



## **PPC's NET INCOME UP BY 25.80% IN THE FIRST HALF OF 2019**

As of the first half of 2019, Pryce Corporation's (PPC's) consolidated net income rose by 25.80%, from Php 711.89 million to this year's Php 895.57 million. The company's consolidated revenues likewise grew from Php 4.83 billion to Php 5.32 billion, recording a growth of 10.08%. Sale of liquefied petroleum gas (LPG) and LPG-related products accounted for 93.97% of the group's total revenue, while sale of industrial gases, real estate, and pharmaceutical products accounted for the balance.

LPG sales volume, including bulk sales, increased by 7.8% for the first half of 2019, from 98,419 metric tons to 106,049 metric tons. On a regional basis, LPG sales volume rose by 5.4% in the Vis-Min region and 9.63% in Luzon. The average LPG contract price, which affects LPG consumer behavior, decreased to USD 479 per MT from last year's USD 515 per MT, or about 7%.

Revenues from the other products such as industrial gases, real estate, and pharmaceutical products contributed an aggregate of Php 320.55 million in 2019. Revenue from other products was higher in the previous year at Php 412.98 million due to the sale of office condominium units in Davao; excluding this sale of condominiums, revenue from other businesses in 2019 would have been higher by 9.41% over 2018. The contributions to consolidated revenue of the company's products in 2019 in terms of percentages are as follows: LPG and related products – 93.97%; industrial gas – 4.14%; real estate – 1.42%; and pharmaceutical – 0.47%.

Income from other sources also grew fairly. After adjustments for other income and expenses and provision for income tax, net income after tax grew by more than a quarter of the previous year to Php 895.57 million in 2019 from Php 711.89 million in 2018 or 25.80%. Earnings per share consequently improved by 27.44% or from Php 0.3229 per share to Php 0.4115 per share.

In the previous years, the company enjoyed income tax holidays with respect to its import terminal in San Fabian, Pangasinan but these expired last December 31, 2018; hence it will have an adverse impact on net income in the succeeding years. However, the company is cautiously optimistic that it will achieve its target net income of Php 1.6 billion (plus or minus 10%) for the year 2019.

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