

March 7, 2017

via facsimile (632) 584-5593 and by hand
SECURITIES AND EXCHANGE COMMISSION
Secretariat Building, PICC Complex,
Roxas Boulevard, Pasay City, 1307

ATTENTION : **DIR. VICENTE GRACIANO P. FELIZMENIO JR.**
Director, Markets and Securities Regulation Department

via PSE EDGE
PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

ATTENTION : **MR. JOSE VALERIANO B. ZUÑO III**
OIC –Head, Disclosure Department

via electronic mail
PHILIPPINE DEALING & EXCHANGE CORP.
Market Regulatory Services Group
37/F, Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas, Makati City

ATTENTION : **MS. VINA VANESSA S. SALONGA**
Head – Issuer Compliance and Disclosures Department

Gentlemen:

Attached is the SEC Form 17-C (Current Report) of Aboitiz Power Corporation filed in compliance with the Securities Regulation Code, its 2015 Implementing Rules and Regulations, the Revised Disclosure Rules of the Philippine Stock Exchange (PSE), and the Issuer Disclosure Operating Guidelines of the Philippine Dealing Exchange Corp. (PDEX).

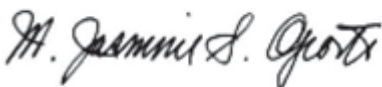
Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By:



M. JASMINE S. OPORTO
Corporate Secretary

COVER SHEET

C 1 9 9 8 0 0 1 3 4

S.E.C. Registration Number

A B O I T I Z P O W E R C O R P O R A T I O N

(Company's Full Name)

3 2 N D S T R E E T , B O N I F A C I O G L O B A L

C I T Y , T A G U I G C I T Y , M E T R O M A N I L A

P H I L I P P I N E S

(Business Address: No. Street City / Town / Province)

M. JASMINE S. OPORTO

Contact Person

02- 886-2729

Company Telephone Number

Contact Person

1 2 3 1

Month Day Fiscal Year

1 7 - C

FORM TYPE

3rd Monday of May

0 5 1 5

Month Day Annual Meeting

N/A

Secondary License Type, if Applicable

SEC

Dept. Requiring this Doc

N/A

Amended Articles Number/Section

Total No. of Stockholders

x

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier


STAMPS

Remarks = Pls. use black ink for scanning purposes

SECURITIES & EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE (SRC)
AND SRC RULE 17.2(c) THEREUNDER

1. **March 7, 2017**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **C199800134** 3. BIR TIN **200-652-460-000**
4. **ABOITIZ POWER CORPORATION**
Exact name of registrant as specified in its charter
5. **Philippines** 6. 
Province, country or other jurisdiction of incorporation Industry Classification Code
7. **32nd Street, Bonifacio Global City, Taguig City, Metro Manila, Philippines** **1634**
Address of principal office Postal Code
8. **(02) 886-2800**
Registrant's telephone number, including area code
9. **N.A.**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding |
|---|--|
| Common Stock ₱1 Par Value | 7,358,604,307 |
| Amount of Debt Outstanding (As of December 31, 2016) | ₱214,217,468,000.00 |

11. Indicate the item numbers reported herein: 9

Item 9: Other Events

Aboitiz Power Corporation (AboitizPower or the "Company") recorded a decrease of 9% year-on-year (YoY) in its consolidated net income for the quarter ending December 31, 2016, from ₱5.4 billion (bn) to ₱4.9 bn. The Company recognized non-recurring losses of ₱510 million (mn) (versus last year's gain of ₱43 mn) mainly coming from forex losses from revaluation of dollar denominated liabilities and refinancing costs. Without the one-off loss, AboitizPower's core net income for the fourth quarter of 2016 amounted to ₱5.4 bn, which is 1% higher YoY.

On a full-year basis, AboitizPower's income performance recorded a 14% YoY increase, from ₱17.6 bn to ₱20.0 bn. This translated to earnings per share of ₱2.72. During the year, the Company recognized non-recurring losses of ₱612 mn (versus last year's loss of ₱762 mn) mainly coming from forex losses from revaluation of dollar denominated liabilities, refinancing costs and goodwill impairment. Adjusting for these one-offs, the Company's core net income for 2016 amounted to ₱20.6 bn, up by 12% YoY.

Business Segments

Power Generation

For the quarter ending December 31, 2016, the power generation business recorded an income contribution of ₱4.3 bn, 3% lower as compared to the same period last year. The decrease was mainly due to the lower earnings contribution from the geothermal group. When adjusted for non-recurring items, the group registered a 6% YoY increase in its core net income, from ₱4.4 bn to ₱4.7 bn.

On a full-year basis, the generation business accounted for 82% of earnings contributions from AboitizPower's business segments, recording an income share of ₱16.3 bn for 2016, up 17% YoY. The growth was largely driven by Therma South, Inc.'s new contribution. Netting out one-off items, AboitizPower's generation business generated ₱17.2 bn for the period, which was 16% higher than last year.

For full year 2016, AboitizPower's attributable net energy sold rose by 8% YoY, from 12,550 GWh to 13,495 GWh, as electricity sold through bilateral contracts, which made up 91% of total energy sold during the period, expanded by 8% to 12,279 GWh. On the other hand, spot market sales increased by 4% from 1,168 GWh to 1,216 GWh.

As of year-end 2016, AboitizPower's net sellable capacity stood at 2,975 MW after the Philippine Competition Commission's approval of the acquisition of GNPowder Mariveles Coal Plant Ltd. Co.

Power Distribution

On the other hand, the power distribution group registered a 35% YoY decline in its income contribution for the fourth quarter of 2016, from ₱1.2 bn to ₱757 mn. The decrease was primarily driven by non-material prior year adjustments taken up in 2016. AboitizPower's attributable sales for the period was at 1,287 GWh, increasing by 6% from 1,213 GWh a year ago. The growth in sales was mainly driven by the industrial segment.

The power distribution group's earnings share for 2016 decreased by 4%, from ₱3.8 bn to ₱3.7 bn. This is equivalent to 18% of earnings contributions from AboitizPower's business segments. Total attributable electricity sales increased by 7% YoY, from 4,759 GWh to 5,105 GWh as energy sales grew across all customer segments. Meanwhile, the group's gross margin on a per kWh basis in 2016 decreased to ₱1.59 from ₱1.61 a year ago. The decline mostly came from the under-recoveries as a result of a shift in supply mix.

Financial Condition

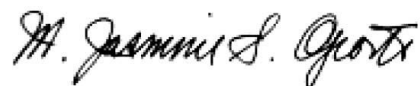
As of December 31, 2016, the Company's total consolidated assets amounted to ₱355.0 bn, 46% higher than the year-end 2015 level of ₱242.5 bn. The Company's consolidated Cash and Cash Equivalents was at ₱47.1 bn, while total consolidated interest-bearing liabilities was at ₱214.2 bn. Equity Attributable to Equity Holders of the Parent increased by 8% to ₱105.1 bn from the year-end 2015 level. As of December 31, 2016, the Company's current ratio was at 2.2x (versus year-end 2015's 3.1x), while net debt-to-equity ratio was at 1.5x (versus year-end 2015's 0.6x).

SIGNATURE (S)

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ABOITIZ POWER CORPORATION

By:

A handwritten signature in black ink, appearing to read "M. Jasmine S. Oporto". The signature is written in a cursive, flowing style.

M. Jasmine S. Oporto
Corporate Secretary

Dated: March 7, 2017

PRESS RELEASE

7 March 2017

AboitizPower 2016 net income up 14% year-on-year

Aboitiz Power Corporation (AboitizPower) reported a 14% increase in income performance for the full year 2016 to ₱20 billion from ₱17.6 billion in 2015. The positive result, which is attributed to the strong performance of its generation business, translated to earnings per share of ₱2.72.

The company registered a net non-recurring loss of ₱612 million (versus the previous year's loss of ₱762 million) mainly coming from forex losses from revaluation of dollar denominated liabilities, refinancing costs, and goodwill impairment. Adjusting for these one-offs, its core net income rose by 12% to ₱20.6 billion from ₱18.4 billion in 2015.

Power Generation

AboitizPower's generation business accounted for 82% of the company's earnings, recording an income share of ₱16.3 billion for 2016, up 17% year-on-year (YoY).

The growth was largely driven by fresh contribution from Therma South. Netting out one-off items, the generation business generated ₱17.2 billion or an increase of 16% from 2015.

Meanwhile, AboitizPower's attributable net energy sold rose by 8% to 13,495 gigawatt-hours (GWh) from 12,550 GWh, as electricity sold through bilateral contracts which made up 91% of total energy sold last year expanded by 8% to 12,279 GWh. Spot market sales increased by 4% to 1,216 GWh from 1,168 GWh. In terms of capacity, these translate to 2,097 megawatts (MW) of attributable energy sold.

As of end 2016, AboitizPower's net sellable capacity is at 2,975 MW after the Philippine Competition Commission's approval of the GNPowder Mariveles acquisition.

"Amid the rising demand for power generated by a growing economy, we will work hard to further strengthen our relationships with our various stakeholders and customers. We are looking forward to add more capacity in the next few years and move closer to our target generating capacity of 4,000 MW by 2020, to be sourced from a balanced mix of energy sources," said AboitizPower President and Chief Operating Officer Antonio R. Moraza.

Power Distribution

The power distribution business, which contributed 18% of the company's earnings, reported a 4% drop in earnings share to ₱3.4 billion from ₱3.8 billion.

Total attributable electricity sales increased by 7% YoY, to 5,105 GWh from 4,759 GWh as energy sales grew across all customer segments. Meanwhile, the group's gross margin on a per kilowatt-hour basis decreased to ₱1.59 from ₱1.61 a year ago. The decline mostly came from the under-recoveries as a result of a shift in supply mix.

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About AboitizPower

AboitizPower is the holding company for the Aboitiz Group's investments in power generation, distribution, and retail electricity services.

The company is one of the largest power producers in the Philippines with a right-mix portfolio of assets located across the country. It is a major producer of Cleanergy, its brand for clean and renewable energy with several hydroelectric and geothermal power generation facilities. It also has various fossil-fired power plants in its generation portfolio to support the baseload and peak energy demands of the country.

The company also owns distribution utilities that operate in high-growth areas in Luzon, Visayas, and Mindanao, including the second and third largest private utilities in the country.

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For further queries on this Press Release, please contact:

WILFREDO A. RODOLFO III

Corporate Branding and Communication

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