



























(In Millions PhP)	2016 ACTUAL	2015 ACTUAL	% Variance	TARGET	% Variance.
Net Water Sales (YTD)	793.8	777.9	 2%	875.1	 -9%
Operating Expenses	662.4	636.9	 -4%	818.6	 19%
Net Income	131.8	135.6	 -3%	47.8	 176%
Cash Balance	1,324.1	1,289.0	 3%	522.4	 153%
Capital Expenditures	127.6	69.5	 83%	893.9	 -86%
Total Assets	3,716.5	3,573.7	 4%		
Total Debt	1,298.2	1,405.4	 8%		
Net Income Ratio (YTD)	16.5%	17.3%	 -0.8 pt(s)	5.4%	 11.0 pt(s)
Operating Ratio (YTD)	82.7%	81.2%	 -1.5 pt(s)	92.8%	 10.1 pt(s)
Collection Efficiency	90.9%	89.4%	 1.5 pt(s)	89.0%	 1.9 pt(s)
Debt Ratio	35.1%	39.3%	 4.3 pt(s)	35.0%	 0%
Current Ratio	3.41	3.81	 -10.5%	2.00	 71%
Operating Expense/cubic meter sold	22.7	22.0	 -3%	25.60	 11%
Ave. Operating Expenses/SC/Month	639.9	643.6	 1%	770.5	 17%

Legend:



Favorable



Unfavorable

July 20, 2016

💧 Sales volume for the 2nd quarter of the year had reached 14.56 million cubic meters – a slight increase of 1.0% from last year of the same period. The 2nd quarter actual sales, however, has missed the target by 10.9% or ₱51.8 million. The unattained sales target chiefly is attributed to the onslaught of the El Niño Phenomenon which has greatly affected our water production for the 1st half of the year. This had led to low new service connections and low consumption for existing consumers.

💧 Missed sales target for the quarter can be traced to the following factors:

- Non-attainment of the total service connection target by 6,722 residential SCs which is equivalent to ₱12.1 million in unattained sales;

- Aggregate CSD is lower than target by an average of 0.0816 cmd or 5% which is equivalent to ₱36.0 million in unattained sales.
 - Due to the lower than target CSD, actual effective rate was also pulled down by an average of ₱0.12/cubic meter or an unattained sales of ₱1.7 Million
- 💧 Operating expenses for the 1st half of the year amounted to a total of ₱ 662.4 Million which is lesser than the budget by 19.1%. Expenses have increased by ₱ 25.4 or only 4.0% despite the implementation of the salary increase beginning January of this year.
- 💧 As of June 30, 2016, Net Income amounted to ₱ 131.7 million – slightly lower than last year by 3%.
- 💧 Net cash outflow at the end of June is ₱ 2.27 million after a total disbursement of ₱622.0 million for operating costs, ₱84.6 million for debt service, ₱127.5 million for capital expenditures (up by 83% from last year) and ₱70.0 million for other cash disbursements. This brings a cash balance of ₱1.352 billion. Out of this amount, ₱1.01 billion is earmarked for capital expenditures leaving free cash equivalent to 1.5 months of operating expenses.

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