



## PHILIPPINE SEVEN CORPORATION

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

July 18, 2016

**PHILIPPINE STOCK EXCHANGE, INC.**  
3<sup>rd</sup> Floor, PSE PLAZA, Ayala Triangle  
Ayala Avenue, Makati City

**Attention: JOSE VALERIANO B. ZUÑO III**  
OIC-Head, Disclosure Department

Dear Mr. Zuño:

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

Thank you.

Very truly yours,

  
**ATTY. EVELYN S. ENRIQUEZ**  
Corporate Secretary

# COVER SHEET

0 0 0 0 1 0 8 4 7 6

S.E.C Registration Number

P H I L I P P I N E

S E V E N

C O R P O R A T I O N

(Company's full Name)

7 t h F l r . T h e C o l u m b i a T o w e r

O r t i g a s A v e . M a n d a l u y o n g C i t y

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

**Atty. Evelyn S. Enriquez**  
Corporate Secretary

Contact Person

**724-44-41 to 51**

Company Telephone Number

1 2 3 1

Month Day  
Fiscal Year

1 7 - C

FORM TYPE

0 7

Month Day  
Annual Meeting

**3rd Thursday**

Day

**PRESS RELEASE**

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-C

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

1. Date of Report : July 18, 2016
2. SEC Identification Number : 108476
3. BIR Tax Identification No. : 000-390-189-000
4. Exact Name of Issuer as specified in its charter : Philippine Seven Corporation
5. Province, Country or other jurisdiction : PHILIPPINES
6. Industry Classification Code:  (SEC Use only)
7. Address of principal office : 7<sup>th</sup> Floor, The Columbia Tower  
Ortigas Avenue, Mandaluyong  
City 1550
8. Issuer's Telephone number, including area code : (632) 724-4441 to 53
9. Former name of former address, if changed since  
last report : n / a
10. Securities Registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8

#### Number of Shares of Common Stock

Shares Outstanding – Common 458,435,323

Units – Warrants 0

11. Indicate the item number reported herein :

#### **Item 9. Other Events**

## Item 9. Other Events

Please see attached Press Release.

### SIGNATURE

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

**PHILIPPINE SEVEN CORPORATION**

By:

  
**ATTY. EVELYN S. ENRIQUEZ**  
Corporate Secretary



# PHILIPPINE SEVEN CORPORATION

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July 18, 2016 – Philippine Seven Corporation (PSE:SEVN) – Results for the second quarter and first six-months ended June 30, 2016.

## 7-Eleven nationwide store expansion continued

- Store count by the end of June 30 reached 1,740, up by 335 or 23.8% from 1,405 during same period in 2015. New stores added in the first half totaled 148 against 10 closures.
- Broken down per major island, the number of 7-Eleven stores in Luzon is pegged at 1,474, Visayas at 203 and Mindanao with 63.
- Net income during the first six months of the year rose by 32.5% to P472.3 million from P356.5 million in 2015.
- Retail sales of all stores went up by 27.2% to P15.5 billion from P12.2 billion a year ago. This was driven by opening of new stores and mid-single digit increase in same store sales.
- Operating margin (as % of revenue from merchandise sales) stood at 5.0% from 5.2%.

The following are the financial highlights as based from the Company’s unaudited financial reports:

| Financial Highlights<br><i>(Amount in Php millions except store count and EPS)</i> | For the 2 <sup>nd</sup> Quarter Ended<br>June 30, |         |             | For the Six Months Ended<br>June 30, |          |             |
|--|---|---------|-------------|--------------------------------------|----------|-------------|
|  | 2016  | 2015    | %<br>Change | 2016                                 | 2015     | %<br>Change |
| Store count  |   |         |             | 1,740                                | 1,405    | 23.8        |
| System-wide sales  | 8,116.7   | 6,651.8 | 22.0        | 15,459.2                             | 12,153.3 | 27.2        |
| Revenue from merchandise sales   | 7,350.9   | 5,586.7 | 31.6        | 13,923.0                             | 10,129.3 | 37.5        |
| Operating income   | 425.1   | 356.2   | 19.3        | 693.8                                | 524.9    | 32.2        |
| EBITDA   | 758.9   | 620.1   | 22.4        | 1,338.7                              | 1,035.8  | 29.2        |
| Net income   | 290.0   | 243.6   | 19.0        | 472.3                                | 356.5    | 32.5        |
| EPS  | 0.63  | 0.53    | 18.9        | 1.03                                 | 0.78     | 32.1        |
| EBIT % *   | 5.8%  | 6.4%    |             | 5.0%                                 | 5.2%     |             |
| EBITDA % *   | 10.3%   | 11.1%   |             | 9.6%                                 | 10.2%    |             |
| Net margin *   | 3.9%  | 4.4%    |             | 3.4%                                 | 3.5%     |             |

\* % of revenue from merchandise sales

Philippine Seven Corporation (PSC), the local licensee of 7-Eleven Convenience Stores, registered a net income of P472.3 million during the first half of 2016. This represents a 32.5% increase compared with the same period in 2015.



The improved financial performance was boosted by election related spending in the first quarter and continued up to the second quarter. Retail sales of all stores totaled to P15.5 billion, up by 27.2% compared with the level set last year.

The increase in sales can be attributed to the higher number of operating stores, which rose by 23.8% or by 335 stores. In addition, same store sales went up by mid-single digit during the period.

PSC opened 148 new stores and closed 10 to end June with 1,740 stores. There are 1,474 7-Eleven stores in Luzon, 203 in Visayas and 63 in Mindanao. Franchisees control 57% of total while 43% are corporate stores.

The Company is set to attain another milestone this year in terms of store count and profitability. While competition is likely to be more intense, PSC is the most capable to strengthen its position in the convenience store sector. It aims to capitalize on its first-mover advantage and intends to benefit from the capacity-building expenditures over the last three years. It believes that the market will continue to grow as it enables the organization in achieving new heights.

For this year, the Company will be increasing its capital expenditures budget to P3.5 billion to support its store expansion strategy. Bulk of the said amount is allocated to new store opening, store renovation and equipment acquisition.

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

Signed:



**Lawrence M. De Leon**  
Head of Finance

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