



SEMIRARA
MINING & POWER
CORPORATION

Q1 2017 Results Briefing
22 May 2017



CONSOLIDATED FINANCIAL HIGHLIGHTS



In million Php, except ratios

	Q1 2016	Q1 2017	Variance
Revenues	6,470	10,351	56%
Coal	3,940	6,778	72%
Power	2,530	3,572	41%
Depreciation	664	1,208	82%
Coal	395	723	83%
Power	269	485	80%
EBITDA	3,826	6,032	58%
<i>EBITDA Margin</i>	<i>59%</i>	<i>58%</i>	<i>-1%</i>
NIAT	2,910	4,423	52%
<i>EPS</i>	<i>2.72</i>	<i>4.15</i>	<i>52%</i>
CAPEX	394	2,013	411%
Coal	84	942	1,022%
SCPC	171	729	326%
SLPGC	139	342	146%
Cash	4,623	9,506	106%
Free Cash Flow	1,019	1,603	-75%
Net Debt	13,698	8,125	-41%
<i>Net Debt/EBITDA</i>	<i>3.58</i>	<i>1.35</i>	<i>-62%</i>
<i>ROE (YoY)</i>	<i>10%</i>	<i>11%</i>	<i>17%</i>
<i>DE Ratio</i>	<i>0.94</i>	<i>0.81</i>	<i>-14%</i>
<i>Current Ratio</i>	<i>1.21</i>	<i>1.71</i>	<i>41%</i>

SEGMENT FINANCIAL HIGHLIGHTS

Operating businesses

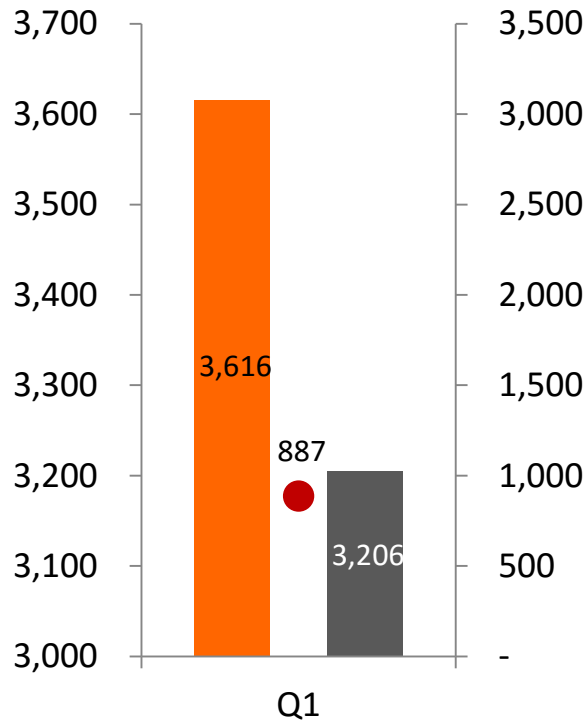


	Coal			SCPC			SLPGC		
	Q1 2016	Q1 2017	Variance	Q1 2016	Q1 2017	Variance	Q1 2016	Q1 2017	Variance
Revenues (In M Php)	4,647	8,135	75%	1,656	2,421	46%	1,053	1,148	9%
Ave. Price	1,593	2,250	41%	3.90	4.13	6%	4.22	4.90	16%
Cost of Sales - MT/Kwhr	651	887	36%	1.90	2.00	5%	1.29	2.75	113%
Gross Margin/Unit	942	1,363	45%	2.01	2.13	6%	2.93	2.15	-27%
Core NIAT (In M Php)	1,808	3,397	88%	376	667	77%	728	357	-51%
Cash Balance End (In M Php)	2,549	6,380	150%	632	1,302	106%	1,419	1,797	27%
Interest Bearing Loans (In M Php)	5,497	7,049	28%	1,916	1,664	-13%	10,611	8,918	-16%
Retained Earnings, End (In M Php)	14,803	22,122	49%	6,712	5,917	-12%	691	3,538	412%
Net Working Capital	2,486	9,705	290%	(399)	(2,320)	481%	1,366	2,380	74%
EBITDA	2,248	4,161	85%	824	1,172	42%	104	714	588%

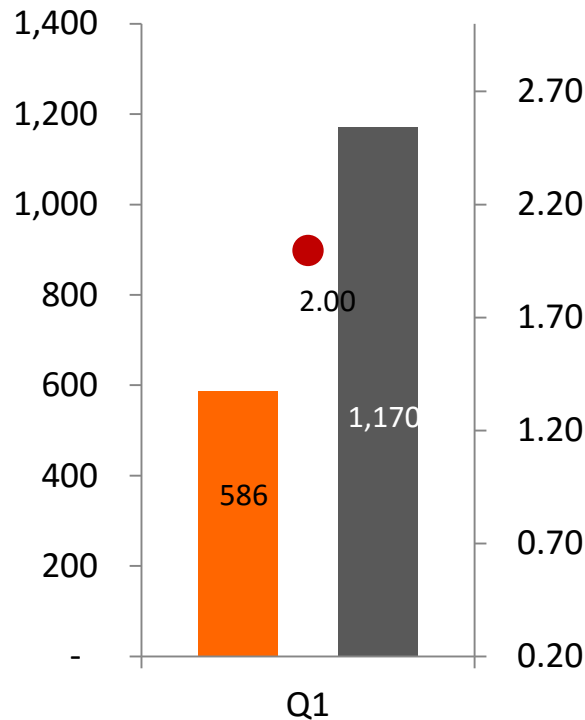
Q1 2017 VOLUME SOLD vs COST OF SALES



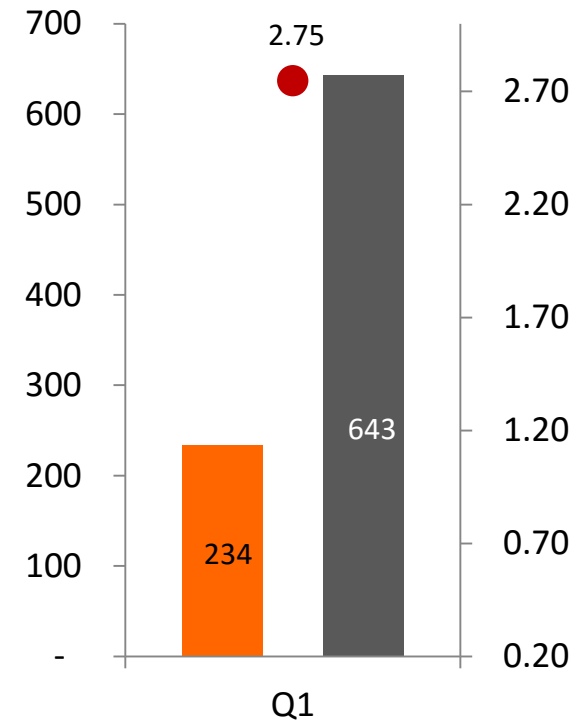
COAL



SCPC



SLPGC



Volume Sold ('000 MTs)

Cost of Sales (million PHP)

Cost of Sales/MT

Volume Sold (GWh)

Cost of Sales (million PHP)

Cost of Sales/KWh

Volume Sold (GWh)

Cost of Sales (million PHP)

Cost of Sales/KWh

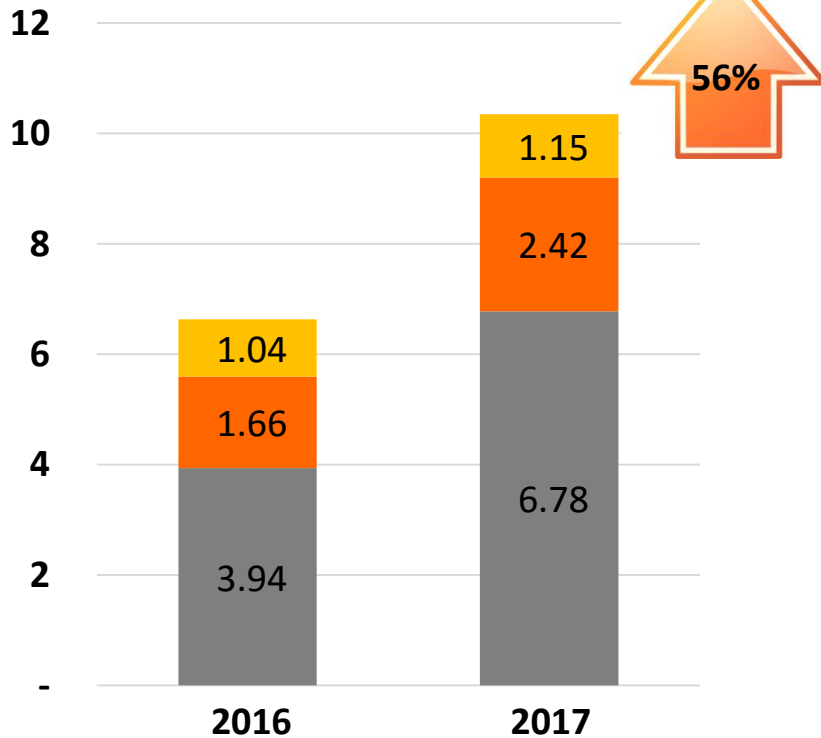
High production and low strip ratio results to low coal cost of sales. SLPGC's cost of sales/KWh is higher than SCPC because its depreciation cost is significantly higher.

CONSOLIDATED REVENUES AND NIAT

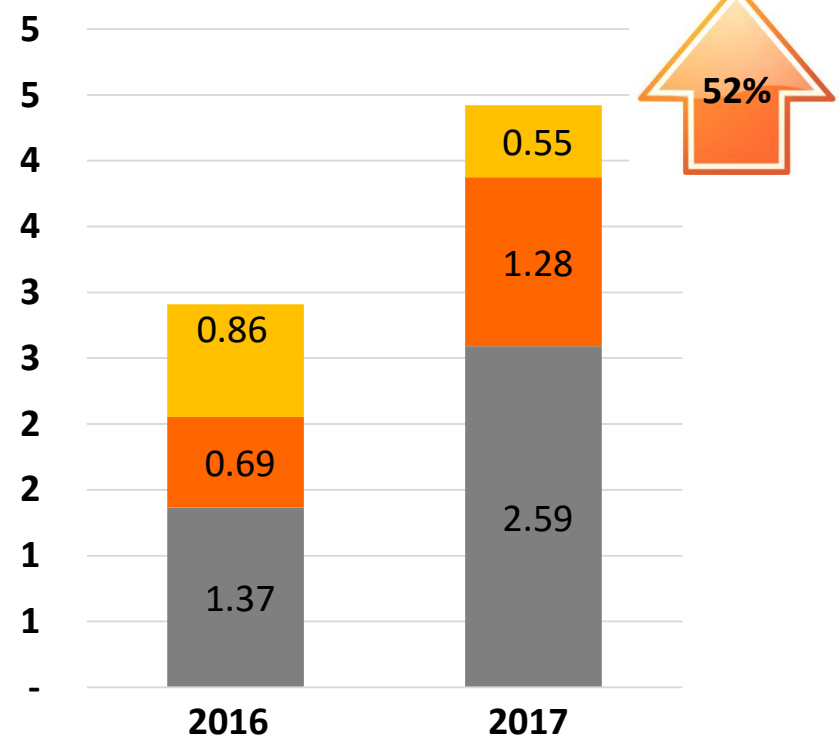
Q1 2016 vs Q1 2017



Gross Revenues



NIAT

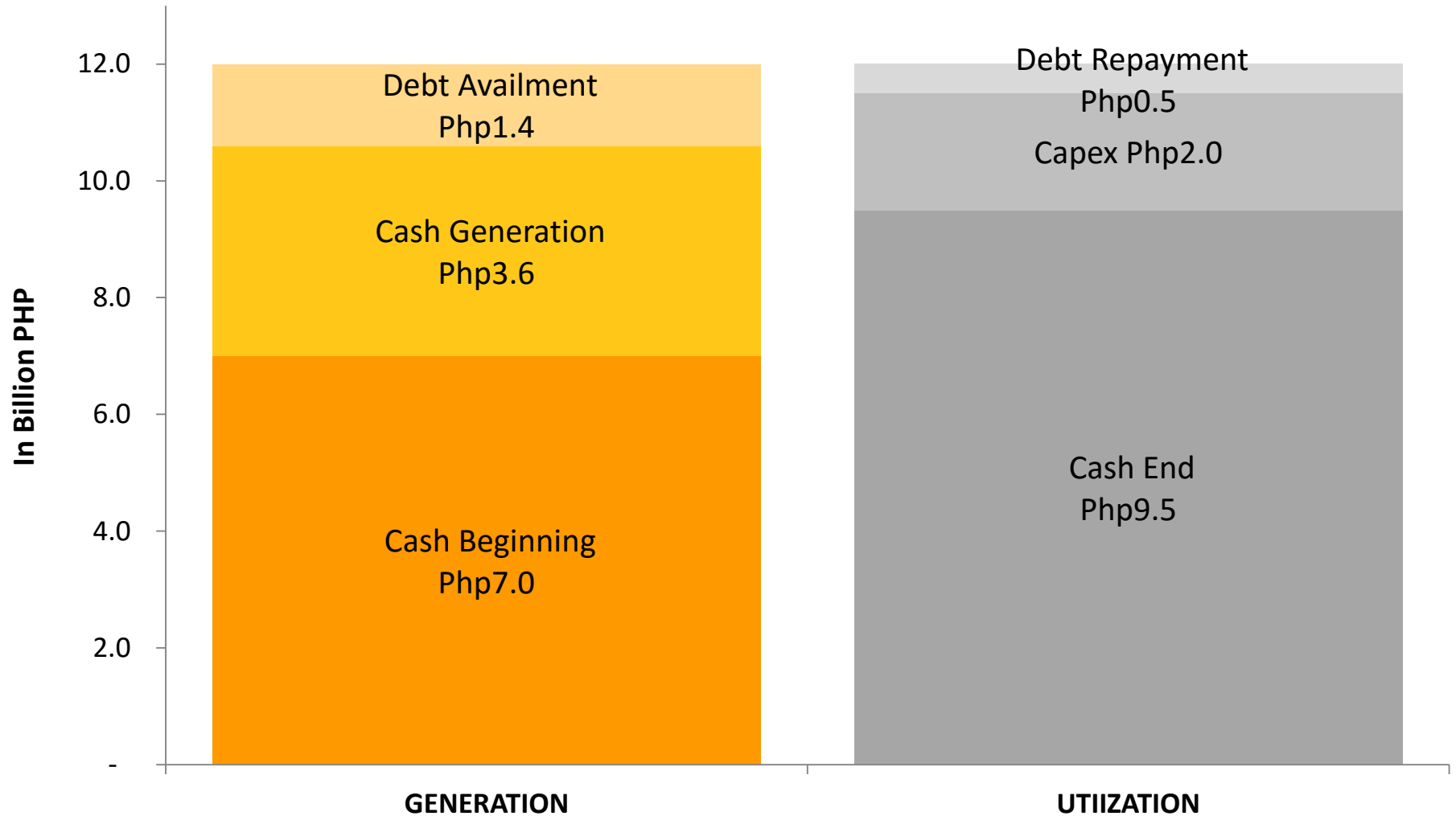


■ Coal ■ SCPC ■ SLPGC

56% ↑ in revenues, 52% ↑ in NIAT. SCPC performed better in the current quarter as Unit 2 is already operational, unlike in Q1 2016 when it was on maintenance shutdown. Coal remained strong with increased sales volume and higher ASP. SLPGC already booked depreciation expense in 2017; depreciation was capitalized in Q1 2016 while on still on commissioning.

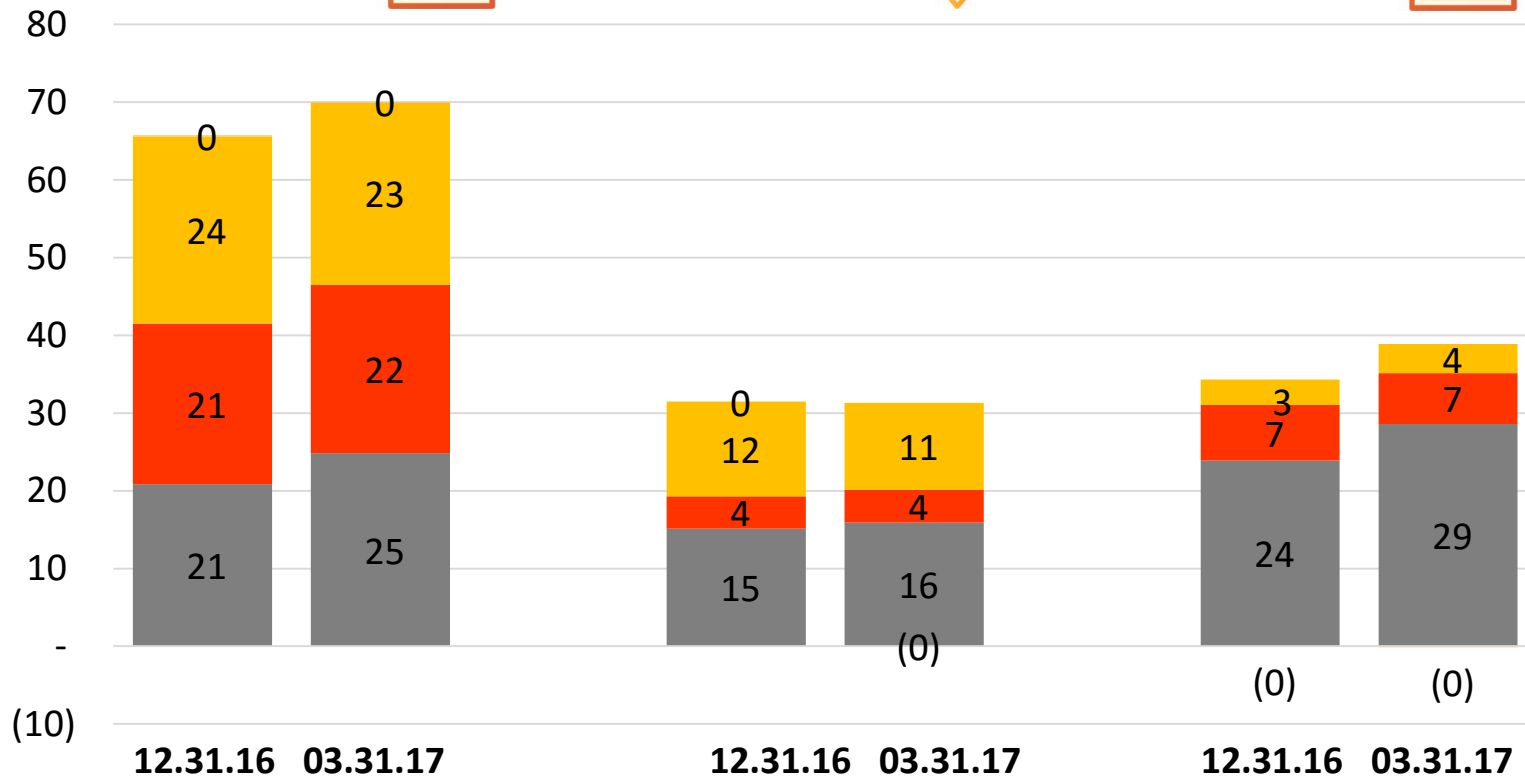
CASH GENERATION & UTILIZATION - CONSOLIDATED

Q1 2017



CONSOLIDATED ASSETS, LIABILITIES, & EQUITY

FY 2016 (Audited) vs Q1 2017 (Unaudited)

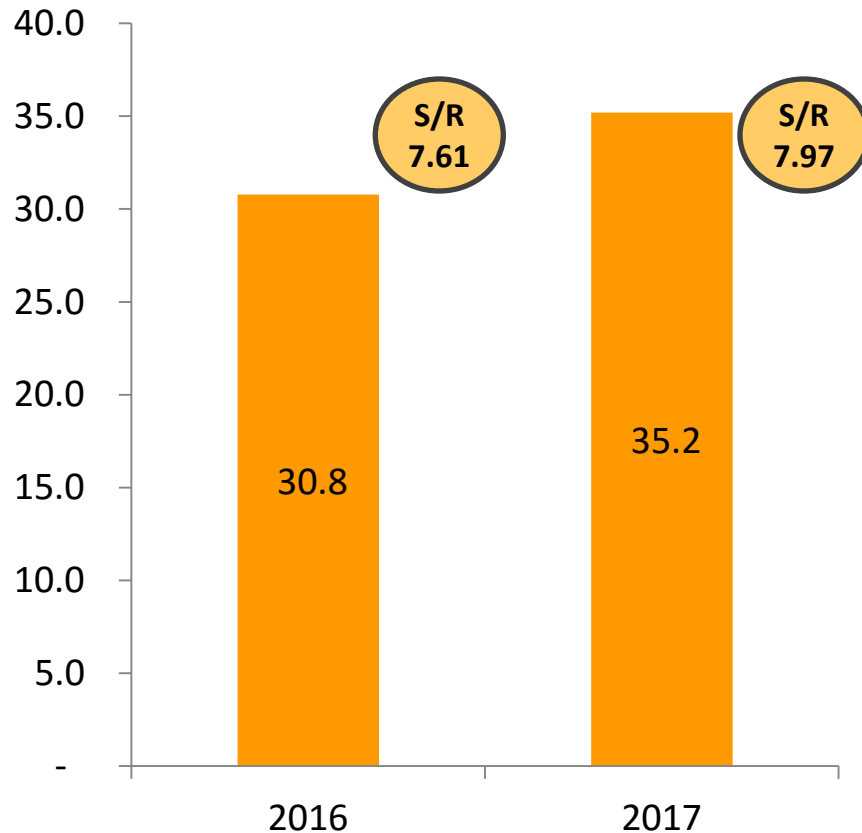


COAL PRODUCTION

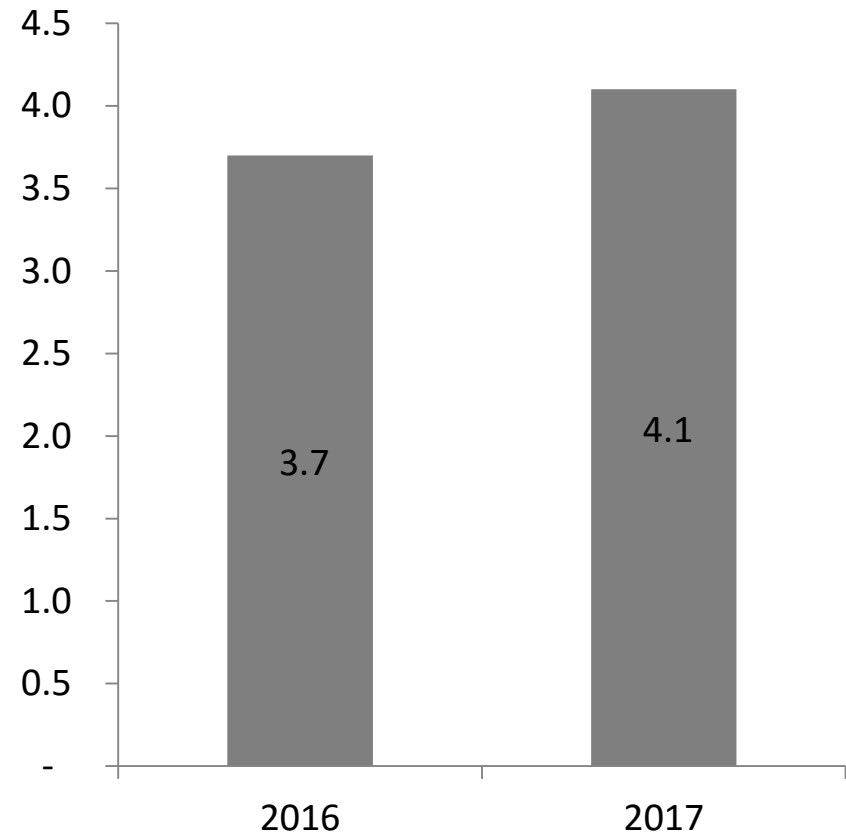
Q1 2016 vs Q1 2017



Materials Moved



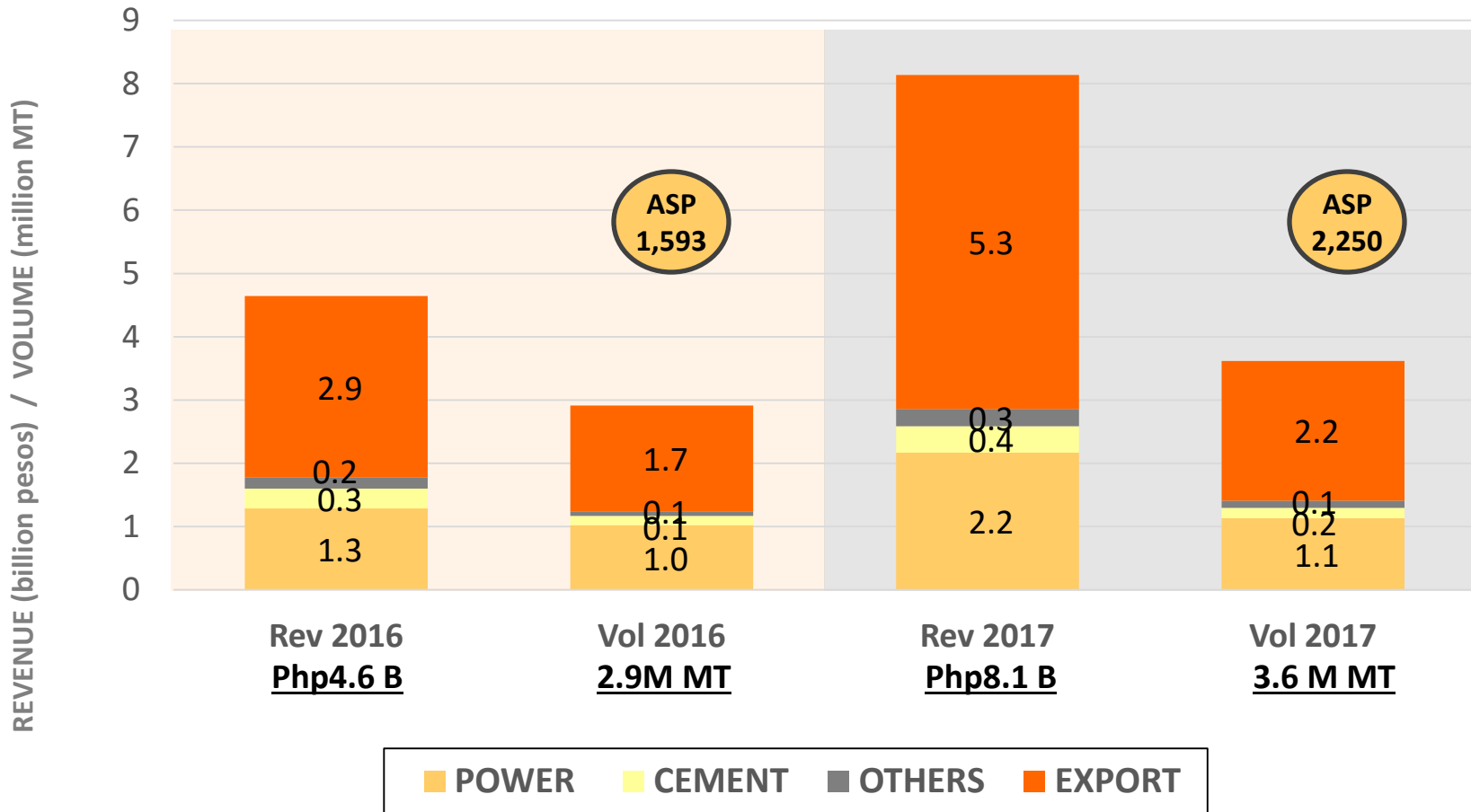
Coal Production



14% ↑ in materials moved, 10% ↑ in coal production. Increase in materials moved is due to increase in excavating capacity, which resulted to corresponding increase in production. Coal production is inclusive of low-grade coal of 272K tons and 377K tons in Q1 2016 and Q1 2017, respectively.

COAL SALES

Q1 2016 vs Q1 2017



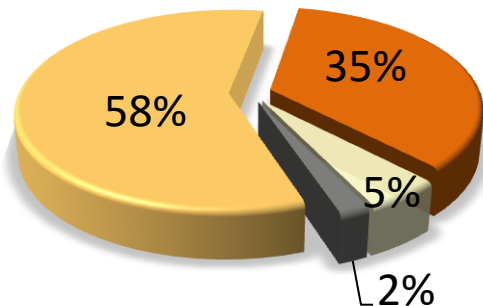
24% ↑ in volume sold, 41% ↑ ASP. Increased sales volume and ASP resulted to growth in Gross Revenues by 75%. Q1 2016 and Q1 2017 coal sales are inclusive of low-grade sold to own power plants of 326 thousand tons and 475 thousand tons, respectively

COAL SALES MIX

Q1 2016 vs Q1 2017

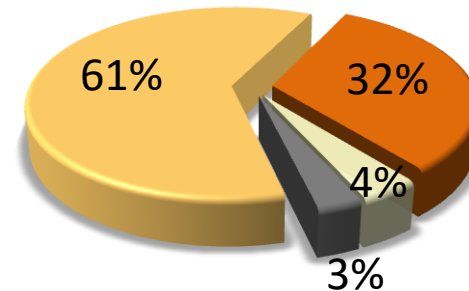


Q1 2016

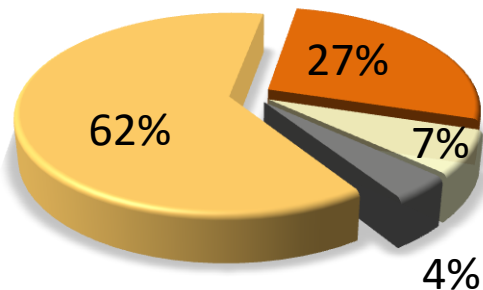


2.91 M MTs

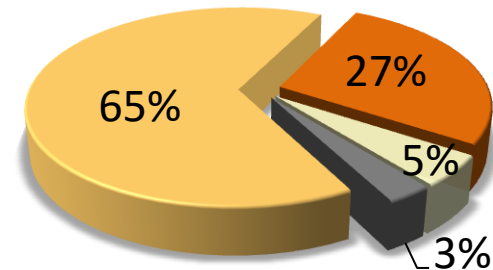
Q1 2017



3.62 M MT



Php 4.64 B



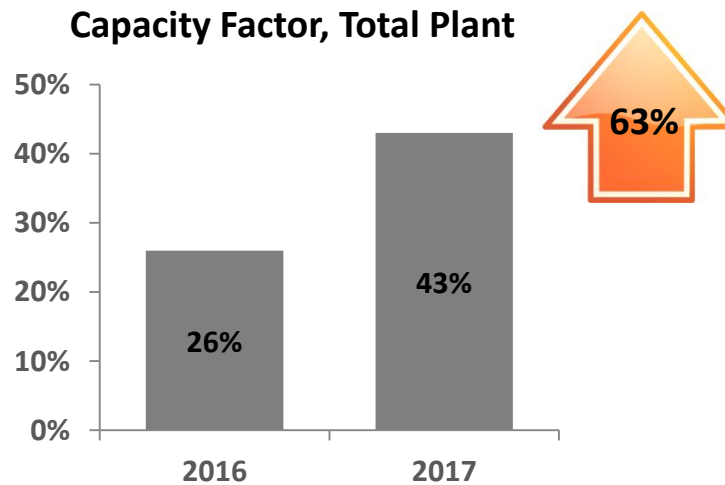
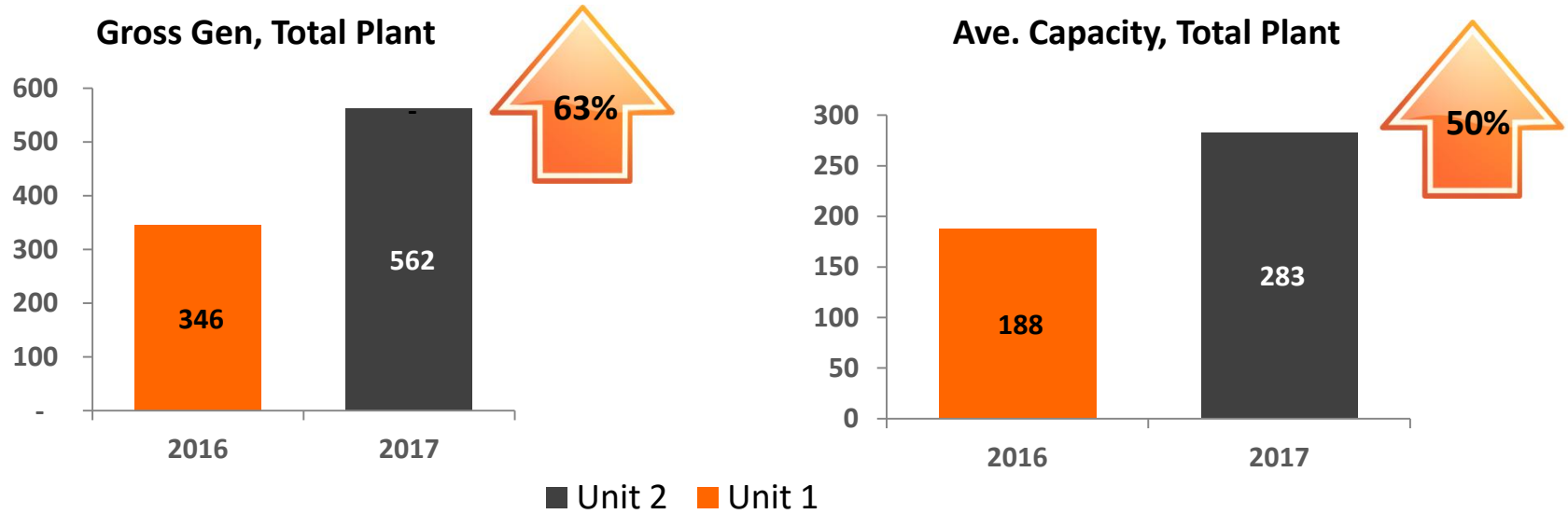
Php 8.14 B

■ Power ■ Cement ■ Others ■ Export

11% ↑ off-take of power plants, 11% Cement, 64% ↑ Other Plants, 32% ↑ exports. Increase in saleable coal mostly went to exports; upside in local market is limited .

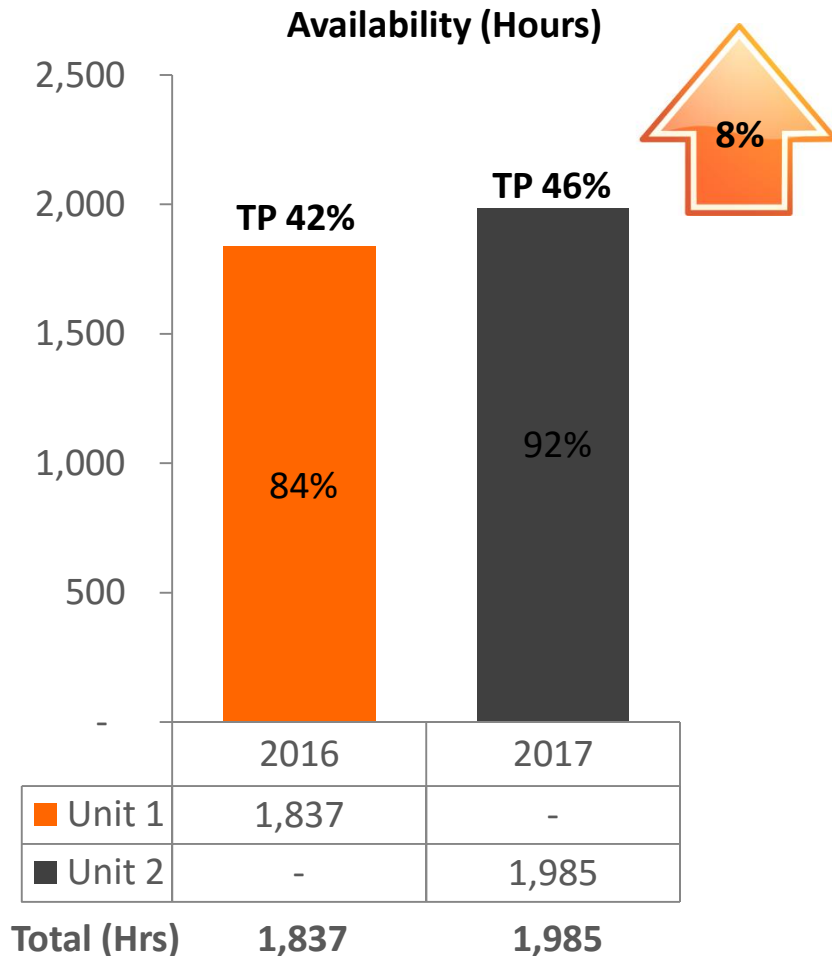
SCPC POWER PLANTS' PERFORMANCE

Q1 2016 vs Q1 2017



SCPC POWER PLANTS' AVAILABILITY & OUTAGES

Q1 2016 vs Q1 2017



Planned Outage, Hrs	2016	2017	Variance
Unit I	-	1,536	100%
Unit II	-	-	-
Total Plant	-	1,536	100%

Unplanned Outage, Hrs	2016	2017	Variance
Unit I	347	624	80%
Unit II	2,184	175	-92%
Total Plant	2,531	799	-68%

SCPC ENERGY SALES

Q1 2016 vs Q1 2017

	2016	2017	Variance
BCQ Revenue in Pesos, Net	1,626	2,418	49%
BCQ Volume Sold (GWh)	422	586	39%
BCQ, Ave Price	3.85	4.13	7%
Spot Sale in Pesos	30	4	-88%
Spot Volume Sold (GWh)	2	1	-64%
Spot Sales, Ave Price	13.44	4.48	-67%
Total Revenue in Pesos	1,656	2,421	46%
Total Volume Sold (GWh)	424	586	38%
Composite Ave. Price	3.90	4.13	6%

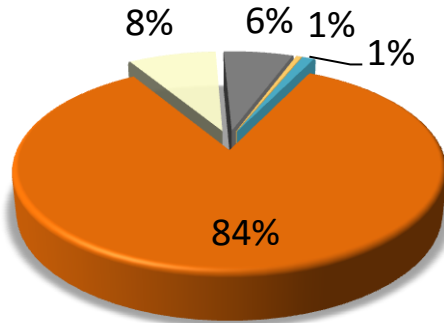
6% ↑ in ASP, 38% ↑ volume sold. Unit 2 performed more reliably and more efficiently this year, at a remarkably high average capacity of 283MW in Q1. Although Unit 1 is down for maintenance and upgrade this year, the loss in volume is offset by Unit 2's good performance. Net generation increased, and with better composite average price per KWh, growth in revenues is substantial at 46%.

SCPC ENERGY SALES MIX

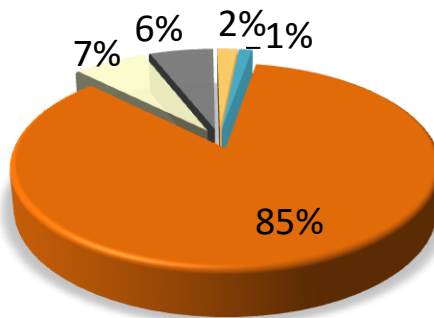
Q1 2016 vs Q1 2017



2016

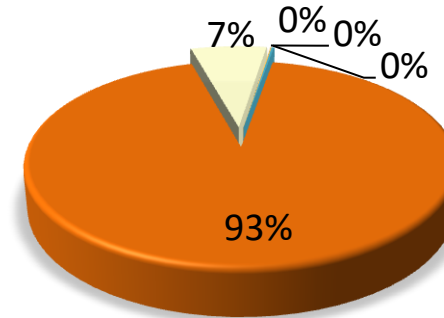


424 GWH

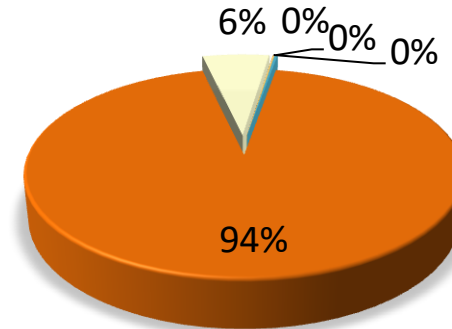


PHP 1.66 B

2017



586 GWH



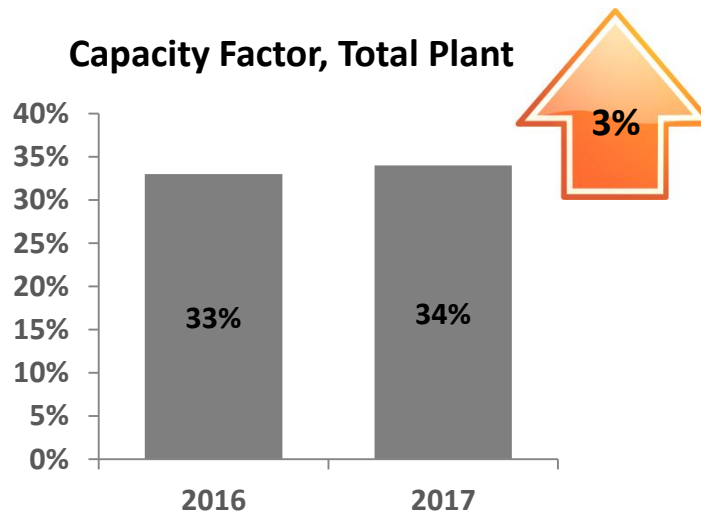
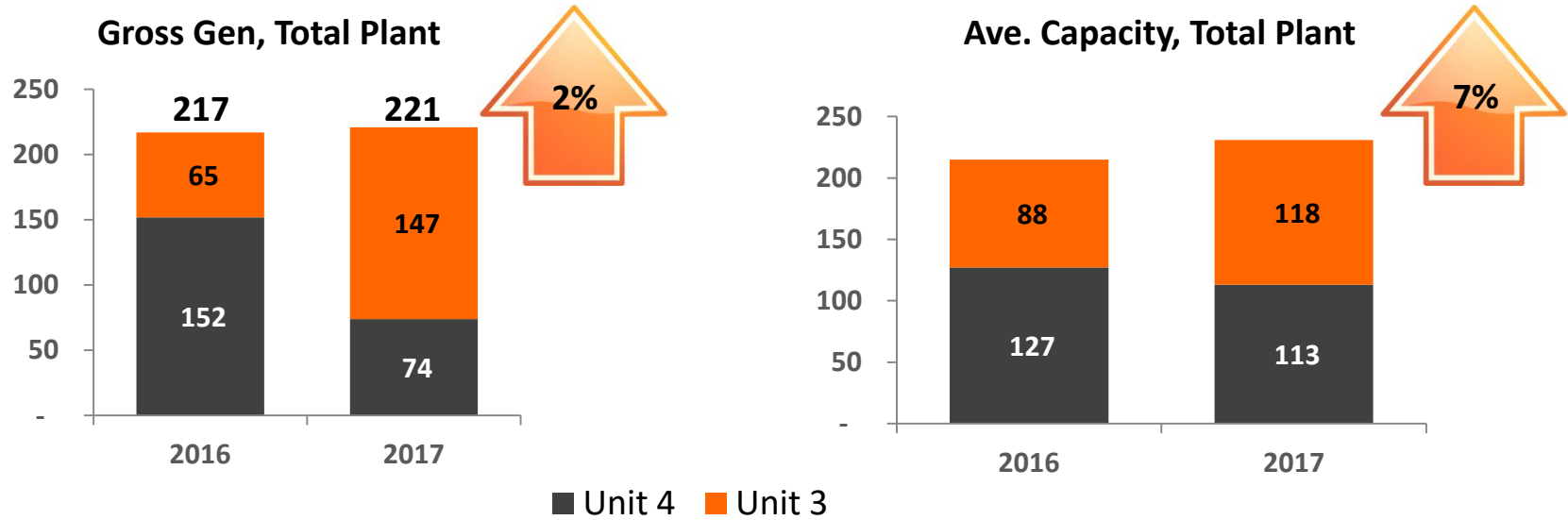
PHP 2.42 B

■ Meralco
 ■ Batelec I
 ■ Trans Asia
 ■ Spot
 ■ Others

Meralco remains to be the single biggest customer of the Company, accounting for 93% of sales volume and 94% of revenues.

SLPGC POWER PLANTS' PERFORMANCE

Q1 2016 vs Q1 2017

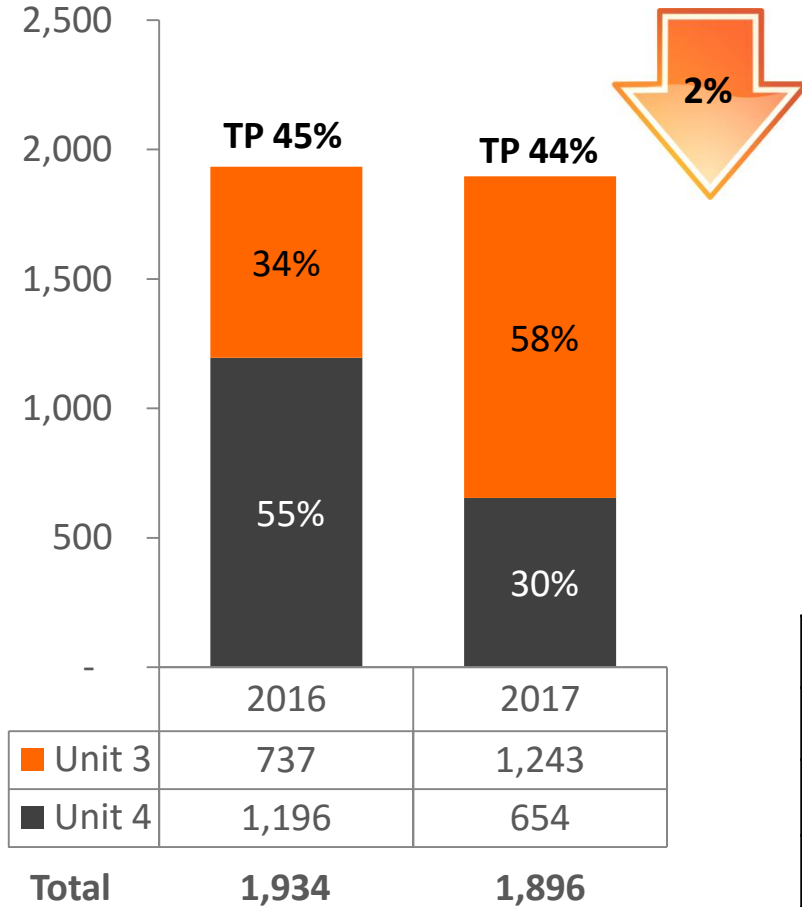


SLPGC POWER PLANTS' AVAILABILITY & OUTAGES

Q1 2016 vs Q1 2017



Availability (Hours)



Planned Outage, Hrs	2016	2017	Variance
Unit I	-	744	100%
Unit II	-	1,080	100%
Total Plant	-	1,824	100%

Unplanned Outage, Hrs	2016	2017	Variance
Unit I	1,447	59	-96%
Unit II	988	19	-98%
Total Plant	2,434	78	-97%

SLPGC ENERGY SALES

Q1 2016 vs Q1 2017

	2016	2017	Variance
BCQ Revenue in Pesos, Net	955	932	-2%
BCQ Volume Sold (GWh)	208	172	-17%
BCQ, Ave Price	4.59	5.42	18%
Spot Sale in Pesos	101	216	113%
Spot Volume Sold (GWh)	41	62	50%
Spot Sales, Ave Price	2.45	3.46	41%
Total Revenue in Pesos	1,057	1,148	9%
Total Volume Sold (GWh)	250	234	-6%
Composite Ave. Price	4.23	4.90	16%

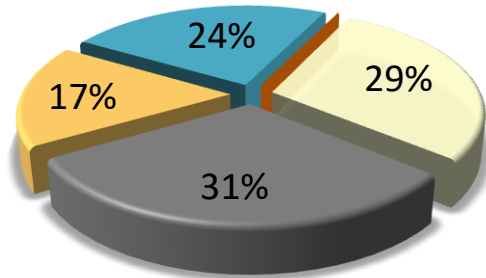
16% ↑ in ASP, 6% ↓ volume sold. Higher ASP offset drop in volume sold, resulting to 9% increase in revenues. Power supply contracts total to 150MW - VECO (50 MW) and MPower (100 MW). The Company also entered into a 5-year financial contract with AC Energy Retail for 50 MW which expires in December 2021.

SLPGC ENERGY SALES MIX

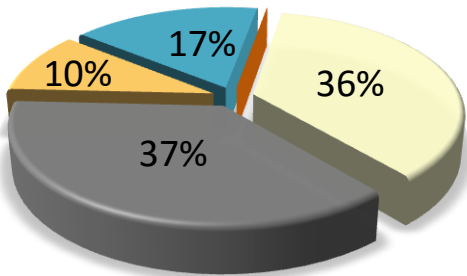
Q1 2016 vs Q1 2017



2016

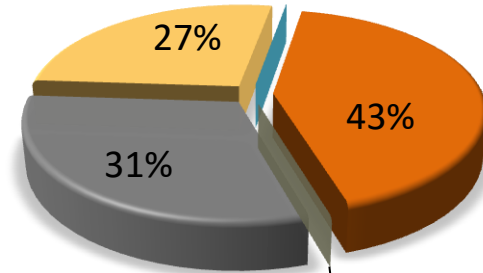


250 GWH

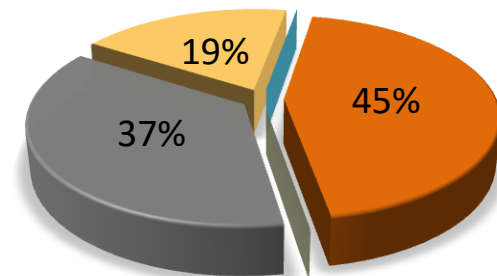


PHP 1.06 B

2017



234 GWH



PHP 1.15 B



MPower is the single biggest customer of SLP GC, accounting for 43% of sales volume and 45% of revenues.

KEY TAKEAWAYS

- Coal passed second wave of DENR audit
- Coal's strong performance due to increased production sold at higher ASP
- Higher global coal prices pushed power ASP up
- SCPC: Performance rebounded with higher energy generation
- SLPGC: Drop in profitability is due to accounting of depreciation and interest expenses and lower margins due to replacement power

APPENDIX

COMPARATIVE STATEMENTS OF COMPREHENSIVE INCOME - COAL

For the period ending March (in million Php)



	Q1 2016	Q1 2017	Variance	
Revenue	4,647	8,135	3,488	75%
Costs of Sales	1,908	3,206	1,298	68%
Gross Margin	2,739	4,929	2,190	80%
<i>Gross Profit Ratio</i>	<i>59%</i>	<i>61%</i>		3%
Govt Share	693	1,274	582	84%
Gen & Admin Exp	233	104	(129)	-55%
OPEX	925	1,378	453	49%
	1,814	3,551	1,737	96%
Other Exp/(Inc)	5	152	148	3182%
Income bef tax	1,809	3,399	1,590	88%
Income Tax	2	2	1	43%
Core Income	1,808	3,397	1,589	88%
<i>Profitability Ratio</i>	<i>39%</i>	<i>42%</i>		7%

*Before eliminating entries

COMPARATIVE STATEMENTS OF COMPREHENSIVE INCOME - SCPC

For the period ending March (in million Php)



	Q1 2016	Q1 2017	Variance	
Revenue	1,676	2,445	770	46%
Contracted Energy	1,630	2,423	793	49%
Spot Sales	30	4	(26)	-88%
PPD	(4)	(5)	(1)	38%
Other Income (Fly Ash)	20	24	4	21%
Cost of Energy Sales	805	1,170	366	45%
Generation Cost	466	829	363	78%
Depreciation and Amortization	263	185	(78)	-30%
Replacement Power Cost	71	151	79	111%
Marketing Cost	3	6	2	62%
Gross Profit	871	1,275	404	46%
<i>GP Ratio</i>	<i>52%</i>	<i>52%</i>		<i>0%</i>
Other Cost/Expense/Income	332	321	(10)	-3%
General, Admin. and Other OPEX	316	293	(23)	-7%
Finance Income/(Costs)	17	7	(10)	-58%
Foreign Exchange Gains/(Losses)	(1)	21	22	-4223%
Net Income Before Tax	539	953	414	77%
Provision for Taxes	163	286	124	76%
Net Income After Tax	376	667	291	77%
<i>Profitability Ratio</i>	<i>22%</i>	<i>27%</i>		<i>21%</i>

*Before eliminating entries

COMPARATIVE STATEMENTS OF COMPREHENSIVE INCOME - SLPGC

For the period ending March (in million Php)



	Q1 2016	Q1 2017	Variance	
Revenue	260	1,151	891	343%
Contracted Energy	253	933	679	268%
Spot Sales		216	216	
PPD	(2)	(0)	2	-91%
Other Income (Fly Ash)	8	3	(6)	-68%
Cost of Energy Sales	147	643	497	339%
Generation Cost	(0)	200	200	
Depreciation & Amortization	-	294	294	
Replacement Power Cost	140	145	4	3%
Marketing Cost	6	4	(2)	-32%
Gross Profit	113	507	394	349%
<i>GP Ratio</i>	<i>44%</i>	<i>44%</i>		
Other Cost/Expense/Income	(647)	148	795	-123%
General, Admin. and Other OPEX	9	88	78	853%
Finance Income/(Costs)	(6)	61	67	-1076%
Foreign Exchange Gains/(Losses)	(0)	-	0	-100%
Other Income	0	(1)	(2)	-361%
Income from Commissioning	(650)	-	650	-100%
Net Income Before Tax	760	360	(400)	-53%
Provision for Taxes	32	2	(30)	-93%
Net Income After Tax	728	357	(370)	-51%
<i>Profitability Ratio</i>	<i>280%</i>	<i>31%</i>		

*Before eliminating entries

COMPARATIVE STATEMENTS OF COMPREHENSIVE INCOME - CONSOLIDATED

For the period ending March (in million Php)



	SMC	SCPC	SLPGC	Q1 2016	SMC	SCPC	SLPGC	Q1 2017
Coal	3,940	-	-	3,940	6,778	-	-	6,778
Power	-	1,656	260	1,916	-	2,422	1,151	3,572
Income from commissioning			780	780				
REVENUE	3,940	1,656	1,040	6,636	6,778	2,422	1,151	10,351
Coal	1,642	-	-	1,642	2,654	-	-	2,654
Power	-	490	147	638	-	554	460	1,014
COST OF SALES	1,642	490	147	2,280	2,654	554	460	3,668
GROSS PROFIT	2,298	1,166	892	4,356	4,124	1,868	691	6,683
<i>GP Ratio</i>	<i>58%</i>	<i>70%</i>	<i>86%</i>	<i>66%</i>	<i>61%</i>	<i>77%</i>	<i>60%</i>	<i>65%</i>
G/S & admin expenses	925	319	8	1,253	1,378	293	81	1,752
Interest expense	51	21	0	73	56	8	72	137
Interest (income)	(8)	(5)	(6)	(19)	(15)	(2)	(11)	(28)
Forex (gain) losses	(36)	(1)	(0)	(36)	113	22		135
Other (income) exp	(2)	(20)		(22)	(2)	(24)	(1)	(27)
Total	930	316	3	1,248	1,531	297	141	1,969
Income before tax	1,368	850	890	3,108	2,594	1,570	550	4,712
Income tax	2	163	34	198	2	287	2	289
NET INCOME	1,367	687	856	2,910	2,591	1,283	548	4,423
<i>NP Ratio</i>	<i>35%</i>	<i>42%</i>	<i>82%</i>	<i>44%</i>	<i>38%</i>	<i>53%</i>	<i>48%</i>	<i>43%</i>

*After eliminating entries

COMPARATIVE STATEMENTS OF FINANCIAL POSITION - CONSOLIDATED



As of March 2017 (Unaudited) vs December 2016 (Audited) – *In million pesos*

	SMC	SCPC	SLPGC	SBPG	SCS	SEU	SCRC	SCIP	CONSOLIDATED	
	PARENT	100% DIRECT	100% DIRECT	100% DIRECT	100% DIRECT	100% DIRECT	100% INDIRECT	100% DIRECT	03.31.2017	12.31.2016
ASSETS										
Current asstes										
Cash & Cash Equivalents	6,381	1,302	1,797	3	5	3	12	3	9,506	6,993
Receivables - net	2,484	1,421	780	-	-	-	-	-	4,685	5,686
Inventories - net	3,022	1,940	761	-	-	-	-	-	5,723	5,386
Investment in JV	59								59	52
Investment in Sinking Fund		69							69	69
Other current assets	1,160	903	1,849	-	-	-	0	-	3,912	2,968
Total Current Assets	13,105	5,635	5,187	3	5	3	12	3	23,954	21,154
Non current assets										
PPE – net	11,494	15,464	18,254	-	-	-	-	-	45,212	43,352
Other noncurrent assets	194	77	53	-	-	-	-	-	325	735
Deferred tax asset	54	465	(0)	-	-	0	-	-	519	519
Total Noncurrent Assets	11,742	16,006	18,307	-	-	0	-	-	46,056	44,606
TOTAL ASSETS	24,847	21,642	23,494	3	5	3	12	3	70,010	65,760

**After eliminating entries*

COMPARATIVE STATEMENTS OF FINANCIAL POSITION - CONSOLIDATED



As of March 2017 (Unaudited) vs December 2016 (Audited) – *In million pesos*

	SMC	SCPC	SLPGC	SBPG	SCS	SEU	SCRC	SCIP	CONSOLIDATED	
	PARENT	100% DIRECT	100% DIRECT	100% DIRECT	100% DIRECT	100% DIRECT	100%INDI RECT	100% DIRECT	03.31.2017	12.31.2016
LIABILITIES										
Current Liabilities										
Accounts payables	7,211	2,483	1,411	0	(6)	0	0	0	11,100	12,221
Short-term loans	-	1,600	-	-	-	-	-	-	1,600	1,600
Long-term debt – current	-	64	1,278	-	-	-	-	-	1,342	1,832
Total Current Liabilities	7,211	4,147	2,689	-	(6)	0	0	0	14,042	15,653
Noncurrent Liabilities										
LT - net of current	7,049	(0)	7,640	-	-	-	-	-	14,689	13,258
Pension liability	70	27	20	-	-	-	-	-	117	114
Provision for site rehab	1,593	14	-	-	-	-	-	-	1,606	1,606
Other LT Liabilities	-	-	846	-	-	-	-	-	846	837
Total Noncurrent Liabilities	8,712	41	8,506	-	-	-	-	-	17,259	15,816
TOTAL LIABILITIES	15,922	4,188	11,195	(0)	-	-	0	-	31,301	31,468
EQUITY										
Capital stock	1,069	-	-	-	-	-	-	-	1,069	1,069
Additional paid-in capital	6,676	-	-	-	-	-	-	-	6,676	6,676
Retained earnings	21,268	6,535	3,729	(0)	(155)	(0)	(0)	0	31,376	26,959
Remeasurement gains and losses	(24)	(2)	3	-	-	-	-	-	(23)	(23)
Treasury Shares	(388)	-	-	-	-	-	-	-	(388)	(388)
Total SHE	28,601	6,533	3,732	(0)	(155)	(0)	(0)	0	38,709	34,292
LIABILITIES & EQUITY	44,523	10,721	14,927	(0)	(161)	(0)	(0)	0	70,010	65,760

*After eliminating entries

CONSOLIDATED LOAN PROFILE

In Millions



Business Segment	Dec 2016	Jan-Mar		Mar 2017
		Availment	Payment	
Coal (USD)	70.8			70.8
Coal (PHP Equivalent)	3,518			3,549
Coal (PHP)	2,100	1,400		3,500
<i>Total Coal (PHP)</i>	<i>5,618</i>	<i>1,400</i>		<i>7,049</i>
SCPC (PHP)	1,728		64	1,664
SLPGC (PHP)	9,344	-	426	8,918
TOTAL (PHP)	16,690	1,400	490	17,631

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