



SECRETARY'S CERTIFICATE

I, **ATTY. MISHEENA JOYCE TIATCO-DONINA**, Acting Corporate Secretary of the Clark International Airport Corporation (CIAC), a corporation duly organized and existing under the laws of the Republic of the Philippines with office address at Corporate Office Building, Civil Aviation Complex, Clark Freeport Zone, Pampanga, hereby certify, that during the 18 December 2017 11th Regular Board Meeting of the Board of Directors of the corporation, the following resolution was approved:

Resolution No. RM-11-02, Series of 2017

*"**RESOLVED**, that the revised Corporate Operating Budget of CIAC (herein attached) for CY 2018, as approved by the BCDA, be **APPROVED**, as it is hereby **APPROVED**."*

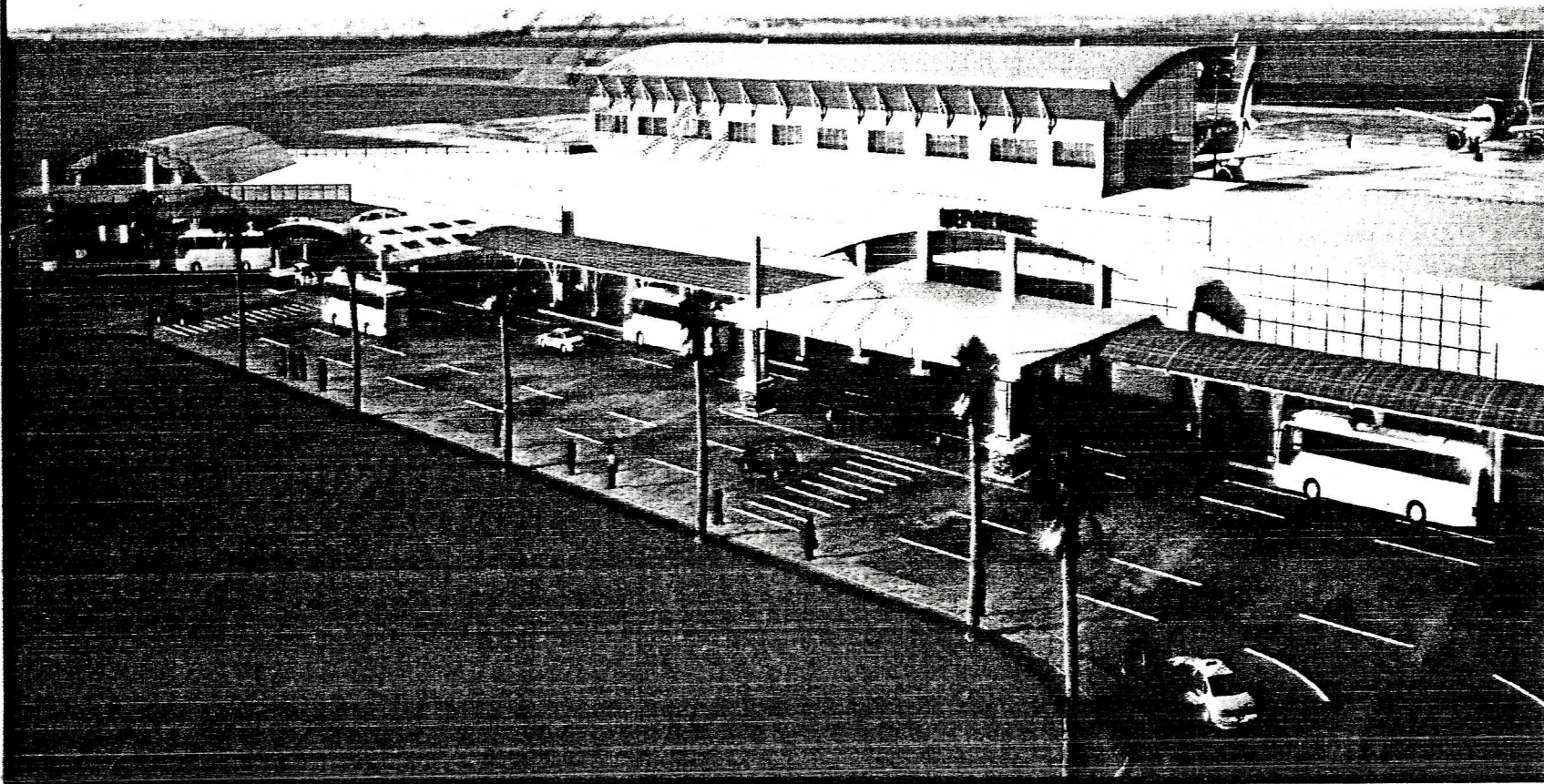
IN WITNESS WHEREOF, I hereby sign this instrument this 19th day of December 2017 at Clark Freeport Zone, Philippines.



ATTY. MISHEENA JOYCE TIATCO-DONINA
Acting Corporate Secretary



CLARK INTERNATIONAL AIRPORT CORPORATION 2018 CORPORATE BUDGET AS APPROVED BY THE BCDA BOARD



7/2

SUMMARY OF MODIFICATIONS/CHANGES

- * The CIAC approved budget was presented to BCDA Finance Committee on September 05, 2017.
- * The BCDA Board finally approved the Budget of CIAC on November 22, 2017.
- * The proposed budget for OPEX & CAPEX were reduced as shown below:
 1. Capital Expenditures for a total of **P506,233,502.00**
 2. The 101 vacant positions for PS budget for a total of **P45,171,326.00**
 3. **P800,000.00** for Ground Maintenance Services
 4. **P2,223,920.00** for Gasoline, Oil and Lubricants
 5. **P3,124,450.00** for Janitorial Expenses
 6. **P12,600,192.00** for Professional Services - Airport Services
 7. **P7,730,000.00** for Advertising Expense
 8. **P11,405,000.00** for Repair and Maintenance
- * The following additions were also incorporated in the BCDA approved budget:
 1. modular frames and chairs worth **P1,500,000.00**
 2. one unit van worth **P2,800,000.00**

CLARK INTERNATIONAL AIRPORT CORPORATION

SUMMARY OF EXPENSES

For CY 2018

EXPENSE ACCOUNT	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	DIFFERENCE	% INCREASE (REDUCTION)
Personal Services	275,670,612	230,499,286	(45,171,326)	(16%)
Maint. & Other Operating Expense	342,014,986	304,121,424	(37,893,562)	(11%)
Capital Expenditures	1,022,660,502	516,427,000	(506,233,502)	(50%)

20.

CLARK INTERNATIONAL AIRPORT CORPORATION

OPERATING EXPENSES BUDGET

For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	Modifications		Percentage of Reduction	REMARKS
			Addition	Reduction		
I. PERSONAL SERVICES						
1. Salaries & Wages - Regular Employees	PHP 140,984,424	PHP 113,044,734		PHP 27,939,690	20%	
2. Salaries & Wages - Project Employees	-	-		-		
3. Bonus and Cash gift	25,707,404	20,545,789		5,161,615	20%	
4. Clothing/Uniform Allowance	3,757,000	2,898,500		858,500	23%	
5. Life & Retirement Insurance	600,000	600,000		-		
6. Retirement Benefits	33,718,700	33,718,700		-		
7. Cost of Living Allowance	5,304,000	4,092,000		1,212,000	23%	
8. Crisis Amelioration & Resource Enhancement	3,978,000	3,069,000		909,000	23%	
9. Transportation Allowance	497,000	497,000		-		

20

CLARK INTERNATIONAL AIRPORT CORPORATION

OPERATING EXPENSES BUDGET

For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	Modifications		Percentage of Reduction	REMARKS
			Addition	Reduction		
I. PERSONAL SERVICES						
10. Health Care	11,514,000	11,514,000		-		
11. Sick Leave Monetization	5,500,000	5,500,000		-		
12. Overtime and Night Pay	9,340,203	7,476,930		1,863,273	20%	
13. Personal Economic Relief Assistance	7,608,000	5,856,000		1,752,000	23%	
14. Hazard Pay	1,314,000	1,014,000		300,000	23%	
15. Honoraria	1,610,000	1,610,000		-		
16. Provident Fund Benefits	10,573,832	8,478,355		2,095,477	20%	
17. SSS, Med. & Pag-ibig Fund	8,360,050	6,492,278		1,867,771	22%	
18. Rice Subsidy	5,304,000	4,092,000		1,212,000	23%	
Total PS	PHP 275,670,612	PHP 230,499,286		PHP 45,171,326	16%	disapproval of the proposed hiring of 101 positions

mp-

CLARK INTERNATIONAL AIRPORT CORPORATION

OPERATING EXPENSES BUDGET

For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	Modifications		Percentage of Reduction	REMARKS
			Addition	Reduction		
II. MAINTENANCE AND OTHER OPERATING EXPENSES						
a. Fixed MOOE						
1. Electricity Expenses	70,000,000	70,000,000		-		
2. Ground Maintenance Services	11,300,000	10,500,000		800,000	7%	disapproval of proposed increase
3. Garbage Fees	400,000	400,000		-		
4. Gasoline, Oil and Lubricants	8,485,520	6,251,600		2,233,920	26%	disapproval of proposed increase
5. Insurance Expenses	5,237,263	5,237,263		-		
6. Janitorial Expenses	19,724,450	16,600,000		3,124,450	16%	disapproval of proposed increase in wages and personnel
7. Professional Services-Directors' Per Diem	4,828,000	4,828,000		-		

mf

CLARK INTERNATIONAL AIRPORT CORPORATION

OPERATING EXPENSES BUDGET

For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	Modifications		Percentage of Reduction	REMARKS
			Addition	Reduction		
II. MAINTENANCE AND OTHER OPERATING EXPENSES						
a. Fixed MOOE						
8. Professional Services-Airport Services	38,868,192	26,268,000		12,600,192	32%	disapproval of additional 25 personnel
9. Professional Services-Property Appraisal	100,000	100,000		-		
10. Printing and Binding Expenses	6,229,540	6,229,540		-		
11. Rent Expense	296,000	296,000		-		
12. Security Services	49,735,789	49,735,789		-		
13. Water Expenses	2,280,000	2,280,000		-		
Total	PHP 217,484,754	PHP 198,726,192		PHP 18,758,562	9%	

20

CLARK INTERNATIONAL AIRPORT CORPORATION

OPERATING EXPENSES BUDGET

For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	Modifications		Percentage of Reduction	REMARKS
			Addition	Reduction		
II. MAINTENANCE AND OTHER OPERATING EXPENSES						
b. Discretionary MOOE						
1. Auditing Services	PHP 517,852	PHP 517,852		-		
2. Advertising/Mktg Expenses	29,787,082	22,057,082		7,730,000	26%	disapproval of proposed increase
3. Communication Expenses	3,715,200	3,715,200		-		
4. Consultancy Services	3,460,000	3,460,000		-		
5. Donation & Contribution	115,000	115,000		-		
6. Drugs and Medicines Expenses	466,914	466,914		-		
7. Fidelity Bond Premiums	250,000	250,000		-		

mp

CLARK INTERNATIONAL AIRPORT CORPORATION

OPERATING EXPENSES BUDGET

For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	Modifications		Percentage of Reduction	REMARKS
			Addition	Reduction		
II. MAINTENANCE AND OTHER OPERATING EXPENSES						
b. Discretionary MOOE						
8. Intelligence Expenses	1,000,000	1,000,000		-		
9. Legal Services	1,100,000	1,100,000		-		
10. Miscellaneous Expenses	100,000	100,000		-		
11. Office Supplies Expenses	4,337,380	4,337,380		-		
12. Other Supplies Expenses	4,666,592	4,666,592		-		
13. Repairs & Maintenance	60,705,834	49,300,834		11,405,000	19%	R & M- Terminal costs was reduced
14. Representation Expenses	2,835,200	2,835,200		-		

mp

CLARK INTERNATIONAL AIRPORT CORPORATION
 OPERATING EXPENSES BUDGET
 For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	Modifications		Percentage of Reduction	REMARKS
			Addition	Reduction		
II. MAINTENANCE AND OTHER OPERATING EXPENSES						
b. Discretionary MOOE						
15. Seminars, Trainings and Meetings	5,037,200	5,037,200		-		
16. Sports and Recreation	970,000	970,000		-		
17. Water Provision	180,000	180,000		-		
18. Subscription, Membership Dues	2,060,399	2,060,399		-		
19. Taxes, Duties and Licenses	967,899	967,899		-		
20. Traveling Expenses - Foreign	1,500,000	1,500,000		-		
21. Traveling Expenses - Local	757,680	757,680		-		
Total	124,530,232	105,395,232	-	19,135,000	15%	
Total MOOE	PHP 342,014,986	PHP 304,121,423	PHP 0	PHP 37,893,562	11%	
GRAND TOTAL	617,685,598	534,620,709	-	83,064,888	13%	

70

CLARK INTERNATIONAL AIRPORT CORPORATION

CAPITAL EXPENDITURES BUDGET

FOR CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	DIFFERENCE	Percentage	Modifications		REMARKS
					Addition	Reduction	
1. INFRASTRUCTURE / IMPROVEMENTS	124,000,000	2,000,000	(122,000,000)	98%		122,000,000	Only the Runway Friction Testing project was approved
2. AIRPORT AND OTHER MACHINERIES EQUIPMENT	705,197,000	497,347,000	(207,850,000)	29%		207,850,000	Only the DOTr funded projects were approved
3. OFFICE EQUIPMENT	1,352,424	-	(1,352,424)	100%		1,352,424	
4. COMMUNICATION EQUIPMENT	2,719,000	-	(2,719,000)	100%		2,719,000	
5. MILITARY & POLICE EQUIPMENT	160,000	-	(160,000)	100%		160,000	
6. FURNITURE & FIXTURES	3,824,000	1,570,000	(2,254,000)	59%	1,500,000	3,754,000	additional modular frames and chairs

md

CLARK INTERNATIONAL AIRPORT CORPORATION

CAPITAL EXPENDITURES BUDGET

FOR CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	DIFFERENCE	Percentage	Modifications		REMARKS
					Addition	Reduction	
7. TOOLS & OTHER EQUIPMENT	463,000	-	(463,000)	100%		463,000	
8. IT EQUIPMENT AND SOFTWARES	41,627,000	12,710,000	(28,917,000)	69%		28,917,000	
9. CONSTRUCTION & HEAVY EQUIPMENT	132,000,000	-	(132,000,000)	100%		132,000,000	
10. FIREFIGHTING EQUIPMENT	2,068,078	-	(2,068,078)	100%		2,068,078	
11. MOTOR VEHICLES	9,250,000	2,800,000	(6,450,000)	70%	2,800,000	9,250,000	1 unit van only
Total	1,022,660,502	516,427,000	(506,233,502)	50%	4,300,000	510,533,502	

20

CLARK INTERNATIONAL AIRPORT CORPORATION

INCOME STATEMENT

For CY 2017

(in thousands)

ACCOUNT TITLE	ESTIMATED ACTUAL	ESTIMATED ACTUAL	DIFFERENCE
	YEAR TO DATE	WITH SSL CONSIDERATION	
REVENUES			
Revenues from air traffic operations	PHP 358,131	PHP 358,131	-
Revenues from non-aero activities	417,700	417,700	-
Other Income	40,486	40,486	-
Total	816,317	816,317	-
OPERATING EXPENSES			
Personal Services	223,286	247,184	23,898
Maint & Other Operating Expense	389,793	389,793	-
Total	613,079	636,977	23,898

mf

CLARK INTERNATIONAL AIRPORT CORPORATION

INCOME STATEMENT

For CY 2017

(in thousands)

ACCOUNT TITLE	ESTIMATED ACTUAL	ESTIMATED ACTUAL	DIFFERENCE
	YEAR TO DATE	WITH SSL CONSIDERATION	
EARNINGS BEFORE INTEREST & TAXES(EBIT)	203,238	179,340	(23,898)
OTHER EXPENSES			
Interest & other fin'l charges	22,439	22,439	-
Income Tax	18,951	18,951	-
Total	41,390	41,390	-
Net Income (Loss)	PHP 161,848	PHP 137,950	(PHP 23,898)

% of PS over total OPEX	36%	39%
% of MOOE over total OPEX	64%	61%
% of PS over total Revenues	27%	30%
% of MOOE over total Revenues	48%	48%

mp

CLARK INTERNATIONAL AIRPORT CORPORATION

PROJECTED INCOME STATEMENT

For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	DIFFERENCE
REVENUES			
Revenues from air traffic operations	PHP 475,576,041	PHP 475,576,041	-
Revenues from non-aero activities	454,478,750	454,478,750	-
Other Income	9,652,000	9,652,000	-
Total	939,706,791	939,706,791	-
OPERATING EXPENSES			
Personal Services	275,670,612	230,499,286	(45,171,326)
Maint. & Other Operating Expense	575,084,047	490,190,696	(84,893,351)
Total	850,754,659	720,689,982	(130,064,677)

mf

CLARK INTERNATIONAL AIRPORT CORPORATION
PROJECTED INCOME STATEMENT
For CY 2018

ACCOUNT TITLE	AS APPROVED BY CIAC BOARD	AS APPROVED BY BCDA BOARD	DIFFERENCE
EARNINGS BEFORE INTEREST & TAXES(EBIT)	88,952,132	219,016,809	130,064,677
OTHER EXPENSES			
Interest & other fin'l charges	22,247,969	22,247,969	-
Income Tax	8,238,347	8,238,347	-
Total	30,486,316	30,486,316	-
Net Income (Loss)	PHP 58,465,816	PHP 188,530,493	PHP 130,064,677

% of PS over total OPEX	32%	32%
% of MOOE over total OPEX	68%	68%
% of PS over total Revenues	29%	25%
% of MOOE over total Revenues	61%	52%

70.