

Belle's profit soars 74% to P3.1 B in 2016

Published March 1, 2017, 10:01 PM

Belle Corporation reported yesterday a consolidated net income of P3.1 billion for 2016, which is P1.3 billion or 74 percent higher than net income of P1.8 billion for 2015.

Excluding extraordinary items, principally a capital gain of P352 million on the sale of 26 million shares of SM Prime Holdings, Inc. in July 2016, Belle's recurring net income of P2.1 billion for 2016 was higher by P737 million or 55 percent, over recurring net income for 2015 of P1.3 billion.

Due to the company's strong profitability, it declared a regular cash dividend of nine-and-a-half centavos (P0.095) per share to its common shareholders on February 28, 2017. This equates to a total dividend payment of approximately R1 billion payable on March 30, 2017 to shareholders of record as of March 14, 2017.

The company's operating growth in 2016 was fueled primarily by growth in its revenues from City of Dreams Manila. Its share in the gaming income of City of Dreams Manila, through its 78.7%-owned subsidiary, Premium Leisure Corporation (PLC), more than doubled to P1.6 billion in 2016 from P756 million in 2015. This was attributable to the ramp-up in gaming operations at City of Dreams Manila, which held its grand opening in February 2015. PLC has an operating agreement with Melco Crown Entertainment Limited (MCE) that accords it a share of gaming revenues or earnings at City of Dreams Manila.

Belle also realized higher revenues from its real estate businesses. Total real estate-related revenues increased by P90 million (3%), from P2.69 billion in 2015 to P2.78 billion in 2016. Of its 2016 revenues, P2.19 billion were derived from its lease of the land and buildings comprising City of Dreams Manila to MCE, with the balance of P586 million coming from sales of real estate products and property management activities at its Tagaytay Highlands and Midlands residential and leisure complexes south of Metro Manila.