

# ABOITIZ POWER CORPORATION

## Second Quarter / First Semester 2013 Financial & Operating Results

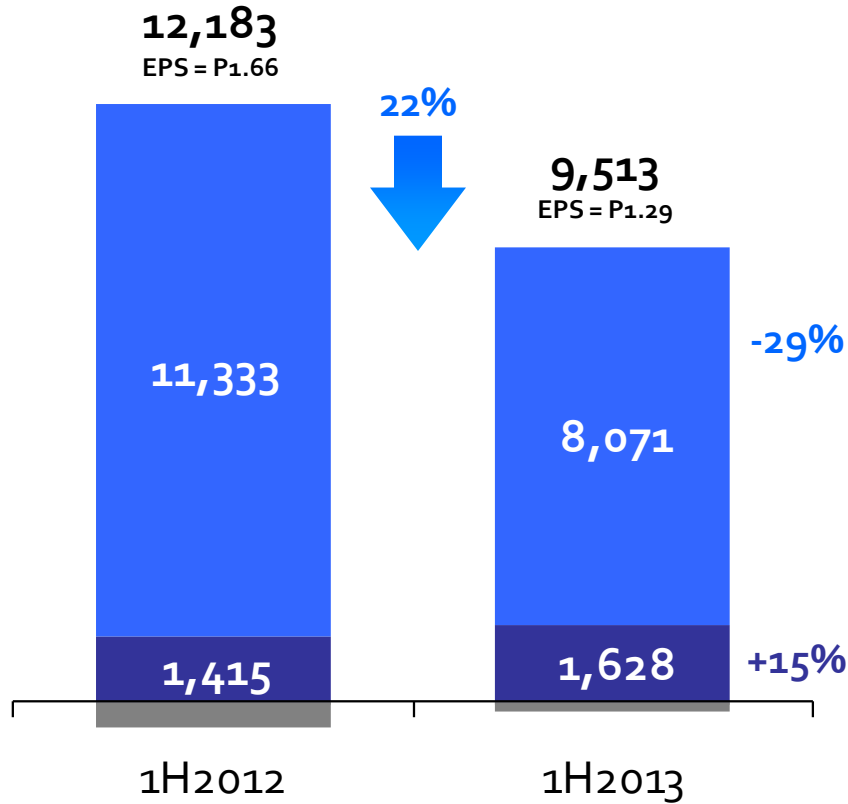
2 August 2013



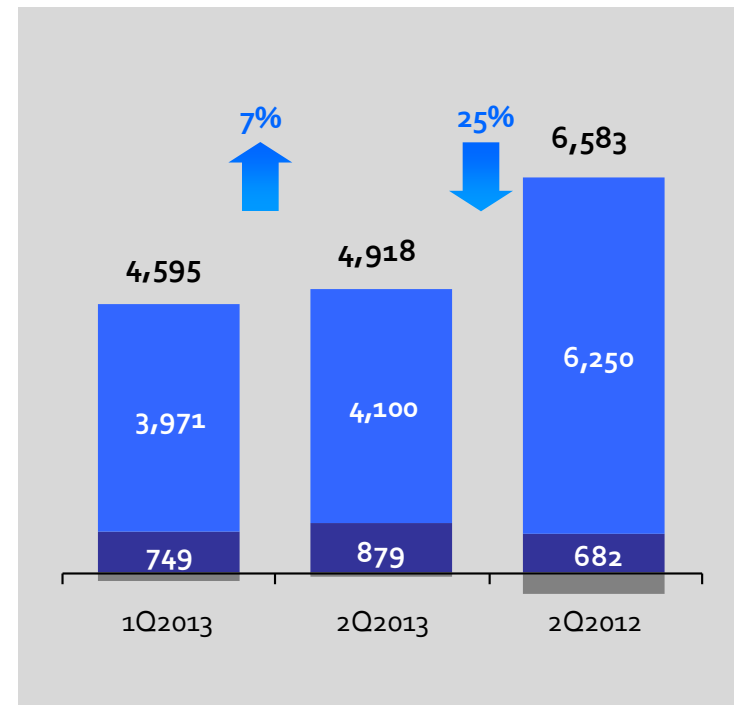
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# NET INCOME (in million pesos)



## QUARTERLY BREAKDOWN



Distribution
  Generation
  AP Parent & Others

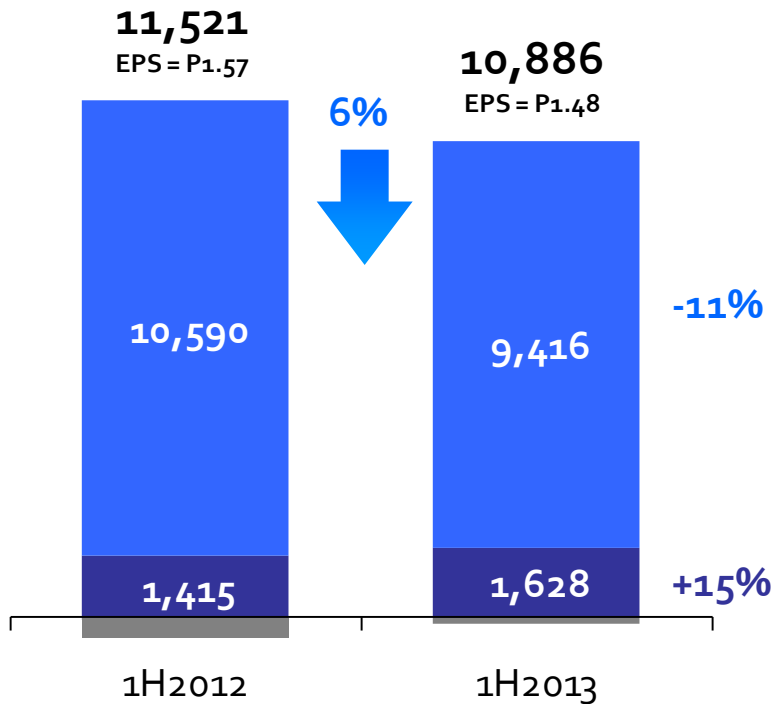
# CORE NET INCOME (in million pesos)

## Non-Recurring Items

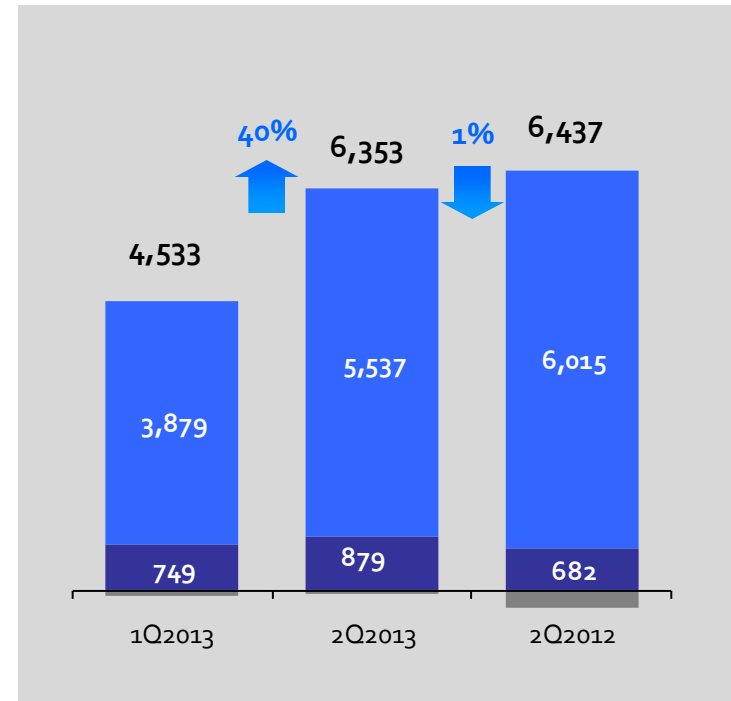
	1H2012	1H2013
FX gains/(loss)	945	(1,280)
Gain on redemption	14	-
Fuel cost adjustment	(238)	-
Debt prepayment costs	(59)	(93)
	<u>662</u>	<u>(1,373)</u>

## Non-Recurring Items

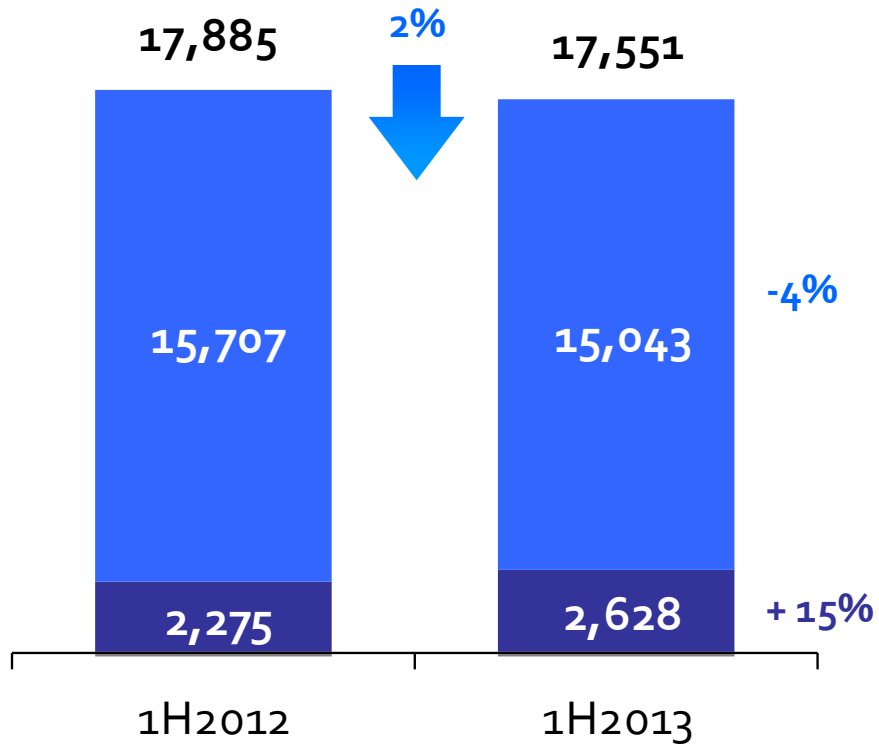
	1Q2013	2Q2013	2Q2012
FX gains/(loss)	154	(1,435)	442
Fuel cost adjustment			(238)
Debt prepayment costs	(93)		(59)
	<u>62</u>	<u>(1,435)</u>	<u>146</u>



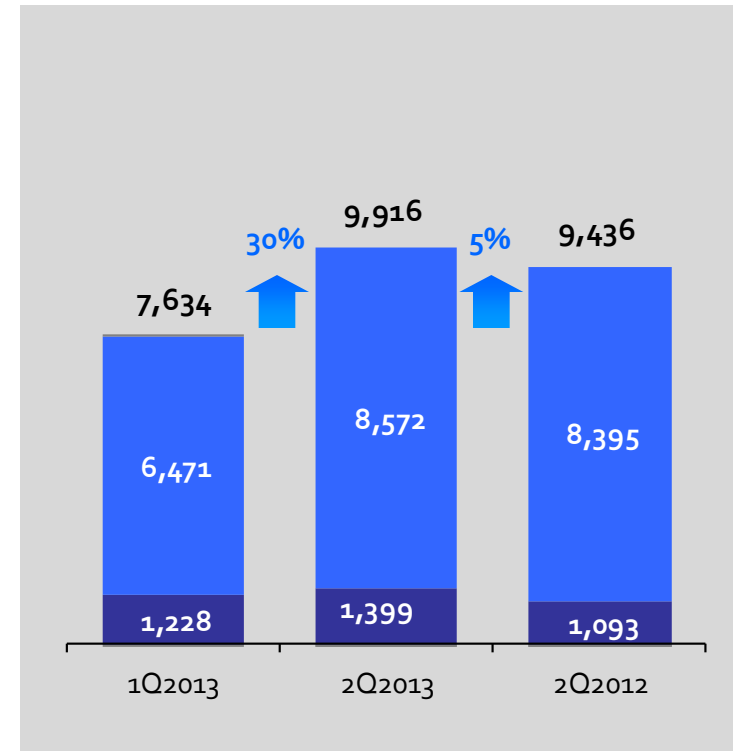
## QUARTERLY BREAKDOWN



# BENEFICIAL EBITDA (in million pesos)



## QUARTERLY BREAKDOWN

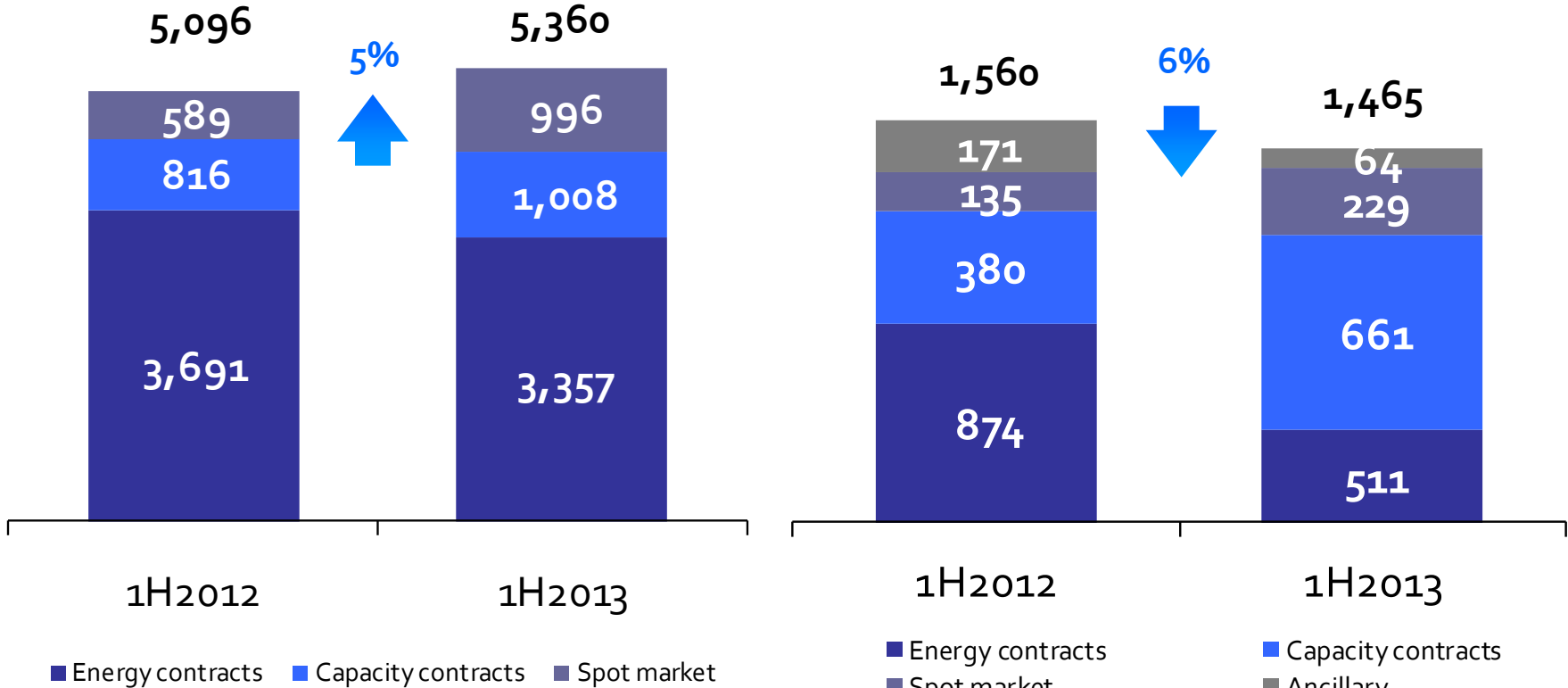


Distribution
  Generation
  AP Parent & Others

# OPERATING HIGHLIGHTS: GENERATION

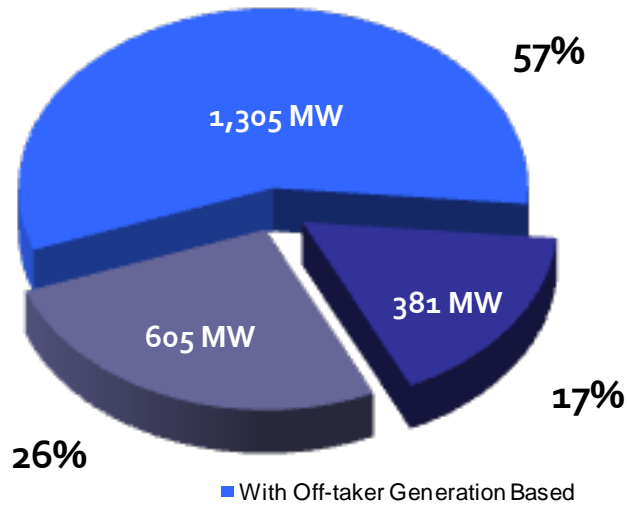
ENERGY SALES BREAKDOWN (GWh)

CAPACITY SALES BREAKDOWN (MW)

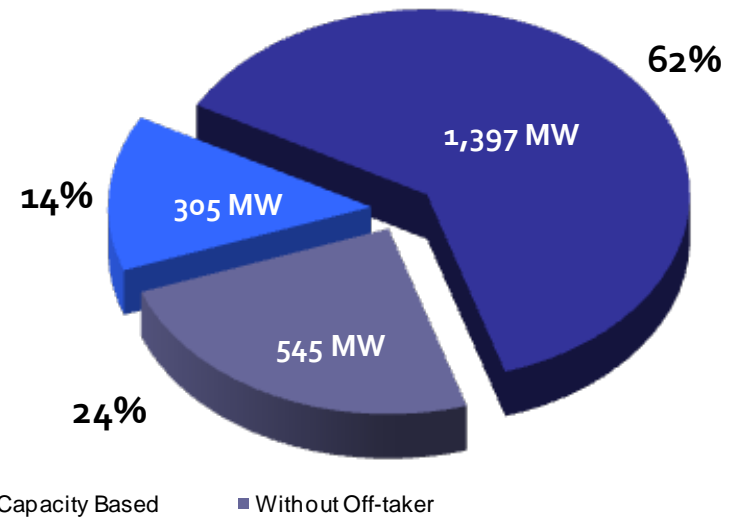


P/kWh	1H2012	1H2013
Bilateral	5.30	4.75
Spot Market	6.33	5.15

2012



As of August 2013



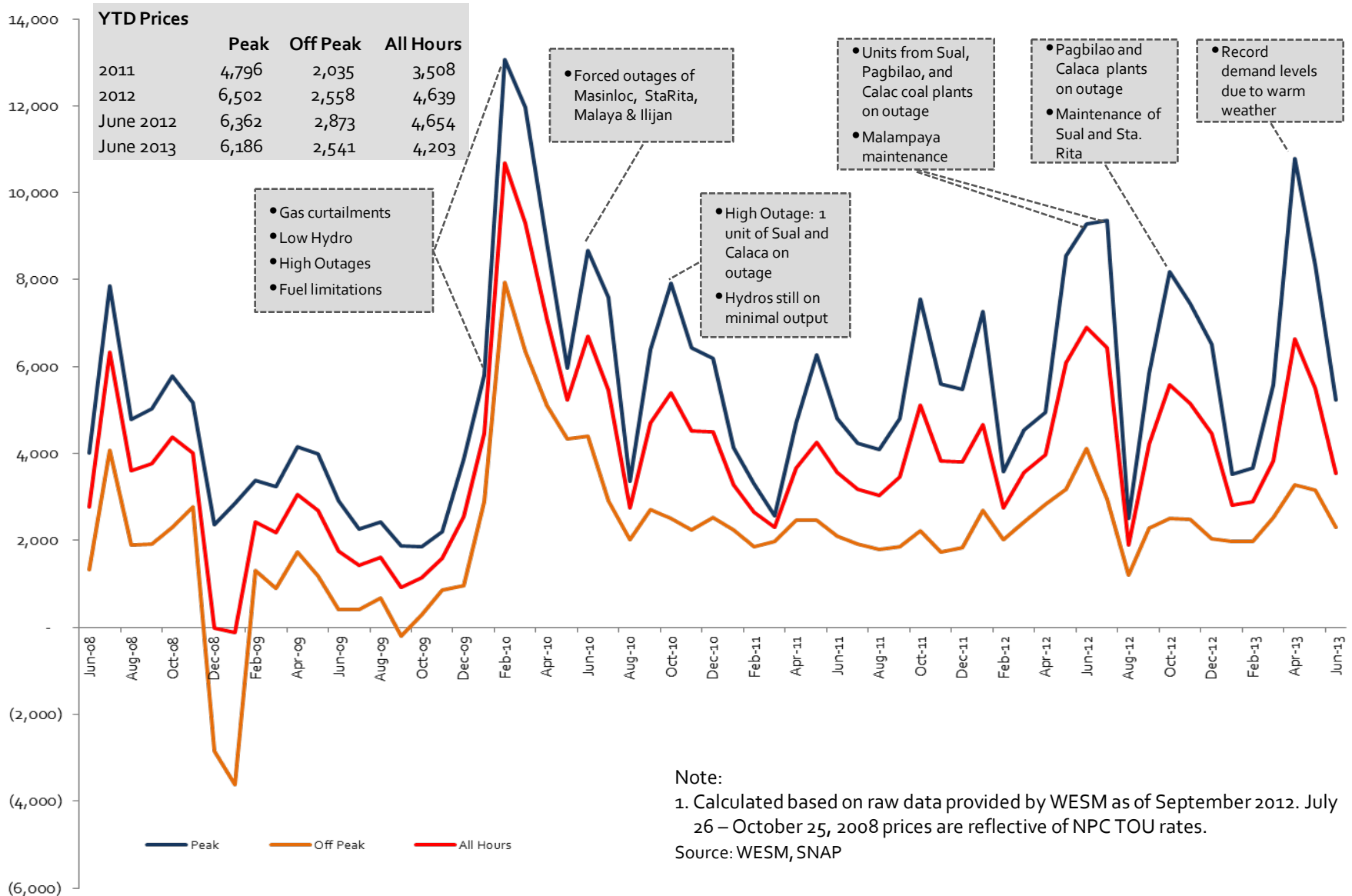
Notes:

- Without Off-taker capacity includes 225 MW of Therna Mobile which is not yet commercially operating
- With Off-taker Capacity Based includes 90 MW of firm ancillary offers under the new ASPAs for Magat and Pagbilao
- Includes diversity equivalent to 94 MW
- Open access contracts – 258 MW

**AP has started to shift its Power Supply Agreements to capacity-based contracts for more stable and predictable cash flows**

# OPERATING HIGHLIGHTS: 1H2013 WESM HIGHLIGHTS

## WESM TIME WTD AVERAGE PRICES (P/MWh) – Luzon Grid



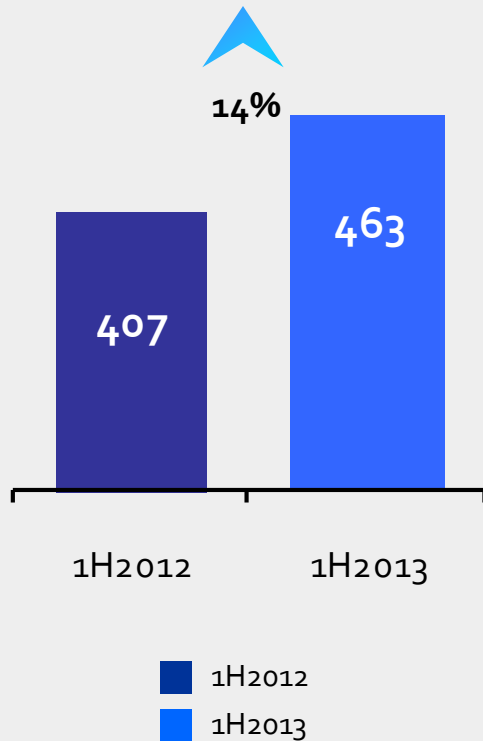
**Note:**

1. Calculated based on raw data provided by WESM as of September 2012. July 26 – October 25, 2008 prices are reflective of NPC TOU rates.

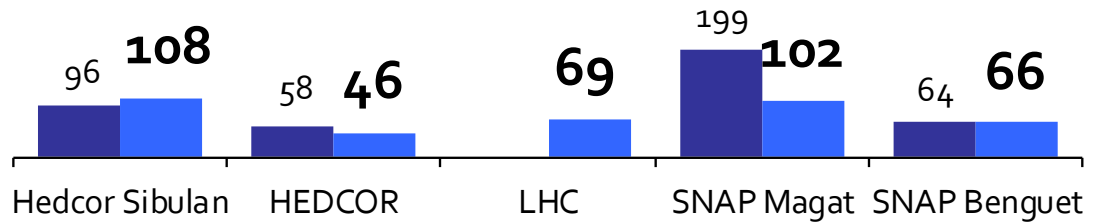
Source: WESM, SNAP

# OPERATING HIGHLIGHTS: HYDRO

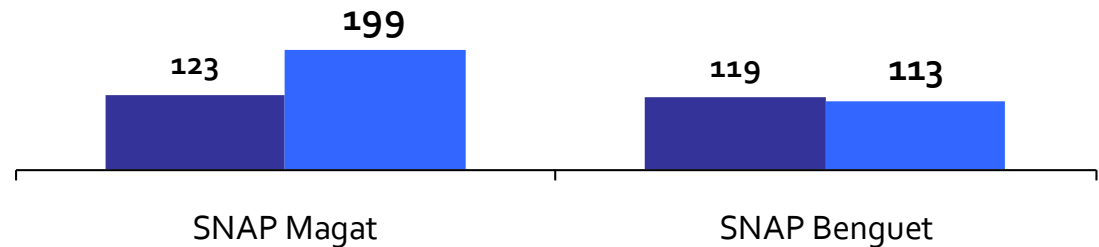
## ATTRIBUTABLE ENERGY SALES (GWh)



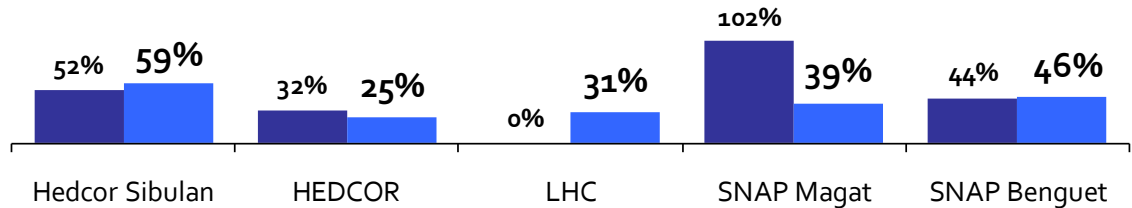
## CONTRACTED ENERGY (GWh), at 100%



## SPOT MARKET (GWh), at 100%



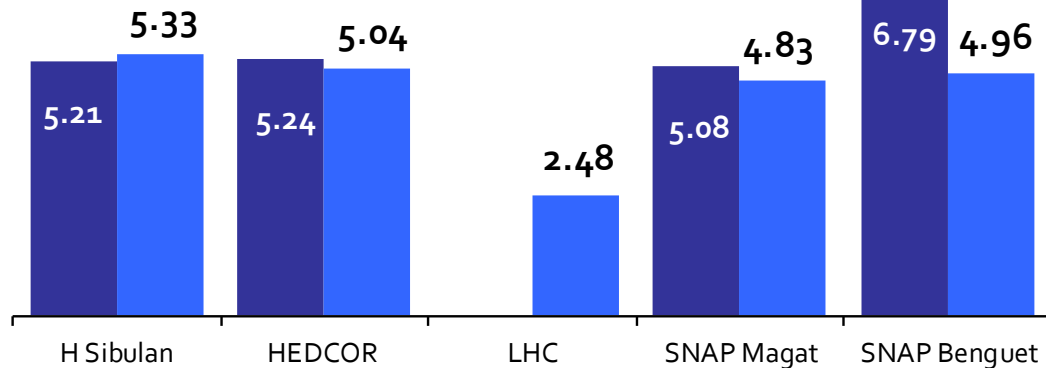
## NET CAPACITY SOLD FACTOR



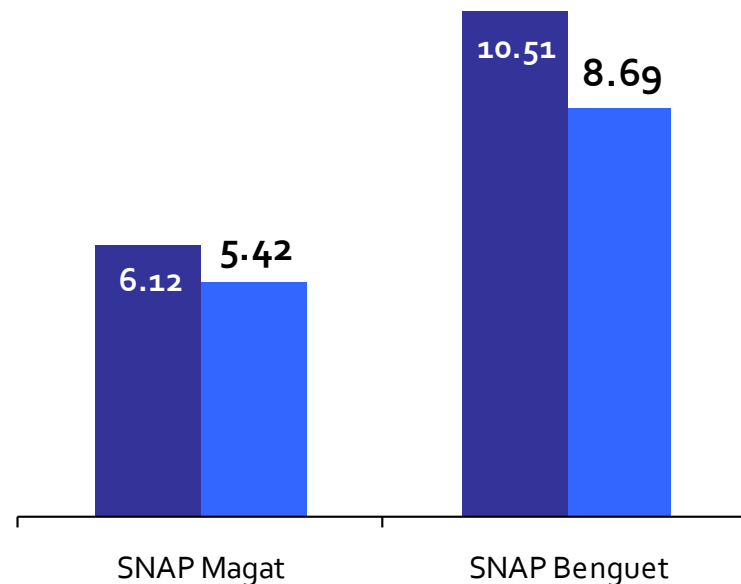


## AVERAGE SELLING PRICE (in P/kWh)

### CONTRACTED ENERGY



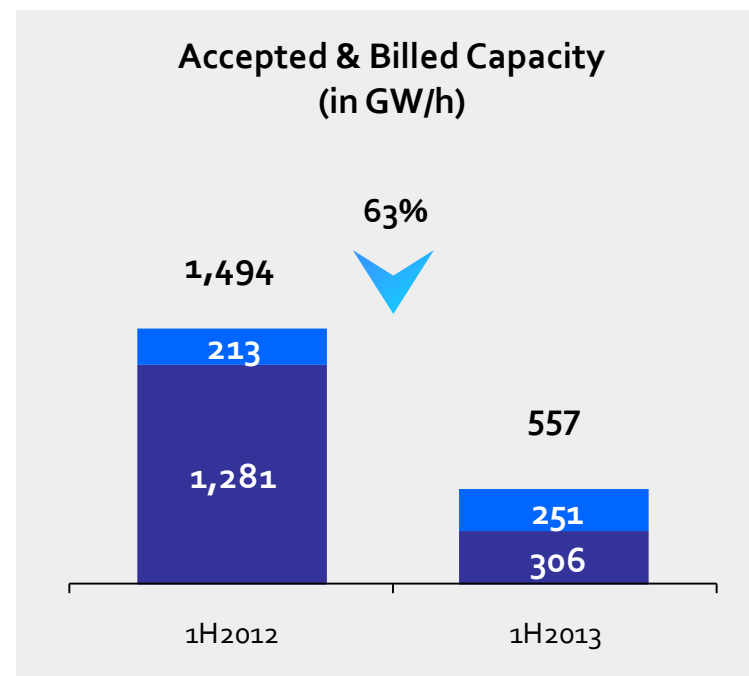
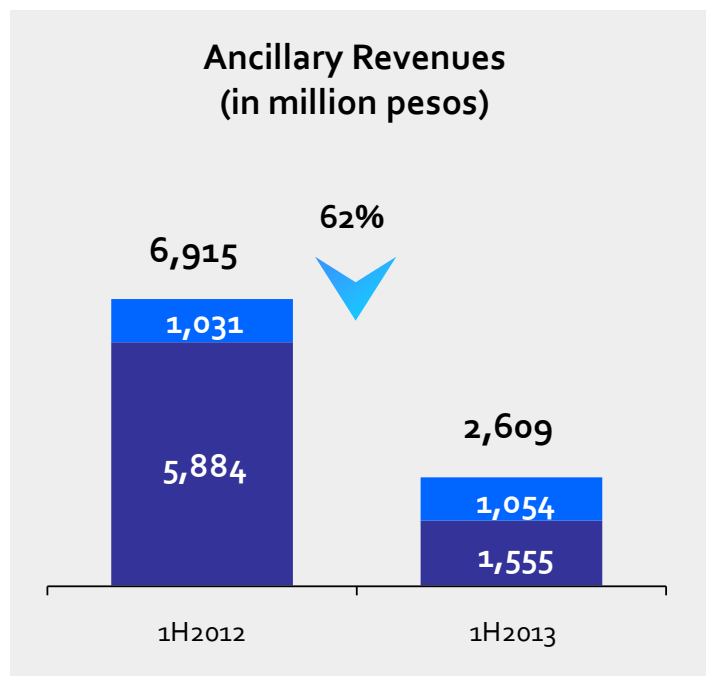
### SPOT MARKET



■ 1H2012  
■ 1H2013

## SNAP MAGAT & SNAP BENGUET ANCILLARY SERVICES

(at 100%)



- SNAP Magat
- SNAP Benguet

	1H2012	1H2013
P/kW/h	4.63	4.68

## ANCILLARY SERVICES – Nomination and Acceptance

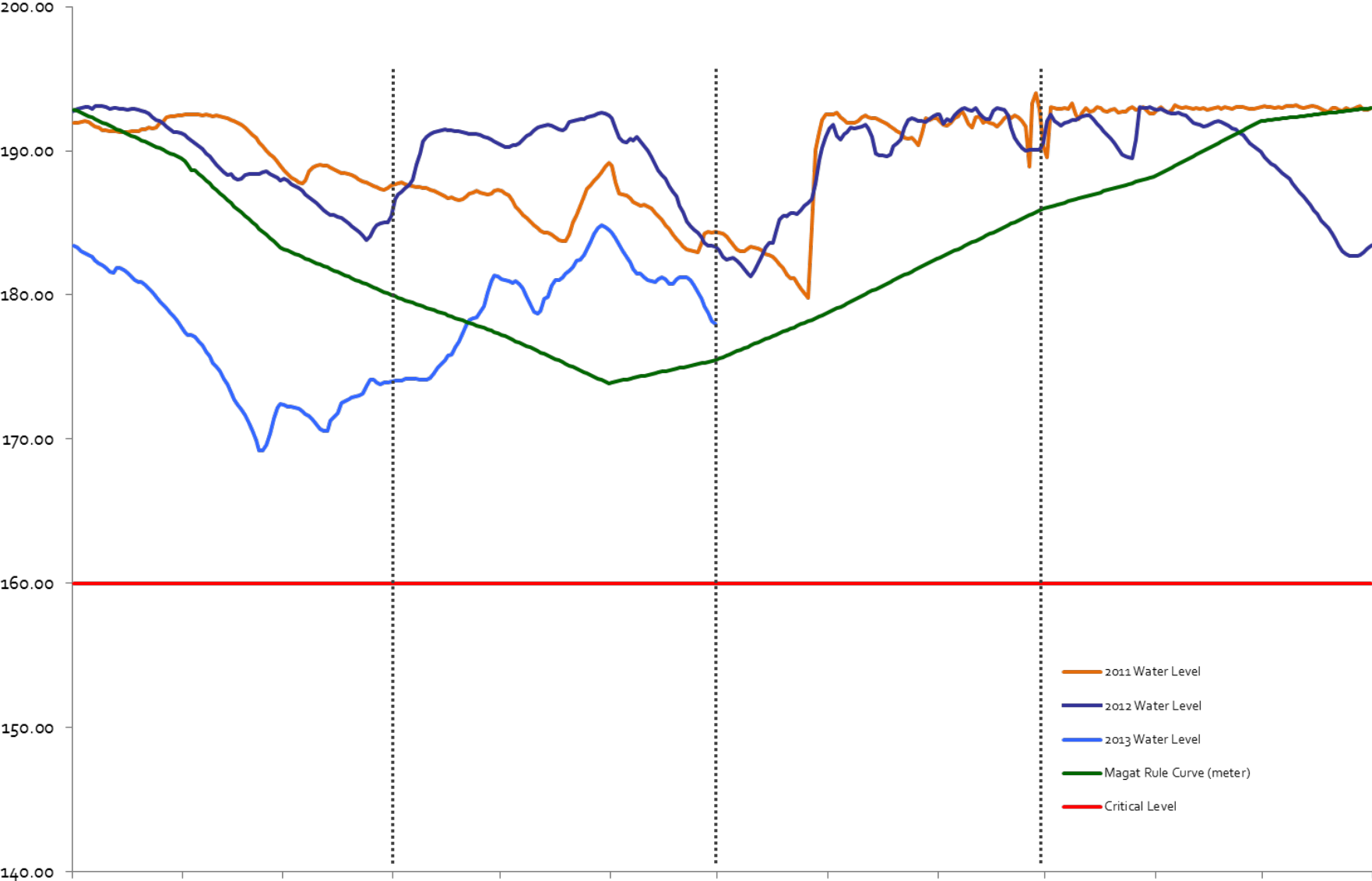
Nominated and Accepted Ancillary (GW/h)



# OPERATING HIGHLIGHTS: HYDRO

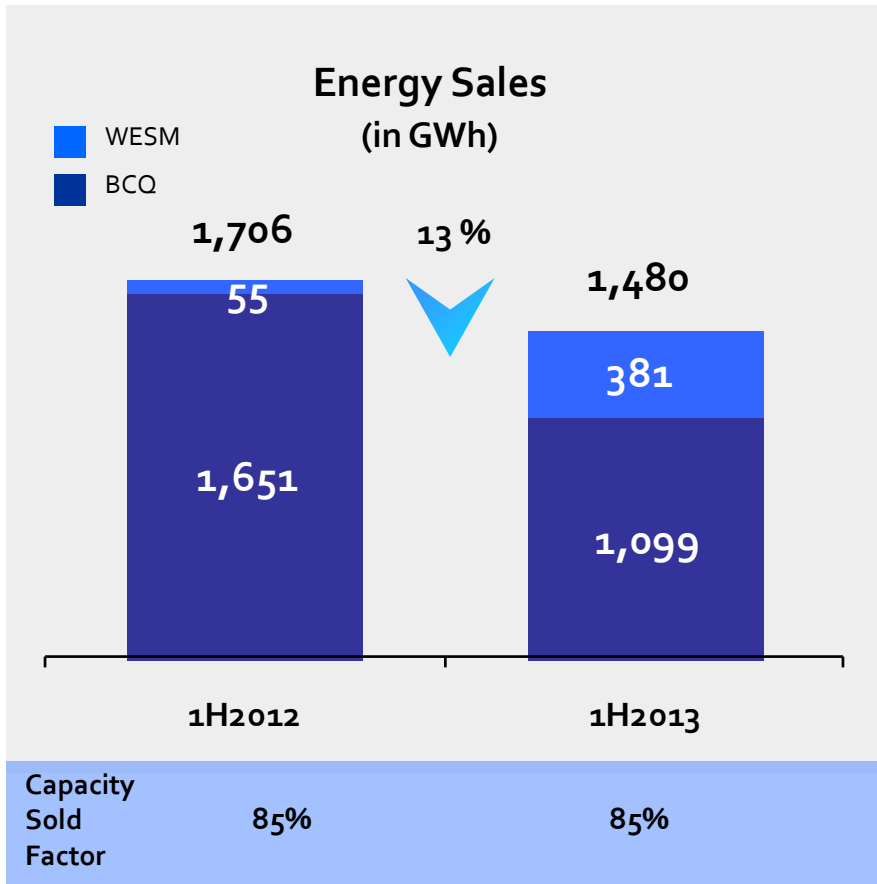


## MAGAT'S WATER LEVEL VS. RULE CURVE (in MASL)

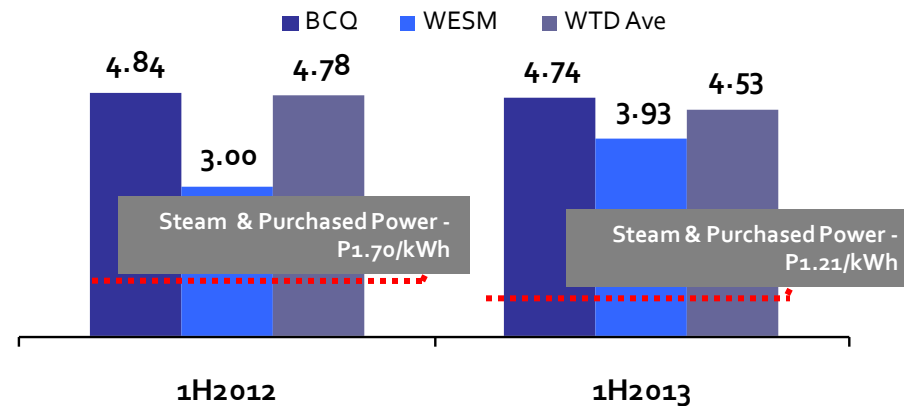


Source: SNAP

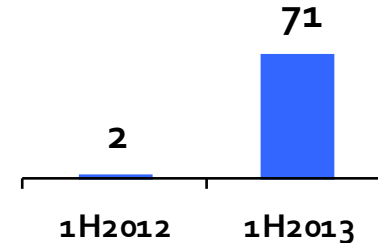
## AP RENEWABLES (Tiwi-Makban)



### Average Selling Prices (P/kWh)

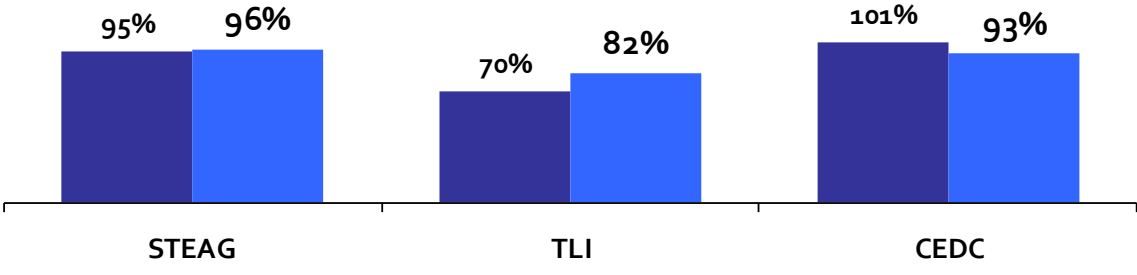
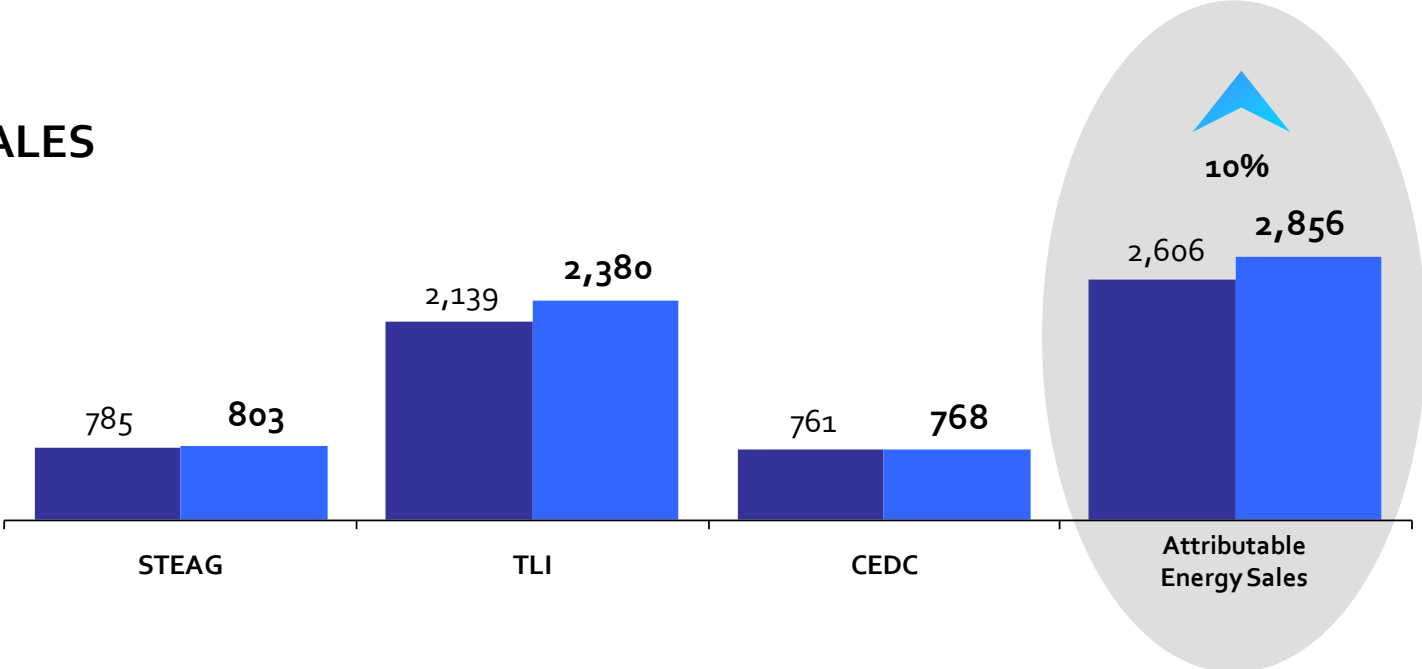


### Steam Vented (GWh)



- Tiwi-Makban shifted to the new pricing scheme for steam under GRSC effective May 26, 2013
- Steam cost based on first billing under GRSC amounted to P2.30/kWh
- AP is continuing talks with Chevron to replace GRSC with a revenue-sharing scheme to maximize plant utilization

## ENERGY SALES (GWh)



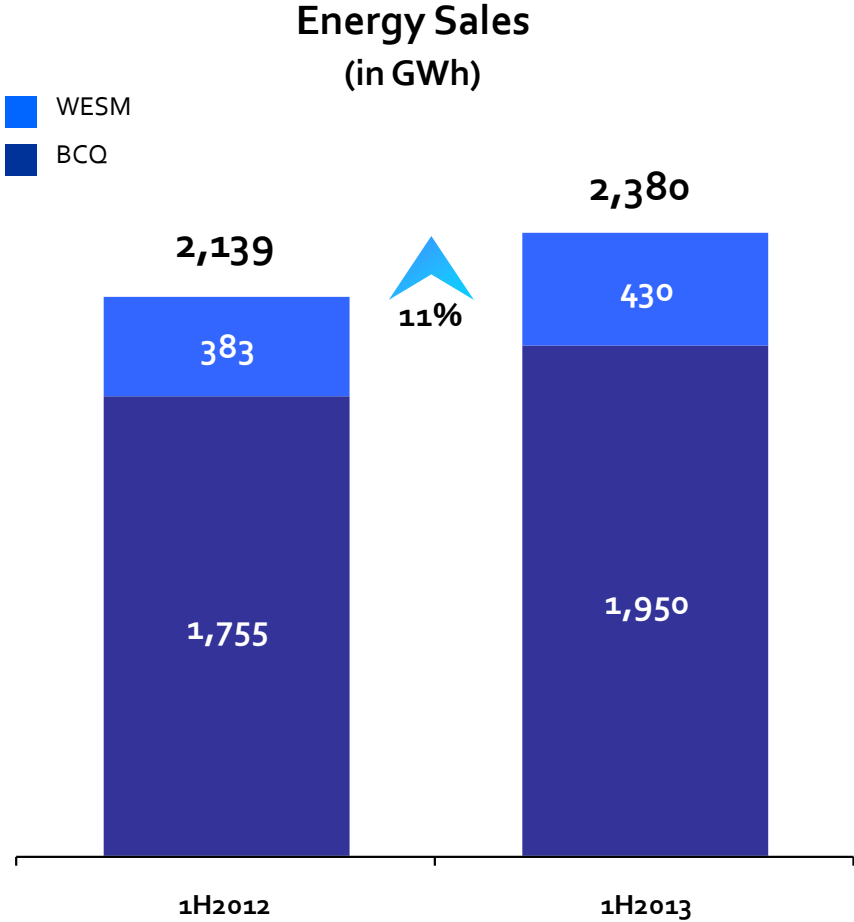
## NET CAPACITY SOLD FACTOR

■ 1H2012  
■ 1H2013

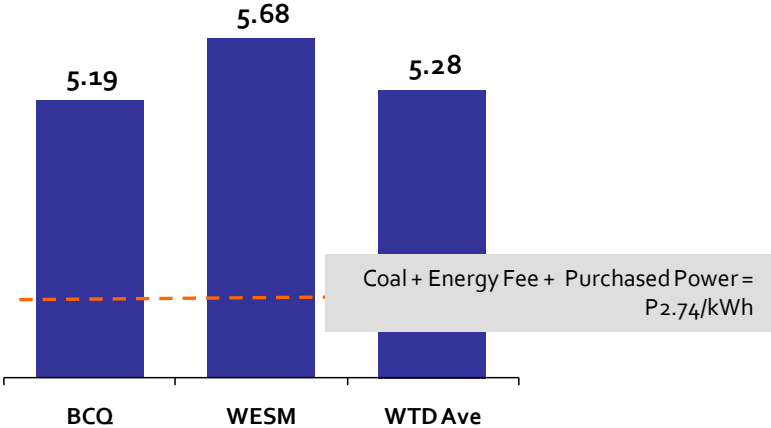
# OPERATING HIGHLIGHTS: COAL



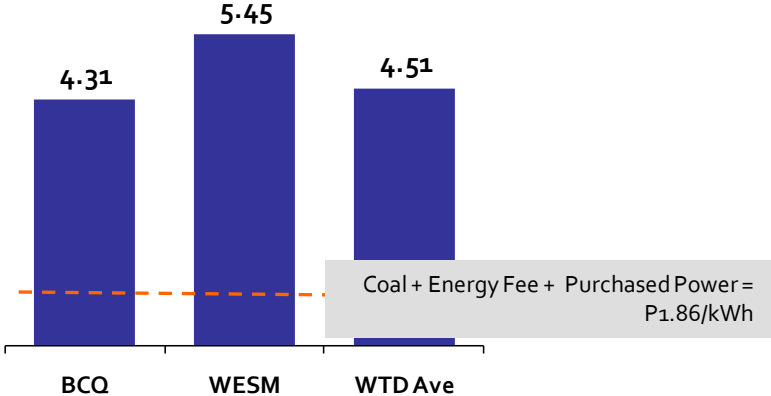
## THERMA LUZON (Pagbilao)



### 1H2012 Average Selling Price P/kWh



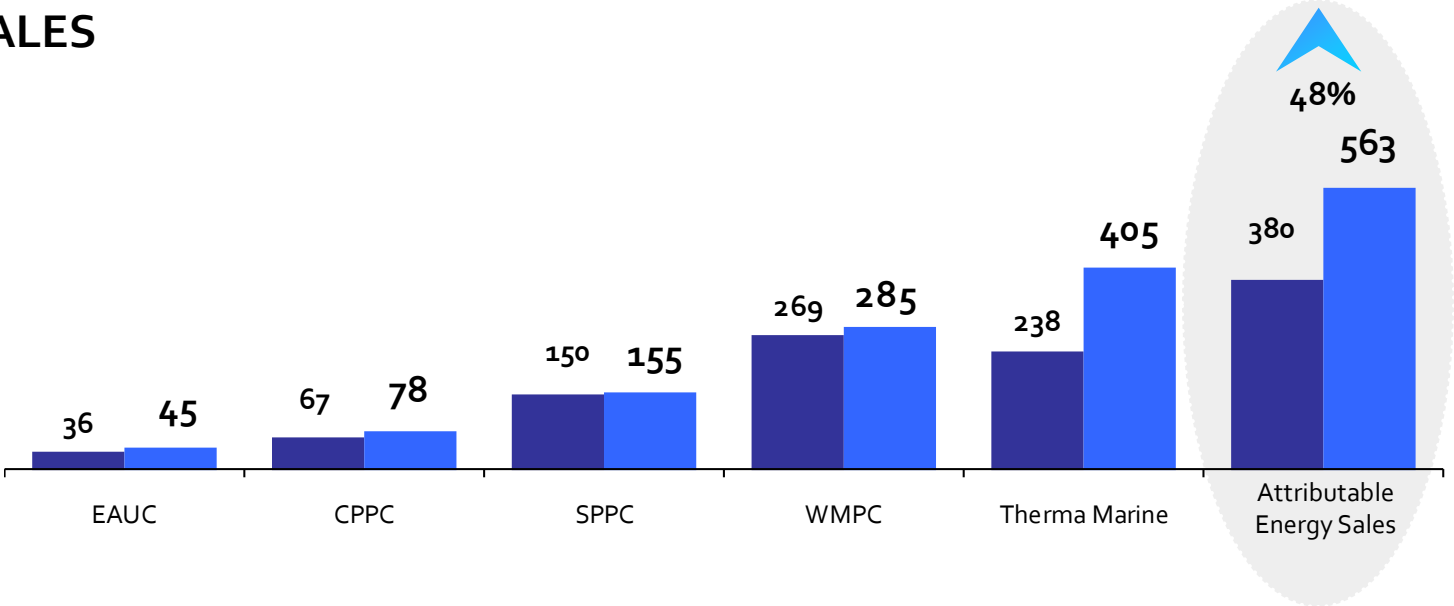
### 1H2013 Average Selling Price P/kWh



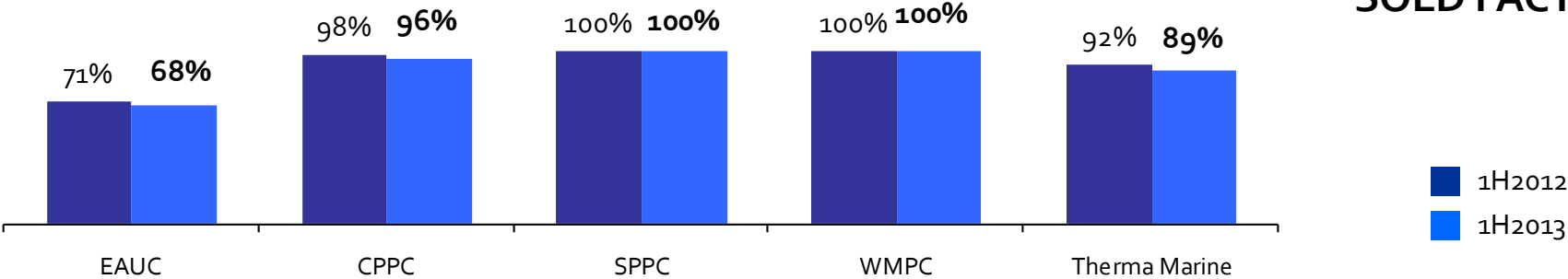
# OPERATING HIGHLIGHTS: OIL



## ENERGY SALES (GWh)



## NET CAPACITY SOLD FACTOR

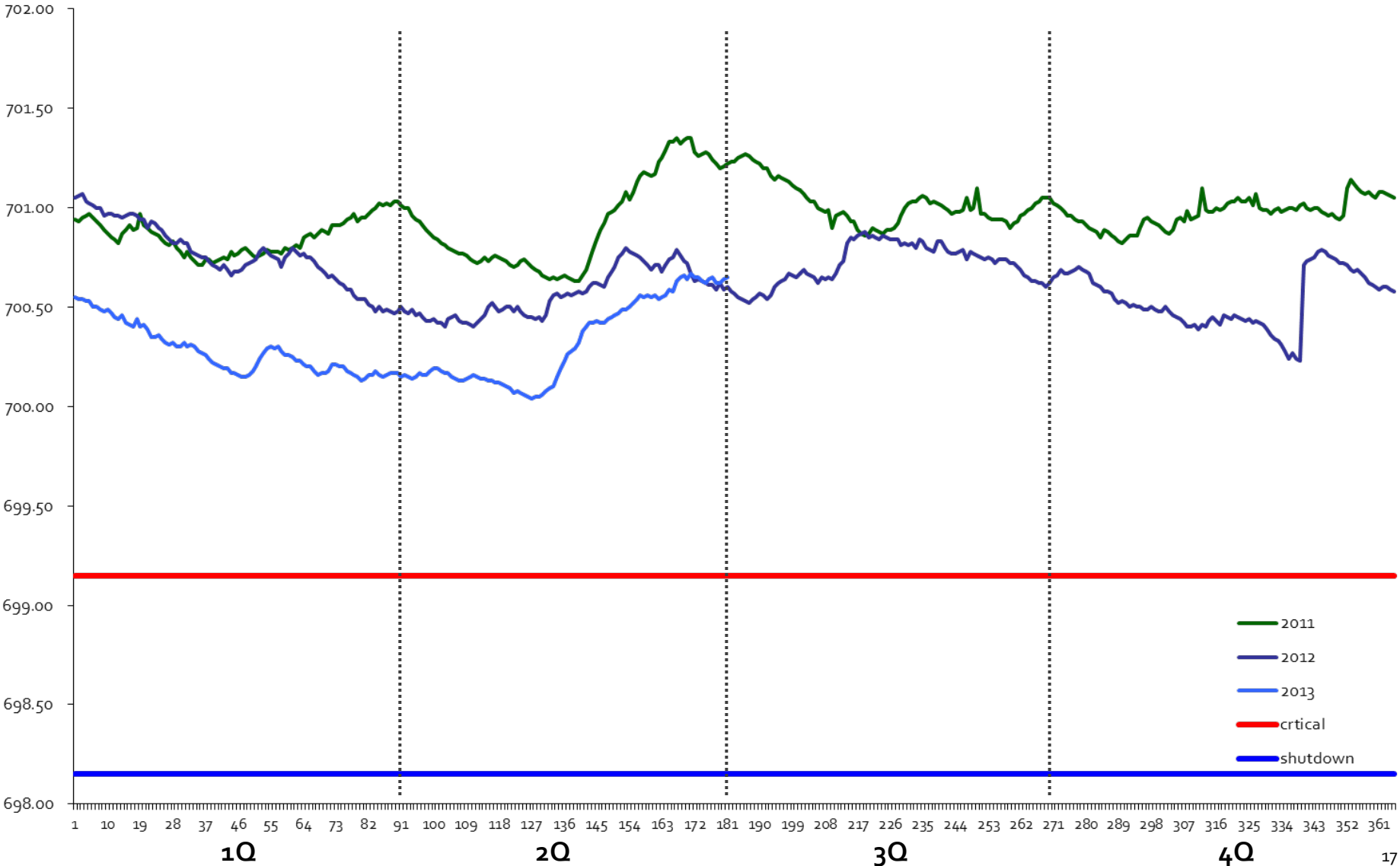




# OPERATING HIGHLIGHTS: OIL

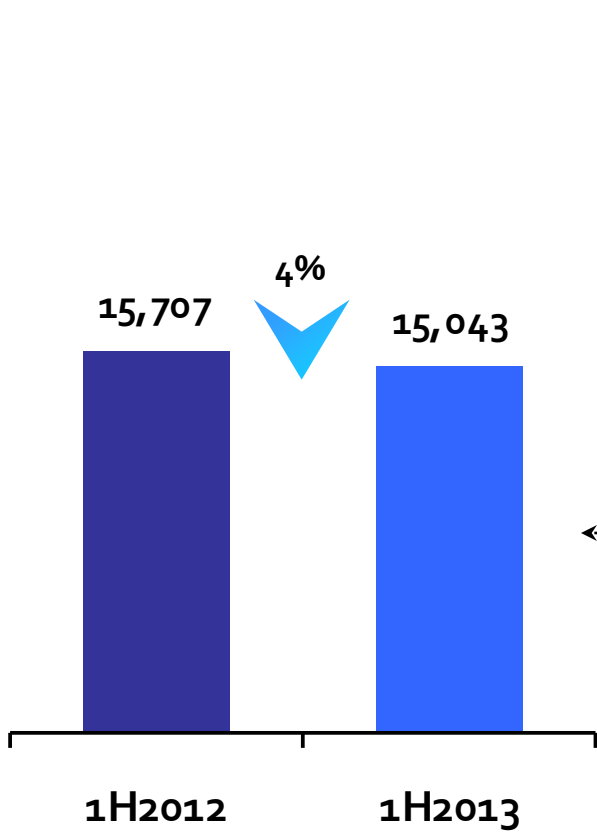


## LAKE LANAO WATER LEVEL (in MASL)



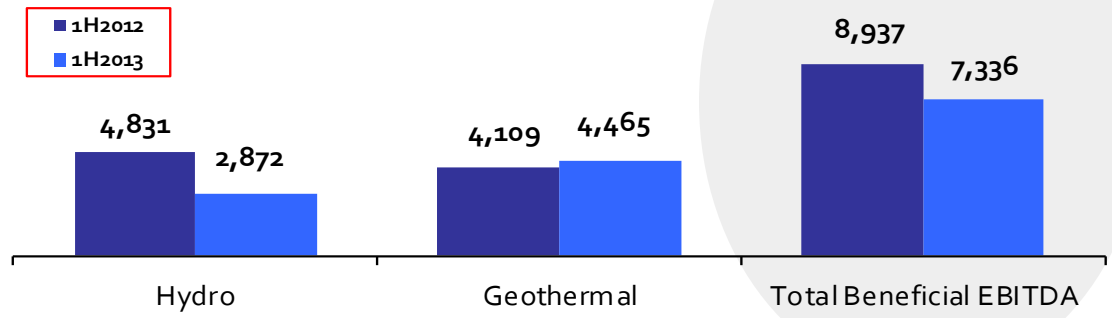
# OPERATING HIGHLIGHTS: GENERATION

## PF BENEFICIAL EBITDA

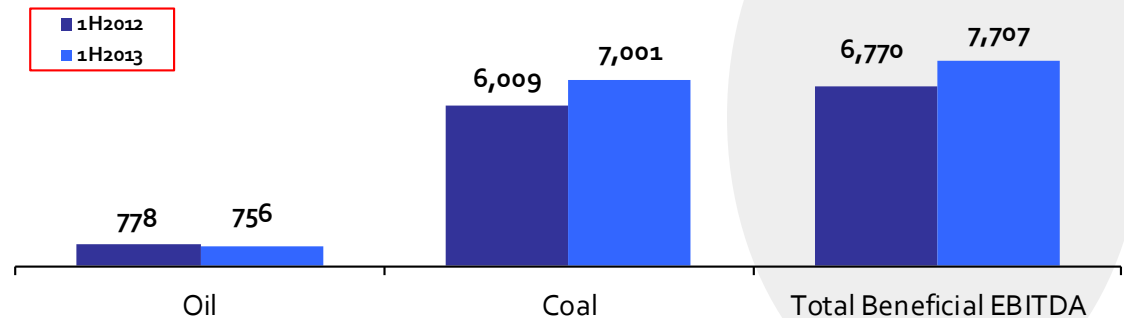


Amounts in Million Pesos

## RENEWABLE PLANTS

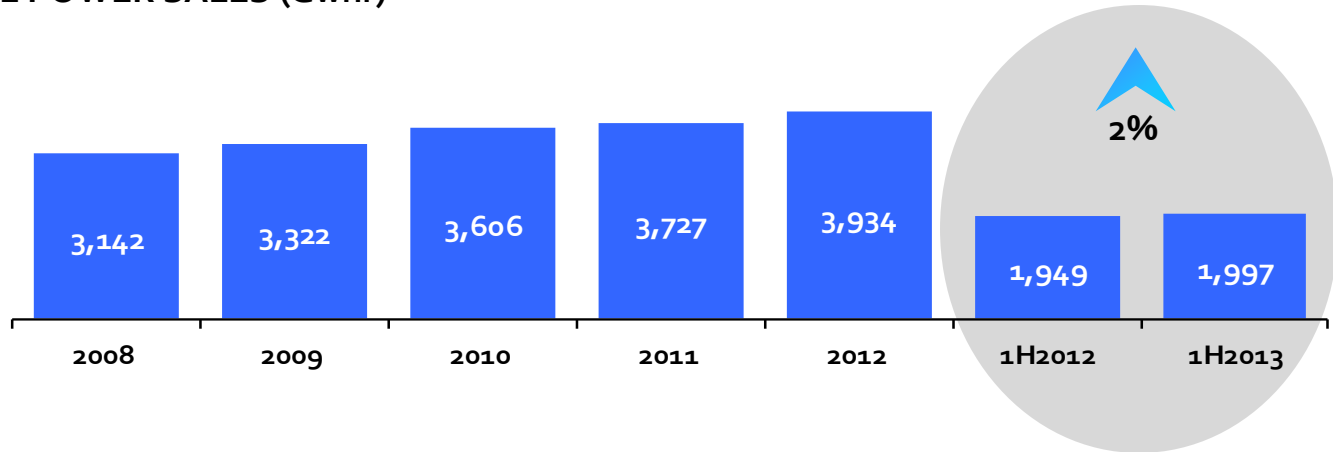


## THERMAL PLANTS

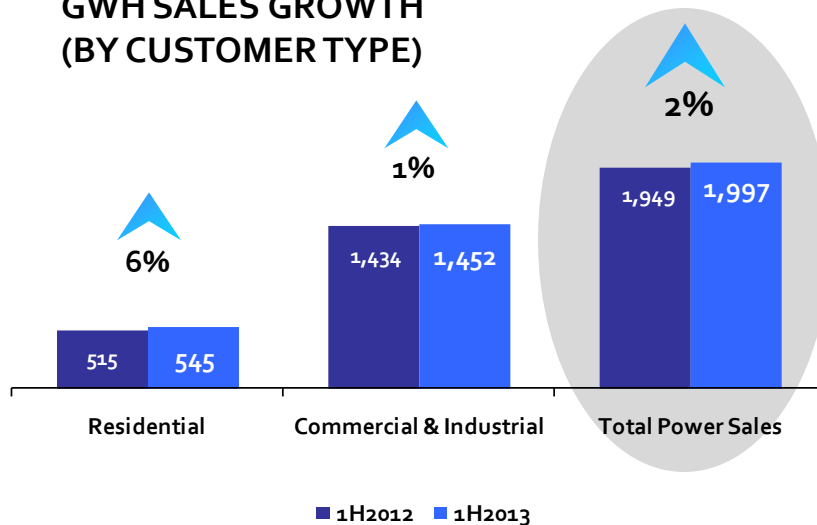


# OPERATING HIGHLIGHTS: DISTRIBUTION

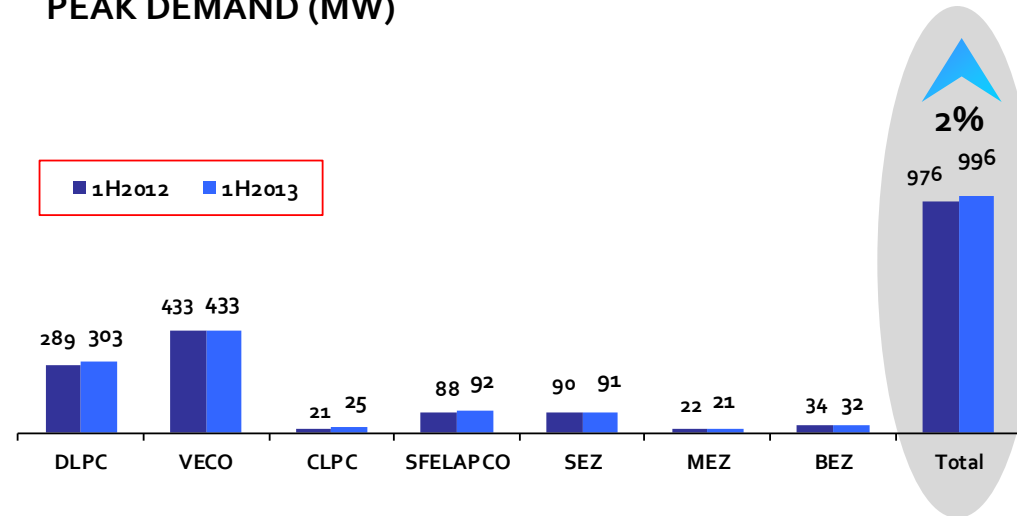
## BENEFICIAL POWER SALES (Gwhr)



## BENEFICIAL GWH SALES GROWTH (BY CUSTOMER TYPE)



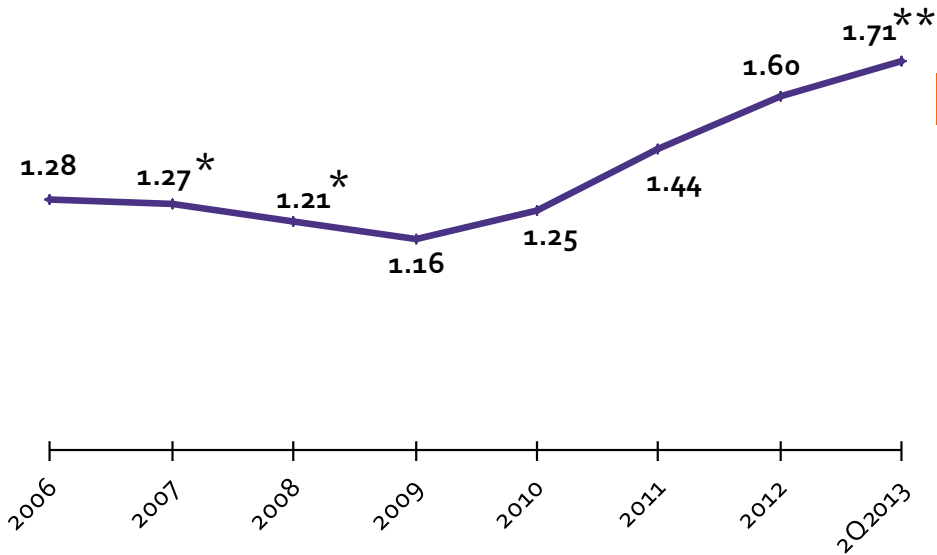
## PEAK DEMAND (MW)



# OPERATING HIGHLIGHTS: DISTRIBUTION



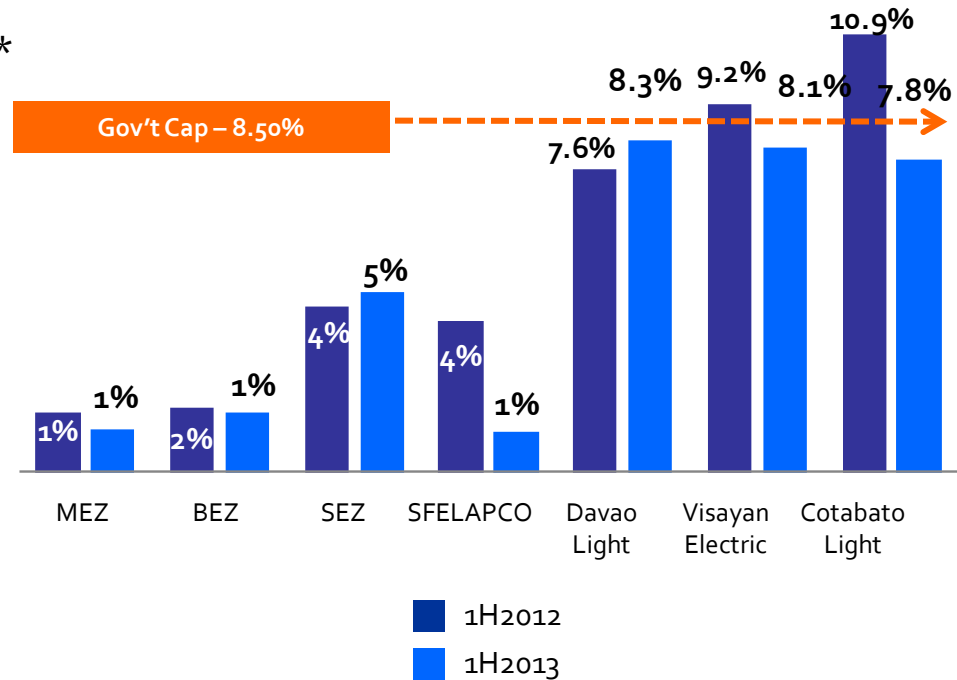
## GROSS MARGIN / KWH SALE



\* Adjusted for timing of transmission charge recovery

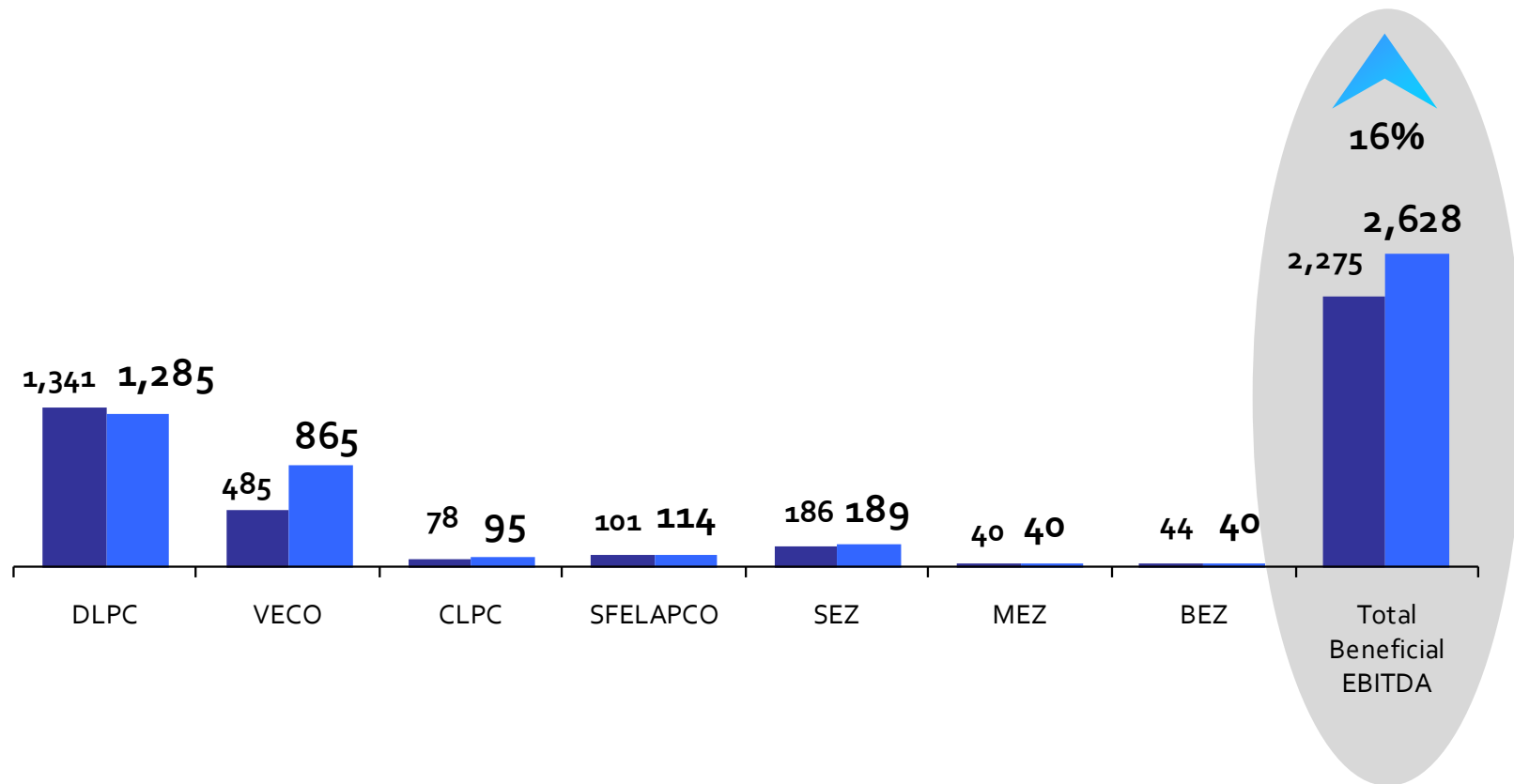
\*\* Year-to-date

## SYSTEMS LOSS



# OPERATING HIGHLIGHTS: DISTRIBUTION

## PF BENEFICIAL EBITDA



Amounts in  
Million Pesos

■ 1H2012  
■ 1H2013

# FINANCIAL CONDITION



BALANCE SHEET (In million Pesos)	PARENT		CONSOLIDATED	
	YE2012	End June 2013	YE2012	End June 2013
Cash and Equivalents	8,234	1,655	30,678	14,657
Investments and Advances	62,411	66,940	25,831	26,686
Total Assets	71,120	69,098	163,137	151,991
Total Interest Bearing Debt	4,970	-	66,879	59,541
Total Liabilities	6,694	12,326	80,635	73,744
Net Debt	-	-	36,201	44,884
Total Equity	64,426	69,098	82,502	80,037
Current Ratio	5.0x	0.2x	2.7x	2.6x
Net Debt to Equity	-	-	0.4x	0.6x

## FIVE YEAR PROJECT PIPELINE TO SECURE LONG-TERM GROWTH

LUZON GRID	VISAYAS GRID	MINDANAO GRID
<ul style="list-style-type: none"><li>Binga Hydro 5 MW (2013)</li><li>Subic Coal 600 MW (2016)</li><li>Sabangan Hydro 14 MW (2015)</li><li>Pagbilao Coal 400 MW (2016)</li></ul>	<ul style="list-style-type: none"><li>Cebu Coal 300 MW</li></ul>	<ul style="list-style-type: none"><li>Davao Coal 300 MW (2015)</li><li>Davao Coal 3<sup>rd</sup> Unit 150 MW</li><li>Tudaya 14 MW (2014)</li><li>Tamugan 12 MW (2016)</li><li>Manolo Fortich 52 MW</li></ul>

Most advanced and extensive pipeline of capacity additions among industry players over the next five years

**P125 Bn**

Beneficial capex

**1,197 MW**

Additional beneficial capacity after completion of projects

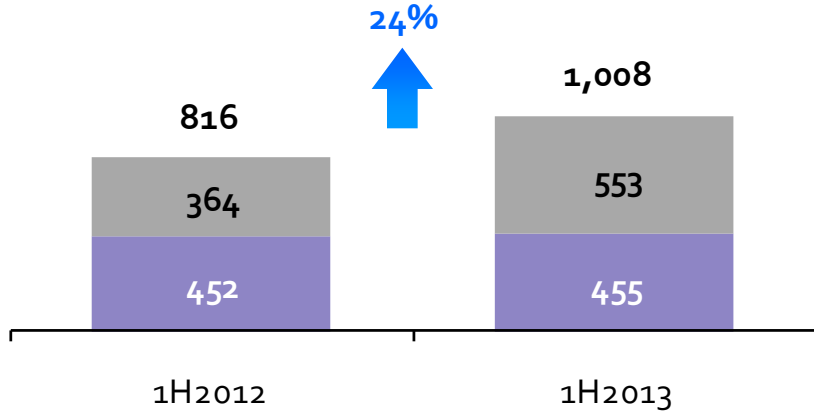
# Annex A: EARNINGS BREAKDOWN

(in million pesos) INVESTEE	YEAR - TO - DATE		FOR THE QUARTER	
	ACTUAL 2013	ACTUAL 2012	ACTUAL 2013	ACTUAL 2012
Parent & Others	(186.03)	(564.94)	(60.46)	(348.85)
<b>Power Generation Group:</b>				
ARI (parent)	25.66	(48.46)	10.44	(17.71)
HEDCOR INC	(91.02)	(42.27)	8.27	51.23
HEDCOR SIBULAN	271.34	134.45	176.54	99.29
HEDCOR TUDAYA	(1.25)	0.00	(0.64)	0.00
HEDCOR TAMUGAN	0.00	0.00	0.00	0.00
LUZON HYDRO	41.47	(334.24)	47.41	(415.89)
MORE	(1.44)	4.89	(2.64)	6.77
SNAP MAGAT	706.75	3,174.53	449.12	1,905.47
SNAP BENGUET	459.01	870.09	362.74	693.82
SPPC	24.72	27.08	12.56	13.00
WMPC	57.16	64.07	27.93	30.90
CPPC	100.37	154.41	44.34	76.84
EAUC	82.59	99.31	55.14	65.92
THERMA MOBILE	(10.53)	(8.62)	(6.43)	5.09
THERMA MARINE	314.85	224.80	131.46	146.33
STEAG	135.20	274.01	59.75	181.71
ABOVANT HOLDINGS (CEDC)	309.00	304.46	181.12	180.01
RP ENERGY	(39.15)	(14.35)	(32.71)	(8.75)
THERMA (Parent & Others)	(51.31)	(0.19)	(5.82)	(0.09)
THERMA SOUTH	1.09	(8.71)	56.10	(4.03)
THERMA LUZON	1,844.35	2,835.59	706.13	1,768.77
AP RENEWABLES	3,892.27	3,622.20	1,819.12	1,471.47
<b>Sub-Total Power Generation</b>	<b>8,071.13</b>	<b>11,333.05</b>	<b>4,099.91</b>	<b>6,250.15</b>
<b>Power Distribution Group:</b>				
COTABATO LIGHT & POWER	49.48	39.69	26.63	24.87
DAVAO LIGHT & POWER	784.74	845.49	408.14	416.31
VISAYAN ELECTRIC CO.	537.71	280.29	296.33	103.43
SFELAPCO	71.61	61.89	49.81	40.68
SUBIC ENERZONE	118.81	117.80	65.48	61.58
MACTAN ENERZONE	31.64	33.40	17.28	16.97
BALAMBAN ENERZONE	34.05	36.31	15.20	18.01
<b>Sub-Total Power Distribution</b>	<b>1,628.04</b>	<b>1,414.87</b>	<b>878.86</b>	<b>681.84</b>
<b>TOTAL NET INCOME</b>	<b>9,513.14</b>	<b>12,182.98</b>	<b>4,918.31</b>	<b>6,583.14</b>
<b>NET INCOME TO COMMON</b>	<b>9,513.14</b>	<b>12,182.98</b>	<b>4,918.31</b>	<b>6,583.14</b>
% increase (decrease)		-22%		-25%
<b>RECURRING NET INCOME</b>	<b>10,885.96</b>	<b>11,520.58</b>	<b>6,352.83</b>	<b>6,437.49</b>
% increase (decrease)		-6%		-1%

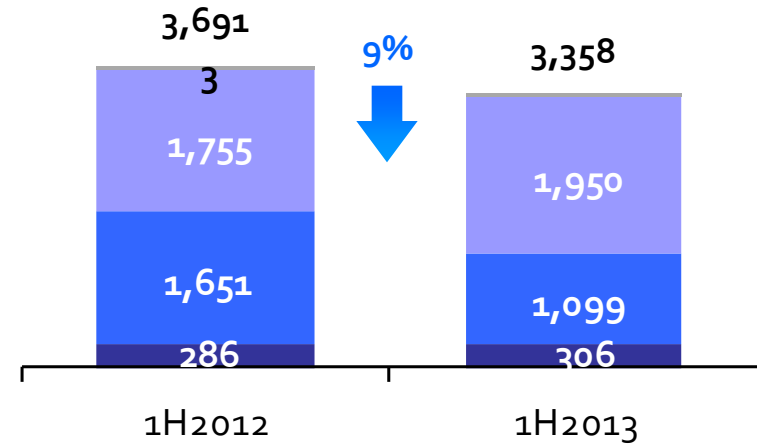


# Annex B: OPERATING HIGHLIGHTS – GENERATION

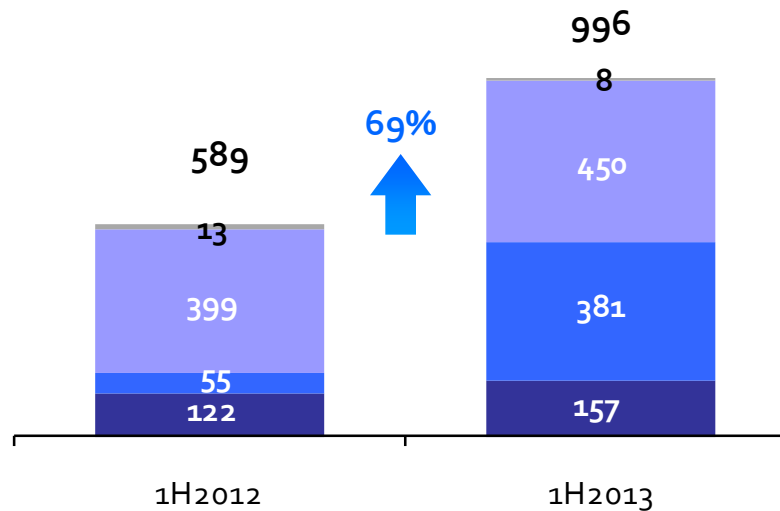
CONTRACTED (CAPACITY)



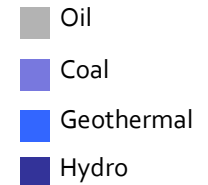
CONTRACTED (ENERGY)



SPOT MARKET



\*Figures are in GWh



## 300 MW Davao Coal Project

- Greenfield project to help ease energy supply shortfall in Mindanao Grid
- Composed of 2 x 150 MW generating units
- Total cost estimated at P30.0 billion
  - Capex spent as of June 30, 2013 at P7.8 billion
- Estimated to be completed by 2015
- Off-take
  - Sellable capacity already fully contracted with several offtakers, including affiliate DLPC



## 14 MW Tudaya 1 and 2 Hydro Power Plants

- Greenfield project which involves the construction of two run of river hydropower plant facilities in Davao Del Sur, in Mindanao
- Total cost estimated at P2.0 billion
  - Capex spent as of June 30, 2013 at P887.6 million
- Estimated to be completed by 2014

## 14 MW Sabangan Hydro Power Plant

- Greenfield project which involves the construction and operation of a hydropower plant facility in Mt. Province, in Northern Luzon
- Groundbreaking held in June 2013
- Total cost estimated at P2.0 billion
- Estimated to be completed by 2015

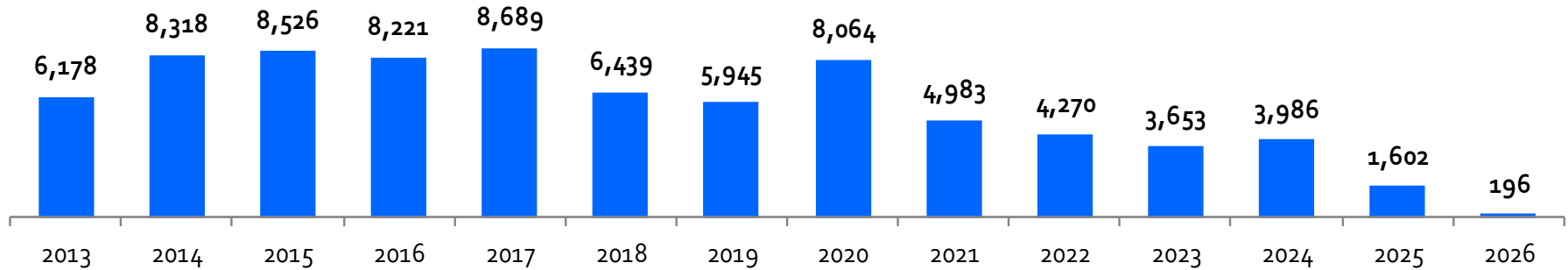


# Annex D: DEBT PROFILE – AP BENEFICIAL



## Maturity Profile - PhPM

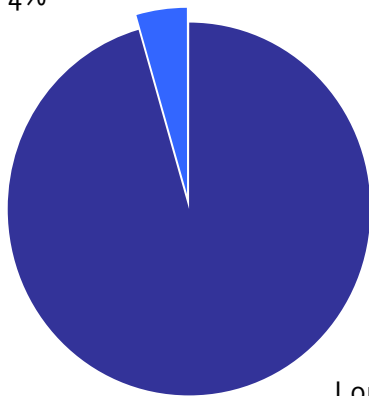
(As of June 2013)



## Breakdown by Tenor

(As of June 2013)

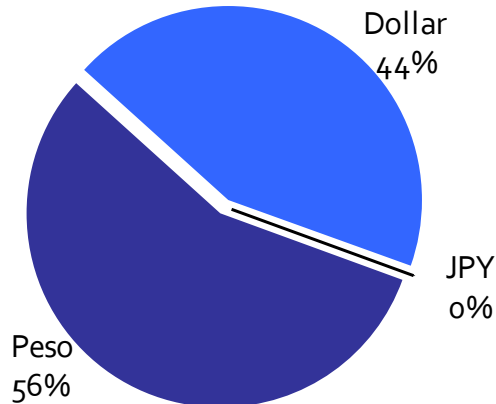
Short Term  
4%



Long Term  
96%

## Breakdown by Currency

(As of June 2013)

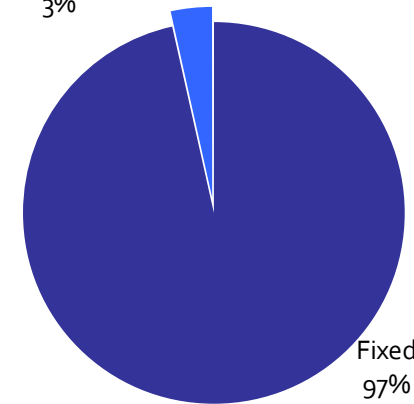


Peso  
56%

## Breakdown by Interest Rate

(As of June 2013)

Floater  
3%



Fixed  
97%

Thank you



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