San Miguel income rises to P43.5B as sales climb

RISING demand for the past nine months has fueled a 26.5% core profit rise for San Miguel Corp. (SMC) to P43.5 billion from P34.4 billion last year, the diversified conglomerate said on Monday.

"The continuing increase in demand for our products and services has been very encouraging despite the challenging business environment," SMC President and Chief Executive Officer Ramon S. Ang said in a press release.

"This inspires us to continue with our efforts and to remain focused on achieving full recovery," he added.

For nine months through September, SMC posted consolidated revenues of P1.1 trillion, up 71% from its showing a year ago. Consolidated operating income climbed 24% to P108.5 billion, which the firm attributed to the strong performances of its business segments.

The company has yet to disclose comparative figures for the third quarter.

BUSINESS SEGMENTS

San Miguel Food and Beverage, Inc. (SMFB) saw a 9% increase in net income to P26.3 billion for the nine-month period after an 18% rise in consolidated revenues to P261.5 billion due to volume growth and better prices across its beer, spirits, and food divisions. Its nine-month consolidated operating income grew 15% to P37.6 billion.

San Miguel Brewery, Inc. posted a net income of P16.2 billion, higher by 15% than that of last year. Its consolidated revenues reached P99 billion, a 21% increase over last year.

Ginebra San Miguel, Inc.'s net income rose by 7% to P3.4 billion, while its revenues grew by 12% to P34.5 billion. Its top-line and bottom-line growth were driven by higher volumes, which rose by 8% to 32.6 million cases.

San Miguel Foods' net income declined by 2% to P7.4 billion as it was hit by foreign exchange movements. Its consolidated revenues were 18% higher at P128 billion as almost all of its businesses posted double-digit growth.

SMC Global Power Holdings Corp.'s operating income declined by 28% to P20.5 billion despite recording a 77% increase in consolidated revenues to P166.1 billion, which "was supported by volume growth and increase in average bilateral rates."

Offtake volumes of SMC Global rose by 4% to 21,336 gigawatts per hour, which it attributed to an "increase in demand from distribution utilities."

Petron Corp.'s consolidated net income was 64% higher at P8.2 billion, while its consolidated revenues more than doubled to P631.1 billion.

The sales volume of Petron and its subsidiaries reached 80.4 million barrels, higher by 37% than last year's. Local sales volumes alone grew by 40%.

In infrastructure, SMC's toll roads registered a 57% increase in revenues to P20.9 billion due to a 31% jump in traffic volume. Operating income from the infrastructure business climbed to P10.1 billion.

On Monday, SMC shares rose by 1.04% or a peso to close at P97 apiece. — **Justine Irish D. Tabile**

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GT Capital profit nearly triples to P7 billion on units' strength

TY-LED GT Capital Holdings, Inc.'s attributable net income climbed by almost three times to P7.28 billion in the third quarter from P2.58 billion last year driven by its subsidiaries' income contributions.

"The recovery momentum of our businesses remained steady despite rising inflation, interest rates, and foreign exchange volatility. Strategic initiatives undertaken over the past years are now coming to fruition," GT Capital President Carmelo Maria Luza Bautista said in a press release on Monday.

The holding firm's topline rose by 67.4% to P66.71 billion in the third quarter from P39.84 billion a year ago. Its automotive operations were the largest revenue contributor with P55.57 billion, up by 59.4% from P34.86 billion in 2021.

For January through September, GT Capital's attributable net income surged by 72.4% to P14.95 billion from P8.67 billion a year ago. Its top line during the nine-month period stood at P179.5 billion, 43% higher than P125.5 billion in the previous.

BUSINESS SEGMENTS' NINE-MONTH SHOWING

Metropolitan Bank & Trust Co. (Metrobank) recorded a 45% growth in net income to P23.4 billion as its loan portfolio sustained its expansion.

"Metrobank's strong net income was propelled by the continued expansion of the bank's lending portfolio, better margins, healthy fee income, stable operating costs, and lower provision," GT Capital said.

Toyota Motor Philippines Corp.'s consolidated net income was flat at P4.4 billion even as consolidated revenues grew by 41% to P133.4 billion. New vehicle sales rose by 35% to 124,884 units.

"Despite supply chain disruptions, Toyota is on track to achieving its announced sales goal of 162,000 units in 2022," said Vince S. Socco, chairman of GT Capital Auto and Mobility Holdings, Inc.

"The reopening of the economy and the loosening of consumer financing has driven stronger sales, notwithstanding price increases that were implemented to counter the weaker value of the Philippine peso," he added.

Federal Land, Inc. posted a consolidated net income of P4.2 billion, or more than four times last year's P900 million. It recorded a 62% climb in revenues to P12.4 billion, after booking a 73% increase in reservation sales to P13.7 billion.

Metro Pacific Investments Corp.'s consolidated core net income reached P11.8 billion, 25% higher than the level a year earlier. Its largest contributor was the power segment, which accounted for P8.9 billion or 58% of net operating income, followed by toll roads, which contributed P4.1 billion or 26%.

AXA Philippines' consolidated life and general insurance gross premiums were lower by 31.4% to P22.5 billion from P32.8 billion a year ago. Its consolidated net income was also lower by 14.3% at P1.8 billion from P2.1 billion in 2021.

On the stock exchange, GT Capital shares increased 0.75% or P3 to P401 each on Monday. — **Justine Irish D. Tabile**

Ayala records 15% lower income at P7.6B

AYALA CORP.'s attributable net income decreased by nearly 15% to P7.63 billion in the third quarter from P8.96 billion last year, after booking a net one-off loss during the period.

"Excluding the one-off items, Ayala's net income increased 44% to P8.6 billion primarily because of strong earnings from Ayala Land, Inc. and Bank of the Philippine Islands (BPI)," the company said in a disclosure on Monday.

In the three months that ended September, Ayala posted a topline of P78.54 billion, up by 29.6% from P60.59 billion a year ago.

For January to September, the company booked P23.9 billion in attributable net income, 23.4% higher than P19.36 billion last year.

"[This is] a result of higher earnings contributions from Ayala Land, BPI, and Globe Telecom, Inc. because of the acceleration in overall economic activity," the company said.

Its revenues for the nine-month period climbed by 18.5% to P216.2 billion from P182.5 billion in the previous year.

"Our strong market positions in four of the five largest industrial sectors in the country have allowed us to capitalize on the re-opening of the economy to grow topline and core net income," Ayala President and Chief Executive Officer Cezar P. Consing said.

"Our largest publicly listed companies reported strong results, and the other companies in our portfolio are gaining traction and adding heft," he added.

JANUARY-SEPTEMBER PERFORMANCE

Ayala Land's net income climbed by 55% to P13.3 billion as of September, while its revenues totaled P86.3 billion, 19% higher than that of last year.

Revenues from property development increased by 7% to P55.2 billion, while reservation sales were 10% higher at P77.3 billion.

Ayala Land launched eight projects in the third quarter, which increased the company's total project count to 20 and its combined value to P60 billion.

BPI posted a 75% net income growth to P30.5 billion, while its total revenues rose by 22% to P87.5 billion. Net interest income rose by 21% to P61.6 billion, while non-interest income increased by 26% to P25.8 billion. Total deposits increased by 13% to P2 trillion, while total assets grew by 12% to P2.5 trillion.

Globe saw a 48% profit increase to P26.5 billion, while its gross service revenue was 3% higher to P118 billion. Its digital service platform doubled its revenues to P2.8 billion while mobile data revenues rose by 8% to P6.2 billion.

ACEN Corp.'s income declined by 4% to P4.1 billion, while its consolidated revenues climbed by 34% to P25.2 billion. Its total attributable output added 11% to 3,740 gigawatt-hours, with output from international plants and renewables increasing by 38% and 33%, respectively.

Ayala shares dipped 0.59% or P4 to finish at P671 apiece. — **Justine Irish D. Tabile**

DITO CME losses widen; Chelsea reduces net loss

UY-LED DITO CME Holdings Corp. saw its attributable net loss for the third quarter widen to P5.9 billion from a loss of P3.3 billion previously, mainly due to higher expenses despite a surge in revenues.

Revenues for the period jumped to P2 billion from P796.1 million in the same period a year ago, the company's third-quarter financial performance report shows.

Expenses went up 34% to P5.1 billion from P3.8 billion previously. It also reported a non-operating expense of P7.9 billion, up 147% from P3.2 billion previously.

For the nine months that ended Sept. 30, the company's attributable net loss jumped to P14.2 billion from a loss of P5.3 billion in 2021.

Revenues for the period surged 366% to P5 billion, while cost and expenses increased 88% to P14.9 billion.

"This was mainly due to higher operating expenses and higher other charges offset by gross revenue generated from the start of DITO Telecommunity Corp.'s commercial operations since March 8, 2021," the company said.

NOW Corp., one of DITO's competitors in the telecommunications space, saw its attributable net income for the quarter slightly improve to P7.1 million from P7 million in the same period a year earlier. For the nine months that ended Sept. 30, NOW Corp.'s attributable net income grew 6% to P11.7 million from P11 million previously.

Meanwhile, Chelsea Logistics and Infrastructure Holdings Corp., an Uy-led shipping and logistics company, saw its third-quarter net loss fall 57% to P489 million from P1.13 billion last year.

"The Chelsea group sustained its recovery in the third quarter with continued year-on-year and quarter-on-quarter increases in its topline, which resulted in lower net losses compared to the same period last year and on a sequential basis," the company said in a statement.

Chelsea saw its revenues go up 50% this quarter to P1.717 billion from P1.142 billion in the same quarter last year, with positive growth across segments.

"Remarkable growth was seen in passage revenues, which increased more than 7x," Chelsea noted.

"The ongoing recovery is markedly evident on a year-to-date basis, with revenues for the first nine months of 2022 growing 41% to P4.630 billion," it added.

Chelsea saw its freight segment's revenue grow year on year by 7% to P850 million.

"Freight remained the most significant revenue contributor for the quarter accounting for 53% of total revenues," it noted.

Meanwhile, cost of sales and services in the January-to-September period grew 19% to P4.276 billion as petroleum prices soared year on year.

Chelsea President and Chief Executive Officer Chryss Alfonsus V. Damuy said, "The implementation of our recovery plans continues to bear fruit as shown by the third quarter results with all segments reporting positive revenue growth both on year-on-year and sequential bases, leading to a reduction in net losses."

"As by nature, the shipping industry is a high capital expenditure business, fixed costs account for a huge portion of operating costs. Thus, with the continued significant growth in revenue, the company will soon outpace these costs. We will continue to build on this positive momentum to bring all our revenue segments back to prelockdown levels as soon as possible," he added. — **Arjay L. Balinbin**

Cebu Landmasters registers 21% profit growth to P650M

CEBU LANDMASTERS, Inc. (CLI), the listed Visayas-Mindanao property developer, recorded a 21.3% rise in its attributable net income to P649.88 million from P535.96 million a year ago

"We are on full blast with our construction capacity and with God's grace we can continue to deliver and continue to operate at full capacity," CLI Chief Finance Officer Beauregard Grant L. Cheng said during the company's briefing on Monday.

In the three months that ended September, the company's top line rose by 39% to P3.51 billion from P2.52 billion last year. Sales of real estate were the largest contributor at P3.45 billion, up by 39% from P2.48 billion a year ago.

For January to September, CLI's attributable net income reached P2.2 billion, an 18.7% increase from P1.85 billion last year. — **Justine Irish D. Tabile**

FULL STORY

Read the full story by scanning the QR code or by typing the link **<https://bit.ly/3hEuJnM>**

Globe Telecom expects 'challenging' 2023

GLOBE TELECOM, Inc. on Monday said it expects 2023 to be a challenging year, citing inflation as among the major pressures to overcome.

"It's not going to be an easy turn from 2022 to 2023. There are some headwinds, and I think those would be quite challenging to overcome," Globe Chief Finance Officer Rizza Maniego-Eala said at a briefing.

"But there are some positive sides that the company can use, both from the topline and expense sides. Those are what we are seeing as we complete our budget for 2023," she added.

According to the Philippine Statistics Authority (PSA), annual inflation accelerated to its fastest pace in almost 14 years in October, as food prices rose as a result of the recent typhoons. Headline inflation quickened to 7.7% last month, from 6.9% in September and 4% in October 2021.

Globe's Ms. Maniego-Eala said the company is already seeing inflation hit the wallets and spending ability of its lower-end customers.

She said that Globe is interested to see if remittances will drive Christmas spending and "whether there will be additional savings from our customers that would flow into top-ups and connectivity spending."

Globe's attributable total comprehensive income for the third quarter reached P5.7 billion, up 16% from P4.9 billion in the same period a year ago.

The company attributed the results to revenue growth in its corporate data and mobile services, as well as non-telco services.

Third-quarter revenues, both service and non-service, grew 3% to P42.9 billion from P41.7 billion previously.

For the nine months ended Sept. 30, Globe saw its attributable total comprehensive income increase 37% to P24.9 billion from P18.2 billion previously.

Total revenues for the period went up 3% to P130.2 billion from P126.4 billion in 2021.

The growth was "led by corporate data and mobile services, supplemented by the sustained growth from non-telco services," Globe said in a statement.

However, revenues from its home broadband business decreased further in the third quarter. Nine-month revenues reached P20.5 billion, lower than the previous year's P22.4 billion.

"Total home broadband subscriber count now stands at 2.7 million or down by 27% year on year," Globe noted. — **Arjay L. Balinbin**

BRIEFS

Pilipinas Shell incurs P3-B Q3 loss, earns P4.4-B in 9 months

PILIPINAS Shell Petroleum Corp. incurred a net loss of P3.36 billion in the third quarter, a turnaround from its P1.14-billion net income a year ago, as it recorded a jump in expenses during the period.

Based on data from the Philippine Stock Exchange, the energy company suffered losses during the quarter despite recording gross revenues of P78.43 billion, up 84.6% from P42.48 billion a year ago. Gross expenses surged to P81.82 billion, or more than double the P40.12 billion recorded in the same period last year.

For the three quarters through September, the company posted a net income of P4.41 billion, up 30.1% from P3.37 billion a year earlier.

In a press release on Monday, Pilipinas Shell said it "sustained its strong performance ... despite challenges posed by rising inflation and depreciation of the Philippine peso against the US dollar."

FULL STORY

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Shakey's turns profitable, nets P204M as sales climb to P2.7B

SHAKEY's Pizza Asia Ventures, Inc. reported a net income of P204.24 million in the third quarter, reversing its P49.28-million net loss a year ago, as sales momentum was maintained during the period.

"The operating environment has been tough for the past couple of years, but the team pulled through, leveraging the strength of our brands, innovating with new store formats, and investing in digital," said Vicente L. Gregorio, Shakey's president and chief executive officer, in a press release on Monday.

"Now that the Philippine economic reopening is at hand, we are intent on maximizing this opportunity to fuel business recovery and expansion."

In a regulatory filing, the food service group reported revenues of nearly P2.7 billion for the three-month period, or more than twice the P1.21 billion posted a year ago.

It said system-wide sales further gained momentum to reach a "record high" of P3.8 billion in the third quarter, or more than twice higher than the previous year.

FULL STORY

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Medilines posts P31-M profit, reverses last year's net loss

MEDILINES Distributors, Inc. posted a P30.97 million attributable net income in the third quarter, turning around from its P706,960 net loss recorded last year, after booking higher revenues.

During the July-to-September period, Medilines' revenues totaled P352.76 million, more than two times last year's P138.49 million.

Meanwhile, the company booked direct costs amounting to P285.52 million, more than double the P138.95 million registered a year ago.

For the nine-month period, Medilines' net profit reached P111.93 million, up by 12.7% from P99.34 million last year. Its revenues grew by 26.6% to P1.21 billion from P953.58 million previously.

In a press release on Monday, it said the major revenue contributor is its cancer therapy equipment, which contributed 56%. Its dialysis consumables shared 16%, up from 13% last year. The dialysis equipment and diagnostic imaging segments contributed 10% and 18%, respectively. — **Justine Irish D. Tabile**

FULL STORY

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Vivant income slips on higher expenses, cost recovery delay

CEBU-BASED Vivant Corp. suffered an 11% decline in third-quarter net income to P491.26 million from P551.86 million due to higher expenses and the delayed recovery of generation charges by its distribution utility.

In its regulatory filing, the listed firm, which has holdings in the energy sector, saw its third-quarter revenues go up by 26% to P1.65 billion from P1.31 billion in the same period last year.

Gross expenses for the period, however, surged to P1.06 billion from P574.82 million.

For the nine-month period, Vivant recorded a net income of P943.28 million, down by nearly 24% from P1.24 billion a year ago.

In its quarterly report, Vivant said its distribution utility unit, Visayan Electric Co., posted a 39% decline in its nine-month income to P363.4 million from P596.3 million as a result of prolonged power outage in Cebu caused by typhoon Odette. — **Ashley Erika O. Jose**

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