



July 30, 2015

**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA Greenhills,  
Mandaluyong City, Metro Manila

ATTENTION : **DIR. VICENTE GRACIANO P. FELIZMENIO JR.,**  
Director, Markets and Securities Regulation Department

**PHILIPPINE STOCK EXCHANGE, INC.**

3rd Floor, Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue, Makati City

ATTENTION : **MS. JANET ENCARNACION**  
Head, Disclosure Department

**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:

We submit for your files the Amended SEC Form 17-C (Current Report) of Aboitiz Power Corporation in relation to its Second Quarter 2015 Financial and Operating Results, amending the description of the power distribution group's income contribution.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

**ABOITIZ POWER CORPORATION**

By

A handwritten signature in black ink, appearing to read 'M. Jasmine S. Oporto', is written over a faint, light-colored signature line.

**M. JASMINE S. OPORTO**

Corporate Secretary

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 29, 2015**  
Date of Report (Date of earliest event reported)

2. SEC Identification Number **C199800134** 3. BIR TIN **200-652-460**

4. **ABOITIZ POWER CORPORATION**  
Exact name of registrant as specified in its charter

5. **Philippines**  
Province, country or other jurisdiction of incorporation

6.   
Industry Classification Code

7. **32<sup>nd</sup> 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
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<b>Common Stock ₱1 Par Value</b>	<b>7,358,604,307</b>
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<b>Amount of Debt Outstanding (As of June 30, 2015)</b>	<b>₱103,577,150,000.00</b>
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11. Indicate the item numbers reported herein: 9

**Item 9: Other Events**

Aboitiz Power Corporation (AboitizPower or the "Company") recorded a 23% year-on-year (YoY) decrease in its consolidated net income for the second quarter of 2015, from ₱4.8 billion (bn) to ₱3.7 bn. The movements in the peso-dollar exchange rate resulted to a ₱154 million (mn) non-recurring loss (versus last year's gain of ₱534 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 2014 amounted to ₱3.8 bn, which is 9% lower YoY.

On a year-to-date (YTD) basis, AboitizPower's bottomline performance recorded a 10% YoY decrease, from ₱8.9 bn to ₱8.0 bn. This translated to earnings per share of ₱1.09. The revaluation of consolidated dollar-denominated loans and placements resulted to a non-recurring loss of ₱143

mn (versus last year's gain of ₱323 mn). Adjusting for this one-off, the Company's core net income for the first semester of 2015 amounted to ₱8.2 bn, down by 5% YoY.

## Business Segments

### **Power Generation**

For the quarter ending June 30, 2015, the power generation business recorded an income contribution of 2.8 bn, 29% lower as compared to the same period last year. When adjusted for non-recurring items, the group registered a 9% YoY decrease in its core net income, from ₱3.5 bn to ₱3.0 bn. The decrease in recurring earnings was mainly due to Tiwi-Makban plants' weaker output due to lower available steam flow, and higher operating expenses at both the Pagbilao plant of Therma Luzon, Inc. and the Mindanao barges of Therma Marine, Inc.

On a YTD basis, the generation business accounted for 79% of earnings contributions from AboitizPower's business segments, recording an income share of ₱6.4 bn for the first semester of 2015, down 15% YoY. Netting out one-off items, AboitizPower's generation business amounted to ₱6.6 bn for the period, which was 9% lower than last year.

As of semester end, AboitizPower's attributable net generation rose by 3% YoY, from 5,555 GWh to 5,709 GWh. Electricity sold through bilateral contracts, which made up 88% of total energy sold during the period, expanded by 7% to 5,025 GWh. This is in line with the Company's efforts to reduce its exposure to spot market sales. Consequently, spot sales decreased by 21% YoY from 863 GWh to 685 GWh.

In terms of capacity, higher sales through bilateral contracts and ancillary services resulted to a 2% YoY increase in AboitizPower's attributable sales from 1,766 MW to 1,795 MW. This was due to SN Aboitiz Power – Benguet, Inc. and Therma Mobile, Inc.'s increase in capacity sales, which more than offset the decline in the capacity sales of the Tiwi-Makban plants during the period. Volume of ancillary sales in particular improved by 18% as water levels saw an improvement during the period as compared to the year before.

In the first six months of 2015, the group's average price for its energy sales decreased by 26% YoY. This was mainly due to the 28% decrease in the average selling price of the group's bilateral sales as fuel costs continued to decline. The average rate for ancillary services is also down by 10% YoY due to the implementation of the Binga plant's new contract for ancillary services towards the end of February 2014.

In June 2015, the Company began commercial operations of its 14-MW Sabangan run-of-river hydroelectric plant. Meanwhile, works on the Davao Coal plant is ongoing. As stated earlier, Unit 2 is expected to be commissioned by February 2016. Meanwhile, Unit 1, which is currently undergoing testing, is expected to be commissioned within the third quarter of this year.

### **Power Distribution**

For the second quarter of 2015, the power distribution group registered a 11% YoY **increase** in its income contribution, from ₱828 mn to ₱916 mn. AboitizPower's attributable electricity sales for the quarter ending June 30, 2015 was at 1,227 GWh, 9% higher compared to 1,122 GWh a year ago. The growth in sales was driven mainly by the industrial segment, which grew by 11% during the period.

The power distribution group's earnings share for the first semester of 2015 grew by 20%, from ₱1.4 bn to ₱1.7 bn. Total attributable electricity sales increased by 10% YoY, from 2,122 GWh to 2,338 GWh. The increase was driven by the sales growth registered by Davao Light & Power

Company, Inc., Visayan Electric Company, Inc., Subic Enerzone Corporation, as well as the fresh contribution from Lima Enerzone Corporation, which was acquired in June 2014. Meanwhile, the group's gross margin during the period was largely unchanged at ₱1.57 per kWh.

#### Financial Condition

As of June 30, 2015, the Company's total consolidated assets amounted to ₱223.1 bn, 3% higher than the year-end 2014 level of ₱216.8 bn. The Company's consolidated Cash and Cash Equivalents was at ₱39.5 bn, while total consolidated interest-bearing loans was at ₱103.6 bn. Equity Attributable to Equity Holders of the Parent decreased by 5% to ₱87.8 bn from year-end 2014. As of June 30, 2015, the Company's current ratio was at 2.1x (versus year-end 2014's 3.4x), while net debt-to-equity ratio was at 0.7x (versus year-end 2014's 0.6x).

#### 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



**M. JASMINE S. OPORTO**

Corporate Secretary

Dated: July 29, 2015