



## FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

*(Incorporated with limited liability under the laws of Bermuda)*

# Press Release

**Wednesday, 5 August 2020**

### **MPIC first half 2020 financial results core net income falls 38% to ₱5.3 billion on COVID-19**

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 42.2%.

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](http://www.mpic.com.ph)

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# PRESSRELEASE

## First Half 2020 Financial Results Core Net Income Falls 38% to ₱5.3 Billion on COVID-19

5<sup>th</sup> August 2020

### SUSTAINABILITY

Metro Pacific Investments Corporation's ("MPIC") focus on infrastructure investment aims to sustainably increase the infrastructure capacity of the country and provide inclusive access to power, water & sanitation, transportation, and healthcare.

Recapped below are some of the Group's initiatives on sustainability and recent contributions toward dealing with COVID-19.

Most businesses within the MPIC portfolio now maintain a ban on single use plastics.

### **POWER**

#### **Manila Electric Company ("MERALCO")**

MERALCO's sustainability initiatives revolve around four focus areas:

#### Power (#KeepingTheLightsOn)

- Throughout the quarantine periods ensured continuous power and supply to over 700 vital institutions including government agencies, hospitals, and temporary treatment centers

#### People

- Donated PPEs and food packages to roughly 18,000 health workers
- Converted its Multi-Purpose Hall facility to provide temporary accommodation for Medical City front-liners
- Pioneer signatory in the Philippines in support of the UN Women's Empowerment Principles
- Implemented digitization initiatives including CODE Light Bot, a daily work-health tracker tool for employees to signify their workplace arrangement and to communicate their health status

## Planet

- Partnered with the Department of Transportation (DOTr) and Local Government Units (LGUs) to deploy electric vehicles ferrying health workers and essential personnel during community quarantine
- Launched “The Good Store”, a marketplace for sustainable and eco-friendly lifestyle choices

## Prosperity (Uplifting Lives)

- Established fund-raising programs to support the Company’s daily wage earners
- Donated care packages to around 11,000 marginalized families

## **Global Business Power Corporation (“Global Power”)**

- Proactively implemented lockdowns in its operating plants to ensure uninterrupted supply of electricity in anticipation of a community quarantine
- Implemented work-from-home arrangements and transitioned back to the office on a limited personnel in rotating shifts basis
- Received the Investors in People (IiP) Silver Level Accreditation by UK-based IiP, an esteemed standard for people management
- Supported local governments’ responses against COVID-19, including the immediate release of funds to host communities in accordance with Energy Regulation No. 1-94
- Provided early replacement of Medical Equipment (weighing scales, BP apparatus, nebulizers, thermometers) for the Adopt a Health Center Program in Iloilo City LGU (20 adopted barangays)

## **TOLLROADS**

- Continued roll-out of solar power for streetlights, emergency callboxes and select CCTVs
- Further utilization of automatic license plate recognition technology on the CALAX to enable barrierless single-lane entry (free flow) toll collection thereby reducing queuing times in toll plazas and use of paper tickets
- Developed and implemented the "Integrated NLEX & SCTEX Interim COVID-19 Disease Prevention Guidelines and Safety Protocols" to sustain business operations protecting our personnel, motorists and other stakeholders. NLEX and SCTEX is 100% compliant with the DOLE-DTI and DPWH requirements in both its operations and projects
- Regularly maintained landscaping throughout NLEX and SCTEX to help transform CO2 emissions from vehicles into oxygen for nearby communities

## **WATER**

### **Maynilad Water Services (“Maynilad”)**

- Provided relief for areas affected by the Taal Volcano eruption through the installation of stationary water tanks in evacuation sites in Cavite and Batangas
- Intensified strengthening of treatment plants to withstand earthquake damage
- Working to expand water supply treatment capacity to cater for more turbid water and greater incidence of algae blooms associated with global warming
- Increased supply of water throughout the concession area during the Enhanced Community Quarantine (ECQ) despite being unable to read meters
- Actively participated in the government’s call for the rehabilitation of Manila Bay
- Sustained sanitation activities despite quarantine restrictions
- Provided water sources for drinking, decontamination, and sanitizing, to several LGUs, hospitals and medical institutions, and government offices
- Provided free water service for COVID-19 treatment centers at Rizal Memorial Sports Complex, PICC, and World Trade Center
- Inaugurated Maynilad-DLSMC RT-PCR Testing Center to help boost the country’s testing facility

## **COVID-19 CONTRIBUTION**

In addition to the above, the Group has distributed relief support to communities within and around its various concession areas.

MPIC’s 20% owned hospitals affiliate has secured DOH-accreditation for three of its 16 hospitals to operate as COVID-19 testing facilities (Makati Medical Center, Asian Hospital & Medical Center, and St. Elizabeth Hospital) while nine other institutions are in various stages of the accreditation process. An average of 537 beds were made available to COVID 19 patients during the second quarter of 2020. The Hospital group is also introducing virtual consultations, as well as other services like e-pharmacy, mobile laboratories, remote patient monitoring, and continuity of care beyond the hospital room to resume full services to patients, while minimizing hospital foot traffic.

Developments are in place for further partnerships with national government agencies, as well as prospective plans for alternative livelihood programs, targeted towards sectors drastically affected by the pandemic. A summary of the Group’s contribution to the COVID 19 fight is attached to the end of this announcement.

## **FINANCIAL HIGHLIGHTS**

- 1H 2020 Core Net Income at ₱5.3 Bln vs. ₱8.7 Bln in 1H 2019
- Reported Net Income attributable to shareholders at ₱3.0 Bln vs. ₱8.1 Bln in 1H 2019
- System-wide revenues including MERALCO down by 15% to ₱174.0 Bln
- Fully Diluted Core Net Income per share down by 38% to 17.0 centavos
- Interim dividend per share at 3.45 centavos, at par with last year
- Consolidated Net Asset Value per share at ₱6.02
- Consolidated Cash and Cash Equivalents at end of June 2020 at ₱65.9 Bln
- MERALCO Core Net Income ₱10.6 Bln, Core EBITDA ₱15.4 Bln
- Global Power Core Net Income ₱1.1 Bln, Core EBITDA ₱4.1 Bln
- Tollways Core Net Income ₱0.9 Bln, Core EBITDA ₱3.8 Bln
- Maynilad Water Core Net Income ₱3.6 Bln, Core EBITDA ₱8.3 Bln
- Light Rail Core Net Loss ₱175 Mln
- Hospitals, Logistics and other businesses contributed a net loss of ₱128 Mln

MPIC (or the “Company”) (PSE: MPI) today reported consolidated Core Net Income of ₱5.3 billion in the first half of 2020, down 38% from ₱8.7 billion in the first half of 2019 owing largely to the economic contraction stemming from the Philippine Government’s quarantines to contain the spread of COVID-19.

The quarantine reduced toll road traffic, mandated the suspension of rail services, and decreased commercial and industrial demand for water and power resulting in a decrease in contribution from operations of 31%.

Power accounted for ₱5.2 billion or 68% of net operating income; Water contributed ₱1.8 billion or 23%, and Tollroads contributed ₱0.9 billion or 12%. MPIC’s other business, being mainly Hospitals, Rail, and Logistics incurred a loss of ₱236 million.

Consolidated Reported Net Income attributable to owners of the parent company was ₱3.0 billion for the first half of 2020, down from ₱8.1 billion a year earlier due to the lower Core Income and MERALCO’s provisioning against the carrying value of Pacific Light Power (“PLP”), a gas-fired power plant in Singapore.

Jose Ma. K. Lim, President and Chief Executive Officer of MPIC, said:

We have come through a difficult first half in decent financial shape. I am pleased to say that our Board of Directors has decided to maintain our interim dividend unchanged from 2019 at 3.45 centavos per common share. I am grateful to our

talented management and thousands of dedicated front-line employees for their hard work in these difficult times. We have striven to keep everyone safe, encouraged people to work from home where they can, and done our best to protect and incentivize front line staff. Sadly, I must share that thirteen of our number have succumbed to COVID-19; I acknowledge their sacrifice and assure you we are doing all we can to support their families.

The robustness of our operations, even in the depths of this crisis, reflects a decade and more of sustained capital investment that had been delivering continued expansion in our overall customer coverage up until the COVID-19 pandemic struck and the Government imposed quarantines to save lives. The resulting movement restrictions reduced volumes on our toll roads even as our light rail line suspended operations for a time. Demand is recovering quickly with the easing of restrictions. At the same time, our power and water businesses maintained full service, with Maynilad delivering increased volumes compared with a year ago. The 31% reduction in contribution from operations is largely attributable to sharply lower utilization of our transport infrastructure. Meanwhile, overheads have been reduced and interest held flat resulting in our first half Core Net Income falling by 38% (our first ever) compared with a year earlier.

Looking ahead, the MPIC Chief Executive said, “judicious management of our cash and liquidity position remains a key priority while helping to fund construction of important infrastructure projects that we were already embarked on. MPIC itself is well funded due to the ₱30.1 billion sell down of our interest in our Hospitals business at the end of 2019 and the sale earlier this year of a 19.2% interest in our LRT1 project for ₱3.0 billion. As earlier reported, Maynilad is currently unable to pay a dividend pending the outcome of the ongoing Concession Agreement review and we expect lower dividends from our power and toll roads businesses for 2020. I anticipate subdued economic activity to persist for at least the rest of the year.”

The record date for the interim dividend is 20<sup>th</sup> August 2020 with a payment date of 3<sup>rd</sup> September 2020.

## **OPERATIONS HIGHLIGHTS**

### **POWER**

MPIC’s power business contributed ₱5.2 billion to Core Net Income for the first half of 2020, 14% lower than last year, with reduced contributions from both MERALCO and GBPC.

### **MERALCO**

MERALCO’s Core Net Income for the first half of 2020 declined 14% to ₱10.6 billion, driven mainly by a 7% decrease in volume sold and higher provisions for doubtful accounts due to the current strain on the economy. Extended payment terms increased MERALCO’s days sales receivable from 22 days pre-ECQ to 47 at 30<sup>th</sup> June bringing trade receivables to ₱60.3 billion, three times the level pre-ECQ.

Residential volumes rose 14% accounting for 38% of total sales volume for the first half of 2020. The continued working from home arrangements and shift to online instruction for educational institutions will help sustain an elevated residential demand which would otherwise have normalized with the onset of the rainy season.

Commercial and Industrial sales volume both fell 17% due to the ongoing community quarantine. Industrial sales should now experience a gradual recovery with export-oriented companies operating at 50% to full capacity. Commercial energy sales volume is expected to rise when more businesses are allowed to operate.

Total revenues declined 13.8% reflecting lower pass-through generation charges due to lower WESM prices because of improved supply conditions and lower fuel prices.

MERALCO's Reported Net Income for the first half of 2020 fell 43% to ₱6.8 billion due to non-recurring charges including a ₱2.7 billion reduction in the carrying value of its investment in PLP in Singapore. Despite PLP's excellent operational record, trading conditions in the Singapore electricity market continue to be unfavorable.

MERALCO spent ₱6.9 billion on capital expenditures in the first half of 2020, 36% lower than in 2019 as a result of the ECQ and limited resumption of projects and operations across all sectors during GCQ. Capital expenditures addressed critical loading of existing facilities and supported new demand and customer connections.

San Buenaventura Power Limited ("SBPL"), in which MERALCO has a 51% stake through MERALCO PowerGen Corporation, has generated and delivered 1,438 GWh of energy as of June 2020. SBPL contributed ₱546.5 million to MERALCO's core income for the first half of 2020 and contributes significantly to MERALCO's least-cost sourcing commitment.

*The full text of MERALCO's Earnings Press Release issued on 27<sup>th</sup> July 2020 is available at <http://www.meralco.com.ph>.*

## **Global Power**

Global Power recorded a 9% decline in Core Net Income to ₱1.1 billion for the first half of 2020 down from ₱1.2 billion a year ago.

Volume sold increased 6% to 2,436 GWh in the first six months of the year due to additional power supply and ancillary service agreements that commenced in the latter part of 2019. Despite the increase in volume sold, revenues declined 14% to ₱10.8 billion due to lower pass-through fuel charges reflecting use of lower calorie coal.

The 50%-owned Alsons Thermal Energy Corporation ("ATEC") increased its contribution to ₱488 million from ₱156 million a year ago due to commercial operation of its 118.5 MW expansion plant through Sarangani Energy Corporation. Volume sold from ATEC's Mindanao power plants rose 97% to 510 GWh in the first half of 2020.

Global Power is exploring investments in renewable energy projects to complement its

current fossil fuel capacity.

## **Energy from Waste**

Construction continues for the Surallah and Polomok waste-to-energy biogas plants for Dole Philippines after securing authority from the local government to resume activities. However, the global travel restrictions for our foreign technical consultants will likely delay completion until 2021. This project was granted a 50% CAPEX subsidy by Japan's Ministry of Environment under the Joint Credit Mechanism ("JCM") Program. The first tranche of the JCM subsidy was received in May 2020, with further cash distributions expected from Japan's Ministry of the Environment in 2021.

In addition, the Quezon City Solid Waste Management Facility Project is awaiting Notice of Award to build a waste treatment facility to convert up to 3,000 metric tons a day of municipal waste into 36 MW (net) of electricity.

## **TOLLROADS**

Metro Pacific Tollways Corporation ("MPTC") recorded Core Net Income of ₱0.9 billion for the first half of 2020, down 62% from ₱2.4 billion a year earlier as a result of lower traffic on all roads due to the implementation of community quarantine and higher interest costs on higher borrowings.

Overall, MPTC's system-wide vehicle entries, including both our domestic and regional road networks, averaged 623,386 a day for the first half of 2020 compared with 912,907 for the first half of 2019.

### Tollroads in the Philippines:

Average daily vehicle entries on all four of our domestic tollways declined 34% to 341,241 in the first half of 2020 compared with 515,649 a year earlier.

Domestic daily vehicle entries averaged 574,100 for the first two months of 2020, an increase of 14% over the same period last year but declined to 86,000 a day during ECQ. Domestic traffic is continuing to recover with June 2020 average traffic of 364,287 and July highest average traffic up to 455,000.

Significant progress was made during the year to date with the Company's new toll projects:

- (i) full commercial operation for the first sub-section of the CALAX;
- (ii) opening of the NLEX Harbor Link Malabon Exit as well as the section between new Caloocan Interchange, C3 Road/5th Avenue and the new Navotas Interchange;
- (iii) opening of the new NLEX Tambobong Interchange in Bocaue, Bulacan; and
- (iv) groundbreaking of CAVITEX C5 South Link Segments 2 and 3A-2.

This first section of the CALAX will help decongest Aguinaldo highway and Sta. Rosa-Tagaytay road. The expanded Harbor Link introduces alternative routes for truckers for faster and less-hampered delivery of essential goods to Metro Manila. The new NLEX Tambobong Interchange is expected to enhance mobility within the Bulacan road network and help alleviate the heavy traffic situation at the Bocaue Interchange.

Construction activities on major projects and the heavy maintenance program have resumed after receiving approval from government regulators. MPTC and its contractors are taking all necessary measures based on Government guidelines to promote the health and safety of workers while at the same time ensuring the continuity of projects vital to this country's continuing growth.

MPTC is also working to improve its electronic toll collection system in line with the DOTr's campaign for cashless toll collections to ensure physical distancing amid the COVID crisis.

Targeted completion of our toll road projects currently stands as follows, subject to change arising from the Company's response to Government measures in addressing the COVID crisis:

	Length (In Km)	Construction Cost (In Billions)	Target Completion
Expansions to existing roads			
NLEX Lane Widening Phase 2	n/a	₱2.4	2020
CAVITEX Segment 4 Extension	1.2	1.5	2023
CAVITEX - C5 South Link	7.8	12.6	2022
NLEX Citi Link	11.5	18.8	2024
Stand-alone road projects			
NLEX-SLEX Connector Road	8.0	17.7	2022
Cebu Cordova Link Expressway	8.5	27.3	2021
Cavite-Laguna Expressway	47.2	21.2	2023
<b>TOTAL</b>	<b>84.2</b>	<b>₱101.5</b>	

MPTC expects to spend an additional ₱25 billion if it secures the Cavite-Tagaytay-Batangas Expressway (CTBEx), following a Swiss Challenge expected this third quarter of 2020.

#### Tollroads outside the Philippines:

Average daily vehicle entries for MPIC's toll investments outside the Philippines declined 29% to 282,145 in the first half of 2020 compared with 397,258 a year earlier due to the ongoing construction and road integration within their concession areas. The implementation of various measures (from curfews to regional lockdowns) to limit movement of people and vehicles in response to the threat of COVID-19 also reduced traffic.

## **WATER**

MPIC's water business comprises investments in Maynilad, the biggest water utility in the Philippines, and MetroPac Water Investments Corporation ("MPW"), focused on building new water businesses outside Metro Manila. The water segment's contribution to Core Net Income amounted to ₱1.8 billion for the first half of 2020, most of it from Maynilad.

### **Maynilad**

Revenues slipped 6% to ₱11.4 billion with increased billed volume offset by lower average tariffs. Higher residential demand at a lower average tariff offset lower demand in commerce and industry with the implementation of community quarantine.

Maynilad's Core Net Income for the first half of 2020 fell 22% to ₱3.6 billion as a result of higher amortization and depreciation expenses as a consequence of its heavy investments in Non-Revenue Water ("NRW") reduction and continuing upgrades to facilities.

Water coverage has grown by nearly one-third under MPIC's 13 years of management to 9.7 million people, while 3,151 kilometers of new pipes have been laid. Average NRW at the district metered area level was at 25.1% as at June 2020 down from 68% 13 years ago, saving 1 billion liters of water every day, or enough water to provide the needs of a large city.

With the easing of the ECQ restrictions, Maynilad resumed construction on major projects. Nearing completion is Maynilad's ₱7.9 billion La Mesa plant upgrade which involves increasing the facilities' capacity to treat higher raw water turbidity, retrofitting of structures for improved earthquake resiliency, and increasing automation. The La Mesa Treatment Plants 1 and 2 produce 2,400 million liters of water per day ("MLD") and serve around 90% of Maynilad's 9.7 million customers.

On 12<sup>th</sup> March 2020, the National Water Resources Board approved the increase in water allocation for domestic use in Metro Manila and adjacent cities by 4 cubic meters per second. This increased water allocation, complemented by Maynilad's optimization of water treatment facilities and continued reduction of water losses, will enable Maynilad to increase distribution.

Review of the water concession contracts is ongoing with the Asian Development Bank assisting the Government on the economic and financial aspects of the agreement.

### **MPW**

Outside the Maynilad concession which currently bills approximately 1,472 MLD, MPW currently bills 360 MLD, with planned expansion of up to 602 MLD capacity in the Philippines and 660 MLD in Vietnam.

MPW's entities continue to operate and deliver water during the ECQ through a skeletal work force in Laguna, Iloilo, and Cagayan de Oro as well as its international operations in Vietnam.

Domestic construction and rehabilitation activities are expected to continue subject to COVID-19 quarantine restrictions; while Vietnam activities have already recommenced.

MPW's contribution to MPIC is currently immaterial but as these new projects are completed, it is expected to become a major profit contributor.

## **RAIL**

LRMC reported a Core Loss of ₱175 million in the first half of 2020 following the suspension of operations from 17<sup>th</sup> March to 31<sup>st</sup> May due to the strict community quarantine. Operations resumed on 1<sup>st</sup> June 2020, but with ridership limited to 13% of capacity to comply with DOTr guidelines and again suspended from 4<sup>th</sup> August 2020 with the reimplementing of Modified Enhanced Community Quarantine.

As a result of the imposition of the ECQ and the restriction on train capacity, average daily ridership was down to 325,200 during the 106 operating days of the first half of 2020 compared with average daily ridership of 446,571 during the 177 operating days of the first half of 2019.

With the resumption of train operations, LRMC enforced stringent health and safety measures against COVID-19. The company deployed new thermal cameras for use in entry screening and upgraded its disinfection measures using Ultraviolet C technology. LRMC also ensured that it is up to date with passenger, sanitation, and safety guidelines required for operation by the Inter-Agency Task Force.

Meanwhile, construction work on the LRT-1 Cavite Extension resumed in June but at a slow pace due to continuing restrictions and implementation of safety protocols.

On 28<sup>th</sup> May 2020, Sumitomo Corporation ("Sumitomo") of Japan acquired a 34.9% stake in Metro Pacific Light Rail Corporation (MPLRC), MPIC's subsidiary that holds an effective 55% stake in LRMC. Sumitomo's global rail expertise is expected to significantly contribute to the efficiency of LRT1's current operations and assist LRMC towards delivery of Phase 1 of the Cavite Extension.

## **HOSPITALS**

Metro Pacific Hospital Holdings, Inc.'s ("MPHHI") consolidated core income declined by 93% to ₱46 million for the first half of 2020 compared with the same period last year. This was due to the effects of the COVID-19 crisis and the community quarantine restrictions, resulting in (i) sharp drop in the number of patient admissions and outpatient census and, (ii) significant increases in personnel costs and medical supplies such as personal protective equipment which are heavily used to ensure stringent health and safety protocols for our employees, healthcare practitioners and patients. MPHHI experienced a 30% decrease in outpatient visits to 1,329,451 and a 35% decline in inpatient admissions to 61,293 during the first half of 2020 compared with the same period last year.

The healthcare sector is at the epicenter of this COVID-19 crisis and we continue to face challenges with the increase in reported cases. Our hospital group continues to rise to

the occasion and has recently expanded the proportion of their COVID-19 beds to 30%.

## **LOGISTICS**

Metropac Movers, Inc. (“MMI”) is focused on providing our clients with first-class warehousing and cold storage facilities.

MMI has started pre-works in preparation for the construction of a dry goods and refrigerated warehouse facility on a 52,000-square meter site located along the Sta. Rosa-Tagaytay Road. It aims to open in the fourth quarter of 2021 barring the impact of any new Government restrictions in response to the COVID crisis.

MMI is not yet contributing positively to MPIC’s Core Net Income but following an extensive restructuring in 2019, we expect improvements once the new Sta. Rosa facility is open. Moreover, the significant disruption in supply chains during the COVID-19 crisis indicates potential opportunity in developing high quality large warehouses.

## **CONCLUSION AND OUTLOOK**

“The decline in our half year earnings is mainly due to Government’s COVID-19 movement restrictions which affected transportation and transportation-related businesses. Our power and water operations fared much better. Service levels have been maintained, but we had mixed success in communicating with our customers on the billing effects of the estimated meter reading rules we were required to follow; this is now being rectified. Our thousands of hardworking front-line staff have been selfless in their dedication, especially our frontline doctors and nurses who are directly exposed to COVID risks. We owe all of them an inestimable debt of gratitude,” said MPIC Chairman Manuel V. Pangilinan.

“Our priorities for now are welfare of our people; service to our customers; cash preservation while supporting construction already in progress; and only then profitability. We are doing our best to support Government as they grapple with balancing health management with the country’s economic welfare. On health, we are adding more COVID-19 beds, and to reduce infection points we are pushing for 100% cashless toll collection as well as full digital metering. On economic recovery, we are proceeding with needed infrastructure projects where we can. This said, the second half of 2020 will likely see lower economic activity than in 2019 and continuing uncertainty on COVID-19 infection rates and related Government responses. In these circumstances and, in particular, the effect on Maynilad’s trading and financial position after the changes proposed by the Government are officially transmitted to us, it is difficult to provide a preview of what the full year 2020 might look like. However, due to the prudent financial management of MPIC and of our major operating companies, we are well placed to maintain our final dividend per share just as we have declared a maintained interim dividend today,” concluded Pangilinan.

## Forward Looking Statements

This press release may contain “forward-looking statements” which are subject to 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 COMPREHENSIVE INCOME (UNAUDITED)**

(Amounts in Peso Millions, except Per Share Amounts)

	<b>Six Months Ended June 30</b>	
	2020	2019 Re-presented
<b>CONTINUING OPERATIONS</b>		
<b>OPERATING REVENUES</b>	<b>₱30,709</b>	₱36,974
<b>COST OF SALES AND SERVICES</b>	<b>(14,954)</b>	(17,276)
<b>GROSS PROFIT</b>	<b>15,755</b>	19,698
General and administrative expenses	(6,171)	(5,869)
Interest expense	(5,950)	(5,644)
Share in net earnings of equity method investees	3,572	5,790
Interest income	942	1,129
Construction revenue	19,299	18,654
Construction costs	(19,299)	(18,654)
Others	658	428
<b>INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS</b>	<b>8,806</b>	15,532
<b>PROVISION FOR INCOME TAX</b>		
Current	2,670	3,181
Deferred	64	385
	<b>2,734</b>	<b>3,566</b>
Net income from continuing operations	<b>6,072</b>	11,966
Net income from discontinued operations	–	833
<b>NET INCOME</b>	<b>₱6,072</b>	₱12,799
<b>OTHER COMPREHENSIVE INCOME (LOSS) – NET</b>		
<b>From Continuing Operations:</b>		
To be reclassified to profit or loss in subsequent periods:		
Exchange rate difference on translation of foreign operations	(1,701)	(46)
Others	1	118
Not to be reclassified to profit or loss in subsequent periods	27	(21)
	<b>(1,673)</b>	51
<b>From Discontinued Operations:</b>		
Not to be reclassified to profit or loss in subsequent periods	–	(72)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱4,399</b>	₱12,778
<b>Net income attributable to:</b>		
Owners of the Parent Company	<b>₱3,027</b>	₱8,108
Non-controlling interest	<b>3,045</b>	4,691
	<b>₱6,072</b>	₱12,799
<b>Total comprehensive income attributable to:</b>		
Owners of the Parent Company	<b>₱1,358</b>	₱8,107
Non-controlling interest	<b>3,041</b>	4,671
	<b>₱4,399</b>	₱12,778
<b>Total comprehensive income attributable to Parent Company:</b>		
From continuing operations	<b>₱1,358</b>	₱7,735
From discontinued operations	–	372
	<b>₱1,358</b>	₱8,107

(Forward)

**BASIC EARNINGS PER SHARE**

From continuing operations ( <i>In Centavos</i> )	<b>P9.61</b>	P24.43
From discontinued operations ( <i>In Centavos</i> )	–	1.28
	<b>P9.61</b>	<b>P25.71</b>

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**DILUTED EARNINGS PER SHARE**

From continuing operations ( <i>In Centavos</i> )	<b>P9.61</b>	P24.43
From discontinued operations ( <i>In Centavos</i> )	–	1.28
	<b>P9.61</b>	<b>P25.71</b>

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**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amounts in Peso Millions)

	<b>Unaudited June 30, 2020</b>	Audited December 31, 2019
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents and short-term deposits	<b>₱65,935</b>	₱74,697
Restricted cash	<b>3,587</b>	5,011
Receivables	<b>18,236</b>	14,624
Other current assets	<b>11,421</b>	10,905
Total Current Assets	<b>99,179</b>	105,237
<b>Noncurrent Assets</b>		
Investments and advances	<b>166,280</b>	169,092
Service concession assets	<b>260,383</b>	240,489
Property, plant and equipment	<b>57,559</b>	58,591
Goodwill	<b>15,624</b>	15,676
Intangible assets	<b>3,177</b>	3,279
Deferred tax assets	<b>1,014</b>	927
Other noncurrent assets	<b>17,588</b>	18,487
Total Noncurrent Assets	<b>521,625</b>	506,541
	<b>₱620,804</b>	₱611,778

(Forward)

**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amounts in Peso Millions)

	Unaudited June 30, 2020	Audited December 31, 2019
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities	<b>₱39,485</b>	₱36,363
Income tax payable	<b>1,136</b>	1,639
Due to related parties	<b>2,416</b>	5,638
Short-term and current portion of long-term debt	<b>30,300</b>	18,459
Current portion of:		
Provisions	<b>6,803</b>	6,742
Service concession fees payable	<b>6,242</b>	6,277
<b>Total Current Liabilities</b>	<b>86,382</b>	75,118
<b>Noncurrent Liabilities</b>		
Noncurrent portion of:		
Provisions	<b>4,943</b>	4,997
Service concession fees payable	<b>27,581</b>	26,621
Long-term debt	<b>226,405</b>	231,450
Due to related parties	—	2,240
Deferred tax liabilities	<b>14,231</b>	14,170
Other long-term liabilities	<b>12,011</b>	11,137
<b>Total Noncurrent Liabilities</b>	<b>285,171</b>	290,615
<b>Total Liabilities</b>	<b>371,553</b>	365,733
<b>Equity</b>		
Owners of the Parent Company:		
Capital stock	<b>31,661</b>	31,661
Additional paid-in capital	<b>68,638</b>	68,638
Treasury shares	<b>(708)</b>	(4)
Equity reserves	<b>(443)</b>	(574)
Retained earnings	<b>91,276</b>	90,650
Other comprehensive income (loss) reserve	<b>(1,078)</b>	591
<b>Total equity attributable to owners of the     Parent Company</b>	<b>189,346</b>	190,962
Non-controlling interest	<b>59,905</b>	55,083
<b>Total Equity</b>	<b>249,251</b>	246,045
	<b>₱620,804</b>	₱611,778

**Company****Crisis Response**

*Reaching Out  
to Change Lives*

Provided over ₱12M in relief efforts for various hospitals, organizations, local government units, and community beneficiaries. Details are as follows:

- Donated 1,000 full PPE kits with surgical face masks, N95 facemasks, disposable head caps, disposable shoe covers, disposable coveralls, disposable surgical gowns, and anti-fog goggles to various hospitals, quarantine facilities, and local government units in Mindanao
- Distributed 200 full PPE kits to the Task Force Safe Haven Quarantine Facility in Brgy. Aranguren, Capas, Tarlac and 300 grocery packs for the Municipality of Apalit
- Launched OPLANILAO, MPIF's upcoming program that commits aid to members of the tourism and coastal resource management (CRM) sector in Batangas to alleviate the impact of the COVID-19 pandemic on their livelihoods.
- Donated over 500 grocery packs and vitamins to local resort staff, tourism workers, and TESDA-accredited wellness therapists with OMF, AKFI, and the Resort Owners Association of Mabini (ROAM) as the first wave of the OPLANILAO program
- Provided financial support for the purchase of sewing machines and other equipment for Parokya ng Pagkabuhay's alternative livelihood project for single parents, young mothers, and unemployed individuals
- Donated ₱1.1M worth of virus specimen collection tubes, PPEs such as nitrile gloves, goggles, and coveralls, and boxes of vitamins to the Research Institute for Tropical Medicine (RITM) and the Philippine Genome Center
- 200 PPEs, 100 boxes of Clusivol, and 10 Tulip Tabletop Water Filters were donated to Our Lady of Lourdes Hospital
- Ongoing distribution of 1,000 full PPE kits to various hospitals and medical institutions in Metro Manila and neighboring areas
- 3,500 relief packs with rice, canned goods, bread, powdered milk packs, hygiene kits, and instant coffee are continuously distributed to depressed areas in Quezon City, Payatas, Malabon, Laguna, Marikina, Batangas, Alabang, Zambales, and Caloocan in partnership with Alagang Kapatid Foundation Inc., Unilever, Kopiko, Sari Roti, Nutraline Inc., and MetroPac Movers Inc.
- Donated relief packs and sleeping kits to families stricken by fire in Happy Land, Tondo Manila, Brgy. Tonsuya, Malabon, and Brgy. Addition Hills

	<ul style="list-style-type: none"> <li>• Supported local farmers' cooperatives who are harshly affected by quarantine measures and massive decline in demand, by purchasing over ₱663,000.00 worth of vegetables as part of the MPI Foundation's food pack donation</li> <li>• Donated over 4,000 kgs of fresh vegetables to 500 Quezon City waste management teams comprised of garbage collectors and street sweepers through the QC Local Government Unit</li> <li>• Donated ₱3M worth of rice and grocery packs to the province of Cavite</li> <li>• Provided financial support to the Virlanie Foundation for their #Give2Achieve Educational Program</li> <li>• Provided financial support for Virlanie Foundation's #Give2Achieve Educational Program</li> <li>• Provided relief packs to 36 Marine Protection, Inspection, and Conservation (MPIC) Guardians in Puerto Galera, Oriental Mindoro, and Medina Misamis Oriental</li> <li>• Continuously provides monthly allowance for 36 MPIC Guardians and 6 Mangrove Eco-Guides in Alaminos, Pangasinan and Del Carmen, Siargao</li> </ul>
 <p><b>MERALCO</b></p> 	<p><b>MERALCO</b></p> <ul style="list-style-type: none"> <li>• Energized 17++ hospitals, government agencies and temporary treatment facilities</li> <li>• Provided subsidy in the electricity bills of the Pasig LGU Temporary Shelters for healthcare workers</li> <li>• Converted MERALCO multi-purpose hall into a temporary shelter with complete amenities for medical front-liners</li> <li>• Deferred billing during period of enhanced community quarantine (ECQ) without interest penalties, fees and other charges</li> <li>• Cumulative amount of bills that was supposed to have fallen due within the ECQ shall be amortized in four equal monthly installments payable in the months following the end of the ECQ</li> <li>• Contributed ₱25 million to the Philippine Disaster Resilience Foundation's (PDRF) Project Ugnayan</li> </ul> <p><b>One MERALCO Foundation</b></p> <ul style="list-style-type: none"> <li>• Led an internal fund-raising campaign among Meralco employees, dubbed as "Help From Home" to mobilize support for various programs against the pandemic.</li> <li>• Distributed over 8,000 care packs to several local government units, organizations, and parishes within Metro Manila and surrounding areas such as Bulacan, Cavite, and Batangas</li> <li>• Provided PPE support to 6,090 healthcare workers-frontliners both in hospitals and LGU health and isolation centers</li> </ul>

	<ul style="list-style-type: none"> <li>• Distributed PPEs to 44 hospitals and 4 health centers</li> <li>• Helped farmers from Benguet through our purchase of 5,420 kilos of vegetables which were distributed to kitchens of 14 hospitals and 14 LGU institutions and nourished at least 15,098 frontliners and 3,365 marginalized families;</li> <li>• Provided 20 sets of refurbished computers to the Philippine Genome Center and another 26 to the Philippine Red Cross Molecular Biology Laboratory in Subic</li> <li>• In partnership with eSakay, provided free transportation for 76,364 frontliners in the cities of Pasig and Makati and special routes of the Department of Transportation while providing livelihood to 23 eSakay drivers.</li> <li>• Donated over 11,640 Innovita rapid test kits to the Department of Energy and the local government of Pasig</li> <li>• Provided meals and other provisions to 32 healthcare workers from The Medical City who were provided with free lodging by Meralco at its multipurpose hall in the Meralco Fitness Center in Ortigas</li> <li>• Provided financial support for Caritas Manila’s grocery certificates and sanitation kits for vulnerable families in Metro Manila</li> <li>• In partnership with Meralco, SMCGP Philippines Power Foundation and South Luzon Thermal Energy Corp (SLTEC), funded the electricity bills of COVID-19 quarantine facilities such as the PICC Tent and World Trade Center</li> <li>• Facilitated the distribution of cash assistance to 6,216 “no work, no pay” employees of 55 contractor organizations through the company’s “A Day To Give”/Share a Leave Program.</li> <li>• Sponsored the decontamination of hospitals and various government facilities</li> <li>• Donated 658 kilos of dressed chicken to the Fr. Al’s Children Foundation in Silang, Cavite which provides basic education and values formation to 4,706 underprivileged children all over Luzon.</li> </ul>
	<ul style="list-style-type: none"> <li>• Donated assorted items such as alcohol, face masks, canned goods, noodles, and other necessities, as well as hygiene kits for barangay health workers and Brgy. Health Emergency Response teams of 20 adopted barangays, to the local government unit of Iloilo City</li> <li>• Provided ₱500,000 in financial support for frontliners and healthworkers through MPIF</li> <li>• Mobilized the early replacement of medical equipment such as weighing scales, BP apparatus, nebulizers, and thermometers for the Adopt a Health Center Program</li> </ul>

	<ul style="list-style-type: none"> <li>• Provided food items such as rice, canned goods, and noodles as additional COVID assistance to the local government unit of Toledo City, Cebu</li> <li>• Donated PPEs and Hygienic items such as washable face masks, faceshields, liquid hand soaps, and thermal scanners to the Toledo City, Cebu LGU, DepEd Toledo City Division, and Cebu City</li> <li>• Ongoing distribution of the provision of printers and printing supplies for the adopted elementary schools in Iloilo (6), Aklan (3), and Mindoro (1), as support to the blended learning modules of students under DepEd</li> <li>• Provided 10 sacks of rice per barangay as food assistance to 24 adopted barangays in Iloilo (20), Aklan (3), and Mindoro (1)</li> <li>• Provided a donation to the local government of Cebu Province to help with their countryside development, the province's primary focus as it transitioned to General Community Quarantine starting May 16</li> <li>• Facilitated immediate remittance of Energy Regulations 1-94 fund share of Iloilo City and Brgy. Ingore, La Paz Iloilo City, from the electricity sales of GBP's subsidiaries, Panay Energy Development Corporation and Panay Power Corporation.</li> </ul>
	<p>Provided over P62M in total relief efforts of relief goods, PPEs, Livelihood projects and hospital beds to DPWH, various LGUs and communities, and hospitals. Details are as follows:</p> <ul style="list-style-type: none"> <li>• Donated 21 CCTV cameras, Desktop Computer, 4 Projector, Anti-virus and sterilization lamp, Gloves, Thermal Scanner, Electric Fan, Sala sets, Auto Washing Machine and Dryer, Microwave Oven, Construction and Electrical Materials for Doctors, Nurses and Patients to Project NOAH of Cebu City's Quarantine Center.</li> <li>• Donated 50 hygiene kits to Philippine Dental Association – San Pablo City Chapter.</li> <li>• Donated various medicine to Brgy. Pulang Lupa Uno, Las Pinas City.</li> <li>• Provided Financial Assistance to Pampanga and Bulacan Media</li> <li>• Donated 50kg and 25kg sacks of rice to Government Relations, Transport Group, Tourism Stakeholders and Communities in Segment 8.2 and Connector Projects.</li> <li>• Donated Fruit Boxes to Telco Media</li> <li>• Provided P4.5M worth of relief goods (food and alcohol) and transportation assistance in 220 barangays along NLEX, SCTEX, and CAVITEX.</li> <li>• Donated 200 pcs 25 kg sacks of rice to Cebu and Cordova LGUs.</li> </ul>

	<ul style="list-style-type: none"> <li>• Provided 18 Fisherfolk organizations in Cordova with a livelihood project (making of 18 motorized fishing boats).</li> <li>• Provided 8 Organizations in Cebu City with livelihood projects: Bigasan Ng Bayan, Honda Mega Marine Engine, 7.5 Robin Marine Engine</li> <li>• Donated 350 hospital beds to DPWH.</li> <li>• Distributed 3,000 PPE sets consisting of Disposable Gowns, Face Shields, Goggles, and Shoe Covers to UP-PGH, Lung Center of the Philippines, Philippine Heart Center, RITM, Dr. Jose Rodriguez Memorial Hospital, Ospital Ng Binan, Binan Doctors Hospital, UniHealth Southwoods Hospital and Medical Center.</li> <li>• Provided Shuttle services for MPIC Hospitals</li> <li>• Implemented free toll fees for Medical Frontliners.</li> </ul>
	<ul style="list-style-type: none"> <li>• Partnered with De Los Santos Medical Center to construct a COVID-19 RT-PCR Testing and Laboratory Center, expected to be operational by August 2020</li> <li>• Provided P1.7M worth of isolation tents, showers, toilets, mattresses, water dispensers, hygiene kits, beddings, and towels for the 100-bed COVID-19 quarantine facility in the UP Diliman Gymnasium</li> <li>• Provided free water supply to Palacio de Maynila and MOA Testing Laboratories, Rizal Memorial Sports Complex, PICC and World Trade Center</li> <li>• Provided desludging activity to North and South areas</li> <li>• Provided around 400 gallons of alcohol to various hospitals within the Metro Manila and Cavite areas</li> <li>• Provided technical assistance worth P150k to the COVID-19 quarantine facility in the Philippine Arena</li> <li>• Provided handwashing stations to various LGUs</li> <li>• Deferred billing during period of ECQ without interest penalties, fees and other charges</li> <li>• Contributed ₱25 million to the Philippine Disaster Resilience Foundation's (PDRF) Project Ugnayan</li> <li>• Provided over 64,000 bottles of water to hundreds of checkpoints of the Philippine National Police (PNP), Metro Manila Development Authority (MMDA), Civil Aviation Authority of the Philippines (CAA), the Philippine Navy, DPWH, various hospitals and LGUs</li> <li>• Aided the Department of Public Works and Highways (DPWH) through providing water tankers to the Portofino checkpoint, NLEX Balintawak, NLEX Mindanao Ave., Tala Hospital, and Tunasan Muntinlupa for disinfection</li> <li>• Assisted the Metropolitan Waterworks and Sewerage System (MWSS) by providing one canter van for delivery of relief goods in Tanay, Rizal and Quezon province</li> </ul>

	<ul style="list-style-type: none"> <li>• Secured DOH accreditation for Makati Medical Center, Asian Hospital, De Los Santos Medical Center, and St. Elizabeth Hospital in General Santos City as COVID-19 testing facilities</li> <li>• Ongoing applications for accreditation of eight other hospitals to operate COVID-19 testing facilities (Cardinal Santos Medical Center, Manila Doctors Hospital, Our Lady of Lourdes Hospital, Davao Doctors Hospital, Central Luzon Doctors Hospital - Tarlac, Riverside Medical Center - Bacolod, MJ Santos Hospital - Butuan and West Metro Medical Center in Zamboanga)</li> <li>• Designated Our Lady of Lourdes Hospital as the Hospital Group's main referral hospital for COVID-19</li> <li>• Mobilized a COVID-19 Crisis team to coordinate its activities to cope with the rising number covid-19 related cases</li> <li>• Continues to safely care for non-COVID-19 patients</li> <li>• Ensures that PPEs, available medicines, supplies and equipment are available to healthcare workers and patients</li> <li>• Assisted MPIF with the distribution of 1,000 PPE kits to various hospitals, quarantine facilities, and local government units in Mindanao</li> </ul>
	<ul style="list-style-type: none"> <li>• Waived fixed monthly areas and other service fees for LRT-1 merchants</li> <li>• Provided free alcohol and thermometer units to all LRT-1 merchants and commuters</li> <li>• Implemented disinfection and sanitation services for all trains and public transport vehicles</li> </ul>
	<p>Provided over P2.8M in financial and relief support to various municipalities within MWIC's concession areas. Details are as follows:</p> <ul style="list-style-type: none"> <li>• Donated COVID-19 test kits good for 350 persons to Iloilo City</li> <li>• Provided financial support of P100k each for medical and food supplies to the municipalities of Pavia, Sta. Barbara, Cabatuan, Maasin, Leganes, San Miguel, and Oton</li> <li>• Donated disinfection mist sprinklers to the municipalities of Calauan, Bay, and Los Banos in Laguna</li> <li>• Provided over P200k worth of hygiene kits to the municipalities of Victoria, Calauan, Bay, and Los Banos in Laguna</li> <li>• Donated seven drums of powder chlorine to the Federation of Iloilo Volunteers Fire Brigade, Inc. and the DPWH Iloilo 4<sup>th</sup> District Engineering for disinfection of public places in Iloilo City</li> <li>• Provided 12 empty blue drums to the University of the Philippines - Visayas for manufacturing of alcohol for distribution to frontliners</li> </ul>

	<ul style="list-style-type: none"> <li>• Provided 10 empty blue drums for disinfection booths to DPWH Iloilo City</li> <li>• Donated food packs to the municipality of Los Banos, Laguna</li> <li>• Donated thermal scanners to Metro Iloilo Bulk/Metro Iloilo Water, and the local government of Dumaguete City</li> <li>• Provided financial assistance worth P100k to BAFIA farmers</li> <li>• Donated 100 COVID019 Antibody Rapid test kits to the local government of Iloilo</li> <li>• Provided financial support for basic necessities to Iloilo City and the Iloilo Festivals Foundation Inc.</li> <li>• Provided 3,000 cans of sardines, 10 sacks of rice, and 18 boxes of assorted canned goods to Iloilo City</li> </ul>
	<ul style="list-style-type: none"> <li>• Provided logistical support through assisting the hospitals group for supply delivery to the VisMin area</li> <li>• Assisted MPIC and MPIF with the distribution of donations to their beneficiaries</li> </ul>