

July 31, 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

(02) 886-2338

Company Telephone Number

Contact Person

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. July 31, 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 |
|--|--|
| <u>Common Stock ₱1 Par Value</u> | <u>7,358,604,307</u> |
| <u>Amount of Debt Outstanding (As of March 31, 2018)</u> | <u>₱213,043,881,000.00</u> |
11. Indicate the item numbers reported herein: 9

Item 9: Other Events

Aboitiz Power Corporation (AboitizPower or the "Company") recorded consolidated net income for the second quarter of 2018 of ₱5.1 billion (bn), 4% lower than the ₱5.3 bn recorded in the same period last year. The Company recognized non-recurring losses of ₱196 million (mn) during the second quarter of 2018, versus last year's losses of ₱167 mn, due to net foreign exchange losses related to dollar-denominated debts and placements. Without these one-off losses, the Company's core net income for the quarter was 3% lower year-on-year (YoY), decreasing from ₱5.5 bn to ₱5.3 bn. For the period, AboitizPower recorded consolidated earnings before interest, tax, depreciation and amortization (EBITDA) of ₱12.0 bn, an 8% increase from the ₱11.1 bn recorded last year.

On a year-to-date (YTD) basis, AboitizPower's net income for the first half of 2018 was ₱9.1 bn, 6% lower than the ₱9.7 bn recorded last year. The Company recognized non-recurring losses of ₱1.4 bn, versus last year's losses of ₱744 mn, coming from net foreign exchange losses. Without these

one-off losses, the Company's core net income was flat YoY at ₱10.5 bn. AboitizPower recorded a consolidated EBITDA of ₱24.0 bn for the first half of 2018, a 10% increase from the ₱21.8 bn recorded last year.

Results of Operations

Generation and Retail Electricity Supply

Consolidated EBITDA of the Company's generation and retail supply business for the first half of 2018 was ₱20.2 bn, up 9% from the ₱18.5 bn recorded during the same period last year. This was due to the fresh EBITDA contributions from Pagbilao Energy Corporation (PEC). Higher contracting levels versus last year also contributed to the higher EBITDA. These upsides were partially offset by the lower contributions coming from the Company's hydro plants due to lower hydrology during the first six months of 2018. After taking into account interest, depreciation and taxes, core net income at the end of the first half of 2018 was ₱9.4 bn, 2% lower than last year. Due to foreign exchange losses, the first half's non-recurring losses totaled ₱857 mn, versus last year's non-recurring loss of ₱284 mn. This brought the generation and retail electricity supply net income contribution to ₱8.5 bn, which was 8% lower YoY.

AboitizPower's capacity sold for the period increased 8% YoY, from 3,086 megawatts (MW) to 3,319 MW, driven by new capacities sold from PEC.

Distribution

For the first half of 2018, consolidated EBITDA of the distribution business was ₱3.9 bn, up by 13% from the ₱3.4 bn recorded last year. The group saw a 7% YoY increase in energy sold, from 2,546 gigawatt-hours (GWh) to 2,719 GWh, due to increased consumption across all customer segments. Improving margins also contributed to the increase in consolidated EBITDA during the period in review. As a result, net income contribution of the distribution business increased by 14% YoY, from ₱1.8 bn to ₱2.1 bn.

Financial Condition

As of June 30, 2018, AboitizPower's total consolidated assets stood at ₱372.4 bn, 3% higher compared to the year-end 2017 level of ₱361.5 bn. The Company's consolidated Cash and Cash Equivalents totaled ₱35.3 bn, while total consolidated interest-bearing liabilities was at ₱214.6 bn. At the end of the first six months of 2018, Equity Attributable to Equity Holders of the Parent was ₱116.1 bn. As of June 30, 2018, AboitizPower's current ratio was at 1.5x, versus year-end 2017's 1.4x, while the net debt-to-equity ratio remained at 1.4x.

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: July 31, 2018