



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, 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

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, 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



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November 10, 2017 – Philippine Seven Corporation (PSE:SEVN) – Results for the third quarter and nine-months ended September 30, 2017.

Third quarter operating income surged 20% driven by higher same store sales

- Store count by the end of September reached 2,172, up by 332 or 18.0% from 1,840 during same period in 2016. New stores added year-to-date totaled to 199 against 22 closures.
- Broken down per major-island, the number of 7-Eleven stores in Luzon is pegged at 1,739 (856 of which are in Metro Manila), Visayas at 288 and Mindanao with 145.
- Net income in the third quarter surged 18.0% to P201.9 million from P171.0 in 2016, while for the nine-month period ending September 30, net income was up slightly by 0.8% from 2016 level.
- Same store sales grew by 4.1% during the third quarter, an improvement compared to the – 4.4% and + 1.2%, reported in the first and second quarter of the year, respectively. This brought the year-to-date same store sales growth to + 0.1%. Election-related spending and other factors benefited sales in 2016.
- Retail sales of all stores went up by 18.1% to P27.2 billion from P23.0 billion a year ago. This was mainly driven by the increase in the number of operating stores.

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

Financial Highlights <i>(Amount in Php millions except store count and EPS)</i>	For the 3rd Quarter Ended September 30,			For the Nine Months Ended September 30,		
	2017	2016	% Change	2017	2016	% Change
Store count				2,172	1,840	18.0
System-wide sales	9,108.8	7,545.8	20.7	27,179.3	23,005.0	18.1
Revenue from merchandise sales	7,749.5	6,831.1	13.4	23,066.7	20,754.1	11.1
Operating income	305.5	254.4	20.1	967.5	948.3	2.0
EBITDA	684.8	599.5	14.1	2,155.8	1,938.1	11.2
Net income	201.9	171.0	18.0	648.3	643.4	0.8
EPS	0.44	0.37	18.0	1.41	1.40	0.8
EBIT % *	3.9%	3.7%		4.2%	4.6%	
EBITDA % *	8.8%	8.8%		9.3%	9.3%	
Net margin *	2.6%	2.5%		2.8%	3.1%	

* % of revenue from merchandise sales

Philippine Seven Corporation (PSC), the local licensee of 7-Eleven Convenience Stores, improved same store sales in the third quarter by posting growth of 4.1%. This reversed the 2.5% decline registered in the first quarter and further improved from the 1.2% growth reported in the second quarter. This brought year-to-date same store sales growth to plus 0.1%.



As a result of better sales, net income increased by 18.0% in the third quarter. Net income generated during the nine-month period ending September 30 stood at P648.3 million compared to P643.4 million in 2016.

Retail sales of all stores (or system-wide sales) totaled to P27.2 billion, up by 18.1% compared with the level set in the same period in 2016. The increase in sales can be attributed to the improvement in same store sales and higher number of operating stores, which rose by 18.0% or by 332 stores to end the quarter with 2,172 stores all over the Philippines.

PSC ended the third quarter with a nation-wide store count of 2,172 stores. There were 1,739 7-Eleven stores in Luzon (856 of which are in Metro Manila), 288 in Visayas and 145 in Mindanao. Franchisees control 54% of all stores while the remaining 46% are corporate-owned.

The Company remains on track when it comes to pursuing its store expansion program. It continues to invest in opening new stores in existing and new markets even if competition had slowed down. The capacity building expenditures on logistics assets and organizational capability have produced favorable results. The focus of the organization going forward will be on increasing sales per store. There are various programs lined up covering expanding merchandise assortment and launching of new food and beverage items to serve as differentiation compared with other channels. The e-commerce business was launched to take advantage of growing customer preference towards innovation and convenience.

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

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