FIRST PACIFIC

FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Press Release

Friday, 4 August 2017

MPIC 1H 2017 core net income up 17% to record ₱7.8 bln, continuing to exceed targets

The attached press release was released today in Manila by Metro Pacific Investments Corporation ("MPIC"), in which First Pacific Group holds an economic interest of approximately 42.0%.

MPIC is a Philippine-listed investment management and holding company focused on infrastructure development.

Further information on MPIC can be found at www.mpic.com.ph

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METRO PACIFIC INVESTMENTS

PRESSRELEASE

1H 2017 Core Net Income Up 17% to Record ₱7.8 Bln

Continuing to Exceed Targets

- **1H 2017 Core Net Income up 17% to ₱7.8 Bln from ₱6.6 Bln in 1H 2016**
- **Reported Net Income attributable to shareholders up 12% to ₱7.8 Bln**
- **System wide revenues including MERALCO up 10% to ₱184Bln**
- **Interim dividend per share increased 8% to 3.45 centavos**
- **Fully Diluted Core Net Income per share up 6% to 24.72 centavos**
- **MPIC Parent gearing ratio of 25.0% vs. 26.4% at year end**
- **MERALCO Core Net Income ₱10.1 Bln, Core EBITDA ₱17.2 Bln**
- **Global Power Core Net Income ₱0.9 Bln, Core EBITDA ₱4.2 Bln**
- **Tollways Core Net Income ₱2.1 Bln, Core EBITDA ₱4.2 Bln**
- **Maynilad Water Core Net Income ₱3.7 Bln, Core EBITDA ₱7.1 Bln**
- **Hospital Group Core Net Income ₱0.9 Bln, Core EBITDA ₱2.3 Bln**
- **Light Rail and Logistics - both new businesses contributed positively to Core Net Income**
- **MPIC Group wide CAPEX for 1H2017 amounted to ₱15.4 Bln excluding acquisitions**

MANILA, Philippines, 4th August 2017 – Metro Pacific Investments Corporation ("MPIC" or the "Company") (PSE: MPI) today reported a 17% rise in consolidated Core Net Income to ₱7.8 billion for the first six (6) months ended 30th June 2017 from ₱6.6 billion in the first six (6) months of 2016 on the back of its expanded presence in the power industry.

Core Net Income was lifted by: (i) robust traffic growth on each of the roads held by Metro Pacific Tollways Corporation (“MPTC”); (ii) an expanded power portfolio through increased investment in Beacon Electric Asset Holdings Inc.; and (iii) continuing growth in the Hospital Group.

In terms of contribution to the Company’s net operating income: Power (distribution and generation) accounted for ₱5.3 billion or 55% of the aggregate contribution; Tollroads contributed ₱2.0 billion or 21% of the total; Water (distribution, production and sewerage treatment) contributed ₱1.8 billion or 19% of the total; the Hospital Group contributed ₱308 million or 3% of the total; and the Rail, Logistics Systems Group contributed ₱104 million or 2% of the total.

Consolidated Reported Net Income attributable to owners of the parent company rose 12% to ₱7.8 billion in the first six months of 2017 from ₱7.0 billion in the first six (6) months of 2016. Non-recurring income amounted to ₱21 million and was largely made up of a realized gain on sale of shares in MERALCO which was largely offset by refinancing expenses, project expenses and one-time separation expense as a result of Maynilad’s redundancy program.

Jose Ma. K. Lim, MPIC President and CEO said, “Our earnings growth reflects our increased investment in the power sector together with strong volume growth at our tollroads and hospitals businesses.”

He continued: “The combination of years of capital expenditures to enhance the reach and quality of our services together with the failure to date to implement tariff increases that our water, tollway & rail businesses are entitled to is a drag on growth in Core EPS.”

“Tariff delays are impacting investor sentiment”, Lim said.

“As expected, Maynilad won its arbitration claim in Singapore calling for compensation from the Philippine Government for payment of past due revenues, this now needs to be operationalized. However, the matter of the tariff to be charged to the public, as with our other businesses, remains unresolved and this is a continuing to constrain funding for new projects. This said, constructive discussions with the Administration are in progress and there is agreement that contracts will be honored,” he said. “I have yet no immediate timetable for resolution of these issues although I believe them to be imminent. I expect continued volume growth from all our businesses for the remainder of the year.”

Regarding shareholder returns, Lim added, "I am pleased to say that our Board of Directors declared earlier today an interim dividend amounting to 3.45 centavos per common share, an increase of 8% over the last year."

The record date for the interim dividend is September 1, 2017; the payment date is September 26, 2017.

Operational Review

POWER:

In June 2017, MPIC further deepened its participation in the Philippine power sector as it acquired the remaining 25% ownership in Beacon Electric at an aggregate purchase price of ₱21.8 billion. Following this and related financing transactions MPIC's economic interest in MERALCO is 45.5% and in Global Power 62.4%.

MPIC's power business contributed ₱5.3 billion for the first six (6) months of 2017, an increase of 26% driven by the various step-up investments in MERALCO and Global Power.

MPIC is continuing its development of power related services and investments in the Philippines with its combination of distribution, generation and retail electricity sales across Luzon, Visayas and soon Mindanao.

On 27th March 2017, an MPIC led consortium including Covanta Energy, LLC and Macquarie Group, Ltd. was granted Original Proponent Status by the Quezon City Government for a 42 MW energy from waste project. Work is now ongoing toward concession framing which we hope to formalize by the end of the year.

In June 2017, MPIC and Global Power announced that Global Power had entered into an agreement with Alsons Consolidated Resources, Inc. ("ACR") to acquire 50% of ACR's coal generation portfolio holding company in Mindanao, subject to fulfilment of certain conditions.

MERALCO

MERALCO's Core Net Income for the first six months of 2017 fell by 3% to ₱10.1 billion. Distribution revenues rose by 3% in line with volume growth on flat tariffs but were more than offset by higher operating expenses from increased customer load growth, increased provisions and a decline in profit contribution from subsidiaries.

The 3% growth in energy sales was led by the commercial sector which grew 4% on continued expansion of the Business Process Outsourcing industry and a 4.5% increase in MERALCO's customer base to 6.2 million.

Total revenues rose by 9% to ₱141 billion due to higher pass-through generation charges owing to significantly higher fuel prices driven by the scheduled maintenance shutdown of the Malampaya gas facilities and higher prices in the Wholesale Electricity Spot Market.

MERALCO spent ₱5.3 billion on capital expenditures in the first half of 2017 to address critical loading of existing facilities and to accommodate growth in demand and customer connections. MERALCO surpassed the previous year's operating performance for system loss, achieving a record best of 6.1% at the end of June 2017, 2.4 percentage points lower than the regulatory cap set by the Energy Regulatory Commission ("ERC") of 8.5%.

MERALCO continues to increase the scope of its power projects through MERALCO PowerGen Corporation ("MGen"):

- San Buenaventura Power Limited ("SBPL"), a joint venture between MGen and Thailand's New Growth B.V., a subsidiary of EGCO, is developing a 455 MW (net) supercritical coal-fired power plant in Mauban, Quezon. Construction progress is at 49% at the end of June 2017 and proceeding as scheduled, with commercial operation due in June 2019. The plant capacity is contracted under an ERC approved PSA with MERALCO.

- Redondo Peninsula Energy, Inc. ("RP Energy"), a joint venture of MGen, Therma Luzon, Inc., and Taiwan Cogeneration International Corporation, is awaiting ERC approval of the Power Supply Agreement ("PSA") with MERALCO covering a substantial portion of its first 300 MW capacity coal-fired power plant. The power plant site is ready for construction activities and expected completion is by 2020.

- Atimonan One Energy Corporation is awaiting review and approval of its PSA from the ERC for it to issue a Notice to Proceed for the Engineering, Procurement and Construction ("EPC") for its 2x600 MW coal-fired plant in Atimonan, Quezon. The PSA for the entire capacity is contracted by MERALCO.

- MGen also has other joint venture power generation agreements for an additional 1,828 MW, the PSAs of which are awaiting approval of the ERC.

The full text of MERALCO's Earnings Press Release issued on 3rd August 2017 is available at http://www.meralco.com.ph.

Global Power

Global Power sold 2,027 GWH in the first six (6) months of 2017, an increase of 13% from a year earlier. Core Net Income for the first half of 2017 was ₱0.9 billion.

Global Power's subsidiary, Panay Energy Development Corporation, began operations of its 150 MW expansion plant during the first quarter of 2017. However, final plant acceptance is not due until December this year as work continues on reducing unacceptable downtime levels.

Global Power is looking at several projects to expand its energy portfolio:

- In Luzon, Global Power's main development project is a 670 MW super critical coal fired plant in Luna, La Union. Local Government endorsements and Land Conversion Certificates have been received. Transmission route surveys and EPC selection are continuing. This project is supported by a 600 MW Power Supply Agreement with

MERALCO, and is awaiting ERC approval.

- Global Power's renewable energy arm, Global Renewable Power Corporation, is also exploring several renewable energy projects such as bagasse, pumped storage and hydro, as part of the company's commitment to offer flexible energy solutions to its customers.

TOLLROADS:

MPTC recorded Core Net Income of ₱2.1 billion in the first six (6) months of 2017, 27% higher than the ₱1.6 billion recorded a year earlier on the strength of a 8% increase in system-wide average daily vehicle entries to 590,432 and tight cost control.

<u>Tollroads in the Philippines:</u>

Average daily vehicle entries for all three of our domestic tollways system (NLEX, CAVITEX and SCTEX) totaled 440,904 up 9% compared with the same period in 2016.

Traffic on the NLEX grew by 7% and 24% for the SCTEX reflecting integration of the two roads in 2016. Traffic on the CAVITEX grew by 8% driven by growth in residential communities in Cavite and tourism in Batangas.

For all our built roads, we are focused on investment to service rising traffic demand:

- During the first half of 2017 toll plaza expansions were undertaken at major points such as Balintawak, Meycauayan and Mindanao Ave. New exits to increase accessibility to industrial hubs and subdivisions were also added.

- Segments 2 and 3 of the NLEX Road-Widening Project are complete and approval of add-on toll rate is pending with the Toll Regulatory Board.

- Construction of the second stage of the ₱10.5 billion NLEX Harbour Link running from Valenzuela City to C3 in Caloocan City is expected to be substantially completed by the end of 2017.

- On the CAVITEX, construction commenced in June 2017 of the ₱11.7 billion C5 Link Expressway joining C-5 Road in Taguig to R-1 (Coastal) Expressway. This 7.7KM road is targeted to complete in 2020.

Progress on new roads is as follows:

- Construction of the ₱21.8 billion 8-km elevated NLEX-SLEX Connector Road Project is due to begin at the end of this year. Running from the NLEX in Caloocan City and connecting to the South Luzon Expressway (SLEX) in the City of Manila the road is targeted for completion in 2021.

- Ground breaking for the ₱19.0 billion 44.6-km Cavite Laguna Expressway ("CALAx"), connecting the CAVITEX to Binan, Laguna, was held on 19th June

2017. An initial seven kilometers of the project has cleared right-of-way hurdles and Government is committed to delivering the remaining 40km so that planned completion by 2020 can be achieved.

- Ground breaking for the ₱27.9 billion 8.25-km Cebu-Cordova Link Expressway ("CCLEx"), a road and bridge connecting Cebu City to Mactan Island via Cordova, was held on 27th March 2017. Construction is expected to commence during the second half of 2017 and expected to complete by 2020.

MPTC will spend ₱130.5 billion in the next five (5) years in building highways and tollroads around the Philippines. In order to fund this, it is imperative that overdue tariff increases, now ranging between 20% and 48% on different parts of the network, be implemented. We are in constructive dialogue with the new Administration on how to achieve this.

The merger of NLEX Corporation ("NLEX Corp") and Tollways Management Corporation ("TMC"), the Operations and Maintenance provider to the NLEX, is now awaiting approval by the Securities and Exchange Commission. The merger, with NLEX Corp as the surviving entity, is expected to lower costs and enable improved access to capital.

Tollroads outside the Philippines:

DMT in Bangkok reported an 3% growth in daily traffic to 97,249; and CII B&R in Vietnam a 7% increase to 52,279 in the first half.

We are continuing to look for other investment opportunities in the region.

WATER:

MPIC's water business comprises its investments in Maynilad, the biggest water utility in the Philippines, and MetroPac Water Investments Corporation ("MWIC"), the Company's unit focused on business development outside Metro Manila. Our water segment's contribution to Core Net Income amounted to ₱1.8 billion in the first half of 2017 attributable substantially to Maynilad.

Maynilad

The matter of the Maynilad tariff implementation remains unresolved although the arbitration panel in Singapore recently ruled in favor of Maynilad in its related claim on the Republic of the Philippines:

- In 2014, Maynilad received a favorable award in the arbitration of its 2013-2017 water tariff which centered on Corporate Income Taxes being a recoverable expense. The MWSS has still not implemented the awarded tariff increase while indicating they will await clarification from the Supreme Court of the Philippines before proceeding.

- Acting in formal accordance with the provisions of its concession, Maynilad notified the Republic of the Philippines ("Republic") that it was calling on the Republic's written undertaking to compensate Maynilad for losses arising from delayed implementation of the new tariff. On 27th March 2015, Maynilad served a Notice of Arbitration against the Republic.

- On 24th July 2017, the Arbitral Tribunal unanimously upheld Maynilad's claim for compensation for the delayed implementation of its tariff increases for the rebasing period 2013 to 2017. The Tribunal ordered the Republic to reimburse Maynilad the amount of ₱3.4 billion for losses from 11th March 2015 to 31st August 2016, without prejudice to any rights that Maynilad may have to seek recourse against MWSS for losses incurred from 1st January 2013 to 10th March 2015. Further, the Tribunal ruled that Maynilad is entitled to recover from the Republic its losses from 1st September 2016 onwards. In case a disagreement on the amount of such losses arises, Maynilad may revert to the Tribunal for further determination.

Maynilad is now in discussion with Government on settling its claim. However, the issue of the tariff going forward still needs to be resolved and this is essential to fund further infrastructure for drinking water supply and enhance sewage coverage.

Revenues in the first six (6) months of 2017 rose by 1% to ₱10.2 billion from ₱10.1 billion in the same period in 2016. Volume sold during this period grew 2% to 252.5 million cubic meters as compared with last year while the number of water connections (or billed customers) rose 4% to 1,336,566 at the end of June 2017.

Core Net Income for the first half increased by 2% to ₱3.7 billion from ₱3.6 billion due to tight operating expense control.

The prospects for the second half of 2017 look more encouraging, due to a combination of cost out programs and an inflationary increase in water rates of 1.9% effective April 22, 2017.

Non-Revenue Water ("NRW") increased to 31.2% as at the end of June 2017 from 27.8% in 2016 due to the abnormality in water production in connection with last year's El Niño phenomenon. Just ten years ago, when MPIC first invested in Maynilad, NRW was at a staggering 68% and millions of customers had inadequate access to water. Maynilad repaired 12,692 pipe leaks across its concession area in the first six months of the year.

Maynilad installed 15 kilometers of water pipes in the period, expanding its distribution line to 7,652 kilometers. Drinking water supply and sewerage coverage were 93% and 15% of its population, respectively, while maintaining 24-hour service and average water pressure of over 7 psi at 100%.

For 2017, Maynilad allotted ₱11.7 billion for its water and wastewater infrastructure projects; ₱3.4 billion for sewerage and sanitation programs and ₱8.3 billion for water sources and water loss recovery.

Capital expenditure as at June 2017 stood at ₱4.9 billion, of which a significant portion is for the upgrade and construction of reservoirs and pumping stations, laying of primary pipelines and construction of wastewater facilities to improve public health. Maynilad is currently constructing six (6) new sewage treatment plants (“STPs”) in various parts of the West concession area to expedite the provision of sewerage and sanitation services for its customers. Once completed, these new wastewater facilities will be able to serve approximately 1,340,000 Maynilad customers, collecting and treating wastewater to render it safe for discharge.

MetroPac Water Investments Corporation (“MWIC”)

The Group’s success in clean water production and distribution is being replicated outside Manila with the water infrastructure projects won through MWIC:

- Metro Iloilo Bulk Water Supply Corp. (“MIB”), a joint venture with the Metro Iloilo Water District (“MIWD”), began operation on 5th July 2016. MIB holds the joint venture project for the supply of up to 170 MLD of bulk treated water to MIWD. Since commencement of operations, MIB successfully increased production volume to 46 MLD as of end-June 2017 from pre-take over production of 40 MLD and improved the efficiency of plant operations. The rehabilitation of the water facility of MIWD is on-going and is expected to be completed by June 2018. Once completed, water production is expected to increase to a maximum of 61 MLD.

- Laguna Water District Aquatech Resources Corporation (“LARC”), in which MWIC owns an effective stake of 27%, commenced operation and management of the distribution network of the Laguna Water District on 1st January 2016. As at end of June 2017, LARC has expanded its coverage to two additional barangays in Nagcarlan, and successfully increased water pressure in several locations. LARC has also realized marked enhancements in billing accuracy and collection efficiency from below 70% pre-takeover to stabilize at above 90% through system developments and partnerships with collecting agents. In addition, LARC has instituted roving technical specialists throughout barangays to quickly and effectively address customer concerns.

- The company was recently awarded the Cagayan de Oro 100 MLD Bulk Water Project. This project, which has a term of 30 years renewable for another 20 years, involves the supply of 100 MLD of treated bulk water to the Cagayan De Oro Water District and the construction of new water transmission lines and rehabilitation of the Camaman-an Reservoir. Cagayan de Oro Water District currently has approximately 90,000 service connections. The estimated project cost is approximately ₱2.8 billion. The project will be implemented through a joint venture company to be owned by MPW (95%) and the Cagayan de Oro Water District (5%).

To date, MWIC’s operating water projects collectively provide 152 MLD of water and this will increase to 390 MLD when fully developed – equivalent to 28% of the current billed volume of Maynilad of 1,370 MLD. MWIC continues to look at further water opportunities outside Metro Manila.

Currently these projects are small relative to Maynilad but if most or all of the opportunities being explored reach their full potential, MWIC is capable of eventually growing to a size approaching that of Maynilad.

HOSPITALS:

Metro Pacific Hospital Holdings, Inc. ("MPHHI") saw aggregate Core Net Income surge by 21% to ₱927 million in the first six months of 2017 compared with the same period last year. Of the increase in Core Net Income, 6% is attributable to the contribution from new hospital acquisitions during the latter part of 2016 while 15% is through organic growth driven by lower interest expense, cost savings from purchasing synergies and increasing patient revenues across the company's existing hospitals.

On 31st January 2017, MPHHI signed an agreement to infuse approximately ₱133.5 million of cash into Delgado Clinic Inc. ("DCI"), owner and operator of the Dr. Jesus C. Delgado Memorial Hospital ("JDMH") via a subscription to preferred shares representing approximately 65% of the total expanded capital stock of DCI. The cash infusion from MPHHI will enable the 68-year-old JDMH to upgrade its equipment and facilities and expand its capacity to serve its surrounding communities.

The Hospital group's contribution to MPIC's Core Net Income grew 24% to ₱308 million in the first six (6) months of 2017 from ₱249 million in the first six months of 2016.

MPHHI has grown to 13 hospitals as at end June 2017, with approximately 2,900 beds throughout the country – eight in Metro Manila and five around the country (Davao, Bacolod, Tarlac, Zamboanga, and Bulacan). In addition, MPHHI has also invested in a mall-based diagnostic and surgical center MegaClinic in SM Megamall, and has indirect ownership in two healthcare colleges in Davao and Bacolod.

RAIL:

LRMC has operated the LRT Line 1 ("LRT-1"), since 12th September 2015. Since the handover of LRT-1, LRMC has successfully restored 27 Light Rail Vehicles (LRVs) bringing the total available to 104 by end of June 2017.

LRMC served an average daily ridership of 429,915 in the first half of 2017, an improvement of 6% from the average daily ridership of 405,568 recorded in the same period last year. During the first half of 2017, the highest recorded daily ridership reached a record high of 536,000 from 2016 highest of 527,000.

LRMC is on schedule with its rail replacement project. It has finished 87% of the work to replace 32-year old tracks as at July 2017. The rail replacement project covers a total of 26 kilometers of rail tracks, that when completed, will enable the reinstatement of a train running speed of 60 kph to shorten journey times and thereby increase capacity.

In March 2017, the LRT-1 Structural Restoration Project was given the Notice to Proceed with target completion in two years. This project, which is a major component towards enhanced passenger safety includes the restoration of 36-year-old parapets, faulty concrete, and repair of river bridges of the railway. The Structural Restoration Project also complements the ongoing ₱500-million Station Improvement Project. LRMC inaugurated the Doroteo Jose Station in February 2017 and is currently refurbishing all the remaining stations which is expected to be completed by first half of 2018.

LRMC contributed ₱123 million to MPIC's Core Income for the period with increased ridership as a result of the rehabilitation of LRVs together with operating cost savings and deferred capex spending, some of which are due to Government's delay in the acquisition of rights of way. Moving forward, the combination of pending tariff adjustments partly offset by an increasing cost base as operations expand to Cavite, will see profits normalize.

LOGISTICS:

Following the acquisition of a majority of Basic Logistics in 2016, Metropac Movers Inc. ("MMI") signed an agreement in January 2017 to acquire certain assets and business of Ace Logistics, Inc. ("Ace") for an aggregate purchase price of ₱280 million. The acquisition was conditionally completed in April 2017. Ace is engaged in the business of logistics, including warehousing, courier express and parcel delivery, e-commerce delivery, trucking, freight forwarding, customs brokerage and domestic shipping. Ace also has a strong presence in pre-delivery inspection in the automotive industry, which MPIC intends to expand.

MMI is in active discussions for further investments in logistics the second half of 2017.

International Recognition:

During the 2nd quarter of 2017, MPIC was included in the IR Magazine's 2017 Global top 50 Investor Relation Excellence ranking. MPIC was one of only two companies from Southeast Asia and the only one from the Philippines included in this prestigious list.

In March 2017, Finance Asia revealed on its Web site the results of its "Asia's Best Managed Companies 2017" survey showing MPIC as the Philippine's Best Managed Company. MPIC also topped the survey for Most Committed to Corporate Governance, Best Investor Relations and Best Corporate Social Responsibility. MPIC Chief Financial Officer David J. Nicol was voted as the Philippines' Best CFO while Jose Ma. Lim ranked 2nd as Philippines' Best CEO.

Earlier this year, LRMC was also recognized by two international award-giving bodies for its LRT-1 Cavite extension finance deal. It won Best Project Finance Deal of 2016 in the 10th Alpha Southeast Asia Best Deal and Solution Awards and Asia Pacific Infrastructure Deal of the Year in the 2016 Project Finance International Awards.

Corporate Social Responsibility ("CSR"):

Shore it Up ("SIU"), the CSR program of MPIC, conducted an SIU weekend in Medina, Misamis Oriental in Mindanao in April 2017. The activities included underwater coastal clean up, launching of the Marine Protection and Inspection Custodians for Bantay Dagat and Junior Environmental Scouts for 200 elementary school students.

MPIC, through the MPIC Foundation, has also been actively supporting war-torn Marawi in Mindanao through various financial assistance to Alagang Kapatid and other donation channels in relief goods, feeding stations and monetary assistance to families of fallen soldiers.

Furthermore, MPIC volunteers spent half a day to paint a creative learning space for 3 of the newly-constructed classrooms of Mano Amiga Academy in Paranaque, where MPIC sends 30 scholars for high quality education.

Conclusion and Outlook

"We continue our mission to build and operate well run infrastructure at good value for the public. This includes providing first class medical care, offering safe and efficient road and rail transportation, delivering electricity to power homes and businesses, and piping clean, safe drinking water to the public," said MPIC Chairman Manuel V. Pangilinan. "The increased momentum of our tollroads business in launching new transformational projects is visible to all, development of our power generation projects continues and I am pleased we are helping an ever-increasing number of patients in our hospitals."

He added, "Our headline Core Income growth is satisfactory but the translation of this to earnings per share still needs more momentum. While our businesses continue to drive efficiencies, it is apparent that the combination of sizeable capital expenditures and cost reduction programmes in recent years must be matched with contracted tariffs for our shareholders to receive the returns they are due. We look forward to settlement of the Maynilad arbitration award and remain committed to our infrastructure expansion program while holding close discussions with Government on how to resolve our various tariff issues. We are guiding to full year Core Net Income of ₱13.3 billion."

Forward Looking Statements

This press release may contain “forward-looking statements” which are subject to a number of risks and uncertainties that could affect MPIC’s business and results of operations. Although MPIC believes that expectations reflected in any forward-looking statements are reasonable, it can give no guarantee of future performance, action or events.

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METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Peso Millions)

	Unaudited June 30, 2017	Audited December 31, 2016
ASSETS		
Current Assets		
Cash and cash equivalents and short-term deposits	**₱39,772**	₱19,469
Restricted cash	**2,848**	2,432
Receivables	**11,324**	5,171
Other current assets	**9,767**	4,728
Total Current Assets	**63,711**	31,800
Noncurrent Assets		
Restricted cash	**–**	889
Available-for-sale financial assets	**1,714**	1,859
Investments and advances	**128,416**	126,556
Goodwill	**35,401**	21,004
Service concession assets	**158,992**	152,693
Property and equipment	**64,550**	10,480
Deferred tax assets	**848**	467
Other noncurrent assets	**19,035**	5,854
Total Noncurrent Assets	**408,956**	319,802
	₱472,667	₱351,602

(Forward)

METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Peso Millions)

	Unaudited June 30, 2017	Audited December 31, 2016
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities	**₱21,465**	₱14,965
Income tax payable	**730**	466
Due to related parties	**3,779**	1,713
Current portion of:		
Provisions	**5,557**	5,229
Long-term debt	**12,987**	3,797
Service concession fees payable	**747**	874
Total Current Liabilities	**45,265**	27,044
Noncurrent Liabilities		
Noncurrent portion of:		
Provisions	**5,111**	239
Service concession fees payable	**28,597**	28,000
Long-term debt	**153,277**	93,219
Due to related parties	**11,478**	6,726
Deferred tax liabilities	**7,761**	3,925
Other long-term liabilities	**5,732**	4,368
Total Noncurrent Liabilities	**211,956**	136,477
Total Liabilities	**257,221**	163,521
Equity		
Owners of the Parent Company:		
Capital stock	**31,624**	31,619
Additional paid-in capital	**68,457**	68,438
Treasury shares	**(167)**	(167)
Equity reserves	**6,322**	6,282
Retained earnings	**49,656**	43,889
Other comprehensive income reserve	**2,095**	1,971
Total equity attributable to owners of the Parent Company	**157,987**	152,032
Non-controlling interest	**57,459**	36,049
Total Equity	**215,446**	188,081
	₱472,667	₱351,602

METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(Amounts in Peso Millions, except Per Share Amounts)

	Six Months Ended June 30	
	2017	2016
OPERATING REVENUES		
Water and sewerage services revenue	**₱10,314**	₱10,120
Toll fees	**6,460**	5,946
Hospital revenue	**5,034**	4,112
Rail revenue	**1,528**	1,478
Logistics and other revenue	**760**	85
	24,096	21,741
COST OF SALES AND SERVICES	**(9,942)**	(8,754)
GROSS PROFIT	**14,154**	12,987
General and administrative expenses	**(5,001)**	(4,233)
Interest expense	**(2,732)**	(2,726)
Share in net earnings of equity method investees	**3,424**	3,522
Interest income	**174**	213
Construction revenue and other income	**13,251**	8,203
Construction costs and other expenses	**(10,496)**	(6,429)
INCOME BEFORE INCOME TAX	**12,774**	11,537
PROVISION FOR (BENEFIT FROM) INCOME TAX		
Current	**2,172**	2,075
Deferred	**419**	(461)
	2,591	1,614
NET INCOME	**₱10,183**	₱9,923
OTHER COMPREHENSIVE INCOME (OCI)		
Net OCI to be reclassified to profit or loss in subsequent periods	**212**	606
Net OCI not being reclassified to profit or loss in subsequent periods	**(88)**	–
	124	606
TOTAL COMPREHENSIVE INCOME	**₱10,307**	₱10,529
Net income attributable to:		
Owners of the Parent Company	**₱7,821**	₱6,980
Non-controlling interest	**2,362**	2,943
	₱10,183	₱9,923
Total comprehensive income attributable to:		
Owners of the Parent Company	**₱7,945**	₱7,571
Non-controlling interest	**2,362**	2,958
	₱10,307	₱10,529
EARNINGS PER SHARE		
Basic Earnings Per Common Share, Attributable to Owners of the Parent Company *(In Centavos)*	**₱24.81**	₱24.42
Diluted Earnings Per Common Share, Attributable to Owners of the Parent Company *(In Centavos)*	**₱24.78**	₱24.40