



## JG Summit Holdings, Inc. JGS

**PSE Disclosure Form 4-31 - Press Release References: SRC Rule 17 (SEC Form 17-C)**  
**Section 4.4 of the Revised Disclosure Rules**

<b>Subject of the Disclosure</b>	
Press Release	
<b>Background/Description of the Disclosure</b>	
Please see attached a Press Release re JG Summit's Net Income Increases 151% to P13.0 Billion for the 1st Half of 2014	
<b>Other Relevant Information</b>	
N/A	
<b>Filed on behalf by:</b>	
<b>Name</b>	Rosalinda Rivera
<b>Designation</b>	Corporate Secretary



## JG SUMMIT HOLDINGS, INC.

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13 August 2014

### SECURITIES AND EXCHANGE COMMISSION

Attention: Corporation and Finance Department  
SEC Building, EDSA  
Mandaluyong City

### PHILIPPINE STOCK EXCHANGE, INC.

Attention: Ms. Janet Encarnation  
Head, Disclosure Department  
3<sup>rd</sup> Floor, Tower One and Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

### PHILIPPINE DEALING AND EXCHANGE CORPORATION

Attention: Ms. Vina Vanessa S. Salonga  
Head- Issuer Compliance and Disclosure Department  
37/F, Tower I, The Enterprise Center  
6766 Ayala Avenue corner Paseo de Roxas, Makati City

Subject: **JG Summit's Net Income Increases 151% to P13.0 Billion for the 1st Half of 2014**

Gentlemen:

JG Summit Holdings Inc. posted a 151.3 % increase in net income to ₱13.0 billion for the 1<sup>st</sup> half of 2014, from ₱5.17 billion last year. The ₱ 8.12 billion net income for equity holders of the parent for the second quarter of fiscal 2014 is mainly due to some foreign exchange gains, recognition of equity earnings from Meralco and gain on sale of JobStreet amounting to ₱ 1.45 billion. Core net income (computed as net income attributable to equity holders of Parent company as adjusted for the net effect of gains/losses on foreign exchange, market valuations, derivative transactions and extraordinary items) increased 30.5% to ₱ 10.32 billion in the first half of 2014 from ₱7.91 billion for the same period last year. EBITDA increased 31.1% to ₱24.33 billion in the first half of 2014 compared to ₱18.55 billion in the same period last year.

Consolidated revenues grew 17.1% from ₱75.60 billion to ₱88.53 billion due to the strong performance of its major subsidiaries. For first half of 2014, URC's total revenues increased by 13.5% to ₱45.74 billion, Cebu Air's up by 23.0% to ₱26.72 billion

and RLC's also increased 6.7% to ₱8.45 billion, which was brought about by the aggressive sales and marketing efforts of these subsidiaries. As of June 30, 2014, JG Summit Petrochemicals still operated marginally as its integrated naphtha cracker and polymer operation went into commissioning stage and its first trial runs. Equity in net earnings of associates, primarily from investments in UIC and Meralco, increased 323% from ₱900.92 million for the first half of 2013 to ₱3.81 billion for the same period in 2014 mainly because of the addition of Meralco.

The Group's operating expenses increased by 20.4% from P12.47 billion last year to ₱15.02 billion in the same period this year due to higher selling, general and administrative expenses in the airline and food business units. Operating Income or EBIT went up 36.4% from ₱13.87 billion to ₱18.93 billion. The Group recognized a net foreign exchange gain of ₱1.52 billion for the 1st half of the year compared to a net foreign exchange loss of ₱2.97 billion for the same period last year, due to the appreciation of Philippine Peso from ₱44.395 in December 2013 to ₱43.65 in June 2014. Net mark-to-market gains amounting to ₱353.14 million was recorded during the first six months of fiscal 2014 coming from a net market valuation loss of ₱155.37 million for the same period last year as the financial markets started to recover during the period.

As of June 30, 2014, the Company's balance sheet remained healthy, with consolidated assets of ₱502.77 billion up from ₱463.82 billion as of December 31, 2013. The Company's indebtedness remained manageable with a gearing ratio of 0.65:1 and net debt to equity of 0.47:1 as of June 30, 2014. Current ratio stood at 1.03. Equity attributable to equity holders of the parent grew to ₱201.28 billion as of June 30, 2014 from ₱183.98 billion at the end of 2013. Book value per share improved from ₱26.22 per share as of December 31, 2013 to ₱28.68 per share as of June 30, 2014.

**Universal Robina Corporation's (URC)** generated a consolidated sale of goods and services of ₱45.74 billion for the six months ended March 31, 2014, 13.5% growth over the same period last year. Sale of goods and services by URC's Branded Consumer Food Group (excluding packaging) increased by 20.9% to ₱37.39 billion for the first half of fiscal 2014, with BCFG domestic operations posting a 26.7% increase in net sales to ₱25.62 due to the strong performance of its beverage division that grew 42.2% on the back of the solid performance by the powdered beverage businesses, mainly coming from coffee and complemented by its RTD business. Sales for snack division grew by 18.0% due to growth across salty snacks, bakery and confectionery segments. BCFG international operations reported a 9.9% increase in net sales to ₱11.77 billion for the first half of fiscal 2014. Increase in sales came from Thailand, which grew despite the weak macro environment and political turmoil in the country mainly due to new product launches and Vietnam, which showed signs of recovery from the weakness in beverage sales posted last quarter and weak consumer demand which affected Fast Moving Consumer Goods (FMCG) sales in the country. URC's AIG recorded an 8.4% increase in net sales of ₱4.09 billion for the first half of fiscal 2014, due to increase in sales volume of hog carcass and higher prices of hogs. The Sugar business decreased by 44.6% due to significant decline in volume as sugar cane production was affected by unusually wet season, which affected the cane supply for the period. The Flour business increased by 6.3% due to higher volume.

URC's net income attributable to equity holders of the parent increased to ₱6.17 billion for the first half of fiscal 2014 from ₱5.41 billion for the first half of fiscal 2013 as a result of the factors discussed above.

**Robinsons Land Corporation (RLC)** posted a 5.2% and 6.3% growth in EBIT and EBITDA at ₱3.15 billion and ₱4.45 billion, respectively, for the six months ended March 31, 2014. Total real estate revenues were up by 7.3% to ₱7.67 billion against last year's ₱7.14 billion while hotel revenues amounted to ₱791.7million.

The Commercial Centers Division contributed 47% or ₱3.99 billion of the gross revenues posting an 11.6% growth. RLC's Residential Division contributed 35% or ₱2.95 billion of RLC's revenues up by 3.5% from last year's ₱2.85 billion. The Office Buildings Division contributed 9% or ₱728.8 million of RLC's revenues, up by 1.6% from last year's ₱717.4million. The Hotels Division contributed 9% or ₱791.7 million of RLC's revenues, up by 1.8% from last year. Net income attributable to equity holders of Parent Company decreased, however, by 8.2 % to ₱2.24 billion due to substantial typhoon and fire losses which amounted to ₱215.4 million.

**Cebu Air, Inc. (Cebu Pacific)** generated revenues of ₱26.72 billion for the three six months ended June 30, 2014, 23.0 % higher than last year's ₱21.73 billion primarily due to the 13.7% growth in passenger volume to 8.5 million from 7.5 million in 2013 as Cebu Air added more aircraft to its fleet, particularly, its acquisition of wide-body Airbus A330 aircraft with a configuration of more than 400 all-economy class seats. The number of aircraft increased from 44 aircraft as of June 30, 2013 to 52 aircraft as of June 30, 2014, which includes 3 brand new Airbus A330 aircraft. CEB saw an increase in average fares by 8.0 % to ₱2,451 for the six months ended June 30, 2014 from ₱2,270 for the same period last year and this also contributed to the improvement of revenues. Cargo revenues grew by 17.3% to ₱1.44 billion following the increase in the volume and average freight charges of cargo transported in 2014. Ancillary revenues went up by 25.7% to ₱4.43 billion. Online bookings accounted for 57.3% of the total sales in the six months ended June 30, 2014 compared to 57.1% in the same period last year. Costs and operating expenses increased 25.8% to ₱23.76 billion for the six months ended June 30, 2014 attributed to expanded operations with the launch of its long haul services last October 2013 and growth in seat capacity from the acquisition of new aircraft. Net foreign exchange gain of ₱717.78 million for the first half of 2014 resulted from the appreciation of the Philippine peso to ₱43.65 per U.S. dollar for the six months ended June 30, 2014 from ₱44.395 per U.S. dollar for the twelve months ended December 31, 2013 based on PDEX closing rates. Cebu Pacific's major exposure to foreign exchange rate fluctuations is caused by its U.S. dollar denominated long-term debt related with aircraft acquisitions. As a result, net income for the six months ended June 30, 2014 amounted to ₱3.18 billion, a growth of 124.7% from the ₱1.41 billion net incomes earned in the same period last year.

**JG Summit Petrochemicals Corporation's (JGSPC)** revenue for the first half of fiscal year 2014 amounted to ₱240.41 million, a 73.90% decrease from last year's ₱922.69 million as a result of the technical shutdown of the production since the start of the fiscal year in October 2012. The shutdown is necessary for the full implementation of the on-going PE Capacity Expansion and PP Rehabilitation projects. Costs and

expenses for the period amounted to ₱540.51 million, a 62.0% decrease from last year's ₱1.42 billion relative to non-production. A net foreign exchange gain of ₱57.17 million was recognized for the first half of 2014, a significant increase from last year's ₱8.82 million. Interest expense also decreased ₱5.62 million from ₱19.06 million due to lower debt level for the period resulting to a lower net loss of ₱303.33 million for the six months of fiscal 2014 from ₱568.43 million for the same period last year..

**Robinsons Bank Corp.** reported a net income of ₱125.62 million for the six months ended June 30, 2014 a 66.9% decline from last year's ₱379.52 million in the same period. The decline in net income is mainly due to lower revenues recorded during the period, from ₱1.59 billion for the six months period of fiscal 2013 to ₱1.26 billion for the same period this year. This decrease in revenues is attributed to lower trading gains of ₱30.07 million recorded for the period in 2014, a 92.7% drop from last year's ₱411.64 million.

**Equity earnings** from associated companies and joint ventures increased 323% to ₱3.81 billion for the six-month period ended June 2014 from ₱900.92 million for the same period last year. The increase is primarily due to the equity earnings from Meralco amounting to ₱2.61 billion for the first half of fiscal 2014.



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