

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM
STATEMENT OF CASH FLOWS**

For the Year Ended December 31, 2009

(With comparative figures for the year ended December 31, 2008)

(In Thousand Pesos)

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Collection from DMCI due to DCRA exit	-	3,335,874
Collection of concession fee	2,374,919	1,981,640
Collection from rentals of leased properties	80,197	63,778
Collection of water accounts (prior years and raw water)	69,353	67,928
Collection of penalty interest from MWSI	-	83,319
Other collections	126,196	272,760
Payment of borrowing cost	(737,865)	(666,308)
Payment of operating expenses	(539,426)	(416,294)
Other expenditures	(218,722)	(384,570)
Net cash generated from operating activities	1,154,652	4,338,127
CASH FLOWS FROM INVESTING ACTIVITIES		
Matured investments	767,313	259,508
Investments	(706,669)	(225,977)
Investments in special reserve fund	(14,863)	(19,916)
Capital expenditures	(2,746)	(12,089)
Net cash provided by investing activities	43,035	1,526
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds	-	6,050
Debt servicing	(1,896,739)	(1,607,094)
Payment of prior year's dividends to National Government		(51,695)
Net cash used in financing activities	(1,896,739)	(1,652,739)
Effects of exchange rate changes on cash and cash equivalents	56,090	529,573
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(642,962)	3,216,488
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,591,572	2,375,084
CASH AND CASH EQUIVALENTS AT END OF YEAR	4,948,610	5,591,572

See accompanying Notes to Financial Statements