

POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION
STATEMENT OF CASH FLOWS

For the year ended 31 December 2013

(With comparative figures for the year ended 31 December 2012)

(In Philippine Peso)

| | 2013 | 2012 |
|--|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Proceeds from privatization activities | | |
| Collection of IPPA generation payments | 34,778,594,302 | 37,008,598,516 |
| Collection of IPPA monthly payments | 24,577,377,555 | 19,737,279,988 |
| Collection of concession for transmission assets | 67,996,801,201 | 13,173,166,344 |
| Proceeds from sale of generation assets | 109,326,490 | 169,216,864 |
| Collection of power receivables | 52,838,014,184 | 53,877,399,653 |
| Subsidy from NG - VAT deficiency | 8,134,690,381 | 16,545,140,487 |
| Universal charge for stranded contract cost | 7,743,886,000 | 0 |
| Receipt of interest income from placements/deposits | 543,015,811 | 378,121,647 |
| Receipt of performance bonds/bid security | 123,099,835 | 12,583,684 |
| Other receipts & income | 474,826,178 | 5,904,470 |
| Receipt of TransCo remittance for ROW | 513,698,781 | 0 |
| Payment of operating expenses | | |
| Fuel | (39,162,733,992) | (38,892,793,494) |
| Purchased power | (33,215,894,742) | (21,763,788,746) |
| Other operating expenses | (2,047,223,621) | (15,589,972,405) |
| Remittance to BIR - withholding taxes | (3,733,608,860) | (3,572,592,718) |
| Transfer of fund to NPC for OMA working fund | (2,168,861,510) | (1,971,841,281) |
| Payment of real property tax, transfer tax, documentary stamps | (1,184,274,300) | (188,627,171) |
| Remittance of statutory deductions (personnel related) | (49,905,938) | (46,878,924) |
| Utilization of subsidy for VAT deficiency | (8,134,690,381) | (16,545,140,487) |
| Refund to NPC of VAT payments for sold plants | 0 | (3,813,000,000) |
| Transfer of fund to TransCo for ROW | (127,299,426) | (386,399,355) |
| Refund of performance bonds/contract retention | (35,699,771) | (23,628,786) |
| Net cash provided by operating activities | 107,973,138,177 | 38,112,748,286 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Restricted Fund with the Bureau of Treasury | (7,101,943,376) | 0 |
| Capital expenditures | (18,457,390) | (234,385,819) |
| Net cash used by investing activities | (7,120,400,766) | (234,385,819) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from the availed NG relending facility | 0 | 35,000,000,000 |
| Proceeds from the availed onshore dollar bond | 0 | 20,578,000,000 |
| NG advances for Casecan HEP and debt service, net | 2,828,613,893 | 598,309,053 |
| Remittance from DENR/NIA re Advances for SRMPP | 6,916,000,000 | 79,160,000 |
| Payment of lease obligation - BOT plants | (27,739,188,155) | (29,378,907,990) |
| Payment of principal debt | (16,642,993,296) | (22,235,233,957) |
| Payment of interest | | |
| To creditors | (22,077,550,716) | (19,155,109,025) |
| To BIR (GRT, EWT and Final withholding tax) | (2,634,936,662) | (1,081,294,269) |
| Bond swap premium - principal only swap | (352,974,069) | (348,940,413) |
| Payment of assumed REP loans from NEA | (705,879,861) | (2,005,592,811) |
| Payment to BTr | | |
| Dividends | (1,000,000,000) | 0 |
| Guaranty Fee | (1,000,000,000) | 0 |
| Payment of documentary stamps | 0 | (175,000,000) |
| Payment of guaranty fee - ADB | (92,948,405) | (104,595,456) |
| Other loan-related expenses | (43,548,402) | (145,029,465) |
| Net cash used by financing activities | (62,545,405,673) | (18,374,234,333) |
| EFFECT OF FOREIGN EXCHANGE CHANGES ON CASH AND CASH EQUIVALENTS | 115,782,123 | (35,821,713) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 38,423,113,861 | 19,468,306,421 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 45,719,409,338 | 26,251,102,917 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR | 84,142,523,199 | 45,719,409,338 |

See accompanying Notes to Financial Statements.