

FINANCIAL AND OPERATING RESULTS

Investors and Analysts Briefing
Quarter Ended March 31, 2019

April 29, 2019

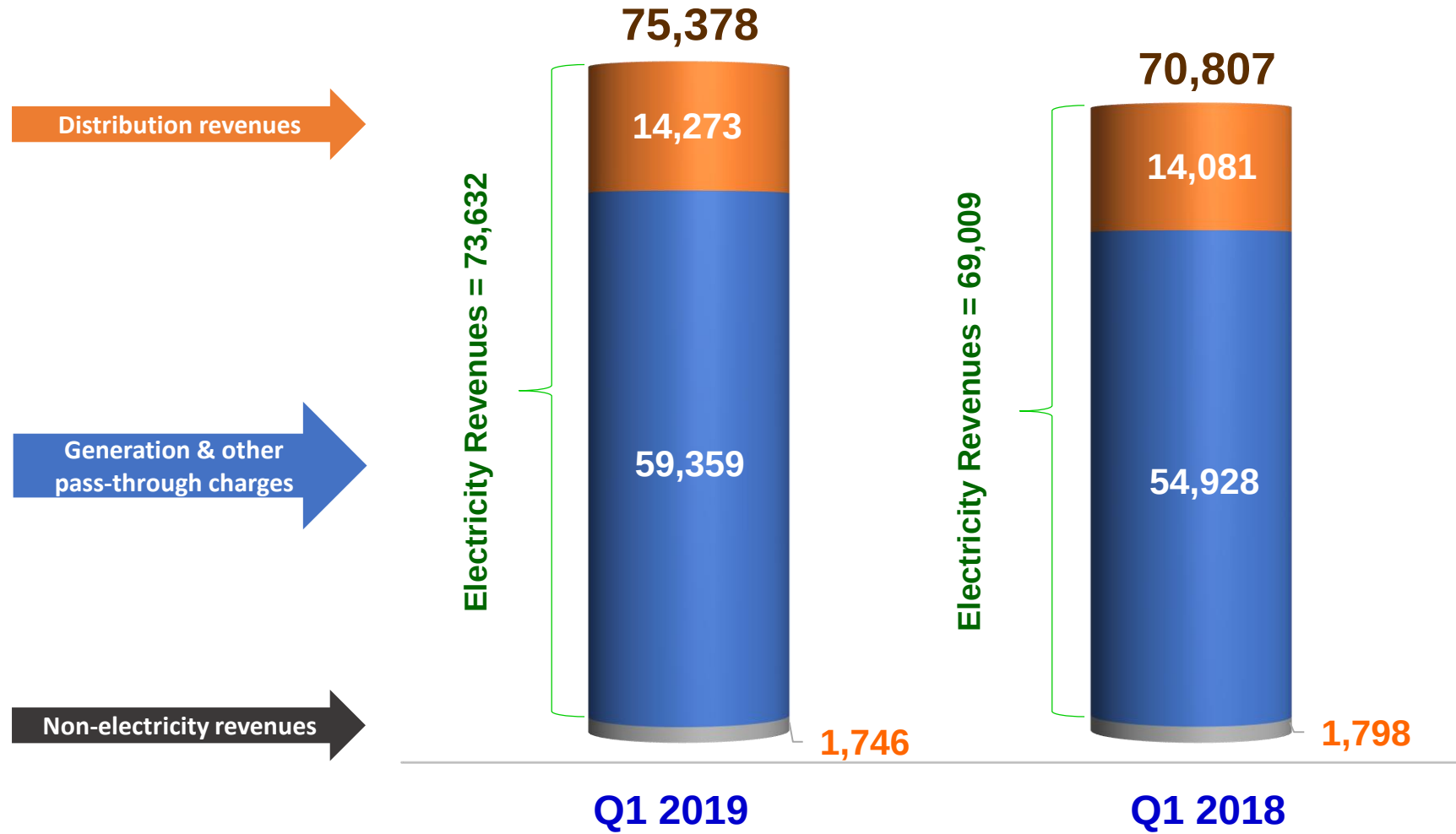


FINANCIAL HIGHLIGHTS

Q1 2019

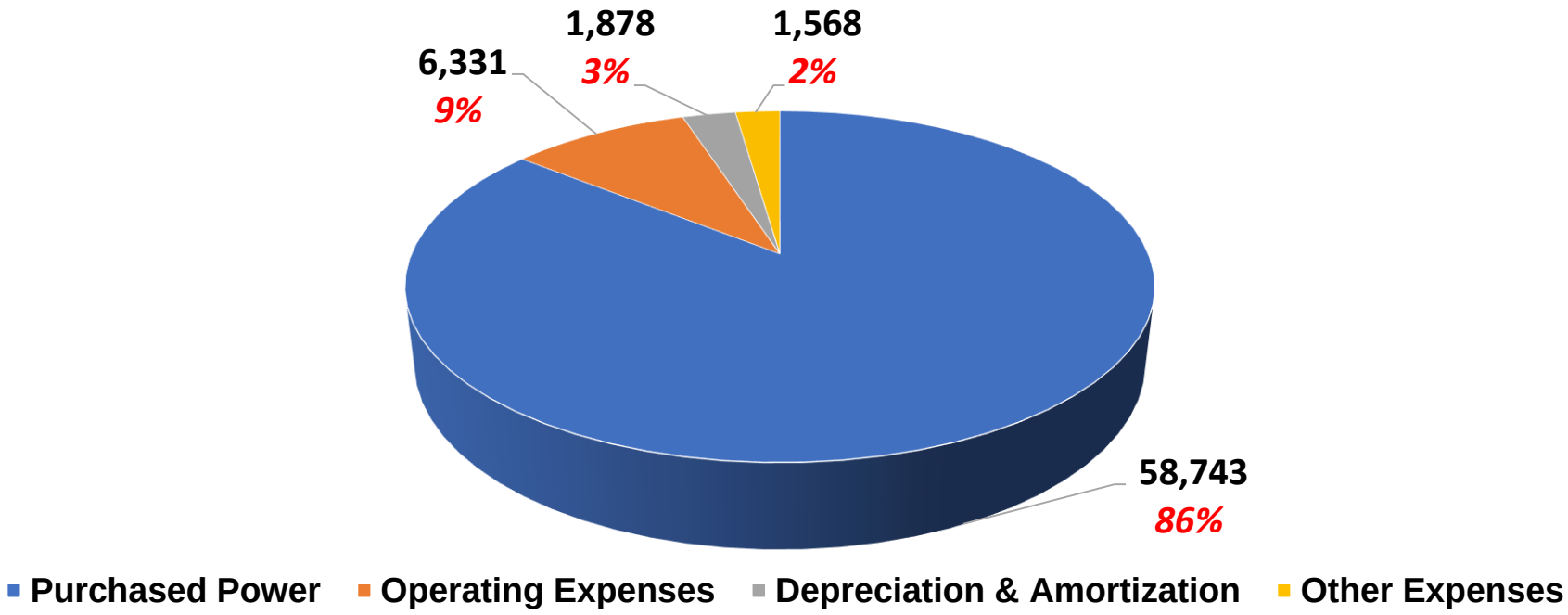


Consolidated Revenues (in Million PhP)

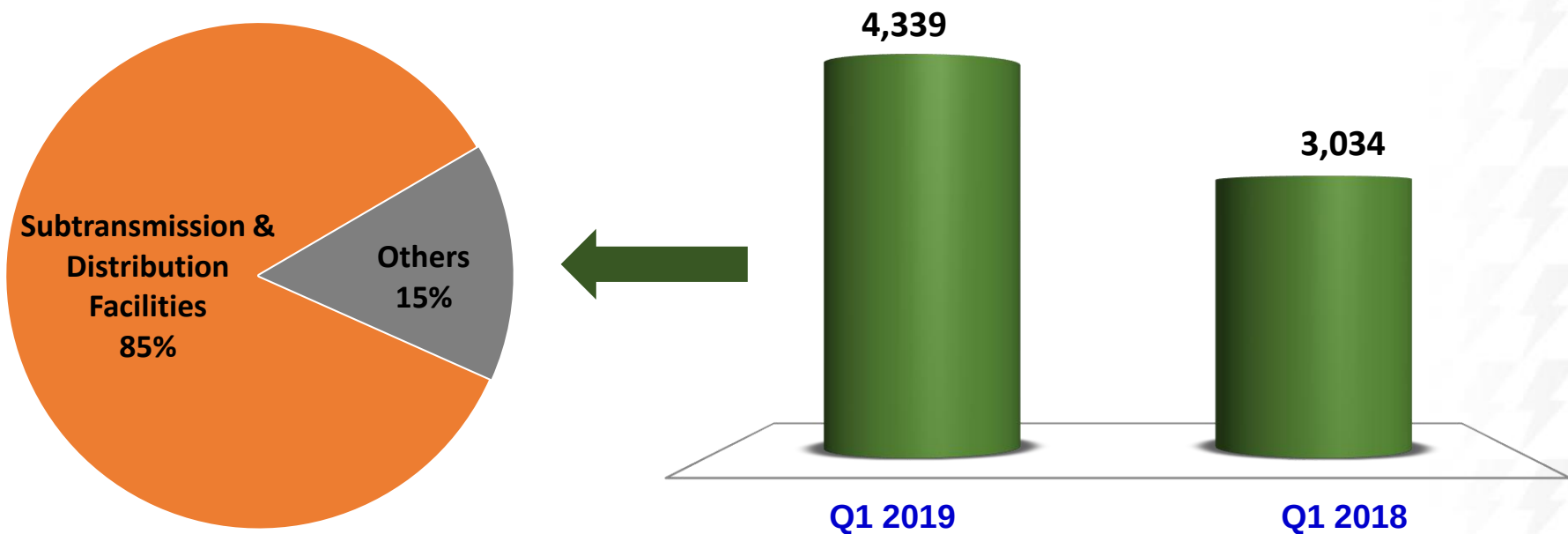


Costs and Expenses/Capital Expenditures (in Million PhP)

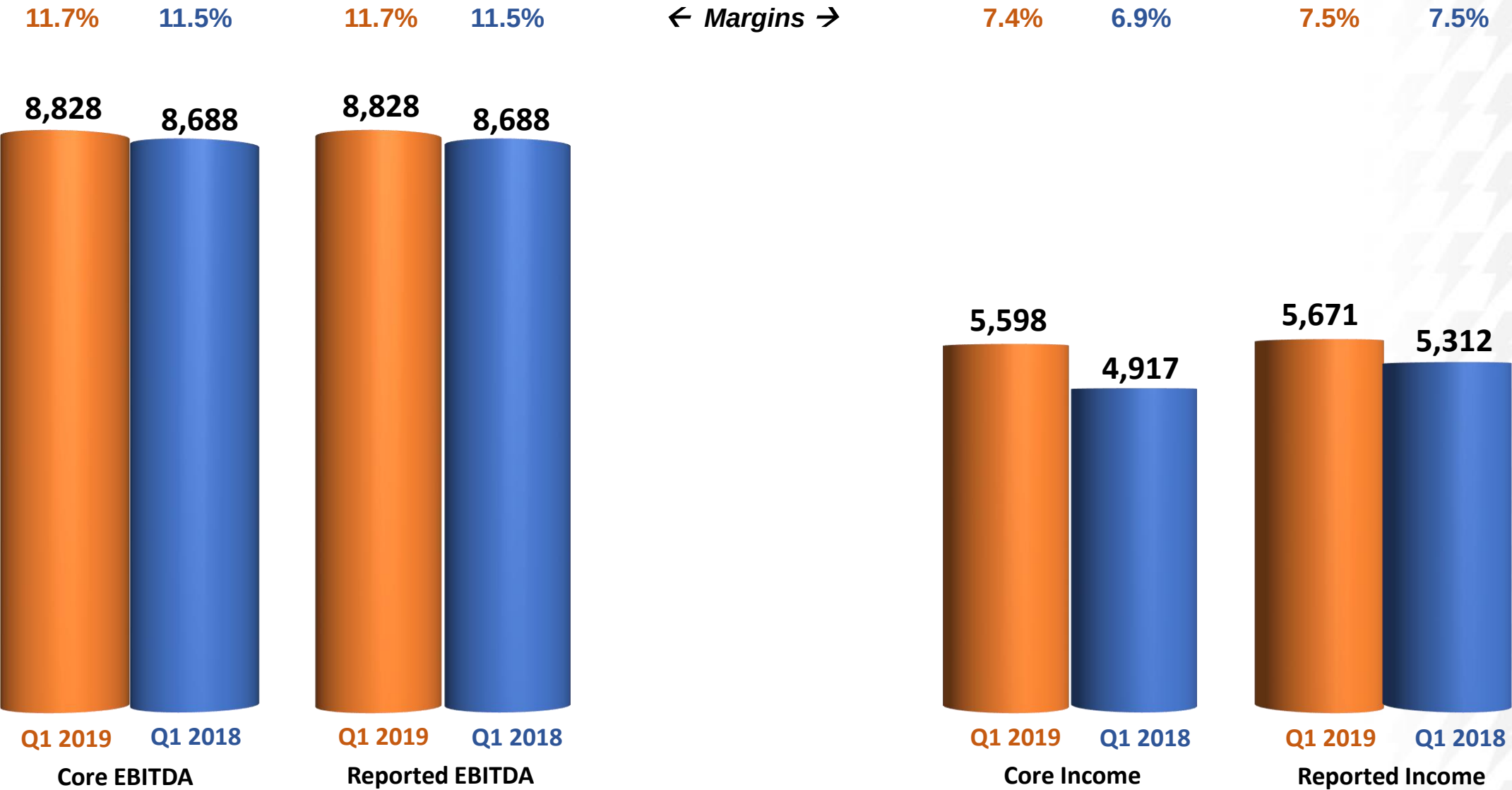
Costs and Expenses



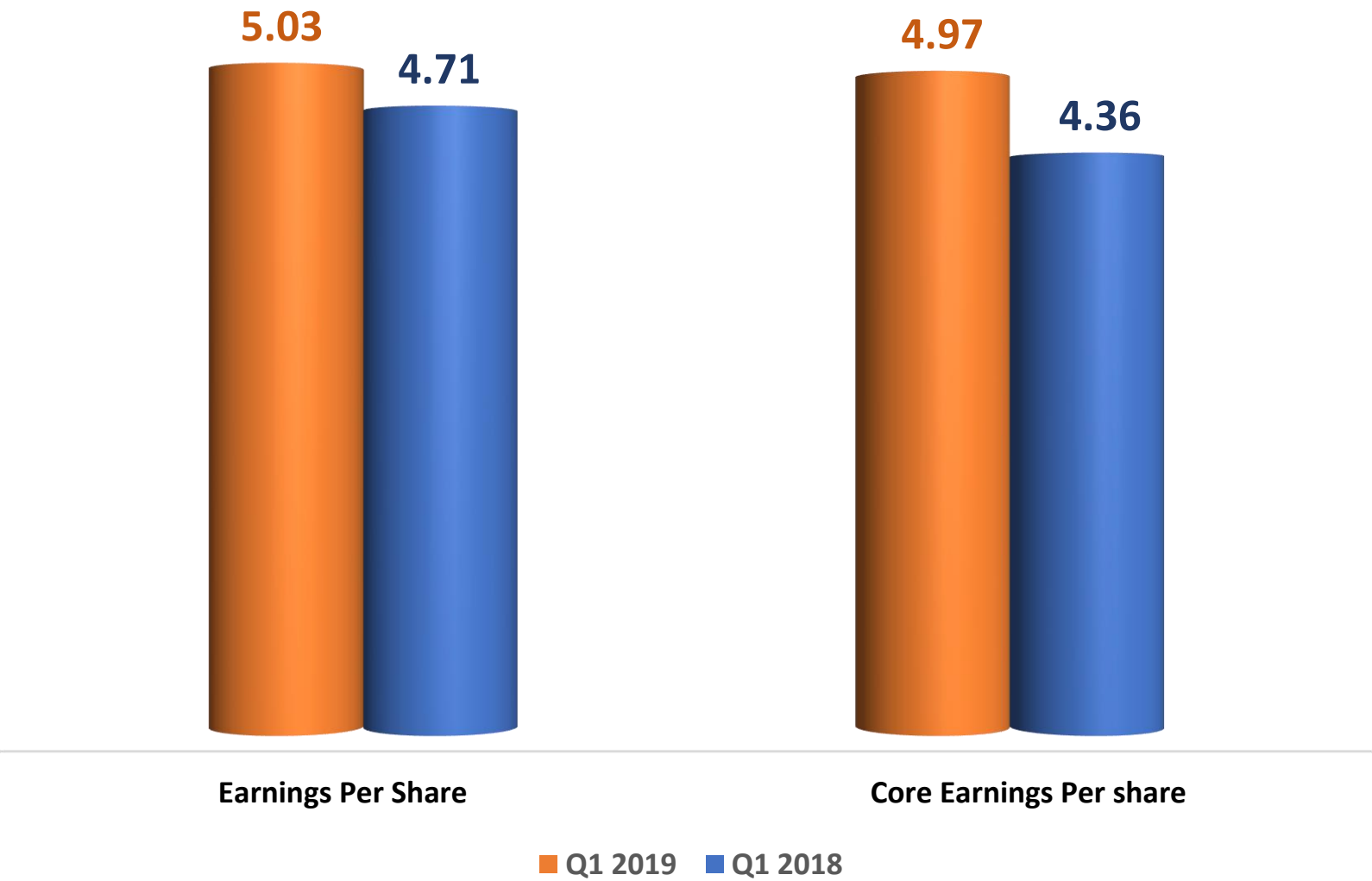
Capital Expenditures



Consolidated EBITDA and Net Income (in Million PhP)

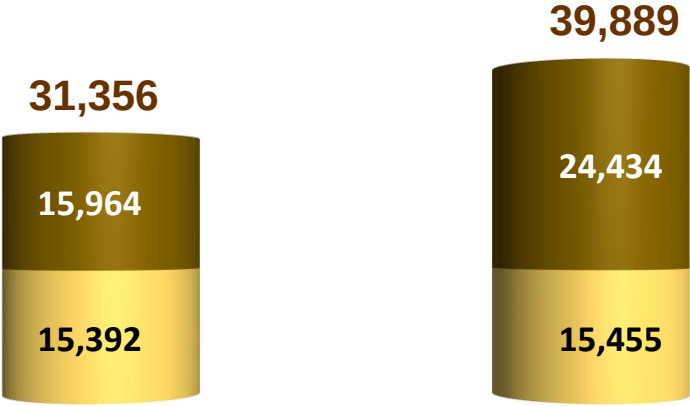


Core and Reported Earnings Per Share (in PhP)



Credit and Debt Profile

TOTAL DEBT (in Million PhP)

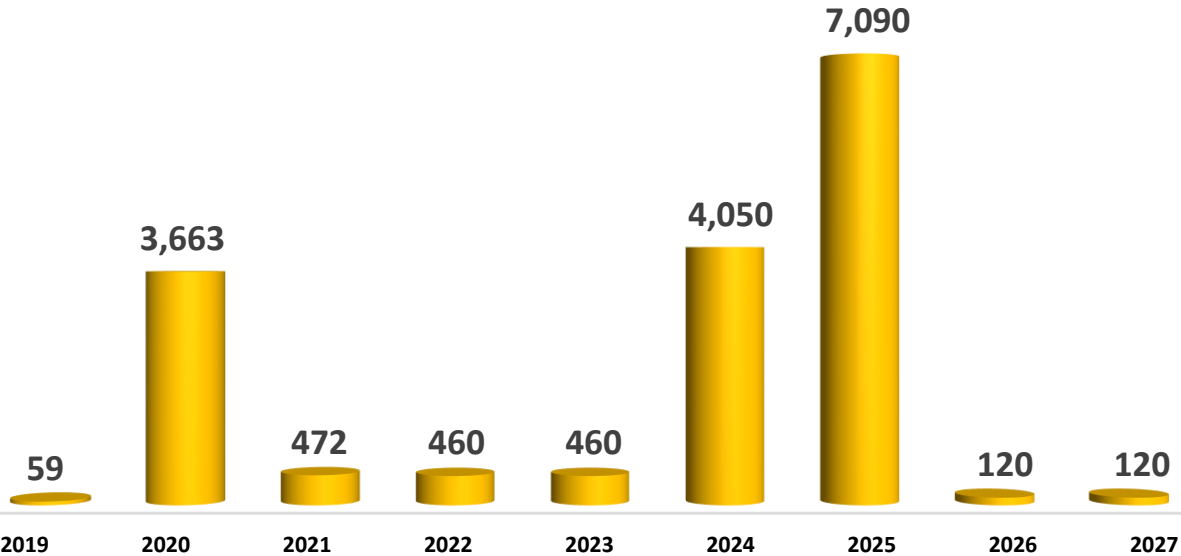


Q1 2019

Q1 2018

■ Current Portion ■ Non-current Portion

LONG-TERM DEBT REPAYMENT SCHEDULE (in Million PhP)



(in Million PhP, Except Ratios)

Q1 2019

Q1 2018

Cash & Cash Equivalents	36,057	51,905
Gross Debt	31,356	39,889
Net Debt	(4,701)	(12,016)
Gross Debt/EBITDA	0.89	1.15
Net Debt/EBITDA	(0.13)	(0.35)
Gearing Ratio	(0.06)	(0.17)
Interest Expense	442	682

OPERATIONS REPORT

Performance ended March 2019



MERALCO

Operating Highlights

1Q 2019

Energy
Sales

↑2.3%*
10,381 GWh

Customer
Count

↑4.5%*
6.68 million

Peak
Demand

↑1.2%*
6,950 MW

Net System
Input (NSI)

↑2.1%*
10,993 GWh

Ave. Retail
Rates

7.9%*
P9.13/kWh

S-Factor
& GSL**

Sustained
Service
Improvement

Business
Updates

*vs. same period, previous year

**For GSL, RY2019 Period (July 1, 2018-June 30, 2019); compared with past levels (in the absence of 4RP standards/ reset)

Peak Demand reached 7,493 MW on April 22, 2019



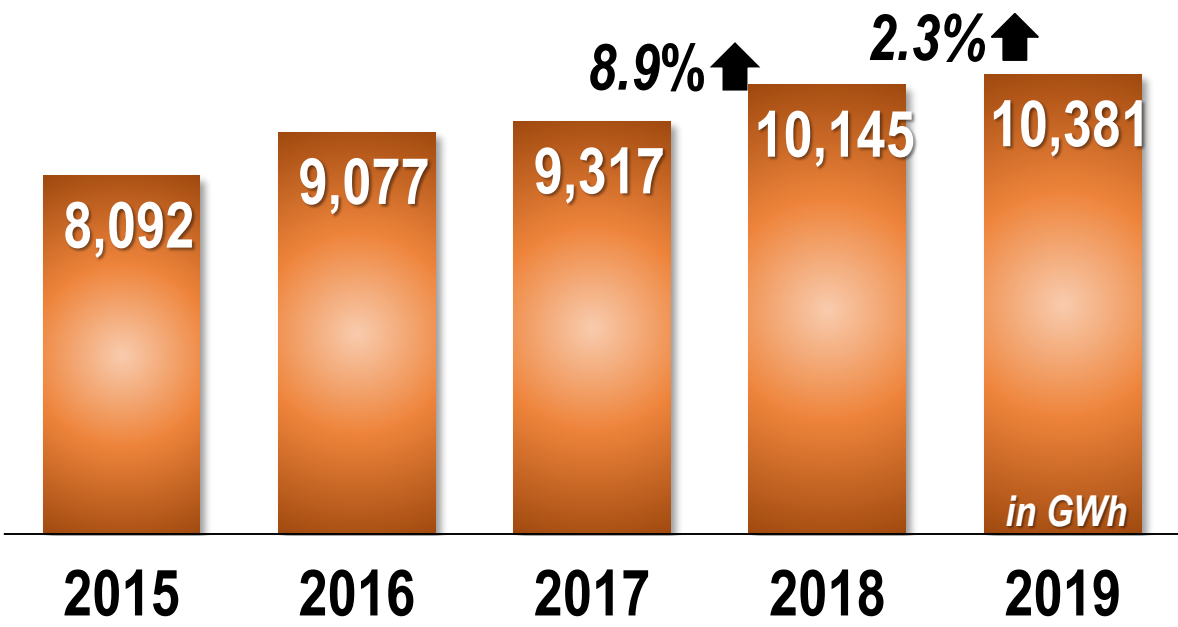
Details

1Q
2019

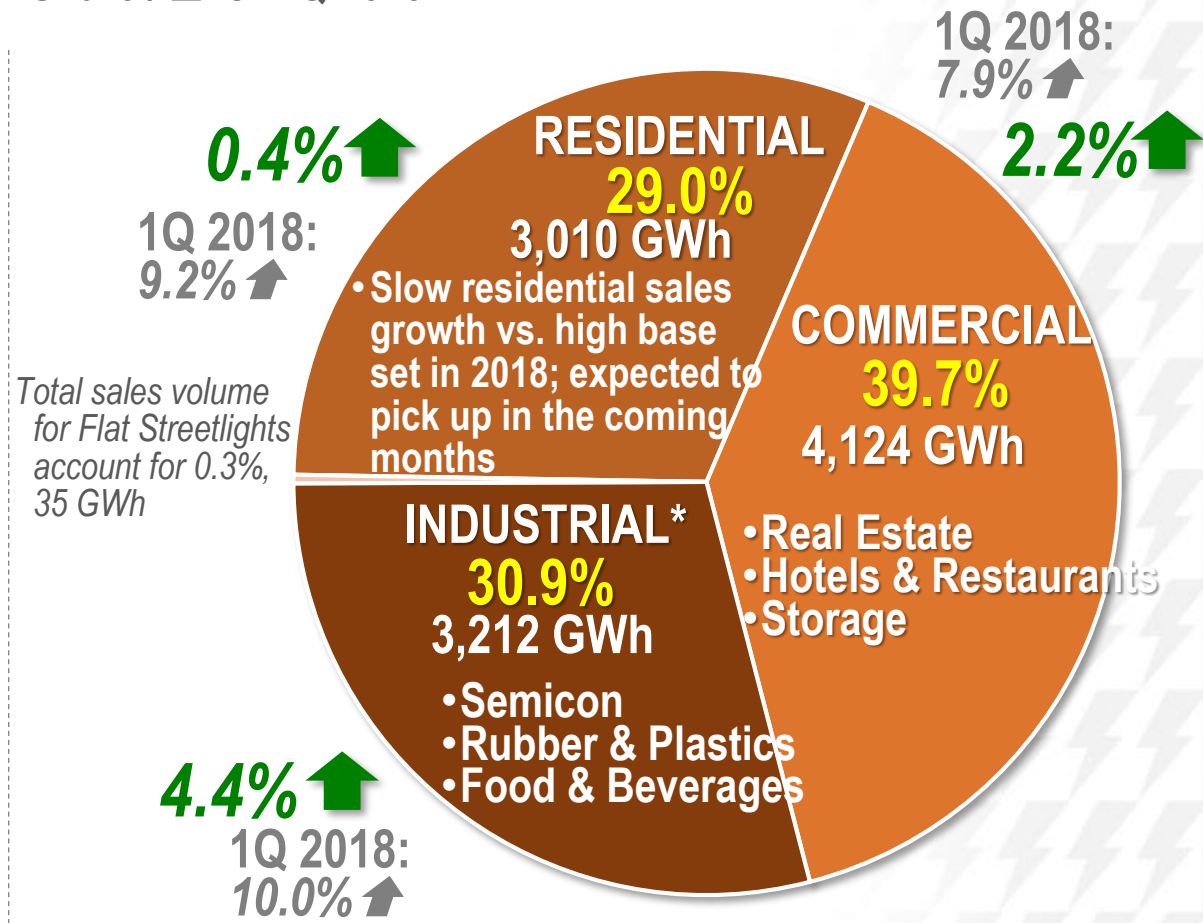


Energy Sales: 1Q 2019

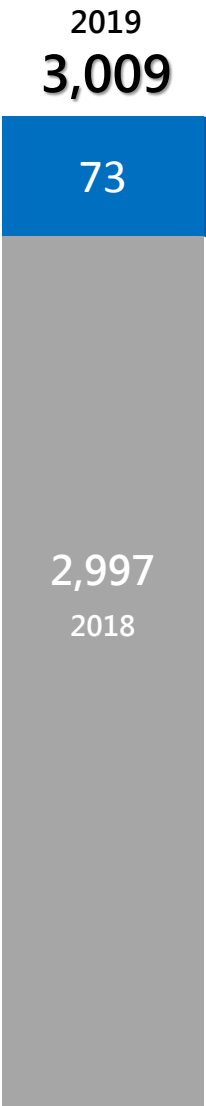
➤ Up 2.3% vs. 2018 (+236 GWh)



Share / Δ for 1Q 2019:



1Q 2019: Slow residential sales growth of 0.4% (+12 GWh) vs. **“high growth base”** in 2018 (15% growth vs. 2017) largely seen in New & Ramp-up growth of 2018 energized accounts but tempered by decline in **Organic** (61 GWh decline). **New** contributed 4 GWh from 64,651 customers (2.6% lower than 2018) which is expected to pick up in the coming months based on prospects (OSA, PCA & Meralco Electrification Program). **Ramp-up** grew by 69 GWh.



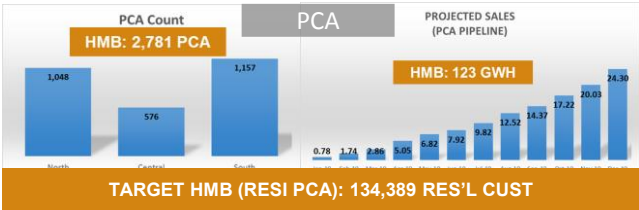
NEW & RAMP-UP

NEW GWH: [▲4 GWH]
NEW ACCOUNTS: 64,651 [▼2.6%]

RAMP-UP ACCOUNTS
from 2018: [▲69 GWH]

***RAMP-UP:** Though sales increased 69 GWh, ramp-up sales grew at a slower rate compared to 2018 growth (slower consumption from customers under NHA, low to mid-rise dev't). **South** remains to be leader in volume at 31 GWh ramp-up with Alabang-Taguig, Las Pinas- Pque & Rosario. **North** comes second with 23 GWh ramp-up due to developments in Novaliches and Commonwealth-Balintawak areas.*

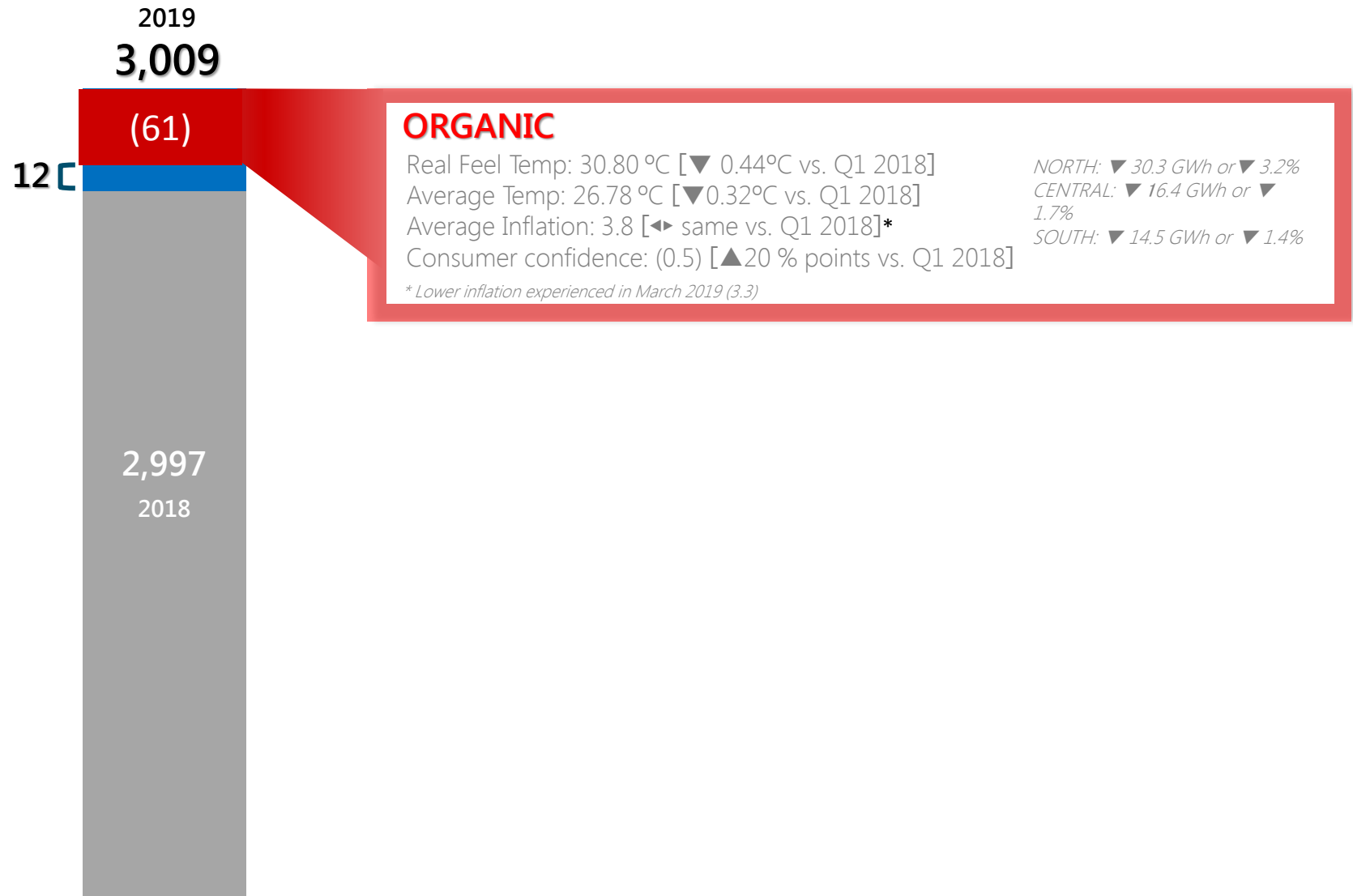
***NEW:** Consumption of New accounts at a slower rate due to lower new accounts compared to same period 2018. It is expected to increase in succeeding months due to energization programs (OSA,PCA, MEP)*



Meralco Electrification Program				
Classification	NBA	CBA	SBA	Total
NHA	3,070	3,100	5,604	11,774
EMC AREA	10,969	9,142	1,587	21,698
ISC AREA	6,513	6,949	3,632	17,094
RAISE	1,447	2,311	4,716	8,474
LGU Housing	1,593	201	2,092	3,886
Balik Liwanag	2,960	1,980	12,269	17,209
Off-Grid			2	2
DOE Projects	15		417	432
Grand Total	26,567	23,683	30,319	80,569
TARGET HMB (MEP GWh): 54 GWh				



1Q 2019: Slow residential sales growth of 0.4% (+12 GWh) vs. **“high growth base”** in 2018 (15% growth vs. 2017) largely seen in New & Ramp-up growth of 2018 energized accounts but tempered by decline in **Organic** (61 GWh decline). **New** contributed 4 GWh from 64,651 customers (2.6% lower than 2018) which is expected to pick up in the coming months based on prospects (OSA, PCA & Meralco Electrification Program). **Ramp-up** grew by 69 GWh.



1Q 2019: For a change, slight shift in Commercial growth drivers while Industrial sector drivers remained consistent.



COMMERCIAL

4,057 GWh

▲ 1.9%

REAL ESTATE- 4.8%

- The Phil. real estate industry is forecast to maintain its growth and remain resilient in 2019. Growth is backed by demand despite construction and accreditation delays. Halo effect specifically for leasing was also seen in new residential condominiums and pipeline of projects from upper-mid to luxury segments in Makati & BGC as influx of expatriate employees from BPOs and POGOs continue. Sales demand was driven by local and foreign high net worth individuals. (Source: JLL) .

TOP 3: PEARL PLAZA, MERIDIAN PARK, CIRCUIT MAKATI

HOTELS & RESTOS- 2.7%

- Continuous growth in the Hotel industry brought by the steady increase of foreign tourists (7.1M tourists or 7.7% growth in 2018; 8.2M forecast for 2019) as well as local tourism.
- Estimates for 2019-2021 hotel outlook remain bullish with close to 9,000 new hotel rooms in the pipeline within the Meralco franchise (Est. rooms: Makati- 2,100, Pasay- 1,200, Pque- 3,000, Taguig-1,600, QC- 1,000) (Source: JLL)

TOP 3: SHERATON HOTEL, HILTON HOTEL, GRAND HYATT

STORAGE- 2.4%

- Mainly driven by the F&B sector. As F&B production increases, cold storage requirements to distribution channels (i.e. QSRs) increases. Increasing trend in consumer habits demanding fresh and frozen produce. as well as growing online grocery and e-commerce presence has bolstered the growth of cold storage facilities and infrastructure support.

TOP 3: FRABELLE COLD STORAGE, ROYAL CARGO, SUPER FIVE COLD STORAGE



INDUSTRIAL

3,068 GWh*

▲ 5.0%

NON-METALLIC- 9.4%

- Increased production of cement from PPP, Real Estate & Retail supply (e.g. supply to local hardware stores for resi & small scale construction). 4 plants of Eagle Cement has a total monthly req. of 36 GWh and ave. actual demand of 68MW. Aside from cement, glass production is on the rise due mainly from San Miguel Yamamura for glass-bottle beverage production. Yamamura has doubled its production capacity to meet demand given a new furnace installed to keep up w/ product demand.

TOP 3: EAGLE CEMENT 3A & 3B, SAN MIGUEL YAMAMURA

RUBBER & PLASTICS- 15.7%

- Growth still driven by shift of JG Summit Petrochem to grid power - from reliance on 10 Gensets/month, reduced to 6 to 7 supplying their critical loads. 50% of their load is now connected to Meralco. Demand for the following are driving increased need for packaging solutions: (1) F&B- beverage cases & pallets (2) cement bags for the non-metallic sector (3) molded hard plastics for the automotive sector.

TOP 3: JG SUMMIT PETROCHEM, MANLY PLASTICS, FIBC GREENBAG

FOOD & BEVERAGE- 4.7%

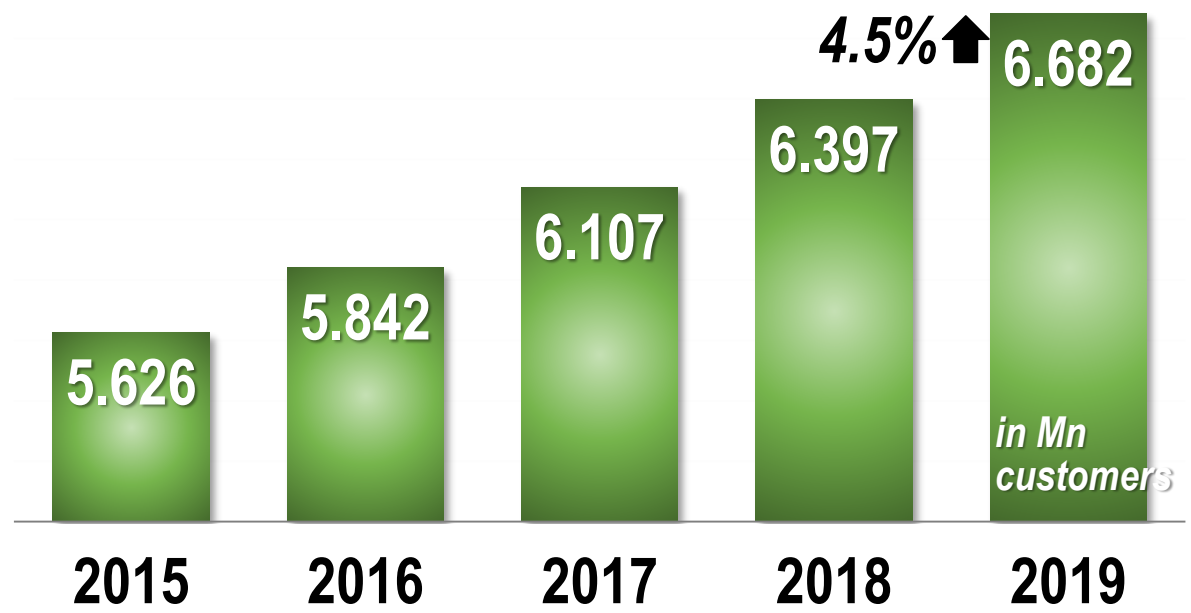
- Slower growth in prices in heavily weighted food, non-alcoholic & alcoholic beverages compared to 2018 contributed to continued F&B growth. Perishable goods trade & production (as witnessed from Cold storage growth) is mirrored in the notable top accounts (1 &2) San Miguel (Purefoods meat products + beverage production) and (3) Zenith Food (Jollibee's commissary)

TOP 3: SAN MIGUEL(PUREFOODS& MARULAS), ZENITH FOODS

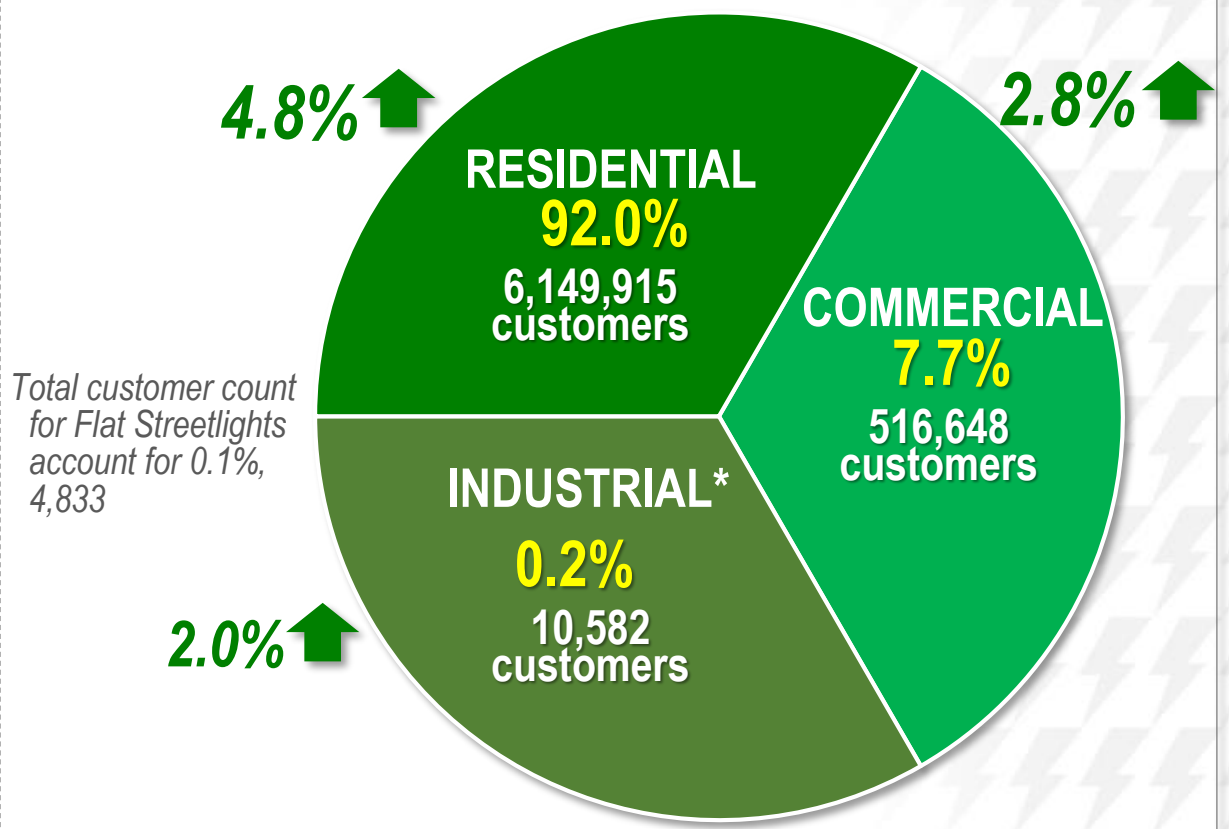


Customer Count: 1Q 2019

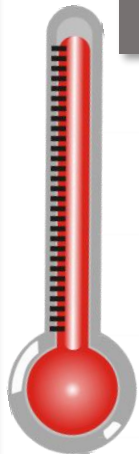
➤ Up 4.5% vs. 2017 (+284,720 customers)



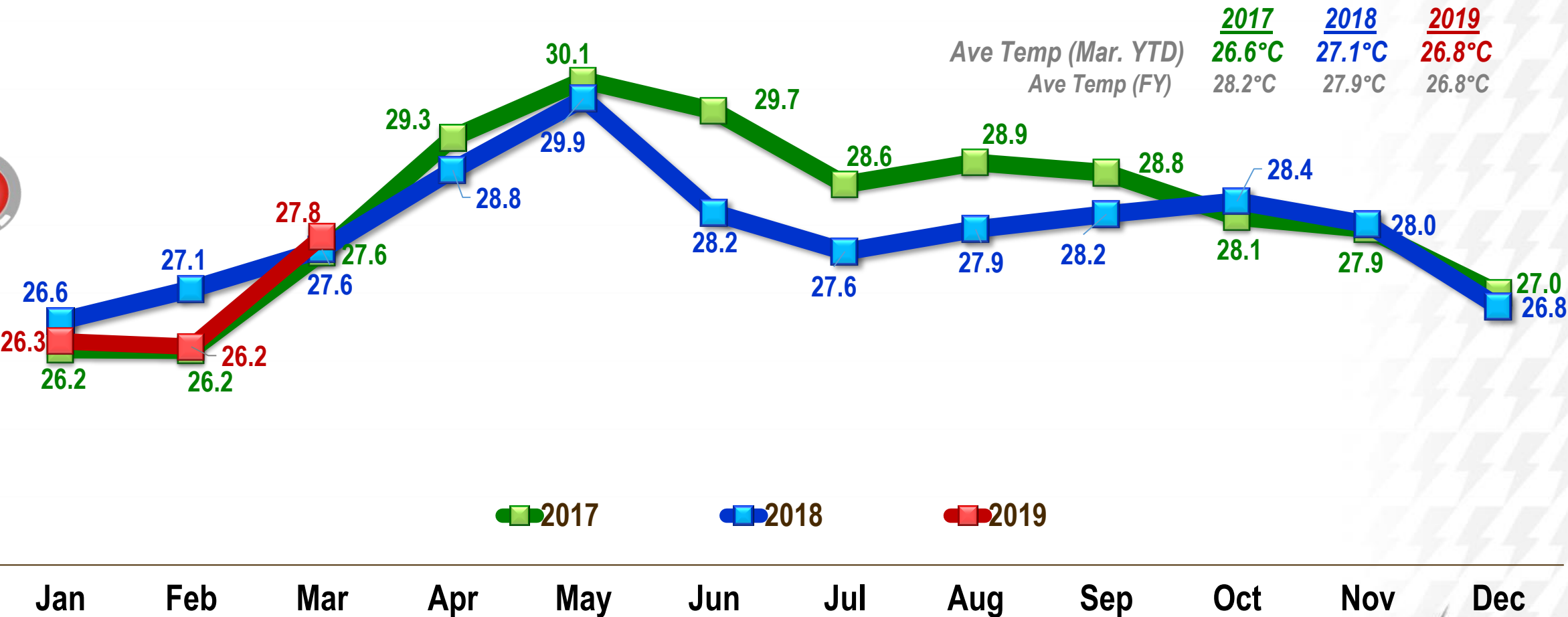
Share / Δ for 1Q 2019:



Ave. Temperature(°C): 1Q 2019



➤ Ave. Temp for 1Q 2019 lower vs. 2018



Ave Temp (Mar. YTD)
Ave Temp (FY)

2017	2018	2019
26.6°C	27.1°C	26.8°C
28.2°C	27.9°C	26.8°C

2017 2018 2019

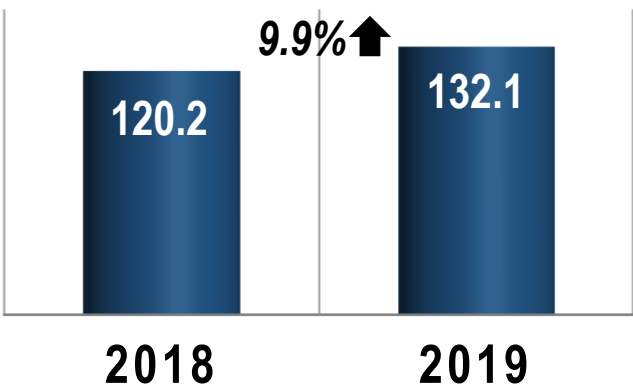
Ave Max Temp (Mar. YTD)

2017	2018	2019
33.7°C	33.9°C	33.3°C



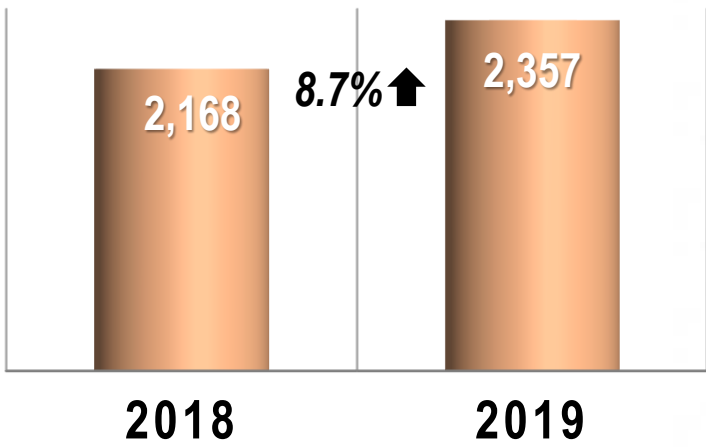
Clark Electric (CEDC): 1Q 2019

ENERGY SALES, in GWh

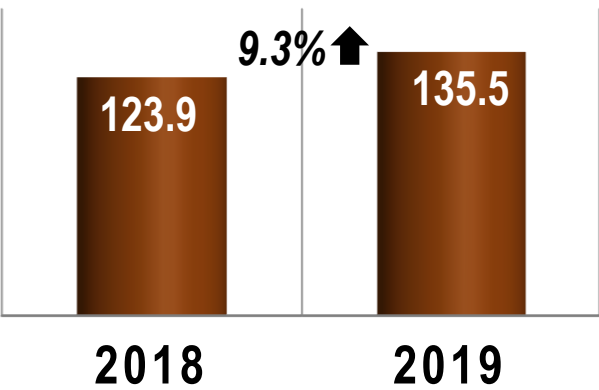


CEDC's top 5 sales contributors for March 2019 include Advent Energy (Yokohama Tire Phils.), SN Aboitiz Power (Taiyo Nippon Sanso Clark Inc.), SN Aboitiz Power (Nanox 2), Phinma Energy Corp. (Mall), Donggwang Clark Corp.

CUSTOMER COUNT

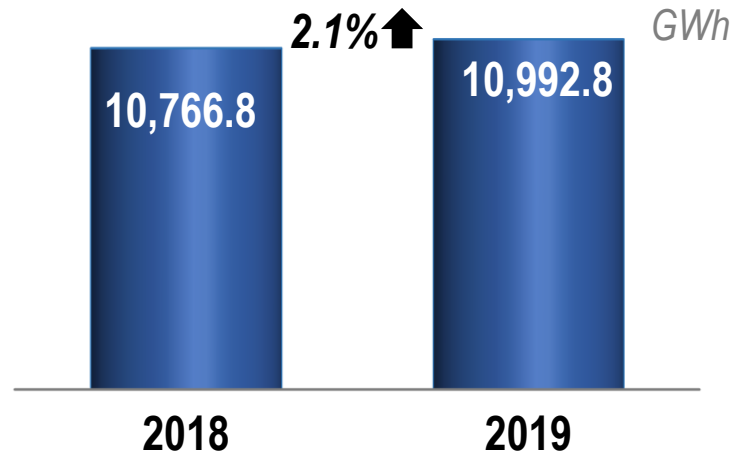


NSI, in GWh



NSI*: 1Q 2019

➤ Up 2.1% (+226 GWh)



*Net System Input (NSI) includes:

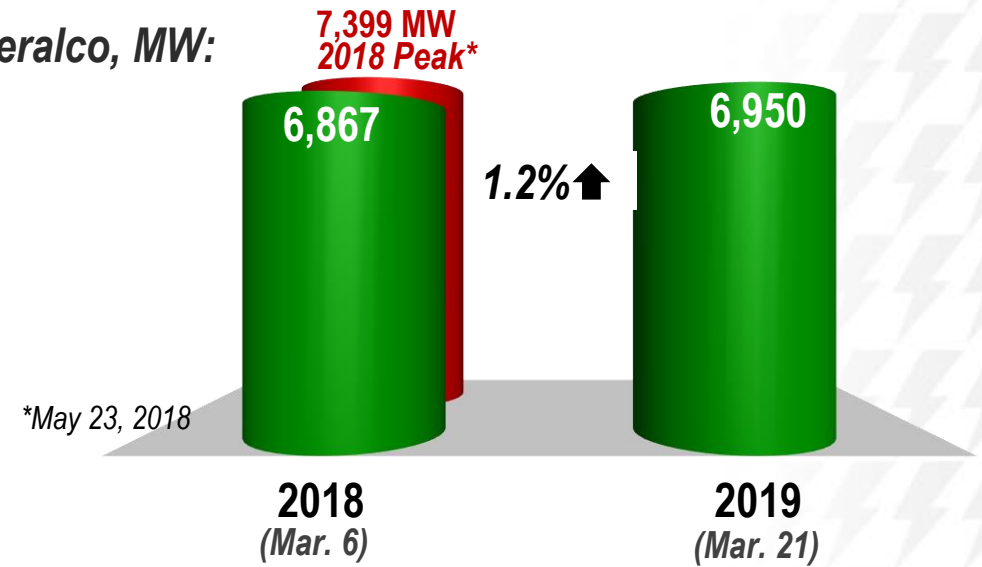
- Power purchases of D.U. (for Captive Customers), its Local RES (for Contestable Customers)
- Other RESs (for Contestable Customers including SDC)
- Volumes for CEZ, Sunpower, Coccochem Agro-Industrial Park (CAIP)
- Export Energy from Net Metering customers

CONSOLIDATED

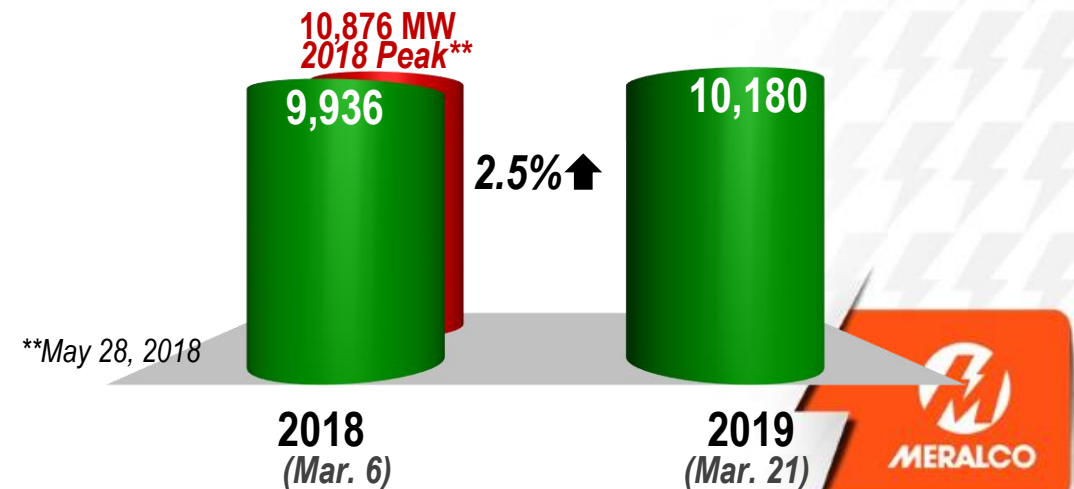
Peak Demand: 1Q 2019

➤ Meralco Peak Demand at 6,950 MW, 1.2% up

Meralco, MW:

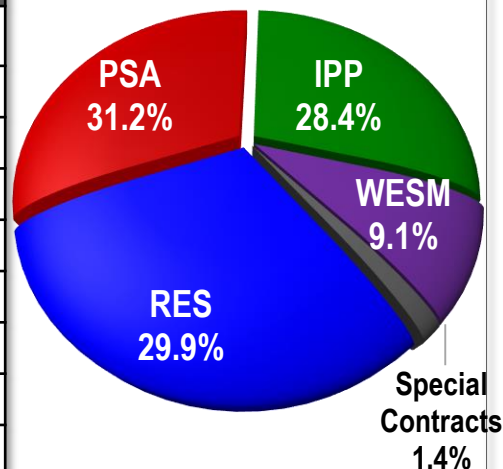


Luzon Peak Demand, MW:



Energy Sources: 1Q 2019

SOURCE	1Q 2019	
	GWh	Share
PSAs-Total	3,423.9	31.2%
<i>MPPC-Masinloc</i>	<i>344.7</i>	<i>3.1%</i>
<i>TLI-Pagbilao</i>	<i>411.8</i>	<i>3.8%</i>
<i>SMEC-Sual + CEDC</i>	<i>605.8</i>	<i>5.5%</i>
<i>SPPC-Ilijan</i>	<i>1,402.9</i>	<i>12.8%</i>
<i>Panay Energy</i>	<i>55.7</i>	<i>0.5%</i>
<i>San Gabriel</i>	<i>599.1</i>	<i>5.5%</i>
<i>Others*</i>	<i>3.8</i>	<i>0.03%</i>
IPPs-Total	3,124.1	28.4%
<i>QPPL-Mauban</i>	<i>557.1</i>	<i>5.1%</i>
<i>Sta. Rita</i>	<i>1,657.4</i>	<i>15.1%</i>
<i>San Lorenzo</i>	<i>909.6</i>	<i>8.3%</i>
WESM	999.9	9.1%
Special Contracts**	156.8	1.4%
RESSs***	3,288.2	29.9%
TOTAL SOURCE (NSI Equivalent)	10,992.8	100%



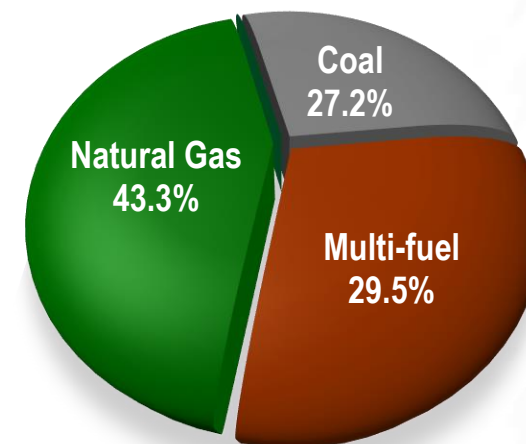
*Include volumes from Renewables

**Include volumes for Cavite Economic Zone (CEZ), Sunpower and Coccochem Agro-Industrial Park (CAIP)

***Include volumes for MPower + Vantage and Other Retail Electricity Suppliers

CONSOLIDATED

Fuel Mix: 1Q 2019



TYPE OF FUEL	1Q 2019	
	GWh	Share
Natural Gas	4,757.5	43.3%
Coal	2,995.1	27.2%
Multi-fuel*	3,240.2	29.5%
TOTAL FUEL MIX (NSI Equivalent)	10,992.8	100.0%

*Coal, Hydro, Biomasss, Geothermal, et. al.; includes also WESM, CAIP, Other RESs

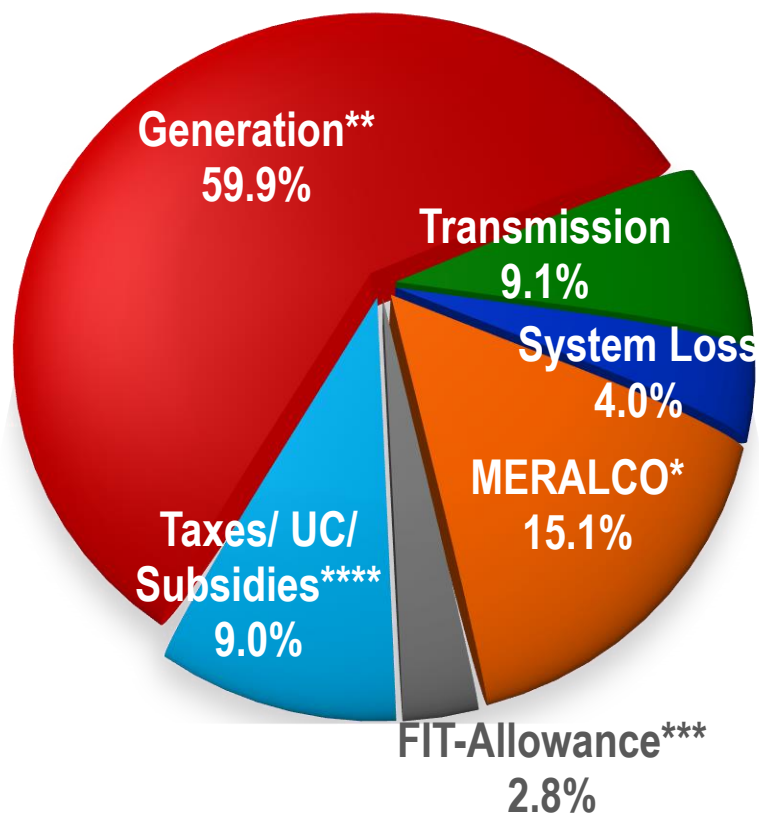


Average Retail Rates: 1Q 2019

(Reflects Generator Wheeling adjustments)

➤ 7.9% higher than 2018 average rates (+67¢/kWh); mainly due to Generation, FIT-All and System Loss charges

- Lower Distribution and Transmission Charges mitigated impact;
- Generation Charge is largest component in customer's bill at 59.9%; Meralco 15.1%; NGCP 9.1%



➤ Per Customer Segment

Period	Residential	Commercial	Industrial	Streetlights	Gen Wheel****	Overall
1Q 2019	10.39	9.13	7.93	11.3	0.12	9.13

BILL COMPONENT	1Q 2018 Overall Ave, P/kWh	1Q 2019 Overall Ave, P/kWh	Δ P/kWh
Generation Charge*	4.68	5.47	0.80
Distribution Charge** (MERALCO)	1.39	1.38	-0.01
Transmission Charge** (NGCP)	0.85	0.83	-0.02
System Loss Charge**	0.35	0.37	0.02
Taxes, Univ Charge**	1.02	0.83	-0.19
FIT-All***	0.18	0.26	0.07
TOTAL (includes generator wheeling customers who are only charged Distribution, Supply, and Metering charges)	8.46	9.13	0.67 (7.9%↑)

*Generation Retail Rate applies to customers supplied by Meralco only

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

***Increase from P0.1830 to P0.2563/ kWh was implemented starting June 2018 billing;
Excludes contestable customers and Cavite Ecozone (CEZ)- started February 2015



System Loss Performance: March 2019, 12-MMA

➤ 12-MMA ending March 2019 at 5.60%

- Improved by 5.2% vs. March 2018's 5.91%
- Lower by 1.65% pts. vs. newly-set SL cap of 7.25% (start Jan. 1, 2019)

8.50% (System Loss Cap, January 2010-May 2018)

7.50%*

7.25%*

1.65%

— Apr. 2017 - Mar 2018

— Apr. 2018 - Mar. 2019

6.13

5.98

6.08

5.91

5.48**

5.60

Apr. '18

May

Jun.

Jul.

Aug.

Sept.

Oct.

Nov.

Dec.

Jan. '19

Feb.

Mar.

*Total Allowable System Loss Cap, starting June 2018; includes 1% assumed typical Subtransmission + Substation technical losses

**All-time low in 115 years



S-Factor & GSL Performance: 1Q 2019 & RY2019 (for GSL)

➤ **Sustained service improvements** vs. past levels*

SAIFI, Forced and PAI (Times)

TARGET LEVEL	REWARDS (<6.98)	DEADBAND (6.98 – 8.24)	PENALTY (>8.24)
1Q 2019 ACTUAL	0.286		

Ave. Time to Process App. (Days)

TARGET LEVEL	REWARDS (<7.91)	DEADBAND (7.91 – 12.28)	PENALTY (>12.28)
1Q 2019 ACTUAL	2.900		

SAIDI, Pre-arranged (Minutes)

TARGET LEVEL	REWARDS (<126.57)	DEADBAND (126.57 – 198.40)	PENALTY (>198.40)
1Q 2019 ACTUAL	12.017		

Ave. Time to Connect (Days)

TARGET LEVEL	REWARDS (<3.56)	DEADBAND (3.56 – 5.77)	PENALTY (>5.77)
1Q 2019 ACTUAL	1.870		

CAIDI, Forced and PAI (Minutes)

TARGET LEVEL	REWARDS (<144.40)	DEADBAND (144.40 – 168.72)	PENALTY (>168.72)
1Q 2019 ACTUAL	105.829		

Call Center performance (Secs.)

TARGET LEVEL	REWARDS (<13.56)	DEADBAND (13.56 – 21.03)	PENALTY (>21.03)
1Q 2019 ACTUAL	4.070		

Prob. of Voltage Level (% not falling within limits)

TARGET LEVEL	REWARDS (<0.86)	DEADBAND (0.86 – 1.44)	PENALTY (>1.44)
1Q 2019 ACTUAL	0.000		

System Loss (%) -12MMA

TARGET LEVEL	REWARDS (< 7.50)	DEADBAND (>7.50)
1Q 2019 ACTUAL	5.600	

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

RY2019 NO. OF INCIDENTS ALLOWED	(CEILING) 373,658 Customers
RY2019 ACTUAL ***	4,084

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

RY2019 NO. OF INCIDENTS ALLOWED	(CEILING) 18,989 Customers
RY2019 ACTUAL ***	0

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

RY2019 NO. OF INCIDENTS ALLOWED	(CEILING) 234,439 Incidents
RY2019 ACTUAL ***	5,490

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

RY2019 NO. OF INCIDENTS ALLOWED	(CEILING) 163,995 Days Delay
RY2019 ACTUAL ***	67,879

Note: All actual performances are indicative

*Based on 3RP Targets (4RP standards not yet available).

**With exclusions

*** July 1, 2018 – June 30, 2019

Business Updates & Other Events of Interest

1Q
2019



Business Updates: Meralco's Immediate Disaster Response for Porac

❑ Helped promptly mobilized critical equipment & crews for Search and Rescue in Porac, Pampanga (after 4/22 Earthquake)

- DOE & Pampanga Gov. Pineda's call for help in providing gensets, lighting and heavy equipment
- With Management's direction, Meralco among the first responders and arrived around 10pm of **April 22** at the site in close coordination with PDRF.
- Immediately brought generator sets and floodlights to support immediate search and rescue for survivors throughout the night since "ground zero" is without power.
 - Networks deployed a 20-tonner crane to perform critical lifting and a total of 15 gensets and 30 floodlights.
- **April 23**, additional deployment of:
 - 30-tonner mobile crane, 2 basket trucks, 6 gensets / 12 floodlights, 4 industrial fans for the rescuers
- The cranes have been used to support the structure from further collapsing during the search and rescue phase.
- Starting **April 24**, with no more signs of life, basket trucks and cranes were used for the clearing operation of the collapsed building and retrieval of the victims.
- OMF provided 650 food packs and 480 500ml drinking water for rescue volunteers, 600 350ml drinking water from Maynilad
- Meralco also provided a charging station for the volunteers for their comms. equipment and mobile phones.



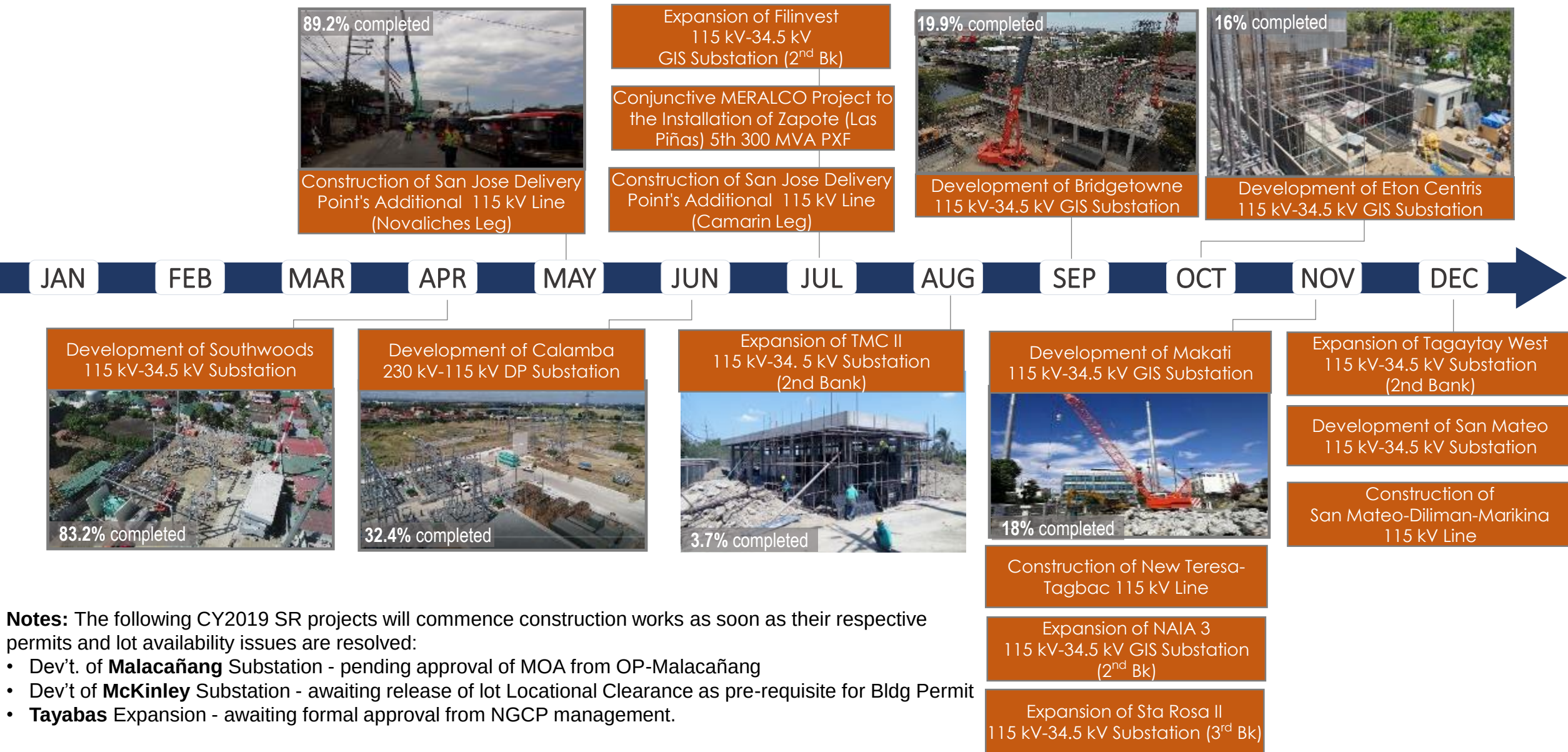
Business Updates: Strengthening the Core Business

❑ CY2019 UPDATES ON NETWORKS CAPEX



MAJOR SYSTEM REQUIREMENT LINE-UP FOR CY2019

as of March 31, 2019



Notes: The following CY2019 SR projects will commence construction works as soon as their respective permits and lot availability issues are resolved:

- Dev't. of **Malacañang** Substation - pending approval of MOA from OP-Malacañang
- Dev't of **McKinley** Substation - awaiting release of lot Locational Clearance as pre-requisite for Bldg Permit
- **Tayabas** Expansion - awaiting formal approval from NGCP management.

Business Updates:

☐ 'BBB' Projects

A TOTAL OF

2281

out of

3274

affected poles had been
relocated as of
March 31, 2018

PNR North 1

- 38 km
- 51 Affected Poles
- 3 Ongoing WO/Target:2019
- Php 4.78 M
- No Conflict Areas

MNTC Segment 10

- 5.58 km
- 272 Affected Poles/40WO
- 100% **Comp** /Target:2019
- Php 56.41 M
- No Conflict Areas

C3-R10 Road

- 2.6 km
- 322 Affected Poles/40WO
- 1% **Comp** /Target:2019
- Php 137.31 M
- 3 Conflict Areas

Skyway Stage 3

- 17.38 km
- 1557 Affected Poles/126WO
- 94% **Comp** /Target:2019
- Php 336.79 M
- 3 Conflict Areas

LRT 1 Extension

- 11.7 km
- 214 Affected Poles/25WO
- 12% **Comp** /Target:2021
- Php 186.88M
- 12 Conflict Areas

MRT 7

- 22.8 km
- 370 Affected Poles/69wo
- 58% **Comp** /Target:2019
- Php 74.57 M
- 5 Conflict Areas

LRT 2 Extension

- 4.19 km
- 128 Affected Poles/6WO
- 97% **Comp** /Target:2019
- Php 11.87 M
- No Conflict Areas

Lawton Ave. Widening

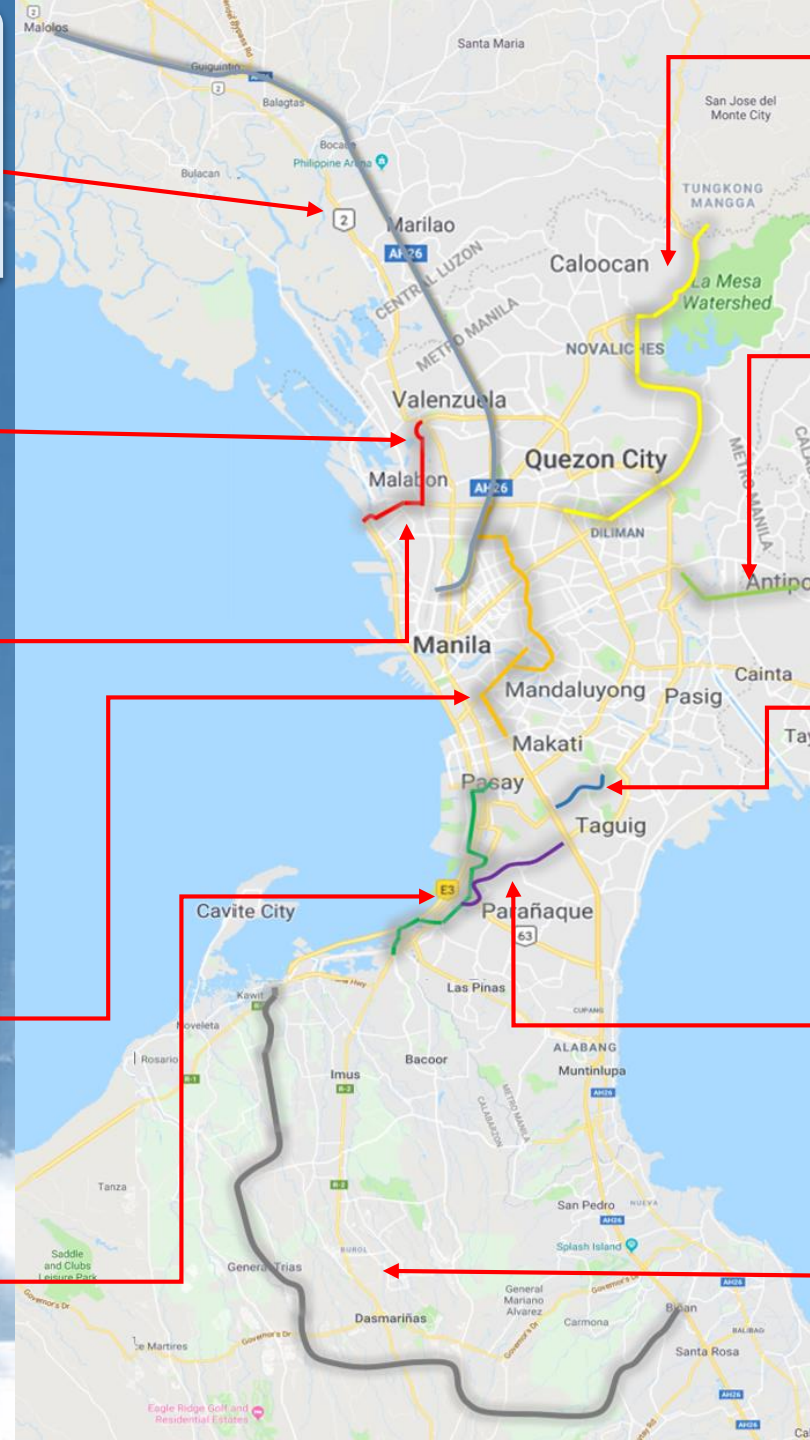
- 3.54 km
- 210 Affected Poles/6WO
- 33% **Comp** /Target:2019
- Php 52.95 M
- 1 Conflict Area

C5 South Link

- 7.63 km
- 47 Affected Poles/4WO
- 28% **Comp** /Target:2020
- Php 2.34 M
- 1 Conflict Area

CALAEEx

- 45.93 km
- 103 Affected Poles/13WO
- 71% **Comp** (Laguna Section)
- Php 6.99 M
- 1 Conflict Area



SUMMARY OF PROJECT DETAILS



Build, Build, Build Project	Project Length (km)	DOTr / DPWH's Project Target Completion	Status of DOTr / DPWH's Project	Status of Meralco Relocation Works	Affected Poles		Relocated/ Installed Poles	
					Count	Cost in Millions (PhP)	Count	Cost in Millions (PhP)
NLEX Harbor Link Segment 10 (C3-R10 Section)	2.6	December 2019	Ongoing Construction	Ongoing Relocation	322	149.3	44	5.9
PNR North 1 (Tutuban to Malolos)	38	4th Quarter 2021	For Construction (package 2)	Ongoing Relocation, and Design	1,395	2,104	44	3.2
LRT Line 1 Extension (Package 1)	11.7	December 2022	Ongoing Design and ROW Acquisition	Ongoing Relocation, and Revision of Design	201	187	15	17
BGC-Ortigas Center Road Link Project	1.0	4Q 2020	Ongoing Design, ROW Acquisition and Construction	Ongoing Design	34*	2.95*	not yet started	
C5 Southlink Expressway (Phase 1)	2.2	April 2019	Ongoing Design, ROW Acquisition and Construction	Ongoing Relocation and Design	57	5.9	15	2.1

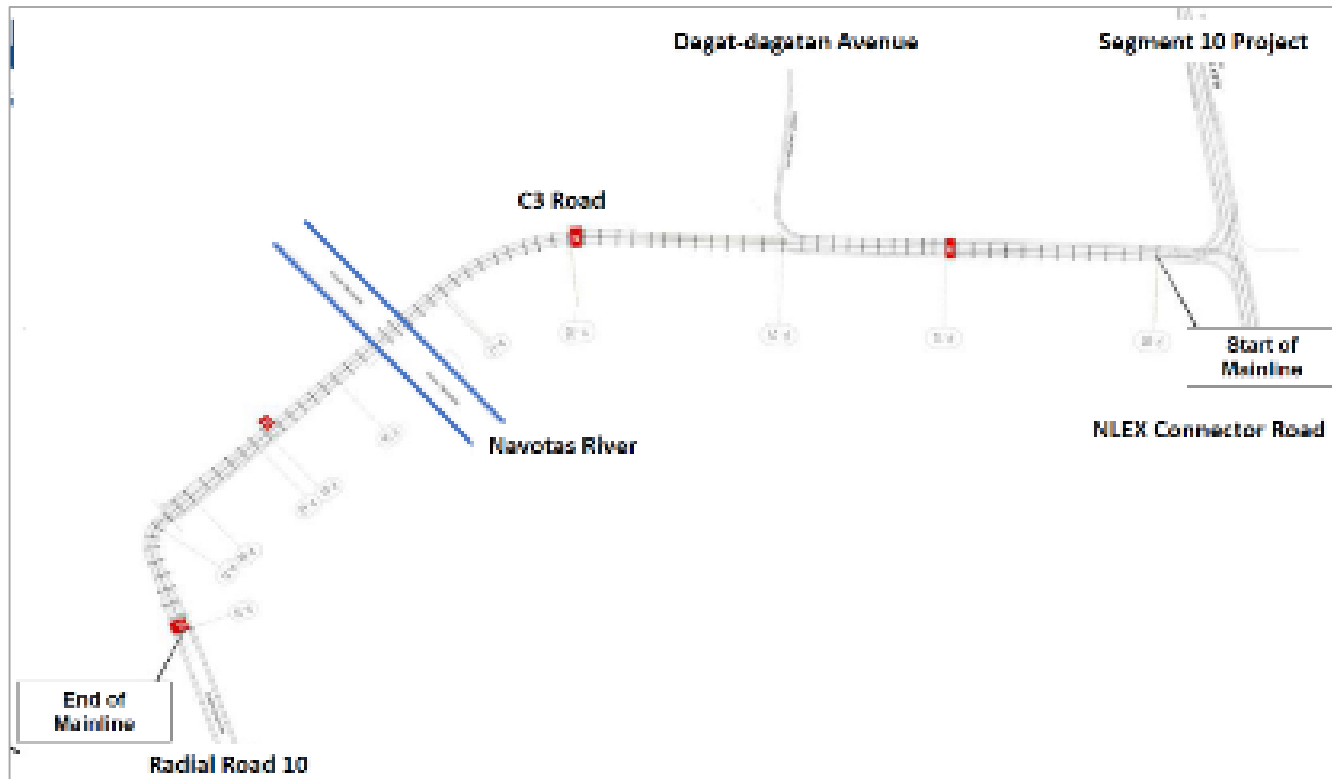
NLEX Harbor Link Segment 10 (C3-R10 Section)

MAJOR CHALLENGES

- C3-R10 Project target opening schedule - **Dec 2019**
 - NLEX Corp. requests to complete relocation:
 - Distribution lines – **May 2019**; Subtransmission lines - **Aug 2019**
- Relocation of facilities will demand major workforce allocation.

PROPOSED ACTION PLANS:

- As agreed, NLEX will do the civil foundations and pedestals of subtransmission poles.
- Multiple interruptions of Gracepark-TMO 115 kV Line will be performed during the construction of subtransmission lines due to working clearance.



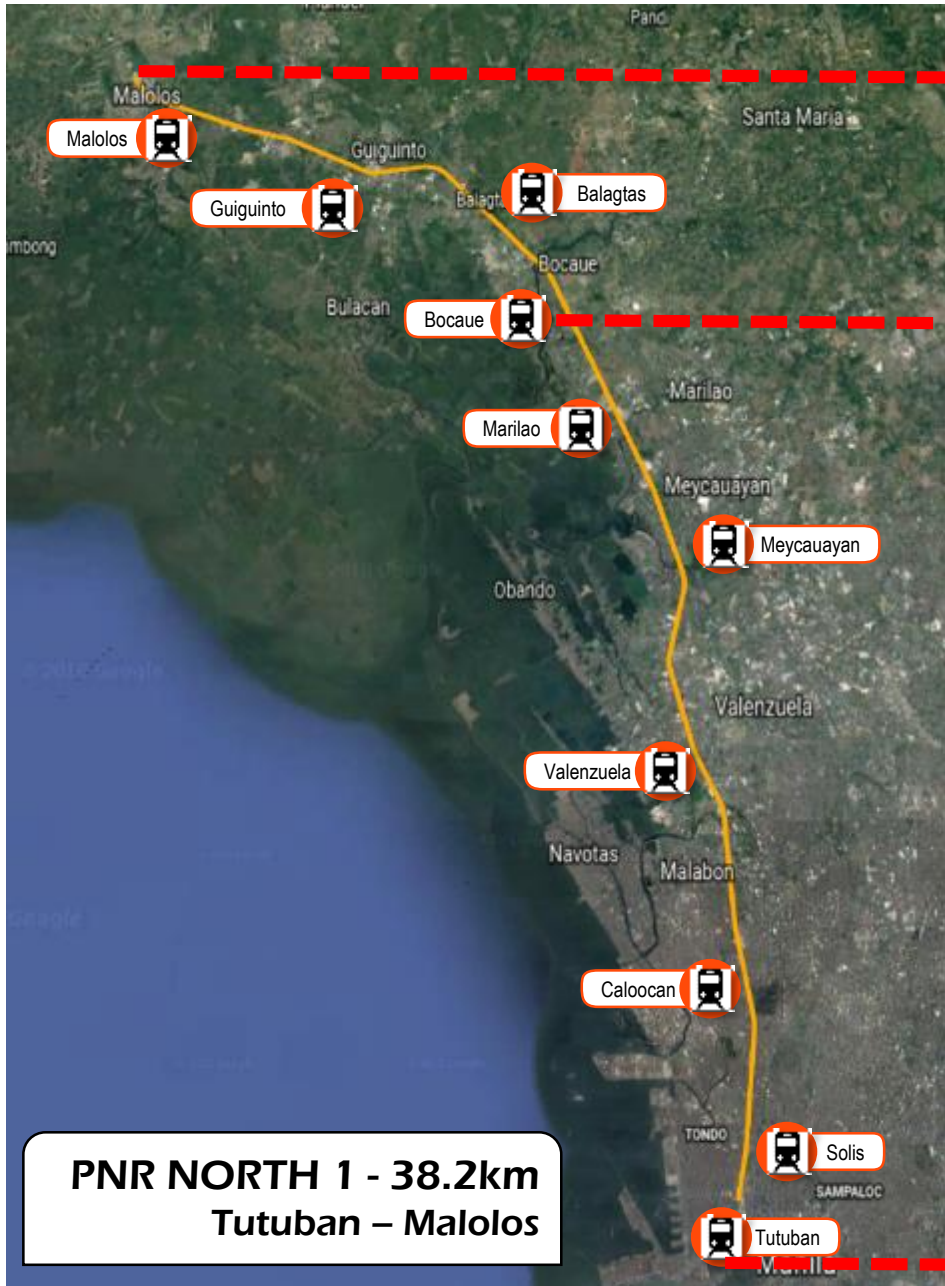
Relocation design scheme conflict between NLEX Harbor Link Project (use of overhead spun cable) and DoTr PNR North 1 (use of HDD) at C3 Road corner PNR Track.



Some areas are still for NLEX clearing and could cause delay to relocation activities both for 115 kV (R18391566) and 34.5 kV facilities.



PNR NORTH 1 PROJECT UPDATES (PACKAGE 1 and PACKAGE 2)



Package 2 Bocaue to Malolos (~ 15 km)

- Package 2 awarded to Sumitomo
- Contract signed last January 25, 2019
- Ground breaking last February 15, 2019 (PNR N1)

Package 1 Tutuban to Bocaue (~ 23 km)

- Package 1 awarded to DMCI-Taisei
- Target contract signing in May 10, 2019

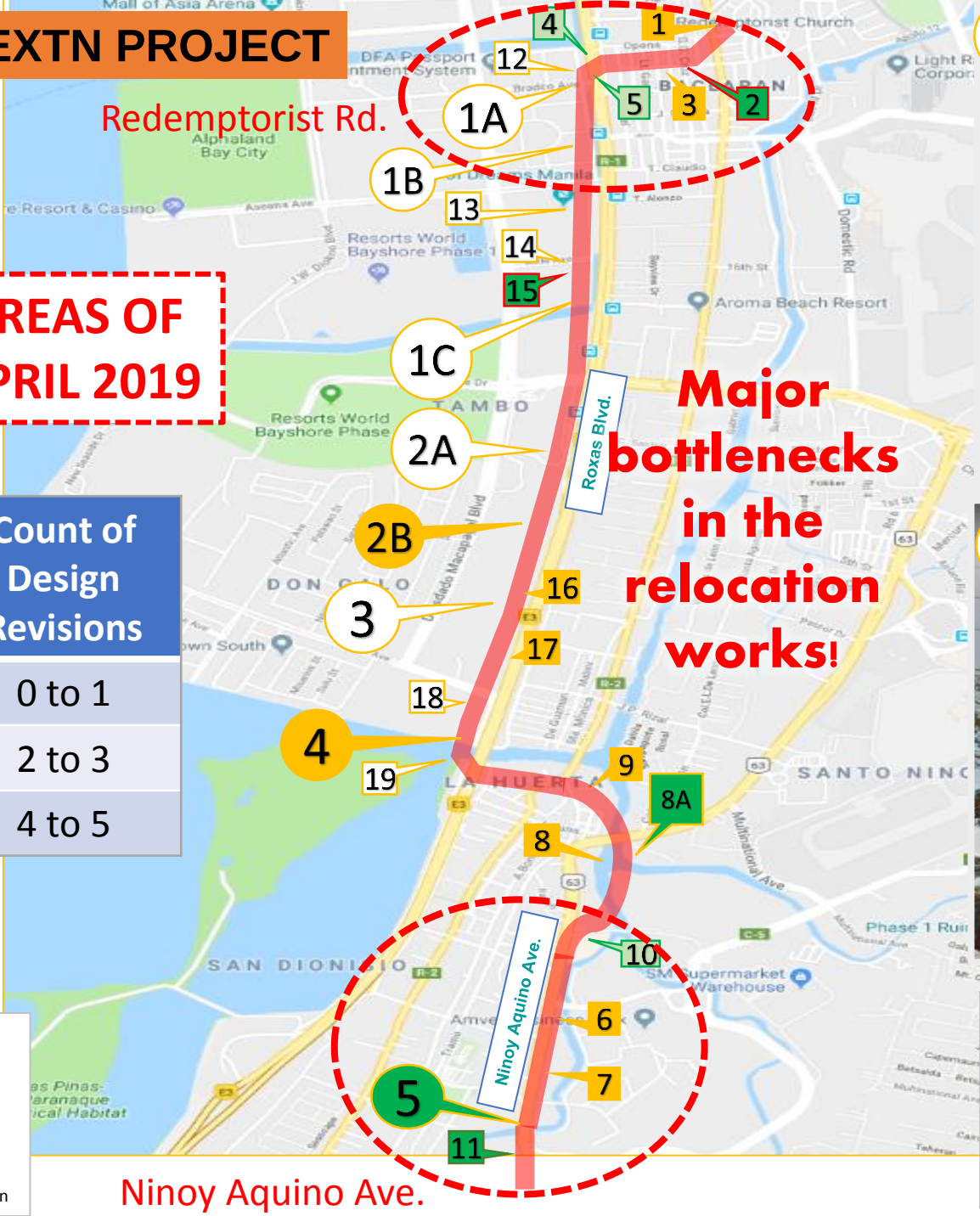
LRT LINE 1 EXTN PROJECT

PRIORITY AREAS OF LRMC BY APRIL 2019

Count of Design Plans	Count of Design Revisions
6	0 to 1
14	2 to 3
8	4 to 5

LEGEND:

- Completed revised design
- Ongoing revision of design
- Ongoing relocation work
- Completed or For Cancellation



1A Roxas Blvd. corner Redemptorist Rd.

Limited relocation scheme due to water inland channel and CAAP height limit

Risk on areas that will experience prolonged power interruptions on customers being served by CBP1A S/S

1C Roxas Blvd. near City of Dreams

Limited relocation scheme due to water inland channel and CAAP height limit of 30m.

Risk on areas that will experience prolonged power interruptions on customers being served by PAGCOR S/S.

FACILITY	Locations	AFFECTED POLES	POLES REMOVED	POLES INSTALLED
SUB-TRANSMISSION LINES	8	49	3	2
DISTRIBUTION LINES	20	152	5	13
TOTAL	28	201	8	15

BGC-ORTIGAS CENTER ROAD LINK PROJECT

PASIG: Construction of 4-lane (2 lanes each direction) bridge across Pasig River connecting Lawton Ave. in Makati City and Sta. Monica St. in Pasig City.

DPWH – Ongoing ROW Acquisition and Finalization of Design

MAKATI & BGC: Viaduct structure traversing Lawton Avenue onwards to the entrance of Bonifacio Global City in the City of Makati and Taguig.

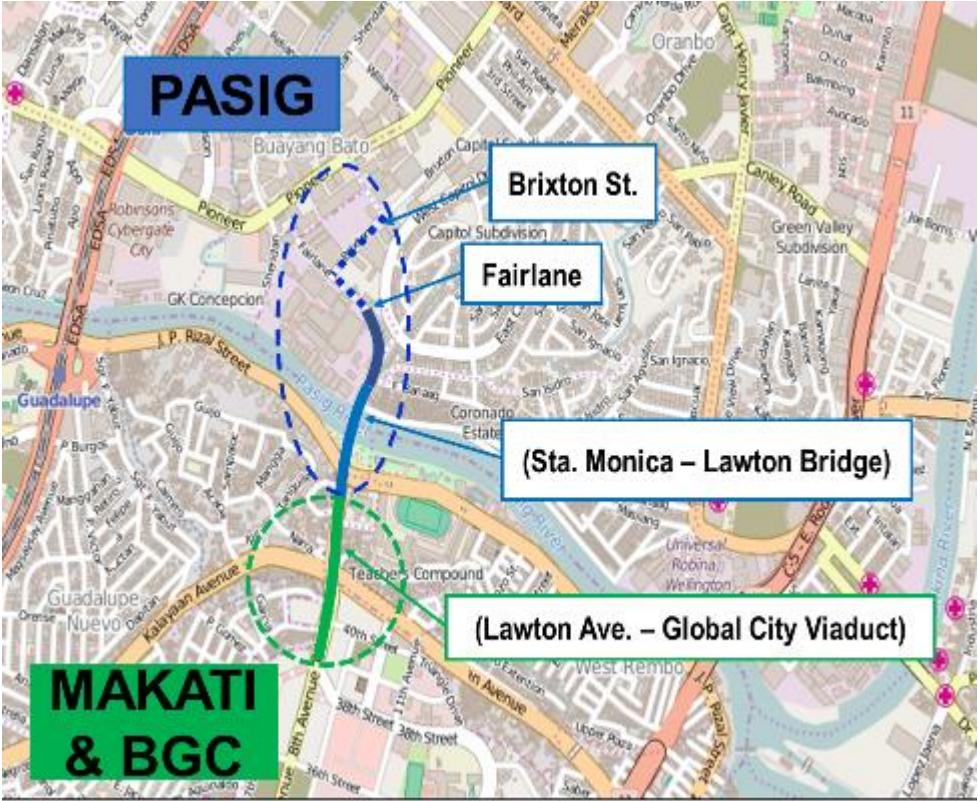
DPWH – Submitted final Design along Lawton Ave., ROW Acquisition, Ongoing Design on BGC Side

MERALCO – Ongoing finalization of Design (along Lawton Ave.)



Note: For Lawton ave, Makati portion only since DPWH design in Pasig and BGC area is not yet final

Eviction of informal settlers and demolition activities by DPWH as of April 15, 2019



Along Lawton Ave, Makati



Requires Eviction of Informal Settlers for the relocation of poles

- EXISTING INFORMAL SETTLER FAMILIES (ISF's)
- EXISTING MERALCO HIGH TENSION WIRE (HTW)
- BCDA PROPERTY LINE
- ROW OF PROJECT
- ROW OF FUTURE ACCESS ROAD

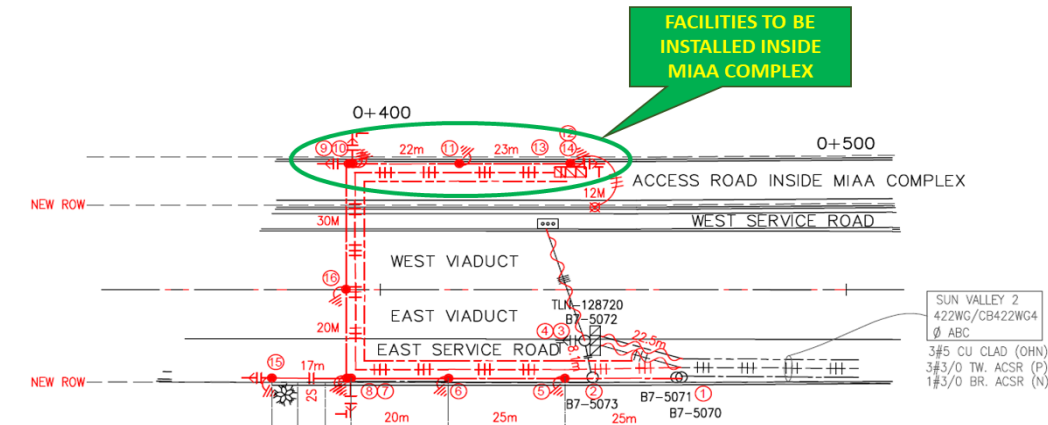
C5 SOUTHLINK EXPRESS WAY PROJECT (PHASE 1)

MAJOR CHALLENGES

- C5 Southlink Expressway Phase 1 will have its soft opening on **June 2019**
- The rights of way needed for the Relocation of Facilities involves other offices, namely, **MIAA** and **NHA**
- Relocation of 2–34.5kV Primary Metering Facilities (**MACROAsia** and **Global Catering Services Corp**) to clear the viaduct is conjunctive to the relocation works along MIAA and NHA portion.

PROPOSED ACTION PLANS:

- Facilitate the swift acquisition of ROW from MIAA and NHA, tap the help of **CAVITEX** and our **CBG Partners** handling these government accounts
- Review the relocation plan of the affected facilities and customers, then advise promptly the customers affected regarding the installation and removal of 2 sets of 34.5kV first private poles



RELOCATION WORKS ALONG MIAA COMPLEX



PHASE 1
(Merville to C-5)
Segment 3A-1 (2.20 kms.)



THE RELOCATION WORKS OF THE FACILITIES TRAVERSING THE C5 TOLL PLAZA WAS COMPLETED LAST APRIL 14, 2019. THE REMAINING RETIREMENT OF THE OLD FACILITIES WILL BE COMPLETED AS SOON AS THE WORKING PERMIT IS SECURED.

Business Updates:

Overall CXE performance continued growth trajectory; addressed temporary issues.



SEP 2018 to APR 28, 2019 Operational Metrics

**MERALCO
ONLINE**
(ACCOUNTS)



Active Accounts
99.49%

**MERALCO
MOBILE**
(APP DOWNLOADS)



Playstore: 86%
Appstore: 14%

**PAPERLESS
BILLING**
(SUBSCRIPTIONS)



5.30% share of
Meralco Online
accounts

**ONLINE
PAYMENTS**
(VOLUME)
Validated



Repeat Rate for Meralco
Online Accounts 52.10%

*Pay-as-guest facility
deactivated as part of
critical and
intermediate
cybersecurity
hardening measures*

**ONLINE
PAYMENTS**
(AMOUNT)
Validated

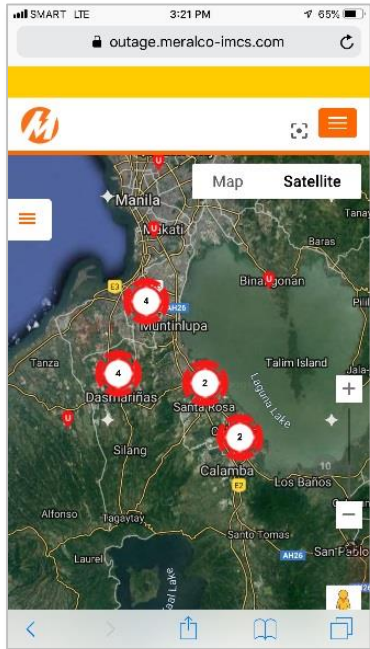
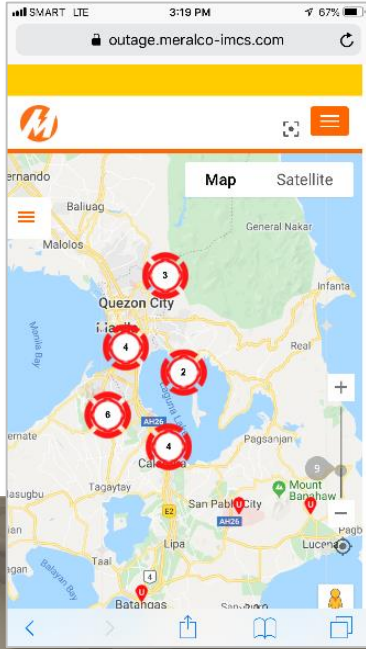
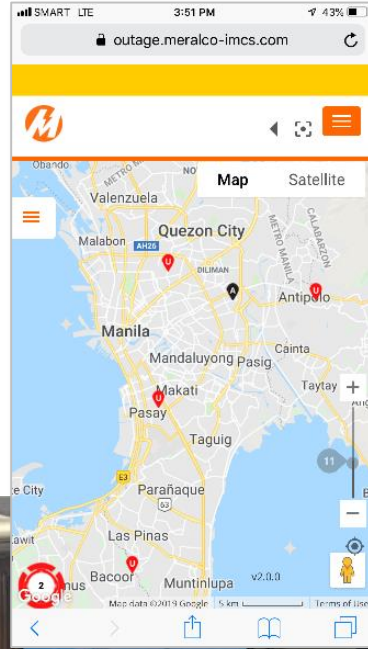
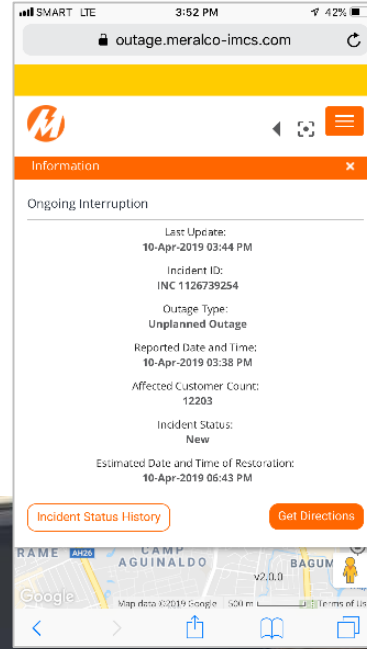


Ave bill amount
P 2,975.40

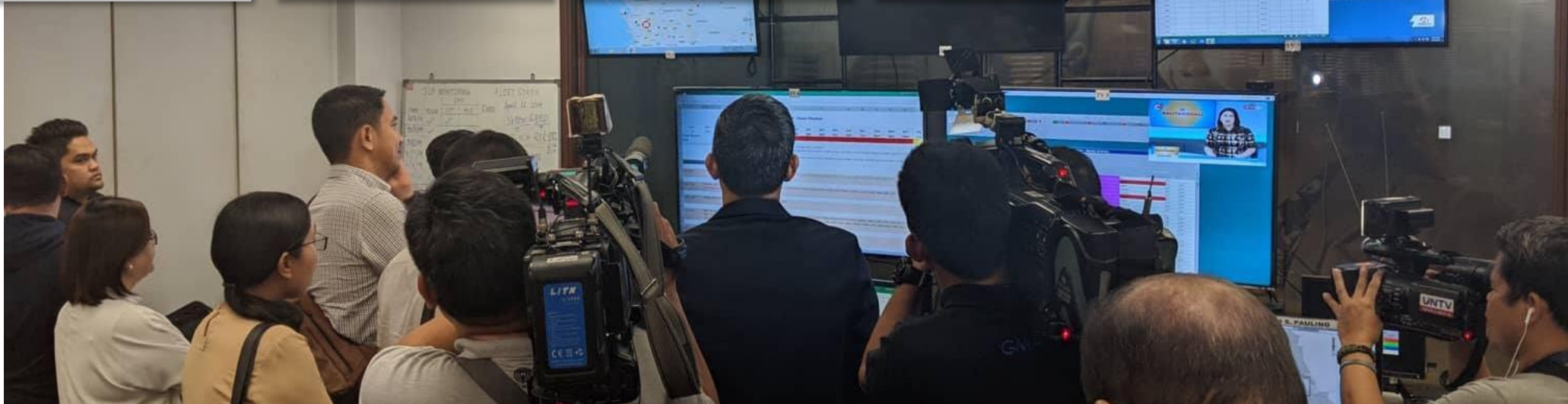


Business Updates:

❑ Outage Functionalities Helped Ease Inbound Customer Calls on Red Alert Days



MLDs are shown only as “unplanned” in Meralco Online, but detailed in the Internal Outage Map of CXE.



Business Updates:

8th Luminaries

6 Mar 2019

Rizal Ballroom, Makati Shangri-la



Business Updates:

8th Luminaries

"A celebration of partnerships that transform lives."

This year's theme zeroed-in on heartfelt stories of transformation that contribute to our dream of a more progressive Philippines



Word-class Filipino performers (L-R): Ryan Cayabyab Singers, Janella Salvador, Kyle Echarri, Jayda Avanzado, Jed Madela, Regine Velasquez, (MVP), Jona, Playshop Kids, with hosts Iza Calzado and David Celdran



Also, for the first time, Meralco looked back at the past 8 years and honored partners who continued to shine, not only in terms of business growth, but also in creating a positive impact to the communities that they serve.

Left: City of Bacoor, Maynilad, Mr. Freeze

OUR 2018 LUMINARIES:



LGU: Cities of Biñan and Makati



BIZ: Jolliant RNN Corp. & Chocovron Global Corp.



CBG: Landev Development Corp. & Robinsons Land Corp.



Business Updates: Significant Events/ Customer Initiatives & Programs

❑ CUSTOMER ENGAGEMENTS/ PARTNERSHIPS:



Contract Signing for Operation and Maintenance of **Isla Verde Solar PV Plant**
(22 Jan- Batangas City Hall)

Partnership highlights:

- Meralco shall have the right to operate and maintain the plant for 25 years.
- Lease of the solar plant to Meralco
- Subject to the approval of the ERC, Meralco shall pay the City a fixed monthly rental equivalent to Php sixty centavos (.60) per kwh, plus VAT if any, of the total energy produced by the plant as measured by the revenue meter installed at the delivery point.
- More than 30 households are expected to benefit from this project.



Business Updates: Significant Events/ Customer Initiatives & Programs

☐ RATES INFO CAMPAIGN

RATES: INCREASED by **P0.09 /kWh**

**residential customer consuming 200kWh / mo*

MARCH
2019
RESIDENTIAL CONSUMPTION
of 200kWh


P 0.09
PER KILOWATT HOUR


Mar 8-11

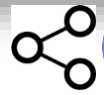

Mar 11-13


Mar 8-14

 **903 Views**
Average
Watch Time:
37secs


Published by Angie Cabasag 17 · March 8 at 7:00 PM ·
A slight increase of Php0.09/kWh this March is due to the end of universal charge refund.




27,614 Reached
ER: **0.66%**
Views: **271**

MERALCO ADVISORY

Good News for the Month:
Meralco inaugurates the 1st solar microgrid in Isla Verde, Batangas – where more than 25 households are now enjoying electricity. This is just the 1st phase of a 5-phase project which aims to energize the whole island



Business Updates: Significant Events/ Customer Initiatives & Programs

❑ BRIGHT IDEAS

FOR OUR RESIDENTIAL CUSTOMERS

Objective:

Encourage the use of washing machines coupled with the Bright Idea of using **inverter technology** for energy efficiency

Benefit to customer:

- Spend more time doing the things you love
- It's also energy efficient

Reason to Believe:

Meralco Orange Tag shows cost to operate is only **P0.31/wash**

Call to Action:

Up to P1,000 rebate with a purchase of a **Whirlpool** washing machine



website



gate banners



Bill ad: 351-800kWh



Business Updates: Significant Events/ Customer Initiatives & Programs

❑ CUSTOMER ENGAGEMENTS



POWER UP FORUM SERIES

Objective: open doors to unengaged customers by introducing Biz Partners Group and subsidiaries

Rizal Pasig Marikina Zone
Mar 26, Marco Polo Ortigas



51
ATTENDEES

42
COMPANIES

75
LEADS

Customer panelists:

- Mr. Luis Cruz Jr. of Kalinisan Steam Laundry COO
- Mr. Siliman Sy of Ever Bilena COO



Business Updates: Significant Events/ Customer Initiatives & Programs

❑ CUSTOMER ENGAGEMENTS



GMM for CONTRACTOR partners

19 March 2019

Lighthouse, Meralco Center

38
COMPANIES

75
ATTENDEES

CONTRACTOR companies
ALL with PCAB license



Graced by the presence of Dept. of Trade & Industry secretary **Mon Lopez**

Objectives:

1. Reinforce campaign for online service application through www.meralco.com.ph
2. Encourage compliance to Department of Trade and Industry (DTI) requirements and participation to the World Bank – International Finance Corp.'s (WB-IFC) Ease of Doing Business reforms



Website Update:

19 March

Updated Biz website to include contact details of **71** licensed contractors who have attended service entrance seminars by Meralco. (filtered by area)



Business Updates: Significant Events/ Customer Initiatives & Programs

❑ COMMUNICATION INITIATIVES

MID-TERM ELECTION PREPARATIONS

- Press conferences (May 2019)
- Inclusion in May edition of Meralco Advisory
- Press releases in major newspapers
- Media rounds, which include TV and radio interviews
- Coordination with National Press Club (NPC) and Metro Rizal Press Organization (MERPO)
- Creation of election-related poster and fan
- Social Media posts and updates

» NEXT: Announce Halalan Hotline & Gen sets on Standby



In 2016, we established a Meralco Media Center (at the Lopez lobby) on Election Week. This year, we plan to do the same, on a smaller scale...



Business Updates: Significant Events/ Customer Initiatives & Programs

COMMUNICATION INITIATIVES

MID-TERM ELECTION PREPARATIONS

- Meralco has been performing necessary measures to ensure reliable power distribution to voting & counting places:
 - ✓ reviewing past troubles involving precincts and polling centers
 - ✓ clearing of illegal connections in the vicinity of polling centers
 - ✓ conducting inspection, maintenance and repair of distribution facilities
 - inspecting and correcting defects and abnormalities on substation equipment
- Meralco collaborating with telcos for them to likewise conduct their maintenance of their facilities (e.g. cell sites)
- Safety Reminders:
 - ✓ Refrain from bringing additional appliances to precincts and polling centers (e.g. water dispenser/heater, oven, etc.)
 - ✓ Avoid octopus wiring
 - ✓ School admins to have facilities checked by licensed private electricians
 - ✓ Have electrician on duty during election day, in case of emergency

Sa darating na eleksyon,

BOTO KAMI SA SAFETY!

MGA PAALALA PARA SA MGA ESKWELAHAN AT POLLING CENTERS

Safety Tip #1:
Siguraduhing ang electric wiring installation ay nasa maayos na kundisyon. Iwasan ang octopus wiring.

Safety Tip #2:
Huwag gumamit ng mga appliances na mataas kumonsumo ng kuryente para maiwasan ang overload.

Safety Tip #3:
Sa anumang problema sa linya ng kuryente o kung mawalan ng kuryente sa Election Day, tumawag sa Meralco Halalan Hotline Number.
632-8118
Maaari ring i-text ang HLLN<space>message to:
SMART 0920-971-6211 • GLOBE 0917-551-6211
SUN 0925-771-6211
Ex. HLLN May wire na nagapark dito sa polling precinct sa may Sampaloc Elementary School. Mag-post sa:
@meralco • facebook /meralco

Safety Tip #4:
Siguraduhing may laging nakaabang na electrician para agapan ang pwedeng mangyaring emergency sa kuryente.

Para sa karagdagang impormasyon at iba pang concerns tungkol sa inyong kuryente, tumawag lamang sa pinakamalapit na Meralco Business Center.

BOTO KAMI SA SAFETY!

Safety Tip #1:

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BOTO KAMI SA SAFETY!

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SUN 0925-771-6211

BOTO KAMI SA SAFETY!

Safety Tip #4:

Siguraduhing may laging nakaabang na electrician para agapan ang pwedeng mangyaring emergency sa kuryente.

44

MERALCO – JAPANESE* VENTURE TO POWER NEW CLARK CITY



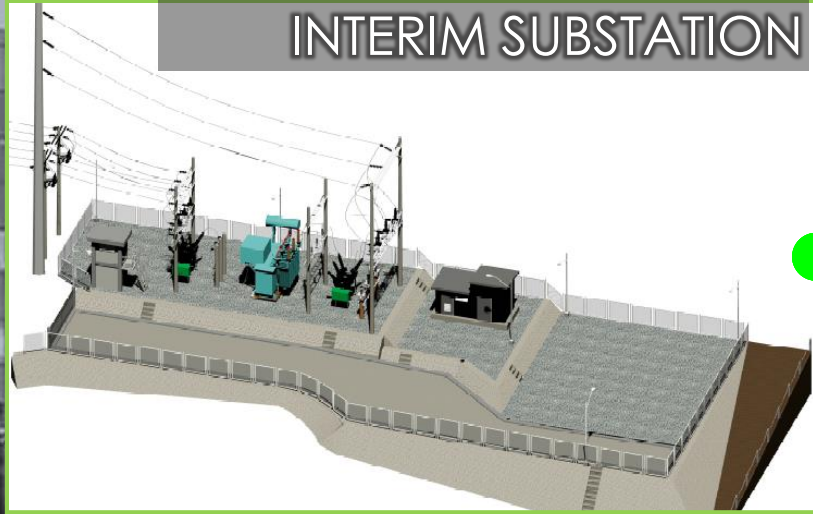
**BCDA ISSUED THE
NOTICE OF AWARD
(NOA) TO MERALCO
MARUBENI
CONSORTIUM AS THE
WINNING PRIVATE
SECTOR PARTICIPANT
(PSP) FOR THE JOINT
VENTURE DEVELOPMENT
OF THE ELECTRIC POWER
DISTRIBUTION SYSTEM**



*Marubeni, Chubu Electric, & Kansai Electric

NEW CLARK CITY

□ Construction and Site Development Update

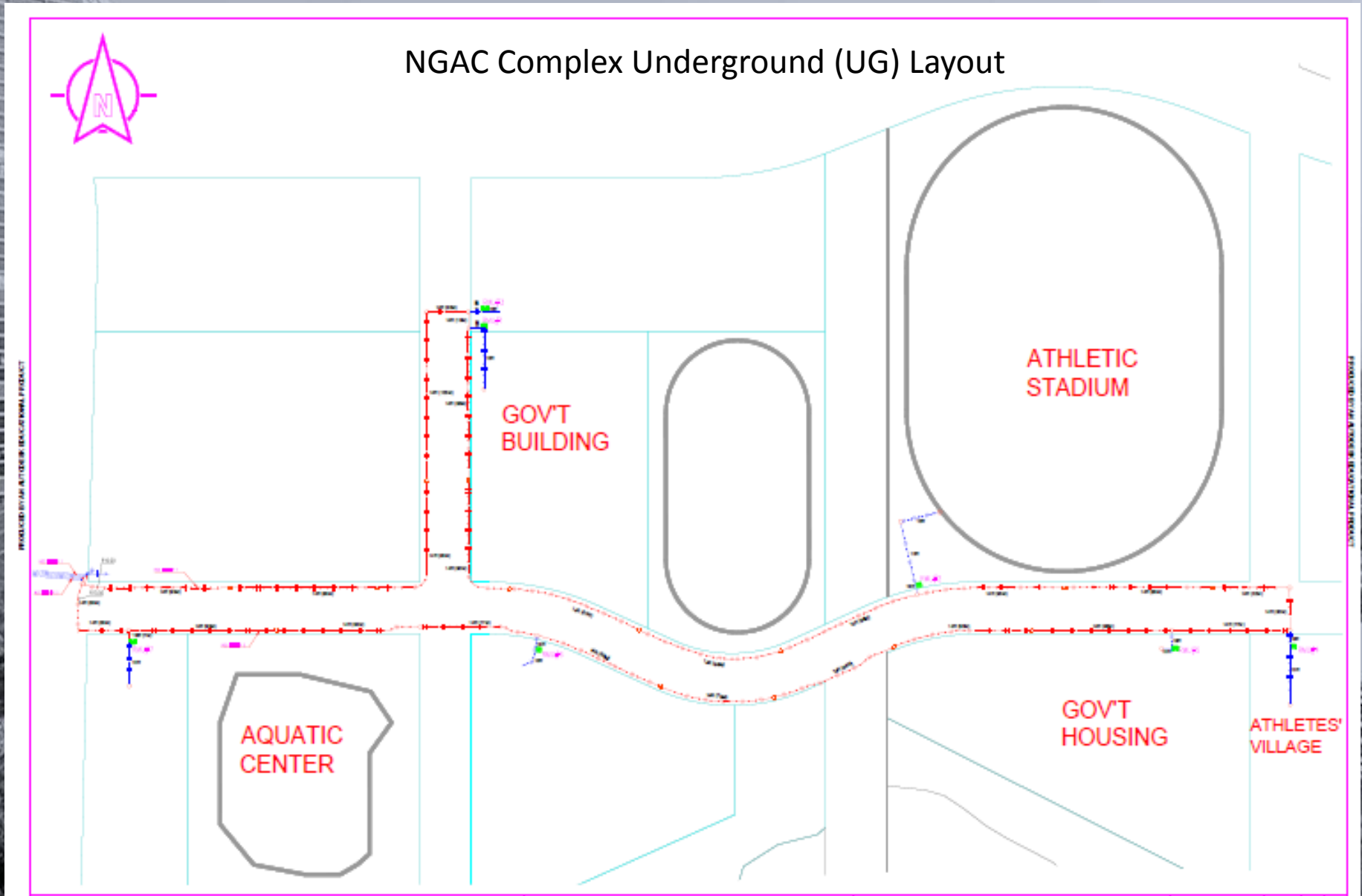


TARGET COMPLETION
of SUBSTATION,
OVERHEAD AND
UNDERGROUND LINE
WORKS



NEW CLARK CITY

□ Construction and Site Development Update



NCC Interim Phase Project



Date started: 11 April 2019

- Inspection of concreting of Underground Ducting, done by BCDA-contractor (MTD Alloy)



Concrete encasement: 12 April 2019



Simultaneous duct works around NGAC: 17 April 2019

NEW CLARK CITY

A 3D architectural rendering of a large stadium, likely for basketball or volleyball, featuring a complex, multi-tiered roof structure with a series of parallel, angled panels. The stadium is shown from an elevated perspective, revealing the seating bowl and the surrounding area. The background is a solid light blue.

April
2019

JOINT VENTURE AGREEMENT (JVA) BETWEEN BCDA AND THE MERALCO MARUBENI CONSORTIUM WAS SIGNED 3 APRIL 2019. CEREMONIAL SIGNING OF THE JVA WILL BE HELD ON 30 APRIL 2019 AT SHANGRI-LA BGC. BCDA PRESIDENT VINCE DIZON AND OFFICERS FROM MERALCO, MARUBENI, CHUBU ELECTRIC, AND KANSAI ELECTRIC WILL BE PRESENT.

Meralco PowerGen Corporation Overview of Operations



Meralco PowerGen Corporation Updates on Growth and Expansion

San Buenaventura Power Limited Co. (SBPL)

455MW (net) Supercritical Coal-Fired Power Plant in Mauban, Quezon

Total Project Cost: PhP 56.2 Billion

- BOI-registered pioneer supercritical pulverized coal power plant
- Over-all EPC progress at 99.29% as of March 31, 2019
- On track for project completion in September 2019
- EPC contract with the Consortium of Daelim Industrial Co., Ltd. and Mitsubishi Corporation
- Joint venture of MGen with New Growth, B.V., a wholly-owned subsidiary of Electricity Generating Public Company Limited (EGCO) of Thailand



Boiler, Steam Turbine Generator (STG) Building
and Main Control Building



Coal Transfer Tower 1 & 2 and Coal Conveyor

Meralco PowerGen Corporation Updates on Growth and Expansion

Atimonan One Energy, Inc. (A1E)

2x600 MW (net) Ultra Supercritical (the first in the Philippines) Coal-Fired Power Plant
in Atimonan, Quezon

Total Project Cost: <PhP160 Billion (<USD 3.0 Billion)



- **Committed Project and Certified Energy Project of National Significance** with the Department of Energy (DOE)
- Registered as **Preferred Pioneer Enterprise** with the Board of Investments (BOI)
- All **Environmental Clearances and Permits** secured
- **Interconnection agreement** in place
- **Selected EPC contractor** is awaiting issuance of the **Notice to Proceed** and is engaged in **early preparatory works** in the interim
- **All-peso record debt project financing** (PhP107.5 Billion)
- Only the **regulatory approval of Power Supply Agreement** is being awaited to commence construction

Meralco PowerGen Corporation Updates on Growth and Expansion

RENEWABLE INVESTMENTS

Solar

- MGen is focused on development of a portfolio of utility scale solar generation projects to supply the Luzon grid, and the customers of Meralco, with competitive tariff.
- MGen believes solar generation will form an important part of the energy mix going forward, and will be a growing source of generation without any subsidy
- Discussions are ongoing with a number of existing project developers for potential partnerships.
- MGen is also looking at co-developing large scale hybrid solar + storage projects outside the Meralco franchise area

Wind

- MGen believes in competitive tariff from new wind based generation in Luzon.
- MGen is working on a potential joint development of a 150MW wind generation project within the Meralco franchise area



GLOBAL BUSINESS POWER CORPORATION (GBPC)

- MGen holds 14% equity interest in GBPC, the largest independent power producer in the Visayas with an existing portfolio totaling 854 MW (coal and diesel plants).
 - GBPC has a 50% interest in Alsons Thermal Energy Corporation (ATEC).
 - ATEC holds a 75% interest in a 105-MW net CFB plant in Maasim, Sarangani that started operations in 2016; Another 105-MW CFB unit is currently under commissioning with target Commercial Operations Date of 2Q 2019.

PACIFICLIGHT POWER PTE LTD (PLP)

- PLP has been operating a 2x400 MW natural gas facility in Jurong Island, Singapore since February 2014. The facility supplies electricity to industrial and retail customers in Singapore.
- MGen holds an effective 28% equity interest in PLP.

Cautionary Statements

This presentation is prepared for the participants of the MERALCO **Investors and Analysts Briefing & Teleconference** held on **April 29, 2019**. 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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