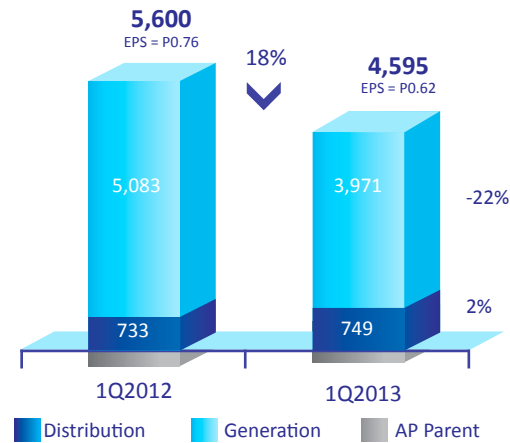


Net Income

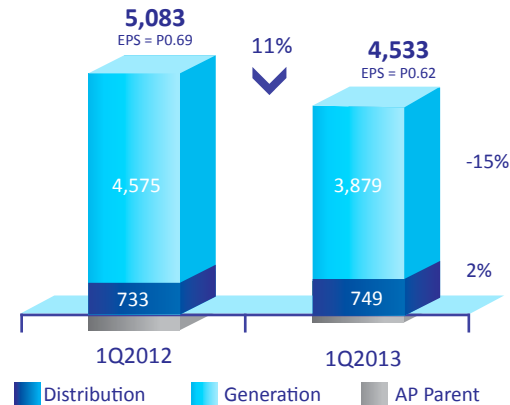
In mn Pesos



- AboitizPower's consolidated net income recorded an 18% decrease for the first three months of 2013. This was mainly attributable to the weak performance of the Generation segment due to the drop in ancillary volumes as an effect of the lower acceptance rate by the National Grid Corporation of the Philippines. Smaller FX gains versus the same period last year also contributed to the decline.

Core Net Income

In mn Pesos



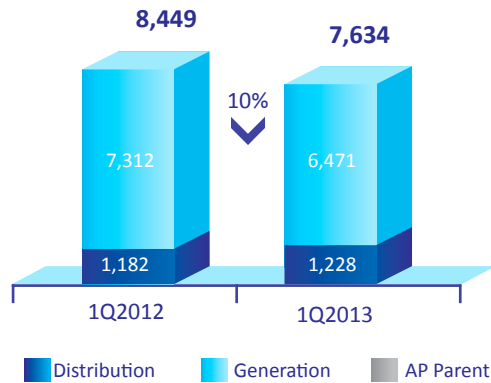
- Non-recurring gain for the period amounted to P62 mn, vis-à-vis last year's P517 mn
 - 1Q2013 one-off's include net FX gains resulting from the revaluation of consolidated dollar loans and placements. However, AP realized a one-time non-recurring expense due to the prepayment of debt.
 - 1Q2012 one-off's include FX net gains resulting from the revaluation of consolidated dollar loans and placements and booked gains arising from associates' share redemption.

Non-Recurring Items (in Pm)

	1Q2012	1Q2013
FX gain (loss)	503	154
Debt prepayment	0	(93)
Others	14	0
	<u>517</u>	<u>62</u>

Beneficial EBITDA

In mn Pesos



- Decline was due to weaker performance by the generation unit.
- Beneficial Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) is the summation of the proportionate share of AP in the EBITDA of its subsidiaries and associate companies.

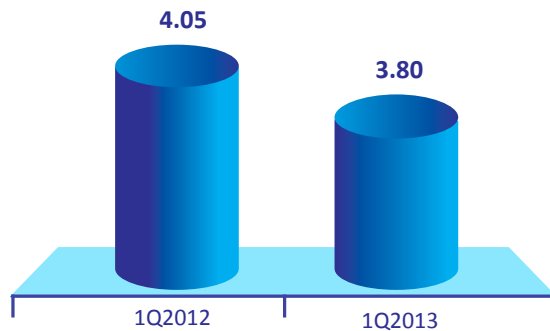


Irian 1 hydro power plant

Result of Operations – Generation

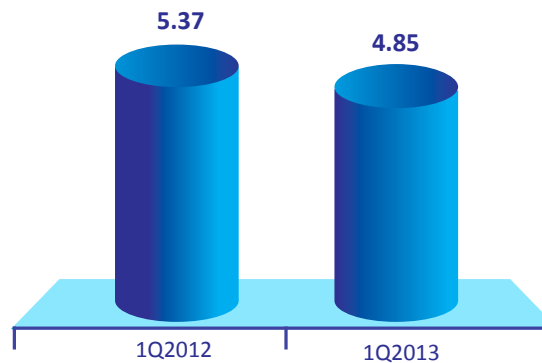
Average Selling Price for Spot Market Transactions

P/kWh



Average Selling Price for Contracted Capacity

P/kWh

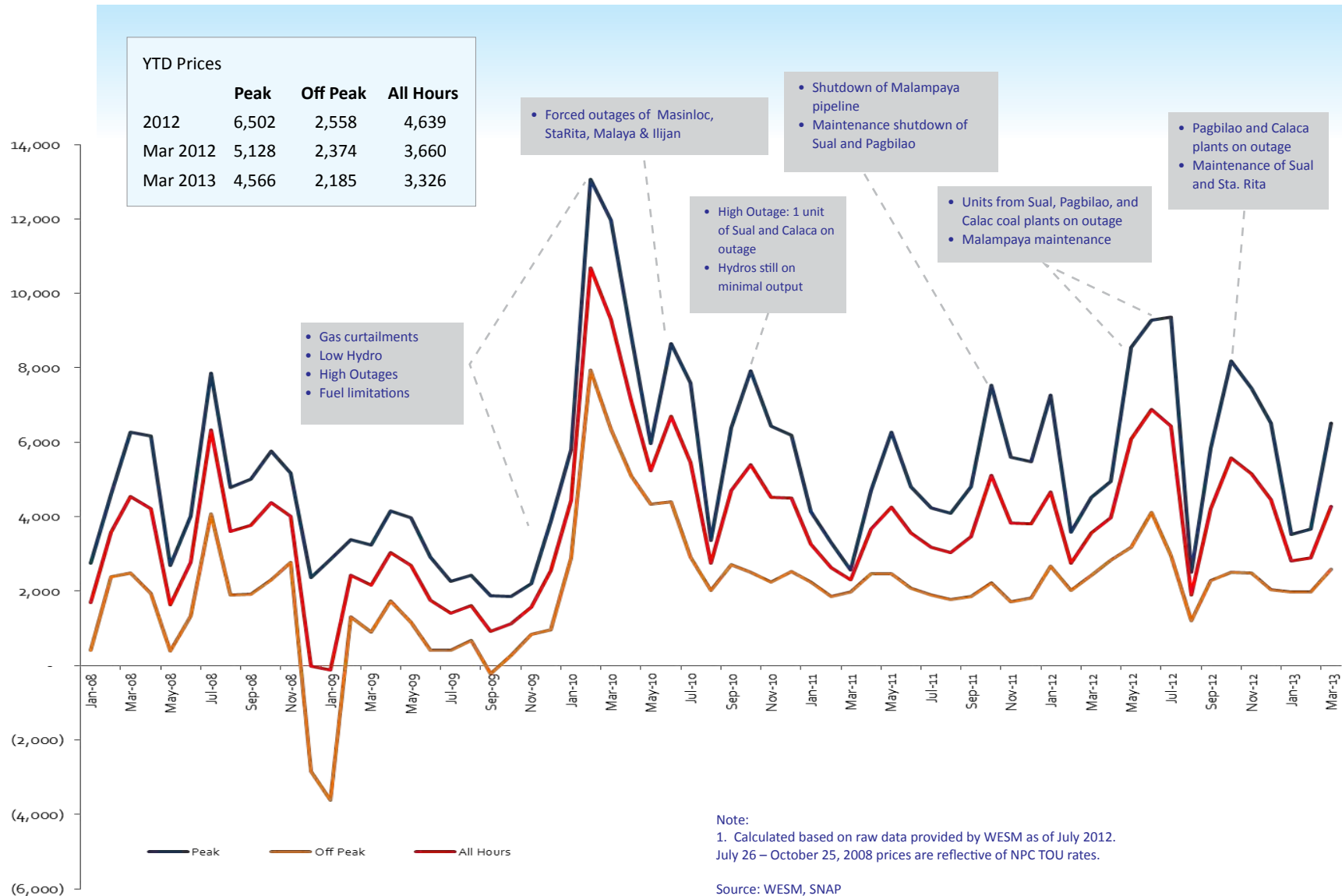


- Average selling price was down 11% YoY, from P5.23/kWh to P4.63/kWh due to the following:
 - Decline in average selling price for bilateral contracts as a result of the shift into de-risked capacity-based contracts.
 - Decline in the average selling price for transactions in the Wholesale Electricity Spot Market as a result of lower demand in the first two months of the year and stable supply environment.

Result of Operations – Generation

WESM Prices - Luzon Grid (P/MWh)

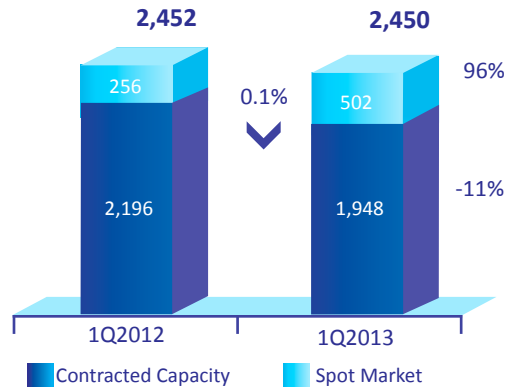
Monthly Time Weighted Average Prices



Result of Operations – Generation

Energy Sales

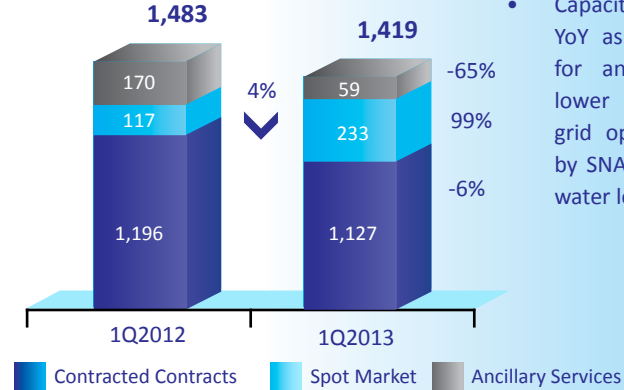
in GWh



- Energy sales remained flat due to the shift in sales from bilateral contracts to the spot market.
- Contracts for the geothermal plants were also purposefully not being renewed at this point until the company concludes its negotiations for the new steam supply contract with Chevron. This has resulted to a significant decline in purchased power for the quarter as compared to the same period last year.

Capacity Sales

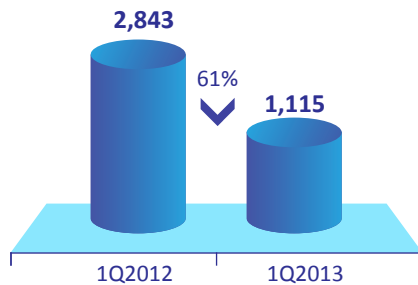
in MW



- Capacity sales declined by 4% YoY as a result of lower sales for ancillary services due to lower acceptance rates by the grid operator and lower offers by SNAP due to the decrease in water levels.

Ancillary Revenues

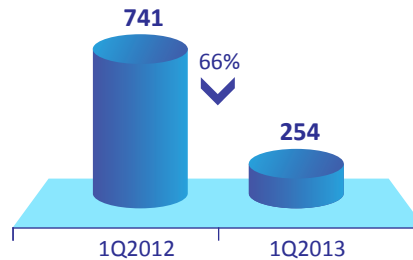
At 100%, in mn Pesos



Drop in Ancillary services revenue

Accepted/Billed Capacity

At 100%, in GW/h



- Lower acceptance rate by the grid operator resulted to a decline in revenues from ancillary services.



Other Developments - Generation

Ongoing Brownfield Developments

- **Rehabilitation of 100-MW Binga hydro**
 - Rehabilitation of SNAP commenced in 2011.
 - Rehabilitation of the first, second and third units were completed in December 2011, July 2012 and January 2013, respectively, adding 15 MW to the total capacity.
 - Currently working on the fourth unit with expected completion targeted by July 2013.
 - Completion of all four units will result to an enhanced generation capacity, reaching 120 MW.
 - AboitizPower has an effective stake of 50% in this facility.
- **Tiwi-Makban rehabilitation project**
 - Successfully completed the refurbishment activity of the 14 generation units at both Tiwi and Makban facilities
 - The successful completion of the performance tests will trigger the return of the Performance Bond.
 - Enhancements in the plants' reliability and steam usage have been realized following the completion of the refurbishment, rehabilitation and resource improvement.
- **300 MW(net) Coal-fired Project in Toledo City, Cebu**
 - Therma Visayas, Inc. ("TSI"), a wholly owned subsidiary of AboitizPower, is developing a 2x150 MW (net) coal-fired power project in Toledo City.
 - The project site was acquired in December 2011.
 - The Environmental clearance was issued in May 2013.
- **600 MW Coal-fired Power Plant in Subic**
 - Project by Redondo Peninsula Energy, Inc. (RP Energy), a JV among Meralco PowerGen Corporation (MPGC), Aboitiz subsidiary Therma Power, Inc. (TPI) and Taiwan Cogeneration International Corporation (TCIC).
 - Commercial operation is estimated to begin in early 2017.
 - AboitizPower, through TPI will have an equity interest of 25% in RP Energy.
- **300 MW Coal-fired Power Plant in Davao**
 - A project of wholly owned subsidiary, Therma South, Inc. (TSI), which involves the construction and operation of 2x150MW coal-fired power plant in Davao, the biggest load center in the island of Mindanao.
 - The project broke ground in 2012. The first generating unit (150 MW) is expected to be completed 34 months after (or March 2015), with the second unit (150MW) to follow 3 months later (or June 2015).
- **7 MW Tudaya 1 Hydro Power Plant Project**
 - In the third quarter of 2012, Hedcor Sibulan, Inc. started the construction of Tudaya 1 which is located upstream of the existing Sibulan A pondage.
 - Almost 50% complete, it is schedule to be finished in the first quarter of 2014.
 - The energy to be produced will be sold to Davao Light through the power supply agreement signed in 2007.

Green/Brownfield Developments Moving Forward

- **6.6 MW Tudaya 2 Hydro Power Plant Project**
 - AboitizPower's wholly owned subsidiary Hedcor Tudaya,



Tiwi geothermal power plant

Other Developments - Generation

Green/Brownfield Developments Moving Forward

- Inc. has started the construction of Tudaya 2 located downstream of the existing Sibulan B.
 - The project, which commenced construction in the third quarter of 2012, is already 75% complete.
 - The project is estimated to be completed by the first quarter of 2014.
- **14 MW Sabangan Hydro Power Plant Project**
 - A project of Hedcor Sabangan, Inc., this involves the construction of a run-of-river hydropower plant facility to be located in Mt. Province (Northern Luzon)
 - The project was granted all the permits and licenses in the first quarter of 2013.
 - The construction commenced in May 2013 and will take approximately 24 months to finish.
- **12 MW Hedcor Tamugan Hydro Power Plant Project**
 - In 2010, wholly owned subsidiary Hedcor Tamugan, Inc., has reached an agreement with the Davao City Water District on the use of the Tamugan river.
 - Originally planned as a 27.5 MW run-of-river facility, Hedcor Tamugan submitted a new proposal, which involves the construction of a 12 MW hydropower facility.
 - Currently, Hedcor Tamugan is waiting for the approval from the Davao City council.
 - Once approval and permits are secured, the two-year construction period will commence.
- **400 MW Coal-fired Power Plant in Pagbilao, Quezon**
 - In September 2011, AP signed a Memorandum of Understanding with Marubeni Corporation to formalize their intention to jointly develop, construct and operate a coal-fired power plant with a capacity of 400 MW (net).
 - The unit will be located within the premises of the existing 735 MW (net) Pagbilao coal-fired plant.
 - Commercial operations of the first generating unit are targeted within the year 2017.
- **150 MW Coal-fired Power Plant in Misamis Oriental**

- On June 28, 2010, AP and its partners in STEAG State Power, Inc., owner of the 232 MW coal plant located at Misamis Oriental, firmed up their collective intention to develop a third unit of approximately 150 MW capacity adjacent to the existing facility.
- Shareholdings in the new corporation to be established for the planned additional capacity will be of the same proportion.
- Certain essential facilities, such as the jetty, coal handling facilities and stockyards and the 138-kV interconnection with the Mindanao Grid are to be shared with the existing facilities.
- Majority control of SPI has since changed, so the development of a third unit is being reevaluated.

- **Other Hydro Power Plant Developments**

- 100%-owned subsidiary Hedcor, Inc. (Hedcor) is conducting feasibility studies for potential hydropower projects located in Luzon, Visayas and Mindanao. Based on current findings, Hedcor sees the potential of building 5 to 50 MW plants in the identified areas. When the projects pass the evaluation stage and once permits are secured, the two-year construction period for the hydropower plant facilities will commence.
- The SN Aboitiz Power Group (SNAP Group) is in the process of evaluating several hydropower plant projects. A Brownfield project is being evaluated for its Magat hydropower plant, which involves the construction of a pumped storage that could potentially increase its capacity by at least 90 MW. The SNAP Group is likewise evaluating several Greenfield hydropower plant projects that have at least 70 MW of potential capacity each.

Participation in the Government's Privatization Program for its Power Assets

- AboitizPower continues to closely evaluate the investment viability of the remaining power generation assets that PSALM intends to auction off.
- AP is also keen on participating in PSALM's public auction for the Independent Power Producer (IPP) Administrator contracts, which involves the transfer of the management and control of total energy output of power plants under contract with NPC to the IPP administrators.

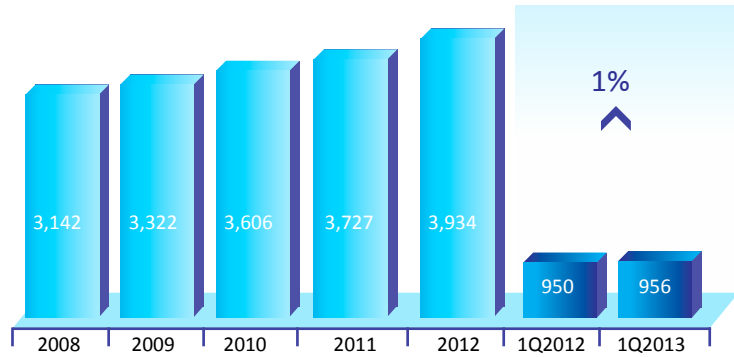


Pagbilao coal-fire plant

Result of Operations – Distribution

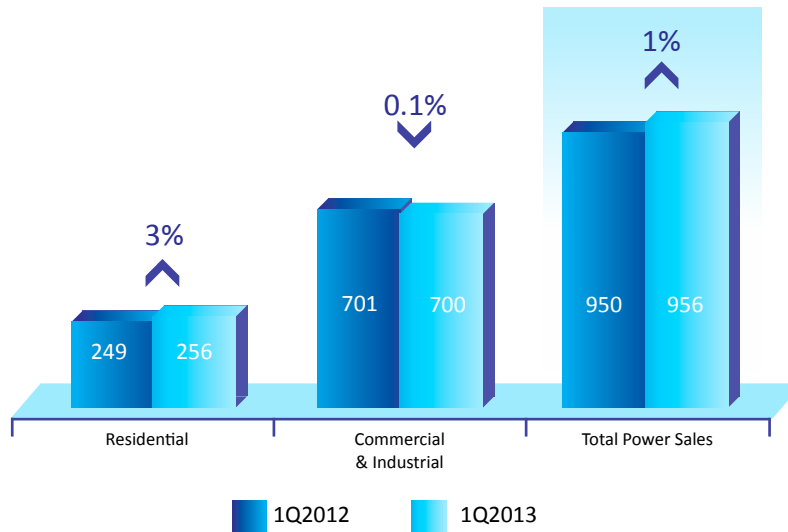
Attributable electricity sales

In GWh



Electricity Sales, by Customer Type

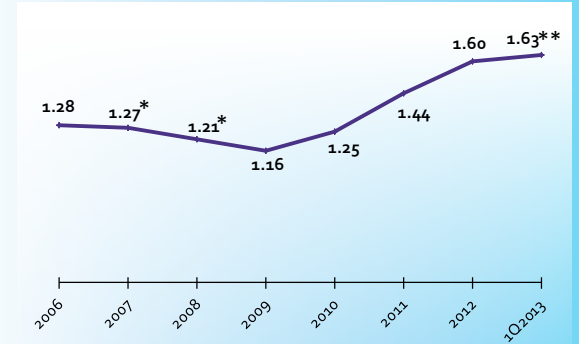
In GWh



The growth was led by the residential and commercial segments, registering an increase in YoY attributable electricity sales of 3% and 2%, respectively.

GROSS MARGIN

P/kWh

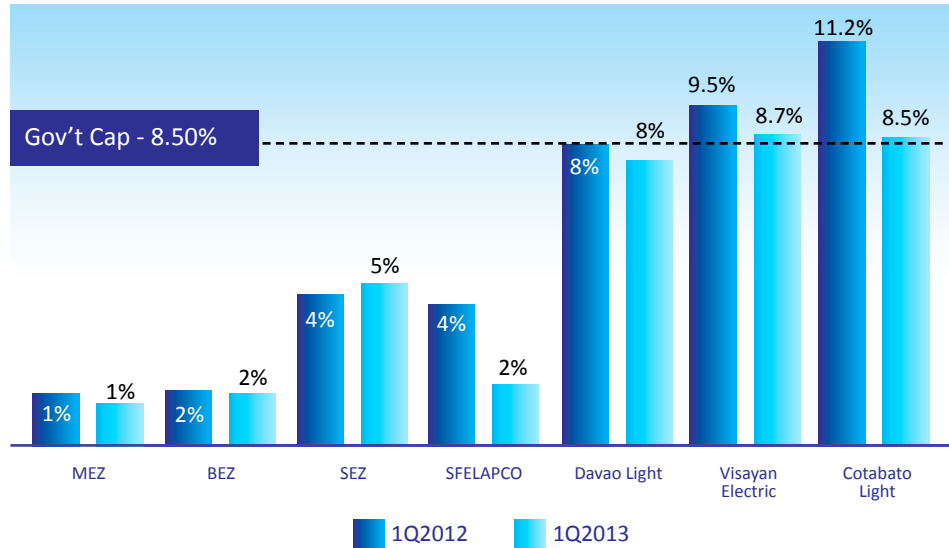


- Implementation of the utilities' approved tariffs under the Performance Based Regulation (PBR) scheme and the reduction in system loss helped enhance the gross margin of the distribution group.

* Adjusted for timing of transmission charge recovery
 ** Year-to-date

Result of Operations – Distribution

SYSTEMS LOSS



- Initiatives taken by the Visayan Electric Company and Cotabato Light and Power Company have resulted in 0.8 and 2.7 percentage points drop in their respective systems loss levels.

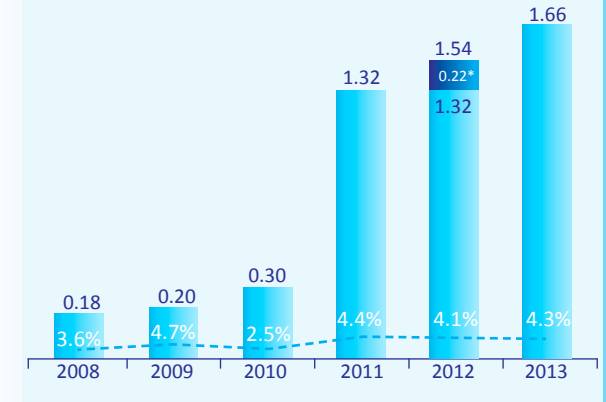
Performance-Based Regulation (PBR)

Cotabato Light	Davao Light and Visayan Electric	SFELAPCO and Subic Enerzone
Supposed to start with its Third Regulatory Period on April 1, 2013. But due to the absence of the Position Paper, the reset process is delayed. For the meantime, CLPC shall file a MAP adjustment & rate translation application for 2 regulatory years, which is targeted to be done this May 2013.	In March 2013, VECO & DLP filed their rate translation application for the Fourth Regulatory Year from July 1, 2013 to June 30, 2014. The public hearings have recently been concluded.	Entered their Second Regulatory Year from October 1, 2012 to September 30, 2013, SEZC was able to implement the new rate schedule starting February 2013 while SFELAPCO implemented its tariffs beginning April 2013. Filing for the Third Regulatory Year is scheduled this July.

Dividends

- On November 28, 2012, AboitizPower revised its dividend policy consisting of a dividend payout ratio of 50% of the previous year's consolidated net income. Previously, AboitizPower's dividend payout ratio was 1/3 of previous year's net earnings.
- On the same day, a special cash dividend of P0.22 per share was declared for all shareholders of record as of Dec. 13, 2012, payable on January 2013.
- On March 5, 2013, AboitizPower declared a dividend of P1.66 per share to all shareholders of record as of March 19, 2012, payable on April 15, 2013.

AboitizPower's Dividend History in Pesos



Legend: Dividend per share (solid blue bar), Dividend yield (dashed blue line)

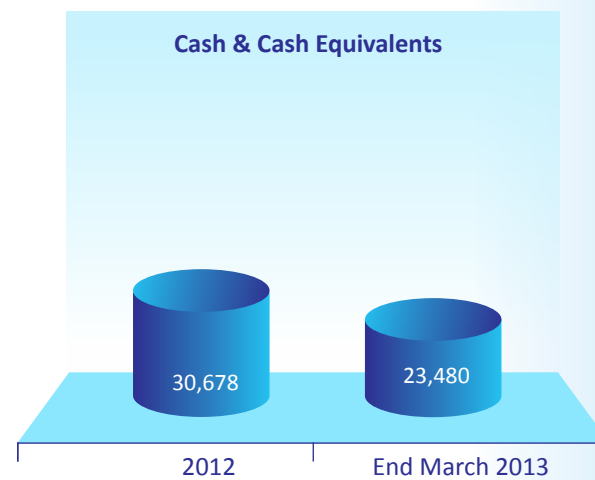
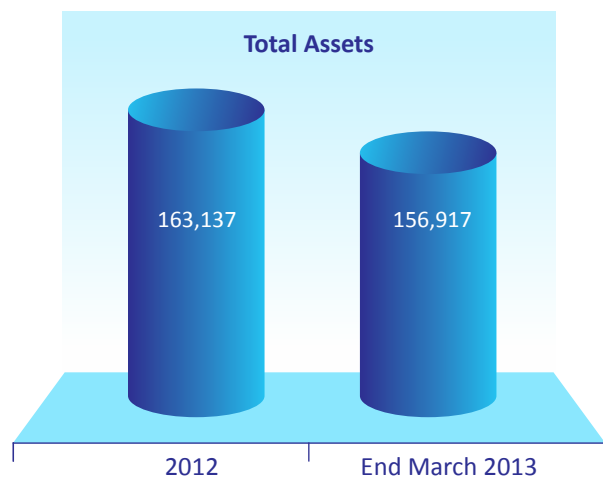
* Special cash dividend

Note: Dividend yields are based on closing prices as of date of dividend declaration.

Financial Condition

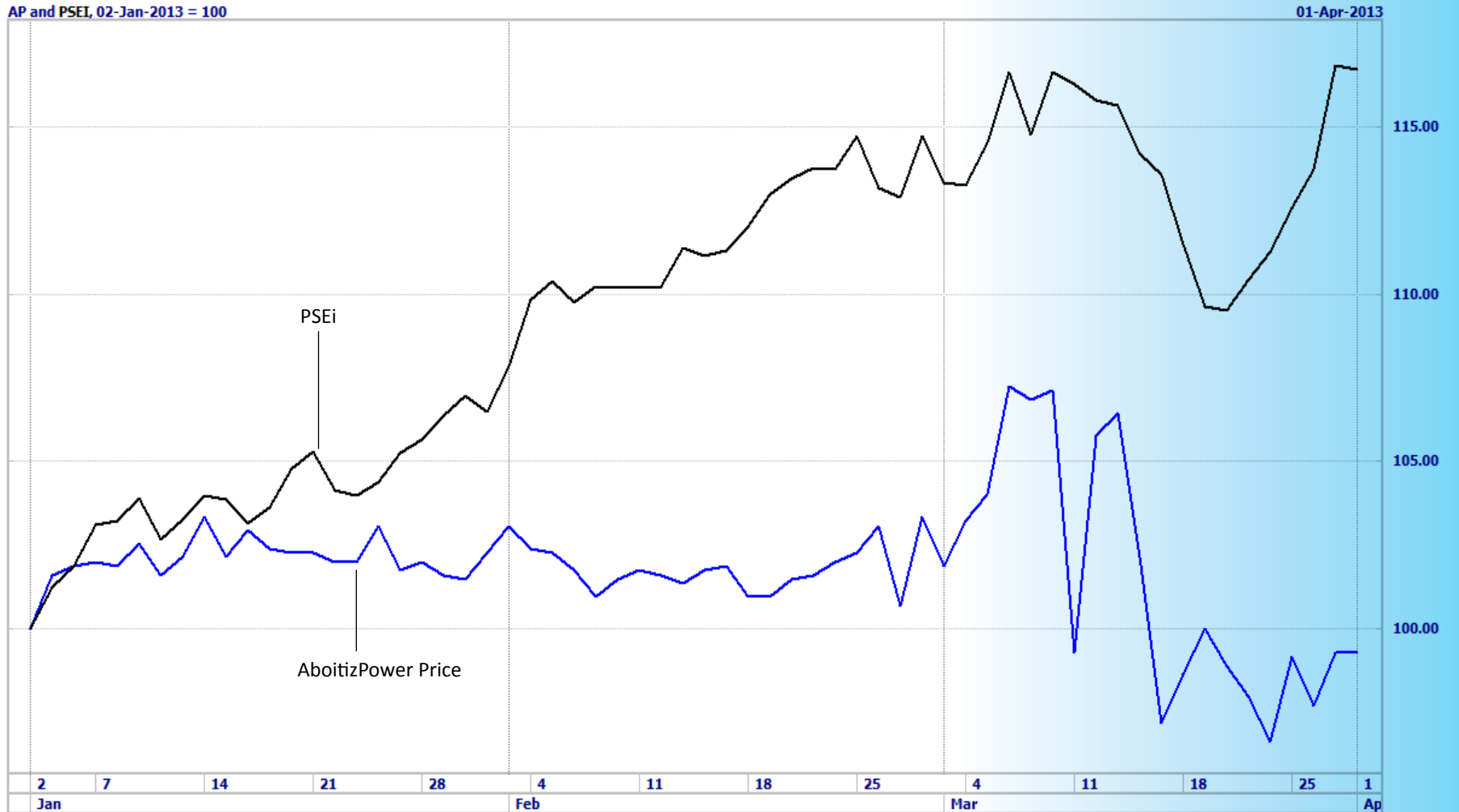
In mn Pesos

Consolidated Figures



Stock Price Performance

YTD March 2013



AboitizPower Growth 0.14%

PSEi Growth 18%