



SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

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

1. **13 February 2018**  
Date of Report (Date of earliest event reported)
2. SEC Identification Number.... **1746**      3. BIR Tax Identification No.....**000126853000**
4. **STI Education Systems Holdings, Inc.**  
Exact name of issuer as specified in its charter
5. **Philippines**  
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)
7. **7<sup>th</sup> Floor, STI Holdings Center, 6764 Ayala Avenue, Makati City 1226**  
Address of principal office      Postal Code
8. **(632) 844-9553**  
Issuer's telephone number, including area code
9. \_\_\_\_\_  
Former name or former address, if changed since last report
10. Securities Registered Pursuant to Section 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
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<b>Common</b>	<b><u>9,904,806,924</u></b>
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11. Indicate the item numbers reported herein: **Item 9**

## Item 9. Other Events

### **STI Holdings posts ₱259 million in three-month net income**

MANILA - STI Holdings today reported a net income amounting to ₱258.7 million during the past three months ending December 2017, which is about 218 percent higher than the ₱81.4 million it posted during the same period the previous year.

In a quarterly report submitted Tuesday to the Philippine Stock Exchange, STI Holdings said gross revenues during the same three-month period reached ₱860.3 million, up by ₱23.2 million from same period last year of ₱837.1 million. Gross profit likewise increased by ₱24.1 million year-on-year.

The company follows an April to March fiscal year mirroring that of an academic cycle in the Philippines since bulk of its income comes from its education services. The three months ending December 31, 2017 form part of the company's third quarter period.

As for the entire nine-month period ending December 2017, STI Holdings said gross profit increased by ₱63.1 million or 4 percent, year-on-year.

The company also generated gross revenues of about ₱2.2 billion, up by five percent or ₱109.5 million from same period last year of ₱2.1 billion.

In June 2017, the company's subsidiary STI Education Services Group (STI ESG) which manages STI-branded schools made the strategic decision to dispose of its 20% stake in Maestro Holdings in order to focus on its core business of providing quality educational services.

As a result, equity in net gains/losses of said affiliate is no longer recognized after June 2017. The company consequently registered a net income during the second and third quarters bringing its nine-month income to ₱88.5 million, even as it reported a net loss of ₱440.0 million during the first quarter period ending June 30, 2017.

The said loss was largely due to the costs its affiliate company PhilPlans incurred when it decided to adopt early the Insurance Commission's mandated discount interest rate of six percent for valuing its pre-need reserves.

STI Holdings' total assets as of December 31, 2017 now stands at ₱14.8 billion, more than half a billion higher than what was reported as of March 31, 2017.

Property and equipment increased to ₱7.8 billion, which is 13 percent or ₱919.4 million higher than March 31, 2017's balance of ₱6.9 billion. This reflects the continuing expansion projects taken on by the company.

For instance, STI ESG recently acquired parcels of land in Lipa and Legazpi amounting to ₱99.1 million and ₱76.4 million, respectively.

Construction projects are either just completed or ongoing in STI Malaybalay, STI Sta. Maria in Bulacan, STI Lipa, STI Sta. Mesa, STI Pasay-EDSA, and STI San Jose del Monte.

These projects are expected to be completed this year, in time for the influx of college freshmen who took up two years of senior high school, under the government's K to 12 program.

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### SIGNATURES

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 hereunto duly authorized.

13 February 2018  
Date

STI Education Systems Holdings, Inc.  
Issuer

ARSENIO C. CABRERA, JR.  
Corporate Secretary