

Philippine Stock Exchange index (PSEi)

7,115.09

▼19.27 PTS.

▼0.27%

TUESDAY, MARCH 29, 2022

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P786.00 -P20.00 -2.48%	ACEN AC Energy Corp. P8.39 +P0.01 +0.12%	AEV Aboitiz Equity Ventures, Inc. P59.00 -P0.10 -0.17%	AGI Alliance Global Group, Inc. P12.44 -P0.04 -0.32%	ALI Ayala Land, Inc. P35.25 -P0.75 -2.08%	AP Aboitiz Power Corp. P34.95 -P0.55 -1.55%	BDO BDO Unibank, Inc. P132.00 +P0.40 +0.30%	BPI Bank of the Philippine Islands P100.00 ---	CNVRG Converge ICT Solutions, Inc. P29.20 P0.70 2.46%	EMP Emperador, Inc. P14.40 -P0.16 -1.10%
GLO Globe Telecom, Inc. P2,580.00 -P42.00 -1.60%	GTCAP GT Capital Holdings, Inc. P527.00 -P1.00 -0.19%	ICT International Container Terminal Services, Inc. P216.00 -P2.00 -0.92%	JFC Jollibee Foods Corp. P220.60 +P0.80 +0.36%	JGS JG Summit Holdings, Inc. P60.20 +P0.25 +0.42%	LTG LT Group, Inc. P8.78 ---	MBT Metropolitan Bank & Trust Co. P54.40 ---	MEG Megaworld Corp. P3.00 -P0.01 -0.33%	MER Manila Electric Co. P371.00 -P2.20 -0.59%	MONDE Monde Nissin Corp. P13.74 +P0.24 +1.78%
MPI Metro Pacific Investments Corp. P3.75 -P0.04 -1.06%	PGOLD Puregold Price Club, Inc. P35.50 +P0.80 +2.31%	RLC Robinsons Land Corp. P20.00 -P0.40 -1.96%	SECB Security Bank Corp. P112.00 +P0.60 +0.54%	SM SM Investments Corp. P896.00 -P4.00 -0.44%	SMC San Miguel Corp. P110.00 -P1.00 -0.90%	SMPH SM Prime Holdings, Inc. P37.95 +P0.45 +1.20%	TEL PLDT, Inc. P1,841.00 -P29.00 -1.55%	URC Universal Robina Corp. P121.00 +P2.80 +2.37%	WLCON Wilcon Depot, Inc. P26.15 -P0.05 -0.19%

Banking, car units drive GT Capital's profit jump

GT CAPITAL Holdings, Inc. on Tuesday reported its core net income increased 48% to P11 billion in 2021, while consolidated income grew an even higher 68%, driven by the growth in its banking and automotive businesses.

"2021 was a strong bounce-back year for our group. Given the increased mobility and the gradual reopening of the Philippine economy in the fourth quarter, GT Capital delivered strong overall results in 2021 as we approach pre-COVID levels," GT Capital President Carmelo L. Bautista said in a company disclosure.

Metropolitan Bank & Trust Co. (Metrobank), in which GT Capital has significant shareholdings, reported a 60% jump in net income to P22.2 billion.

In the fourth quarter of 2021, earnings more than doubled to P6 billion, the Ty-led holding firm said, citing a decline in provisions "as loan portfolio remained healthy."

Net interest margin stabilized at 3.4% since the second quarter of 2021 as the sequential quarterly recovery in corporate and credit card loans was sustained, while

the 12% increase in low-cost current account and savings account (CASA) deposits continued to help trim overall funding cost.

Robust fees and other income as well as lower operating expenses further drove the bank's strong earnings performance, according to the disclosure.

"Despite the challenging conditions last year, Metrobank's nonperforming loan (NPL) ratio eased to 2.2% in 2021 from 2.4% in 2020, while NPL cover remained ample at 174.7%," GT Capital said.

"Metrobank's positive performance in 2021 validates its strategies of fortifying the balance sheet and proactive provisioning during the pandemic. The bank has emerged stronger and well-prepared to meet the needs of its stakeholders as the economy moves towards full recovery," said Fabian S. Dee, the bank's president.

Meanwhile, Toyota Motor Philippines Corp. (TMP) recorded an 82% increase in net income to P6.2 billion in 2021. GT Capital is a joint venture partner in the country's largest automotive company.

"Noteworthy is Toyota Motor Philippines, which dominated the auto market for the 20th consecutive year, realizing an all-time high market share of 46.3%, while reaching the milestone of selling over two million vehicles in the Philippines," Mr. Bautista said.

Consolidated revenues were up 32% to P131.3 billion in 2021 from P99.8 billion in the previous year.

"Toyota outpaced the market with vehicle retail sales of 129,667 units in 2021 from 100,019 units in 2020, a 30% increase. The Philippine automotive market, on the other hand, grew by 16% to 280,338 units from 241,924 units in the previous year," the company said.

The carmaker expanded its lineup by launching new GR Sport variants, including the Innova in February and the Camry Hybrid EV in December.

In October, Toyota surpassed the 100,000-unit sales level for its Vios model enrolled in the government's Comprehensive Automotive Resurgence Strategy, or CARS program, making the company eligible for the produc-

tion volume incentive under the scheme.

November marked the start of operations of JBA Philippines, Inc., a joint venture between Japan Bike Auction Co. Ltd. and GT Mobility Ventures that in turn is a joint venture between GT Capital Auto and Mobility Holdings, Inc. and Mitsui & Co., Ltd. (Japan). The company offers a transparent online bidding platform for pre-owned vehicles, which extends the value chain of GT Capital's automotive business.

"As the Philippine economy rebounded in 2021, so did the automotive sector. TMP delivered strong results last year, significantly outpacing the growth momentum of the industry. We are very encouraged about our continuing strong market penetration despite four months of mobility restrictions in 2021 and the accompanying global supply chain disruptions," GT Capital Auto and Mobility Holdings, Inc. Chairman Vince S. Socco said.

He said TMP's market share is Toyota's highest in the region and third-highest globally.

"As the economy and auto market resurges, TMP remains reasonably optimistic. In fact, in March this year, TMP achieved a remarkable milestone of selling over two million units in the country since it started operations over three decades ago," Mr. Socco said.

He said the company's main growth drivers are its wide product lineup, strong brand value, and extensive nationwide dealership network.

"Given the increased spending from the upcoming national elections and the return of banks offering auto financing, we expect to reach pre-COVID sales levels by this year. In addition, we look forward to enhancing our presence in the used car market to build a more robust mobility ecosystem," he added.

Meanwhile, GT Capital reported stronger real estate sales from Federal Land, Inc. and higher net income contribution from associate Metro Pacific Investments Corp. (MPIC), which also contributed to the holding company's positive performance.

Federal Land recorded a 57% increase in consolidated net in-

come to P1 billion in 2021 from P600 million in 2020 due to continued construction activity, increased project bookings, and stronger sales activities.

The property company posted revenues of P10.4 billion in 2021, or an increase of 12% from P9.3 billion in 2020.

In February this year, Federal Land launched Aki Tower, the third residential tower of The Seasons Residences located in its planned community Grand Central Park in Bonifacio Global City.

Meanwhile, MPIC's reported consolidated core net income was up 20% to P12.3 billion last year from P10.2 billion a year earlier. GT Capital said the "substantial improvement" was largely driven by improved traffic on its toll roads and higher volume of electricity sold by its subsidiary Manila Electric Co. — **Luisa Maria Jacinta C. Jocson**

FULL STORY
Read the full story by scanning the QR code with your smartphone or by typing the link <<https://bit.ly/3wJ5WYS>>

Filinvest Land income up 2% as reservation sales rise

FILINVEST Land, Inc. on Tuesday reported a 2% increase in net income attributable to equity holders to P3.8 billion last year, driven by high reservation sales and continued construction progress.

The Gotianun-led property developer said it recorded a 15% growth in residential revenues in 2021 amounting to P11.27 billion. Reservation sales were up 5% to P16 billion.

"We are happy with the results of our digital transformation that made our business more accessible to sales networks and clients here and abroad. As we accelerate our construction pace and execute faster on our expansion plans,

we expect to sustain our growth momentum throughout 2022 and beyond," said Filinvest Land Chief Strategy Officer and Residential Business Head Tristan D. Las Marias in a press release.

Last year, the company launched P6.7-billion worth of residential projects, including those in Metro Manila, Pampanga, Cagayan de Oro and Davao. It also expanded into Dagupan, Pangasinan with Fora Dagupan, a mixed-use township, and Futura One Dagupan, the city's first master planned condo community.

On Monday, Filinvest Land was included in the newly launched PSE MidCap Index, which was designed to

capture the performance of mid-sized companies in the Philippines.

Last year, the company received P12.6 billion from the initial public offering of Filinvest REIT Corp., its real estate investment trust company. The proceeds of the offering will be used to finance Filinvest Land's office, industrial, retail, and residential projects.

In December, Filinvest Land also raised P10 billion from a bond issuance.

"We are also grateful for the trust of the investor market in Filinvest Land. This allowed us to undertake successful fund-raising activities in the past year. These funds will allow us to accelerate

the implementation of our expansion plans and continue building the Filipino dream," said Filinvest Land President Josephine Gotianun Yap.

The developer has built more than 200 residential developments across the country. It is developing two townships in the Clark Special Economic Zone, including an industrial and logistics park, and a mixed-use development at New Clark City and Filinvest Mimosas+ Leisure City in partnership with Filinvest Development Corp.

Filinvest Land shares were up by 0.93% or P0.01 to close at P1.08 apiece on Tuesday. — **Luisa Maria Jacinta C. Jocson**

Converge ICT prices P10-billion maiden fixed-rate bond offer

LISTED fiber internet service provider Converge ICT Solutions, Inc. announced on Thursday that it recently received the certificate of permit from the Securities and Exchange Commission (SEC) for its maiden bond offering.

The offering amounts to "P5 billion on the base tranche with an oversubscription option of up to P5 billion," the company said in an e-mailed statement.

The offer period is slated for March 28 to April 1 this year.

"The issuance of the company's first P10-billion peso-denominated fixed-rate bonds [is] under its P20-billion shelf registration program," it noted.

The company said the bonds had been priced at 50 basis points (bps) over the Philippine five-year BVAL rates, at the tight end of the marketed 50-100 bps range, or a total 5.59% for the bond offering.

Converge President and Co-Founder Grace Y. Uy said the offering would "help fund the expansion of our digital infrastructure as we further widen our reach nationwide."

The company continues to expand its fiber network, especially in Visayas and Mindanao.

Converge noted that the first tranche bonds received the top credit rating of PRS Aaa, with a stable outlook, from the Philippine Ratings Services Corp. It appointed BDO Capital & Investment Corp. as issue manager as well as joint lead underwriter along with BPI Capital Corp.

Converge expects to spend around P26 billion to P28 billion for capital expenditure (capex) projects this year, higher than last year's P25 billion.

The company's capex initiatives for the year include selected investments in international subsea cables and enhancement of its information technology systems.

Converge said its net income more than doubled to P7.16 billion in 2021 from P3.39 billion in 2020. Its revenues increased by 69% to P26.48 billion from P15.65 billion previously.

On Tuesday, its shares inched up by P0.70 or 2.46% to close at P29.20 apiece at the stock exchange. — **Arjay L. Balinbin**

Cebu Pacific sees return to pre-pandemic domestic capacity by next month

BUDGET carrier Cebu Pacific, which celebrated its 26th anniversary on Tuesday, said it intends to restore more than 100% of its pre-pandemic domestic capacity in April.

"Today, Cebu Pacific is operating at 96% of its pre-pandemic capacity," Cebu Pacific President and Chief Executive Officer Lance Y. Gokongwei told reporters.

"We look forward to restoring [over] 100% capacity by next month," he added.

The budget carrier saw a 200% increase in its average daily flights for both domestic and international combined, from about 100 flights per day in 2020, or before the pandemic, to about 300 at present.

It also said that flights from Manila to major local destinations, such as Boracay and Cebu, "have exceeded" the 2019 flight frequencies.

"March has always been a special month because we celebrate the anniversary when my father decided to make travel easy. Our 26th year has

been made more exceptional today because we recognized our 200th million passengers, which signals that the travel industry is well on its way to recovery," Mr. Gokongwei said.

"The past two years has been challenging, but we see the easing of restrictions here and abroad," he also noted.

The airline's domestic network currently covers 33 destinations, on top of its 14 international destinations.

"The month-long #CEBSuperSeatFest is still ongoing as part of the anniversary month celebration," it noted.

The budget carrier recently reported a net loss of P24.9 billion for 2021, widening from a loss of P22.2 billion a year earlier. It generated P15.7 billion in revenues in 2021, 30% below the 2020 figure.

The airline said the decline in revenues was largely due to a 50% drop in passenger revenue to P6.3 billion from P12.6 billion in 2020. — **Arjay L. Balinbin**

Manila Water readies lab for virus detection in wastewater

MANILA Water Co., Inc. announced on Tuesday that it plans to build a molecular laboratory for wastewater surveillance over SARS-CoV-2, the virus that causes coronavirus disease 2019 (COVID-19).

"The project is part of the company's COVID-19 response and is aimed to detect and quantify the SARS-CoV-2 in wastewater using polymerase chain reaction (PCR) machines that are efficient in amplifying small segments of DNA or RNA. These data will be complementary to the current clinical testing and reports of confirmed positive cases," Manila Water Laboratory Services Head Joannatess B. De Vera said in a statement.

The company's first molecular laboratory is expected to be completed before month's end and will be ready to operate by June 2022.

Ms. De Vera said the facility would expand the capacity of Manila Water's laboratory services to detect SARS-CoV-2 virus in its wastewater treatment systems and generate data for public health use.

The project aims to help communities have access to the technique and technology in tracking local outbreaks of COVID-19 or what is called wastewater-based epidemiology (WBE).

"[The] data to be generated in this molecular lab can help communities formulate actions in mitigating COVID-19 in its early stages of emergence or re-emergence as WBE can detect the virus even before people show symptoms," Manila Water Research and Development Head Emmanuel Jimenez said.

Mr. Jimenez said that since wastewater samples contain waste from numerous individuals, the community will have access to a cost and time-efficient screening approach to determine the level of infection not only of COVID-19 but other possible emerging and future threats.

"The new facility will support the current efforts of the different local government units to address this pandemic. Operating the molecular laboratory also allows the company to provide services beyond its regular wastewater treatment and operations," Manila Water added.

Manila Water provides water treatment, sewerage and sanitation, distribution services, and management services to residential, commercial, and industrial customers in the East Concession Zone. — **Luisa Maria Jacinta C. Jocson**