



Cosco Capital nets PHP 4.2 billion, up 21.6% in 1H 2018

Manila, Philippines – Cosco Capital, Inc., the retail holding firm of Mr. Lucio L. Co, reported a consolidated net income growth of 21.6% to PHP 4.2 billion in the first six months of 2018 driven by the continued economic growth and the higher consumer spending as a result of the tax reform law.

Net Income attributable to equity holders of the parent company grew by 20.7% to PHP 2.66 billion. The group's grocery retailing businesses, Puregold Price Club, Inc. and S&R Membership Shopping Club, contributed 59% of total profits, followed by the Commercial Real Estate segment with 22% and the Liquor Distribution with 14%. The group's Specialty Retailing segment, composed of Liquigaz Philippines Corporation ("Liquigaz") and Office Warehouse, Inc., accounted for 9% of net profit.

The Group's grocery retail segment, Puregold Price Club, Inc. and S&R Membership Shopping Club, grew its Consolidated Revenues by 13.2% to PHP 64.03 billion, while Consolidated net income increased by 23.8% to PHP 3.08 billion. The group opened a total of 15 new Puregold stores, 2 new S&R Warehouse Clubs and 4 new S&R QSR in 1H 2018.

The Liquor Distribution business posted a 48.8% growth in revenues to PHP 3.73 billion, on the back of a 44% increase in volume of cases sold in 1H 2018. The growth is primarily driven by the increase in sales of Alfonso Light Brandy and Alfonso Brandy.

For the Specialty Retailing business segment, Liquigaz Philippines Corporation generated a 28% increase in revenues to PHP 7.59 billion mainly driven by increase in sales volume and the recovery in global LPG prices during the period, while Net Income declined by 9% to PHP 233 million. Office Warehouse, Inc.'s revenues grew by 15.1% to PHP 1.01 billion. Office Warehouse currently has 85 store in operations.

The group's Commercial Real Estate segment posted 7.6% increase in total revenues to PHP 1.22 billion and 7.5% increase net income of PHP 571 million in 1H 2018.