

March 8, 2016

*via facsimile (632) 584-5593 and by hand*  
**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

*via PSE EDGE*  
**PHILIPPINE STOCK EXCHANGE, INC.**  
3rd Floor, Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue, Makati City

ATTENTION : **MS. JANET 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:

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).

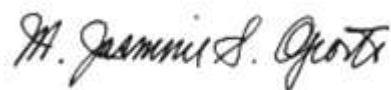
Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

**ABOITIZ POWER CORPORATION**

By



**M. JASMINE S. OPORTO**  
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 6

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. **March 8, 2016**  
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. **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<br>Outstanding and Amount of Debt Outstanding |
|---|--|
| <b>Common Stock ₱1 Par Value</b>                            | <b>7,358,604,307</b>   |
| <b>Amount of Debt Outstanding (As of December 31, 2015)</b> | <b>₱114,151,878,000.00</b>   |

11. Indicate the item numbers reported herein: 9

**Item 9: Other Events**

Aboitiz Power Corporation (AboitizPower or the "Company") recorded an increase of 54% year-on-year (YoY) in its consolidated net income for the quarter ending December 31, 2015, from ₱3.5 billion (bn) to ₱5.4 bn. Adjusted for non-recurring items, AboitizPower's core net income for the fourth quarter of 2015 amounted to ₱5.4 bn, which is 56% higher YoY.

On a full-year basis, AboitizPower's income performance recorded a 5% YoY increase, from ₱16.7 bn to ₱17.6 bn. This translated to earnings per share of ₱2.39. The Company registered a net non-recurring loss of ₱762 mn (versus last year's loss of ₱136 mn) due to the revaluation of consolidated dollar-denominated assets and liabilities resulting from the movements in the peso-dollar exchange rates. Adjusting for these one-offs, the Company's core net income for 2015 amounted to ₱18.4 bn, up by 9% YoY.

## **Business Segments**

### ***Power Generation***

For the quarter ending December 31, 2015, the power generation business recorded an income contribution of ₱4.4 bn, 64% higher as compared to the same period last year. The increase was mainly due to the higher earnings contributions from the coal, geothermal and oil groups. When adjusted for non-recurring items, the group registered a 68% YoY increase in its core net income, from ₱2.6 bn to ₱4.4 bn.

On a full-year basis, the generation business accounted for 79% of earnings contributions from AboitizPower's business segments, recording an income share of ₱13.9 bn for 2015, up 3% YoY. Netting out one-off items, AboitizPower's generation business generated ₱14.8 bn for the period, which was 9% higher than last year. The growth was attributable to the higher sales volume from the coal and large hydro groups that offset the decrease in revenues from the geothermal group due to steam decline. Moreover, the impact of Magat, Binga and Therma Marine Plants' income tax holiday expiration were offset by the large hydro group's lower financing cost and the geothermal and oil groups' lower operating expenses.

For full year 2015, AboitizPower's attributable net generation rose by 11% YoY, from 11,272 GWh to 12,550 GWh, as electricity sold through bilateral contracts, which made up 91% of total energy sold during the period, expanded by 18% to 11,383 GWh. On the other hand, spot market sales decreased by 28% from 1,612 GWh to 1,168 GWh.

In terms of capacity, higher sales through bilateral contracts and ancillary services resulted to a 6% YoY increase in AboitizPower's attributable sales to 1,900 MW. The new capacities from Therma South, Inc. and Hedcor Sabangan, Inc., along with the higher ancillary revenues of the large hydros and higher dispatch of the oil group, more than offset the decrease in AP Renewables, Inc.'s available capacity due to steam decline. Meanwhile, ancillary sales improved by 41% due to better water inflows as compared to the previous year.

The completion of the construction of the 14-MW Sabangan run-of-river hydroelectric and 260-MW (net) Davao Coal resulted to an increase in the Company's net attributable sellable capacity to 2,532 MW.

### ***Power Distribution***

On the other hand, the power distribution group registered a 62% YoY growth in its income contribution for the fourth quarter of 2015, from ₱721 mn to ₱1.2 bn. AboitizPower's attributable sales for the period was at 1,213 GWh, increasing by 3% from 1,181 GWh a year ago. The growth in sales was mainly driven by the residential segment.

The power distribution group's earnings share for 2015 increased by 19%, from ₱3.2 bn to ₱3.8 bn. This is equivalent to 21% of earnings contributions from AboitizPower's business segments. The group's gross margin on a per kWh basis in 2015 decreased to ₱1.61 from ₱1.71 a year ago. This was brought about by the continued operations of Davao Light & Company, Inc.'s embedded plant to meet the shortfall in the Mindanao grid. Strong demand growth of its lower margin industrial customers also contributed to the decline in the per kilowatt margins. The overall improved performance of the group is mainly from higher attributable electricity sales which increased by 6% YoY, from 4,480 GWh to 4,759 GWh as energy sales grew across all customer segments as well as the full year contributions from Lima Enerzone Corporation which was acquired last year.

## Financial Condition

As of December 31, 2015, the Company's total consolidated assets amounted to ₱242.6 bn, 12% higher than the year-end 2014 level of ₱216.8 bn. The Company's consolidated Cash and Cash Equivalents was at ₱51.1 bn, while total consolidated interest-bearing liabilities was at ₱114.2 bn. Equity Attributable to Equity Holders of the Parent increased by 6% to ₱97.6 bn from the year-end 2014 level. As of December 31, 2015, the Company's current ratio was at 3.1x (versus year-end 2014's 3.4x), while net debt-to-equity ratio was at 0.6x (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: March 8, 2016

**PRESS RELEASE****9 March 2016****AboitizPower hikes 2015 annual net income by 5%**

Aboitiz Power Corporation (AboitizPower or the “Company”) grew its full-year 2015 income by 5%, from ₱16.7 billion to ₱17.6 billion. This translated to earnings per share of ₱2.39. The Company registered a net non-recurring loss of ₱762 million (versus last year’s loss of ₱136 million) due to the revaluation of consolidated dollar-denominated assets and liabilities resulting from the movements in the peso-dollar exchange rates. Adjusting for these one-offs, the Company’s core net income for 2015 amounted to ₱18.4 billion, up by 9% YoY.

**Business Segments*****Power Generation***

On a full-year basis, the generation business accounted for 79% of earnings contributions from AboitizPower’s business segments, recording an income share of ₱13.9 billion for 2015, up 3% YoY. Netting out one-off items, AboitizPower’s generation business generated ₱14.8 billion for the period, which was 9% higher than last year. The growth was attributable to the higher sales volume from the coal and large hydro groups that offset the decrease in revenues from the geothermal group due to steam decline. Moreover, the impact of Magat, Binga, and Therma Marine plants’ income tax holiday expiration were offset by the large hydro group’s lower financing cost and the geothermal group’s and oil business unit’s lower operating expenses.

For full year 2015, AboitizPower’s attributable net generation rose by 11% YoY, from 11,272 GWh to 12,550 GWh, as electricity sold through bilateral contracts, which made up 91% of total energy sold during the period, expanded by 18% to 11,383 GWh. On the other hand, spot market sales decreased by 28% from 1,612 GWh to 1,168 GWh.

In terms of capacity, higher sales through bilateral contracts and ancillary services resulted to a 6% YoY increase in AboitizPower’s attributable sales to 1,900 MW. The new capacities from Therma South, Inc. and Hedcor Sabangan, Inc., along with the higher ancillary revenues of the large hydros and higher dispatch of the oil group, more than offset the decrease in AP Renewables, Inc.’s available capacity due to steam decline. Meanwhile, ancillary sales improved by 41% due to better water inflows as compared to the previous year.

The completion of the construction of the 14-MW Sabangan run-of-river hydroelectric and 260-MW (net) Davao Coal resulted to an increase in the Company’s net attributable sellable capacity to 2,532 MW.

“We remain on track with our project pipeline as we welcomed new capacity from a number of power plants last year. This puts us well on the path to hitting 4,000 MW in national capacity by 2020 to meet the country’s energy needs,” Antonio R. Moraza, AboitizPower President and Chief Operating Officer, said.

“Our portfolio of power plants composed of a right mix of renewable and non-renewable technology is a testament to our commitment to provide reliable, ample, and reasonably priced power with the least impact on our environment and our host communities,” Moraza said.

### ***Power Distribution***

The power distribution group's earnings share for 2015 increased by 19%, from ₱3.2 billion to ₱3.8 billion. This is equivalent to 21% of earnings contributions from AboitizPower's business segments. The group's gross margin on a per kWh basis in 2015 decreased to ₱1.61 from ₱1.71 a year ago. This was brought about by the continued operations of Davao Light & Company, Inc.'s embedded plant to meet the shortfall in the Mindanao grid. Strong demand growth of its lower-margin industrial customers also contributed to the decline in the per kilowatt margins. The overall improved performance of the group is mainly from higher attributable electricity sales which increased by 6% YoY, from 4,480 GWh to 4,759 GWh as energy sales grew across all customer segments as well as the full year contributions from Lima Enerzone Corporation, which was acquired last year.

###

For further queries on this Press Release, please contact:

**THET R. MESIAS**

**Corporate Branding and Communication**

[thet.mesias@aboitiz.com](mailto:thet.mesias@aboitiz.com)

**+632 886-2497**

**+63917 3036766**