

## **Crown Asia Chemicals 1H 2016 Earnings Grows by 60.8%**

- 1H earnings grew by 60.8% to P66.4 million from P41.3 million last year
- Revenues for the period increased by 12.7% to P562.8 million from P499.3 million
- 2Q 2016 earnings rise by 41.7% to P34.1 million from P24.1 million a year ago

Crown Asia Chemicals Corporation (CROWN) reports an earnings growth of 60.8% to P66.4 million for the first six months ended June 30, 2016 from P41.3 million for the same period of the previous year as earnings for 2Q 2016 jumped by 41.7% to P34.1 million from P24.1 million a year ago.

Consolidated revenues increased by 12.7% to P562.8 million from P499.3 million for the comparative periods. Revenues for the April to June 2016 period improved by 8.8% to P285.5 million from P262.4 million a year ago.

Crown's revenues and profit growth for the 1<sup>st</sup> semester of the year was attributed to the Pipe Group's sales increase of 48.0% to P270.2 million from P182.5 million in the previous year owing to the strong growth in both project and trade sales segments. Project sales increased by 50.4% to P167.3 million from P111.2 million in the previous year. It comprised 61.9% of the Pipe Group's sales. Trade sales on the other hand exhibited a 44.3% growth to P102.9 million from P71.3 million in the same period last year. It accounted for the 38.1% of the Pipe group's sales. The Pipes Group's increase in sales was accompanied by an increase in volume sales.

The Compounds division sales eased by 7.62% to P24.1 million as a result of the pricing pressures from both export and local markets. This was a result of the Compounds division approach to maintain its relationship with its loyal customers. The net result was stable volume sales. Moving forward, the Compounds division is expected to see renewed improvements in its sales owing to the growing sales of bottles, IC tubes packaging, films and sheets applications.

For the first six months of the year, the Pipe Group profit grew by 95.5% to P37.1 million from P18.9 million, accounting for 56.0% of CROWN's earnings. The Compounds division net earnings increased by 31.4% to P29.3 million from P22.3 million in the previous year, accounting for 44.0% of consolidated earnings for the period.

As per CROWN's Chairman, Walter H. Villanueva, "The company is on track for a banner year for the company. Its push in project sales is delivering results. The product diversification that began with the Enduro pipe line is expected to contribute in the 2<sup>nd</sup> half of the year. Other product diversification in the pipeline is geared towards serving more untapped market segments such as the mid-cost and mass housing markets in the years to come."

Crown Asia Chemicals Corporation registered net income of P100.2 million in 2015. On May 27, 2016, the Company paid cash dividends amounting to P31.5 million representing cash dividend of P 0.05 per share. The P 0.05 cash dividend consisted of regular dividend of P 0.018 per share PLUS special dividend of P 0.032 per share.