Aboitiz Equity Ventures

First Half of 2018
Financial & Operating Results
1 August 2018
Review of Business Units

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

• Q&A
+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
1H 2018 Core Net Income

<table>
<thead>
<tr>
<th>Description</th>
<th>1H 2017</th>
<th>1H 2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>21,706</td>
<td>22,651</td>
<td>4%</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>5,138</td>
<td>5,256</td>
<td>2%</td>
</tr>
<tr>
<td>Depcn. &amp; Amort.</td>
<td>3,910</td>
<td>4,188</td>
<td>7%</td>
</tr>
<tr>
<td>Tax &amp; Others</td>
<td>2,193</td>
<td>2,701</td>
<td>23%</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>10,464</td>
<td>10,506</td>
<td>0%</td>
</tr>
</tbody>
</table>

**EPS**
- 1H 2017: 1.42
- 1H 2018: 1.43
1H 2018 Net Income

FX in June 2018: 53.34 vs 50.47 in 2017
## Balance Sheet Highlights

<table>
<thead>
<tr>
<th></th>
<th>CONSOLIDATED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YE2017</td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>35,700</td>
</tr>
<tr>
<td>Trade and Other Receivables</td>
<td>17,360</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>204,025</td>
</tr>
<tr>
<td>Total Assets</td>
<td>361,477</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>237,499</td>
</tr>
<tr>
<td>Total Equity</td>
<td>123,978</td>
</tr>
<tr>
<td>Total Interest Bearing Debt</td>
<td>205,996</td>
</tr>
<tr>
<td>Net Debt</td>
<td>167,654</td>
</tr>
<tr>
<td>Net Debt to Equity</td>
<td>1.3X</td>
</tr>
<tr>
<td>Debt to Equity*</td>
<td>1.7X</td>
</tr>
</tbody>
</table>

*Interest bearing debt / Total equity
Operating Highlights: Generation

**Capacity Sales Breakdown (MW)**

- **1H2017**
  - Spot Market: 3,086 MW
  - Large Hydro: 1,774 MW
  - Mini Hydro: 1,007 MW
  - Oil: 117 MW
  - Total: 3,319 MW

- **1H2018**
  - Spot Market: 3,319 MW
  - Large Hydro: 1,588 MW
  - Mini Hydro: 1,264 MW
  - Oil: 214 MW
  - Total: 3,607 MW

- Increase: 8%

**Capacity Sold Factor**

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

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

Average Selling Price (P/kWh)

- Capacity: 3.20 (1H2017), 3.74 (1H2018)
- Energy and Spot: 4.68 (1H2017), 4.39 (1H2018)
- Total Ave Price: 3.68 (1H2017), 4.01 (1H2018)

Gross Margin (P/kWh)

- 1H2017: 2.48
- 1H2018: 2.12

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

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)

- Residential: 2022, 2018
- Commercial & Industrial: 2027, 2029
- Total Power Sales: 2026, 2029

Peak Demand in (MW)

- Davao Light: 2028, 2030
- VECO: 2025, 2029
- Cotabato Light: 2023, 2025
- SFELAPCO: 2021, 2023
- SEZ: 2019, 2021
- MEZ: 2020, 2022
- BEZ: 2022, 2024
- LEZ: 2023, 2025
- Total: 2029, 2031

Graphs showing growth in distribution sales and breakdown by customer type and peak demand in different regions.
Operating Highlights: Distribution

Gross Margin / kWh

System Loss

- Cotabato Light: 8.85%
- VECO: 6.33%
- Davao Light: 7.40%
- SFELAPCO: 4.64%
- SEZ: 2.69%
- BEZ: 0.45%
- MEZ: 0.97%
- LEZ: 2.43%

Gov't Cap: 8%
### 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>2019</td>
</tr>
<tr>
<td></td>
<td>Dinginin Unit 1 (Coal – GNPD)</td>
<td>668 MW</td>
<td>40%</td>
<td>267 MW</td>
<td>2019</td>
</tr>
<tr>
<td></td>
<td>Dinginin Unit 2 (Coal – GNPD)</td>
<td>668 MW</td>
<td>40%</td>
<td>267 MW</td>
<td>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 (Coal – Therma Visayas)</td>
<td>300 MW</td>
<td>80%</td>
<td>240 MW</td>
<td>Unit 1 Dec 2018</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Unit 2 Q1 2019</td>
</tr>
<tr>
<td>MINDANAO</td>
<td>Manolo Fortich (Hydro – Hedcor Bukidnon)</td>
<td>68 MW</td>
<td>100%</td>
<td>68 MW</td>
<td>Plant 1 Jul 2018 (done)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Plant 2 Sep 2018</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,023 MW</td>
<td></td>
<td>936 MW</td>
<td></td>
</tr>
</tbody>
</table>
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

Dinginin - 2 x 668 MW of Coal Power
Project Update

Naga Power Plant Complex
Review of Business Units

• Power

• Banking & Financial Services

• Land

• Infrastructure

• Food

• AEV Financials

• Q&A
1H 2018 Net Income
(in Php mn)

Net income up 8%

_attributable to Parent Bank’s Stockholders_
1H 2018 Net Interest Income
(in Php mn)

Net interest income was up due to higher earning assets

**NET INTEREST INCOME**

- Jun 2017: 8,072
- Jun 2018: 8,352
  - Change: 3.5%

**NET INTEREST MARGIN**

- Jun 2017: Avg Yield 5.4%, Avg Cost 1.5%, NIM 3.9%
- Jun 2018: Avg Yield 5.6%, Avg Cost 2.1%, NIM 3.5%
  - Difference: 36 bps

**EARNING ASSETS**

- Jun 2017: 416 (Others 36, Loans 233, Securities 137, Liquid Earning Assets 36)
- Jun 2018: 475 (Others 33, Loans 266, Securities 163, Liquid Earning Assets 33)
  - Change: 14% (Loans), 19% (Securities), -9% (Liquid Earning Assets)

*excludes cash and RR*
1H 2018 Credit Portfolio

Credit portfolio sustained double-digit growth

Jun 2017

- Retail: 87
- Commercial: 35
- Corporate: 116

Jun 2018

- Retail: 90
- Commercial: 51
- Corporate: 132

(ADB in Php bn)

237 ➔ 273 (15%)

14%

47%

4%
1H 2018 Non-Interest Income

(in Php mn)

Non-interest income driven by profit on sale of securities

- **Securities Trading Gains**
- **Ser. Charges, Fees and Com.**
- **Miscellaneous**

Jun 2017
- Securities Trading Gains: 311
- Ser. Charges, Fees and Com.: 2,237
- Miscellaneous: 1,062

Jun 2018
- Securities Trading Gains: 1,458
- Ser. Charges, Fees and Com.: 1,656
- Miscellaneous: 1,279

22% increase

+4.7x increase

-26% decrease

+20% increase
1H 2018 Total Deposits & CASA Deposits

(ADB in Php bn)

Double-digit CASA growth

TOTAL DEPOSITS

Jun 2017: 406 (354 UnionBank, 52 Subsidiaries)
Jun 2018: 443 (398 UnionBank, 45 Subsidiaries)
-13% growth

CASA DEPOSITS

Jun 2017: 139 (120 Peso, 19 Subsidiaries)
Jun 2018: 154 (133 Peso, 21 Subsidiaries)
11% growth

UnionBank: dark blue
Subsidiaries: yellow
Peso: dark blue
Subsidiaries: grey
Share of CASA to Total: black
1H 2018 Operating Expenses
(in Php mn)

Operating Expenses increased primarily on business growth

Jun 2017

- Core Bank: 5,182
- Taxes (DST & GRT): 903
- Subsidiaries (ex CSB): 172

Jun 2018

- Core Bank: 5,965
- Taxes (DST & GRT): 176
- Subsidiaries (ex CSB): 1,143
Capital Adequacy Ratios
Consolidated Basis

Capital ratios remain healthy

<table>
<thead>
<tr>
<th>Tier 1 Capital Ratio</th>
<th>Total Capital Adequacy Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.51%</td>
<td>13.43%</td>
</tr>
<tr>
<td>12.03%</td>
<td>11.24%</td>
</tr>
<tr>
<td>Min. req. Tier 1 ratio</td>
<td>Min. req. CAR</td>
</tr>
<tr>
<td>10%</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

Jun 2017
Jun 2018
Profitability Ratios

Sustained above-industry profitability ratios

**RETURN ON EQUITY**
- Jun 2017: 12.9%
- Jun 2018: 12.8%

**RETURN ON ASSETS**
- Jun 2017: 1.7%
- Jun 2018: 1.6%

**COST-TO-INCOME**
- Jun 2017: 53.6%
- Jun 2018: 57.2%
Outlook

Robust loan growth to be sustained

Margins to improve supporting recurring income

Strong capitalization to support asset growth

- On April 27, 2018, UnionBank’s Board approved to raise additional capital up to Php10 billion through a stock rights offer.
UnionBank’s Transformation Strategy
Strengthening Today; Creating Tomorrow

PLAN A
“Best Digital Bank”

PLAN B
“Embedded Banking Experience”
(Technology Company with Banking Utilities)

PLAN C+
“Best Mass Market Bank”
(Credit for more; Eliminate cash)

CORE
“Great Retail Bank”
(FOCUS 2020)

Unbanked
(Adjacent Market; Banking the Unbanked)
Review of Business Units

- Power
- Banking & Financial Services
- Land
- Infrastructure
- Food
- AEV Financials
- Q&A
<table>
<thead>
<tr>
<th>Experienced Player, Leading Innovator</th>
<th>Diversified Business Portfolio</th>
<th>Focused on lucrative niches</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Leading developer in Cebu for 20 years</td>
<td>• Multiple core businesses</td>
<td>• Set to capitalize on the growing provincial H&amp;L mid-market</td>
</tr>
<tr>
<td>• 20+ uniquely crafted communities to date</td>
<td></td>
<td>• Developing commercial spaces that complement our residential and industrial communities</td>
</tr>
<tr>
<td>▪ 1st to bring Outlet Mall format to Cebu</td>
<td>▪ Residential</td>
<td>• Growing the industrial business portfolio</td>
</tr>
<tr>
<td></td>
<td>▪ House and Lot (H&amp;L)</td>
<td>• Expanding national footprint – Visayas, Luzon, Mindanao</td>
</tr>
<tr>
<td></td>
<td>▪ Condominiums</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Commercial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ The Outlets</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Community malls</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Industrial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ 156 locators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ <em>Rank 1 in 2017 industrial lot sales within Calabarzon</em></td>
<td></td>
</tr>
</tbody>
</table>
## 1H 2018 Financial Performance

<table>
<thead>
<tr>
<th>Category</th>
<th>1H 2018</th>
<th>vs 1H 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Sales</td>
<td>1.2B</td>
<td>-27%</td>
</tr>
<tr>
<td>Revenues</td>
<td>2.0B</td>
<td>+29%</td>
</tr>
<tr>
<td>GP</td>
<td>799M</td>
<td>+16%</td>
</tr>
<tr>
<td>NOP</td>
<td>360M</td>
<td>+44%</td>
</tr>
<tr>
<td>NIAT</td>
<td>283M</td>
<td>+40%</td>
</tr>
</tbody>
</table>
1H 2018 Residential Sales

(in Php mn)

Residential sales down YoY due to project launches in 1H 2017 and *The Persimmon Studios* sell out

<table>
<thead>
<tr>
<th></th>
<th>1H 2017</th>
<th>1H 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>H&amp;L</td>
<td>1,309</td>
<td>1,113</td>
</tr>
<tr>
<td>Condo</td>
<td>212</td>
<td>53</td>
</tr>
<tr>
<td>Lots</td>
<td>173</td>
<td>70</td>
</tr>
</tbody>
</table>

27% decrease in residential sales.

-59% and -75% decrease in *Amoa* (Compostela, Cebu) and *Seafront* (San Juan, Batangas) respectively.

-15% decrease in residential sales.
1H 2018 Revenues

Revenues increase with higher industrial lot sales recognized

<table>
<thead>
<tr>
<th></th>
<th>1H 2017</th>
<th>1H 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>764</td>
<td>551</td>
</tr>
<tr>
<td>Industrial</td>
<td>684</td>
<td>1,340</td>
</tr>
<tr>
<td>Commercial and Others</td>
<td>76</td>
<td>80</td>
</tr>
</tbody>
</table>

(in Php mn)

- Residential: 764 to 551 (29% decrease)
- Industrial: 684 to 1,340 (96% increase)
- Commercial and Others: 76 to 80 (6% increase)
1H 2018 Gross Profit & Net Operating Profit

Gross Profit
(in PHP mn)

<table>
<thead>
<tr>
<th></th>
<th>1H 2017</th>
<th>1H 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>691</td>
<td>799</td>
</tr>
<tr>
<td>Change</td>
<td>16%</td>
<td></td>
</tr>
</tbody>
</table>

Net Operating Profit
(in PHP mn)

<table>
<thead>
<tr>
<th></th>
<th>1H 2017</th>
<th>1H 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>251</td>
<td>360</td>
</tr>
<tr>
<td>Change</td>
<td>44%</td>
<td></td>
</tr>
</tbody>
</table>
1H 2018 Business Highlights

Come Home to Amoa

Seafront Summerfest

Amoa
Where life means more
1H 2018 Business Highlights

Anchor Tenants

The Outlets at Lipa is set to have its grand launch by Q4 2018
1H 2018 Business Highlights

Residential
• Almiya and The Persimmon Studios sold out
• Significant construction progress in top selling developments, Seafront Residences and Amoa
• Four projects to launch by end of year

Commercial
• The Outlets at Pueblo Verde boasts a 100% occupancy rate, with notable increases in merchant sales from the previous year
• Grand launch for The Outlets at Lipa set for Q4 2018

Industrial
• 34 hectares sold
Review of Business Units

• Power

• Banking & Financial Services

• Land

• Infrastructure

• Food

• AEV Financials

• Q&A
Strong Demand But Challenging Environment

- Government’s infrastructure projects accelerating
- Stable private sector demand
- Prices have slightly improved
- Significant increases in energy costs and timing difference of maintenance impacting results
- Contribution to AEV amounts to PhP43M in 1H 2018
Water Sector: Project Updates

300 MLD Bulk Water project in Davao
One of the country’s largest private bulk water supply projects

WORK-IN-PROGRESS

• Permitting ✓
• Financing
• Design Works
• Survey Works
• Water Quality Analyses
• Stakeholder engagement campaigns
Transport Infrastructure: Airport Proposals

**NAIA**
- DOTr recommended Original Proponent Status

**New Bohol**
- Unsolicited proposal to upgrade, operate, maintain, expand
- Under evaluation by DOTr
Review of Business Units

• Power

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• Q&A
### 1H 2018 Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>15,046</th>
<th>vs. 1H 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>+21%</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>1,412</td>
<td>-1%</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>9%</td>
<td>-200bps</td>
</tr>
<tr>
<td><strong>NIAT</strong></td>
<td>680</td>
<td>-7%</td>
</tr>
</tbody>
</table>
1H 2018 Revenue
(in Php mn)

- **Farms**
  - 1H 2017: 1,373
  - 1H 2018: 21% increase
  - 1H 2018: 12,482

- **Feeds**
  - 1H 2017: 7,718
  - 1H 2018: 9,701

- **Flour**
  - 1H 2017: 3,390
  - 1H 2018: 3,607
1H 2018 Revenue
(in Php mn)

- **Farms**: 12,482 (1,373 increase, 21%)
  - 1H 2017: 11,109
  - 1H 2018: 15,046

- **Feeds**: 7,718 (increase, 15,046)
  - 1H 2017: 6,300
  - 1H 2018: 9,701

- **Flour**: 3,390 (increase, 15,046)
  - 1H 2017: 2,780
  - 1H 2018: 3,607
1H 2018 EBITDA (in Php mn)

- **Farms**: 468 (1%) decrease from 656 in 1H 2017 to 552 in 1H 2018
- **Feeds**: 656 (1H 2017) to 723 in 1H 2018
- **Flour**: 307 (1H 2017) to 138 in 1H 2018

Total EBITDA: 1,432 in 1H 2017 decreased to 1,412 in 1H 2018.
1H 2018 Net Income (in Php mn)

- Farms: 226 (7% decrease from 364)
- Feeds: 364 (326 from 1H 2018)
- Flour: 138 (60 from 1H 2018)

Total: 727 (680 from 1H 2018)
1H 2018 Financial Highlights: Feeds and Farms

(in Php mn)

<table>
<thead>
<tr>
<th></th>
<th>1H 2017</th>
<th>1H 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farms</td>
<td>226</td>
<td>225</td>
</tr>
<tr>
<td>Feeds PH</td>
<td>280</td>
<td>209</td>
</tr>
</tbody>
</table>

Farms: 1% decrease from 226 to 225

Feeds PH: Decrease from 280 to 209
Review of Business Units

• Power

• Banking & Financial Services

• Land

• Infrastructure

• Food

• AEV Financials

• Q&A
1H 2018 Financial Performance

Revenues
- Core Net Income
  ₱5.3 bn | ₱10.6 bn
  -6% vs 2Q2017
  -2% vs 1H2017

Net Income
- Conso EBITDA
  ₱14.1 bn | ₱28.0 bn
  +6% vs 2Q2017
  +7% vs 1H2017

- Revenues
  ₱47.1 bn | ₱84.3 bn
  +24% vs 2Q2017
  +17% vs 1H2017

- Net Income
  ₱5.3 bn | ₱10.1 bn
  -6% vs 2Q2017
  -2% vs 1H2017
1% growth vs 1H2017, of which...
- +3% from power group driven by fresh contribution of PEC and strong growth from Distribution units
- -2% from infrastructure on higher production costs
1H 2018 Consolidated EBITDA

(in Php mn)

26,027

301
1,426
448
2,154

27,974

398
1,422
54
2,313

1H 2017

21,803

103

1H 2018

23,950

168

-56%

+32%

0%

-88%

+7%

+10%

Power

Infrastructure

Real Estate

Financial Services

Food

Parent & Others
## 1H 2018 Core Net Income

(in Php mn)

<table>
<thead>
<tr>
<th></th>
<th>1H2017</th>
<th>1H2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conso EBITDA</td>
<td>26,027</td>
<td>27,974</td>
<td>7%</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>5,493</td>
<td>5,733</td>
<td>4%</td>
</tr>
<tr>
<td>Depcn. &amp; Amort.</td>
<td>4,124</td>
<td>4,630</td>
<td>12%</td>
</tr>
<tr>
<td>Tax &amp; Others</td>
<td>2,159</td>
<td>2,761</td>
<td>28%</td>
</tr>
<tr>
<td>Non-controlling Interest</td>
<td>3,487</td>
<td>4,298</td>
<td>23%</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>10,765</td>
<td>10,553</td>
<td>-2%</td>
</tr>
<tr>
<td>EPS</td>
<td>1.91</td>
<td>1.87</td>
<td></td>
</tr>
</tbody>
</table>
1H 2018 Net Income
(in Php mn)

<table>
<thead>
<tr>
<th></th>
<th>1H2017</th>
<th>1H2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Net Income</td>
<td>10,765</td>
<td>10,553</td>
<td>-2%</td>
</tr>
<tr>
<td>Non-recurring Income/(Loss)</td>
<td>(495)</td>
<td>(467)</td>
<td>6%</td>
</tr>
<tr>
<td>Net Income</td>
<td>10,270</td>
<td>10,086</td>
<td>-2%</td>
</tr>
</tbody>
</table>

FX rate as of 30 June 2018: 53.34 vs 50.47 in 2017

Earnings Per Share (EPS)

1.82
1.79
### Balance Sheet Highlights

**Consolidated Balance Sheet/Key Ratios**

<table>
<thead>
<tr>
<th></th>
<th>YE2017</th>
<th>1H2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>64,870</td>
<td>61,094</td>
</tr>
<tr>
<td>Total Assets</td>
<td>492,244</td>
<td>504,864</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>299,661</td>
<td>309,711</td>
</tr>
<tr>
<td>Total Equity</td>
<td>192,584</td>
<td>195,153</td>
</tr>
<tr>
<td>Equity Attributable to Parent</td>
<td>155,011</td>
<td>159,417</td>
</tr>
<tr>
<td>Book Value Per Share</td>
<td>27.51</td>
<td>28.30</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>1.6x</td>
<td>1.7x</td>
</tr>
<tr>
<td>Debt to Equity</td>
<td>1.6x</td>
<td>1.6x</td>
</tr>
<tr>
<td>Net Debt to Equity</td>
<td>1.0x</td>
<td>1.0x</td>
</tr>
</tbody>
</table>

**Parent Net Debt**

<table>
<thead>
<tr>
<th></th>
<th>YE2017</th>
<th>1H2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>ND/E</td>
<td>0.10x</td>
<td>0.09x</td>
</tr>
</tbody>
</table>
AEV + Pilmico/Goldcoin
Review of Business Units

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