

Philippine Stock Exchange index (PSEi)

6,110.88

▼ 5.26 PTS.

▼ 0.08%

TUESDAY, NOVEMBER 14, 2023

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P620.00 —	ACEN ACEN Corp. P5.01 -P0.10 -1.96%	AEV Aboltiz Equity Ventures, Inc. P48.10 -P0.35 -0.72%	AGI Alliance Global Group, Inc. P10.50 -P0.16 -1.5%	ALI Ayala Land, Inc. P29.30 +P0.45 +1.56%	BDO BDO Unibank, Inc. P129.50 -P3.30 -2.48%	BLOOM Blossom Resorts Corp. P9.30 -P0.28 -2.92%	BPI Bank of the Philippine Islands P104.00 +P1.00 +0.97%	CNPF Century Pacific Food, Inc. P28.05 -P0.40 -1.41%	CNVRG Converge ICT Solutions, Inc. P8.25 -P0.13 -1.55%
DMC DMCI Holdings, Inc. P9.16 +P0.04 +0.44%	EMI Emperador, Inc. P20.80 -P0.15 -0.72%	GLO Globe Telecom, Inc. P1,766.00 —	GTCAP GT Capital Holdings, Inc. P548.00 +P8.00 +1.48%	ICT International Container Terminal Services, Inc. P203.40 -P1.60 -0.78%	JFC Jollibee Foods Corp. P218.00 +P4.00 +1.87%	JGS JG Summit Holdings, Inc. P38.20 +P0.20 +0.53%	LTG LT Group, Inc. P9.13 +P0.05 +0.55%	MBT Metropolitan Bank & Trust Co. P52.20 -P0.35 -0.67%	MER Manila Electric Co. P363.00 +P0.20 +0.06%
MONDE Monde Nissin Corp. P8.19 -P0.06 -0.73%	NIKL Nickel Asia Corp. P5.12 +P0.01 +0.2%	PGOLD Puregold Price Club, Inc. P28.00 +P0.05 +0.18%	SCC Semirara Mining and Power Corp. P28.80 -P0.25 -0.86%	SM SM Investments Corp. P825.00 +P6.00 +0.73%	SMC San Miguel Corp. P104.00 +P1.00 +0.97%	SMPH SM Prime Holdings, Inc. P30.95 +P0.05 +0.16%	TEL PLDT Inc. P1,239.00 -P1.00 -0.08%	URC Universal Robina Corp. P111.20 -P1.70 -1.51%	WLCON Wilcon Depot, Inc. P19.98 +P0.06 +0.3%

Ayala income climbs 82% on units' better showing

LISTED conglomerate Ayala Corp. logged an 82.2% increase in its attributable net income for the third quarter amid higher revenues from its various businesses.

The conglomerate said in a stock exchange disclosure on Tuesday that its July-to-September profit improved to P13.90 billion from P7.63 billion a year earlier.

Third-quarter revenues rose 3% to P81.14 billion from P78.54 billion, it added.

From January to September, attributable net income rose 35% to P32.31 billion while core net income rose 42% to P31 billion on better results from subsidiaries Bank of the Philippine Islands (BPI), Ayala Land, Inc., and ACEN Corp.

"Ayala's year-to-date core net income is already at par with its full-year 2019 net income," the conglomerate said.

Nine-month consolidated revenues improved 13.5% to P245.38 billion from P216.2 billion last year.

"Despite macroeconomic and geopolitical headwinds, our outlook remains intact as we look to end the year with profits exceeding pre-COVID levels. We continue to build on our solid nine-month period results and rationalize our portfolio wherever it makes sense to do so," Ayala President and Chief Executive Officer Cezar P. Consing said.

Ayala said BPI's nine-month net earnings rose 26% to P38.6 billion led by sustained loan growth, margin expansion, and reduced provisions.

BPI's total revenues rose 15% to P100.9 billion due to sustained growth in net interest income that countered the decline in noninterest income.

AyalaLand logged a 38% increase in its nine-month net income to P18.4 billion led by the "continuing resilience of the residential market and vibrant consumer activity despite macroeconomic challenges."

Property development revenues rose 4% to P57.2 billion due to higher residential completion, stable bookings, and improved office unit sales.

Residential sales reservations rose 11% to P85.9 billion led by strong demand in projects such as Ayala Land Premier's Ciela, Arcilo, and Parklinks South Tower, Alveo's Park East Place, and Avida's Tower Makati Southpoint.

Commercial leasing revenues rose 32% to P30.8 billion due to higher occupancy and rental rates in Ayala Land's malls, offices, and leisure developments.

Ayala said ACEN's nine-month net income rose 59% to

P6.6 billion led by new power capacity and a sustained net selling position.

"Earnings were boosted by value realization and remeasurement gains related to the sale of a stake in the Salak and Darajat plants in Indonesia," Ayala said.

ACEN's consolidated revenues increased 13% to P28.7 billion due to new contributions from New England Solar and Pagudpud Wind projects and higher tariffs for renewable energy sources that offset lower wholesale electricity spot market prices.

Meanwhile, Globe Telecom, Inc. recorded a 27% decline in net income to P19.4 billion after last year's partial sale of its data center business.

Total service revenues rose 3% to P121.1 billion led by contributions from mobile data, corporate data, and digital service revenues.

In a separate disclosure, Ayala's real estate investment trust AREIT, Inc. said its net income for nine months through September rose 42% to P3.43 billion.

AREIT's earnings before interest, taxes, depreciation, and amortization rose 39% to P3.56 billion while total revenues rose 41% to P5 billion amid stable operations and the contribution of new assets.

The company's properties posted a 97% occupancy rate at end-September.

In September, AREIT secured government approval for the subscription of Ayala Land, Ayala Malls, Inc., and Northbeacon Commercial Corp. to 607,559,380 AREIT shares in exchange for properties. The transaction was valued at P22.48 billion.

These properties are One Ayala Avenue East and West busi-

ness process outsourcing (BPO) towers at the corner of Ayala Ave. and EDSA, the Glorietta 1 and 2 mall wing and BPO buildings at Ayala Center, and the MarQueen Mall in Angeles, Pampanga.

"The new assets contributed to AREIT's performance beginning the third quarter of 2023 and boosted its gross leasable area (GLA) more than five-fold to 861,000 square meters," the company said.

"Moreover, the company's assets under management (AUM) reached approximately P87 billion, nearly triple its size since it went public and currently the largest among Philippine REITs," it added.

On Tuesday, shares of Ayala Corp. closed unchanged at P620 apiece, while AREIT shares fell 10 centavos or 0.31% to P32.50 apiece. — **Revin Mikhael D. Ochave**

Alliance Global profit jumps 16% as revenues rise

TAN-LED Alliance Global Group, Inc. (AGI) logged a 16% increase in its net income during the third quarter as revenues surged.

In a stock exchange disclosure, AGI said its third-quarter income reached P6 billion while consolidated revenues improved 12% to P51.3 billion.

For nine months through September, its net income climbed 18% to P20.1 billion as consolidated revenues surged 17% to P150.4 billion led by the continued rise in consumer spending and improved economic activity despite prevailing macroeconomic headwinds.

"AGI has sustained its strong financial and operating performance in the first nine months of the year even in the wake of persistent domestic and global economic challenges," AGI Chief Executive Officer Kevin L. Tan said.

"During the period, the group continued to introduce new and exciting

experiences across all our business segments, delivering superior products and services in the local and international market," he added.

Property development unit Megaworld Corp. logged a 43% growth in nine-month net income to P12 billion as consolidated revenues rose 14% to P48.6 billion.

Real estate sales improved by 11% to P29 billion and accounted for 60% of overall revenues. Sales reservations rose 28% to P109.5 billion led by attractive big-ticket projects catering mainly to the mid- to high-income market segments.

Brandy company Emperador, Inc. recorded a 10% increase in consolidated revenues to P47.1 billion while attributable net income stood at P6.8 billion.

"Whisky revenues have sustained its stellar growth pace of 22% year on year to P19.3 billion as its premium whisky brands have maintained their popular-

ity mainly in Asia and North America, coupled with the resurgence in travel retail sales," AGI said.

"Its brandy segment posted a modest 4% year-on-year increase in revenues to P27.8 billion, supported by some price adjustments and improving sales of its premium brands despite the stiff competition in the market," it added.

AGI's leisure and tourism arm Travellers International Hotel Group, Inc. recorded a net income of P773 million, reversing its P235 million net loss a year ago.

The company's net revenues during the period rose 27% to P23.3 billion.

"This was driven by the resurgence in tourism and meetings, incentives, conferences, and exhibitions (MICE) activities which allowed for a robust 41% year-on-year increase in hotel and other revenues to P5 billion, while its gross gaming revenues went up by 14% year on year to P25.9 billion," AGI said.

Meanwhile, Golden Arches Development Corp. recorded a 44% increase in nine-month net income to P1.47 billion as sales revenues rose 28% to P30.7 billion.

The company has an exclusive franchise to operate restaurants in the Philippines under the McDonald's fast food brand.

McDonald's Philippines "remained relevant in the highly competitive consumer sector with its creative product offerings and pricing."

"We look forward to a more hectic economic activity in the last quarter, accompanied by the much-vaunted holiday spending. Given our superior and attractive product offerings, and armed with an indomitable spirit, we hope to end the year on a stronger note regardless of the macro headwinds," Mr. Tan said.

Shares of AGI at the local bourse fell 16 centavos or 1.5% to P10.50 apiece. — **Revin Mikhael D. Ochave**

JG Summit turns around, earns P15B as subsidiaries lift revenues

GOKONGWEI-LED JG Summit Holdings, Inc. posted a P15.4 billion net profit in nine months through September, reversing the P900 million net loss a year ago, as its business units boosted the group's revenues.

In a regulatory filing on Tuesday, JG Summit said its consolidated revenues during the January-to-September period rose 16% to P251.3 billion, while core profit reached P14.9 billion.

In the third quarter alone, consolidated revenues rose 24% to P87.9 billion while core net income after taxes improved 7% to P5.5 billion.

JG Summit said the turnaround in its air transport operations as well as margin gains in its real estate and food businesses further boosted its top line, outweighing the absence of the P3.2 billion gains from the sale of Manila Electric Co. (Meralco) shares last year and a longer petrochemicals shutdown this year.

"We continued to sustain the top line growth and margin expansion with good operating results in the third quarter from our business units. We, however, remain cognizant of both macro and industry challenges that our strategic business units continue to face, especially with the recent volatility in fuel costs and foreign exchange rates, and elevated borrowing costs," JG Summit President and Chief Executive Officer Lance Y. Gokongwei said.

"With this in mind, we carry through with our initiatives to improve efficiency

and profitability, while pursuing growth," he added.

JG Summit's Universal Robina Corp. posted a 9% increase in its nine-month revenue to P117.6 billion led by the double-digit growth in its agro-industrial and commodities division while its branded consumer foods saw tempered rates against macro headwinds and post-pricing volume softness.

The conglomerate's real estate arm, Robinsons Land Corp., logged a 31% increase in its nine-month net income to P8.8 billion.

"RLC saw total revenues of P9.8 billion in the third quarter, climbing 26% year on year, with the strong performance of its domestic divisions, driven by malls and hotels. However, the high base in 2022 from the significant Chengdu sales in second quarter last year led to the 18% slip in nine-month revenues," JG Summit said.

Cebu Air, Inc. posted a turnaround in its nine-month net income to P5 billion from the P12 billion net loss last year as revenues rose 78% to P66.9 billion.

"Nine-month revenues were propelled by passenger demand coupled with higher fares and better ancillary yields. Despite the significant increase in operations, the hike in the airline's costs was relatively manageable given favorable oil prices and more efficient fuel consumption," JG Summit said.

JG Summit Olefins Corp. narrowed its nine-month net loss to P8.8 billion

due to the implementation of cost control and production efficiencies. The company's revenues remained "largely flat" at P25.5 billion.

"Disciplined cost control and production efficiencies along with positive margins for its relatively newer products — aromatics and butadiene — as well as liquefied petroleum gas trading under its subsidiary Peak Fuel Corp. offset the slight decline in top line," JG Summit said.

"The company is embarking on an organization-wide transformation program that targets realizable performance results within 2024," it added.

Robinsons Bank Corp. posted a 35% drop in nine-month net income due to rising deposit rates.

"Net interest margins felt downward pressure from the faster-rising deposit rates, leading net income to slip 35% to P0.8 billion for the nine-month period," JG Summit said.

"Gross revenues for Robinsons Bank increased by 19% and 25% year on year, with third quarter and nine-month periods at P3.2 billion and P9.6 billion, respectively. This was on the back of higher gross interest income from its loan and treasury assets, coupled with a double-digit growth in the bank's fee income," it added.

Meanwhile, JG Summit said its share in Meralco earnings as of September rose 32% to P7.3 billion "driven by higher energy demand, robust power generation

business, the turnaround of Global Business Power [Corp.], and the completion of distribution and asset true-up refunds."

JG Summit said its equity income in Singapore Land Group (SLG) declined 18% year on year "as its key residential projects were substantially sold by end-2022 and property investments are undergoing redevelopment."

"For SLG, JG Summit's nine-month results account for only the first half performance given its semi-annual regulatory reporting frequency," JG Summit said.

In a separate disclosure, listed casual dining restaurant chain Shakey's Pizza Asia Ventures said it had a 64% increase in its nine-month net income to P746 million led by a 40% growth in system-wide sales to P13.5 billion.

"We are pleased to see all our brands growing double-digit despite the prior year's high base and the softer consumer sentiment in light of persistent inflationary pressures. Our emphasis on delivering superior value is proving to be a win-win strategy for both our guests and brand portfolio," Shakey's President and Chief Executive Officer Vicente L. Gregorio said. — **Revin Mikhael D. Ochave**

FULL STORY



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DoubleDragon's Hotel101 secures lot for LA hotel

DOUBLED DRAGON Corp. (DD) subsidiary Hotel101 Global Pte. Ltd. has bought a 3,647-square-meter commercial lot in Los Angeles, California for its hotel development as part of the company's overseas expansion.

In a regulatory filing on Tuesday, DD said the newly secured lot is for its planned Hotel101-Los Angeles, which is situated at Westlake North District. It is the hotel brand's first development in the United States.

The planned hotel is located near areas such as Downtown LA, Dodger Stadium, Crypto.com (the previous Staples Center), Hollywood, and Beverly Hills. The hotel's location is also near Highway 101 and the Los Angeles International Airport.

"This step completes the first three strategic overseas sites of Hotel101 located in Japan, Spain, and USA, and is set to enable Hotel101 to transcend as a truly global brand," Hotel101 Global Chief Executive Officer Hannah Yulo-Luccini said.

Hotel101-Los Angeles is projected to have 622 units subject to entitlement and zoning approval. The hotel development is expected to generate about \$183 million in sales revenue.

"As history has taught us, major economic recessions have actually served as a launchpad for many inspiring entrepreneurs to leap forward. These temporary periods of dislocation and chaos have created rare windows of opportunity for their businesses to strengthen their market grip and enable many of them to become what we know today as the world's most incredible and durable businesses," DD Chairman Edgar J. Sia II said.

Hotel101-Los Angeles will have facilities such as an all-day dining restaurant, a business center, a swimming pool, a fitness gym, commercial space for a 24-hour convenience store, a convention center, and function rooms.

On Tuesday, shares of DD at the local bourse rose eight centavos or 1.14% to P7.07 apiece. — **Revin Mikhael D. Ochave**