



























(In Millions PhP)	2016 ACTUAL	2015 ACTUAL	% Variance		TARGET	% Variance.	
Net Water Sales (YTD)	256.5	252.5		2%	281.9		-9%
Operating Expenses	224.8	187.2		-20%	278.2		19%
Net Income	33.0	59.3		-44%	0.7		4764%
Cash Balance	1,335.1	1,224.8		9%	1,132.3		18%
Capital Expenditures	30.9	12.4		150%	248.7		-88%
Total Assets	3,628.2	3,584.9		1%			
Total Debt	1,298.2	1,404.4		8%			
Net Income Ratio (YTD)	12.8%	23.3%		-10.5 pt(s)	0.2%		12.5 pt(s)
Operating Ratio (YTD)	86.9%	73.5%		-13.4 pt(s)	97.9%		11.0 pt(s)
Collection Efficiency	79.0%	70.3%		8.7 pt(s)	74.0%		7%
Debt Ratio	36.1%	39.2%		3.0 pt(s)	35.0%		3%
Current Ratio	3.39	3.69		-8.3%	2.00		69%
Operating Expense/cubic meter sold	44.0	38.7		-14%	52.07		16%
Ave. Operating Expenses/SC/Month	655.3	572.4		-14%	798.5		18%

Legend:

 Favorable

 Unfavorable

💧 The month of February has registered sales (net of discounts) of ₱117.0 million (₱19.3 million or 14.1% below target) or an equivalent billed volume of 164,492 cmd and lower than the previous year by 7.9% or ₱ 10.1 million.

💧 Missed sales target is primarily due to the following factors:

- Non-attainment of service connection target in the residential consumers category by 3,173 SCs which is equivalent to ₱ 1.9 million in unattained sales;
- Commercial CSD is lower than target by 1.2 cubic meters/SC or 17.1% which is equivalent to ₱ 4.7 million in unattained sales.
- Actual Billing Days is lesser than the target by 2.14 days which translates to unrealized sales of about ₱ 9.6 million
- The below the target performance in the revenues is attributed to the low supply in production and bulk supply deliveries which resulted to the low CSDs on certain areas.

💧 Operating expenses have increased from last year of the same period by 20% or ₱37.5 million and are higher than the budget by 19.2% or ₱53.4 million. The significant

increase of the operating expense from last year is primarily due to the recognition of the 4th quarter 2015 CPIS Bonus amounting to ₱20.6 as expense in February when it was released. The substantial variance between actual and budgeted expenses was attributed to the following factors:

- Actual purchased water expense is lower than the budget by ₱26.8 million and is higher than last year by ₱38.1 million;
- Actual transmission lines expense is lower than the budget by ₱6.7 million but higher than last year by ₱11.0 million;
- Power/Fuel for Pumping expense for this year is higher compared to last year by ₱5.6 million;
- Actual installation and disconnection expense is lower than the budget by ₱4.7 million and is higher than last year by ₱5.3 million;
- Meter maintenance expense is higher than last year by ₱5.6 million.

💧 As of February, net income is ₱33.0 million which is lower than last year by 44 percentage points but higher than the target by 4,764 percentage points. Year-to-date net income ratio is at 12.8% which is 10.5 percentage points lower than last year of the same period.

💧 At the end of February, net cash inflow is ₱8.8 million after a total disbursement of ₱225.0 million for operating costs, ₱28.2 million for debt service, ₱30.9 million for capital expenditures and ₱21.4 million for other cash disbursements. This brings a cash balance of ₱1.335 billion, ₱1.302 billion is earmarked for capital expenditures leaving a free cash balance equivalent of less than a month for operating expenses.

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