

**MINUTES OF THE ANNUAL GENERAL MEETING
OF THE STOCKHOLDERS
OF**

SOUTH LUZON TOLLWAY CORPORATION
Held at the Boardroom, 8/F, San Miguel Corporation HOC
SMC Compound, 40 San Miguel Avenue, Mandaluyong City
on 11 May 2017 at 2:00 p.m.

<u>PRESENT:</u>	<u>No. of Shares</u>
Ramon S. Ang	
for himself	1
and as proxy for:	
MTD Manila Expressways, Inc.	2,899,999,991
Cristina Mia S. Pineda	
for herself	1
and as proxy for:	
The Republic of the Philippines	724,999,998
Lorenzo G. Formoso III	1
Mario K. Surio	1
Jose P. de Jesus, Jr.	1
Fema C. Q. Piramide-Sayson	1
Jose Portugal Perez	1
Consuelo Ynares-Santiago	1
Total number of shares present	3,624,999,997
Total number of shares issued and outstanding	3,625,000,000
Percentage attendance of stockholders	99.99%

ALSO PRESENT:

Paola Sherina A. Alvarez
Raoul Eduardo C. Romulo
Rhogel S. Gandinco
Virgilio S. de Guzman
Cynthia M. Laureta
Shaina Anella B. Ramirez
Patrick Philip L. Capulong
Ferdinand K. Constantino
Aurora T. Calderon

1) Call to order and certification of notice and quorum

The Chairman, Mr. Ramon S. Ang, called the meeting to order and presided over the same. The Corporate Secretary recorded the minutes of the proceedings and certified to the presence of a quorum for the valid transaction of business by the Corporation, there being present in person and by proxy stockholders representing 99.99% of the issued and outstanding capital



stock of the Corporation. Upon the request of the Corporate Secretary, the stockholders waived the venue requirement as provided under the By-Laws of the Corporation.

2) Approval of the Minutes of the Annual General Meeting of the Stockholders held on 12 May 2016

The meeting proceeded to the second item in the agenda, that is, the approval of the minutes of the Annual General Meeting of the Stockholders held on 12 May 2016. The Chairman requested the stockholders to peruse their copies of the minutes, which had been furnished them prior to the start of the meeting. A copy of the same is attached to these minutes by reference.

Upon motion duly made and seconded, the minutes of the Annual General Meeting of the Stockholders held on 12 May 2016 were unanimously approved.

3) President's Report

Upon the request of the Chairman, and in the absence of the President, Mr. Virgilio S. de Guzman, Deputy CFO, read the President's Report on the operations and performance of the Corporation for the year 2016. A copy of his report is appended to these minutes by reference.

The report highlighted the following:

Income Statement Highlights (as of 31 December 2016)

- Toll revenues of P5.5 Billion, or a 12% increase compared to 2015
- Costs of Services decreased by 3% primarily due to lower 2016 provision for periodic repair.
- Total Comprehensive Income increased by 24% to P3.6 Billion
- EBITDA increased by 15% to P4.6 Billion
- P747.1 Million tax saving in 2016 due to the 6-year Income Tax Holiday (expired 31 December 2016)
- Tax credit equivalent to P19.8 Million with the Calamba LGU to be fully utilized by 2018

Balance Sheet Highlights (as of 31 December 2016)

- Total Assets = P14.1 Billion
- Total Liabilities = P8.1 Billion
- Total Equity = P6.0 Billion
- Long-Term Debt amounting to P7.2 Billion pertaining to the Peso Fixed-Rate Bonds issued last May 2015
- Cash dividends in the total amount of P4.3 Billion were paid

Repairs and upgrading projects for the SLEX

- Repairs and restoration works in the amount of P85.6 Million
- Procurement of equipment in the amount of P119 Million
- Additional expansion costs to, among others, enhance the ETC system and increase the number of lanes and toll plazas in the amount of P124 Million

Toll Road 4 (TR-4)

- The Company is still in the preliminary stages for the TR-4, which will extend the SLEX up to Lucena City, Quezon Province
- Target completion by 2019



- Final Engineering Design has been approved by the TRB and procurement of a construction contractor is ongoing
- Memorandum of Agreement between the DPWH and DOTr regarding ROW acquisition for the Project has been signed

After some discussion, and upon motion duly made and seconded, the President's Report for the year 2016 was duly noted.

4) Approval of the Acts of Management for the year ended 31 December 2015

Upon the request of the Chairman, the Corporate Secretary presented the Acts of Management for the year ended 31 December 2015. Copies of the presentation were furnished to the stockholders prior to the meeting, and a copy thereof is appended to these minutes by reference.

- a) Acts approved at the regular meeting of the Board held on 23 February 2016
- BD Res. No. 01-2016 – Approving the audited financial statements for the year ended 31 December 2015, and designating the officers authorized to sign the Management Responsibility Statement and the Authority to Print the Independent Audit Report
 - BD Res. No. 02-2016 – Approving the declaration of a cash dividend in the total amount of ₱1,885,000,000.00, to be paid out of the retained earnings as of 31 December 2015, and payable on 14 March 2016 to all shareholders of record as of the date of the approval of the resolution, in proportion to their respective shareholdings
 - BD Res. No. 03-2016 – Authorizing the Deputy Chief Financial Officer, Virgilio S. de Guzman, to represent the Corporation before MERALCO in connection with the claim of the Corporation for a refund of any and all service deposits made by the Corporation with MERALCO, and any and all refundable sums of money of the Corporation that may be due from MERALCO
- b) Acts approved at the organizational Meeting of the Board held on 12 May 2016
- Electing the officers for the year 2016
 - BD Res. No. 01-2016 – Appointing the following:
 - Cynthia M. Laureta – Compliance Officer
 - Raoul Eduardo C. Romulo – Corporate Information Officer (CIO)
 - Virgilio S. de Guzman – Deputy CIO
 - BD Res. No. 02-2016 – Appointing the chairpersons and members of the Board committees:
- c) Acts approved at the regular meeting of the Board held on 25 August 2016
- BD Res. No. 03-2016 – Approving the supplemental capital expenditures budget for 2016 in the total amount of ₱97,782,001.00

- BD Res. No. 04-2016 – Approving the declaration of a cash dividend in the total amount of ₱2,446,875,000.00, to be paid out of the retained earnings of the Corporation as of 31 July 2016, and payable on 13 September 2016 to all shareholders of record as of the date of the approval of this resolution, in proportion to their respective shareholdings
- d) Acts approved at the regular meeting of the Board held on 21 November 2016
- BD Res. No. 05-2016 – Appointing Mr. Edgar Sasis, head of Human Resources, as the non-voting member of the Nominations and Hearing Committee, *vice* Ms. Rhodora Maog, to serve as such for the remainder of the current year
 - BD Res. No. 06-2016 – Approving the increased amount of the Annual O&M Fee payable to Manila Toll Expressway Systems, Inc. (MATES) by the Corporation, of ₱680,000,000.00 commencing on 1 January 2017 and for a period of two (2) years thereafter, or until 31 December 2018
 - BD Res. No. 07-2016 – Approving the budget of the Corporation for 2017, consisting of the capital expenditure budget and operating expenditure budget, as presented to the Board at its regular meeting of 21 November 2016

Upon motion duly made and seconded, the following resolution was unanimously approved and adopted by the stockholders representing at least a majority of the issued and outstanding capital stock of the Corporation:

SH Res. No. 01-2017 (SH AGM 05-11-17)

“RESOLVED, that the stockholders representing at least a majority of the issued and outstanding capital stock of the South Luzon Tollway Corporation (the ‘Corporation’) approve, as they so hereby approve, the acts of management and of the Board of Directors of the Corporation for the year ended 31 December 2016, as presented at the Annual General Meeting of the stockholders on 11 May 2017.”

5) Election of Directors for the Current Year

The meeting proceeded to the election of directors for the current year. The Corporate Secretary informed the Board that there are eleven (11) Board seats, two (2) of which are reserved for the Independent Directors and the remaining nine (9) Board seats are allocated among the principal shareholders, with their respective nominees as follows:

Republic of the Philippines : Two (2)

Antonette C. Tionko
Cristina Mia S. Pineda

MTD Manila Expressways, Inc. : Seven (7)

Ramon S. Ang
Shadik Wahono
Jose P. de Jesus



Mario K. Surio
Lorenzo G. Formoso III
Nadiya W. Stamboel
Fema C. Q. Piramide-Sayson

Independent Directors : *Two (2)*

Justice Jose Portugal Perez
Justice Consuelo Ynares-Santiago

Upon nominations duly made and seconded, the following were elected as directors of the Corporation for the current year, to serve as such until their successors are duly elected and qualified:

Ramon S. Ang
Shadik Wahono
Jose P. de Jesus
Mario K. Surio
Lorenzo G. Formoso III
Nadiya W. Stamboel
Fema C. Q. Piramide-Sayson
Antonette C. Tionko
Cristina Mia S. Pineda
Jose Portugal Perez
Consuelo Ynares-Santiago

6) Appointment of external auditor for the financial year 1 January to 31 December 2017

The meeting proceeded to the appointment of the external auditor for the financial year 1 January to 31 December 2017. Mr. Virgilio S. de Guzman, Deputy CFO, on behalf of the Audit Committee, manifested that the committee is recommending the appointment of the auditing firm Reyes Tacandong & Co. as the external auditors of the Corporation for the financial year ending 31 December 2017.

Upon motion duly made and seconded, the following resolution was unanimously approved and adopted by the stockholders representing at least a majority of the issued and outstanding capital stock of the Corporation:

SH Res. No. 02-2017 (AGM 05-11-17)

“RESOLVED, that stockholders representing at least as majority of the issued and outstanding capital stock of the South Luzon Tollway Corporation (the ‘Corporation’) appoint, as they so hereby appoint, the auditing firm of Reyes Tacandong & Co. as the external auditor of the Corporation for the audit of the financial statements of the Corporation for the financial year from 1 January to 31 December 2017.”

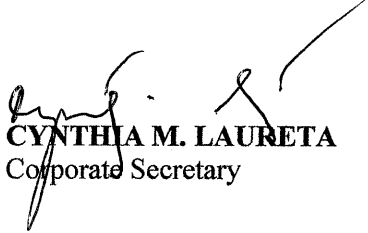


7) **Adjournment**

There being no other matters to discuss, the meeting was adjourned.

ATTEST:

RAMON S. ANG
Chairman/Director


CYNTHIA M. LAURETA
Corporate Secretary