



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

May 12, 2017

PHILIPPINE STOCK EXCHANGE, INC.
3rd 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

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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

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 : May 12, 2017
2. SEC Identification Number : 108476
3. BIR Tax Identification No. : 000-390-189-000
4. Exact Name of Issuer as specified in its charter : Philippine Seven Corporation
5. Province, Country or other jurisdiction : PHILIPPINES
6. Industry Classification Code: (SEC Use only)
7. Address of principal office : 7th Floor, The Columbia Tower
Ortigas Avenue, Mandaluyong
City 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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May 11, 2017 – Philippine Seven Corporation (PSE:SEVN) – Results for the first quarter ended March 31, 2017.

Philippine Seven nationwide store expansion continued in the first quarter

- Store count by the end of March reached 2,031, up by 376 stores or 22.7% higher from 1,655 during same period in 2016. New stores added during the quarter totaled 46 against 10 closures.
- Break down per major-island; the number of 7-Eleven stores in Luzon is pegged at 1,649 (811 stores of which are in Metro Manila), Visayas at 261 and Mindanao with 121.
- Net income for the three-month period ending March 31, went down by 13.3% to P158.1 million from P182.4 million in 2016, which was 55% over the prior year due to higher same store sales from the election and other factors.
- Retail sales of all stores rose by 14.1% to P8.4 billion from P7.3 billion a year ago. This was mainly driven by the increase in the number of operating stores.
- Operating margin (as % of revenue from merchandise sales) and EBITDA% stood at 3.4% and 8.8%, respectively.

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

Financial Highlights <i>(Amount in Php millions except store count and EPS)</i>	For the 1 st Quarter Ended March 31,		
	2017	2016	% Change
Store count	2,031	1,655	22.7
System-wide sales	8,376.8	7,342.5	14.1
Revenue from merchandise sales	7,030.5	6,466.6	8.7
Operating income	238.1	268.7	-11.4
EBITDA	620.3	579.8	7.0
Net income	158.1	182.4	-13.3
EPS	0.34	0.40	-13.3
EBIT % *	3.4%	4.2%	
EBITDA % *	8.8%	9.0%	
Net margin *	2.2%	2.8%	

* % of revenue from merchandise sales

Philippine Seven Corporation (PSC), the local licensee of 7-Eleven Convenience Stores, registered a net income of P158.1 million during the first three months of the year. This represents a 13.3% decline compared with the same period in 2016, owing to the 2.5% decrease in same-store sales, which can be attributed to the high base registered last year. In 2016, first quarter same-store

sales surged 8.3%, boosted by election related spending and the timing of the Holy Week which was in March rather than the usual April. This resulted in a Q1 2016 55% up vs LY.

Retail sales of all stores (or system-wide sales) totaled to P8.4 billion, up by 14.1% compared with the level set in the same period in 2016. The increase in sales can be attributed to the higher number of operating stores, which rose by 22.7% or by 376 stores to end the quarter with 2,031 stores all over the Philippines.

PSC ended the first quarter of 2017 with a nation-wide store count of 2,031 stores. There were 1,649 7-Eleven stores in Luzon (811 of which are in Metro Manila), 261 in Visayas and 121 in Mindanao. Franchisees control 55% of all stores while the remaining 45% are corporate-owned.

PSC President and CEO, Jose Victor Paterno stated, “despite the mitigating circumstances of a high base from non-recurring events last year, we take Q1s disappointing results as a challenge to do better at increasing sales per store - even as we continue to manage for the long term as far as investment in new stores, logistics assets, and organizational capability. Looking back at our growth trajectory over the last ten years, we focused first on refining the business model, and then on expanding it. We are now comfortable where we are with both, and turn our focus to growing same store sales in a sustainable manner, particularly with regards to packaged goods. We expect our efforts to begin bearing fruit in early Q3, even beyond the low base effects of last year.

For this year, the Company will be setting its capital expenditures budget to at least 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

Philippine Seven Corporation

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