



Engineering A First-world Philippines

INVESTOR PRESENTATION

FY2018 RESULTS



DISCLAIMER

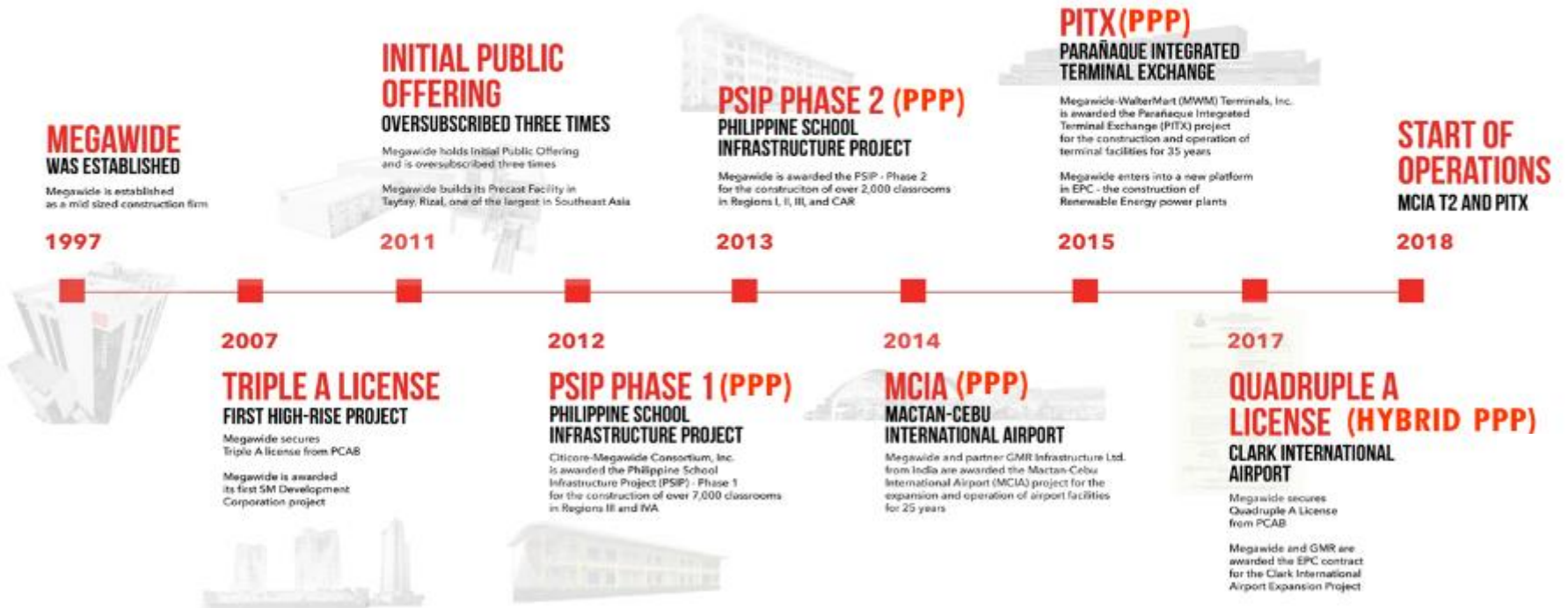
This presentation was prepared solely and exclusively for discussion purposes. This presentation and/or any part thereof may not be reproduced, disclosed or used without the prior written consent of Megawide Construction Corporation (the “Company”).

This presentation, as well as discussions arising therefrom, may contain statements relating to future expectations and/or projections of the Company by its management team, with respect to the Company and its portfolio companies. These statements are generally identified by forward-looking words such as “believe”, “plan”, “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, or other similar words. These statements are: (i) presented on the basis of current assumptions which the company’s management team believes to be reasonable and presumed correct based on available data at the time these were made, (ii) based on assumptions regarding the Company’s present and future business strategies, and the environment in which it will operate in the future, (iii) a reflection of our current views with respect to future events and not a guarantee of future performance, and (iv) subject to certain factors which may cause some or all of the assumptions not to occur or cause actual results to diverge significantly from those projected. Any and all forward looking statements made by the Company or any persons acting on its behalf are deemed qualified in their entirety by these cautionary statements.

This presentation is solely for informational purposes and should in no way be construed as a solicitation or an offer to buy or sell securities or related financial instruments of the Company and/or any of its subsidiaries and/or affiliates.

OUR MILESTONES

EXCELLENCE IN 20 YEARS



COMPANY BACKGROUND



A publicly listed diversified engineering conglomerate focused on **CONSTRUCTION** and **INFRASTRUCTURE DEVELOPMENT**

Engineering, Procurement,
and Construction

Transport
Infrastructure

Residential

Office and
Commercial

Infrastructure

Industrial

Airport

Progressive Property Dev't



Largest building
construction company



Largest private airport
operator

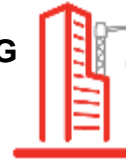


First landport property
developer and operator

PHILIPPINES' GROWTH DRIVERS

ROBUST INFRASTRUCTURE SPENDING

PHP8.0 TRILLION (2017-2022)
5% OF GDP



STABLE GDP GROWTH

6.2% (FY2018)
6.6% (2019E)*

RESILIENT OFW REMITTANCES

▲3.0% (FY2018)
US\$32.2BN



YOUNG POPULATION

TOTAL: 107.4M*
MEDIAN AGE: 23.5**

INCREASING TOURIST ARRIVALS

▲7.7% (FY2018)***
7.13M



GROWING GDP PER CAPITA

US\$3,103 (2018)
US\$2,990 (2017)

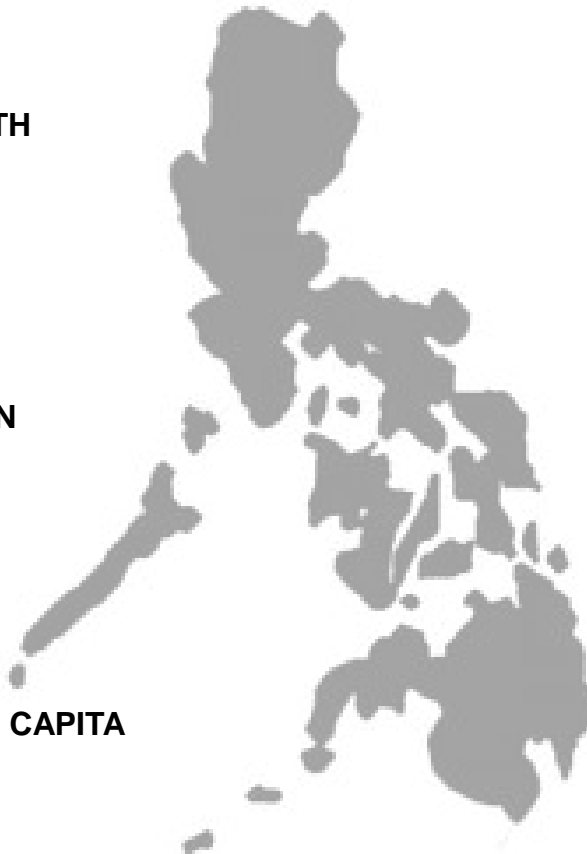
STRONG BPO INDUSTRY

1.4M EMPLOYEES
US\$27.1BN REVENUES (2018E)****



LOW UNEMPLOYMENT RATE

5.4% (Sept 2018)
5.6% (Sept 2017)



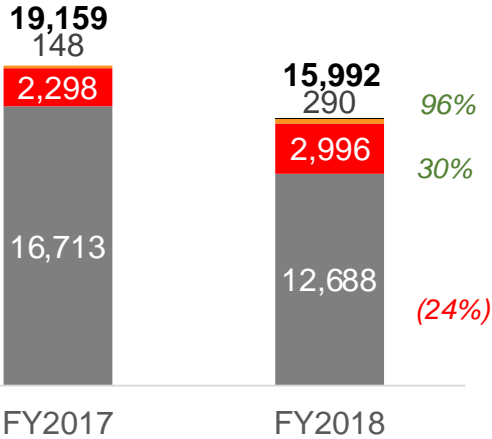
FY2018 CONSOLIDATED INCOME STATEMENT

In Php M	FY2018	FY2017	Mov't	%	Remarks
Total Revenues	15,992	19,159	-3,167	-17%	Lower construction revenues
Construction	12,688	16,713	-4,024	-24%	Due to timing of project completion
Airport Operations	2,996	2,298	698	30%	15% growth in passenger volume
Airport Merchandising	290	148	142	96%	Operations of commercial space
Landport Operations	18	-	18	-	Start-up operations
Direct Costs	11,606	14,545	-2,939	-20%	In line with lower revenue
Construction	10,784	14,084	-3,300	-23%	In line with lower revenue
Airport Operations	734	420	314	75%	Increase in direct costs and amortization
Airport Merchandising	70	41	29	72%	In line with revenue growth
Landport Operations	18	-	18	-	
Gross Profit	4,385	4,614	-228	-5%	
Other Operating Expenses	1,487	1,288	199	15%	Increase in airport operations and one-off
Operating Profit	2,898	3,326	-428	-13%	
Net Other Income (Charges)	-511	-499	12	2%	Due to increase in finance costs
Profit before tax	2,387	2,827	-440	-16%	
Tax Expense	493	579	-86	-15%	In line with profit before tax performance
Income before Non Controlling Interest	1,894	2,248	-354	-16%	In line with FY2018 guidance
Non-Controlling Interest	425	467	-42	-9%	
NIAT Attributable to MWIDE Equity Holders	1,469	1,781	-312	-18%	

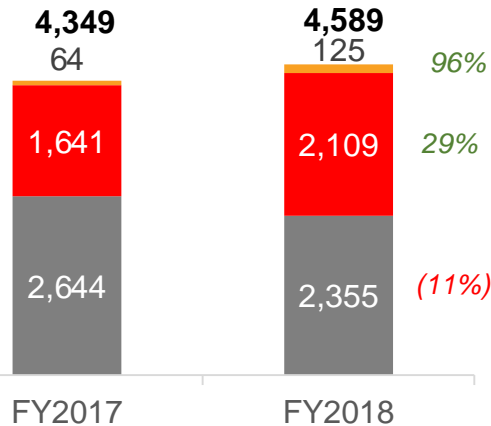
FY2018 FINANCIAL HIGHLIGHTS

YoY PERFORMANCE

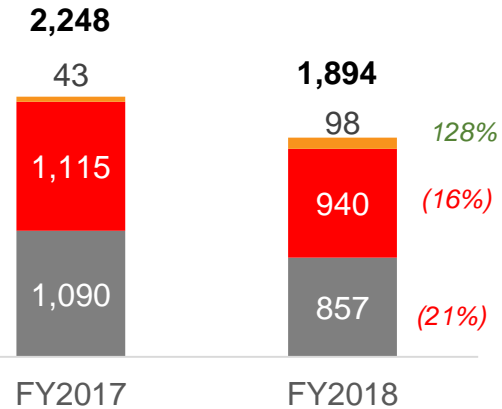
REVENUES (PHP m)



EBITDA (PHP m)

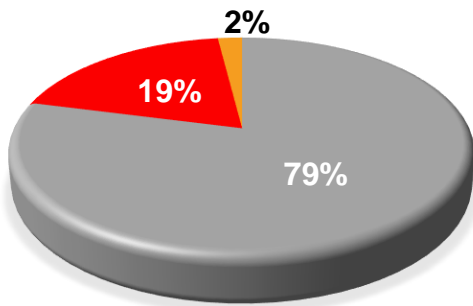


NET INCOME (PHP m)

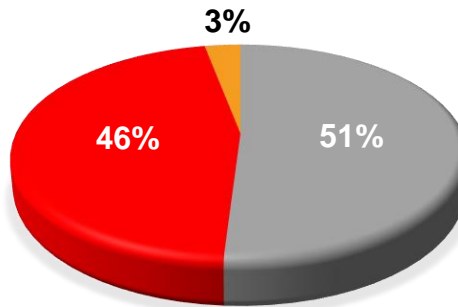


% SHARE

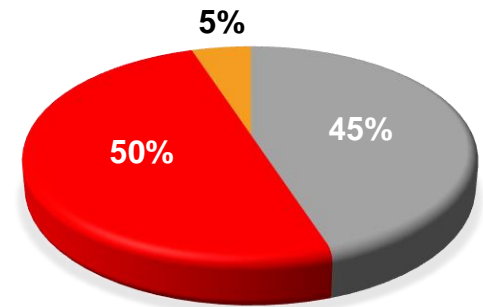
REVENUE



EBITDA



NET INCOME



■ Construction ■ Airport ■ Merchandising % Inc/(dec)

MARGIN PERFORMANCE

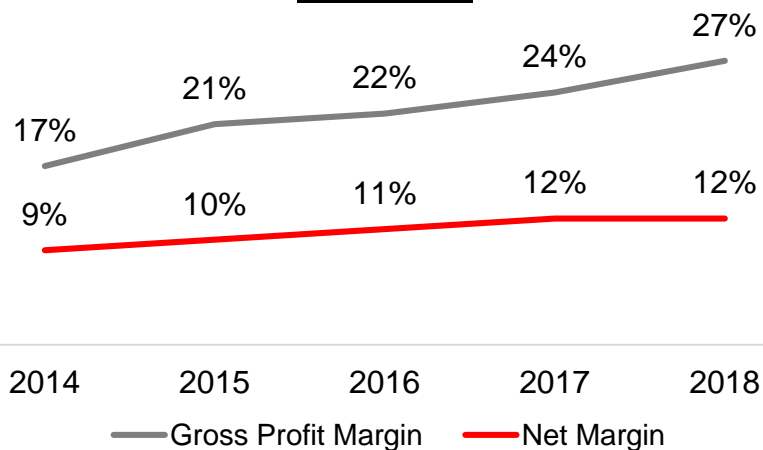
In PHP M	FY 2018	FY 2017	FY 2016
Gross Profit Margin	27%	24%	22%
Construction	15%	16%	15%
Airport Operations	75%	82%	81%
Airport Merchandising	76%	72%	-
EBITDA Margin	29%	23%	20%
Construction	19%	16%	15%
Airport Operations	70%	71%	70%
Airport Merchandising	43%	43%	-
Net Income Margin	12%	12%	11%
Construction	7%	7%	6%
Airport Operations	31%	49%	48%
Airport Merchandising	34%	29%	-

FINANCIAL POSITION

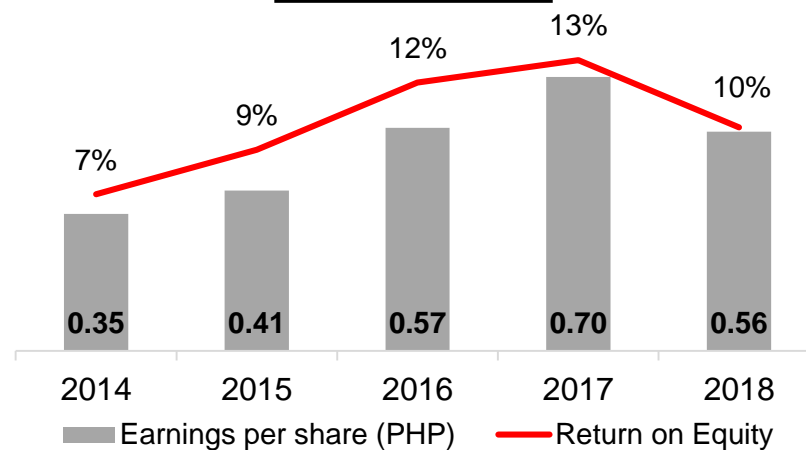
In PHP m	31-Dec-18	31-Dec-17	Movement	% Change
Cash & Financial Assets	5,761	8,140	(2,379)	-29%
Other Current Assets	19,029	10,559	8,470	80%
Total Current Assets	24,790	18,699	6,091	32%
Concession Assets	28,289	25,608	2,681	10%
Total Non Current Assets	41,115	35,719	5,396	15%
Total Assets	65,906	54,418	11,488	21%
Current Liabilities	16,565	9,413	7,152	76%
Non Current Liabilities	31,336	26,869	4,467	17%
Total Liabilities	47,902	36,282	11,620	32%
Equity	18,004	18,135	(131)	1%

LIQUIDITY AND GEARING RATIOS

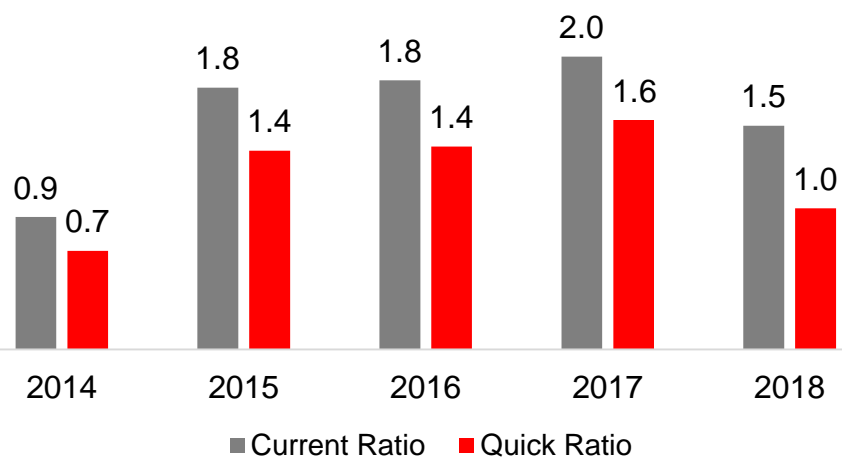
MARGINS



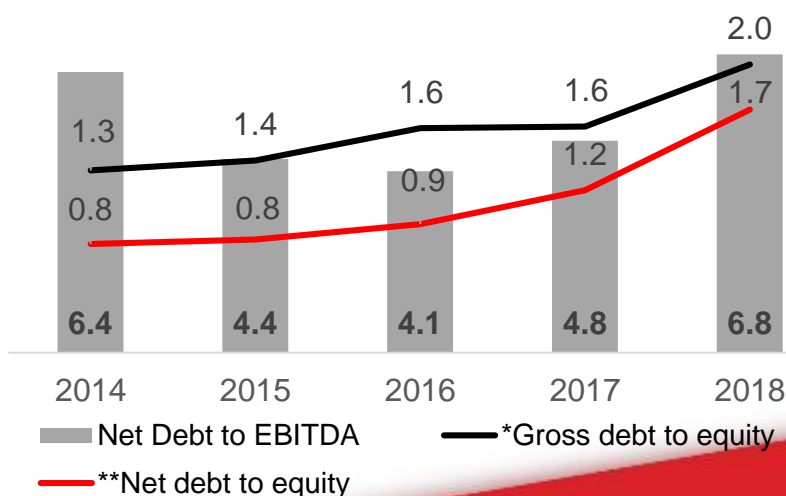
PROFITABILITY



LIQUIDITY



SOLVENCY



* Interest Bearing loans: FY18 – P36.8bn

** Net debt: FY18 - P31.0bn

1 Engineering, Procurement, and Construction (EPC)



LEADING CONSTRUCTION COMPANY IN THE COUNTRY

1

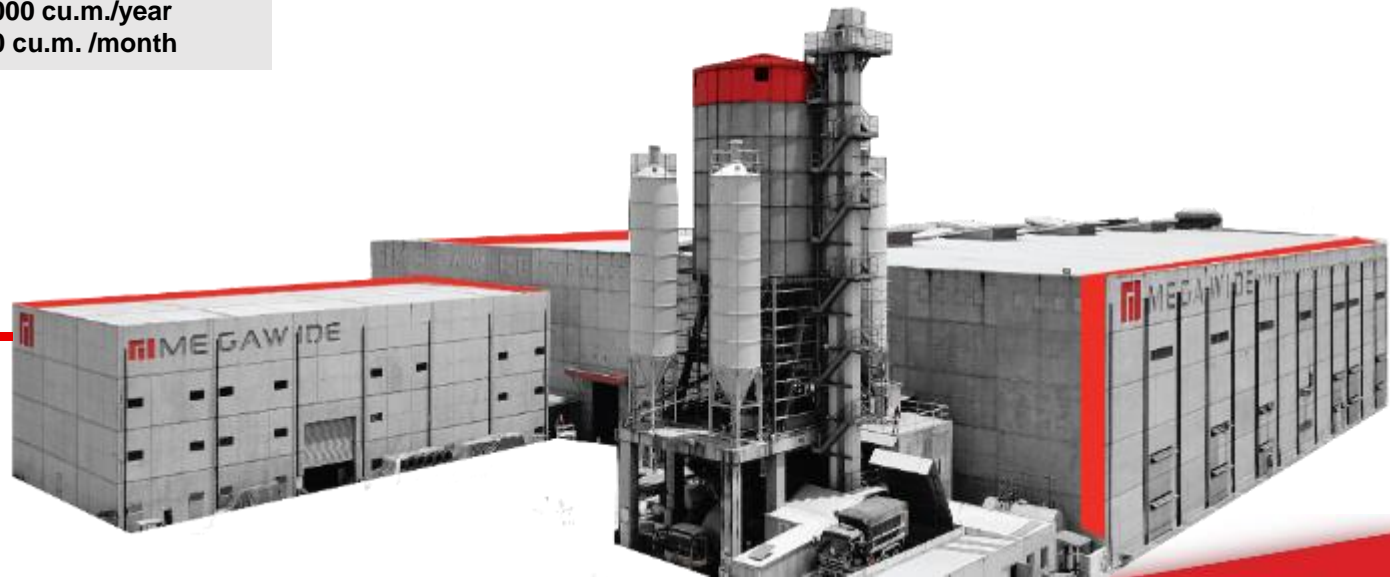
Megawide integrates innovative construction technologies that deliver *precision, savings, and speed*

TAYTAY PRECAST FACILITY

Location	Taytay, Rizal
Operational	September 2012
Land Area	About 71,000 sqm. (footprint)
Production Area	17,000 sqm.
Max Production Capacity:	About 108,000 cu.m./year About 9,000 cu.m. /month

- Precast production
- Batching plants
- Formwork systems
- Construction equipment and logistics fleet

The Megawide Industrial Facility in Taytay, Rizal



QUADRUPLE A PCAB-LICENSED GENERAL CONTRACTOR

1

MAJOR CLIENTS



MEGAWORLD



ROCKWELL LAND



- Primarily engaged in Civil, Structural, MEPF, Architectural, and other specialty engineering services such as Line and Grade, Earthworks, and BIM

SOLID TRACK RECORD IN VARIOUS INFRASTRUCTURE PROJECTS

1



PPP for School Infrastructure Project Phases 1 & 2

Combined Project Cost:
Php15.06 billion

Phase 1:
Modality: Build-Lease-Transfer
Duration: 10 years

Phase 2:
Build-Transfer

Mactan Cebu International Airport

Project Cost: Php34 billion

Modality:
Build-Operate-Transfer

Concession Period:
25 years

Paranaque Integrated Terminal Exchange

Project Cost: Php5.6 billion
(includes 4 towers)

Modality:
Build-Transfer-Operate

Concession Period:
35 years

Clark International Airport (Hybrid PPP)

Project Cost: Php9.4 billion

Size: 112 sqms

Capacity: 8M pax

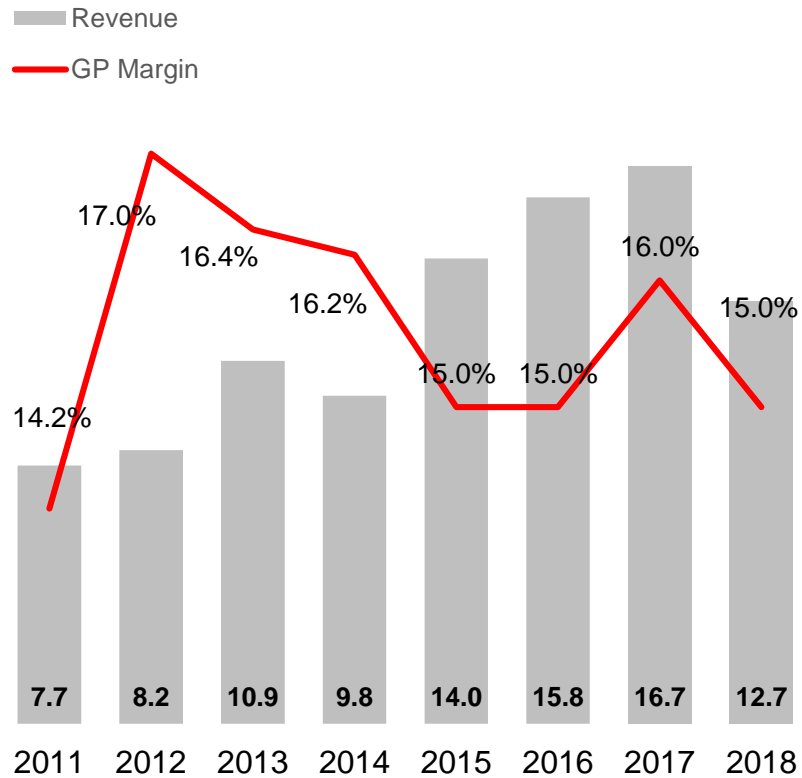
Modality: Build-Transfer

Duration: 24 months

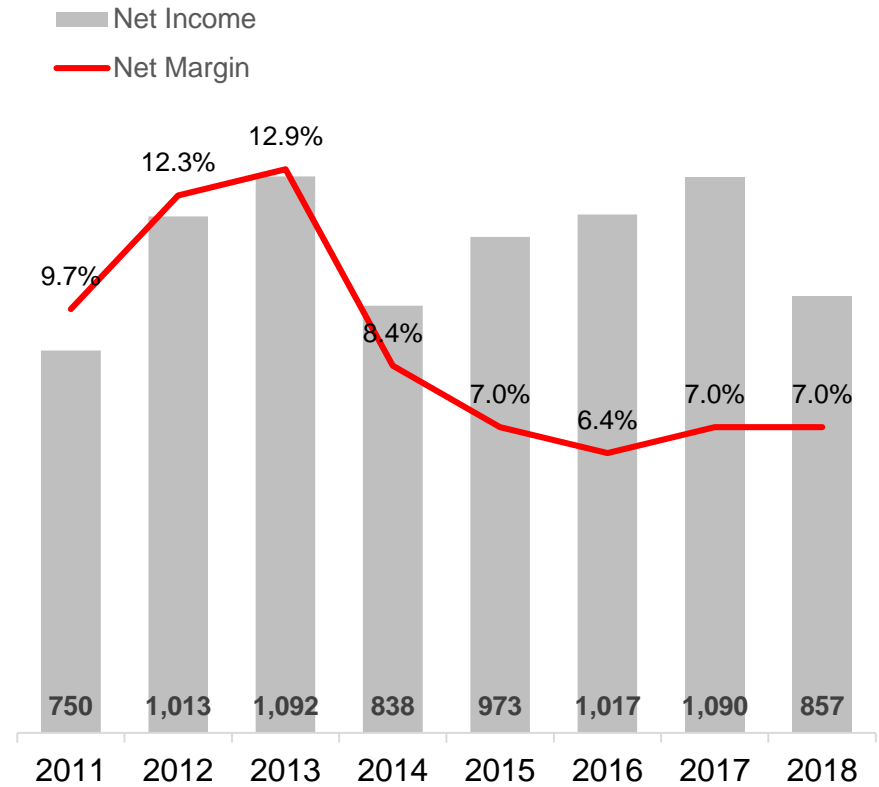
Upward integration from construction to concession asset operations enables Megawide to participate in PPPs and Infrastructure Development as a Quadruple A project contractor or as a contractor + operator to generate stable, recurring revenues.

SIGNIFICANT CONTRIBUTION

REVENUES (in PHP bn)

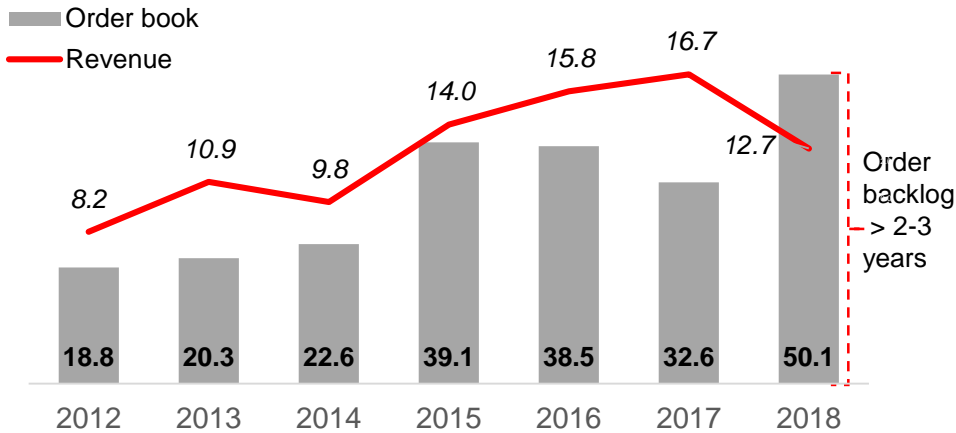


NET INCOME (PHP m)

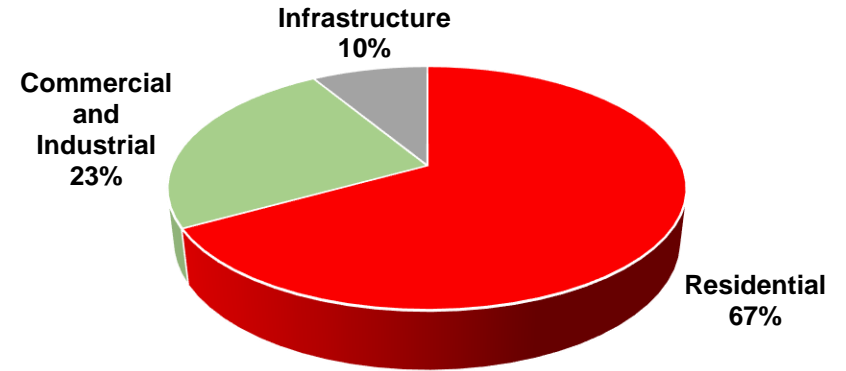


HEALTHY PROJECT PIPELINE

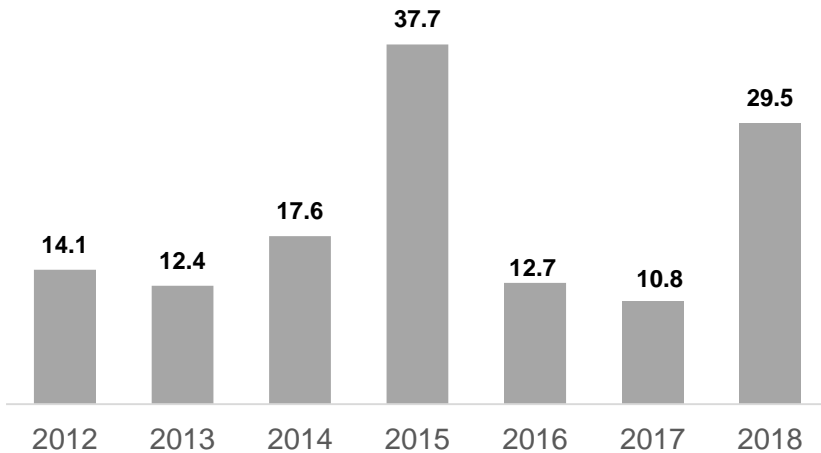
ORDER BOOK VS REVENUE



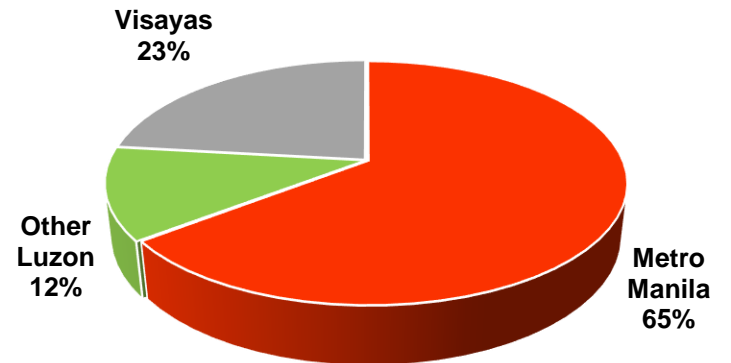
FY2018 ORDER BOOK (SEGMENT)



NEW CONTRACTS
(PHP bn)

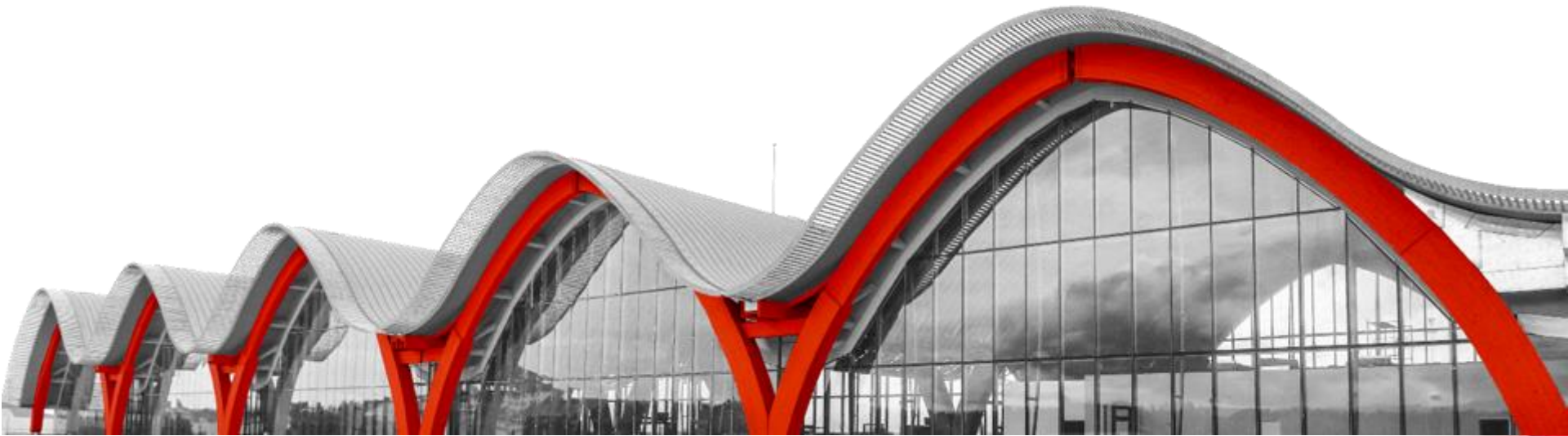


FY2018 ORDER BOOK (AREA)



TRANSPORT INFRASTRUCTURE

2 Airport Business Segment





2 STRATEGIC LOCATION

2nd largest city in the Philippines
~2.9 Million people¹

Strong export sector
~20% 5-year average export growth rate

Natural hub of Phil archipelago
~80% of inter-island shipping capacity in Phils²

Tourism gateway
for the Central and Southern Philippines²

A preferred BPO location
Among Top 20 BPO locations globally³

Among top-ranked destinations
2nd Best Island in the World⁴



¹PSA as of 2015; excluding Cebu City, Mandaue City, and Lapu-Lapu City
² www.cebunet.gov.ph/why-invest-in-cebu/
³Tholons 2018 survey
⁴Condé Nast Traveler's 2017 Readers' Choice Awards

2 EXPANDING AIRLINE PARTNERSHIPS

26 Partner Carriers

- 7 domestic carriers
- 19 foreign carriers



EFFICIENT AND MULTI-AWARDED OPERATIONS

2018



CAPA Center for Aviation
Best Airport for Asia-Pacific
(10-20 MPPA Category)

2017



Routes Asia
Commendation for Excellence
in Airline Marketing



Kohler Bold Design Awards
Influencers Innovation - Shortlist



Property Guru Award
Special Recognition for
Public Facility

2016



CAPA Center for Aviation
Best Regional Airport in Southeast Asia



Guide to Sleeping in Airports
14th Best Airport in Asia



Hong Kong Green Building Award
Finalist, New Buildings Category: Projects Under
Construction and / or Design - Institutional Building

2015



Guide to Sleeping in Airports
18th Best Airport in Asia



Partnerships Awards International (London)
Shortlisted - Best Transit Project



The Asset Triple A Infrastructure Awards (Hongkong)
Best Transport Deal



Project Finance International (London)
Asia Pacific Transport Deal of the Year



Euromoney-IJ Global Awards (London)
Asia Pacific PPP Deal of the Year

EXCITING PRODUCT OFFERINGS

F & B area

100% leased-out and operational



Non-food retail outlets

96% operational (4th Quarter 2018)
100% operational (1st Quarter 2019)



BVLGARI **BALLY**

YVES SAINT LAURENT

PRADA

BOSS
HUGO BOSS

PANDORA

GUCCI

FURLA

GIORGIO ARMANI

Salvatore Ferragamo

VERSACE

kipling





LACOSTE

VICTORIA'S
SECRET

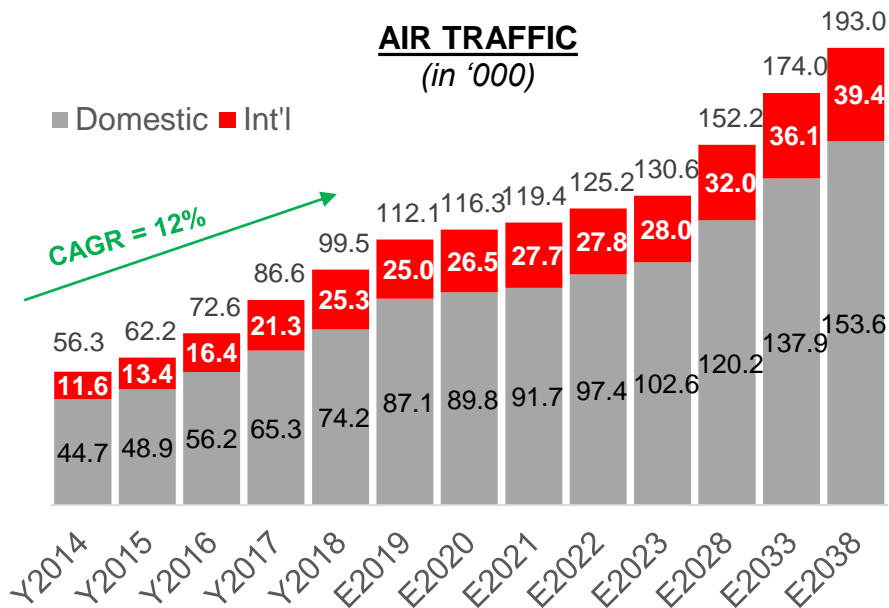
SWAROVSKI

BURBERRY
LONDON

2 CREATING BETTER VALUE

Operating Statistics		Handover 2014	Currently
Air Traffic Movement		~56K ATM annually	~100K ATM annually
Terminal Capacity		4.5M pax annually	12.5M pax annually
Terminal Area		38.5K Sq. m.	100K Sq. m.
Retail Spaces		~3,000 Sq. m. GLA	~6,000 Sq. m. GLA

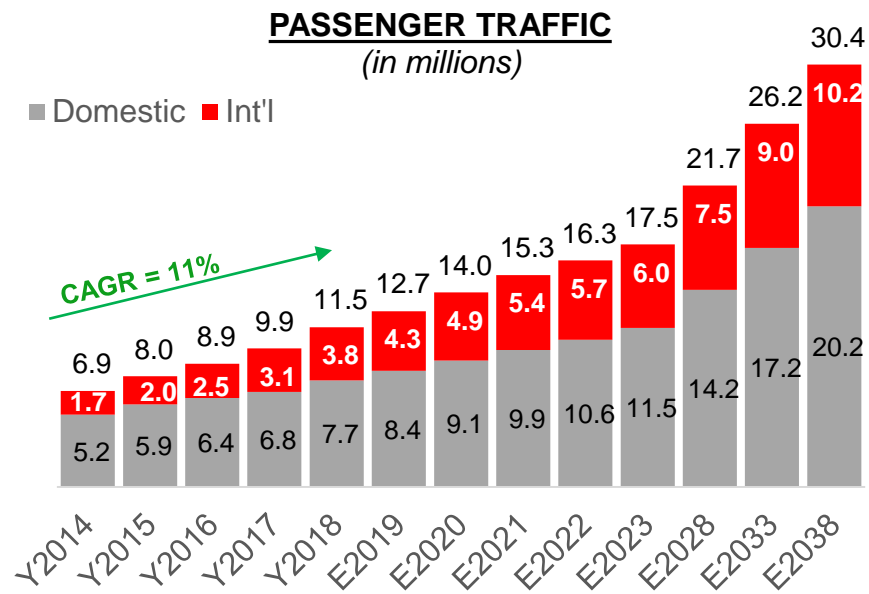
2 ROBUST TRAFFIC GROWTH



YOY GROWTH

	2018	2017	% Increase
Domestic	74,170	65,300	14%
International	25,358	21,300	19%
Total	99,528	86,600	15%

	2017	2016	% Increase
Domestic	65,300	56,210	16%
International	21,300	16,383	30%
Total	86,600	72,593	19%



YOY GROWTH

	2018	2017	% Increase
Domestic	7.66	6.84	12%
International	3.84	3.13	23%
Total	11.50	9.97	15%

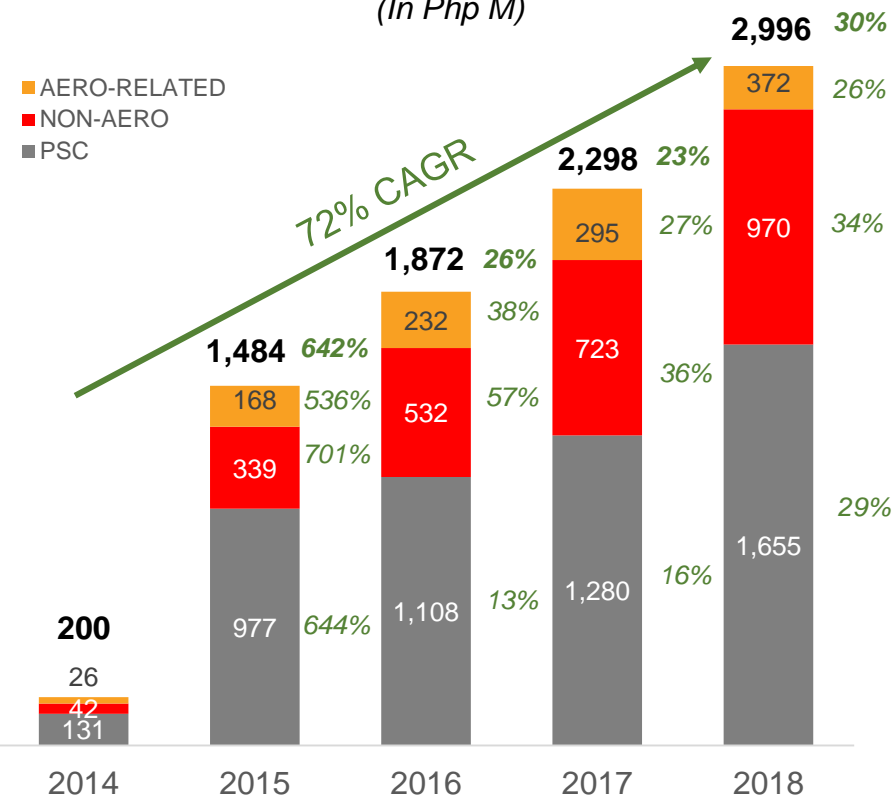
	2017	2016	% Increase
Domestic	6.84	6.38	7%
International	3.13	2.52	24%
Total	9.97	8.89	12%

STEADILY GROWING REVENUES

AIRPORT REVENUE*

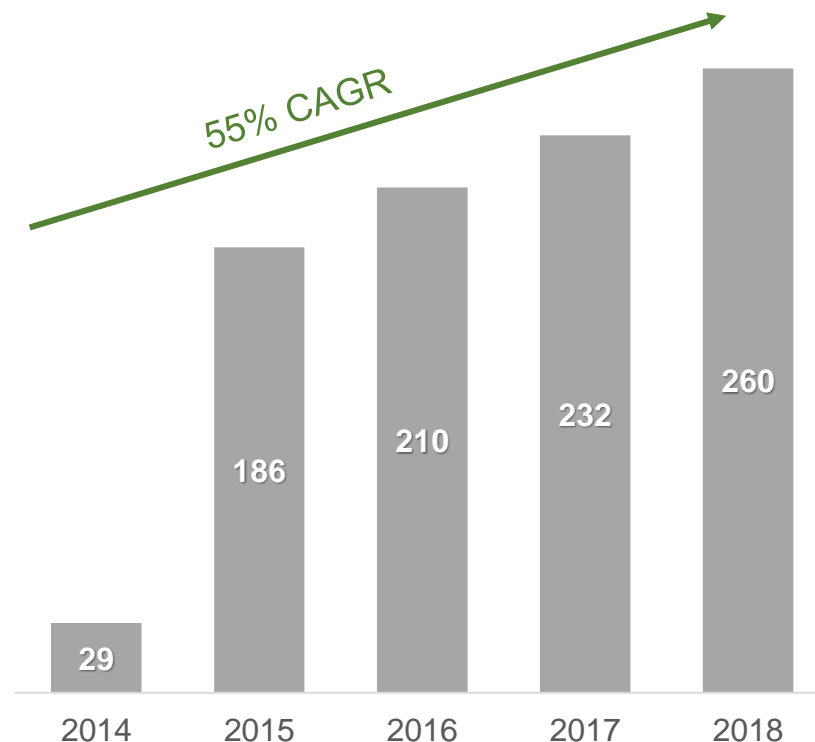
(In Php M)

- AERO-RELATED
- NON-AERO
- PSC



AVERAGE REVENUE PER PASSENGER**

(PHP)

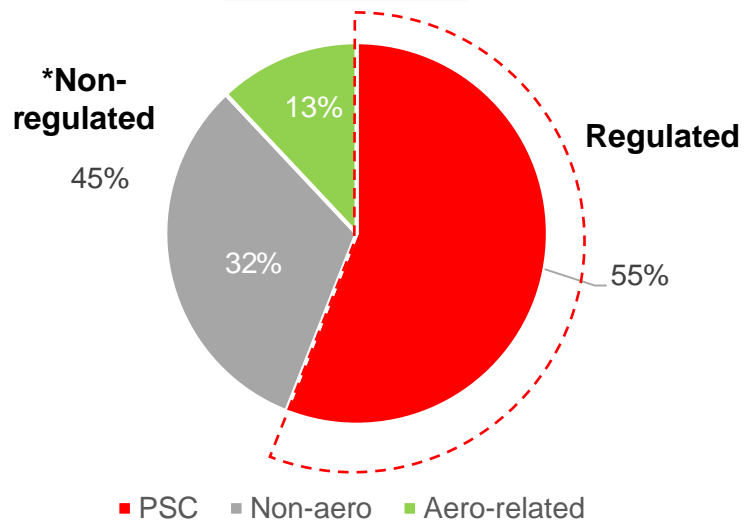


* Excludes airport merchandising revenue of P290M

** Total revenue / Total number of passengers

DIVERSE RECURRING STREAMS

REVENUE MIX



Passenger Service Charge (PSC)

1st Step-Up: Effective June 2015
 2nd Step-Up: Effective July 2018
 Domestic: retained at P300
 International: increased from P750 to P850

Aero Related

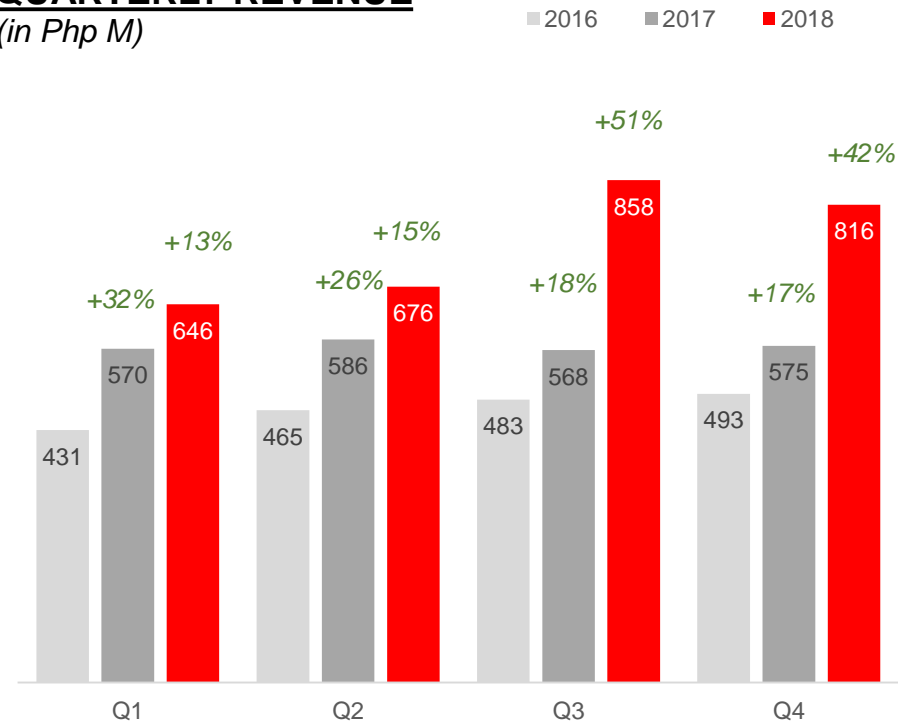
Aircraft service charges – fees from airlines for the payment for aero bridges, ground handling, fuel, etc.

Non-aero

Rental revenues from concession tenants such as F&B and Retail. Also includes advertising, car parking and other rental revenues

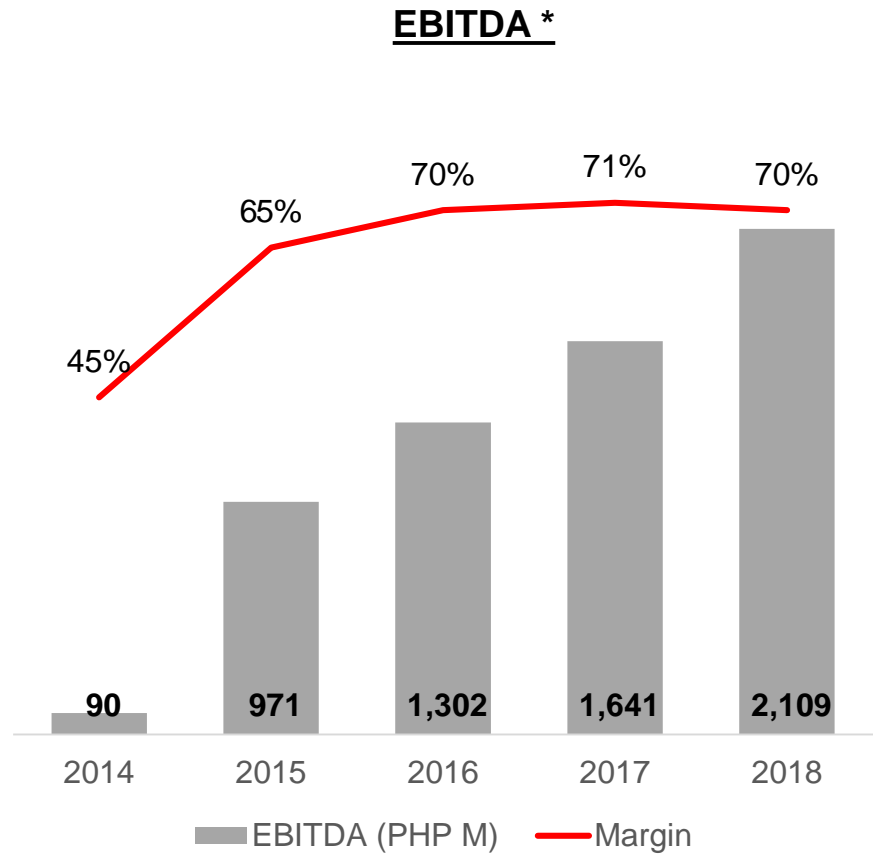
QUARTERLY REVENUE

(in Php M)

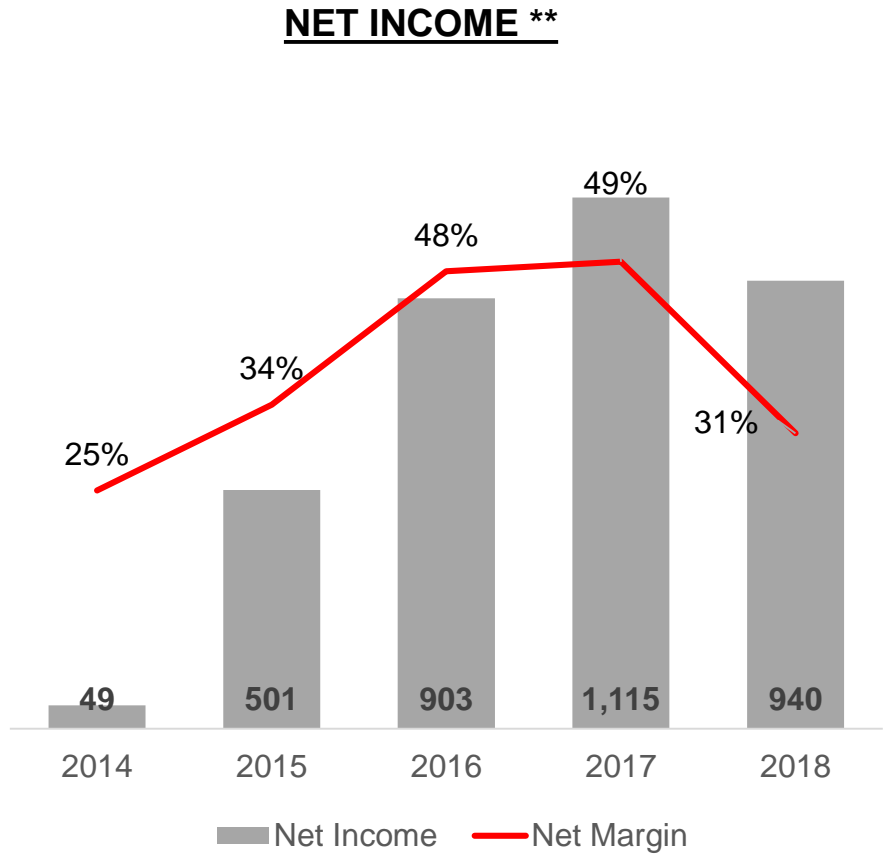


2 HEALTHY FINANCIAL PERFORMANCE

EBITDA *



NET INCOME **

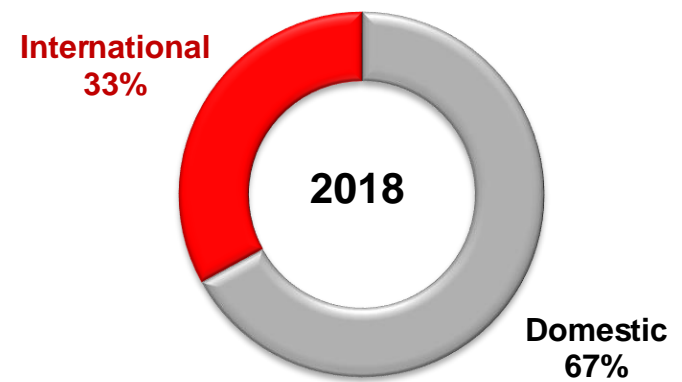
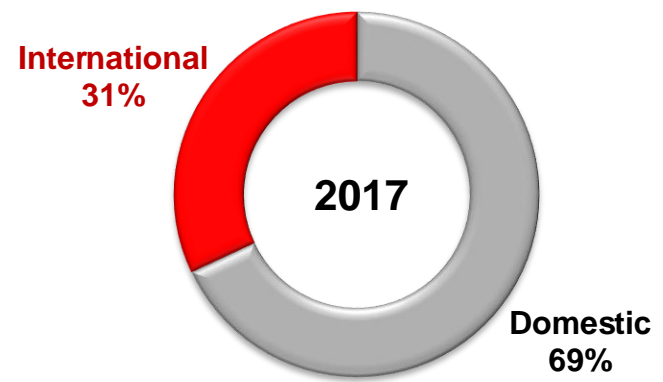


* Using UOP method of depreciation effective 1Q18 (FY18 at P422M) and excludes airport merchandising EBITDA of P125M

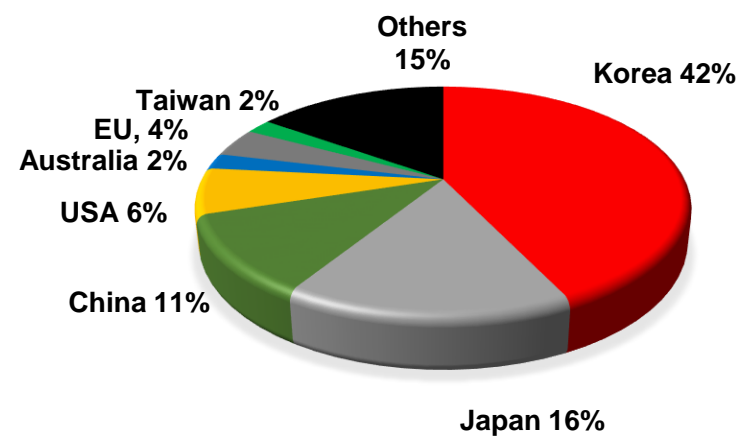
** Excludes airport merchandising NI of P98M

2 GROWING PASSENGER MIX

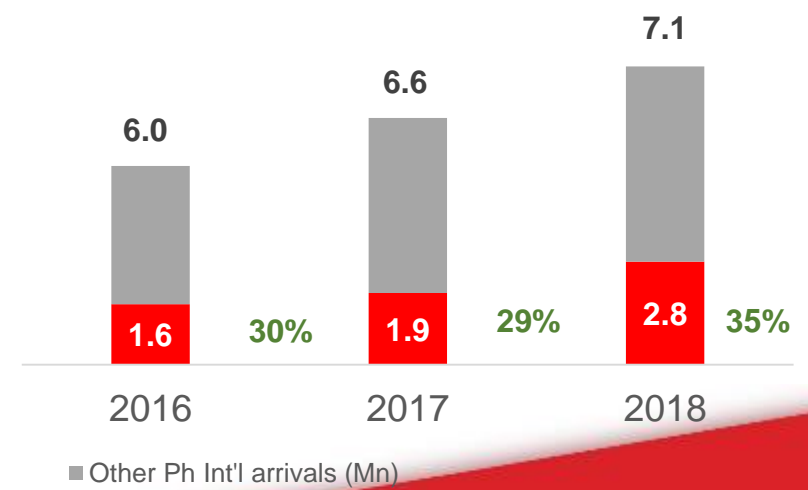
PASSENGER MIX



BREAKDOWN OF INT'L TOURISTS 2018

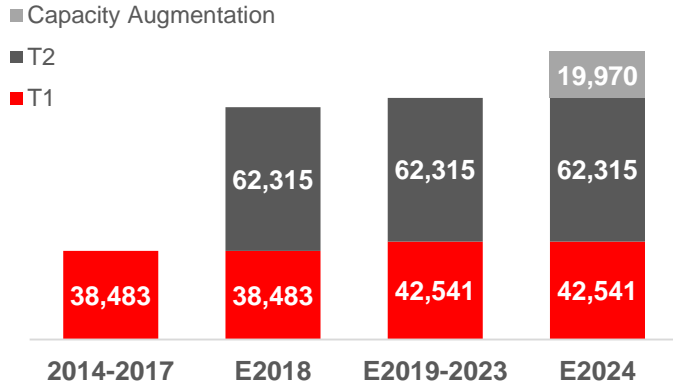


% OF CEBU TO TOTAL PH INT'L ARRIVALS

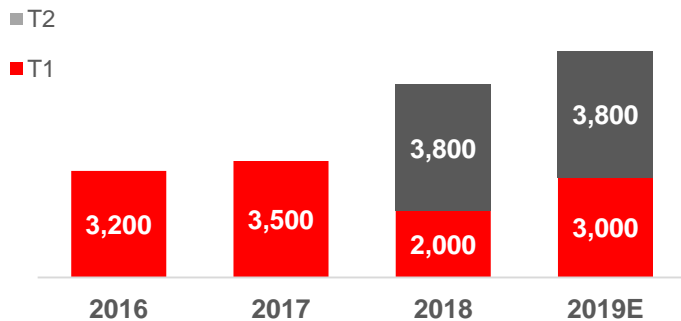


2 INCREASING CAPACITY FOR GROWTH

TOTAL TERMINAL AREA (sqms)



RETAIL GLA (in sqms)



May-June 2018:
Trial Run

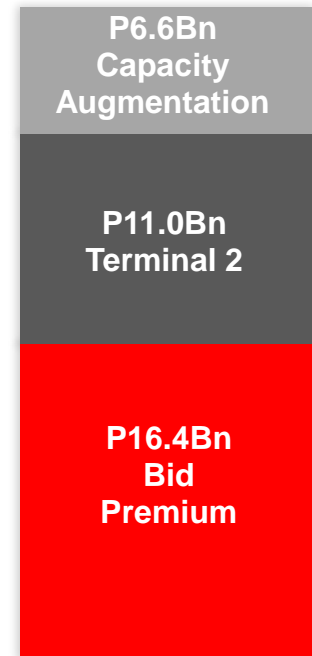


1 July 2018:
Operational
7 June 2018:
Inauguration

Apr-May 2018:
Construction
Completion

June 2015:
Start of Construction

TOTAL PROJECT COST P34.0BN



TRANSPORT INFRASTRUCTURE

3 Integrated Transport Exchange Business Segment



3

FIRST LANDPORT IN THE PHILIPPINES

Owner	MWM Terminals (Megawide-Waltermart)
Location	Manila-Cavite Expressway, Parañaque City
Project Size	4.59 Hectares
Agreement	Build-Transfer-Operate for 35 years
Project Cost	Php 5.6 B
Opening Date	Nov 4, 2018

- Terminal area:** 1,000 buses/200k passengers
- Office:** 4 Towers, 18K GLA each
- Retail:** 12K GLA

Major Sources	% pax ¹	% buses ²
Cavite City	37%	15%
Dasmariñas	9%	8%
Imus	8%	2%
General Trias	5%	2%
Kawit	5%	0%
Trece Martires	5%	9%

Major Destinations	% pax ¹	% buses ²
Pasay	28%	19%
Taguig	28%	0%
Parañaque	10%	26%



OTHER NEARBY CONNECTIONS

- Mall of Asia Ferry Terminal (North)
- LRT-1 Asia World Station (North Avenue Station to Dr. Santos Station)
- MRT-3 (Edsa Taft Station to LRT-1 Baclaran Station)

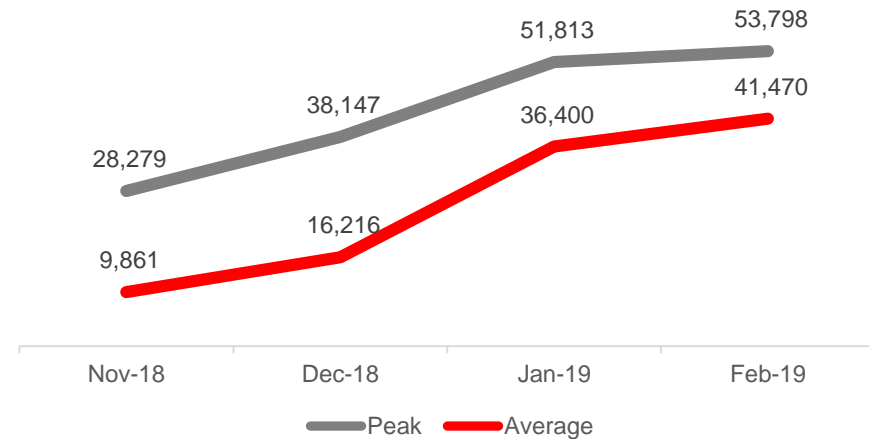
3

WORLD-CLASS TERMINAL FEATURES

MULTI-MODAL TRANSPORT OPTIONS

- Provincial bus
- City bus
- UV Express Shuttle
- P2P
- PUJs/Taxi
- Ride Sharing
- Future LRT Connection

FOOT TRAFFIC



3 RECURRING INCOME STREAMS

OFFICE

Tower 3
T/O Date:
Feb 2019
Pre-leased
POGO

Tower 4
T/O Date:
Mar 2019
Pre-leased
POGO

Tower 1
T/O Date: June 2019
Pre-leased
BPO

Tower 2
T/O Date: May 2019
On-going leasing



RETAIL (40% of area leased)*

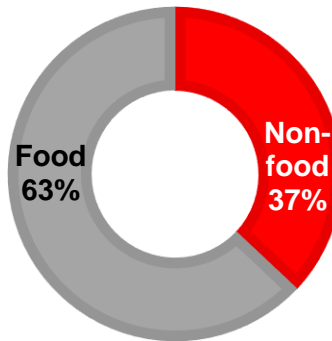
SOON:



OPERATIONAL



PER CATEGORY



OPERATIONAL

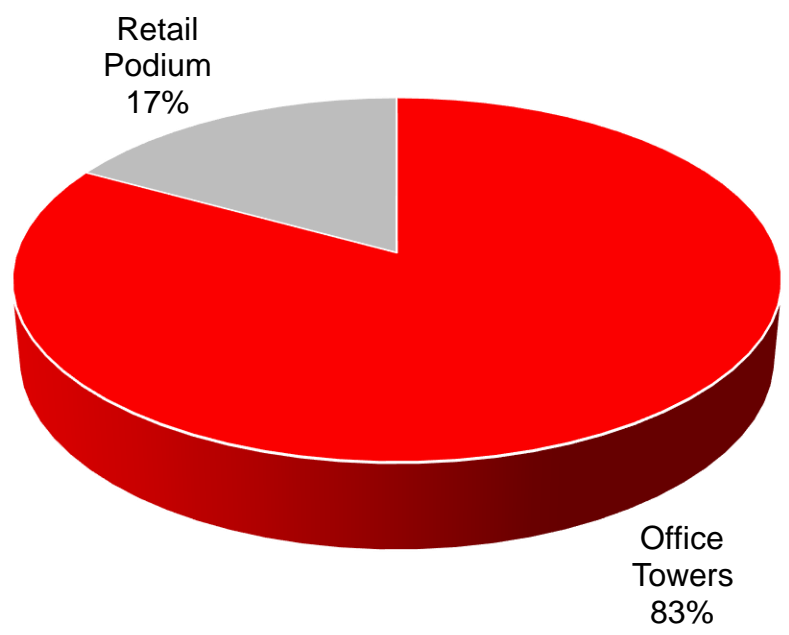


SOON:

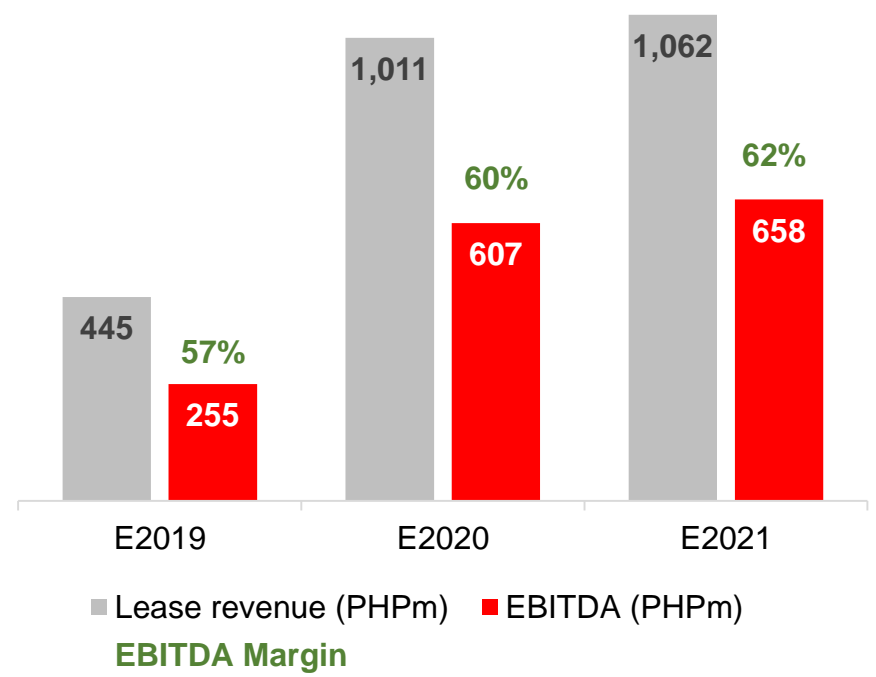
- Bank
- Accessories
- Grocery
- Services

3 STABLE SOURCE AND RETURNS

LEASING REVENUE BREAKDOWN



ESTIMATED EARNINGS



BUSINESS UPDATES



CLARK INTERNATIONAL AIRPORT (Hybrid PPP)

Engineering Procurement & Construction

- Construction of new building terminal to accommodate 8 mppa: 53% completion
- Contract Cost: P9.36 Billion
- 50-50 JV with GMR
- Hybrid PPP Structure: Build-and-Transfer (BT)
- Construction Period: May 2018 – May 2020
- Payment Terms based on three milestones, upon completion of:
 1. the shell of the new building terminal
 2. the landside facilities
 3. the remaining balance of work

Operations and Maintenance (O&M)

November 9, 2018 Bidding

Bought bid documents:

- Megawide-GMR
- Metro Pacific Investments Corp.
- Filinvest Development Corp.
- San Miguel Holdings Corp.
- Prime Asset Ventures, Inc.
- Central Luzon Infrastructure Consultancy, Inc. consortium;
- GVK Airport Developers Ltd.
- Groupe ADP.

Participated:

- **Filinvest North Luzon Airport Consortium:** Filinvest Development Corp., Gokongwei-led JG Summit Holdings, Inc., Philippine Airport Ground Support Solutions, Inc., and Changi Airport Philippines.
- **X-Droid Consortium:** Angkasa Pura II, Globalport 900, Inc., Mazy's Capital, Inc. and Desco, Inc. and Philippines AirAsia, Inc.



MCIA EXPANSION PROJECT (Unsolicited Proposal)



- Submitted 07 June 2017
- Investment: P208 billion (US\$4 billion)
- Original Proponent Status
- Awaiting NEDA approval

Three Main Phases:

Phase 1: Takeover airside facility and subsequently undertake the following:

- rehabilitation of the existing runway and taxiways
- construction of an additional full length parallel taxiway
- development of additional rapid exit taxiways and runway holding positions

Phase 2: Construction of a second parallel and independent runway

Phase 3: Construction of Terminal 3

Progressive Property Dev't Opportunity

6.5 Hectares land as part of the existing concession, ripe for development for mixed-use concept

NAIA REHABILITATION PROJECT (Unsolicited Proposal)



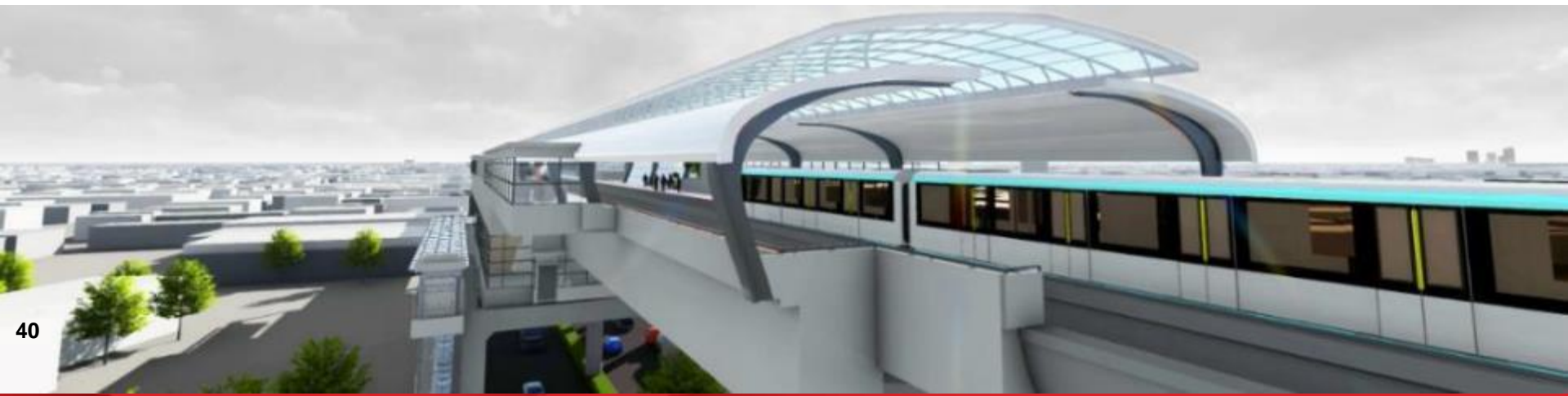
Megawide-GMR	Proposal
Project Cost	P150Bn
Concession Period	18 Years
Technical Partner	Mitre Corporation
3 rd Runway	Not viable
Passenger Volume in 4 years	72 mppa
Aircraft movement/hr	40-60

Infrastructure Plan
1. Improve airside capacity and implement terminal improvements
2. Introduction of key performance measures
3. Building future capacity

PNR EAST WEST RAIL PROJECT (Unsolicited Proposal)

- In October 2015, the Consortium of East West Rail Corporation (EWRC) and Alloy MTD (Alloy) made an unsolicited proposal for undertaking the East West Transit Rail Project, which is a 9.7 km railway line in Metro Manila.
- On 27th March, 2017, Megawide entered into an Investment Agreement with EWRTC to acquire 60% stake in the consortium.
- The project is subdivided into two components:
 - Build-Transfer (BT) for the construction, civil works and electromechanical systems; and
 - Build-Operate-Transfer (BOT) for the operations & management (O&M) for 30 years.

Stations	Type	Connecting Network
Lerma	Elevated	LRT-1, LRT-2
UST	Elevated	
Antipolo	Elevated	PNR
Welcome Rotonda	Elevated	
Banawe	Elevated	
G. Araneta	Elevated	
Roces	Elevated	
Timog	Elevated	
EDSA	Underground	
Quezon Memorial	Underground	MRT-3
University Avenue	Underground	MRT-7



DIVIDEND HISTORY

Record Date	Type	Amount	Date of Payment
October 14, 2011	Common Shares	P257,100,001.00	November 10, 2011
July 20, 2012	Cash	P150,024,528.20	August 15, 2012
July 19, 2013	Stock	P380,636,801.00	August 14, 2013
October 22, 2014	Stock	P750,000,000.00	November 17, 2014
February 27, 2015	Preferred Shares	P70,250,000.00	March 3, 2015
May 8, 2015	Preferred Shares	P70,250,000.00	June 3, 2015
August 6, 2015	Preferred Shares	P70,250,000.00	September 3, 2015
November 6, 2015	Preferred Shares	P70,250,000.00	December 3, 2015
February 23, 2016	Preferred Shares	P70,250,000.00	March 3, 2016
May 10, 2016	Preferred Shares	P70,250,000.00	June 3, 2016
August 9, 2016	Preferred Shares	P70,250,000.00	September 3, 2016
November 8, 2016	Preferred Shares	P70,250,000.00	December 3, 2016
March 1, 2017	Preferred Shares	P70,250,000.00	March 3, 2017
May 10, 2017	Preferred Shares	P70,250,000.00	June 3, 2017
August 9, 2017	Preferred Shares	P70,250,000.00	September 3, 2017
November 8, 2017	Preferred Shares	P70,250,000.00	December 3, 2017
December 26, 2017	Common Shares	P106,928,874.85	December 29, 2017
February 15, 2018	Preferred Shares	P70,250,000.00	March 3, 2018
May 18, 2018	Preferred Shares	P70,250,000.00	June 3, 2018
August 16, 2018	Preferred Shares	P70,250,000.00	September 3, 2018
October 15, 2018	Common Shares	P256,629,930.00	November 12, 2018
November 16, 2018	Preferred Shares	P70,250,000.00	December 3, 2018

BUSINESS CATALYSTS

The continued stability of the Philippine economy, coupled with the Duterte Administration's Build, Build, Build program, will further give Megawide a foundation for future growth.



**Increase In
Government
Infrastructure
Spending**



**\$30Bn OFW
Remittance and
4.65Mn Housing
Backlog**



**BPO Sector's
continued growth;
POGO opportunities
Demand for Office
Building contracts**

COMPANY INFORMATION

Company Name	Megawide Construction Corporation
Office Address	20 N. Domingo St., Brgy. Valencia, Quezon City
Telephone Numbers	(02) 655-1111
Website	www.megawide.com.ph <ul style="list-style-type: none">• fb.com/MegawideConstructionCorporationOfficial• twitter.com/megawidebuilds
Email Address	investorrelations@megawide.com.ph

MEGAWIDE 