

PRESS RELEASE

CLI 1H net income rises 30% as sales surge

Leading VisMin-based developer Cebu Landmasters Inc. announced that its net income jumped by 30 percent in the first six months as sales from its property projects surged.

Net profit from January to June climbed to P826 million from P633 million last year. Consolidated revenue reached P2.6 billion, growing by 45 percent year on year.

“We are pleased to report the company’s outstanding performance for the first half of 2018. With record-breaking sales accompanied by our fast-turnaround development, we are confident that this momentum can be sustained,” said Jose Soberano III, CLI president and chief executive officer.

Real estate sales, the company’s core business, increased a hefty 45 percent to P2.585 billion from P1.788 billion last year. MesaVerte Residences in Davao City, Baseline Center in Cebu City, Casa Mira South in Naga City and Casa Mira Towers Labangon in Cebu City were the primary contributors to the robust performance.

For the first six months, the listed developer kept its target net profit margin of 30 percent as operating expense or OPEX ratio, the cost to operate a property versus its income, decreased to 10 percent from 13 percent.

CLI expects to end the year with P5.3 billion in revenue and P1.7 billion in net income. Reservation sales, or sales from developments not yet under construction, are projected at P7 billion, with P4.6 billion or 65 percent of the goal already achieved in the first half.

Soberano said CLI will meet its targets as it introduces fresh inventory to the market in the next months. These projects will be located in Cebu, Davao, Cagayan de Oro and in its new expansion sites in Iloilo, Bacolod and Bohol.

“We just launched Astra Centre, CLI’s second mixed-use property that will soon rise at the heart of A.S. Fortuna Street in Mandaue City, Cebu and is expected to change its landscape,” he said.

By end-August, the Cebu-based developer targets to fully spend the P2.15 billion raised from its initial public offering last year. The proceeds were used mainly to fund acquisitions and joint ventures, which are seen to start generating returns by next year.

The developer has bought a total of 767,917 sq.m. of land while 420,573 sq.m. were developed to new projects. This brings CLI's landbank as of June 2018 to 976,302 sq.m, a 55 percent increase from 628,958 sq.m. during IPO. Of these, 26 percent is in Cebu, 41 percent in Mindanao and the rest in other parts of Visayas.

In June, the property firm signed an agreement with four of the largest banks to issue P5 billion worth of corporate notes, the proceeds of which will be used to fund the planned capital expenditures for the remaining months of the year. **END**

SUGGESTED PHOTOS



Casa Mira Towers - Labangon, CLI's two-tower economic condominium project with 686 units is a primary contributor to the company's robust 1H sales and is scheduled for turnover by second half of 2018.



Base Line Center, CLI's first mixed-use development located in Cebu City, another contributor of the company's first half of the year robust sales.