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13 August 2019

Philippine Dealing & Exchange Corp.
37th Floor, Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas
Makati City

Attention: **Atty. Joseph B. Evangelista**
Head - Issuer Compliance and Disclosure Department

Re: South Luzon Tollway Corporation Php 7.3 Billion Fixed Rate Bonds
SEC Form 17 – Q Quarterly Financial Report

Gentlemen:

We refer to the *Issuer Disclosures Operating Guidelines* which requires the South Luzon Tollway Corporation (the "Company"), as issuer of the above-captioned fixed rate bonds listed with PDEX, to submit, among others, a disclosure on the quarterly financial reports.

In this regard, enclosed is the SEC Form 17-Q, prepared by SLTC and will also be filed with the Securities and Exchange Commission.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Raoul C. Romulo', written over a horizontal line.

Raoul C. Romulo



108132019001000



SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines
Tel: (632) 726-0931 to 39 Fax: (632) 725-5293 Email: mis@sec.gov.ph

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Company Information

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Company Name SOUTH LUZON TOLLWAY CORP.
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Company Type Stock Corporation

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended June 30, 2019
2. Commission identification number A2000 10622 3. BIR Tax Identification No. 207-247-094-000

SOUTH LUZON TOLLWAY CORPORATION

4. Exact name of issuer as specified in its charter

METRO MANILA, PHILIPPINES

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

SITIO LATIAN, BARANGAY MAPAGONG, CALAMBA LAGUNA

7. Address of issuer's principal office

4027

Postal Code

(02)584 - 4688

8. Issuer's telephone number, including area code

NOT APPLICABLE

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class			Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
	<u>Amount</u>	<u>Interest Rate</u>	
Series A	₱2.4 Billion	4.9925%	_____
Series B	₱2.4 Billion	5.5796%	_____
Series C	₱2.5 Billion	6.4872%	_____
Total	₱7.3 Billion		_____

11. Are any or all of the securities listed on a Stock Exchange?

Yes [] No []

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Not Applicable

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [] No []

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [] No []

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

The unaudited financial statements of South Luzon Tollway Corporation ("SLTC" or the "Company") and selected notes as at and for the period ended June 30, 2019 (with comparative figures as at December 31, 2018 and for the period ended June 30, 2018) are attached herewith as "Annex A".

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The information required by Part III, Paragraph (A)(2)(b) of "Annex C" is attached herewith as "Annex B" with a Supplemental Schedule of Financial Soundness Indicators attached as "Annex B-1".

SIGNATURES


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 thereunto duly authorized.

Issuer: **South Luzon Tollway Corporation**

Signature and Title:


Raoul Eduardo C. Romulo
Treasurer

Signature and Title:


Virgilio S. De Guzman
Deputy CFO

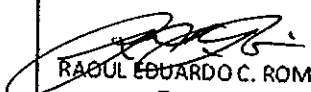
Date: **August 8, 2019**

Annex A

SOUTH LUZON TOLLWAY CORPORATION
(A Subsidiary of MTD Manila Expressways, Inc.)
STATEMENTS OF FINANCIAL POSITION

	Note	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	4	P4,835,078,895	P4,511,141,850
Trade and other receivables	5	65,001,474	8,652,398
Other current assets	6	547,822,175	60,403,430
Total Current Assets		5,447,902,544	4,580,197,678
Noncurrent Assets			
Service concession rights	8	9,649,440,155	9,909,869,821
Property and equipment	7	280,432,270	301,094,890
Computer software	7	3,340,680	3,817,920
Net deferred tax assets		69,822,266	74,210,719
Other noncurrent assets	9	35,292,970	45,569,877
Total Noncurrent Assets		10,038,328,341	10,334,563,227
		P15,486,230,885	P14,914,760,905
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and other current liabilities	10	P493,171,158	P372,190,177
Current portion of provision for resurfacing and maintenance obligation	12	95,294,897	169,005,526
Income tax payable		214,030,346	210,380,915
Total Current Liabilities		802,496,401	751,576,618
Noncurrent Liabilities			
Long-term debt	11	7,248,429,562	7,241,514,795
Noncurrent portion of provision for resurfacing and maintenance obligation	12	291,635,531	242,874,419
Retirement liability		5,568,282	5,402,976
Total Noncurrent Liabilities		7,545,633,375	7,489,792,190
Total Liabilities		8,348,129,776	8,241,368,808
Equity			
Capital stock		3,625,000,000	3,625,000,000
Retained earnings	15	3,512,101,560	3,047,392,548
Other comprehensive income		999,549	999,549
Total Equity		7,138,101,109	6,673,392,097
		P15,486,230,885	P14,914,760,905

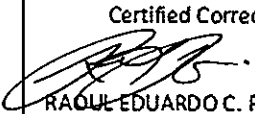
See accompanying Management's Discussion and Analysis and Selected Notes to Financial Statements

<p>Certified Correct:</p>  RAOUL EDUARDO C. ROMULO Treasurer
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SOUTH LUZON TOLLWAY CORPORATION
(A Subsidiary of MTD Manila Expressways, Inc.)
STATEMENTS OF COMPREHENSIVE INCOME

	Note	For the quarter ended		For the period ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
REVENUE FROM TOLL OPERATIONS		₱1,602,353,384	₱1,552,385,870	₱3,143,562,853	₱3,026,843,677
COST OF SERVICE	14	(391,607,880)	(389,130,952)	(780,266,355)	(775,359,758)
GROSS PROFIT		1,210,745,504	1,163,254,918	2,363,296,498	2,251,483,919
OPERATING EXPENSES	14	(100,427,664)	(82,241,624)	(178,906,330)	(156,671,494)
OPERATING INCOME		1,110,317,840	1,081,013,294	2,184,390,168	2,094,812,425
OTHER INCOME (CHARGES)					
Interest expense and other financing charges	11	(116,352,953)	(110,723,100)	(230,857,421)	(221,275,012)
Construction revenue		13,561,867	10,115,075	19,208,045	12,936,035
Construction costs		(13,561,867)	(10,115,075)	(19,208,045)	(12,936,035)
Interest income		43,061,449	17,368,329	89,339,897	26,863,832
Foreign exchange gain (loss) - net		(91,726)	30,921	(71,190)	92,375
Other income		11,235,691	9,660,875	49,917,097	16,705,034
INCOME BEFORE INCOME TAX		1,048,170,301	997,350,319	2,092,718,551	1,917,198,654
INCOME TAX EXPENSE		218,540,323	206,154,803	431,759,539	404,851,109
NET INCOME		829,629,978	791,195,516	1,660,959,012	1,512,347,545
OTHER COMPREHENSIVE INCOME (LOSS)		-	-	-	-
TOTAL COMPREHENSIVE INCOME		₱829,629,978	₱791,195,516	₱1,660,959,012	₱1,512,347,545
BASIC/DILUTED EARNINGS PER SHARE	18	₱0.23	₱0.22	₱0.46	₱0.42

See accompanying Management's Discussion and Analysis and Selected Notes to Financial Statements


<p>Certified Correct:</p>  <p>RAOUL EDUARDO C. ROMULO Treasurer</p>

SOUTH LUZON TOLLWAY CORPORATION
(A Subsidiary of MTD Manila Expressways, Inc.)

STATEMENTS OF CHANGES IN EQUITY

	Note	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)
CAPITAL STOCK-P1.00 par value			
Authorized - 4,000,000,000 shares			
Issued and outstanding - 3,625,000,000 shares		P3,625,000,000	P3,625,000,000
RETAINED EARNINGS			
Balance at beginning of period		3,047,392,548	1,894,899,163
Net income		1,660,959,012	3,073,743,385
Dividend declaration	15	(1,196,250,000)	(1,921,250,000)
Balance at end of period		3,512,101,560	3,047,392,548
OTHER COMPREHENSIVE INCOME			
Accumulated actuarial gain			
Balance at beginning of period		999,549	1,204,839
Remeasurement gain (loss) on retirement liability		-	(205,290)
Balance at end of period		999,549	999,549
		P7,138,101,109	P6,673,392,097

See accompanying Management's Discussion and Analysis and Selected Notes to Financial Statements

Certified Correct:

RAOUIL EDUARDO C. ROMULO
Treasurer

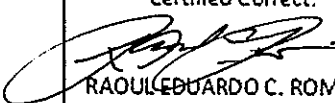
SOUTH LUZON TOLLWAY CORPORATION

(A Subsidiary of MTD Manila Expressways, Inc.)

STATEMENTS OF CASH FLOWS

	Note	For the period ended	
		June 30, 2019	June 30, 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		P2,092,718,551	P1,917,198,654
Adjustment for:			
Depreciation and amortization	7	53,858,821	30,288,683
Amortization for concession right	8	279,637,710	275,250,221
Retirement benefit cost		165,306	732,075
Provision for resurfacing and maintenance obligation	12	58,382,922	62,725,554
Interest expense and other financing charges	11	230,857,421	221,275,012
Interest income		(89,339,897)	(26,863,832)
Unrealized foreign exchange loss (gain) - net		(256,979)	(92,375)
Operating Income before working capital changes		2,626,023,855	2,480,513,992
Decrease (increase) in:			
Trade and other receivables		(56,349,075)	(9,726,082)
Other current assets		(487,359,706)	2,061,607
Other noncurrent assets		10,940,283	855,768
Increase (decrease) in accounts payable and other current liabilities		120,980,981	(84,460,828)
Net cash generated from operations		2,214,236,338	2,389,244,457
Interest expense paid		(209,776,601)	(208,799,780)
Income tax paid		(423,780,695)	(215,397,907)
Actual resurfacing and maintenance paid	12	(97,498,493)	(23,188,352)
Interest received		89,339,897	26,863,832
Net cash provided by operating activities		1,572,520,446	1,968,722,250
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property and equipment	7	(33,382,336)	(45,145,898)
Service concession rights	8	(19,208,044)	(12,936,036)
Net cash used in investing activities		(52,590,380)	(58,081,934)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	15	(1,196,250,000)	(652,500,000)
Net cash used in financing activities		(1,196,250,000)	(652,500,000)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		256,979	92,375
NET INCREASE IN CASH AND CASH EQUIVALENTS		323,937,045	1,258,232,691
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		4,511,141,850	2,665,484,092
CASH AND CASH EQUIVALENTS AT END OF PERIOD		P4,835,078,895	P3,923,716,783

See accompanying Management's Discussion and Analysis and Selected Notes to Financial Statements

Certified Correct:  RAOULO EDUARDO C. ROMULO Treasurer
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SOUTH LUZON TOLLWAY CORPORATION
(A Subsidiary of MTD Manila Expressways, Inc.)

SELECTED NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

South Luzon Tollway Corporation (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on July 26, 2000, by virtue of a joint venture agreement between MTD Manila Expressways, Inc. (MTDME) and the Philippine National Construction Corporation (PNCC), primarily to engage in the rehabilitation, construction and expansion of the South Luzon Expressway (SLEX) from Alabang viaduct to Lucena, Quezon ("SLEX Project") and other allied businesses necessary or otherwise engaging in any work upon the toll roads.

The Company is a subsidiary of MTDME (the Parent Company), a domestic corporation engaged in general construction, project management and administration. The ultimate parent of the Company is Top Frontier Investment Holdings, Inc., a holding company incorporated in the Philippines.

The registered office address of the Company is Sitio Latian, Barangay Mapagong, Calamba City, Laguna.

Retail Bond Issue

On March 5, 2015, the Company's Board of Directors (BOD) authorized the Company to issue, offer and sell to the public, bonds in the aggregate principal amount of up to ₱7,300.0 million.

On May 7, 2015, the SEC issued a Permit to Sell for the general public offering of the retail bonds (Bonds) of the Company and the offer was made to institutional and retail investors from May 8, 2015 to May 14, 2015. The Bonds were listed at the Philippine Dealing System Holdings Corp. & Subsidiaries (PDS) on May 22, 2015. The net proceeds were used to prepay its outstanding Corporate Notes (see Note 11).

Supplemental Toll Operation Agreement ("STOA")

On February 1, 2006, the Company executed the STOA with Manila Toll Expressway Systems, Inc. (MATES), PNCC and the Republic of the Philippines (ROP or the Grantor) through the Toll Regulatory Board (TRB). The STOA authorizes the Company by virtue of a joint venture to carry out the rehabilitation, construction and expansion of the SLEX Project, comprising of Toll Road (TR)1 (Alabang viaduct), TR2 (Filinvest to Calamba, Laguna), TR3 (Calamba, Laguna to Sto. Tomas, Batangas) and TR4 (Sto. Tomas, Batangas to Lucena City). The concession granted shall expire 30 years from February 1, 2006.

On December 14, 2010, the TRB issued the Toll Operations Certificate for Phase 1 of the SLEX i.e. TR1, TR2 and TR3, and approved the implementation of the initial toll rate starting April 1, 2011.

Assignment of PNCC Shares

In 2012, the Company received a letter from the Department of Finance informing the Company of the conveyance by PNCC to the ROP of its shares of stock in the Company, by way of a deed of assignment. Moreover, the Company also received the Declarations of Trust signed by the individual nominees of PNCC, in favor of the ROP, in which each nominee affirmed their holding of single, qualifying share in the Company in favor of the ROP.

Memorandum of Agreement on the Inter-Operability of the SLEX and the Muntinlupa - Cavite Expressway

The Company entered into a Memorandum of Agreement (MOA) on the Interoperability of the Muntinlupa-Cavite Expressway (MCX) (formerly known as the Daang Hari-SLEX Connector Road) and the SLEX (MOA on Interoperability) and an accompanying Addendum to the MOA on Interoperability, both on July 21, 2015, with Ayala Corporation (AC). AC is the concession holder of MCX while MCX Tollway, Inc. is the facility operator of MCX.

The MOA on Interoperability and the addendum provide the framework that will govern the interface and integration of the technical operations and toll operation systems between the MCX and the SLEX, to ensure seamless travel access into MCX and SLEX for road users. MCX opened and operated as a toll expressway beginning July 24, 2015.

2. Basis of Preparation and Statement of Compliance

Statement of Compliance

The financial statements have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS). This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC) issued by the Philippine Financial Reporting Standards Council and adopted by the SEC, including SEC pronouncements.

The accounting policies and methods of computation used in the preparation of unaudited interim financial statements as at and for the six months ended June 30, 2019 are consistent with the most recent annual financial statements.

The unaudited interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at December 31, 2018.

Bases of Preparation

The financial statements are presented in Philippine Peso (Peso), which is the functional currency of the Company. All values are in absolute amounts unless otherwise indicated.

The financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of consideration received in exchange of incurring a liability. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date.

3. Summary of Changes in PFRS

Adoption of New and Amended PFRS

The accounting policies adopted are consistent with those of the previous reporting year, except for the adoption of the following new and amended PFRS which the Company adopted effective for annual periods beginning January 1, 2019:

Adoption of New and Amended PFRS

- PFRS 16, *Leases* – This standard replaced PAS 17, *Leases* and its related interpretations. The most significant change introduced by the new standard is that almost all leases will be brought onto the lessees' statement of financial position under a single model (except leases of less than 12 months and leases of low-value assets), eliminating the distinction between operating and finance leases. Lessor accounting, however, remains largely unchanged and the distinction between operating and finance lease is retained.
- Amendments to PFRS 9, *Financial Instruments - Prepayment Features with Negative Compensation* – The amendments allow entities to measure particular prepayable financial assets with negative compensation at amortized cost or at fair value through other comprehensive income (instead of at fair value through profit or loss) if a specified condition is met. It also clarifies the requirements in PFRS 9, *Financial Instruments* for adjusting the amortized cost of a financial liability when a modification or exchange does not result in its derecognition (as opposed to adjusting the effective interest rate).
- Philippine Interpretation IFRIC 23, *Uncertainty Over Income Tax Treatments - Uncertainty Over Income Tax Treatments* – The interpretation provides guidance on how to reflect the effects of uncertainty in accounting for income taxes under PAS 12, *Income Taxes*, in particular (i) whether uncertain tax treatments should be considered separately, (ii) assumptions for taxation authorities' examinations, (iii) determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, and (iv) effect of changes in facts and circumstances.

4. Cash and Cash Equivalents

This account consists of:

	June 30, 2019	December 31, 2018
Cash on hand and in banks	₱629,496,088	₱1,041,954,246
Cash equivalents	4,205,582,807	3,469,187,604
	₱4,835,078,895	₱4,511,141,850

Cash in banks earn interest at bank deposit rates. Cash equivalents are short-term investments that are made for varying periods of up to three months depending on the immediate cash requirements of the Company and earn interest at short-term investments rates.

5. Trade and other receivables

This account consists of:

	Note	June 30, 2019	December 31, 2018
Trade Receivables:			
Related parties	13	₱34,807,597	₱873,889
Third parties		15,365,310	5,902,234
Refundable deposits		1,344,275	1,344,275
Advances to officers and employees		11,283	32,000
Receivable from Department of Public Works and Highways		-	3,188,620
Others		13,473,009	500,000
		65,001,474	11,841,018
Less allowance for ECL		-	(3,188,620)
		₱65,001,474	₱8,652,398

Trade receivables are noninterest-bearing and are normally collected within 30 days.

Other receivables are usually settled within one year.

Receivable from DPWH amounting to ₱3.2 million was written off in 2019.

6. Other current assets

This account consists of:

	Note	June 30, 2019	December 31, 2018
Deferred input VAT		₱48,159,036	₱24,372,855
Advances to suppliers		468,148,012	19,045,129
Prepayments	13	31,355,879	16,910,446
Others		159,248	75,000
		₱547,822,175	₱60,403,430

Advances to suppliers pertain to advance payments made to the suppliers of the Company in relation to the TR4 Project and enhancement of the toll collection system. This will be applied to the subsequent supplier billings.

Others pertain to prepayment for server maintenance requirements and bond-related expenses.

7. Property and Equipment

This account consists of:

Cost	June 30, 2019				Total
	Toll Machinery and Equipment	Vehicles	Office Equipment, Furniture and Fixtures	Leasehold Improvements	
Balance at beginning of year	P491,618,928	P31,735,207	P11,513,989	P	P534,868,124
Additions	33,307,202	-	75,134	-	33,382,336
Disposal	(4,281,346)	-	-	-	(4,281,346)
Reclassification	-	-	-	-	-
Balance at end of period	520,644,784	31,735,207	11,589,123	-	563,969,114
Accumulated Depreciation and Amortization					
Balance at beginning of year	205,567,621	19,341,263	8,864,350	-	233,773,234
Depreciation and amortization	51,519,656	570,179	435,976	-	52,525,811
Disposal	(4,281,346)	-	-	-	(4,281,346)
Reclassification	-	1,235,893	283,252	-	1,519,145
Balance at end of period	252,805,931	21,147,335	9,583,578	-	283,536,844
Net Book Value	P267,838,853	P10,587,872	P2,005,545	P	P280,432,270

Cost	December 31, 2018				Total
	Toll Machinery and Equipment	Vehicles	Office Equipment, Furniture and Fixtures	Leasehold Improvements	
Balance at beginning of year	P374,228,615	P29,076,278	P10,030,218	P1,929,943	P415,265,054
Additions	117,390,313	2,658,929	1,483,771	-	121,533,013
Disposal	-	-	-	(1,929,943)	(1,929,943)
Balance at end of year	491,618,928	31,735,207	11,513,989	-	534,868,124
Accumulated Depreciation and Amortization					
Balance at beginning of year	133,206,411	15,817,752	7,581,658	1,929,943	158,535,764
Depreciation and amortization	72,361,210	3,523,511	1,282,692	-	77,167,413
Disposal	-	-	-	(1,929,943)	(1,929,943)
Balance at end of year	205,567,621	19,341,263	8,864,350	-	233,773,234
Net Book Value	P286,051,307	P12,393,944	P2,649,639	P	P301,094,890

Depreciation for vehicles and office equipment for the period ended June 30, 2019 amounting to ₱1.5 million was capitalized as part of project development costs for TR4.

Computer Software

Computer software pertains to the computer software license and related consultancy service obtained by the Company pursuant to the End User License and Service Agreement with SMITS, Inc. (see Note 13).

Computer software amounted to ₱3.3 million and ₱3.8 million as of June 30, 2019 and December 31, 2018, respectively. Amortization recognized to operating expenses amounted to ₱0.5 million in June 30, 2019.

8. Service Concession Rights

This account consists of:

	June 30, 2019		
	TR1, TR2 and TR3	TR4	Total
Cost			
Balance at beginning of year	P14,178,446,775	P335,654,536	P14,514,101,311
Additions	-	19,208,044	19,208,044
Balance at end of period	14,178,446,775	354,862,580	14,533,309,355
Accumulated Amortization			
Balance at beginning of year	4,604,231,490	-	4,604,231,490
Amortization	279,637,710	-	279,637,710
Balance at end of period	4,883,869,200	-	4,883,869,200
Carrying Amount	P9,294,577,574	P354,862,580	P9,649,440,155

	December 31, 2018		
	TR1, TR2 and TR3	TR4	Total
Cost			
Balance at beginning of year	P14,149,782,954	P293,082,932	P14,442,865,886
Additions	28,663,821	42,571,604	71,235,425
Balance at end of year	14,178,446,775	335,654,536	14,514,101,311
Accumulated Amortization			
Balance at beginning of year	4,049,915,451	-	4,049,915,451
Amortization	554,316,039	-	554,316,039
Balance at end of year	4,604,231,490	-	4,604,231,490
Carrying Amount	P9,574,215,284	P335,654,536	P9,909,869,821

Construction Revenue and Costs

The Company recognized construction revenue and costs amounting to ₱19.2 million and ₱12.9 million for the period ended June 30, 2019 and June 30, 2018, respectively, for the costs incurred in the planning and development of TR4 project.

As at June 30, 2019, construction has already commenced on the TR4 project.

9. Other Noncurrent Assets

This account consists of:

	Note	June 30, 2019	December 31, 2018
Prepaid land lease - net of current portion	13	P -	P27,527,243
Right-of-use asset, net	13	28,383,012	-
Retirement benefit asset - non current		550,805	-
Deferred input VAT		2,748,008	14,431,489
Deposits		3,611,145	3,611,145
		P35,292,970	P45,569,877

10. Accounts Payable and Other Current Liabilities

This account consists of:

	Note	June 30, 2019	December 31, 2018
Trade:			
Related parties	13	₱81,436,073	₱99,609,626
Third parties		257,467,599	63,286,668
Accrued expenses:			
Interest	11	38,533,254	38,512,701
Others		4,527,243	25,560,542
Statutory payables		64,614,174	59,098,118
Retention payable		29,584,413	38,351,667
Payable to PNCC		15,757,694	16,912,500
Rental deposit		1,101,075	1,101,075
Other Current Liabilities		149,633	29,757,280
		₱493,171,158	₱372,190,177

These liabilities are noninterest-bearing and are normally settled within one year.

Accrued expenses – others mainly pertain to commitment fee payable and accruals for utilities and outside services.

Statutory payables pertain to net output VAT, withholding taxes payables and contributions payable to various government agencies.

Payable to PNCC pertains to consideration for the assignment by PNCC of its usufructuary rights, interests and privileges under its franchise equivalent to 1.75% of the gross toll revenue for the first 5 years, and 3% of the gross toll revenue for the sixth year and onwards, counted from the date of the issuance to MATES of the Toll Operation Permit for the SLEX Project (PNCC share). PNCC share amounted to ₱ 94.3 million and ₱ 90.8 million for the period ended June 30, 2019 and June 30, 2018, respectively (see Note 14). The outstanding balance was settled by the Company in the subsequent period.

The Company recognized contingencies arising from certain claims in the normal course of business. The outstanding balance is included under "Accounts Payable and Other Current Liabilities - Others". As allowed under PAS 37, further information is not disclosed as it may prejudice the Company's negotiation with the third party.

11. Long-Term Debt

Details of the long-term debt are shown below:

	June 30, 2019	December 31, 2018
Principal	₱7,300,000,000	₱7,300,000,000
Unamortized debt issue cost		
Balance at beginning of year	58,485,205	67,849,221
Less unamortized debt issue cost	6,914,767	9,364,016
Balance at end of year	51,570,438	58,485,205
	₱7,248,429,562	₱7,241,514,795

Retail Bond Issue

On March 5, 2015, the Company's BOD authorized the Company to issue, offer and sell to the public, bonds in the aggregate principal amount of up to ₱7,300.0 million to be issued in three (3) tranches.

On May 7, 2015, the SEC issued a Permit to Sell for the general public offering of the Company's Bonds and the offer was made to institutional and retail investors from May 8, 2015 to May 14, 2015. The fund raising exercise generated gross proceeds amounting to an aggregate principal of ₱7,300.0 million with net proceeds of ₱7,212.2 million, after deducting fees, taxes, commissions and related expenses. The net proceeds were used to prepay its outstanding Peso-denominated Corporate Notes.

The Bonds were issued in three (3) series as follows:

	Principal	Interest Rate	Term
Series A Bonds	₱ 2,400,000,000	4.9925% p.a.	Five years and three months
Series B Bonds	2,400,000,000	5.5796% p.a.	Seven years
Series C Bonds	2,500,000,000	6.4872% p.a.	Ten years

Interest on the Bonds shall be payable quarterly in arrears starting on August 22, 2015 for the first interest payment date, and every quarter thereafter as long as the Bonds remain outstanding.

The Company may (but shall not be obliged to) redeem all (and not a part only) of any series of the outstanding Bonds on the following relevant dates (each an "Early Redemption Option Date"). The amount payable to the Bondholders in respect of such redemptions shall be calculated based on the principal amount of the Bonds being redeemed, as the sum of:

- accrued interest on the Bonds computed from the last Interest Payment Date up to the relevant Early Redemption Option Date; and
- the product of the principal amount and the applicable Early Redemption Price in accordance with the following schedule:

Years from Issue Date	Series A Bonds	Series B Bonds	Series C Bonds
Three (3) Years	101.0%	-	-

Years from Issue Date	Series A Bonds	Series B Bonds	Series C Bonds
Four (4) Years	100.5%	—	—
Five (5) Years and Three (3) Months	—	101.0%	—
Six (6) Years	—	100.5%	—
Seven (7) Years	—	—	102.0%
Eight (8) Years	—	—	101.0%
Nine (9) Years	—	—	100.5%

Unless previously redeemed, purchased and cancelled, the Series A Bonds, Series B Bonds and Series C Bonds will be redeemed at par or 100.00% of their face value on their respective maturity dates.

Unless the Majority Bondholders shall otherwise consent in writing, the Company agrees to comply with the following financial covenants:

- Debt-to-equity ratio (ratio of interest-bearing debt to equity, as defined in the Company's bond offering prospectus dated May 15, 2015) of not more than 2.5x; and
- Interest coverage ratio of not less than 3.0x so long as any of the Bonds remain outstanding.

The Company is in compliance with its financial covenants as at and for the period ended June 30, 2019.

Scheduled principal repayment of the Company's long-term debt is as follows:

	June 30, 2019	December 31, 2018
After one year but not more than five years	₱4,800,000,000	₱4,800,000,000
More than five years	2,500,000,000	2,500,000,000
	₱7,300,000,000	₱7,300,000,000

Total interest expense and other financing charges were recognized from the following:

	Note	June 30, 2019	June 30, 2018
Retail bond:			
Interest on long-term debt		₱207,955,201	₱207,955,199
Amortization of debt issue cost		6,914,766	4,617,200
Other financing charges		1,821,400	844,581
		216,691,367	213,416,980
Accretion of interest on provision for resurfacing and maintenance obligation	12	14,166,054	7,858,032
		₱230,857,421	₱221,275,012

Other financing charges consist of maintenance fees and security agency fees.

Interest payable related to the bonds amounted to ₱38.5 million as at June 30, 2019 and December 31, 2018 (see Note 10).

12. Provision for Resurfacing and Maintenance Obligation

This account pertains to the present value of the estimated contractual obligations of the Company to undertake the financing of the periodic maintenance which include periodic repavement, renewal and restoration of the SLEX toll roads and toll road facilities, as defined in the STOA.

Movements in this account are as follows:

	Note	June 30, 2019	December 31, 2018
Balance at beginning of year		₱411,879,945	₱395,869,740
Provision	14	58,382,922	184,157,499
Accretion of interest	11	14,166,054	15,716,064
Utilization of provision		(97,498,493)	(183,863,358)
		386,930,428	411,879,945
Less current portion		95,294,897	169,005,526
		₱291,635,531	₱242,874,419

Key assumptions used to determine the provision for resurfacing and maintenance obligation are as follows:

	June 30, 2019	December 31, 2018
Replacement period	5 years	5 years
Discount rate range	6.79% to 7.02%	6.79% to 7.02%
Price increase	4.0%	4.0%

Discount rates represent the interest rates of government bonds that are denominated in Philippine currency in which the obligation will be paid, with extrapolated maturities corresponding to the expected payment of resurfacing obligation.

Price increase is based on the published general inflation rate for the Philippines.

13. Related Party Transactions

The Company's transactions and balances with related parties are summarized as follows:

Related Parties	Transaction Amounts		Outstanding Balance		Terms and Conditions
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018	
Receivables					
Under common control	P635,781,466	P5,478,630	P34,807,597	P873,889	On demand non-interest bearing, unsecured
Intermediate Parent	-	-	-	-	
			P34,807,597	P873,889	On demand non-interest bearing, unsecured
Prepaid Land Lease					
Under common control	P0	P1,711,539	P0	P29,238,782	Applied to monthly rental due
Accounts payable and other current liabilities					
Under common control	P346,069,248	P2,106,573,772	P81,436,073	P99,411,163	On demand non-interest bearing, unsecured
Intermediate Parent	-	198,463	-	198,463	On demand non-interest bearing, unsecured
Parent	957,000,000	1,537,000,000	-	-	On demand non-interest bearing, unsecured
			P81,436,073	P99,609,626	

Receivables from Related Parties

- The Company entered into a service facility agreement with Petron Corporation for providing an access to gasoline stations along the SLEX. The Company charges service facility fee for certain percentage of revenue of the gasoline stations.
- The Company entered into lease agreements with Star Infrastructure Development Corporation (SIDC) and Intelligent E-Processes Technologies Corp. (IETC) for the sublease of office space located at Calamba, Laguna.

Right of Use

The Company leases with AMTEX a parcel of land located at Calamba, Laguna, where its office building for the toll operation center and appurtenant facilities are located. The contract of lease commenced in 2010 after the completion of the toll operation center and shall be coterminous with the concession period, unless sooner terminated in accordance with the applicable provisions of the contract of lease.

As a result of the Company's adoption of PFRS 16, except for short-term leases, right-of-use asset and a corresponding lease liability were recognized for all operating leases as at January 1, 2019. Since lease payments were already advanced by the Company at lease commencement date, no lease liability was recognized from the lease of the land from AMTEX. Consequently, right-of-use asset amounted to ₱28.4 million as at June 30, 2019 and included under "other noncurrent assets" account.

Accounts Payable to Related Parties

- a. MATES is engaged in the operation and maintenance of the rehabilitated and expanded SLEX Project pursuant to the STOA. On May 14, 2008, the Company and MATES entered into an Operation and Maintenance (O&M) Agreement to set out the parameters and scope of the operation and maintenance of the SLEX Project, commencing upon the actual or constructive issuance by the TRB of a Toll Operation Permit. On December 14, 2010, TRB confirmed its approval of the issuance of the TOC for the entire Phase 1 of the SLEX Project. In 2017, the O&M Agreement was amended to increase the O&M fee effective January 2017.
- b. In 2016 and 2018, the Company and Intelligent E-Processes Technologies Corp. (IETC) entered into various service agreements for the administration and maintenance of the toll collection system.
- c. On May 28, 2010, the Company, with MATES, Citra Metro Manila Tollways Corporation (CMMTC) and Skyway O & M Corporation entered into a MOA on Inter-operability of Toll Collection System to ensure the inter-operability of their respective toll collection system and traffic operations in accordance with the TRB guidelines for seamless traffic system and improved quality of service to the motorists throughout the SLEX and the SMMS.

The Company has toll receivable as at June 30, 2019 and a toll payable as at December 31, 2018 to CMMTC resulting from the offsetting of the collections (i.e., cash and RFID transactions) made by the Company in behalf of CMMTC and those collected by CMMTC for the account of the Company.

- d. In the normal course of business, the Company purchases goods and services from its related parties.

14. Cost of Service and Operating Expenses

This account consists of:

	Note	June 30, 2019	June 30, 2018
Cost of service:			
Operations and maintenance fee	13	₱340,000,000	₱340,000,000
Amortization of service concession rights	8	279,637,710	275,250,221
PNCC share		94,306,886	90,805,310
Provision for resurfacing and maintenance obligation	12	58,382,922	62,725,554
Insurance		7,938,837	6,578,672
		₱780,266,355	₱775,359,758

	Note	June 30, 2019	June 30, 2018
Operating Expenses:			
Repairs and maintenance		P64,892,476	P81,827,815
Depreciation and amortization	7	53,858,821	30,288,683
Taxes and licenses		24,368,627	15,993,796
Advertising		21,874,308	14,616,832
Salaries and other employee benefits		6,611,179	6,363,438
Communication, light and water		2,183,461	2,265,756
Outside services		3,690,178	2,248,801
Rent	13	318,384	871,999
Office supplies		190,587	350,609
Transportation and travel		241,486	396,269
Retirement benefits cost		393,503	-
Entertainment, amusement and recreation		188,278	15,414
Others		95,042	1,432,081
		P178,906,330	P156,671,494

15. Retained Earnings

Cash dividends declared by the Company are as follows:

Date Approved	Per Share	Total Amount	Payment Date
March 7, 2019	P0.33	P1,196,250,000.00	March 13, 2019
September 13, 2018	0.35	1,268,750,000	September 14, 2018
March 7, 2018	0.18	652,500,000	March 13, 2018

16. Financial Risk Management Objectives and Policies

The Company's principal financial instruments are cash and cash equivalents, receivables, accounts payable and other current liabilities and long-term debt.

The main purpose of the Company's financial instruments is to fund the Company's operations and to acquire and improve property and equipment.

The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and manage the Company's exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the Company's activities.

The main risks arising from the Company's financial instruments are liquidity risk and credit risk. The Company's BOD and management review and approve policies for managing each of these risks as summarized below.

Credit Risk

Credit risk refers to the potential loss arising from any failure by counter parties to fulfill their obligations, as and when they fall due. It is inherent to the business as potential losses may arise due

to the failure of its customers and counter parties to fulfill their obligations on maturity dates or due to adverse market conditions.

Generally, the Company's credit risk is attributable to loans and receivables. The Company maintains defined credit policies and continuously monitors defaults of customers and other counter parties, identified either individually or by group, and incorporate this information into its credit risk controls. In addition, for a significant proportion of sales, advance payment, one-time charge and deposit are received to mitigate credit risk.

	June 30, 2019			
	Neither Past Due nor Impaired			Total
	High Grade	Standard Grade	Impaired	
Cash and cash equivalents*	₱4,832,078,895	-	-	₱4,832,078,895
Receivables	-	₱65,001,474	-	65,001,474
	₱4,832,078,895	₱65,001,474	₱0	₱4,897,080,369

* Excluding cash on hand amounting to ₱3.0 million

	December 31, 2018			
	Neither Past Due nor Impaired			Total
	High Grade	Standard Grade	Impaired	
Cash and cash equivalents*	₱4,508,141,850	-	-	₱4,508,141,850
Receivables	-	₱27,697,527	₱3,188,620	30,886,147
	₱4,508,141,850	₱27,697,527	₱3,188,620	₱4,539,027,997

* Excluding cash on hand amounting to ₱3.0 million

Liquidity Risk

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing for long-term financial liabilities as well as cash outflows due in the day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week, as well as on the basis of a rolling 30-day projection. The Company regularly evaluates its projected and actual cash flows.

Capital Management

The objective in managing capital is to ensure that the Company will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance and to sustain future development of the business.

The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the period ended June 30, 2019 and year ended December 31, 2018.

The Company monitors its capital using debt to equity ratio, which is total debt divided by the total equity. The Company includes within total debt the total liabilities, including interest bearing loans and borrowings. In determining the debt to equity ratio, the Company excluded other comprehensive income as part of equity.

17. Operating Segment Information

The Company is engaged in rehabilitation, construction and expansion of SLEX Project and considers such as its primary activity and only operating segment.

The Company has only one geographical segment as all of its assets are located in the Philippines. The Company operates and derives principally all of its revenue from domestic operations. Thus, geographical business operation is not required.

Segment assets, liabilities and revenue and expenses are measured in accordance with PFRS. The presentation and classification of segment revenue and expenses are consistent with the statements of comprehensive income. The presentation and classification of segment assets and liabilities are consistent with the statements of financial position.

As at June 30, 2019 and December 31, 2018, the Company does not have a customer for which 10% or more of the revenue were derived from.

18. Earnings Per Share

Basic and diluted earnings per share were computed as follows:

	June 30, 2019	June 30, 2018
Net income for the period	₱1,660,959,012	₱1,512,347,545
Divided by the outstanding shares	3,625,000,000	3,625,000,000
Earnings per share - basic and diluted	₱0.46	₱0.42

ANNEX B
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
RESULTS OF OPERATIONS AND FINANCIAL CONDITION**
INTRODUCTION

The following discussion and analysis of the financial condition and results of operations should be read in conjunction with the attached unaudited financial statements of South Luzon Tollway Corporation ("SLTC" or the "Company") and the related notes as at and for the period ended June 30, 2019 (with comparative figures as at December 31, 2018 and for the period ended June 30, 2018). All necessary adjustments to present fairly the financial position, financial performance and cash flows as at June 30, 2019, and for all other periods presented, have been made. Certain information and footnote disclosures normally included in the audited financial statements prepared in accordance with the Philippine Financial Reporting Standards have been omitted.

SUMMARY OF FINANCIAL INFORMATION**Statements of Comprehensive Income**

	For the Quarter Ended		For the period ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
REVENUE FROM TOLL OPERATIONS	₱1,602,353,384	₱1,552,385,870	3,143,562,853	3,026,843,677
COSTS AND EXPENSES	(492,035,544)	(471,372,576)	(959,172,685)	(932,031,252)
	1,110,317,840	1,081,013,294	2,184,390,168	2,094,812,425
OTHER INCOME (CHARGES)	(62,147,539)	(83,662,975)	(91,671,617)	(177,613,770)
INCOME BEFORE INCOME TAX	1,048,170,301	997,350,319	2,092,718,551	1,917,198,654
PROVISION FOR INCOME TAX	218,540,323	206,154,803	431,759,539	404,851,109
NET INCOME	829,629,978	791,195,516	1,660,959,012	1,512,347,545
OTHER COMPREHENSIVE INCOME (LOSS)	-	-	-	-
TOTAL COMPREHENSIVE INCOME	₱829,629,978	₱791,195,516	1,660,959,012	1,512,347,545

Statements of Financial Position

	June 30, 2019 (Unaudited)	December 31, 2018 (Audited)
Current Assets	P5,447,902,544	P4,580,197,678
Noncurrent Assets	10,038,328,341	10,334,563,227
TOTAL ASSETS	P15,486,230,885	P14,914,760,905
Current Liabilities	P802,496,401	P751,576,618
Noncurrent Liabilities	7,545,633,375	7,489,792,190
	8,348,129,776	8,241,368,808
Equity	7,138,101,109	6,673,392,097
TOTAL LIABILITIES AND EQUITY	P15,486,230,885	P14,914,760,905

I. FINANCIAL PERFORMANCE

Quarters ended June 30, 2019 and June 30, 2018

Toll revenue posted an 4% increase in 2019 from P 3,026.8 million to P 3,143.6 million due to increase in traffic volume, driven by the sustained growth of residential and industrial areas backed by the government's decentralization push to stimulate business activities in areas outside Metro Manila, and amid expanding housing development and strong consumer socio-economic activity in the Calabarzon area. Apart from the industrial development in the area which gave rise to various industrial parks, Cavite and Laguna has become attractive to people looking for spacious housing facilities and veering away from condominium living which are offered at steep prices in Metro Manila. These developments enhanced the volume for class 1 vehicles. Traffic volume for Class 3 vehicles also went up mainly due to the thriving CALABARZON, the second most densely populated region after NCR. Batangas, in particular, has the second largest international seaport in Luzon. It serves as a main entry point for goods from the South, and from international ports.

A regular review of the Operator's fee is conducted in accordance with the Amended Operation and Maintenance Agreement to ensure quality service to motorists. Operations and maintenance cover the toll roads, toll road facilities, interchanges and related facilities, including the operation and management of toll collection systems, traffic control and other systems located within the toll roads. An assessment conducted in 2016 revealed the necessity to amend the Operation and Maintenance Fees. The amended fee was approved by the Board of Directors in November 2016 and effective January 1, 2017.

SLTC remains compliant with the terms of its concession agreement by providing sufficient funding for maintenance obligations under the STOA. Provision for resurfacing and maintenance to date amounted to P386.9 million, with higher expected utilization due to projected maintenance works within 2019.

Amortization of concession rights increased slightly for enhancement activities during the period, including project development costs for TR4. Amortization costs are recorded for the costs of concession rights amortized on a straight-line basis over 26 years from start of commercial operations in 2010. Concession right consists of construction costs, including borrowing costs during the construction period, of the SLEX Project. The enhancement of the toll collection system is still ongoing, accounting for the increase in depreciation cost. Expansion costs are also booked for new toll plazas and additional lanes to improve throughput.

EBITDA increased by 6% from ₱2,417.1 million to ₱2,567.8 million. Net income for the period grew by 10% from ₱1,512.3 million to ₱1,661.0 million due to higher toll revenue as well as higher interest and other income.

II. FINANCIAL POSITION

Analysis of Financial Position as at June 30, 2019 and December 31, 2018

Net cash and cash equivalents amounted to ₱ 4,835.1 million, after payment for capital expenditures, toll road repair and maintenance, dividend and interest payment on long-term debt during the period.

Receivables went up by ₱ 56.3 million, mainly due to inter-concession receivables from Skyway. These receivables were settled within thirty (30) days after the end of the year. Other current assets increased by ₱ 487.4 million mainly on the advance payment to contractors for the TR4 Project.

Service concession rights increased by ₱ 19.2 million for various enhancement and expansion activities, including project development costs for TR4, and decreased for amortization amounting to ₱279.6 million.

Income tax payable increased due to provision for the period. Other current liabilities also increased due to trade payables. Provision for resurfacing and maintenance obligation increased for accrual during the period and decreased for payment for actual maintenance works.

Retained earnings posted an increase of ₱1,661 million for net income during the period and decrease of ₱1,196.3 million due to dividend declaration.

III. CASH FLOW ANALYSIS

	For the period ended	
	June 30, 2019	June 30, 2018
Net cash provided by operating activities	1,572,520,446	1,968,722,250
Net cash used in investing activities	(52,590,380)	(58,081,934)
Net cash used in financing activities	(1,196,250,000)	(652,500,000)
Effect of exchange rate changes on cash and cash equivalents	256,979	92,375
Net increase in cash and cash equivalents	323,937,045	1,258,232,691
Cash and cash equivalents at beginning of year	4,511,141,850	2,665,484,092
Cash and cash equivalents at end of period	4,835,078,895	3,923,716,783

2019

Net cash provided by operations amounted to ₱1,572.8 million, which was arrived at after adjustment from net income before tax was made for non-operating income net of charges amounting to ₱533.3 million as well as net increase in working capital amounting to ₱411.8 million.

Cash further increased for interest received amounting to ₱89.3 million and decreased due to payment of ₱209.8 million for interest and other financing charges on the long-term debt, income tax amounting to ₱209.8 million and actual repairs during the period for ₱97.5 million.

Cash used in investing activities consist of toll collection equipment enhancement costs and TR4 project development cost amounting to ₱52.6 million.

Cash used for financing activities pertains to dividend payment.

2018

Net cash provided by operating activities resulted from net income before tax of ₱1,968.7 million, adjusted for non-operating income net of charges of ₱ 563.3 million and deductions for working capital of ₱ 91.3 million, interest and other financing charges on the long-term debt of ₱208.8 million and payment for repair and maintenance of ₱23.2 million, income tax of ₱215.4 million and interest received amounting to ₱26.9 million.

Cash used in investing activities consist of procurement of equipment and vehicles amounting to ₱ 45.1 million and enhancement activities and TR4 project development cost of ₱12.9 million. Cash used for financing activities consist of dividend payment.

Key Performance Indicators

For the measurement of the Company's financial soundness, see Schedule of Financial Soundness Indicators attached as "Annex B-1 ".

Off-Balance Sheet Arrangements

SLTC does not have material off-balance sheet arrangements with other entities.

Other Matters

- There are no unusual items as to nature and amount affecting assets, liabilities, equity, net income or cash flows, except those stated in Management's Discussion and Analysis of Financial Position and Financial Performance.
- There were no material changes in estimates of amounts reported in prior financial years.
- There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the liquidity of SLTC.
- There were no known trends, events or uncertainties that have had or that are reasonably expected to have a favorable or unfavorable impact on net sales or revenues or income from continuing operation.
- There were no known events that will trigger direct or contingent financial obligation that is material to SLTC, including any default or acceleration of an obligation and there were no changes in contingent liabilities and contingent assets since the last annual reporting date.
- There was no material off statements of financial position transactions, arrangements, obligations (including contingent obligations), and other relationship of SLTC with unconsolidated entities or other persons created during the reporting period.
- The effects of seasonality or cyclicity on the operations of the business of the Company are not material.

ANNEX B-1

SOUTH LUZON TOLLWAY CORPORATION
(A Subsidiary of MTD Manila Expressways, Inc.)
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

	June 30, 2019	December 31, 2018
Current assets	5,447,902,544	4,580,197,678
Current liabilities	802,496,401	751,576,618
Liquidity ratio	6.79 : 1.0	6.09 : 1.0
Total long term debt	7,248,429,562	7,241,514,795
Total equity (excluding actuarial gain)	7,137,101,560	6,672,392,548
Debt-to-equity ratio	1.02 : 1.0	1.09 : 1.0
Cash, beginning	4,511,141,850	2,665,484,092
EBITDA*	2,567,803,796	4,807,285,751
Dividends paid	1,196,250,000	1,921,250,000
Interest expense over the next 12 months	415,910,400	415,910,400
Interest cover ratio	14.14 : 1.0	13.35 : 1.0
Total assets	15,486,230,885	14,914,760,905
Total equity	7,138,101,109	6,673,392,097
Asset-to-equity ratio	2.17 : 1.0	2.23 : 1.0

Certified Correct:



RAOUL EDUARDO C. ROMULO
Treasurer