

**SOCIAL SECURITY SYSTEM**
*(All amounts in Philippine peso unless otherwise stated)*
**Schedule 1**
**Schedule of Revenues and Expenditures and other comprehensive income**

	Nine months ended 30 September		Increase/(decrease)
	2018	2017	
<b>Revenues</b>			
Members' contribution <sup>1</sup>	127,012,010,055	119,499,648,563	7,512,361,492
Investment and other income <sup>2</sup>	21,952,275,408	26,616,616,590	(4,664,341,182)
	<u>148,964,285,463</u>	<u>146,116,265,153</u>	<u>2,848,020,310</u>
<b>Expenditures</b>			
<b>Benefit payments</b>			
Retirement	77,658,180,792	73,645,957,304	4,012,223,488
Death	41,030,369,488	40,170,811,148	859,558,340
Disability	5,043,606,352	4,635,406,340	408,200,012
Maternity	5,203,750,013	4,516,069,167	687,680,846
Funeral grant	2,966,457,249	2,853,501,196	112,956,053
Sickness	2,094,281,312	1,947,743,043	146,538,269
Medical services	9,308,042	9,698,954	(390,912)
Rehabilitation services	982,102	1,092,211	(110,109)
	<u>134,006,935,350</u>	<u>127,780,279,363</u>	<u>6,226,655,987</u>
<b>Operating expenses</b>			
Personnel services <sup>3</sup>	4,560,234,157	4,547,385,946	12,848,211
Maintenance and other operating expenses <sup>4</sup>	1,776,638,625	1,930,275,239	(153,636,614)
	<u>6,336,872,782</u>	<u>6,477,661,185</u>	<u>(140,788,403)</u>
<b>Total expenditures</b>	<u>140,343,808,132</u>	<u>134,257,940,548</u>	<u>6,085,867,584</u>
<b>Net revenue/profit for the period</b>	<u>8,620,477,331</u>	<u>11,858,324,605</u>	<u>(3,237,847,274)</u>
<b>Other comprehensive income/(loss)</b>			
Financial assets at FVTOCI			
Realized gain/(loss) on sale			
Marketable (equity) securities	889,639,922	-	889,639,922
Government securities	65,224,883	-	65,224,883
	<u>954,864,805</u>	<u>-</u>	<u>954,864,805</u>
Net gain/(loss) on fair value adjustment			
Marketable (equity) securities	(17,250,943,796)	14,118,805,492	(31,369,749,288)
Government securities	(2,378,077,547)	-	(2,378,077,547)
Corporate bonds	(13,688,667)	-	(13,688,667)
	<u>(19,642,710,010)</u>	<u>14,118,805,492</u>	<u>(33,761,515,502)</u>
	<u>(18,687,845,204)</u>	<u>14,118,805,492</u>	<u>(32,806,650,696)</u>
<b>Total comprehensive income for the period</b>	<u>(10,067,367,873)</u>	<u>25,977,130,097</u>	<u>(36,044,497,970)</u>

<sup>1</sup> includes interest and penalty on contribution in arrears

<sup>2</sup> includes gains/losses, interest and dividend income, subsidy and investment expenses

<sup>3</sup> excludes FSA-local hires, counsel allow and incentive awards-PRAISE

<sup>4</sup> includes FSA-local hires, counsel allow, and incentive awards-PRAISE, bank charges, depreciation & amortization

Administrative expense loading =  $\frac{6.34 \text{ Billion}}{(12\% \times 127.01 \text{ Billion}) + (3\% \times 21.95 \text{ Billion})}$

Administrative expense loading = 39.9%

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

Schedule of investment and related income  
(At Fair Value)

	At 30 September 2018	% to IRF	At 31 December 2017	% to IRF	Investment income	
					Nine months ended 30 September	
					2018	2017
<b>FIXED INCOME</b>	<b>361,873,619,565.04</b>	<b>75.54</b>	<b>348,797,811,247.60</b>	<b>71.28</b>	<b>18,154,721,968.50</b>	<b>17,689,830,887.15</b>
<b>1. GOVERNMENT SECURITIES</b>	<b>211,871,532,720.21</b>	<b>44.23</b>	<b>203,297,998,174.61</b>	<b>41.56</b>	<b>8,998,617,456.68</b>	<b>9,136,707,800.47</b>
Government notes and bonds	149,745,044,709.72	31.26	192,783,395,528.35	39.41	6,492,130,754.37	8,992,095,255.41
Government bonds - FVTPL (at fair value)	18,824,063,605.34	3.93	10,514,602,646.26	2.15	6,643,865.77	144,612,545.06
Government bonds - FVTOCI (at fair value) <sup>4</sup>	43,302,424,405.15	9.04	-	0.00	2,498,842,836.54	-
<b>2. CORPORATE NOTES AND BONDS</b>	<b>34,337,026,674.97</b>	<b>7.17</b>	<b>32,672,358,411.67</b>	<b>6.68</b>	<b>1,201,943,669.84</b>	<b>1,198,608,602.42</b>
Corporate notes	10,249,666,666.67	2.14	10,356,300,000.00	2.12	345,496,846.93	375,614,039.74
Corporate bonds	22,221,185,769.80	4.84	20,843,130,000.00	4.26	852,415,572.91	824,051,763.57
Corporate notes - FVTOCI <sup>4</sup>	1,379,862,905.11	0.29	1,379,862,905.11	0.28	-	-
Corporate bonds - FVTPL (at fairvalue)	-	0.00	63,085,506.56	0.02	-	(1,057,200.89)
Corporate bonds - FVTOCI (at fairvalue)	486,311,333.39	0.10	-	-	4,031,250.00	-
Reversal of impairment loss	-	-	-	-	-	-
<b>3. LOANS TO MEMBERS/PENSIONERS</b>	<b>91,093,933,145.06</b>	<b>19.02</b>	<b>85,218,254,647.93</b>	<b>17.42</b>	<b>7,406,346,301.87</b>	<b>6,999,910,205.64</b>
<b>a. SALARY LOANS</b>	<b>85,078,422,484.85</b>	<b>17.76</b>	<b>78,963,985,619.02</b>	<b>16.14</b>	<b>7,178,872,087.46</b>	<b>6,685,290,944.04</b>
Salary/educational/calamity loan	69,228,023,765.64	14.45	67,113,064,386.99	13.72	4,115,646,930.53	3,258,726,206.33
Separated member loan	27,106,420.48	0.01	19,645,213.60	0.00	61,512,224.08	137,261,592.01
Emergency loan	230,810,788.42	0.05	237,231,147.04	0.05	58,032,289.93	81,320,394.10
Student assistance loan	8,303.90	0.00	62,402.83	0.00	878.96	7,950.50
Stock investment loan	66,862,657.34	0.01	68,448,751.45	0.01	3,558,854.11	736,025.47
Privatization loan	66,472,265.23	0.01	68,099,620.23	0.01	2,209,453.31	729,924.57
Loan to vocational/technical students	88,564.26	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	4,929,021,639.69	1.03	4,759,851,633.91	0.97	19,794,770.58	6,440,071.40
Restructured member loan - 2016	10,529,890,242.63	2.20	6,687,376,401.45	1.37	2,918,116,685.96	3,200,009,731.84
Reversal of impairment loss	-	-	-	-	-	56,729.82
<b>b. HOUSING LOANS</b>	<b>5,931,370,700.03</b>	<b>1.24</b>	<b>6,262,939,103.10</b>	<b>1.28</b>	<b>227,435,442.48</b>	<b>314,477,431.96</b>
Loan to National Home Mortgage Finance Corporation	5,416,781,304.52	1.13	5,542,262,384.63	1.13	27,073,167.09	54,804,349.78
Real estate loans	122,936,813.69	0.03	295,269,564.95	0.06	187,946,698.91	246,408,317.62
Dormitory/apartment loans	10,382,586.35	0.00	10,382,586.35	0.00	205,782.48	267,275.35
SSS employees housing loans	381,269,995.47	0.08	415,024,567.17	0.08	12,209,794.00	13,197,489.21
Reversal of impairment loss	-	-	-	-	-	-
<b>c. DEVELOPMENT LOANS</b>	<b>957,672.18</b>	<b>0.00</b>	<b>1,329,925.81</b>	<b>0.00</b>	<b>38,771.93</b>	<b>141,829.64</b>
Investment incentive loans	41,415.79	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	-	125,087.08
Industry modernization and expansion loan program	1.00	0.00	1.00	0.00	-	-
Business development facility	916,252.39	0.00	1,287,414.56	0.00	37,917.53	16,742.56
Program MADE	1.00	0.00	1.00	0.00	-	-
Reversal of impairment loss	-	-	-	-	-	-
<b>d. PENSION LOAN PROGRAM</b>	<b>83,182,288.00</b>	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Pension loan	83,182,288.00	0.02	-	-	-	-
<b>4. BANK DEPOSITS</b>	<b>24,571,127,024.80</b>	<b>5.13</b>	<b>27,519,200,013.39</b>	<b>5.63</b>	<b>547,814,540.11</b>	<b>354,604,278.62</b>
Short-term money placements	-	0.00	-	0.00	17,385,000.00	-
Savings/time/special savings deposits/current accounts <sup>5</sup>	24,571,127,024.80	5.13	27,518,188,448.02	5.63	530,452,162.40	351,601,179.34
Externally managed fund (at fair value)	-	0.00	1,011,565.37	0.00	(1,152.68)	(62,215.66)
Gain/(loss) on foreign exchange <sup>3</sup>	-	-	-	-	(21,469.63)	3,055,314.94
<b>VARIABLE INCOME</b>	<b>133,270,471,790.59</b>	<b>27.82</b>	<b>138,622,608,496.87</b>	<b>28.54</b>	<b>3,136,724,972.57</b>	<b>8,215,764,653.65</b>
<b>1. EQUITIES</b>	<b>98,258,461,168.94</b>	<b>20.51</b>	<b>107,777,105,313.76</b>	<b>22.03</b>	<b>2,607,752,817.18</b>	<b>7,825,875,897.15</b>
Financial assets at FVTPL - Equities (at fair value)	7,279,986,123.98	1.52	5,712,048,470.58	1.17	68,328,740.47	1,352,597,442.20
Financial assets at FVTOCI	-	-	-	-	-	-
Equities securities (at fair value) <sup>4</sup>	90,510,359,987.29	18.89	101,596,941,785.51	20.77	2,462,637,235.97	6,404,948,691.80
Ordinary and preference shares (at cost)	488,115,057.67	0.10	488,115,057.67	0.10	13,185,149.54	3,308,345.81
Director's fee	-	-	-	-	65,801,891.20	65,021,417.34

	At 30 September 2018	% to IRF	At 31 December 2017	% to IRF	Investment income	
					Nine months ended 30 September	
					2018	2017
<b>2. REAL ESTATE PROPERTY</b>	<b>31,969,246,331.31</b>	<b>6.67</b>	<b>31,845,503,183.11</b>	<b>6.51</b>	<b>487,389,491.39</b>	<b>389,888,756.50</b>
Investment property (at fair value)	30,892,248,158.48	6.45	30,892,248,158.48	6.31	438,918,227.77	338,308,640.35
Sales contract receivable - investment property	31,150,918.79	0.01	36,408,378.40	0.01	3,493,452.77	2,654,361.82
Sales contract receivable - non-current assets held for sale	1,045,847,254.04	0.22	916,846,648.23	0.19	44,952,808.94	48,122,485.95
Reversal of impairment loss					25,001.91	805,268.58
<b>3. INVESTMENT IN MUTUAL FUND</b>	<b>3,042,764,290.34</b>	<b>0.64</b>	<b>-</b>	<b>-</b>	<b>41,582,664.00</b>	<b>-</b>
Mutual fund at FVTPL (at fair value)	3,042,764,290.34	0.64	-	-	41,582,664.00	-
<b>TOTAL INVESTMENTS</b>	<b>495,144,091,355.63</b>	<b>103.36</b>	<b>488,330,419,744.47</b>	<b>99.82</b>	<b>21,291,446,941.07</b>	<b>25,905,595,540.80</b>
Investment reserve fund (IRF)						
Reserve fund <sup>3</sup>	505,996,018,042.82		496,584,576,039.86			
Investments revaluation reserve	(27,804,259,960.03)		(8,161,549,950.50)			
Flexi-fund members' equity	778,849,754.28		732,054,415.42			
PESO fund equity	50,579,856.41		41,879,756.41			
<b>Investment reserve fund</b>	<b>479,030,187,693.48</b>		<b>489,196,960,261.19</b>			
<b>Cash and cash equivalents</b>	<b>23,442,225,457.45</b>		<b>26,821,426,070.05</b>			
Donated Property reclassified to reserve fund	11,391,980.00		11,391,980.00			
Realized gain/(loss) on sale/disposal of FA at FVTOCI						
Equities securities					889,639,922.23	
Government securities					65,224,883.14	

<sup>1</sup> Presented as part of cash and cash equivalents under current assets; excludes main fund and other current accounts used in operations

<sup>2</sup> Includes gain/(loss) on foreign exchange of foreign currency denominated (FCD) short-term money placements, savings/time/special savings deposits/current accounts

<sup>3</sup> Excludes donated property reclassified to reserve fund

<sup>4</sup> 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

$$3Q2018 \text{ Annualized ROI} = 1 + \left[ \frac{(2,272.00 + 2,410.47 + 2,378.84 + 2,143.87 + 2,112.83 + 1,974.80 + 3,133.75 + 3,040.50 + 1,824.39)}{2} + \frac{(488,330.42 + 495,793.26)}{2} + \frac{(495,793.26 + 499,468.26)}{2} + \frac{(499,468.26 + 498,633.02)}{2} + \frac{(498,633.02 + 499,084.03)}{2} + \frac{(499,084.03 + 497,108.57)}{2} + \frac{(497,108.57 + 491,959.43)}{2} + \frac{(491,959.43 + 497,137.23)}{2} + \frac{(497,137.23 + 502,438.94)}{2} + \frac{(502,438.94 + 495,144.09)}{2} \right]^{12} - 1$$

$$3Q2018 \text{ Annualized ROI} = 1 + \frac{21,291.45}{4,720,932.04}^{12} - 1$$

$$3Q2018 \text{ Annualized ROI} = 5.86\%$$

**TABLE 1**  
**PAYING MEMBERS**  
**BY TYPE OF MEMBER**  
**ACTUAL 2018 VS. ACTUAL 2017**  
**JANUARY TO SEPTEMBER**

Type of Member	Actual 2018	% to Total	Actual 2017	% inc./ (dec.)
<b>Employed</b>	<b>11,529,952</b>	<b>75.0</b>	<b>10,464,825</b>	<b>10.2</b>
<b>Regular</b>	<b>11,514,517</b>	<b>74.9</b>	<b>10,403,605</b>	<b>10.7</b>
Large Account	6,276,960	40.8	6,098,559	2.9
Branch Account	5,237,557	34.1	4,305,046	21.7
<b>Househelper</b>	<b>15,435</b>	<b>0.1</b>	<b>61,220</b>	<b>(74.8)</b>
<b>Self-Employed</b>	<b>1,057,153</b>	<b>6.9</b>	<b>1,074,418</b>	<b>(1.6)</b>
<b>Voluntary</b>	<b>2,320,254</b>	<b>15.1</b>	<b>2,177,026</b>	<b>6.6</b>
Separated	2,318,806	15.1	2,175,881	6.6
Non-Working Spouse	1,448	0.0	1,145	26.5
<b>OFW</b>	<b>459,442</b>	<b>3.0</b>	<b>509,938</b>	<b>(9.9)</b>
<b>Total</b>	<b>15,366,801</b>	<b>100.0</b>	<b>14,226,207</b>	<b>8.0</b>

*Rundate:*

*2018 Paying Members - October 23, 2018*

*2017 Paying Members - November 13, 2017*

% of PM for 3Q2018 = 
$$\frac{15.367 \text{ Million paying SSS members}}{41.103 \text{ Million employed persons} - 3.512 \text{ Million workers in gov't/gov't}}$$

% of PM for 3Q2018 = 40.9%

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

	2016					2017					2018		
	Ave	Jan	Apr	July	Oct	Ave	Jan	Apr	July	Oct	Jan	Apr <sup>p</sup>	Jul <sup>p</sup>
<b>ALL CLASSES OF WORKERS</b>	<b>40,998</b>	<b>40,689</b>	<b>40,664</b>	<b>40,954</b>	<b>41,685</b>	<b>40,334</b>	<b>39,347</b>	<b>40,271</b>	<b>40,171</b>	<b>41,547</b>	<b>41,755</b>	<b>40,896</b>	<b>40,659</b>
<b>Wage and Salary Workers</b>	<b>25,240</b>	<b>25,599</b>	<b>25,065</b>	<b>25,047</b>	<b>25,248</b>	<b>25,209</b>	<b>24,712</b>	<b>24,699</b>	<b>25,555</b>	<b>25,868</b>	<b>25,776</b>	<b>26,079</b>	<b>26,567</b>
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	2,030
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	20,721
Worked with Pay in Own Family-operated Farm or Business	132	148	150	121	110	119	119	100	113	145	137	146	128
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	3,688
<b>Self-employed without Any Paid Employee</b>	<b>11,097</b>	<b>10,650</b>	<b>10,896</b>	<b>11,322</b>	<b>11,521</b>	<b>11,198</b>	<b>10,706</b>	<b>11,370</b>	<b>11,129</b>	<b>11,586</b>	<b>11,581</b>	<b>11,132</b>	<b>10,650</b>
<b>Employer in Own Family-operated Farm or Business</b>	<b>1,376</b>	<b>1,404</b>	<b>1,343</b>	<b>1,437</b>	<b>1,319</b>	<b>1,491</b>	<b>1,461</b>	<b>1,505</b>	<b>1,393</b>	<b>1,604</b>	<b>1,506</b>	<b>1,517</b>	<b>1,554</b>
<b>Without Pay in Own-Family-operated Farm or Business (Unpaid Family Workers)</b>	<b>3,285</b>	<b>3,037</b>	<b>3,360</b>	<b>3,148</b>	<b>3,597</b>	<b>2,437</b>	<b>2,468</b>	<b>2,697</b>	<b>2,094</b>	<b>2,488</b>	<b>2,893</b>	<b>2,168</b>	<b>1,888</b>

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.

<sup>p</sup> Preliminary.

Source : Philippine Statistics Authority, Labor Force Survey.

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BRANCH EXPANSION AND MANAGEMENT SERVICES DEPARTMENT

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## Memorandum –

FOR : **JEAN V. LAGRADA**  
VP and Division Head, Financial and Budget

DATE : 18 September 2018

RE : *Creation of Service Office (SO) in Robinsons Place Iligan*

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Relative to the creation of Service Office in Robinsons Place Iligan located at the Lingkod Pinoy Center, Robinsons Place Iligan, Macapagal Avenue, Iligan City, Lanao del Norte, attached is a copy of certification regarding the creation of the said SO.

  
**Gloria Y. Cuisia**  
Department Manager III

cc.: Acting SVP Palma  
VP Alo  
ITMG  
HRMD  
BSPD  
MAD  
CCD  
CPPD  
GAD  
Iligan




**SERVICE OFFICE CREATED IN CY 2018**  
**September 2018**

Service Office	Location	PCEO Approval	Start of Operation
1. Robinsons Place Iligan SO.	Lingkod Pinby Center, Robinsons Place Iligan, Macapagal Avenue, Iligan City, Lanao del Norte	18-Jan-18	10-Sep-18

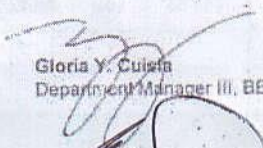
Certified Correct:

  
Jose Eduardo S. Ramos  
Sr. Architect, BEMSD

  
Mary Gay N. Galang  
CEC III, BEMSD

  
Cheryl V. Jarol  
Branch Head, Iligan  
(Mother Branch)

Approved By:

  
Gloria Y. Cuista  
Department Manager III, BEMSD

  
Emmanuel R. Palma  
Acting SVP, Mindanao Operations Group

9/13/2018 11:47 AM

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BRANCH EXPANSION AND MANAGEMENT SERVICES DEPARTMENT

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## Memorandum –


FOR : **JEAN V. LAGRADA**  
VP and Division Head, Financial and Budget

DATE : 20 September 2018

RE : *Creation of Service Office (SO) in Robinsons Place Antique*

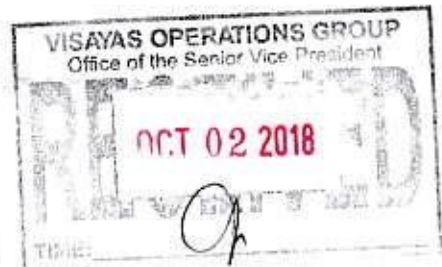
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Relative to the creation of Service Office in Robinsons Place Antique located at the 3<sup>rd</sup> floor, Lingkod Pinoy Center, Robinsons Place Antique, San Jose Buenavista, Antique, attached is a copy of certification regarding the creation of the said SO.

  
**Gloria Y. Cuisia**  
Department Manager III

cc.: SVP Solito  
Acting VP Casiano  
ITMG  
HRMD  
BSPD  
MAD  
CCD  
CPPD  
GAD  
Antique



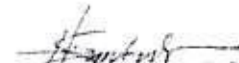


**SERVICE OFFICE CREATED IN CY 2018**  
*September 2018*

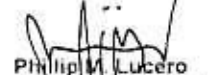
Service Office	Location	PCEO Approval	Start of Operation
1 Robinsons Place Antique SO	3/F, Lingkod Pinay Center, Robinsons Place Antique, San Jose Buenavista Antique	14 Mar-18	24-Sep-18

*Note: Soft Opening on 23 April 2018*


**Certified Correct:**


  
Hanz Howard Roy F. Sabordo  
Sr. Specialist, BEMSD

  
Mary Gay H. Galang  
CEO III, BEMSD

  
Phillip M. Lucero  
Acting Branch Head, Antique  
(Mother Branch)

**Approved By:**

  
Gloria Y. Cursia  
Department Manager III, BEMSD

  
Helen C. Solito  
SVP, Visayas Operations Group



Republic of the Philippines  
**SOCIAL SECURITY SYSTEM**

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**OFFICE ORDER NO. 2018-053**

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

As an addendum to Office Order No. 2012-078, four (4) additional MECS are hereby established in the following branches to complement with the existing ninety-six (96) MECS.

Branch	Total Number of Medical Specialists	Required Medical Specialists per ME Center
1. Pasig Rotunda	1	1
2. San Carlos	1	1
3. Gingoog	1	1
4. Bago City	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

05 SEP 2018

Date