



# PRYCE CORPORATION

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July 26, 2017

**PHILIPPINE STOCK EXCHANGE**

3F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines 1226

Attention: **Mr. JOSE VALERIANO B. ZUÑO III**  
*OIC – Head, Disclosure Department*

Re: **PRESS RELEASE – “Pryce 1H 2017 Net Income Up 34.16%”**

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Gentlemen:

Please find attached our press release entitled “Pryce 1H 2017 Net Income Up 34.16%.”

Thank you very much.

Very truly yours,

  
ERICA P. ENCABO  
*Corporate Information and  
Compliance Officer*



## **PRYCE CORPORATION**

### **PRYCE 1H 2017 NET INCOME UP 34.16%**

For the first half of the year, Pryce Corporation (PPC) posted a consolidated net income of Php 581.31 million, up 34.16% from last year's Php 433.28 million. Income growth stemmed from a similarly strong growth in the topline of 39.02%, to Php4.230 billion from last year's first half figure of Php3.043 billion. Sales of liquefied petroleum gas (LPG), the group's main product, accounted for 93.52 % of total revenues, while sales of industrial gases, real estate, and pharmaceutical products accounted for the balance.

Sales volume growth was likewise up 15.39%, or still above 2016's benchmark industry growth of 14% nationwide, from 86,342 metric tons (MT) in the first half of 2016 to 99,628 MT in the first half of 2017. This growth was achieved notwithstanding the substantial (almost 40%) increase in average LPG contract prices, from US\$ 342 per MT in the first half of 2016 to US\$ 477 per MT in the first half of 2017.

Operating expenses rose to Php 404.09 million or 20.75% from the same period of last year. This is due mainly to an increase in depreciation expenses as a result of the reappraisal conducted as of the end of the last fiscal year, as well as some one-time termination benefits incurred due to the closure of the company's hotel last December 31, 2016. The increase in expenses notwithstanding, operating income rose 23.47% from last year's Php 449.81 million to Php 555.40 million, as the increase in revenues was higher than the rise in expenses.

After other income being considered, PPC's net income stands at Php 581.31 million. This translates to earnings of Php 0.2907 per share. As the second half, especially the last quarter, is historically stronger than the first half in terms of sales volumes, Management expects that its yearly net income target of Php 1.255 billion – plus or minus 10% – is within reach.

*July 26, 2017*