



SBS PHILIPPINES CORPORATION

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PSE / MEDIA RELEASE : SBS REPORTS 2015 HALF YEAR RESULTS (Unaudited)

SALES UP BY 27.3% TO PhP 458.6 MILLION NET INCOME DOUBLES TO PhP 75.2 MILLION

SBS Philippines Corporation (SBS), one of the leading trading and distribution houses in chemical distribution in the Philippines, today announced its results for the six months ended 30 June 2015.

Highlights 1H 2015

- **First half 2015 net sales increased by 27.3% year on year, from P360.2 million to P458.6 million propelled by the strong growth in the food ingredients business**
- **Net income more than doubled to P72.5 million in IH 2015, from P33.7 million in 1H 2014 to P72.5 million in IH 2015 on account of the increase in sales of higher margin products and other income**

SBS Philippines Corporation ("SBS" or the "Company") continued with its growth momentum as it reported sales of P458.6 million in the first half of 2015, up by 27.3% compared to previous year comparable period of P360.2 million. The strong sales performance in the first half of 2015 was primarily driven by the food ingredients business which accounted for significant portion of the sales increase and the balance by pharmaceutical, feeds, veterinary care and industrial products. The Company benefitted from the increased chemical consumption by the manufacturing and production sectors driven by the strong domestic private consumption.

Substantial increases in earnings were also posted by the Company in the first six months of 2015 which showed operating profit and net income more than doubling in value from those recorded for the same period in 2014 as continued focus on high margin products and operational improvements increased profitability. Net profit rose to P72.5 million in the first half of 2015 from P33.7 million registered for 2014 comparable period. This exceptional profit growth was supported by organic growth, efficiency enhancing measures which lowered operating expenses in 2015 and increases in income contributions from non-core assets.

"In the light of the continued economic development in the country and ASEAN region, the chemical distribution business is seen to continue its strong growth and SBS will be in the forefront of this trend given its highly diversified product lines and customer base. The remarkable results for the first half of 2015 show the Company's continuing healthy growth. The Company expects to steadily benefit from this positive market development and continue with its accelerated organic growth," said Mr. Esmeraldo A. Tepace, Executive Vice President and General Manager of SBS.

Disclaimer: *This Announcement may contain forward-looking statements relating to the future performance of SBS that are based on the Company's current expectations, forecasts and assumptions and involve risks and uncertainties. Actual results may differ materially from those expressed in forward-looking statements and reported results should not be considered as an indication of future performance. Factors that can cause or contribute to such differences include, but are not limited to, changes in political, business and economic conditions, general economic downturn or crisis, major fluctuations in exchange rates, effect of business initiatives and management changes, changes in business strategy, shifts in customer demands and preferences, industry trends, changes in government regulations, and the Company's ability to deal with the increasingly competitive commercial environment. You are cautioned not to place undue reliance on these forward looking-statements which are based on the current view of management. The Company assumes no obligation to update such statements, except as required by law.*

About SBS Philippines Corporation ([www. systemengco.com](http://www.systemengco.com))

SBS Philippines Corporation (the "Company") is one of the major chemical trader-distributor in the Philippines supplying a diverse customer base of more than 1,800 customers with over 3,000 chemical products sourced from more than 500 suppliers.

The Company offers a comprehensive selection of chemical products to service its wide set of clientele in the following industries: (i) food ingredients, (ii) industrial, (iii) feeds and veterinary care, (iv) pharmaceutical, (v) personal care and cosmetics.

The Company's logistics infrastructure includes a network of 15 warehouse facilities located at 5 different sites in the greater manila area and the province of Bulacan, providing for a combined floor space of over 46,000 square meters and a storage capacity exceeding 18,000 MT. Its warehousing and distribution infrastructure provides for enormous flexibility to distribute a variety of products to a diverse set of customers and markets.

The Company's scale and distribution reach, combined with its diversified product offering, deep industry knowledge, and value-added services on logistics management provide the Company with a distinct competitive advantage as the "one-stop shop" resource for chemical requirements.

More information on SBS and its IPO is available in its Prospectus dated 24 July 2015 which can be downloaded at the SBS website at www.sytengco.com.

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