



Press Release

LTG Posts Php3.57 Billion Net Income for First Half 2015

LT Group, Inc. (LTG) reported today (August 14, 2015) that its attributable net income for the first half of 2015 reached Php3.57 billion, 65% more than the Php2.16 billion earned during the first half of 2014.

PNB's attributable income contribution to LTG of Php2.155 billion accounted for 60% of total. Asia Brewery, Inc. (ABI) contributed Php523 million or 15% of total, followed by the tobacco business at Php423 million or 12%. Tanduay Distillers, Inc. (TDI) accounted for Php179 million or 5%, while Eton added Php113 million or 3%. Equity in net earnings from the 20.17% stake in VMC provided Php172 million or 5% of total.

LTG's balance sheet remained strong, with the parent company's cash balance at Php3.6 billion as of the end of June 2015. Debt-to-Equity Ratio was at 3.29:1 as of end-June 2015 with the bank, and at 0.13:1 without the bank.

In June, LTG paid a cash dividend of Php0.15 per share or a total of Php1.623 billion. This is equivalent to 37% of the previous year's attributable income.

Philippine National Bank (PNB)

PNB reported an income of Php4.10 billion for the first six months of 2015. This is 32% higher than the Php3.12 billion posted in 1H14. Net Interest Income was 4% higher year-on-year (y-o-y), while Service Fee Income grew by 18%. Other Income was also higher due to ROPA sales worth Php1.8 billion during the period.

Asia Brewery, Inc. (ABI)

ABI's income for the first semester of 2015 amounted to Php524 million, 17% lower than the Php629 million reported for January to June 2014.

ABI's brands Cobra (carbonated energy drink), Absolute and Summit (water), and Tanduay Ice (alcopop) continue to be market leaders. However, the intense competition in the beverage market affected volumes and margins.

Tobacco

The tobacco business posted a net income of Php425 million in 1H15, 40% lower than the Php713 million reported for 1H14.

Equity in net earnings from the 49.6% stake in PMFTC amounted to Php420 million, lower than the Php687 million equity in net earnings in 1H14.

The illicit trade continues to adversely affect the profitability of the cigarette business.

Tanduay Distillers, Inc. (TDI)

TDI's unaudited net income amounted to Php179 million for the first six months of 2015, a turnaround from the loss of Php172 million for the same period last year.

Revenues were 2% higher on the back of recent price increases, despite the slightly lower sales volume.

According to Nielsen, TDI's market share stood at 25.2% as of the end of June 2015 compared to 24.2% as of end-June 2014.

TDI launched its latest product offering in mid-July, Tanduay Select, a 60 proof rum. It is currently available in the Visayas-Mindanao area, and will soon be sold in Metro Manila and the rest of Luzon.

Eton Properties Philippines, Inc. (Eton)

Eton's income for the first semester of 2015 amounted to Php114 million, an improvement over the Php38 million reported in 1H14.

Rental income continues to account for a significant portion of earnings. Eton plans to construct more BPO office buildings.

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