RFM CORPORATION
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RFM's Third Quarter Income Up 20% to P211 Million

Food and beverage company RFM Corporation reported today a net income of P211 Million for the third quarter of 2017, higher by 20% over the same period last year on the back of P3.16 Billion revenues, up 7% over the revenues posted for the same period last year.

RFM President and CEO Jose A. Concepcion III said that Selecta Ice cream sales drove the strong third quarter performance of RFM as the country saw relatively less-than-usual wet weather in the third quarter that helped propel ice cream sales. RFM's ice cream joint venture with Unilever sells ice cream under the Selecta, Cornetto and Magnum brands, among others.

RFM's revenues from its Royal and Fiesta pasta brands as well as from Selecta Milk and Sunkist juices were flat but with expectations of growth pick up in the fourth quarter as the Christmas selling season begins. There was sustained increase in the revenues of the Company's private label bread unit that also helped offset the weaker performance of other institutional revenue sources like flour.

Overall, the strong 20% net income growth of RFM in the third quarter puts RFM on track to beating its reported 2016 net income of Php1 billion.

Concepcion also cited the recently declared cash dividend of Php200M or Php0.057 per share, for shareholders as of record date of October 11, 2017. He said that this second cash dividend declaration in 2017 completes the company's 50% cash dividend on recurring net income. Early this year, RFM declared and paid Php300 million in cash dividends. "Total cash dividends for 2017 now amounts to Php500 million or Php0.14 per share," he added.

The CEO likewise said that "on top of the 50% dividend payout and current share buyback program, RFM continues to ensure long term growth momentum with the planned P1Billion capex program for the ice cream joint venture that would ensure adequate production capacity over the long term. There is also a P250 million capex for RFM's flour unit over two years to upgrade the flour mills and ensure competitiveness of the flour brands."

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