

ABOITIZ POWER CORPORATION

Third Quarter/YTD September 2011 Financial & Operating Results

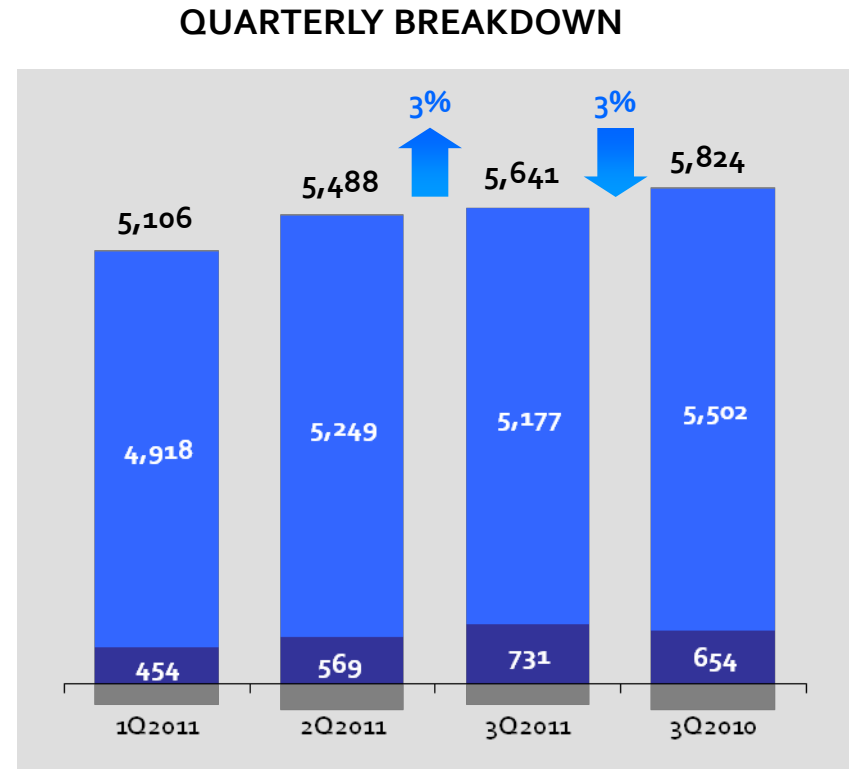
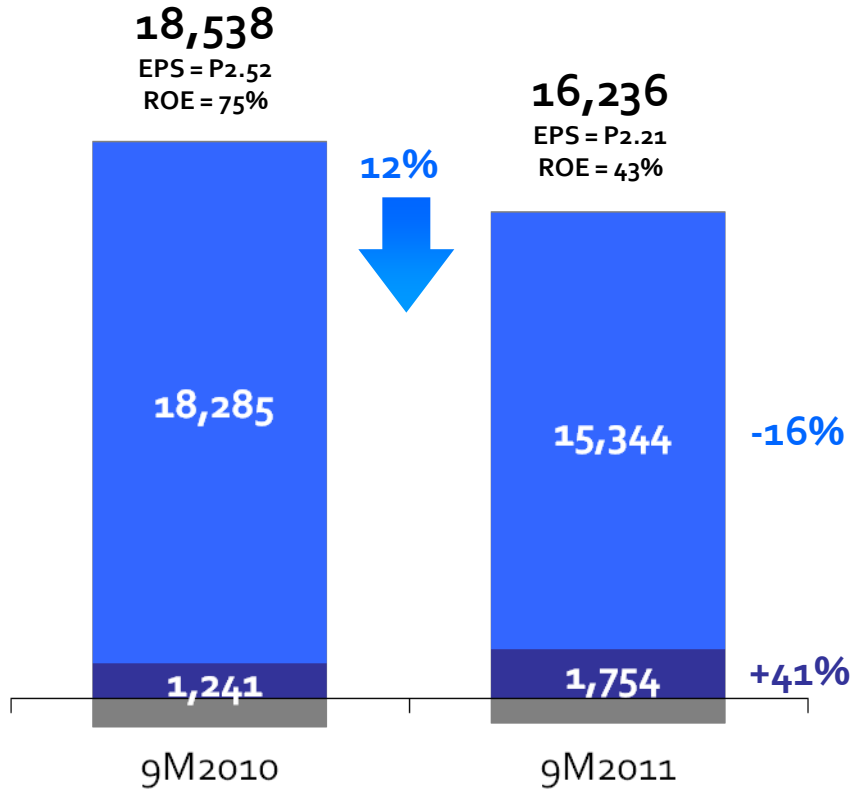
4 November 2011



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NET INCOME (in million pesos)



■ Distribution
 ■ Generation
 ■ AP Parent

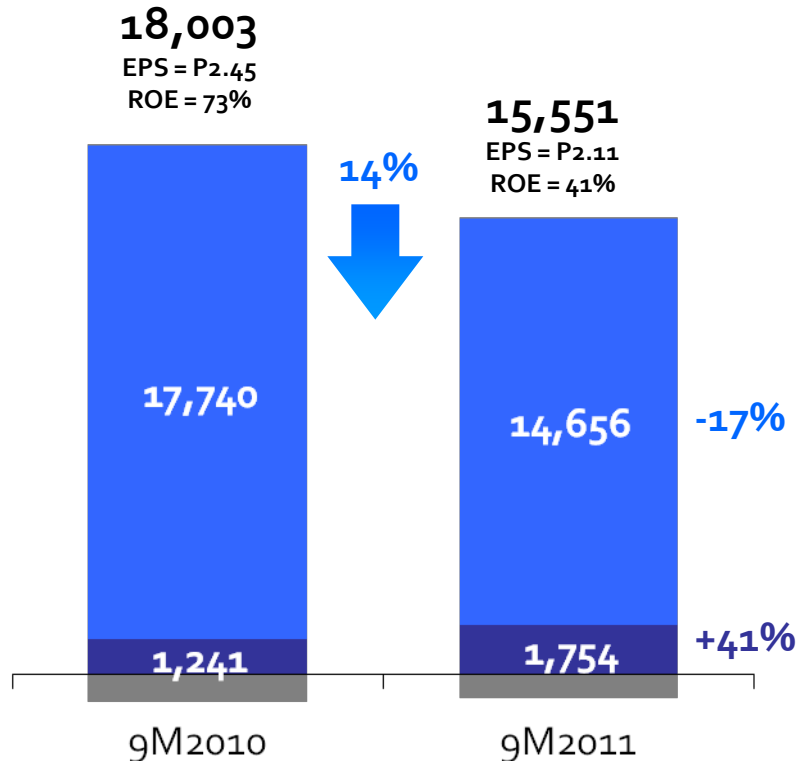
CORE NET INCOME (in million pesos)

Non-Recurring Items

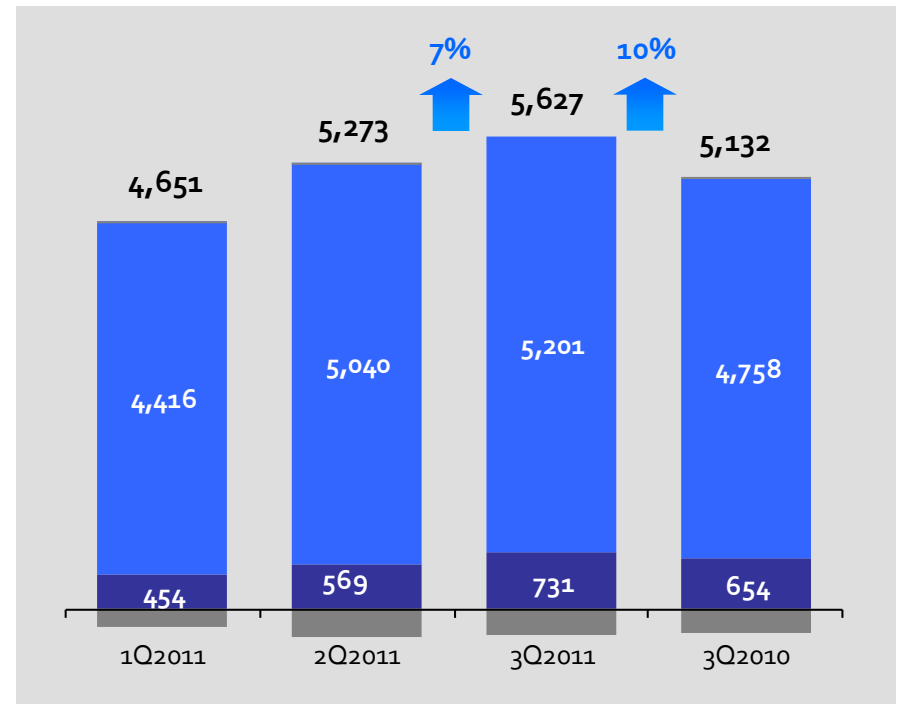
	9M2010	9M2011
FX gains/(loss) - Parent	(9)	(3)
FX gains/(loss) - Generation	943	(34)
STEAG refinancing cost	(398)	-
TMI Revenue Adjustment	-	348
STEAG NPC reimbursement	-	179
TLI Cost Reversal	-	195
	<u>536</u>	<u>685</u>

Non-Recurring Items

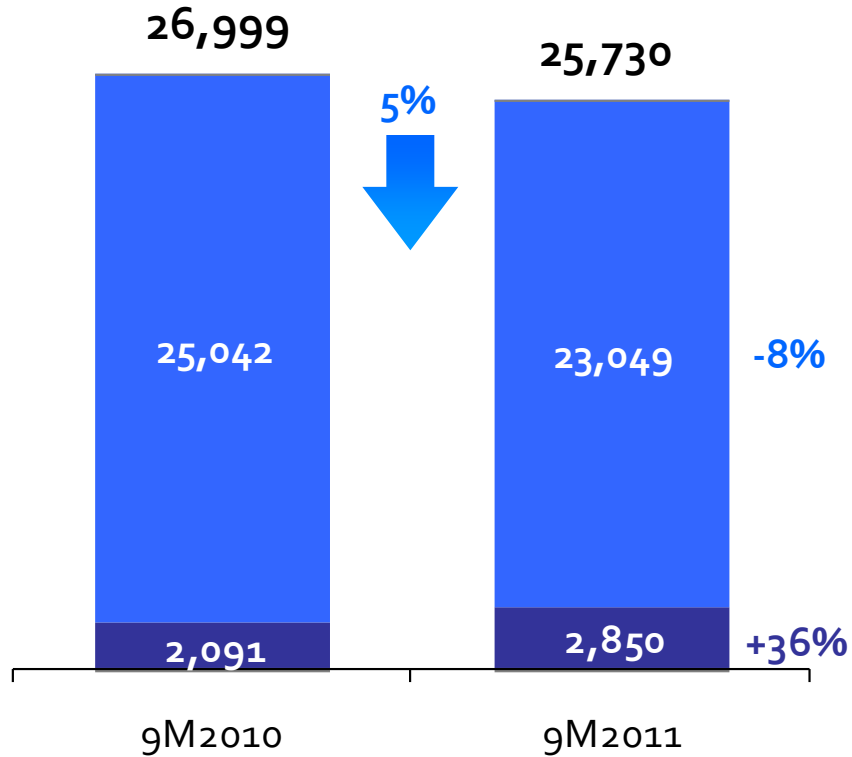
	1Q2011	2Q2011	3Q2011	3Q2010
FX gains/(loss) - Parent	(47)	6	38	(51)
FX gains/(loss) - Generation	154	30	(218)	1,141
STEAG refinancing cost	-	-	-	(398)
TMI Revenue Adjustment	348	-	-	-
STEAG NPC Reimbursement	-	179	-	-
TLI Cost Reversal	-	-	194	-
	<u>455</u>	<u>215</u>	<u>14</u>	<u>692</u>



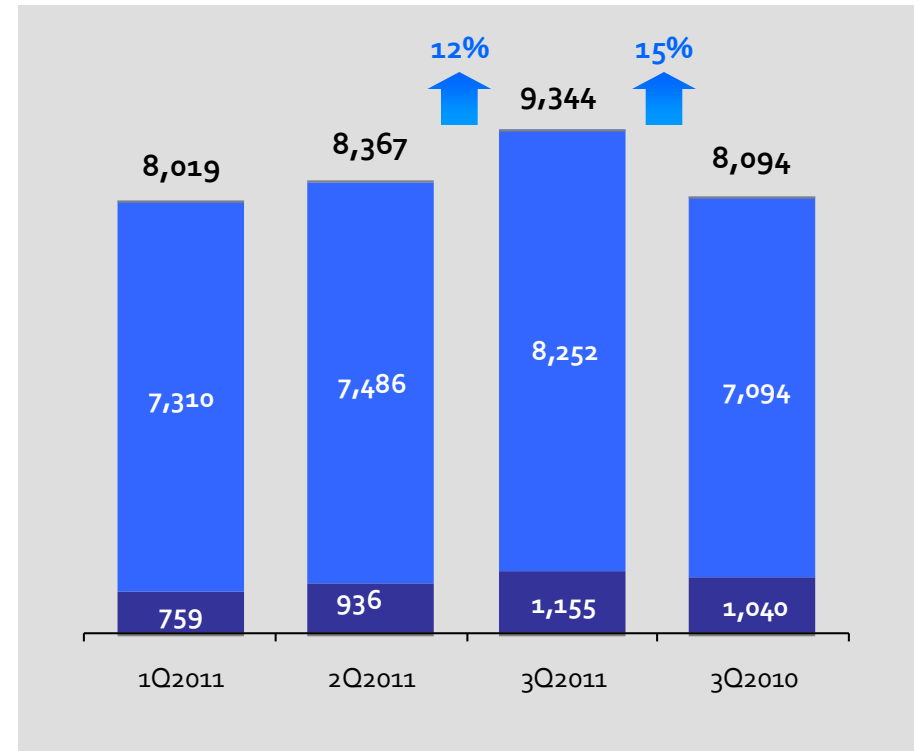
QUARTERLY BREAKDOWN



PROFORMA EBITDA (in million pesos)



QUARTERLY BREAKDOWN

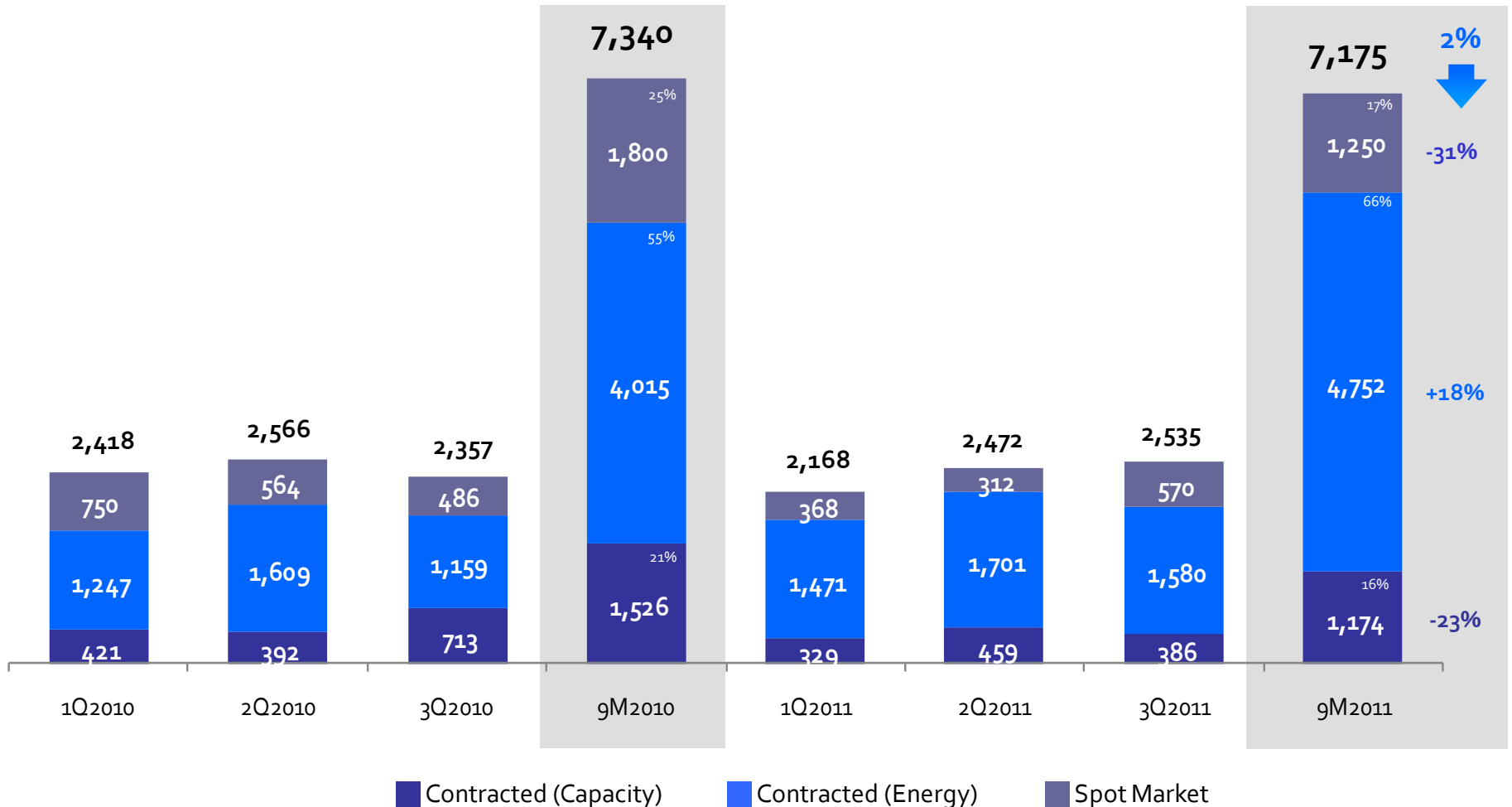


Distribution
 Generation
 AP Parent

OPERATING HIGHLIGHTS: GENERATION

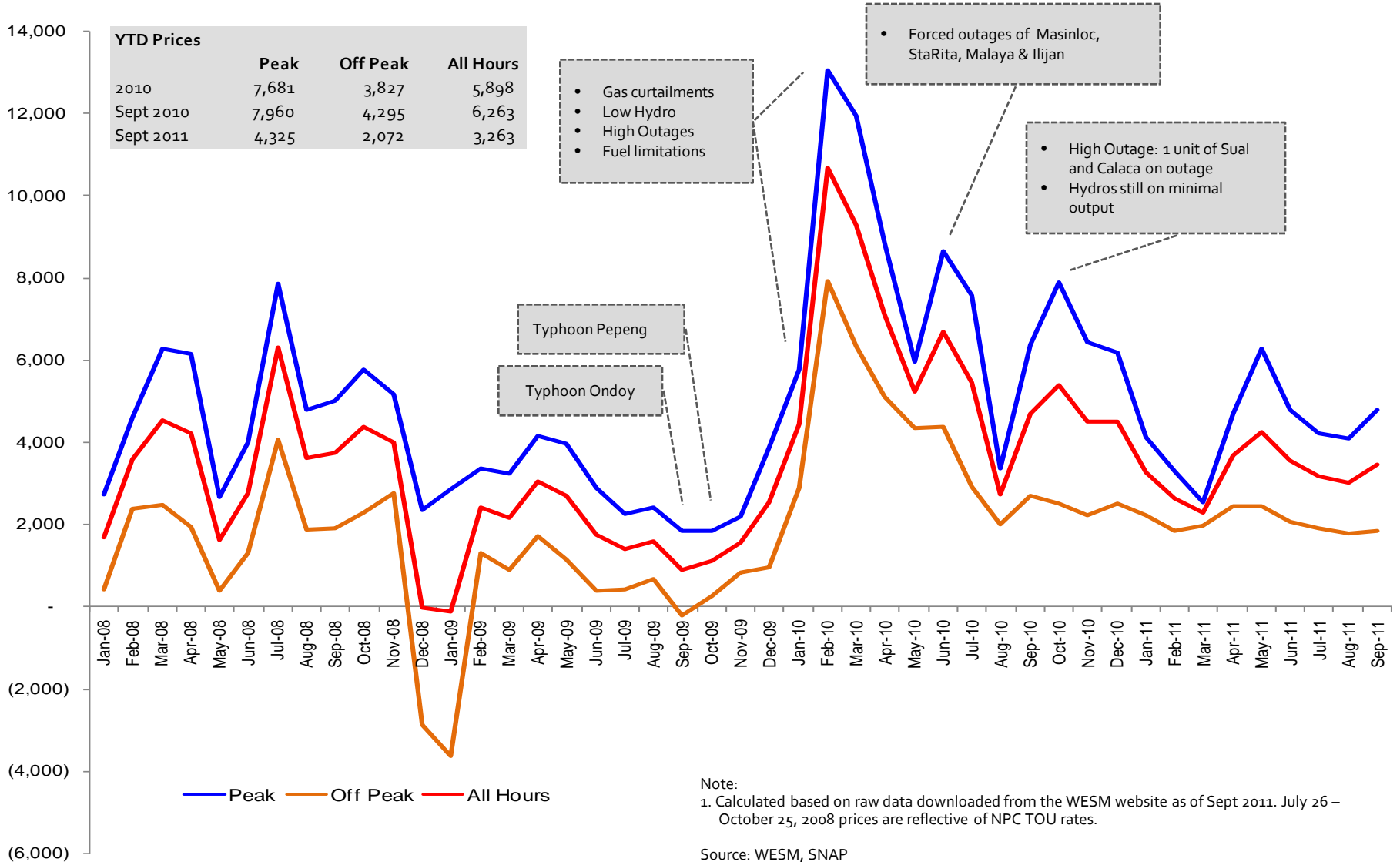


ENERGY SALES BREAKDOWN (GWh)

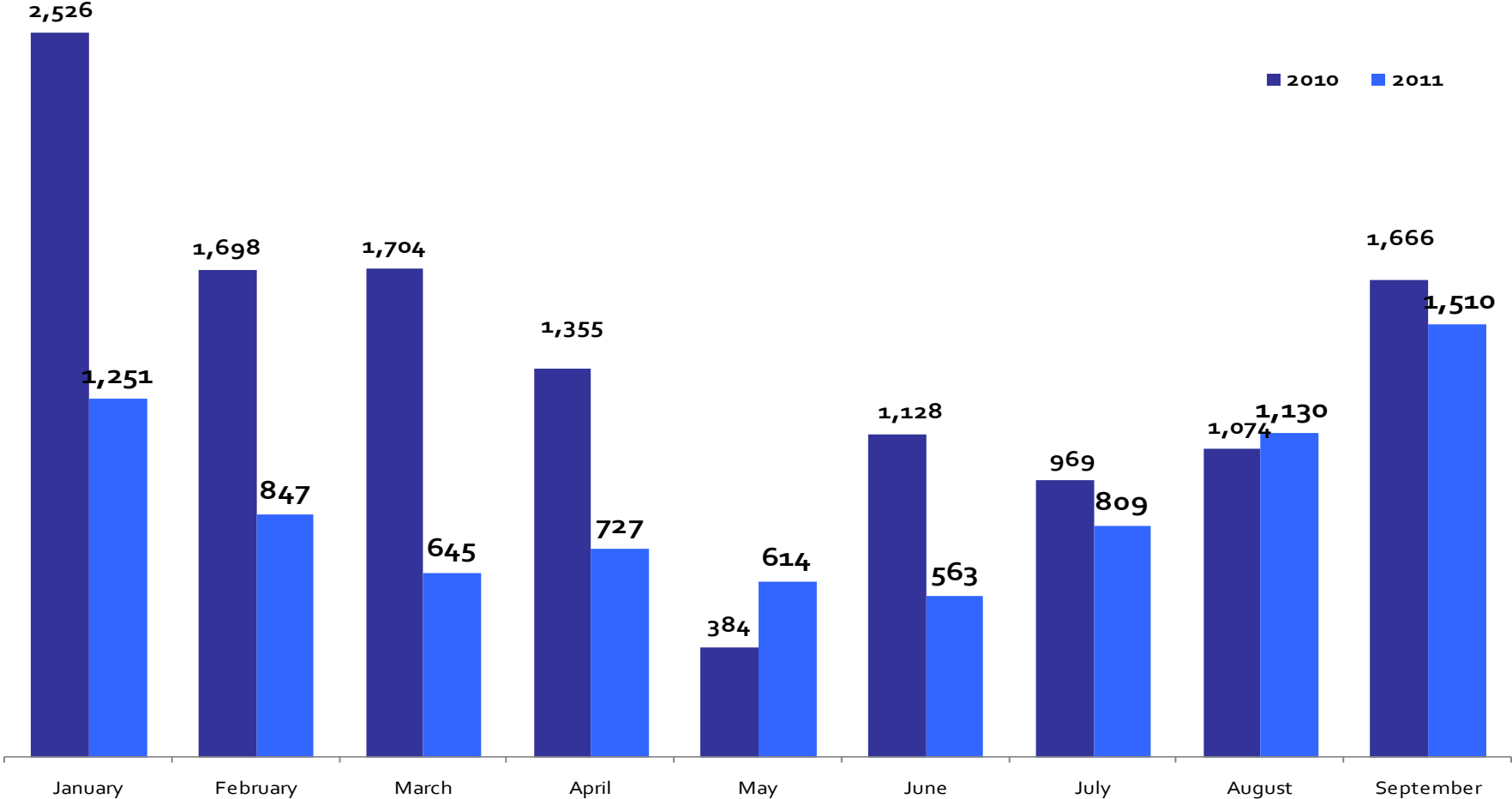


OPERATING HIGHLIGHTS: 9M2011 WESM HIGHLIGHTS

WESM AVERAGE PRICES (P/MWh)



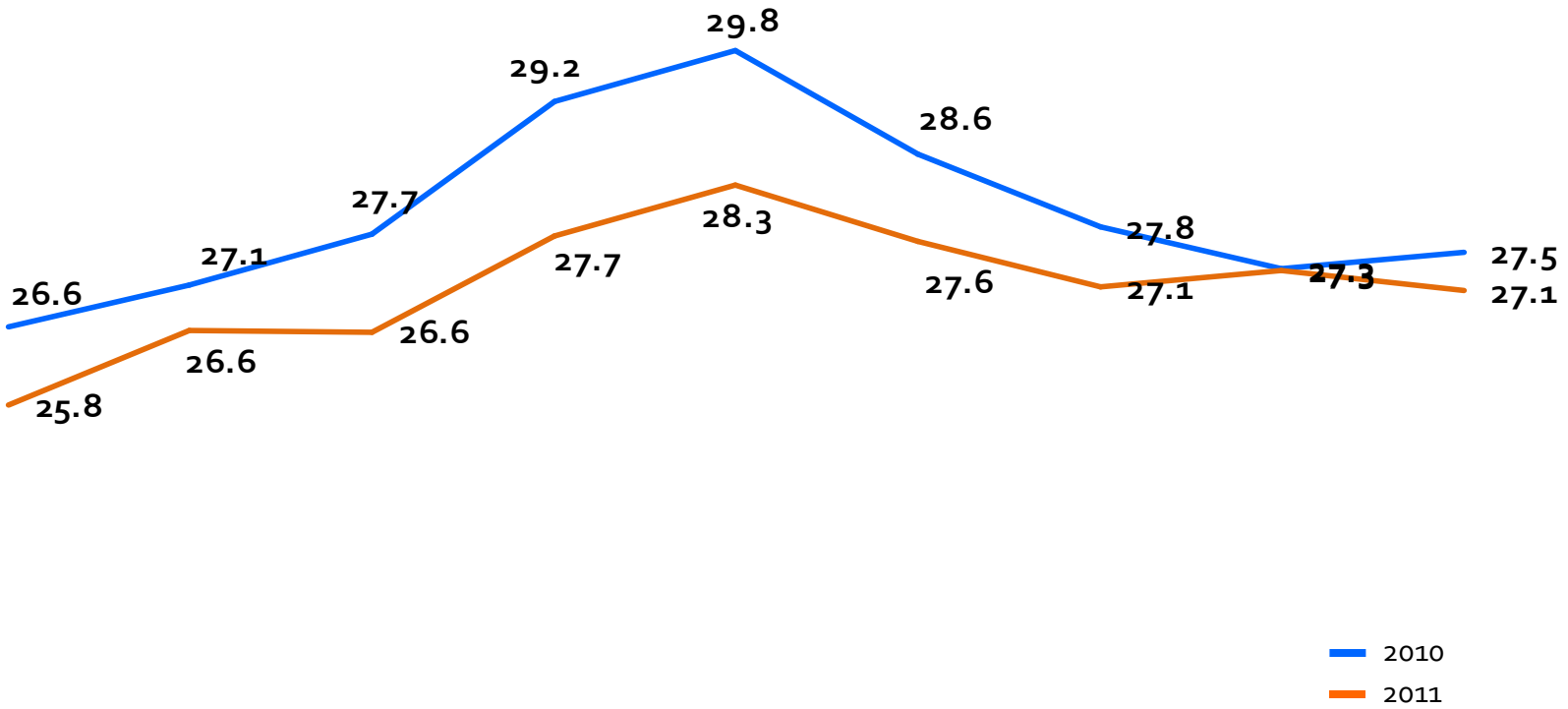
AVERAGE CAPACITY ON OUTAGE (in MW)



Source: WESM, SNAP



AVERAGE TEMPERATURE (in °C)

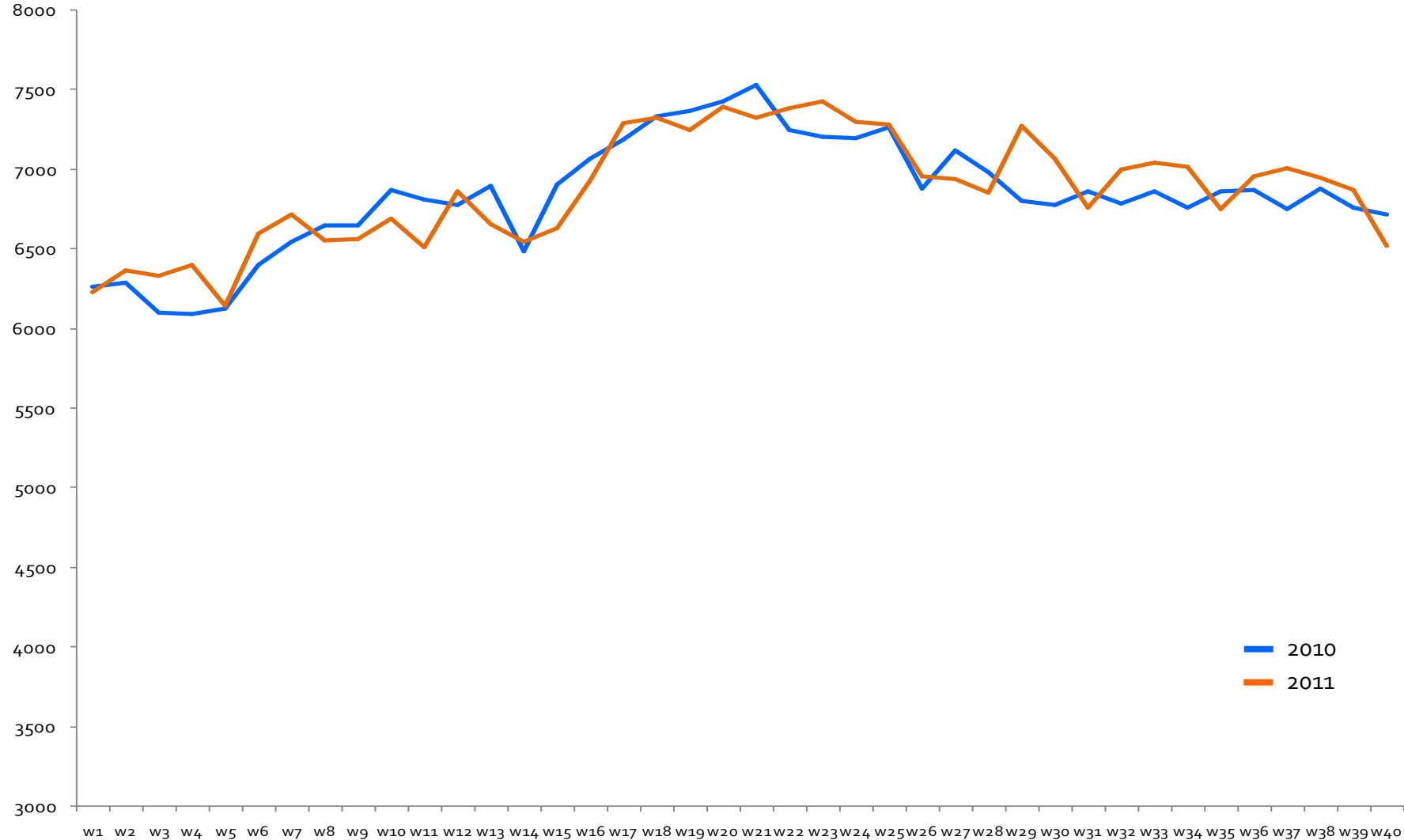


Source: www.accuweather.com

OPERATING HIGHLIGHTS: 9M2011 WESM HIGHLIGHTS



WEEKLY SYSTEM PEAK DEMAND (in MW)

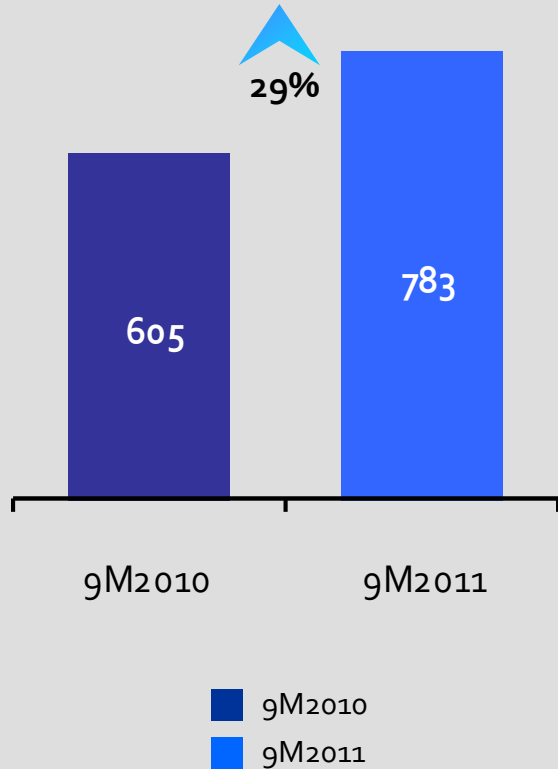


Source: WESM

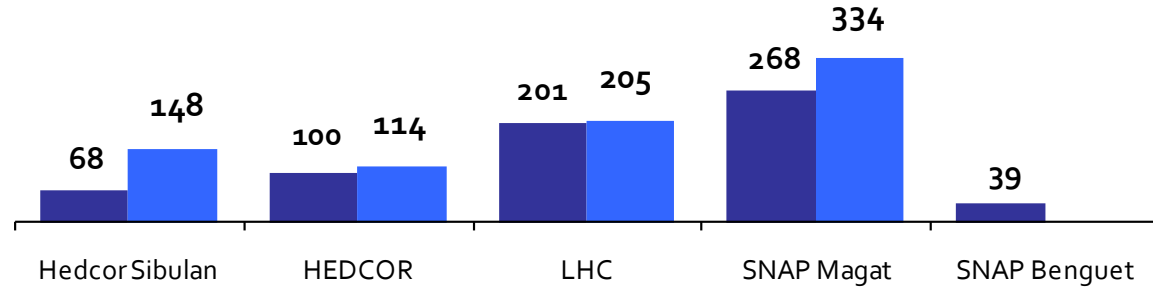
OPERATING HIGHLIGHTS: HYDRO



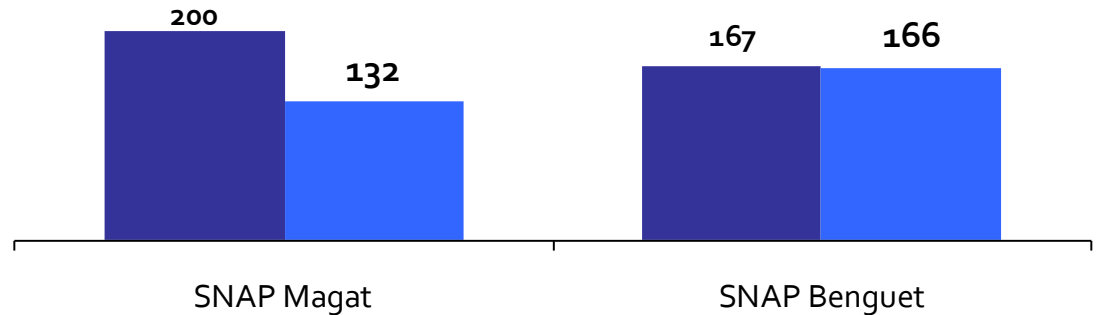
ATTRIBUTABLE ENERGY SALES (GWh)



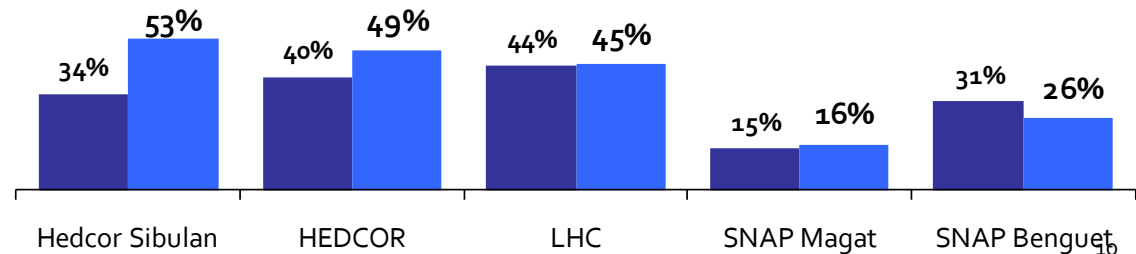
CONTRACTED ENERGY (GWh), at 100%



SPOT MARKET (GWh), at 100%



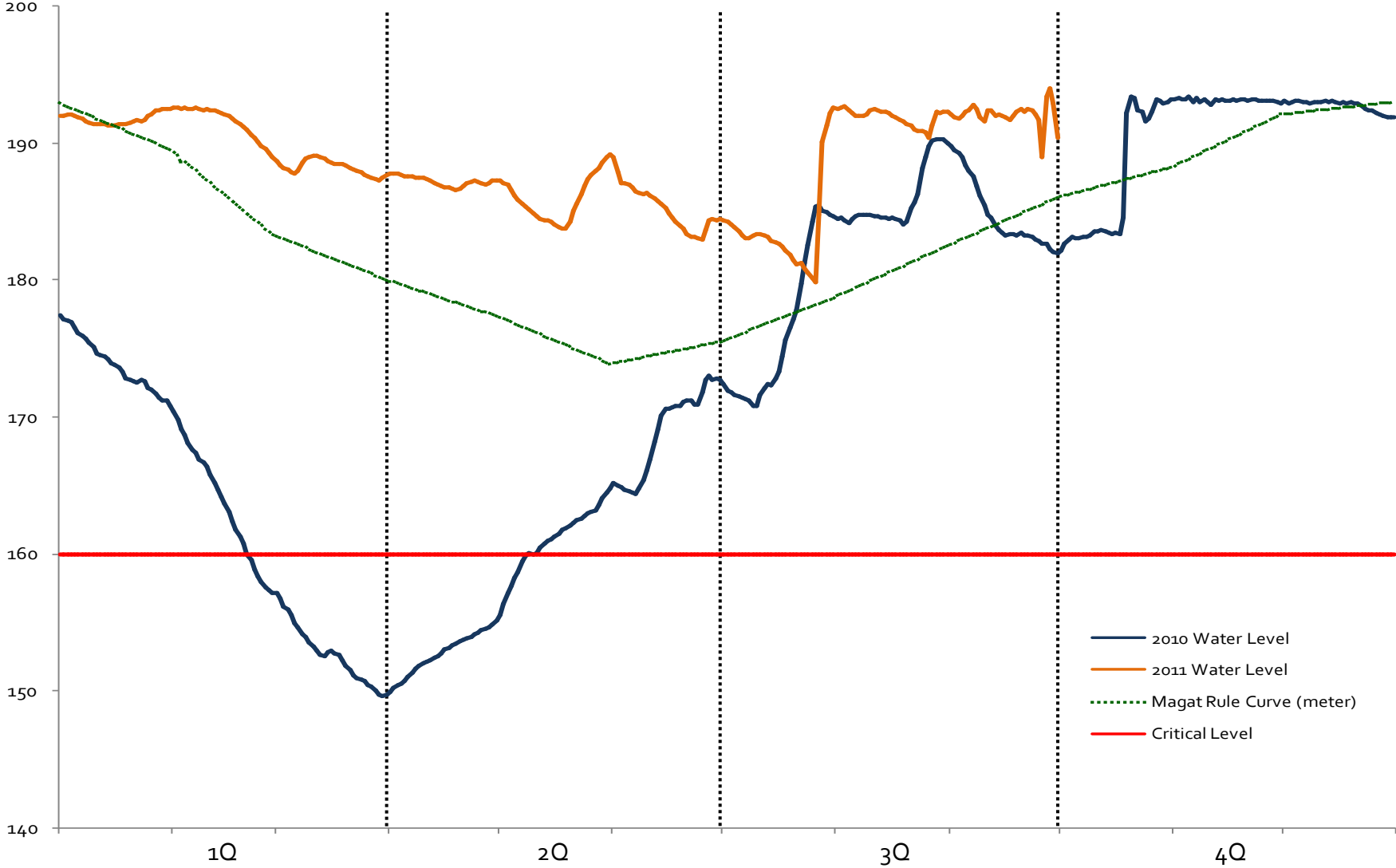
NET CAPACITY FACTOR



OPERATING HIGHLIGHTS: HYDRO



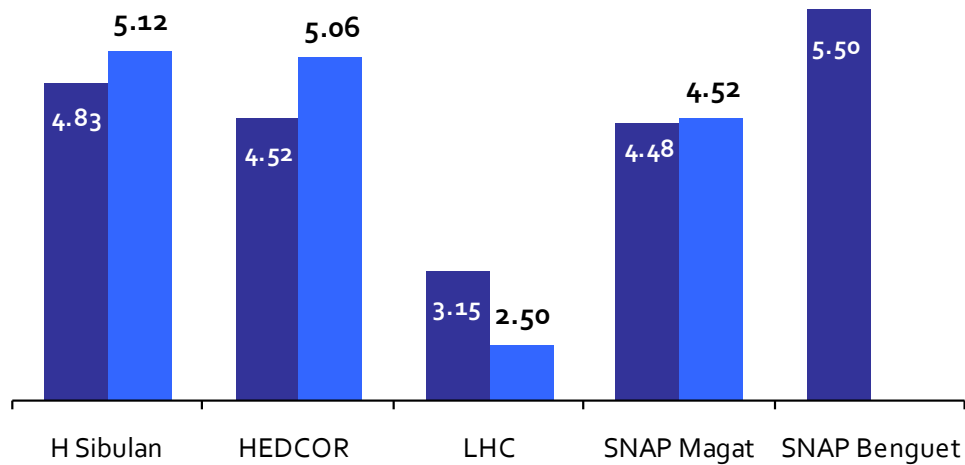
MAGAT'S WATER LEVEL VS. RULE CURVE (in MASL)



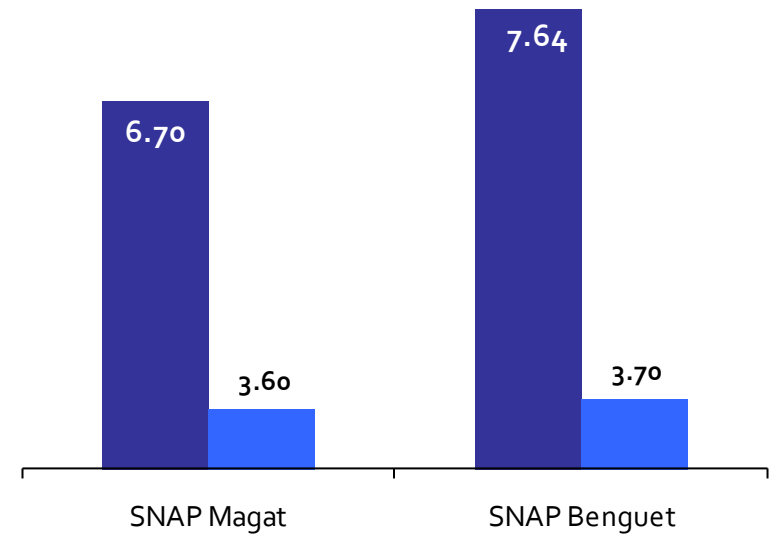
Source: SNAP

AVERAGE SELLING PRICE (in P/kWh)

CONTRACTED ENERGY

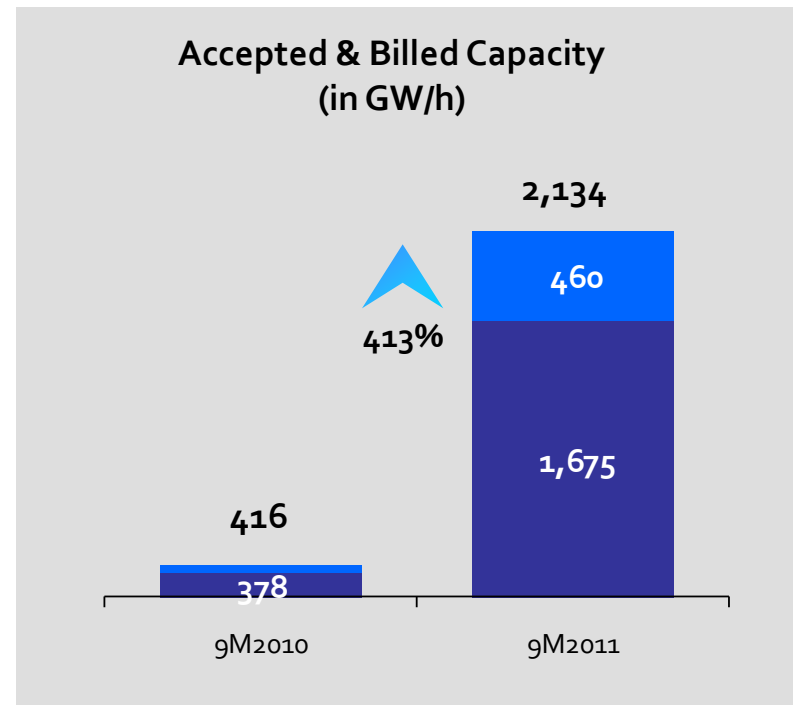
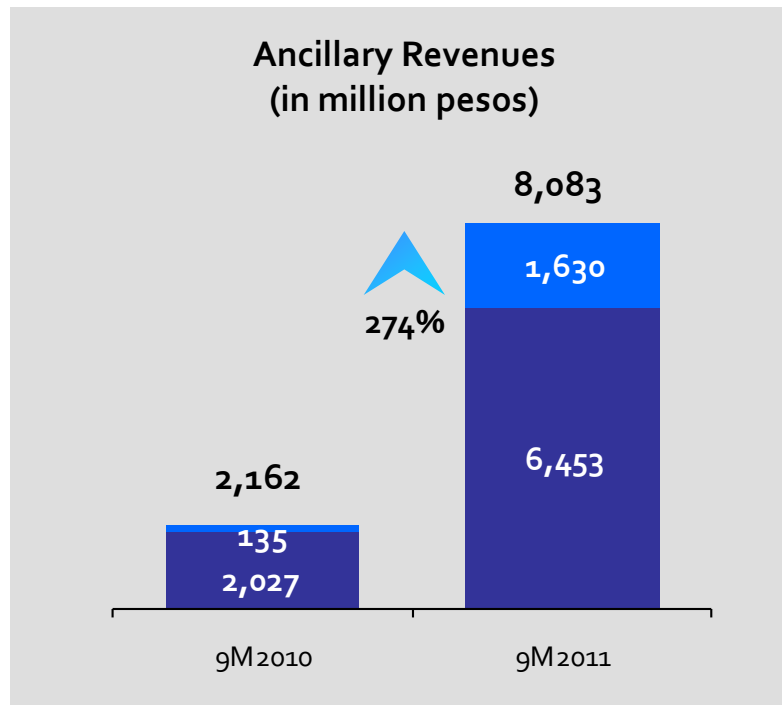


SPOT MARKET



■ gM2010
■ gM2011

ANCILLARY SERVICES (at 100%)

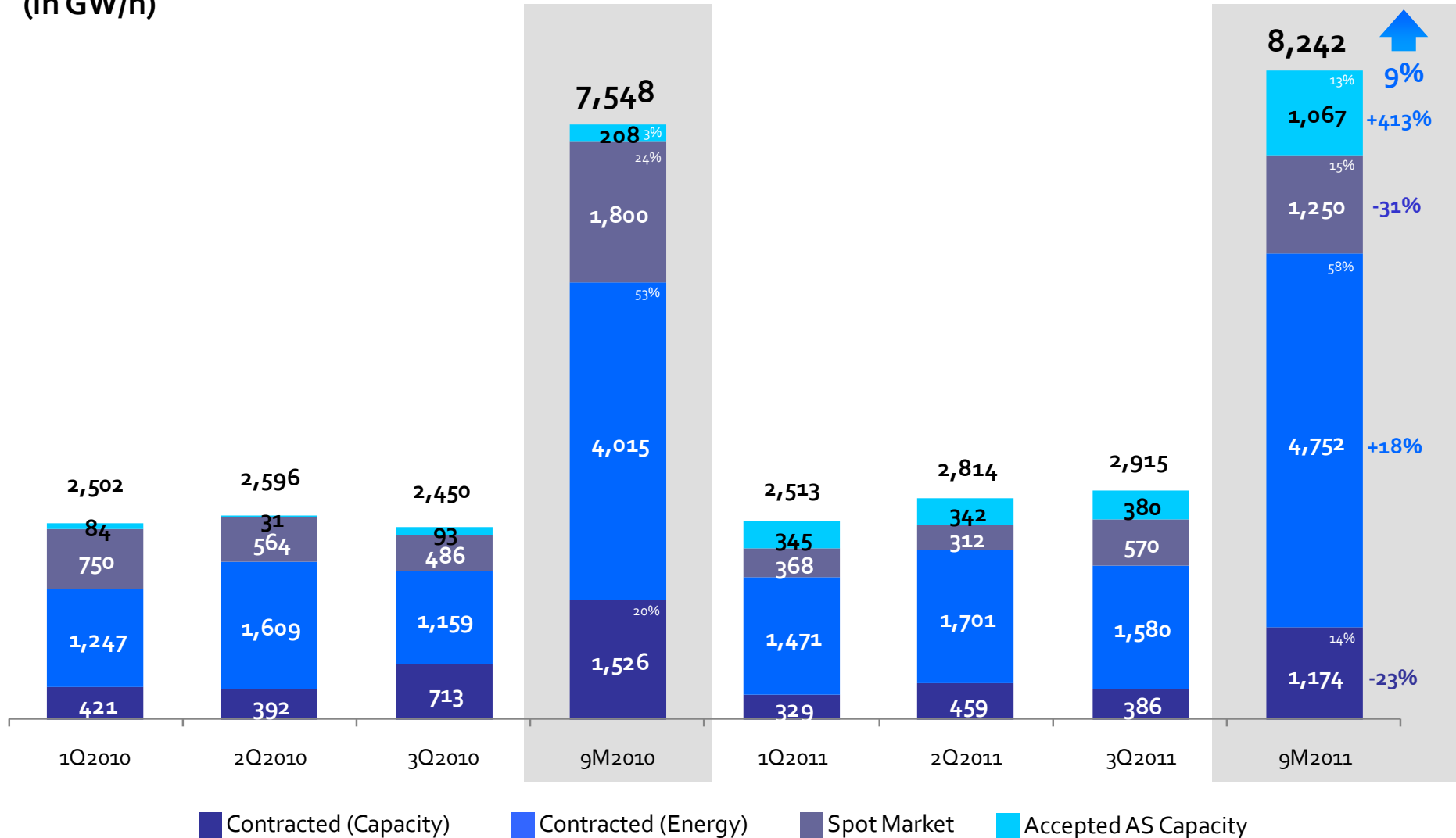


■ SNAP Magat
■ SNAP Benguet

OPERATING HIGHLIGHTS: HYDRO

EFFECT OF ANCILLARY SERVICES TO BENEFICIAL CAPACITY SOLD

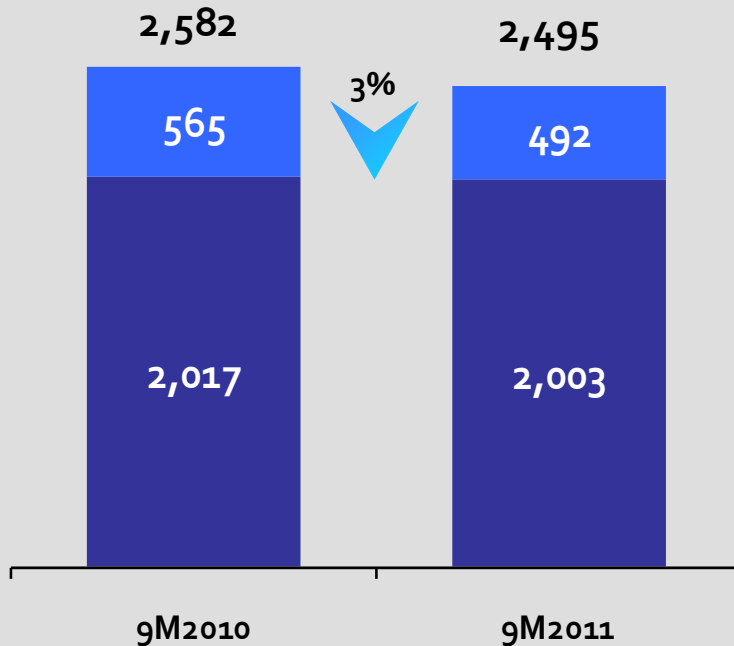
(in GW/h)



AP RENEWABLES (Tiwi-Makban)

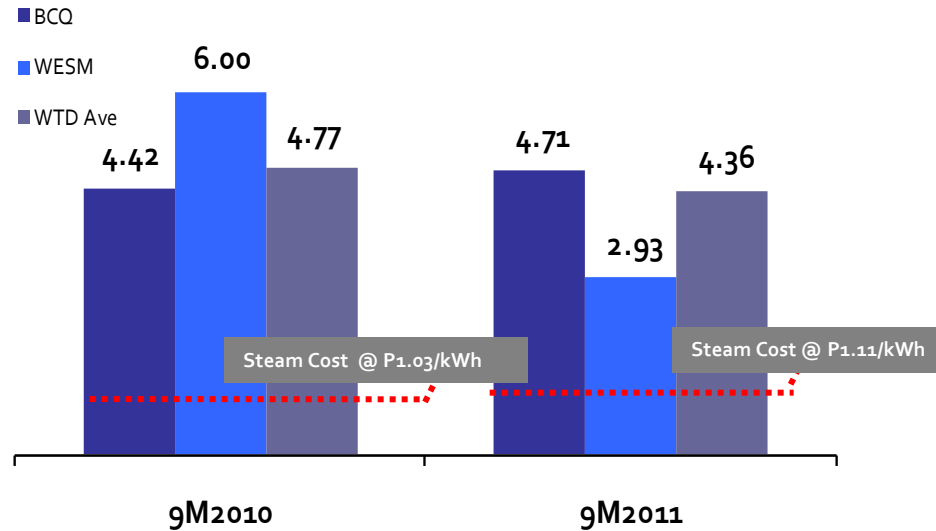
Energy Sales (in GWh)

WESM
BCQ

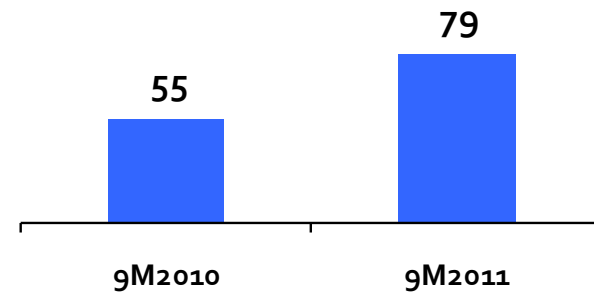


Net Capacity Factor
84% (gM2010)
80% (gM2011)

Average Selling Prices (P/kWh)



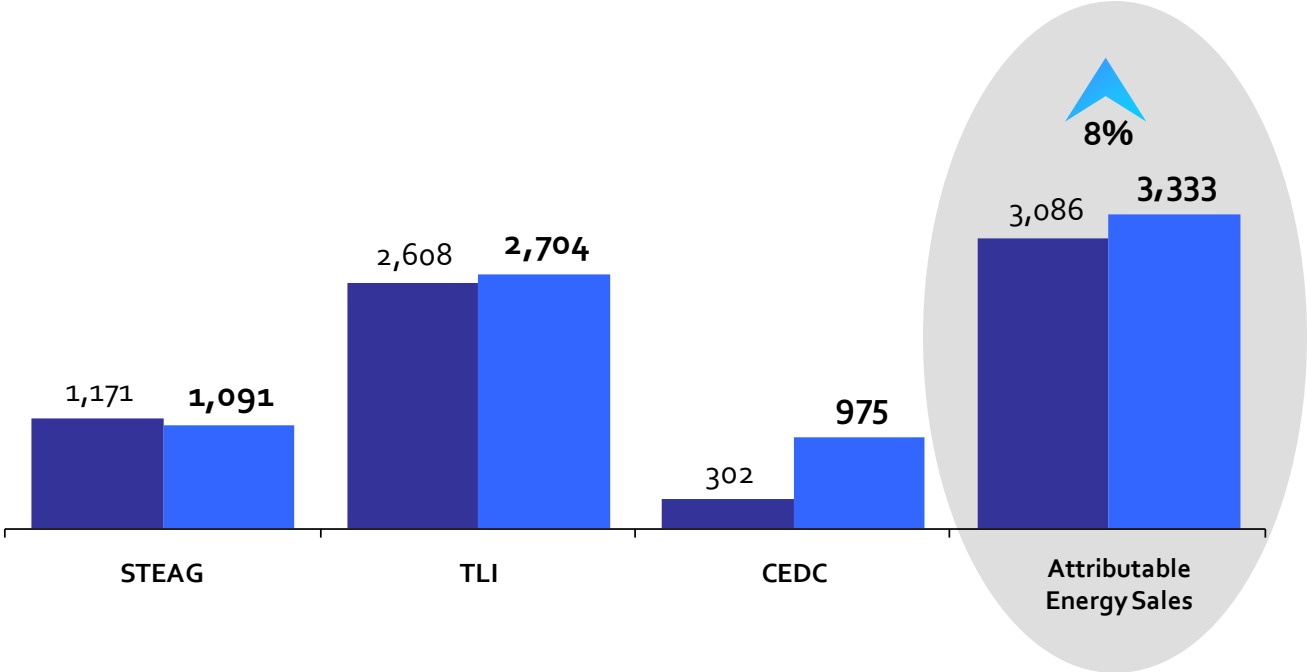
Steam Vented (GWh)



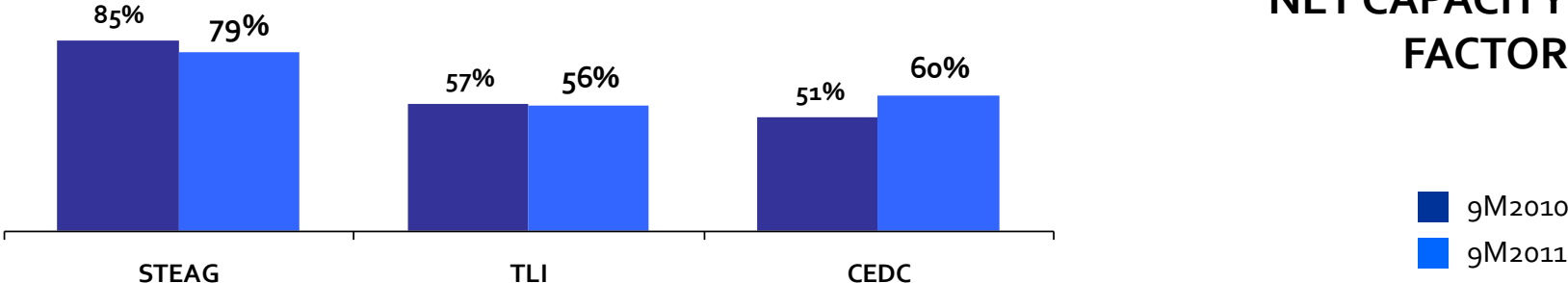
OPERATING HIGHLIGHTS: COAL



ENERGY SALES (GWh)



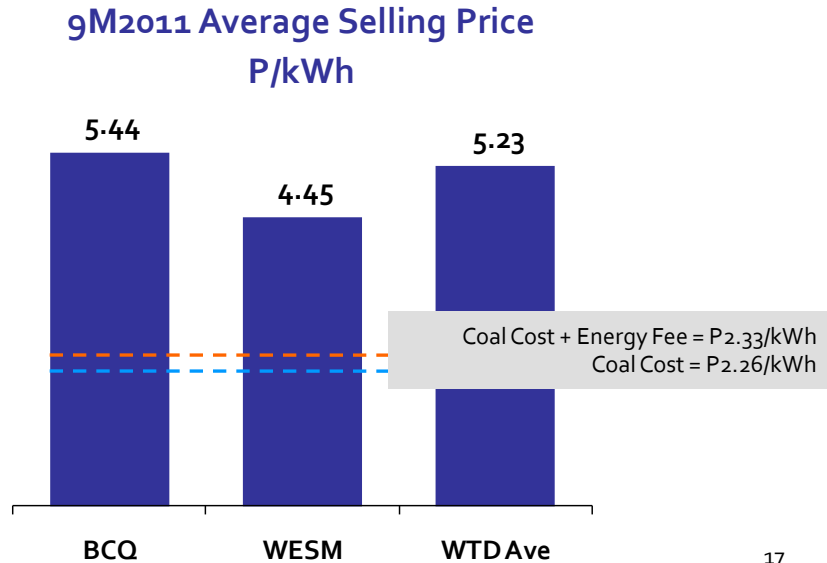
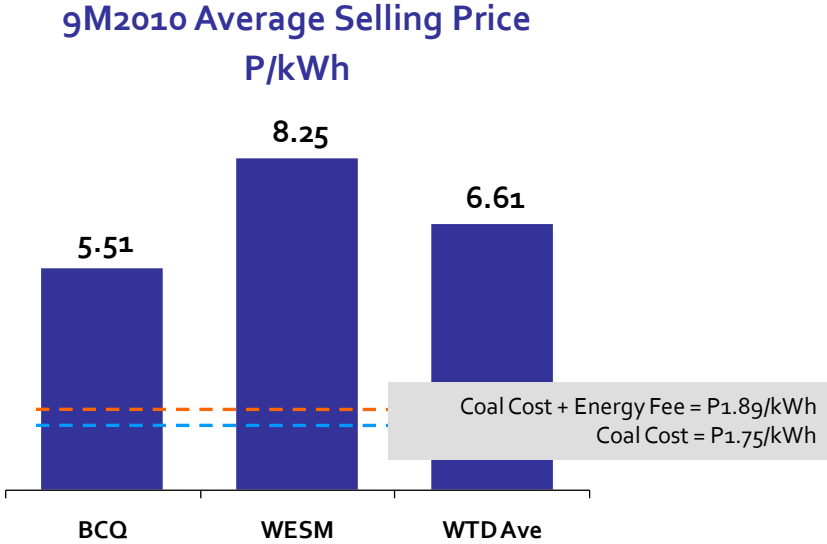
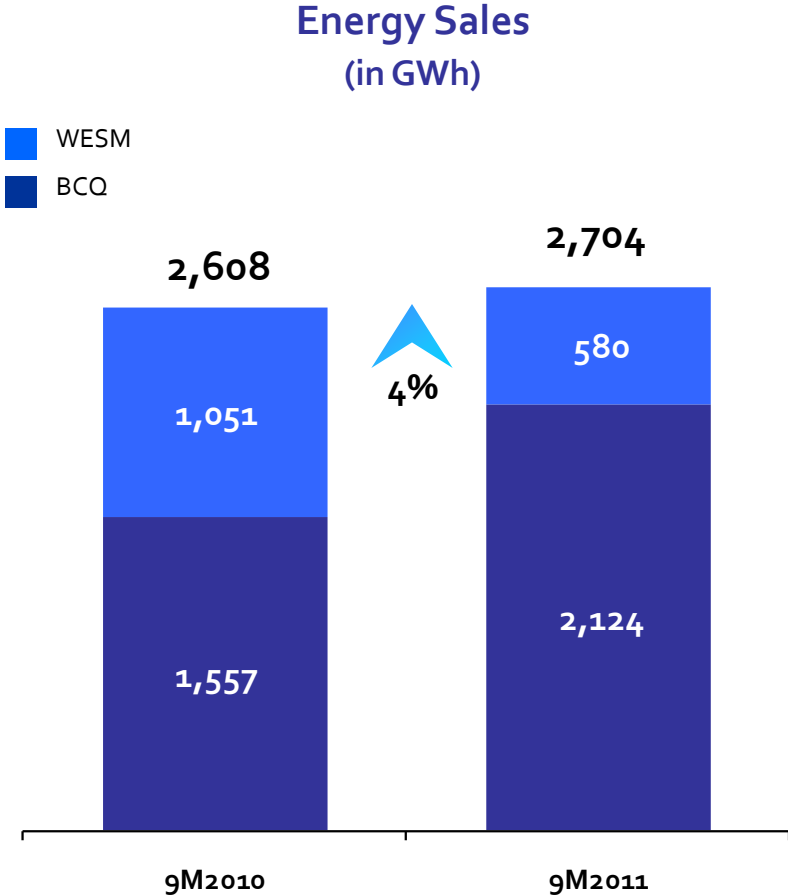
NET CAPACITY FACTOR



OPERATING HIGHLIGHTS: COAL



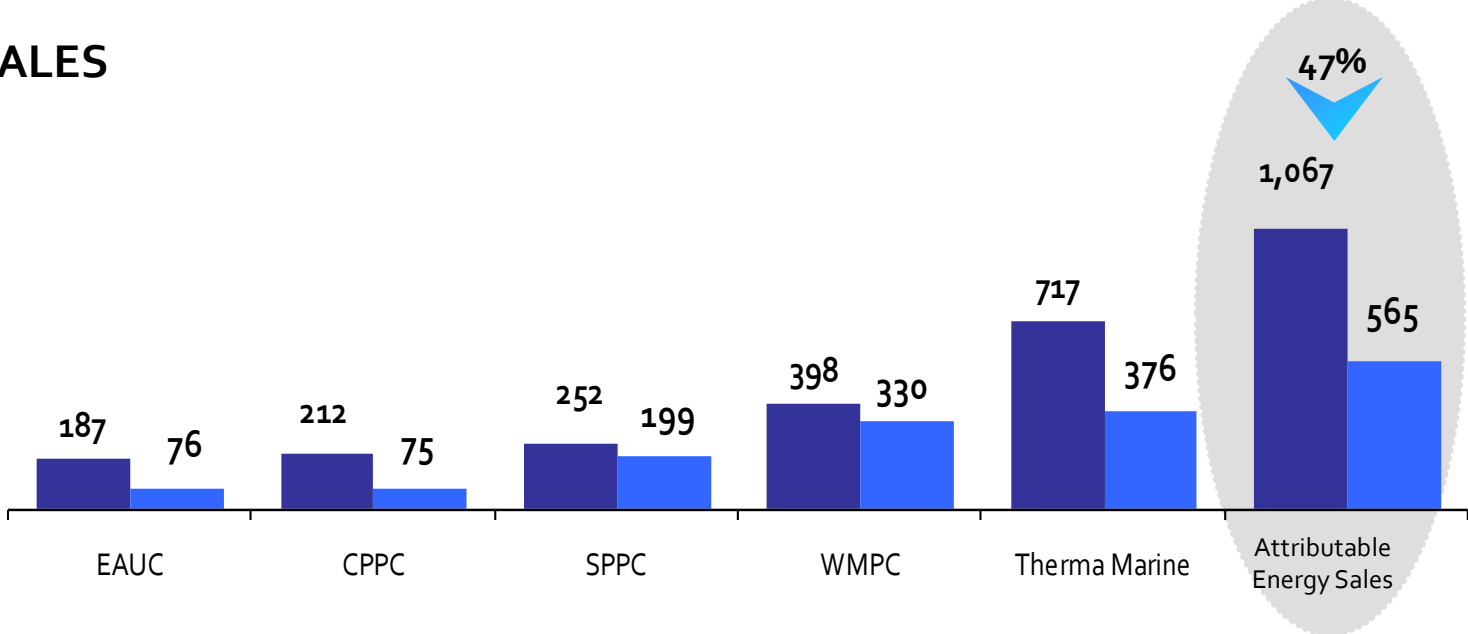
THERMA LUZON (Pagbilao)



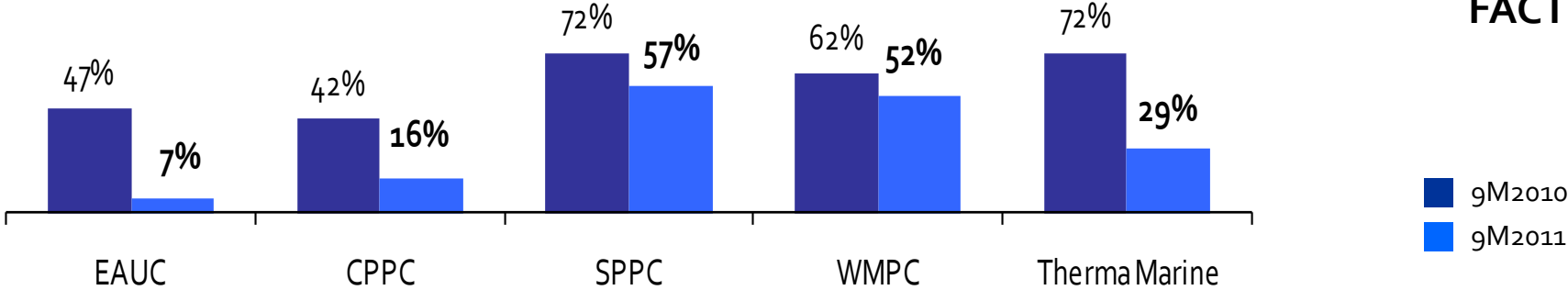
OPERATING HIGHLIGHTS: OIL



ENERGY SALES (GWh)



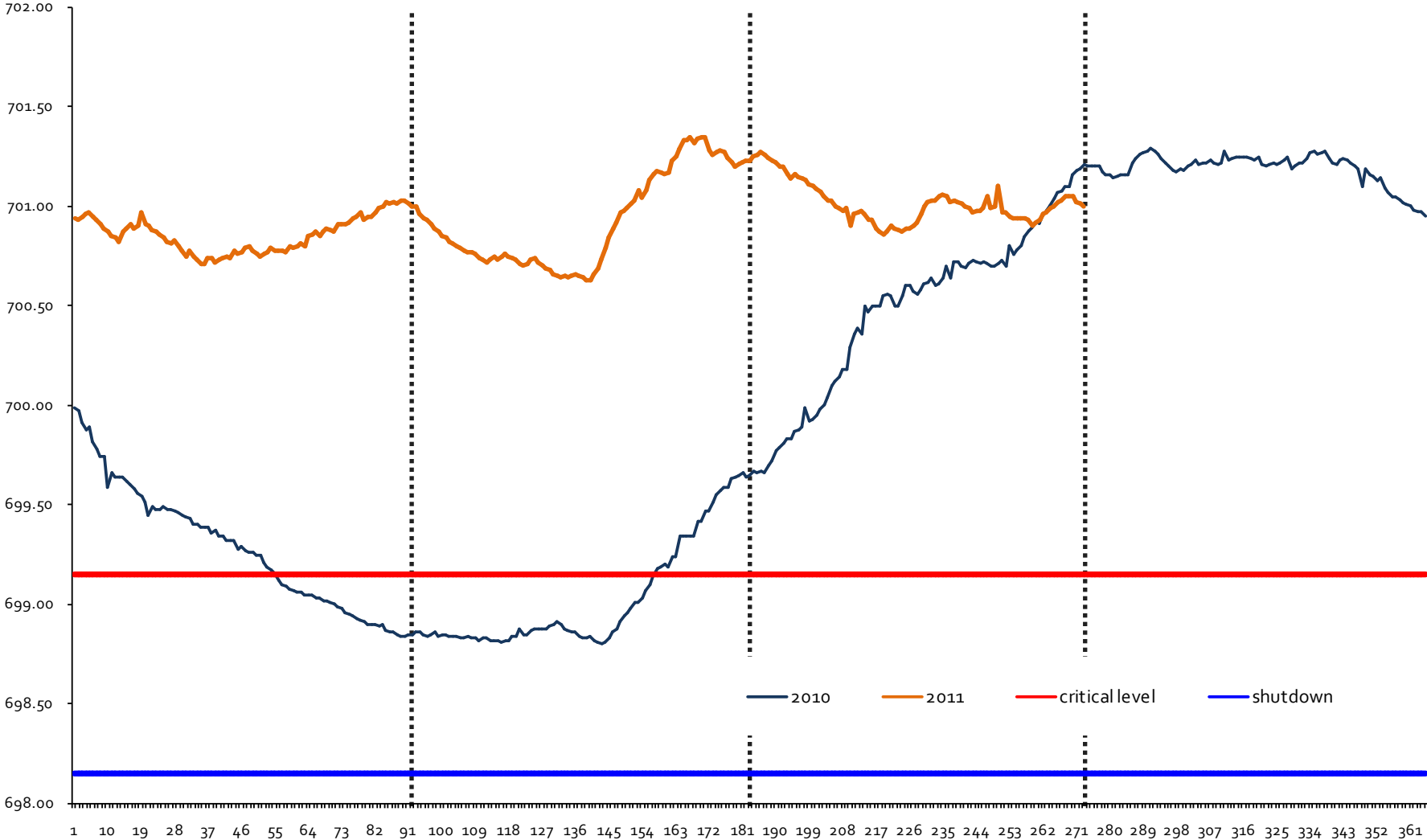
NET CAPACITY FACTOR



OPERATING HIGHLIGHTS: OIL

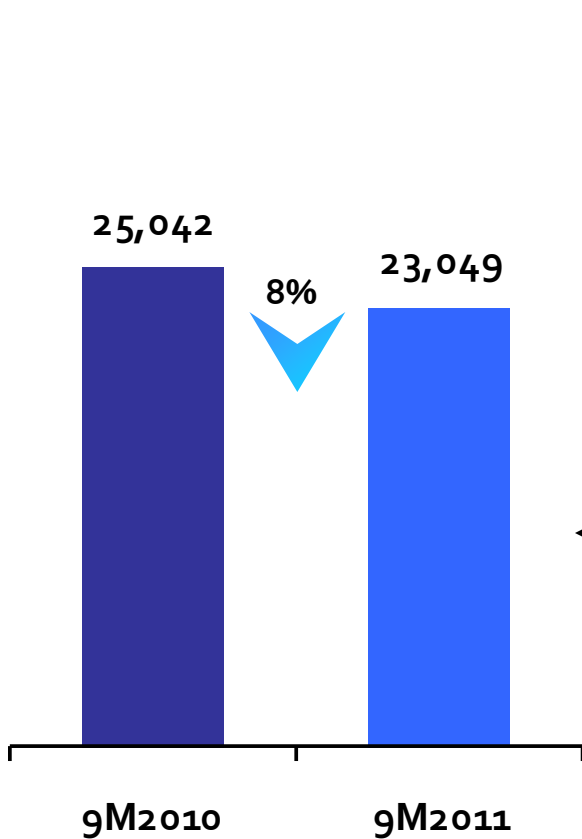


LAKE LANAÑO WATER LEVEL (in MASL)



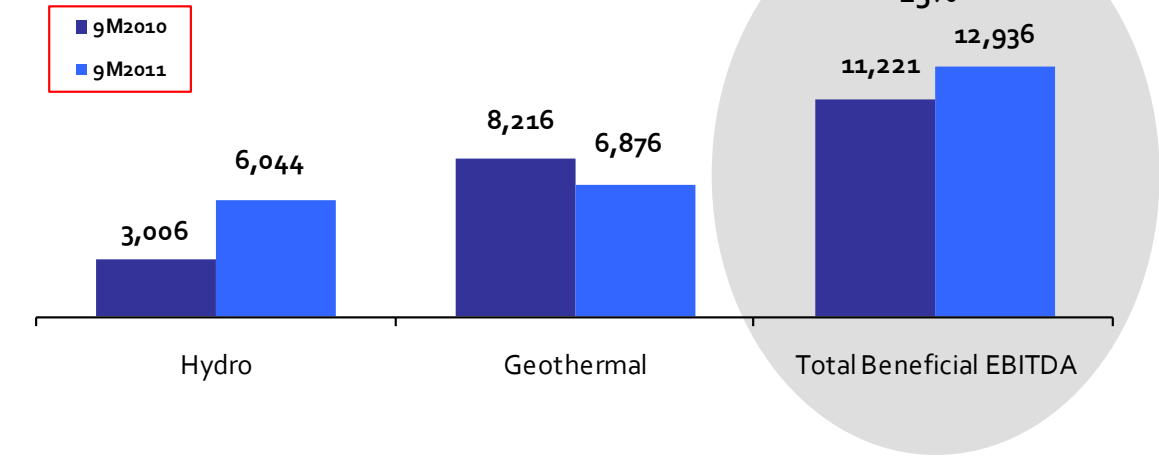
OPERATING HIGHLIGHTS: GENERATION

PF BENEFICIAL EBITDA

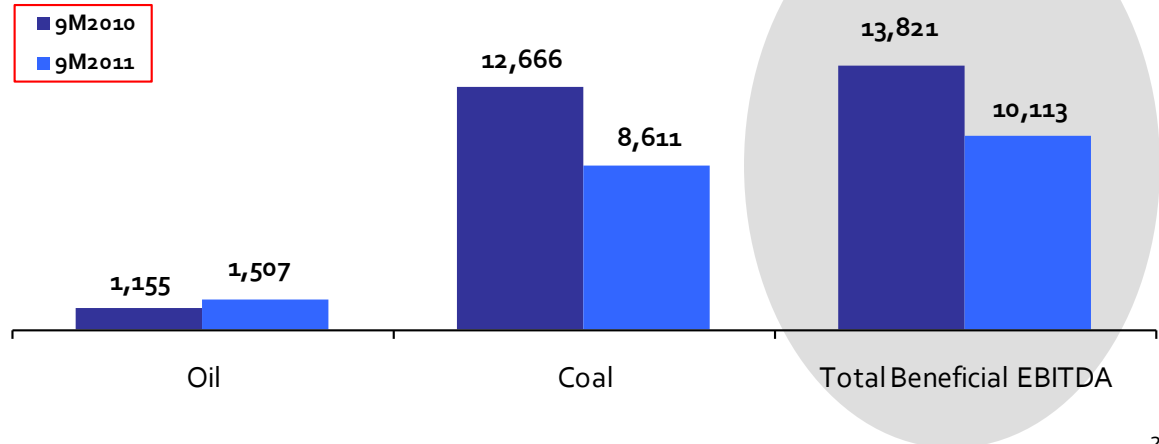


Amounts in Million Pesos

RENEWABLE PLANTS

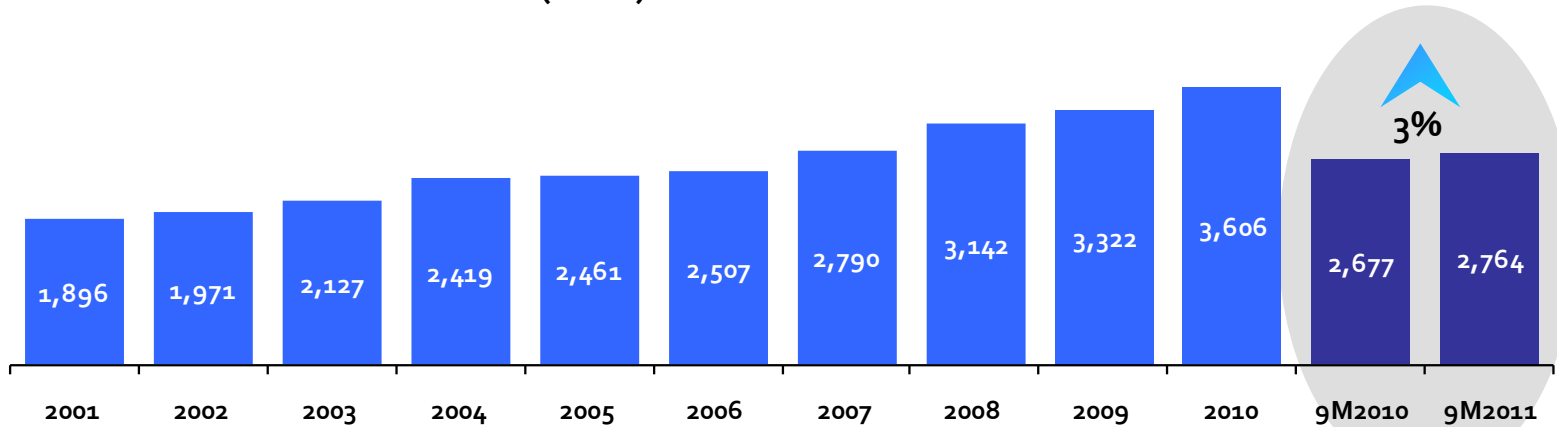


THERMAL PLANTS

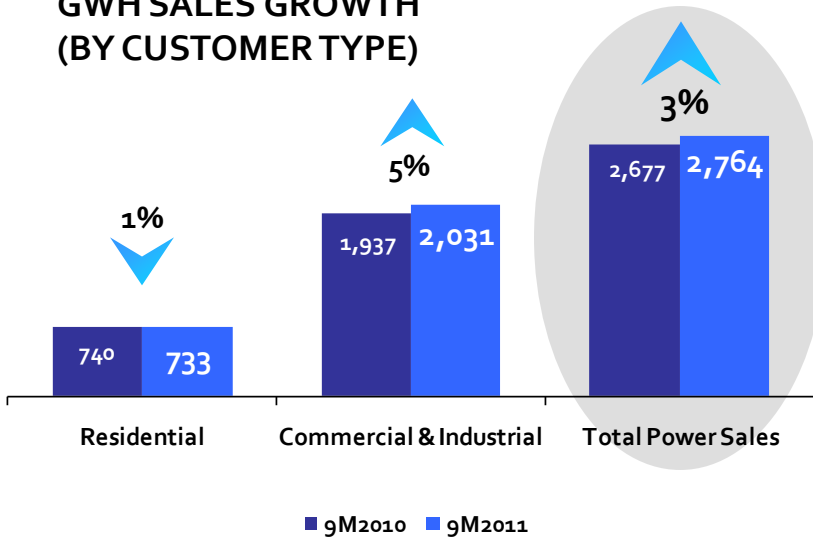


OPERATING HIGHLIGHTS: DISTRIBUTION

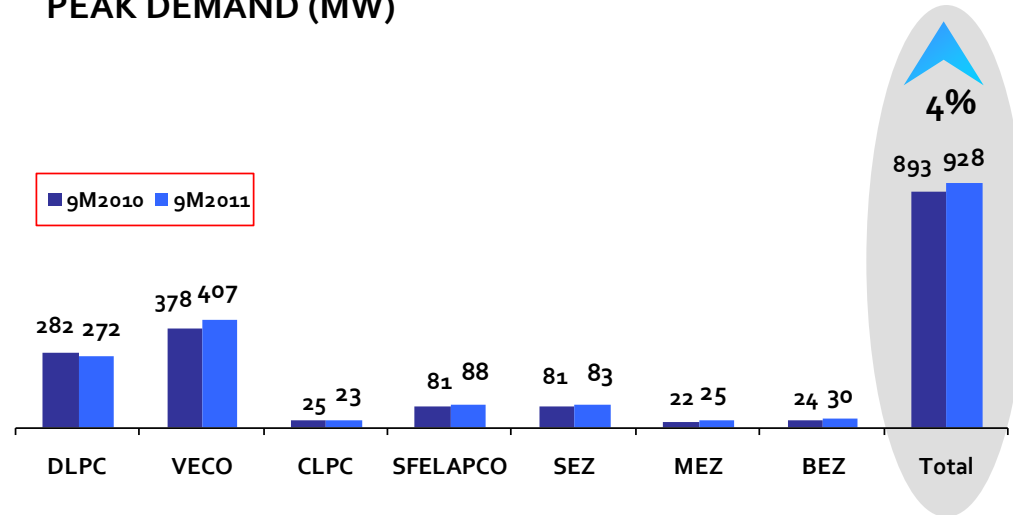
BENEFICIAL POWER SALES (Gwhr)



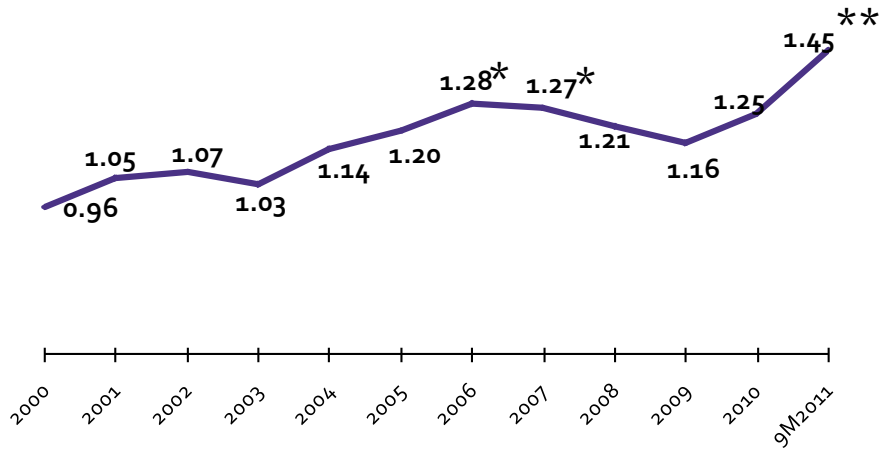
BENEFICIAL GWH SALES GROWTH (BY CUSTOMER TYPE)



PEAK DEMAND (MW)



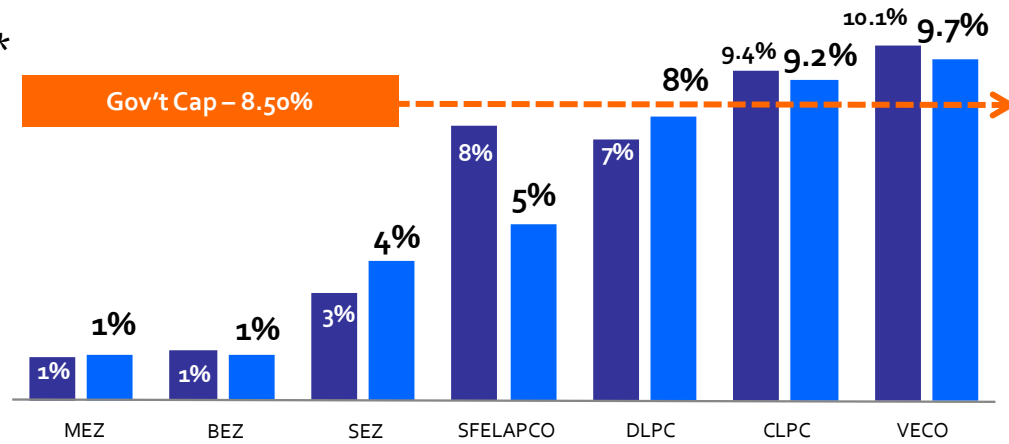
GROSS MARGIN / KWH SALE



* Adjusted for timing of transmission charge recovery

** 12 month moving average

SYSTEMS LOSS

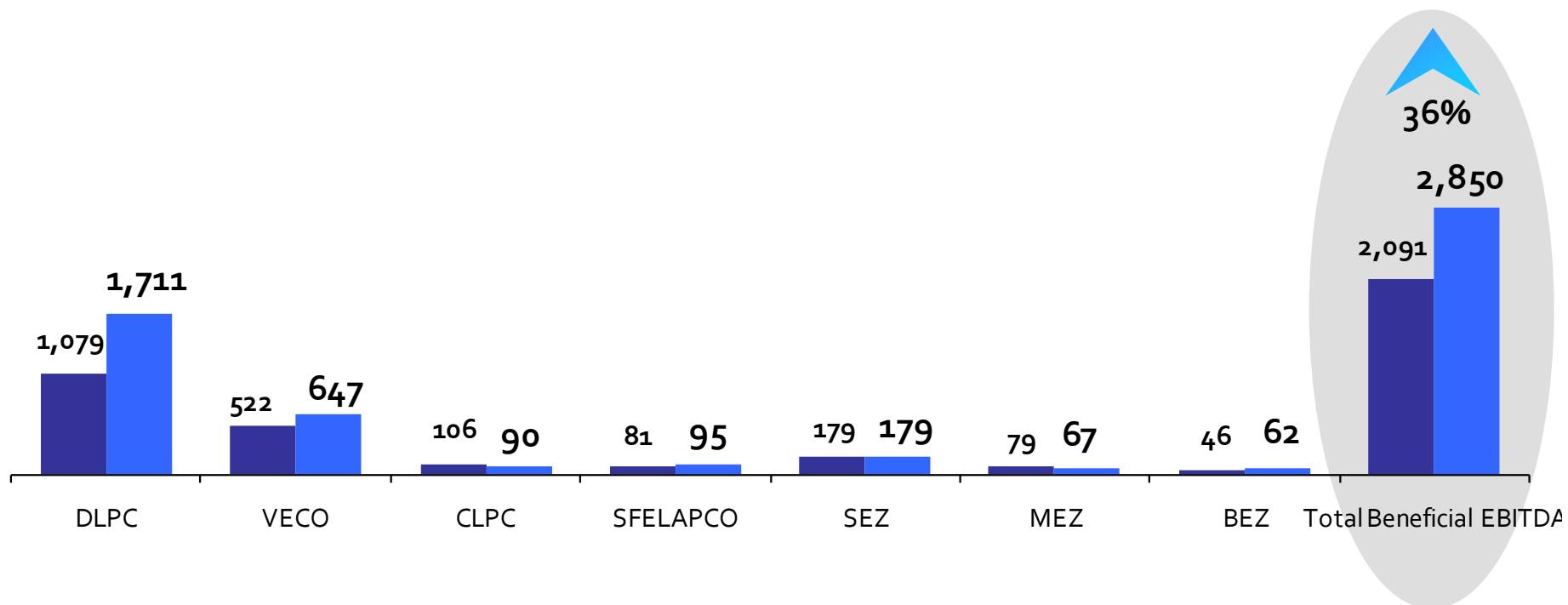


■ 9M2010



■ 9M2011

OPERATING HIGHLIGHTS: DISTRIBUTION

PF BENEFICIAL EBITDA



Amounts in
Million Pesos

9M2010 
9M2011 

BALANCE SHEET (In million Pesos)	PARENT		CONSOLIDATED	
	YE2010	End-Sept 2011	YE2010	End-Sept 2011
Cash and Equivalents	11,082	9,294	18,302	22,516
Investments and Advances	28,949	29,937	28,799	29,403
Total Assets	40,487	42,029	134,557	150,392
Total Interest Bearing Debt	13,073	16,759	67,065	74,435
Total Liabilities	16,427	17,075	76,823	84,422
Net Debt	1,991	7,465	48,763	51,919
Total Equity	24,060	24,954	57,734	65,970
Current Ratio	4.7X	22.8X	2.6X	3.3X
Net Debt to Equity	0.1X	0.3X	0.8X	0.8X

BALANCE SHEET (In million Pesos)	BENEFICIAL	
	YE2010	End-Sept 2011
Total Interest Bearing Debt	86,953	94,635
Cash	24,033	28,876
Net Debt	62,921	65,759
Equity*	57,330	64,234
Net Debt to Equity	1.10	1.02
Net Debt to EBITDA	1.72	

*Equity Attributable to Parent

BROWN/GREENFIELD

LUZON GRID

- Binga Hydro 20 MW
- Tiwi-Makban 17 MW
- Subic Coal 600 MW
- Magat Hydro 90-115 MW
- Pagbilao Coal 380-400 MW

MINDANAO GRID

- Tamugan Hydro 11.5 MW
- Tudaya 1&2 Hydro 13.6 MW
- Davao Coal 300 MW

PRIVATIZATION

- Unified Leyte Geothermal plants (EDC) 550 MW, Visayas Grid
- IPPA: Caliraya-Botokan-Kalayaan Hydro (J Power) 728 MW, Luzon Grid
- IPPA: Casecnan Hydro, 150 MW, Luzon Grid
- Asset Sale: Agus Hydro 727 MW & Pulangi Hydro 255 MW, Mindanao Grid

Annex A: EARNINGS BREAKDOWN

(in million pesos)	YEAR - TO - DATE		FOR THE QUARTER	
	ACTUAL 2011	ACTUAL 2010	ACTUAL 2011	ACTUAL 2010
Parent & Others	(862)	(988)	(267)	(332)
Power Generation Group:				
HEDCOR INC	104	31	168	164
HEDCOR SIBULAN	264	165	114	125
LUZON HYDRO	148	118	111	93
SNAP MAGAT	3,179	962	1,256	894
SNAP BENGUET	531	489	140	422
SPPC	41	34	11	11
WMPC	118	135	32	28
CPPC	182	142	68	41
EAUC	134	126	40	43
THERMA MOBILE	(5)	6	(5)	(0)
THERMA MARINE	748	405	188	(49)
STEAG	977	238	280	(173)
ABOVANT HOLDINGS (CEDC)	253	56	136	41
THERMA LUZON	2,518	7,951	750	1,447
AP RENEWABLES	6,114	7,424	1,859	2,427
OTHERS	39	3	31	(12)
Sub-Total Power Generation	15,344	18,285	5,177	5,502
Power Distribution Group:				
COTABATO LIGHT & POWER	36	54	17	22
DAVAO LIGHT & POWER	1,088	650	446	442
VISAYAN ELECTRIC CO.	382	286	198	106
SFELAPCO	48	38	13	17
SUBIC ENERZONE	89	104	25	31
MACTAN ENERZONE	59	72	16	26
BALAMBAN ENERZONE	51	38	16	10
Sub-Total Power Distribution	1,754	1,241	731	654
TOTAL NET INCOME	16,236	18,538	5,641	5,824
NET INCOME TO COMMON	16,236	18,538	5,641	5,824
% increase (decrease)		-12%		-3%
RECURRING NET INCOME	15,551	18,003	5,627	5,132
% increase (decrease)		-14%		10%
RECURRING INCOME before Finan	19,611	21,794	7,005	6,415
% increase (decrease)				

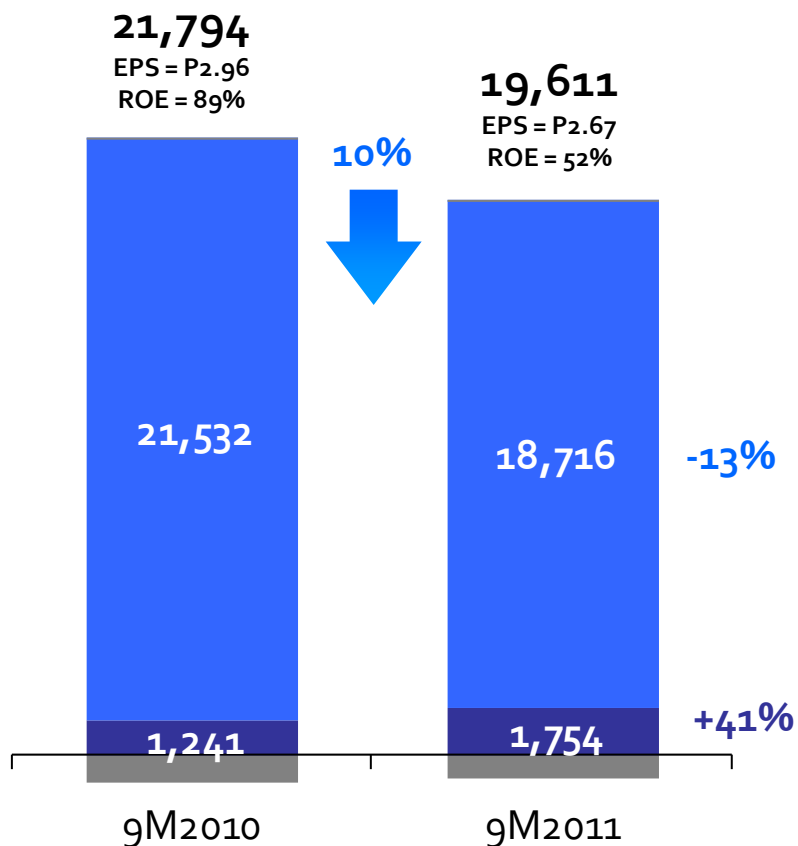
Annex B: CORE NET INCOME, Ex Pagbilao (in million pesos)

Pagbilao Finance Lease Effect

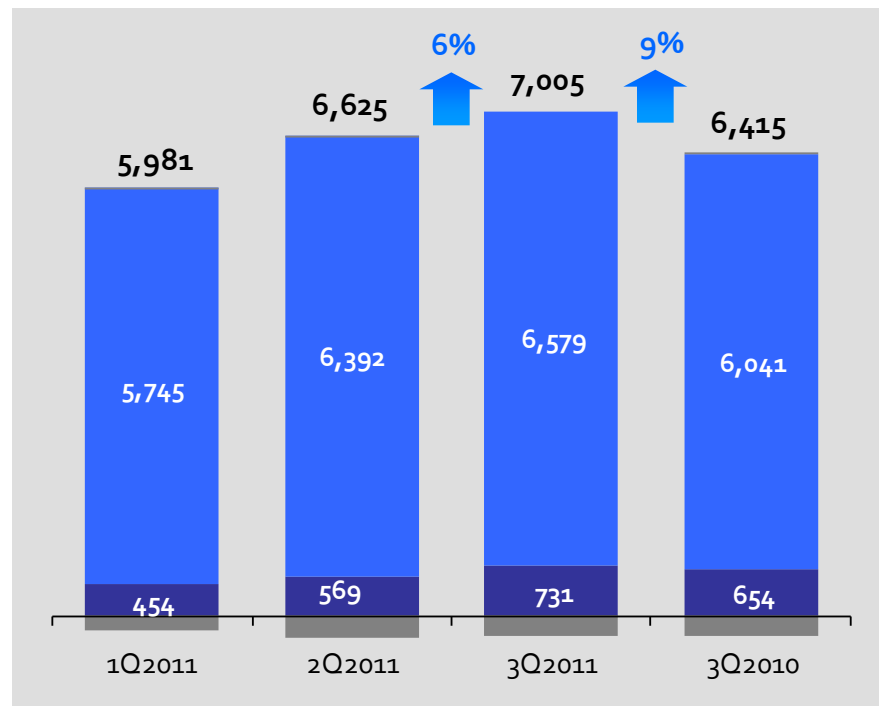
	9M2010	9M2011
Accreted Interest Expense	3,815	4,060
Depreciation	821	821
PSALM Monthly Payments	<u>(844)</u>	<u>(821)</u>
	3,791	4,060

Pagbilao Finance Lease Effect

	1Q2011	2Q2011	3Q2011	3Q2010
Accreted Interest Expense	1,331	1,352	1,376	1,291
Depreciation	274	274	274	274
PSALM Monthly Payments	<u>(276)</u>	<u>(274)</u>	<u>(272)</u>	<u>(281)</u>
	1,330	1,352	1,378	1,283



QUARTERLY BREAKDOWN

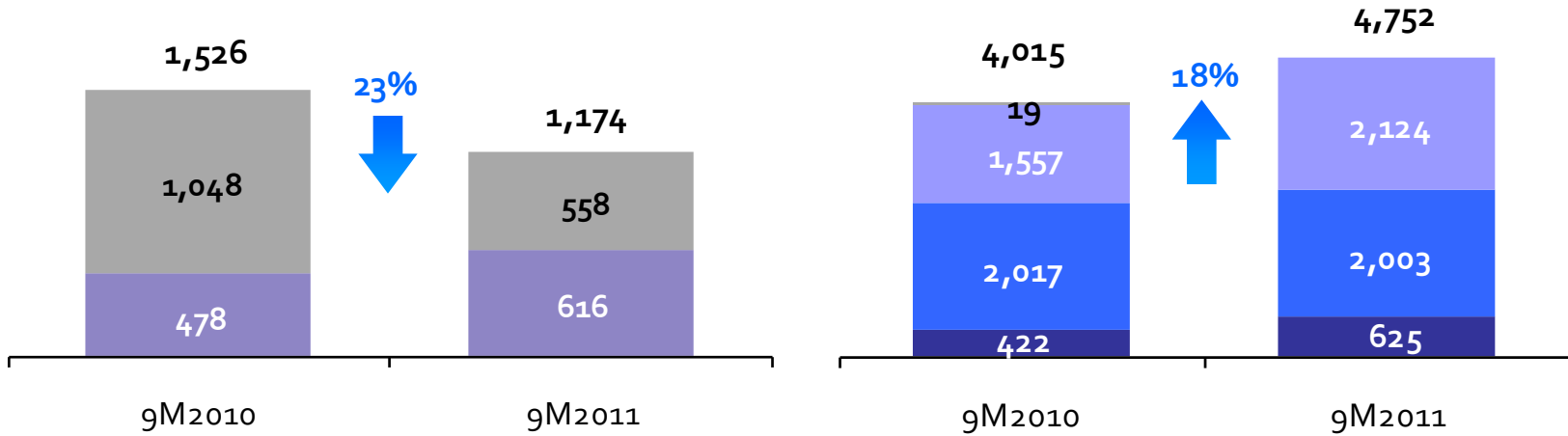


■ Distribution
 ■ Generation
 ■ AP Parent

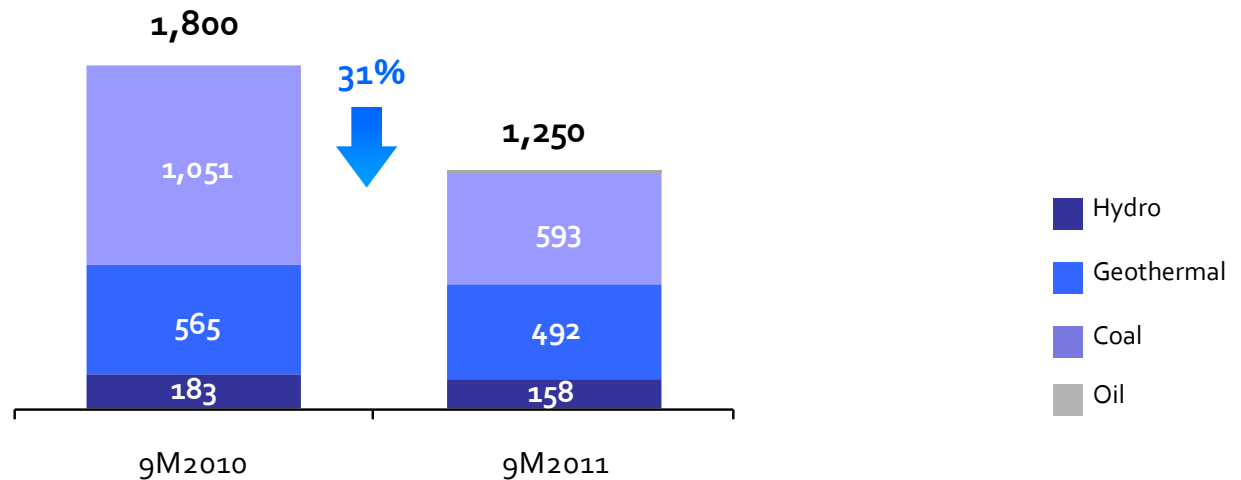
Annex C: OPERATING HIGHLIGHTS – GENERATION

CONTRACTED (CAPACITY)

CONTRACTED (ENERGY)



SPOT MARKET



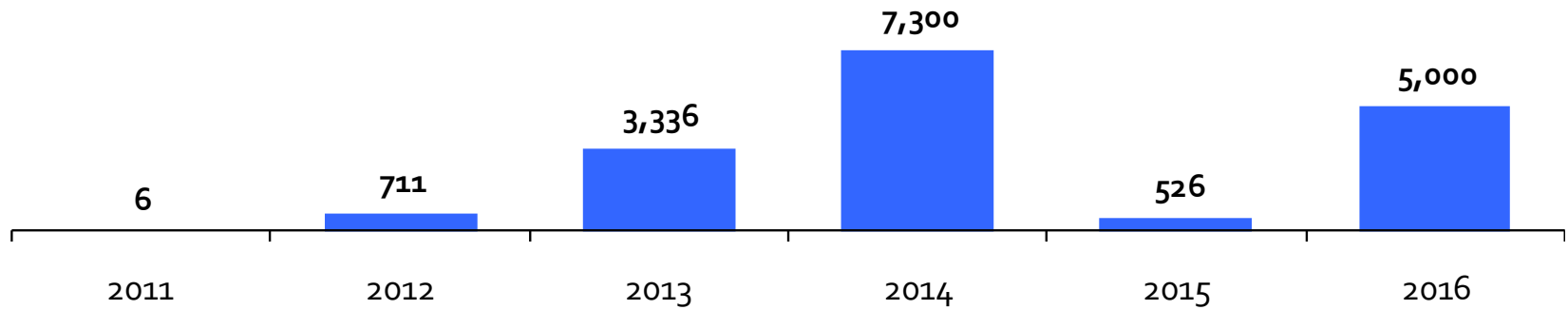
*Figures are in GWh

Annex D: DEBT PROFILE – AP PARENT



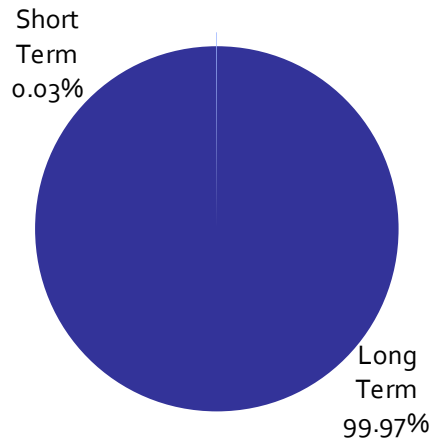
Maturity Profile - PhPM

(As of September 2011)



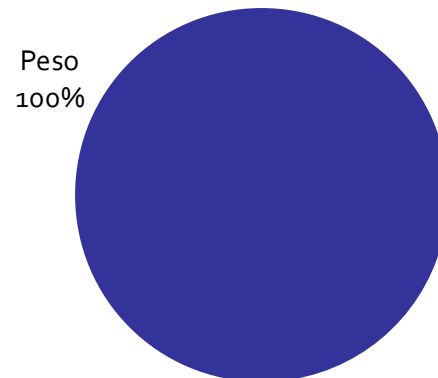
Breakdown by Tenor

(As of September 2011)



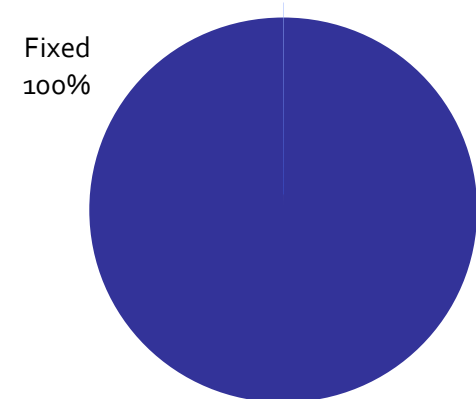
Breakdown by Currency

(As of September 2011)



Breakdown by Interest Rate

(As of September 2011)

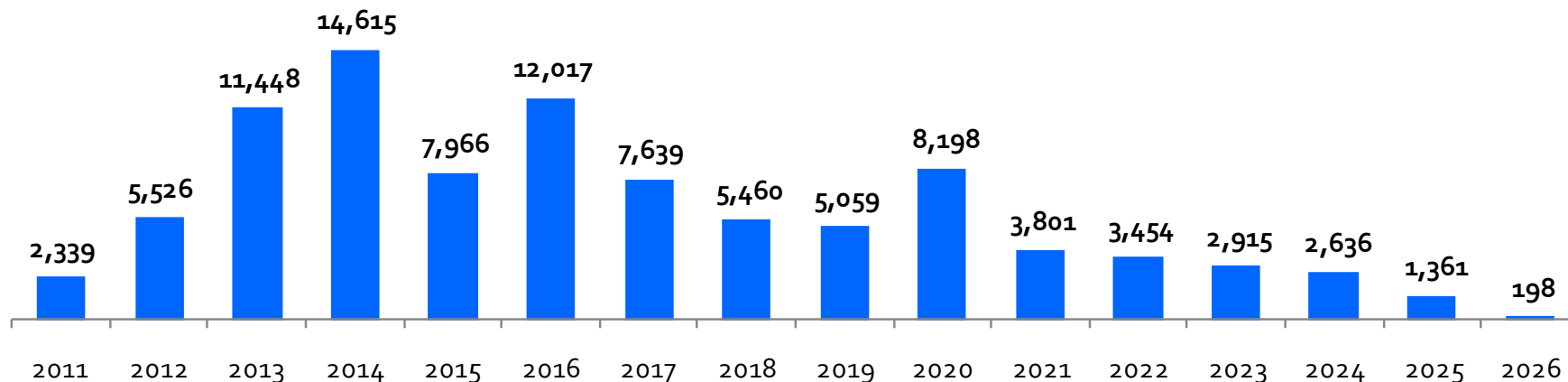


Annex E: DEBT PROFILE – AP BENEFICIAL



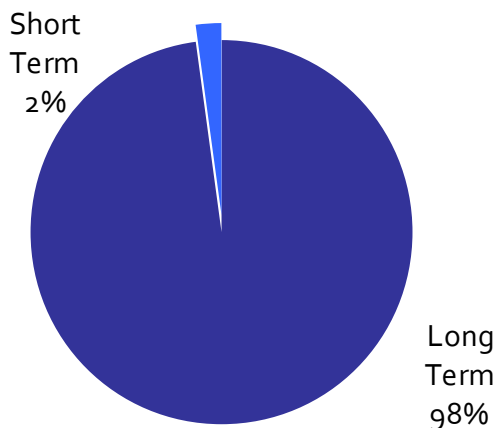
Maturity Profile - PhPM

(As of September 2011)



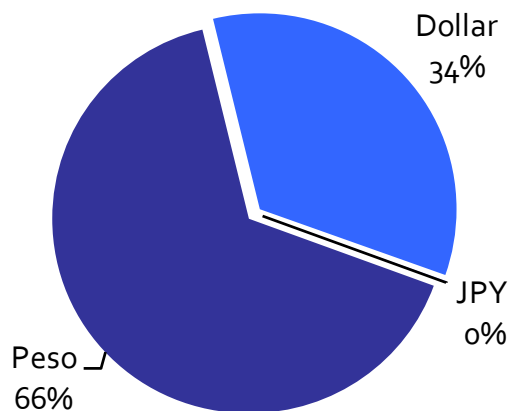
Breakdown by Tenor

(As of September 2011)



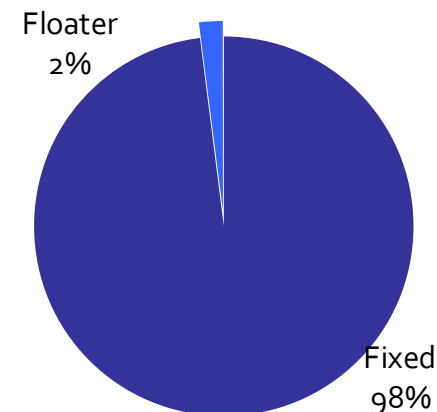
Breakdown by Currency

(As of September 2011)



Breakdown by Interest Rate

(As of September 2011)



AMBUKLAO-BINGA REHABILITATION

- Total combined project cost of \$280 million
 - \$189 million for 75 MW Ambuklao + \$10 million for new headrace tunnel
 - \$81 million for 100 MW Binga
- Target completion dates for Ambuklao
 - All three units done by 3Q2011
 - Rated capacity now at 105 MW
- Target completion dates for Binga
 - Unit 1: 2011
 - Unit 2: 2012
 - Unit 3: 2013
 - Unit 4: 2014
 - To increase capacity to 120 MW
- Capex spent as of end-Sept 2011 at \$260.9 million



TIWI-MAKBAN REHABILITATION

- At Makban
 - Completion rate at 88% as of end-September 2011
 - Estimated completion date within 2Q2012
- At Tiwi
 - Completion rate at 65% as of end-September 2011
 - Estimated completion date within 3Q2012
- As of end-Sept 2011, total actual capex spent at P2.9 billion (roughly \$66 million, out of the combined project cost of roughly \$120 million)
- After completion of the refurbishment, rehabilitation and resource improvements, the combined production capacity could reach roughly 480 MW (taking into account current steam supply and decline rates), with improvements in plant efficiency, reliability and availability



Tiwi Geothermal Field



Makban Plant E

242 MW NAVOTAS POWER BARGES

- To undergo rehabilitation, which involves:
 - Overhaul of engines
 - Repair of barge super-structure and deck
 - Possible dry docking
 - Construction of new transmission line
- Total rehab cost estimated at ~\$30 million
- Estimated rehab timeline
 - 4Q2011: 123 MW
 - 1Q2012: 52 MW
 - 2Q2012: 67 MW
- Off-take
 - Merchant
 - Possible contracts for peaking capacity



Thank you



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