

August 1, 2017

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex,
Roxas Boulevard, Pasay City, 1307

ATTENTION : **DIR. VICENTE GRACIANO P. FELIZMENIO JR.**
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:



MAILENE M. DE LA TORRE
Assistant 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

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. August 1, 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 |
|--|--|
| <u>Common Stock ₱1 Par Value</u> | <u>7,358,604,307</u> |
| <u>Amount of Debt Outstanding (As of March 31, 2017)</u> | <u>₱213,084,290,000.00</u> |

11. Indicate the item numbers reported herein: 9

Item 9: Other Events

Aboitiz Power Corporation (AboitizPower or the "Company") recorded an 8% year-on-year (YoY) increase in its consolidated net income for the second quarter of 2017, from ₱4.9 billion (bn) to ₱5.3 bn. The movements in the peso-dollar exchange rate resulted to a ₱167 million (mn) non-recurring loss (versus last year's loss of ₱112 mn) due to the revaluation of consolidated dollar-denominated liabilities and placements. Without the one-off, AboitizPower's core net income for the second quarter of 2017 amounted to ₱5.5 bn, which is 9% higher YoY. The Company recorded a 21% YoY increase in consolidated earnings before interest, tax, depreciation and amortization (EBITDA) for the second quarter of 2017, from ₱9.2 bn to ₱11.1 bn.

AboitizPower recorded a 2% decrease with net income of ₱9.7 bn for the first half of the year. The Company recognized non-recurring losses of ₱744 mn (versus last year's gain of ₱130 mn) mainly

from the revaluation of dollar denominated liabilities. Without these one-off losses, core net income grew 6% from ₱9.8 bn to ₱10.5. The Company's consolidated EBITDA grew from ₱18.4 bn to ₱21.8 bn an 18% increase YoY.

Business Segments

Power Generation

For the quarter ending June 30, 2017, the power generation business consolidated EBITDA increased from ₱7.4 bn to ₱9.3 bn as the Company took up fresh contributions from GNPower-Mariveles Coal Plant Ltd Co. (GNPower-Mariveles) and higher EBITDA contributions from the hydro units. Taking into account interest expense and depreciation as the Company consolidated these expenses from GNPower-Mariveles, core net income rose to ₱4.7 bn, 11% higher versus the same period last year. Non-recurring losses of ₱161 mn this period (versus last year's loss of ₱332 mn) from forex losses on the revaluation of dollar denominated liabilities, the net income contribution of the group for the quarter is ₱4.6 bn, 17% higher than last year's ₱3.9 bn.

On a year-to-date (YTD) basis, the generation business accounted for 84% of EBITDA contributions from AboitizPower's business segments, recording a consolidated EBITDA share of ₱18.0 bn for the first half of 2017, up by 22% YoY. At the core net income level, generation business grew 8% YoY from ₱8.2 bn to ₱8.9 bn. After taking into account one-off items, AboitizPower's generation business income contribution for the period amounted to ₱8.1 bn.

For the period, AboitizPower's capacity sold increased by 33% YoY, from 2,033 megawatt (MW) to 2,706 MW, mainly driven by the additional capacity of GNPower-Mariveles and higher capacity sold from the hydro units due to better hydrology in 2017.

Power Distribution

Second quarter 2017 consolidated EBITDA for the distribution business remained close to the same levels as last year contributing ₱1.7 bn for the period. Net income contribution however decreased by 1% versus same period last year, from ₱932 mn to ₱925 mn.

On a YTD basis, EBITDA for the distribution business increased by 3% YoY from ₱3.3 bn to ₱3.4 bn. Net income contribution increased by 3% YoY for the first half of 2017 to ₱1.8 bn.

The group's gross margin on a per kilowatt-hour basis for the period increased to ₱1.63 from ₱1.50 in the first half of the year. The improved margins came from better supply mix and recoveries on purchased power costs.

AboitizPower's attributable sales in the distribution group for the period was at 2,546 gigawatt-hours, registering a 1.4% increase from the same period last year.

Financial Condition

As of June 30, 2017, the Company's total consolidated assets amounted to ₱354.1 bn, almost flat compared to the year-end 2016 level of ₱354.8 bn. The Company's consolidated Cash and Cash Equivalents was at ₱39.8 bn, while total consolidated interest-bearing liabilities was at ₱213.0 bn. Compared to year end 2016, Equity Attributable to Equity Holders of the Parent remain relatively unchanged at ₱105.2 bn. As of June 30, 2017, the Company's current ratio was at 2.0x (versus year-end 2016's 2.2x), while net debt-to-equity ratio was at 1.5x (versus year-end 2016's 1.5x).

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:



Mailene M. De La Torre
Assistant Corporate Secretary

Dated: August 1, 2017