



LT GROUP, INC.

Press Release

Cautious Optimism for 2015

LT Group, Inc. (LTG) looks toward 2015 with more optimism than 2014, although the challenges that were present in 2014 still remain. Its different businesses continue to face stiff competition in their various industries.

The problems of the tobacco business have not been resolved, but recent developments point toward a more positive outlook that will hopefully lead toward a level playing field, and enable PMFTC to improve earnings.

Competition in the distilled spirits business continues to be intense, aggravated by higher raw material costs. But a more focused marketing strategy backed by intensified selling activities will help grow volumes and boost the profitability of Tanduay Distillers, Inc. (TDI).

In the beverage segment, even tougher competition is expected with the entry of more foreign brands. Asia Brewery, Inc. (ABI) will continue to capitalize on the growing young adult population and the higher purchasing power in specific segments to meet the changes in consumer preferences through product innovation, while continuing its program toward cost improvement.

For PNB, prudent risk management remains a focus as the Bank broadens its reach and offers its customers more innovative products and services. For the consumer loans business, the Bank intends to increase the penetration rate of current depositors. It will persist on working toward improving asset quality and cost efficiencies, as the business grows.

In the property sector, Eton Properties Philippines, Inc. (Eton) will remain cautious and selective, as it continues to develop existing projects and expand into other areas. Eton is aware of the possibility of overheating in some segments of the residential sector, and is mitigating the risk by increasing its recurring income base, although at a gradual pace.