

**PHILIPPINE AEROSPACE DEVELOPMENT CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**

December 31, 2015 and 2014

(In Philippine Peso)

	Note	2015	2014
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	25,086,537	8,584,965
Receivables, net	4	18,665,533	33,053,783
Inventories, net	5	54,624,763	49,607,675
Prepayments	6	1,094,437	7,243,603
Total current assets		99,471,270	98,490,026
<b>Non-current Assets</b>			
Investments, net	7	4,959,375	4,959,375
Property and equipment, net	8	12,915,910	13,686,099
Other assets	9	8,487,217	8,609,015
Total non-current assets		26,362,502	27,254,489
<b>TOTAL ASSETS</b>		<b>125,833,772</b>	<b>125,744,515</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and non-trade payables	10	20,000,572	21,827,223
<b>Non-Current Liabilities</b>			
Accrued retirement benefits	11	3,966,294	4,039,745
Depository liabilities	12	5,538,778	5,587,577
Total non-current liabilities		9,505,072	9,627,322
<b>Equity</b>		<b>96,328,128</b>	<b>94,289,970</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>125,833,772</b>	<b>125,744,515</b>

*See accompanying Notes to Financial Statements.*

**PHILIPPINE AEROSPACE DEVELOPMENT CORPORATION**  
**STATEMENTS OF PROFIT OR LOSS**

For the Years Ended December 31, 2015 and 2014

(In Philippine Peso)

	Note	2015	2014
<b>REVENUES</b>			
Sales	14	<b>12,379,055</b>	34,223,719
Cost of sales	14	<b>15,924,326</b>	29,745,260
Revenue (loss) from operations		<b>(3,545,271)</b>	4,478,459
Rental income		<b>35,744,017</b>	34,947,767
Interest income		<b>16,708</b>	102,266
Gain (loss) on foreign exchange		<b>80,816</b>	(1,689)
Miscellaneous income		<b>1,519,755</b>	1,447,005
<b>TOTAL REVENUES</b>		<b>33,816,025</b>	40,973,808
<b>OPERATING EXPENSES</b>			
<b>Personal Services</b>			
Salaries and wages		<b>9,063,014</b>	9,466,366
Employees benefits		<b>3,709,776</b>	3,593,197
Directors' allowance		<b>27,000</b>	0
		<b>12,799,790</b>	13,059,563
<b>Maintenance and Other Operating Expenses</b>			
Security/janitorial services		<b>2,939,449</b>	2,810,362
Utilities		<b>2,566,333</b>	2,965,930
Repairs and maintenance		<b>895,306</b>	2,386,124
Salaries and wages (job order)		<b>2,245,875</b>	2,075,756
Depreciation		<b>909,850</b>	892,147
Insurance		<b>727,412</b>	672,981
Consultancy services		<b>80,000</b>	640,000
Training		<b>324,248</b>	633,237
Gasoline, oil and lubricants		<b>421,062</b>	603,932
Taxes, duties and licenses		<b>896,763</b>	513,884
Extraordinary and miscellaneous expenses		<b>167,745</b>	81,597
Office supplies		<b>257,479</b>	359,476
Representation		<b>47,920</b>	269,295
Travel - reimbursable		<b>100,000</b>	260,000
Travel - local/foreign		<b>79,780</b>	66,600
Telephone/internet		<b>256,892</b>	256,661
Advertising		<b>202,725</b>	226,596
Auditing services		<b>153,155</b>	146,435
Rent expenses		<b>108,272</b>	108,244
Gender and development		<b>275,000</b>	61,037
Bank charges		<b>36,495</b>	195,785
Miscellaneous		<b>414,648</b>	367,274
		<b>14,106,409</b>	16,593,353
<b>TOTAL OPERATING EXPENSES</b>		<b>26,906,199</b>	29,652,916
<b>NET PROFIT BEFORE INCOME TAX</b>		<b>6,909,826</b>	11,320,892
<b>INCOME TAX EXPENSE</b>		<b>2,065,836</b>	3,365,588
<b>NET PROFIT</b>		<b>4,843,990</b>	7,955,304

*See accompanying Notes to Financial Statements.*

**PHILIPPINE AEROSPACE DEVELOPMENT CORPORATION****STATEMENTS OF CHANGES IN EQUITY**

For the Years Ended December 31, 2015 and 2014

(In Philippine Peso)

	Note	CAPITAL STOCK	DEFICIT	TOTAL
<b>Balances, December 31, 2013</b>	13	<b>257,667,400</b>	<b>(169,201,516)</b>	<b>88,465,884</b>
<b>Changes in Equity in 2014</b>				
Net profit during the year		0	7,955,304	7,955,304
Prior-period adjustments		0	(2,131,218)	(2,131,218)
<b>Balances, December 31, 2014</b>		<b>257,667,400</b>	<b>(163,377,430)</b>	<b>94,289,970</b>
<b>Changes in Equity in 2015</b>				
Net profit during the year		0	4,843,990	4,843,990
Prior-period adjustments		0	(2,805,832)	(2,805,832)
<b>Balances, December 31, 2015</b>		<b>257,667,400</b>	<b>(161,339,272)</b>	<b>96,328,128</b>

*See accompanying Notes to Financial Statements*

**PHILIPPINE AEROSPACE DEVELOPMENT CORPORATION**  
**STATEMENTS OF CASH FLOWS**

For the Years Ended December 31, 2015 and 2014  
(In Philippine Peso)

	Note	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers		24,818,537	9,477,907
Cash received from tenants		39,621,994	39,614,472
Interest received		9,048	99,629
Other receipts		1,723,712	3,194,115
Cash paid to employees and suppliers of goods/services		(30,811,081)	(54,519,809)
Remittance to government agencies and other entities		(16,823,695)	(15,161,489)
Net cash provided by (used in) operations		18,538,515	(17,295,175)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of equipment		(131,904)	(114,767)
Net cash used in investing activities		(131,904)	(114,767)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of dividends		(1,985,855)	(3,000,000)
Net cash used in financing activities		(1,985,855)	(3,000,000)
<b>Effect of Exchange Rate changes on cash and cash equivalents</b>		80,816	(1,689)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		16,501,572	(20,411,631)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		8,584,965	28,996,596
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	3	25,086,537	8,584,965

*See accompanying Notes to Financial Statements.*