



Km. 44, South Luzon Expressway, Northbound,
Sitio Latian, Brgy. Mapagong,
Calamba City, Laguna, Philippines 4027
Tel. No.: +632 5844688/5844605/5844654
Fax No.: +632 5844402

15 May 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 blue ink, appearing to read "Virgilio S. De Guzman".

Virgilio S. De Guzman

COVER SHEET

SEC Registration Number

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COMPANY NAME

S	O	U	T	H		L	U	Z	O	N		T	O	L	L	W	A	Y		C	O	R	P	O	R	A	T	I	O	N		(A		S	u	b	s	
i	d	i	a	r	y		o	f		M	T	D		M	a	n	i	l	a		E	x	p	r	e	s	s	w	a	y	s	,		I	n	c	.)	

PRINCIPAL OFFICE (No./Street/Barangay/City/Town) Province)

S	i	t	i	o		L	a	t	i	a	n	,		B	a	r	a	n	g	a	y		M	a	p	a	g	o	n	g	,		C	a	l	a	m	b		
a		C	i	t	y	,		L	a	g	u	n	a																											

Form Type

1	7	-	Q
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Department requiring the report

M	S	R	D
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Secondary License Type, If Applicable

N	/	A
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COMPANY INFORMATION

Company's Email Address

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Company's Telephone Number/s

(02) 584-4688

Mobile Number

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No. of Stockholders

13

Annual Meeting (Month / Day)

2 nd Thursday of May

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Mr. Virgilio S. De Guzman

Email Address

vdeguzman@smg.sanmiguel.com.ph

Telephone Number/s

(02) 584-4688

Mobile Number

0917-536-2537

CONTACT PERSON'S ADDRESS

55 T. Benitez, West Triangle, Quezon City

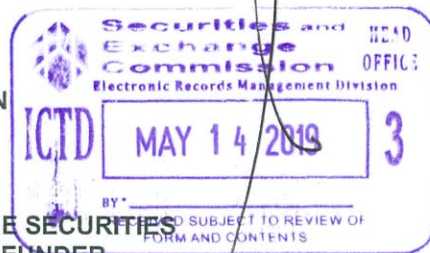
NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.

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 March 31, 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	
	Amount	Interest Rate		
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 March 31, 2019 (with comparative figures as at December 31, 2018 and for the period ended March 31, 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:

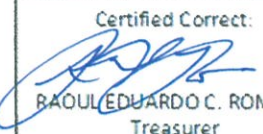

Virgilio S. De Guzman
Deputy CFO

Date: **May 9, 2019**

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

	March 31, 2019 (Unaudited)	December 31, 2018 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	P4,382,499,173	P4,511,141,850
Receivables	65,972,993	27,697,527
Prepayments and other current assets	77,020,926	41,358,301
Total Current Assets	4,525,493,092	4,580,197,678
Noncurrent Assets		
Service concession rights	9,775,794,105	9,909,869,821
Property and equipment	276,854,520	301,094,890
Computer software	3,579,300	3,817,920
Deferred tax asset	74,103,159	74,210,719
Other noncurrent assets	34,009,316	45,569,877
Total Noncurrent Assets	10,164,340,400	10,334,563,227
	P14,689,833,492	P14,914,760,905
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities	P316,323,867	P372,190,177
Provision for resurfacing and maintenance obligation	144,429,236	169,005,526
Income tax payable	403,443,407	210,380,915
Total Current Liabilities	864,196,510	751,576,618
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debt	7,244,539,343	7,241,514,795
Provision for resurfacing and maintenance obligation	267,254,975	242,874,419
Retirement liability	5,371,532	5,402,976
Total Noncurrent Liabilities	7,517,165,850	7,489,792,190
Equity		
Capital stock	3,625,000,000	3,625,000,000
Retained earnings	2,682,471,583	3,047,392,548
Other comprehensive income	999,549	999,549
Total Equity	6,308,471,132	6,673,392,097
	P14,689,833,492	P14,914,760,905

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


Certified Correct:

RAOUL EDUARDO C. ROMULO
Treasurer

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

STATEMENTS OF COMPREHENSIVE INCOME

	Note	For the quarter ended	
		March 31, 2019	March 31, 2018
REVENUE FROM TOLL OPERATIONS		₱1,541,209,469	₱1,474,457,807
COST OF SERVICE	13	(388,658,476)	(387,303,559)
GROSS PROFIT		1,152,550,993	1,087,154,248
OPERATING EXPENSES	13	(78,478,667)	(73,355,116)
OPERATING INCOME		1,074,072,326	1,013,799,132
OTHER INCOME (CHARGES)			
Interest expense and other financing charges	10	(114,504,468)	(110,549,794)
Construction revenue		5,646,178	25,940,027
Construction costs		(5,646,178)	(25,940,027)
Interest income		46,278,448	9,494,991
Foreign exchange gain (loss) - net		20,536	61,454
Other income		38,681,408	7,044,671
INCOME BEFORE INCOME TAX		1,044,548,251	919,850,454
INCOME TAX EXPENSE		213,219,216	196,517,687
NET INCOME		831,329,035	723,332,767
OTHER COMPREHENSIVE INCOME (LOSS)		-	-
TOTAL COMPREHENSIVE INCOME		₱831,329,035	₱723,332,767
BASIC/DILUTED EARNINGS PER SHARE	17	₱0.23	₱0.20

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 CHANGES IN EQUITY

	Note	March 31, 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		₱3,625,000,000	₱3,625,000,000
RETAINED EARNINGS			
Balance at beginning of period		3,047,392,548	1,894,899,163
Net income		831,329,035	3,073,743,385
Dividend declaration	14	(1,196,250,000)	(1,921,250,000)
Balance at end of period		2,682,471,583	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
		₱6,308,471,132	₱6,673,392,097

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 CASH FLOWS

		For the three months ended	
	Note	March 31, 2019	March 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		P1,044,548,251	P919,850,454
Adjustment for:			
Depreciation and amortization	6	23,795,595	14,602,838
Amortization for concession right	7	139,818,855	137,625,111
Retirement benefit cost		(31,445)	213,463
Provision for repairs and maintenance	11	29,191,461	31,362,777
Interest expense and other financing charges	10	114,504,468	110,549,794
Interest income		(46,278,448)	(9,494,991)
Unrealized foreign exchange loss (gain) - net		(20,536)	(61,454)
Operating Income before working capital changes		1,305,528,201	1,204,647,992
Increase in:			
Receivables		(38,275,466)	(14,532,077)
Other current assets		(35,603,586)	(4,279,503)
Decrease in:			
Accounts payable and other current liabilities		(55,866,310)	(52,012,107)
Net cash generated from operations		1,175,782,839	1,133,824,304
Interest expense paid		(104,396,893)	(104,328,155)
Income tax paid (CWT and Prepaid Taxes)		(20,108,202)	(69,347)
Payment for repairs and maintenance		(36,470,222)	(23,188,355)
Interest received		46,278,448	9,494,991
Net cash provided by operating activities		1,061,085,970	1,015,733,438
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property and equipment	6	(75,134)	(16,446,185)
Service concession rights	7	(5,743,139)	(7,557,514)
Decrease in other noncurrent assets		12,319,090	427,883
Net cash provided by (used in) investing activities		6,500,817	(23,575,816)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	14	(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		20,536	61,454
NET DECREASE IN CASH AND CASH EQUIVALENTS		(128,642,677)	339,719,076
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		4,511,141,850	2,665,484,092
CASH AND CASH EQUIVALENTS AT END OF PERIOD		P4,382,499,173	P3,005,203,168

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

<p>Certified Correct:</p>  <p>RAOUL EDUARDO C. ROMULO Treasurer</p>
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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 10).

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

Bases of Preparation

The financial statements are presented in Philippine Peso (Peso), which is the functional currency of the Company. All values are presented in Philippine Peso, which is the Company's functional currency. 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.

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 three months ended March 31, 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.

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

- 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:

	March 31, 2019	December 31, 2018
Cash on hand and in banks	P897,308,137	1,041,954,246
Cash equivalents	3,485,191,036	3,469,187,604
	P4,382,499,173	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. Receivables

This account consists of:

	Note	March 31, 2019	December 31, 2018
Trade Receivables:			
Related parties	12	₱28,667,196	873,889
Third parties		14,677,682	5,902,234
Refundable deposits		1,344,275	1,344,275
Receivable from Department of Public Works and Highways		-	3,188,620
Others		21,283,839	19,577,129
		65,972,993	30,886,147
Less allowance for impairment loss		-	(3,188,620)
		₱65,972,993	27,697,527

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

Other receivables are usually settled within one year.

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

6. Property and Equipment

This account consists of:

	March 31, 2019				
	Toll Machinery and Equipment	Vehicles	Office Equipment, Furniture and Fixtures	Leasehold Improvements	Total
Cost					
Balance at beginning of year	₱491,618,928	₱31,735,207	₱11,513,989	₱0	₱534,868,124
Additions	-	-	75,134	-	75,134
Disposal	(4,281,346)	-	-	-	(4,281,346)
Reclassification	-	-	-	-	-
Balance at end of period	487,337,582	31,735,207	11,589,123	-	530,661,912
Accumulated Depreciation and Amortization					
Balance at beginning of year	205,567,621	19,341,263	8,864,350	-	233,773,234
Depreciation and amortization	23,041,248	903,036	371,220	-	24,315,504
Disposal	(4,281,346)	-	-	-	(4,281,346)
Balance at end of period	224,327,523	20,244,299	9,235,570	-	253,807,392
Net Book Value	₱263,010,058	₱11,490,908	₱2,353,554	-	₱276,854,520

	December 31, 2018				
	Toll Machinery and Equipment	Vehicles	Office Equipment, Furniture and Fixtures	Leasehold Improvements	Total
Cost					
Balance at beginning of year	374,228,615	29,076,278	10,030,218	1,929,943	415,265,054
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	286,051,307	12,393,944	2,649,639	0	301,094,890

Depreciation for vehicles and office equipment for the period ended March 31, 2019 amounting to ₱0.76 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 12).

Computer software amounted to ₱3.6 million and ₱3.8 million as of March 31, 2019 and December 31, 2018, respectively. Amortization recognized to operating expenses amounted to ₱0.9 million in 2018.

7. Service Concession Right

This account consists of:

	March 31, 2019		
	TR1, TR2 and TR3	TR4	Total
Cost			
Balance at beginning of year	₱14,178,446,775	₱335,654,536	₱14,514,101,311
Additions	-	5,743,139	5,743,139
Balance at end of period	14,178,446,775	341,397,675	14,519,844,450
Accumulated Amortization			
Balance at beginning of year	4,604,231,490	-	4,604,231,490
Amortization	139,818,855	-	139,818,855
Balance at end of period	4,744,050,345	-	4,744,050,345
Carrying Amount	₱9,434,396,430	₱341,397,675	₱9,775,794,105

	December 31, 2018		
	TR1, TR2 and TR3	TR4	Total
Cost			
Balance at beginning of year	14,149,782,954	293,082,932	14,442,865,886
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	9,574,215,284	335,654,536	9,909,869,821

Construction Revenue and Costs

The Company recognized construction revenue and costs amounting to ₱5.6 million and ₱25.9 million for the period ended March 31, 2019 and 2018, respectively, for the costs incurred in the planning and development of TR4 project.

As at March 31, 2019 and 2018, no actual construction has yet commenced on TR4 project.

8. Other Noncurrent Assets

This account consists of:

	Note	March 31, 2019	December 31, 2018
Prepaid land lease - net of current portion	12	₱27,099,358	27,527,243
Deferred input VAT		2,748,008	14,431,489
Deposits		3,611,145	3,611,145
Retirement benefit asset - noncurrent		550,805	-
		₱34,009,316	45,569,877

9. Accounts Payable and Other Current Liabilities

This account consists of:

	Note	March 31, 2019	December 31, 2018
Trade:			
Related parties	12	₱67,584,993	99,609,626
Third parties		59,442,309	63,286,668
Accrued expenses:			
Interest	10	38,512,701	38,512,701
Others		31,795,947	25,560,542
Statutory payables		62,508,650	59,098,118
Retention payable		40,074,443	38,351,667
Payable to PNCC		14,569,435	16,912,500
Rental deposit		1,101,075	1,101,075
Other Current Liabilities		734,314	29,757,280
		₱316,323,867	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 ₱ 46.2 million and ₱ 44.2 million for the period ended March 31, 2019 and March 31, 2018, respectively (see Note 13). 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.

10. Long-Term Debt

Details of the long-term debt are shown below:

	March 31, 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	3,024,548	9,364,016
Balance at end of year	55,460,657	58,485,205
	₱7,244,539,343	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:

- a. accrued interest on the Bonds computed from the last Interest Payment Date up to the relevant Early Redemption Option Date; and
- b. 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%	-	-
Four (4) Years	100.5%	-	-

Years from Issue Date	Series A Bonds	Series B Bonds	Series C Bonds
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 March 31, 2019.

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

	March 31, 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	March 31, 2019	March 31, 2018
Interest expense:			
Long Term Debt - Retail Bonds		₱103,977,600	103,977,600
Accretion of interest on provision for resurfacing obligation	11	7,083,027	3,929,016
Other financing charges:			
Amortization of debt issue costs - Retail Bonds		3,024,547	2,292,623
Other financing charges		419,294	350,555
		₱114,504,468	110,549,794

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

Interest payable related to the bonds amounted to ₱38.5 million as at March 31, 2019 and December 31, 2018 (see Note 9).

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	March 31, 2019	December 31, 2018
Balance at beginning of year		₱411,879,945	395,869,740
Provision	13	29,191,461	184,157,499
Accretion of interest	10	7,083,027	15,716,064
Utilization of provision		(36,470,222)	(183,863,358)
		411,684,211	411,879,945
Less current portion		144,429,236	169,005,526
		₱267,254,975	242,874,419

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

	March 31, 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.

11. 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
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	
Receivables					
Under common control	₱633,473,776	5,478,630	₱28,666,212	873,889	On demand non-interest bearing, unsecured
Intermediate Parent	984	-	984	-	On demand non-interest bearing, unsecured
			₱28,667,196	873,889	
Prepaid Land Lease					
Under common control	₱746,269	1,711,539	₱30,522,436	29,238,782	Applied to monthly rental due
Accounts payable and other current liabilities					
Under common control	₱194,709,536	2,106,573,772	₱67,584,993	99,411,163	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
			₱67,584,993	99,609,626	

Receivables from Related Parties

- a. 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.
- b. 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.

Prepaid Land Lease

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.

Prepaid land lease amounted to ₱28.5 million and ₱29.2 million as at March 31, 2019 and December 31, 2018, respectively. The current portion of prepaid land lease amounted to ₱1.7 million is included under "Prepayments and Other Current Assets" account. The noncurrent portion of prepaid land lease amounting to ₱27.1 million and ₱27.5 million as at March 31, 2019 and December 31, 2018, respectively, is included under "Other Noncurrent Assets" account (see Note 8).

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 March 31, 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.

12. Costs of Service and Operating Expenses

This account consists of:

	Note	March 31, 2019	March 31, 2018
Cost of service:			
Operations and maintenance fee	12	₱170,000,000	170,000,000
Amortization of service concession rights	7	139,818,855	137,625,111
PNCC share		46,236,284	44,233,734
Provision for resurfacing and maintenance obligation	11	29,191,461	32,518,134
Insurance		3,411,875	2,926,580
		388,658,476	387,303,559
Operating Expenses:			
Repairs and maintenance		26,917,357	40,000,842
Depreciation and amortization	6	23,795,595	14,602,838
Taxes and licenses		13,223,708	8,466,576
Advertising		6,594,308	2,951,049
Salaries and other employee benefits		3,651,870	2,637,575
Communication, light and water		1,035,054	1,055,149
Outside services		2,040,780	980,241
Rent	12	746,269	427,885
Office supplies		114,877	325,835
Transportation and travel		114,001	284,029
Retirement benefits cost		196,751	213,462
Entertainment, amusement and recreation		33,260	47,997
Others		14,837	1,361,639
		78,478,667	73,355,116
		₱467,137,143	460,658,675

13. Retained Earnings

Cash dividends declared by the Company are as follows:

Date Approved	Per Share	Total Amount	Payment Date
March 7, 2019	0.33	1,196,250,000	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
August 23, 2017	0.50	1,812,500,000	September 13, 2017
March 14, 2017	0.45	1,631,250,000	March 15, 2017

14. 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.

	March 31, 2019			
	Neither Past Due nor Impaired			Total
	High Grade	Standard Grade	Impaired	
Cash and cash equivalents*	₱4,379,499,173	-	-	4,379,499,173
Receivables	-	65,972,993	-	65,972,993
	4,379,499,173	65,972,993	-	4,445,472,166

* 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 March 31, 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.

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

16. Earnings Per Share

Basic and diluted earnings per share were computed as follows:

	March 31, 2019	March 31, 2018
Net income for the period	₱831,329,035	723,332,767
Divided by the outstanding shares	3,625,000,000	3,625,000,000
Earnings per share - basic and diluted	₱0.23	0.20

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 March 31, 2019 (with comparative figures as at December 31, 2018 and for the period ended March 31, 2018). All necessary adjustments to present fairly the financial position, financial performance and cash flows as at March 31, 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	
	March 31, 2019	March 31, 2018
REVENUE FROM TOLL OPERATIONS	₱1,541,209,469	1,474,457,807
COST OF SERVICE	(388,658,476)	(387,303,559)
GROSS PROFIT	1,152,550,993	1,087,154,248
OPERATING EXPENSES	(78,478,667)	(73,355,116)
OPERATING INCOME	1,074,072,326	1,013,799,132
OTHER INCOME (CHARGES)		
Interest expense and other financing charges	(114,504,468)	(110,549,794)
Construction revenue	5,646,178	25,940,027
Construction costs	(5,646,178)	(25,940,027)
Interest income	46,278,448	9,494,991
Foreign exchange gain (loss) - net	20,536	61,454
Other income	38,681,408	7,044,671
INCOME BEFORE INCOME TAX	1,044,548,251	919,850,454
INCOME TAX EXPENSE	213,219,216	196,517,687
NET INCOME	831,329,035	723,332,767
OTHER COMPREHENSIVE INCOME (LOSS)	-	-
TOTAL COMPREHENSIVE INCOME	₱831,329,035	723,332,767

Statements of Financial Position

	March 31, 2019 (Unaudited)	December 31, 2018 (Audited)
Current Assets	₱4,525,493,092	4,580,197,678
Noncurrent Assets	10,164,340,399	10,334,563,227
TOTAL ASSETS	₱14,689,833,491	14,914,760,905
Current Liabilities	₱864,196,509	751,576,618
Noncurrent Liabilities	7,517,165,850	7,489,792,190
	8,381,362,359	8,241,368,808
Equity	6,308,471,132	6,673,392,097
TOTAL LIABILITIES AND EQUITY	₱14,689,833,491	14,914,760,905

I. FINANCIAL PERFORMANCE

Quarters ended March 31, 2019 and March 31, 2018

Toll revenue posted an 5% increase in 2019 from ₱ 1,474.5 million to ₱ 1,541.2 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 numerous 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 better 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 its maintenance obligations under the STOA. It further enhanced the maintenance budget by 44% from the same period last year. Provision for repair and maintenance to date amounted to ₱411.7 million, net of actual utilization.

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 almost complete, accounting for the increase in depreciation cost. The Company is now investing in the enhancement of its network and communications to ensure data completeness and integrity. Expansion costs are also booked for new toll plazas and additional lanes to improve throughput.

EBITDA increased by 9% from ₱1, 173.1 million to ₱1, 276.4 million. Net income for the period grew by 15%, due to higher revenue and other income.

II. FINANCIAL POSITION

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

Net cash and cash equivalents amounted to ₱ 4,382.5 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 ₱ 38.3 million, mainly due to inter-concession receivables from Skyway. These receivables were settled within thirty (30) days after the end of the year. Prepaid expenses increased by ₱ 35.7 million due to prepayments made on real property taxes and input VAT.

Service concession rights increased by ₱ 5.7 million for various enhancement and expansion activities, including project development costs for TR4.

Income tax payable increased due to provision for the period while other current liabilities decreased due to payment made on trade payables. Decrease in accrued maintenance obligations is attributed to actual repairs made during the period.

Retained earnings posted an increase of ₱831.3 million for net income during the period and decrease of ₱1,196.3 million due to dividend declaration.

III. CASH FLOW ANALYSIS

	For the three months ended	
	March 31, 2019	March 31, 2018
Net cash provided by operating activities	1,061,085,970	1,015,733,438
Net cash provided by (used in) investing activities	6,500,817	(23,575,816)
Net cash used in financing activities	(1,196,250,000)	(652,500,000)
Effect of exchange rate changes on cash and cash equivalents	20,536	61,454
Net increase (decrease) in cash and cash equivalents	(128,642,677)	339,719,076
Cash and cash equivalents at beginning of year	4,511,141,850	2,665,484,092
Cash and cash equivalents at end of period	4,382,499,173	3,005,203,168

2019

Net cash provided by operations amounted to P1,175.8 million, which was arrived at after adjustment from net income before tax was made for non-operating income net of charges amounting to P261.0 million as well as other adjustments and working capital changes amounting to P129.7 million.

Cash reduced due to payment of interest and other financing charges on the long-term debt and actual repairs during the first quarter.

Cash used in investing activities consist of enhancement costs and TR4 project development cost amounting to P5.7 million. Deferred VAT was utilized during the period amounting to P11.7 million.

Cash used for financing activities pertains to dividend payment.

2018

Net cash provided by operating activities resulted from net income before tax of P919.9 million, adjusted for non-operating income net of charges of P 284.8 million and deductions for working capital of P 70.9 million, interest and other financing charges on the long-term debt of P104.4 million and payment for repair and maintenance of P23.2 million and interest received amounting to P9.5 million.

Cash used in investing activities consist of procurement of equipment and vehicles amounting to P 16.4 million and TR4 project development cost of P7.6 million. Cash used for financing activities consist of dividend payment amounting to P652.5 million.

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

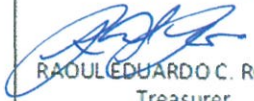
- There are no unusual items as to nature and amount affecting assets, liabilities, equity, net income or cash flows, except those stated in Management's Discussion and Analysis of Financial Position and Financial Performance.
- There were no material changes in estimates of amounts reported in prior 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

	March 31, 2019	December 31, 2018
Current assets	4,525,493,092	4,580,197,678
Current liabilities	864,196,510	751,576,618
Liquidity ratio	5.24 : 1.0	6.09 : 1.0
Total long term debt	7,244,539,343	7,241,514,795
Total equity (excluding actuarial gain)	6,307,471,583	6,672,392,548
Debt-to-equity ratio	1.15 : 1.0	1.09 : 1.0
Cash, beginning	4,511,141,850	2,665,484,092
EBITDA*	1,276,368,185	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	11.04 : 1.0	13.35 : 1.0
Total assets	14,689,833,492	14,914,760,905
Total equity	6,308,471,132	6,673,392,097
Asset-to-equity ratio	2.33 : 1.0	2.23 : 1.0

*As defined in the debt covenant

Certified Correct:

 RAOUL EDUARDO C. ROMULO
 Treasurer