
AQUINO, CYRUS JUDE ENRIQUEZ	—	313,048.03	37,365.06	—	275,682.97	—	275,682.97
RODRIGUEZ, ROBER CARMELO B.	—	317,152.07	49,820.08	—	267,331.99	—	267,331.99
FERNANDEZ, LIWAYWAY TENGCO	352,298.17	40,720.37	138,105.76	—	254,912.78	—	254,912.78
SALAZAR, ELENA TUAZON	—	328,375.88	74,014.93	—	254,360.95	—	254,360.95



Name and Designation of debtor	Balance of Beginning of Period	Additions	Amounts collected	Amounts Written off	Current	Non Current	Balance at end of period
TRINIDAD, MAGDALENA PALULAN	₱294,927.48	₱47,875.14	₱97,374.04	₱—	₱245,428.58	₱—	₱245,428.58
BELTRAN, SEVERINO III	—	251,835.45	15,235.14	—	236,600.31	—	236,600.31
SORIANO, MA. JULIA SALUD AMPER	238,618.54	28,849.77	39,741.28	—	227,727.03	—	227,727.03
DE GUZMAN, MARIA CELINA DE GUZMAN	283,351.71	23,103.45	80,260.06	—	226,195.10	—	226,195.10
BORRAL, ULYSSES DE VERA	279,580.91	23,103.45	79,025.39	—	223,658.97	—	223,658.97
ABAD, GIL MEDINA	273,860.01	30,502.70	91,025.07	—	213,337.64	—	213,337.64
NUCUM, EMMA BAYLON	254,144.50	20,379.00	77,895.84	—	196,627.66	—	196,627.66
CAGASAN, ARMI ANDRADE	247,899.46	36,736.26	94,464.37	—	190,171.35	—	190,171.35
MERINO, JAIME UNSON	211,884.66	33,328.84	65,334.60	—	179,878.90	—	179,878.90
MEDINA, FRANCIS SANTOS	181,167.17	191,800.88	199,974.58	—	172,993.47	—	172,993.47
ANG, JOSE CHUA JR.	277,245.13	31,106.21	138,105.76	—	170,245.58	—	170,245.58
AMANCIO, ELLEN ZUELA	—	182,611.36	18,163.58	—	164,447.78	—	164,447.78
PADLAN, PRUDENCIO AQUINO JR.	—	182,611.36	19,748.41	—	162,862.95	—	162,862.95
TY, JENNYLYN DAVID	—	185,005.38	25,429.01	—	159,576.37	—	159,576.37
CRUZADO, ALEXANDER MENDOZA	—	191,550.90	37,449.87	—	154,101.03	—	154,101.03
PEREZ, LEE GONZALO IGNACIO	195,913.58	29,025.21	76,489.32	—	148,449.47	—	148,449.47
LATADE, HILARIO REYES	175,000.00	18,743.14	47,763.44	—	145,979.71	—	145,979.71



Name and Designation of debtor	Balance of Beginning of Period	Additions	Amounts collected	Amounts Written off	Current	Non Current	Balance at end of period
TABLANTE, DENNIS AUSTRIA	₱174,656.25	₱26,278.16	₱56,181.05	₱-	₱144,753.36	₱-	₱144,753.36
SANTOS, RICARDO DIAZ	171,510.97	16,208.26	43,849.19	-	143,870.04	-	143,870.04
ARAPE, PRIMO OBISCORO	172,679.79	14,354.64	43,592.52	-	143,441.91	-	143,441.91
SALAMAT, ARTHUR ASUNCION	171,367.29	14,572.29	43,592.52	-	142,347.06	-	142,347.06
MANUEL, RICHARD SANCHEZ	171,510.97	14,391.91	43,849.20	-	142,053.68	-	142,053.68
MONTILLAN O, MARISSA ESTACIO	171,510.97	19,172.47	48,629.76	-	142,053.68	-	142,053.68
AGBUNAG, JENNIFER ENDERIO	171,510.97	14,135.35	43,592.64	-	142,053.68	-	142,053.68
ESPIRITU, NENITA VELASCO	171,510.97	43,546.79	73,004.08	-	142,053.68	-	142,053.68
CASILDO, MARISSA MONGCAL PACHECO, RUBIE DE GUZMAN	182,870.01	34,260.69	76,489.32	-	140,641.38	-	140,641.38
	-	138,627.10	37,182.39	-	101,444.71	-	101,444.71
CASTILLONE S, JANICE JULIO	175,364.98	15,875.66	51,659.50	-	139,581.14	-	139,581.14
GUERRA, MA. ELISA AMBA	198,243.68	17,571.16	76,489.32	-	139,325.52	-	139,325.52
MABAQUIAO, VIRGILIO BATA	169,550.92	10,355.77	43,592.64	-	136,314.05	-	136,314.05
ALDA, MARY GRACE TRINIDAD	164,351.68	12,807.16	44,059.71	-	133,099.14	-	133,099.14
BRAVO, ANDREW DORIA	167,729.65	13,477.00	48,541.46	-	132,665.19	-	132,665.19
MORAGA, CONRADO RODRIGUEZ	157,148.55	20,774.80	52,586.52	-	125,336.83	-	125,336.83
MASANGKA Y, MARK ERWIN DELA PENA	161,034.86	20,774.77	50,727.37	-	131,082.26	-	131,082.26



Name and Designation of debtor	Balance of Beginning of Period	Additions	Amounts collected	Amounts Written off	Current	Non Current	Balance at end of period
SERRANO, MARK RAYMOND GAMBOA	₱161,681.23	₱13,441.41	₱50,515.53	₱-	₱124,607.11	₱-	₱124,607.11
CASUPANA N, REYNALDO VALERIO JR.	153,443.74	15,343.32	44,618.77	-	124,168.29	-	124,168.29
GAYANILO, FRANCISCO RODEROS JR.	153,601.42	14,905.82	44,618.79	-	123,888.45	-	123,888.45
MARTINEZ, ACHILLES ARCE	155,926.87	47,573.29	79,612.50	-	123,887.66	-	123,887.66
HARN, CHARLENE PATIO	153,571.39	12,580.15	42,759.73	-	123,391.81	-	123,391.81
SISON, RONALD ONCHANGCO	152,303.28	40,458.37	71,828.96	-	120,932.69	-	120,932.69
SEGUN, ROMMEL JAMBO MENDOZA	152,383.76	12,580.15	44,618.82	-	120,345.09	-	120,345.09
NAZARRO, JEFF GLENN LAMADRID	-	130,436.68	15,568.80	-	114,867.88	-	114,867.88
OTHER EMPLOYEE CAR LOANS	1,624,592.86	764,406.33	1,851,760.65	-	537,238.52	-	537,238.52
OTHER RECEIVABLES FROM EMPLOYEE	5,655,724.82	1,055,166.55	3,400,376.52	-	3,310,514.85	-	3,310,514.85
<b>TOTAL</b>	<b>₱15,407,123.82</b>	<b>₱5,967,095.55</b>	<b>₱8,381,010.52</b>	<b>₱-</b>	<b>₱12,993,208.85</b>	<b>₱-</b>	<b>₱12,993,208.85</b>

**Schedule C. Amounts Receivable from Related Parties which are eliminated during the consolidation of financial statements**

Name and Designation of Debtor	Balance of Beginning of Period	Additions	Amounts collected	Amounts Written off	Current	Non Current	Balance at end of period
CONVENIENCE DISTRIBUTION, INC.- Subsidiary	₱1,967,947	₱29,638,465	₱30,687,074	₱-	₱919,338	₱-	₱919,338
STORE SITES HOLDINGS, INC.- Subsidiary	156,826	683,787	621,615	-	218,848	-	218,848



**Schedule D. Intangible Assets - Other Assets**

Description	Beginning balance	Additions at cost	Charged to cost and expenses	Charged to other accounts	Other Charges additions (deductions)	Ending balance
Software & Program Cost	₱2,484,126	₱190,000	₱1,490,475	₱—	₱—	₱1,183,651
Goodwill	65,567,524	—	—	—	—	65,567,524

**Schedule E. Long Term Debt**

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption " Long Term Debt" in related balance sheet"
NONE	—	—	—

**Schedule F. Indebtedness to Related Parties (Long-Term Loans from Related Companies)**

	Balance of beginning of period	Balance of end of period
NONE	—	—

**Schedule G. Guarantees of Securities of Other Issuers**

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of Guarantee
NONE	—	—	—	—

**Schedule H. Capital Stock**

Title of Issue	Number of Shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
COMMON STOCK	600,000,000	398,639,411	—	203,934,248	28,446,038	166,259,125



# STORE DIRECTORY

## CALOOCAN (10)

032 Maypajo**	J.P. Rizal St., cor. Ambini St., Maypajo, Caloocan City
039 MCU*	Edsa cor. Asuncion St., Monumento, Caloocan City
141 Camarin**	Blk 1 Lot 18 & 20 Camarin cor. Susano Rd., Caloocan City
175 Benin**	EDSA cor. Benin St., Caloocan City
242 Mabini**	Mabini cor. 10th Avenue, Caloocan City
490 12th Ave.**	Ten Commandments Bldg. 689 Rizal Ave, Grace Park, Caloocan City
645 MCU 3	EDSA cor., Serrano Ave., Caloocan City
698 4th Ave.	4th Ave. cor. P. Sevilla St. Grace Park (West), Caloocan City
719 Deparo*	Deparo Rd., cor. T. Samson Ave., North Caloocan City
779 Sta. Quiteria*	Sta. Quiteria, Caloocan City

## LAS PIÑAS (11)

038 Pilar **	Alabang Zapote Rd., Pilar Rd., Alamansa
121 Pulang Lupa**	Quirino Ave., cor. Naga Rd., Pulang Lupa, Las Piñas
122 BF Resort**	Alabang Zapote rd. cor. BF Resort Drive, Pamplona
206 Zapote Junction**	Alabang Zapote Road cor. F. Santos, Las Piñas
252 Talon**	J. Aguilar Ave. cor. Alabang-Zapote Road, Talon, Las Piñas City
308 LP Cityhall**	Alabang-Zapote Rd., F. Ocampo Ave., Pamplona 3, Las Piñas City
340 Manuela	#02-Alabang-Zapote Rd. cor. Real St. Las Piñas City
380 Citadella	CAA Rd. Corner Citadella Ave. Las Pinas City
706 Aria*	Real St. cor. Aria St. Las Piñas City
780 Pulang lupa 2*	B5 Lot 6 Guinto Park Sudv. Naga Road cor., St. Joseph Ave., Pulang Lupa II, Las Piñas City
795 BF Resort 2	Blk. 1 Lot 4 BF Drive BF Resort Village, Las Piñas City

## MAKATI (62)

016 RJ-Makati*	7849 Gen. Luna St. cor. Makati Avenue, Makati City
056 Evangelista**	Pio del Pilar cor. Evangelista, Makati
063 Guadalupe 1**	EDSA nr. cor. R. Magsaysay, Guadalupe, Makati
090 Bangkal	Evangelista cor. Alejandrino St., Bangkal, Makati
148 JP Rizal**	J.P. Rizal cor. Constanacia St., Makati City
154 Insular*	P. Burgos St. cor. Gen. Luna St., Makati
156 Guadalupe 2**	Sgt. Yabut nr. cor. Anastasio St., Guadalupe, Makati
167 Jupiter**	Makati Ave., cor. Gil Puyat Ave., Makati
187 Virra*	P. Burgos Ave. cor. Dapo St., Makati City
204 Priscilla	Pasong Tamo Ext. Kayamanan - C, Makati City
213 Parkview*	Valero St. cor. Salcedo Village, Makati City
229 Cityland**	LG07 Cityland 10 Tower, Valero cor. Dela Costa St., Salcedo Village, Makati City
232 CBC**	115 G/F Corporate Business Center, Paseo de Roxas cor. Pasay Road, Makati City
240 Salcedo**	Antel 2000 Bldg., Valero cor. Herrera, Salcedo Village, Makati
258 Herrera**	Y-L Bldg., Herrera St. cor. Salcedo St., Legaspi Village, Makati City
244 Guadalupe 3*	F. Yabut St., nr. cor. EDSA, Guadalupe Nuevo, Makati City
251 Nobel	G/F, 110 Nobel Plaza, Valero St., Makati City
231 Makati CityHall**	9033 Hormiga St., Brgy. Poblacion, Makati City
278 Sagittarius*	G/F Sagittarius Bldg., H.V. Dela Costa St., Salcedo Village, Makati
283 RCBC*	RCBC Bldg. 3rd Flr. RCBC Podium, Ayala Avenue cor. Buendia, Makati City
296 Manansala	Manansala Bldg., Estrella St., Rockwell Center, Makati City
300 Convergys	G/F Convergys, One Ayala Ave., cor. Salcedo St., Makati City
311 PDCP	G/F PDCP Bank Center, VA Rufino cor. San Agustin, Salcedo Vill., Makati
303 Asian Mansion*	G/F Asian Mansion 2 Dela Rosa St., Legaspi Village, Makati City
307 Madrigal*	G/F Madrigal Building Ayala Avenue, Makati City
302 Ayala FGU**	Ayala Ave., Salcedo Village, Makati City
412 Don Bosco**	Don Bosco Road. Cor Chino Roces Ave., Makati City
401 Philcom**	8755 Paseo de Roxas, Makati City
447 Kimston**	2650 Agutaya St. cor. EDSA, Pinagkaisahan, Makati
466 Sterling Centre	G/F Sterling Centre, Ormaza cor. Dela Rosa Sts, Legaspi Village, Makati City
464 OSMAC*	Blk 5 Lot 18 Sampaguaita cor. Escarlata, Pembo, Makati City
452 Pio del Pilar*	Chino Roces Ave. (Pasong Tamo) cor. Dela Rosa st. Makati City
496 Tordesillas*	108 Tordesillas cor. Gallardo st., Salcedo Village, Makati City
513 One Solaris**	Retail 2 G/F One Solaris Bldg, Dela Rosa St., Legaspi Village, Makati City
498 SM Cyber One*	Retail Space 4, Buendia Ave., Makati City
510 LKG	11th Flr. LKG Tower 6801-6803 Ayala Ave., Makati City
542 Malugay (G)*	Chino Roces Ave. Cor. Malugay and Gil Puyat, Brgy., San Antonio, makati
478 JP Rizal 2	347 JP Rizal Ave. Cor. Pasong Tamo Ave. Makati City
512 Philam**	9/F Philam Life Building, Paseo De Roxas, Makati City
489 Eco Plaza**	Pasong Tamo Extension, Makati city
518 SM Cyber Two*	Unit 7 Sen. Gil Puyat Ave. Cor. Zodiac St., Makati City.
583 Harvard EDSA (G)*	EDSA corner Harvard St., Makati City
505 Makati Ave. 2**	Makati Ave. Cor. Constellation st., Brgy. Bel-air, Makati City
511 PBCOM	7/F Philcom Tower 6801-6803 Ayala Ave, Makati City
585 TRAG	GL 10 The Residences, Arnaiz St., Makati City



# STORE DIRECTORY

## MAKATI (62)

572 Herco Center**	Herco Center 114 Benavidez St., Legazpi Village Makati City
558 Welding Bldg.	Upper Building, 349 Sen. Gil J. Puyat Ave., Makati City Metro Manila
554 N. Garcia*	158 Jupiter St., Cor. N. Garcia St., Bel Air Village, Makati City
587 Marvin Plaza	Chino Roces cor., Herrera St., Makati City
590 Kingswood	U/GF, Units A27 a,b and c Kingswood Makati City
648 Guadalupe 4	Kimston Plaza Building, P. Burgos St., Guadalupe, Makati City
622 Makati Executive Tower 3**	Unit 6 and 7, G/F Makati Executive Tower 3, Sen. Gil J. Puyat Ave., Makati City
674 Zapanta	Santa Rita St., cor., Orense St., Makati City
627 BSA Tower*	G-4 BSA Tower Condominium, No. 108 Legaspi St. Legaspi Village, Makati City
730 Washington*	Unit 3, AGS Plaza, Washington St., Brgy. Pio Del Pilar, Makati City
745 Antel Spa*	7829 Makati Avenue cor., Valdez St., Makati City
735 West Rembo**	Lot 1 Blk. 76, Brgy. West Rembo, Makati City
760 Comembo*	Comembo Commercial Complex. JP Rizal Extension, Makati City
804 Amorsolo*	# 146 Amorsolo St., Legaspi Village, Makati City
794 Bagtikan*	1180 Chino Roces cor., Bagtikan St., Brgy. San Antonio, Makati City
869 Finman*	117 Tordesillas St. Salcedo Village, Makati City, Metro Manila
940 Rada *	G/F HRC Center located at 104 Rada St. Legaspi Village Makati City

## MALABON (1)

677 Tugatog Malabon**	17 M.H. Del Pilar Rd., cor. Pureza St., Tugatog Malabon City
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## MANDALUYONG (19)

020 Boni-EDSA	Boni Avenue cor., EDSA Mandaluyong City
031 Barangka	Boni Ave., Barangka Drive, Mandaluyong
036 JRC**	Shaw Blvd. cor Kalentong St., Mandaluyong City
071 A. Bonifacio**	A. Bonifacio St., cor. Shaw Blvd., Mandaluyong City
144 Rev. Aglipay	Boni Ave., cor. A.T. Reyes Aglipay, Mandaluyong City
166 Columbia	Columbia Tower, Ortigas Ave., Mandaluyong City
195 RFM	RFM Corporate Center, Mandaluyong City
271 Starmall	Shaw Blvd. cor. EDSA Mandaluyong
495 Sun Plaza**	G/F Sun Plaza Shaw Boulevard, cor Princeton st., Mandaluyong City
504 Paragon Plaza	Upper G/F Paragon Plaza Condominium, EDSA cor. Reliance St., Mandaluyong City
546 Boni- Malamig (G)*	708 Boni Ave., Brgy. Malamig, Boni Mandulong City
576 Boni EDSA (G)*	EDSA cor., Boni Ave., Mandaluyong
581 DMG Center*	DMG Center, Libertad cor. Calbayog St., Mandaluyong City
588 EDSA Central 2	EDSA Central Shopping Complex, EDSA cor. United, Mandaluyong City
509 Woodlands Pioneer*	G/F Pioneer Woodlands Showroom, EDSA near cor. Pioneer St., Mandaluyong City
751 Emar Suites*	409 Shaw Blvd., Mandaluyong City
937 VRP-Sierra Madre*	Sierra Madre St., Brgy Highway Hills Mandaluyong City
870 Soho	Units 12/13, Level 1, Soho Central, Green Field District, Mandaluyong City
910 500 Shaw*	Shaw Blvd. cor S. Laurel, Mandaluyong

## MANILA (100)

004 Nagtahan**	Nagtahan Cor. J.P. Laurel, Sta. Mesa Manila
005 U.N. Ave**	900 U.N. Ave., Ermita, Manila
007 Quiapo**	465 Quezon Blvd., Quiapo, Manila
008 Adriatico**	Adriatico cor., P. Faura, Manila
022 Retiro	Retiro cor. Dimasalang, Manila
024 Paco1 **	Pedro Gil St., Paco, Manila
033 Dapitan	Maceda cor. Dapitan St., Sampaloc, Manila
045 Gagalangin**	Juan Luna cor., Pampanga St., Gagalangin Tondo, Manila
046 Pandacan	Jesus cor., Labores St., Pandacan, Manila
047 Singalong**	Singalong St., cor., san Andres, Malate Manila
066 MH del Pilar*	A. Flores St., M.H. del Pilar, Ermita, Manila
069 PCU**	Pedro Gil St. cor. L. Guinto St., Malate, Manila
085 Harrison**	F.B. Harisson St. cor. Vito Cruz, Manila
086 Tayuman**	Tayuman St. cor. Rizal Ave., Manila
098 Ylaya	Ylaya St. cor. Lakandula St., Binondo, Manila
101 Blumentrit2	Blumentritt St. cor. Isagani St. Sampaloc, Manila
102 Hermosa	J. Abad Santos Ave., cor. Hermosa St., Tondo, Manila
109 Remedios**	Remedios St. cor. MH del Pilar, Malate, Manila
153 Paco 2	Pedro Gil St. cor. Main St., Paco, Manila
155 Onyx*	A. Francisco cor. Onyx and Concha Sts., Sta. Ana, Manila
168 TM Kalaw	Kalaw cor. A. Mabini St., Ermita, Manila
184 D.Jose**	Rizal Ave. cor. D. Jose, Sta. Cruz, Manila
205 U.E. Recto	UE, Claro M. Recto Ave., Manila
211 Orosa*	MY Orosa nr. cor. TM. Kalaw, Ermita, Manila
219 P. Campa**	España cor. P. Campa Sampaloc St., Manila
255 Pateros**	Herrera St. cor. Morcilla, Pateros



# STORE DIRECTORY

## MANILA (100)

- 262 PCU 2\*\*  
 275 FEU\*\*  
 236 UP Manila  
 279 Marina\*  
 239 Park N Ride\*\*  
 295 King's Plaza  
 312 US Embassy\*  
 322 St. Scholastica\*\*  
 329 Dangwa  
 332 Legarda2\*\*  
 336 Padre Faura  
 331 Letran  
 334 OWWA2\*\*  
 346 Pedro Gil\*  
 355 Vito Cruz\*\*  
 362 T. Mapua\*\*  
 374 Old Sta. Mesa\*\*  
 378 Blumentritt 1\*  
 404 Pacific Regency\*\*  
 406 St. Paul\*  
 436 Leveriza\*\*  
 450 PWU\*\*  
 432 Dakota Mansion\*\*  
 458 San Marcelino\*\*  
 492 Times Plaza\*  
 528 BPO San Lazaro \*  
 550 Q. Osmeña (G)\*  
 529 Port Area\*  
 544 Q. Ermita (G)\*  
 473 VG Cruz\*  
 524 R. Papa\*  
 594 Victoria de Manila\*  
 500 Binondo\*\*  
 226 Legarda\*\*  
 536 San Andres  
 589 Manila Executive Regency  
 630 Mayfair Tower  
 641 España Grand\*\*  
 623 Hidalgo\*\*  
 633 R. Salas 2  
 625 JP Laurel Malate\*  
 673 Burke Quintin Paredes  
 618 Angelo King - CSB\*  
 681 DENR  
 684 Escoda  
 665 A. Mabini  
 657 G. Tuazon 2  
 664 Tejeron  
 701 Sanrise M.H. Del Pilar\*  
 695 Syquia  
 663 Moriones  
 676 Rivercity Residences (LUI bldg)  
 715 One Archer's\*  
 742 Gastambide\*  
 750 Mabini Soldado  
 765 Zobel Roxas  
 764 Carluyan N.U.  
 691 Sta. Ana Church  
 741 Earnshaw  
 770 Manila Cityhall  
 773 Raon  
 724 Manila Residences\*  
 792 Sta. Monica  
 (Ave. of the Arts Residences)\*  
 782 SeaOil Pritil  
 821 Cityplace Binondo\*  
 877 Tune Hotel\*  
 860 Asuncion  
 747 Lyceum \*  
 884 Galicia Property\*  
 899 Sotto
- Taft Avenue cor. Pedro Gil, Manila  
 913-919 Nicanor Reyes cor. Estiro de Alix, Sampaloc, Manila  
 Pedro Gil St. nr. cor. Taft Avenue, Malate, Manila  
 A. Mabini St., Malate, Manila  
 P. Burgos cor. Dr. Basa St., Ermita, Manila  
 King's Plaza, Juan Luna cor. Padre Rada St., Tondo, Manila  
 Roxas Blvd. cor. U.N. Avenue, Ermita, Manila  
 896 Vito Cruz cor. Dominga St., Malate, Manila  
 1300 Laonlaan St. cor. Don Quijote St. Sampaloc Manila  
 Legarda cor. Jhocson St. Sampaloc Manila  
 P. Faura cor MH del Pilar  
 Muralla St. cor. Anda St. Intramuros Manila  
 749 Victoria St. cor. Solana St. Intramuros Manila  
 1578 A. MABINI CORNER PEDRO GIL ST. ERMITA MANILA  
 Unit 102&103 Cityland Tower One, Vito Cruz, Manila  
 1512 C.M. Recto Cor. F. Torres & T. Mapua Sta. Cruz Manila  
 4456 Valenzuela St. Sta. Mesa Manila  
 Rizal Ave. cor. Blumentritt Sta. Cruz, Manila  
 G/F Pacific Regency Bldg. P. Ocampo St. Malate Manila  
 Pedro Gil st. cor. Ma. Orosa st. Malate, Manila  
 #665 CRI Bldg. President E. Quirino Ave. cor. Leveriza, Malate, Manila  
 1807 G/F Nakpil St. cor. L. Guinto St. Malate, Manila  
 G/F Dakota Mansion, Malvar St., Cor. Adriatico St., Malate, Manila  
 G/F CMC Bldg. #710 San Marcelino St., Ermita, Manila  
 G/F Times Plaza Bldg. Taft Ave. cor. UN Ave., Ermita, Manila  
 Retail 4, Vertex 1 Bldg. Yuseco Cor. Felix Huertas, San Lazaro Racetrack, Sta Cruz, Manila  
 Quirino Ave. Cor. Osmeña Hi-way, Manila City  
 637 Bonifacio Drive, Port Area, Manila  
 Quirino Ave. Cor. Mabini Ave., Manila  
 Ramon Magsaysay Blvd. Cor. Vicente Cruz St. Sampaloc Manila  
 813 R. Papa and S. H. Loyola St., Sampaloc Manila  
 Shoppes @ Victoria Space No. 101 G/F Victoria De Manila, Taft Ave., Manila  
 Burke Plaza Sto. Cristo Cor. San Fernando St. Binondo Manila  
 2108 Legarda St., Quiapo, Manila  
 G/F Gem Square Bldg., San Andres St. cor. Mabini, Manila  
 Unit 5 & 6 Ground Floor, Manila Executive Regency, Jorge Bocobo St., Ermita Manila  
 Commercial C, G/F Mayfair Tower, UN Ave., cor. Mabini St., Ermita Manila  
 España cor., Tolentino cor., Eloisa, Metro Manila  
 Unit 2 & 3, Isabelle de Hidalgo Bldg. St., cor., Cancer St., Quiapo Manila  
 Casa Blanca, 1447 M. Adriatico St., Ermita, Manila  
 G/F JP Laurel Memorial Bldg., M.H. del Pilar cor. Pedro Gil St., Ermita, Manila  
 Burke House No. 8, Quintin Paredes cor. San Vicente St., Binondo Manila  
 Arellano Ave., Malate Manila  
 DENR Bldg., 1515 Roxas Blvd., Manila  
 2116-2117 G/F Guerero Bldg. Leon Guinto St. near cor. Escoda St. Ermita Manila  
 2116-2117 A. Mabini St., Malate Manila  
 1850 G. Tuazon St., Sampaloc Manila  
 Tejeron St., Sta. Ana Manila  
 2164 M. H. del Pilar St., Malate Manila  
 2356 Jose Syquia St., cor., M. Rozas St., Sta. Ana Manila  
 557 Moriones St., Tondo Manila  
 2143 Carreon St., Sta. Ana Manila  
 Unit 6, G/F of One Archers Place, Taft Ave., Malate Manila  
 621-629 Dormitory, Gastambide, Sampaloc Manila  
 G/F 1533 A. Mabini St., cor. Soldado St., Ermita, Manila  
 No. 1289, Zobel Roxas St., Malate Manila  
 M.F Jhocson St., Sampaloc , Manila  
 Lot 32-B-1 Pedro Gil St., Sta. Ana, Manila  
 Lot 2-B J. Figueras St. cor. Palmera St., Sampaloc, Manila  
 Arroceros St., Ermita, Manila  
 G. Puyat cor., Quezon Blvd., Raon, Quiapo Manila  
 Unit 101-102 and 127-128, The Manila Residences, 2320 Taft Ave., Malate Manila  
 Roxas Boulevard corner Sta. Monica & L.M. Guerrero St., Ermita, Manila
- 1688 Juan Luna St. Brgy. 61, Zone 005, Tondo, Manila  
 City Place Binondo, Sta. Elena St., Binondo, Manila  
 1740 A. Mabini Street, Malate, Manila  
 Asuncion St., cor., Zaragoza St., Divisoria, Tondo, Manila  
 465 Muralla corner Real St., Intramuros, Manila  
 Galicia st. corner España, Sampaloc, Manila City  
 Unit 117 Sotto-Yuvienco Building, 910 Gonzales St., cor., Gen Luna St., Ermita, Manila

# STORE DIRECTORY

## MANILA (100)

800 UST Campus\*  
988 Ongpin  
986 San Sebastian College  
974 Splendor Place

University of Santo Tomas, Sampaloc Manila  
1043 Ongpin St. cor. Gonzalo Puyat, Manila City  
Mendiola Square, 2144-46 Claro M. Recto, Manila  
G/F of Splendor Place, J. Nakpil St. cor., J. Bocobo St. Malate, Manila

## MARIKINA (12)

123 Parang\*  
134 Molave Marikina\*\*  
257 Shoe Ave\*\*  
256 Marikina Bridge\*\*  
367 Riverbanks  
461 Lamuan-Manotok  
668 V. Santos\*  
637 Malaya Marikina  
716 Tumana  
707 Concepcion Uno\*  
801 Riverbanks 2  
656 Marquinton Cordova Tower

G. del Pilar cor., M.L. Quezon, Parang, Marikina  
Bayan bayan Ave. cor. Molave St., Concepcion, Marikina  
Shoe Avenue cor. Capt. Venciong, Sta. Elena  
E. Rodriguez cor. J.P. Rizal St., Marikina  
G/F ICT Bldg. 2, Riverbanks Center, Riverbank Ave., Barangka Marikina City  
JP Rizal cor. Visayas St., Filipinas Village, Malanday, Marikina  
16 V. Santos cor. Santos Streets, Sto. Nino, Marikina City  
JP Rizal St., Malanday, Lamuan, Marikina City  
Farmers Ave., cor. J.P. Rizal St., Concepcion, Marikina  
Bayan Bayanan Ave. Brgy. Concepcion 1, Marikina City  
73 A. Bonifacio corner Chorillo St., Brgy., Barangka, Marikina City  
C-101 & C-102, Marquinton Cordova Tower, Sumulong Highway, Marikina City

## MUNTINLUPA (13)

051 Alabang 1  
054 Muntl  
078 Bruger\*\*  
313 Northgate\*  
451 Civic Prime\*  
486 Alabang Med  
549 Filinvest (G)\*  
535 ATC\*\*  
584 Starmall Metropolis  
497 Molito Complex\*\*  
553 Tustine Alabang  
966 Yellow Bldg  
1080 CPI Soldier's Hill\*

Montillano St., West Service Road, Alabang  
Rizal St. cor. National Road, Poblacion, Muntinlupa  
National Rd., Bruger St., Bruger Subd., Muntinlupa City  
F@st bytes @North Gate cyberzone Alabang Muntinlupa  
Civic drive, Civic Prime Filinvest Corporate City, Alabang  
Unit 1 G/F Aurora Bldg, Alabang Zapote Rd., Muntinlupa City  
Alabang- Zapote Rd., Cor. Northgate Ave. Filinvest, Alabang Muntinlupa City  
Entertainment Complex, Alabang Town Center, Muntinlupa City  
Upper Ground Flr. Starmall Alaban, South Super Hi-way, Alabang Muntinlupa City  
Madrigal Ave., Madrigal Business Park, Alabang Muntinlupa  
Molino St., South Super Highway, Alabang, Muntinlupa City  
Unit 1 yellow building 2A south station alabang muntinlupa  
National Highway cor. Soldier Hills, Muntinlupa City

## NAVOTAS (1)

768 Navotas

635 M. Naval St., cor. C-4 Rd., Bagumbayan North, Navotas City

## PARAÑAQUE (29)

002 BF Homes\*\*  
011 Airport\*\*  
074 Canaynay  
080 Marcelo\*\*  
082 San Antonio  
103 Kabihasnan  
185 Global\*\*  
216 Baclaran2\*\*  
221 Baclaran 3\*  
272 BetterLiving 2  
234 LaHuerta\*\*  
282 Gatchalian\*\*  
341 Olivarez\*\*  
352 Baclaran 4  
363 Lopez Drive\*\*  
372 Pascor Drive\*  
381 Don Galo\*\*  
413 BF Homes 2\*  
418 Multinational  
457 YP\*  
547 Coastal (G)\*  
538 Redemptorist  
636 Betterliving 3\*\*  
675 Patts\*  
696 Betterliving 4 (Caltex Doña Soledad)  
786 BF Homes 3  
841 United Paranaque 2\*  
850 Airport Road 2  
868 Armstrong ave\*

Pres. Ave., BF Homes Parañaque  
Quirino Ave., cor. Airport Road Parañaque  
Dr. A. Santos Ave., cor. Canaynay Ave., Parañaque  
West Service Road cor. Marcelo Ave., Parañaque  
Sucat Rd. cor. San Antonio Ave., Parañaque  
Kabihasnan St. cor. San Dionisio Parañaque  
Doña Soledad Ave., Better Living, Parañaque  
Quirino Ave., cor. Dimasalang St., Baclaran, Parañaque City  
Roxas Blvd., Baclaran, Parañaque  
Doña Soledad Avenue cor. Peru, Better Living, Parañaque City  
Quirino Avenue cor. Dandan St., La Huerta, Parañaque  
Dr. A. Santos Ave. cor. Palanyag St., Parañaque City  
8156 Dr. A. Santos Ave., Brgy. San Dionisio, Sucat, Parañaque City  
Roxas Blvd. cor. Rivera St., Baclaran, Parañaque  
RIDC Bldg. Lopez Ave. Cor. Dr. A. Santos Ave., Paranaque City  
Sky Freight Building, Ninoy Aquino Ave., Paranaque City  
0423 Quirino Ave. corner Dimatimbangan St. Don Galo, Parañaque City  
BPI Sucat Dr. A. Santos Ave. Cor. Pres. Ave. BF Homes Paranaque City  
J&P Bldg (Multinational) Ninoy Aquino Ave., Paranaque City  
YP Bldg. Dr. A. Santos Ave., Sucat, Parañaque City  
Aguinaldo Highway Brgy. Tambo Paranaque City  
Lot 18 Redemptorist Road, Baclaran Parañaque City  
27 Doña Soledad cor. Australia Sts., Betterliving Subdivision, Don Bosco, Parañaque City  
Dr. A Santos Avenue, San Isidro, Paranaque City  
Lot 18, Doña Soledad Ave. Betterliving Subd. Parañaque City  
G/F of Omega Star Bldg. 1112 Aguirre BF Homes, Parañaque City  
Tindalo corner E. Services Road, Paranaque City  
Roxas Boulevard coner Airport Road, Baclaran, Parañaque City  
160 Armstrong Ave., Cor E. Rodriguez Moonwalk Village, Brgy Moonwalk Parañaque City



# STORE DIRECTORY

## PASAY(19)

003 Libertad**	Libertad cor., F.B. Harrison, Pasay
017 Buendia*	Sen. Gil Puyat Ave. cor. Taft Ave., Manila
030 Burgos**	Libertad St., cor. Burgos St., Pasay City
043 Malibay**	EDSA cor. C. Jose St., Malibay, Pasay City
059 Revilla	EDSA cor. C. Revilla St., Pasay City
243 Merville**	Moreland Bldg., Merville Access Rd. cor. West Service Rd.
297 DFA*	G/F AIMS Bldg., Roxas Blvd. Service Rd. cor. Arnaiz St., Pasay City
321 Buendia 2*	Gil Puyat Ave. cor. FB Harrison St., Pasay City
384 One E-Com	Unit 4,5 & 6 Harbour Drive Cor. Palm Coast Ave. SM Central Business Park, Pasay City
375 Villamor*	Lot 12 B.1 12th St. Airman's Village Airbase Area, Pasay City
480 Philtranco*	610 Apelo Cruz St., Malibay, Pasay City
434 Malibay Plaza 2*	Reance Bldg. 93 C. Jose st. cor. Malibay Ave., Pasay City
597 Buendia 3 (G)*	Buendia cor., Leveriza, Pasay City
517 New Port	Star Cruises Center, Andrews Ave. Pasay City
619 Buendia 4*	No. 317 Sen Gil Puyat Ave., Pasay City
679 NAIA 3*	MIAA, 4th Level, Unit 37, Southwing office NAIA Terminal 3, Pasay City
834 Remington Hotel*	Ground Floor Shop 2, Remington Hotel, Newport City
909 Plaza 66	Plaza 66 New Port City
749 SM Two E-com	Retail 10 G/F, Two Ecom Center Ocean Drive, Mall of Asia Complex, Pasay City

## PASIG (29)

035 Pasig Church*	Caruncho Ave., cor. Sixto Ave., Pasig
040 Almeda**	Concepcion cor. Almeda, San Joaquin, Pasig City
076 Pasig Rotonda*	Pasig Blvd. cor. Sixto Antonio, Pasig City
199 Rizal Med**	Pasig Blvd. cor. Banaag, Pineda, Pasig City
248 Pasig Mega**	Mega Parking, Caruncho cor. Market Avenue
237 Orient	Ruby Road, Ortigas Ctr., Pasig City
285 Emerald*	Emerald Ave., Ortigas Ctr., Pasig City
310 Malayan*	Unit G-1, Malayan Plaza, ADB Avenue, Ortigas Center, Pasig City
318 Pearl Drive**	Pearl Drive corner Lourdes St., Pasig City
309 AIC Galleria	G/F AIC-Burgundy Empire Tower, ADB Ave., cor. Garnet Rd., Ortigas
350 Pacific Center*	San Miguel Ave., Ortigas Center, Pasig
421 AIC Gold**	Unit 101 AIC Gold Tower F. Ortigas Cor. Garnet Road Ortigas Commercial Center, Pasig City
420 One San Miguel	UG-01 One San Miguel Ave Condominium One San Miguel Ave, cor Shaw Blvd., Ortigas Center Pasig City
474 Wynsum**	Unit G1-C Wynsum Corporate Plaza 22 F. Ortigas Jr. Rd., Ortigas Center, Pasig City
455 Pearl Drive 2	G/F Unit 102, Pacific Place Condominium, Pearl Drive, Ortigas Ctr, Pasig City
502 Rockwell Business Center*	Tower 2 (North) Level 1 Unit No. N-02 Rockwell Business Center, Pasig City
580 Silver City*	G/F Unit L1-003A, silver City, Frontera Verde, Pasig City
658 LRT2 Santolan*	Lot 2 C5-A, Santolan, Pasig City
621 Lifehomes	Lot 1-B-1-B, Ortigas Ave., Ext., cor. Alfonso St., Brgy. Rosario, Pasig City
564 Rosario 2	No. 42 Ortigas Ave., Rosario, Pasig City
649 St. Francis Towers*	St. Francis Drive, Ortigas Center, Pasig City
632 Sixto A. Ave. *	Dr. Sixto Antonio Ave, Maybunga, Pasig City
670 Mercedes Ave.	Evergreen 101, C. Raymundo Ave., San Miguel, Pasig City
671 Maybunga	Pag-asa Street. Pasig City
725 Bagong Ilog	G/F AVC Bldg., E. Rodriguez Ave., cor., Sta. Rosa St., Bagong Ilog Pasig
555 C. Raymundo	#64 Stella Mariz cor., C. Raymundo Ave., Maybunga Pasig City
802 Market Avenue*	Market Ave., cor. M.H. Del Pilar Pasig City
892 Raffles*	Ground level, Emerald Avenue, Ortigas Centre, Ortigas, Pasig City
1037 D'Ace Plaza*	United Avenue cor. Brixton St., Pioneer, Pasig City.

## QUEZON CITY (73)

010 Muñoz	Roosevelt Ave, nr. Cor. EDSA-Muñoz, Q.C.
012 Roces**	A. Roces St. cor. Quezon Ave., Q.C.
037 Nova1**	Gen. Luis St, cor. Austria St., Novaliches, Q.C.
057 Commonwealth	Tandang Sora Ave., cor. Commonwealth Ave., Q.C.
065 Road 8**	Road 8 cor. Visayas Ave., Proj. 6, Q.C.
067 StJames	Tandang Sora Ave., cor. Mindanao Avenue, Q.C.
068 Murphy**	15th Ave. cor. Liberty Ave., Murphy, Cubao, Q.C.
104 Galas**	Unang Hakbang St., cor. Luzon Ave., Galas, Q.C.
108 Chico**	Chico St. cor. Anonas St., Proj. 2, Q.C.
125 JP Ramoy	Quirino Highway cor. J.P. Ramoy, Barrio Talipapa, Novaliches, Q.C.
147 Shorthorn**	Shorthorn cor. Road 20, Project 8, Q.C.
150 Zabarte**	Quirino Hiway cor. Zabarte Ave., Novaliches
160 San Bartolome**	M. Dela Cruz cor. Quirino Highway, Novaliches, Q.C.
165 Superlines*	EDSA nr. cor. New York St., Cubao, Q.C.
172 West **	West Ave., cor. Zamboanga St., Q.C.
176 Farmers**	Space 1&2, 2nd Level New Farmers Plaza, Cubao, Q.C.
188 Panay*	Quezon Avenue cor. EDSA, Q.C.
198 Matalino*	Matalino St. cor. Malakas St., Diliman, Q.C.

# STORE DIRECTORY

## QUEZON CITY (73)

- 203 Circle  
 215 Crame  
 217 Nova 3  
 241 St. Lukes\*\*  
 245 QA Araneta\*\*  
 268 Arayat2\*\*  
 259 Del Monte\*\*  
 276 Hansel  
 250 Aurora\*\*  
 284 Burgundy\*  
 281 T. Morato\*\*  
 323 Channel 7\*  
 330 Imperial\*\*  
 315 Banaue\*\*  
 342 R. Magsaysay  
 349 Teachers Bliss\*\*  
 364 Alimall\*  
 383 Maya Arcade\*  
 388 Bago Bantay  
 449 Eastwood 2  
 460 Telus\*  
 508 Heart Center\*  
 525 Muñoz 2  
 527 Retiro 2\*  
 526 ABS-CBN  
 534 Eastwood 3\*  
 593 Farmers Market  
 503 Centris 1  
 614 Bansalangan  
 650 Sienna del Monte\*  
 669 City Oil Fairview  
 652 Lagro  
 660 Scout Tobias\*  
 722 Alimall 2  
 704 Mindanao Avenue\*  
 720 El Jardin  
 755 Sunshine Plaza\*  
 848 Total Balintawak\*  
 643 Edsa Grand\*  
 733 Forest Hill  
 797 Old Balara  
 778 Expo Cubao  
 756 Paramount  
 874 Kidney Center\*  
 762 Supercenter\*\*  
 805 East Ave. 2\*  
 819 St. Lukes 2  
 836 Torre Venezia\*  
 896 Katipunan\*  
 835 Banawe 2  
 763 Manhattan\*  
 799 Doña Aurora  
 855 UERM\*  
 766 K- Zone  
 659 Lung Center\*\*\*
- Quezon Ave. cor. Scout Reyes, Q.C.  
 Boni Serrano cor. 2nd St., Camp Crame, Q.C.  
 Quirino Hi-way cor. Sarmiento St., Novaliches City, Q.C.  
 E. Rodriguez cor. Victoria St., New Manila, Q.C.  
 Quezon Avenue cor. Araneta Ave., Q.C.  
 Arayat cor. Pinatubo St. nr. cor. Edsa, Cubao Q.C.  
 Del Monte Avenue cor. Tolentino St. (near Roosevelt), Q.C.  
 Aurora Blvd. cor. Imperial, Cubao, Q.C.  
 Aurora Blvd. cor. St. Mary, Cubao, Q.C.  
 G/F One Burgundy Plaza, Katipunan Ave., Q.C.  
 Scout Castor cor. T. Morato  
 131 Timog Ave. cor. Samar St., Diliman, QC  
 Tomas Morato Ave. cor Timog Ave Diliman QC  
 426 Banaue Ave. cor Tirad Pass St. SMH QC  
 173 Edsa Cor. Ermin Garcia St., Cubao, Quezon City  
 #1 Teachers Bliss, Balong bato Balintawak QC  
 Ali Mall Gen. Romulo Ave., Araneta Center, Q.C.  
 G/F Maya Arcade 678 Edsa, Cubao, Quezon City  
 #131 Ilocos Sur ST. Cor. Bukidnon st. Bago Bantay Quezon City  
 G/F One Orchard Condominium, Orchard Rd., Eastwood City, Bagumbayan, Quezon City  
 Arcade 6 & 7 G/F Telus Bldg., Araneta Center, Cubao, Quezon City  
 G/F Philippine Heart Center, East Ave., Quezon City  
 BLk 3 Lot 7 R. Magsaysay. EDSA, Munoz, Quezon City  
 311-313 N.S. Amoranto St. Sta Mesa Heights, Quezon City  
 143 Mother Ignacia Ave., Diliman, Quezon City  
 /F Eastwood Citywalk 2, Eastwood City Cyber Park E. Rodriguez Jr. Ave., Bagumbayan, Q.C.  
 Space No. 00363 Farmers Market Arcade, Araneta Center Quezon City  
 G/F Eton Cyberpod Centris Edsa, Near Cor. Quezon Ave., Quezon City  
 # 4Bansalangan st brgy Veterans Village QC  
 555 Del Monte Ave., Brgy., Manresa, Quezon City  
 Commonwealth Ave., cor. Pearl St., Fairview Quezon City  
 Block 91 Lot 1 Ascencion Ave., Lagro Subdivision, Novaliches Quezon City  
 Cedar Executive Bldg., # 26 Timog Ave., cor., Scout Tobias., Brgy Laging Handa, Q.C.  
 G/F Alimall, P. Tuazon, Araneta Center, Q.C.  
 547 Quirino Hi-way. cor. Mindanao Ave. Talipapa, Novaliches, Q.C.  
 Retail Unit 1, El Jardin del Presidente, No. 41 Sgt. Esguerra St. Cor Scout Bayoran, Quezon City  
 Sunshine Boulevard Plaza, Quezon Ave., cor., Scout Santiago and Panay Ave., Quezon City  
 1178 EDSA, Balintawak, Quezon City  
 EDSA cor Corregidor St. Bago Bantay Q.C  
 Quirino Highway and Forest Hills Drive. Forest Hills Subd., Novaliches, Quezon City  
 #986 Tandang Sora Ave., Brgy., Old Balara, Quezon City  
 G/F VI-LA Bldg. Unit- B, EDSA, Q.C  
 135 West Ave. near EDSA, Quezon City  
 East Ave. Quezon City  
 G/F Supercenter, Araneta Center, Quezon City  
 G/F NCHP Bldg. EDSA cor. East Avenue, Brgy. Pinyahan, Quezon City  
 St., Luke's Medical Bldg., E. Rodriguez Sr., Quezon City  
 Sct. Santiago, corner Timog Ave., Quezon City  
 48 Esteban Abada St., corner Rosa Alvero St., Loyola Heights, Katipunan, Quezon City  
 Banawe cor Quezon Blvd., Quezon City  
 G/F Manhattan Parkway, Araneta Center, Quezon City  
 G/F Milan Residences 16 Plaridel St., cor. E. Jacinto St., Quezon City  
 R.Magsaysay Blvd. Ext. Quezon City  
 K-Zone Bldg., NIA-PDEA cor., EDSA, Brgy. Pinyahan, Quezon City  
 Diliman, Quezon City

## SAN JUAN (9)

- 158 N. Domingo  
 301 Annapolis\*\*  
 316 Xavier Hills\*\*  
 543 Connecticut (G)\*  
 570 Wilson (G)\*  
 582 McKinley San Juan (G)\*  
 712 Cardinal Santos Hospital  
 744 F. Manalo\*  
 777 P. Guevarra
- N. Domingo cor. F. Blumentritt St., San Juan  
 G/F Continental Plaza, #45 Annapolis, Greenhills, San Juan, MM  
 Xavier Hills Condo. Tower 1, Granada St. cor. N. Domingo, QC  
 Edsa Cor. Connecticut, San Juan, City  
 Wilson cor. Ortigas San Juan, City  
 Ortigas Ave., McKinley, San Juan  
 Medical Arts Building Cardinal Santos Medical Canter, Wilson St. San Juan City  
 F. Blumentritt cor., F. Manalo, San Juan City  
 Santolan Rd. cor. P. Guevarra San Juan City



# STORE DIRECTORY

## TAGUIG (16)

105 Lower Bicutan	Gen. Santos Avenue cor. M.L. Quezon St., Lower Bicutan
365 McKinley Hill*	Unit 1 G/F One Square, Upper McKinley Rd., McKinley Hill, Taguig City
390 One McKinley	One McKinley 26th St. Fort Bonifacio Global City, Taguig City
419 Gate 3*	AFPOVAI Western Bicutan, Taguig City
440 Total Corporate*	Total Corporate Ctr Bldg., Bonifacio Triangle, Bonifacio Global City, Taguig City
481 Net Plaza**	Unit 14 E-Square Zone, Crescent Park West, Bonifacio Global City, Taguig
540 Grand Hampton*	Grand Hampton Place, 1st Ave., and 31st St., Fort Bonifacio Global City, Taguig
483 Fort Legend*	Blk 7 Lot 3 3rd ave. cor. 31st st. Fort Bonifacio Global City, Taguig City
530 Net Square*	3rd Avenue cor., 28th St., E- Square, Crescent Park West, Bonifacio Global City, Taguig M.M.
506 Ascendas*	10th Flr., Net One Center, 3rd Ave., Cor. 26th St., Crescent Park West, bonifacio Global City, Taguig City
551 Woodridge*	G/F The Woodridge Bldg., Upper Mckinley Road., Mckinley Hill, Taguig City
690 Net Cube	Unit 9-2, 9th flr. Net One Center, 3rd Ave., cor., 26th St., E-Square, Crescent Park West, Bonifacio Global City, Taguig, MM
703 Mckinley 1820*	Unit A, McKinley Road McKinley Town Center, Fort Bonifacio, Taguig City
798 C5 Damayan*	Pristine Bldg., B51 L8, Brgy. Pinagsama, Taguig
963 Bayani Road*	Bayani Road cor. Diego Silang, Taguig City
983 Bonifacio Technology Center (BTC)	G/F Bonifacio Technology Center 2nd Ave., Global City, Taguig

## VALENZUELA (11)

041 Marulas	Mc Arthur Hi-way cor. Pio del Pilar, Valenzuela, Manila
106 Tamaraw Hills	Mc Arthur Hi-way cor. Tamaraw Hills, Marulas, Valenzuela
289 Karuhatan*	Gen. T. de Leon cor. Mc Arthur Hi-way, Kahuratan, Valenzuela
479 Caltex NLEX	Caltex NLEX Km17 Canumay Valenzuela Exit
471 Valenzuela Exit	Maysan Road, Paseo De Blas, Valenzuela City
462 Gen T. De Leon	Gen. T. De Leon St. Valenzuela City
579 Malinta 2**	Unit 17, Danding Bldg., Cecilio J. Santos St., Valenzuela City
578 Malanday 2**	Brgy. Malanday McArthur Highway, Valenzuela City
758 Dalandananan**	Brgy. Dalandananan, Lazaro St. cor. Mc Arthur Highway, Valenzuela City
833 Isabelle De Valenzuela	Unit 102-103 G/F Isabelle de Valenzuela, McArthur Highway Valenzuela City
817 Malinta 3	Mc Arthur Hi-way corner Gov. Santiago Malinta, Valenzuela City

## BATAAN (8)

428 APC Balanga	Tenejeros St. Balanga, Bataan
438 Balanga Plaza**	Aguirre St. Balanga City
430 Balanga Church*	J.P. Rizal St., Balanga City, Bataan
470 Balanga Kapitolyo*	Capitol Drive Balanga Bataan
838 Mariveles*	No. 91 Lakandula St., cor., P. Burgos St., Poblacion, Mariveles, Bataan
651 Total Balanga	National Rd., Calero St., Brgy., Ibayo, Balanga, Bataan
908 Dinalupihan*	#3 San Ramon Highway, Dinalupihan, Bataan
939 Samal*	Brgy Poblacion Samal, Bataan

## BATANGAS (38)

138 Lipa Proper**	C.M. Recto Ave., Lipa, Batangas
131 Lipa Highway**	G/F Big Ben Complex, Pres. Laurel Hi-way, Lipa, Batangas
180 Batangas City	P. Burgos Ave. cor. P. Panganiban St., Batangas
193 Bauan	National Rd., Bauan, Batangas
212 Lemery**	Ilustre Ave., nr. cor., P. Burgos St., Lemery, Batangas
292 U Batangas	Hilltop, Brgy. Kumintang Ibaba, City of Batangas
317 Tanauan	JP Laurel Highway cor. Mabini St., Tanauan City, Batangas
339 Nasugbu*	JP Laurel St cor G. Alvarez St. Nasugbu Batangas
356 Gualberto*	Zunio St. Gualberto Ave., Rosario, Batangas
369 Balayan	112 Plaza Mabini St. Balayan, Batangas
396 DLSU-Lipa*	National Hiway, Brgy., Paninsingin, Tambo, Lipa City
414 Lemery 2	Illustre ave. cor. Rajah Matanda st., Lemery, Batangas
400 FPIP**	No. 158 Sta. Anastacia, Sto. Tomas, Batangas
433 Batangas 3	Poblacion 18, Rizal Ave., Batangas City
465 Taal Proper	Poblacion. 3, Taal Proper, Taal, Batangas
484 Batangas Port	PPA Compound, Sta. Clara, Batangas City
596 San Pascual (G)*	San Pascual, Batangas
556 Batangas 4**	Manuela Pastor Ave. Corner Highway, Pallocan West, Batangas City
711 Tanauan 2*	Brgy. Darasa, Tanauan City, Batangas
672 Bauan 2**	Manghinao Proper, Bauan Batangas
811 Tanauan 3**	Pres. Laurel Highway cor., Molave St., Tanauan Batangas
814 Lian Batangas*	J.P Laurel St., cor., Kapitan Isko St., Lian, Batangas
824 St. Aquinas Sto. Tomas	General Malvar Avenue, Sto. Tomas, Batangas
895 Cuenca*	Poblacion 1 National Highway, Cuenca, Batangas
890 Lima Tech *	Santiago, JP Laurel Highway, Malvar, Batangas
925 Tuy**	Rizal St., Poblacion, Tuy, Batangas
863 Tanauan 4*	A. Mabini Avenue, Tanauan City

# STORE DIRECTORY

## BATANGAS (38)

938 Ibaan, Batangas\*  
920 Malvar Poblacion\*  
930 Caltex Sto. Tomas\*  
953 San Jose, Batangas\*  
911 Balayan 2  
993 San Felix  
873 San Sebastian  
924 Tawilisan  
976 San Vicente\*  
951 San Agustin\*  
1056 Calaca

J. Pastor St. Poblacion, Ibaan, Batangas  
Poblacion, Malvar, Batangas  
Maharlika Highway Brgy. San Antonio, Sto. Tomas, Batangas  
Brgy. Taysan, SanJose, Batangas  
Antorcha St., Corner Paz St., Balayan, Batangas  
Sto. Tomas, Batangas  
San Sebastian Cathedral, Lipa City  
Brgy. Bihis, Tawilisan, Taal, Batangas  
Brgy. Banay-Banay, Lipa City, Batangas  
Brgy San Agustine, Sto. Tomas, Batangas  
Rodriguez Street, Calaca, Batangas

## BENGUET (20)

191 Baguio\*\*  
210 Session2\*\*  
277 Session3\*\*  
304 Starwood\*  
407 Abanao\*\*  
393 Trancoville\*\*  
368 Naguillan\*\*  
439 Porta Vaga\*\*  
531 La Trinidad\*  
599 Burnham (G)\*  
598 Upper Session (G)\*  
601 City Camp Road (G)\*  
616 Engineers Hill\*\*  
689 Burnham Park 2\*  
728 University of Baguio\*  
748 Camp John Hay\*\*  
788 SLU Baguio\*  
746 Gen. Luna  
831 Marcos Hiway Baguio City\*  
754 Mines View Plaza

#33 Lower Session Road, Baguio City  
G/F B - 105 Lpez Bldg., Session Rd., Baguio City  
Upper Session Rd., Baguio City  
Kisad Road nr. cor. Marcos Hi-way, Baguio City  
Unit 2 Ong Bldg. Abanao St. Baguio City  
148 M Roxas Street, Baguio City  
Naguillan Rd. Cor. Bokawkan Rd. Baguio Cit  
Fr. Carlu st. cor. Cathedral Drive, Baguio City  
National Road, KM5 La Trinidad, Benguet  
Chanum cor., Otek St., Burnham Park, Baguio City  
GSIS Compound, Marcoville, Baguio City  
Legarda Road cor., City Camp Road, Baguio City  
101 Engineers Hill St., Jude Thaddeus Complex cor. Nevada Road and Guinto Alley, Baguio City  
Shanum St. cor. Otek St. cor. Lake Drive, Burnham Park, Baguio City  
FB bldg., Assumption Rd., Baguio City  
Space 4, Baguio Technohub Retail Plaza BPO-A, Camp John Hay, Baguio  
A. Bonifacio St., across SLU Main Gate, Baguio City  
Gen. Luna St. Baguio City, Benguet  
ECC Building Brgy. Bakekang, along Marcos Highway, Baguio City  
Outlook Drive, Mines View Park, Baguio City

## BULACAN (26)

093 Meycauyan2\*\*  
120 Balagtas  
228 Bocaue\*\*  
293 Plaridel  
345 Baliwag2\*  
410 Sto. Niño - Meyc.\*\*  
411 Sta. Maria\*\*  
441 Malolos Poblacion\*\*  
552 Malolos Crossing\*  
591 Tikay Malolos (G)\*  
586 Muzon\*  
541 San Miguel  
613 Baliwag Highway\*  
646 Pulilan\*\*  
688 Cabanas Mall\*  
620 FVR  
592 Sampol  
644 Citrus  
789 Caltex BSU\*  
718 Towerville  
743 Pulong Buhangin  
752 Bustos\*\*  
783 Divine Mercy\*  
845 Plaridel Waltermart  
875 Menzy Land  
1054 Grotto Vista\*

Mc Arthur Hi-way cor. Malhakan Rd., Meycauyan, Bulacan  
Mc Arthur Hi-way, Wawa, Balagtas, Bulacan  
Mc Arthur Highway cor. Gov. F, Halili Ave., Binang 2nd, Bocaue, Bulacan  
Cagayan Valley Road, Banga 1st, Plaridel, Bulacan  
Poblacion Plaza Naning Baliuag Bulacan  
L. Camino Real Rd. Sto. Nino Meycauyan Bulacan  
49 Jose Corazon De Jesus st., Sta. Maria, Bulacan  
Torres St. cor. M. Tenco, Poblacion Malolos, Bulacan  
E & R, McArthur Highway cor., Mabini St., Malolos Bulacan  
Mc. Arthur Hi-Way, Tikay, Malolos Bulacan  
Brgy. Muzon San Jose Del Monte Bulacan  
906 Norberto St., Brgy. San Jose, San Miguel, Bulacan  
DRT Highway, Pinagbarilan, Baliuag, Bulacan  
National Rd., Brgy., Poblacion, Pulilan Bulacan  
McArthur Hi-way, Brgy. Longos Malolos Bulacan  
Area D (Sta. Cruz), Sapang Palay, San Jose Del Monte City, Bulacan  
Brgy. Bagong Buhay, San Jose Del Monte Bulacan  
Brgy Minuyan, San Jose Del Monte, Bulacan  
Caltex Gas Station; McArthur Highway, BO., Guinhawa, Malolos City, Bulacan  
Brgy. Minuyan Proper, San Jose Del Monte, Bulacan  
National Hi-way, Brgy Pulong Buhangin, Sta. Maria Bulacan  
Brgy. Poblacion Bustos Bulacan  
Marilao- Muzon Rd., Brgy., Sta Rosa 1, Marilao Bulacan  
Banga 1, Plaridel, Bulacan  
Brgy Mojon, Malolos, Bulacan  
Sta. Maria Tungkong Mangga Road, Graceville, Tungko, SJDM, Bulacan

## CAMARINES NORTE (1)

943 Daet \*

Louie's Restaurant, F. Pimentel Avenue, corner, JP Rizal St., Daet, Camarines Norte



# STORE DIRECTORY

## CAMARINES SUR (12)

694 Pili*	Maharlika Highway cor., Santiago St., Brgy. San Vicente, Pili, Camarines Sur
702 Naga 1*	Grand Imperial Plaza cor. P. Burgos and J. Hernandez Ave. Naga City 4400
776 CBD Hotel (Naga Terminal)*	G/F of CBD II Hotel, Ninoy and Cory Ave., Brgy. Triangulo, Naga City
705 CWC*	Cadlan, Municipality of Pili, Province of Camarines Sur
757 Naga 3 (Sunny View Hotel)	Panganiban Drive, San Francisco, Naga City
761 Naga 2 (Ateneo Ave.)*	No. 2, Ateneo Ave., cor. Bagumbayan St., Naga city
832 Regent Hotel	Caceres St., Naga City
886 Libmanan	G/F Dy Property, Poblacion Street, corner Bigaon St., Libmanan, Camarines Sur
878 Shell Diversion	Roxas Ave. Triangulo, Naga City, Camarines Sur
914 Nabua *	San Roque Poblacion, Nabua, Camarines Sur
945 CSPC*	GF, CSPC-Entrepreneurship Training Center, Camarines Sur Polytechnic Colleges-Naga Campus
854 Naga 4a	Liboton St., cor Jacob St. Naga City Camarines Sur

## CAVITE (60)

044 Bacoor**	G.E. Aguinaldo Hi-way cor. Talaba, Bacoor
087 Imus*	Aguinaldo Highway cor. Tanzang Luma, Imus Cavite
097 Cavite City**	Cajigas St. cor. Burgos St., Cavite City
099 Dasma 1	P. Campos cor. Cantimbuhan St., Dasmariñas, Cavite
111 Molino1**	Molino Rd., cor. Bahayang Pag-asa, Bacoor, Cavite
114 Dasma2*	Mangubat St., cor. Aguinaldo Highway, Dasmariñas, Cavite
115 Molino2**	Molino Rd., San Nicolas, Mambog, Bacoor, Cavite
116 SaliRos	193 Gen. Trias Drive, Rosario, Cavite
118 GMA*	Gov. Drive nr. cor. GMA Drive, Dasmariñas, Cavite
130 Binakayan**	Gen. Tirona Highway cor. Bisita St., Binakayan, Kawit, Cavite
132 Trece **	Gov. Drive cor. Indang, Tanza Rd., Trece Martirez, Cavite
133 Tagaytay*	Silang-Tagaytay Rd., Rotonda, Tagaytay, Cavite
135 Panapaan**	Tirona Hi-way cor. Aguinaldo Hi-way, Panapaan, Cavite
142 Tanza	Sta. Cruz cor. San Agustine Poblacion , Tanza, Cavite
145 Naic**	Poblete St., cor. Nazareno St., Poblacion, Naic, Cavite
152 Dasma3**	Congressional Ave., cor. DBB, Dasmariñas, Cavite
227 EPZA	Gen. Trias Drive, Brgy. Tejero, Rosario, Cavite
264 Trece2	Gov. Drive cor. Indang, Tanza Road
254 Salauag	Molino-Paliparan Road, Salawag, Dasmariñas, Cavite
299 Indang**	San Gregorio nr. cor. Mabini St., Indang, Cavite
344 Molino 3**	Zapote- Molino Rd. Brgy. Molino3 Bacoor Cavite
347 Bulihan**	B 275 L13 AFP Housing, Old Bulihan Rd., Bulihan, Silang Cavite
357 Tanza 2	Tanza Crossing, Daang Amaya, Tanza, Cavite
361 Carmona**	Governor's Drive Cor. Purification St. Cabilang Baybay. Carmona Cavite
386 Palico	Aguinaldo Highway Palico II Imus Cavite
395 Imus 2*	97-B Aguinaldo Hiway Bayan Luma Imus, Cavite
415 Mendez Proper	Market Road Corner JP Rizal Mendez, Cavite
394 Maragondon	Poblacion 1-A Maragondon Cavite
403 Tagaytay 2*	One Tagaytay Place Calamba Rd., Tagaytay City
425 Sunny Brooke**	Blk 31 Lot 6 Brooke side lane brgy. San Francisco, Gen. Trias, Cavite
429 Mendez Crossing	Aguinaldo Hiway Mendez Junction East, Tagaytay City, Cavite
459 Palapala*	E.L Toledo Bldg. along National Hiway, Brgy. Sampaloc I, Palapala, Dasmariñas, Cavite
539 Tagaytay 3*	Magallanes Square, Silang Junction West, Tagaytay City
482 Villa Amparo	Villa Amparo Subd., Aguinaldo Highway, Imus Cavite
624 Tagaytay 4*	141 Evangelista St. Daang Bukid, Bacoor Cavite
635 Noveleta	Poblacion Noveleta, Cavite City
574 Salawag 2	Paliparan Road, Salawag Crossing Dasmariñas, Cavite
612 Pag-asa Imus**	National Rd., cor. Alapan St., Pagasa, Imus, Cavite
605 Molina 5	Molino Rd., Brgy. Molino III, Bacoor Cavite
557 La Salle Med*	Bario Pasang Tala, Dasmariñas Cavite
642 Mary Homes Molino	Molino Rd., Maryhomes Subdivision, Brgy. Molino IV, Bacoor, Cavite
569 Mabolob Bacoor	Mabolob, Bacoor Cavite
729 Anabu Kostal*	Anabu Wet and Dry Market, Aguinaldo Highway, Anabu II-A, Imus Cavite
726 Paliparan	Mabuhay City, Paliparan Dasmariñas Cavite
655 Salitran*	Brgy. Salitran, Dasmariñas, Cavite
653 Bacoor 2	141 Evangelista St. Daang Bukid, Bacoor Cavite
822 Palico 2	Aguinaldo Hi-way, Palico IV, Imus Cavite
791 Imus 4*	Buhay na Tubig, Imus Cavite
710 Tejero*	Antero Soriano Highway Tejero, General Trias Cavite
827 Tagaytay City Market*	City Market, Tagaytay Sta. Rosa Road, Brgy San Francisco , Tagaytay City.
846 Tanza 3*	Blk 1 Lots 4 and 5, Filinvest West, Brgy. Paradahan, Tanza Cavite
852 Bucandala*	Patindig araw corner alapan road, bucandala Imus Cavite
865 Perez	Inong Building, Governor's Drive corner Hugo Perez Drive Trece Martirez, Cavite
809 Paliparan 2*	Paliparan- Molino Road, Paliparan III, Dasmariñas Caviite
901 Gen Trias Poblacion	Sampalukan St., Poblacion, Gen. Trias, Cavite
926 Sangley point	Dra. Salamanca St. Sangley Point, Cavite City

# STORE DIRECTORY

## CAVITE (60)

998 Mambog, Bacoor  
927 Dasma 4  
978 Naic 2  
904 Langkaan, Dasma\*

New Molino Blvd., Bacoor Cavite  
B61 L1 Brgy., San Juan, Dasmariñas City, Cavite  
A. Soriano Highway Naic, Cavite  
Governor's Drive cor Langkaan Drive, Langkaan Dasmariñas Cavite

## CEBU (19)

933 UCLM\*  
948 Escario Central\*  
934 JY Square Mall  
935 Tune Hotel Cebu  
950 Bigfoot  
989 Mango Ave.\*  
991 North Reclamation\*  
990 Banilad\*  
1004 Caltex Maguikay\*  
1006 Caltex Basak\*  
1007 Caltex Labogon\*  
946 Cebu Capitol  
947 CDU\*  
1030 Caltex Plaridel\*  
1021 Talamban Crossing \*  
1028 Caltex N. Bacalso \*  
994 St. Theresa  
1014 RCEE DORM\*  
1022 Colon\*

MYFC Building, A.C. Cortez Avenue, Mandaue City  
N. Escario, Barangay Kamputhaw, Cebu City  
Salinas Drive, corner Gorordo avenue, Lahug Cebu City  
36 Archbishop Reyes Avenue, Cebu City  
G/F Bigfoot Center F. Ramos St, Cogon Central Cebu City  
Gen. Maxilom Avenue (Mango Ave.), corner Juana Osmena Street, Cebu City  
Ounao Ave., North Reclamation Area, Mandaue City  
AS Fortuna Street, corner Gov. M. Cuenco, Banilad, Cebu City  
ML Quezon Street, Brgy. Maguikay, Mandaue City  
MC Briones Street, Mandaue City  
Cebu North Road, Labogon, Mandaue City  
Don Gil Garcia St., cor N.G. Escario St., Capitol, Cebu City  
Phase 2 Carvelco Canteen, North Reclamation Area, Mandaue City  
Plaridel Street, Brgy. Alang-Alang, Mandaue City  
M. Cuenco Ave., cor., M.L. Quezon St. Talamban, Cebu  
N. Bacalso Street, Cebu City  
101-F Aboitiz Street, Cebu City  
N. Bacalso Ave., Brgy. Duljo, Cebu City  
Colon Street, corner Pelaez Street, Downtown, Cebu City

## ILOCOS SUR (1)

968 Tagudin\*

Barangay Rizal, Tagudin, Ilocos Sur

## LA UNION (7)

422 La Union 1\*  
600 Rosario La Union (Caltex)\*  
732 Bauang La Union  
727 Agoo La Union\*\*  
842 Naguillan Poblacion  
888 La Union 2 \*  
1020 St. Louis College\*

Rizal Ave. cor. Gov. Ortega st., San Fernando City, La Union  
McArthur Hi-way, Camp 1 Brgy Udiao, Rosario, La Union  
Central East, Bauang, La Union  
16 McArthur Highway, Agoo, La Union  
Naguillan road corner Rimando St., Naguillan La union  
McArthur Highway, Sevilla, Sam Fernando City, La Union  
McArthur Highway, San Fernando, La Union

## LAGUNA (60)

072 Calamba 1\*\*  
091 San Pedro 1  
096 San Pedro2\*\*  
100 Balibago\*  
107 Cabuyao\*\*  
112 San Pablo1\*\*  
119 Biñan2  
127 Tatlong Hari\*\*  
128 Los Baños  
137 San Pedro 3  
192 Turbina  
222 Calamba 2  
261 Calamba3\*\*  
270 Biñan3  
220 Laguna BelAir\*  
214 San Pablo2\*  
294 Biñan 4\*\*  
325 Sta.Cruz\*  
333 Balibago Complex\*  
338 Pagsanjan\*\*  
335 Mamatid\*  
409 San Pablo 3\*  
397 Sta. Rosa Estate  
448 Pavillion Mall  
444 Calamba 4 \*  
476 Mayapa\*  
472 Nuvali\*

National Highway cor. J.P. Rizal  
Maharlika St. cor. National Highway, San Pedro, Laguna  
A. Mabini St. cor. Garcia St. San Pedro, Laguna  
National Highway cor. R. Lasaga St., Balibago  
J.P. Rizal cor. Circumferencial Ave., Cabuyao, Laguna  
Rizal Ave., cor. A. Flores St., San Pablo City  
National Highway cor. Malvar St., Biñan, Laguna  
Rizal Blvd. nr. cor. Tatlong Hari St., Sta. Rosa, Laguna  
Batong Malaki National Highway, Los Baños, Laguna  
Pacita cor. Macaria Ave., San Pedro, Laguna  
National Highway Brgy., Turbina, Calamba, Laguna  
National Hi-way nr. cor. Halang St., Calamba, Laguna  
Along Provincial Road, Calamba-Crossing, Laguna  
A. Bonifacio cor. Gonzales St., Poblacion, Biñan, Laguna  
Sta. Rosa - Tagaytay Rd., Sta. Rosa, Laguna  
Leonor St. cor. Maharlika Hi-way, San Pablo, Laguna  
In front of Perpetual Help Hospital & College, Biñan, Laguna  
P. Guevarra Ave. Brgy 3 Poblacion Sta. Cruz Laguna  
Balibago Complex Balibago Sta. Rosa Laguna  
Calle Rizal Pob. Pagsanjan Laguna  
Banlic, Cabuyao Laguna  
Maharlika Hiway, San Pablo, Laguna  
Sta. Rosa Highway, Sta. Rosa Estate, Sta. Rosa, Laguna  
Space Nos. 143-B Bldg A G/F Pavilion Mall, Biñan, Laguna  
National Hiway cor Ipil-Ipil St., Calamba, Laguna  
National Highway Checkpoint, Paciano Rizal Calamba City Laguna  
Retail Space 1 Nuvali Technopod, Sta. Rosa, Laguna



# STORE DIRECTORY

## LAGUNA (60)

548 SLEX (G)*	KM 22 South Luzon Tollway (Northbound) San Antonio San Pedro Laguna
577 Sta. Rosa Paseo (G)*	Tagaytay Road. Sta. Rosa Laguna
575 Halang Calamba (G)*	National Highway Brgy. Halang Calamba Laguna
519 UP Los Baños**	Student Union Bldg. University of the Philippines Los Baños, Laguna
493 San Pablo 5**	Brgy. 6A Mabini St., San Pablo City, Laguna
494 Los Baños 2	Lopez Ave. cor. Mt. Halcon St., Los Baños Subd, Batong Malake/San Antonio, Los Baños, Laguna
615 San Pedro 5*	Lot 8 AB National hghway cor Garcia st, Nueva Poblacion San Pedro Laguna
567 San Isidro*	N. 35 Brgy. San Isidro, Cabuyao, Laguna
638 Carmelray**	Makiling Drive., Carmelray Industrial Park II, Calamba Laguna
709 Caltex Balibago*	Balibago cor. San Lorenzo Rd. Sta. Rosa Laguna
629 Pansol	National Highway purok 1 Pansol Calamba, City of Laguna
731 Southwoods Exit	Rosario Complex, San Vicente, San Pedro Laguna
813 Biñan Caltex*	Malvar St. Brgy. San Antonio, Biñan Laguna
872 Total San Pablo*	Total Gas Station, Maharlika Highway San Pablo City Laguna
828 Bay	Brgy. Dila, Bay, Laguna
829 Areza*	National Highway Brgy., Canlalay
790 Sta. Cruz 2	Sitio Sampaguita, Brgy. Bubukal, Sta. Cruz Laguna
894 Macabling*	Brgy. Macabling, Sta. Rosa, Laguna
812 Paciano	Paciano Highway, Brgy. Paciano Rizal, Calamba, Laguna
815 Pila Highway	Brgy. Labuin, Pila Laguna
843 Mayapa 2*	Mayapa Road, Brgy. Mayapa, Calamba Laguna
859 Landayan*	Brgy. Landayan, San Pedro, Laguna
857 Dita Margarita*	Brgy. Dita, Sta. Rosa City, Laguna
893 Famy	Brgy. Calumpang, Famy, Laguna
912 Calamba Science Park*	Science park II, National Rd., Real Calamba Laguna
913 Pagsawitan	Brgy. Pagsawitan, Sta. Cruz, Laguna
915 Alaminos, Laguna	Del Pilar St., Alaminos, Laguna
929 Calauan	Brgy. Kanluran, Calauan, Laguna
1019 Banay-Banay*	Brgy. Banay-Banay, Cabuyao, Laguna
971 Pila Poblacion	Rizal St., Sta. Clara Sur, Pila, Laguna
962 Masapang, Victoria	National Highway, Brgy. Masapang, Victoria, Laguna
1034 Calamba 6*	Brgy. Parian cor. Lawa Road, Calamba City, Laguna
965 Siniloan*	L. De Leon St., Brgy. Acevida, Siniloan, Laguna

## NUEVA ECIJA (15)

326 Gapan**	GM Bakery Bldg Bucana Gapan Crossing Gapan City
328 Cabanatuan 2**	199 Gen. Tinio cor. Mabini St., Quezon District, Cabanatuan, Nueva Ecija
360 Cabanatuan 3**	Manson Bldg. Burgos Ave., Cabanatuan City
427 Talavera**	Maharlika Highway, Maharlika, Talavera
442 San Jose NE**	Maharlika Highway National Road, San Jose City N.E.
469 Sta. Rosa NE*	Maharlika Hi-Way, Sta. Rosa, Nueva Ecija
445 NE Pacific **	Km 111, Brgy. H. Concepcion, Maharlika Hi-way, Cabanatuan City
516 NE Crossing**	Maharlika Highway Cor. Burgos Ext. Cabanatuan City Nueva Ecija
562 Daang Sarile (G)*	Daang Sarile Caltex Station, Daang Sarile, Cabanatuan City
608 Zaragosa**	Corner Concepcion, Zaragoza, Nueva Ecija
840 Total Cabanatuan*	Maharlika Highway, Cabanatuan City, Nueva Ecija
856 Guimba*	No. 16 A Salvador St., Bargain St. Guimba, Nueva Ecija
775 Cabanatuan 4	Maharlika Highway, Cabanatuan City
942 Munoz, Nueva Ecija*	Infante Bldg, Science City of Munoz, Nueva Ecija
959 Jaen*	San Isidro-Jaen Road, Jaen, Nueva Ecija

## PAMPANGA (42)

136 Apalit**	San Vicente cor. David St., Mc Arthur Hi-way, Apalit, Pampanga
162 San Fernando 1*	B. Mendoza cor. Tiomico St., San Fernando, Pampanga
208 Angeles 1**	Sto. Rosario cor. Sukdulan St., Angeles City
274 Fields*	G/F HHH Commercial Bldg., 932 Fields Ave., Balibago, Angeles City
288 San Fernando 2*	Lam Bldg., San Fernando Crossing, San Fernando, Pampanga
343 Fields 2	Mc Arthur Highway, Balibago, Angeles City, Pampanga
366 SM Clark*	Bayanihan Park, SM Clark, Balibago, Angeles City, Pampanga
353 Guagua	One Crown Property & Development, Plaza Burgos, Guagua, Pampanga
358 Dau**	#157 McArthur Hi-way, Dau, Mabalacat, Pampanga
426 Sindalan*	McArthur Hi-way Sindalan, San Fernando Pampanga
392 SM San Fernando	Unit AX3 123b, Building 4, SM City Pampanga, Lagundi, Mexico Pampanga
435 Angeles 2*	Miranda St., Angeles City, Pampanga
416 AUF*	Mc-Arthur High-way cor. Dona Aurora St., Angeles City, Pampanga
475 AUF Hospital	AUF Medical Center, Mc Arthur Hi-way, Angeles Pampanga
501 Sto. Domingo*	McArthur Hi-Way cor. Apo rd. Sto. Domingo, Angeles, Pampanga
560 San Fernando NLEX (G)*	KM 62 NLEX North Bound Brgy. San Felipe, San Fernando Pampanga
537 Angeles 3	G/F 294 Sto. Rosario St., Angeles City, Pampanga

# STORE DIRECTORY

## PAMPANGA (42)

559 Clark Hostel*	2041 Ninoy Aquino Ave cor. M.A. Roxas, Clark Freeport Zone, Pampanga
565 Mabalacat*	Velasquez St., Mabalacat Proper, Pampanga
485 Berthaphil 4**	Bldg 2 - Retail 1 Berthaphil 4, Clark Aviation Complex, A. Bonifacio Avenue, CFZ, Pampanga
603 Fortune Square*	McArthur Hi-way, cor. Villa Julita Subdivision, Brgy. Saguin, San Fernando, Pampanga
606 Diamond Square*	Mac Arthur Hi-way corner M.A. Flores Balibago, Angeles City
617 Grandview Angeles*	Lot 19-B, Don Juico Ave., Malabanas, Angeles City
607 Enclave	The Enclave, Fil-Am Friendship Hi-way, Pampang, Angeles City
626 Berthaphil 5*	Berthaphil V, Gil Puyat Ave., cor. Panday-Pira Rd., CFEZ, Angeles, Pampanga
713 Suburbia*	McArthur Hi-way Brgy. Maimpis San Fernando Pampanga
685 Friendship Highway*	Lot 15, Blk 6, Frienship Hi-way, Brgy. Anunas, Angeles City
692 Attivo SF*	G/F Unit101B and 102B , Gapan- Olongapo Rd. San Fernando, Pampanga
686 Lubao Pampanga*	#24 J.P. Rizal St., Sta. Cruz, Lubao, Pampanga
714 System Plus*	Diamond Service Road, Mc Arthur Hi-way, Angeles City
769 San Fernando 3	Gen. Hizon Avenue, San Fernando, Pampanga
678 Xevera*	Brgy. Tabun, Mac Arthur Highway, Mabalacat, Pampanga
796 San Fernando 4*	Consunji cor., Abad Santos St., Poblacion, San Fernando, Pampanga
830 Total Cutcut	Friendship Hi-way corner Poinsettia St. Angeles, Pampanga
876 Magalang*	Sta. Cruz, Magalang Pampanga
810 Macabebe*	Poblacion, Macabebe, Pampanga
759 CDC Clark*	E. Aguinaldo Ave., cor. E. Quirino St., Clark Freeport Zone
903 OYG Building*	G/F OYG Building B. Mendoza St., San Fernando, Pampanga
883 Madapdap*	San Fernando Avenue corner Porac Avenue, Brgy. Dapdap, Mabalacat, Pampanga
849 Caltex San Simon*	Mac Arthur hi-way San Simon Exit, Pampanga
1016 Clark County*	C.M. Recto Avenue Clarkfield Pampanga
928 Arayat 3	Mangga-Cacutud Road, Poblacion, Arayat, Pampanga

## PANGASINAN (25)

196 Urdaneta**	Brgy. Poblacion, Urdaneta, Pangasinan
200 Carmen**	Mc Arthur Highway, Carmen, Rosales, Pangasinan
209 Dagupn1**	Arellano St., Dagupan City
287 Dagupan 2**	Perez Blvd. beside Victory Liner Terminal, Dagupan City
370 Urdaneta 2**	Alexander St. Urdaneta City, Pangasinan
371 Dagupan 3**	M.H. Del Pilar Cor. A.B. Fernandez Ave., Dagupan City
391 Manaog*	Felix St. Cor. Garcia St. Manaog, Pangasinan
423 Calasiao**	Poblacion East, National Road, Calasiao, Pangasinan
463 San Carlos Pangasinan**	Virgen Milagrosa University Foundation Compd. San Carlos City, Pangasinan
533 Dagupan 4*	G/F Orient Pacific Center cor. Perez Blvd., Rizal Ext., Dagupan City, Pangasinan
639 Lingayen 1*	National Hi-way, Lingayen, Pangasinan
640 Mangaldan*	National Road, Mangaldan Town Proper, Pangasinan
717 Malasiqui*	Montemayor St., Poblacion Malasiqui, Calasiao Rd. Pangasinan
682 Lucao District**	National Rd. cor. Jose De Venecia Rd., Dagupan City, Pangasinan
697 Bayambang*	National Highway, Bayambang Pangasinan
662 Lingayen 2*	cor. Artacho and Alvear Sts., Lingayen, Pangasinan
767 Dagupan Lyceum*	A.B Fernandez Ave. Dagupan City
699 Dagupan 5*	Burgos St. cor. Bonifacio St. Dagupan City, Pangasinan
808 Binmaley*	G/F Purification Building Poblacion, Binmaley, Pangasinan
807 Urdaneta 3*	Mc Arthur Hi-way, San Vicente, Urdaneta City, Pangasinan
806 Villaflor*	National Rd., Brgy. Poblacion, Dagupan City, Pangasinan
898 San Carlos 2*	33 Rizal St., San Carlos City, Pangasinan
853 Tayug*	Bonifacio St. Brgy. B. Tayug Pangasinan
847 Alaminos*	Teodoro Bldg., Quezon Ave., Across NEPO Mart, Alaminos City Poblacion
885 San Fabian*	Quezon Highway San Fabian, Pangasinan

## QUEZON (18)

324 Lucena*	Gomez St. cor Quezon Ave. Lucena City
377 Lucena 2*	Lot #2771 - B Along Quezon Ave., Lucena City, Quezon
389 Lucban	Quezon Ave., Miramonte Subdivision Lucban, Quezon
453 Tayabas*	Quezon Ave. Cor. P. Paterno St. Brgy. San Diego Tayabas Quezon
468 SM Lucena	115-116 SM City Lucena Dalahican cor. Maharlika Hiway Nat'l Rd. Lucena City
595 Tiaong*	Doña Tating cor. Alabastro Streets, Tiaong, Quezon
456 Sariaya	Gen. Luna St. National Hi-Way Sariaya, Quezon
826 Phoenix	Phoenix Lucena, Maharlika Highway, Lucena City
866 Gumaca*	Andres bonifacio Street, corner J.P Brgy Rizal, Gumaca, Quezon
818 Lucban 2	Brgy. Tinamnan, Lucban, Quezon
882 Atimonan Poblacion	G/F Renegado Property Rizal Street corner Quezon St., Atimonan, Quezon
851 Lopez, Quezon*	Maharlika Highway, corner San Isidro Street, Lopez, Quezon
825 Lucena 3*	Quezon Avenue, Lucena City
837 Tiaong Stop Over	Villa Escudero, Maharlika Hi-way, Brgy Lalig, Tiaong
897 Lucena 4	M.L. Tagarao Street, Barangay Iyam, Lucena City



# STORE DIRECTORY

## QUEZON (18)

900 Catanauan  
941 Sariaya 2  
1038 Total Lucena\*

Poblacion 10, Catanauan, Quezon  
Maharlika Highway, Brgy., Santo Cristo, Sariaya  
National Highway, Lucena City, Quezon Province

## RIZAL (23)

060 Cainta Junction\*\*  
064 Masinag\*\*  
075 Antipolo Church\*  
088 AntipolCir\*  
113 Tanay  
126 Cainta Church\*\*  
194 Angono\*\*  
218 Taytay2\*\*  
249 Binangonan  
387 Binangonan 2\*  
454 Cogeo\*\*  
487 Vista Verde\*  
734 Sumulong Hi-way  
680 Taytay 3\*\*  
721 San Mateo\*  
723 Angono 2\*\*  
687 Taytay 4  
772 Tanay 2  
738 Sumulong 2  
781 Kingsville\*  
784 Teresa  
922 Angono Medics  
952 Montalban, Burgos

A. Bonifacio St., cor. Ortigas Ave., Ext., Cainta, Rizal  
Marcos Highway cor. Sumulong Highway, Antipolo, Rizal  
P. Oliveros St. cor Masangkay Rd., Antipolo, Rizal  
Circumferential Rd. cor. M.L. Quezon St., Anipolo, Rizal  
Plaza Rizal cor. P. Burgos, Tanay, Rizal  
A. Bonifacio Avenue, San Andres, Cainta, Rizal  
M.L. Quezon Ave., Angono, Rizal  
Manila-East Road, Taytay, Rizal  
Quezon St., Libis, Binangonan, Rizal  
National Road Cor. Quarry Road Pantok, Binagonan Rizal  
Marcos Hiway cor. GSIS Ave., Bagong Nayon 1, Antipolo City  
G/F Unit 1,2,3,4 Vista Square Comm'l Center, Felix ave., Cainta, Rizal  
KM 23, Sumulong Highway, Brgy. Sta. Cruz, Antipolo City  
Manila East Rd. cor., Italia St. Brgy. Muzon Taytay Rizal  
103 Gen, Luna Ave., Gitnang Daan 1. San Mateo Rizal  
Manila East Road cor., Col. Guido St. Agono Rizal  
J. P. Rizal Avenue, Taytay Rizal  
Market Road cor. F.T. Catapusan St. Brgy. Plaza-Aldea, Tanay Rizal  
Sumulong Highway cor. B Soliven Ave., Antipolo City  
Marcos Hi-way Brgy. Mayamot, Antipolo City  
Magsaysay Ave., Brgy., San Gabriel Teresa Rizal  
Quezon Ave. Hihgway, Brgy. San Isidro, Agono Rizal  
J.P Rizal cor. Montaña drive, Brgy. Burgos, Montalban Rizal

## TARLAC (19)

224 Luisita\*\*  
376 TSU\*  
424 Capaz\*\*  
446 Paniqui\*  
545 Capas- Junction (G)\*  
561 Tarlac 2 (G)\*  
563 Concepcion Tarlac\*  
568 Camiling\*\*  
654 Paniqui 2\*  
661 Tarlac Crossing ( Banco San Juan)  
736 F. Tañedo 1  
839 Total Tarlac\*  
753 F. Tañedo 2\*  
737 San Roque Tarlac\*  
864 Legislative Bldg.  
961 La Paz\*  
955 Victoria\*  
957 Bamban\*  
954 Matatalaib\*

Mc Arthur Hi-way, San Miguel, Tarlac City  
Brgy. Cut-Cut Romulo Ave. Tarlac City  
Mc Arthur Hi-way, Poblacion, Capas, Tarlac  
UCPB Building along National Highway, Brgy. Estacion, Paniqui, Tarlac  
National Road Sto. DomingoJunction, Capaz, Tarlac  
Mc. Arthur Hi-Way, Tarlac Tarlac City.  
Brgy. San Nicolas, Concepcion Tarlac  
Arellano St. corner Quezon Ave., Camiling, Tarlac  
M. H Del Pilar cor., Luna St., Paniqui, Tarlac  
Lot B, Plaza de Oro Arcade along McArthur Highway, Poblacion 2, Tarlac City  
F. Tañedo St.,San Nicolas, Tarlac City  
Mc Arthur Highway, Tarlac City, Tarlac  
F. Tañedo St., Tarlac City  
Brgy. San Roque, Tarlac, Tarlac  
Rizal St., cor. Hilario St., Tarlac City  
La-Paz Concepcion Road, Brgy. San Isidro, La Paz, Tarlac  
Tarlac-Victoria Highway, Victoria, Tarlac  
McArthur Highway, Bamban Crossing, Bamban Tarlac  
Sitio Buno, Matatalaib, Tarlac City

# STORE DIRECTORY

## ZAMBALES (20)

354 Gordon Ave.*	Gordon Ave. cor. 6th St. Asinan, Olongapo City
359 Olongapo Rotonda*	1739 Rizal Ave. West Bajac Bajac, Olongapo City
379 Olongapo 3*	West 18th St. Corner Anonas West Bajac-Bajac, Olongapo City
405 Baretto*	#60 National Highway, Barreto Olongapo City
398 Gordon Hospital*	104 Rizal Ave., East Tapinac Olongapo City
417 Subic Proper*	National Hi-way Brgy. Baraka, Subic, Zambales
443 Olongapo City Hall**	23rd st., Rizal Ave., East Bajac-Bajac, Olongapo City
408 Subic Gate 1	Bldg. 537 Magsaysay Ave, Subic Bay, Freeport Zone, SBMA
431 Iba Zambales*	Magsaysay Ave., Poblacion, Iba, Zambales
499 RK Subic	SBIP Phase I Commercial Complex, Subic Bay Gateway Park, Rizal Highway, Subic Freeport Zone
610 Olongapo Public Market*	Canda St., East Bajac - Bajac, Olongapo City
515 Castillejos*	National Hi-way, Castillejos, Zambales
628 Subic International Hotel*	Unit 142/ 144 & 146/148, SIH Alpha Bldg. Freeport Zone, Subic Bay, Olongapo City
604 Dewey Avenue	Lot 2, Block 18, Dewey Ave., cor. Aguinaldo Highway, CBD, Subic Bay Freeport Zone
611 San Marcelino Zambales*	National Highway Central, San Marcelino, Zambales
785 Total Yacht Club*	Rizal Highway, Subic Bay Freeport Zone
889 Eastern Petroleum*	Rizal ave. and Argonaut Highway NSD Compound, Subic Bay Freeport zone
887 San Antonio Zambales*	San Marcelino-San Antonio-San Narciso Road, Poblacion San Antonio, Zambales
982 RM Olongapo*	RM Centerpoint Bldg. Brgy. East Tanipac, Magsaysay Drive, Olongapo City
905 Harbor Point	Harbor Point, Rizal Highway, Subic bay Freeport Zone 2222

### Legend:

- \* - FC 1
- \*\* - FC 2
- - Newly Opened Store 2012





7<sup>th</sup>, 11<sup>th</sup> & 12<sup>th</sup> Floors, The Columbia Tower  
Ortigas Avenue, Mandaluyong City 1550

[www.7-eleven.com.ph](http://www.7-eleven.com.ph)