



PRESS RELEASE

01 August 2016

(EMBARGOED UNTIL 05 AUGUST 2016)

REVENUES AT PHP10.5 BILLION, UP BY 59% DUE TO HIGHER VOLUME AND FAVORABLE PRICES

- **Tons Cane Milled (TCM) higher by 5%**
- **Ethanol produced up by 49%**

MANILA, PHILIPPINES — Roxas Holdings, Inc. (RHI) (PSEI: ROX) today announced its unaudited financial and operating results for the Nine Months Ended June 30, 2016 with Consolidated Revenues at PhP10.5 billion, 59% higher than the PhP6.6 billion reported in the same period last crop year due to higher sales volume and favorable prices of sugar and alcohol. Included in the Consolidated Revenues were gross revenues amounting to Php1.7 billion of San Carlos Bioethanol, Inc. (SCBI), a subsidiary acquired in May 2015.

In a statement, Chairman Pedro E. Roxas said the Group was able to weather the impact of El Niño which hit the sugar industry. "RHI's sugar subsidiaries were able to maintain their Tons Cane Milled (TCM), and to a certain extent, even posted rates that are a bit higher, while other mills experienced significant drops in their TCMs due to El Niño," Mr. Roxas said.

Combined TCM for Batangas and Negros plants went up to 2.7 million tons, 5% higher from same period last year. Likewise, combined ethanol production for Roxol Bioenergy Corporation (RBC) and San Carlos Bioenergy, Inc. (SCBI) rose to 54.8 million liters, a 49% increase from same period last year. SCBI produced 29 million liters of ethanol during the period.

RHI President & CEO Hubert D. Tubio said the favorable price conditions of sugar boosted the Group's revenues. "The average prices of raw and refined sugar hit five-year highs, particularly during the third quarter, which bodes well for RHI and the rest of the sugar industry," he said.

With the end of the milling season in Negros and Batangas last March 16, 2016 and May 14, 2016, respectively, the sugar operation is now focused on the off-season activities.

Mr. Tubio added that the off-season repairs, which commenced in April this year, are nearing completion and that the mills will be ready when the milling season starts in October. "We expect to have efficient working equipment at our plants with the completion of the off-season repairs, which should contribute to improved profitability" he said.

RHI had allocated about PhP1.4 billion for capital expenditures for its four plants this crop year.

Consolidated Net Income for the period amounted to PhP76 million. Group Chief Finance Officer/EVP-Finance Celso T. Dimaricut said that "we are looking at achieving a Consolidated Net Income of about PhP100 million for Crop Year 2015-2016," a significant improvement from the PhP18 million reported for Crop Year 2014-2015.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2016

(With Comparative Audited Balances as at September 30, 2015)

(Amounts in Thousands)

	June 30, 2016 (Unaudited)	September 31, 2015 (Audited, As Restated)
ASSETS		
Current Assets		
Cash and cash in banks (Note 3)	₱563,301	₱202,415
Trade and other receivables (Note 4)	1,632,420	1,262,012
Inventories (Note 5)	2,096,185	1,500,826
Other current assets	828,841	625,605
Total Current Assets	5,120,747	3,590,858
Noncurrent Assets		
Investment in an associate	647,335	674,600
Property, plant and equipment (Note 6):		
At cost	10,298,660	10,401,550
At appraised values	4,121,148	4,021,148
Investment properties	311,110	311,110
Goodwill	1,032,483	1,032,483
Retirement assets	110,332	113,932
Net deferred tax assets	391,639	188,323
Other noncurrent assets	87,278	84,332
Total Noncurrent Assets	16,999,985	16,827,478
	₱22,120,732	₱20,418,336
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term borrowings	₱4,867,338	₱3,268,601
Current portion of long-term borrowings	248,298	1,244,649
Trade and other payables (Note 7)	1,908,962	1,912,461
Income tax payable	4,311	15,471
Total Current Liabilities	7,028,909	6,441,182
Noncurrent Liabilities		
Long-term borrowings - net of current portion	3,990,211	4,235,985
Retirement liabilities	260,764	232,908
Net deferred tax liabilities	1,190,027	1,040,013
Other noncurrent liabilities	1,300	40,150
Total Noncurrent Liabilities	5,442,302	5,549,056
Total Liabilities (Carried Forward)	12,471,211	11,990,238

ROXAS HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016
(With Comparative Audited Balances as at September 30, 2015)

(Amounts in Thousands)

	June 30, 2016 (Unaudited)	September 31, 2015 (Audited, As Restated)
Total Liabilities (Brought Forward)	₱12,471,211	₱11,990,238
Equity Attributable to the Equity Holders of the Parent Company (Note 14)		
Capital stock	1,439,442	1,169,289
Additional paid-in capital	2,444,998	1,573,993
Treasury stock	(52,290)	(52,290)
Other equity reserves	3,148,674	3,145,022
Retained earnings	2,593,321	2,515,315
	9,574,145	8,351,329
Non-controlling Interests	75,376	76,769
Total Equity	9,649,521	8,428,098
	₱22,120,732	₱20,418,336

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED
JUNE 30, 2016 AND 2015

(Amounts in Thousands, except Basic and Diluted Earnings per Share Data)

	Three-Month Period April to June 30 (Unaudited)		Nine-Month Period October 1 to June 30 (Unaudited)	
	2016	2015	2016	2015
REVENUE	₱2,569,821	₱3,115,502	₱10,456,220	₱6,581,696
COST OF GOODS SOLD	(2,366,634)	(2,541,491)	(9,610,938)	(5,384,403)
GROSS INCOME	203,187	574,011	845,282	1,197,293
OPERATING EXPENSES	(231,683)	(276,167)	(714,611)	(694,752)
INTEREST EXPENSE	(77,249)	(89,273)	(291,074)	(221,689)
SHARE IN NET EARNINGS OF AN ASSOCIATE	34,936	19,073	105,204	59,957
OTHER INCOME - Net	16,839	3,540	73,748	35,037
INCOME BEFORE INCOME TAX	(53,970)	231,184	18,549	375,846
INCOME TAX BENEFIT (EXPENSE)				
Current	(2,869)	551	(18,319)	(22,116)
Deferred	65,365	39,939	74,872	(24,470)
	62,496	(39,388)	56,553	(46,586)
NET INCOME	₱8,526	₱191,796	₱75,102	₱329,260
Net income attributable to:				
Equity holders of the Parent Company	₱8,676	₱191,112	₱75,791	₱328,576
Non-controlling interests	(150)	684	(689)	684
	₱8,526	₱191,796	₱75,102	₱329,260
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY				
Basic	₱0.01	₱0.15	₱0.06	₱0.29
Diluted	0.01	0.15	0.06	0.28

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED
JUNE 30, 2016 AND 2015
 (Amounts in Thousands)

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES	₱18,549	₱375,846
Income before income tax		
Adjustments for:		
Depreciation and amortization	679,577	546,588
Interest expense	317,829	221,689
Share in net earnings of associate	(105,204)	(59,957)
Stock options expense	18,339	26,000
Interest income	(8,173)	(557)
Operating income before changes in working capital	920,917	1,109,609
Increase in:		
Trade and other receivables	(370,408)	(745,405)
Inventories	(595,359)	(1,482,703)
Other current assets	(203,236)	(241,929)
Increase (decrease) in trade and other payables	55,664	844,740
Net cash used in operations	(192,422)	(515,688)
Income taxes paid	(29,479)	(76,017)
Interest received	8,173	557
Net cash flows used in operating activities	(213,728)	(591,148)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(682,467)	(614,941)
Redemption of preferred stock of a subsidiary	(38,850)	-
Proceeds from dividends received	132,469	86,505
Decrease (increase) in other noncurrent assets	1,860	(6,535)
Acquisition of a subsidiary	-	(1,729,949)
Net cash flows used in investing activities	(586,988)	(2,264,920)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net availments (payments) of short-term borrowings	1,598,737	2,416,900
Payments of:		
Long-term borrowings	(1,242,125)	(793,163)
Interest	(317,829)	(183,606)
Dividends	-	(109,146)
Proceeds from issuance of shares, net of transaction costs:		
Stock rights offering	1,115,846	-
Exercise of stock options	6,973	
Treasury shares	-	1,680,903
Net cash flows provided by financing activities	1,161,602	3,011,888
NET INCREASE IN CASH AND CASH EQUIVALENTS	360,886	155,820
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	202,415	106,032
CASH AND CASH EQUIVALENTS AT END OF PERIOD	₱563,301	₱261,852

This press release may contain some statements which constitute “forward-looking statements” that are subject to a number of risks and uncertainties that could affect RHI’s business and results of operations. Although RHI believes that expectations reflected in any forward-looking statements are reasonable, it cannot guarantee future performance, action or events.

For further information, please contact:

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ABOUT RHI

Roxas Holdings, Inc. (RHI), a bio-sugar and bio-energy company, is the largest integrated sugar business in the Philippines. It manages 100% of Central Azucarera Don Pedro, Inc. in Nasugbu, Batangas; Central Azucarera de la Carlota, Inc. and Roxol Bioenergy Corporation in La Carlota, Negros Occidental; and majority of San Carlos Bioenergy, Inc. in San Carlos, Negros Occidental. It also holds 45% of affiliate Hawaiian-Philippine Company in Silay, Negros Occidental.

RHI is listed on the Philippine Stock Exchange (PSEi: ROX). Further information can be obtained by visiting the web at www.roxasholdings.com.ph.