



LT GROUP, INC.

## Press Release

### **LTG Reports Php4.71 Billion Net Income for the First Nine Months of 2015**

LT Group, Inc. (LTG) reported today (November 13, 2015) that its attributable net income for the first nine months of 2015 reached Php4.71 billion, 88% more than 9M14's Php2.50 billion.

PNB contributed 59% to total income at Php2.78 billion, followed by Asia Brewery, Inc. (ABI) at Php693 million 15%. The tobacco business added Php523 million or 11% to total while Tanduay Distillers, Inc. (TDI) accounted for Php337 million or 7%. Eton's contribution was Php196 million or 3%. Equity in net earnings from the 20.17% stake in VMC provided Php172 million or 4% of total.

LTG's balance sheet remained strong, with the parent company's cash balance at Php3.4 billion as of the end of September 2015. Debt-to-Equity Ratio was at 3.31:1 as of end-September 2015 with the bank, and at 0.12:1 without the bank.

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

PNB's income reached Php5.26 billion for 9M15, 42% higher than 9M14's Php3.72 billion. Net Interest Income was 7% higher year-on-year (y-o-y), while Net Service Fee Income grew by 37%. Other Income declined by 25% to Php4.20 billion due to lower trading gains.

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

ABI's net income for January to September 2015 amounted to Php694 million, a decline of 13% from the Php797 million of 9M14.

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 continues to affect volumes and margins.

#### **Tobacco**

The tobacco business reported an income of Php525 million for 9M15, 13% higher than the Php464 million reported for 9M14.

Equity in net earnings from the 49.6% stake in PMFTC amounted to Php533 million, higher than Php520 million equity in net earnings in 9M14.

Despite the slightly higher income, the illicit trade continues to adversely affect the overall profitability of the cigarette business.

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

TDI's unaudited net income reached Php337 million for the first nine months of 2015, a turnaround from the loss of Php83 million for the same period last year.

Revenues relatively flat, as the slightly lower sales volume was partially offset by higher prices.

According to Nielsen, TDI's market share stood at 24.9% as of the end of September 2015 compared to 24.2% as of end-September 2014.

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

Eton's earnings for 9M15 amounted to Php197 million, an improvement over the Php65 million reported in 9M14.

Rental income continues to account for a significant portion of earnings, with all five existing BPO office buildings fully leased out. Eton plans to increase its portfolio of office buildings.

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