



## CENTURY PACIFIC NINE-MONTH 2016 NET INCOME UP 44% TO PHP 2.16 BILLION

The Philippines' largest canned food company, Century Pacific Food, Inc (CNPF), saw its net income increase 44% year-on-year to Php2.16 billion during the nine months ending September 2016. This was driven by sustained growth in its branded food business, generally subdued input costs, and the consolidation of recently acquired coconut subsidiary, Century Pacific Agricultural Ventures, Inc. (CPAVI).

For the third quarter alone, profits totaled Php798 million, representing a 42% increase from last year and a 10% increase from the quarter before. Year-to-date revenues were likewise up 22% to Php21 billion.

"Our branded businesses have maintained double-digit growth owing to our various sales and marketing initiatives, coupled with sustained consumer spending. Increasing demand for convenient, healthy, and affordable staples has benefitted our core offerings as well as recent product innovations," said CNPF's Chief Finance Officer Oscar Pobre.

The domestic top-line was also supported by the growing coconut exports business and a recovery in original equipment manufacturer (OEM) tuna exports, which saw its third quarter revenue growth reverse back to the double-digits.

"At the same time, we are cautious given some slowdown which is likely affected by several factors. These include the absence of election-related spending and the delay in school openings into the second half. Another headwind was elevated coconut prices due to this year's El Niño phenomenon," Pobre said.

Nonetheless, CNPF continued to post better overall profitability, mainly attributable to sustained favorable input costs across other business segments, efficiency gains, and improved sales contribution from higher-margin products.

Year-to-date operating profit margins increased to 14% from 12% the year before, while net income margins grew to 10% from 9% in 2015.

Pobre added, "Despite some challenges, we remain optimistic that we will hit our targets and that Philippine consumption will remain generally healthy."

The Company expects to maintain its double-digit growth rates for the full-year 2016.

With a track record in brand-building that spans more than thirty years, the Company has developed several household names that include *Century Tuna*, *Argentina Corned Beef*, *555 Sardines*, *Angel Milk*, and *Birch Tree Powder Milk*.

More recently, CNPF has acquired the license to the *Kamayan* trademark for North America. The brand is one of the top names in the U.S. market for shrimp paste – a popular condiment in Philippine cuisine, locally known as *bagoong*. The purchase is expected to support the growth of the Company’s international branded business, as well as expand its presence into adjacent shelf-stable categories.

### About CNPF

Century Pacific Food, Inc (PSE: CNPF), the Philippines’ largest canned food company, is engaged in the development, marketing, and distribution of processed fish, meat, dairy, and coconut under its own brands, as well as the brands of others. It maintains market leadership locally in the canned fish and canned meat segments, while actively growing its presence in canned and powdered milk. The Company is also the Philippines’ leading exporter of OEM tuna and coconut products.