

**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 12 May 2016 at 4:00 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
Toni Angeli V. Coo	
for herself	1
and as proxy for:	
The Republic of the Philippines	724,999,998
Shadik Wahono	1
Mario K. Surio	1
Jose P. de Jesus	1
Nadiya W. Stamboel	1
Francisco H. Villaruz, Jr.	1
Consuelo Ynares-Santiago	1
Roberto B. Tan	1
Total number of shares present	3,624,999,998
Total number of shares issued and outstanding	3,625,000,000
Percentage attendance of stockholders	99.99%

ALSO PRESENT:

Raoul Eduardo C. Romulo
Rhogel S. Gandinco
Noellie R. Majarucon
Cynthia M. Laureta
Alvin B. Bugtas
Shaina Anella B. Ramirez
Patrick Philip L. Capulong

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

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- 2) **Approval of the Minutes of the:**
a) **Annual General Meeting of the Stockholders held on 15 May 2015**
b) **Special Meeting of the Stockholders held on 22 December 2015**

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 15 May 2015 and the Special Meeting of the Stockholders held on 22 December 2015. 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 15 May 2015 and the Special Meeting of the Stockholders held on 22 December 2015 were unanimously approved.

3) **President's Report**

Upon the request of the Chairman, the President, Mr. Shadik Wahono, gave his report on the operations and performance of the Corporation for the year 2015. A copy of his report is appended to these minutes by reference.

The report highlighted the following:

- An 11% increase in toll revenue compared to 2014 due to an increase in traffic driven by economic growth, low fuel prices and the development of residential areas in the south;
- A 1% decrease in cost and expenses resulting in an increase in Total Comprehensive Income by 19% and an increase in EBITDA by almost 10%, compared to 2014 ;
- Tax savings of P880 million due to its Income Tax Holiday until 2016;
- Cash Dividend declaration amounting to P9.314 billion;
- Expansion projects, including the completion of the TR4;
- Upgrade of toll collection system to Radio Frequency Identification (RFID) System; and
- Flood prevention and mitigation measures at Southwoods and Alaska area.

After some discussion, and upon motion duly made and seconded, the President's Report for the year 2015 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.

- 1) The most significant transaction in 2015 was the issuance, offer and sale to the public in the Philippines (the "Offer") of retail bonds in the aggregate amount of P7.3 billion (the "Bond"), which was approved by the Board of Directors (the "Board") and stockholders at their Joint Special Meeting held on 5 March 2015, and registered with the Securities and Exchange Commission (SEC) and the Philippine Dealing & Exchange Corporation on 7 May 2015.



- 2) As a result of the registration of the Bond Offer, the Corporation undertook steps to comply with the requirements of the SEC, as follows:
- a) The Board and stockholders of the Corporation approved the amendment of: (1) Article Sixth of the Articles of Incorporation to increase the number of directors from nine (9) to eleven (11); and (2) Section 2, Article III of the By-Laws to provide for the election of independent directors. At the said meeting, the independent directors were elected, their election to take effect upon the approval by the SEC of the amended Articles of Incorporation and By-Laws of the Corporation (date of approval by the SEC: 16 March 2015).
 - b) Likewise at the 5 March 2015 meeting, the Board approved and adopted a Manual on Corporate Governance (“Manual”)
 - c) At its Organizational Meeting held on 15 May 2015, the Board undertook the following acts in compliance with the requirements of the Manual:
 - (i) Appointed Cynthia M. Laureta as the Compliance Officer
 - (ii) Appointed Raoul Eduardo C. Romulo and Virgilio S. de Guzman as the Corporate Information Officer and Deputy Corporate Information Officer, respectively
 - (iii) Approved the following:
 - creation of a Nominations and Hearing Committee pursuant to the Manual, composed of at least 3 voting directors (1 of whom must be independent director) and 1 non-voting member in the person of the HR Director/ Manager
 - amendment of the composition of the Compensation Committee to at least 3 directors, 1 of whom shall be an independent director, and the grant to it of the functions under the Manual
 - amendment of the composition of the Audit Committee, to least 3 directors, of which at least 2 shall be independent directors, with 1 of the independent directors to be appointed as the Chairman, and the grant to it of the functions under the Manual
 - retention of the existing Finance Committee, in accordance with the prior resolutions of the Board
 - (iv) Authorized the creation of an internal audit function in accordance with the Manual
- 3) The Board declared the following cash dividends in the year 2015:
- a) at its regular meeting on 11 February 2015, a cash dividend in the total amount of ₱500,250,000.00, to be paid out of the retained earnings as of 31 December 2014, and payable on 12 March 2015;
 - b) at its organizational meeting on 15 May 2015, a cash dividend in the amount of ₱415,000,000.00, to be paid out of the retained earnings of the Corporation as of 31 December 2014, and payable on 25 June 2015 ; and
 - c) at its regular meeting on 1 September 2015, a cash dividend in the total amount of ₱2,211,250,000.00, to be paid out of the retained earnings of the Corporation as of July 31, 2015, and payable on September 10, 2015.

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- 4) The Board approved the following budgets:
- a) at its regular meeting on 1 September 2015, the supplemental budget for 2015 capital expenditures for operations and IT, in the total amount of ₱374,670,000.00; and
 - b) at its regular meeting on 22 December 2015, the budget of the Corporation for 2016, consisting of the capital expenditure budget and operating expenditure budget.

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. 01-2016 (SH AGM 05-12-16)

“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 2015, as presented at the Annual General Meeting of the stockholders on 12 May 2016.”

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)

Roberto B. Tan
Toni Angeli V. Co

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 Francisco H. Villaruz, Jr.
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
Roberto B. Tan
Toni Angeli V. Coa
Franciso H. Villaruz, Jr.
Consuelo Ynares-Santiago

6) Appointment of external auditor for the financial year 1 January to 31 December 2015

The meeting proceeded to the appointment of the external auditor for the financial year 1 January to 31 December 2016. Justice Consuelo Ynares-Santiago, as Chairperson 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 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. 02-2016 (AGM 05-12-16)

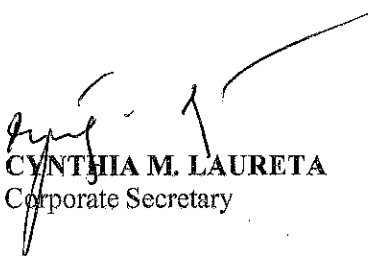
“RESOLVED, that stockholders representing at least as majority of the issued and outstanding capital stock of the South Luzon Tollway Corporation (the ‘Corporation’) appoint, as they so hereby appoint, the auditing firm of Reyes Tacandong & Co. as the external auditor of the Corporation for the audit of the financial statements of the Corporation for the financial year from 1 January to 31 December 2016.”

7) Adjournment

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

ATTEST:


RAMON S. ANG
Chairman/Director


CYNTHIA M. LAURETA
Corporate Secretary