# ABOITIZ POWER CORPORATION

## First Quarter 2011
## Financial & Operating Results

6 May 2011

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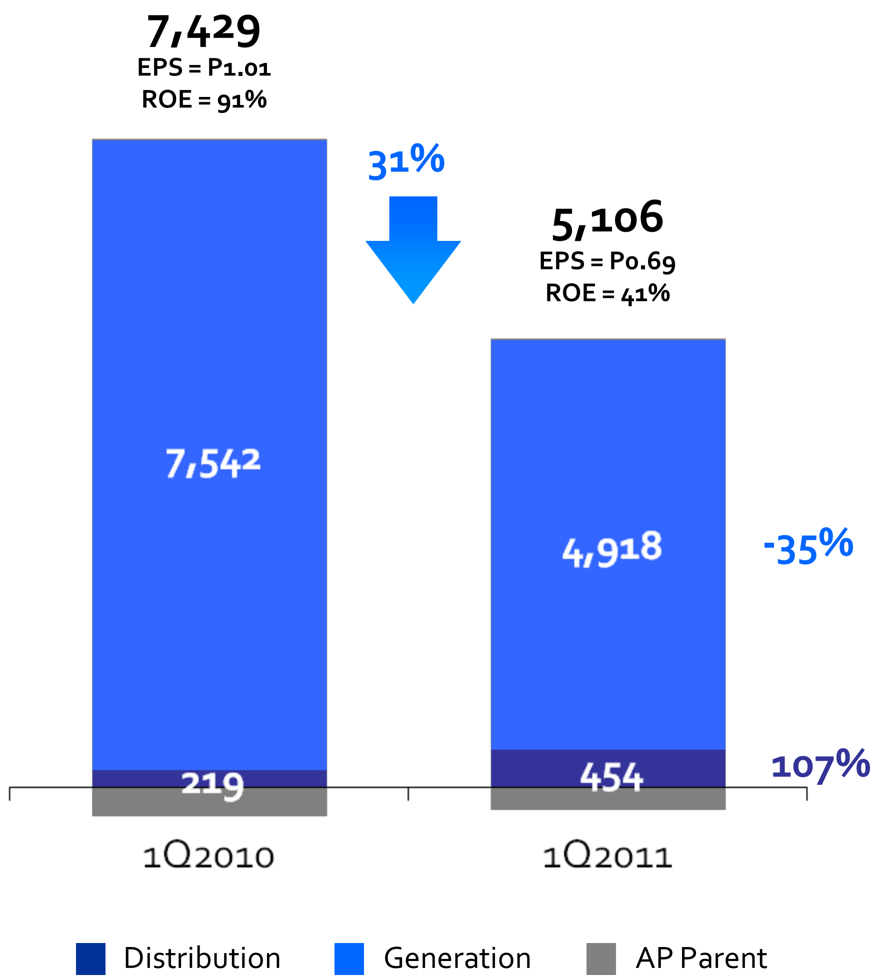
# NET INCOME (in million pesos)

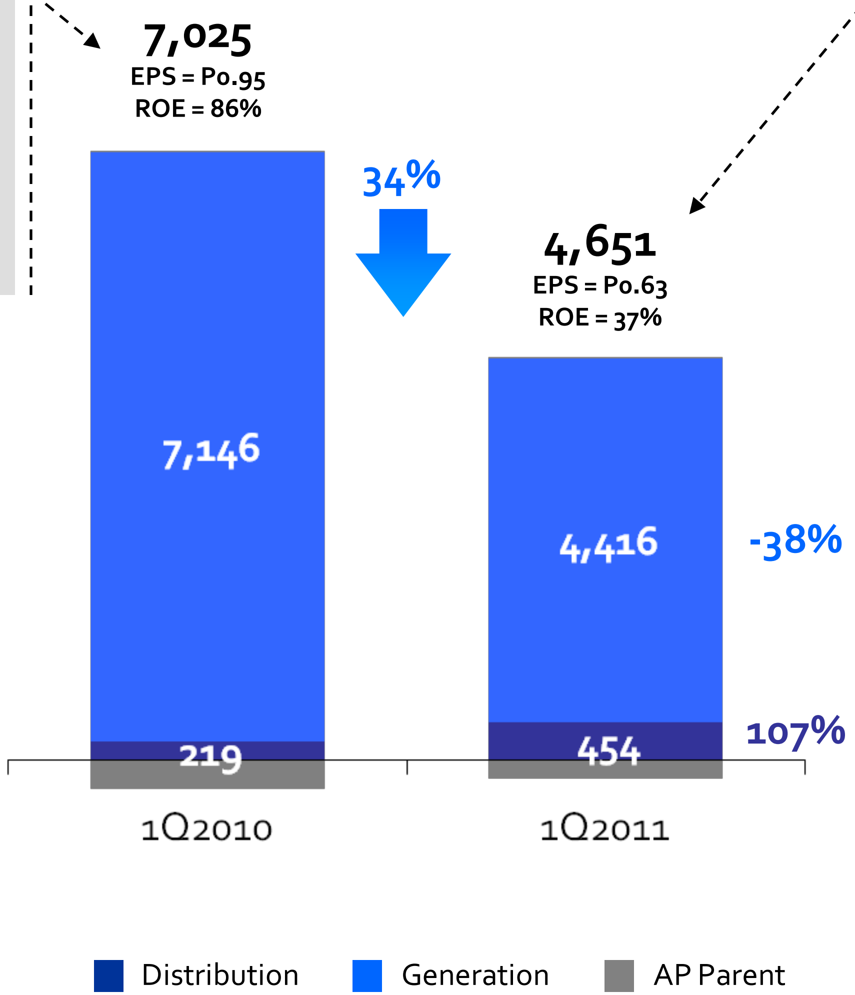


# CORE NET INCOME (in million pesos)

**Non-recurring gain of P404 million**

**Parent**
- FX gain of P7 mn

**Generation**
- FX gain of P397 mn




**Non-recurring gain of P455 million**

**Parent**
- FX loss of P47 mn

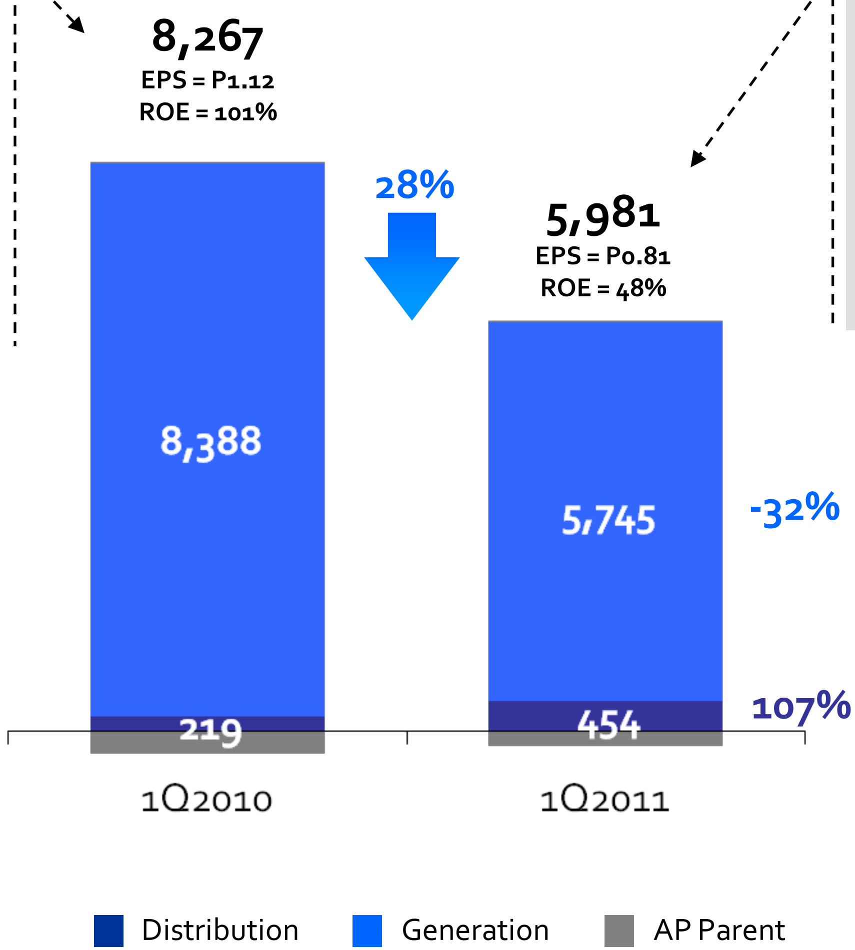
**Generation**
- FX gain of P154 mn
- TMI revenue adjustment of P348 mn

# CORE NET INCOME, Ex Pagbilao Effect (in million pesos)

**Pagbilao Finance Lease Effect**

+ P1,250 mn of accreted interest expense
+ P274 mn of depreciation
- P282 mn of PSALM monthly payments

Or total of P1,242 mn

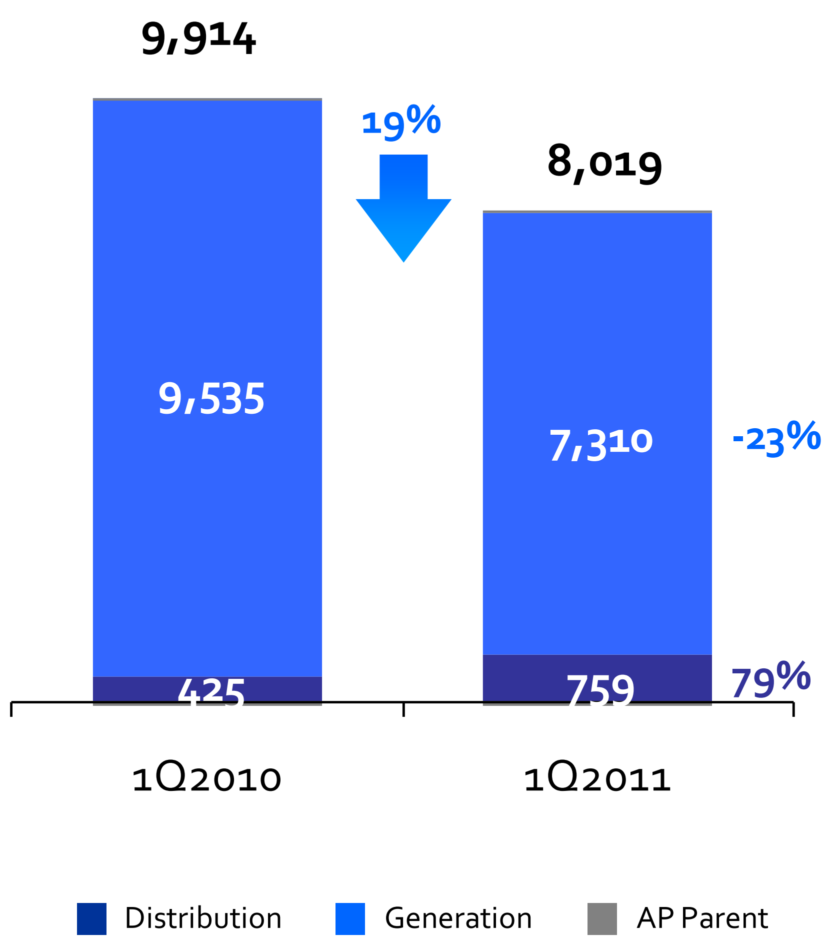



**Pagbilao Finance Lease Effect**

+ P1,331 mn of accreted interest expense
+ P274 mn of depreciation
- P276 mn of PSALM monthly payments

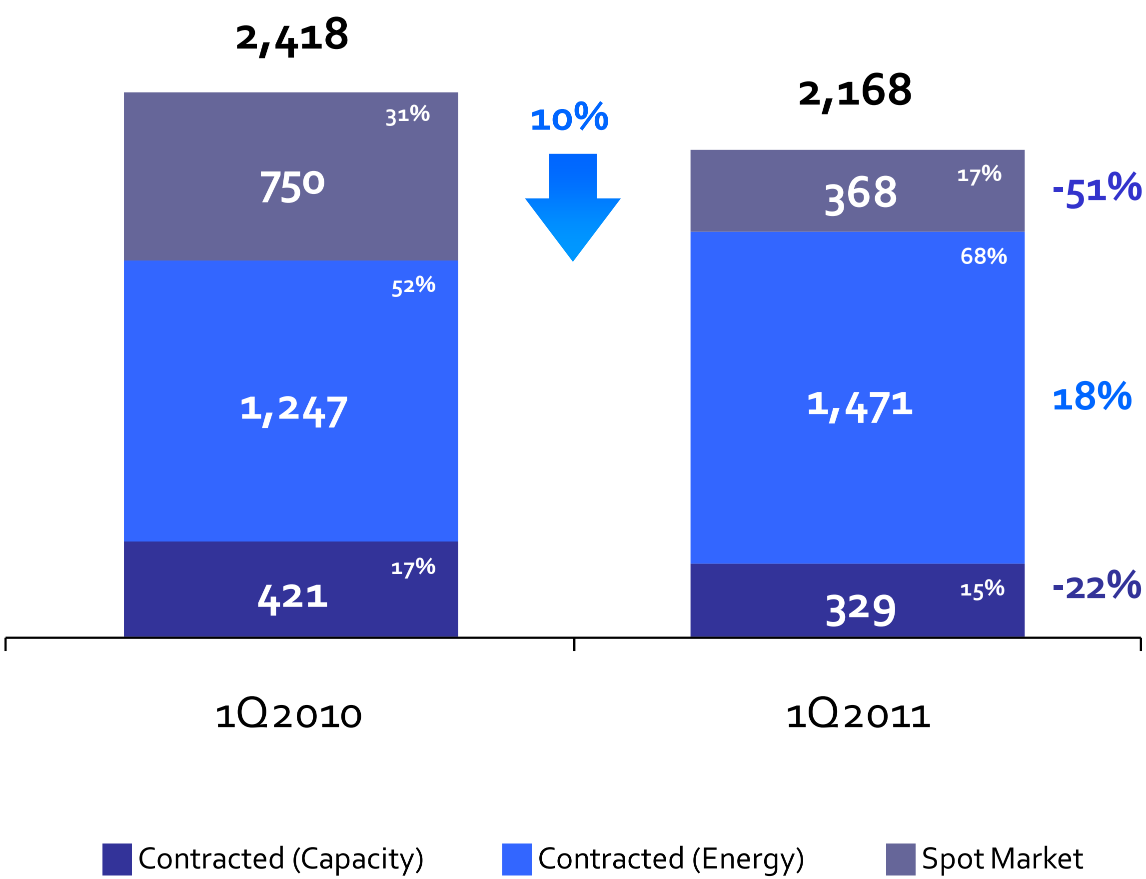
Or total of P1,330 mn

# PROFORMA EBITDA (in million pesos)



# OPERATING HIGHLIGHTS: GENERATION

## ENERGY SALES BREAKDOWN (GWh)



# OPERATING HIGHLIGHTS: 1Q2011 WESM HIGHLIGHTS

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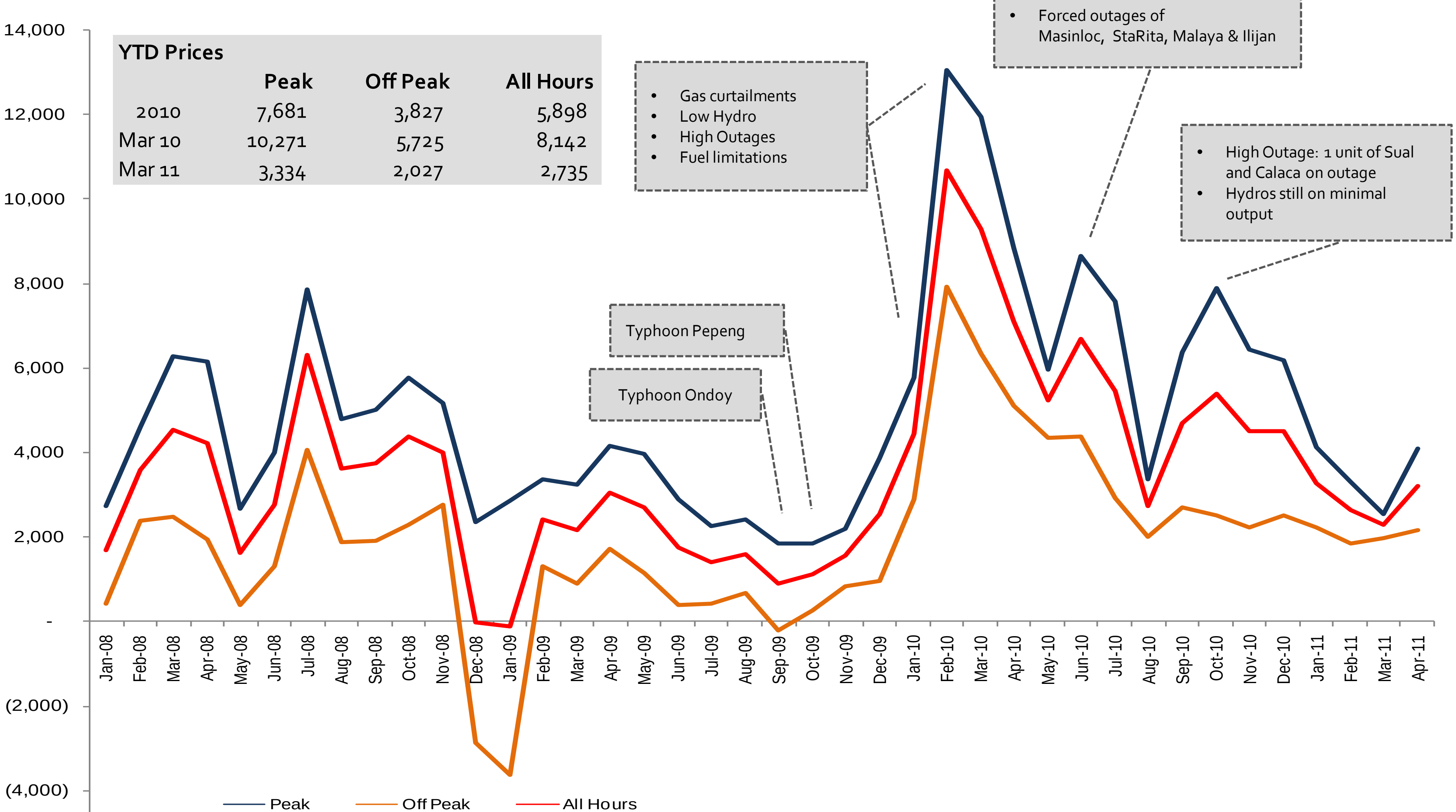
## WESM TIME WTD AVERAGE PRICES (P/MWh)




YTD Prices

| | Peak | Off Peak | All Hours |
|---|---|---|---|
| 2010 | 7,681 | 3,827 | 5,898 |
| Mar 10 | 10,271 | 5,725 | 8,142 |
| Mar 11 | 3,334 | 2,027 | 2,735 |

Note:
1. Calculated based on raw data downloaded from the WESM website as of April 2011. July 26 – October 25, 2008 prices are reflective of NPC TOU rates.
2. April 2011 average prices are as of April 26, 2011 only

Source: WESM, SNAP

# OPERATING HIGHLIGHTS: 1Q2011 WESM HIGHLIGHTS

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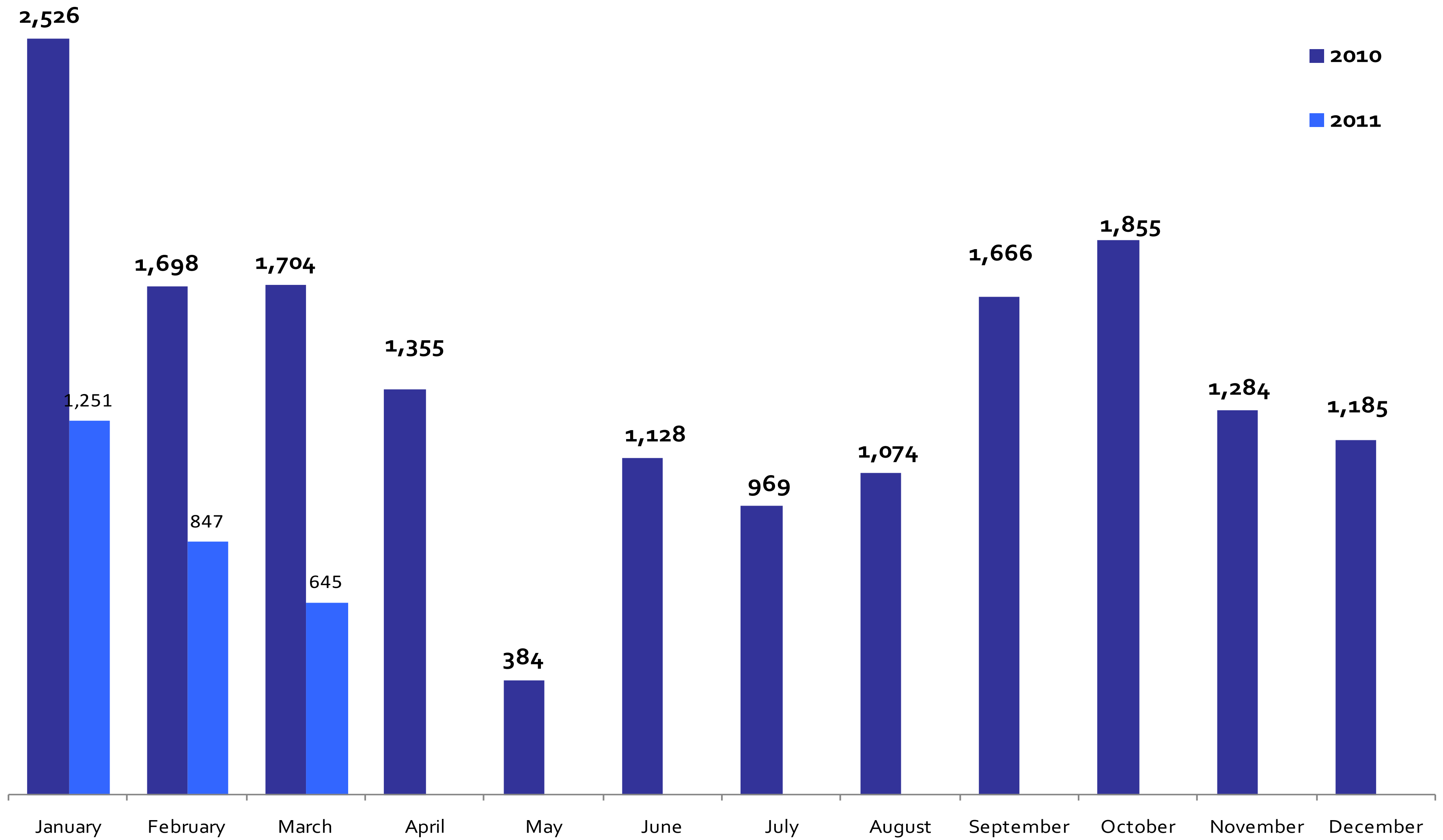
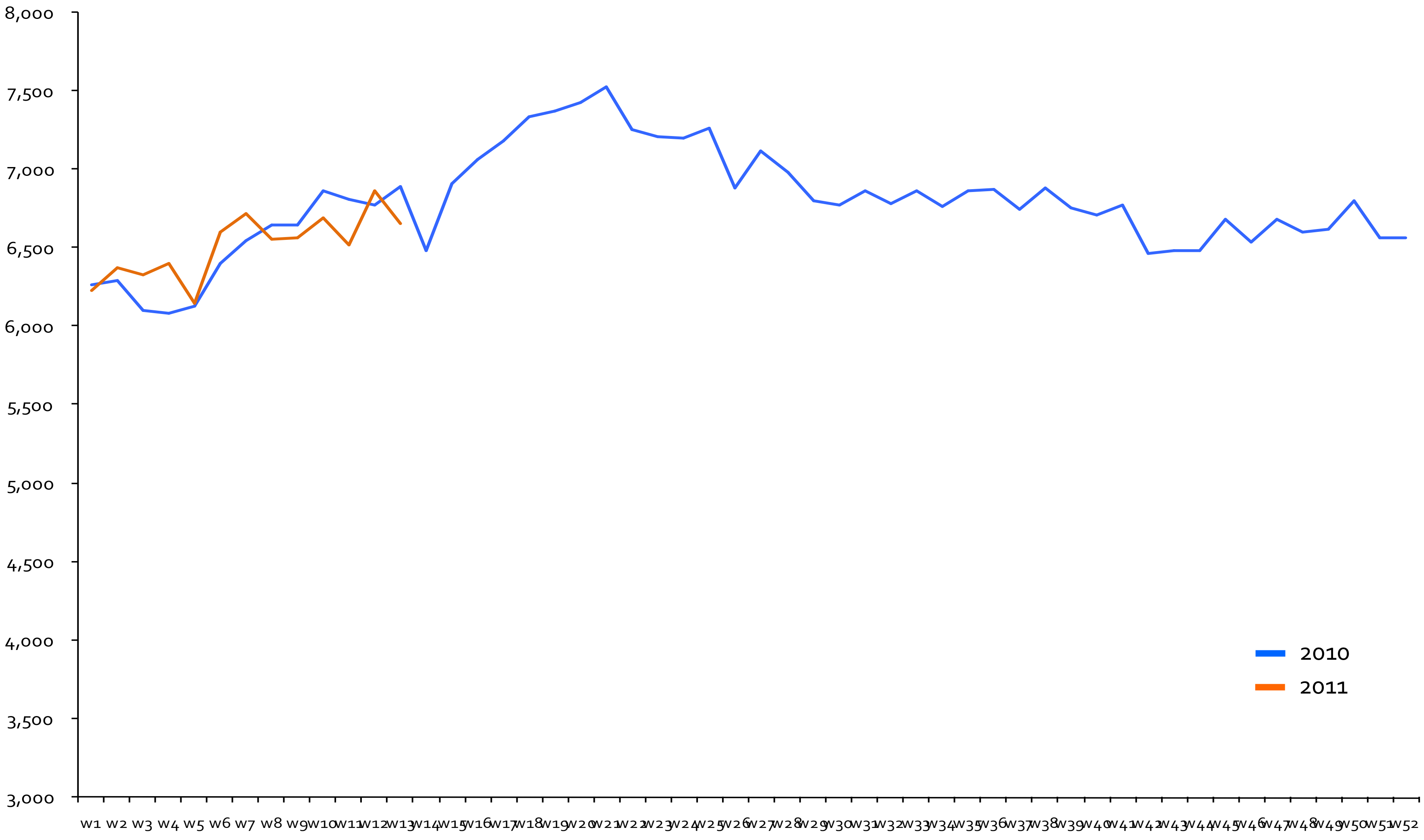
## AVERAGE CAPACITY ON OUTAGE (in MW)




Source: WESM, SNAP

# OPERATING HIGHLIGHTS: 1Q2011 WESM HIGHLIGHTS

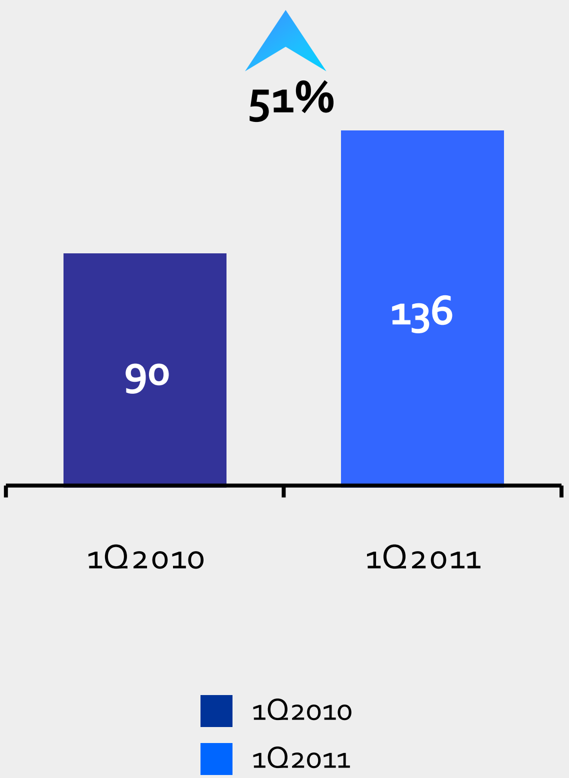
## WEEKLY SYSTEM PEAK DEMAND (in MW)



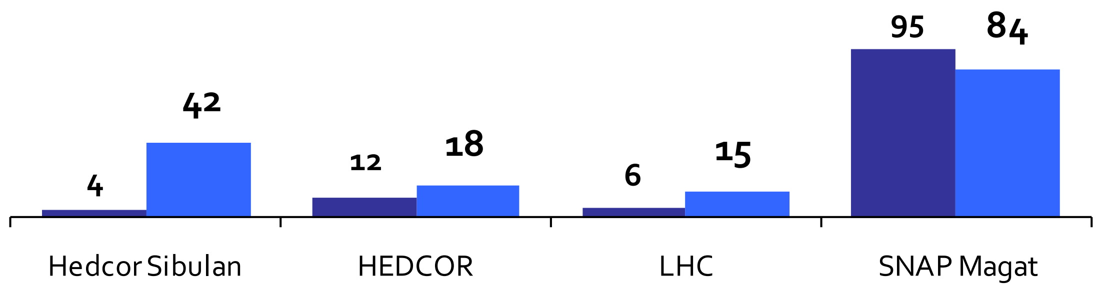

Source: WESM

# OPERATING HIGHLIGHTS: HYDRO

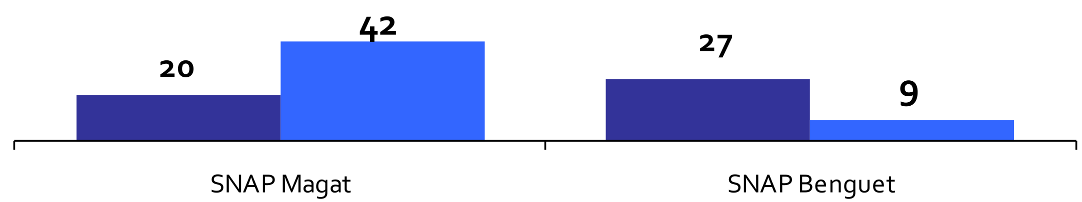
## ATTRIBUTABLE ENERGY SALES (GWh)



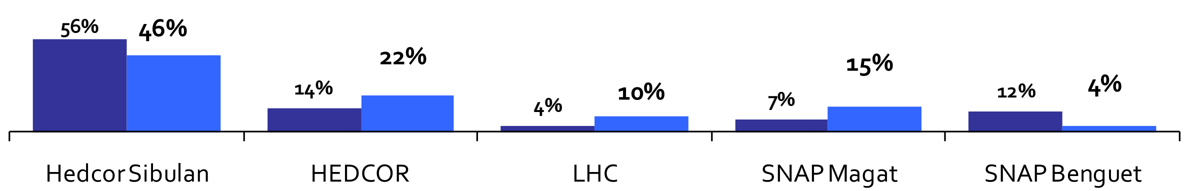

## CONTRACTED ENERGY (GWh), at 100%




## SPOT MARKET (GWh), at 100%

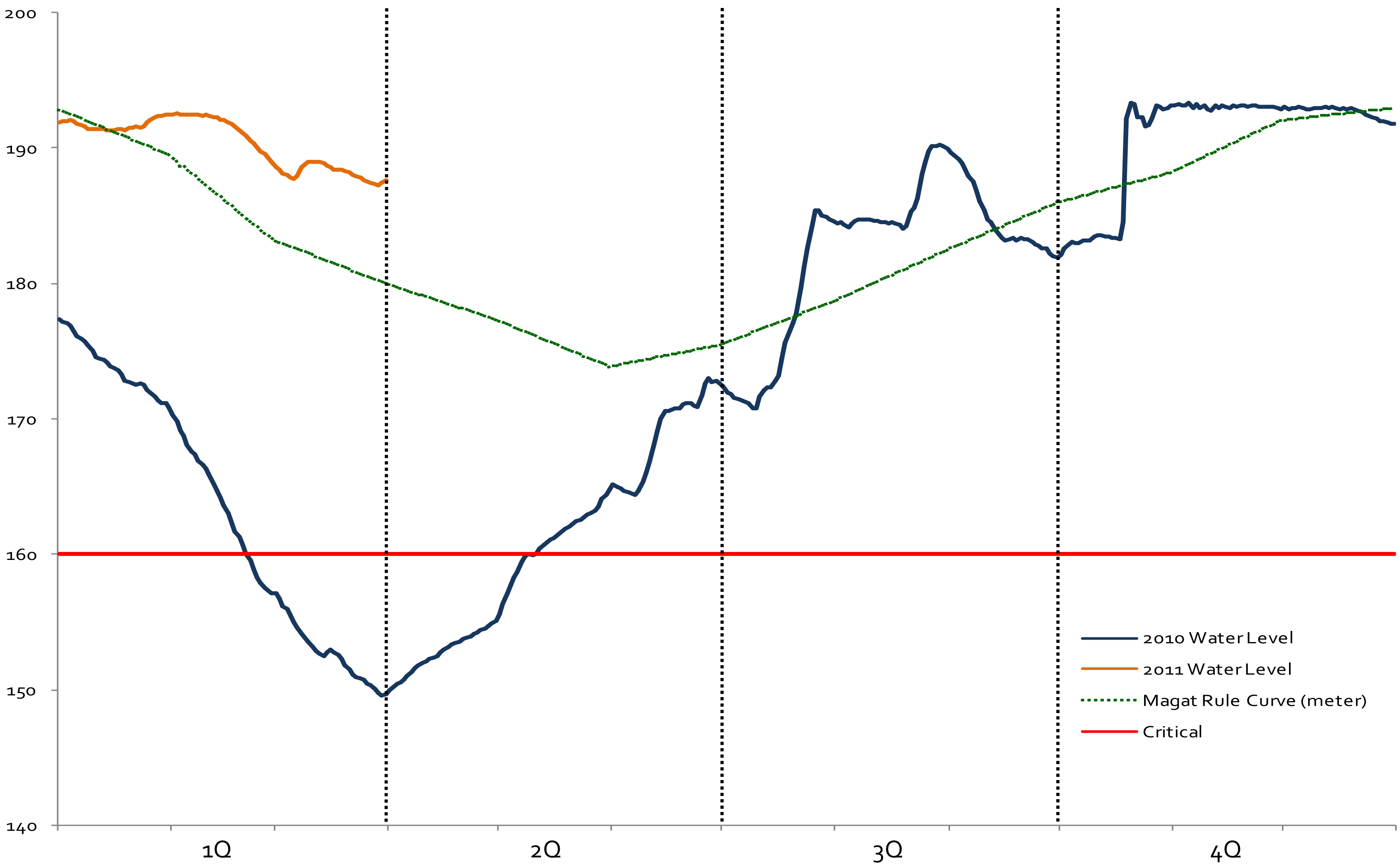



## NET CAPACITY FACTOR



# OPERATING HIGHLIGHTS: HYDRO

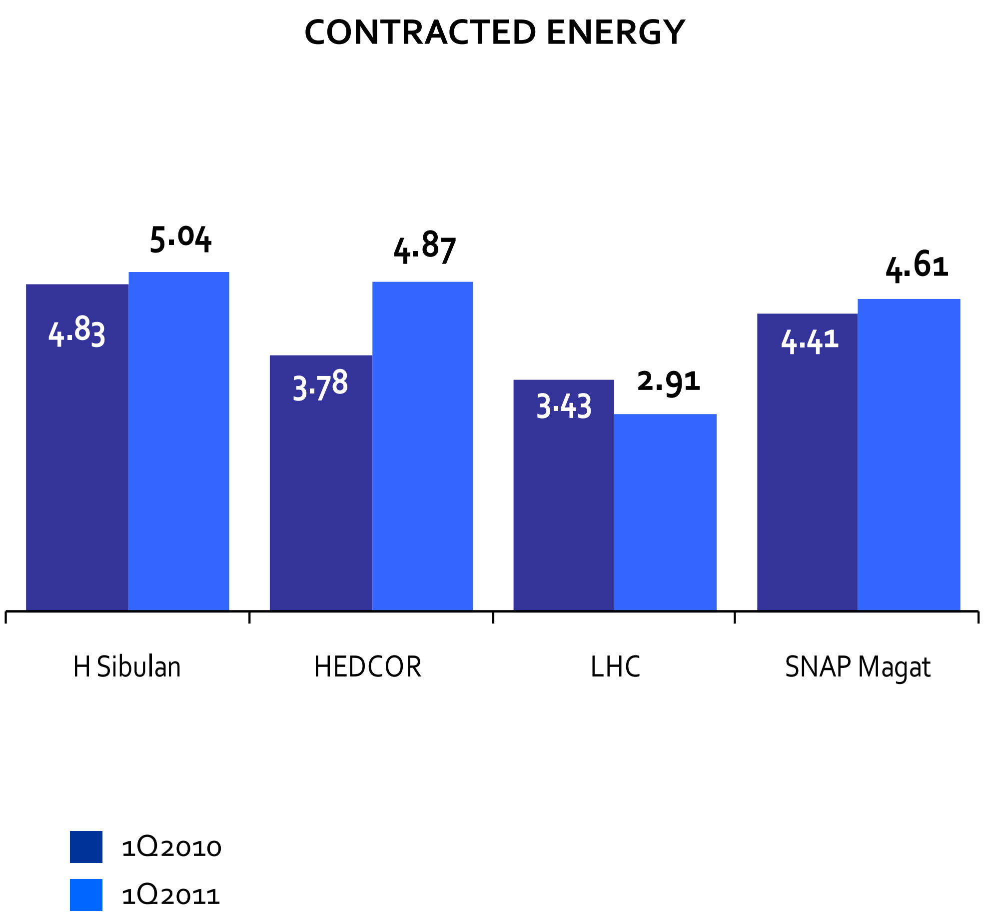
## MAGAT'S WATER LEVEL VS. RULE CURVE (in MASL)

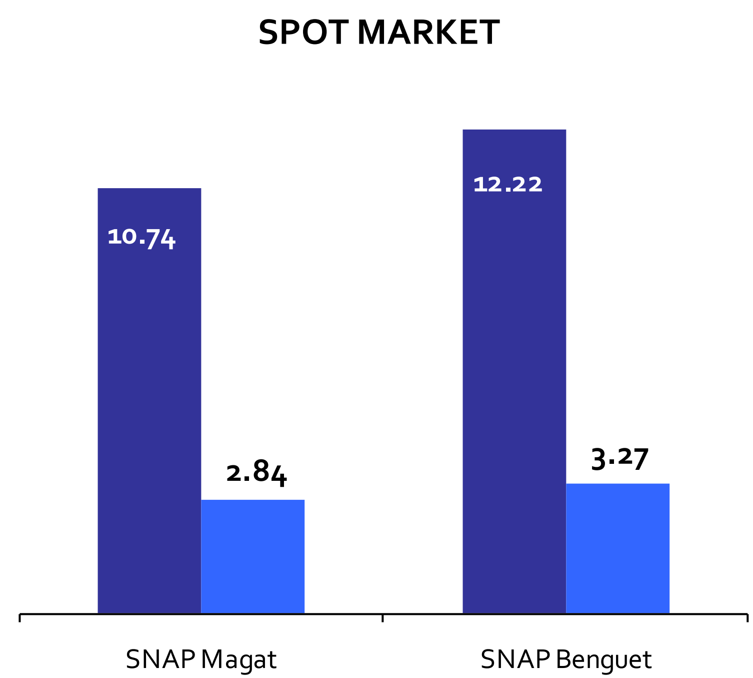



Source: SNAP

# OPERATING HIGHLIGHTS: HYDRO

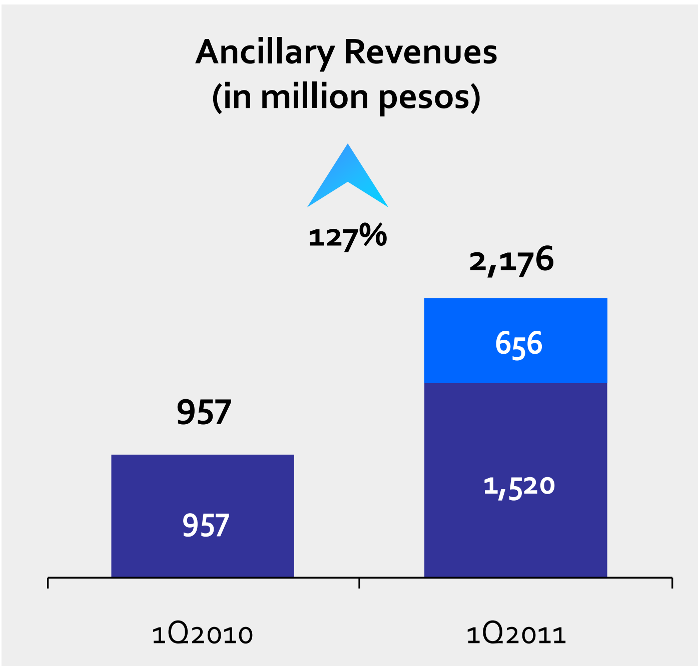
## AVERAGE SELLING PRICE (in P/kWh)

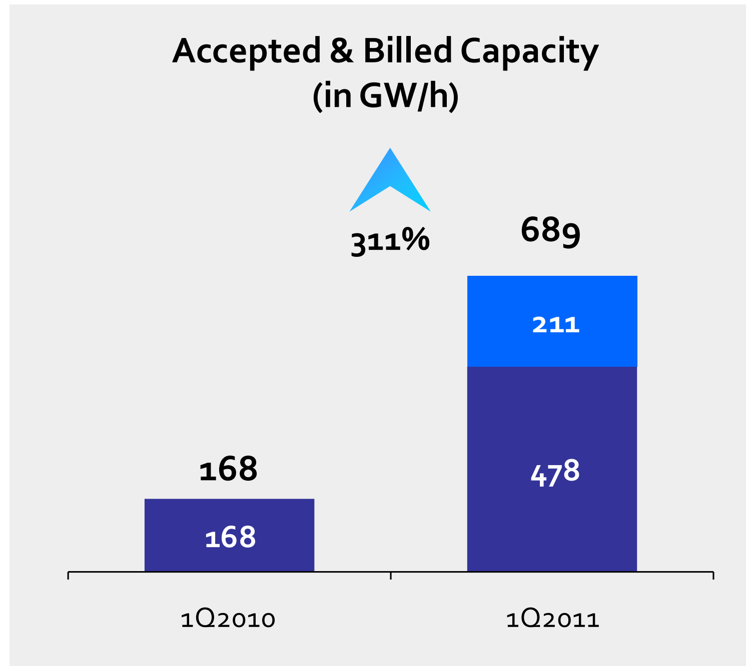


# OPERATING HIGHLIGHTS: HYDRO

## SNAP MAGAT & SNAP BENGUET ANCILLARY SERVICES
(at 100%)

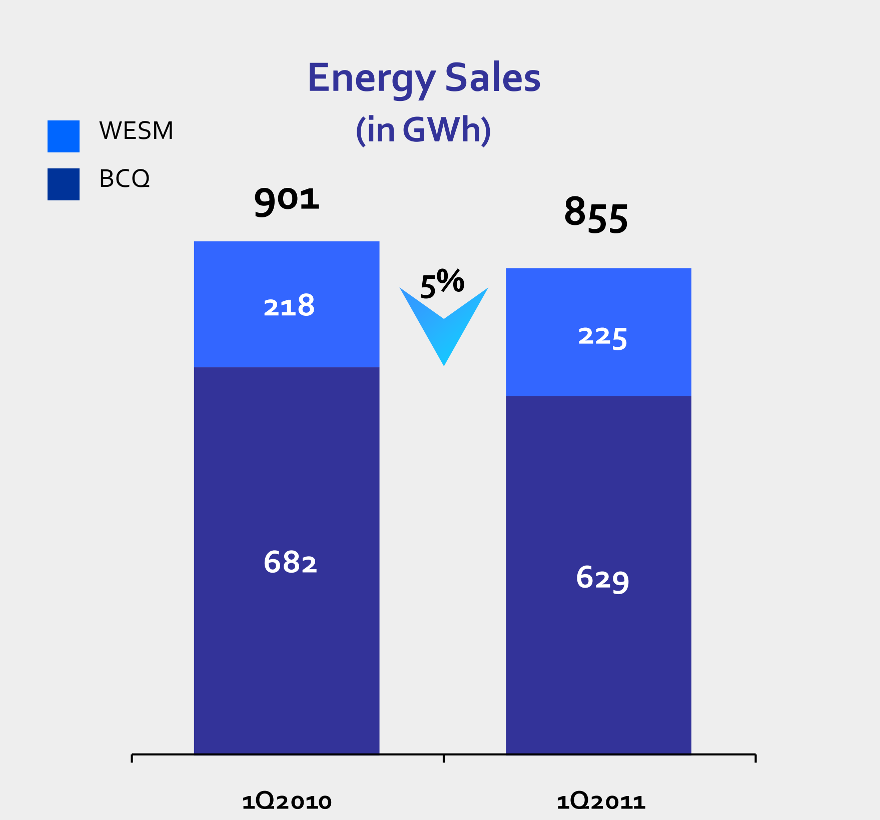


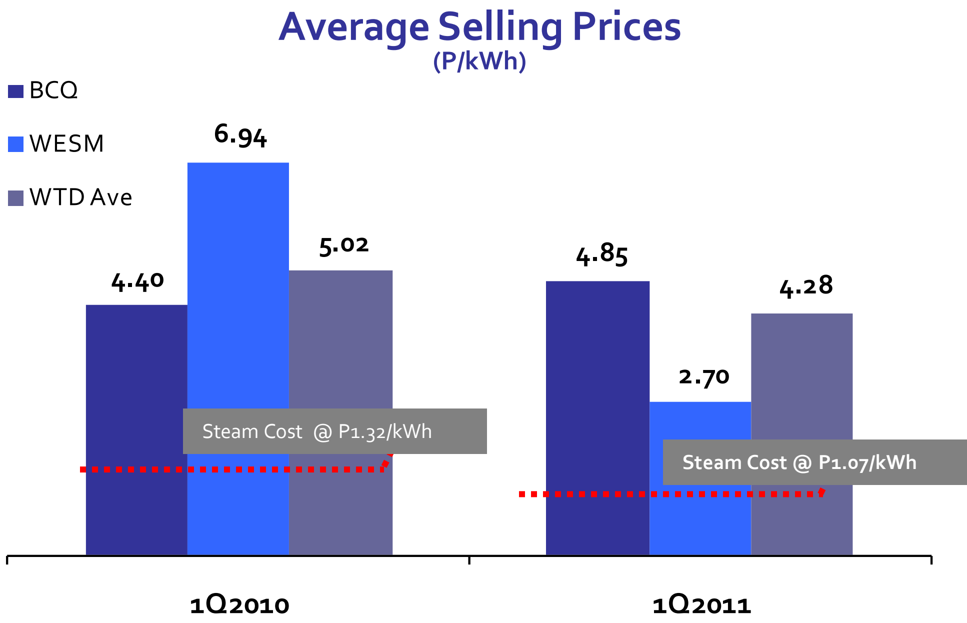

SNAP Magat
SNAP Benguet

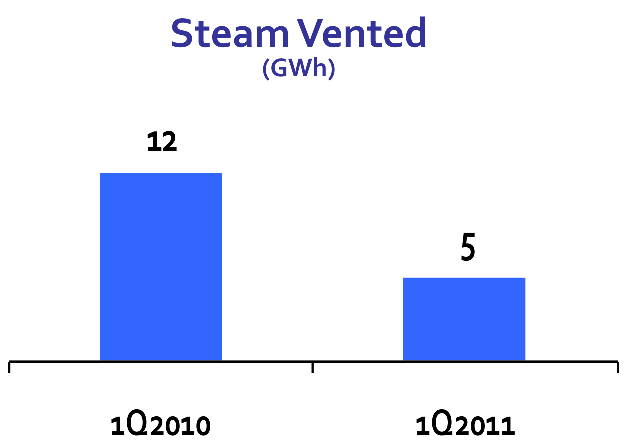
# OPERATING HIGHLIGHTS: GEOTHERMAL

## AP RENEWABLES (Tiwi-Makban)



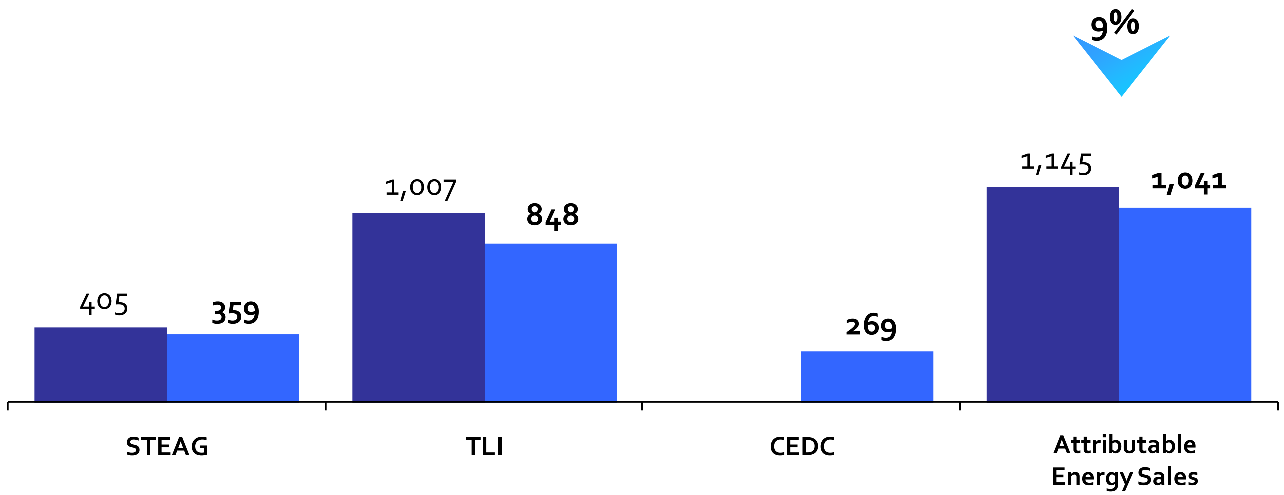

| Net Capacity Factor | 88% | 85% |
|---|---|---|



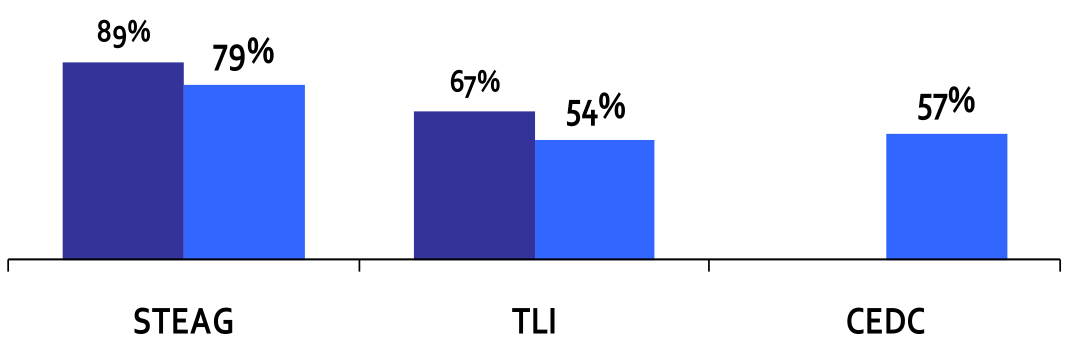



# OPERATING HIGHLIGHTS: COAL

## ENERGY SALES (GWh)

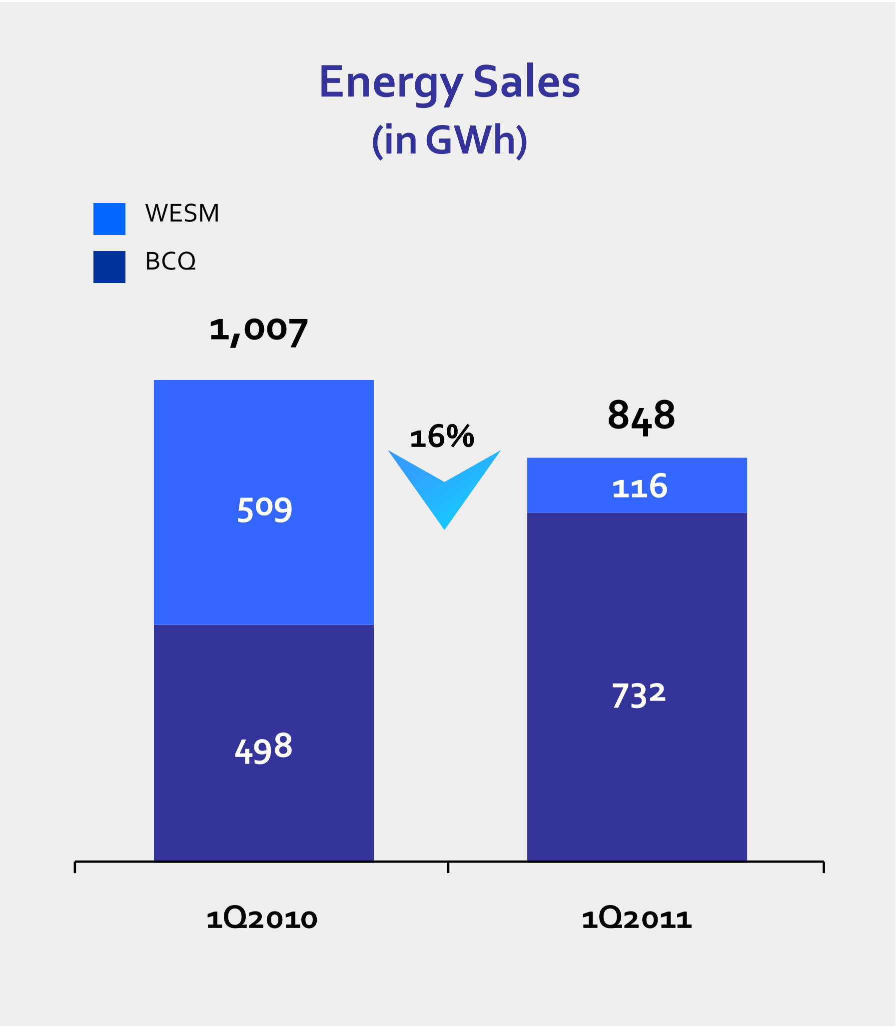


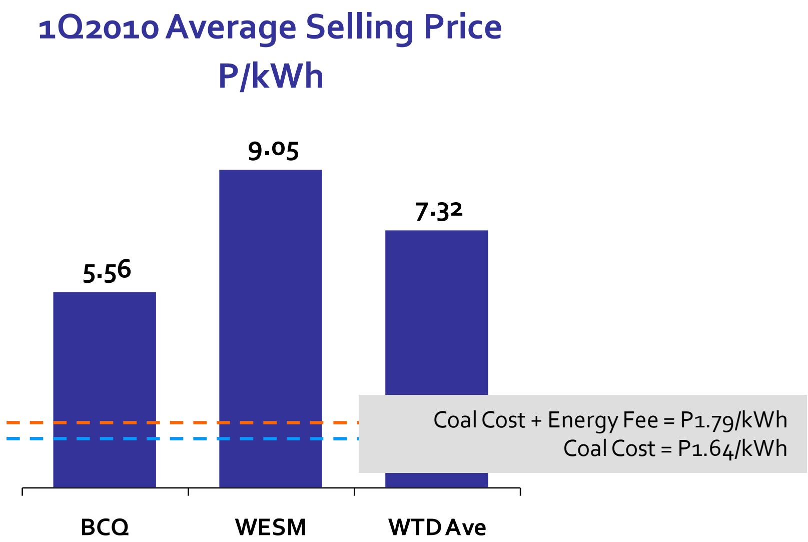

## NET CAPACITY FACTOR

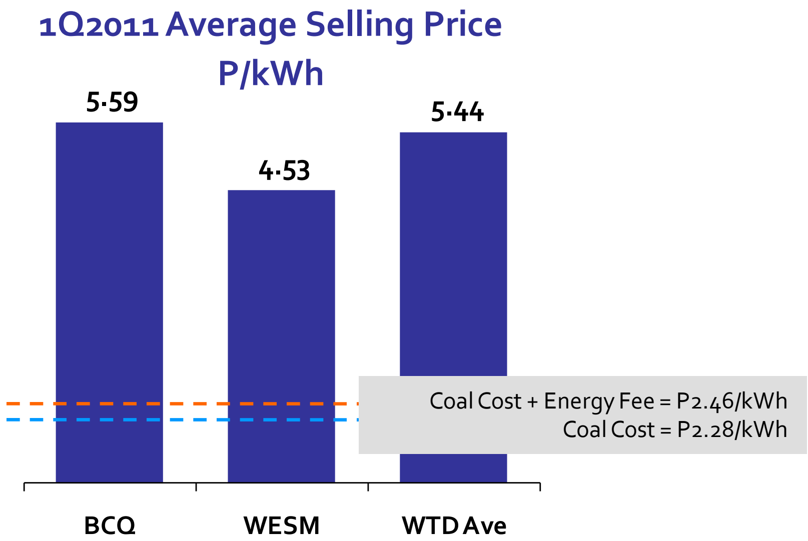


# OPERATING HIGHLIGHTS: COAL

## THERMA LUZON (Pagbilao)

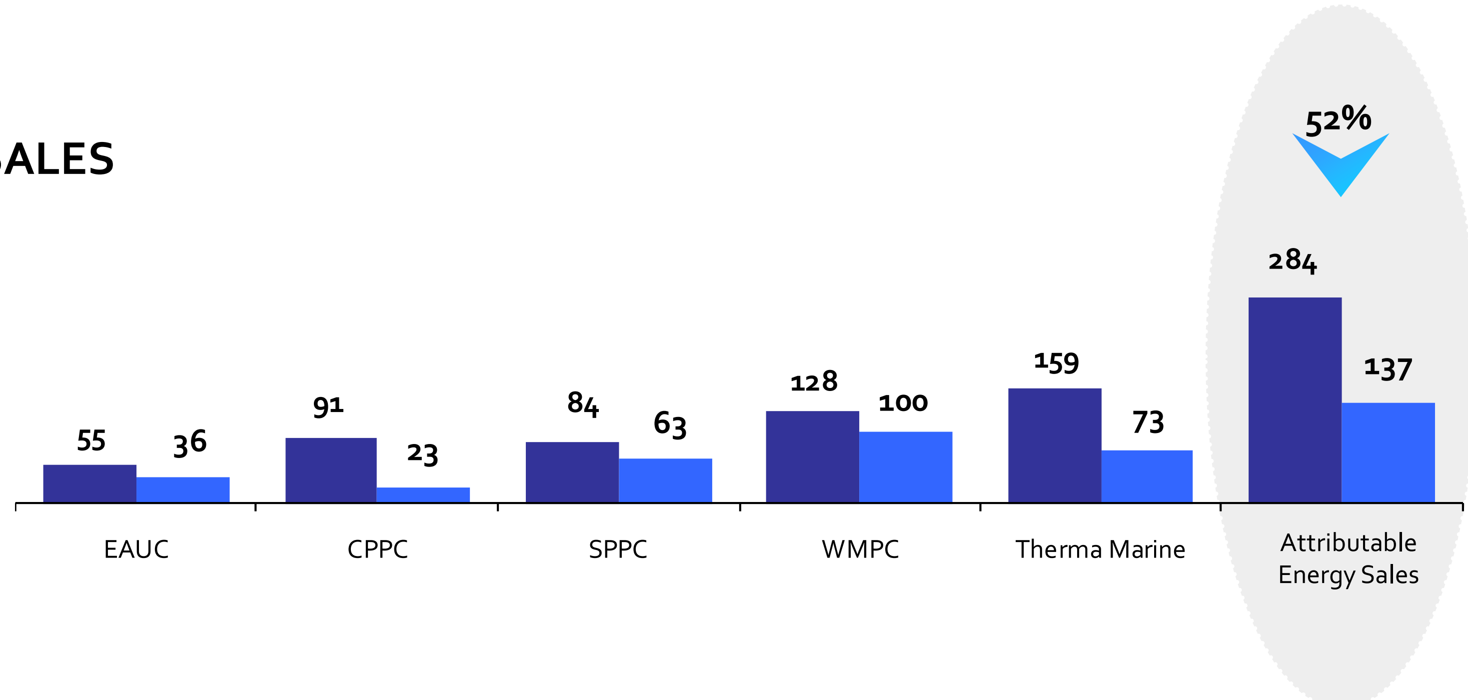


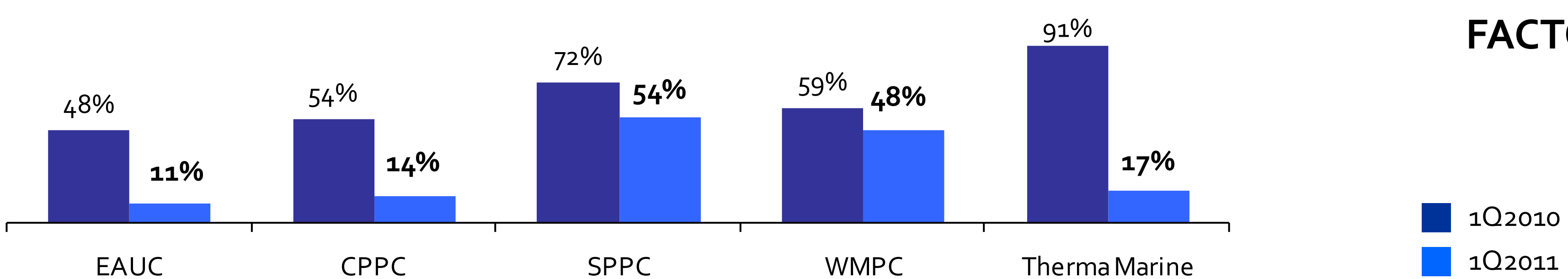



# OPERATING HIGHLIGHTS: OIL

## ENERGY SALES (GWh)

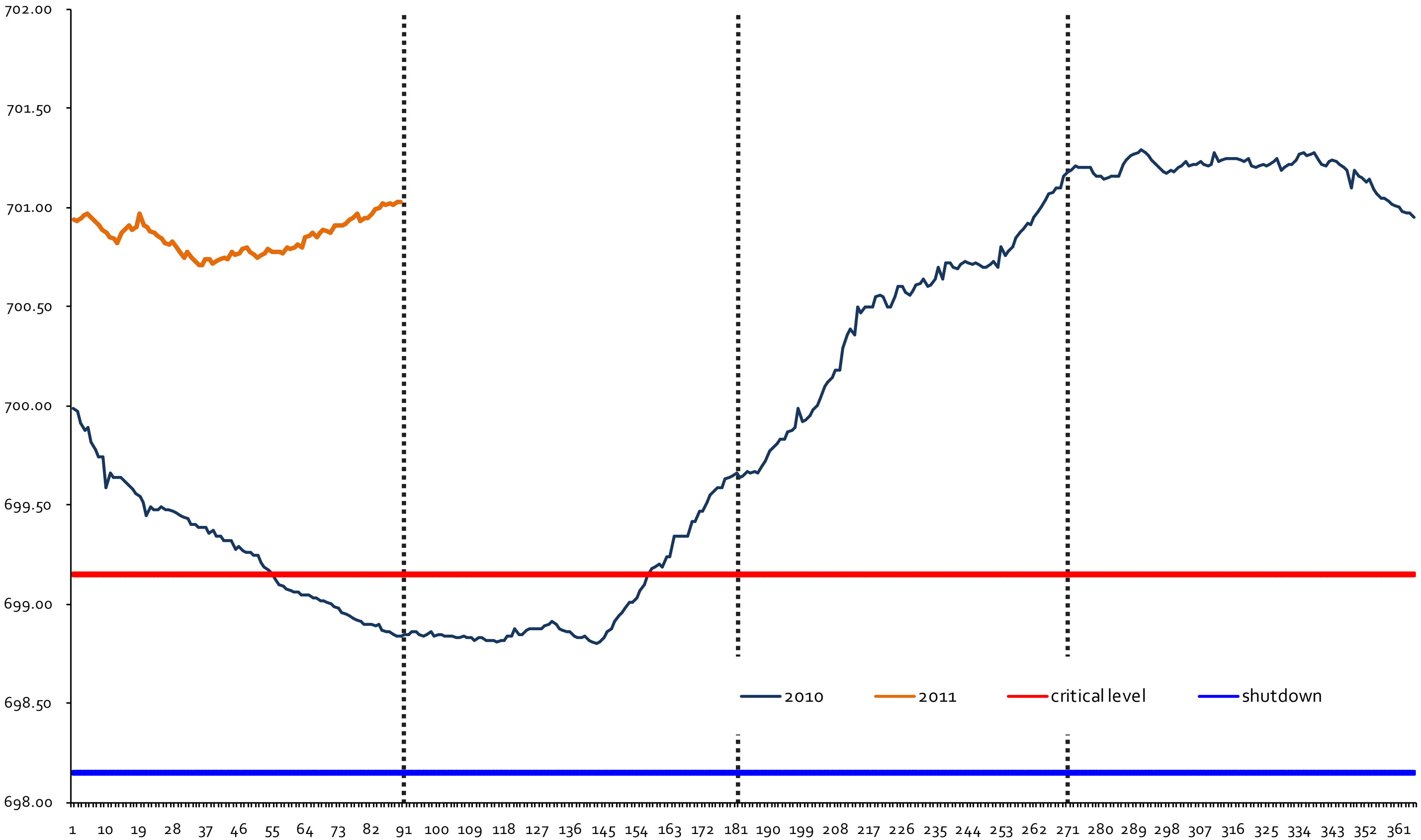



## NET CAPACITY FACTOR



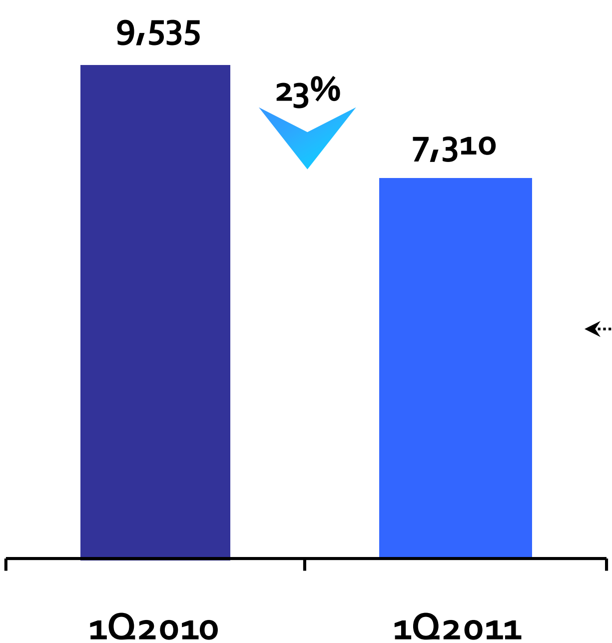
# OPERATING HIGHLIGHTS: OIL

## LAKE LANAO WATER LEVEL (in MASL)



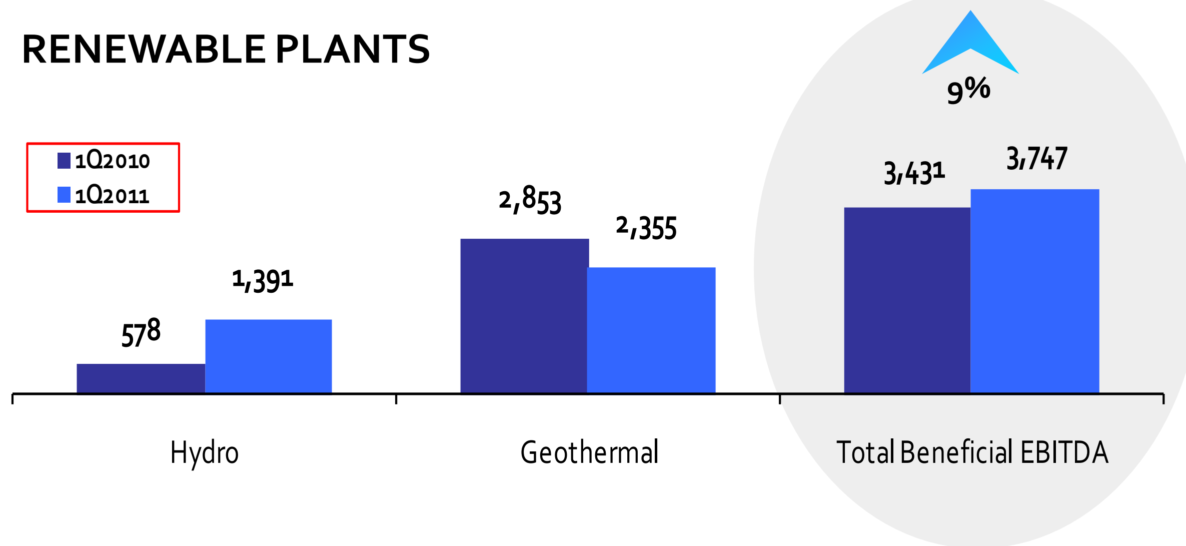
# OPERATING HIGHLIGHTS: GENERATION

## PF BENEFICIAL EBITDA

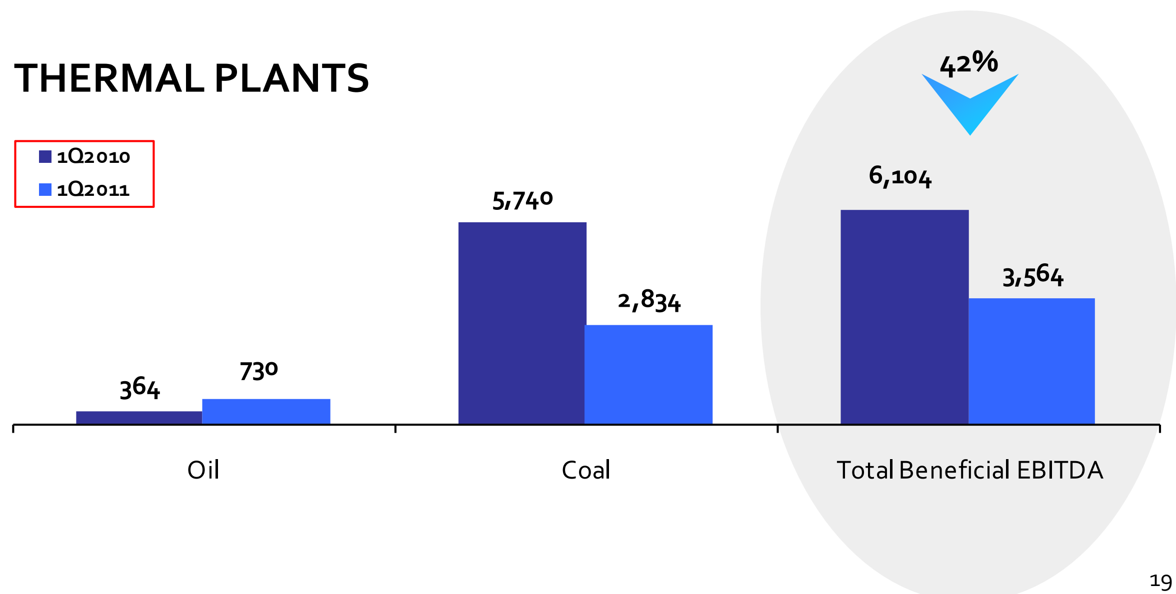



Amounts in Million Pesos

## RENEWABLE PLANTS

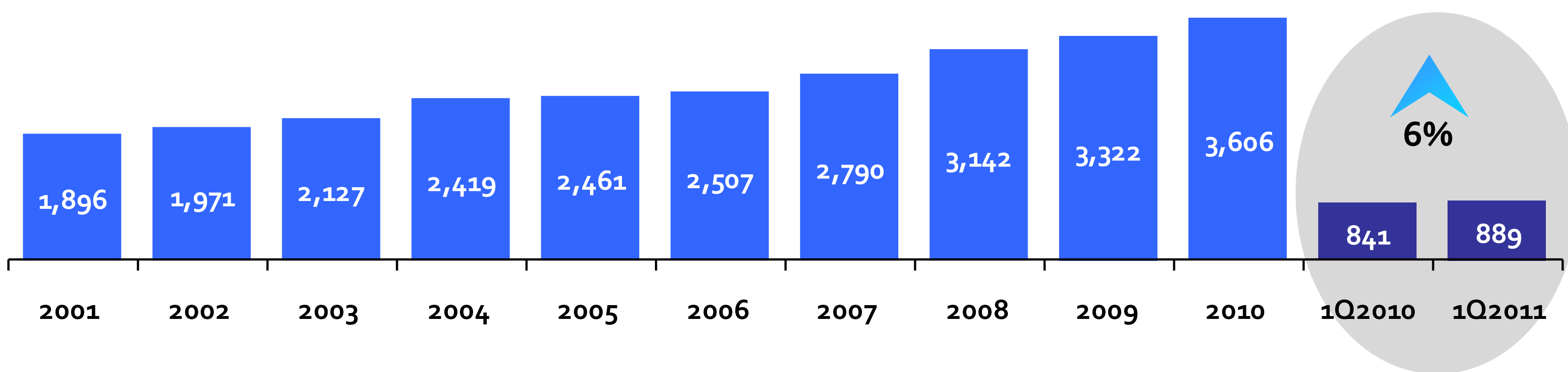



## THERMAL PLANTS

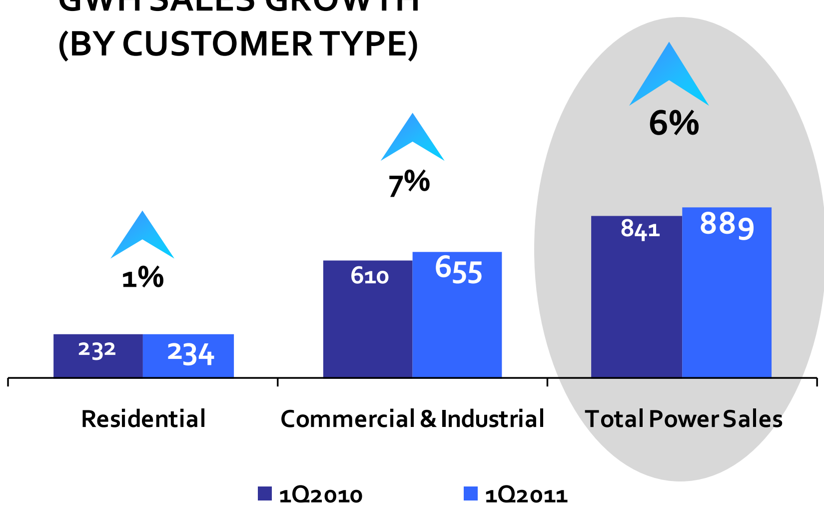


# OPERATING HIGHLIGHTS: DISTRIBUTION

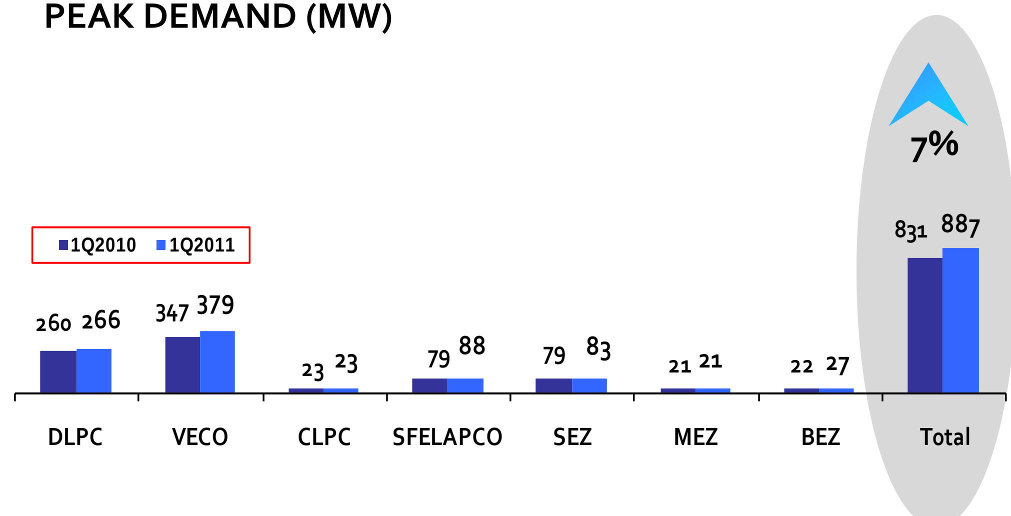
## BENEFICIAL POWER SALES (Gwhr)




## BENEFICIAL GWH SALES GROWTH (BY CUSTOMER TYPE)

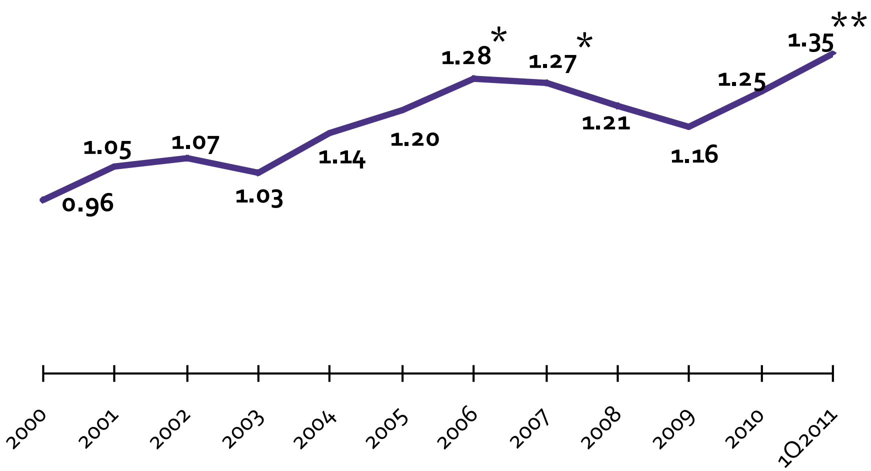



## PEAK DEMAND (MW)



# OPERATING HIGHLIGHTS: DISTRIBUTION

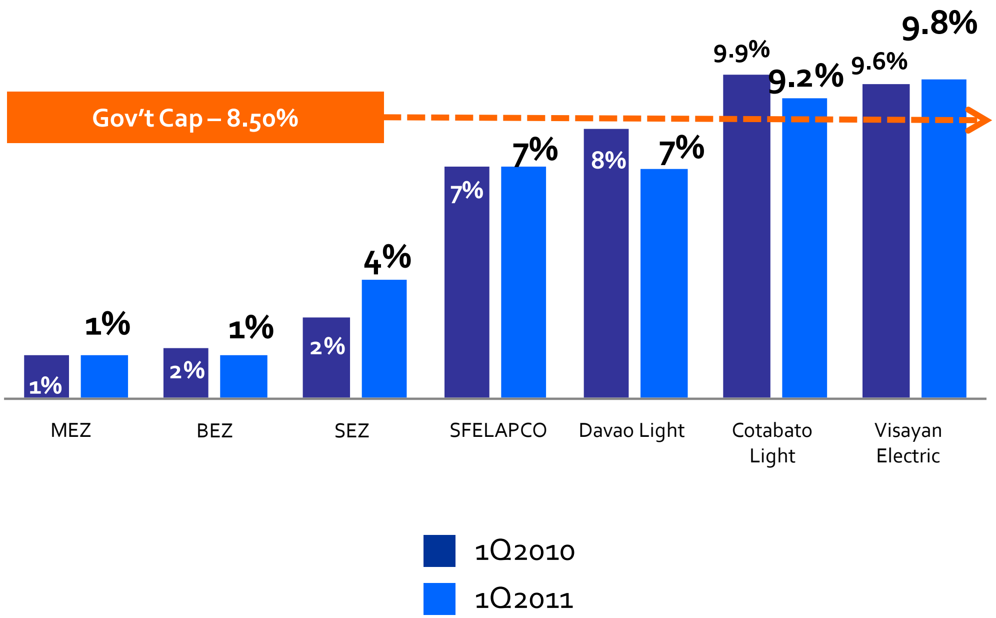
## GROSS MARGIN / KWH SALE




* Adjusted for timing of transmission charge recovery

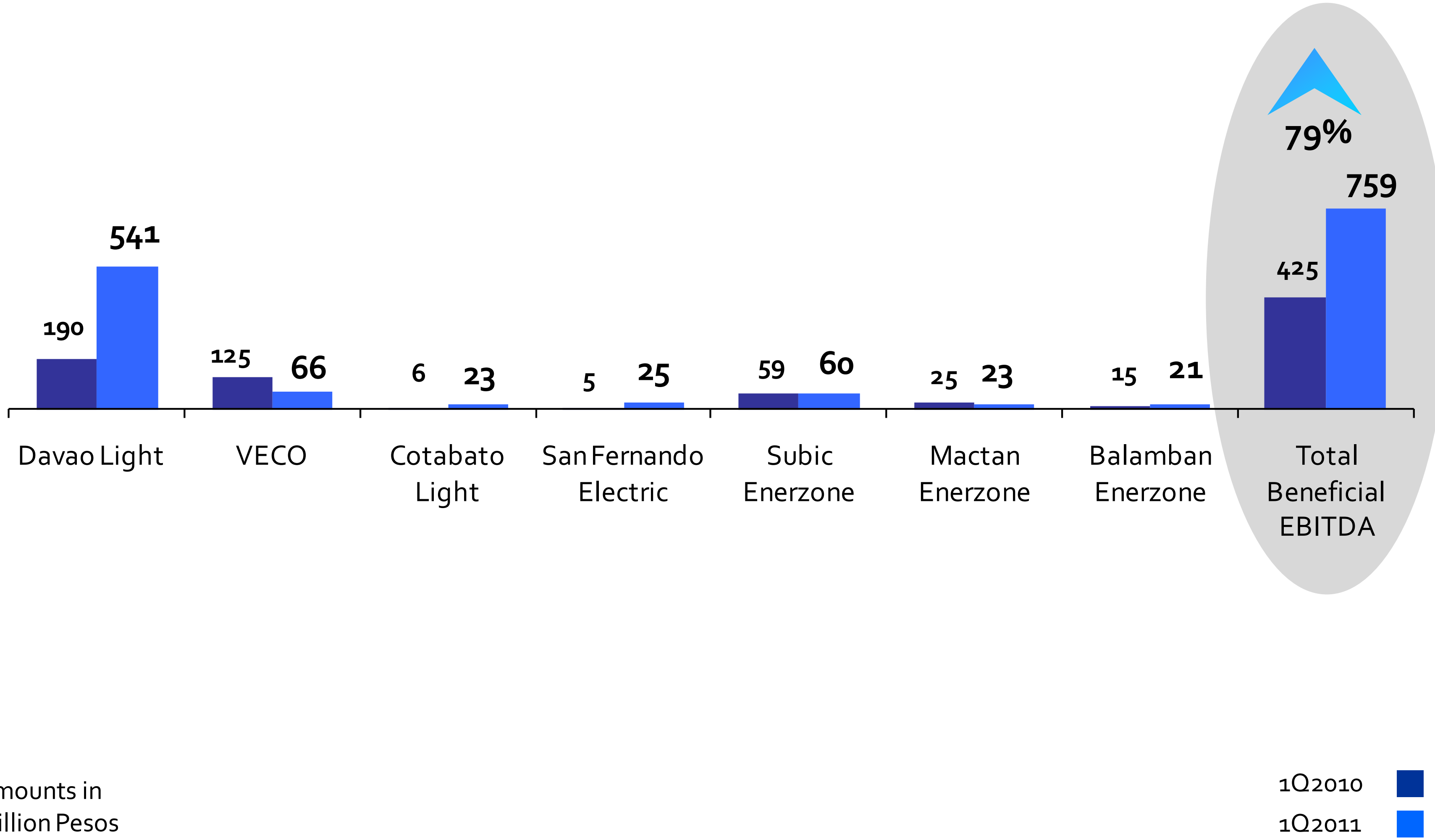
** 12 month moving average

## SYSTEMS LOSS



# OPERATING HIGHLIGHTS: DISTRIBUTION

## PF BENEFICIAL EBITDA




Amounts in Million Pesos

# FINANCIAL CONDITION

| BALANCE SHEET (In million Pesos) | PARENT | | CONSOLIDATED | |
|---|---|---|---|---|
| | YE2010 | 1Q2011 | YE2010 | 1Q2011 |
| Cash and Equivalents | 11,082 | 15,209 | 18,302 | 23,289 |
| Investments and Advances | 28,949 | 30,280 | 28,799 | 28,293 |
| Total Assets | 40,487 | 45,978 | 134,557 | 139,577 |
| Total Interest Bearing Debt | 13,073 | 11,789 | 67,065 | 66,675 |
| Total Liabilities | 16,427 | 12,175 | 76,823 | 76,715 |
| Net Debt | 1,991 | (3,420) | 48,763 | 43,386 |
| Total Equity | 24,060 | 33,803 | 57,734 | 62,861 |
| Current Ratio | 4.70 | 69.80 | 2.58 | 3.32 |
| Net Debt to Equity | 0.08 | (0.10) | 0.84 | 0.69 |

# FINANCIAL CONDITION

| BALANCE SHEET (In million Pesos) | BENEFICIAL YE2010 | 1Q2011 |
|---|---|---|
| Total Interest Bearing Debt | 86,953 | 88,292 |
| Cash | 24,033 | 28,573 |
| Net Debt | 62,921 | 59,720 |
| Equity* | 57,330 | 62,417 |
| Net Debt to Equity | 1.10 | 0.96 |
| Net Debt to EBITDA | 1.72 | |

*Equity Attributable to Parent

# PROJECT UPDATE: Generation Business

## AMBUKLAO-BINGA REHABILITATION

- Total combined project cost of $280 million
  - $189 million for 75 MW Ambuklao + $10 million for new headrace tunnel
  - $81 million for 100 MW Binga
- Target completion dates for Ambuklao
  - All three units by 3Q2011
  - To increase capacity to 105 MW
- Target completion dates for Binga
  - Unit 1: 2011
  - Unit 2: 2012
  - Unit 3: 2013
  - Unit 4: 2014
  - To increase capacity to 120 MW
- Capex spent as of end-1Q2011 at $236.8 million

# PROJECT UPDATE: Generation Business

## TIWI-MAKBAN REHABILITATION

- At Makban
  - Completion rate at 80% as of end-1Q2011, actual cost at $29.7 million
  - Estimated completion date by March 2012
- At Tiwi
  - Completion rate at 47% as of end-1Q2011, actual cost at $6.5 million
  - Estimated completion date by May 2011
- Total actual capex spent at $52 million (inclusive of engineering and partnership fees), out of the combined project cost of roughly $120 million
- After completion, combined production capacity is estimated at 484 MW (taking into account current steam supply and decline rates), with improvements in plant efficiency, reliability and availability

Tiwi Geothermal
Power Plant Complex

Makban Geothermal
Power Plant Complex

# OUTLOOK: Generation Business

## BROWN/GREENFIELD

### LUZON GRID

- Binga Hydro 20 MW
- Magat Hydro 90 MW
- Subic Coal 600 MW

### MINDANAO GRID

- Tamugan Hydro 11.5 MW
- Tudaya 1&2 Hydro13.6 MW
- Davao Coal 300 MW

## PRIVATIZATION

### IPP Administrator (IPPA) Contracts

- Unified Leyte Geothermal plants (EDC) 550 MW, Visayas Grid

### Earliest by July 2011

- IPPA: Caliraya-Botokan-Kalayaan (J Power) 728 MW, Luzon Grid
- Asset sale: Agus Hydro 727 MW & Pulangi Hydro 255 MW, Mindanao Grid
  - Restricted capacity per EPIRA

# Annex A: EARNINGS BREAKDOWN

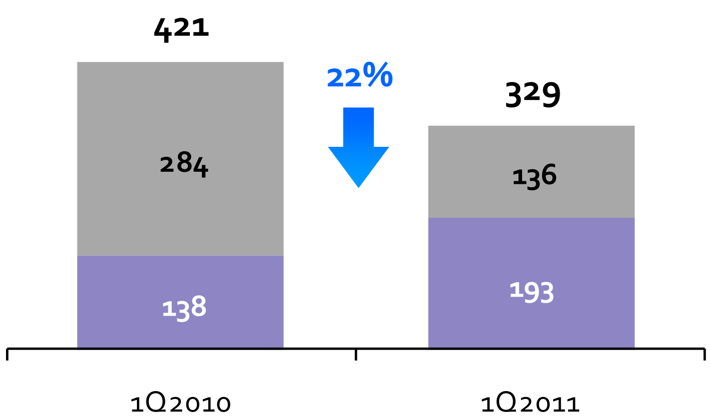
(in million pesos)

| INVESTEE | YEAR - TO - DATE ACTUAL 2011 | YEAR - TO - DATE ACTUAL 2010 |
|---|---|---|
| **Parent & Others** | **(266)** | **(332)** |
| **Power Generation Group:** | | |
| HEDCOR, INC. | (54) | (76) |
| HEDCOR SIBULAN | 50 | 20 |
| LUZON HYDRO | (15) | 15 |
| SNAP - MAGAT | 734 | 220 |
| SNAP - BENGUET | 222 | 58 |
| SOUTHERN PHILS. POWER | 12 | 14 |
| WESTERN. MINDANAO POWER | 39 | 43 |
| CEBU PRIVATE POWER CORP. | 60 | 53 |
| EAST ASIA UTILITIES CORP. | 56 | 37 |
| THERMA MARINE | 423 | 112 |
| STEAG | 213 | 151 |
| ABOVANT | 41 | (9) |
| THERMA LUZON | 1,045 | 4,300 |
| AP RENEWABLES, INC. | 2,093 | 2,587 |
| OTHERS | (2) | 17 |
| **Sub-Total Power Generation** | **4,918** | **7,542** |
| **Power Distribution Group:** | | |
| COTABATO LIGHT & POWER | 9 | (8) |
| DAVAO LIGHT & POWER | 346 | 96 |
| VISAYAN ELECTRIC CO. | 19 | 63 |
| SFELAPCO | 11 | (3) |
| SUBIC ENERZONE | 31 | 35 |
| MACTAN ENERZONE | 20 | 22 |
| BALAMBAN ENERZONE | 18 | 13 |
| **Sub-Total Power Distribution** | **454** | **219** |
| **TOTAL NET INCOME** | **5,106** | **7,429** |

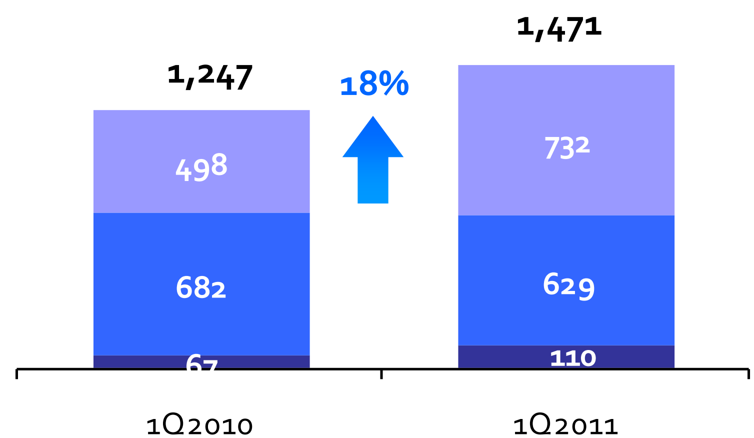
| | | |
|---|---|---|
| **NET INCOME TO COMMON** | **5,106** | **7,429** |
| **% increase (decrease)** | | **-31%** |
| **CORE NET INCOME** | **4,651** | **7,025** |
| **% increase (decrease)** | | **-34%** |
| **CORE NET INCOME bef Finance Lease Acctg** | **5,981** | **8,267** |
| **% increase (decrease)** | | **-28%** |

# Annex B: OPERATING HIGHLIGHTS – GENERATION

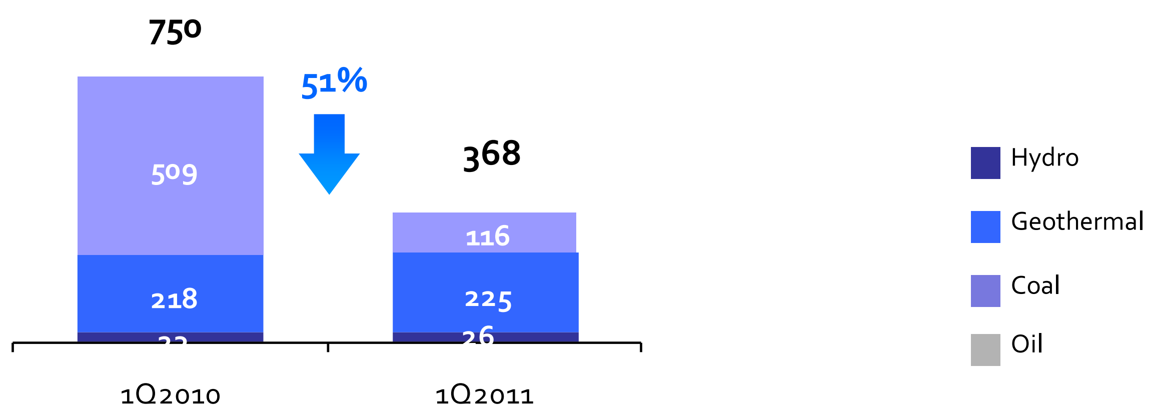
## CONTRACTED (CAPACITY)




## CONTRACTED (ENERGY)




## SPOT MARKET




*Figures are in GWh

# Annex C: DEBT PROFILE – AP PARENT

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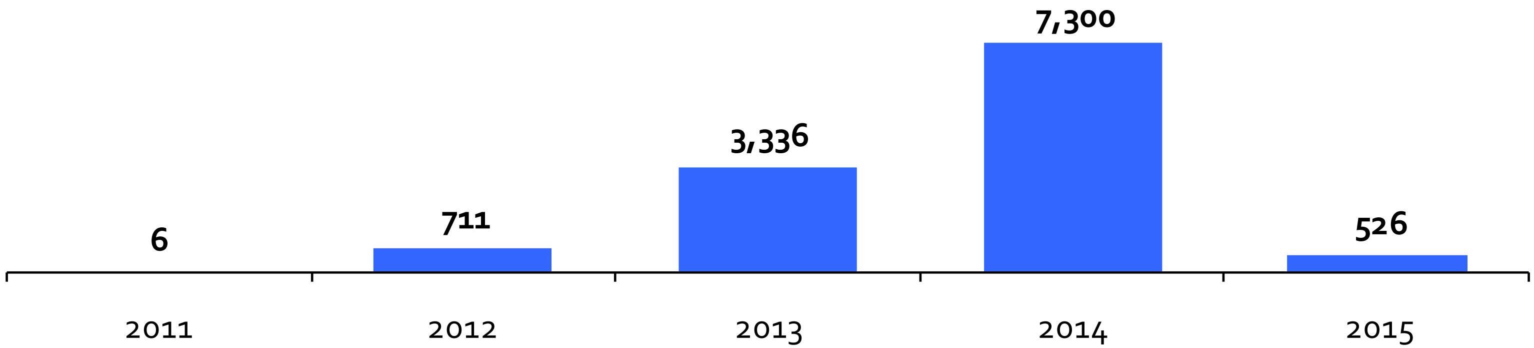
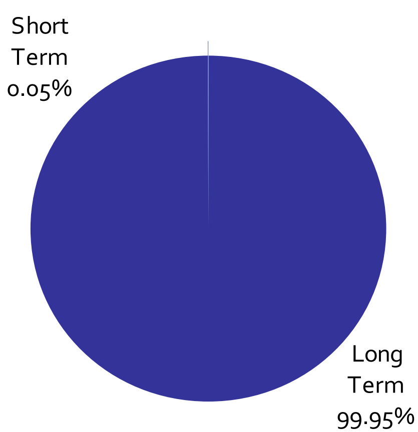
## Maturity Profile - PhPM

(As of March 2011)



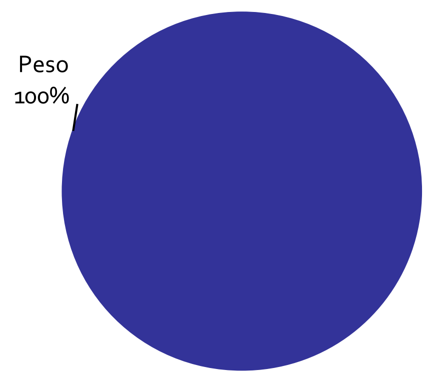

## Breakdown by Tenor

(As of March 2011)



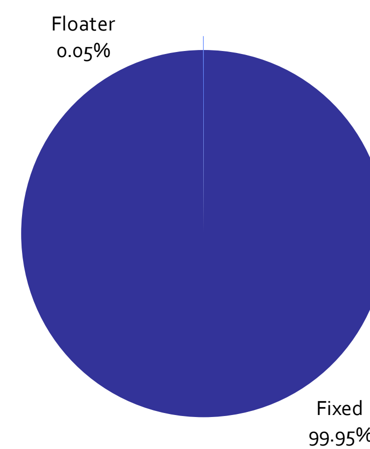

## Breakdown by Currency

(As of March 2011)




## Breakdown by Interest Rate

(As of March 2011)



# Thank you

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