



Industries, Inc.

65 Industria St., Bagumbayan
Quezon City, Metro Manila
1110 Philippines

P.O. Box 446, Greenhills
Metro Manila
1502 Philippines

Tel.: (632) 635 0680
Fax: (632) 635 0703
(632) 635 0696

E-mail : info@dnl.com.ph
Website : www.dnl.com.ph

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PHILIPPINE STOCK EXCHANGE, INC.
Disclosure Department,
Issuer Regulation Division
3/F Philippine Stock Exchange, Inc.
Ayala Triangle, Ayala Avenue
Makati City 1226

Attention: MS. JANET A. ENCARNACION
Head, Disclosure Department

Madam:

We are submitting herewith the Company's Press Statement in connection with the full year 2012 unaudited consolidated results.

This report is made in compliance with the Revised Disclosure Rules.

Thank You.

Very truly yours,

Alvin D. Lao
EVP & Chief Finance Officer

Cc: Securities & Exchange Commission

D&L Industries Announces Full Year 2012 Results

- **Net Income breaches P1 billion mark for the first time. Including one-time gains from sale of land, consolidated net income hit P1.33 billion, 34% higher year-on-year, or EPS of P0.37. Recurring Net Income up 4% to P1.03 billion or P0.29**
- **Customized food ingredients and other specialty products continue to drive the group's margins higher. Gross Profit Margin up 2.6 pct points to 15.9%, Net Income Margin up 1.8 pct points to 9.5%**
- **Shifting sales mix: 2/3 Higher Margin Specialty products, 1/3 Commodities. As a result of the reduction in commodity business, consolidated revenues were down 15% year-on-year to P10.88 billion**
- **IPO last 12-12-12 raised P4.4 billion in net proceeds**

February 21, 2013 – D&L Industries recurring net income reached a record high of P1.03 billion, or EPS of P0.29, for the full year of 2012, 4% higher than the same period last year. Including one-time gains from the sale of land, consolidated net income hit P1.33 billion, 34% higher year-on-year, or EPS of P0.37.

Revenues were down 15% year-on-year to P10.88 billion as the group strategically sold less of its big volume, low margin refined vegetable oils and put more focus on high margin specialty products (HMSP). From less than half in 2009, HMSP now account for two-thirds of the group's overall sales. Sales also dropped on lower raw material prices, in particular prices of coconut oil and palm oil.

As a result of this sustained effort to de-emphasize its low-margin commodity business, overall profitability continued to improve for the 3rd straight year. Gross Profit Margin grew from 13.3% to 15.9%, while Net Income Margin rose from 7.6% to 9.5%.

D&L Industries raised P4.4 billion in net proceeds from an initial public offering on December 12, 2012. About P1.44 billion have been used for debt payments, bringing down net gearing from 0.8x in 2011 to -0.3x as of yearend. The group has a dividend policy of a minimum 25% payout ratio, plus option to declare special dividends.

Financial Summary

As % of	OFI	DLPC/FIC	API	Chemrez*	D&L
	<i>Food Ingredients</i>	<i>Plastics</i>	<i>Aerosols</i>	<i>Oleochemicals, Resins & Powder Coating</i>	
FY2012, Revenue/Net Income	73% / 32%	24% / 32%	3% / 4%	7%	25%
FY2011, Revenue/Net Income	80% / 43%	18% / 30%	2% / 4%	10%	13%

*34% equity investment

Product Mix

	2009	2010	2011	2012
High-Margin Specialty Products	48%	58%	57%	66%
Low-Margin Commodity Products	52%	42%	43%	34%

Food Ingredients

As Oleo-Fats, Inc. shifted focus away from Refined Vegetable Oils, consequently it saw good volume growth and margin expansion within Specialty Fats and Oils. In 2011, the low-margin Refined Vegetable Oils accounted for 60% of sales, putting pressure on profitability. But as of last year, its share has been trimmed down to 45%. Higher margin Specialty Fats and Oils gained ground, with its 35% share to total sales in 2011 already close to half in 2012.

This strategy lifted margins higher, easing the 17% drop in overall sales to P7.9 billion that were due to lower volumes from the refined vegetable oils and lower commodity prices. OFI ended the year with a net income of P419 million versus P427 million in 2011.

Plastics

The plastics business delivered impressive topline and bottomline performance. Overall volume for the year increased 17%, benefitting from the recovery of the operations of the auto part manufacturers after the tsunami in Japan and the flooding in Thailand in 2011. Sales totalled P2.62 billion, up 16% from 2011.

Having a plant located in a Philippine Economic Zone Authority (PEZA) -registered location, D&L Industries' subsidiary D&L Polymer and Colours (DLPC) enjoys an Income Tax Holiday until 2014 and extendable until 2017. The plastics business contributed P428 million in net income, or 32% of the group's bottomline in 2012.

During the year, DLPC partnered with Showa Denko for the manufacture of *Bionolle Starcla™*, a starch-based material that is fully biodegradable and compostable. It's used in mulching films, garbage, compost and shopping bags. With the first shipment made on December 2012, DLPC continues to get strong demand overseas.

Chemrez

Given volatile raw material prices and intense market competition, 2012 continued to be a tough operating environment. For the full year, sales of Chemrez Technologies were down 24% year-on-year to P3.9 billion. Biodiesel sales reached P1.23 billion in 2012, almost a third of Chemrez' total revenues. Margins improved year-on-year. Overall, net income for the year reached P257 million, 18% lower in 2012 versus 2011.

Aerosols

Aero-Pack, Inc. (API) saw sustained volume growth in 2012, with sales 16% higher year-on-year to P330 million and net income up 45% year-on-year to P54 million. API was 4% of the group's bottomline for the year.

API is the first and only company in the Philippines that creates and develops customized aerosol products. The company is parlaying this strength into capturing not only the market for industrial and maintenance products, where it currently enjoys high margins from, but also the high-potential market for cosmetic and personal care.

D&L Industries is a Filipino company engaged in product customization and specialization for the food, plastics, and aerosol industries. The company's principal business activities include manufacturing of customized food ingredients, specialty raw materials for plastics, and oleochemicals for personal and home care use. Established in 1963, D&L has the largest market share in each of the industries it serves, as well as longstanding customer relationships with the Philippines' leading consumer and chemical companies. It was listed on the Philippine Stock Exchange on December 2012. For more information please visit www.dnl.com.ph