

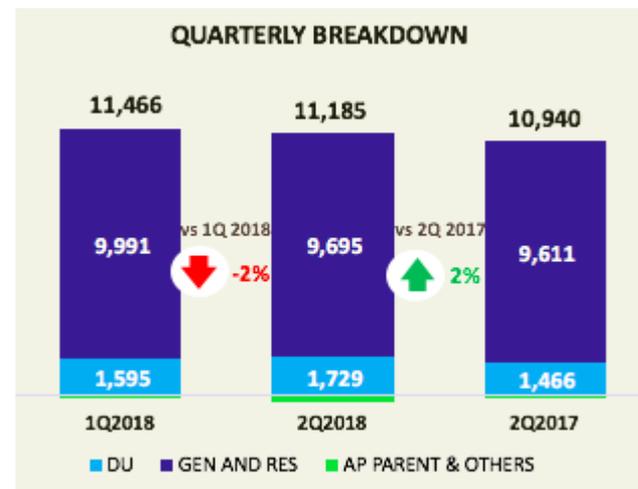
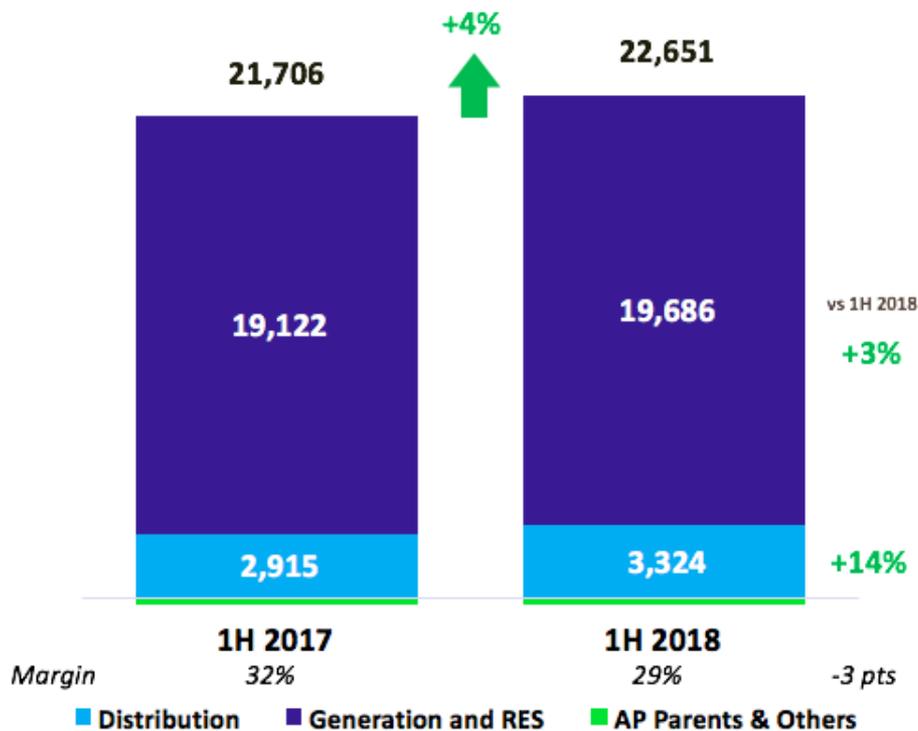


# SECOND QUARTER | FIRST HALF RESULTS 2018

1 August 2018



# 1H 2018 EBITDA\*

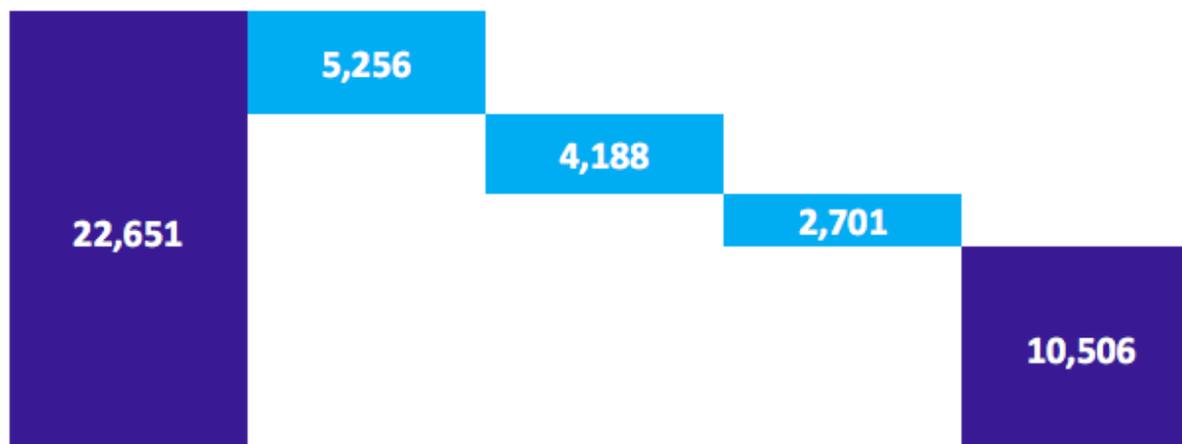


## +4% YoY growth, mainly of which...

- +6% from Coal group (mainly from PEC addition and higher contracting levels)
- +2% from Distribution group driven by strong growth
- -4% from Hydro group due to lower hydrology

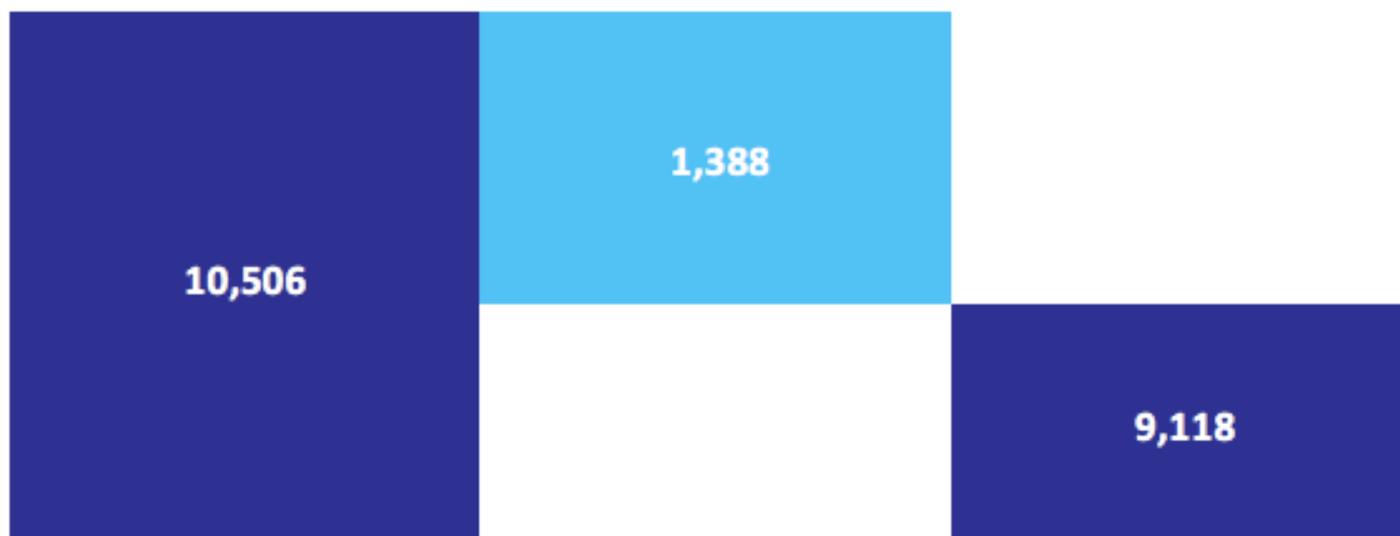
\*Beneficial figures

## 1H 2018 Core Income



	EBITDA	Interest Expense	Depcn. & Amort.	Tax & Others	Core Net Income
Php mn					
<b>EBITDA</b>	<b>21,706</b>				<b>22,651</b>
Interest Expense	5,138	5,256			
Depcn. & Amort.	3,910	4,188			
Tax & Others	2,193	2,701			
<b>Core Net Income</b>	<b>10,464</b>				<b>10,506</b>
<i>EPS</i>	1.42				1.43

# 1H 2018 Net Income



**Core Net Income**

Php mn

**Core Net Income**

Forex gains/losses

**Net Income**

EPS

**Forex Gain/Losses**

**Net Income**

	<b>1H 2017</b>	<b>1H 2018</b>	<b>Change</b>
Core Net Income	10,464	10,506	0%
Forex gains/losses	(744)	(1,388)	87%
Net Income	9,721	9,118	-6%
EPS	1.32	1.24	

FX in June 2018: 53.34 vs 50.47 in 2017

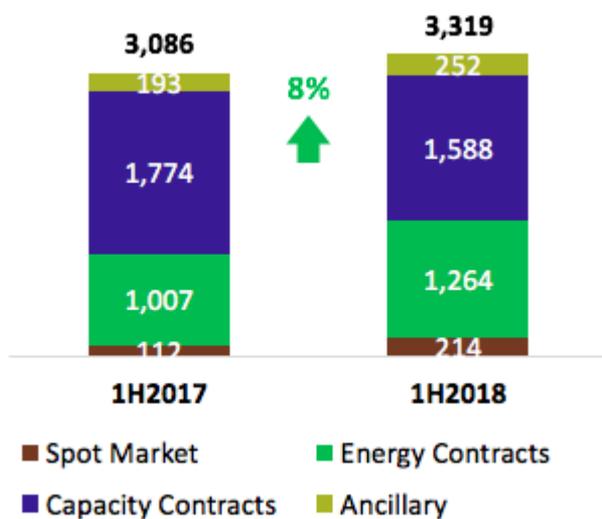
## Balance Sheet Highlights

(Php mn)	CONSOLIDATED	
	YE2017	1H2018
<b>Cash and Cash Equivalents</b>	35,700	<b>35,313</b>
<b>Trade and Other Receivables</b>	17,360	<b>22,452</b>
<b>Property, Plant and Equipment</b>	204,025	<b>207,564</b>
<b>Total Assets</b>	361,477	<b>372,395</b>
<b>Total Liabilities</b>	237,499	<b>249,712</b>
<b>Total Equity</b>	123,978	<b>122,683</b>
<b>Total Interest Bearing Debt</b>	205,996	<b>214,586</b>
<b>Net Debt</b>	167,654	<b>175,470</b>
<b>Net Debt to Equity</b>	1.3X	<b>1.4x</b>
<b>Debt to Equity*</b>	1.7X	<b>1.7x</b>

\*Interest bearing debt / Total equity

# Operating Highlights: Generation

## Capacity Sales Breakdown (MW)



## Capacity Sold Factor

Fuel Group	1H2017	1H2018	Change pts
Mini Hydro	41%	40%	-1
Large Hydro	90%	93%	3
SNAP Magat	77%	80%	3
SNAP Benguet	107%	112%	5
Geothermal	121%	134%	13
Coal	114%	115%	1
Therma Luzon	128%	151%	23
Therma South	100%	99%	1
GN Power Mariveles	104%	104%	-
PEC	0%	104%	-
CEDC	104%	107%	3
STEAG	100%	100%	-
Oil	94%	95%	1
Solar	10%	12%	2
AP Generation	103%	107%	4

Capacity Sales: Capacity Contracts (MW) + Energy Contracts (MW) + [(Spot (MWh) + Ancillary (MWh))/Days\_Year/Hours Day]

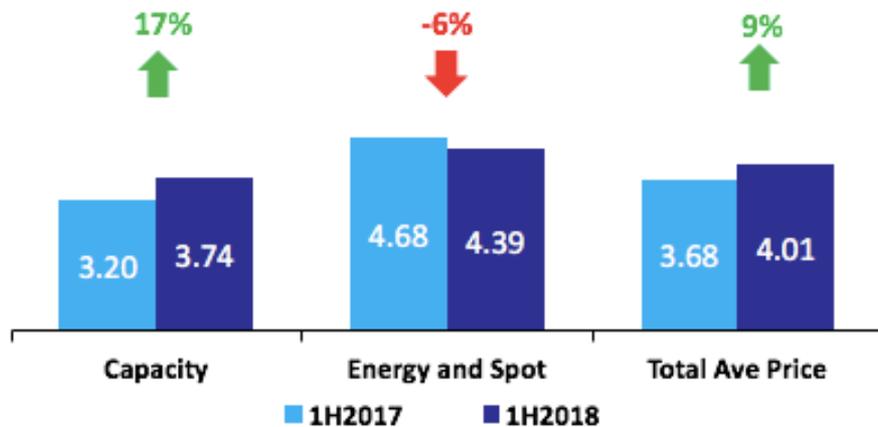
Capacity Sold Factor: Capacity Sales (MW) / Net Sellable Capacity (MW)

## Operating Highlights: Generation

	Beneficial Total Energy Sales (GWh)		
	1H2017	1H2018	Change
Mini Hydro	298	304	2%
Large Hydro	504	586	16%
SNAP Magat	309	340	10%
SNAP Benguet	195	245	26%
Geothermal	1,244	1,326	7%
Coal	5,127	5,839	14%
Therma Luzon	2,352	2,987	27%
Therma South	696	803	15%
GN Power Mariveles	1,625	1,217	-25%
PEC	-	320	-
CEDC	215	245	14%
STEAG	238	197	-17%
Oil	364	271	-25%
Solar	11	25	134%
Total Energy Dispatch	7,547	8,351	11%

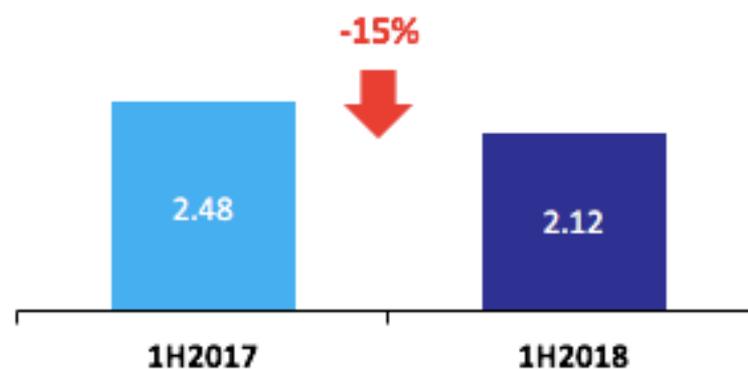
# Operating Highlights: Generation

## Average Selling Price (P/kWh)



Note:  
Capacity contracts w/o Ancillary; energy contracts include spot  
kWh: Based on total energy sold

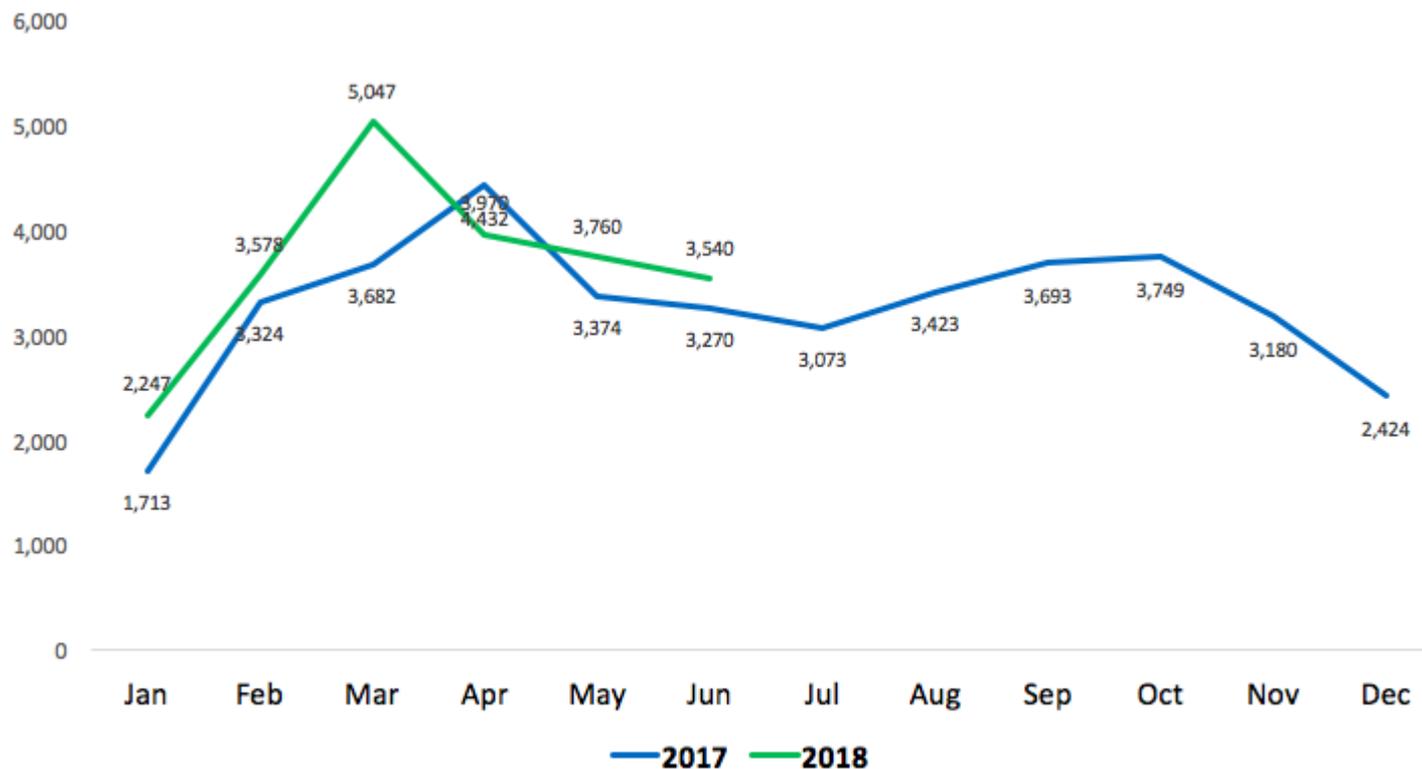
## Gross Margin (P/kWh)



Note:  
GP/Volume sold

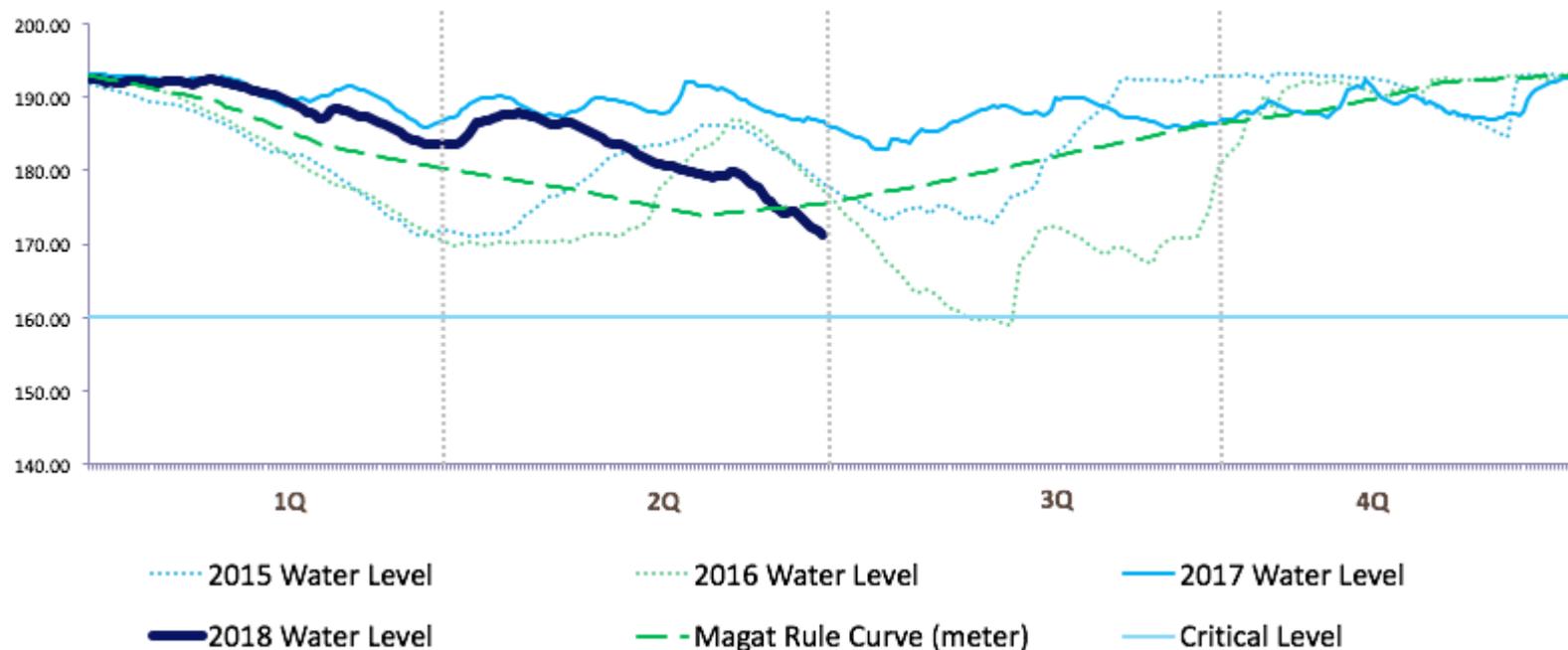
# Operating Highlights: Generation

WESM TIME WTD AVERAGE PRICES (P/MWh)



# Operating Highlights: Generation

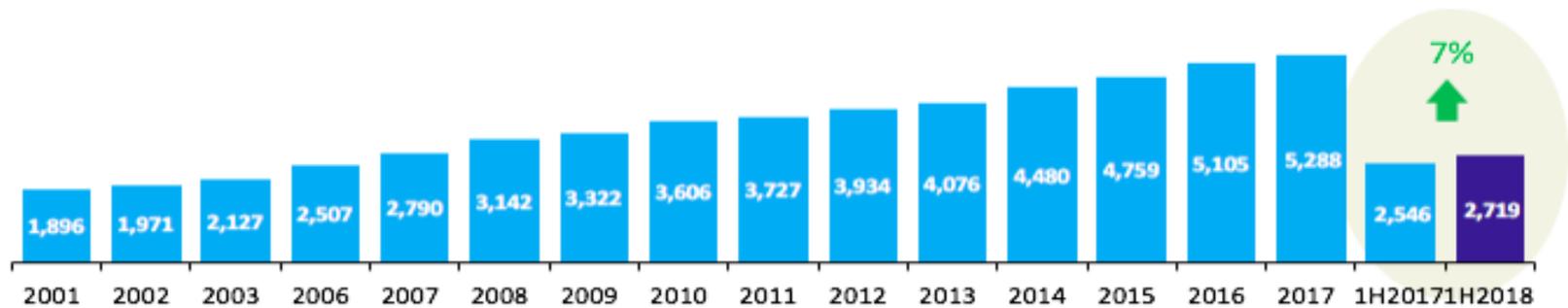
## Magat's Water Level vs. Rule Curve (in MASL)



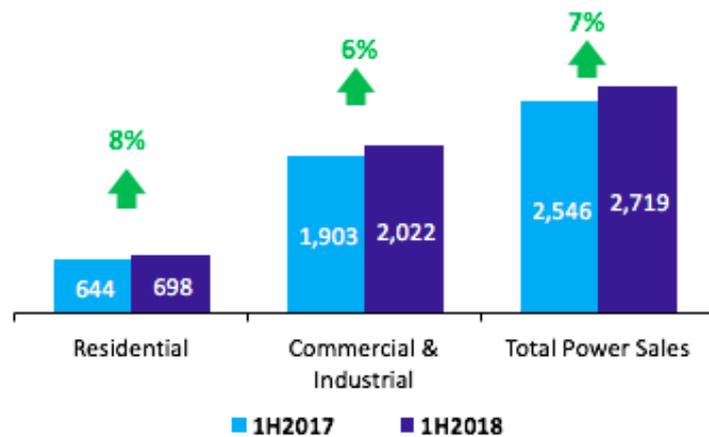
# Operating Highlights: Distribution

## Beneficial Power Sales (GWh)

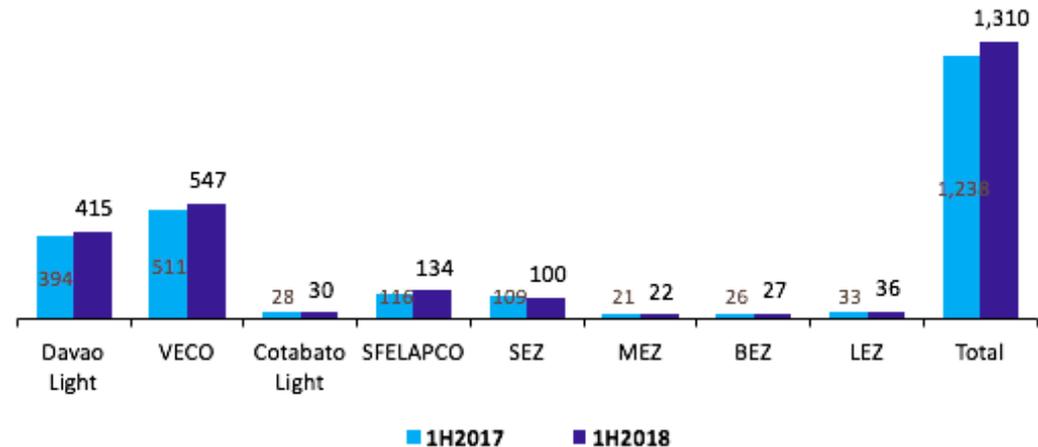
Strong growth in distribution sales



## Beneficial Power Sales By Customer Type (GWh)

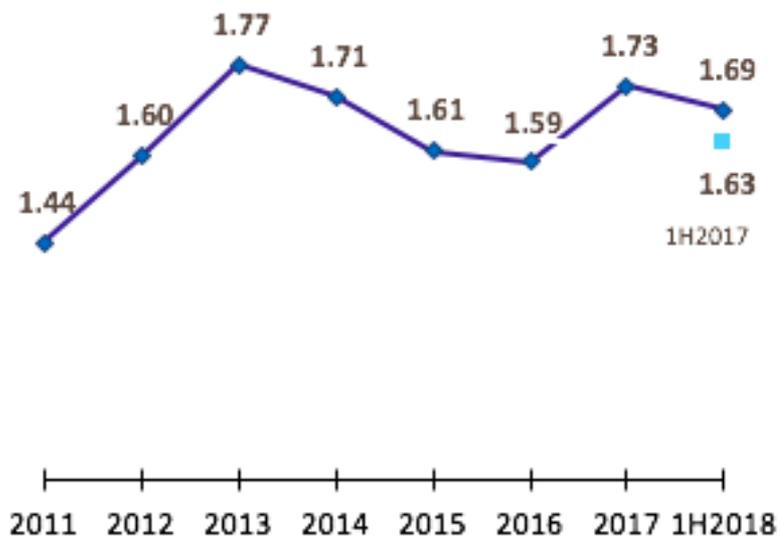


## Peak Demand in (MW)

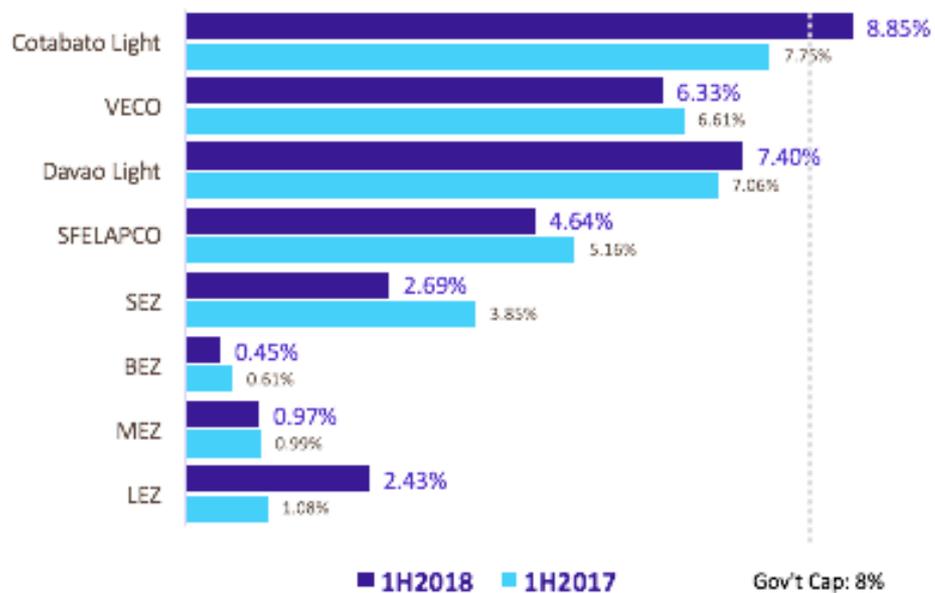


# Operating Highlights: Distribution

## Gross Margin / kWh



## System Loss



# Project Update

Pipeline on track to reach our target of 4,000 MW by 2020

GRID	Project	Capacity (Net)	% Ownership	Attributable Net Capacity	Estimated Commercial Operation Date
LUZON	La Trinidad (Hydro – Hedcor Inc)	19 MW	100%	19 MW	2019
	Dinginin Unit 1 (Coal – GNPD)	668 MW	40%	267 MW	2019
	Dinginin Unit 2 (Coal – GNPD)	668 MW	40%	267 MW	2020
	Subic (Coal – RP Energy)	300 MW	25%	75 MW	
VISAYAS	Cebu (Coal – Therma Visayas)	300 MW	80%	240 MW	Unit 1 Dec 2018
					Unit 2 Q1 2019
MINDANAO	Manolo Fortich (Hydro – Hedcor Bukidnon)	68 MW	100%	68 MW	Plant 1 Jul 2018 (done)
					Plant 2 Sep 2018
		<b>2,023 MW</b>		<b>936 MW</b>	

# Project Update

## Manolo Fortich - 68 MW of Hydro Power



# Project Update

## Cebu - 300 MW of Coal Power



# Project Update

## La Trinidad - 19 MW of Hydro Power



# Project Update

## Dinginín - 2 x 668 MW of Coal Power



# Project Update

## Naga Power Plant Complex



