



## Press Release

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FTC representing the tobacco business contributed Php12.72 billion or 44% of total. Philippine National Bank (PNB) added Php11.89 billion or 41%. Tanduay and Asia Brewery added Php2.14 billion and Php836 million, respectively or 7% and 3% each. Eton and Victorias Milling Company accounted for Php211 million or 1% and Php492 million or 2%, respectively. Other Income was Php638 million of total or 2%.

LTG declared a special cash dividend of Php0.35 per share, totaling Php3.79 billion, in November, which was paid on December 9. Including prior dividend declarations, the year-to-date dividend payout reached Php1.25 per share, or Php13.53 billion in total, representing a 53.2% payout rate.

As of the end of December 2024, LTG had a Debt-to-Equity Ratio of 3.16:1 with the Bank and 0.10:1 without the Bank. The parent company's cash balance was Php2.17 billion.

### **Fortune Tobacco Corporation (FTC)**

FTC reported a net income of Php12.77 billion in 2024 which was 12% higher than the Php11.38 billion reported in 2023. This was primarily due to higher dividends received from PMFTC (a 49.6% associate) and higher foreign exchange gains.

PMFTC's 2024 cigarette volume mirrored the overall industry trend, declining 11% to 21.1 billion sticks from 23.8 billion sticks in 2023. The decrease was attributable to affordability issues, rising illicit trade and the growing popularity of vaping. Industry volume excluding illicit trade declined to 41.0 billion sticks in 2024 from 2023's 42.9 billion sticks.

Illicit cigarette seizures increased significantly in 2024, reaching a record 1.2 billion sticks, double the 0.6 billion sticks seized in 2023. This reflected a shift from reactive to coordinated, multi-agency enforcement efforts.

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

PNB's net income under the pooling method was Php21.18 billion in 2024, Php2.16 billion or 11% higher than the Php19.02 billion reported in 2023.

Gross interest income in the current period increased by 13% or Php7.86 billion to Php67.46 billion, due to higher yields and volumes of loans, investments and interbank transactions. Gross interest expense was higher by 21% or Php3.12 billion at Php18.12 billion due to increased interest rates and larger volume of deposits. The higher increase in gross interest income relative to gross interest expense resulted in a higher net interest income by 11% or Php4.75 billion to Php49.34 billion and net interest margin increase from 4.2% to 4.5%.

Net Service Fees and Commission Income were 4% higher at Php5.52 billion for 2024 from Php5.32 billion in 2023 due to the increase in credit card and deposit-related fees.

Other income decreased to P3.10 billion for 2024 compared to P5.68 billion for 2023 primarily due to lower gains on sale of ROPA.

Operating expenses were lower by 2% to P33.50 billion in 2024 from P34.33 billion in 2023, mainly due to lower provisions for impairment, credit, and other losses. NPL cover was at 86.9% as of December 2024 compared to 90.8% as of December 2023.

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

TDI achieved a record net income of Php2.15 billion in 2024, 37% higher than the Php1.57 billion in 2023.

Higher volume of liquor and bioethanol, by 2% and 1%, respectively and higher liquor prices boosted segment revenues by 13% to Php33.85 billion in 2024. With cost of sales increasing at a slower rate of 11% to Php28.92 billion, the gross profit margin improved to 15%.

TDI remained strong in the Visayas and Mindanao regions, where it holds a dominant share of 70.9% and 80.8%, respectively. TDI's nationwide market share for distilled spirits, however slightly declined to 32.2% in 2024, compared to 32.9% in 2023, due to competitive pressures and impact on consumer purchasing power of inflation and weather disturbances during the year.

TDI sold its investment in Asian Alcohol Corporation in October 2024, which had a carrying cost of Php1.5 billion, for Php1.8 billion, payable with interest over a four-year period with an upfront payment of P480 million.

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

ABI's net income in 2024 increased by 46% to Php841 million, compared to Php578 million in 2023. This was driven by a 5% increase in revenues to Php18.21 billion from Php17.38 billion, on account of higher y-o-y sales volume across major product lines. Cost of sales proportionately increased by 5% at P14.14 billion for 2024 due to higher manufacturing and energy costs. However, the gross profit margin slightly declined to 22% from 23% due primarily to sales mix.

Cobra energy drink maintained its market leadership with a 53% share in 2024, while Absolute and Summit bottled water brands held on their combined 17% market share, making them the third largest local water brand.

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

Eton's net income in 2024 decreased by 53% to Php212 million, compared to Php453 million in 2023 due to lower leasing income and higher operating expenses.

Leasing revenues for the period decreased by 1% y-o-y to Php2.03 billion, due primarily to the decline in occupancy rates and rental prices.

In 2024, Eton recorded Php501 million in residential sales, driven by the resumption of sales of the remaining inventory in projects at 68 Roces in Quezon City and Eton City, Laguna.

Eton's leasing portfolio comprises 288,000 square meters, with approximately 192,000 square meters dedicated to office space.