



# Financial and Operating Results

Year Ended December 31, 2013

**Investors and Analysts Briefing  
March 17, 2014**



# OPERATIONS REPORT

Performance as at December 31, 2013

**Investors' Briefing  
March 17, 2014**

# 2013 OPERATING HIGHLIGHTS



## 4.0%

Growth in Energy Sales

## 3.4%

Expansion of Customer Base

## 5.2%

Growth in Peak Demand

## ALL-TIME BEST

Distribution System and Customer Service Performance

Reliability

Availability

Power Quality

Speed to Energize  
New Customers

System Loss

Call Center  
Performance

# 2013 OPERATING HIGHLIGHTS



**5.3%**

WESM Dependence Reduced

**45.1% Gas /  
40.4% Coal**

Net System Input Fuel Mix

**57.1% Generation /  
17.5% Distribution**

Average Customer Bill Components



# 2013 OPERATING HIGHLIGHTS



## OTHER BUSINESS HIGHLIGHTS

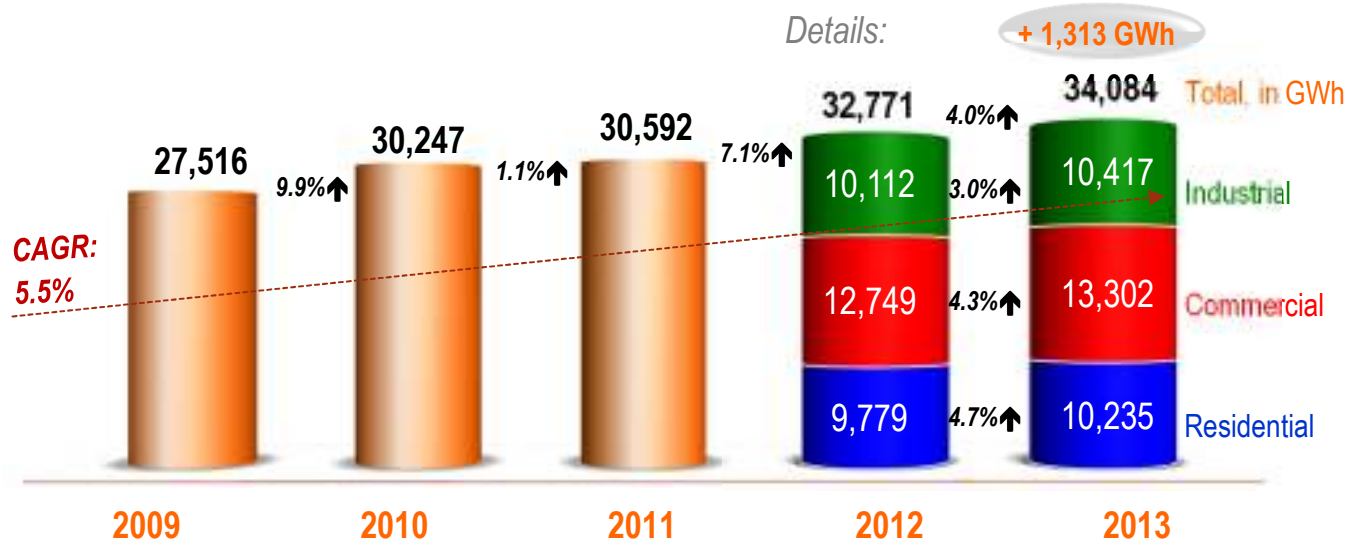
- Completed Electric Capital Projects
- Super Typhoon 'Yolanda': Impact & Restoration Assistance to Affected DUs and Communities
  - Retail Bond Offering
- 2013 PSE Bell Award for Corporate Governance
- Securing Opportunities in New Markets
- Other Business Updates – MGen, New Offerings

# Details

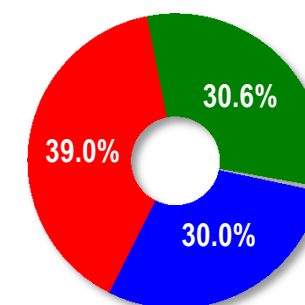
# Energy Sales, 2013



➤ Up 4.0% vs. 2012 at all-time record of 34,084 GWh



Share of Sales\*:



\*Sales volume for Flat Streetlights (129 GWh) account for 0.4%

## Major movers of 2013:

- Electrical Machinery (semicon) ↑
- Food and Beverages ↑
- Rubber & Plastics ↑
- Real Estate (condominiums, BPO office space) ↑
- Private Services (hotels, malls, hospitals) ↑
- Trade ↑
- Customer additions and benign inflation ↑

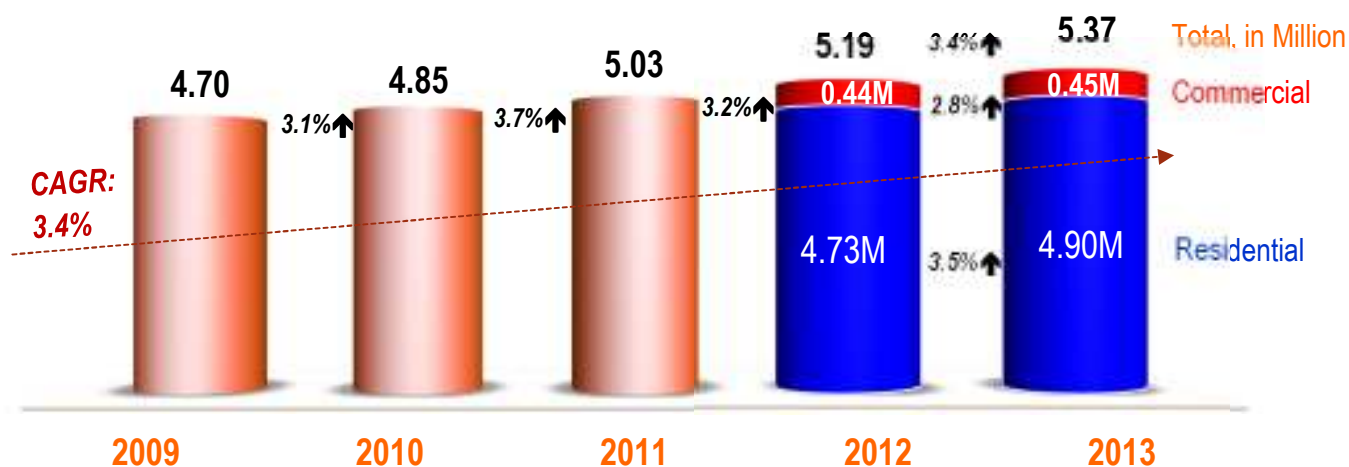
# Customer Count, 2013



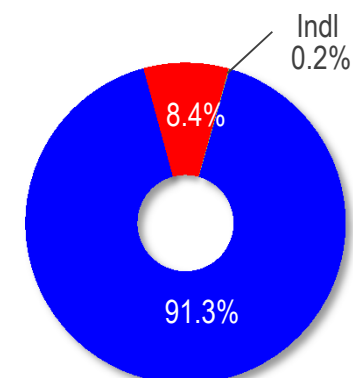
➤ Up 3.4% vs. 2012 to 5.37 million customers

➤ Total of 178,473 new customers in 2013, majority Residential

Details:

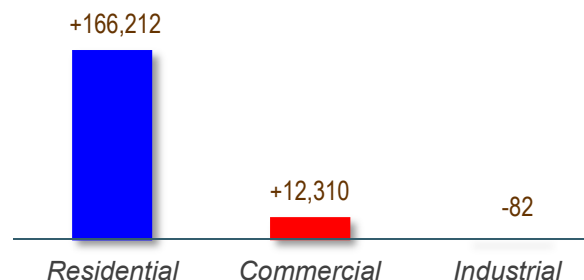


Share of Count\*:



\*Industrial (9,707) and Flat Streetlights (4,482) account for 0.3% of the total

New Customers:



\*178,473 new customers in 2013  
(net, additions less terminations)

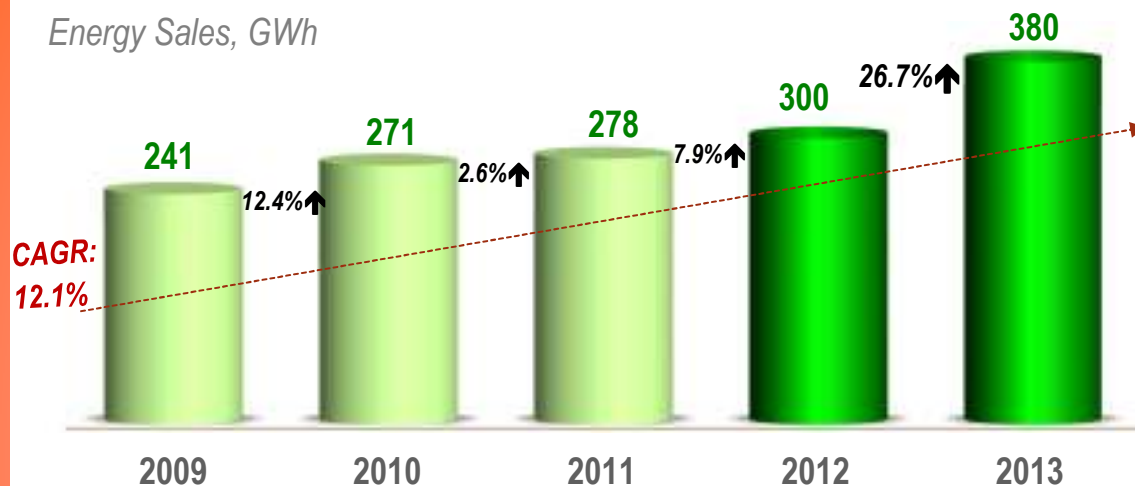


# Clark Electric (CEDC), 2013



➤ Strong growth vs. 2012

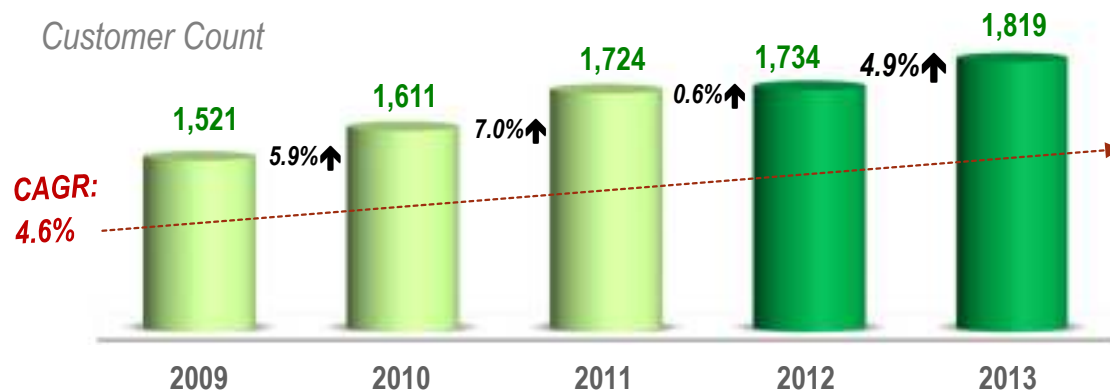
Energy Sales, GWh



2013	Sales, Share	Count, Share
Commercial	40.5%	57.5%
Industrial	58.1%	6.3%
Residential	1.1%	32.9%

Flat Streetlights' sales and count shares account for 0.3% and 3.2%, respectively.

Customer Count



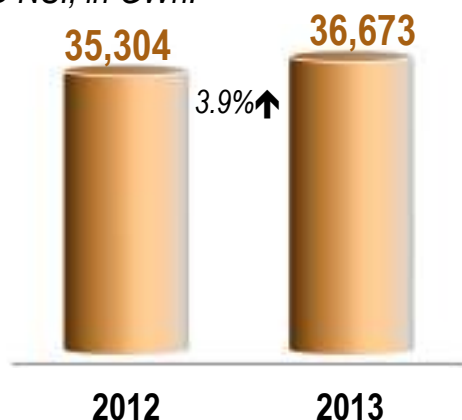
# Net System Input (NSI) & Demand



➤ NSI up 3.9% vs. 2012 (+1,369 GWh)

➤ Meralco peak demand of 5,928 MW, all-time high

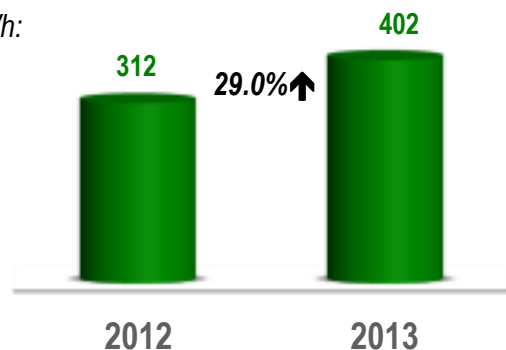
CONSOLIDATED NSI, in GWh:



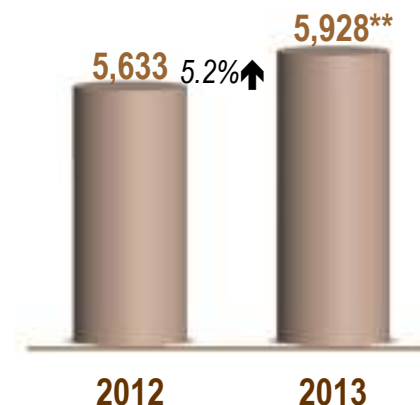
\*2013 NSI data for Parent includes:

- Power purchases of D.U. (for Captive Customers), its Local RES (for Contestable Customers);
- Other RESs (for Contestable Customers including SDC)
- Volumes for CEZ, Sunpower, Cocomchem Agro-Industrial Park (CAIP)

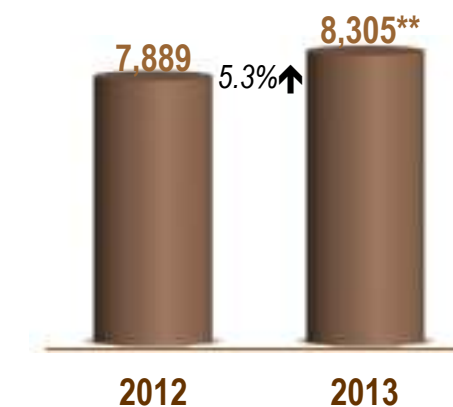
CEDC, in GWh:



Meralco YTD Peak Demand, MW:



Luzon YTD Peak Demand, MW:

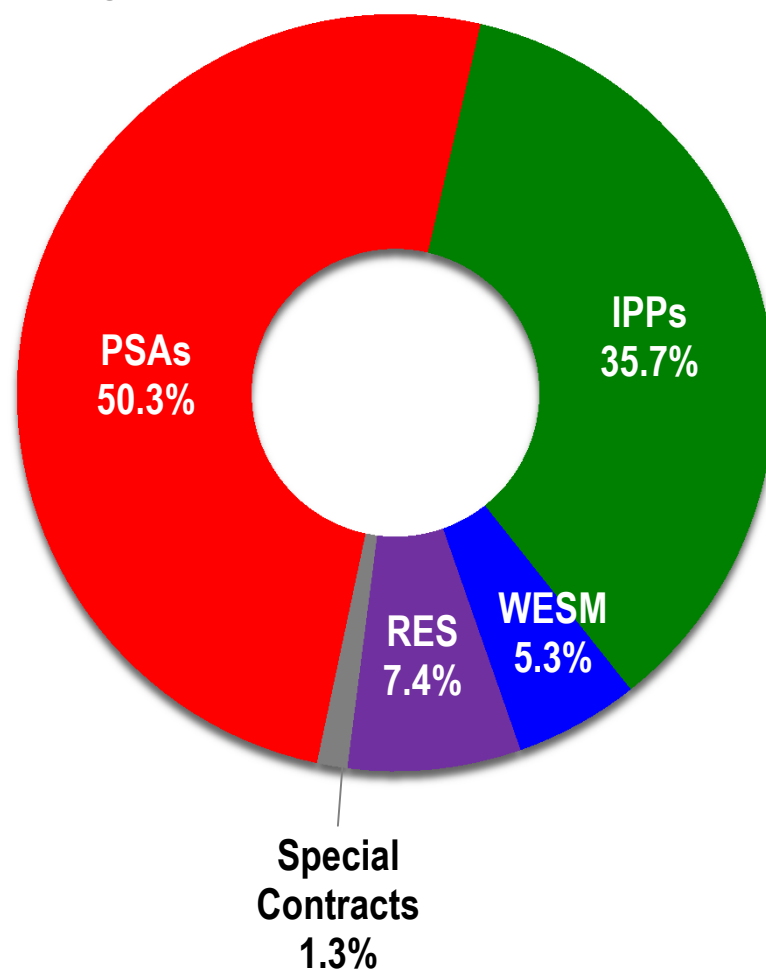


\*\*occurred May 8, 2013

# Power Supply Sourcing\*, 2013



2013 Sourcing



SOURCE	2013	
	GWh	Share
<b>PSAs-Total</b>	<b>18,436.5</b>	<b>50.3%</b>
SEM-Calaca	2,521.7	6.9%
MPPC-Masinloc	2,606.1	7.1%
TLI-Pagbilao	2,092.5	5.7%
SMEC-Sual	3,172.6	8.7%
SPPC-Ilijan	7,075.8	19.3%
TMO-Navotas	54.4	0.1%
Others-Renewables**	913.4	2.5%
<b>IPPs-Total</b>	<b>13,100.0</b>	<b>35.7%</b>
Sta. Rita	7,532.3	20.5%
San Lorenzo	2,746.2	7.5%
QPPL	2,821.5	7.7%
<b>WESM</b>	<b>1,948.9</b>	<b>5.3%</b>
<b>RES</b>	<b>2,711.4</b>	<b>7.4%</b>
<b>Special Contracts</b>	<b>475.8</b>	<b>1.3%</b>
<b>TOTAL POWER SOURCED (NSI)</b>	<b>36,672.6</b>	<b>100.0%</b>

\*Based on total Captive and Contestable Customers in Meralco Franchise Area

\*\*Includes volumes of Montalban Methane Power Corp., Bacavalley Energy Inc., Pangea and others

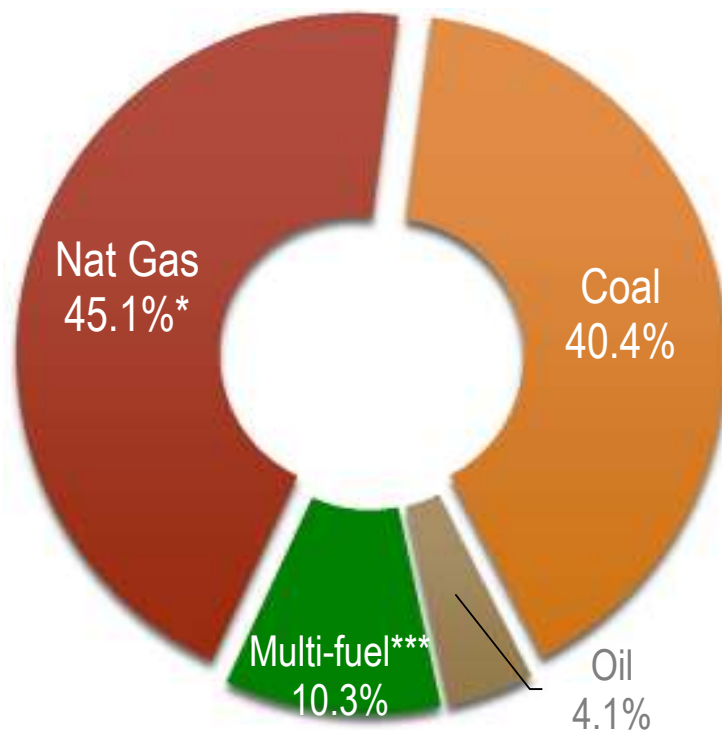
CONSOLIDATED

# Power Plant Fuel Source Mix, 2013



➤ Indigenous Natural Gas and Coal were the main fuels for power generation

2013 Mix



SOURCE	2013	
	GWh	Share
Natural Gas*	16,538.7	45.1%
Coal	14,826.2	40.4%
Oil	1,519.7	4.1%
Oil for Natural Gas plants**	1,024.4	2.8%
Other Oil	495.3	1.4%
Multi-fuel***	3,788.0	10.3%
<b>TOTAL POWER SOURCED (NSI)</b>	<b>36,672.6</b>	<b>100.0%</b>

\* If no Malampaya shutdown, Nat Gas would have provided about 47.9%

\*\*Volume sourced from these plants during Malampaya shutdown (Nov. 11 – Dec. 10, 2013)

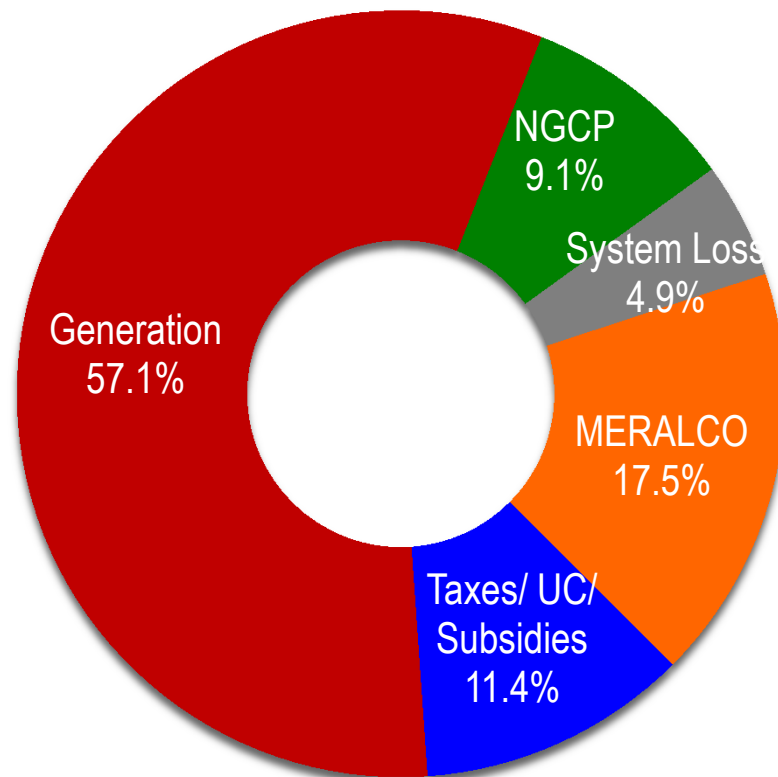
\*\*\*Coal, Hydro, Geothermal, Biomass, et. al.

# Ave. Retail Rate, 2013



➤ Generation Charge, largest component in customer's bill, 57.1%; Meralco 17.5%; NGCP 9.1%

Share of All customers



BILL COMPONENT	2013 Overall Ave, P/kWh
Generation Charge*	5.39
Distribution Charge** (MERALCO)	1.66
Transmission Charge** (NGCP)	0.86
System Loss Charge**	0.46
Taxes, Univ Charge**	1.08
<b>TOTAL</b>	<b>9.45</b>

\*Generation Retail Rate (applies to captive customers only)

\*\*Other Charges are based on total captive and contestable customers in Meralco Franchise Area



# System Loss Performance, 2013

- 12-MMA ending December 2013 at 6.92%
  - Record best
  - Improved by 0.12%pts vs. December 2012's 7.04%

## SAVINGS TO CUSTOMER\*

2008: P0.37 Bn

2009: 1.37

2010: 1.14

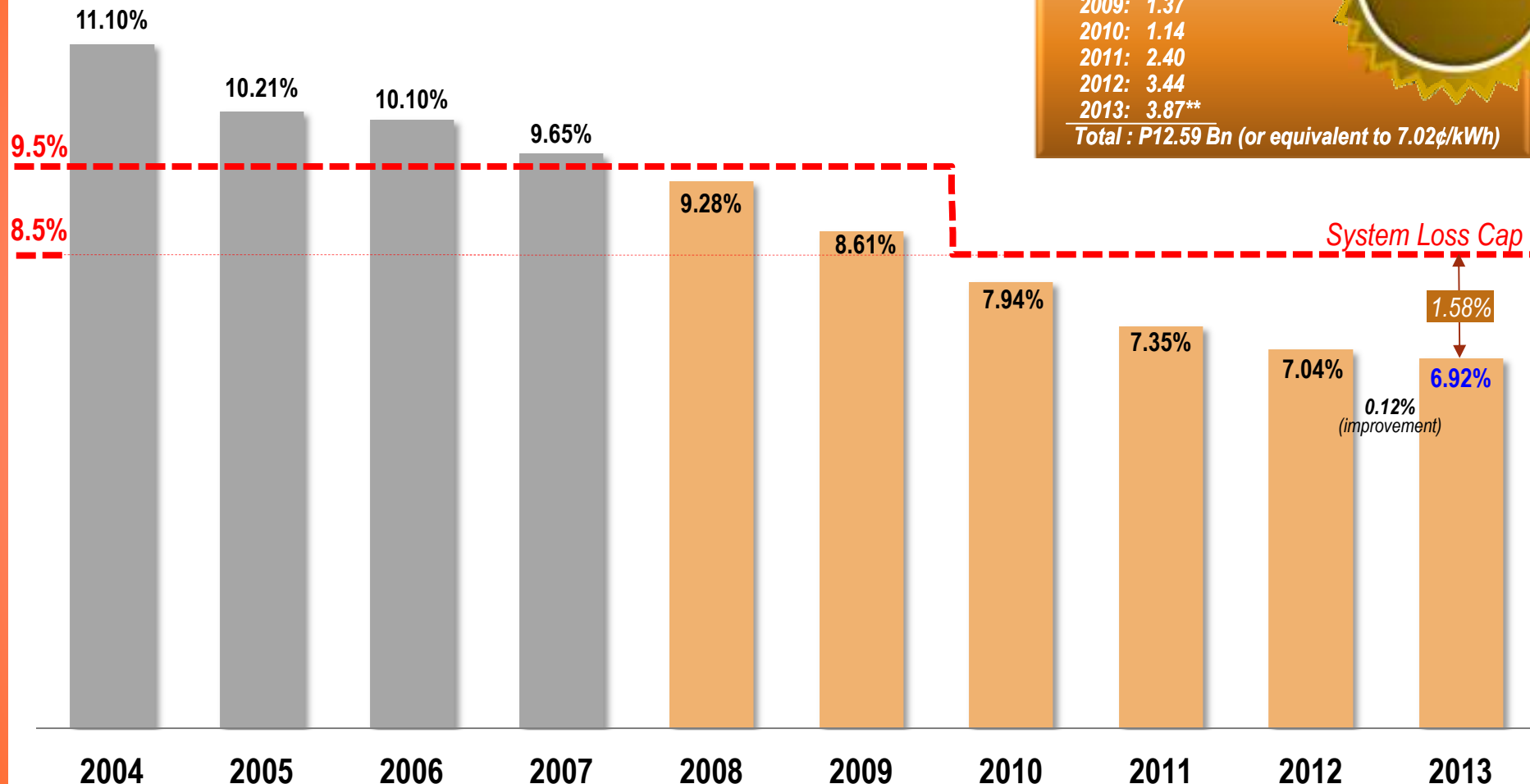
2011: 2.40

2012: 3.44

2013: 3.87\*\*

Total : P12.59 Bn (or equivalent to 7.02¢/kWh)

**RECORD  
BEST**



• Official ERC-filed Meralco System Loss, in percent which excludes Clark Electric Distribution Corp. (CEDC)'s 12MMA system loss ending Dec 2013 of 4.33% and Dec 2012 of 3.75%

\* Pilferage recoveries are returned to customers as generation charge discount

\*\*For 2013, the pricing for December used was the true cost of purchased power (P9.107/kWh).

Using the billed amount due to SC-TRO, savings is P3.82B in 2013, totaling P12.54B or 7.0¢/kWh for 2008-13)

# S-Factor Performance, 2013

➤ All indicators well within rewards\* range; vs. 2012, all indicators improved

\*ERC-imposed performance band



S-FACTOR INDICATOR	REGULATORY STANDARDS (Deadband)	2009	2010	2011	2012	2013	REMARKS
<b>SAIFI, Forced and PAI</b> (Times)	6.98 - 8.24	7.28	6.52	4.80	3.90	<b>3.36</b>	<b>BEST RECORD</b>
<b>CAIDI, Forced and PAI</b> (Times)	144.40 – 168.72	144.61	141.27	116.67	103.30	<b>97.65</b>	<b>BEST RECORD</b>
<b>SAIDI, Pre-arranged</b> (Minutes)	126.57 – 198.40	144.60	93.81	80.05	76.15	<b>64.49</b>	<b>BEST RECORD</b>
<b>Prob. of Voltage Violations</b> (% not falling w/in limits)	0.86 – 1.44	0.75	0.50	0.23	0.04	<b>0.00</b>	<b>BEST RECORD</b>
<b>Ave. Time to Process App.</b> (Days)	7.91 – 12.28	8.18	5.94	5.34	4.60	<b>4.47</b>	<b>BEST RECORD</b>
<b>Ave. Time to Connect</b> (Days)	3.56 – 5.77	3.42	3.38	3.06	2.12	<b>1.90</b>	<b>BEST RECORD</b>
<b>Call Center Performance</b> (Seconds)	13.56 – 21.03	25.79	24.55	16.99	7.12*	<b>4.42</b>	<b>BEST RECORD</b>
<b>System Loss</b> (%) -12MMA	> 8.50	8.61	7.94	7.35	7.04	<b>6.92</b>	<b>BEST RECORD</b>

\*net of Habagat

# RY 2014 GSL Performance: Jul-Dec '13

➤ All GSL performances are well within set limits

**NEW  
RECORDS**

GSL INDICATORS	REGULATORY STANDARDS No. of Violations per Year (Reward Ceiling)	Jul – Dec 2010 (2RP / RY 2011)*	Jul – Dec 2011 (3RP / RY 2012)*	Jul – Dec 2012 (3RP / RY 2013)*	Jul – Dec 2013 (RY 2014)*	REMARKS
<b>GSL 1</b>	373,658 customers	71,392	27,808	12,295	<b>7,655</b>	INDICATIVE SAVINGS
<b>GSL 2</b>	18,989 customers	32	117	0	<b>0</b>	INDICATIVE SAVINGS
<b>GSL 3</b>	234,439 incidents	64,929	28,582	10,676	<b>4,763</b>	INDICATIVE SAVINGS
<b>GSL 4</b>	163,995 days delay	61,571	52,146	14,491	<b>18,444</b>	INDICATIVE SAVINGS

**GSL1:** Customer experiencing a cumulative duration of sustained service interruptions in a Regulatory Year that exceeds the threshold

**GSL2:** Customer experiencing a total number of sustained interruption in a Regulatory Year that exceeds the threshold

**GSL3:** Restoration of supply to a customer after a fault on the secondary distribution network taking longer than the threshold time

**GSL4:** Connection not provided on the day agreed with the customer

\* 1<sup>st</sup> Half of Regulatory Year or 6-month performance out of 12 months

## Other Business Highlights

# Completed Major ECPs



## Upgrading of Balibago-Canlubang 115 kV Line



- Completed Nov 25, 2013
- Reconductoring of Balibago-Canlubang 115 kV line from 1-795 to 2-795 MCM ACSR
- Increases line capacity and improves system reliability in the cities of Sta. Rosa, Cabuyao and Calamba in Laguna, and Sto. Tomas, Batangas
- Benefitting industrial parks:
  - Laguna Technopark, Inc. (LTI)
  - Laguna International Industrial Park (LIIP)
  - Carmelray Industrial Parks 1 & 2 (CIP 1 & 2)
  - Light Industry and Science Parks 1 & 2 (LISP 1 & 2)
  - First Philippine Industrial Park (FPIP)

## CIP2-FPIP Line (New)



## Commissioning of new CIP2- FPIP 115 kV Line

Los Baños-  
Maibara-FPIP  
Line (Existing)

- Completed Nov 30, 2013
- The new line serves as additional source (second feed) to FPIP Substation
- Benefitting major customers:
  - Sunpower
  - Ibsiden
  - Philippine Manufacturing Co. of Murata
  - Brothers Philippines
  - B/E Aerospace
  - NEC Tokin
  - Philip Morris
  - Honda
  - Canon
  - Nestle Philippines
  - Strategic Silicon Services
  - Hysonic Philippines



# Completed Major ECPs



## Commissioning of Filinvest 115 kV-34.5 kV GIS Substation, Alabang, Muntinlupa City

- Completed Dec 12, 2013
- The new GIS substation provides additional capacity to meet the increasing power requirements of Filinvest City in Alabang, Muntinlupa City.
- Addresses the critical loading of adjacent Ayala-Alabang and Gardner substations, which also serve the area.
- Benefitting customers:
  - Asian Hospital
  - Festival Mall
  - Entrata Towers
  - Civic Prime, among others.



## Hillcrest Second 83 MVA Bank, in Brgy. Oranbo, Pasig City

- Dec. 14, 2013
- Provides additional capacity to meet the growing power demands in Pasig-Mandaluyong area, and addresses the critical loading of Hillcrest and Taguig Substations
- Benefitting customers: Capitol Commons, Greenfield Dev't Corp. (Unilab), SM Light Residences, TV5 Media Center, Christ's Commission Foundation Ministries, The Grove, Woodlands, Estancia Mall, Tiendesitas, and the City Govt. of Pasig, among others



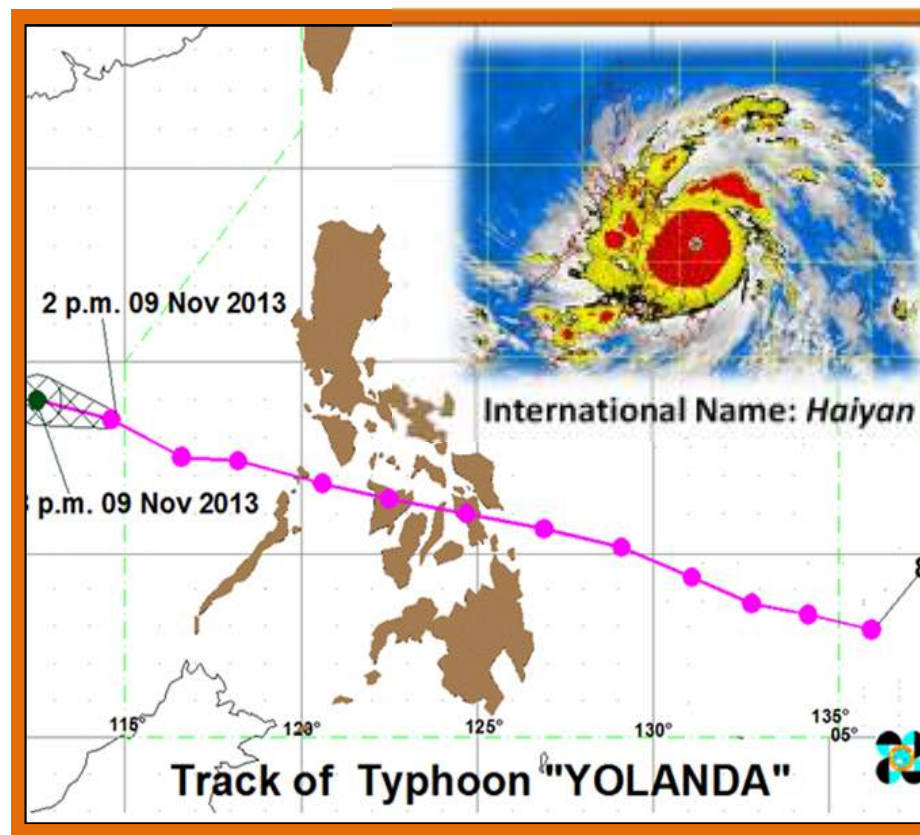
## Dasmariñas-Imus 115 kV Line (Imus Leg) in Cavite

- Dec. 27, 2013
- Will initially serve the 115 kV service of SMC Yamamura (8.2 MW) in Imus City, which was connected to MERALCO 115 kV system. Energized on January 21, 2014
- Will eventually provide a second 115 kV source (coming from Dasmariñas Substation) for Bacoar and Imus Substations, which are currently sourced from Zapote Substation

# Impact on Meralco of Super Typhoon Yolanda



Circuits Affected (10.7% of 711 circuits)	76 circuits
Sustained Interruption Events	51
Momentary Interruption Events	91
Customers Affected (8% of 5.3M customers)	421,956
Total Damage (Poles, Wires, DTs)	PhP4.76M
Unserved Energy (Nov. 8-9)	8.71 GWh



- Category 5 storm and considered as 4<sup>th</sup> strongest storm recorded in the world
- Max. sustained winds of 315 kph with gustiness of 379 kph
- Affected mostly southern franchise of Meralco including Rizal province

# 'Reaching Out Beyond Our Borders'





# Restoration assistance to Luzon & Visayas DUs



Cabanatuan City



Leyte



Panay Island



**Restored a total of 128 km  
of distribution lines**

# Restoration assistance to Luzon & Visayas DUs



## CABANATUAN CITY

Duration: **Oct. 18-22, (5 Days)**

**58** personnel

**14** vehicles

Replaced **35** poles

Corrected **8** leaning poles

Stringing of **4** spans of primary wires

Reconnected **10** detached primary wires

**Cabanatuan City**

## PANAY

Duration: **Nov. 16-30, (14 Days)**

**61** personnel

**16** vehicles

Replaced **423** poles

Corrected **111** leaning poles

Stringing of **308** spans of primary wires

Reconnected **168** detached primary wires

Installed **10** distribution transformers

Reconnected **40** detached secondary wires

**Panay Is**

## Leyte

## LEYTE

Duration: **Nov. 25-Dec 27, (32 Days)**  
and **Jan. 29-Feb. 25, 2014, (28 Days)**

**126** personnel

**26** vehicles

Replaced **508** poles

Corrected **343** leaning poles

Stringing of **742** spans of primary wires

Reconnected **263** detached primary wires

Installed **43** distribution transformers

Reconnected **338** detached secondary wires

**Restored a total of 128 km  
of distribution lines**



# Rebuilding Support for 'Yolanda' affected communities



**IMMEDIATE  
RELIEF  
OPERATIONS**

**12,538**

**Families that received  
relief goods**



**508**

**Employee-volunteers who  
packed goods and  
participated in "9Mornings"**



**P6.7M**

**Raised and donated by  
Employees via "One Day To Give"**



**IMMEDIATE  
POWER  
RESTORATION**

**218**

**Meralco personnel\* deployed to  
help in power restoration**

**25,484**

**Restored households in Leyte\*\***

**P20.5M**

**Estimated cost Meralco  
incurred in its restoration  
efforts in Leyte and Panay**

*\*Includes all Meralco personnel- Lines, Medical,  
Security, etc.*

*\*\*Report of LeyeCo 2 & LeyeCo 5, as of  
February 23, 2014*

**SUSTAINABLE  
COMMUNITY  
RECOVERY &  
REHABILITATION**

**9**

**Schools\*\*\* to be rehabilitated by  
One Meralco Foundation**

**9**

**Parishes\*\*\* recipient of  
donations for repair of  
damaged churches**

**10**

**Boats to be donated to fishing  
families in Ormoc**

*\*\*\*in Capiz, Aklan, Iloilo, Leyte, Eastern Samar*

# First Ever Retail Bond Offering Successfully Launched



## Meralco Completes Retail Bond Offering

- BOND
- ACTUAL ISSUE SIZE
- INTEREST

7YNC5, 12YNC10

P15B plus overallotment of P3.5B

7Y (2020) 4.375%

12Y (2025) 4.875%

# Meralco receives 2013 PSE Bell Award for Corporate Governance



- Nov. 19, 2013
- Meralco, a Philippine Stock Exchange (PSE) Bell Awardee, a recognition of listed companies and trading participants that adhere to exemplary corporate governance standards and practices
- The annual event aims to raise standards of corporate governance and promote global best stock market practices.



# Securing Opportunities in New Markets



## New owners take over Ibadan Electricity Distribution Company

Business, 11 November 2013 by ENE Odunayo



Integrated Energy Distribution and Marketing Company has taken over the Ibadan Electricity Distribution Company following its successful bid to the company that a change of ownership was announced in April 2013.

## PHCN: New owners take over, may retain 40% of workforce

Business, 11 November 2013 by ENE Odunayo



PHCN, the Power Holding Company of Nigeria (PHCN) has announced that it may retain 40% of its workforce following its successful bid to the company that a change of ownership was announced in April 2013.



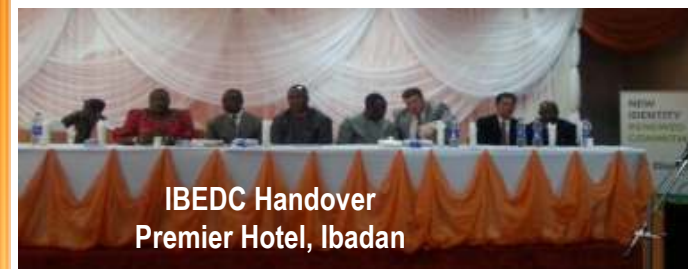
YEDC Handover  
American University of Nigeria Club  
IEDM Managing Director, Dr. Olusola Ayandele, giving his acceptance speech.

## New Technical Services Subsidiary Assumes Management Positions in Nigeria Power Utility

- Meralco subsidiary, Meridian Atlantic Light Company, Ltd., starts distribution utility services with handover of the management of Ibadan and Yola EDCs Nov 1
- IBEDC is the largest Nigerian electricity distribution company in number of customers and energy sales. YEDC is largest in service area
- Operations are under Technical Services Agreement with a Nigerian investment company (Integrated Energy Distribution and Marketing or IEDM)



Senior Special Adviser on Power, Engr. O.S. Egheringbe, reading the speech of Vice President Samba's handover speech.



IBEDC Handover  
Premier Hotel, Ibadan





# Securing Opportunities in New Markets



## **New JV Company with 40% MGen Participation Acquired Majority Interest in Power Plant in Singapore**

- On 28 March 2013, FPM Power Holdings Limited, a 40-60 joint venture company between MGEN and First Pacific Co. Limited, acquired a 70% stake in GMR Energy Singapore (now PacificLight Power Co. Ltd.), owner of an 800-MW LNG-fired power plant in Jurong Island, Singapore. The remaining 30% stake is held by Petronas of Malaysia.
- Commissioning of the 2 power generating units were completed in Dec 2013 and Jan 2014, respectively. Both units have commenced commercial operations.





# Meralco PowerGen Updates

# San Buenaventura Power Limited (460-MW Coal-Fired Power Plant, Quezon)



- Joint Development Agreement signed 29 Aug 2013 between New Growth BV and MGEN for the development of a 460-MW (net) supercritical coal-fired power plant in Mauban, Quezon. New Growth is a wholly-owned subsidiary of Electricity Generating Public Company Limited of Thailand, partly-owned by Electricity Generating Authority of Thailand.
- Shareholders Agreement signed on 15 Nov 2013 providing MGEN 51% Equity Interest.
- Development activities underway.
- Engineering, Procurement and Construction (EPC) bids received 29 Nov 2013 from 3 consortia formed by established Korean and Japanese companies.
- Financial Advisor identified. Indicative financing proposals received from local and international banks.
- Target Financial Close and EPC Notice to Proceed in Q3 2014
- Target commissioning by 2017.

# Global Business Power Corporation (GBPC)



- On 22 Oct 2013, MGEN acquired 20% interest in GBPC. Other shareholders include GT Capital Holdings, First Metro Investment Corporation and ORIX Corporation.
- GBPC is the largest Independent Power Producer in the Visayas Region with 627 MW of gross capacity (556 MW net) in operation.
  - 410 MW (gross) coal-fired power plants and 217 MW (gross) diesel power plants
  - 82 MW (gross) coal-fired power plant under construction in Cebu; expected to be in commercial operation in late-2014
  - 150-MW (gross) coal-fired power plant in Panay to start construction in 1Q 2014; expected to be in commercial operation in 2016

# Redondo Peninsula Energy (RPE) (600 MW Coal-Fired Power Plant, Subic Bay)



- On 30 Jan 2013, the Court of Appeals (CA) denied Writ of Kalikasan case filed against RPE. However, the original Environmental Compliance Certificate issued by the Department of Environment and Natural Resources (DENR) and the Lease and Development Agreement between RPE and the Subic Bay Metropolitan Authority (SBMA) were declared invalid due to supposed procedural and documentation lapses during the process of their issuance.
- Motions for Reconsideration filed by Writ of Kalikasan petitioners as well as by DENR, SBMA and RPE were denied by the CA on 22 May 2013.
- All the parties separately appealed the CA decision to the Supreme Court for review.
- On 18 Dec 2013, RPE filed a Manifestation submitting its “Petition for Review on *Certiorari*” for resolution of the Court.

# Other Business Updates



# Other Business Updates



## Prepaid Retail Electricity Service (PRES)



Introducing  
MERALCO

**KURYENTE  
LOAD**

Sa bagong prepaid service na ito,  
kontrolado mo ang konsumo  
kaya pasok sa budget mo.

- Technical Pilot in Angono, Rizal (2013)
- Activated KLoad top-up centers (Meralco Business Centers, Bayad Center, Sari-sari stores, Generika)
- Started commercial pilot for 2,000 customers in Taytay and Angono, Rizal (Jan. 2014)
- Commercial launch scheduled Q4 2014-2015 for balance of 38,000 meters\*



\* Based on number of meters approved for 3<sup>rd</sup> Regulatory Period



# Other Business Updates

## Electric Vehicle (EV)



- Launched Meralco eVehicle Power Station in the Meralco Compound (July 20, 2013)
- Continuing preparations for the EV charging infrastructure requirements as support to the DOE-ADB 100,000 eTrikes Project
- Piloting EV implementations and projects with:
  - eBike Sharing in the Meralco Head Office
  - eMotorcycles with Meralco BCs, Sectors and customers in the fastfood industry
  - eShuttles in prospective location / accounts

# Other Business Updates



## 3rd Philippine EV Summit



- *Meralco hosted the 3<sup>rd</sup> Philippine EV Summit organized by Electric Vehicle Alliance (EVA)*
- *Feb 27-28, 2014 at Meralco Multipurpose Hall*
- Keynote speaker Sen. Paolo Benigno Aquino IV announced 2 EV bills in the Senate (SBN 2151 and SBN 2150) to provide fiscal and non-fiscal incentives to EV industry players and users.
- Key EV government partners DOE, DTI, LTO and DOST presented their respective programs and policies to benefit the EV industry.
- Update from DOE and ADB on the announcement of winners of 3,000 eTrikes by March 2014, and an additional 17,000 units for bidding before end of 2014.
- More than 500 attendees from the Philippines, Japan, Taiwan, Singapore, Australia, China and Austria, as well as 27 exhibitors of different EV models and types.

# Manila Electric Company

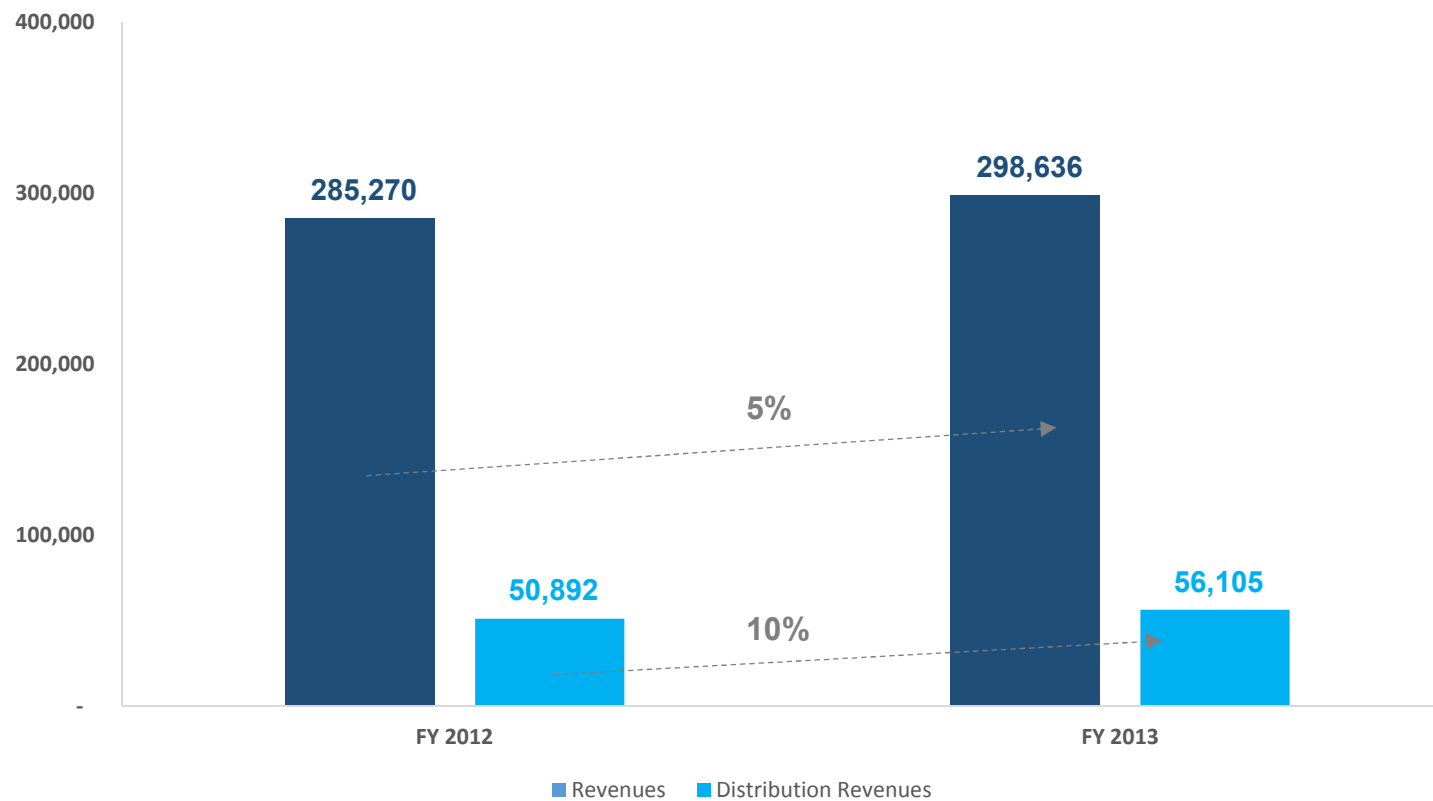
## FY2013 Financial Results

March 17, 2014

Lopez Building, Meralco Compound, Ortigas Avenue

# Revenues

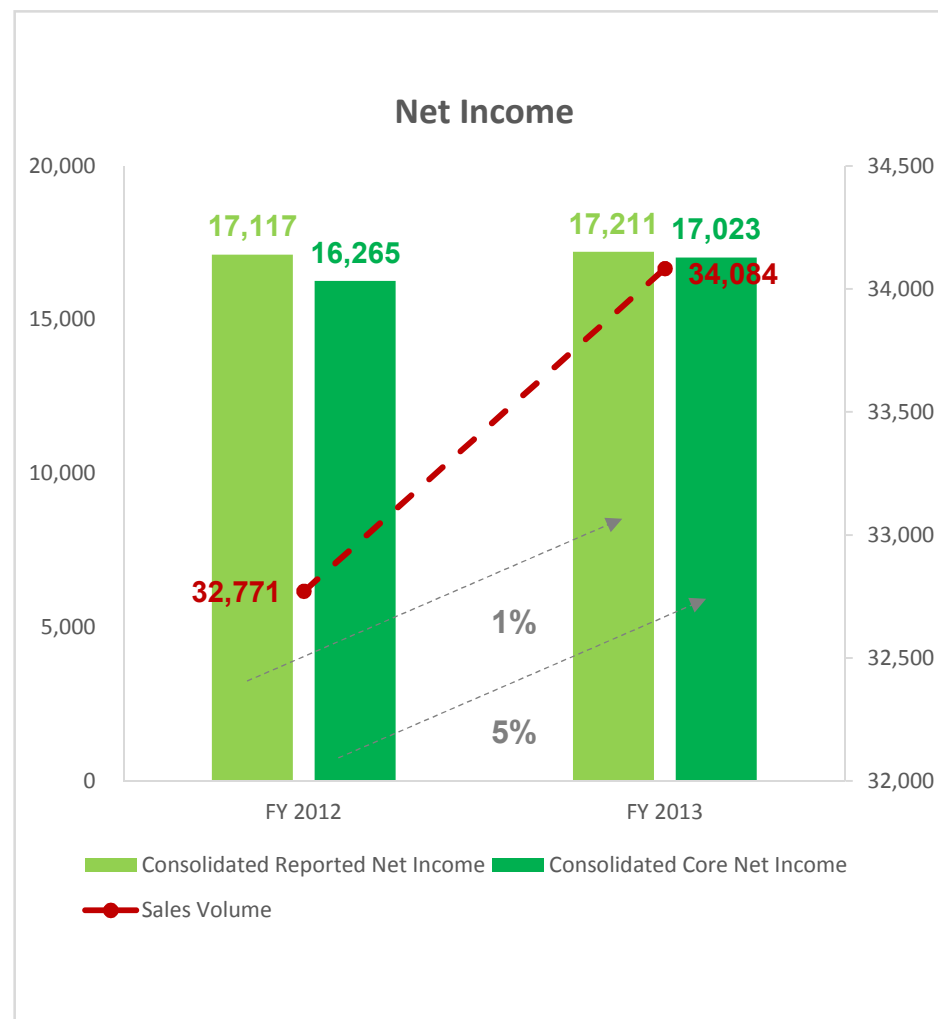
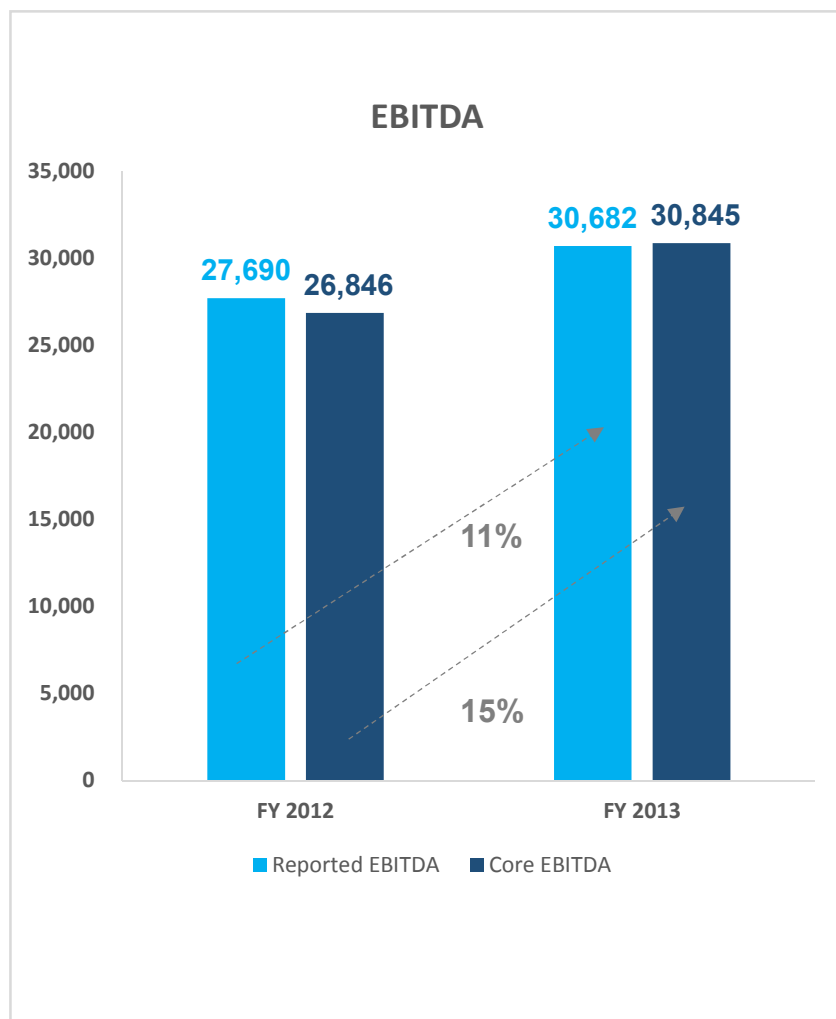
In Million Pesos





# EBITDA and Net Income

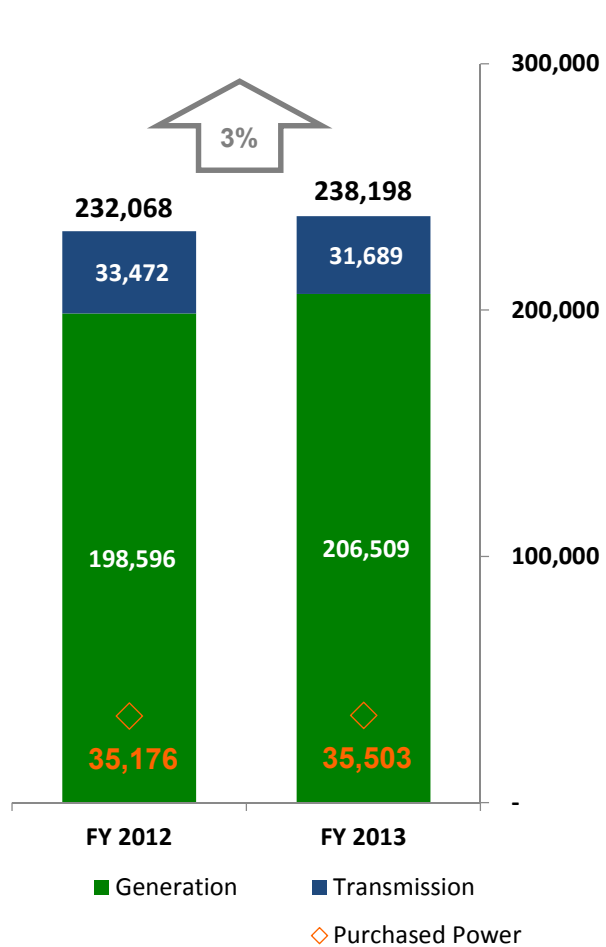
In Million Pesos (except Sales Volume which is in GWh)



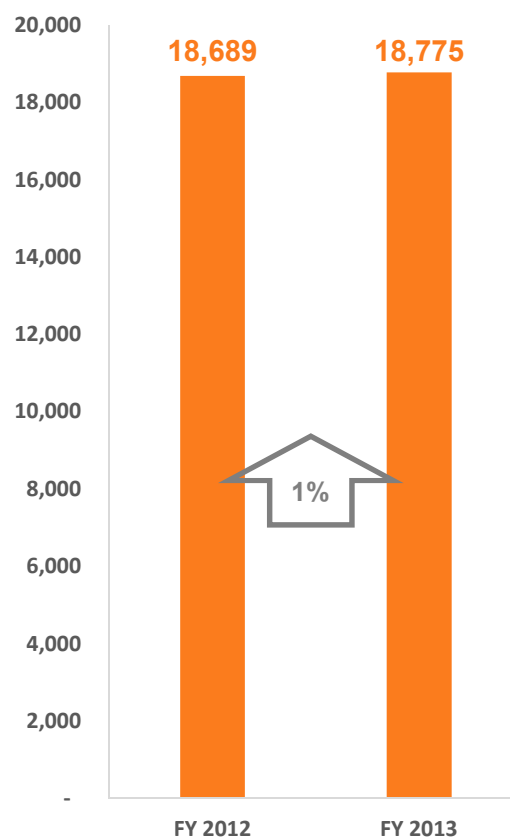
# Costs and Expenses

In Million Pesos

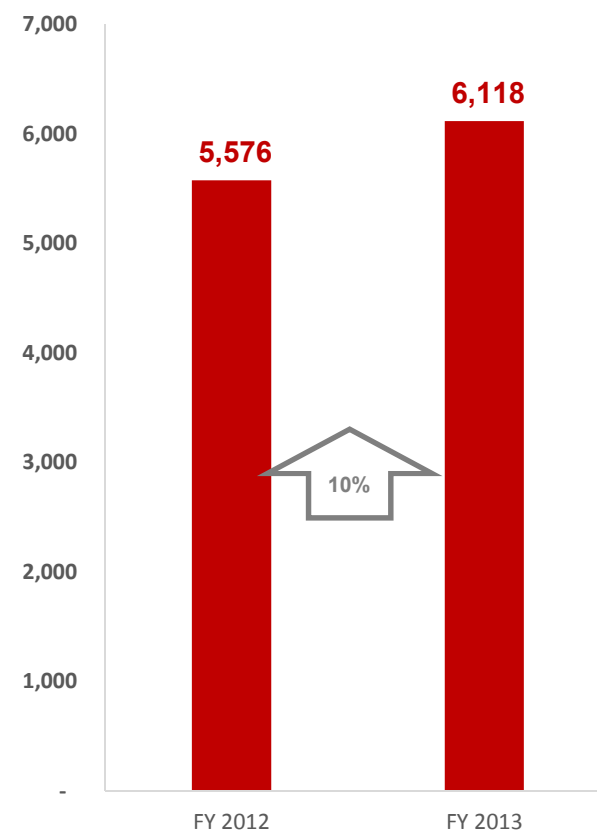
## Purchased Power Cost



## Operating & Maintenance Cost

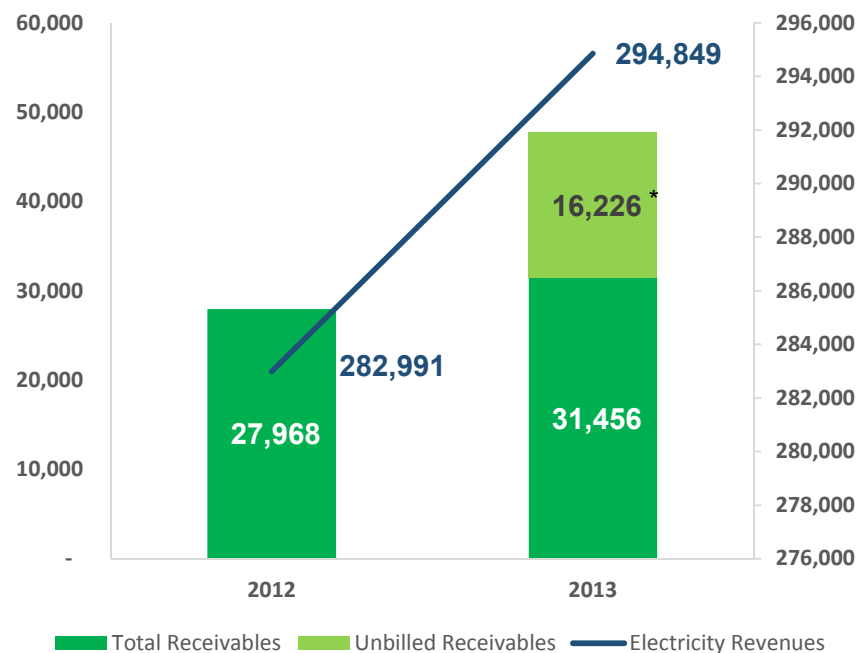


## Depreciation & Amortization



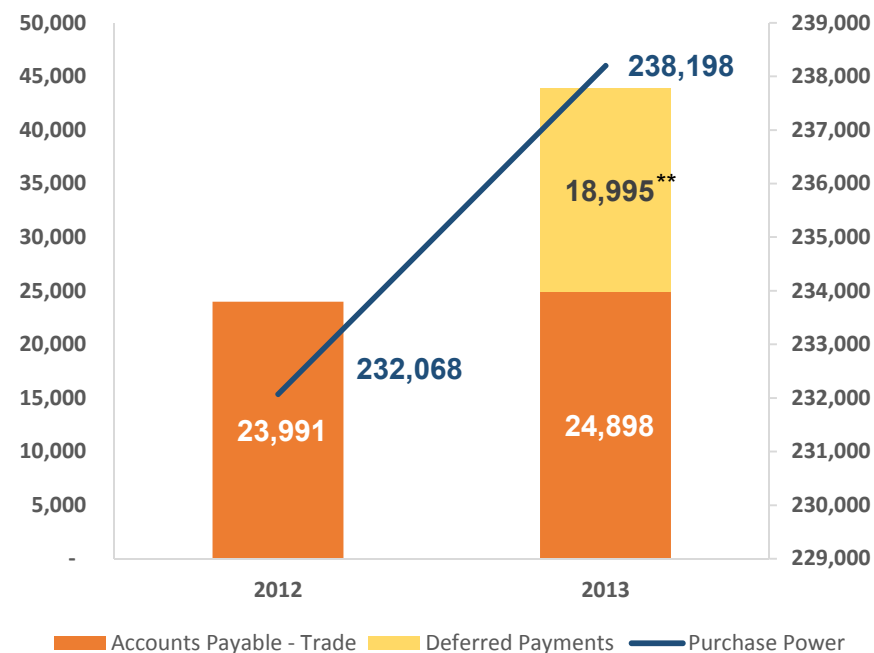
# Receivables and Payables

## Revenues vs. Receivables



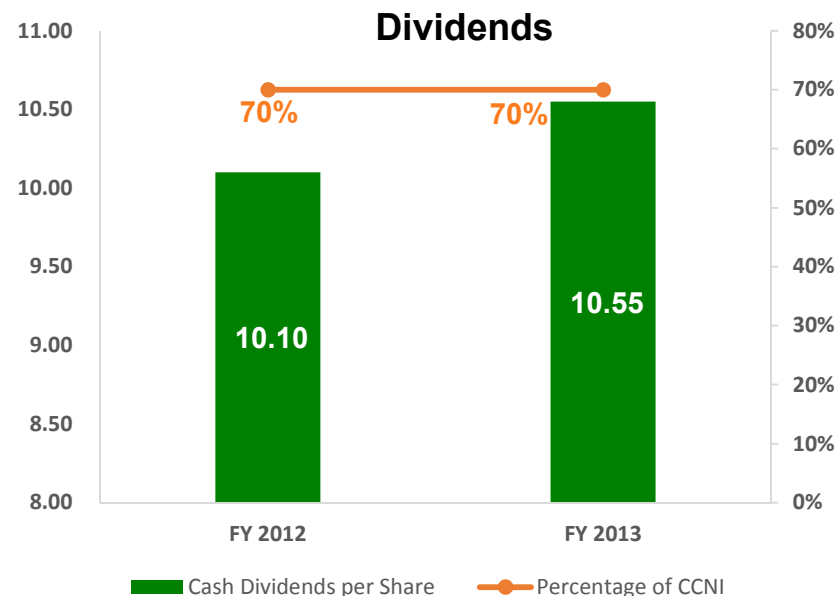
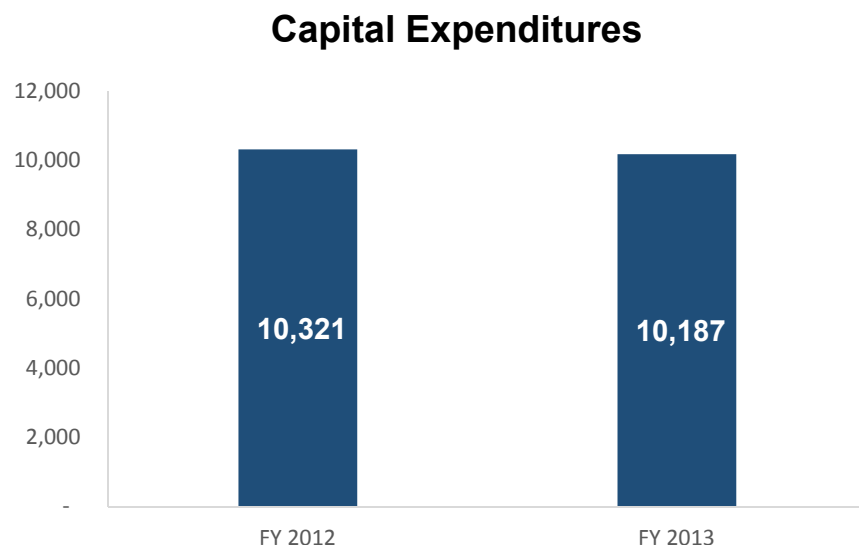
\*Unbilled Receivables relating to the November and December 2013 generation charges.

## Purchased Power vs. Payables



\*\*Deferred Payments relating to the November and December 2013 generation charges.

# Capital Expenditures and Dividends

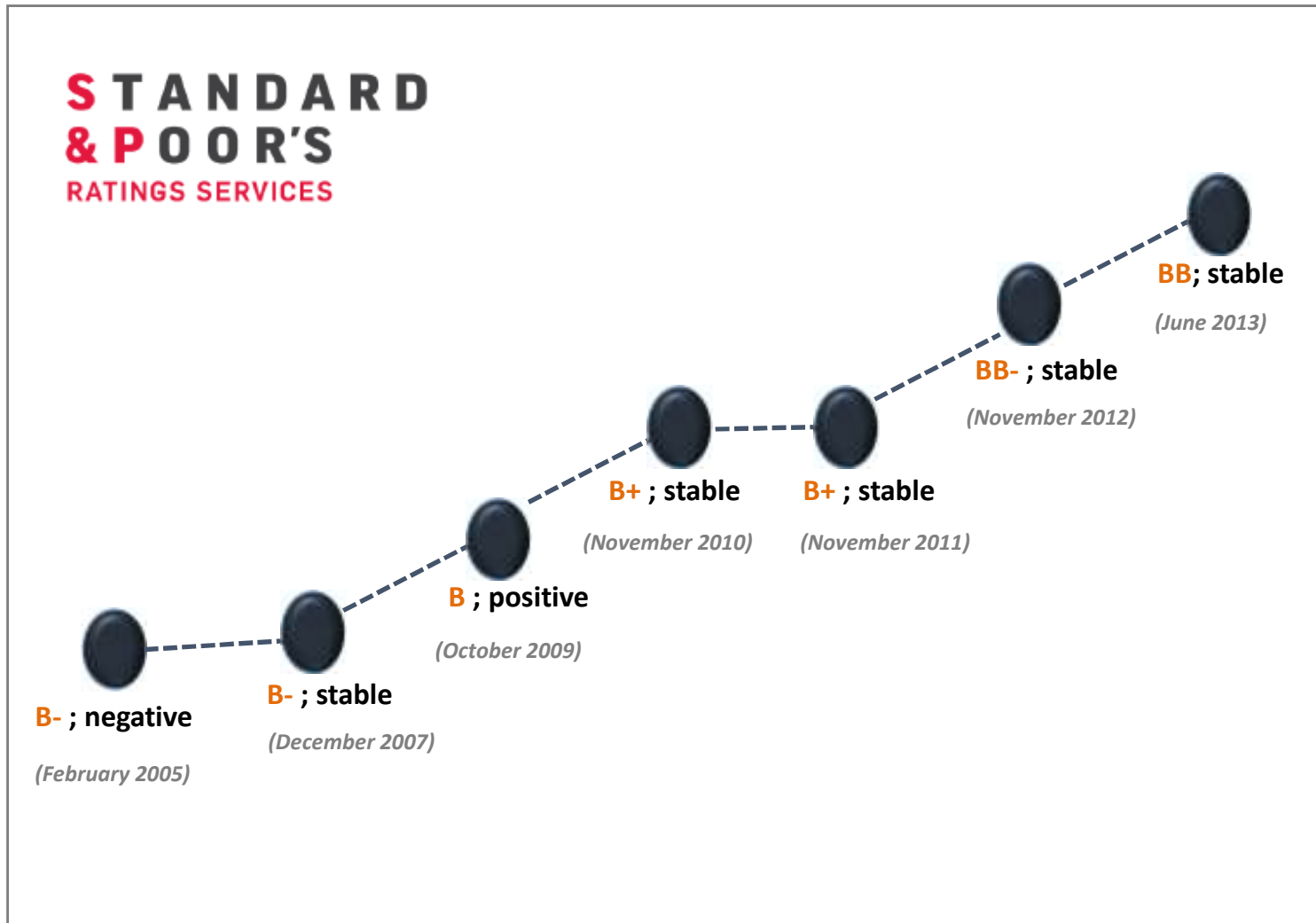


**Total approved capex for Third Regulatory Period is P36.3 Bn.**



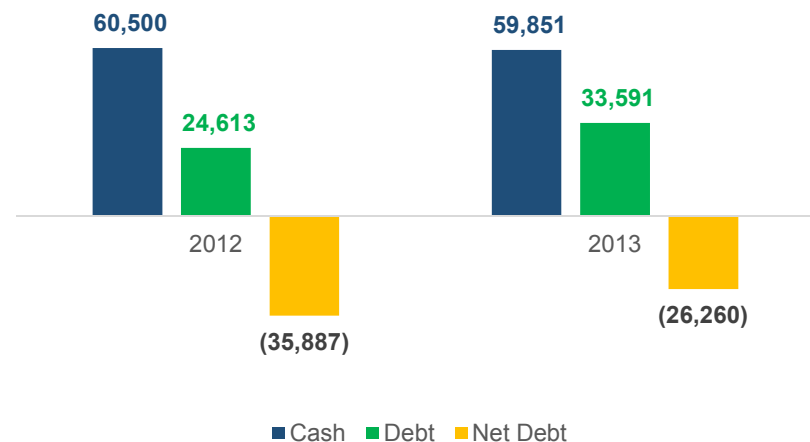


# Credit Rating

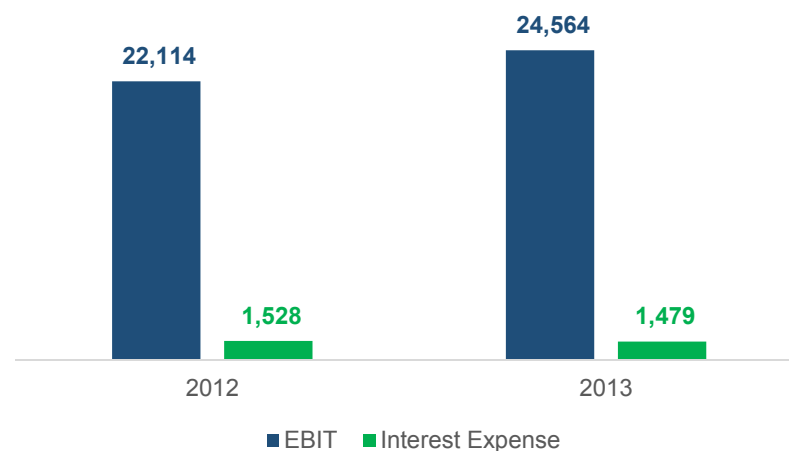


# Credit Profile

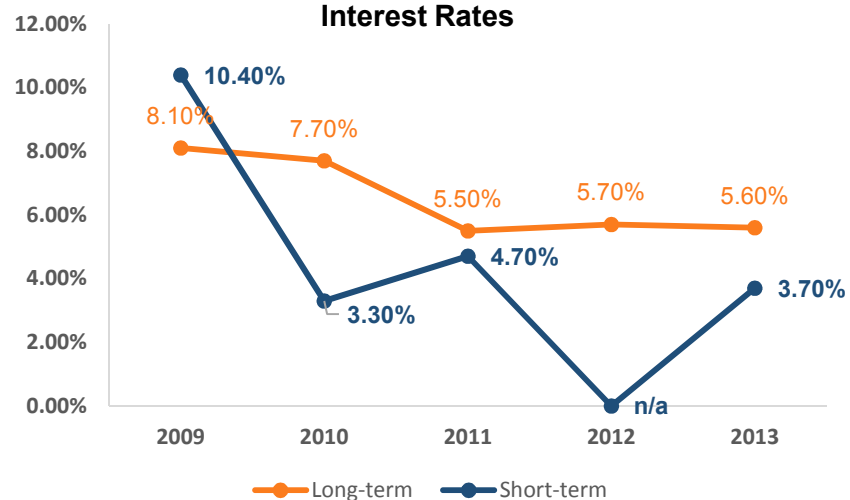
**Cash, Total Debt and Net Debt**



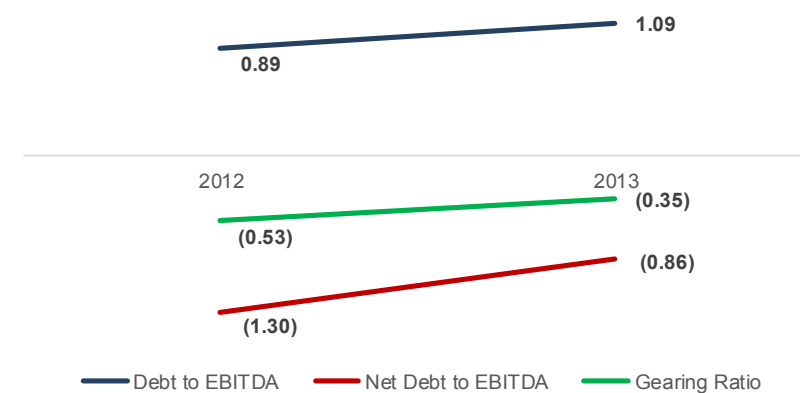
**EBIT and Interest Expense**



**Interest Rates**



**Ratios**



# Php18.5 Bn Peso Bond

- **Meralco issued an Php18.5 Bn Peso Fixed Rate Bond in December 2013.**

Face Value	Interest Rate	Tenor	Features
Php11.5 Bn	4.375%	7 years	Non-call 5
Php7.0 Bn	4.875%	12 years	Non-call 10

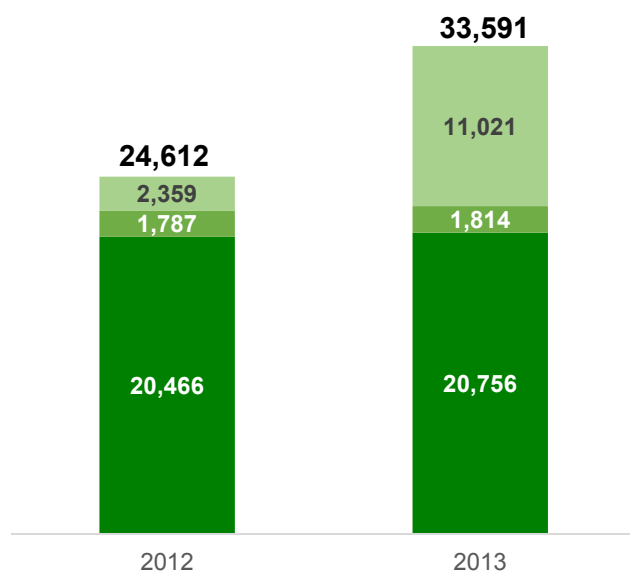
- **Proceeds will be used for the refinancing of certain facilities including principal repayments, accrued interest, prepayment penalties and other financing costs.**

# Debt Profile

In Million Pesos

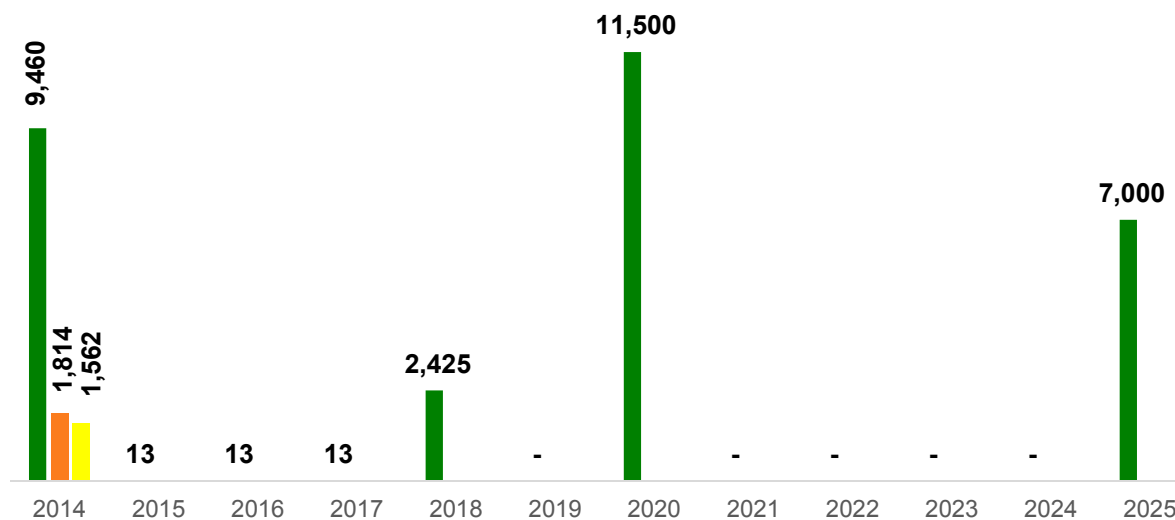
## Ending Debt Balance

■ Long-term Debt ■ Short-term Debt ■ Current Maturities



## Debt Repayment Schedule

■ Long-term Debt ■ Notes Payable ■ Preferred Shares



## Year-End Loan Balance

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
20,963	20,950	20,938	20,925	18,500	18,500	7,000	7,000	7,000	7,000	7,000	-



# Summary

- **Solid FY 2013 results.**
  - Sustained energy sales growth across all customer classes.
  - Setting highs in operating and customer service performance.
  - Increasing value to shareholders with the Company's strong dividend payout.
- **Robust opportunities for investments.**
  - Continuous improvement of the core distribution infrastructure.
  - Strategic investments in power generation, mainly focused on building up to 3,000 MW of domestic capacity to provide cost-competitive power within the franchise area.
- **Strong balance sheet.**

# Cautionary Statements

This presentation is prepared for the participants of the MERALCO **Investors and Analysts Briefing & Teleconference** held on **March 17, 2013**. This presentation has consequential limitations and is not a comprehensive discussion about **Manila Electric Company and Subsidiaries (MERALCO)**. The same materials are restricted to the participants and may only be used in conjunction with the meeting held on such date.

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**Thank You**

