

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. Date of Report (Date of earliest event reported)
Aug 13, 2020
2. SEC Identification Number
167423
3. BIR Tax Identification No.
000-477-103
4. Exact name of issuer as specified in its charter
MEGAWORLD CORPORATION
5. Province, country or other jurisdiction of incorporation
Metro Manila
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
30th Floor, Alliance Global Tower 36th Street cor. 11th Avenue Uptown Bonifacio,
Taguig City
Postal Code
1634
8. Issuer's telephone number, including area code
(632) 8894-6300/6400
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 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	32,040,509,872
Preferred	6,000,000,000

11. Indicate the item numbers reported herein
Item 9(b)

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



MEGAWORLD

Megaworld Corporation
MEG

PSE Disclosure Form 4-31 - Press Release
References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Press Release: MEGAWORLD GROWS OFFICE BUSINESS EVEN DURING PANDEMIC

Background/Description of the Disclosure

Please see attached Press Release.

Other Relevant Information

None

Filed on behalf by:

Name	Anna Michelle Llovido
Designation	Corporate Secretary

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<u>Title of Each Class</u>	<u>Number of Shares of Stock Outstanding</u>
Common	32,040,509,872
Preferred	6,000,000,000
Total	38,040,509,872

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:



DR. FRANCISCO C. CANUTO
Senior Vice President and
Corporate Information Officer
August 13, 2020



MEGAWORLD

MEGAWORLD GROWS OFFICE BUSINESS EVEN DURING PANDEMIC

Office rental income growth of 10% helped cushion pandemic impact even as H1 profits registered 34% drop

MANILA, Philippines, August 13, 2020 - Megaworld, the country's leading developer of integrated urban townships, posted a 34% drop in its net income during the first half of the year, from P8.9-billion to P5.9-billion. Consolidated revenues for the first six months declined by 25% year-on-year to P23.8-billion from P31.7-billion last year.

The company, on the other hand, recorded P2.1-billion net profit during the second quarter this year, a 56% decline from P4.8-billion during the same period last year, as the country was reeling from the impact of the nationwide lockdown that affected most businesses.

"Just as the pandemic began in the last month of the first quarter, we already anticipated a decline in our earnings in the second quarter, but what actually surprised us was the fact that the drop wasn't as bad as we have expected it to be, and it remains manageable. Our strategic decision of further strengthening our office leasing business way before the pandemic started is now evidently making us more resilient," says Kevin L. Tan, chief strategy officer, Megaworld.

Leasing revenues from **Megaworld Premier Offices**, the company's office leasing arm, was up 10% during the first six months from P5.1-billion last year to P5.6-billion during the same period this year. Contribution of **Megaworld Premier Offices** now stands at 78% of the company's total rental income, which mitigated the impact of partial operations of **Megaworld Lifestyle Malls** due to the pandemic.

This year, the company is set to complete construction of five new office developments in its various townships, particularly in Iloilo Business Park in Iloilo City, Arcovia City in Pasig City, Westside City in Parañaque City, McKinley West and Uptown Bonifacio in Taguig City, adding around 213,000 square meters of completed projects in the company's leasable office portfolio. To date, these projects are already 90% pre-leased on the average.

"Business process outsourcing (BPO) companies and traditional offices such as corporate headquarters of multinational companies still occupy around 90% of our spaces, which still continued their operations even at the height of the lockdown. We are closing some deals from many Metro Manila-based BPO companies that require an immediate expansion in our provincial townships due to eased quarantine rules there. Our current portfolio of active BPO tenant partners is still huge, and these are our first-line takers in our provincial developments," Tan points out.

Megaworld is expected to end the year with 70 completed office developments covering 1.4 million square meters of leasable office inventory, excluding those that have already been sold.

Megaworld's rental income for the first half of 2020 declined by only 11% at P7.2-billion, while hotel revenues were down 29% to P917.9-million from P1.3-billion. **Megaworld Hotels**, which currently operates 10 hotel properties with around 3,500 rooms under its homegrown brands of Richmonde, Belmont, Savoy, Hotel Lucky Chinatown, and Twin Lakes Hotels, continued serving pre-booked guests from BPO companies as well as *balikbayans* during the lockdown.

Even as the lockdown limited selling activities for residential projects, Megaworld's reservation sales during the first half of the year reached P38-billion, which peaked during the second quarter when most parts of the country was placed under 'enhanced community quarantine.'

Real estate sales during the first six months reached P14.3-billion, reflecting a 29% decline from P20.2-billion during the same period last year, as the company implemented 'more flexibility' in payment terms during the quarantine period.

To date, Megaworld has 26 masterplanned integrated urban townships, integrated lifestyle communities, and lifestyle estates across the country, namely: 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; Lucky Chinatown in Binondo, Manila (3 hectares); 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 (1,300 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 (50 hectares) both in Negros Occidental; Capital Town Pampanga beside the Pampanga Provincial Capitol in the City of San Fernando (35.6-hectares); Westside City in the Entertainment City in Paranaque City (31 hectares); Empire East Highland City in Antipolo, Rizal (24 hectares), Arden Botanical Estate in the boundaries of Trece Martires and Tanza, Cavite (251 hectares) ###