



LT GROUP, INC.

Press Release

LT Group, Inc.'s (LTG) reported an attributable net income of Php7.24 billion for 1Q25, 13% higher than 1Q24's Php6.42 billion.

LT Group, Inc. (LTG) reported an attributable net income of Php7.24 billion in 1Q25, 13% higher than 1Q24 and the company's best first-quarter performance since its follow-on public offering.

Philippine National Bank (PNB) contributed Php 3.42 billion or 47%. FTC representing the tobacco business contributed Php2.80 billion or 39% of total. Tanduay and Asia Brewery added Php525 million and Php178 million, respectively or 7% and 3% each. Eton and Victorias Milling Company accounted for Php143 million or 2% and Php154 million or 2%, respectively.

LTG declared dividends of Php3.25 billion in March 2025 (Php0.15 per share regular, Php0.15 per share special), representing an 11.2% pay-out rate.

As of March 31, 2025, the company's Debt-to-Equity Ratio was 3.17:1 with the Bank and 0.11:1 without the Bank. The parent company held a cash balance of Php2.07 billion.

Philippine National Bank (PNB)

PNB's net profit under the pooling method was Php6.09 billion in 1Q25, Php784 million or 15% higher than the Php5.31 billion reported in 1Q24.

Gross interest income in the current period of Php17.17 billion was higher by 7% y-o-y. This growth stemmed from higher yields and increased volumes in trading and investment securities as well as loans and receivables. With the gross interest expense growing at a modest 1% to Php4.45 billion primarily due to increase in the interest cost of deposit liabilities, the net interest margin improved to 4.5% from 4.4%, resulting in a 9% y-o-y increase in core income to Php12.71 billion.

Further contributing to the strong quarter performance was a 20% surge in net service fees and commission income to Php1.42 billion, primarily driven by higher income from loan-related and trade-related activities, bancassurance, credit-card and underwriting fees.

Trading and investment securities and net foreign exchange gains were higher at Php862 million in 1Q25 compared to 1Q24's Php522 million due to increased trading profits and foreign exchange transaction gains.

Other income was higher at Php1.07 billion for the quarter compared to Php664 million for the same period last year primarily driven by increased ROPA sale gains.

Operating expenses were 5% higher at Php8.35 billion from Php7.96 billion last year, primarily attributable to higher compensation and fringe benefits, taxes and licenses and other miscellaneous expenses.

Fortune Tobacco Corporation (FTC)

FTC reported a net income of Php2.81 billion in 1Q25 which was 6% higher than the Php2.66 billion reported in 1Q24. This was primarily due to higher equity in net earnings from PMFTC which amounted to Php2.76 billion, a 7% increase compared to last year's Php2.59 billion.

Despite flat industry volume at 11.9 billion sticks, PMFTC's volume increased slightly to 5.6 billion sticks from 1Q24's 5.5 billion. This, combined with price increases implemented in November 2024, led to higher earnings.

Following the continued implementation of Republic Act 11346, and the resulting excise tax increases, PMFTC adjusted cigarette prices on November 25, 2024. Marlboro is now priced at Php9 per stick, while Marlboro Crafted, Fortune and Jackpot are priced at Php8 and Chesterfield at Php7. These price changes were intended to cover the annual 5% increase in excise taxes, which is now at Php66.15 per pack of 20 sticks effective January 1, 2025.

PMFTC has expanded its product line beyond traditional cigarettes to include smoke-free alternatives, including IQOS ILUMA heated tobacco products and ZYN oral nicotine pouches – the first in the Asia-Pacific region. PMFTC's smoke-free products are designed to offer an alternative to traditional smoking, with IQOS using patented smartcore induction system to heat tobacco without burning it, offering a new and diverse experience.

The Government continued its efforts against Illicit trade. From adhoc seizures in the past, these have progressed to simultaneous and coordinated nationwide multi-agency operations.

Tanduay Distillers, Inc. (TDI)

TDI posted a net income of Php528 million for 1Q25, a significant increase of 107% from the Php255 million recorded in the same period last year. This was driven by higher net revenues at Php7.19 billion in 1Q25, 22% higher than the Php5.90 billion reported in 1Q24. This was primarily attributed to increased sales volume and higher selling prices in the liquor segment.

The higher sales volume and increase in production costs drove the 17% increase in cost of sales to Php6.02 billion in 1Q25 compared to Php5.13 billion in 1Q24. Despite increase in costs, gross profit margin improved to 16% in 1Q25, higher than the 13% in 1Q24 mainly on account of improved margins in the liquor segment.

Operating expenses were higher at Php496 million in 1Q25 compared to Php440 million in 1Q24 due primarily to higher advertising, personnel cost, taxes and other expenses.

TDI remained strong in the Visayas and Mindanao regions, where it holds a dominant share of 67.5% and 81.6%, respectively. TDI's nationwide market share for distilled spirits, increased to 38.1% in 1Q25, compared to 32.9% in 1Q24.

Asia Brewery, Inc. (ABI)

ABI's net income was higher at Php178 million for the quarter ended March 31, 2025 from Php155 million in the same period last year.

Revenues of the beverage segment were at Php4.31 billion in the current period, 2% lower than 1Q24, as sales volume decreased for Cobra Energy Drinks. Cost of sales decreased at a faster rate of 6% at Php3.27 billion for 1Q25 on account of packaging and formulation improvements. There was an improvement in the gross profit margin to 24% from 21% due primarily to better sales mix, lower discounts provided to distributors as well as decrease in fixed manufacturing costs.

Operating expenses increased to Php737 million in 1Q25 due to higher selling expenses and personnel costs.

Cobra energy drink was the leading energy drink in the first quarter of 2025. Absolute and Summit bottled water brands ranked third among local water brands.

Eton Properties Philippines, Inc. (Eton)

Eton reported a net income of Php144 million for the first three months of 2025, higher than the Php116 million for the same period last year.

Leasing revenues remained essentially flat y-o-y, reaching Php473 million (82% of total revenue) in the current period compared to Php476 million in the same period of 2024. Real estate sales were at Php102 million for the period ended March 31, 2025 as the company continued to sell the remaining inventory of previously launched projects in 68 Roces in Quezon City and in Eton City, Laguna.

Operating expenses were essentially flat at Php203 million y-o-y. Other income was higher due mainly to higher marketing fees earned.

Eton's leasing portfolio comprises 269,400 square meters, with approximately 192,000 square meters dedicated to office space.