

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**As of December 31, 2017 and 2016**

|   | 2017                       | 2016                   |
|---|----------------------------|------------------------|
| <b>ASSETS</b>                           |                            |                        |
| <b>Current Assets</b>                   |                            |                        |
| Cash and cash equivalents               | P 6,108,454,474 P          | 2,520,422,518          |
| Investment in treasury bills/UITF       | 2,669,270,078              | 6,868,047,115          |
| Receivables                             | 3,639,628,086              | 4,651,666,124          |
| Inventories                             | 633,140,243                | 729,918,095            |
| Prepayments and other current assets    | 2,347,962,628              | 2,290,364,845          |
| <b>Total Current Assets</b>             | <b>15,398,455,509</b>      | <b>17,060,418,697</b>  |
| <b>Non-Current Assets</b>               |                            |                        |
| Investments in affiliates               | 18,253,526,458             | 18,437,603,309         |
| Investment in government bonds          | 7,022,062,105              | 4,522,564,297          |
| Investment in stocks                    | 103,024,319                | 103,024,319            |
| Property and equipment - net            | 1,961,499,550              | 1,469,455,262          |
| Service concession asset                | 28,050,223,256             | 27,544,828,341         |
| Investment properties                   | 75,158,577,499             | 44,949,597,056         |
| Deferred tax asset - net                | 3,141,549,093              | 3,141,549,093          |
| Other non-current assets                | 10,360,538,240             | 10,885,981,714         |
| <b>Total Non-Current Assets</b>         | <b>144,051,000,520</b>     | <b>111,054,603,391</b> |
| <b>TOTAL ASSETS</b>                     | <b>P 159,449,456,029 P</b> | <b>128,115,022,088</b> |
| <b>LIABILITIES AND EQUITY</b>           |                            |                        |
| <b>Current Liabilities</b>              |                            |                        |
| Accounts payables                       | P 1,558,280,074 P          | 1,660,389,828          |
| Inter-agency payables                   | 5,097,120,187              | 4,836,869,940          |
| Current portion of long term borrowings | 843,100,760                | 810,314,567            |
| Provisions                              | 21,507,861                 | 20,152,746             |
| Other payables                          | 815,438,508                | 673,866,918            |
| <b>Total Current Liabilities</b>        | <b>8,335,447,390</b>       | <b>8,001,593,999</b>   |
| <b>Non-Current Liabilities</b>          |                            |                        |
| Long-term borrowings                    | 19,391,317,485             | 19,447,549,618         |
| Deferred credits                        | 10,665,872,052             | 9,862,023,037          |
| <b>Total Non-Current Liabilities</b>    | <b>30,057,189,537</b>      | <b>29,309,572,655</b>  |
| <b>TOTAL LIABILITIES</b>                | <b>38,392,636,927</b>      | <b>37,311,166,654</b>  |
| <b>EQUITY</b>                           |                            |                        |
| Government equity                       | 105,504,779,733            | 75,327,951,616         |
| Retained earnings                       | 15,552,039,369             | 15,366,315,312         |
| Other comprehensive income              | -                          | 109,588,506            |
| <b>TOTAL LIABILITIES AND EQUITY</b>     | <b>P 159,449,456,029 P</b> | <b>128,115,022,088</b> |

Prepared by:

  
**CLEMENCIA P. VICENTE**  
Finance Officer V

Noted by:

  
**DEAN S. MONTALBAN**  
Vice President, Accounting Department

**UNAUDITED DETAILED SCHEDULE OF COMPREHENSIVE INCOME**  
For the years ended December 31, 2017 and 2016

|   | 2017                   | 2016                   |
|---|------------------------|------------------------|
| <b>REVENUES</b>   |                        |                        |
| Lease revenue   | 916,037,137            | 912,731,981            |
| Concession fee  | 1,075,025,660          | 904,059,493            |
| Revenue from JV Arrangements  | 794,517,314            | 843,865,835            |
| Interest income   | 368,099,746            | 288,554,008            |
| Dividend revenue  | 483,121,308            | 30,980,125             |
| Sales revenue   | 9,855,710              | 16,800,639             |
| Other business revenue  | 5,620,207,152          | 606,561,743            |
| <b>TOTAL REVENUES</b>   | <b>9,266,864,027</b>   | <b>3,603,553,824</b>   |
| <b>OPERATING EXPENSES</b>   |                        |                        |
| <b>Personnel Services</b>   |                        |                        |
| Salaries and wages  | 107,468,750            | 103,074,400            |
| Other compensation  | 87,623,862             | 88,035,229             |
| Personnel benefit contributions   | 48,039,044             | 45,055,173             |
| Other personnel benefits  | 8,749,680              | 44,309,136             |
|   | 251,881,336            | 280,473,938            |
| <b>Maintenance and Other Operating Expenses</b>   |                        |                        |
| Contribution to AFP Modernization   | 4,155,112,324          | 1,397,960,353          |
| Depreciation and amortization   | 457,339,686            | 360,232,081            |
| Estate management fees  | 135,139,826            | 143,868,738            |
| Printing, advertising and promotion   | 18,968,093             | 121,321,448            |
| General Services  | 125,348,854            | 70,853,819             |
| Zone maintenance  | 37,026,946             | 61,041,530             |
| Repairs and maintenance   | 8,865,240              | 47,735,862             |
| Professional services   | 44,769,828             | 44,615,793             |
| Rent expense  | 23,696,915             | 23,137,153             |
| Taxes, insurance premiums and other fees  | 17,055,381             | 15,660,843             |
| Awards, prizes and other claims   | 76,402,844             | 11,242,962             |
| Utilities   | 11,143,623             | 8,644,330              |
| Training and scholarship expenses   | 1,985,850              | 5,867,083              |
| Supplies and materials  | 8,308,002              | 5,216,688              |
| Communication   | 8,527,196              | 4,860,498              |
| Traveling Expenses  | 9,019,761              | 4,832,296              |
| Survey and research   | 3,571,688              | 3,417,172              |
| Other maintenance and operating expenses  | 24,693,672             | 11,355,688             |
|   | 5,166,975,729          | 2,341,864,337          |
| <b>TOTAL OPERATING EXPENSES</b>   | <b>5,418,857,065</b>   | <b>2,622,338,275</b>   |
| <b>INCOME FROM OPERATIONS</b>   | <b>3,848,006,962</b>   | <b>981,215,549</b>     |
| <b>OTHER INCOME (EXPENSES), NET</b>   | <b>(2,588,750,616)</b> | <b>(1,956,716,064)</b> |
| Subsidy income  | 1,488,146,200          | 1,300,383,637          |
| Subsidy expense   | (1,350,590,026)        | (1,162,827,463)        |
| Gain on disposal of investment  | 287,698,120            | -                      |
| Loss/(gain) on Sale of Assets   | (233,910)              | -                      |
| Impairment Loss   | (1,761,831,254)        | -                      |
| Foreign exchange loss   | (836,837,555)          | (1,672,196,012)        |
| Finance cost  | (415,102,191)          | (422,076,226)          |
| <b>INCOME (LOSS) BEFORE INCOME TAX</b>  | <b>1,259,256,346</b>   | <b>(975,500,515)</b>   |
| <b>INCOME TAX BENEFIT (EXPENSE)</b>   | <b>(466,359,883)</b>   | <b>392,700,586</b>     |
| <b>NET (INCOME (LOSS))</b>  | <b>792,896,463</b>     | <b>(582,799,929)</b>   |
| <b>OTHER COMPREHENSIVE INCOME THAT WILL BE RECLASSIFIED TO PROFIT AND LOSS IN THE SUBSEQUENT PERIOD</b> |                        |                        |
| Unrealized gain on available-for-sale assets  | -                      | 81,586,509             |
| <b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>  | <b>792,896,463</b>     | <b>(501,213,420)</b>   |

Prepared by:

  
**CLEMENCIA P. VICENTE**  
Finance Officer V

Noted by:

  
**DEAN S. MONTALBAN**  
VP- Accounting Department

**UNAUDITED STATEMENT OF CASH FLOWS**  
**For the years ended December 31, 2017 and 2016**

|  | 2017                   | 2016                   |
|--|------------------------|------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                        |                        |
| Proceeds from joint venture projects   | 7,516,710,403          | 1,762,433,576          |
| Proceeds from concession fee   | 1,009,269,245          | 862,810,645            |
| Dividends received   | 483,121,308            | 30,896,792             |
| Cash receipts from lessees   | 794,301,451            | 764,905,363            |
| Proceeds from disposition of Heritage Park Certificates                                  | 7,461,869              | 19,103,377             |
| Proceeds from the disposition of transferred properties                                  | 732,693,024            | 96,062,712             |
| 27.50 % share of BCDA from asset disposition   | (200,888,913)          | (24,385,709)           |
| Miscellaneous receipts   | 25,968,007             | 27,143,640             |
| Collection of receivables  | 3,541,086              | 8,721,977              |
| Receipts from BCDA housing projects  | 4,688,580              | 4,979,357              |
| Payment to suppliers/creditors /employees  | (317,853,416)          | (245,141,200)          |
| Personal Services  | (217,356,521)          | (235,910,026)          |
| Remittance of beneficiaries' share to the Bureau of Treasury                             | (4,841,231,952)        | (3,540,791,673)        |
| RROW Acquisition   | (68,280,755)           | (16,407,978)           |
| Operations and maintenance of SCTEx  |                        | (185,419,933)          |
| Estate management expenses   | (197,599,755)          | (210,053,242)          |
| Payment of taxes, duties and fees  | (936,205,367)          | (239,737,874)          |
| <b>Net cash used in operating activities</b>   | <b>3,798,338,294</b>   | <b>(1,120,790,196)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                        |                        |
| Proceeds from disposal of investment   | 135,000,000            | 315,000,000            |
| Acquisition of property and equipment and payment<br>for various infrastructure projects | (682,976,001)          | (109,407,590)          |
| Interest income from cash equivalents and short/long term investments                    | 322,940,422            | 308,948,189            |
| Initial deposit - BCDA DOLF  | -                      | (24,000,000)           |
| Capital call infusion of BCDA to PJIC  | (19,203,028)           | -                      |
| Payment of indemnities to CGC-PAP  | (63,172,599)           | (36,056,927)           |
| Additional investment from fund placements   | (12,546,001,748)       | (13,066,015,637)       |
| Net proceeds from maturing investment  | 14,132,535,438         | 14,006,232,176         |
| BEPP Seed Money  | 17,000,000             | 3,000,000              |
| Investment/Advances in subsidiaries and affiliates                                       | (424,567,647)          | (104,659,380)          |
| <b>Net cash from (used in) investing activities</b>                                      | <b>871,554,837</b>     | <b>1,293,040,831</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                        |                        |
| 27.50 % share of BCDA from asset disposition   | 200,888,913            | 24,385,709             |
| Subsidy income   | 1,350,590,026          | 1,162,827,463          |
| Subsidy to CDC   | (1,350,590,026)        | (1,162,827,463)        |
| Partial settlement of JICA loan  | (860,351,635)          | (842,147,673)          |
| Dividends paid to the Bureau of Treasury   | (130,025,089)          | (88,281,755)           |
| Payment of guarantee fees to Bureau of Treasury  | (250,000,000)          | (370,926,572)          |
| Collection/(Refund) of performance, bid bonds and bid securities                         | 146,348,859            | 4,707,645              |
| Collection of guarantee deposit/development control fees                                 | 16,524,051             | 28,360,059             |
| Payment of financing charges   | (205,236,842)          | (208,133,716)          |
| <b>Net cash from (used in) financing activities</b>                                      | <b>(1,081,851,743)</b> | <b>(1,452,036,303)</b> |
| <b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND<br/>CASH EQUIVALENTS</b>                  | <b>(9,432)</b>         | <b>362,725</b>         |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                              | <b>3,588,031,956</b>   | <b>(1,279,422,943)</b> |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>                                    | <b>2,520,422,518</b>   | <b>3,799,845,461</b>   |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>  | <b>6,108,454,474</b>   | <b>2,520,422,518</b>   |

Prepared by:

  
**CLEMENCIA P. VICENTE**  
Finance Officer V

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**DEAN S. MONTALBAN**  
Vice President, Accounting Department