

# Transportation, storage, and communication sector amps it up in 2018

**THE TRANSPORTATION**, storage and communication industry performed better in 2018, driven by accelerated growth seen in air transport, storage services and communication subsectors.

The sector, which made up 7.3% of last year's gross domestic product, saw its gross value added (GVA) growing by 5.4% to P670.80 billion in 2018 from P636.61 billion the year before, Philippine Statistics Authority data showed. GVA growth in 2017 was 4%.

Communications — which accounted for 58.3% of the sector — grew 5.1% to P391.05 billion, faster than the 3.3% posted in the year before.

Meanwhile, growth in the transport and storage subsector was 5.8% in 2018 (to P279.75 billion), faster than the 5.1% growth in 2017.

Broken down, "storage and services incidental to transport" remained the top growth driver with 12.3% to P83.47 billion in 2018, accelerating from the 8.4% netted in 2017. Second place was air transport, which inched up to 7.6% (P35.21 billion) from the previous 7.3%.

Growth of land transport was 2.4% (from 3%) while that of water transport was 2.6% (from 4.4%).

Sixty-six firms in the sector made it to this year's *Top 1000 Corporations in the Philippines*, more than in the previous edition, which had sixty-three firms. Combined gross revenues from this sector rose by 7.7% in 2018.

Globe Telecom, Inc. (No. 12) led among the telecom giants as it



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earned P128.92 billion, 9.1% higher compared to P118.20 billion in 2017. On the other hand, Smart Communications, Inc. (No. 21) saw its gross earnings decline by 15.9% to P84 billion. Digitel Mobile Phils., Inc. (No. 286), which does business under the "Sun Cellular" brand, is a far third with around P9.84 billion in gross revenue, lower by 22.7%.

PLDT, Inc., the parent company of both Smart Communications and Digitel Mobile, takes the No. 20 slot after making P87.02 billion last year.

Flag carrier Philippine Airlines, Inc. (No. 6) remained the market leader in the air passenger transport subsector, racking up P159.07 billion in revenue, 19.5% higher from the previous year.

Meanwhile, budget carrier Cebu Air, Inc. ranked No. 26 in the 2018 ranking. During the year, its gross revenue grew by 8.9% to P71.21 billion.

Philippines AirAsia, Inc. (No. 126), the Philippine unit of Malaysia-based

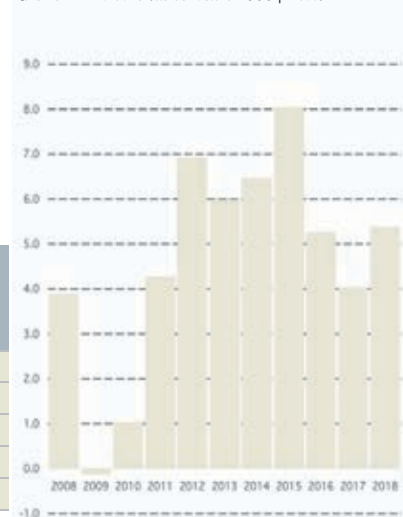
AirAsia Group Berhad, was third in the air passenger transport subsector, with revenues amounting to P21.06 billion, 30% more than the P16.2 billion in 2017.

Among the media networks, both ABS-CBN Corp. (No. 101) and GMA Network, Inc. (No. 183) saw their respective gross revenues decline by 1% (to P26 billion) and 3% (P15 billion), respectively.

Joining the rest of the sector's top-performing firms were International Container Terminal Services, Inc. (No. 88), NLEX Corp. (No. 154), and Asian Terminals, Inc. (No. 236). — **Carmina Angelica V. Olano** ■

## GROSS VALUE ADDED

Transport, Storage and Communication  
Growth in Percent (at constant 2000 prices)



## SECTOR AT A GLANCE

YEAR	GROSS REVENUE % change	NET SALES % change	NET INCOME P billion	TOTAL ASSETS % change	TOTAL LIABILITIES % change	STOCK-HOLDERS' EQUITY % change	RETURN ON EQUITY	RETURN ON SALES	DEBT-TO-EQUITY RATIO
2014	10.6	12.7	96.40	6.7	7.7	4.5	0.2	0.1	2.3
2015	8.3	7.5	110.06	8.5	9.5	6.3	0.3	0.2	2.3
2016	11.8	4.9	147.33	11.0	9.0	15.7	0.3	0.2	2.2
2017	0.9	5.1	101.30	4.3	3.8	5.5	0.2	0.1	2.2
2018	7.7	11.7	80.45	9.5	11.4	5.6	0.1	0.1	2.3

Source: Financial statements from the SEC and companies included in the Top 1000