FINANCIAL AND OPERATING RESULTS

Investors and Analysts Briefing

Nine Months Ended September 30, 2019

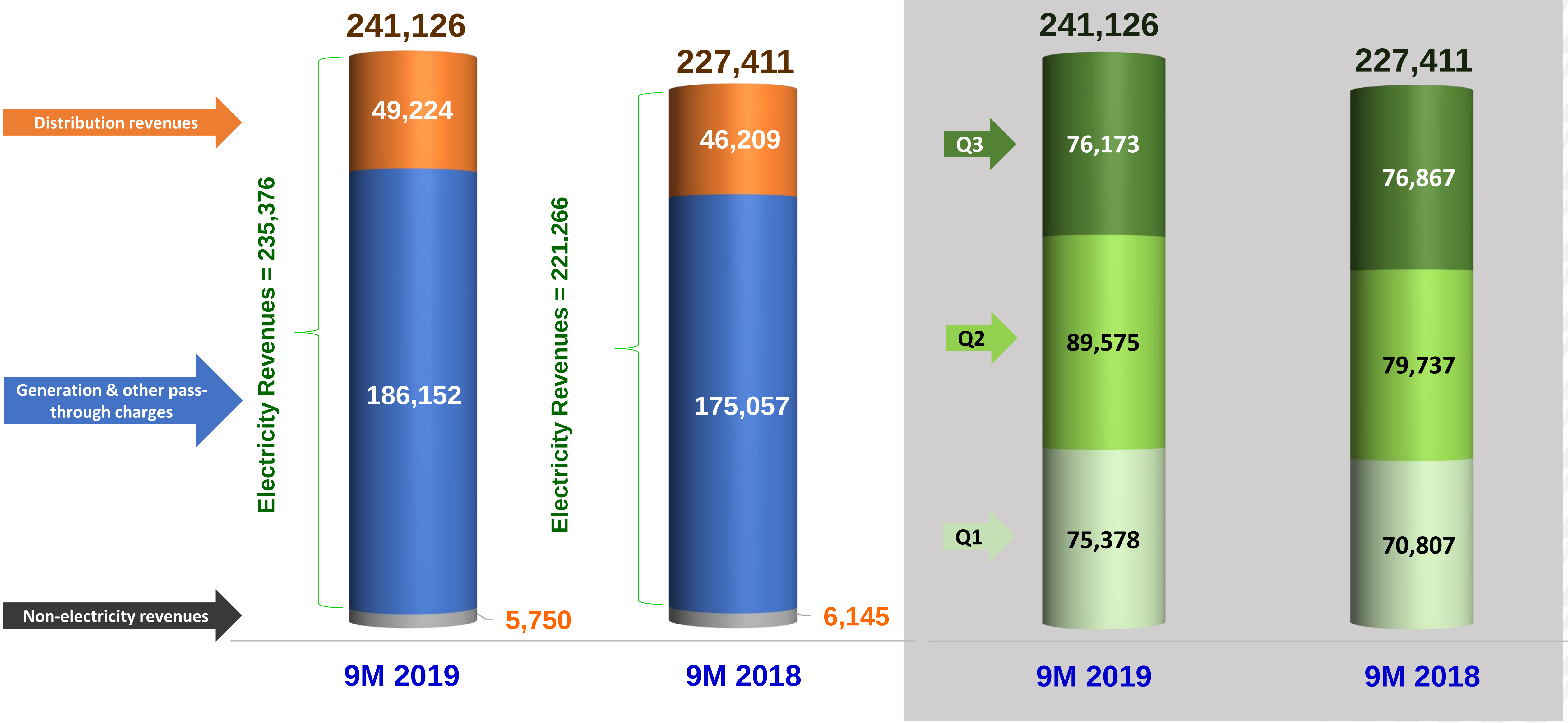
October 28, 2019

FINANCIAL HIGHLIGHTS
9M 2019

Quarterly Highlights (in Million PhP)

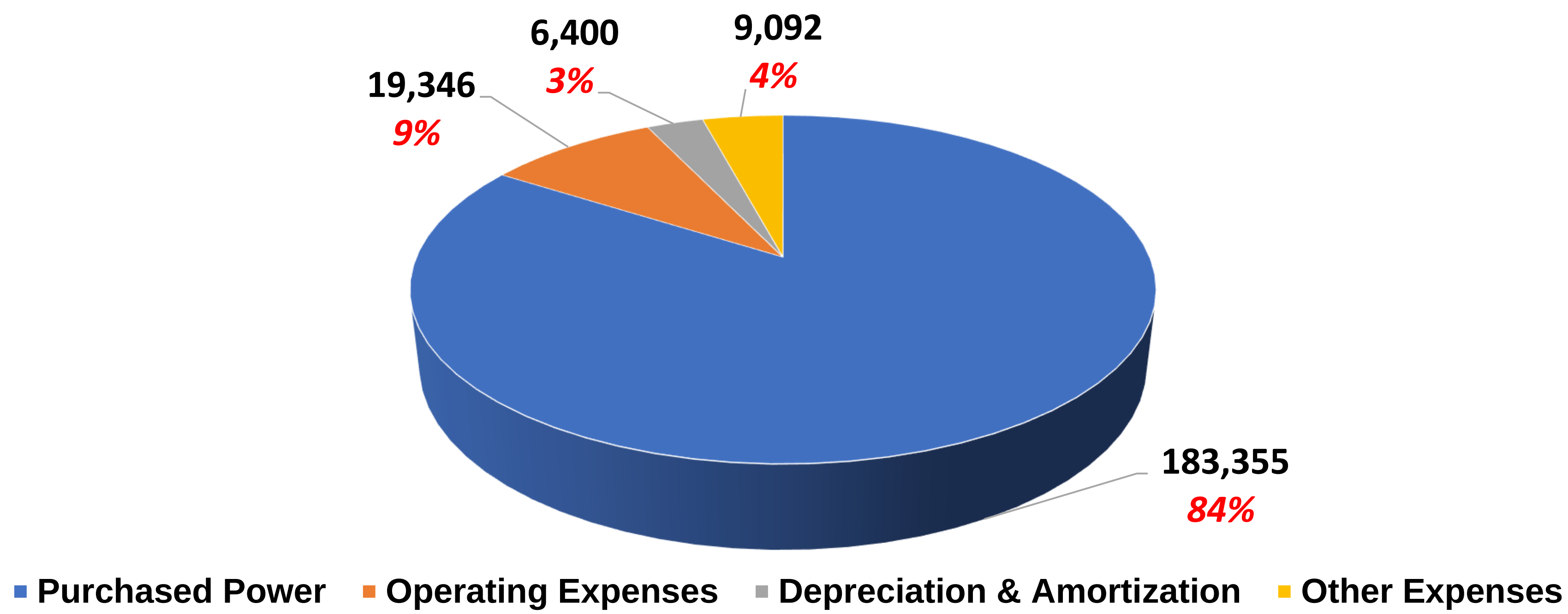
(Amounts in Mln PhP, Except Sales Volume)	Q1 2019	Q2 2019	Q3 2019	Q1 2018	Q2 2018	Q3 2018	Q1 % Inc (Dec)	Q2 % Inc (Dec)	Q3 % Inc (Dec)
Sales Volume (GWh)	10,381	12,442	12,182	10,145	11,520	11,256	2%	8%	8%
Revenues	75,378	89,575	76,173	70,807	79,737	76,867	6%	12%	-1%
Electric	73,632	87,635	74,109	69,009	77,894	74,363	7%	13%	0%
Distribution	14,273	18,182	16,769	14,081	16,582	15,546	1%	10%	8%
Generation and other pass-through	59,359	69,453	57,340	54,928	61,312	58,817	8%	13%	-3%
Non-electricity	1,746	1,940	2,064	1,798	1,843	2,504	-3%	5%	-18%
Core Income	5,598	6,719	6,136	4,917	5,934	5,835	14%	13%	5%
Reported Income	5,671	6,336	6,314	5,312	6,661	6,239	7%	-5%	1%
Core EBITDA	8,828	11,051	9,883	8,688	8,897	8,979	2%	24%	10%
Reported EBITDA	8,828	11,051	9,883	8,688	8,897	8,979	2%	24%	10%

Consolidated Revenues (in Million PhP)

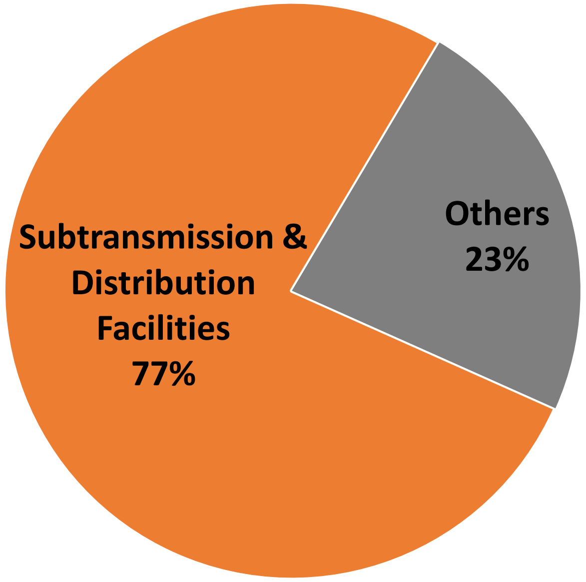


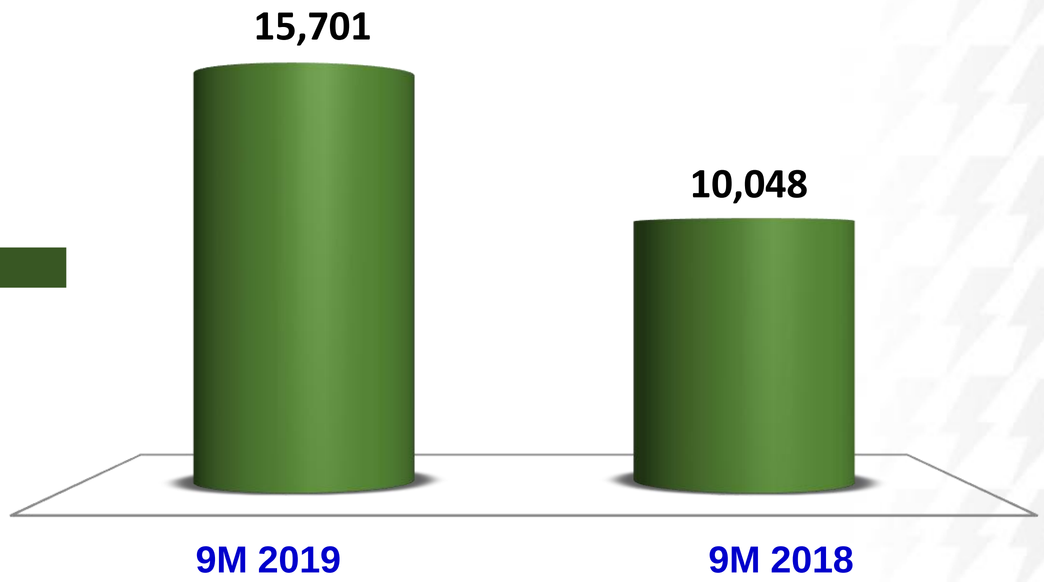
Costs and Expenses/Capital Expenditures (in Million PhP)

Costs and Expenses

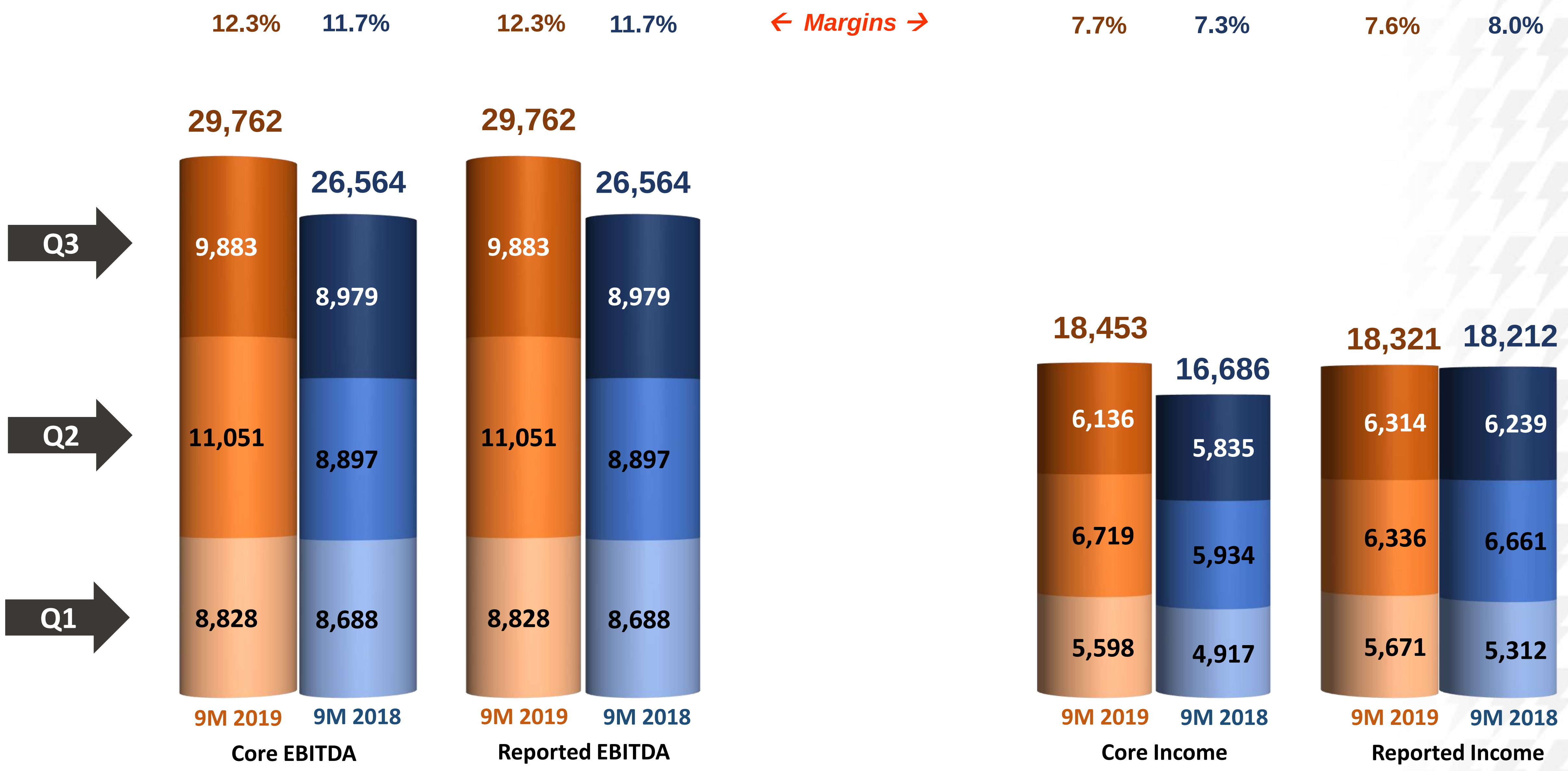


Capital Expenditures

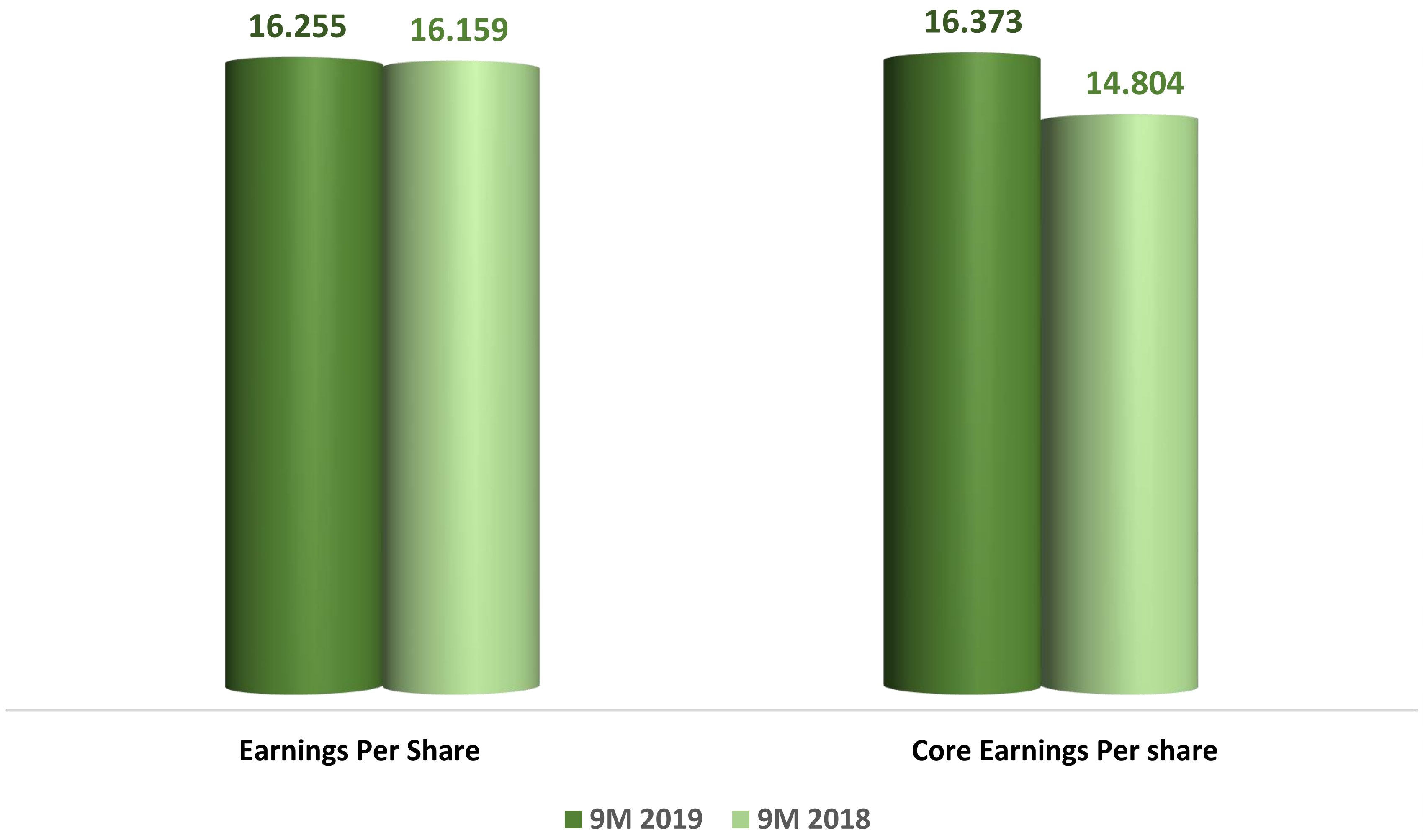




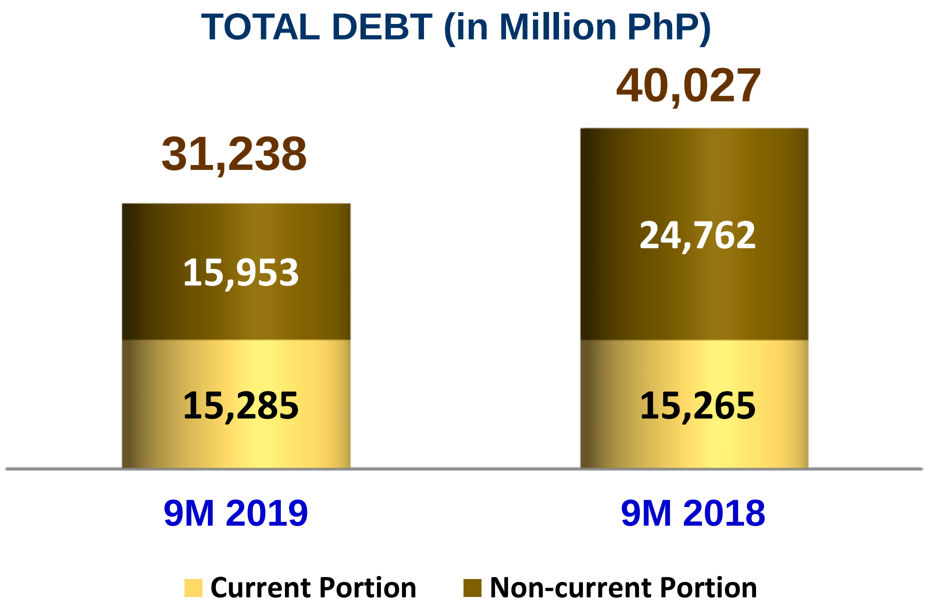
Consolidated EBITDA and Net Income (in Million PhP)

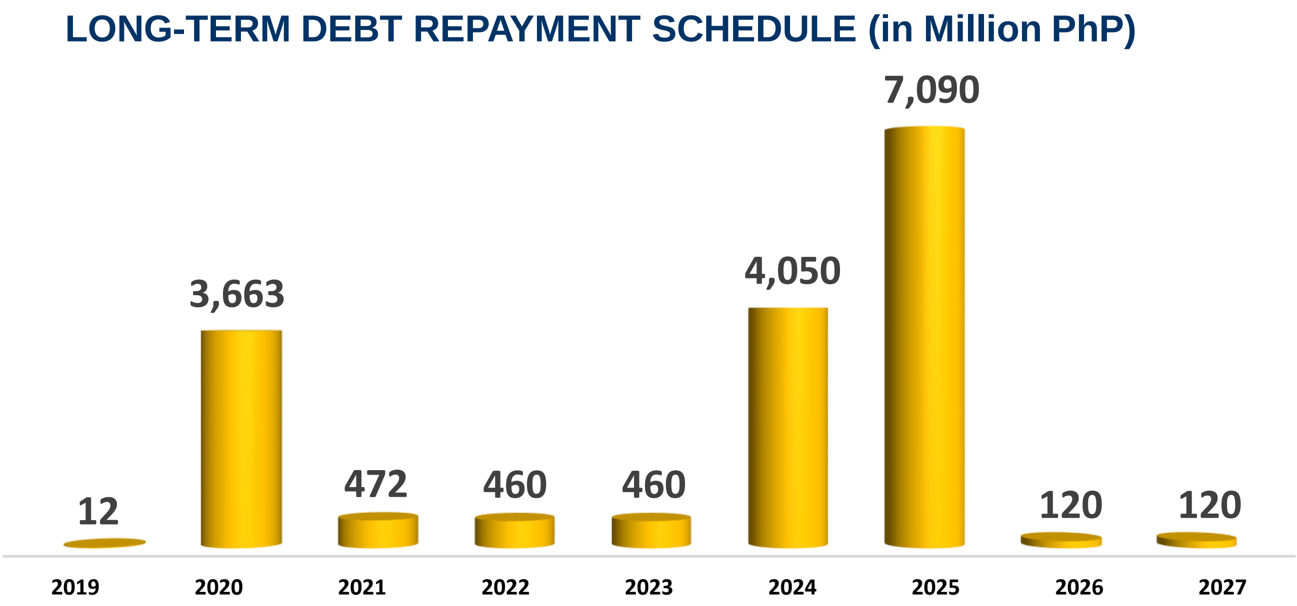


Reported and Core Earnings per Share (in PhP)



Credit and Debt Profile





(in Million PhP, Except Ratios)	9M 2019	9M 2018
Cash	24,736	48,122
Gross Debt	31,238	40,027
Net Debt	6,502	(8,095)
Gross Debt/EBITDA	0.79	1.13
Net Debt/EBITDA	0.16	(0.23)
Gearing Ratio	0.08	(0.11)
Interest Expense	1,141	1,394

REPORT OF THE CHIEF EXECUTIVE

Performance ended September 2019

Operating Highlights

9M 2019

Energy Sales
⬆6.3%*
35,005 GWh

Customer Count
⬆4.2%*
6.82 million

Peak Demand
⬆4.6%*
7,740 MW

Net System Input (NSI)
⬆5.9%*
36,853 GWh

Ave. Retail Rates
⬆0.9%*
P9.00/kWh

S-Factor & GSL**
Sustained Service Improvement

Business Updates

MERALCO

CONSOLIDATED NUMBERS FOR ENERGY SALES, CUSTOMER COUNT & NET SYSTEM INPUT

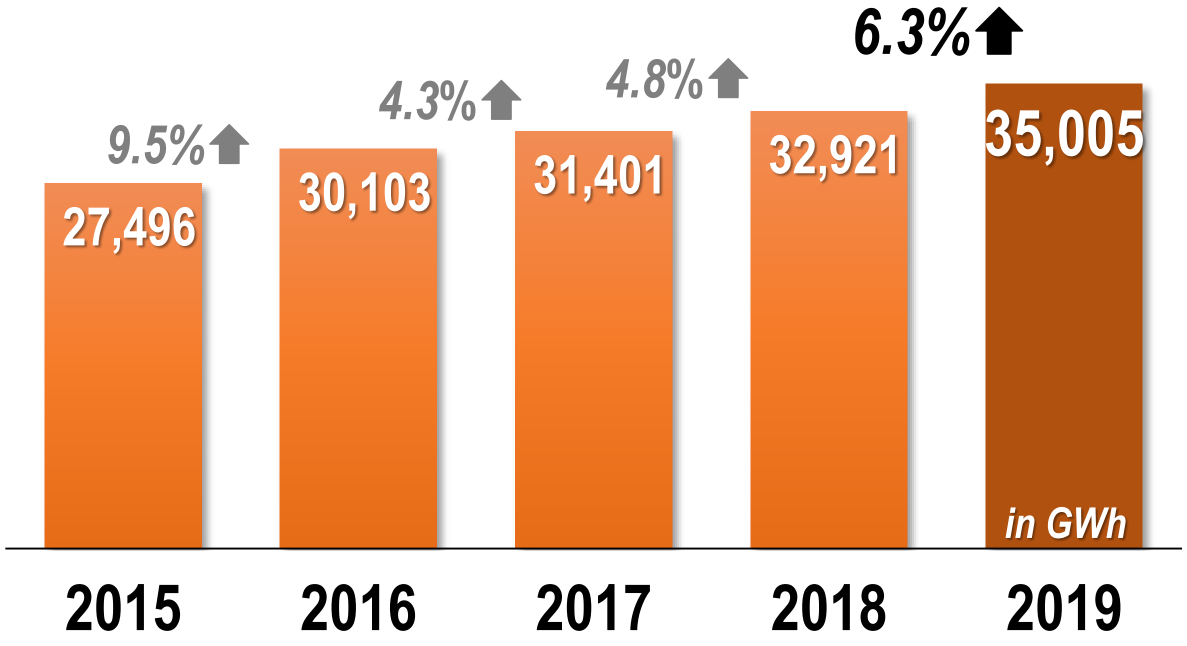
*vs. same period, previous year

**For GSL, RY2020 Period (July 1, 2019- June 30, 2020); compared with past levels (in the absence of 4RP standards/ reset)

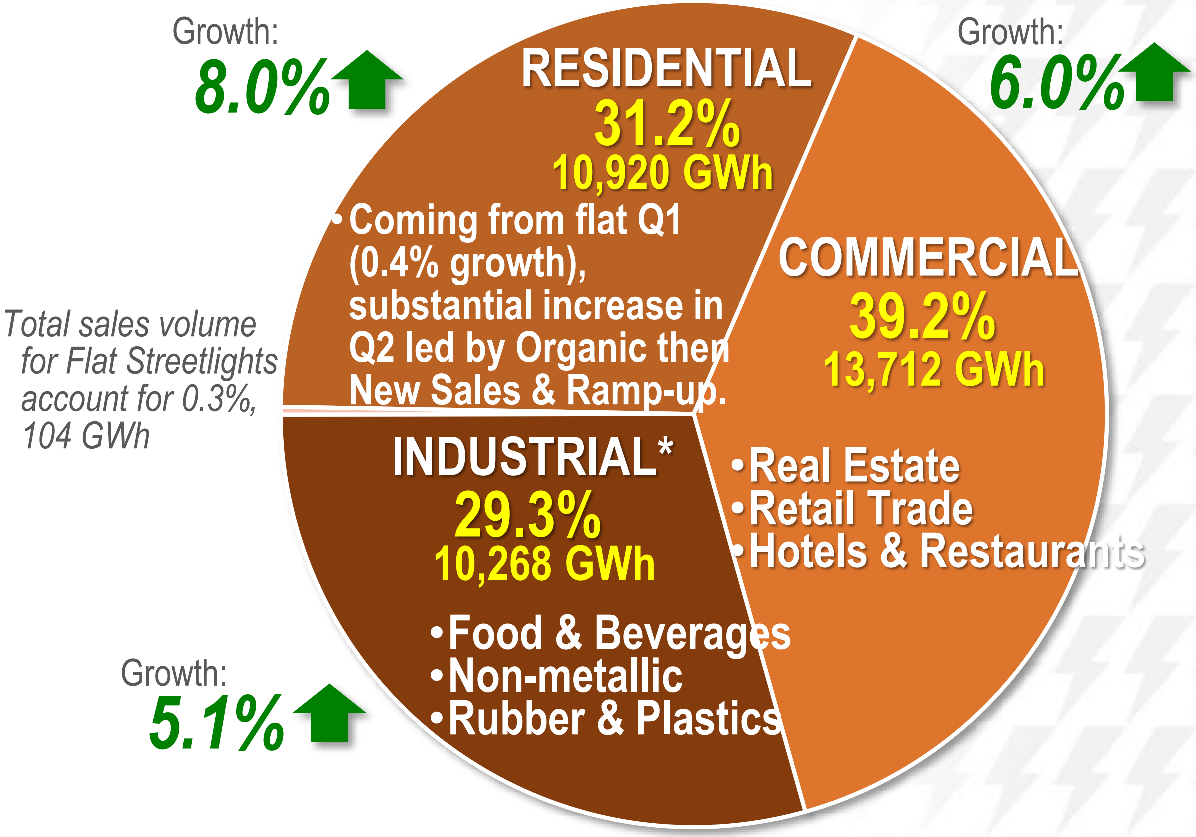
Details

Energy Sales: 9M 2019

➢ *Up 6.3% vs. 2018 (+2,083 GWh)*



Share / Δ for 9M 2019:



Details (2019):

Parent: 98.8% (34,570 GWh); CEDC 1.2% (435 GWh)

**incl. Generator Wheeling*

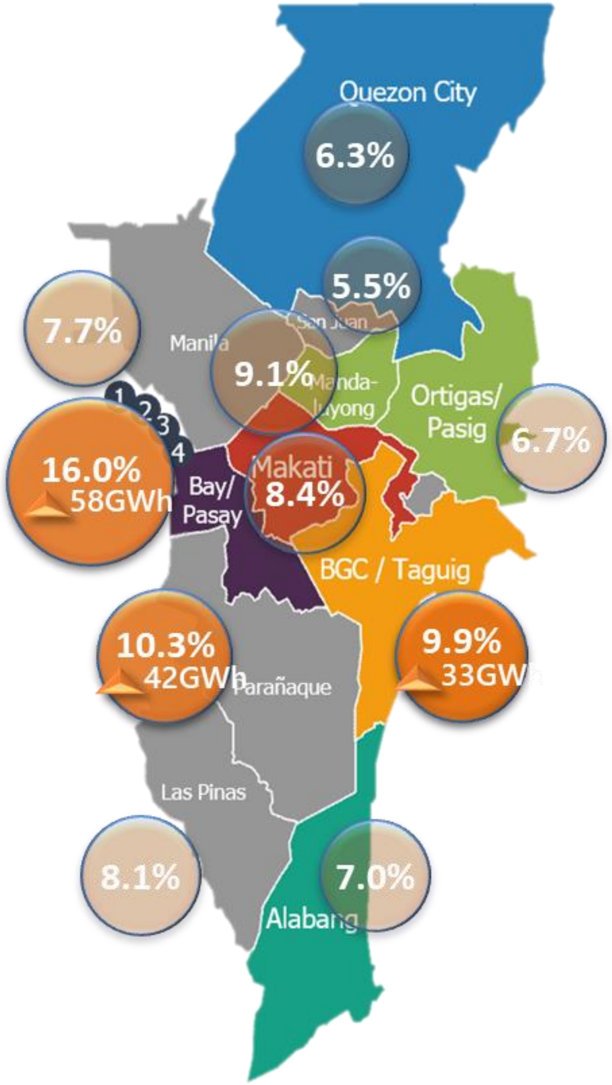
MERALCO

Energy Sales: 9M 2019, *Residential*

RESI leads all sector with 8.0% growth in 9M

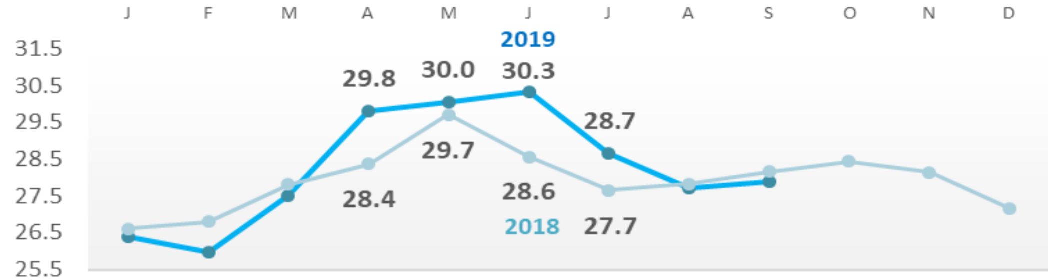
Recovered the past 2 quarters after a slow start in Q1

Province	YTD GWh inc	% inc
CAVITE	▲1.2	12.5%
BATANGAS	▲9.0	11.1%
PAMPANGA	▲0.2	10.8%
METRO MANILA	▲29.2	10.2%
LAGUNA	▲0.9	10.1%
RIZAL	▲3.0	9.4%
BULACAN	▲1.0	9.4%
QUEZON	▲2.2	9.3%



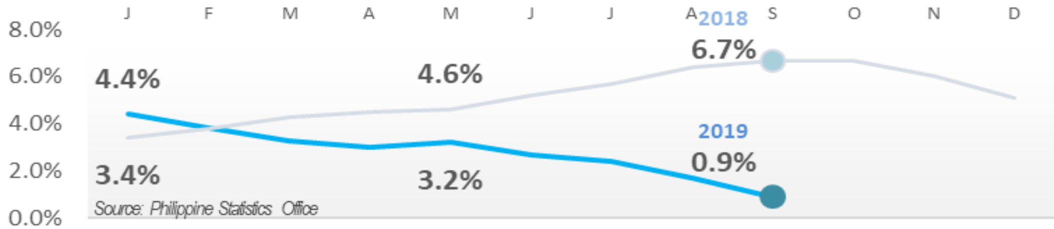
4 Consecutive months with higher temp

Compared to 2018



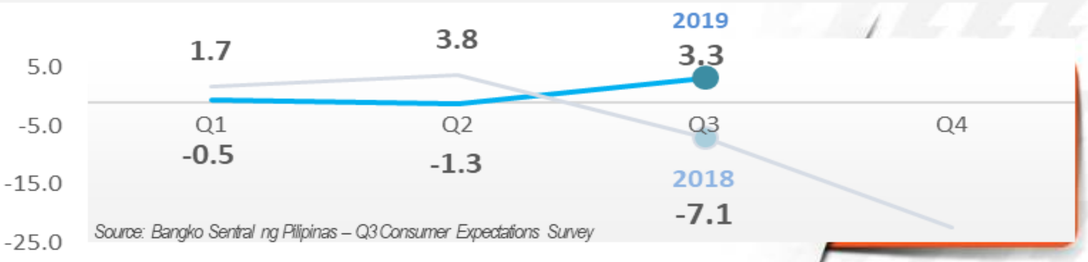
Inflation Rate declining to 0.9%

way lower 2019 rates than 2018



Consumer Outlook Index of 3.3

Households were more confident in Q3 and are optimistic in facing Q4



PARENT

Energy Sales: 9M 2019, *Commercial*

COMMERCIAL

13,484 GWh

▲ 5.7%

COM'L had a decent growth of 5.7% in 9M

Posted double-digit growths last Apr (11.0%) and Jul (11.5%)

Top 3 Commercial Sector
September 2019 (*in GWh*)

Sector	Sep 2019	Sep 2018	Δ (*in GWh / %*)	
REAL ESTATE	4,780	4,398	382	▲8.7%
RETAIL TRADE	2,434	2,329	105	▲4.5%
HOTELS/RESTAU…	1,403	1,318	85	▲6.4%

POGO (38%) has overtaken **IT-BPO (32%)** as office space demand driver

- Meridian Park, currently has 100% occupancy, of which 60% are leased by POGOs. Upcoming 2 buildings will be energized by November 2019.
- Cyberzone R7 has 90% occupancy with key tenants identified as POGOs. 3 out of 4 Cyberzone R7 buildings are now fully operational.

TOP 3 : MERIDIAN PARK, SPARC PROPERTIES, FILINVEST CYBERZONE R7

RETAIL TRADE – 4.5%

Growth is driven by ramp-up of existing mixed-use malls mostly with BPO. Both SM Malls have BPOs.

TOP 3: RLC GALLERIA SOUTH, SM BPO NORTH, SM FAIRVIEW

HOTELS & RESTAURANTS – 6.4%

- For Okura Hotel, the second level for gaming was opened last August
- Sheraton Hotel has an ongoing fit-out and testing to ensure the target 100% operation by November 2019.
- Okada opened its North Wing which almost doubled its capacity to 993 rooms from 500 rooms last year.

TOP 3: OKURA , SHERATON , OKADA

KEY TRENDS & DEVELOPMENTS

Online Gaming

In Q3, POGO Industry(**375k sqm demand**) has overtaken IT-BPO as office space demand driver

Rising Land Values

2 Areas (Bay&QC) would benefit with improved infrastructure and transportation

Source: Leechiu Property Consultants Market Report (Sep 2019)

MERALCO

PARENT

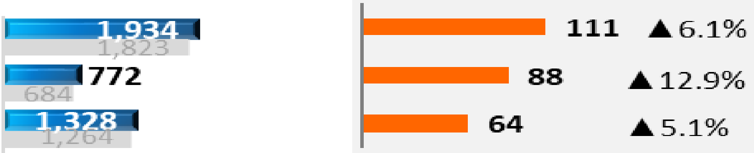
Energy Sales: 9M 2019, *Industrial*

INDUSTRIAL
(excl. Gen. Wheeling)

9,757 GWh
▲ 2.7%

Top 3 Industrial Sector
September 2019 (*in GWh*)

Δ (*in GWh / %*)



FOOD & BEVERAGE – 6.1%

- Zenith Foods(Jollibee Commissary) increased its production following its commissioning last Aug 2018. Zenith contributed additional 21GWh in 2019.
- Nestle Plant, which was built to cater the new Coffeemate Line.

TOP 3: ZENITH FOODS CORP, NESTLE, COCA-COLA BOTTLERS

NON-METALLIC – 12.9%

- Increased production of cement from PPP & Real Estate. 4 plants of Eagle Cement has contributed additional 90GWh in 2019.
- San Miguel Yamamura, driven by customer demand, added furnaces.

TOP 3: EAGLE CEMENT, SAN MIGUEL YAMAMURA, REPUBLIC CEMENT

PLASTICS & RUBBER – 5.1%

- Mainly driven by the shift of JG Summit Petrochem to grid power - from reliance on 10 Gensets/month, reduced to 6 to 7 supplying their critical loads. Around 50% of their load is now connected to Meralco. The Petrochem Plant has already contributed additional 86GWh in 2019.

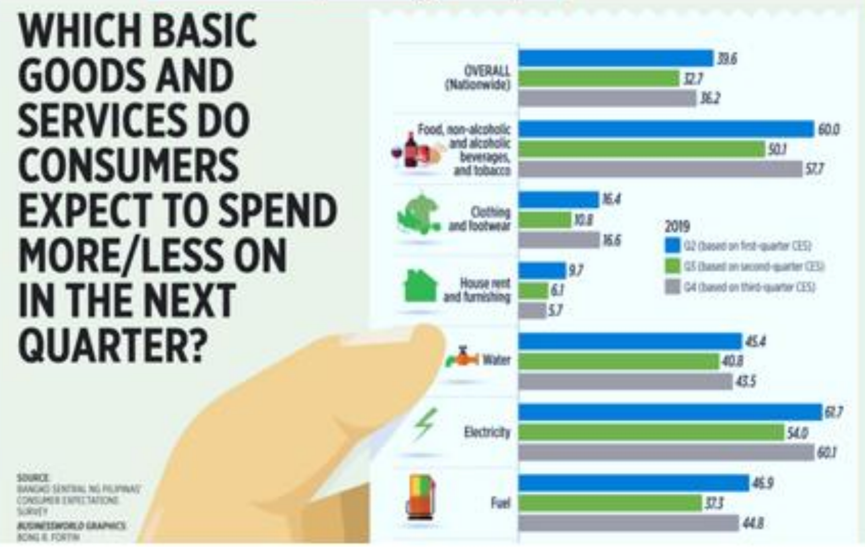
TOP 3: JG SUMMIT PETROCHEM, FIBC GREENBAG, MANLY PLASTICS

IND'L had a modest growth of 4.3% in 9M

KEY TRENDS & DEVELOPMENTS

Confident consumers

F&B ranked 2nd among goods which consumers spent more in Q3. Based on BSP's survey, increased spending is expected in Q4



Gov't Infrastructure Spending

Latest state data showed that YTD expenditure rose by 0.4%

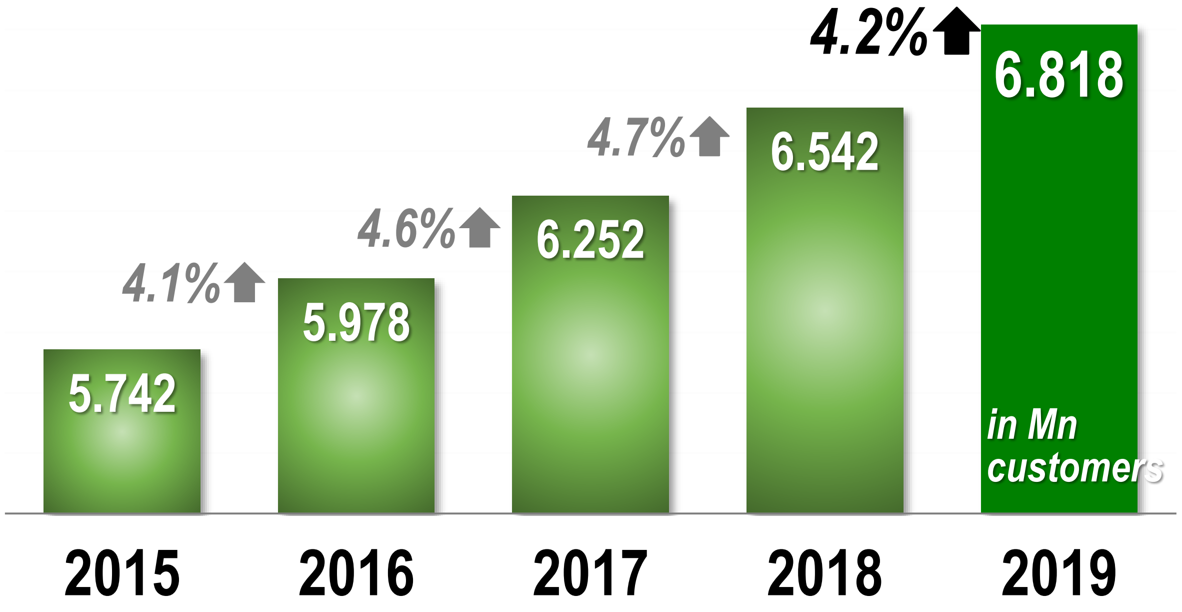
January-August 2016	1,401,975.9
January-August 2017	1,554,990.0
January-August 2018	1,952,495.0
January-August 2019	1,961,166.0

Source: Bureau of Treasury

PARENT

Customer Count: 9M 2019

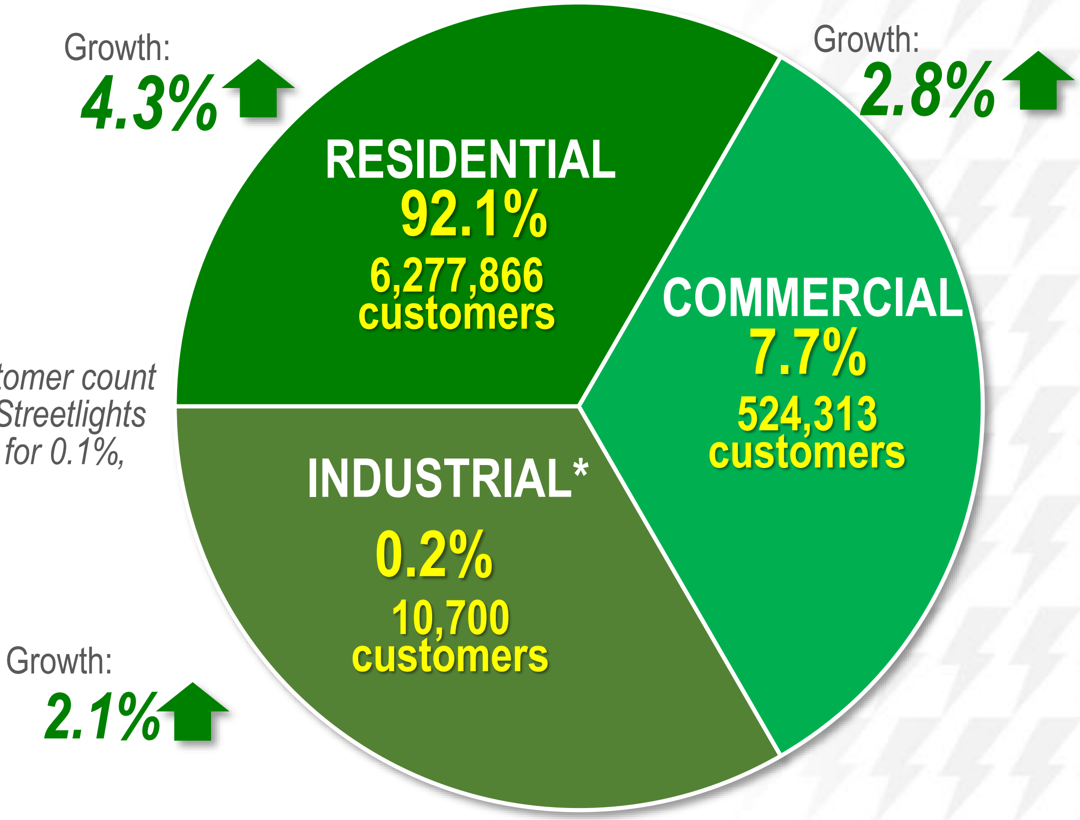
➢ *Up 4.2% vs. 2018 (+275,268 customers)*



Details (2019):

Parent: 99.9% (6,815,270 Cust.); CEDC 0.1% (2,450 Cust.)

Share / Δ for 9M 2019:

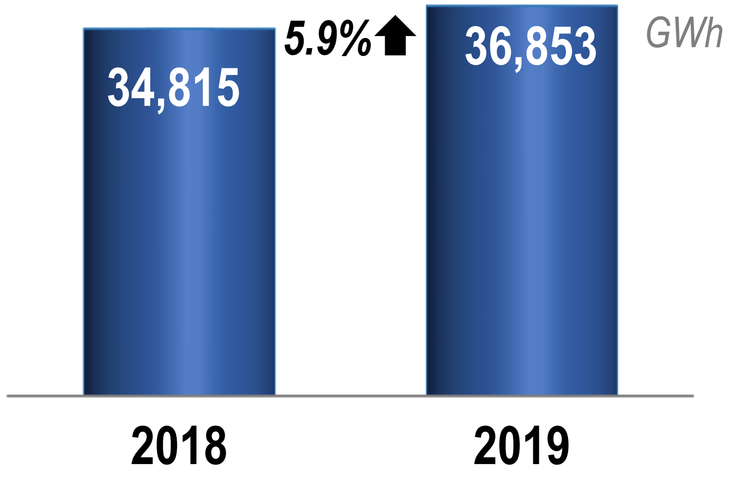


Total customer count for Flat Streetlights account for 0.1%, 4,841

**incl. Generator Wheeling*

NSI*: 9M 2019

- Up 5.9% (+2,038 GWh)



Details (2019):

Parent: 98.8% (34,407 GWh); CEDC 1.2% (447 GWh)

Net System Input (NSI) includes:

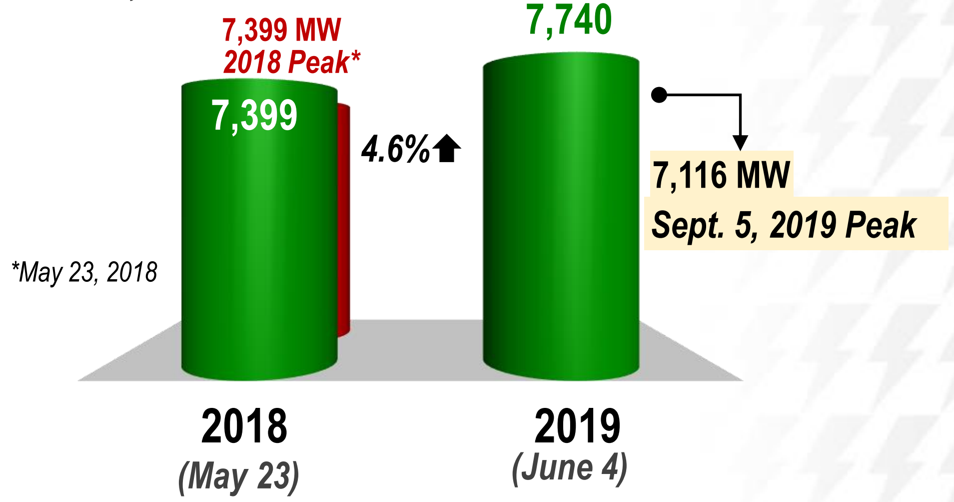
- Power purchases of D.U. (for Captive Customers), its Local RES (for Contestable Customers)
- Other RESs (for Contestable Customers
- Volumes for CEZ, Sunpower, Cocochem Agro-Industrial Park (CAIP)
- Export Energy from Net Metering customers

CONSOLIDATED

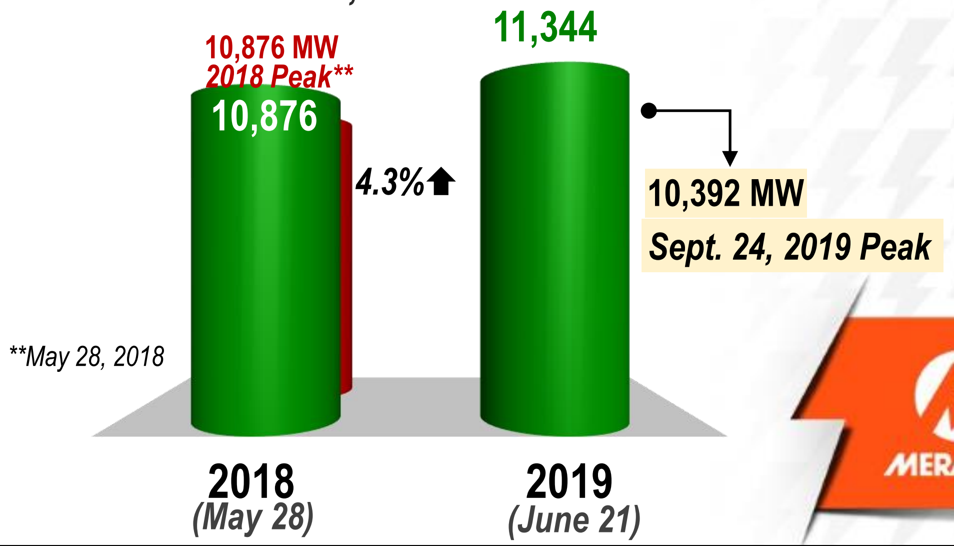
Peak Demand: 9M 2019

- Meralco Peak Demand remained at 7,740 MW, recorded on June 4, 2019, while Luzon remained at 11,344 MW

Meralco, MW:



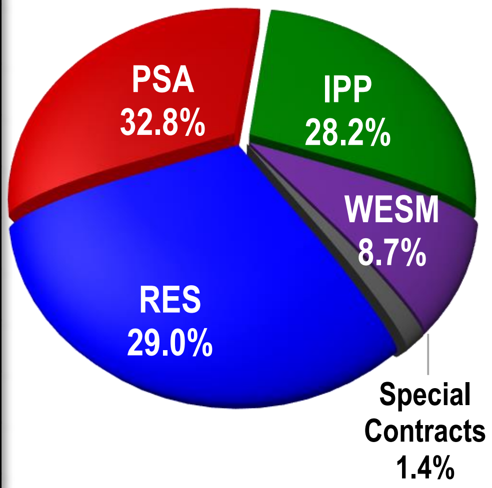
Luzon Peak Demand, MW:



MERALCO

Energy Sources: 9M 2019

SOURCE	9M 2019 GWh	9M 2019 Share
PSAs-Total	12,079.0	32.8%
MPPC-Masinloc	1,310.0	3.6%
TLI-Pagbilao	1,094.6	3.0%
SMEC-Sual + CEDC	2,003.8	5.4%
SPPC-Ilijan	4,373.1	11.9%
Panay Energy	265.6	0.7%
San Gabriel	2,082.1	5.7%
San Buenaventura	814.2	2.2%
*Others**	135.6	0.4%
IPPs-Total	10,403.6	28.2%
QPPL-Mauban	2,098.6	5.7%
Sta. Rita	5,418.7	14.7%
San Lorenzo	2,886.3	7.8%
WESM	3,193.0	8.7%
Special Contracts**	500.0	1.4%
RESs***	10,677.8	29.0
TOTAL SOURCE (NSI Equivalent)	36,853.5	100%



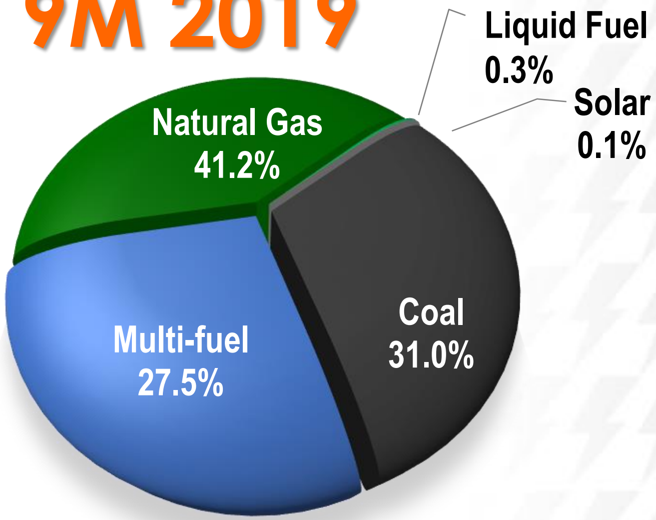
*Include volumes from SBPL, Millennium Energy, Therma Mobile & Renewables

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

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

CONSOLIDATED

Fuel Mix: 9M 2019



TYPE OF FUEL	9M 2019 GWh	9M 2019 Share
Natural Gas	15,166.5	41.2%
Liquid Fuel*	94.9	0.3%
Solar	20.5	0.1%
Coal	11,429.4	31.0%
Multi-fuel**	10,142.2	27.5%
TOTAL FUEL MIX (NSI Equivalent)	36,853.5	100.0%

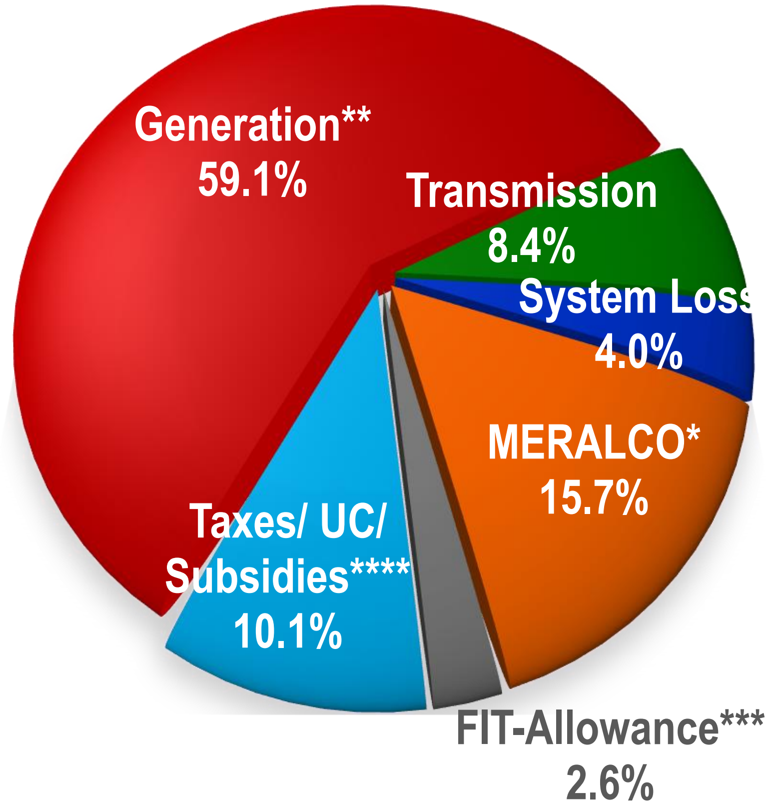
*As replacement due to SPEX gas restriction of Sta. Rita & San Lorenzo plants (Apr. 13-18, 21-27, May 4-8, Jun.7-8 and 19-24); testing activities (Aug. 16-18, 21, 25, Sept. 21-22)

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

Average Retail Rates: 9M 2019

(Reflects Generator Wheeling adjustments)

➢ ***0.9% higher than 2018 average rates (+8¢/kWh); mainly due to Generation and FIT-Allowance charges***
- Lower Transmission and Taxes/ UC/ Subsidies Charges mitigated impact;
- Generation Charge is largest component in customer's bill at 59.1%; Meralco 15.7%; NGCP 8.4%



BILL COMPONENT	9M 2018 Overall Ave, P/kWh	9M 2019 Overall Ave, P/kWh	Δ P/kWh
Generation Charge*	5.06	5.32	0.26
Distribution Charge** (MERALCO)	1.41	1.41	0.00
Transmission Charge** (NGCP)	0.79	0.76	-0.04
System Loss Charge**	0.36	0.36	0.00
Taxes, Universal Charge**	1.08	0.91	-0.16
FIT-All***	0.22	0.23	0.02
TOTAL *(includes generator wheeling customers who are only charged Distribution, Supply, and Metering charges)*	8.92	9.00	0.08 *(0.9%↑)*

**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*

Per Customer Segment

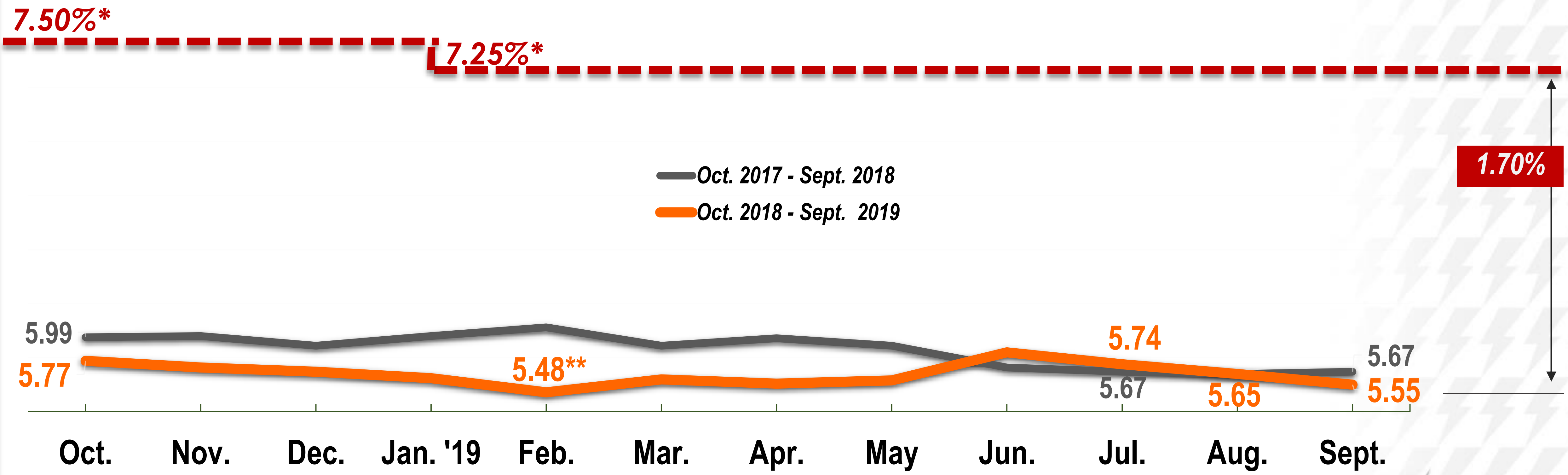
Period	Residential	Commercial	Industrial	Streetlights	Gen Wheel****	Overall
9M 2019	10.40	8.84	7.67	10.85	0.40	9.00

*****Generator Wheeling customers include those who are only charged Distribution, Supply and Metering*

PARENT

System Loss Performance: Sept. 2019, 12-MMA

- *12-MMA ending Sept. 2019 at 5.55% , still within Rewards level*
  - *Improved by 2.1% vs. Sept. 2018's 5.67%*
  - *Lower by 1.70% pts. vs. newly-set SL cap of 7.25% (start Jan. 1, 2019)*



**Total Allowable System Loss Cap: 7.50%, Jun. – Dec. 31, 2018; 7.25%, Jan. 1 – Dec. 31, 2019; includes 1% assumed typical Subtransmission + Substation technical losses*

* **All-time low in 115 years*

PARENT

S-Factor & GSL Performance: 9M 2019 & RY2020 (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)
9M 2019 ACTUAL	1.450		

Ave. Time to Process App. (Days)

TARGET LEVEL	REWARDS (<7.91)	DEADBAND (7.91 – 12.28)	PENALTY (>12.28)
9M 2019 ACTUAL	2.850		

SAIDI, Pre-arranged (Minutes)

TARGET LEVEL	REWARDS (<126.57)	DEADBAND (126.57 – 198.40)	PENALTY (>198.40)
9M 2019 ACTUAL	49.871		

Ave. Time to Connect (Days)

TARGET LEVEL	REWARDS (<3.56)	DEADBAND (3.56 – 5.77)	PENALTY (>5.77)
9M 2019 ACTUAL	1.710		

CAIDI, Forced and PAI (Minutes)

TARGET LEVEL	REWARDS (<144.40)	DEADBAND (144.40 – 168.72)	PENALTY (>168.72)
9M 2019 ACTUAL	108.307		

Call Center performance (Secs.)

TARGET LEVEL	REWARDS (<13.56)	DEADBAND (13.56 – 21.03)	PENALTY (>21.03)
9M 2019 ACTUAL	5.010		

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

TARGET LEVEL	REWARDS (<0.86)	DEADBAND (0.86 – 1.44)	PENALTY (>1.44)
9M 2019 ACTUAL	0.050		

System Loss (%) -12MMA

TARGET LEVEL	REWARDS (≤ 7.50)	DEADBAND (>7.50)
9M 2019 ACTUAL	5.550	

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

RY2019 NO. OF INCIDENCES ALLOWED	(CEILING) 373,658 Customers
RY2020 ACTUAL***	7

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

RY2019 NO. OF INCIDENCES ALLOWED	(CEILING) 18,989 Customers
RY2020 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 INCIDENCES ALLOWED	(CEILING) 234,439 Incidents
RY2020 ACTUAL***	9

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

RY2019 NO. OF INCIDENCES ALLOWED	(CEILING) 163,995 Days Delay
RY2020 ACTUAL***	25,012

Note: All actual performances are indicative
**Based on 3RP Targets (4RP standards not yet available).*
***With exclusions*
**** July 1, 2019 – September 30, 2019*

PARENT

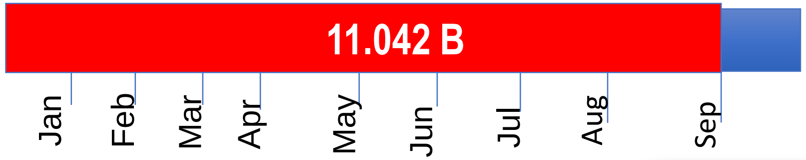
Business Updates & Other Events of Interest

9M 2019

MERALCO

Business Updates: Strengthening the Core Business

❑ CY2019 UPDATES ON NETWORKS CAPEX

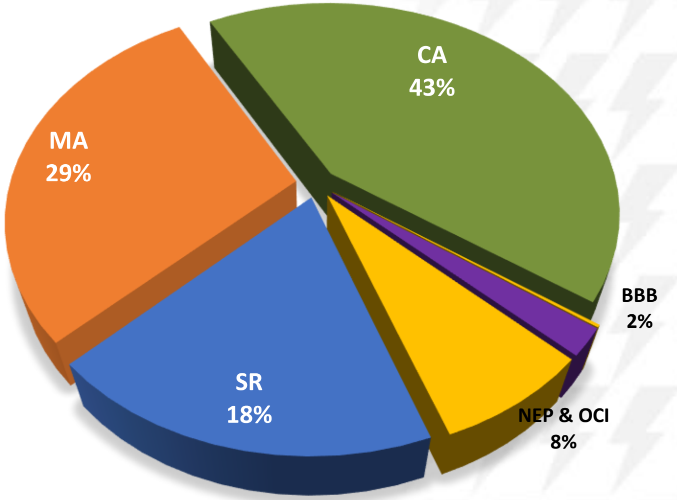


NETWORKS 2019 CAPEX

PhP 12.026 B

Utilization as of September 2019

PhP 11.042 B *(92%)*



P 5.14B

New Customer Connections / CA

- *Installed meters* ***241,982***
- *CA projects energized* ***4,811***
- *Replaced overloaded DT* ***1,353***

P 3.51B

Asset Renewals / MA

- *Replaced poles* ***6,177***
- *Shielded conductors* ***45,001***
- *Replaced meters* ***162,484***
- *Replaced substation equipment* ***316***
- *Poles relocated (DPWH-related)* ***719***

P 2.22B

Addressing Load Growth / SR

- *TMC s/s* ***93%***
  (switchyard and feeder)
- *Eton-Centris s/s* ***89%***
  (switchyard and 115kV line)
- *Makati s/s* ***72%***
  (switchyard and 115kV line)

P 250M

Build Build Build / PPP

- *MRT-7* ***16 poles***
- *SKYWAY* ***7 poles***
- *PNR North 1* ***19 poles***
- *LRT 1 Cavite Extn* ***16 poles***
- *C6 SEMME* ***20 poles***

P 858M

Movable Non-Network Assets

- *Information Technology & Software* ***144M***
- *Tools & work equipment* ***77 M***
- *Testing Equipment* ***99M***

P 48M

Immovable Non-Network Assets

- *Construction of Meter Warehouse* ***(ongoing design)***
- *Construction of roof deck at Valenzuela Sector*

Business Updates: Construction of New Clark City (NCC) Interim Electrical Distribution Facilities

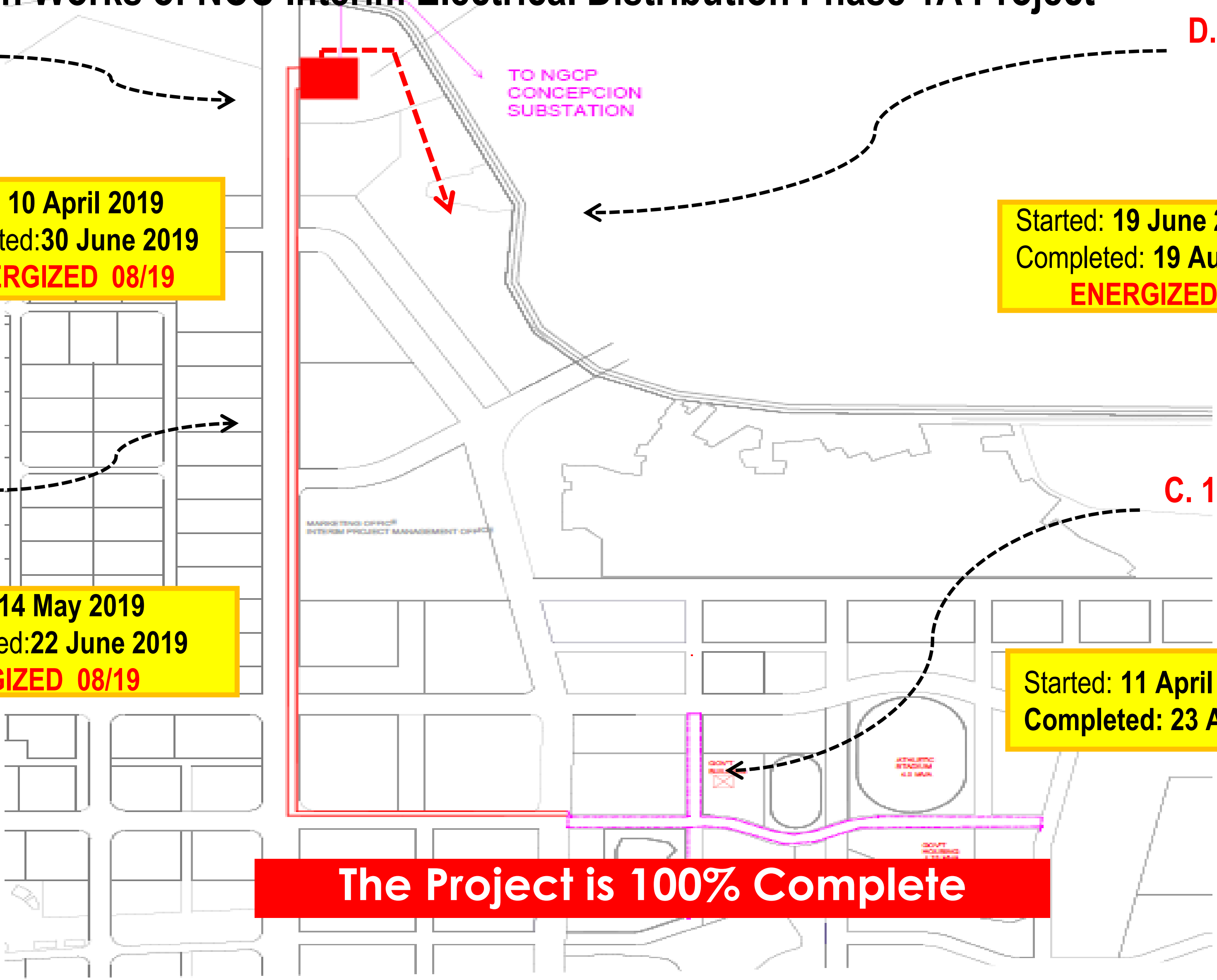
- 4 Major Construction Works of NCC Interim Electrical Distribution Phase 1A Project

A. 33MVA, 69kV-13.8kV NCC Interim substation

Started: **10 April 2019**
Completed:**30 June 2019**
ENERGIZED 08/19

B. 13.8kV overhead lines

Started: **14 May 2019**
Completed:**22 June 2019**
ENERGIZED 08/19



D. 69kV sub-transmission line (c/o BCDA)

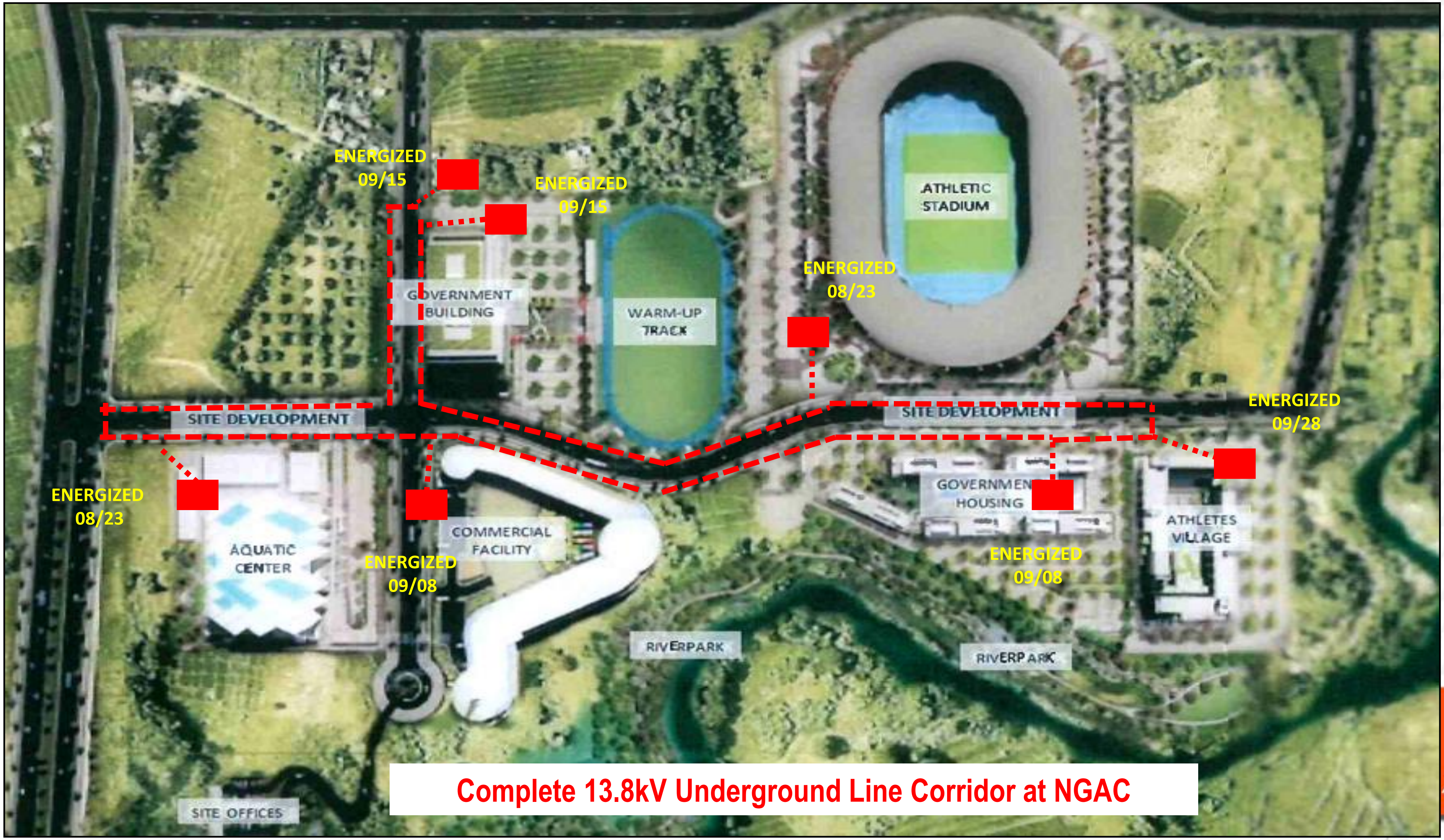
Started: **19 June 2019**
Completed: **19 August 2019**
ENERGIZED 08/19

C. 13.8kV underground line (NGAC)

Started: **11 April 2019**
Completed: 23 August 2019

The Project is 100% Complete

Business Updates: Construction of New Clark City (NCC)
Interim Electrical Distribution Facilities



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Business Updates: Construction of New Clark City (NCC) Interim Electrical Distribution Facilities

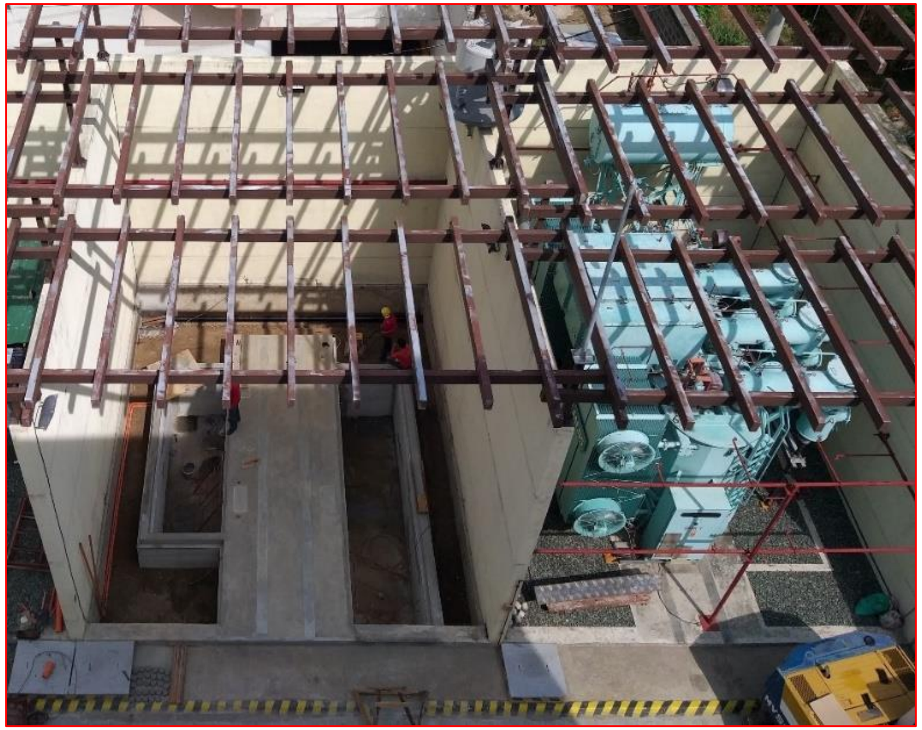
Project Milestones:

- **23 August 2019** – the NCC interim electrical distribution system was fully operational.
- **As of 13 October 2019** – the Stadium , Aquatic Center and Govt. Building electrical facilities were connected to NCC distribution system.
  - The remaining facilities at NGAC(Govt. Residences, Athletes Village, Commercial, and Hospital) will be connected to NCC distribution system upon completion of building electrical rooms and submission of requirements – c/o BCDA
- **30 October 2019** – all facilities at NGAC will be connected to the NCC distribution system as per BCDA timeline.
- **Effective 30 October 2019** – Finalized the scheme in close coordination with PHISCOG, TARELCO II, NGCP, BCDA, and Locators to ensure reliable and quality power at all times – during practice games and on Nov. 30-Dec. 11 games proper; and to provide fast power restoration in case of abnormal conditions. The NCC SEAG Power Contingency Task Force started developing the scheme last 30 Sept. 2019

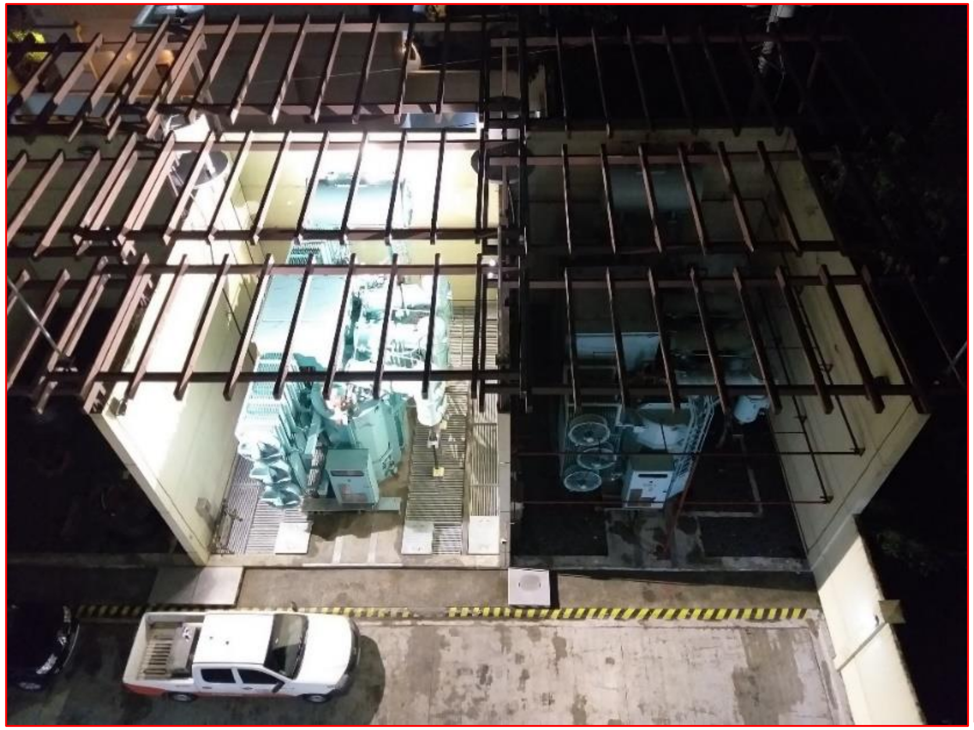
Business Updates:

❑ Expansion of Filinvest 115 kV - 34.5 kV GIS Substation (2nd Bank)

Date: **July 30, 2019**



Before



After

Splicing of underground cables

- The commissioning of this RP4 project will address the expected critical loading of Filinvest Transformer Bank 1 and Ayala Alabang Transformer Bank 1
- The new 83 MVA Transformer Bank 2 will provide the needed capacity to accommodate the increasing power requirement in Filinvest City, the rest of Muntinlupa City, and Las Piñas City

Business Updates:

❑ Development of Bridgetowne 115 kV-34.5 kV GIS Substation

- Energized on September 30, 2019

- *A Smart GIS Substation constructed using the IEC 61850 communication protocol*
- *Will relieve the expected critical loading of the nearby Hillcrest, Cainta, and SM-Shangrila substations*
- *Will directly benefit customers in Pasig City and QC, such as Bridgetowne BPO Towers, Tiendesitas Complex, Alaskaland, Ayala 30th Mall, Green Meadows and Corinthian, as well as the ongoing township projects along C5 Road*

Business Updates:

❑ Meralco Electrification Program Projects (Priority 1)

- **As of October 4, 2019**

Area	Number of Sites	Estimated Number of Households	Estimated Project Cost	Status Update
Metro Manila	**81**	**12,839**	**81,528,931**	
North	41	3,975	32,914,243	13 energized; 14 ongoing construction; 14 ongoing PROW acquisition with design completed
Central	5	2,060	7,719,603	1 energized; 2 ongoing construction; 2 ongoing PROW acquisition with design completed;
South	35	6,804	40,894,545	4 energized; 6 ongoing construction; 25 ongoing PROW acquisition with design completed;
Batangas				
Batangas City/ San Pascual	37	3,130	185,657,737	1 energized; 5 ongoing construction; 30 ongoing PROW acquisition; 1 for evaluation of segment
Total	**118**	**15,969**	**267,186,128**	**19 Energized; 28 on-going construction; 70 PROW being resolved; 1 for evaluation of segment**

Original number is 130 sites wherein 12 sites were excluded due to non-existence of residences (demolished), ongoing land dispute, banned by LGU, refusal of Meralco facilities by private property owners and with Legal issues

Villa Theresa, Chesa St., Golden Acres, Talon V, Las Piñas City

Crystal HOA, Camarin, Caloocan City

Ilihan Kabilang Ilog Hulong Bayanan, Batangas City

Talahib Pandayan Sitio Binulihan, Batangas City

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Business Updates: Customer Engagements, Products & Services and Initiatives

FOR OUR CBG CUSTOMERS

POWER IDEAS

CUSTOMER ENGAGEMENTS

Businesses, LGUs urged to adapt sustainability for business longevity

Meralco SVP and Head, Networks, RoLA; Head of TV5 News and Information, Luchi Cruz-Valdes, Meralco FVP and Head, CRS-CC, VSG, former Finance Secretary and Global Reporting Initiative (GRI) Board Member Bobby de Ocampo, DOE Senior Usec. Jesus Posadas, GRI Chairman Eric Hespenheide, Senator Sherwin Gatchalian and AESIEAP Sec-gen and MGEN President and CEO, RLS

When: September 20
Where: Makati Shangri-La

In an effort to educate and inform customers on **sustainability reporting**, Meralco invited resource speakers **from Global Reporting Initiative (GRI) Chairman Eric Hespenheide** and **Board Member Bobby de Ocampo**. Meralco also took the opportunity to communicate the country's, as well as Meralco's initiatives in terms of energy sustainability (balance of clean energy and RE).

Business Updates: Customer Engagements, Products & Services and Initiatives

Meralco Chairman MVP, giving the welcome remarks

Eric H., JG Summit President Lance Gokongwei, and Meralco President and CEO, RCE

The Panel discussion moderated by Luchi Cruz-Valdes

VSG with The Net Group President Raymond Rufino

Federation of the Phil. Industries President, Jesus Arranza, DILG Usec. Martin Dino and Sen. Gatchalian

MVP, VSG with Oriental Group GM, Kevin Wong

Business Updates: Customer Engagements, Products & Services and Initiatives

FOR OUR CBG CUSTOMERS

CUSTOMER ENGAGEMENTS

POWER IDEAS

Gearing-Up for RA 11285 Energy Efficiency and Conservation (EE&C) Law

DOE's Art Habitan giving the keynote presentation on the EE&C Law

DOE's Art Habitan in discussions with CBG's Cecille Domingo and MCSPM's Tony Valdez

Spectrum COO Vicoy Risma talks about how RE solutions contributed to energy savings for IRRI (International Rice Research Institute)

When and Where: Aug. 7 (Solaire) and 15 (Novotel)

In an effort to educate and inform customers of the recently passed Energy Efficiency & Conservation Law (RA 11285) and its impact to their businesses, Meralco Corporate Partners invited **DOE's Asec. Roberto Uy**, and **Chief of the Energy Efficiency and Conservation Division, Art Habitan**, to explain the salient points of the law. Meralco also took the opportunity to let customers understand why they are supporting this law, and how they can partner with Meralco and its subsidiaries (MSERV, Spectrum) to comply with the law.

Business Updates: Customer Engagements, Products & Services and Initiatives

FOR OUR CBG CUSTOMERS

CUSTOMER ENGAGEMENTS

Lighting Up Communities for Progress: ER 1-94 Power Up Forum (Genco Forum)

DOE Director Mario Marasigan discussing the revised ER 1-94 process to representatives from 16 gencos

Host Chito Zagala with panelists UED Head Lawrence Fernandez, DOE Director Mario Marasigan, DOE REAMD Division Chief OIC Mark Olap, and Meralco Tax Realty and Contract Management Head Gerardo Espiridion

When: September 27
Where: Meralco MPH

Under the old Energy Regulation 1-94 (ER 1-94) process, host communities would get a share of one centavo for every kWh produced by power generation plants. This fund, through the management of the DOE, would then be used by the communities to fund programs such as electrification of communities that have no access to electricity.

Under the revised ER 1-94 process, the fund will go directly from power generation plants to distribution utilities like Meralco to expedite the rural electrification process.

Business Updates: Customer Engagements, Products & Services and Initiatives

FOR OUR BIZ CUSTOMERS

POWER UP
FORUM SERIES

Group and Meralco subsidiaries

PUF No. 8
When: Sept. 11
Where: Seda Vertis North

Speakers:

- Jolliant RNN Corporation Owner Noemi Dominguez
- Kalinisan Steam Laundry COO Luis Cruz, Jr.

Customer satisfaction rating is at 100%.

From L-R: *Meralco Biz Group Head Joy Mendoza, Jolliant RNN Corp. owner Noemi Dominguez, Kalinisan Steam Laundry COO Luis Cruz Jr. and Biz North Area Head Enan Santiago*

Biz Partner Manager Owen Pineda (in coat) attending to inquiries of Dynaplas Inc. general manager Kristine Yao, right most, Dynaplas Inc. sales & marketing manager Kevin Yao, 2nd from right and Robton Industries production engineer Virgilio Santos

51 ATTENDEES

38 COMPANIES

76 Leads generated:

- **5 Service Application**
- **20 Peak/Off-Peak**
- **7 Site Assessment**
- **7 Contract Right-Sizing**
- **10 NM Application**
- **5 APA**
- **12 PF Correction**
- **9 Energy Consultation**

MERALCO

Business Updates: Customer Engagements, Products & Services and Initiatives

FOR OUR BIZ CUSTOMERS

POWER UP
FORUM SERIES

PUF No. 9
When: Sept. 27
Where: Hotel Marciano

Speakers:
- ChocoVron Global Corp. Owner Joel Yala
- Betafoam Corp. President Greg Ma

Customer satisfaction rating is at 100%.

Group and Meralco subsidiaries

From L-R: Meralco Biz South Area Head Obet Nery, Betafoam president Gregory Marañon, ChocoVron Global Corp. owner Joel Yala and Biz Partner Manager Anne Balagtas

Biz Partner Zone Head for Laguna, Batangas & Quezon Joseph Casanova (in coat), attending to the inquiry of Sacred Heart College's Arlene Puno

37 ATTENDEES
25 COMPANIES

72 Leads generated:
- 3 Service Application
- 10 Peak/Off-Peak
- 4 Site Assessment
- 4 Contract Right-Sizing
- 7 NM Application
- 5 APA
- 9 PF Correction
- 7 Energy Consultation
- 2 Electric Vehicles
- 1 Data Connectivity

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Business Updates: Customer Engagements, Products & Services and Initiatives

FOR OUR LGU CUSTOMERS

Power Up Forum: with Quezon City Barangay Captains from Districts 2, 6 and 8
When and Where: September 18 in Q.C.
- ✓ Discussed: Meralco Online, Energy Efficiency and Beyond-The-Meter Services
- ✓ 61 leads generated on NM, EVs, Meralco Online, Streetlights concerns, Poles concerns and Tree Pruning

Barangay Captains from Districts 2,5 & 6 and Meralco Officers

Information Campaign: DepEd National Teachers' Month Kickoff
When and Where: September 5 in San Pablo, Laguna
- ✓ Discussed: Meralco Online and Automatic Payment Arrangement
- ✓ Generated 100 leads for programs and services

Information Campaign: Banamos Festival
When and Where: September 16-22 in Los Banos Laguna
- ✓ Gathered 200 MO Leads and 115 MO registrations
- ✓ Attended to 23 customer queries and concerns
- ✓ Confirmed payment for eSakay charging pods (PhP320K)
- ✓ Spectrum to be included in the bidding for solar projects (evacuation center building, municipal hall, rural health unit and public market

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Business Updates: Customer Engagements, Products & Services and Initiatives

BATTERY ENERGY STORAGE SYSTEM (BESS) EVENT

Date: September 06, 2019
Locations: BESS Site in San Rafael Bulacan & Meralco Lopez Building Lobby

Meralco Lopez Lobby:

- Attended by top executives and employees from Meralco and Hitachi
- OneNews covered the event

Business Updates: Customer Engagements, Products & Services and Initiatives

FOR OUR RESIDENTIAL CUSTOMERS

**residential customer consuming 200kWh / mo*

RATES INFO CAMPAIGN

Sep 12-13

Sep 13

Sep 12

440,480 Views
Average Watch Time: **54secs**

24,753 Reached
ER: **1.07%** VIEWS: **3,743**

MERALCO ADVISORY

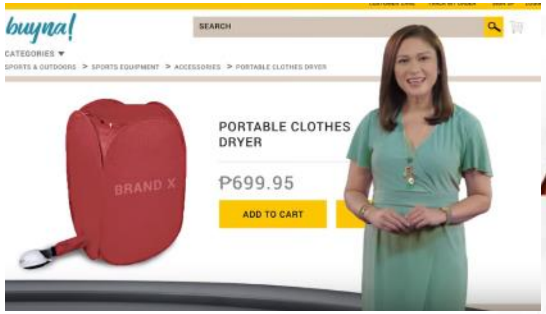
Tip of the Month (portable clothes dryer):

Ngayon naman, may Bright Idea tayo para sa tag-ulan.
'Di ba ang hirap magpatuyo ng labada 'pag walang dryer?

Buti, meron nang nabibiling portable clothes dryer online.
Ayon sa Meralco Power Lab tests, totoong nakakatuyo 'to ng damit!

Sa 8 pesos per hour, okay nang pang-back up 'to sa regular dryer.
1 to 3 hours lang ang drying time, depende sa tela.

Tulad ng hair dryer, bumubuga 'to ng mainit na hangin para makatuyo,
Paalala lang: para safe, 'wag to i-overuse o iwang **unattended.**



MERALCO

Meralco PowerGen Corporation
Overview of Operations

28 October 2019

Meralco PowerGen Corporation
Updates on Growth and Expansion

San Buenaventura Power Limited Co. (SBPL)

500MW (gross) Supercritical Coal-Fired Power Plant in Mauban, Quezon

Total Project Cost: PhP 56.2 Billion

- First operational supercritical coal power plant in the Philippines
- Started commercial operations on **September 26**; Switch-on ceremonies held on October 15 and 16.
- 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

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** secure; **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)
- A **regulatory-approved Power Supply Agreement (PSA)** is required prior to construction
- Will participate in Meralco's **Competitive Selection Process**

Meralco PowerGen Corporation Updates on Growth and Expansion

MGEN Renewable Energy, Inc. (MGreen) targets around **1,000 MW of renewable energy projects** over the next 5-7 years.

- On September 30, the company secured equity funding amounting to **PhP424 Million** for various solar projects under development
    - These projects – to be undertaken with partners -- have **combined capacity of 210MW** and **total combined project cost of PhP10 Billion.**
- The focus is on the development of a portfolio of **utility scale solar, wind and hydro power projects** to supply Luzon grid and electricity consumers with competitive tariff.

Meralco PowerGen Corporation
Updates on Growth and Expansion

PowerSource First Bulacan Solar, Inc.

50MWac Solar Power Plant in San Miguel, Bulacan

Total Project Cost: PhP4.25 Billion

- 40%-owned by MGEN Renewable Energy, Inc. (MGreen)
- MGreen's **first solar investment**
- Signed an **engineering, procurement and construction contract** with SUMEC Complete Equipment & Engineering Co. Ltd. on October 18.
- Construction targeted to start in 2019 and will take about one year.

Meralco PowerGen Corporation
Other Investments

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 completed commissioning and started commercial operations in September 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

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