



Pryce Corporation 2018 Net Income Up 12%

Pryce Corporation (PPC) posted a 12% rise in its consolidated net income for the year ended December 31, 2018, from Php 1.25 Billion in 2017 to Php 1.405 Billion in 2018. The consolidated revenue growth of 11%, from Php 9.23 Billion in 2017 to Php 10.23 Billion in 2018, drove the increase in net income. Ninety-four percent of the group's consolidated revenues were from the sale of Liquefied Petroleum Gas (LPG), while the remaining 6% came from sales of industrial gases, real estate and pharmaceutical products.

LPG retail sales volume, primarily for household cooking, registered a 4% increase, from 189,562 metric tons (MT) in 2017 to 196,229 MT in 2018. Luzon retail sales went up to 112,334 MT in 2018 from 108,383 MT in 2017 while Visayas and Mindanao regions posted a 3% improvement year-on-year, from 81,179 MT to 83,895 MT. Contract prices (CP) for LPG in 2018 was at an average of US\$ 540.04/MT compared to 2017's US\$ 491.42/MT, a 10% increase.

Income from operations was at Php 1.60 Billion, 16% increase from 2017's Php 1.37 Billion, driven by revenue growth and efficient management of operating expenses. PPC's unaudited consolidated net income for the year 2018 stands at Php 1.405 Billion, up 12% over its Php 1.25 Billion net income in 2017 and is within the company's target for the year.

In 2018, PPC completed the construction of 12 new refilling plants nationwide, 4 in Luzon, 1 in Visayas and 7 in Mindanao, adding a total of 577 MT to its total storage capacity and bringing its products closer to the market. For the year 2019, the company will continue its expansion projects in its marine-fed terminals and refilling plants to further increase its storage capacities and bring the company's LPG products much closer to the intended markets.

Pryce Corporation remains positive that the continued implementation of the TRAIN Law, along with the company's expansion projects, will drive the LPG volume up for the year 2019. PPC targets a net income of Php 1.75 Billion (plus or minus 10%) for the year 2019. On June 7, 2018 and December 14, 2018, the company declared payment of cash dividends out of its unrestricted retained earnings, at Php 0.12/share.

Sometime after the first half of 2020, when the company's various expansions in its LPG business shall have been completed, PPC intends to adhere to a previously adopted policy wherein 50% of the prior year's consolidated net income after tax will be distributed in cash to the shareholders as dividends.

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