

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

December 31, 2018 and 2017

(in Philippine Peso)

	Note	2018	2017
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	4	73,445,105	61,559,279
Receivables, net	5	23,626,170	11,226,418
Inventories, net	6	54,753,785	52,229,696
Other Current Assets	7	12,716,400	7,986,550
Total Current Assets		164,541,460	133,001,943
<b>Non-Current Assets</b>			
Investment in Associate	8	11,799,153	11,799,153
Other Investments	9	61,170	61,170
Property and Equipment, net	10	10,667,660	11,196,961
Deferred Tax Asset	11	57,265	57,265
Other Non-Current Assets	12	2,118,605	2,118,605
Total Non-Current Assets		24,703,853	25,233,154
<b>TOTAL ASSETS</b>		<b>189,245,313</b>	<b>158,235,097</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Financial Liabilities	13	9,232,124	6,276,999
Inter-agency Payables	14	20,253,384	14,656,712
Unearned Income	15	4,542,879	0
Other Payables	16	20,414,151	16,056,511
Total Current Liabilities		54,442,538	36,990,222
<b>Non-Current Liabilities</b>			
Trust Liabilities	17	6,348,353	5,575,777
Provisions	18	5,066,074	4,674,106
Deferred Tax Liabilities	19	83,562	49,368
Total Non-Current Liabilities		11,497,989	10,299,251
<b>Equity</b>		<b>123,304,786</b>	<b>110,945,624</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>189,245,313</b>	<b>158,235,097</b>

*The notes on pages 9 to 31 form part of these statements.*

**PHILIPPINE AEROSPACE DEVELOPMENT CORPORATION**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
For the Years Ended December 31, 2018 and 2017  
(In Philippine Peso)

	Note	2018	2017
<b>REVENUE</b>			
Sales	22	5,918,324	307,262
Cost of Sales	22	2,867,852	122,634
Gross Profit		3,050,472	184,628
Rental Income	23	43,447,695	40,014,819
Dividend Income		5,307,900	5,187,780
Interest Income		206,820	210,810
Gain on Foreign Exchange		113,980	5,467
Miscellaneous Income		1,127,202	1,357,959
Other Income		50,955	0
		<b>53,305,024</b>	<b>46,961,463</b>
<b>EXPENSES</b>			
Personnel Services	24	25,823,820	26,883,270
Maintenance and Other Operating Expenses	25	4,587,902	8,547,654
Financial Expenses	26	45,665	14,896
Non-Cash Expenses	27	881,535	906,578
		<b>31,338,922</b>	<b>36,352,398</b>
<b>NET INCOME BEFORE TAXES</b>		<b>21,966,102</b>	<b>10,609,065</b>
Income Tax Expense		4,935,460	1,959,448
<b>NET INCOME/</b>			
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>17,030,642</b>	<b>8,649,617</b>

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

For the Years Ended December 31, 2018 and 2017

(in Philippine Peso)

	Note	Capital Stock	Deficit	Total
<b>Balance, December 31, 2016</b>	<b>20</b>	<b>257,667,400</b>	<b>(155,695,954)</b>	<b>101,971,446</b>
<b>Changes in Equity in 2017</b>				
Net Income for the Year			8,649,617	8,649,617
Prior-period Adjustments			324,561	324,561
<b>Balance, December 31, 2017</b>		<b>257,667,400</b>	<b>(146,721,776)</b>	<b>110,945,624</b>
<b>Changes in Equity in 2018</b>				
Net Income for the Year			17,030,642	17,030,642
Dividends			(4,324,808)	(4,324,808)
Prior-period Adjustments			(346,672)	(346,672)
<b>Balance, December 31, 2018</b>		<b>257,667,400</b>	<b>(134,362,614)</b>	<b>123,304,786</b>

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

For the Years Ended December 31, 2018 and 2017  
(In Philippine Peso)

	Note	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers		<b>4,694,253</b>	1,782,419
Cash Received from Tenants		<b>41,731,702</b>	46,393,260
Interest Received		<b>189,751</b>	311,888
Other Receipts		<b>368,979</b>	1,705,151
Cash Paid to Employees and Suppliers of Goods/Services		<b>(27,892,474)</b>	(25,038,639)
Remittance to Government Agencies and Other Entities		<b>(6,369,972)</b>	(5,595,896)
Taxes paid		<b>(5,887,542)</b>	(8,603,672)
Net Cash Provided by Operating Activities		<b>6,834,697</b>	10,954,511
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Office Equipments		<b>(373,098)</b>	(112,152)
Dividends Received		<b>5,307,900</b>	5,187,780
Net Cash Provided by Investing Activities		<b>4,934,802</b>	5,075,628
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>11,769,499</b>	16,030,139
Effect of Exchange Rate Changes on Cash and Cash Equivalents		<b>116,327</b>	5,466
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>61,559,279</b>	45,523,674
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	4	<b>73,445,105</b>	61,559,279

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