



# PRYCE CORPORATION

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February 1, 2017

**PHILIPPINE STOCK EXCHANGE**

3F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines 1226

Attention: **Mr. JOSE VALERIANO B. ZUÑO III**  
*OIC – Head, Disclosure Department*

Re: **PRESS RELEASE – “Pryce Corporation 2016 Net Income Up 58.9%”**

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Gentlemen:

Please find attached our press release entitled “Pryce Corporation 2016 Net Income Up 58.9%.”

Thank you very much.

Very truly yours,

  
ERICA P. ENCABO  
*Corporate Information and  
Compliance Officer*



# PRYCE CORPORATION

## PRYCE CORPORATION 2016 NET INCOME UP 58.9%

Strong volume growth helped Pryce Corporation (PS:PPC) achieve solid results for the year ending December 31, 2016. Sales volume of liquefied petroleum gas (LPG), the group's main product, went up 30% to 189,000 metric tons (MT) from 2015's 146,000 MT.

Consolidated revenues grew 16.5% to Php 6.726 Billion in 2016 from Php 5.773 Billion in 2015. Of this, 94%, or Php 6.133 Billion, was derived from sales of LPG. Volume growth in LPG sales noticeably outpaced revenue growth since the average Saudi Aramco LPG contract price for the year 2016 was only US\$ 346.08/MT, or US\$ 84.46/MT lower than the preceding year's average of US\$ 430.54/MT.

Sales of industrial gases at Php 382.504 Million accounted for 5.7% of total revenue, with the balance accounted for by revenues from real estate sales, hotel operations, and sales of pharmaceutical products. Hotel operations however would no longer contribute to revenues starting 2017 as the Pryce Plaza Hotel ceased operations last December 31, 2016.

PPC's unaudited consolidated net income for the year was at Php 936.137 Million. This is 58.9% over its net income for the year 2015, which was at Php 589.061 Million, and well within its net income target of Php 900 Million *plus or minus 10%* for the year. Its operating expenses, which even declined by about 1.0% (to Php 711.482 Million) notwithstanding the growth in volume, aided the rise in net income.

PPC expects its stockholders to approve the increase in its authorized capital to 2.098 Billion shares at the upcoming stockholders' meeting on February 2, 2017. If we compute at the current authorized capital stock of PPC of 2.000 Billion shares, earnings per share (EPS) is at about Php 0.46 for the year 2016.

*February 1, 2017*