

1st HALF 2010 ANALYSTS' BRIEFING

August 4, 2010

**METRO
PACIFIC**
INVESTMENTS

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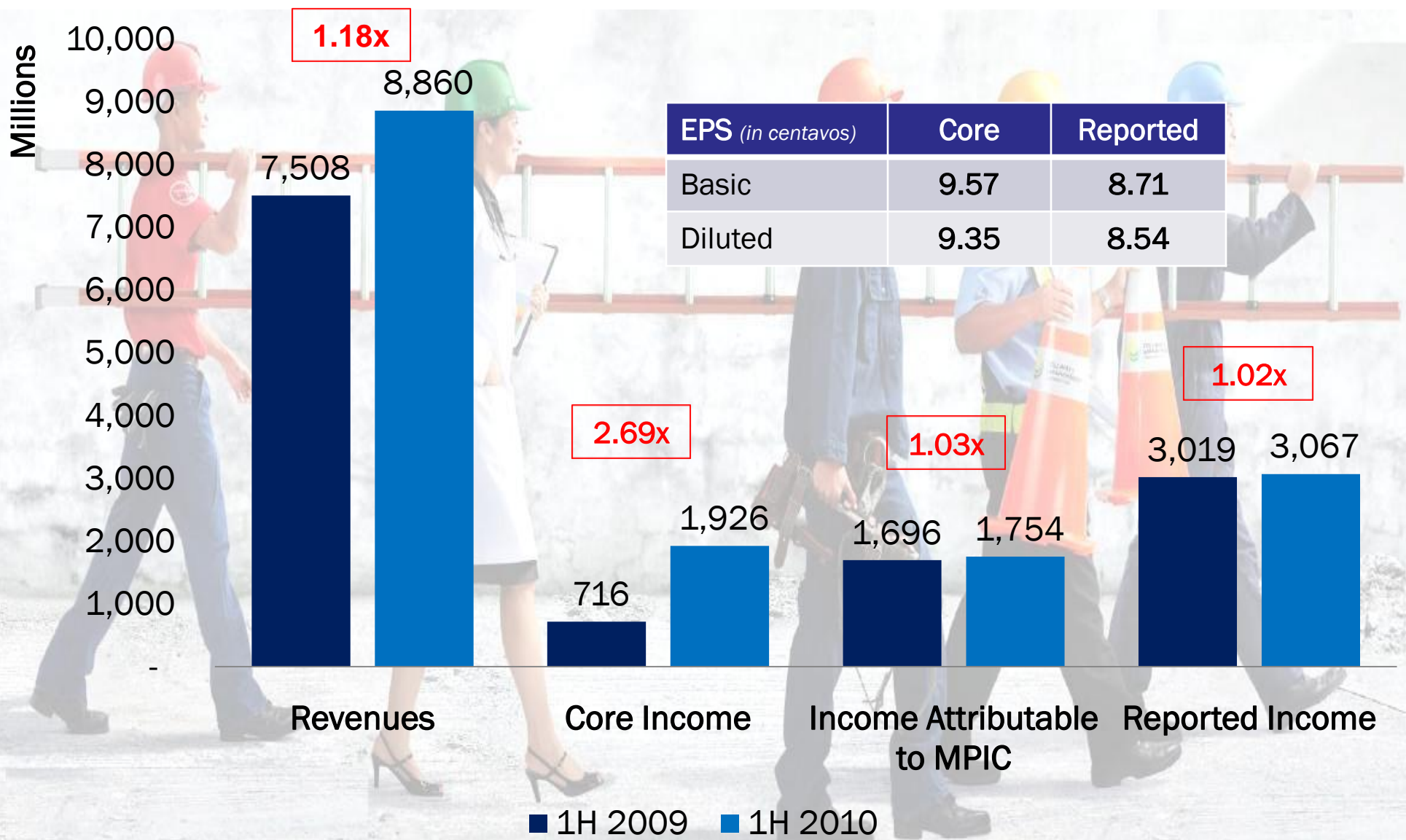
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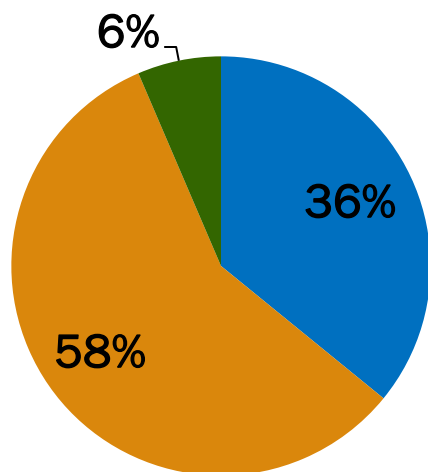
- 1H 2010 Consolidated Financial Highlights
- Significant Events to Date
- 1H 2010 Results for each Portfolio Company
 - Maynilad Water
 - Metro Pacific Tollways Corporation
 - Beacon Electric / Meralco
 - Healthcare Group
- Summary and Conclusion
- Financial Statements

1H 2010 CONSOLIDATED FINANCIAL HIGHLIGHTS

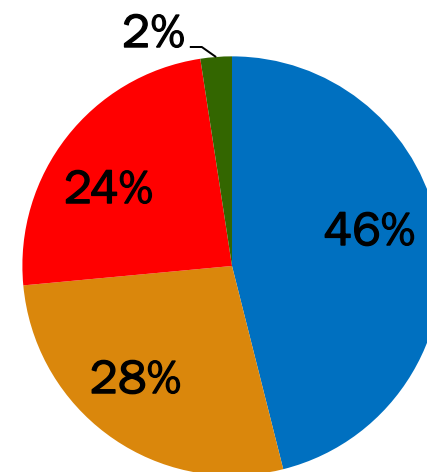


CONTRIBUTION TO MPIC CORE INCOME

Company	1H 2009			1H 2010		
	Share in Income	Fair Value Adjustments	Contribution to MPIC	Share in Income	Fair Value Adjustments	Contribution to MPIC
Maynilad Water	759	(336)	423	1,422	(145)	1,277
Metro Pacific Tollways	636	44	680	750	11	761
Meralco	-	-	-	953	(55)	898
Beacon Electric	-	-	-	(231)	-	(231)
Healthcare Group	75	1	76	64	3	67
	1,470	(291)	1,179	2,958	(186)	2,772

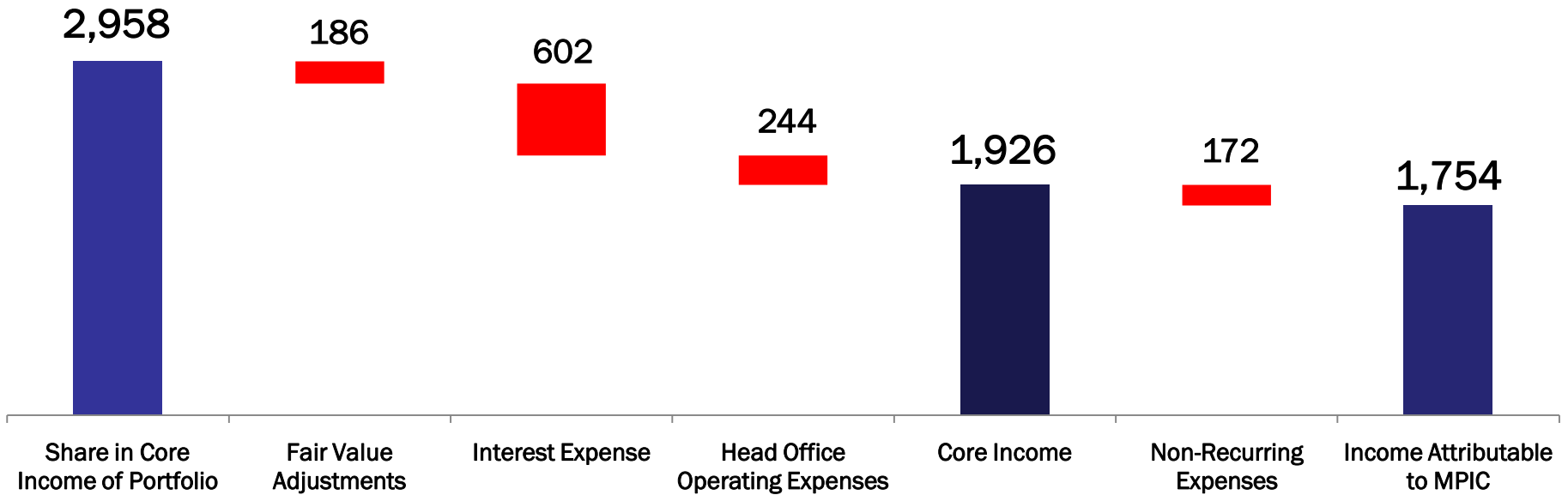


■ Maynilad ■ MPTC
 ■ Meralco/Beacon ■ Hospital Group



■ Maynilad ■ MPTC
 ■ Meralco/Beacon ■ Hospital Group

BREAK-DOWN OF 1ST HALF 2010 RESULTS



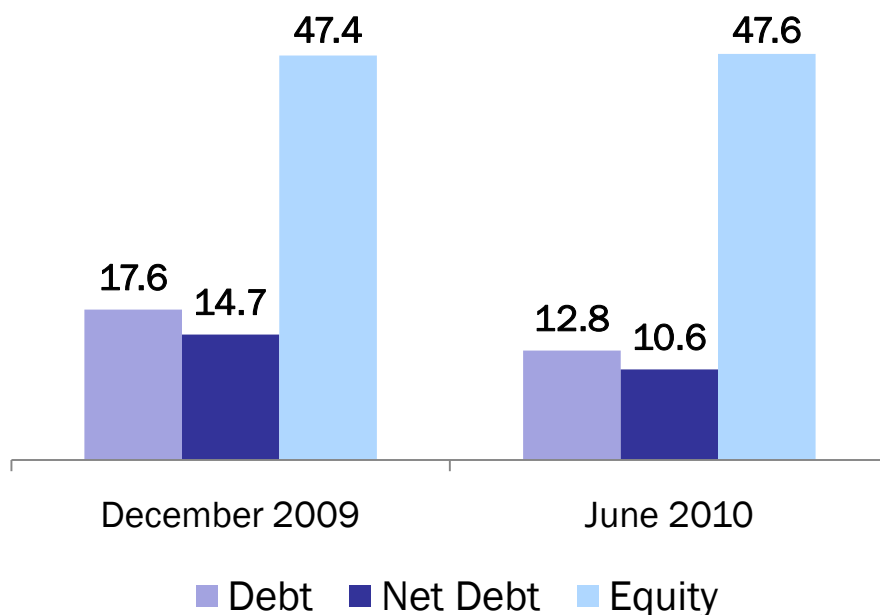
- Interest Expense arose from the PhP11.2bn loan for Meralco, re-paid at the end of the 1st quarter, the PhP6.6bn loan for MPTC and the PhP6.6bn convertible bond
- Head office operating expenses primarily due to personnel expenses and provisions for pensions and other costs
- Non-recurring expenses are primarily due to provisions in Meralco and provisions for input VAT at MPTC

1H 2010 BALANCE SHEET

The Beacon transaction has further strengthened the balance sheet through a reduction in debt of PhP4.4bn and lower interest costs going forward

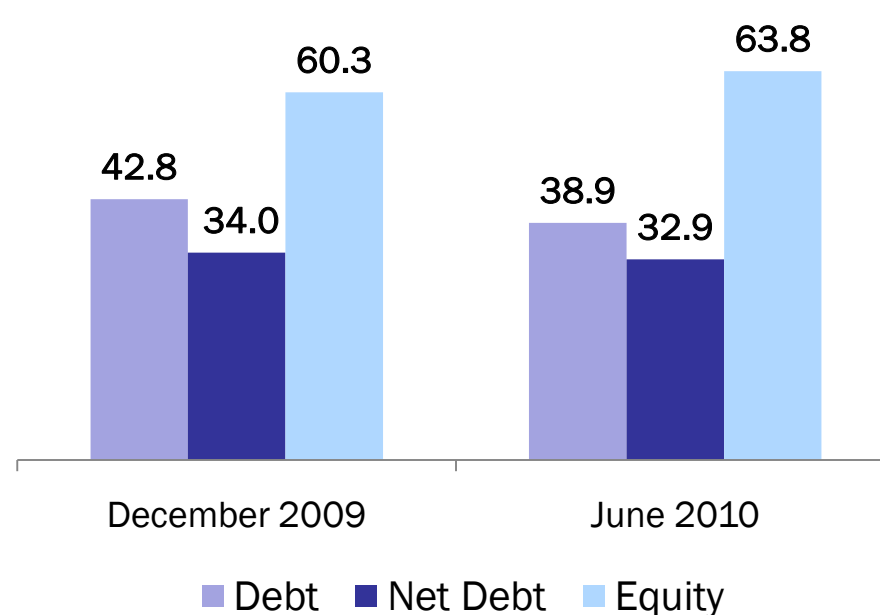
Parent Debt and Equity in Billions

- Gross D/E 0.37x in Dec '09 to 0.27x in Jun '10
- Net D/E 0.31x in Dec '09 to 0.22x in Jun '10



Consolidated Debt and Equity in Billions

- Gross D/E 0.71x in Dec '09 to 0.61x in Jun '10
- Net D/E 0.56x in Dec '09 to 0.52x in Jun '10



** June 2010 Debt includes PhP6.6bn convertible bond; post conversion, parent net gearing would be 0.08x

Net D/E at 0.22x at the Parent Level and 0.52x at the Consolidated Level

SIGNIFICANT EVENTS TO DATE IN Q2 2010

Events that impact the future of our business and portfolio companies

Maynilad – Putatan Water Treatment Plant

- Activated Putatan Water Treatment Plant – providing 100mld by September 2010

MPTC – SCTEX and Connector Road

- Expected contract signing by August 2010 and turn-over by September 2010
- DPWH has granted Connector Road

Meralco – Application for third PBR regime

- Submitted application for third Regulatory Period of Performance Based Regulation regime

Hospital Group – Acquisition of Riverside Medical Center

- Acquired 51% of the largest hospital in Bacolod, bringing bed capacity at the group level to 1,367 beds
- Represented in 3 major island groupings: Luzon – Makati Med and Cardinal Santos; Visayas – Riverside Medical Center; Mindanao – Davao Doctors Hospital

Manila North Harbour – Divestment

- Operations started only in April 12, 2010 and was subsequently divested on June 28, 2010

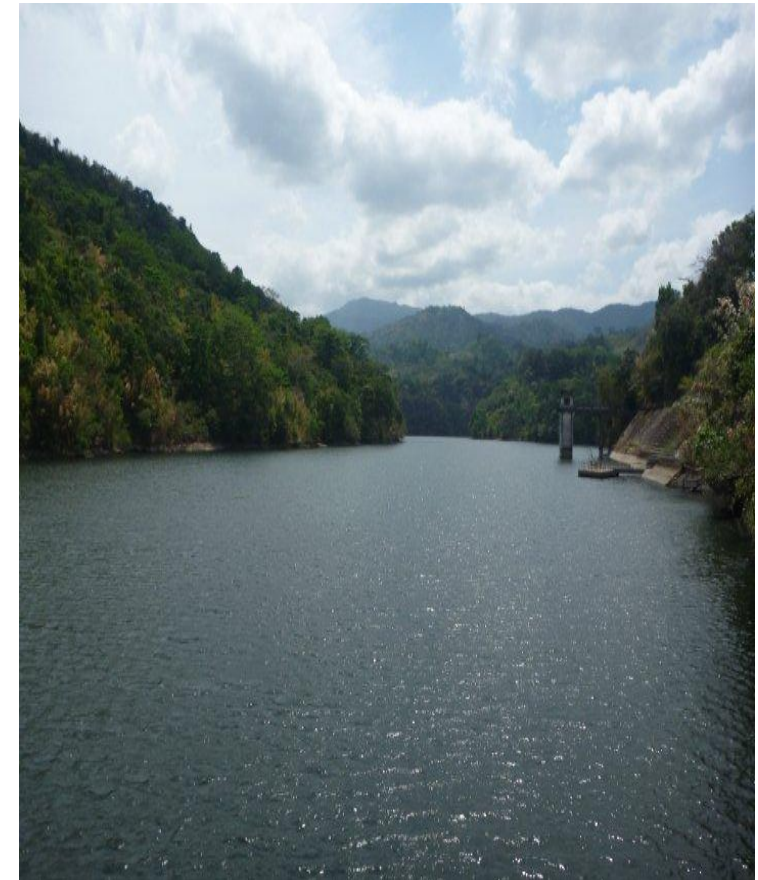
MAYNILAD 1H 2010 HIGHLIGHTS *(In Millions of Pesos)*



- Revenues up by 24% from PhP4,743 to PhP5,860
- Core EBITDA up 24% from PhP3,009 to PhP3,737
- Reported net income up by 5% from PhP2,316 to PhP2,428
- Core income up by 87% from PhP1,308 to PhP2,451

KEY DRIVERS OF PERFORMANCE

- 13% increase in average tariff rate from PhP27.34 to PhP30.93 per cubic meter
- 10% increase in billed volume from 167mcm to 183mcm
- 9% increase in water service connections from 777,160 to 846,682
- Non-revenue water
 - End of period - 52.78%
 - Average - 55.05%
- 80% increase in capex from PhP2.0B to PhP3.6B
- Customer mix
 - Residential & semi-business - 76.69%
 - Commercial & industrial - 23.31%



RECENT WATER SHORTAGE



Mitigated the effects of the release of water from Angat in last quarter of 2009 and El Nino this year through the following

- Activated the Putatan Water Treatment Plan – 100MLD capacity by September this year
- Fixed 34,390 leaks, compared to around 10,000 leaks during the same period last year, recovering over 113MLD of water
- Worked with Manila Water and MWSS to source water from the East Zone
- Installed 5 additional water tanks to help store water during non-peak periods
- Deployed 28 water tankers to deliver water to affected communities
- Going forward, we are focused on developing additional sources of raw water in order to avoid this condition from re-occurring:
 - Work on increasing supply of water from Putatan Water Treatment Plant to 300MLD in the short-term and determine feasibility of eventually sourcing 900MLD from Laguna Lake
 - Fast-track work on developing other sources of raw water such as Wawa, Pampanga Bulk and Sierra Madre

Maximize benefits of improving water supply for the remainder of the year, fast-track work on developing alternative sources of raw water and continue drive towards regulatory targets for 2012



Short-term:

- Ensure Putatan Water Treatment Plant hits its target of producing 100MLD by September
- Targets for 2010:
 - **NRW Average** – 51%
 - **Billed volume growth** – 8% to 10%
 - **Service Levels**
 - 7 psi – 84%
 - 24 hour coverage – 68%
 - **Population coverage** – 85%
- Finalize plans for developing alternative sources of water

Medium-Term:

- Meet regulatory targets for 2012 – NRW: 40%, Population coverage: 92%, Service Levels: 100%
- Develop alternative sources of raw water

MPTC 2009 HIGHLIGHTS *(In Millions of Pesos)*

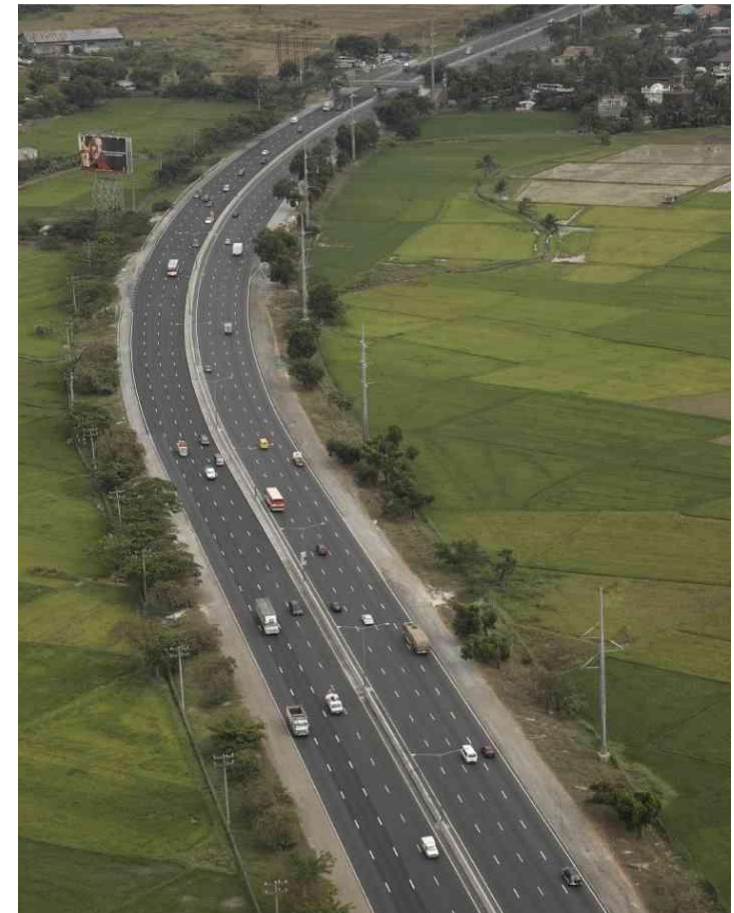


- Revenues up by 6% from PhP2,765 to PhP2,922
- Core EBITDA up by 6% from PhP1,718 to PhP1,827
- Reported net income down by 8% from PhP608 to PhP561
- Core income up by 18% from PhP636 to PhP753

KEY DRIVERS OF PERFORMANCE

- 5% growth in average daily traffic from 151,653 to 158,729
- 5% increase in average daily vehicle kilometers - closed system from 3,034,041 to 3,191,186
- 6% increase in average daily gross toll revenues from PhP15.4M to PhP16.3M

Class	Ave. Daily Traffic	Ave. Daily Vehicle kms - closed	Ave. Daily Gross Toll Revenues
Class 1	121,257	2,330,361	PhP8.4M
Class 2	25,686	542,616	PhP4.8M
Class 3	11,786	318,209	PhP3.1M
Total	158,729	3,191,186	PhP16.3M



Continue to drive towards the goal of delivering a seamless network of tolled roads North of, through and South of Metro Manila

North of Metro Manila

- SCTEX (94 kms) – signing of contract in August 2010 & turn-over in September 2010
- NLEX (84 kms) – increase traffic by 5% in 2010

Through Metro Manila

- Segment 8.1 (2.7 kms) – open June 2010
- Segment 9 (2.4 kms) – start construction by 4Q 2010 and complete by 4Q 2011
- Segment 10 (5.6 kms) - start construction by 4Q 2011 and complete by 2Q 2013
- NLEX/SLEX Connector Road (13.5 kms) – unsolicited proposal accepted by DPWH

South of Metro Manila

- Looking to increase 2.5% stake in Skyway and evaluating other roads in the south



MERALCO IH 2010 HIGHLIGHTS *(In Millions of Pesos)*



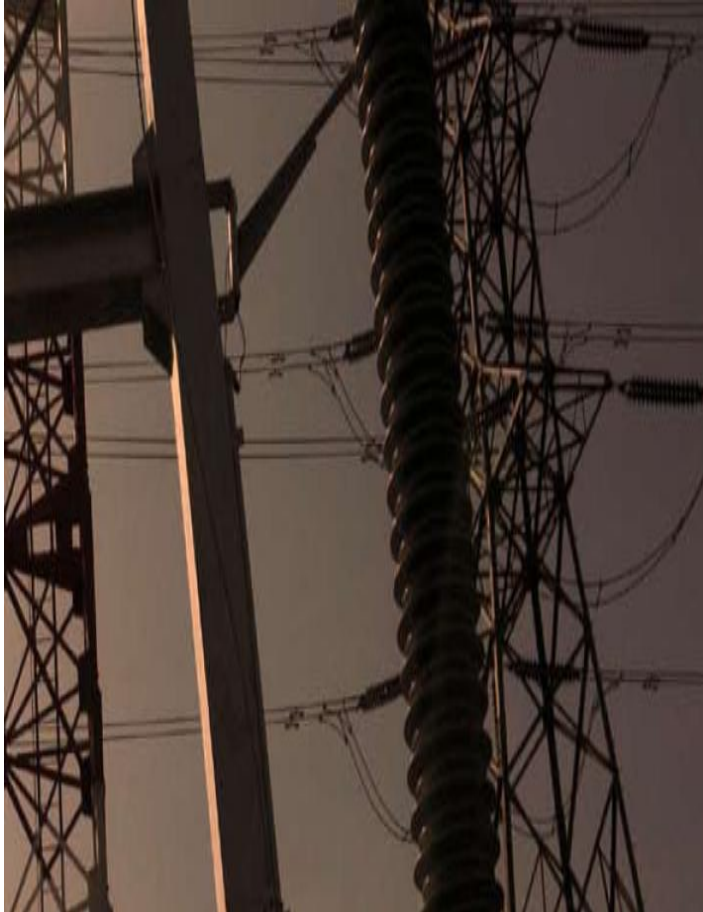
- Distribution & other revenues up by 44% from PhP16,585 to PhP23,918
- Core EBITDA up by 34% from PhP8,301 to PhP11,152
- Reported net income up by 51% from PhP3,211 to PhP4,850
- Core income up by 82% from PhP3,185 to PhP5,805

KEY DRIVERS OF PERFORMANCE

- **28%** increase in average distribution rate per kWh from **PhP1.09 to PhP1.40**
- **14%** increase in energy sales from **13.12 gWh to 14.95 gWh**
- YTD Capex of **PhP3,161**
- Reduction in system loss from **9.05% to 7.93%** (below 2010 regulatory cap of 8.5%)
- **26%** improvement in system reliability (IFR) from **1.92 times to 2.43 times**
- **21%** improvement in availability (CIT) from **2.13 hours to 2.58 hours**



At Meralco, focus on the application for the 3rd regulatory period and development of non-regulated businesses such as power generation and retail electricity sales



Distribution Utility

- Tightly manage the application submitted for the 3rd regulatory period
- Target 4% y-o-y growth in kWh sales for second half
- Keep system losses to below 8.5%
- Implementation of PhP0.165/KWh tariff adjustment

Other Opportunities

- Entry into power generation
- Develop Retail Electricity Sales unit

HOSPITAL GROUP 2009 HIGHLIGHTS *(In Millions of Pesos)*



- Revenues up by 6% from PhP2,882 to PhP3,056
- Core EBITDA down by 7% from PhP584 to PhP541
- Core Income down by 26% from PhP245 to PhP182

KEY DRIVERS OF PERFORMANCE

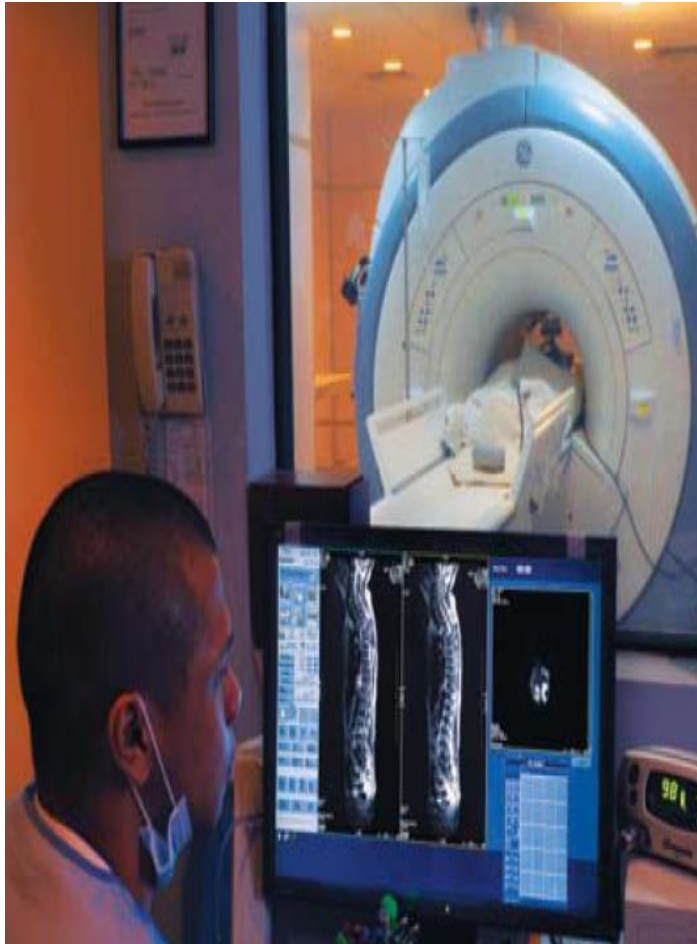
- **Consolidation of Riverside Medical** from June onwards
- **40% increase in total bed capacity from 979 to 1,367**
- **15% increase in operating expenses at the hospitals reflecting investments in people, equipment and infrastructure**
- **25% drop in School Enrollment from 6,276 to 4,706**



STRATEGIES



Focus on marketing improved services of the hospitals, maintaining investment program in each hospital and continuing to look for new acquisitions



Market improved services of the hospitals

- Expanded outpatient services at Makati Medical located at the new building
- Improved capabilities at Cardinal Santos and Davao Doctors through investments in medical equipment

Maintain investment program

- Makati Medical – renovation of old building
- Davao Doctors – build-out of 42 doctors’ offices
- Cardinal Santos – upgrading of medical equipment
- Riverside – reorganization and recruitment of key managers

New acquisitions

- Targeting to complete another hospital acquisition within the year

FUNDING PICTURE

The only projects that will require funding at the parent company level are construction of Segments 9, 10 and the Connector Road

	Committed Projects	Project Level Funding	MPIC Share
Meralco	<ul style="list-style-type: none"> • CAPEX for next 5 years – close to PhP50bn • Power Generation – amount TBD 	<ul style="list-style-type: none"> • Through cash flow – approximately PhP20bn+ EBITDA • Leverage - TBD 	<ul style="list-style-type: none"> • All funding at project level
Maynilad	<ul style="list-style-type: none"> • CAPEX for next 5 years – approximately PhP35bn 	<ul style="list-style-type: none"> • Through cash flow – approximately PhP8bn EBITDA • Leverage – approximately US\$100mm over 2 years 	<ul style="list-style-type: none"> • All funding at project level
MPTC	<ul style="list-style-type: none"> • SCTEX – PhP1.8bn over next 5 years • Segments 9, 10 and Connector Road – PhP25bn 	<ul style="list-style-type: none"> • Through cash flow – approximately PhP3bn EBITDA • Leverage 	<ul style="list-style-type: none"> • PhP5bn borrowing – representing MPIC’s equity share of MPIC in segments 9, 10 and Connector Road
Hospitals	<ul style="list-style-type: none"> • CAPEX – PhP4.8bn over the next 5 years 	<ul style="list-style-type: none"> • Through cash flow – approximately PhP1.2bn EBITDA • Leverage 	<ul style="list-style-type: none"> • All funding at project level

CONCLUSION

Results that reflect the great returns at Meralco, outstanding outcome at Maynilad despite challenging environment, continuing progress at NLEX, and start-up conditions for infrastructure improvements at the Hospital Group

- **Results for the year should be benefited by:**
 - Improved water supply at Maynilad
 - Improved take-up of new services at the Hospital Group
- **And may be tempered by:**
 - Moderating growth in electricity sales at Meralco
 - VAT imposition affecting traffic growth rates at NLEX
- **Prospects going forward continue to be good for each of our portfolio companies**
 - Meralco – entry into power generation and Retail Electricity Sales
 - Maynilad – opportunities are still large with un-served and under-served population in concession
 - MPTC – SCTEX take-over and construction of Segments 9, 10 and the Connector Road
 - Hospitals – integration of Riverside and acquisition of 2 to 3 more hospitals

Revise upwards our Core Income guidance for year-end to PhP3.3bn from PhP3.0bn

FINANCIAL STATEMENTS

METRO PACIFIC INVESTMENTS CORPORATION – PARENT



BALANCE SHEET (continued) In PhP Millions	As of	
	Dec-09	Jun-10
ASSETS		
CURRENT ASSETS		
Cash and short-term investments	2,924	2,266
Receivables - net	11,818	572
Other current assets	1,104	1,049
Total current assets	15,846	3,887
NONCURRENT ASSETS		
Investments in Subsidiaries, associates and JVs	50,981	58,348
Property and equipment - net	32	32
Other noncurrent assets	24	29
Total Noncurrent Assets	51,037	58,409
TOTAL ASSETS	66,883	62,296

BALANCE SHEET (continued) In PhP Millions	As of	
	Dec-09	Jun-10
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and other current liabilities	493	385
Current portion of long-term debt	155	1,443
Due to related parties	1,373	26
Total Current Liabilities	2,021	1,854
NONCURRENT LIABILITIES		
Long-term debts - net of current portion	17,458	6,584
Due to related parties and others	9	6,230
Total Noncurrent Liabilities	17,467	12,814
Total Liabilities	19,488	14,668
EQUITY		
Capital stock	20,178	20,178
Additional paid-in capital	27,860	27,860
Deficit and other reserves	(643)	(410)
Total Equity	47,395	47,628
TOTAL LIABILITIES AND EQUITY	66,883	62,296

METRO PACIFIC INVESTMENTS CORPORATION – CONSOLIDATED



INCOME STATEMENT			
In Php Millions	1H 2009	1H 2010	
Revenues	7,508	8,860	
Cost of services	(3,598)	(3,178)	
Gross margin	3,910	5,682	
General and administrative expenses	(1,343)	(1,967)	
Other income and expense	(546)	(882)	
Provision for income tax	998	234	
Reported Net Income	3,019	3,067	

INCOME STATEMENT			
In Php Millions	Q1 2010	Q2 2010	
Revenues	4,311	4,549	
Cost of services	(1,496)	(1,682)	
Gross margin	2,815	2,867	
General and administrative expenses	(706)	(1,261)	
Other income and expense	(894)	12	
Provision for income tax	(23)	257	
Reported Net Income	1,192	1,875	

BALANCE SHEET			
In PhP Millions	As of Dec-09	As of Jun-10	
ASSETS			
CURRENT ASSETS			
Cash and short-term investments	8,813	5,951	
Receivables - net	13,475	1,984	
Other current assets	3,518	3,491	
Total current assets	25,806	11,426	
NONCURRENT ASSETS			
Investments in Associates and Joint Venture	27,370	35,427	
Goodwill	12,552	12,612	
Service concession assets	62,185	66,132	
(Forward)			

BALANCE SHEET (continued)		
In PhP Millions	As of Dec-09	As of Jun-10
Property and equipment - net	634	1,224
Other noncurrent assets	853	500
Total Noncurrent Assets	103,594	115,895

TOTAL ASSETS **129,400** **127,321**

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts payable and other current liabilities	7,564	7,765
Current portion of:		
Concession fees payable	1,208	1,595
Long-term debt	958	898
Deferred credits and other long-term liabilities	1,928	1,355
Total Current Liabilities	11,658	11,613

NONCURRENT LIABILITIES

Long-term debts - net of current portion	41,828	37,995
Service concession fees payable	9,072	8,124
Deferred credits and other long-term liabilities	3,848	3,074
Deferred tax and other noncurrent liabilities	2,718	2,572
Total Noncurrent Liabilities	57,466	51,765

Total Liabilities **69,124** **63,378**

EQUITY

Capital stock	20,178	20,178
Additional paid-in capital	27,860	27,860
Retained earnings and other reserves	3,228	5,379
Total equity attributable to owners of Parent	51,266	53,417
Minority interests	9,010	10,526
Total Equity	60,276	63,943

TOTAL LIABILITIES AND EQUITY **129,400** **127,321**

INCOME STATEMENT			
In Php Millions	1H 2009	1H 2010	
Revenues	4,743	5,860	
Cost of services	(1,551)	(1,566)	
Gross margin	3,192	4,294	
Operating expenses	(983)	(1,013)	
Other income and expense	6	(76)	
Interest expense - net	(1,014)	(1,029)	
Provision for income tax	75	275	
Contribution from operations	1,276	2,451	
Nonrecurring items	1,040	(23)	
Reported Net Income	2,316	2,428	

INCOME STATEMENT			
In Php Millions	Q 1 2010	Q 2 2010	
Revenues	2,881	2,979	
Cost of services	(699)	(867)	
Gross margin	2,182	2,112	
Operating expenses	(575)	(438)	
Other income and expense	31	(107)	
Interest expense - net	(511)	(518)	
Provision for income tax	-	275	
Contribution from operations	1,127	1,324	
Nonrecurring items	(59)	36	
Reported Net Income	1,068	1,360	

	As of	
	Dec-09	Jun-10
ASSETS		
Current Assets		
Cash and cash equivalents	1,887	1,803
Short-term investments	2,433	60
Trade and other receivables - net	1,536	1,026
Other current assets	1,442	1,798
Total Current Assets	7,298	4,687

BALANCE SHEET (Continued)		
In Php Millions	As of	
	Dec-09	Jun-10
Non-current Assets		
Service concession assets - net	29,062	32,449
Deferred tax assets - net	1,427	1,609
Property and equipment - net	334	289
Other noncurrent assets - net	58	61
Total Noncurrent Assets	30,881	34,408
TOTAL ASSETS	38,179	39,095

LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	5,576	5,790
Current portion of provisions	942	262
Current portion of service concession fees	2,116	1,165
Total Current Liabilities	8,634	7,217

Non-current Liabilities		
Interest-bearing loans	16,305	16,334
Service concession obligation - net of current	8,576	8,621
Pension liability	238	230
Deferred credits and other noncurrent liabilities	664	660
Total Noncurrent Liabilities	25,783	25,845

Total Liabilities	34,417	33,062
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Equity		
Capital stock	4,011	4,011
Additional paid-in capital	776	776
Equity from redemption of preferred shares	(351)	(351)
Retained earnings	(674)	1,597
Total Equity	3,762	6,033

TOTAL LIABILITIES AND EQUITY	38,179	39,095
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METRO PACIFIC TOLLWAYS CORPORATION AND SUBSIDIARIES

INCOME STATEMENT		
In Php Millions	IH 2009	IH 2010
Revenues	2,765	2,922
Cost of services	(1,292)	(1,273)
Gross margin	1,473	1,649
General and administrative expenses	(238)	(305)
Other income and expense	31	96
Interest expense - net	(459)	(392)
Provision for income tax	17	(29)
Minority interest	(267)	(343)
Share in earnings of associates	80	77
Nonrecurring items	(29)	(192)
Reported Net Income	608	561

INCOME STATEMENT		
In Php Millions	Q1 2010	Q2 2010
Revenues	1,341	1,581
Cost of services	(624)	(649)
Gross margin	717	932
Operating expenses	(95)	(210)
Other income and expense	65	31
Interest expense - net	(246)	(146)
Provision for income tax	2	(31)
Minority interest	(125)	(218)
Share in earnings of associates	31	46
Nonrecurring items	(37)	(155)
Reported Net Income	312	249

BALANCE SHEET		
In PhP Millions	As of	
	Dec-09	Jun-10
ASSETS		
Current Assets		
Cash and cash equivalents	1,520	1,722
Due from related parties	541	517
Other current assets	394	230
Total Current Assets	2,455	2,469
Noncurrent Assets		
Service concession assets	15,124	15,996
<i>(Forward)</i>		

BALANCE SHEET (continued)		
In PhP Millions	As of	
	Dec-09	Jun-10
Investment in bonds	401	401
Other noncurrent assets	362	424
Total Noncurrent Assets	15,887	16,821

TOTAL ASSETS	18,342	19,290
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accounts payable and other current liabilities	286	851
Due to affiliates	327	25
Current portion of long term debt	580	678
Other current liabilities	215	25
Total Current Liabilities	1,408	1,579

Noncurrent Liabilities		
Long-term debt - net of current portion	7,788	8,388
Provisions	416	467
Other noncurrent liabilities	405	424
Total Noncurrent Liabilities	8,609	9,279

Total Liabilities	10,017	10,858
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Equity		
Capital Stock - P100 par value	5,065	5,065
Subscribed Capital Stock	1	1
Equity adjustment on reverse acquisition	(581)	(581)
Equity adjustment on translation	(7)	(12)
Treasury shares	(194)	(194)
Retained earnings	1,800	1,646
Total Equity Attributable to Equity Holders of Parent	6,084	5,925
Minority interests	2,241	2,507
Total Equity	8,325	8,432

TOTAL LIABILITIES AND EQUITY	18,342	19,290
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MANILA ELECTRIC COMPANY AND SUBSIDIARIES

INCOME STATEMENT		
In Php Millions	1H 2009	1H 2010
Revenues	94,459	127,463
Costs and expenses	(86,610)	(116,293)
Other income (expenses)	(3,112)	(3,985)
Income before income tax	4,737	7,185
Provision for income tax	(1,362)	(2,130)
Minority interest	(164)	(204)
Reported Net income	3,211	4,851

INCOME STATEMENT		
In Php Millions	Q1 2010	Q2 2010
Revenues	61,102	66,361
Costs and expenses	(57,731)	(60,091)
Other income (expenses)	(380)	(2,076)
Income before income tax	2,991	4,194
Provision for income tax	(896)	(1,234)
Minority interest	(85)	(119)
Reported Net income	2,010	2,841

BALANCE SHEET		
In PhP Millions	As of	
	Dec-09	Jun-10
ASSETS		
Current assets	45,342	53,306
Noncurrent Assets		
Utility plant and others - net	98,378	98,363
Construction in progress	3,702	3,430
Other noncurrent assets	32,991	31,864
Total Noncurrent Assets	135,071	133,657
TOTAL ASSETS	180,413	186,963
LIABILITIES AND EQUITY		
Current liabilities	76,516	54,819
Noncurrent liabilities	43,019	69,685
Total liabilities	119,535	124,504
Equity		
Equity attributable to equity holders of parent	57,101	58,477
Minority interests	3,777	3,982
Total Equity	60,878	62,459
TOTAL LIABILITIES AND EQUITY	180,413	186,963

MEDICAL DOCTORS INC. AND SUBSIDIARIES

INCOME STATEMENT		
In Php Millions	1H 2009	1H 2010
Net revenues	2,153	2,229
Cost of services	(758)	(723)
Gross margin	1,395	1,506
Operating expenses	(1,170)	(1,373)
Other income and expense	38	54
Interest expense - net	(48)	(51)
Provision for income tax	(39)	(14)
Net Income	176	122

INCOME STATEMENT		
In Php Millions	Q1 2010	Q2 2010
Net revenues	1,149	1,080
Cost of services	(384)	(339)
Gross margin	765	741
Operating expenses	(678)	(695)
Other income and expense	30	24
Interest expense - net	(25)	(26)
Provision for income tax	(13)	(1)
Net Income	79	43

BALANCE SHEET		
In PhP Millions	As of	
	Dec-09	Jun-10
ASSETS		
Current Assets		
Cash and cash equivalents	701	433
Receivables - net	551	474
Inventories - net	206	204
Other current assets	20	114
Total Current Assets	1,478	1,225
Noncurrent Assets		
Property and Equipment - net	5,757	5,967
Deferred income tax assets	17	17
Other noncurrent assets	60	67
Total Noncurrent Assets	5,834	6,051
TOTAL ASSETS	7,312	7,276

BALANCE SHEET (Continued)		
In PhP Millions	As of	
	Dec-09	Jun-10
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	902	806
Current portion of long-term liabilities	149	99
Other current liabilities	74	57
Total Current Liabilities	1,125	962
Noncurrent Liabilities		
Deferred income tax liabilities	676	686
Retirement benefit obligation	199	190
Loans payable	892	892
Total Noncurrent Liabilities	1,767	1,768
Total Liabilities	2,892	2,730
Equity		
Capital stock	312	312
Capital in excess of par value	1,324	1,329
Deposit for future subscription	48	48
Appraisal surplus	1,886	1,886
Fair value loss	(1)	(1)
Retained earnings	824	945
Treasury Stock	(15)	(15)
Total Equity Attributable to Equity Holders of Parent	4,378	4,504
Minority interests	42	42
Total Equity	4,420	4,546
TOTAL LIABILITIES AND EQUITY	7,312	7,276

DAVAO DOCTORS HOSPITAL, INC. AND SUBSIDIARIES

INCOME STATEMENT			
	In Php Millions	1H 2009	1H 2010
Net revenues		526	526
Operating expenses		(451)	(470)
Gross margin		75	56
Other income and expense		19	17
Provision for income tax		(24)	(19)
Net Income		70	54

INCOME STATEMENT			
	In Php Millions	Q 1 2010	Q 2 2010
Net revenues		276	250
Operating expenses		(241)	(229)
Gross margin		35	21
Other income and expense		7	10
Provision for income tax		(10)	(9)
Net Income		32	22

BALANCE SHEET			
	In Php Millions	As of Dec-09	As of Jun-10
ASSETS			
Current Assets			
Cash and cash equivalents		80	45
Accounts receivable - net		146	157
Medical and hospital supplies		53	48
Prepayments		1	1
Total Current Assets		280	251
Noncurrent Assets			
Property and Equipment - net		779	864
Deferred income tax assets		14	16
Other noncurrent assets		48	66
Total Noncurrent Assets		841	946
TOTAL ASSETS		1,121	1,197

BALANCE SHEET (Continued)			
	In Php Millions	As of Dec-09	As of Jun-10
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Accounts payable and accrued expenses		204	193
Current portion of long-term debts		5	30
Other current liabilities		15	19
Total Current Liabilities		224	242
Noncurrent Liabilities			
Long-term debts - net of current portion		36	23
Retirement benefit obligations		65	68
Other noncurrent liabilities		52	30
Total Noncurrent Liabilities		153	121
Total Liabilities		377	363
Equity			
Capital stock		91	121
Capital in excess of par value		46	46
Treasury shares		(7)	(7)
Retained earnings		619	674
Total Equity Attributable to Equity Holders of Parent		749	834
Minority interests		(5)	-
Total Equity		744	834
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		1,121	1,197

**METRO
PACIFIC**
 **INVESTMENTS**

Moving Forward