

September 26, 2018

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.

PSE Tower, 28th Street, cor. 5th Avenue
Bonifacio Global City, Taguig City

ATTENTION : **MS. JANET A. ENCARNACION**
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:

Please see attached 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:



MANUEL ALBERTO R. COLAYCO
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)

MANUEL ALBERTO R. COLAYCO

Contact Person
Contact Person

(02) 886-2338

Company Telephone Number

1 2 3 1

Month Day
Fiscal Year

1 7 - C

FORM TYPE

3rd Monday of
0 5 2 1

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. **September 26, 2018**
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 June 30, 2018) | ₱214,586,455,000.00 |
11. Indicate the item numbers reported herein: 2
- Item 2: Acquisition or Disposition of Assets**
- Please see attached the details of the transaction.

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:



Manuel Alberto R. Colayco
Corporate Secretary

Dated: September 26, 2018

PSE Disclosure Form 5-1 –Substantial Acquisitions

References: SRC Rule 17 (SEC Form 17-C) and Section 4.4 and/or Section 5 of the Revised Disclosure Rules

**DISCLOSURE
EDGE FORM 5-1: Substantial Acquisitions**

ABOITIZ POWER CORPORATION

Subject of the Disclosure	Aboitiz Power Corporation (“AboitizPower”) acquires 49% voting stake and 60% economic stake in AA Thermal, Inc. (“AA Thermal”)	
Background/Description of the Disclosure	Acquisition of 49% voting stake and 60% economic stake in AA Thermal <u>AA Thermal was incorporated on September 20, 2018 (see attached Certificate of Incorporation). AA Thermal has approved an increase in its authorized capital stock to PHP1,447,243,430, and is set to file an application for its approval with the Securities and Exchange Commission (“SEC”).</u>	
Date of Approval by the Board of Directors	September 26, 2018	
Date of Approval by the Stockholders	Not applicable	
Other Relevant Regulatory Agency, if applicable	Philippine Competition Commission (“PCC”)	
Date of Approval by the Relevant Regulatory Agency, if applicable	TBA	
Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction	The acquisition is in line with AboitizPower’s goal to reach 4,000-MW net attributable capacity by 2020 through its balanced mix strategy.	
Description of the transaction including the timetable for implementation and related regulatory requirements, if any	AboitizPower and Arlington Mariveles Netherlands Holding B.V., an affiliate of AC Energy, Inc. (“AC Energy”), entered into a Share Purchase Agreement for AboitizPower’s acquisition of 49% voting interest and 60% economic interest in AA Thermal. The parties expect to close the acquisition shortly after obtaining PCC clearance/approval.	
<i>Identities of the parties to the transaction (add rows as may be necessary)</i>		
Name	Nature of Business	Nature of any material relationship with the Issuer, their directors/officers or any of their affiliates
Aboitiz Power Corporation	Holding	<u>Issuer</u>
Arlington Mariveles Netherlands Holding B.V.	Holding	None

<i>Terms and Conditions of the Transaction</i>		
The nature and amount of consideration given (e.g. price per share, the aggregate amount)	Total Cash Consideration: USD579.2M (Base Price, subject to adjustments at closing)	
Basis upon which the amount of consideration or value of the transaction was determined	Asset valuation, with consideration to be paid, subject to certain usual adjustments at closing. The final amount of consideration will be calculated on completion.	
Number of shares to be acquired	TBA	
Ratio/Percentage to total outstanding capital stock	49%	
Terms of payment	One time lump sum payment at closing	
Conditions precedent to closing of the transaction, if any	<u>The completion of the acquisition is subject to approval of the transaction by the PCC, and of the capital increase by the SEC, among other conditions precedent customary for transactions of a similar nature.</u>	
<i>Description of the company subject of the transaction</i>		
Nature of business	Holding company for power generation assets	
Discussion of major projects and investments	The AA Thermal platform initially consists of AC Energy's limited partnership interests in GNPowder Mariveles Coal Plant Ltd. Co. and in GNPowder Dinginin Ltd. Co. where AboitizPower, through Therma Power, Inc., already holds direct partnership interests.	
<i>List of subsidiaries and affiliates, with percentage holdings (add rows as may be necessary)</i>		
Name	% Ownership	
ACE Mariveles Power Ltd. Co. (<u>"ACE Mariveles"</u>)	50% of outstanding Class A Limited Partnership Interest 100% of outstanding Class B Limited Partnership Interest	
Arlington Mariveles Philippines GP Corporation (<u>"AMPGP"</u>)	~50%	
Dinginín Power Holdings Ltd. Co. (<u>"DPHLC"</u>)	50% of outstanding Class A Limited Partnership Interest 100% of outstanding Class B Limited Partnership Interest	
Dinginín Power GP Corporation (<u>"DPGPC"</u>)	~50%	
<i>Capital Structure</i>		
<i>Authorized Capital Stock (add rows as may be necessary)</i>		
Type of Security	Amount	Number of Shares
Shares of stock	~PHP1,447,243,430 (excluding additional paid in capital)	~578,880 Common Shares A ~5,210,370 Redeemable Preferred Shares A

		~556,287 Common Shares B ~5,006,291 Redeemable Preferred Shares B
<i>Subscribed Shares (add rows as may be necessary)</i>		
Type of Security	Amount	Number of Shares
Shares of stock	~PHP1,402,927,012.70 (excluding additional paid in capital)	~561,204 Common Shares A ~5,050,831 Redeemable Preferred Shares A ~539,222 Common Shares B ~4,852,985 Redeemable Preferred Shares B
<i>Paid up Capital</i>		
Amount	Number of Shares	
~PHP1,402,927,012.70 (excluding additional paid in capital)	~561,204 Common Shares A ~5,050,831 Redeemable Preferred Shares A ~539,222 Common Shares B ~4,852,985 Redeemable Preferred Shares B	
<i>Issued Shares (add rows as may be necessary)</i>		
Type of security	Amount	Number of Shares
Shares of stock	~PHP1,402,927,012.70 (excluding additional paid in capital)	~561,204 Common Shares A ~5,050,831 Redeemable Preferred Shares A ~539,222 Common Shares B ~4,852,985 Redeemable Preferred Shares B
<i>Outstanding Shares (add rows as may be necessary)</i>		
Type of security	Amount	Number of Shares
Shares of stock	~PHP1,402,927,012.70 (excluding additional paid in capital)	~561,204 Common Shares A ~5,050,831 Redeemable Preferred Shares A ~539,222 Common Shares B ~4,852,985 Redeemable Preferred Shares B

<i>Par Value(add rows as may be necessary)</i>		
Type of Security	Amount	
Common Shares A Common Shares B Redeemable Preferred Shares A Redeemable Preferred Shares B	PHP100 per Common Share A PHP156.10 per Common Share B PHP100 per Redeemable Preferred Shares A PHP156.10 Redeemable Preferred Shares B	
<i>Ownership Structure (including percentage holdings) (add rows as may be necessary)</i>		
Name	Number of Shares	% Ownership
AC Energy, Inc.	~561,204 Common Shares A ~5,050,831 Redeemable Preferred Shares A	51% of voting shares
Arlington Mariveles Netherlands Holding B.V.	~539,222 Common Shares B ~4,852,985 Redeemable Preferred Shares B	49% of voting shares
<i>Board of Directors(add rows as may be necessary)</i>		
Name	(Regular or Independent)	
John Eric T. Francia	Regular	
Maria Corazon G. Dizon	Regular	
Dodjie D. Lagazo	Regular	
Louis P. Bauí	Regular	
Lyrna L. Esmeralda-Hewitt	Regular	
<i>Principal Officers (add rows as may be necessary)</i>		
Name	Position/Designation	
John Eric T. Francia Maria Corazon G. Dizon Dodjie D. Lagazo	President and Chairman of the Board Treasurer and CFO Corporate Secretary	
Effect (s) on the business, financial condition and operations of the Issuer, if any	Increase in the attributable and net sellable capacity of AboitizPower	
Other relevant Information	Financial statements attached. <u>Given AA Thermal's recent incorporation, it has no audited financial statements. In lieu of this, the audited financial statements of the identified subsidiaries are attached for reference.</u>	

Subject to approval of the capital increase, AboitizPower will acquire 49% voting stake and 60% economic stake in AA Thermal through ownership of Common Shares B and Redeemable Preferred Shares B (both with voting rights but with different par values). This results in AboitizPower's indirect ownership of the following voting interests in the subsidiaries of AA Thermal identified above:

- ACE Mariveles – 24.5% of Class A and 49% of Class B Limited Partnership interests
- AMPGP – 24.5% (via ownership of 24.5% Class A Limited Partnership Interests in ACE Mariveles)
- DPHLC – 24.5% of Class A and 49% of Class B
- DPGPC – 24.5% (via ownership of 24.5% Class A Limited Partnership Interests in DPHLC)

PRESS RELEASE
26 September 2018

AboitizPower invests in AC Energy’s thermal power company

Aboitiz Power Corporation (AboitizPower) entered into a share purchase agreement with Arlington Mariveles Netherlands Holding BV, an affiliate of AC Energy, Inc. (AC Energy), and a shareholders’ agreement with AC Energy, a wholly-owned subsidiary of Ayala Corporation, for the proposed acquisition of a 49% voting stake and 60% economic stake in AA Thermal, Inc., AC Energy’s thermal platform in the Philippines (the Transaction).

Closing of the Transaction is subject to the satisfaction of certain conditions precedent, including the approval by the Philippine Competition Commission. The Transaction was valued at USD 579.2 million.

AA Thermal’s assets initially consist of AC Energy’s limited partnership interests in GNPower Mariveles Coal Plant Ltd. Co., the owner and operator of an operating 2x316 MW coal plant in Mariveles, Bataan (the Mariveles Project), and in GNPower Dinginin Ltd. Co., the developer and owner of a 2x668 MW supercritical coal plant project in Dinginin, Bataan (the Dinginin Project), which is currently under construction.

The agreement will increase AboitizPower’s beneficial ownership in the Mariveles Project to 78.325%, and in the Dinginin Project to 70%. The Mariveles Project has been operating since 2013, while the first unit of the Dinginin Project is scheduled to go online in 2019.

“AboitizPower is committed to addressing the country’s energy trilemma of adequate supply, cost of power, and protection of the environment. This is part of our strategy to reach our 4,000-MW net attributable capacity by 2020 through our balanced mix strategy. We are happy to be partners with the Ayala Group as we both seek to fulfill the energy needs of the country,” AboitizPower Chief Operating Officer Emmanuel V. Rubio said.

“We are delighted to further strengthen our partnership with the Aboitiz group and we look forward to jointly pursue more opportunities in the future,” according to AC Energy President and CEO Eric T. Francia. “This transaction enables AC Energy to balance its portfolio and provides capital for our growth initiatives, including our renewable energy projects,” he added.

ING Bank N.V. acted as Lead Financial Advisor to AC Energy. BPI Capital also acted as Financial Advisor, providing transaction support to AC Energy. Standard Chartered Bank acted as Sole Financial Advisor to AboitizPower. ###

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, geothermal, and solar 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.

About AC Energy

AC Energy is the energy platform of Ayala, one of the largest business groups in the Philippines.

AC Energy is one of the fastest growing energy companies with over \$1 billion of invested and committed equity in renewable and thermal energy in the Philippines and around the region.

The company aspires to develop 5 GW of attributable capacity and generate at least fifty percent of energy from renewables by 2025.

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For further queries on this Press Release, please contact:

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