

## **PHINMA CORPORATION FIRST HALF 2014 RESULTS**

For the first half of 2014, consolidated revenue of Phinma Corporation (PHN) increased 7% to P2.7 billion compared to the first half of 2013. Consolidated revenue increased across the board for all subsidiaries including Union Galvasteel Corporation, the four schools of the Phinma Education Network (PEN), Fuld US and Fuld Philippines.

Consolidated Costs and Expenses of PHN for the six months increased 9% to P 2.5 billion due to higher costs of the subsidiaries and increased expenses, including increased depreciation costs from school building improvements. Despite higher income from the subsidiaries, consolidated income from operations decreased from P 181 million to P 154 million in the first half of 2014 mainly due to a decline in investment income and an increase in expenses of the parent company.

Equity in net earnings from associates decreased from P83 million in the first half of 2013 to P44 million in the first half of 2014 due to a decline in income contribution of affiliates Trans Asia Oil & Energy Development Corporation (TA Oil) and Phinma Properties Holdings Corporation (PPHC).

Consolidated net income of the company for the first half decreased from P185 million in 2013 to P127 million in 2014 while net income attributable to equity holders of the parent amounted to P 106 million in 2014.

Phinma Corporation continues to have a strong balance sheet, with cash and short-term investments of P 1.2 billion , total assets of P 10.2 billion and equity of P 7.0 billion.