

**LBP LEASING AND FINANCE CORPORATION
COMPARATIVE INCOME STATEMENT
2018 Corporate Operating Budget vs Actual 2017**

	Budget 2018	Actual 2017	Variance from 2017 actual	% Inc(Dec)
REVENUES				
Interest Income				
Interest Income on Other Loans/Receivable - FL	95,700,000.00	43,769,970.39	51,930,029.61	119%
Interest Income on Other Loans/Receivable - FL LBP	126,562,598.20	113,375,335.61	13,187,262.59	12%
Interest Income on Other Loans/Receivable - FL BIR	100,307,471.66	109,019,679.11	(8,712,207.45)	-8%
	322,570,069.86	266,164,985.11	56,405,084.75	21%
Interest Income on Other Loans/Receivable	208,800,000.00	121,736,355.70	87,063,644.30	72%
Income from Deposits in Banks	160,000.00	108,236.77	51,763.23	48%
	160,000.00	108,236.77	51,763.23	48%
Total Interest Income	531,530,069.86	388,009,577.58	143,520,492.28	37%
Other Income				
Operating Lease Income	50,159,520.00	50,932,708.18	(773,188.18)	-2%
Profit/(Loss) from Assets Sold/Exchanged	1,200,000.00	12,218,254.92	(11,018,254.92)	-90%
Fleet Management Service Fee	8,670,480.00	9,406,200.00	(735,720.00)	-8%
Gain/(Loss) from Derecognition of Financial Assets	0.00	(5,825,000.00)	5,825,000.00	-100%
Miscellaneous Income/(Loss)	6,840,000.00	11,092,002.22	(4,252,002.22)	-38%
Total Other Income	66,870,000.00	77,824,165.32	(10,954,165.32)	-14%
Total Revenue	598,400,069.86	465,833,742.90	132,566,326.96	28%
Less: Direct Expenses				
Interest Expense - FL	1,990,363.91	876,455.09	1,113,908.82	127%
Interest Expense - Operating Lease	2,346,734.51	1,020,977.00	1,325,757.51	130%
Interest Expenses	63,950,746.58	56,057,869.29	7,892,877.29	14%
Documentary and Science Stamp Used	9,000,000.00	6,796,869.83	2,203,130.17	32%
Provision for Probable Losses	18,000,000.00	17,500,000.00	500,000.00	3%
Depreciation-Eqpt. & Other Prop. for Lease	8,281,539.00	7,563,236.04	718,302.96	9%
Compensation and Fringe Benefits - Marketing Operations	30,647,985.67	12,315,815.96	18,332,169.71	149%
Transfer Mortgage and Registrations Fees - LBP (FL)	1,500,000.00	1,229,769.00	270,231.00	22%
Transfer Mortgage and Registrations Fees - OL	120,000.00	43,711.20	76,288.80	175%
Transfer Mortgage and Registrations Fees	60,000.00	21,595.30	38,404.70	178%
Insurance - LBP (FL)	4,920,000.00	4,426,090.81	493,909.19	11%
Insurance - Operating Lease	2,400,000.00	1,881,242.92	518,757.08	28%
Insurance - BIR	1,500,000.00	895,628.87	604,371.13	
Repairs and Maintenance - LBP (FL)	3,600,000.00	2,912,927.69	687,072.31	24%
Repairs and Maintenance - Operating Lease	2,550,000.00	2,309,346.46	240,653.54	10%
Security, Msgrl, Janitorial & Contractual Services - LBP (FL)	124,200,000.00	114,933,762.46	9,266,237.54	8%
Security, Msgrl, Janitorial & Contractual Services - OL	24,000,000.00	21,990,060.71	2,009,939.29	9%
Total Direct Expenses	299,067,369.67	252,775,358.63	46,292,011.04	18%
Gross Income	299,332,700.20	213,058,384.27	86,274,315.93	40%
GENERAL AND ADMINISTRATIVE EXPENSES				
Taxes and Licenses - FL	11,113,129.91	7,821,310.70	3,291,819.21	42%
Taxes and Licenses - Operating Lease	2,507,976.00	2,546,635.41	(38,659.41)	-2%
Taxes and Licenses - Loan	10,440,000.00	6,002,990.97	4,437,009.03	74%
Taxes and Licenses - BIR	5,015,373.58	1,092,507.16	3,922,866.42	359%
Taxes and Licenses	2,321,562.26	3,046,962.70	(725,400.44)	-24%
Compensation and Fringe Benefits	67,933,434.72	23,723,947.62	44,209,487.10	186%
Management and Other Professional Fees	1,200,000.00	853,642.00	346,358.00	41%
Membership Fees and Dues	1,200,000.00	803,721.48	396,278.52	49%
Insurance	720,000.00	514,849.47	205,150.53	40%
Depreciation-Furn., Fixtures and Eqpt.	2,613,796.97	631,643.66	1,982,153.31	314%
Depreciation - Building	1,313,026.32	1,256,776.32	56,250.00	4%
Depreciation - Investment Property ROPA	127,749.96	583,928.62	(456,178.66)	-78%
Amortization of Intangibles	790,544.50	296,953.02	493,591.48	166%
Litigation/Assets Acquired Expenses	3,300,000.00	2,202,471.36	1,097,528.64	50%
Rent	362,880.00	654,256.00	(291,376.00)	-45%
Power, Light and Water	1,500,000.00	1,200,000.00	300,000.00	25%
Fuel and Lubricants	420,000.00	369,890.47	50,109.53	14%
Transportation and Travelling	1,500,000.00	2,644,621.94	(1,144,621.94)	-43%
Representation and Entertainment	2,688,000.00	1,984,844.01	703,155.99	35%
Repairs and Maintenance	900,000.00	613,046.84	286,953.16	47%
Security, Messengerial, Janitorial & Contractual Services	3,600,000.00	3,204,043.07	395,956.93	12%
Data Processing Charges	156,000.00	122,417.91	33,582.09	27%
Bank Charges	18,000.00	12,170.00	5,830.00	48%
Postage, Cables, Telephone and Telegram	960,000.00	771,451.99	188,548.01	24%
Stationeries and Supplies Issued	720,000.00	646,291.72	73,708.28	11%
Information Technology Expense	900,000.00	630,223.20	269,776.80	43%
Advertising and Publicity	840,000.00	645,708.00	194,292.00	30%
Periodicals and Magazines	30,000.00	18,780.00	11,220.00	60%
Donation and Other Charitable Contribution	2,000,000.00	2,058,000.00	(58,000.00)	-3%
Fringe Benefit Tax	0.00	0.00	0.00	#DIV/0!
Miscellaneous Expenses	408,000.00	319,306.31	88,693.69	28%
Total Expenses	127,599,474.23	67,281,145.95	60,318,328.28	90%
Net Income Before Income Tax	171,733,225.97	145,777,238.32	25,955,987.65	18%
Less: Provision for Income Tax	57,102,966.04	42,537,563.46	14,565,402.58	34%
Income Tax Expense - Prior Years	0.00	78,532.26	(78,532.26)	-100%
Income Tax Benefit	(5,400,000.00)	(5,250,000.00)	(150,000.00)	3%
Total Income Tax Expenses	51,702,966.04	37,366,095.72	14,336,870.32	38%
Net Income After Income Tax	120,030,259.94	108,411,142.60	11,619,117.34	11%

LBP LEASING AND FINANCE CORPORATION
COMPARATIVE BALANCE SHEET
(2018 Corporate Operating Budget vs Projected Actual 2017)

	Projected 2018	Actual 2017	Inc(Dec) from 2017	% Inc(Dec)
ASSETS				
Deposits in Bank	43,989,751.60	41,895,001.52	2,094,750.08	5%
	<u>43,989,751.60</u>	<u>41,895,001.52</u>	<u>2,094,750.08</u>	<u>5%</u>
Receivables/Loans				
Lease Contracts Receivable	2,789,471,009.18	2,262,371,620.27	527,099,388.91	23%
Deferred Leasing Income	(669,027,344.55)	(637,168,899.57)	(31,858,444.98)	5%
Net Lease Contracts Receivable	<u>2,120,443,664.64</u>	<u>1,625,202,720.70</u>	<u>495,240,943.94</u>	<u>30%</u>
Lease Contracts Receivable - LBP	172,968,884.21	116,420,340.86	56,548,543.35	49%
Deferred Leasing Income - LBP	(88,593,818.74)	(58,994,715.30)	(29,599,103.44)	50%
Net Lease Contracts Receivable - LBP	<u>84,375,065.47</u>	<u>57,425,625.56</u>	<u>26,949,439.91</u>	<u>47%</u>
Other Loans/Receivable	<u>2,005,474,417.64</u>	<u>1,395,001,362.20</u>	<u>610,473,055.44</u>	<u>44%</u>
Receivable Financed	1.00	1.00	-	0%
Net Receivable Financed	<u>1.00</u>	<u>1.00</u>	<u>-</u>	<u>0%</u>
Past Due Receivables	38,545,528.99	154,182,115.95	(115,636,586.96)	-75%
Past Due Unearned Credits	(869,017.97)	(1,022,374.08)	153,356.11	-15%
Net Past Due Receivables	<u>37,676,511.02</u>	<u>153,159,741.87</u>	<u>(115,483,230.85)</u>	<u>-75%</u>
Restructured Accounts	131,271,637.28	145,857,374.76	(14,585,737.48)	-10%
Restructured Unearned Credits	(17,770,094.37)	(16,923,899.40)	(846,194.97)	5%
Net Restructured Accounts	<u>113,501,542.91</u>	<u>128,933,475.36</u>	<u>(15,431,932.45)</u>	<u>-12%</u>
Past Due Restructured Accounts	11,222,989.21	44,891,956.85	(33,668,967.64)	-75%
Past Due Restructured Unearned Credits	-	-	-	-
Net Past Due Restructured Accounts	<u>11,222,989.21</u>	<u>44,891,956.85</u>	<u>(33,668,967.64)</u>	<u>-75%</u>
Items in Litigation	65,731,636.86	131,463,273.72	(65,731,636.86)	-50%
Items in Litigation Unearned Credits	(6,680,741.63)	(7,955,478.03)	1,274,736.40	-16%
Net Items in Litigation	<u>59,050,895.23</u>	<u>123,507,795.69</u>	<u>(64,456,900.46)</u>	<u>-52%</u>
Receivable/Loan before Provision	<u>4,431,745,087.12</u>	<u>3,528,122,679.23</u>	<u>903,622,407.89</u>	<u>26%</u>
General Loan Loss Provision	(42,102,931.48)	(16,692,676.86)	(25,410,254.62)	152%
Allowance for Probable Loss - Loans/Leases	(159,145,603.49)	(167,176,879.27)	8,031,275.78	-5%
Allowance for Probable Loss - Restructured Accounts	(25,461,867.73)	(24,840,846.57)	(621,021.16)	2%
Net Receivables/Loan	<u>4,205,034,684.42</u>	<u>3,319,412,276.53</u>	<u>885,622,407.89</u>	<u>27%</u>
Other Receivables				
Accounts Receivable - Clients	6,043,966.13	5,255,622.72	788,343.41	15%
Less: Allowance for Probable Losses	(1,608,987.80)	(1,608,987.80)	-	0%
Accounts Receivable - Operating Leases (LBP)	89,169,618.65	78,020,197.30	11,149,421.35	14%
Accounts Receivable - LBP	163,015,635.52	308,690,311.03	(145,674,675.52)	-47%
Accrued Interest Receivable	3,157,303.74	2,745,481.51	411,822.23	15%
Sales Contract Receivable	-	8,223,455.57	-	#DIV/0!
Total Other Receivables	<u>259,777,536.23</u>	<u>401,326,080.33</u>	<u>(141,548,544.10)</u>	<u>-35%</u>
	<u>4,464,812,220.65</u>	<u>3,720,738,356.86</u>	<u>744,073,863.79</u>	<u>20%</u>
Equipment & Other Properties for Lease				
Equipment & Other Properties for Lease	471,873,734.71	472,049,579.71	(175,845.00)	0%
Accumulated Depreciation	(43,589,022.06)	(42,856,683.06)	(732,339.00)	2%
Net Equipment & Other Properties for Lease	<u>428,284,712.65</u>	<u>429,192,896.65</u>	<u>(908,184.00)</u>	<u>2%</u>
Real Property, Furniture, Fixtures & Equipment				
Real Property - Building	50,066,207.14	42,566,207.14	7,500,000.00	18%
Accumulated Depreciation - Building	(19,514,370.15)	(18,201,343.83)	(1,313,026.32)	7%
Furniture, Fixtures & Equipment	35,998,172.49	13,856,390.49	22,141,782.00	160%
Accumulated Depreciation - FFE	(13,841,023.88)	(11,227,226.91)	(2,613,796.97)	23%
Net Real Property, Furniture, Fixtures & Equipment	<u>52,708,985.60</u>	<u>26,994,026.89</u>	<u>25,714,958.71</u>	<u>-4%</u>
Real & Other Properties Owned or Acquired				
Real & Other Properties Owned or Acquired	13,122,878.02	13,122,878.02	-	0%
Investment Property	-	-	-	-
Accumulated Depreciation - Investment Property	(681,333.12)	(553,583.16)	(127,749.96)	23%
Non-Current Assets Held for Sale	-	-	-	#DIV/0!
	<u>12,441,544.90</u>	<u>12,569,294.86</u>	<u>(127,749.96)</u>	<u>-1%</u>
Less: Allowance for Probable Losses	(2,095,992.28)	(2,095,992.28)	-	0%
	<u>10,345,552.62</u>	<u>10,473,302.58</u>	<u>(127,749.96)</u>	<u>-1%</u>
Other Assets				
Accounts Receivable - Employees/Others	894,228.15	851,645.86	42,582.29	5%
Petty Cash Fund	55,000.00	45,000.00	10,000.00	22%
Stationeries & Supplies Unissued	133,235.39	121,123.08	12,112.31	10%
Prepaid Expenses	11,838,202.74	10,762,002.49	1,076,200.25	10%
Advances to Suppliers	250,000.00	252,914.00	-	0%
Deferred Tax Assets	80,725,901.54	75,325,901.54	5,400,000.00	7%
Intangibles	9,973,797.45	582,261.95	9,391,535.50	1613%
Miscellaneous Asset	1,337,757.94	1,274,055.18	63,702.76	5%
Miscellaneous Asset - Creditable Tax Certificates	2,923,567.46	2,784,349.96	139,217.50	5%
Other Investment	16,000.00	16,000.00	-	0%
Other Assets - Nominal Value	306.00	306.00	-	0%
Total Other Assets	<u>108,147,996.66</u>	<u>92,015,560.06</u>	<u>16,132,436.60</u>	<u>18%</u>
TOTAL ASSETS	<u>5,108,289,219.77</u>	<u>4,321,309,144.56</u>	<u>786,980,075.21</u>	<u>18%</u>

LBP LEASING AND FINANCE CORPORATION
COMPARATIVE BALANCE SHEET
(2018 Corporate Operating Budget vs Actual 2017)

LIABILITIES AND STOCKHOLDERS' EQUITY	Projected 2018	Actual 2017	Inc(Dec) from 2017	% Inc(Dec)
LIABILITIES				
Bills Payable	3,027,853,016.96	2,422,282,413.57	605,570,603.39	25%
Accounts Payable - Supplier	2,103,153.16	1,752,627.63	350,525.53	20%
Accounts Payable - Others	1,001,632.91	834,694.09	166,938.82	20%
Withholding Tax Payable	2,810,025.27	1,873,350.18	936,675.09	50%
Accrued Interest Payable	6,498,280.35	5,198,624.28	1,299,656.07	25%
Accrued Other Expenses Payable	47,588,451.50	39,657,042.92	7,931,408.58	20%
Accrued Other Taxes & Licenses Payable	2,716,385.96	1,968,400.48	747,985.48	38%
Accrued Income Tax Payable	16,055,251.60	12,564,544.08	3,490,707.52	28%
SSS Payable	-	4,656.29	(4,656.29)	-100%
Pag-Ibig Fund Payable	105,058.10	18,459.25	86,598.85	469%
Phil. Health Payable	3,016,984.56	13,387.50	3,003,597.06	22436%
Miscellaneous Liabilities	43,583,793.13	34,867,034.50	8,716,758.63	25%
Deposits on Lease Contracts	348,203,952.01	267,849,193.85	80,354,758.16	30%
Deposits on Lease Contracts - LBP	36,849,797.40	28,345,998.00	8,503,799.40	30%
TOTAL LIABILITIES	3,538,385,782.90	2,817,230,426.62	721,155,356.28	26%
Capital Stock - Common	485,552,550.00	485,552,550.00	-	0%
Additional Paid Capital	113,970,900.12	113,970,900.12	-	0%
Treasury Stock	-	(30.00)	30.00	-100%
Total Capital Stock	599,523,450.12	599,523,420.12	30.00	0%
Retained Earnings - Free	250,349,726.82	196,144,155.22	54,205,571.60	28%
Retained Earnings - Appropriated	600,000,000.00	600,000,000.00	-	0%
Net Income	120,030,259.94	108,411,142.60	11,619,117.34	11%
	<i>970,379,986.76</i>	<i>904,555,297.82</i>	65,824,688.94	7%
TOTAL STOCKHOLDERS' EQUITY	1,569,903,436.88	1,504,078,717.94	65,824,718.94	4%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	5,108,289,219.77	4,321,309,144.56	786,980,075.21	18%

Capital Outlay
CY 2018

PARTICULARS	Quantity	Unit Price	TOTAL
A. Carried Over from 2017 CAPEX			
Office Reconfiguration (Office Space Planning & Acquisition of Furniture & Fixtures)	1	7,500,000	7,500,000
Conversion of Light Bulbs to LED		300,000	300,000
Acquisition of five (5) units vehicles as replacements for day to day operations	5	1,200,000	6,000,000
Desktops/Laptops	52	49,350	2,566,200
Back-Up System Hardware	1	500,000	500,000
Servers	3	800,000	2,400,000
Projector (with motorized ceiling bracket)	1	179,200	179,200
Projector	1	70,800	70,800
Split-type Airconditioners	2	165,000	330,000
Airconditioner for the Server Room	1	150,000	150,000
Air Conditioners (20TR capacity including auxiliaries & work installations)		4,500,000	4,500,000
Vault-type cabinets	2	60,000	120,000
Various furniture & fixtures for the Extension Offices			55,582
Various Equipment for the Extension Offices			60,000
Digital Board Meetings (Software)		800,000	800,000
Document Tracking & Collaboration System (Software)		2,000,000	2,000,000
System Enhancement/Additional Licenses for FMS, Lease/Loan System, Jet Reports & CRM)		2,936,160	2,936,160
Additional Licenses & Enhancement of Document Monitoring System		120,000	120,000
Back-Up System (Software)		1,750,000	1,750,000
Enhancement of HRIS & Payroll System		375,920	375,920
Microsoft Office Licenses		1,500,000	1,500,000
PABX Software		700,000	700,000
Sub-Total of Carried Over from 2017 CAPEX			<u><u>37,733,882</u></u>
B. 2018 CAPEX			
Additional			
Back-Up System Hardware (Upgrade)		100,000	100,000
Enterprise Access Point	2	25,000	50,000
Firewall		400,000	400,000
Update of cost of (5) units vehicles as replacements for day to day operations	5	300,000	1,500,000
Video Teleconferencing System		950,000	950,000
Sub-Total of 2018 CAPEX			<u><u>3,000,000</u></u>
TOTAL			<u><u>40,733,882</u></u>