

SAN MIGUEL PROPERTIES, INC. AND SUBSIDIARIES
(A Subsidiary of San Miguel Corporation)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2019 AND DECEMBER 31, 2018
(Amounts in Thousand Philippine Pesos)

	<u>March 31, 2019</u> <u>(Unaudited)</u>	<u>December 31, 2018</u> <u>(Audited)</u>
<u>A S S E T S</u>		
CURRENT ASSETS		
Cash and cash equivalents	P 791,854	P 796,982
Receivables - net	643,836	548,925
Real estate projects	1,819,665	1,851,875
Raw land inventory	2,617,247	2,624,031
Other current assets - net	<u>1,356,058</u>	<u>1,218,516</u>
Total Current Assets	<u>7,228,660</u>	<u>7,040,329</u>
NONCURRENT ASSETS		
Receivables	704,305	635,449
Deposits on land for future development	1,889,507	1,774,689
Equity advances and investments in associates	10,699,455	10,584,355
Investment property - net	8,139,488	8,043,492
Property and equipment - net	4,916,013	4,736,870
Intangible assets - net	166,314	166,871
Deferred tax assets - net	35,200	28,371
Other noncurrent assets - net	<u>41,073</u>	<u>41,073</u>
Total Noncurrent Assets	<u>26,591,355</u>	<u>26,011,170</u>
TOTAL ASSETS	<u>P 33,820,015</u>	<u>P 33,051,499</u>

	<u>March 31, 2019</u> (Unaudited)	<u>December 31, 2018</u> (Audited)
<u>LIABILITIES AND EQUITY</u>		
CURRENT LIABILITIES		
Loans and borrowings	P 10,808,180	P 10,357,380
Trade and other payables	1,056,643	1,036,914
Due to related parties	33,357	33,357
Advance rentals and deposits	217,840	228,622
Customers' deposits	191,633	151,744
Income tax payable	946	797
	<u>12,308,599</u>	<u>11,808,814</u>
Total Current Liabilities		
NONCURRENT LIABILITIES		
Accounts payable	146,475	11,152
Retirement benefit liability	14,033	21,393
Deferred tax liabilities - net	85,842	85,512
	<u>246,350</u>	<u>118,057</u>
Total Noncurrent Liabilities		
Total Liabilities	<u>12,554,949</u>	<u>11,926,871</u>
EQUITY		
Equity attributable to owners of the Company		
Capital stock	6,624,959	6,624,959
Additional paid-in capital	6,123,447	6,123,447
Treasury shares - at cost	(9,515)	(9,515)
Accumulated fair value losses	(40,463)	(93,022)
Cumulative translation adjustment	3,385	1,492
Reserve for retirement plan	(81,164)	(81,164)
Other reserves	(280,515)	(280,515)
Retained earnings	8,562,447	8,476,329
	<u>20,902,581</u>	<u>20,762,011</u>
Total equity attributable to owners of the Company		
Noncontrolling interest	362,484	362,617
	<u>21,265,065</u>	<u>21,124,628</u>
Total Equity		
TOTAL LIABILITIES AND EQUITY	<u>P 33,820,015</u>	<u>P 33,051,499</u>

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MARIA ALMA C. GERONIMO
 FINANCE MANAGER

SAN MIGUEL PROPERTIES, INC. AND SUBSIDIARIES
(A Subsidiary of San Miguel Corporation)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED MARCH 31, 2019 AND 2018
(Amounts in Thousand Philippine Pesos, Except Per Share Data)

	<u>2019 Unaudited</u>		<u>2018 Unaudited</u>
REVENUES			
Real estate sales	P 285,735	P	78,287
Rental income	89,272		82,472
Room revenues	169,125		164,419
Sale of food and beverages	51,400		41,109
Service income	6,390		3,763
Others	8,898		6,633
	<u>610,820</u>		<u>376,683</u>
 COSTS OF SALES AND SERVICES			
Real estate sold	74,283		45,984
Room services	94,643		80,034
Food and beverages sold	44,482		45,404
Rentals	12,768		17,194
	<u>226,176</u>		<u>188,616</u>
 GROSS PROFIT	 384,644		 188,067
 OTHER OPERATING EXPENSES	 <u>183,213</u>		 <u>147,763</u>
 OPERATING PROFIT	 <u>201,430</u>		 <u>40,304</u>
 OTHER INCOME (CHARGES)			
Finance costs	(177,472 )	(	101,143)
Share in profit of associates	53,278		22,897
Finance income	14,066		13,599
Miscellaneous income (charges) - net	8,081		6,554
	<u>(102,047 )</u>	(	<u>58,093</u>)
 PROFIT (LOSS) BEFORE TAX	 99,383	(	17,789)
 TAX EXPENSE (BENEFIT)	 <u>24,967</u>	(	<u>8,760</u>)
 NET PROFIT (LOSS)	 <u>74,416</u>	(	<u>9,029</u>)
 <i>Balance carried forward</i>	 <u>P 74,416</u>	(P	 <u>9,029</u>)

	<u>2019</u>	<u>2018</u>
<i>Balance brought forward</i>	<u>P 74,416</u>	<u>(P 9,029)</u>
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that will be reclassified subsequently to profit or loss		
Share in other comprehensive loss of an associate	<u>54,452</u>	<u>(152,904)</u>
TOTAL COMPREHENSIVE INCOME	<u>P 128,868</u>	<u>(P 161,933)</u>
Net profit (loss) attributable to:		
Equity holders of the Company	<u>P 74,549</u>	<u>(P 8,792)</u>
Noncontrolling interest	<u>(133)</u>	<u>(237)</u>
	<u>P 74,416</u>	<u>(P 9,029)</u>
Total comprehensive income (loss) attributable to:		
Equity holders of the Company	<u>P 129,001</u>	<u>(P 161,696)</u>
Noncontrolling interest	<u>(133)</u>	<u>(237)</u>
	<u>P 128,868</u>	<u>(P 161,933)</u>
Earnings Per Share - Basic and Diluted	<u>P 0.11</u>	<u>(P 0.01)</u>

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MARIA ALMA C. GERONIMO
FINANCE MANAGER

SAN MIGUEL PROPERTIES, INC. AND SUBSIDIARIES
(A Subsidiary of San Miguel Corporation)
 CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 FOR THE PERIODS ENDED MARCH 31, 2019 AND 2018
(Amounts in Thousand Philippine Pesos)

		Attributable to Owners of the Parent Company											
		Capital Stock	Additional Paid-in Capital	Treasury Shares - at Cost	Accumulated Fair Value Gains/(Losses)	Cumulative Translation Adjustment	Reserve for Retirement Plan	Other Reserves	Appropriated Retained Earnings	Unappropriated Retained Earnings	Total	Noncontrolling Interest	Total Equity
	Balance at January 1, 2019	P 6,624,959	P 6,123,447	(P 9,515)	(P 93,022)	P 1,492	(P 81,164)	(P 280,515)	P 4,500,000	P 3,076,329	P 20,782,011	P 362,617	P 21,144,628
	Adjustments due to the adoption of PFRS 16	-	6,123,447	(9,515)	(93,022)	(1,492)	(81,164)	(280,515)	-	11,569	11,569	-	11,569
	As restated	6,624,959	6,123,447	(9,515)	(93,022)	1,492	(81,164)	(280,515)	4,500,000	3,087,898	20,773,580	362,617	21,136,197
	Total comprehensive income (loss) for the year	-	-	-	52,589	1,893	-	-	-	71,549	129,001	(133)	128,868
	Balance at March 31, 2019	P 6,624,959	P 6,123,447	(P 9,515)	(P 40,433)	P 3,385	(P 81,164)	(P 280,515)	P 4,500,000	P 4,062,447	P 20,902,581	P 362,484	P 21,265,065
	Balance at January 1, 2018	P 5,999,959	P 5,504,097	(P 9,515)	(P 296,252)	(P 7,102)	(P 105,211)	(P 270,299)	P 4,500,000	P 4,016,287	P 19,330,564	P 360,574	P 19,691,138
	Adjustments due to the adoption of PFRS 15	-	5,504,097	(9,515)	(296,252)	(7,102)	(105,211)	(270,299)	-	32,717	32,717	-	32,717
	As restated	5,999,959	5,504,097	(9,515)	(296,252)	(7,102)	(105,211)	(270,299)	4,500,000	4,049,004	19,363,281	360,574	19,723,855
	Transactions with owners	655,000	618,750	-	-	-	-	-	-	-	1,243,750	-	1,243,750
	Issuance of shares of stock	-	-	-	-	-	-	-	-	-	-	-	-
	Net addition to noncontrolling interest and others	-	-	-	-	-	(9,705)	(9,705)	-	(9,705)	(9,705)	1,989	(7,716)
	Total comprehensive income (loss) for the year	-	-	-	(133,507)	663	-	-	-	(8,792)	(161,696)	(237)	(161,933)
	Balance at March 31, 2018	P 6,624,959	P 6,123,447	(P 9,515)	(P 451,819)	(P 6,439)	(P 105,211)	(P 280,004)	P 4,500,000	P 4,040,212	P 20,435,630	P 362,326	P 20,797,956

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 MARIA ALMA C. GERONIMO
 FINANCIAL MANAGER

SAN MIGUEL PROPERTIES, INC. AND SUBSIDIARIES
(A Subsidiary of San Miguel Corporation)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED MARCH 31, 2019 AND 2018
(Amounts in Thousand Philippine Pesos)

	<u>2019 Unaudited</u>		<u>2018 Unaudited</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax	99,383	(P	17,789)
Adjustments for:			
Interest expense	110,211		81,466
Share in profit of associates	(53,278 )	(	22,897)
Depreciation and amortization	48,772		48,547
Interest income	(14,066 )	(	1,042)
Fair value losses - net	14,052		-
Impairment loss on receivables	-		558
Operating profit before working capital changes	205,074		88,843
Decrease (increase) in receivables	(177,819)		417,895
Decrease in real estate projects	32,211		61,543
Decrease (increase) in raw land inventory	6,784	(	1,087)
Increase in other assets	(6,165 )	(	50,467)
Increase in deposits on land for future development	(114,818 )	(	147,400)
Increase (decrease) in trade and other payables	12,060	(	629,298)
Increase (decrease) in advance rentals and deposits	(10,782)		11,843
Increase (decrease) in customers' deposits	39,889	(	15,323)
Decrease in retirement benefit liability	(7,362 )	(	6,668)
Cash generated used in operations	(20,928 )	(	270,119)
Interest received	6,634		761
Cash paid for income taxes	(32,996 )	(	5,807)
Net Cash Used in Operating Activities	(47,290 )	(	275,165)
<i>Balance brought forward</i>	(47,290)	(P	275,165)

	<u>2019 Unaudited</u>	<u>2018 Unaudited</u>
<i>Balance carried forward</i>	(P 47,290)	(P 275,165)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to investment property	(103,523)	-
Acquisitions of property and equipment	(190,814)	(618,237)
Interest received	7,432	-
Additional equity advances	(7,370)	(349)
Acquisition of intangible assets	(351)	(80)
Net Cash Used in Investing Activities	(294,626)	(618,666)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from borrowings	450,800	563,733
Interest paid	(114,012)	(84,274)
Proceeds from issuance of shares of stock	-	1,250,000
Share issuance costs paid	-	(6,250)
Payments of advances from related parties	-	(7)
Net Cash From Financing Activities	336,788	1,723,202
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,128)	829,371
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	796,982	1,245,345
CASH AND CASH EQUIVALENTS AT END OF PERIOD	791,854	P 2,074,716

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