

# Major Plans & Assumptions for 2016

## Membership Operations

- a. MG will stop the collection Members' Contributions by January 1, 2016
- b. MG will stop the accrual of interest in Members' Contributions effective January 1, 2016
- c. MG will continue to accept and process Advance Refund applications at a discount rate of 1% per month
- d. DCLC and MPL programs will be stopped effective January 1, 2016



# Major Plans & Assumptions for 2016

## Investment Mgt Operations

- a. Money market portfolio will be rolled-over at an average of 90-days at **1.75%** interest rate p.a.
- b. Long-Term investments are held to maturity up to CY 2024
- c. Stocks: YEHEY @3.00/sh (Feb), EDC @6.90/sh (Mar), PSE @300/sh (Apr) to be sold in CY 2016
- d. TD's Net cash flow will be reinvested in money market placements
- e. Divestment of the following shares:
  - Monterrossa Devt Corp (MDC)
  - Bay Resources Devt Corp (BRADCO)
  - Enchanted Kingdom Holdings Inc (EKHI)
  - Marilaque Land Inc (MLI)
  - Southern Utilities Management Services Inc (SUMSI)
  - Aguinardo Theater Enterprises Inc (ATEI)



# Major Assumptions for 2016

## Real Estate Operations

- a. 100% collection efficiency in AFPRSBS Industrial Park Management Office, Global Tower Condo (except 6 units parking), and ASEANA
- b. Sale of retail inventories and acquired assets:

PROPERTY	INVENTORY	FOR DISPOSAL	RESIDUAL
Green Meadows	206 Lots	206 Lots	-
Orchard	22 Lots	22 Lots	-
Riviera Res'l	98 Lots	64 Lots	34 Lots
Villa Caceres	58 Lots	47 Lots	11 Lots
BAIS, Calumpit	5 Lots	5 Lots	-
Bulua, CDO	2 Lots	2 Lots	-
Cajimos, Romblon	1 Lot	1 Lot	-
Camarines Sur	1 Lot	1 Lot	-
GT Condo	2 Units	2 Units	-
GT Parking Slots	7 Slots	7 Slots	-
Opol, Misamis Oriental	13 Lots	13 Lots	-
St. Michael			



# Major Plans & Assumptions for 2016

## Real Estate Operations

c. Divestment of the following real estate assets thru public bidding:

<b>Asset</b>	<b>Projected Lot Area to be divested</b>
Mexico, Pampanga	560,000 sqm (Ph 1 & Rawland)
Gen Santos City	34,327 sqm

## Administrative and Executive Support Operations

### a. **Manpower Complement:**

Senior Management (Executives)	6
Department Heads (Managerial)	11
Branch Heads (Supervisory)	25
Rank & File (Regular)	42
Rank & File (Casual/Contractual)	<u>49</u>
	<b>133</b>

### b. **Allowance for hiring of additional employees:**

AMD- 1 replacement (contractual) & 1 job-hired
CD - 3 job-hired
MG - job-hired



# FUND MANAGEMENT OPERATIONS

## Projected Revenues

(In Million Pesos)

	2016 BUDGET
<b>Money Market Placements</b>	<b>39.250</b>
<b>Bonds &amp; Other Securities</b>	<b>128.652</b>
<b>Stocks</b>	<b>(1.675)</b>
<b>TOTAL</b>	<b>166.227</b>



# REAL ESTATE OPERATIONS

## Projected Revenues

(In Million Pesos)

	2016 BUDGET
<b>REVENUE SOURCES</b>	<b>633.089</b>
Sale of Real Estate Inventories	477.371
Sale of Acquired Assets	35.433
Industrial Park Operations	90.410
Rental of RE Properties	27.611
Rental of Acquired Assets	0.804
Income from Expropriation	-
Other Income	1.460
<b>COS, MKTG, MAINT &amp; ADMIN EXP</b>	<b>173.778</b>
Real Estate Projects/Properties	159.623
Industrial Park Operations	10.482
Acquired Assets	3.673
<b>NET REVENUES</b>	<b>459.311</b>



# LENDING OPERATIONS

## Projected Revenues

(In Million Pesos)

	2016 BUDGET
Interest Income - ICRs	20.786
Interest Income - Commercial Loans	-
Interest on Employees' Loans	0.581
Penalties, Fees & Other Income	9.396
Advance Refund	13.387
Multi-Purpose Loan for Members	0.117
Discounting of Commu of Leave Credits	0.851
<b>TOTAL</b>	<b>45.118</b>



# EQUITY INVESTMENTS

## Projected Revenues

(In Million Pesos)

	2016 BUDGET
Share in Equity Earnings/(Loss)	2.446
<b>TOTAL</b>	<b>2.446</b>





**PROJECTED INCOME STATEMENT FROM DIVESTMENT  
FOR THE YEAR 2016**

		<b>TOTAL</b>
<b>REVENUES FROM DIVESTMENT OF ASSETS</b>		
<b>SALE OF RE ASSETS</b>		
	MEXICO PAMPANGA	82,482,406.35
	GENERAL SANTOS	147,698,302.16
	<b>TOTAL</b>	<b>230,180,708.51</b>
<b>MKTG, MAINT &amp; ADMIN EXP - RE</b>		
	REAL ESTATE PROJECTS/PROPERTIES	<b>83,739,000.00</b>
	<b>NET REVENUES FROM REAL ESTATE OPNS</b>	<b>146,441,708.51</b>
<b>NET REVENUES FROM SALE OF SHARES</b>		
	MDC	55,034,599.00
	BRADCO	1,885,293,776.00
	EKHI	116,157,028.00
	ATEI	(51,265,803.70)
	MLI	(139,559,676.00)
	SUMSI	14,913,220.00
	<b>TOTAL NET INCOME FROM SALE OF EQUITY INVESTMENTS</b>	<b>1,880,573,143.30</b>
	<b>TOTAL INCOME FROM DIVESTMENT ACTIVITIES</b>	<b>2,027,014,851.81</b>
	<b>MONEY MARKET REVENUES FROM DIVESTMENT INCOME</b>	<b>49,850,936.61</b>
	<b>TOTAL INCOME FROM OPNS AND DIVESTMENT ACTIVITIES</b>	<b>2,252,505,183.27</b>



# PERSONNEL EXPENSES

(In Million Pesos)

	2016 BUDGET
<b>PERSONNEL EXPENSES</b>	<b>360.669</b>
Salaries & Wages	<b>64.172</b>
Employees Benefits	<b>13.139</b>
Meeting Honoraria & Research Allowance	<b>5.140</b>
Personnel Training & Development	<b>2.042</b>
Provision for Employee Separation Benefits	<b>261.997</b>
Provision for Other Personnel Expenses	<b>14.179</b>
<b>TOTAL</b>	



# INVESTMENT EXPENSES

(In Million Pesos)

	2016 BUDGET
<b>INVESTMENT EXPENSES</b>	<b>102.304</b>
Consultancy/Retainers Fee/ Project-Hired Personnel	<b>9.838</b>
Meeting & Conferences	<b>2.766</b>
Legal, Collection & Other Expenses	<b>17.862</b>
Tax Expense	<b>2.062</b>
Evaluation Expense	<b>4.458</b>
Provision for Other Legal & Collection Expenses	<b>65.318</b>



# ADMINISTRATIVE EXPENSES

(In Million Pesos)

	<b>2016 BUDGET</b>
<b>ADMINISTRATIVE EXPENSES</b>	<b>28.391</b>
Petroleum, Oil and Lubricants	<b>2.094</b>
Supplies and Materials	<b>3.026</b>
Postage, Telephone & Communication	<b>2.330</b>
Subscription & Membership	<b>0.361</b>
Repairs and Maintenance	<b>3.775</b>
Insurance Expense	<b>0.664</b>
Registration Fee	<b>0.030</b>
Photocopier Rental/Lease Expense	<b>0.410</b>
Janitorial Expense	<b>2.636</b>
Security Service	<b>1.600</b>
Corporate Affairs	<b>2.326</b>
Advertising and Publication	<b>0.925</b>
Power and Water	<b>7.060</b>
Bank Charges	<b>0.024</b>
Member Information	<b>0.630</b>
Contingency	<b>0.500</b>

# CAPITAL OUTLAY

(In Pesos)

Expense Items	Total
<b>OFFICE MACHINERIES &amp; EQUIPMENT</b>	<b>635,000.00</b>
Airconditioning Units	355,000.00
Desktop Computer	175,000.00
Office Equipment	30,000.00
Printer/Scanner	75,000.00
<b>OFFICE FURNITURE AND FIXTURES</b>	<b>300,000.00</b>
<b>BUILDING IMPROVEMENT</b>	<b>50,000.00</b>
<b>TRANSPORTATION / MOTOR VEHICLE</b>	<b>2,607,000.00</b>
<b>TOTAL</b>	<b>3,592,000.00</b>



# INCOME AND EXPENSE BUDGET

(In Million Pesos)

	<b>BUDGET 2016</b>
<b>REVENUES</b>	<b>673.101</b>
<b>FUND MANAGEMENT OPERATIONS</b>	<b>166.227</b>
<b>REAL ESTATE OPERATIONS</b>	<b>459.310</b>
<b>LENDING OPERATIONS</b>	<b>45.118</b>
<b>EQUITY INVESTMENT OPERATIONS</b>	<b>2.446</b>
<b>EXPENSES</b>	<b>497.462</b>
<b>PERSONNEL EXPENSES</b>	<b>360.669</b>
<b>INVESTMENT EXPENSES</b>	<b>102.305</b>
<b>ADMINISTRATIVE EXPENSES</b>	<b>28.391</b>
<b>DEPRECIATION EXPENSES</b>	<b>6.097</b>
<b>NET INCOME BEFORE INTEREST ON MC</b>	<b>175.639</b>



# PROJECTED 2016 CASH FLOW

## (Regular Operations)

<b>CASH BALANCE, BEG</b>	<b>78,224,659.10</b>
<b>ADD: CASH INFLOWS</b>	
Membership Operations	279,316,668.43
Fund Management Operations	11,561,847,561.00
Real Estate Operations	289,990,944.96
Lending Operations	79,057,730.88
Equity Investments Operations	36,851,884.00
<b>TOTAL</b>	<b>12,325,289,448.37</b>
<b>LESS: CASH OUTFLOWS</b>	
Membership Operations	1,234,027,682.56
Fund Management Operations	10,137,830,563.00
Real Estate Operations	362,030,640.67
Lending Operations	17,618,318.56
Operating Expenses	497,462,201.71
Capital Outlay	3,592,000.00
<b>TOTAL</b>	<b>12,252,561,406.50</b>
<b>NET OPERATING CASHFLOW</b>	<b>72,728,041.87</b>
New Members Contribution	-
<b>CASH BALANCE, END</b>	<b>72,728,041.87</b>



**AFP RETIREMENT AND SEPARATION BENEFITS SYSTEM  
PROJECTED CASH FLOW STATEMENT FROM DIVESTMENT  
FOR THE YEAR 2016**

<b>INFLOWS FROM DIVESTMENT ACTIVITIES</b>		
<b>EQUITY INVESTMENTS OPERATIONS</b>		
	<b>Proceeds from sale of Shares:</b>	
	MDC Shares	988,005,000.00
	BRADCO Shares	2,557,242,600.00
	EKI Shares	129,586,976.00
	MLI Shares	78,969,600.00
	SUMSI Shares	44,144,000.00
	<b>TOTAL</b>	<b>3,797,948,176.00</b>
<b>REAL ESTATE MGMNT OPERATIONS</b>		
	MEXICO PAMPANGA	55,357,319.70
	GENERAL SANTOS	79,685,460.00
	ST MICHAEL	420,000,000.00
	<b>TOTAL</b>	<b>555,042,779.70</b>
<b>TOTAL INFLOWS FROM DIVESTMENT ACTIVITIES</b>		<b>4,352,990,955.70</b>
<b>OUTFLOWS FROM DIVESTMENT ACTIVITIES</b>		
<b>EQUITY INVESTMENTS OPERATIONS</b>		
	Doc Stamps Tax	4,867,500.00
	Capital Gains Tax	355,214,758.00
	<b>TOTAL</b>	<b>360,082,258.00</b>
<b>REAL ESTATE MGMNT OPERATIONS</b>		
	MEXICO PAMPANGA	48,952,258.14
	GENERAL SANTOS	45,516,463.60
	ST MICHAEL	108,039,000.00
	<b>TOTAL</b>	<b>202,507,721.74</b>
<b>TOTAL OUTFLOWS FROM DIVESTMENT ACTIVITIES</b>		<b>562,589,979.74</b>
<b>NET INFLOWS FROM DIVESTMENT ACTIVITIES</b>		<b>3,790,400,975.96</b>
<b>UTILIZATION OF INFLOWS FROM DIVESTMENT</b>		<b>3,790,400,975.96</b>

