

**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. **November 12, 2018**
Date of Report

2. SEC Identification Number: **167423** 3. BIR Tax Identification No: **000-477-103**

4. **MEGAWORLD CORPORATION**
Exact name of Issuer as specified in its charter

5. **Metro Manila**
Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
Industry Classification Code

7. **30th Floor, Alliance Global Tower
36th Street cor. 11th Avenue
Uptown Bonifacio, Taguig City 1634**
Address of principal office

8. **(632) 894-6300/6400**
Issuer's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Stock Outstanding</u>
Common	32,239,445,872
Preferred	6,000,000,000
Total	38,239,445,872

10. **Item 9(b)**

Please see attached Press Release.

SIGNATURE

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.

MEGAWORLD CORPORATION

Issuer

By:



FRANCISCO C. CANUTO
Senior Vice President and
Corporate Information Officer
November 12, 2018



MEGAWORLD

Megaworld sustains growth momentum as 3Q profits soar 13% to P11.7B

Rental revenues bolster profits; residential growth sustained

MANILA, Philippines, November 12, 2018 – Megaworld, the Philippines’ biggest developer of integrated urban townships and the largest lessor of office spaces, achieved a net income of P11.66-billion during the first nine months of this year, up 12.8% compared to P10.34-billion during the same period last year. Net income attributable to parent company ended at P11.29-billion by end-September, growing 13.1% from P9.98-billion during the same period last year. The robust outing of the company was buoyed in particular by strong rental income from office and commercial space leasing operations. Additionally, sustained growth in residential revenues provided uplift to earnings.

Consolidated revenues, which grew 12.6% for first three quarters of the year, reached P41.76-billion from P37.10-billion during the same period last year.

“We have been tracking a promising trajectory during the first nine months of 2018, and we are optimistic to finish the year strong. The residential landscape has been experiencing a resurgence, which has been very evident in its growth during the past quarters. Our rental business for both offices and Megaworld Lifestyle Malls remains to be the fastest growing segment of the company,” says Francis Canuto, senior vice president and treasurer, Megaworld.

Total residential revenues grew more than 10% for the period this year, ending at P28.39-billion from P25.66-billion during the same period last year as residential sales steadily improved this year.

For the first two reporting periods, residential sales grew around 5% and 7.6% respectively. As of end-September, which marks the end of the third reporting period, Megaworld was able to book P23.04-billion in residential sales, up almost 10% from P20.96 from the same period in 2017.

Gross margins on this side of the business also saw strong improvement of more than 200 basis points year-on-year.

“We have already rolled out quite a number of residential projects this year, which reflects the kind of demand that we have been seeing in 2018. Megaworld will always be market driven, and as long as we see this type of demand on the ground, then we will continue to launch projects aggressively. Moreover, we have already secured the land to do this, which is key in being a leader in this industry,” explains Canuto.

The company’s surging rental income also continued to drive the earnings of Megaworld for the period by growing 18.6% to P10.46-billion during the first nine months of the year compared to P8.82-billion during the same period last year. Likewise, rental revenues from Megaworld’s office and Lifestyle Malls portfolios have been improving this year, growing around 16.5% year-on-year for the periods ending March and June, and 18.6% year-on-year for the period ending September 2018.

The Tan-led company recorded its quarterly rental income during the third quarter of this year at P3.67-billion.

The continued growth of this segment helped change the earnings profile of Megaworld. On EBITDA (Earnings before interest, taxes, depreciation, and amortization), rental income coming from office and Megaworld Lifestyle Malls now account for 51.1% of total EBITDA, compared to only 49.6% during the same period last year and 46.4% from 2015.

During the last 29 years, Megaworld has grown into the country’s largest developer of integrated urban townships and integrated lifestyle communities across the country, the concept that it pioneered in the Philippines. It has built over 660 residential developments, 54 office towers and 17 lifestyle malls across its 23 masterplanned developments covering more than 4,000 hectares of land around the country, which include: Eastwood City in Libis, Quezon City, (18.5 hectares); Newport City in Pasay City (25 hectares); McKinley Hill (50 hectares), McKinley West (34.5 hectares), Uptown Bonifacio (15.4 hectares) and Forbes Town (5 hectares), all in Fort Bonifacio, Taguig City; The Mactan Newtown in Lapu-Lapu City, Cebu (30 hectares); Iloilo Business Park in Mandurriao, Iloilo City (72 hectares); Sta. Barbara Heights in Sta. Barbara, Iloilo (173 hectares); Boracay Newcoast in Boracay Island (150 hectares); Twin Lakes in Alfonso, Batangas near Tagaytay (1,200 hectares); ArcoVia City in Pasig City (12.3 hectares); Southwoods City in the boundaries of Cavite and Laguna (561 hectares); Davao Park District in Lanang, Davao City (11 hectares); Alabang West in Las Piñas City (62 hectares); Eastland Heights in Antipolo, Rizal (640 hectares); Suntrust Ecotown in Tanza, Cavite (350 hectares); Maple Grove in General Trias, Cavite (140 hectares); The Hamptons Caliraya in Lumban-Cavinti, Laguna (300 hectares); The Upper East (34 hectares) and Northhill Gateway (53 hectares) both in Negros Occidental; Capital Town in the City of San Fernando, Pampanga (35.6-hectares); and Westside City in the Entertainment City in Paranaque City (31 hectares). ###