

NATIONAL DEVELOPMENT COMPANY
STATEMENTS OF FINANCIAL POSITION
December 31, 2017 and 2016
(In Philippine Peso)

	Note	2017	2016 (as restated)	January 1, 2016 (as restated)
ASSETS				
Current Assets				
Cash and cash equivalents	6	1,945,258	4,126,363	532,311,128
Short-term investments	7	2,133,232,496	2,012,919,450	788,407,446
Receivables, net	8	246,720,269	215,982,862	186,405,150
Other current assets	9	23,386,589	91,199,993	88,668,610
Total Current Assets		2,405,284,612	2,324,228,668	1,595,792,334
Non-Current Assets				
Investments	10	1,944,141,141	1,894,671,912	1,408,701,754
Receivables, net	8	2,817,811,048	4,270,990,535	6,006,780,277
Investment property	11	10,621,823,140	7,593,237,565	3,467,578,536
Property and equipment, net	12	8,086,435	15,837,466	15,949,741
Other non-current assets and deferred charges	13	67,492,767	178,029,751	186,558,016
Total Non-Current Assets		15,459,354,531	13,952,767,229	11,085,568,324
TOTAL ASSETS		17,864,639,143	16,276,995,897	12,681,360,658
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable	14	14,809,390	19,686,856	609,577,514
Interest payable	15	386,142,647	322,229,006	246,573,652
Loans payable	16	2,306,824,400	3,480,024,400	4,653,224,400
Inter-agency payables	17	5,754,909	24,923,146	1,561,871
Trust liabilities	18	32,557,857	187,824,615	23,343,950
Deferred credits/unearned income	19	7,940,527	14,770,485	8,666,566
Provisions	20	160,835,102	160,048,851	160,048,851
Total Current Liabilities		2,914,864,832	4,209,507,359	5,702,996,804
Non-Current Liabilities				
Deferred tax liability	27	2,521,499,563	1,759,175,397	1,336,193,265
Trust liabilities	18	39,378,067	42,154,984	34,220,791
Other payables	21	0	6,882,423	0
Total Non-Current Liabilities		2,560,877,630	1,808,212,804	1,370,414,056
Equity		12,388,896,681	10,259,275,734	5,607,949,798
TOTAL LIABILITIES AND EQUITY		17,864,639,143	16,276,995,897	12,681,360,658

See accompanying Notes to Financial Statements.

NATIONAL DEVELOPMENT COMPANY
STATEMENTS OF PROFIT OR LOSS

For the Years Ended December 31, 2017 and 2016
(In Philippine Peso)

	Note	2017	2016 (as restated)
REVENUES			
Dividend income	22	202,211,863	1,084,225,147
Rent income	23	170,797,809	142,569,050
Interest income		90,289,817	67,099,613
Management fees		84,000	84,000
		463,383,489	1,293,977,810
OPERATING EXPENSES			
Personnel services	24	24,912,703	20,788,725
Maintenance and other operating expenses	25	95,434,172	369,240,264
		120,346,875	390,028,989
INCOME FROM OPERATIONS		343,036,614	903,948,821
OTHER INCOME (EXPENSES), NET	26	2,982,330,388	2,328,445,577
PROFIT BEFORE INCOME TAX		3,325,367,002	3,232,394,398
INCOME TAX EXPENSE			
Current tax	27	226,487,937	257,026,961
Deferred tax		739,803,643	445,502,656
NET PROFIT		2,359,075,422	2,529,864,781

See accompanying Notes to Financial Statements.

NATIONAL DEVELOPMENT COMPANY
STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2017 and 2016
(In Philippine Peso)

	Note	Share Capital (Note 28)	Share in Revaluation Increments of Associates	Retained Earnings/(Deficit) (Note 29)	Total
Balances, December 31, 2015		8,602,803,483	28,883,100	(1,804,677,787)	6,827,008,796
Correction of prior years' errors	29	0	0	(1,219,058,998)	(1,219,058,998)
Restated balance, January 1, 2016		8,602,803,483	28,883,100	(3,023,736,785)	5,607,949,798
Changes in Equity for 2016					
Net profit for the year, as restated	30	0	0	2,529,864,781	2,529,864,781
Dividends		0	0	(48,566,711)	(48,566,711)
Revaluation of investment property (Cost to fair value)		0	0	1,890,887,311	1,890,887,311
Reversal of deferred income tax		0	0	279,140,555	279,140,555
Balances, December 31, 2016		8,602,803,483	28,883,100	1,627,589,151	10,259,275,734
Changes in Equity for 2017					
Net profit for the year		0	0	2,359,075,422	2,359,075,422
Dividends		0	0	(421,308,805)	(421,308,805)
Reversal of deferred tax liability from interest receivable due from NIA		0	0	140,322,321	140,322,321
Adjustment in investment in associates		0	0	56,440,117	56,440,117
Reclassification of trust liability		0	0	(4,908,108)	(4,908,108)
Balances, December 31, 2017		8,602,803,483	28,883,100	3,757,210,098	12,388,896,681

See accompanying Notes to Financial Statements.

NATIONAL DEVELOPMENT COMPANY
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2017 and 2016
(In Philippine Pesos)

	Note	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Dividends received		217,836,906	1,104,602,606
Collection of rentals		168,923,045	160,285,434
Collection of interest		31,550,348	22,933,855
Collection of receivables		9,120,412	12,141,952
Miscellaneous collections		2,047,808	21,748,664
Payment of taxes and licenses		(281,128,400)	(437,844,124)
Payment to suppliers and service providers		(67,913,528)	(131,889,216)
Payment of salaries and benefits to officers and employees		(19,193,401)	(20,614,987)
Loans granted to NDC employees		(215,571)	(511,455)
Net cash provided by operating activities		61,027,619	730,852,729
CASH FLOWS FROM INVESTING ACTIVITIES			
Return of capital		37,666,000	63,700,000
Collection of loans		18,781,218	344,752,372
Proceeds from disposal of assets		4,720,685	94,850,039
Gain from investment		1,770,014	0
Placements on short-term investments		(27,507,850)	(1,731,018,539)
Net cash provided by (used in) investing activities		35,430,067	(1,227,716,128)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of dividends		(102,521,228)	(41,684,288)
Net cash used in financing activities		(102,521,228)	(41,684,288)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
		3,882,437	10,362,922
NET DECREASE IN CASH AND CASH EQUIVALENTS			
		(2,181,105)	(528,184,765)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR			
		4,126,363	532,311,128
CASH AND CASH EQUIVALENTS AT END OF YEAR			
	6	1,945,258	4,126,363

See accompanying Notes to Financial Statements.