Aboitiz Equity Ventures

First Half of 2019
Financial & Operating Results
31 July 2019
Review of Business Units

- Power
- Banking & Financial Services
- Food
- Infrastructure
- Land
- AEV Financials
- Q & A
1H 2019 EBITDA*

-9\% decline, mainly of which...
  - -7\% due to higher purchased power cost
  - -2\% due to lower revenue from Therma Mobile (TMO)

*Beneficial Figures, in millions
## 1H 2019 Core Income

<table>
<thead>
<tr>
<th>Category</th>
<th>PHP mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>22,651</td>
</tr>
<tr>
<td>Less: Interest Expense</td>
<td>5,256</td>
</tr>
<tr>
<td>Depcn. &amp; Amort.</td>
<td>4,199</td>
</tr>
<tr>
<td>Tax &amp; Others</td>
<td>2,690</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>10,506</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>PHP mn</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H2018</td>
<td>1H2019</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>22,651</td>
<td>-9%</td>
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</tr>
<tr>
<td>Core Net Income</td>
<td>10,506</td>
<td>-19%</td>
</tr>
<tr>
<td>EPS</td>
<td>2.17</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.14</td>
<td></td>
</tr>
</tbody>
</table>
1H 2019 Net Income

<table>
<thead>
<tr>
<th>Core Net Income</th>
<th>Forex Gain/Losses</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Php mn</td>
<td>1H2018</td>
<td>1H2019</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>10,506</td>
<td>8,528</td>
</tr>
<tr>
<td>Forex /gain (losses)</td>
<td>(1,388)</td>
<td>121</td>
</tr>
<tr>
<td>Net Income</td>
<td>9,118</td>
<td>8,648</td>
</tr>
<tr>
<td><em>EPS</em></td>
<td>1.24</td>
<td>1.18</td>
</tr>
</tbody>
</table>
## Balance Sheet Highlights

<table>
<thead>
<tr>
<th></th>
<th>CONсолIDATED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YE 2018</td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>46,343</td>
</tr>
<tr>
<td>Investments and advances</td>
<td>34,334</td>
</tr>
<tr>
<td>Total Assets</td>
<td>389,662</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>253,086</td>
</tr>
<tr>
<td>Total Equity</td>
<td>136,577</td>
</tr>
<tr>
<td>Total Interest Bearing Debt</td>
<td>216,499</td>
</tr>
<tr>
<td>Net Debt</td>
<td>164,866</td>
</tr>
<tr>
<td>Net Debt to Equity</td>
<td>1.2X</td>
</tr>
<tr>
<td>Debt to Equity*</td>
<td>1.6X</td>
</tr>
</tbody>
</table>

*Total Interest Bearing Debt / Total Equity*
Operating Highlights: Capacity Sales and Capacity Sold Factor by Contract Type

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: Revenue and Energy Sold

**Php MN**

<table>
<thead>
<tr>
<th></th>
<th>1H2018</th>
<th>1H2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>45,069</td>
<td>45,760</td>
</tr>
<tr>
<td>Energy Sold</td>
<td>11,739</td>
<td>11,460</td>
</tr>
<tr>
<td>Change</td>
<td>+2%</td>
<td></td>
</tr>
</tbody>
</table>

**GWh**

<table>
<thead>
<tr>
<th></th>
<th>1H2018</th>
<th>1H2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity Contracts</td>
<td>16,127</td>
<td>18,089</td>
</tr>
<tr>
<td>Energy Contracts</td>
<td>2,985, 19%</td>
<td>4,628, 20%</td>
</tr>
<tr>
<td>Ancillary Services</td>
<td>1,012, 9%</td>
<td>1,161, 10%</td>
</tr>
<tr>
<td>Spot</td>
<td>23,530</td>
<td>22,364</td>
</tr>
</tbody>
</table>

**Pie Charts**

1H2018:
- 6,436, 55%
- 3,563, 30%
- 728, 6%
- 1,012, 9%

1H2019:
- 5,676, 50%
- 4,160, 35%
- 462, 4%
- 1,161, 10%
Operating Highlights: Gross Margin

In Php MN

- Revenue: 45,069, +2%
- Generation Cost: 20,095, +7%
- Purchased Power: 4,304, +41%
- Gross Margin: 18,172, -12%

In GWh

- Energy Generated: 7,603, -2%
- Purchased Power: 1,096, +9%
Operating Highlights: **Average Selling Price (P/KWh)**

- **Capacity**: 5.01 (1H2018) to 5.09 (1H2019), +2%
- **Energy**: 4.53 (1H2018) to 4.35 (1H2019), -4%
- **Spot**: 3.48 (1H2018) to 5.12 (1H2019), +47%
- **Total Ave Price**: 4.40 (1H2018) to 4.57 (1H2019), +4%
Operating Highlights: WESM

WESM LOAD WEIGHTED AVERAGE PRICES (P/MWh)

1H2019 Ave LWAP: P5.83
1H2018 Ave LWAP: P3.83
Operating Highlights: Water Level

- 2016 Water Level
- 2017 Water Level
- 2018 Water Level
- 2019 Water Level
- Magat Rule Curve (meter)
- Critical Level
Operating Highlights: Distribution

Strong growth in distribution sales

Beneficial Power Sales (GWh)

- 2009: 3,322 GWh
- 2010: 3,606 GWh
- 2011: 3,727 GWh
- 2012: 3,934 GWh
- 2013: 4,076 GWh
- 2014: 4,480 GWh
- 2015: 4,759 GWh
- 2016: 5,105 GWh
- 2017: 5,288 GWh
- 2018: 5,540 GWh
- 1H2018: 2,719 GWh
- 1H2019: 2,842 GWh

Beneficial Power Sales By Customer Type (GWh)

- Residential: 698 GWh, 736 GWh
- Commercial & Industrial: 2,022 GWh, 2,107 GWh
- Total Power Sales: 2,719 GWh, 2,842 GWh

Peak Demand in (MW)

- Davao Light: 415 MW, 448 MW
- VECO: 547 MW, 590 MW
- Cotabato Light: 30 MW, 31 MW
- SFELAPCO: 134 MW, 140 MW
- SEZ: 100 MW, 65 MW
- MEZ: 22 MW, 22 MW
- BEZ: 27 MW, 26 MW
- LEZ: 36 MW, 41 MW
- MVEZ: -0.06 MW, 1,310 MW
- Total: 1,364 MW, 1,310 MW
Operating Highlights: Distribution

Gross Margin / kWh

Feeder Loss

- CLPC: 7.56% (1H2018), 7.57% (1H2019)
- VECO: 4.60% (1H2018), 4.90% (1H2019)
- DLPC: 4.54% (1H2018), 4.46% (1H2019)
- SFELAPCO: 3.60% (1H2018), 3.42% (1H2019)
- SEZ: 2.60% (1H2018), 2.56% (1H2019)
- BEZ: 0.15% (1H2018), 0.18% (1H2019)
- MEZ: 0.42% (1H2018), 0.41% (1H2019)
- LEZ: 0.56% (1H2018), 0.44% (1H2019)

Gov't Cap: 6.25%
# Project Update

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

<table>
<thead>
<tr>
<th>GRID</th>
<th>Project</th>
<th>Capacity (Net)</th>
<th>% Ownership</th>
<th>Attributable Net Capacity</th>
<th>Estimated Commercial Operation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>LUZON</td>
<td>La Trinidad (Hydro – Hedcor Inc)</td>
<td>19 MW</td>
<td>100%</td>
<td>19 MW</td>
<td>On Commercial Operations</td>
</tr>
<tr>
<td></td>
<td>Dinginin Unit 1 (Coal – GNPD)</td>
<td>668 MW</td>
<td>70%</td>
<td>468 MW</td>
<td>Q2 2020</td>
</tr>
<tr>
<td></td>
<td>Dinginin Unit 2 (Coal – GNPD)</td>
<td>668 MW</td>
<td>70%</td>
<td>468 MW</td>
<td>Q3 2020</td>
</tr>
<tr>
<td></td>
<td>Subic (Coal – RP Energy)</td>
<td>300 MW</td>
<td>25%</td>
<td>75 MW</td>
<td></td>
</tr>
<tr>
<td>VISAYAS</td>
<td>Cebu Unit 1 (Coal – Therma Visayas)</td>
<td>150 MW</td>
<td>80%</td>
<td>120 MW</td>
<td>Practical Completion in April</td>
</tr>
<tr>
<td></td>
<td>Cebu Unit 2 (Coal – Therma Visayas)</td>
<td>150 MW</td>
<td>80%</td>
<td>120 MW</td>
<td>Aug 2019</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,955 MW</td>
<td></td>
<td>1,269 MW</td>
<td></td>
</tr>
</tbody>
</table>
Project Update

Cebu - 300 MW of Coal Power (Therma Visayas)
Project Update

La Trinidad - 19 MW of Hydro Power (Hedcor Inc.)
Project Update

Dinginin - 2 x 668 MW of Coal Power (GN Power Dinginin)
Project Update

Floating Solar in Isabela (SN Aboitiz Power – Magat)
Review of Business Units

- Power
- Banking & Financial Services
- Food
- Infrastructure
- Land
- AEV Financials
- Q & A
1H2019 Financial Highlights

- 1H2019 net income up 2% YoY to P4.8 Bn
- Earning performance supported by the ff:
  - Improving margins
  - Strong growth in retail & SME segment
  - Teachers loan release back-on-track
  - Higher fees & other income
  - Manageable opex growth
- Profitability ratios better than FY2018

*Attributable to Parent Bank’s Stockholders
1H 2019 Net Interest Income
(in Php bn)

- Net interest income up 4% YoY to P9.8 Bn
- Margins improving QoQ
- Sustained double-digit growth in earning assets

<table>
<thead>
<tr>
<th></th>
<th>Jun2018</th>
<th>Mar2019</th>
<th>Jun2019</th>
<th>YoY Variance</th>
<th>QoQ Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg Yield</td>
<td>5.97%</td>
<td>6.59%</td>
<td>6.62%</td>
<td>0.65%</td>
<td>0.03%</td>
</tr>
<tr>
<td>Avg Cost</td>
<td>2.07%</td>
<td>3.19%</td>
<td>3.10%</td>
<td>1.04%</td>
<td>-0.09%</td>
</tr>
<tr>
<td>NIM</td>
<td>3.91%</td>
<td>3.40%</td>
<td>3.52%</td>
<td>-0.39%</td>
<td>0.11%</td>
</tr>
</tbody>
</table>

Net Interest Income (in Php bn)

- 1H 2019

EARNING ASSETS*

- Loans: +10%
- Securities: +37%
- Liquid Earning Assets: -26%

*Excludes cash and RR
1H 2019 Credit Portfolio
(in Php Bn)

- Credit portfolio growth driven by higher yielding assets (credit cards, consumer business, and commercial loans)

<table>
<thead>
<tr>
<th>Credit Portfolio, Net (in Php Bn)</th>
<th>Jun2018</th>
<th>Jun2019</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>131.3</td>
<td>139.2</td>
<td>6%</td>
</tr>
<tr>
<td>Commercial</td>
<td>50.4</td>
<td>58.5</td>
<td>16%</td>
</tr>
<tr>
<td>Retail</td>
<td>93.0</td>
<td>105.3</td>
<td>13%</td>
</tr>
<tr>
<td>Credit Cards</td>
<td>5.6</td>
<td>7.8</td>
<td>39%</td>
</tr>
<tr>
<td>Consumer Loans</td>
<td>32.4</td>
<td>42.5</td>
<td>31%</td>
</tr>
<tr>
<td>Mass Market Loans</td>
<td>55.0</td>
<td>55.0</td>
<td>0.2%</td>
</tr>
<tr>
<td>Total</td>
<td><strong>274.6</strong></td>
<td><strong>303.0</strong></td>
<td><strong>10%</strong></td>
</tr>
</tbody>
</table>
1H 2019 Total Deposits & CASA Deposits (in Php Bn)

- Deposits declined as asset growth was funded by borrowings
- CASA sustained double-digit growth

![Graph showing total deposits and CASA deposits for UnionBank and Subsidiaries from Jun 2018 to Jun 2019.]
1H 2019 Non-Interest Income  
(in Php mn)

- Non-interest income up 26% YoY to P4.4 Bn due to fee income growth across the Group and securities trading gains.
1H 2019 Operating Expenses
(in Php mn)

- Operating expenses grew 15% YoY to P8.4 Bn driven by volume-related taxes & licenses and new entities (non-core).
- Growth of core bank expenses (UBP & CSB) remained manageable at 4% YoY despite business growth and digital investments.
Capital Adequacy Ratios
Consolidated Basis

- Capital adequacy ratios remain well-above regulatory minimum
Outlook

• Continued strong growth in consumer business
• Margin improvement from foreseen rate cuts
• Normalization of mass market lending

Market Consensus: 100% probability of a cut. Median is for 3 cuts by end of year.

PH market is expecting BSP’s rate cut on the back of the continued inflation downtrend.
Updates

• Arks to reach ~40 by year-end
• UBX, UBP’s innovation and tech company
  • MSME platform in partnership with Ping An’s OneConnect
  • Logistics platform (Xlog) with Shiptek
  • Rural bank platform (i2i) with Consensys
• Launch of Data Science & Artificial Intelligence (DSAI)
• Recognition received from BSP on digital initiatives
  • Digital Excellence Award
  • Outstanding Partner for Digital Transformation
  • Top PESONet Bank of 2019
Review of Business Units

- Power
- Banking & Financial Services
- Food
- Infrastructure
- Land

- AEV Financials
- Q & A
## 1H 2019 Financial Highlights

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>36,617</td>
<td>+143%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,362</td>
<td>+67%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>6%</td>
<td>-300bps</td>
</tr>
<tr>
<td>NIAT</td>
<td>808</td>
<td>+18%</td>
</tr>
</tbody>
</table>
1H 2019 Financial Highlights: Revenue

**Revenue in PHP Million**

- **Farms**
  - 1H18: 1,738
  - 1H19: 1,508
  - Decrease: 13%

- **Gold Coin Feeds**
  - 1H18: 9,702
  - 1H19: 10,959
  - Increase: 13%

- **Pilmico Feeds PH & VN**
  - 1H18: 3,607
  - 1H19: 4,080
  - Increase: 13%

- **Flour**
  - 1H18: 20,070

**Changes**

- **15,048** to **36,617** (143% increase)
- **64%** to **55%**
- **24%** to **11%**

**Notes**

- **12%** in 1H18,
- **4%** in 1H19.
1H 2019 Financial Highlights: EBITDA

In PHP Million

- Farms: 2018 - 552, 2019 - 272 (down 51%)
- Gold Coin Feeds: 2018 - 971, 2019 - 971
- Pilmico Feeds PH & VN: 2018 - 722, 2019 - 689 (up 5%)
- Flour: 2018 - 138, 2019 - 430 (up 212%)

Chart showing percentage change and values for each category.
1H 2019 Financial Highlights: Net Income

- **Farms**
  - **1H18**: PHP 294 Million
  - **1H19**: PHP 44 Million (85% decrease)

- **Gold Coin Feeds**
  - **1H18**: PHP 234 Million
  - **1H19**: PHP 328 Million (9% increase)

- **Pilimico Feeds PH & VN**
  - **1H18**: PHP 300 Million
  - **1H19**: PHP 60 Million (283% increase)

- **Flour**
  - **1H18**: PHP 230 Million
  - **1H19**: PHP 60 Million (283% increase)
Gaining Full Control

100% Ownership
+ 25% share in beneficial NIAT

$120M Investment
HUBERT DE ROQUEFEUIL
JOINS GOLD COIN AS PRESIDENT & CEO

Former CEO of Neovia, a French-based animal nutrition and feeds production company

Solid background and years of proven experience in the Food Industry

Technical expert in international business development and general management in the manufacturing and animal nutrition space
Project Updates
August 2019

21 - Farm 4 Biogas
Source of Renewable energy for Farms
Completion rate: 96%

30 - Solar Power
Source of Renewable energy for Feeds
Completion rate: 84%
Project Updates
August 2019

25 - Zhangzhou Pelleting Line
_Add’tl Pelleting line in Eastern China
Completion rate: 60%

30 - Dongguan Hog Line
_Add’tl Hog lines in Southern China
Completion rate: 50%
Project Updates

November 2019

25 - Meats Fabrication Plant
Forward integration of the Farms Business
Completion rate: 19%

30 - Dongguan Floating Fish line
Add’tl Floating Fish line in Southern China
Completion rate: 5%
Project Updates

December 2019

Ha Nam Fish Feed Line
Fish Feedline in North Vietnam
Completion rate: 30%

March 2020

Iligan Feedmill Expansion
Additional Capacity to support VisMin
Completion rate: 50%
Review of Business Units

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We play a key role in nation building by becoming a leader in innovative infrastructure-related solutions that will help drive economic progress and uplift the lives of every Filipino.
Highlights of Operations:
Water
**Lima Water**

Water and Wastewater Services provider in Batangas with sales of 8 MLD
Captures end to end process of the water value chain

- **EBITDA up by 6% vs. the same period** last year due revenue growth and power efficiency
- **9% growth in billed volume**; reflective growth in water demand within Lima Technology Park
- Roll out **PHP 140 M capex plan** to initiate operational efficiencies in the plant
- Shift to a **progressive tariff rate** that promotes smarter use of water
Recently completed LWC masterplan sees demand growth in Lima Technology Park growing from 8 MLD to 19 MLD
Lima Water: Water Infrastructure

Lima Water is on the way to serving as both the operational and reference standard for our water business.

Installation of new wells and transmission mains

Increased water storage capacity

Network rehab and improvement

Facility automation

Upgrade of Sewage Treatment Plant
Apo Agua

330 MLD bulk water supply project in Davao
Construction works for raw water facilities and water treatment plant site in full swing

- Clearing and excavation works within the Intake Weir
- Excavation to grade, cutting of slope and berm at raw water pipeline
- Excavation works on major structures in the water treatment plant
Apo Agua’s bulk water project financing named best Philippine utility deal by The Asset
Highlights of Operations:
Infra
Regional Airports

Tagbilaran and Laguindingan
Creating a platform of reference starting 2020

<table>
<thead>
<tr>
<th></th>
<th>CGY</th>
<th>TAG</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial CAPEX</td>
<td>4.8</td>
<td>0.6</td>
<td>5.5</td>
</tr>
<tr>
<td>Total CAPEX (35 years)</td>
<td>42.9</td>
<td>24.5</td>
<td>67.5</td>
</tr>
</tbody>
</table>

3.9M pax to 18.2 pax (cumulative) in 35 years
Regional Airports: creating a platform of reference starting 2020

Dublin Airport was a joint winner in its category of European Airports that have 25-40 million passengers per year in the Airports Council International (ACI) World Airport Service Quality Awards.
Telecom Towers

Digital Infrastructure
A natural transition to becoming a common tower operator

Our wealth of experience in utility management and the expertise to find efficient solutions for cellular tower power requirements makes the common tower business a natural transition for the group.
The group’s extensive, nationwide footprint provides immediate strategic value: proximity to populated areas, potential colocation, and a ready power supply.
AIC has partnered up with Frontier Tower, a renowned tower operator with a footprint in Myanmar, Indonesia, etc.

Globe/AIC/FTA agreed in a MoU to negotiate technical and commercial terms to lease out passive infrastructure to Globe.
RCBM
Improved Performance in 1H

- Increased demand in Philippine cement market due residential and non-residential segments.
- Production costs under control
- Market prices stable during the year and generally higher compared to same period same last
- **North Luzon debottlenecking projects completed** safely, within budget, and now delivering results
- **Contribution to AEV at PhP249M** in H1 2019, an improvement of +PhP206M versus H1 2018
Review of Business Units

• Power
• Banking & Financial Services
• Food
• Infrastructure
• Land
• AEV Financials
• Q & A
## 1H 2019 Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>1H 2019</th>
<th>vs 1H 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>1,427M</td>
<td>▼ 28%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>575M</td>
<td>▼ 28%</td>
</tr>
<tr>
<td>Net Operating Profit</td>
<td>156M</td>
<td>▼ 57%</td>
</tr>
<tr>
<td>NIAT</td>
<td>60M</td>
<td>▼ 79%</td>
</tr>
<tr>
<td>Residential Sales</td>
<td>602M</td>
<td>▼ 42%</td>
</tr>
</tbody>
</table>
1H 2019 Revenues
(in Rm Million)

Revenues dampened by deferred recognition of industrial lot sales

- Commercial: 66 (1H 2018) vs 104 (1H 2019), +53%
- Industrial & Others: 1,352 (1H 2018) vs 388 (1H 2019), -71%
- Residential: 551 (1H 2018) vs 936 (1H 2019), +70%
1H 2019 Gross Profit & Net Operating Profit

Profits weighed down by lower revenues

### Gross Profit

- **1H 2018**: 799
- **1H 2019**: 575
  - **Change**: -28%

### Net Operating Profit

- **1H 2018**: 360
- **1H 2019**: 156
  - **Change**: -57%
1H 2019 Business Highlights

Two Launches to bolster our residential foothold in Luzon

<table>
<thead>
<tr>
<th>The Villages at Lipa</th>
<th>Ajoya Pampanga</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>Lipa, Batangas</td>
</tr>
<tr>
<td>No. of units for release</td>
<td>741</td>
</tr>
<tr>
<td>Est. Inventory value</td>
<td>P3.4B</td>
</tr>
</tbody>
</table>
The Villages at Lipa, the next component of AboitizLand’s New Industry City, launches

2Q 2019 Business Highlights
On the heels of our successful entry into Central Luzon in 2018, Ajoya Pampanga will offer our Kapampangan vecinos Better Ways to Live.
2Q 2019 Business Highlights

Amoa (Cebu) and Seafront (Batangas) gearing up for first turnover of houses

**Amoa**
Compostela, Cebu

- 140 houses to be turned over in 2019
- 71% of inventory sold (P1.9 billion)

**Seafront Residences**
San Juan, Batangas

- 60 houses to be turned over in 2019
- 71% of inventory sold (P2.3 billion)
2Q 2019 Business Highlights

The Outlets at Lipa

Occupancy Levels
- Phase 1: 36% occupied, 68% signed
- Phase 2: 18% signed

Key Tenant Signings
- Starbucks (180 sqm)
- Bench (90 sqm)
- Cotton On (90 sqm)

Operations
- Footfall increased from 2.5k visitors / day in 1Q to 3.5k / day 2Q
- Spartan Race – more than 10k total event attendees
- Healthy sales of Nike – P27k / sqm per month
Review of Business Units

• Power
• Banking & Financial Services
• Food
• Infrastructure
• Land
• AEV Financials
• Q & A
1H 2019 Financial Performance

- **Revenues**: ₱54.7 bn | ₱102.1 bn
  - +18% vs 2Q2018
  - +22% vs 1H2018

- **Conso EBITDA**: ₱14.1 bn | ₱26.5 bn
  - - vs 2Q2018
  - -5% vs 1H2018

- **Core Net Income**: ₱5.0 bn | ₱8.9 bn
  - -5% vs 2Q2018
  - -16% vs 1H2018

- **Net Income**: ₱5.4 bn | ₱9.0 bn
  - +3% vs 2Q2018
  - -11% vs 1H2018
1H 2019 Beneficial EBITDA
(in Php mn)

-3% growth vs 1H 2018, of which...
-7% from Power due to higher purchased power cost
+3% from Food driven by fresh contribution of Gold Coin; and positive performance of Feeds and Flour businesses
+1% from Infrastructure as a result of improvement in selling volume and selling prices
1H 2019 Consolidated EBITDA (in Php mn)

- Power: 23,950
- Infrastructure: 1,764
- Real Estate: 1,642
- Financial Services: 2,313
- Food: 2,370
- Parent & Others: 2,368

Comparison:
- 1H2018: 27,974
- 1H2019: 26,494
- Decrease: 5%
1H 2019 Core Net Income (in Php mn)

<table>
<thead>
<tr>
<th>Category</th>
<th>1H2018</th>
<th>1H2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conso EBITDA</td>
<td>27,974</td>
<td>26,494</td>
<td>-5%</td>
</tr>
<tr>
<td>Less: Interest Expense</td>
<td>5,733</td>
<td>7,138</td>
<td>25%</td>
</tr>
<tr>
<td>Depcn. &amp; Amort.</td>
<td>4,630</td>
<td>5,443</td>
<td>18%</td>
</tr>
<tr>
<td>Tax &amp; Others</td>
<td>2,761</td>
<td>1,506</td>
<td>-45%</td>
</tr>
<tr>
<td>Non-controlling Interest</td>
<td>4,298</td>
<td>3,535</td>
<td>-18%</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>10,553</td>
<td>8,872</td>
<td>-16%</td>
</tr>
<tr>
<td>EPS</td>
<td>1.87</td>
<td>1.58</td>
<td></td>
</tr>
</tbody>
</table>
### 1H 2019 Net Income

(in Php mn)

<table>
<thead>
<tr>
<th></th>
<th>1H2018</th>
<th>1H2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Net Income</td>
<td>10,553</td>
<td>8,872</td>
<td>-16%</td>
</tr>
<tr>
<td>Non-recurring gains/ (losses)</td>
<td>(467)</td>
<td>78</td>
<td>117%</td>
</tr>
<tr>
<td>Net Income</td>
<td>10,086</td>
<td>8,950</td>
<td>-11%</td>
</tr>
</tbody>
</table>

**FX rate**
- 30 Jun 2019: 51.24
- 30 Jun 2018: 53.34

**EPS**
- 1H2018: 1.79
- 1H2019: 1.59
Balance Sheet Highlights
(in Php mn, except ratios)

Parent Net Debt

Consolidated Balance Sheet/Key Ratios

<table>
<thead>
<tr>
<th></th>
<th>YE2018</th>
<th>1H2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>59,033</td>
<td>44,077</td>
</tr>
<tr>
<td>Total Assets</td>
<td>554,494</td>
<td>572,434</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>336,016</td>
<td>369,694</td>
</tr>
<tr>
<td>Total Equity</td>
<td>218,478</td>
<td>202,740</td>
</tr>
<tr>
<td>Equity Attributable to Parent</td>
<td>174,691</td>
<td>164,991</td>
</tr>
<tr>
<td>Book Value Per Share</td>
<td>31.01</td>
<td>29.29</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>1.8x</td>
<td>1.4x</td>
</tr>
<tr>
<td>Debt to Equity</td>
<td>1.5x</td>
<td>1.8x</td>
</tr>
<tr>
<td>Net Debt to Equity</td>
<td>1.0x</td>
<td>1.3x</td>
</tr>
</tbody>
</table>

Parent Net Debt

ND/E 0.14x (0.03)x
Review of Business Units

• Power
• Banking & Financial Services
• Food
• Infrastructure
• Land
• AEV Financials
• Q & A