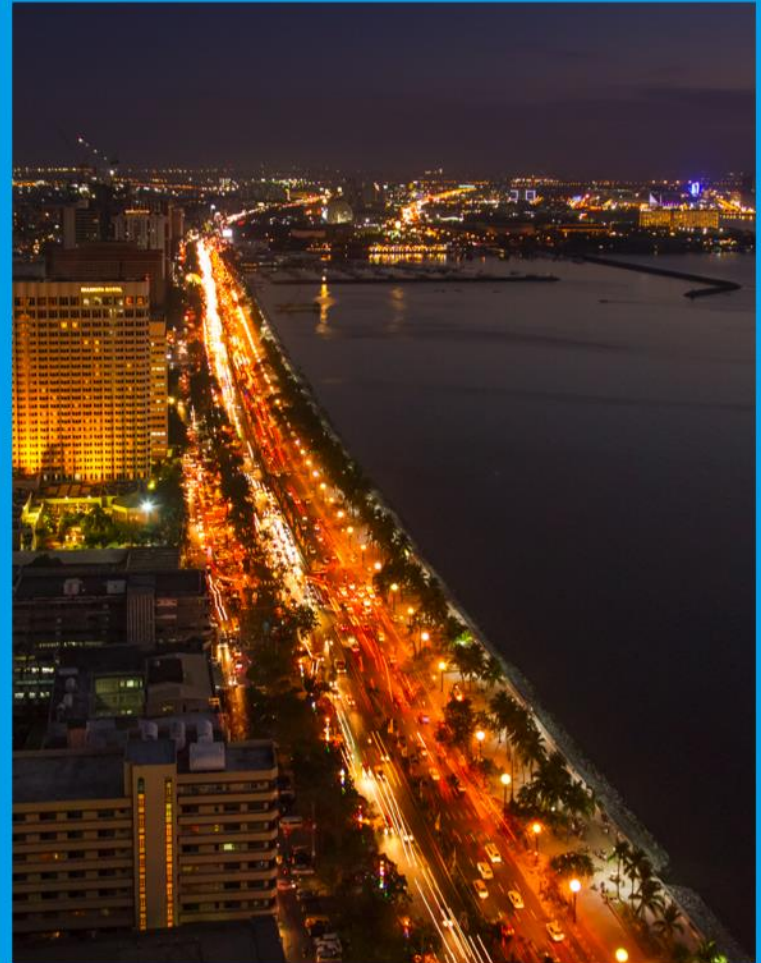


ABOITIZ POWER CORPORATION

Third Quarter / YTD September 2016 Financial & Operating Results

26 October 2016

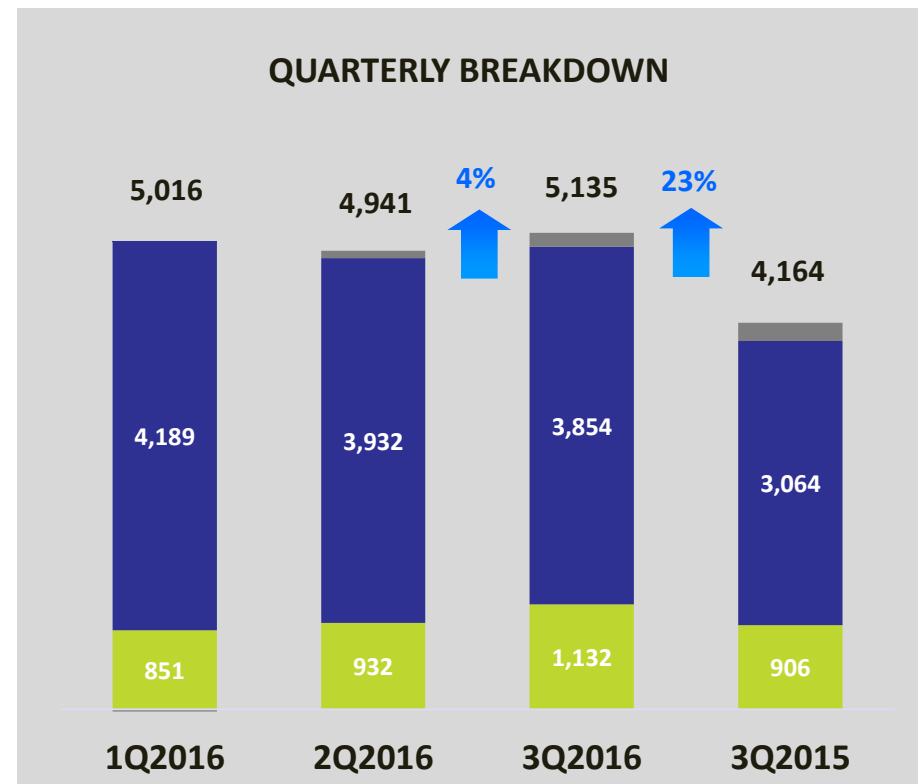
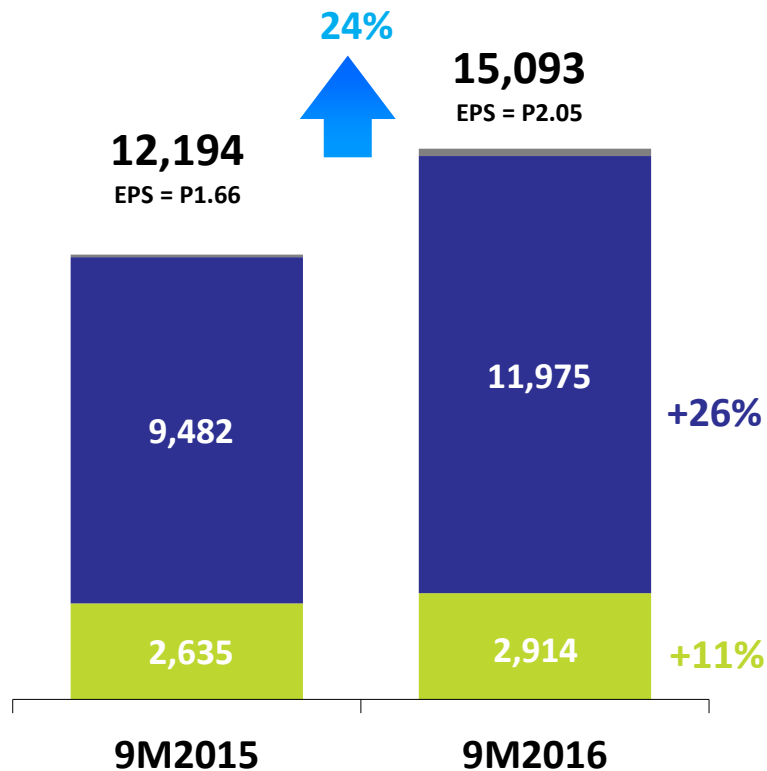


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NET INCOME (in million pesos)

Both the generation and distribution grows net income

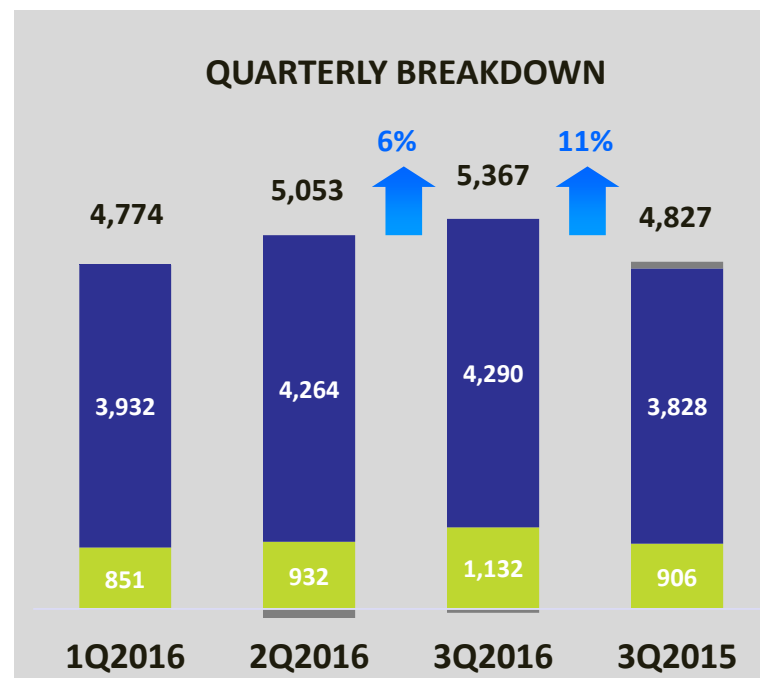
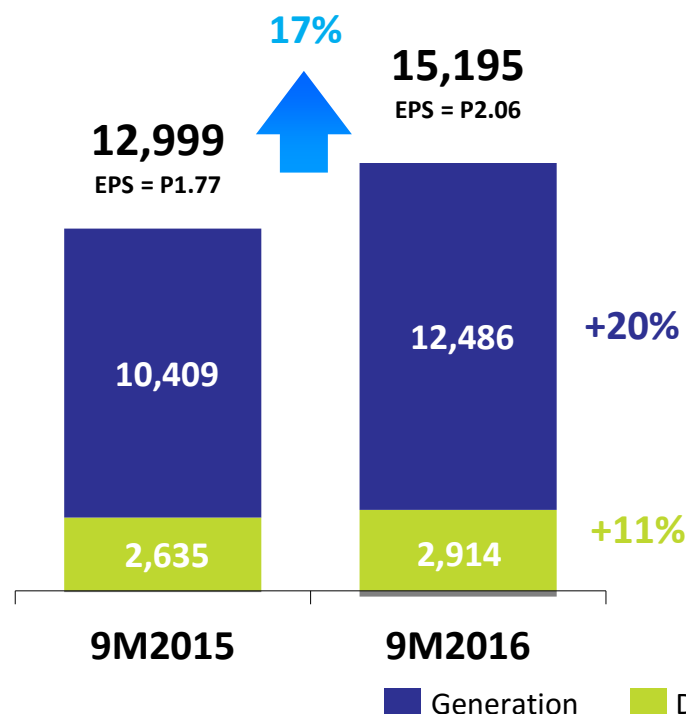


■ Generation ■ Distribution ■ AP Parent & Others

CORE NET INCOME (in million pesos)

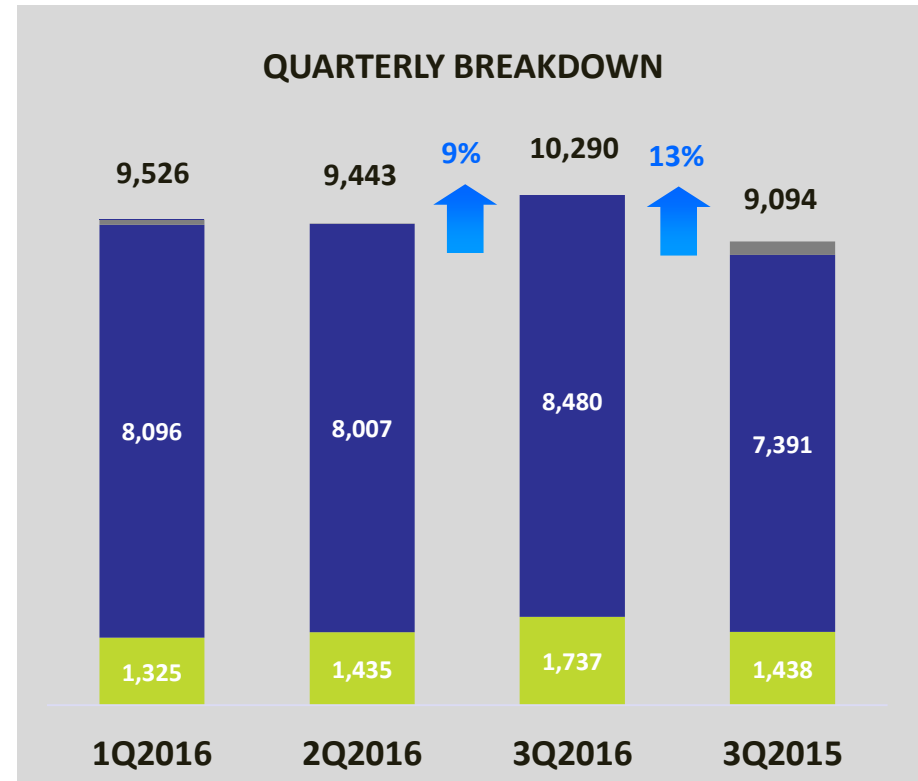
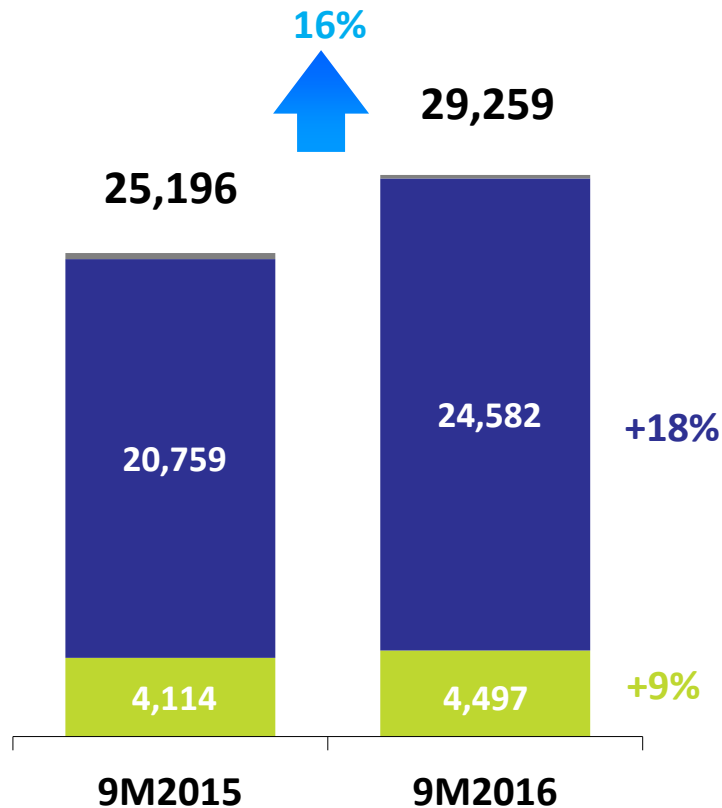
New coal capacity drives core net income higher

Non-Recurring Items						
	9M2015	9M2016	1Q2016	2Q2016	3Q2016	3Q2015
AP Parent	122	409	(15)	220	204	101
AP -Gen	(927)	(511)	257	(332)	(436)	(764)
Total Gains/(Losses)	(805)	(102)	242	(112)	(232)	(663)



BENEFICIAL EBITDA (in million pesos)

EBITDA growth driven by Therma South



■ Generation ■ Distribution ■ AP Parent & Others

FINANCIAL CONDITION

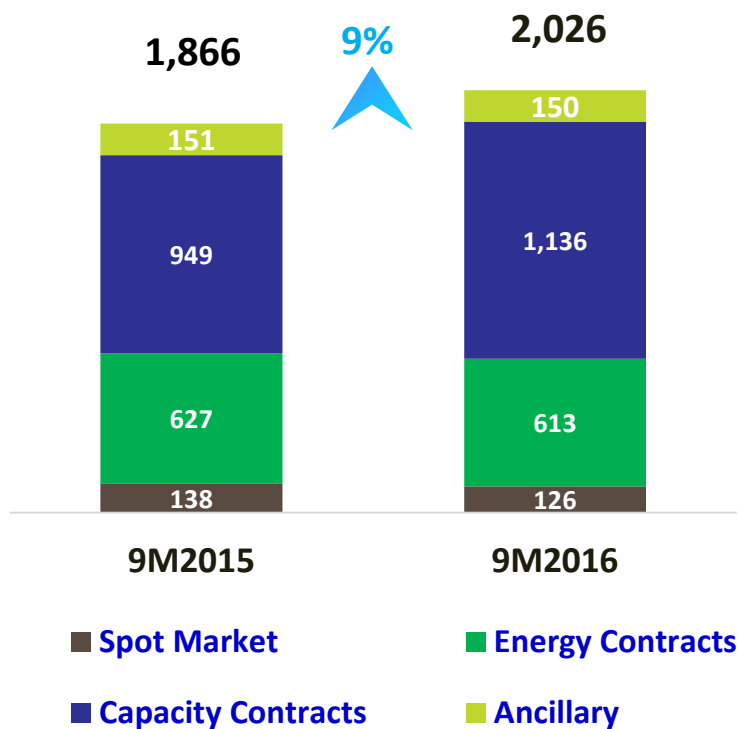
Balance sheet continued to be strong with low gearing

BALANCE SHEET (in million pesos)	PARENT		CONSOLIDATED	
	YE2015	9M2016	YE2015	9M2016
Cash and Equivalents	13,841	21,082	51,098	65,736
Investments and Advances	70,373	71,759	22,552	22,849
Total Assets	85,574	94,391	242,489	280,966
Total Interest Bearing Debt	9,911	9,919	114,612	147,672
Total Liabilities	22,613	22,616	140,876	176,900
Net Debt	-	-	63,514	81,936
Total Equity	62,962	71,775	101,614	104,066
Current Ratio	1.2x	1.8x	3.1x	3.1x
Net Debt to Equity	-0.1x	-0.2x	0.6x	0.8x

OPERATING HIGHLIGHTS: GENERATION

Capacity sales growth mainly driven by Therma South

Capacity Sales Breakdown
(MW)



Capacity Sold Factor

Fuel Group	9M15	9M16	Change in % points
MINI HYDRO	45%	40%	-5
LARGE HYDRO	69%	67%	-2
SNAP Magat	49%	49%	-
SNAP Benguet	96%	94%	-2
GEOTHERMAL	76%	77%	+1
COAL	97%	91%	-6
Therma Luzon	93%	90%	-3
Therma South		89%	-
OIL	97%	92%	-5
SOLAR		21%	-
AP GENERATION	85%	82%	-3

OPERATING HIGHLIGHTS: GENERATION

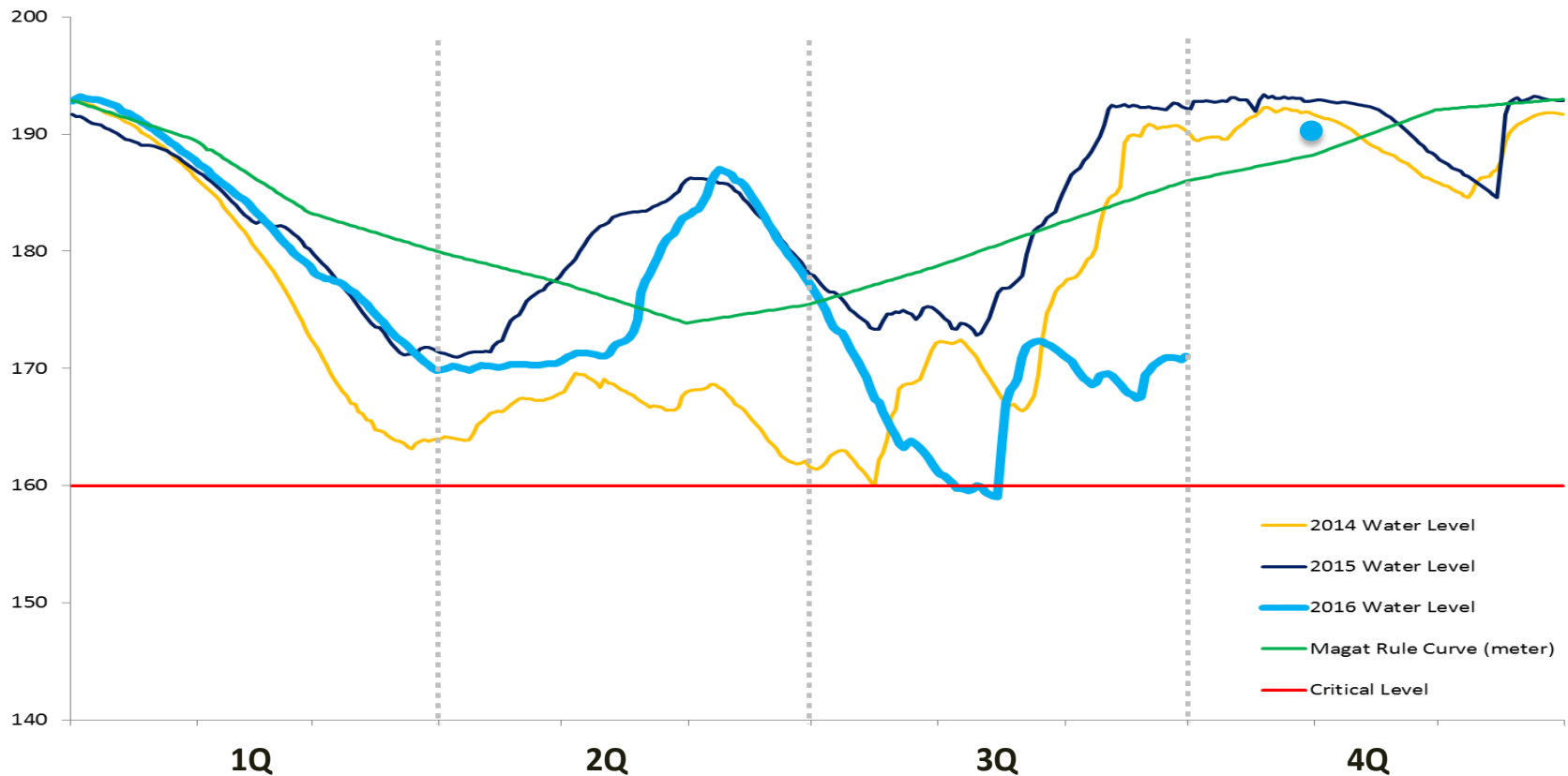
Volume growth driven by the Coal and Large Hydro Business Units

Fuel Group	Beneficial Total Energy Sales (GWh)			Beneficial Ancillary Sales (GW-h)		
	9M15	9M16	YoY Chg	9M15	9M16	YoY Chg
MINI HYDRO	509	479	-6%			
LARGE HYDRO	554	603	9%	779	733	-6%
SNAP Magat	240	297	24%	340	280	-18%
SNAP Benguet	314	306	-3%	439	453	3%
GEOTHERMAL	1,987	2,020	2%			
COAL	4,701	5,826	24%			
Therma Luzon	3,779	3,792	-	209	256	22%
Therma South	179	1,296	624%			
OIL	1,413	1,367	-3%			
SOLAR		13	-			
AP GENERATION	9,164	10,308	12%	989	989	-

OPERATING HIGHLIGHTS: GENERATION

Water levels ended below the rule curve but recovered after recent typhoons

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



OPERATING HIGHLIGHTS: GENERATION

Average selling price dropped amid declining fuel cost

In Peso/kWh	Bilateral Contracts		Spot Market		Weighted Average		Ancillary	
	9M15	9M16	9M15	9M16	9M15	9M16	9M15	9M16
AP GENERATION GROUP	4.35	4.29	4.62	3.27	4.38	4.21	2.02	1.98
SNAP Magat	5.05	4.76	5.15	5.39	5.06	4.82	2.09	2.27
SNAP Benguet	4.69	4.62	6.95	4.04	4.86	4.51	2.15	1.92
Therma Luzon*	3.84	3.77	5.17	3.18	3.96	3.73	1.64	1.78
Therma South	2.76	5.09	-	-	2.76	5.09		
APRI**	4.28	4.11	3.88	2.65	4.19	3.82		

Note:

Fuel cost and purchased power:

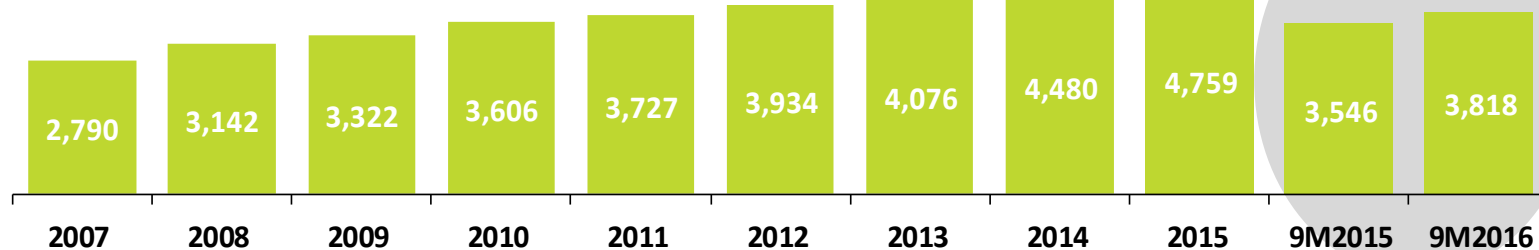
*TLI: P2.08/kWh (9M2016) versus P1.67/kWh (9M2015)

**APRI: P1.54/kWh (9M2016) versus P1.60/kWh (9M2015)

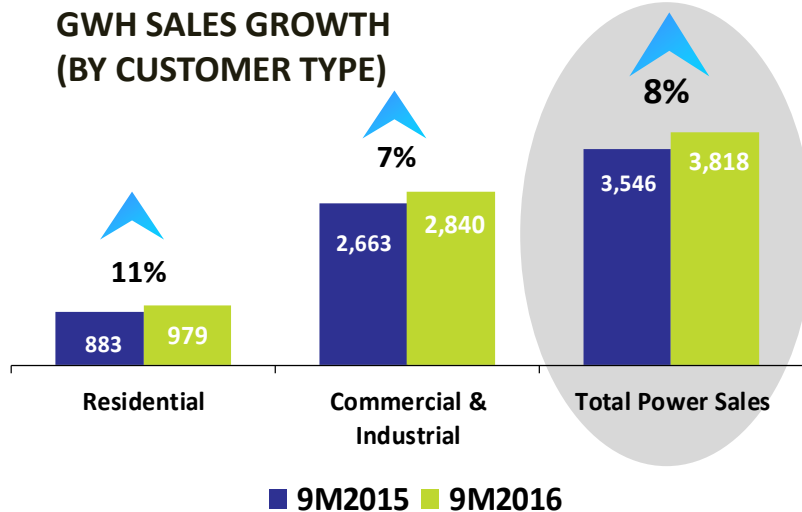
OPERATING HIGHLIGHTS: DISTRIBUTION

Power sales grew across all customer segments

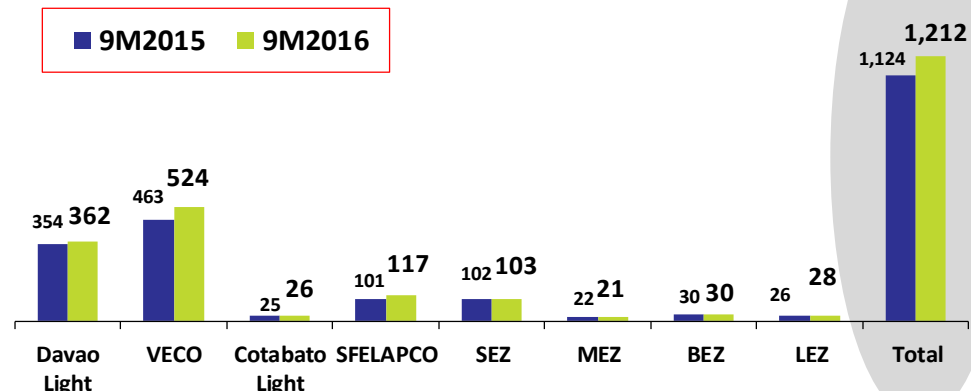
BENEFICIAL POWER SALES (GWh)



BENEFICIAL GWH SALES GROWTH (BY CUSTOMER TYPE)



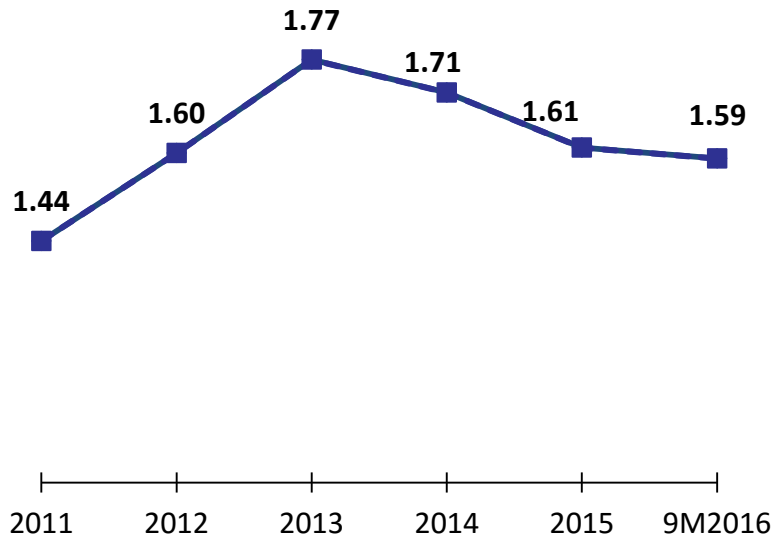
PEAK DEMAND (MW)



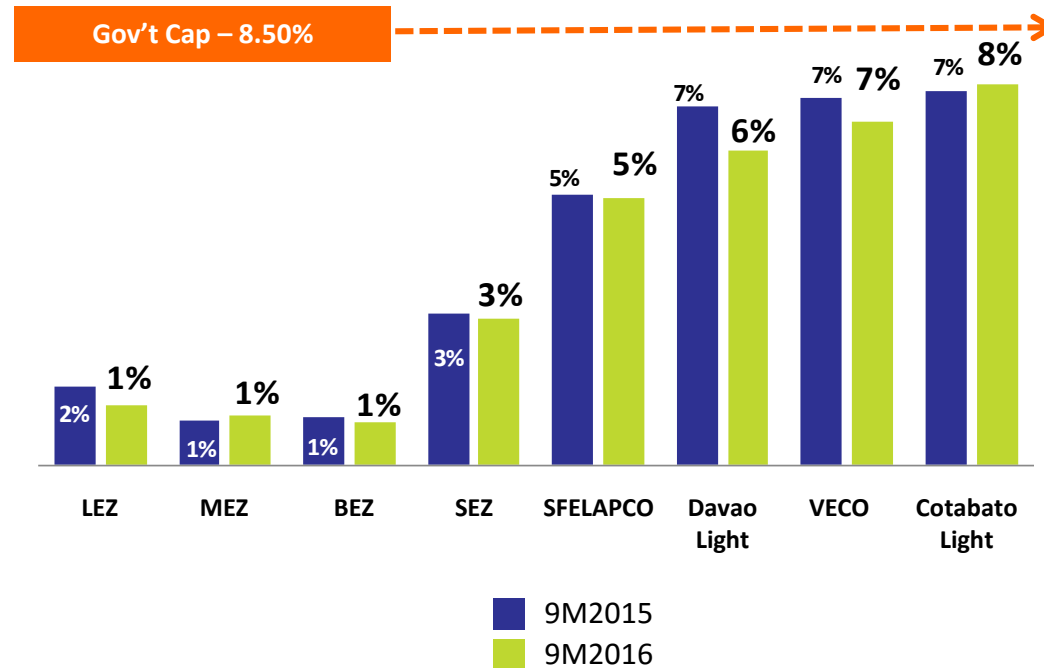
OPERATING HIGHLIGHTS: DISTRIBUTION

Gross margin down brought by shift in supply mix

GROSS MARGIN / KWH SALE



SYSTEMS LOSS



RECENT DEVELOPMENTS

AboitizPower preferred bidder for GNPower Mariveles & Dinginin



GMCP
Operating



GNPower Mariveles

GNPD

U1 under construction
U2 expansion option

Transaction Details

A strategic acquisition that would be immediately earnings accretive with short and mid-term capacity growth



Proposed acquisition cost: \$1.197 billion

Description: Acquisition of The Blackstone Group's indirectly held partnership interests in GMCP & GNPD.

Financing: Mix of internally generated cash and external debt (up to \$650M)

Status: Subject to approval of Philippine Competition Commission and Board of Investments



GMCP

604-MW Operating

GNPD

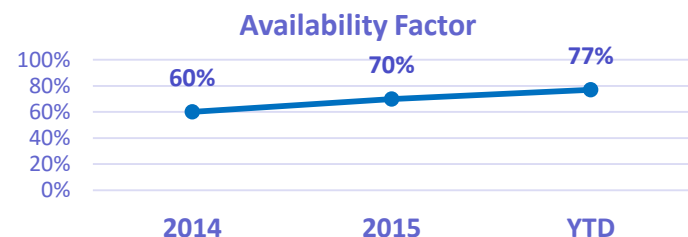
668-MW U1 under construction
668-MW U2 expansion option

Asset Details - GNPover Mariveles Coal Plant Ltd. Co.

Currently being operated and maintained to world-class standards

Plant Name:	GMCP
COD:	January 2014
Gross Capacity:	651.6 MW
Net Capacity:	2 x 302 MW
Offtake:	94% contracted (w/ good credit EC/DU)
Ownership:	66.1% (pending PCC approval)
2015 Net Debt:	\$516 mn*
2015 EBITDA:	\$136 mn*

*Derived from GMCP's 2015 Audited FS



Availability - GNPow Mariveles Coal Plant Ltd. Co.

Availability has improved; program in place for further enhancement

Period Covered	Availability %	EBITDA	Commentary
Calendar 2014	60%	\$105Mn*	<ul style="list-style-type: none">COD in Jan 2014.Major re-works were implemented
Calendar 2015	70%	\$136Mn*	<ul style="list-style-type: none">Final warranty outage occurred during the first quarter - limited operations and hence very little revenue during this period.Various improvement works were implemented
Calendar 2016	~77%**		<ul style="list-style-type: none">Yearly planned outage occurred in 1Q2016
2017 Beyond			<ul style="list-style-type: none">System upgrades and re-works have, and will continue to, improve plant reliability and availability.

*Derived from GMCP's 2015 Audited FS

**Jan to Sept YTD availability

Asset Details - GNPower Dinginin Ltd. Co.

One of the first supercritical, high efficiency plants in the Philippines

Plant Name:	GNPD
Capacity:	2 x 668 MW (supercritical)
Ownership	40% (pending PCC approval)
Project cost:	> \$1 billion for Unit 1
Unit 1	<ul style="list-style-type: none">- Under construction- NTP & Financial close in Sept. 2016- ~70% contracted- COD: 2019
Unit 2	<ul style="list-style-type: none">- Partially de-risked expansion opportunity- Synergies with Unit 1



Plant Model



Annex A: EARNINGS BREAKDOWN

(in million pesos)	OWNED Sep 2016	YEAR - TO - DATE			FOR THE QUARTER		
		ACTUAL 9M2016	ACTUAL 9M2015	VARIANCE 16 vs 15	ACTUAL 3Q2016	ACTUAL 3Q2015	VARIANCE 16 vs 15
Parent & Others		203	77	126	149	194	(44)
Power Generation Group:							
ARI (Parent & others)	100.00%	153.8	34	119	50	16	33
HEDCOR INC	100.00%	11.8	17	(5)	227	200	27
HEDCOR SIBULAN	100.00%	455.6	579	(123)	184	205	(21)
HEDCOR TUDAYA	100.00%	67.3	73	(5)	25	31	(6)
HEDCOR TAMUGAN	100.00%	0.0	0	0	0	0	0
HEDCOR SABANGAN	100.00%	18.2	41	(23)	18	34	(16)
HEDCOR BUKIDNON	100.00%	(40.1)	(29)	(11)	(19)	(28)	9
LUZON HYDRO	100.00%	243.6	173	71	159	159	(0)
MORE	83.33%	2.4	(12)	14	6	(7)	12
SNAP MAGAT	50.00%	571.3	517	54	154	296	(142)
SNAP BENGUET	50.00%	745.4	836	(90)	389	440	(51)
SPPC	20.00%	30.8	56	(26)	5	21	(16)
WMPC	20.00%	16.6	127	(110)	3	46	(43)
CPPC	60.00%	161.1	163	(2)	55	42	13
EAUC	100.00%	121.3	102	19	47	29	18
THERMA MOBILE	100.00%	285.4	248	38	99	70	29
THERMA MARINE	100.00%	442.3	333	109	139	20	119
STEAG	34.00%	214.5	175	40	18	58	(40)
ABOVANT HOLDINGS (CEDC)	60.00%	491.3	450	41	174	204	(30)
RP ENERGY	25.00%	(11.7)	(5)	(7)	(5)	(1)	(4)
THERMA (Parent & Others)	100.00%	171.8	3	169	119	(0)	119
THERMA SOUTH	100.00%	2,859.6	5	2,855	711	28	683
THERMA LUZON	100.00%	2,857.7	2,528	330	704	337	367
THERMA VISAYAS	80.00%	11.3	(12)	23	47	(9)	56
PAGBILAO ENERGY	50.00%	(61.0)	(30)	(31)	(25)	(15)	(10)
SACASUN	50.00%	(83.2)	0	(83)	(36)	0	(36)
ASEAGAS	100.00%	(5.0)	0	(5)	(5)	0	
AP RENEWABLES	100.00%	2,242.9	3,111	(868)	613	888	(275)
Sub-Total Power Generation		11,975	9,482	2,493	3,854	3,064	795
Power Distribution Group:							
COTABATO LIGHT & POWER	99.94%	70	78	(8)	26	23	3
DAVAO LIGHT & POWER	99.93%	1,387	1,211	176	600	344	255
VISAYAN ELECTRIC CO.	55.26%	891	800	90	310	334	(24)
SFELAPCO	43.78%	98	86	12	33	33	(0)
LIMA ENERZONE	100.00%	141	130	11	55	51	4
SUBIC ENERZONE	99.98%	240	234	6	79	90	(11)
MACTAN ENERZONE	100.00%	45	46	(1)	17	15	2
BALAMBAN ENERZONE	100.00%	43	50	(7)	13	17	(3)
Sub-Total Power Distribution		2,914	2,635	279	1,132	906	225
TOTAL NET INCOME		15,093	12,194	2,899	5,135	4,164	976
NET INCOME TO COMMON		15,093	12,194	2,899	5,135	4,164	971
% increase (decrease)			24%			23%	
RECURRING NET INCOME		15,195	12,999	2,196	5,367	4,827	541
% increase (decrease)			17%			11%	

Thank you



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