

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. May 15, 2023
Date of Report (Date of earliest event reported)
2. SEC Identification Number 51048 3. BIR Tax Identification No. 042-000-053-167
4. FILINVEST DEVELOPMENT CORPORATION
Exact name of issuer as specified in its charter
5. Philippines 6. (SEC USE ONLY)
Province, country or other Industry Classification Code:
Jurisdiction of incorporation
7. The Beaufort, 5th Avenue corner 23 Street, Bonifacio Global City, Taguig City 1634
Address of principal office Postal Code
8. (632) 7918-8188 / 7798-3958
Issuer's telephone number, including area code
9. Not applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Section 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	8,648,462,987

11. Indicate the item numbers reported herein: Item 9

Please see attached letter. FDC records 1Q23 net income growth of 146% to ₱2.2B

SIGNATURES

Pursuant to the requirements of the Securities' Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 15, 2023

FILINVEST DEVELOPMENT CORPORATION

Issuer


MA. RUIZA R. HERMANE
Assistant Corporate Secretary

PRESS RELEASE
(Updated May 17, 2023)

FDC records 1Q23 net income growth of 146% to ₱2.2B

May 15, 2023 – Filinvest Development Corporation (FDC) reported a net income attributable to equity holders of the parent company of ₱2.2 billion in the first quarter of 2023, growing by 146 percent from the ₱874.2 million in the same period last year while consolidated net income was recorded at ₱2.9 billion, rising by 110 percent. The growth was achieved on the back of the compelling income recovery of the businesses under the Filinvest group. Total revenues rose by 34 percent to ₱20.7 billion, faster than the increase in costs and expenses of 27 percent to ₱17.3 billion.

“We are pleased with the solid recovery of FDC having seen an acceleration in earnings across all the business units. We expect to sustain this momentum moving forward given the continuous improvement in business activity in the country despite some macroeconomic headwinds. The consistently high domestic demand driven by strong household consumption should bode well for our businesses that are strongly focused on the middle market,” said FDC President and CEO Josephine Gotianun-Yap.

Banking and financial services accounted for 44 percent of FDC’s bottom line in 1Q23, contributing a net income of ₱1.5 billion to FDC. This was followed by the property business, composed of the real estate and hospitality segments, which posted a combined ₱953.8 million or 28 percent of total. The power subsidiary contributed ₱614.3 million in net income or 18 percent of total, while the balance of 11 percent came from other businesses.

EastWest Bank (EW) delivered a net income contribution to the group of ₱1.5 billion in the first quarter of 2023, 272 percent higher than the same period last year, as asset build-up in the latter half of 2022 started to bear fruit. On a standalone basis, net interest income of EW, which accounts for 78 percent of revenues, increased by 17 percent to ₱6.1 billion brought about by the 19 percent expansion in lending activities led by credit cards, auto and key salary loan segments. Complementing revenues were higher non-interest income which grew by 2.8x to ₱1.7 billion, mainly due to higher fees and commissions, as well as securities trading gains. Return on equity (ROE) was recorded at 10.2 percent while total assets ended at ₱403.0 billion as EW deployed its excess liquidity towards high-yielding consumer loans and long-term securities.

FDC’s real estate business, composed of listed subsidiary Filinvest Land, Inc. (FLI) and Filinvest Alabang, Inc. (FAI), contributed ₱1.0 billion in net income to the group in the first three months of 2023, 10 percent higher than the ₱920.6 million in the same period last year. The growth was led by the 20 percent improvement in mall and rental revenues to ₱1.8 billion, driven by higher mall occupancy levels and foot traffic. Revenues from the residential segment likewise rose by 4 percent to ₱2.9 billion as a result of construction progress. Office leasing revenues, despite the sector’s challenges due to changing physical work arrangements, improved by 2 percent to ₱1.1 billion.

The power subsidiary, FDC Utilities, Inc. (FDCUI), reported a 25 percent improvement in both revenues and net income to ₱3.3 billion and ₱614.3 million, respectively. The revenue growth was driven by higher power rates as pass-through fuel costs correspondingly increased. FDCUI operates an aggregate 405-megawatt clean coal plant located in Misamis Oriental in Mindanao that services a diverse customer base composed of 16 mostly triple A distribution cooperatives and one directly connected customer from the region. FDCUI also has solar energy solutions through a 60:40 joint venture with Engie Services, one of the largest power generators and distributors in the world. Its renewable energy flagship project, the 2.8-megawatt solar rooftop facility in Festival Mall Alabang, started commercial operations in January 2021. The Filinvest group likewise has interests in water through FDC Water Utilities Inc. (FDC Water), which is a wholly owned subsidiary of FDCUI.

Hotel operations under Filinvest Hospitality Corporation (FHC) saw a rebound in revenues as it grew 2.4x to ₱685.9 million in the first quarter of 2023 compared to the same period last year. The steady resurgence of tourism supported the increase in occupancy and room rates across all the operating properties, namely Crimson in Boracay and Alabang, and Quest in Cebu, Clark and Tagaytay. FHC's portfolio has approximately 1,800 rooms across seven hotels in seven cities and five regions under the Crimson and Quest brands. FHC recently added Timberland Highlands Resort in Rizal in its portfolio.

The company's balance sheet remained healthy at the end of the first quarter of 2023, with total assets of ₱672.1 billion. FDC has adequate resources to pursue growth opportunities having a comfortable long-term debt-to-equity ratio of 0.8:1. For this year, the Filinvest group is earmarking a total combined capital expenditure budget of ₱35 billion, of which about half is slated for the real estate and hospitality businesses. The balance will go to investments in new ventures such as renewables, water and other urban solutions.

###

For inquiries, please contact:
Suzette P. Naval
suzette.naval@filinvestgroup.com

About Filinvest Development Corp.

Filinvest Development Corp. (FDC) is one of the leading, stable and diversified conglomerates in the Philippines. Through its diverse businesses, FDC has established a strong reputation as a dependable partner in economic development. FDC currently has strategic holdings in key industries such as real estate development and leasing, banking and financial services, hotel and resort management, power generation and sugar.

FDC aims to grow this legacy of success by continuing to strengthen its position in the industries where it competes and embarking on new endeavors that will bolster its role in nation building. Visit www.filinvestgroup.com for information on the company.