

# Crown Posts 1<sup>st</sup> Quarter 2015 Financial Results

Following a successful Initial Public Offering (IPO) last 27 April 2015, Crown Asia Chemicals Corporation ("Crown") disclosed a 96.6% growth in Net Income at P17.2 million from P8.7 million for the same quarter last year.

Consolidated revenues, from Compounds and Pipe divisions, increased by 12.4% to P236.9 million from P210.7 million in the same period in 2014. Sales rose 9.0% and 18.7% in the first three months of 2015 to P148.0 million and P88.9 million from Compounds and Pipes sales, respectively. Topline growth was primarily driven by larger order volumes from customers in the private sector and supply agreements with certain government infrastructure projects for CROWN Pipes while exports of PVC compounds increased by 67.9%.

In contrast, Cost of Sales rose by only 7.0% to P183.00 million owing to lower costs of raw materials and controlled manufacturing overhead leading to an expanded Gross Profit margin of P14.2 million or 35.6% in the first quarter of 2015. Operating expenses remained stable at P28.4 million, slightly higher by 1.4% from same quarter in 2014 as a result of cost containment efforts implemented across the business.

Walter H. Villanueva, Chairman and Pipe Group Head said, "With the PPR plant slated to begin commercial operations in the second half of the year, it is seen to further boost revenues and generate synergies. Crown is expected to continuously benefit from the robust construction industry as more aggressive marketing campaigns will be launched to advance market share and tap new segments."

CROWN shares are traded in the Main Board of the Philippine Stock Exchange with an initial offer price of P1.41 per share.