SOCIAL SECURITY SYSTEM
(All amounts in Philippine peso unless otherwise stated)

Schedule 1

Schedule of Revenues and Expenditures and other comprehensive income

	Six months ended 30 June 2018	2017	Increase/(decrease)
Revenues			
Members' contribution[1]	82,000,706,835	78,637,597,679	3,363,109,156
Investment and other income[2]	13,549,307,471	18,345,103,456	(4,795,795,985)
	95,550,014,306	96,982,701,135	(1,432,686,829)
Expenditures			
Benefit payments			
Retirement	51,284,077,193	49,857,077,796	1,426,999,397
Death	27,318,954,824	26,922,759,614	396,195,210
Disability	3,329,709,436	3,102,709,016	227,000,420
Maternity	3,372,807,731	3,010,878,889	361,928,842
Funeral grant	1,951,027,139	1,872,574,128	78,453,011
Sickness	1,317,600,231	1,262,000,421	55,599,810
Medical services	6,092,595	6,505,284	(412,689)
Rehabilitation services	966,447	514,543	451,904
	88,581,235,596	86,035,019,691	2,546,215,905
Operating expenses			
Personnel services[3]	3,123,061,186	3,082,505,597	40,555,589
Maintenance and other operating expenses[4]	1,018,332,244	1,304,002,973	(285,670,729)
	4,141,393,430	4,386,508,570	(245,115,140)
Total expenditures	92,722,629,026	90,421,523,261	2,301,100,765
Net revenue/profit for the period	2,827,385,280	6,561,172,874	(3,733,787,594)
Other comprehensive income/(loss)			
Financial assets at FVTOCI			
Marketable (equity) securities			
Realized gain/(loss) on sale	809,808,619		809,808,619
Net gain/(loss) on fair value adjustment	(13,589,439,244)	12,224,661,394	(25,814,100,638)
Reclassification adjustments	-	(168,919,869)	168,919,869
Government securities			
Realized gain/(loss) on sale	582,905		582,905
Net gain/(loss) on fair value adjustment	40,701,775	-	40,701,775
	(12,738,345,946)	12,055,741,525	(24,794,087,471)
Total comprehensive income for the period	(9,910,960,666)	18,616,914,399	(28,527,875,065)

$$\text{Administrative expense loading} = \frac{4.14\text{ Billion}}{(12\% \times 82.00\text{ Billion}) + (3\% \times 13.55\text{ Billion})}$$

Administrative expense loading = 40.4%

SOCIAL SECURITY SYSTEM
(All amounts in Philippine peso unless otherwise stated)

Schedule of investment and related income
(At Fair Value)

	At 30 June 2018	% to IRF	At 31 December 2017	% to IRF	Investment income Six months ended 30 Jun 2018	 2017
FIXED INCOME	357,944,877,294.04	74.68	348,707,811,247.60	71.28	11,526,121,561.88	12,334,774,880.95
1. GOVERNMENT SECURITIES	220,921,457,929.15	46.09	203,297,998,174.61	41.56	6,194,061,007.06	5,743,861,948.61
Government notes and bonds	149,195,884,857.27	31.13	192,783,395,528.35	39.41	4,312,117,662.78	5,694,226,380.76
Government bonds - FVTPL (at fair value)	19,475,674,562.68	4.06	10,514,602,646.26	2.15	211,620,031.90	49,635,567.85
Government bonds - FVTOCI (at fair value)[4]	52,249,898,509.20	10.90	-	0.00	1,670,323,312.38	
2. CORPORATE NOTES AND BONDS	33,574,215,341.58	7.00	32,672,358,411.67	6.68	791,124,313.61	812,492,350.99
Corporate notes	10,258,166,666.67	2.14	10,356,300,000.00	2.12	231,576,183.32	259,755,491.12
Corporate bonds	21,936,185,769.80	4.58	20,843,130,000.00	4.26	559,548,130.29	552,588,436.41
Corporate notes - FVTOCI[4]	1,379,862,905.11	0.29	1,379,862,905.11	0.28	-	-
Corporate bonds - FVTPL (at fairvalue)	-	0.00	93,065,506.58	0.02	-	148,423.46
Reversal of impairment loss					-	-
3. LOANS TO MEMBERS	87,266,821,833.42	18.21	85,218,254,647.93	17.42	4,151,926,782.49	5,529,242,880.65
a. SALARY LOANS	81,225,085,887.38	16.95	78,953,985,619.02	16.14	3,997,433,251.64	5,315,327,439.04
Salary/educational/calamity loan	67,839,129,476.48	14.15	67,113,064,366.99	13.72	2,513,704,077.34	2,030,639,293.51
Separated member loan	8,458,430.18	0.00	19,645,213.60	0.00	32,932,866.78	56,595,915.73
Emergency loan	202,874,396.80	0.04	237,231,147.04	0.05	33,628,538.85	75,938,168.71
Student assistance loan	54,616.75	0.00	62,402.63	0.00	-	7,950.50
Stock investment loan	67,621,775.12	0.01	68,448,751.45	0.01	1,370,367.91	736,025.47
Privatization loan	68,217,307.32	0.01	68,099,620.23	0.01	814,309.34	729,924.57
Loan to vocational/technical students	88,564.28	0.00	88,564.28	0.00	-	2,318.00
Special educational loan fund - Y2K	117,517.24	0.00	117,517.24	0.00	-	-
Educational assistance loan program	4,868,677,534.70	1.02	4,759,851,633.91	0.97	14,170.00	8,438.69
Restructured member loan - 2016	8,149,846,268.51	1.70	6,687,376,401.45	1.37	1,414,768,921.42	3,150,612,674.04
Reversal of impairment loss					-	56,729.82
b. HOUSING LOANS	6,040,652,331.80	1.26	6,262,939,103.10	1.28	154,466,006.27	213,810,264.85
Loan to National Home Mortgage Finance Corporation	5,463,004,059.98	1.14	5,542,262,384.63	1.13	27,073,167.09	36,798,205.59
Real estate loans	172,981,342.81	0.04	295,269,564.95	0.06	118,990,685.53	168,028,497.41
Dormitory/apartment loans	10,382,586.35	0.00	10,382,586.35	0.00	127,989.05	299,586.11
SSS employees housing loans	394,284,342.66	0.08	415,024,567.17	0.08	8,274,164.60	8,683,975.74
Reversal of impairment loss					-	-
c. DEVELOPMENT LOANS	1,083,614.24	0.00	1,329,925.81	0.00	27,524.58	105,176.76
Investment incentive loans	42,245.30	0.00	42,507.25	0.00	854.40	-
Small scale industry	1.00	0.00	1.00	0.00	-	-
Educational institution financing program	1.00	0.00	1.00	0.00	-	105,176.76
Industry modernization and expansion loan program	1.00	0.00	1.00	0.00	-	-
Business development facility	1,041,364.94	0.00	1,287,414.56	0.00	26,670.18	-
Program MADE	1.00	0.00	1.00	0.00	-	-
4. BANK DEPOSITS	16,182,382,189.89	3.38	27,519,200,013.39	5.63	389,009,458.72	249,177,700.70
Short-term money placements	-	0.00	-	0.00	17,385,000.00	-
Savings/time/special savings deposits/current accounts [1]	16,181,370,113.05	3.38	27,518,188,448.02	5.63	371,586,001.99	247,198,707.22
Externally managed fund (at fair value)	1,012,076.84	0.00	1,011,565.37	0.00	511.47	1,275.97
Gain/(loss) on foreign exchange [2]					37,945.26	1,977,717.51
VARIABLE INCOME	134,014,551,348.90	27.96	139,622,608,496.87	28.54	1,766,692,675.74	5,495,246,057.78
1. EQUITIES	100,586,028,135.58	20.99	107,777,105,313.76	22.03	1,414,171,412.67	5,237,346,559.88
Financial assets at FVTPL - Equities (at fair value)	5,745,196,074.72	1.20	5,712,048,470.58	1.17	(505,386,254.90)	1,145,403,670.54
Financial assets at FVTOCI						
Equities securities (at fair value)[4]	94,372,717,003.19	19.69	101,596,941,785.51	20.77	1,842,696,840.37	4,027,158,859.00
Ordinary and preference shares (at cost)	468,115,057.67	0.10	468,115,057.67	0.10	13,086,336.00	1,427,613.00
Director's fee					63,774,891.20	63,356,417.34

	At 30 June 2018	% to IRF	At 31 December 2017	% to IRF	Investment income – Six months ended 30 Jun 2018	Investment income – Six months ended 30 Jun 2017
2. REAL ESTATE PROPERTY	31,922,104,750.54	6.66	31,845,503,183.11	6.51	346,120,517.25	257,899,497.90
Investment property (at fair value)	30,892,248,158.48	6.45	30,892,248,158.48	6.31	312,462,113.85	222,972,780.38
Sales contract receivable - investment property	32,923,438.73	0.01	36,408,376.40	0.01	1,837,697.10	2,192,845.60
Sales contract receivable - non-current assets held for sale	996,933,153.33	0.21	916,846,648.23	0.19	31,795,704.39	32,015,718.51
Reversal of impairment loss					25,001.91	718,153.41
3. INVESTMENT IN MUTUAL FUND	1,506,418,462.78	0.31	-		6,400,745.82	-
Mutual fund at FVTPL (at fair value)	1,506,418,462.78	0.31	-		6,400,745.82	-
TOTAL INVESTMENTS	491,959,428,642.94	102.64	488,330,419,744.47	99.82	13,292,814,237.62	17,830,020,938.73
Investment reserve fund (IRF)						
Reserve fund[3]	500,204,958,869.82		496,584,576,039.66			
Investments revaluation reserve	(21,710,287,419.89)		(8,161,549,950.50)			
Flexi-fund members' equity	751,155,667.30		732,054,415.42			
PESO fund equity	54,325,056.41		41,679,756.41			
Investment reserve fund	479,300,152,173.64		489,196,960,261.19			
Cash and cash equivalents	15,040,619,374.62		26,821,426,070.05			
Donated Property reclassified to reserve fund	11,391,980.00		11,391,980.00			
Realized gain/(loss) on sale/disposal of FVTOCI						
Equities securities					809,808,619.22	
Government securities					582,904.63	

1 Presented as part of cash and cash equivalents under current assets; excludes main fund and other current accounts used in operations
2 Includes gain/(loss) on foreign exchange of foreign currency denominated (FCD) short-term money placements, savings/time/special savings deposits/current accounts
3 Excludes donated property reclassified to reserve fund
4 2018 income excludes realized gain/(loss) on sale of FAFVTOCI (AFSFA) now classified under Other Comprehensive Income

Additional notes:
1. Income from salary/educational/calamity loan includes service fee - salary loan
2. Income from real estate loan includes processing fee - housing loan

$$\text{2Q2018 Annualized ROI} = \left[1 + \frac{(2{,}272.00 + 2{,}410.47 + 2{,}378.84 + 2{,}143.87 + 2{,}112.83 + 1{,}974.80)}{\begin{array}{c} \frac{(488{,}330.42 + 495{,}793.26)}{2} + \frac{(495{,}793.26 + 499{,}468.26)}{2} + \\ \frac{(499{,}468.26 + 498{,}633.02)}{2} + \frac{(498{,}633.02 + 499{,}084.03)}{2} + \\ \frac{(499{,}084.03 + 497{,}108.57)}{2} + \frac{(497{,}108.57 + 491{,}959.43)}{2} + \end{array}}\right]^{12} - 1$$

$$\text{2Q2018 Annualized ROI} = \left[1 + \frac{13{,}292.81}{2{,}980{,}232.07}\right]^{12} - 1$$

2Q2018 Annualized ROI = 5.49%

TABLE 1
PAYING MEMBERS
BY TYPE OF MEMBER
ACTUAL 2018 VS ACTUAL 2017
JANUARY TO JUNE

Type of Member	Actual 2018	*% to Total*	Actual 2017	*% inc./ (dec.)*
Employed	**10,459,952**	***74.8***	**9,676,724**	***8.1***
Regular	**10,439,901**	***74.6***	**9,621,965**	***8.5***
Large Account	5,802,662	*41.5*	5,727,169	*1.3*
Branch Account	4,637,239	*33.1*	3,894,796	*19.1*
Househelper	**20,051**	***0.1***	**54,759**	***(63.4)***
Self-Employed	**958,663**	***6.9***	**973,104**	***(1.5)***
Voluntary	**2,147,412**	***15.4***	**1,994,201**	***7.7***
Separated	2,146,137	*15.3*	1,993,223	*7.7*
Non-Working Spouse	1,275	*0.0*	978	*30.4*
OFW	**423,280**	***3.0***	**455,818**	***(7.1)***
Total	**13,989,307**	***100.0***	**13,099,847**	***6.8***

Rundate:

2018 Paying Members - August 15, 2018

2017 Paying Members - August 27, 2017

$$\text{\% of PM for 2Q2018} = \frac{\text{13.989 Million paying SSS members}}{\text{41.326 Million employed persons - 3.424 Million workers in gov't/gov't}}$$

% of PM for 2Q2018 = <u>36.91%</u>

TABLE 7 - Employed Persons by Class of Workers, Philippines: 2016 - April 2018

	2016					2017					2018	
	Ave	Jan	Apr	July	Oct	Ave	Jan	Apr	July	Oct	Jan	Apr p
ALL CLASSES OF WORKERS	**40,998**	**40,689**	**40,664**	**40,954**	**41,685**	**40,334**	**39,347**	**40,271**	**40,171**	**41,547**	**41,755**	**40,896**
Wage and Salary Workers	**25,240**	**25,599**	**25,065**	**25,047**	**25,248**	**25,209**	**24,712**	**24,699**	**25,555**	**25,868**	**25,776**	**26,079**
Worked for Private Household	2,096	2,315	2,042	2,020	2,009	1,925	1,905	1,804	1,971	2,018	1,916	1,923
Worked for Private Establishment	19,694	19,654	19,667	19,605	19,848	19,776	19,310	19,640	19,978	20,177	20,327	20,558
Worked with Pay in Own Family-operated Farm or Business	132	148	150	121	110	119	119	100	113	145	137	146
Worked for Government/Government Corporation	3,317	3,482	3,206	3,300	3,281	3,388	3,377	3,155	3,493	3,528	3,396	3,452
Self-employed without Any Paid Employee	**11,097**	**10,650**	**10,896**	**11,322**	**11,521**	**11,198**	**10,706**	**11,370**	**11,129**	**11,586**	**11,581**	**11,132**
Employer in Own Family-operated Farm or Business	**1,376**	**1,404**	**1,343**	**1,437**	**1,319**	**1,491**	**1,461**	**1,505**	**1,393**	**1,604**	**1,506**	**1,517**
Without Pay in Own-Family-operated Farm or Business (Unpaid Family Workers)	**3,285**	**3,037**	**3,360**	**3,148**	**3,597**	**2,437**	**2,468**	**2,697**	**2,094**	**2,488**	**2,893**	**2,168**

Notes: 1. Details may not add up to totals due to rounding.
2. Starting April 2016 round, the Labor Force Survey (LFS) adopted the 2013 Master Sample Design as well as the population projections based on the 2010 Census of Population and Housing (2010 CPH) while the previous survey round used 2000 CPH as population projection benchmark.
3. January 2016 data reflected were based on the 2010 Census-based population projections to compute for the annualized data for 2016.

p Preliminary.
Source : Philippine Statistics Authority, Labor Force Survey.

Republic of the Philippines
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OFFICE ORDER NO. 2018-040

SUBJECT : **ESTABLISHMENT OF ADDITIONAL ME CENTERS (MECS)**

As an addendum to Office Order No. 2012-078, three (3) additional MECS are hereby established in the following branches to complement with the existing ninety-three (93) MECS.

Branch	Total Number of Medical Specialists	Required Medical Specialists per ME Center
1. San Mateo	1	1
2. Rosario, EPZA	1	1
3. Catbalogan	1	1

These MECs shall perform Physical Examination and Interview (PEI) on members/claimants daily.

All other existing guidelines under Office Order No. 2012-078 shall continue to be observed and implemented.

Please be guided accordingly.

EMMANUEL F. DOOC
President and CEO

30 MAY 2018
Date

(Policies – Medical)

Memorandum –

FOR	:	**JEAN V. LAGRADA** VP and Division Head, Financial and Budget
DATE	:	23 May 2018
RE	:	***Creation of Guagua Service Office (SO)***

Relative to the creation of Guagua Service Office located at the ground floor of Guagua Town Center, Olongapo Road, San Matias, Guagua, Pampanga, attached is a copy of certification regarding the creation of the said SO.

Gloria Y. Cuisia
Department Manager III

cc.: SVP Magana
OIC-VP Andrada
ITMG
HRMD
BSPD
MAD
CCD
CPPD
GAD
Pampanga

SERVICE OFFICE CREATED IN CY 2018

May 2018

Service Office	Location	PCEO Approval	Start of Operation
1 Guagua	GF Guagua Town Center, Olongapo Road, San Matias, Guagua, Pampanga	30-Oct-17	23-May-18

Certified Correct:

Jose Eduardo S. Ramos
Sr. Architect, BEMSD

Mary Gay H. Galang
CEO III, BEMSD

Pablita A. David
Branch Head, Pampanga
(Mother Branch)

Approved By:

Gloria Y. Cuisia
Department Manager III, BEMSD

Josie G. Magana
SVP & Group Head, Luzon Operations

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BRANCH EXPANSION AND MANAGEMENT SERVICES DEPARTMENT

Memorandum –

FOR	:	**JEAN V. LAGRADA** VP and Division Head, Financial and Budget
DATE	:	06 July 2018
RE	:	***Creation of Sta. Elena, Camarines Norte Service Office (SO)***

Relative to the creation of Sta. Elena Service Office located at the ground floor of DSWD Building, Poblacion, Sta. Elena, Camarines Norte, Camarines Sur, attached is a copy of certification regarding the creation of the said SO.

Gloria Y. Cuisia
Department Manager III

cc.: SVP Magana
OIC-VP Samblero
ITMG
HRMD
BSPD
MAD
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Daet

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SERVICE OFFICE CREATED IN CY 2018

June 2018

Service Office	Location	PCEO Approval	Start of Operation
1. Sta. Elena (Camarines Norte)	G/F DSWD Building, Poblacion, Sta. Elena, Camarines Norte	5-Dec-17	06-Jun-18

Certified Correct:

Jose Eduardo S. Ramos
Sr. Architect, BEMSD

Mary Gay H. Galang
CEO III, BEMSD

Francisco S. Sorsona
Branch Head, Daet
(Mother Branch)

Approved By:

Gloria Y. Quisia
Department Manager III, BEMSD

Josie G. Magana
SVP & Group Head, Luzon Operations

Memorandum –

FOR	:	**JEAN V. LAGRADA** VP and Division Head, Financial and Budget
DATE	:	01 June 2018
RE	:	***Creation of Tayug Service Office (SO)***

Relative to the creation of Tayug Service Office located at the second floor of Magic Mall Tayug located along Bonifacio Street, Poblacion, Tayug, Pangasinan, attached is a copy of certification regarding the creation of the said SO.

Gloria Y. Cuisia
Department Manager III

cc.: SVP Magana
VP Agapito
ITMG
HRMD
BSPD
MAD
CCD
CPPD
GAD
Urdaneta

2018-0855

SERVICE OFFICE CREATED IN CY 2018

May 2018

Service Office	Location	PCEO Approval	Start of Operation
1. Tayug	2F, Magic Mall Tayug, Bonifacio Street, Poblacion Tayug, Pangasinan	30-Oct-17	22-May-18

Certified Correct:

Jose Eduardo S. Ramos
Sr. Architect, BEMSD

Mary Gay H. Galang
CEO III, BEMSD

Narciso M. Martinez, Jr.
Branch Head, Urdaneta
(Mother Branch)

Approved By:

Gloria Y. Quisis
Department Manager III, BEMSD

Josie G. Magana
SVP & Group Head, Luzon Operations

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