

UNAUDITED

**PHILIPPINE NATIONAL OIL COMPANY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
For the Period Ended December 31, 2016 - Pre-closing  
(In Philippine Peso)

	2016	2015
<b>REVENUES</b>		
DIVIDEND INCOME	733,695,710	1,507,889,673
RENT INCOME	306,822,812	281,561,159
INTEREST INCOME	212,661,138	270,816,183
<b>GROSS REVENUES</b>	<b>1,253,179,660</b>	2,060,267,015
<b>OPERATING EXPENSES</b>	<b>284,360,557</b>	263,738,739
<b>INCOME FROM OPERATIONS</b>	<b>968,819,103</b>	1,796,528,276
<b>OTHER INCOME (CHARGES)</b>		
FOREX GAIN (LOSS) - NET	7,448	5,554
OTHER INCOME (CHARGES) - NET	7,954,544	23,162,716
	<b>7,961,992</b>	23,168,270
NET INCOME BEFORE INCOME TAX	<b>976,781,095</b>	1,819,696,546
INCOME TAX	<b>(7,520,754)</b>	(19,322,516)
<b>NET INCOME BEFORE COMPREHENSIVE INCOME</b>	<b>969,260,341</b>	1,800,374,030
UNREALIZED GAIN / (LOSS) ON REVALUATION (NET)	<b>47,500</b>	(1,051,250)
<b>NET INCOME</b>	<b>969,307,841</b>	1,799,322,780

**PHILIPPINE NATIONAL OIL COMPANY**

(A Corporation Wholly-Owned by the Government of the Republic of the Philippines)

**STATEMENT OF FINANCIAL POSITION**

December 31, 2016

(In Philippine Peso)

	2016	2015
<b>ASSETS</b>		
Cash and cash equivalents	1,129,028,694	251,766,088
Receivables	174,922,680	171,382,638
Held-to-maturity investments	6,488,367,713	6,991,016,206
Investments in subsidiaries and affiliates	5,056,206,406	5,056,206,406
Investment property	11,389,321,206	11,584,239,935
Property and equipment	376,904,708	201,280,679
Banked gas inventory	13,789,376,675	13,789,376,675
Other assets	1,787,516,135	1,825,674,637
Deferred tax assets	342,833,420	331,258,983
<b>TOTAL ASSETS</b>	<b>40,534,477,637</b>	<b>40,202,202,247</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	278,402,355	285,447,116
Dividends payable	143,899,792	271,799,184
Deferred tax liabilities	2,788,163,406	2,788,779,231
Other credits	276,493,238	271,412,833
<b>TOTAL LIABILITIES</b>	<b>3,486,958,791</b>	<b>3,617,438,364</b>
<b>EQUITY</b>	<b>37,047,518,846</b>	<b>36,584,763,883</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>40,534,477,637</b>	<b>40,202,202,247</b>

**PHILIPPINE NATIONAL OIL COMPANY**

(A Corporation Wholly-Owned by the Government of the Republic of the Philippines)

**STATEMENT OF CASH FLOWS****For the year ended December 31, 2016 -Pre-closing**

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	<b>2016</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash receipts from customers, subsidiaries and employees	<b>543,389,533</b>
Cash paid to suppliers, subsidiaries and employees	<b>(253,134,540)</b>
<b>Net cash from operating activities</b>	<b>290,254,993</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from investment) in bonds and other securities	<b>488,050,000</b>
Cash dividends from subsidiaries/associates	<b>372,094,324</b>
Loan drawdowns to subsidiaries	<b>-</b>
Net proceeds from disposal of assets	<b>10,000,000</b>
Capital expenditures	<b>(11,337,527)</b>
<b>Net cash from investing activities</b>	<b>858,806,797</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Payment of cash dividend to National Government	<b>(271,799,184)</b>
<b>Net cash used in financing activities</b>	<b>(271,799,184)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>877,262,606</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>251,766,088</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF YEAR</b>	<b>1,129,028,694</b>

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