



## 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

November 10, 2015

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

**Attention: JANET A. ENCARNACION**  
Head, Disclosure Department

Dear Ms. Encarnacion:

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

Thank you.

Very truly yours,

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

# COVER SHEET

0 0 0 0 1 0 8 4 7 6

S.E.C Registration Number

P H I L I P P I N E

S E V E N

C O R P O R A T I O N

(Company's full Name)

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

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

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

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

Contact Person

**724-44-41 to 51**

Company Telephone Number

1 2 3 1

Month Day  
Fiscal Year

1 7 - C

FORM TYPE

0 7

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 : November 10, 2015
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 51
9. Former name of former address, if changed since  
last report : n / a
10. Securities Registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8

#### Number of Shares of Common Stock

Shares Outstanding – Common 458,435,323

Units – Warrants 0

11. Indicate the item number reported herein :

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

**Item 9. Other Events**

Please see attached Press Release.

**SIGNATURE**

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

**PHILIPPINE SEVEN CORPORATION**

By:

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



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November 10, 2015 – Philippine Seven Corporation (PSE:SEVN) – Results for the third quarter and nine months ended September 30, 2015.

## 7-Eleven stores in the Philippines reached 1,480 by end-September

- Store count at the end of the third quarter rose to 1,480, with franchised stores accounting for 60% of the total. 210 new stores were opened against 12 closures year-to-date.
- Net income at the end of the first nine months of the year rose by 10.1% to P515.5 million from P468.3 million during same period in 2014.
- Retail sales of all stores during the nine-month period went up by 24.8% to P18.4 billion from P14.8 billion compared with the preceding year.
- Rate of earnings growth was slower and can be attributed to the Company’s capacity building expenditures. PSC has been expanding its logistics infrastructure to support its unprecedented expansion in Visayas and Mindanao.
- This will impact profitability in the medium term, in the form of underutilized warehouses, but is expected to benefit the Company by achieving dominant position in new markets.

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

Financial Highlights <i>(Amount in Php millions except store count and EPS)</i>	For the 3 <sup>rd</sup> Quarter Ended September 30,			For the Nine Months Ended September 30,		
	2015	2014	% Change	2015	2014	% Change
Store count				1,480	1,169	26.6
System-wide sales	6,254.5	4,970.2	25.8	18,407.7	14,749.2	24.8
Revenue from merchandise sales	5,583.7	4,184.3	33.4	15,713.0	12,170.7	29.1
Operating income	236.0	210.3	12.2	760.9	680.4	11.8
Net income	159.0	144.4	10.1	515.5	468.3	10.1
EPS	0.35	0.31	12.9	1.12	1.02	9.8
EBITDA	518.9	436.4	18.9	1,555.2	1,307.6	18.9
Net margin (% of revenue from merchandise sales)	2.8%	3.4%		3.3%	3.8%	
EBITDA (% of revenue from merchandise sales)	9.3%	10.4%		9.9%	10.7%	

Philippine Seven Corporation (PSC), the local licensee of 7-Eleven Convenience Stores, registered a 10.1% growth in net income at the end of the first nine months of 2015.



The improved financial performance was largely driven by the increase in sales of all corporate and franchise-operated stores, which posted growth of 24.8% to P18.4 billion.

PSC ended the third quarter with a total of 1,480 stores all over the country, up by 26.6% compared with same period last year. The Company achieved another milestone by entering Mindanao. It opened stores in Davao City and Cagayan de Oro during the second quarter. At the end of September, there were 1,318 7-Eleven stores in Luzon, 149 in Visayas and 13 in Mindanao.

Jose Victor Paterno, President and CEO, stated in his annual report to shareholders that, "the rest of the country is relatively uncontested in comparison. We are virtually the only competitor with the critical mass to build out proper supply chains in areas logistically unreachable from GMA. Such supply chains come at a medium term cost in terms of underutilized warehouses. We will be operating ten warehouses by yearend (throughout Luzon, Mindanao, and 3 islands in the Visayas), vs four in mid 2014. To put such costs in perspective, operators in contiguous territories typically serve 1000 stores per DC (though we have downscaled and adapted our model to be cost effective for smaller areas). We wager that first movers, especially on islands that cannot sustain more than one or two warehouses, will be rewarded with unusually dominant share (at 90 stores, we have over 80% share in Cebu), and that BPO trends will continue to drive growth in the remote urban areas of Luzon and the islands."

For this year, the Company will be increasing its capital expenditures budget by more than fifty percent to P3.0 billion to support its accelerated store expansion strategy. Bulk of the said amount is allocated to new store opening, store renovation and warehouse expansion.

**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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