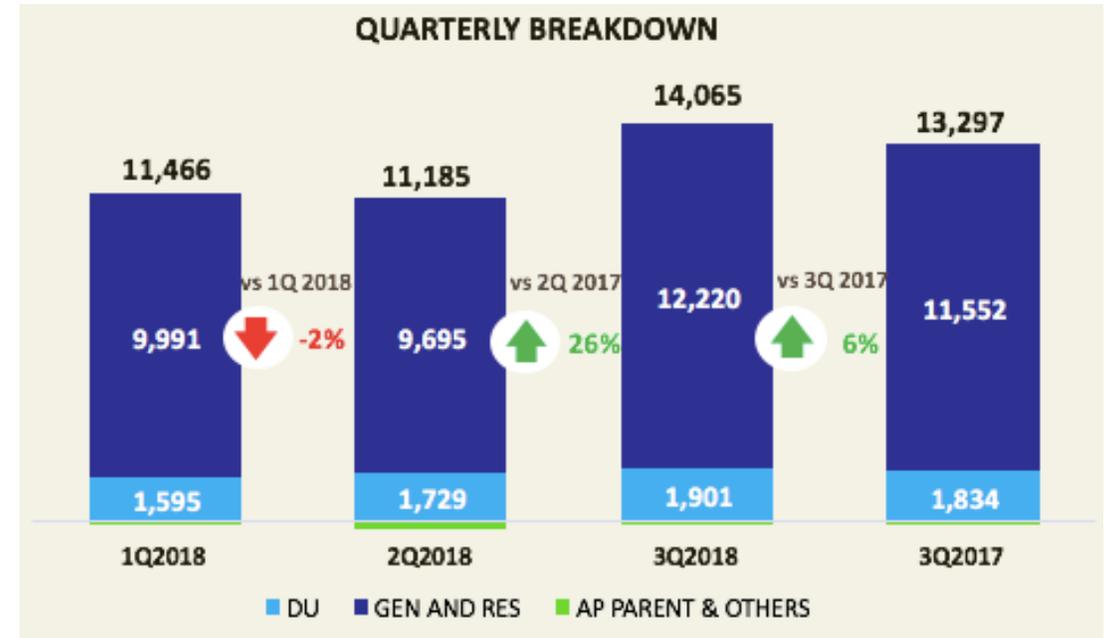
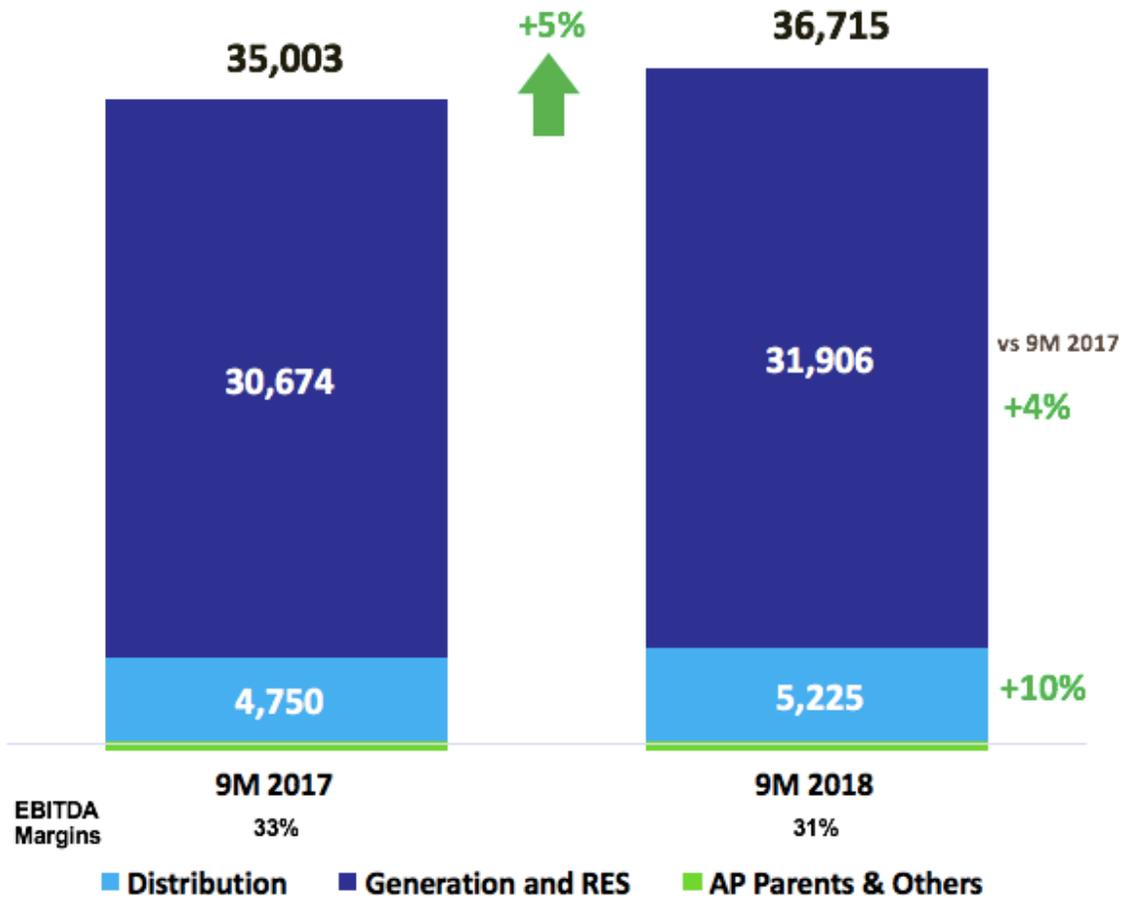




# THIRD QUARTER | NINE MONTHS RESULTS 2018

7 November 2018

# 9M 2018 EBITDA\*

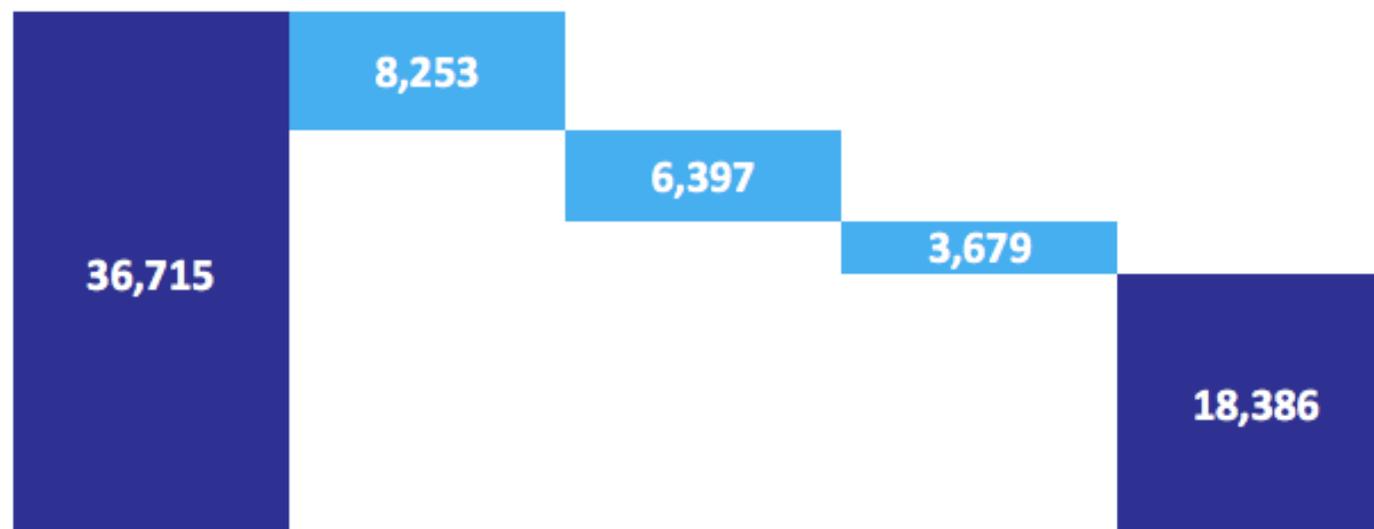


+5% YoY growth, mainly of which...

- +4% from new contributions from PEC and HBI
- +1% from Distribution group driven by strong growth

\*Beneficial Figures

## 9M 2018 Core Income



	EBITDA	Interest Expense	Depcn. & Amort.	Tax & Others	Core Net Income
Php mn					
	9M 2017	9M 2018	Change		
<b>EBITDA</b>	35,003	36,715	5%		
Interest Expense	8,646	8,253	-5%		
Depcn. & Amort.	6,038	6,397	6%		
Tax & Others	2,835	3,679	30%		
<b>Core Net Income</b>	17,484	18,386	5%		
<i>EPS</i>	2.17	2.14			

## 9M 2018 Net Income



Php mn

**Core Net Income**

**Non-recurring Income/(Loss)**

Forex gains/losses

Debt prepayment costs

**Net Income**

EPS

**9M 2017**

**9M 2018**

**Change**

17,484

18,386

5%

(1,738)

(1,714)

-1%

(1,088)

(1,714)

58%

(650)

-

N/A

15,746

16,672

6%

2.14

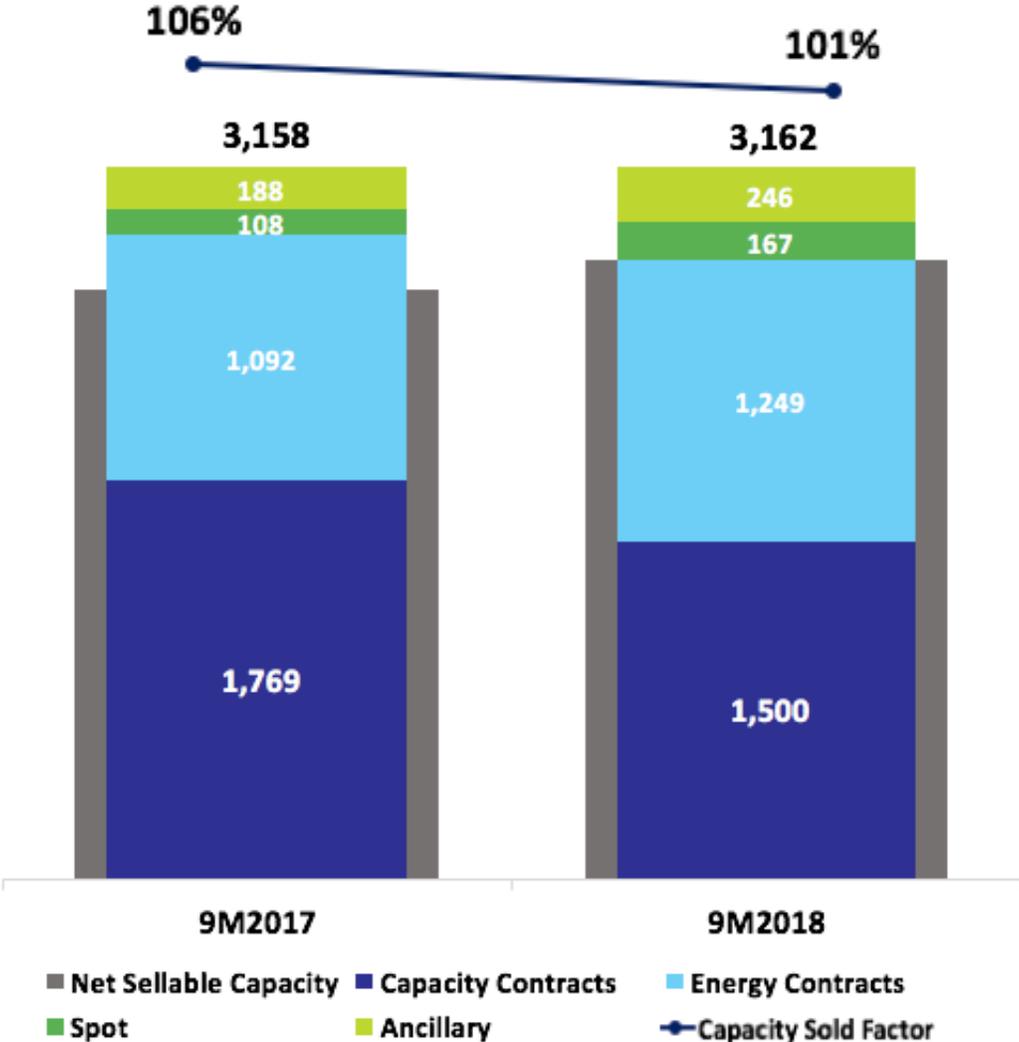
2.27

FX in Sep 2018: 53.48 vs 51.17 in 2017

## Balance Sheet Highlights

(Php mn)	CONSOLIDATED	
	YE2017	9M2018
<b>Cash and Cash Equivalents</b>	35,700	29,631
<b>Trade and Other Receivables</b>	17,360	23,486
<b>Property, Plant and Equipment</b>	204,025	208,476
<b>Investments and advances</b>	31,249	34,493
<b>Total Assets</b>	361,477	375,738
<b>Total Liabilities</b>	237,499	243,714
<b>Total Equity</b>	123,978	132,024
<b>Total Interest Bearing Debt</b>	205,996	209,835
<b>Net Debt</b>	167,654	174,509
<b>Net Debt to Equity</b>	1.3X	1.3x
<b>Debt to Equity*</b>	1.7X	1.6x

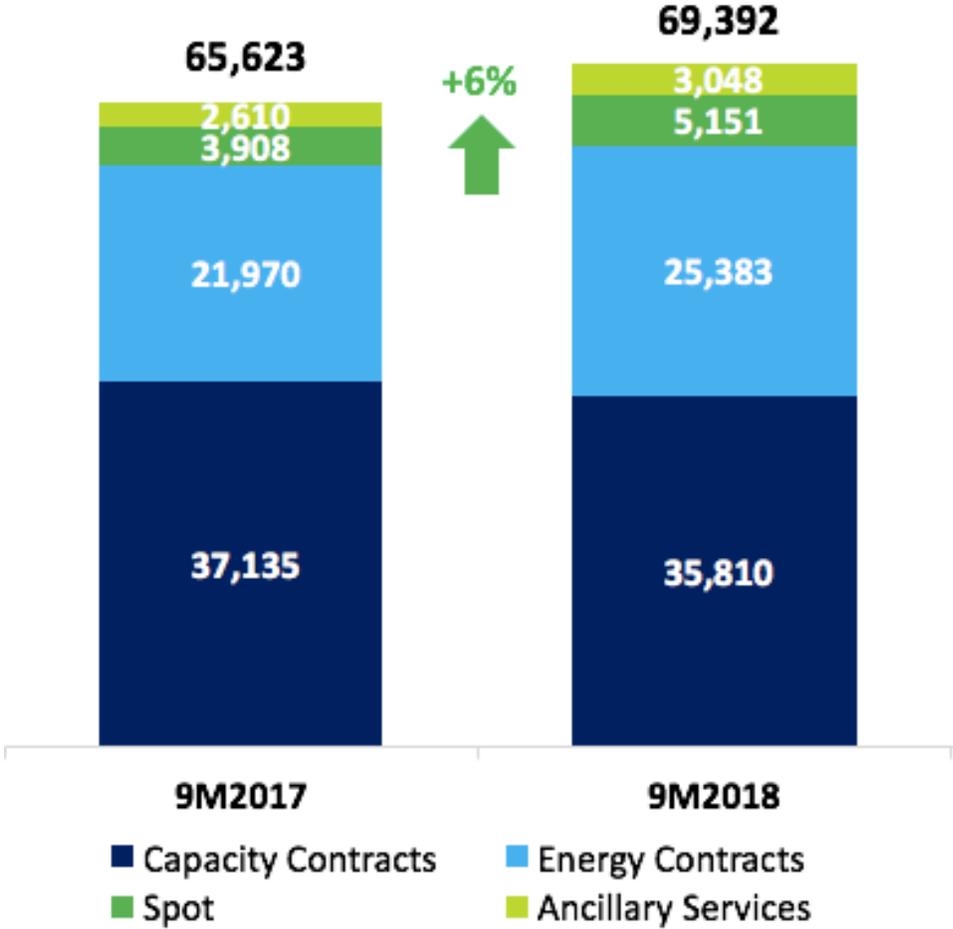
# Operating Highlights: Capacity Sales and Capacity Sold Factor by Contract Type



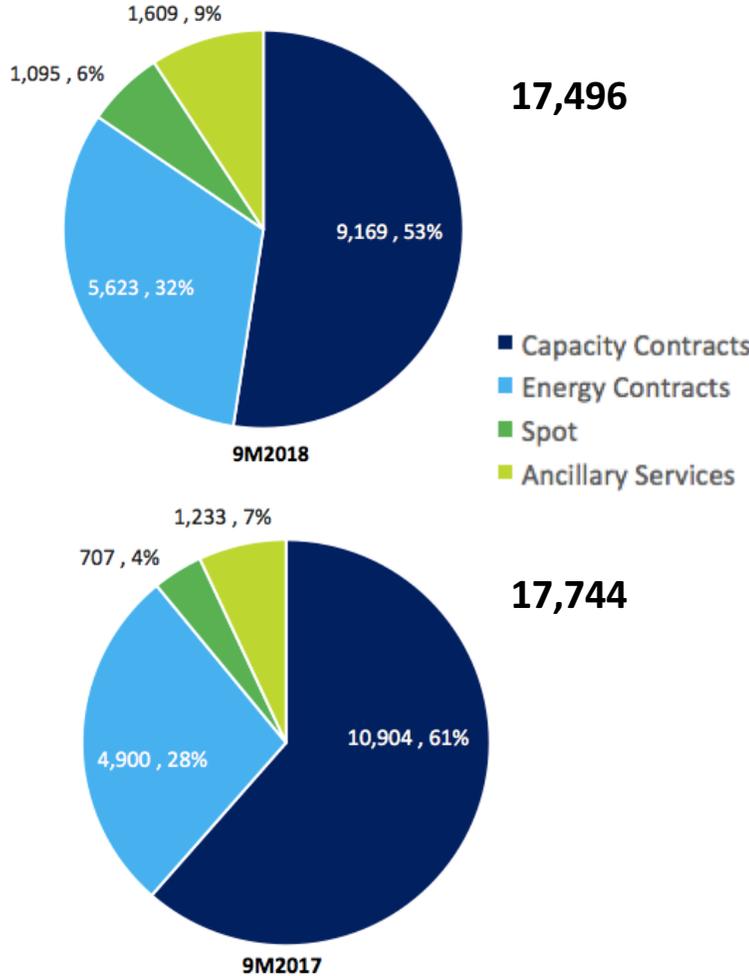
Capacity Sales: Capacity Contracts (MW) + Energy Contracts (MW) + [ (Spot (MWh) + Ancillary (MWh))/Days\_Year/Hours Day]  
 Capacity Sold Factor: Capacity Sales (MW) / Net Sellable Capacity (MW)

# Operating Highlights: Revenue and Energy Sold

Php MN

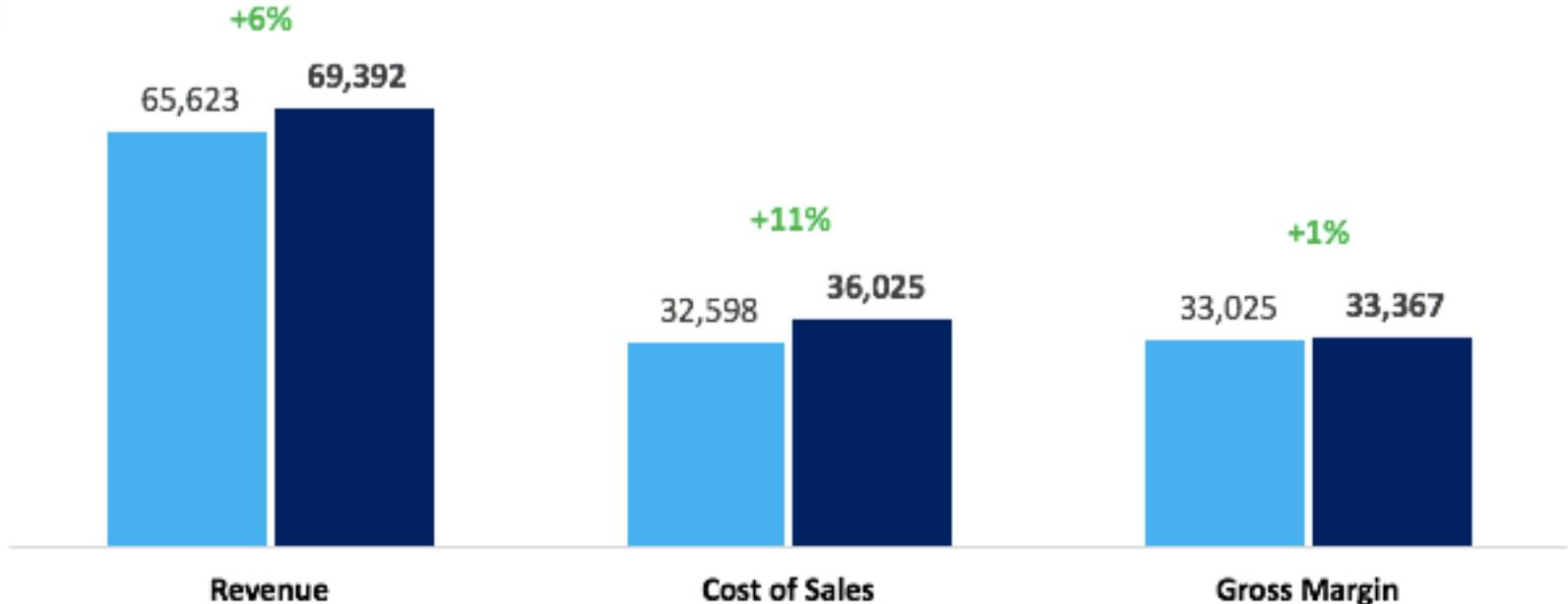


GWh

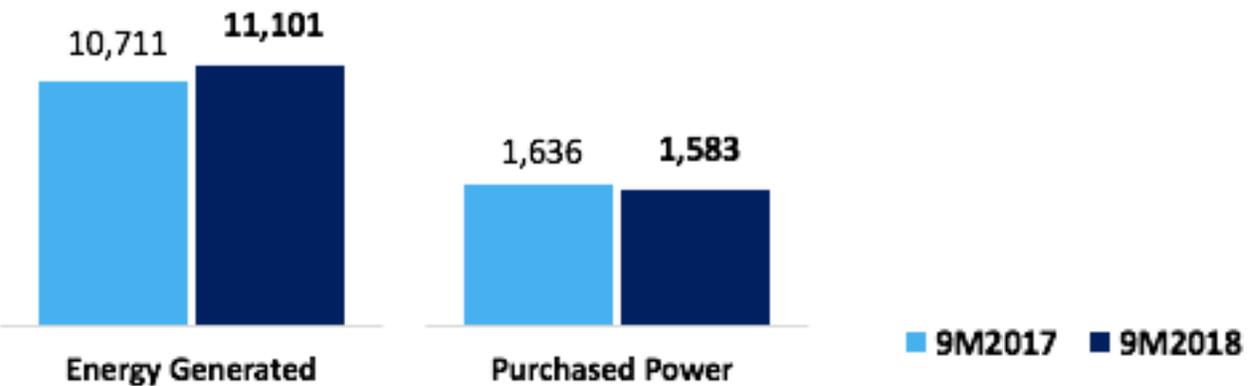


# Operating Highlights: Gross Margin

In Php MN

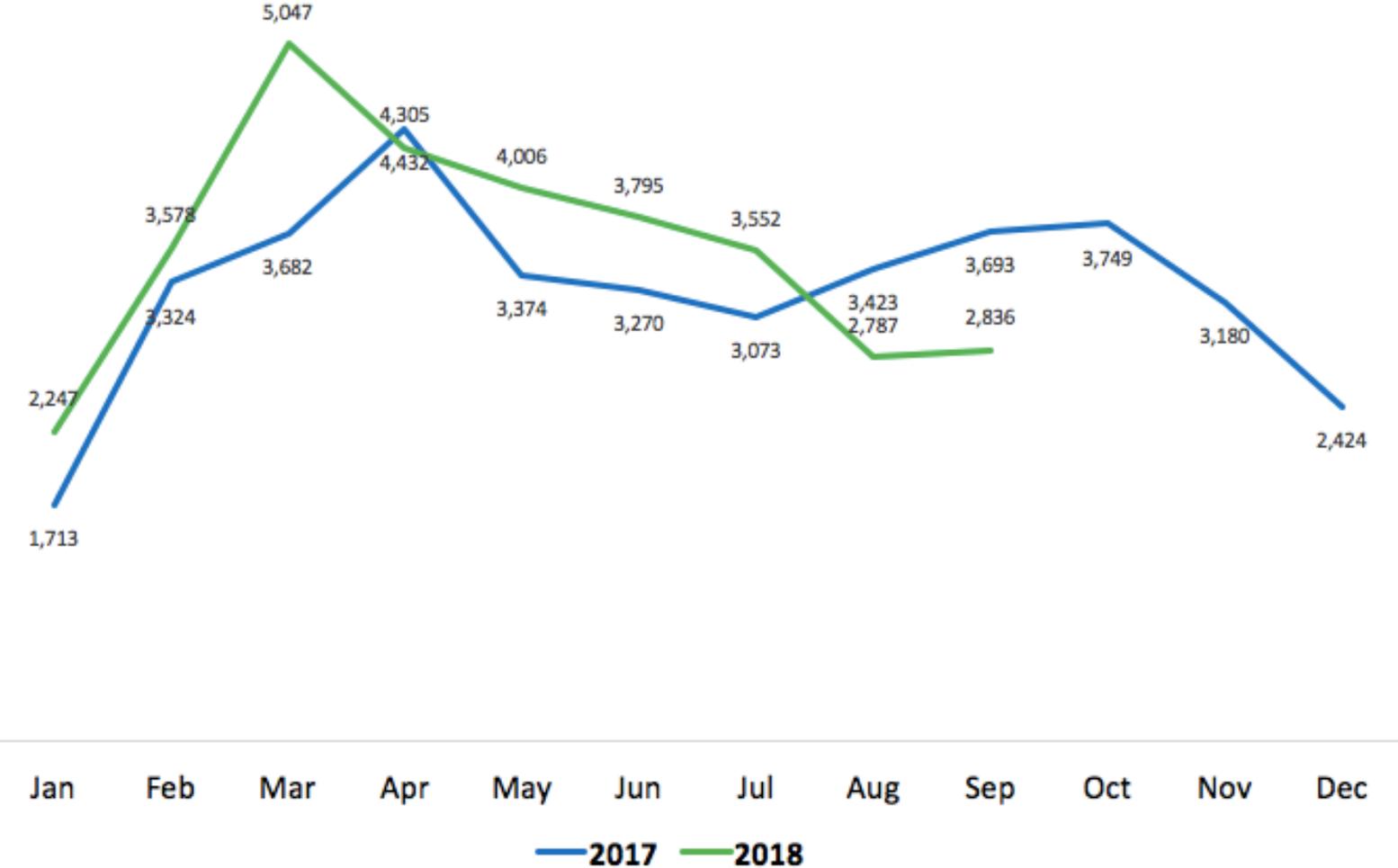


In GWh



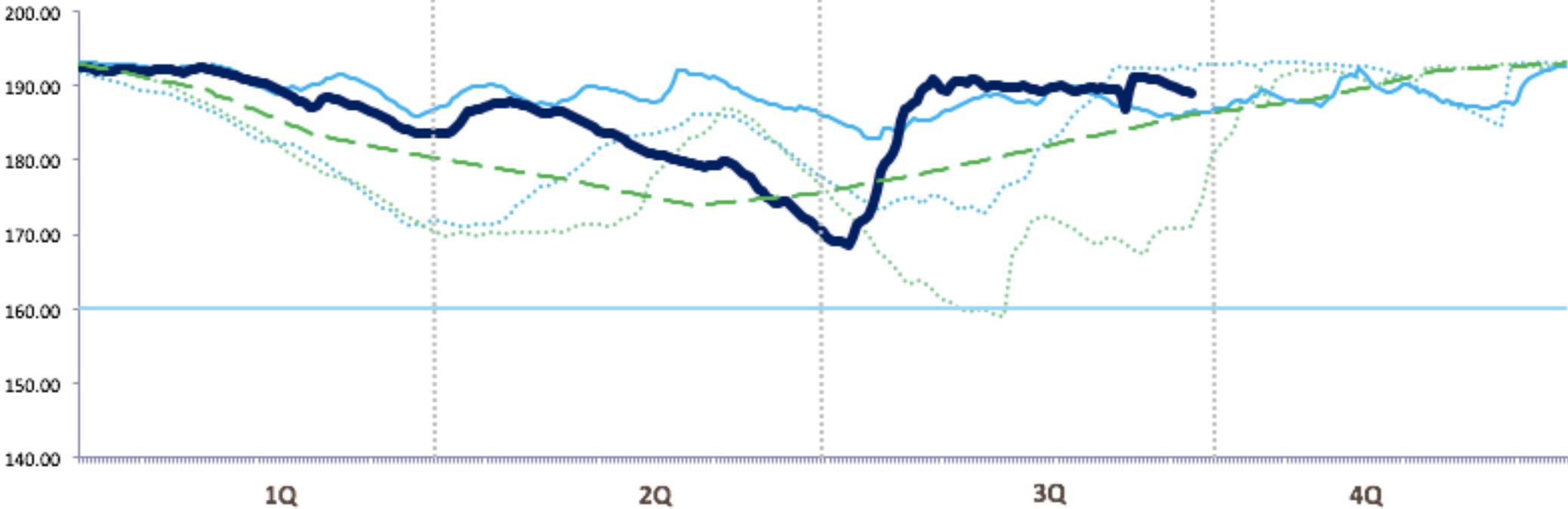
# Operating Highlights: WESM

WESM TIME WTD AVERAGE PRICES (P/MWh)



# Operating Highlights: Water Level

## Magat's Water Level vs. Rule Curve (in MASL)

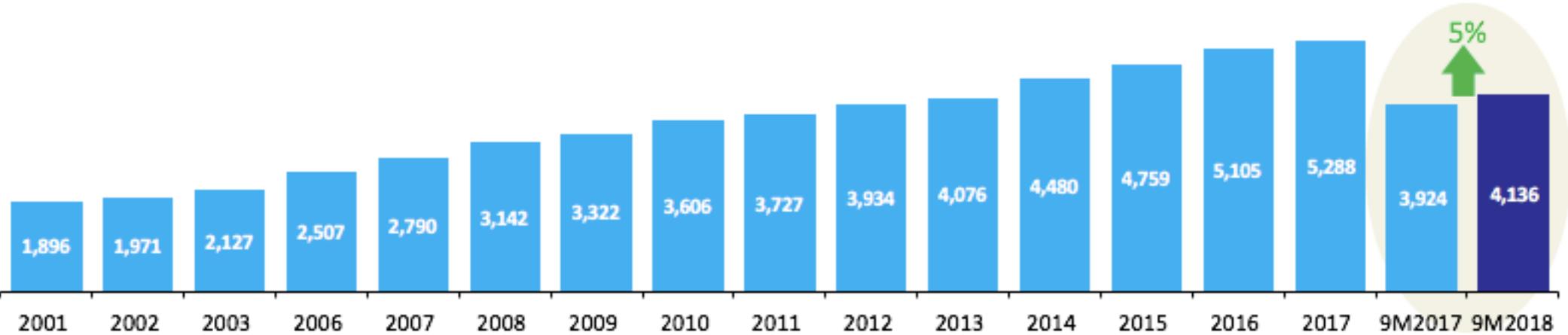


- ..... 2015 Water Level
- ..... 2016 Water Level
- ..... 2017 Water Level
- ..... 2018 Water Level
- - - Magat Rule Curve (meter)
- ..... Critical Level

# Operating Highlights: Distribution

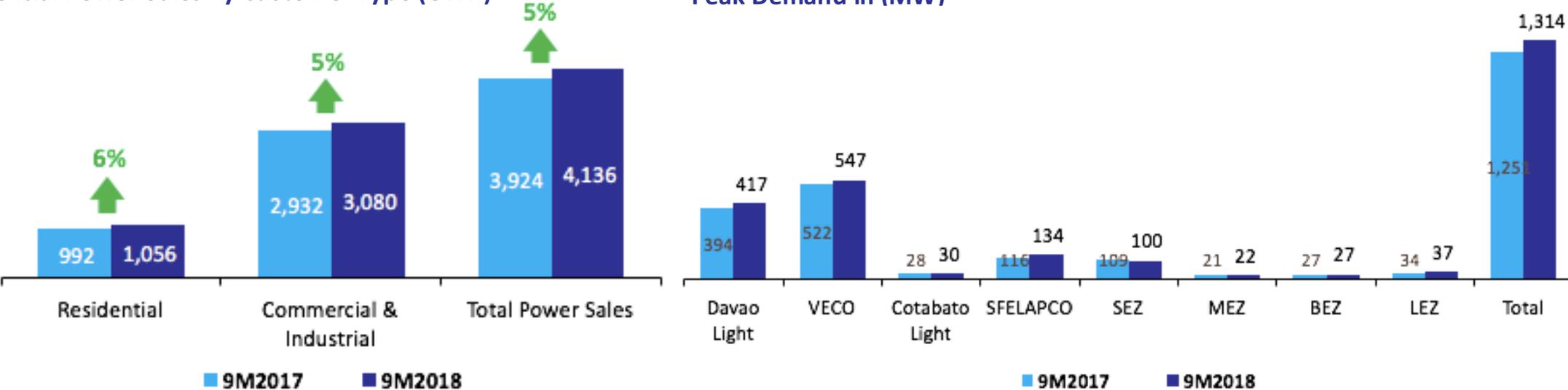
Beneficial Power Sales (GWh)

Strong growth in distribution sales



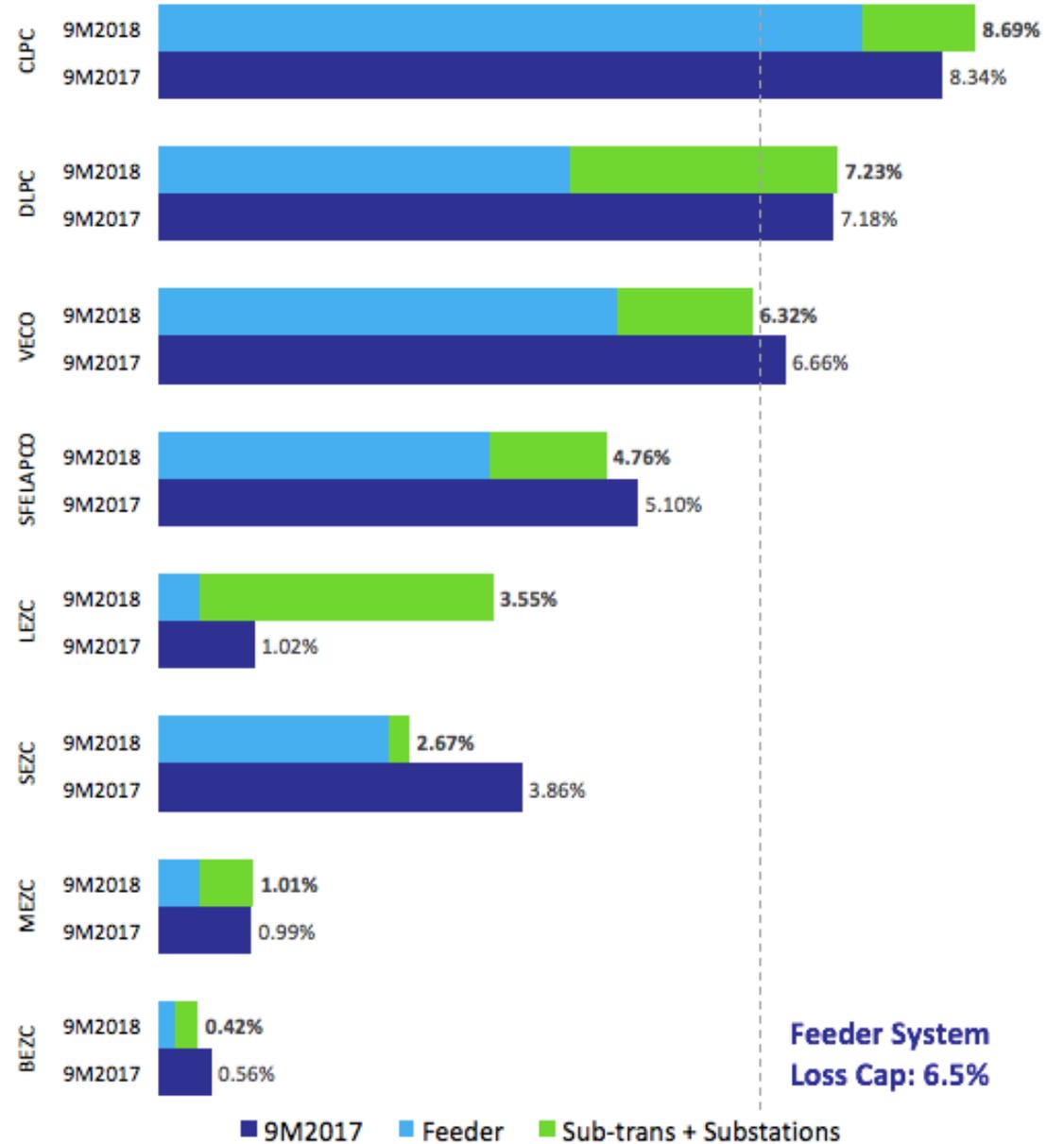
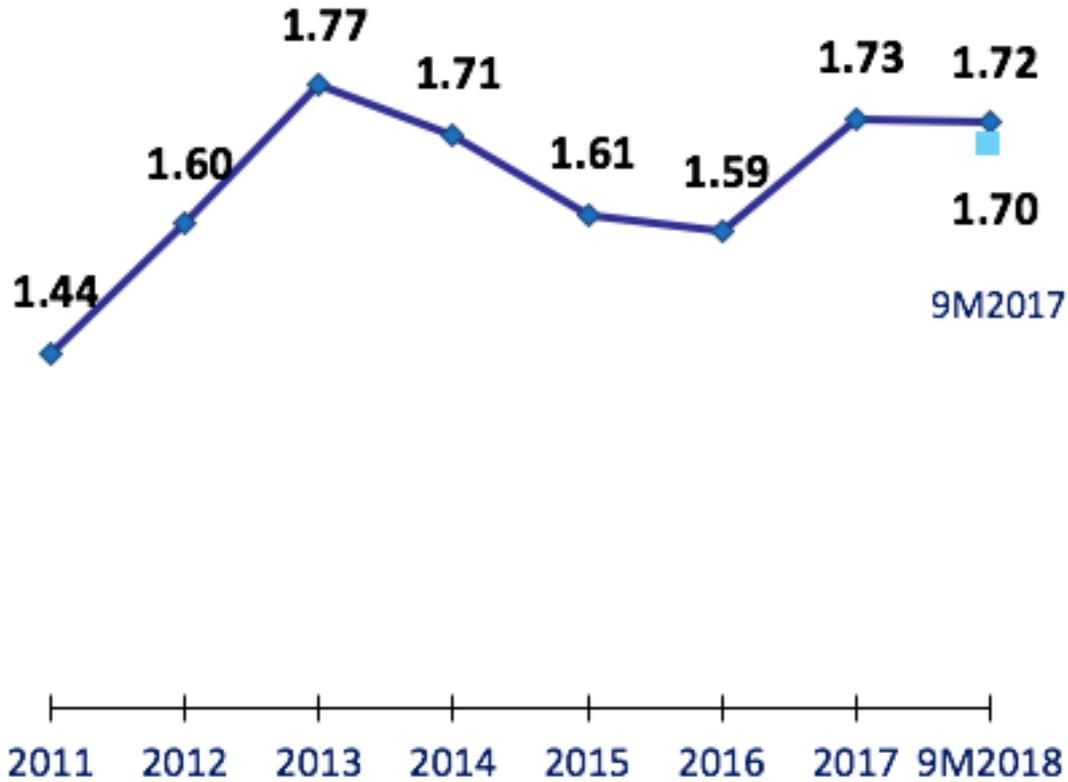
Beneficial Power Sales By Customer Type (GWh)

Peak Demand in (MW)



# Operating Highlights: Distribution

Gross Margin / kWh



## Project Update

Pipeline on track to reach our target of 4,000 MW by 2020

GRID	Project	Capacity (Net)	% Ownership	Attributable Net Capacity	Estimated Commercial Operation Date
LUZON	La Trinidad (Hydro – Hedcor Inc)	19 MW	100%	19 MW	2019
	Dingin Unit 1 (Coal – GNPD)	668 MW	40%	267 MW	2019
	Dingin Unit 2 (Coal – GNPD)	668 MW	40%	267 MW	2020
	Subic (Coal – RP Energy)	300 MW	25%	75 MW	
VISAYAS	Cebu (Coal – Therma Visayas)	300 MW	80%	240 MW	Unit 1 Jul 2019 Unit 2 Apr 2019
MINDANAO	Manolo Fortich (Hydro – Hedcor Bukidnon)	68 MW	100%	68 MW	Plant 1 Jul 2018 (done) Plant 2 Nov 2018
		<b>2,023 MW</b>		<b>936 MW</b>	

# Project Update

## Manolo Fortich - 68 MW of Hydro Power



# Project Update

## Cebu - 300 MW of Coal Power



# Project Update

## La Trinidad - 19 MW of Hydro Power



# Project Update

## Dinginín - 2 x 668 MW of Coal Power



# Project Update

## Naga Power Plant Complex



## Adding to AboitizPower's presence in Luzon



**Acquisition cost:** \$579.2 million

**Description:** Acquisition of 60% economic stake in AA Thermal, Inc.

**Financing:** External debt

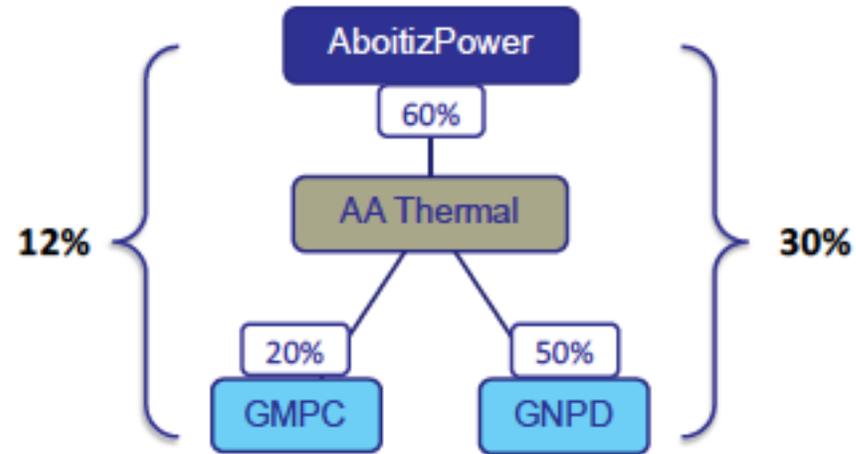
**Status:** Subject to approval of Philippine Competition Commission



**GMCP**  
632-MW Operating

**GNPD**  
668-MW U1 under construction (2019)  
668-MW U2 under construction (2020)

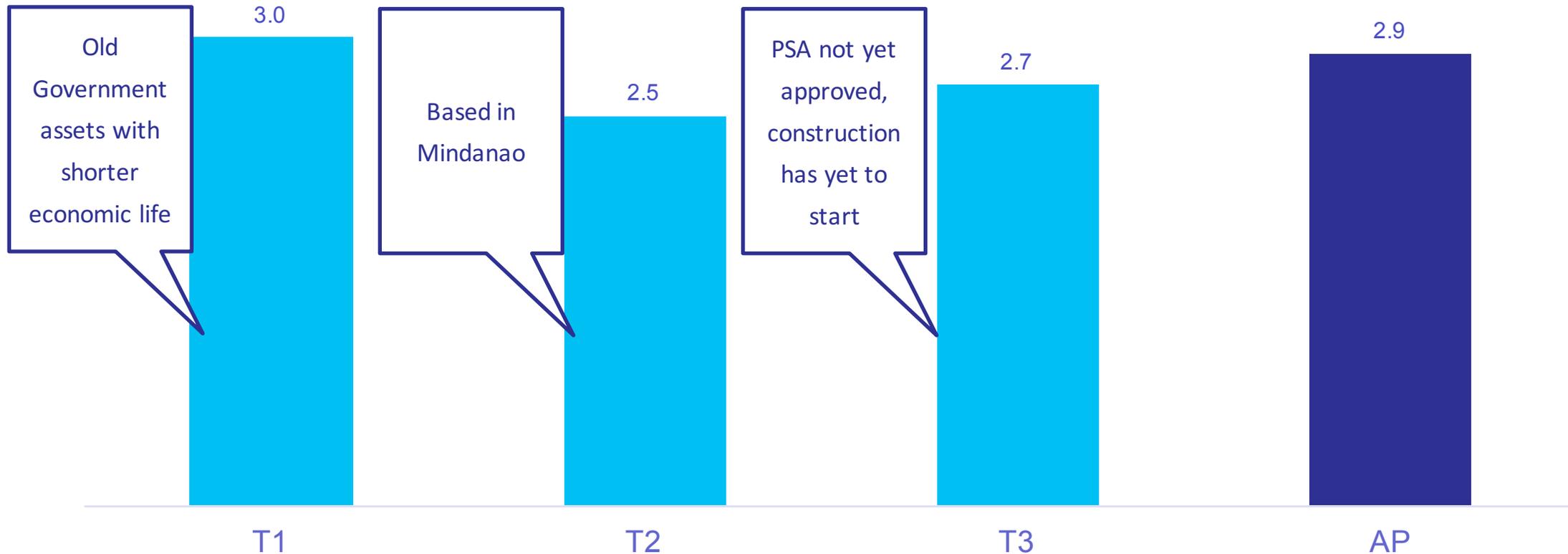
## Post-acquisition Transaction Structure



	PREV	ADDTL	NEW
		%	
<b>GMCP</b>	66%	<b>12%</b>	78%
<b>GNPD</b>	40%	<b>30%</b>	70%

	PREV	ADDTL	NEW
		MW	
	418	<b>77</b>	495
	534	<b>401</b>	935
		<b>478</b>	

## EV/MW appears to be in line with recent Philippine transactions but...



Philippines-based transaction comparables implied EV/MW based on public information and estimates.

---

---

## A Strategic Acquisition that Reaffirms Our Belief

### Highly strategic assets

- Support economic growth in Luzon
- GMCP fully contracted, GNPD in advanced stages of contracting
- GNPD is a super critical coal facility

