



LT GROUP, INC.

## Press Release

### **LTG Posts Php1.6 Billion Net Income for 1Q15**

LT Group, Inc. (LTG) today (May 15, 2015) reported an attributable net income of Php1.59 billion in the first quarter of 2015, relatively flat compared to the Php1.61 billion for the first quarter 2014.

Philippine National Bank's (PNB) attributable income contribution to LTG amounted to Php645 million or 41% of total. The tobacco business contributed Php409 million or 26% of total, followed by Asia Brewery, Inc. (ABI) at Php301 million or 19%. Tanduay Distillers, Inc. (TDI) accounted for Php75 million or 5%, while Eton added Php51 million or 3%. Equity in net earnings from LTG's 20.17% stake in VMC provided Php93 million or 6% of total.

LTG's balance sheet remained strong, with the parent company's cash balance at Php4.2 billion as of the end-March 2015. Debt-to-Equity Ratio was at 3.15:1 as of end-March 2015 with the bank, and at 0.13:1 without the bank.

#### **Philippine National Bank (PNB)**

PNB reported an income of Php1.39 billion in 1Q15, 2% higher than 1Q14's Php1.36 billion. This is largely due to higher other income, which amounted to Php1.37 billion in 1Q15, compared to Php916 million a year ago. The higher other income was due to the sale of Php509 million worth of ROPAs in 1Q15.

#### **Tobacco**

LTG's income from the tobacco business reached Php411 million for the first three months of 2015, 29% lower than the Php578 million reported in the same period in 2014, mainly due to a one-time gain from the sale of a property in the previous year.

Equity in net earnings from the 49.6% stake in PMFTC amounted to Php415 million, slightly lower than the Php480 million in 1Q14.

Prices for the low and super low segments were increased in February this year.

### **Asia Brewery, Inc. (ABI)**

ABI's income reached Php301 million for the first three months of 2015, 14% more than the Php263 million reported for the same period in 2014.

ABI's brands Cobra (carbonated energy drink), and Absolute and Summit (water) continue to be market leaders. Tanduay Ice has over 90% of the alcopop market.

### **Tanduay Distillers, Inc. (TDI)**

TDI reported an income of Php75 million in 1Q15, a turnaround from the loss of Php11 million in 1Q14.

Revenues and sales volume were relatively flat, mainly due to recent price increases in October 2014 and January 2015.

According to Nielsen, TDI's market share stood at 24.5% as of the end of March 2015, slightly higher than the 23.1% market share as of end-March 2014.

### **Eton Properties Philippines, Inc. (Eton)**

Eton's income for January to March 2015 amounted to Php51 million in the first quarter of 2015, an improvement over the Php29 million reported in the same period the previous year.

Rental income from office and retail space accounted for a significant portion of earnings. Eton plans to construct more BPO office buildings.

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