



November 10, 2020

THE PHILIPPINE STOCK EXCHANGE, INC.

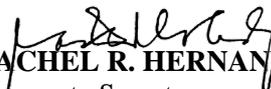
The Philippine Stock Exchange, Inc.
6th Floor PSE Tower
28th corner 5th Avenue
Bonifacio Global City
Taguig City

*Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department*

Gentlemen:

Please find attached the company's press statement pertaining to the financial results as of 3Q2020. Thank you.

Very truly yours,


RACHEL R. HERNANDEZ
Corporate Secretary

**FIRST GEN CORPORATION
PRESS STATEMENT**

First Gen Pushes LNG Construction Despite 12% Drop in 9M20 Earnings

First Gen Corporation (First Gen), the Lopez Group's power generation company, is pushing through with its LNG development despite a manageable decline in recurring net income attributable to equity holders to Php9.6 billion (US\$190 million) in the first three quarters of 2020 from the operations of its 3,492 MW clean, low-carbon, and renewable portfolio. This was a 12% decline from its Php11.3 billion (US\$217 million) in earnings from the same period in 2019. The entry and ready access of affordable LNG supply from other gas-producing countries is a key initiative towards the decarbonization program for the Philippines.

"First Gen is gaining a lot of positive momentum in developing its LNG platform. We very much appreciate receiving the DOE's approval of the Permit to Construct, Expand, Rehabilitate and Modify for the construction of an Interim Offshore LNG Terminal (IOT Project) in the First Gen Clean Energy Complex in Batangas last September. We likewise signed a Joint Cooperation Agreement with Tokyo Gas for the joint development of the IOT Project. Since then, we have selected McConell Dowell as the preferred tenderer for the EPC of the IOT Project and have announced our plans to explore the viability of small-scale liquefied natural gas solutions in our industrial park. Needless to say, we are a believer in the growth and potential of the country despite the challenges we have all recently undergone," First Gen President and COO Francis Giles B. Puno stated.

On a nine-month basis, an 11% decrease in recurring earnings for the period was registered by the natural gas platform due mainly to planned outages and the lower dispatch of the 420 MW San Gabriel and 100 MW Avion natural gas-fired power plants. From a recurring attributable net income to parent of Php7.9 billion (US\$151 million) in the first nine months of 2019, the gas platform generated Php6.8 billion (US\$135 million) for the same period in 2020.

The Energy Development Corporation (EDC) contributed recurring earnings from its geothermal, wind, and solar platform of Php3.3 billion (US\$66 million) in the first three quarters of 2020, nominally lower in comparison to the Php3.5 billion (US\$67 million) it earned in the same period last year. The renewable company actually reported a higher taxable income as it incurred lower operating expenses and lower interest expenses. The positive income was offset by higher tax payments.

The hydro platform's recurring earnings contribution fell by 76% or Php0.5 billion (US\$10 million) to Php0.2 billion (US\$3 million) for the first nine months of 2020 from Php0.7 billion (US\$13 million) in 2019, mainly due to lower prices at the Wholesale Electricity Spot Market (WESM), though mildly offset by higher ancillary service sales.

First Gen's net income attributable to equity holders in 9M20 was Php9.9 billion (US\$196 million). This was Php1.6 billion (US\$24 million) or 11% less than the 2019 earnings of Php11.5 billion (US\$220 million), due mainly to lower electricity sales across all platforms, though partially offset by lower interest expenses.

First Gen's consolidated revenues from the sale of electricity in the first nine months of 2020 declined by Php15.7 billion (US\$253 million) or 16% to Php68.6 billion (US\$1,363 million), compared to Php84.2 billion (US\$1,616 million) in 2019. The natural gas portfolio accounted for 60% of First Gen's total consolidated revenues. Their revenues were 19% lower in the first three quarters of 2020 mainly due

to lower average natural gas prices coupled with a decline in the plants' dispatch. The Avion power plant did, however, generate fresh revenues from its ancillary service sales.

EDC's geothermal, wind, and solar revenues accounted for Php25.4 billion (US\$505 million) or 37% of First Gen's total consolidated revenues in the first nine months of 2020. From Php28.5 billion (US\$547 million) in 2019, EDC's revenues were Php3.1 billion (US\$43 million) less mainly due to the lower prices at the WESM.

First Gen Hydro Power Corporation, owner of the 132-MW Pantabangan-Masiway hydroelectric power plants, generated weaker revenues by Php0.6 billion (US\$12 million) or 31% less than the Php1.9 billion (US\$37 million) it generated in first nine months of 2019, to Php1.3 billion (US\$26 million) in 2020 due to lower WESM sales in terms of volume and price. The hydro plants account for 2% of First Gen's total consolidated revenues.

"The growth in power demand understandably did not materialize and it affected power prices. We did see a recovery in power demand this 3rd quarter as conditions eased and we expect this positive trend to continue as the economy slowly recovers from the effects of the lockdowns," Puno added.

**U.S. Dollar balances were translated to Philippine Peso using the weighted average rate of US\$1.00:Php50.316 for the period ended September 30, 2020 and US\$1.00:Php52.133 for the period ended September 30, 2019.*

About First Gen

First Gen is a leading independent power producer in the Philippines that primarily utilizes clean and indigenous fuels such as natural gas, geothermal energy from steam, hydro-electric, wind, and solar power. The Company has 3,492MW of installed capacity in its portfolio, which accounts for 21% of the country's gross generation. First Gen is a subsidiary of First Philippine Holdings Corporation, one of the most established conglomerates in the Philippines, and has over 20 years of experience in power development. It is part of the Lopez Group of Companies.