

ABOITIZ POWER CORPORATION

Second Quarter / First Semester 2012 Financial & Operating Results

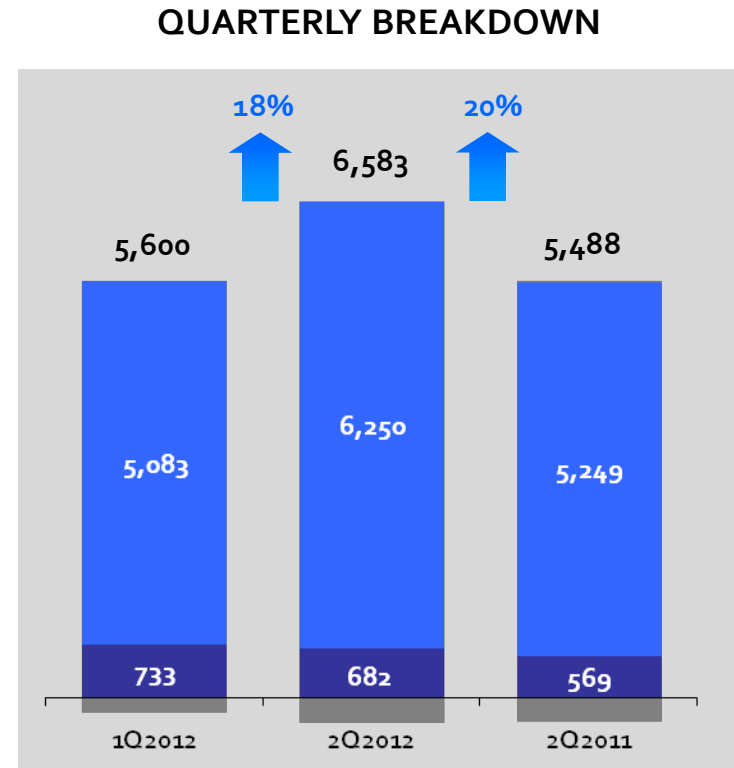
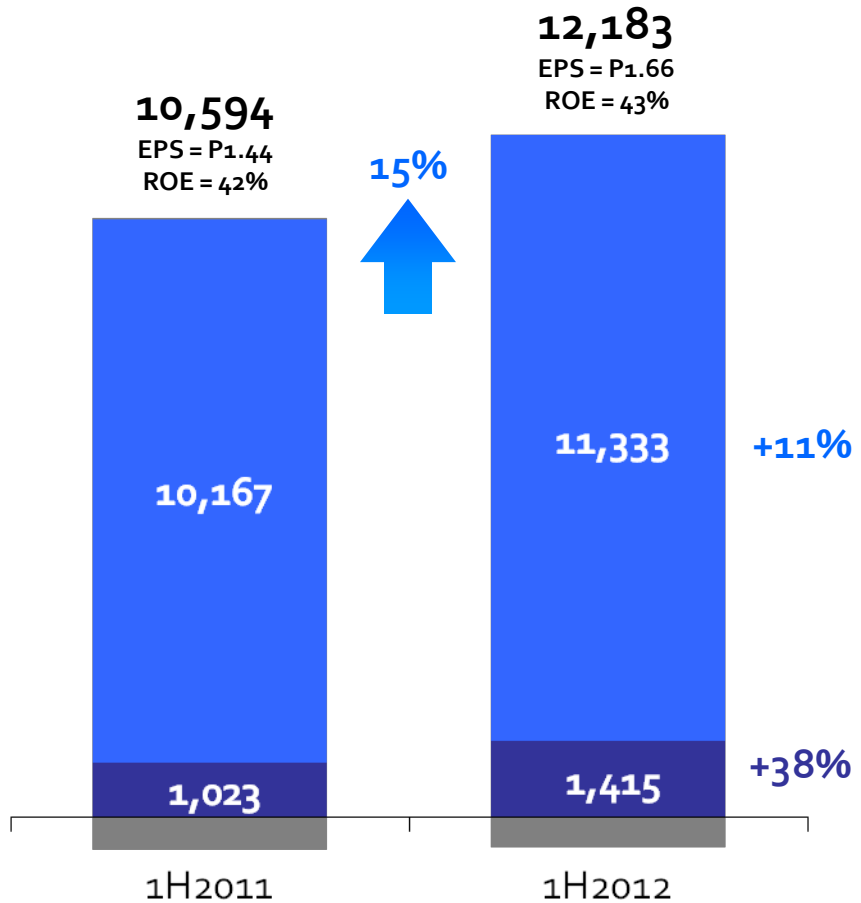
15 August 2012



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NET INCOME (in million pesos)



Distribution
 Generation
 AP Parent & Others

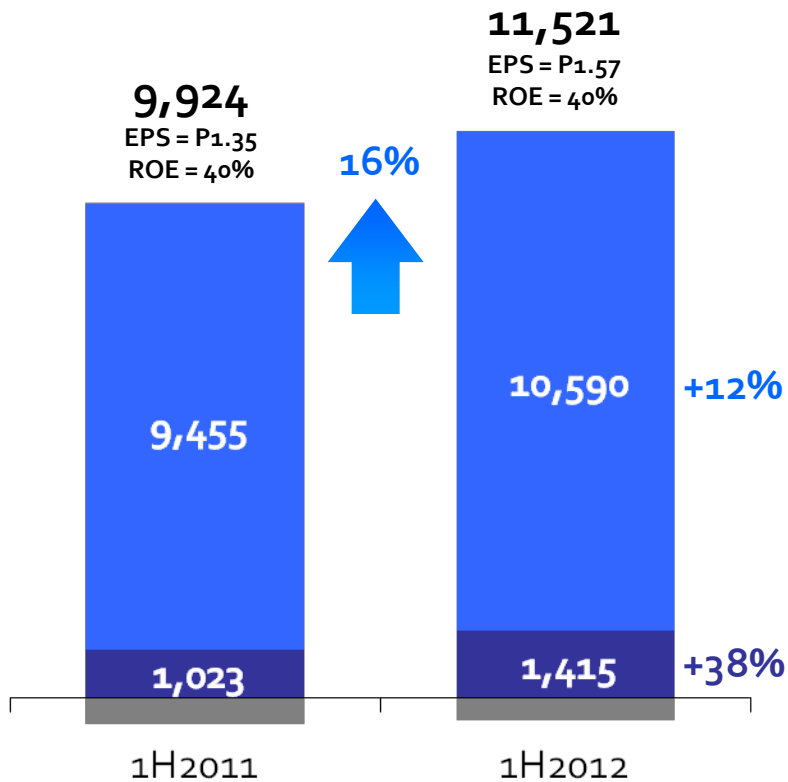
CORE NET INCOME (in million pesos)

Non-Recurring Items

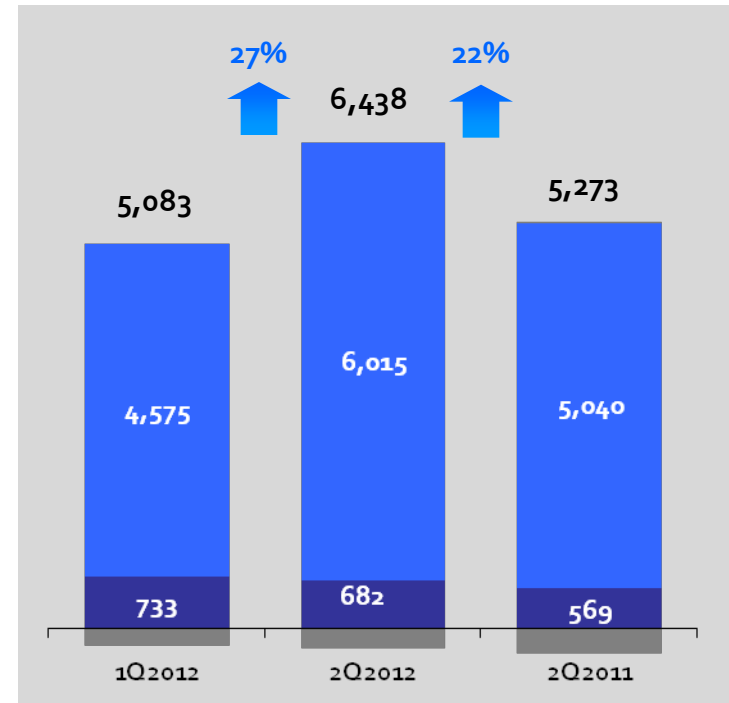
	1H2011	1H2012
FX gains/(loss) - Parent	(41)	(36)
Debt prepayment - Parent	-	(59)
FX gains/(loss) - Generation	184	981
TMI Revenue Adjustment	348	
STEAG NPC reimbursement	179	-
Gain from share redemption		14
APRI steam cost adjustment	-	(238)
	<u>670</u>	<u>662</u>

Non-Recurring Items

	1Q2012	2Q2012	2Q2011
FX gains/(loss) - Parent	(5)	(31)	6
Debt prepayment - Parent	-	(59)	
FX gains/(loss) - Generation	508	473	30
TMI Revenue adjustment			
STEAG NPC reimbursement			179
Gains from share redemption	14		
APRI steam cost adjustment	-	(238)	-
	<u>517</u>	<u>146</u>	<u>215</u>

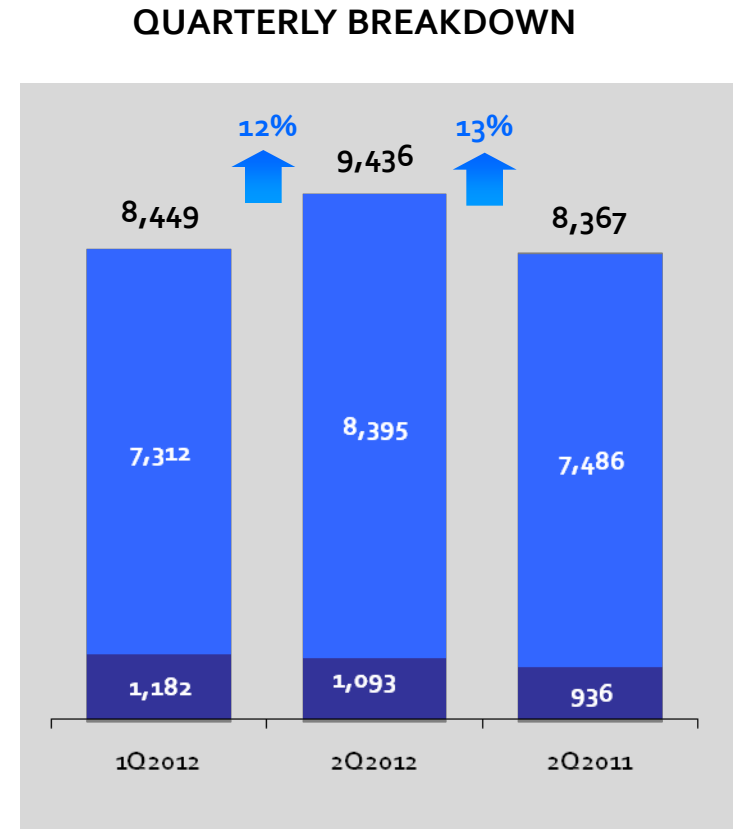
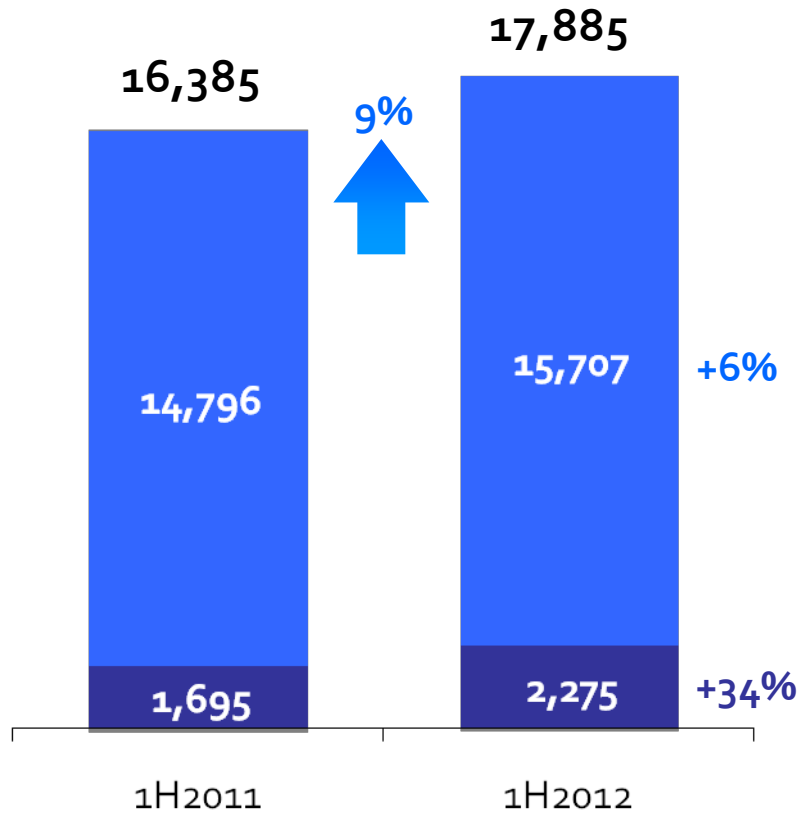


QUARTERLY BREAKDOWN



■ Distribution ■ Generation ■ AP Parent & Others

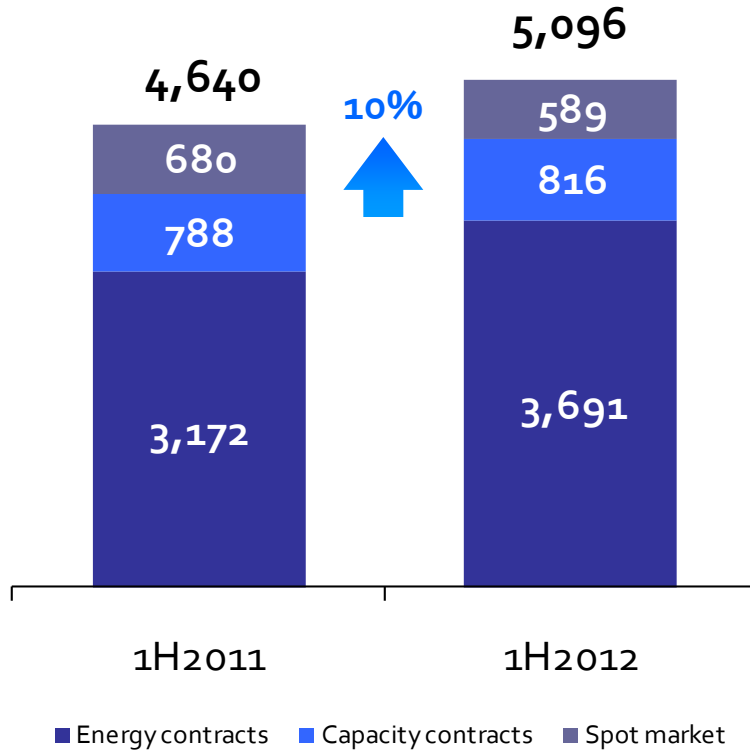
PROFORMA EBITDA (in million pesos)



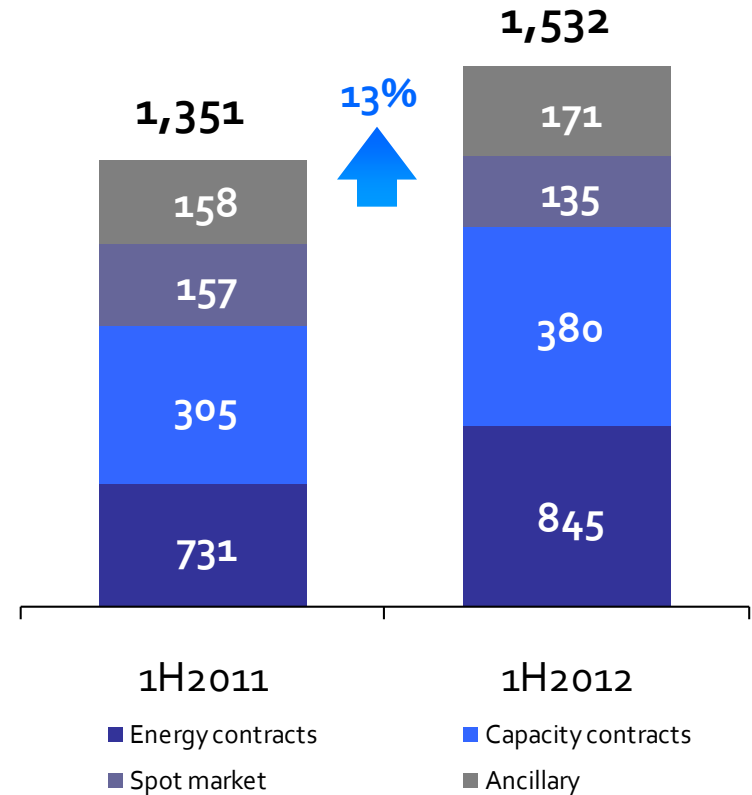
Distribution
 Generation
 AP Parent & Others

OPERATING HIGHLIGHTS: GENERATION

ENERGY SALES BREAKDOWN (GWh)



CAPACITY SALES BREAKDOWN (MW)

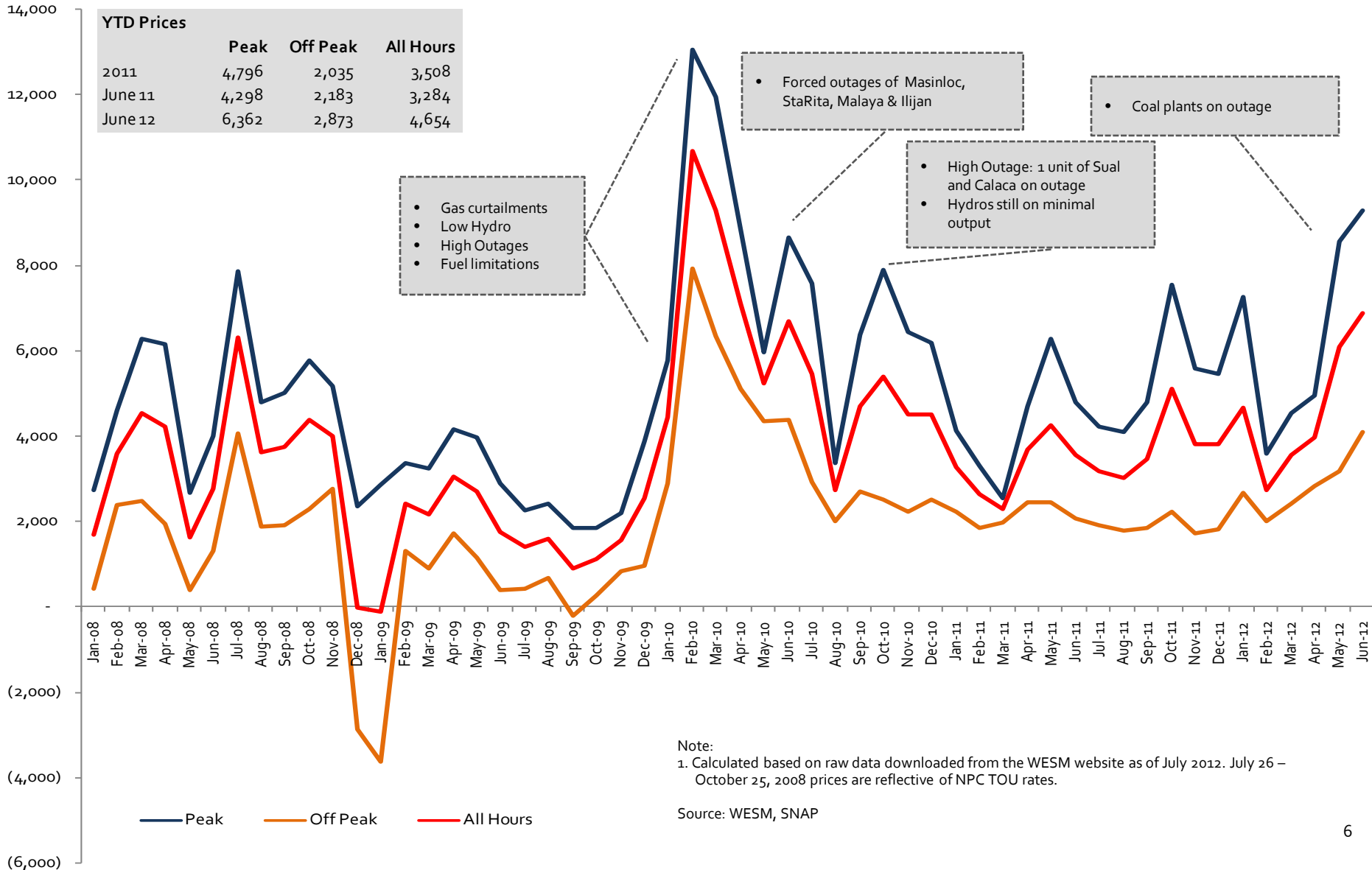


P/kWh	1H2011	1H2012
Bilateral	5.36	5.30
Spot Market	3.43	6.33

OPERATING HIGHLIGHTS: 1H2012 WESM HIGHLIGHTS



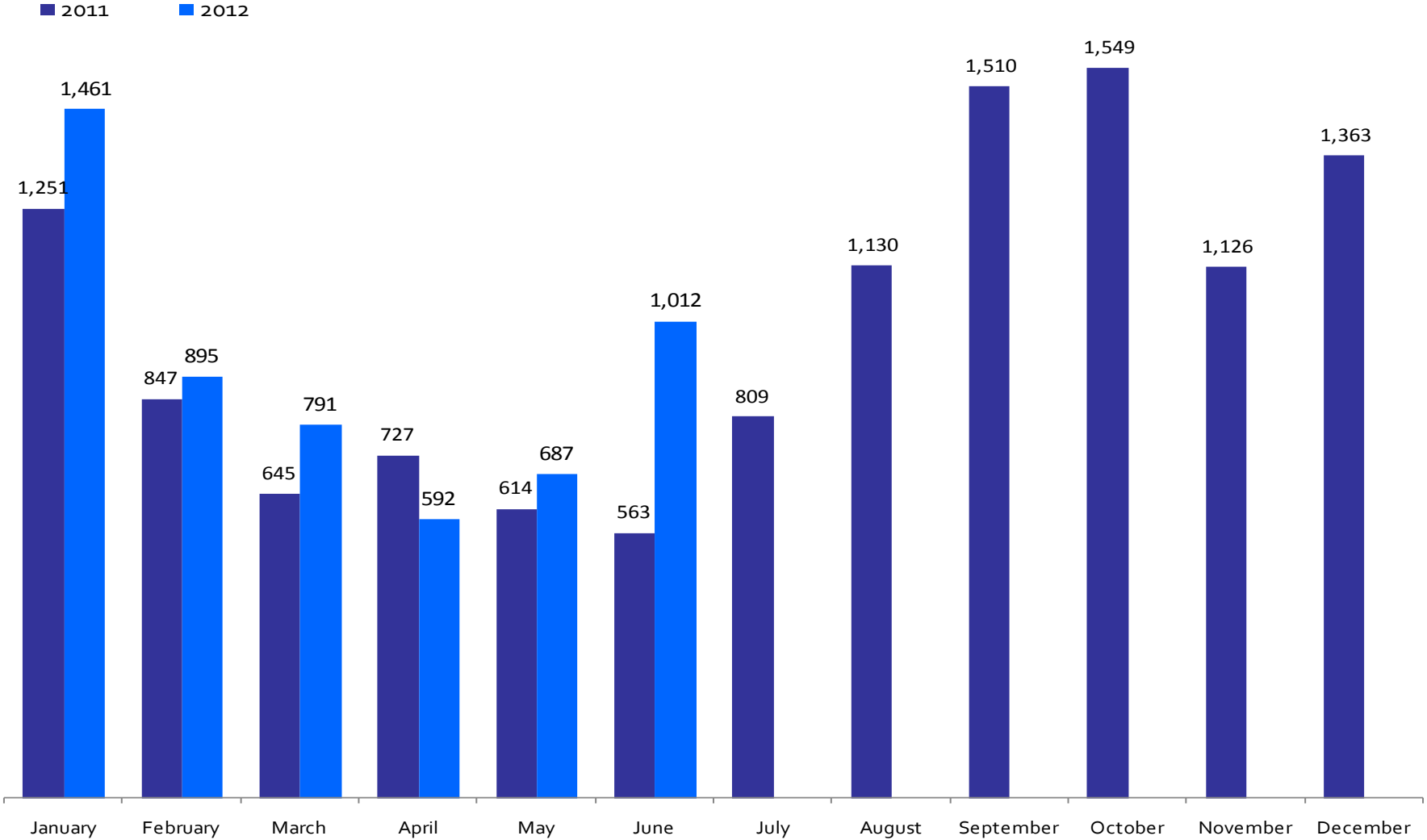
WESM TIME WTD AVERAGE PRICES (P/MWh) – Luzon Grid



OPERATING HIGHLIGHTS: 1H2012 WESM HIGHLIGHTS



AVERAGE CAPACITY ON OUTAGE (in MW) – Luzon Grid

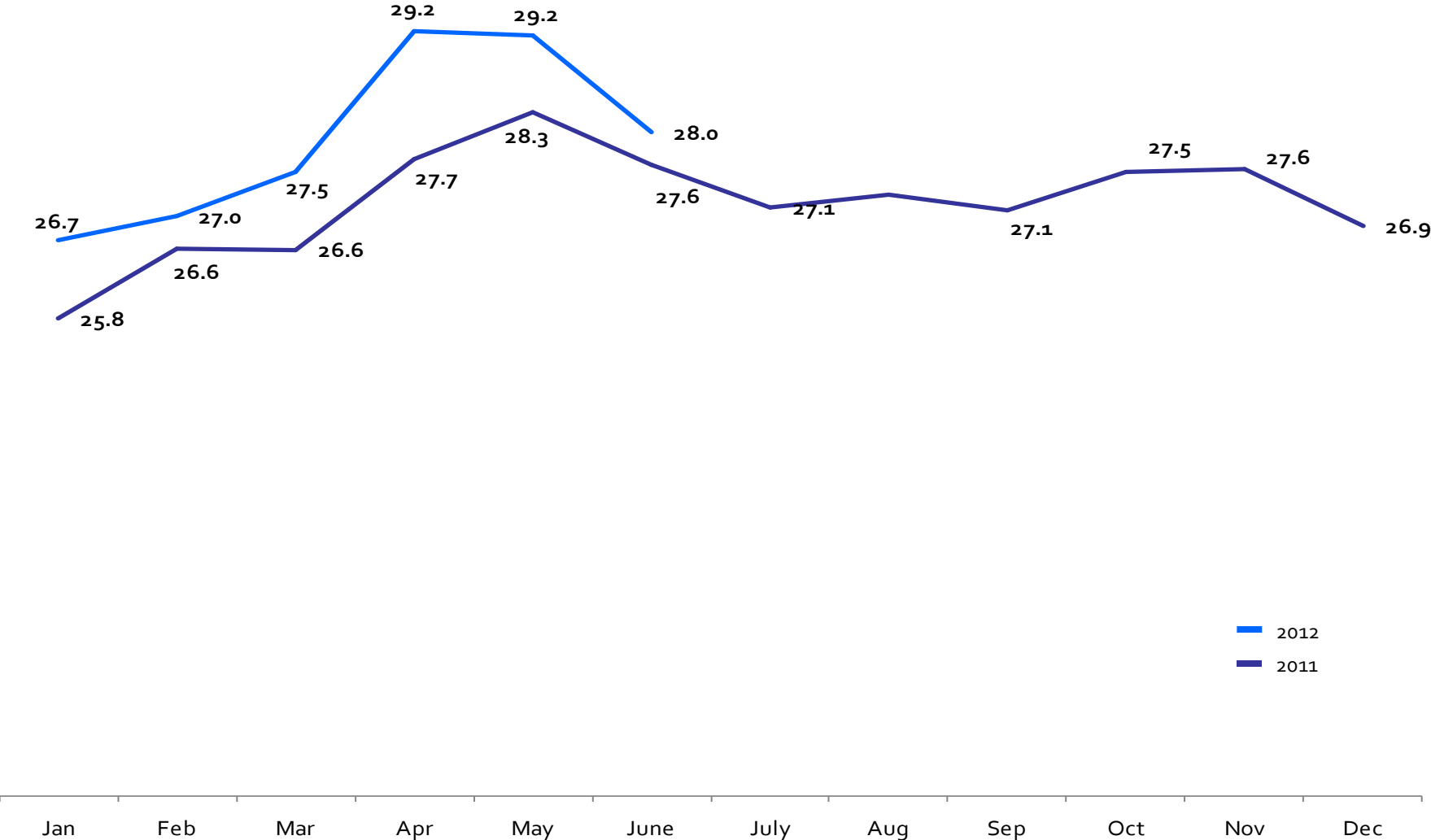


Source: WESM, SNAP

OPERATING HIGHLIGHTS: 1H2012 WESM HIGHLIGHTS



AVERAGE TEMPERATURE (in °C) – Luzon Grid

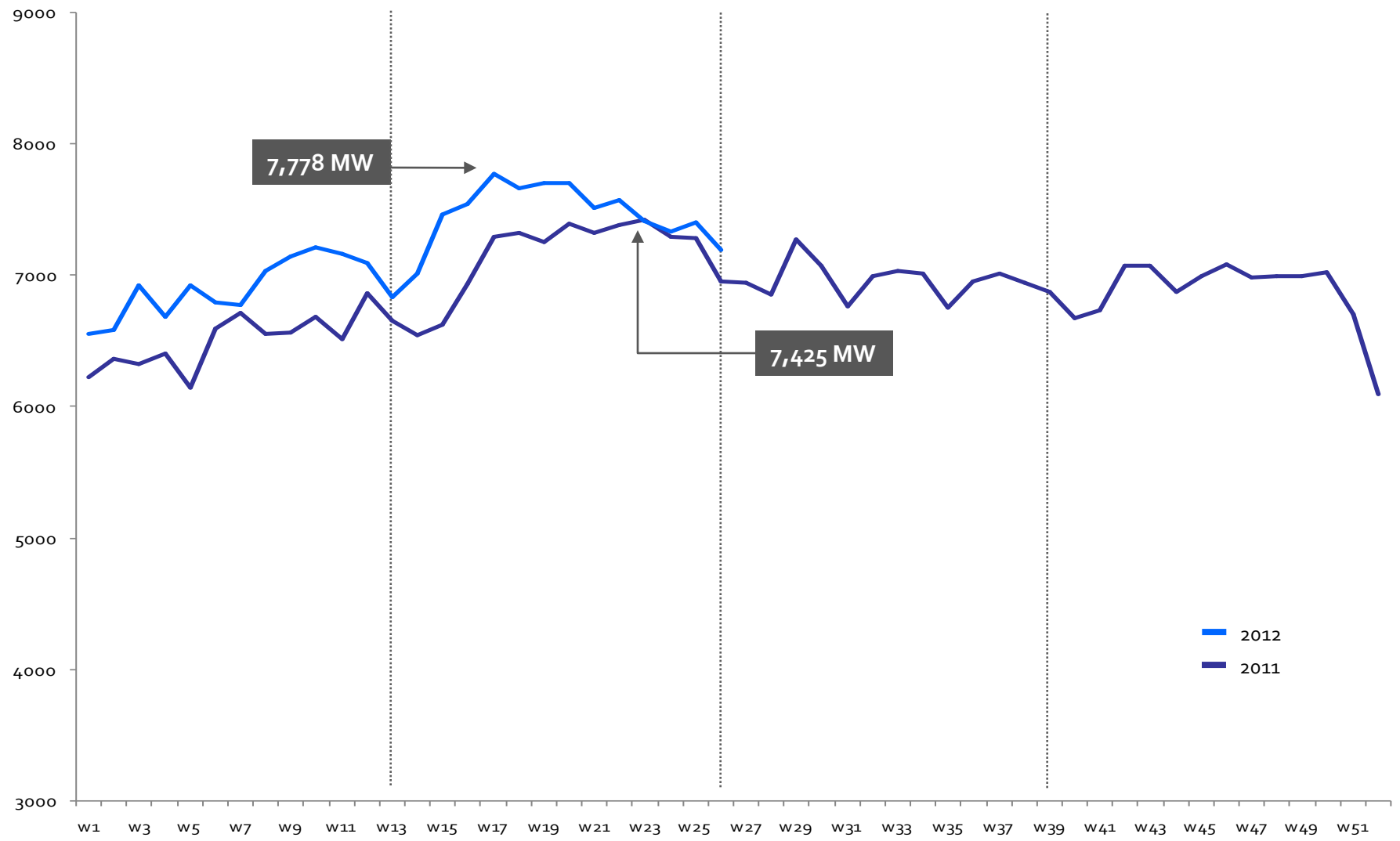


Source: www.accuweather.com

OPERATING HIGHLIGHTS: 1H2012 WESM HIGHLIGHTS

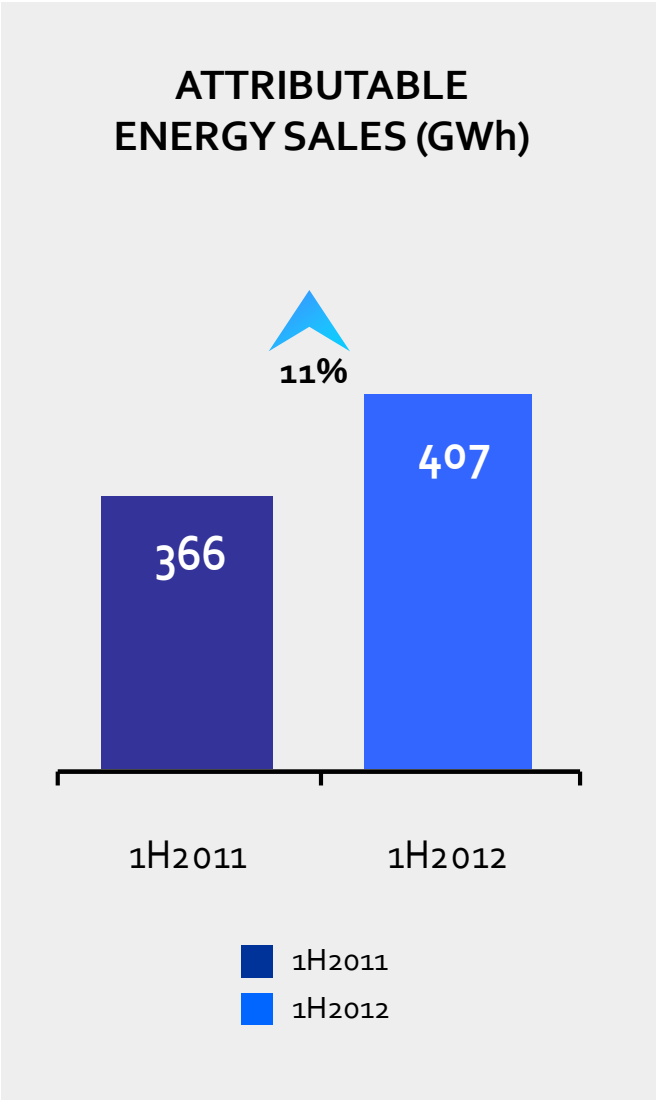


WEEKLY SYSTEM PEAK DEMAND (in MW) – Luzon Grid

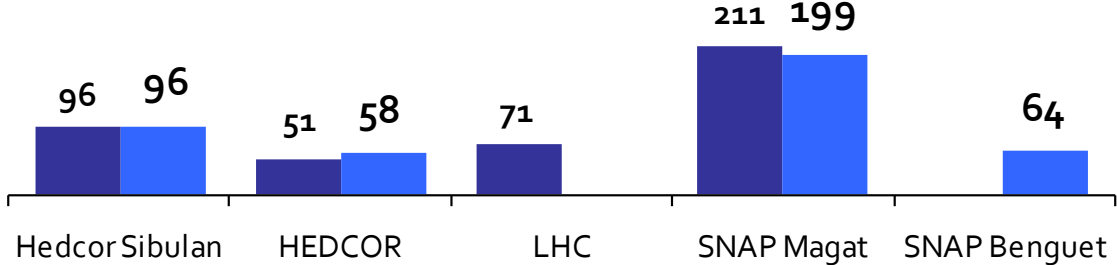


Source: WESM

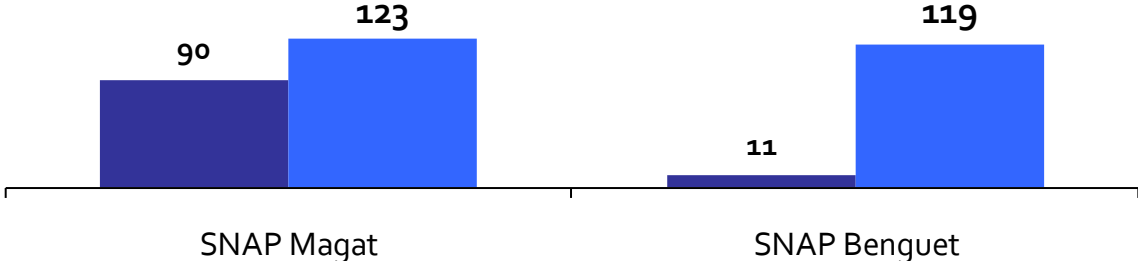
OPERATING HIGHLIGHTS: HYDRO



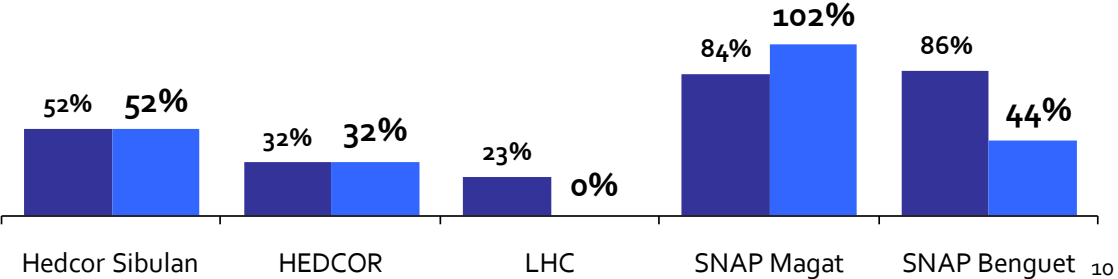
CONTRACTED ENERGY (GWh), at 100%



SPOT MARKET (GWh), at 100%

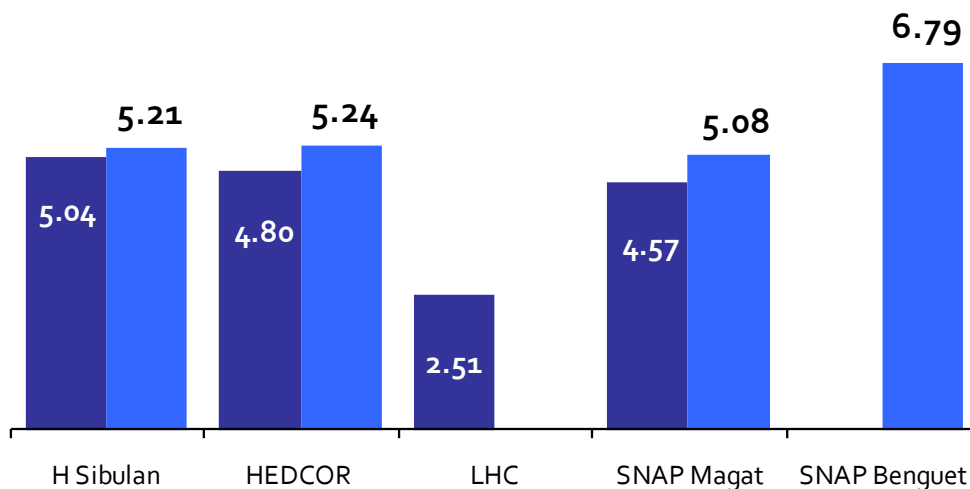


NET CAPACITY SOLD FACTOR

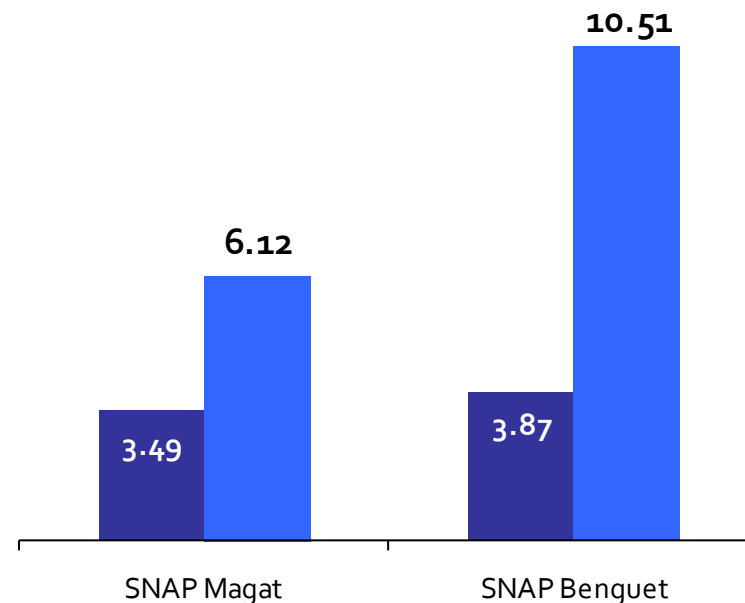


AVERAGE SELLING PRICE (in P/kWh)

CONTRACTED ENERGY

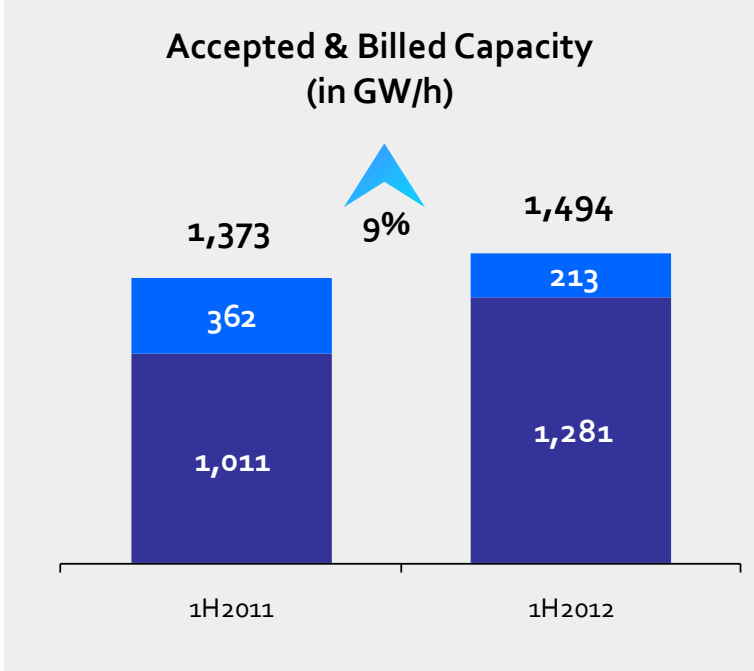
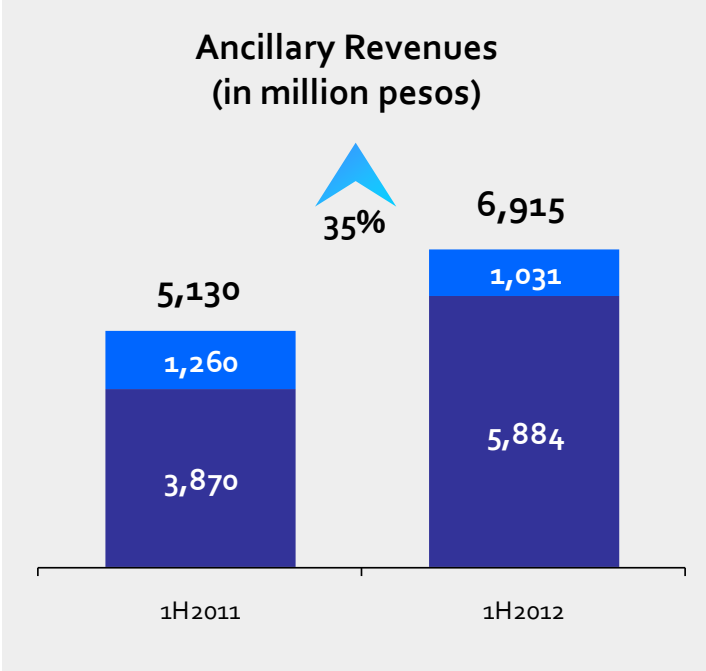


SPOT MARKET



■ 1H2011
■ 1H2012

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



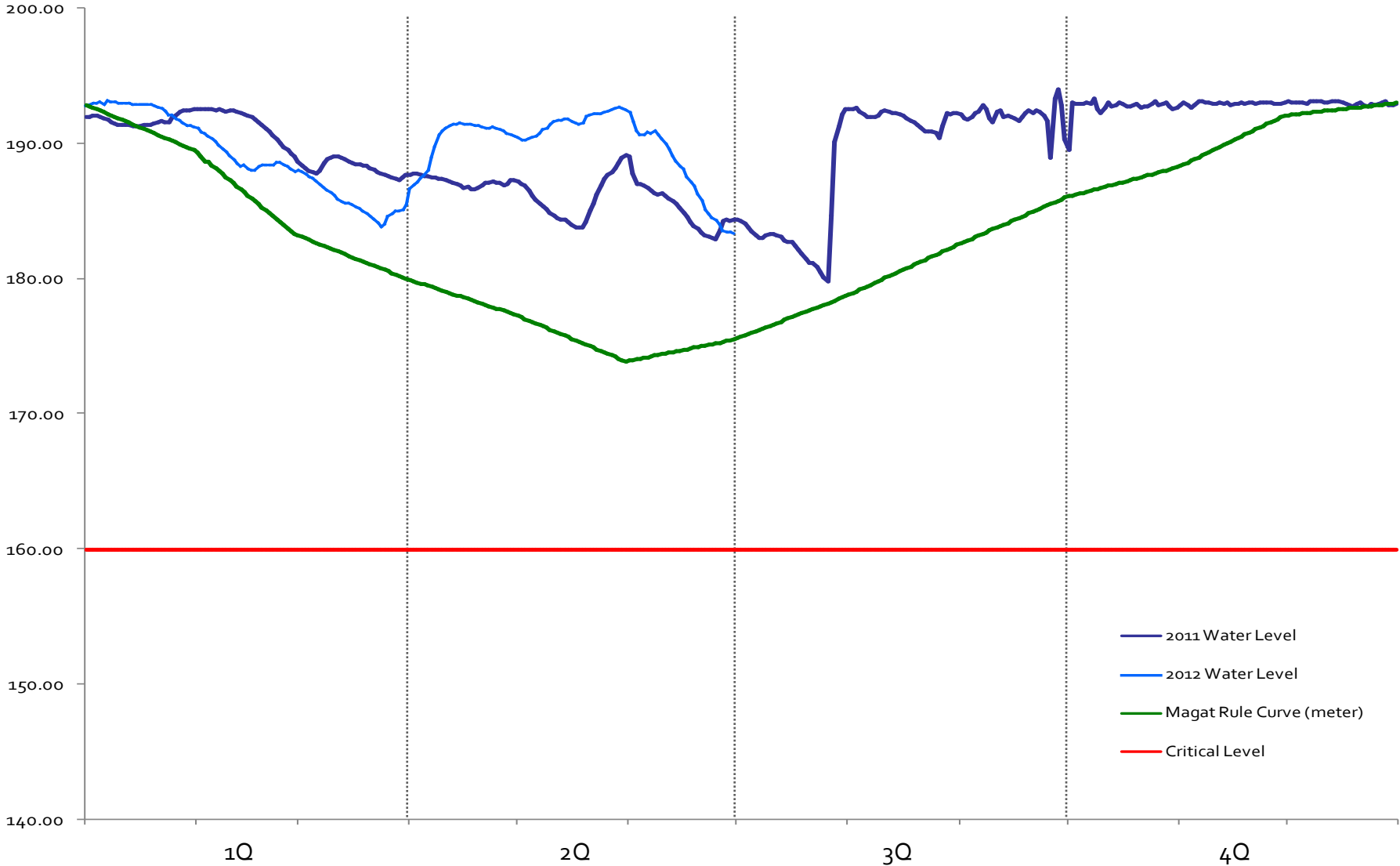
- SNAP Magat
- SNAP Benguet

	1H2011	1H2012
P/kW/h	3.73	4.63

OPERATING HIGHLIGHTS: HYDRO

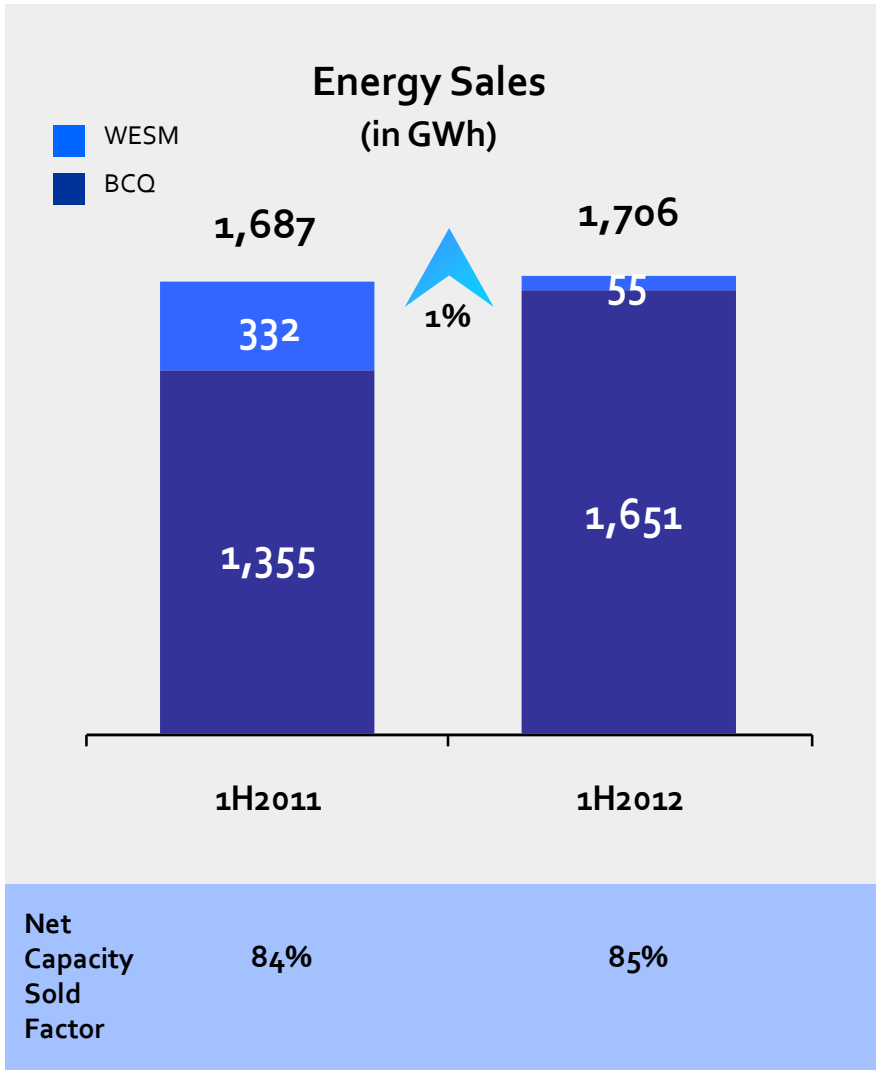


MAGAT'S WATER LEVEL VS. RULE CURVE (in MASL)

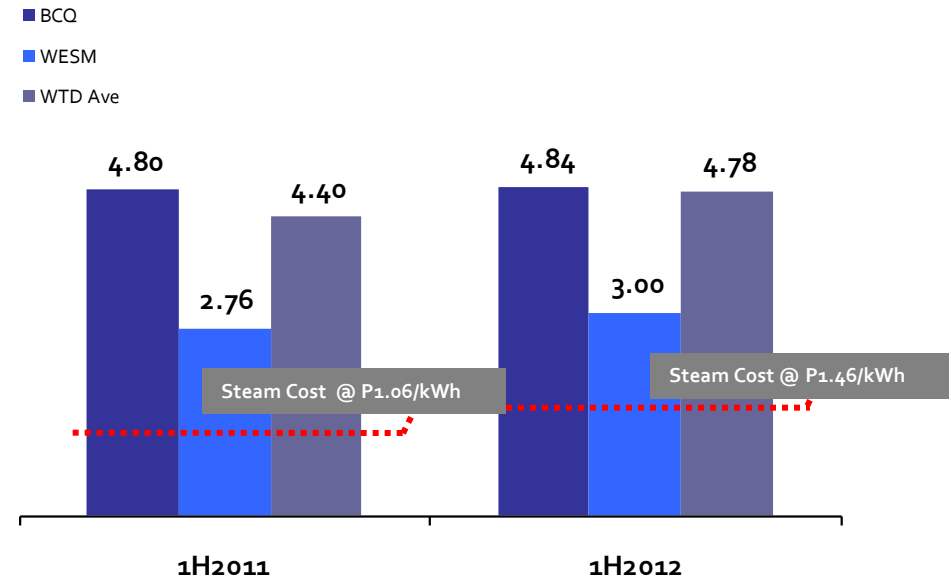


Source: SNAP

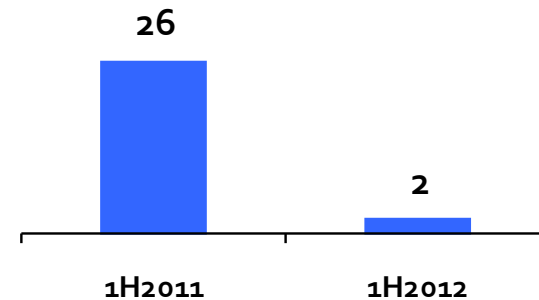
AP RENEWABLES (Tiwi-Makban)



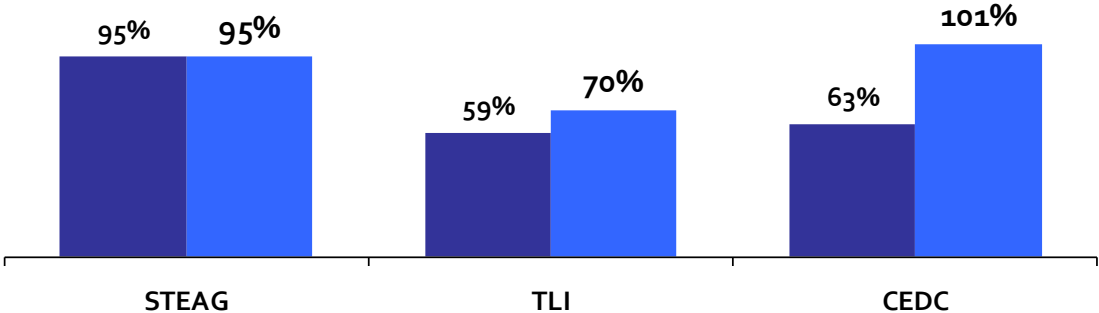
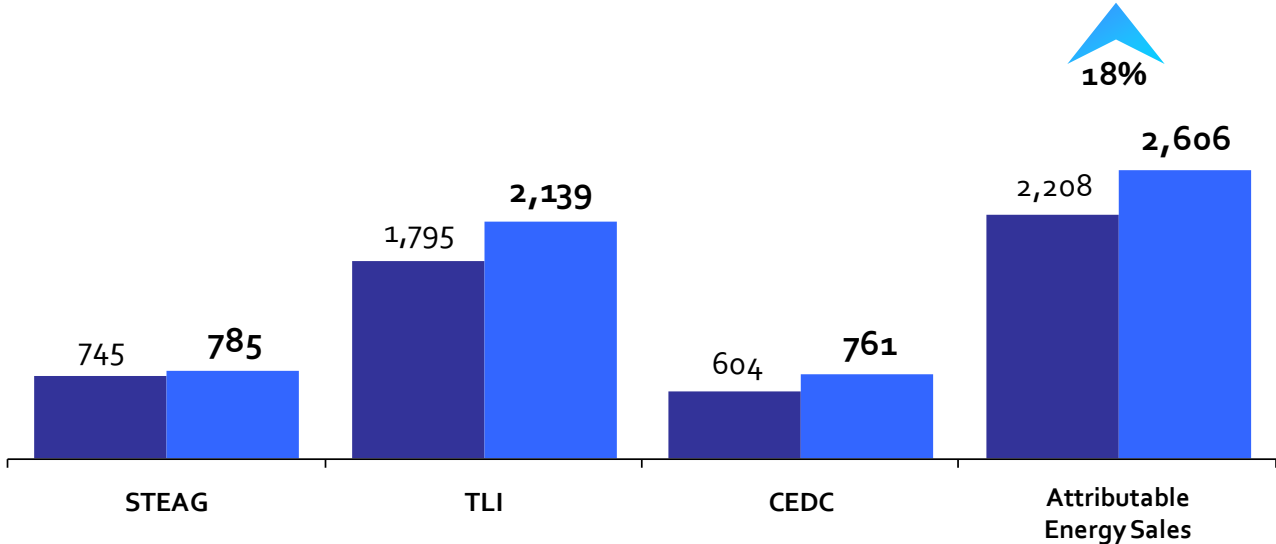
Average Selling Prices (P/kWh)



Steam Vented (GWh)



ENERGY SALES (GWh)

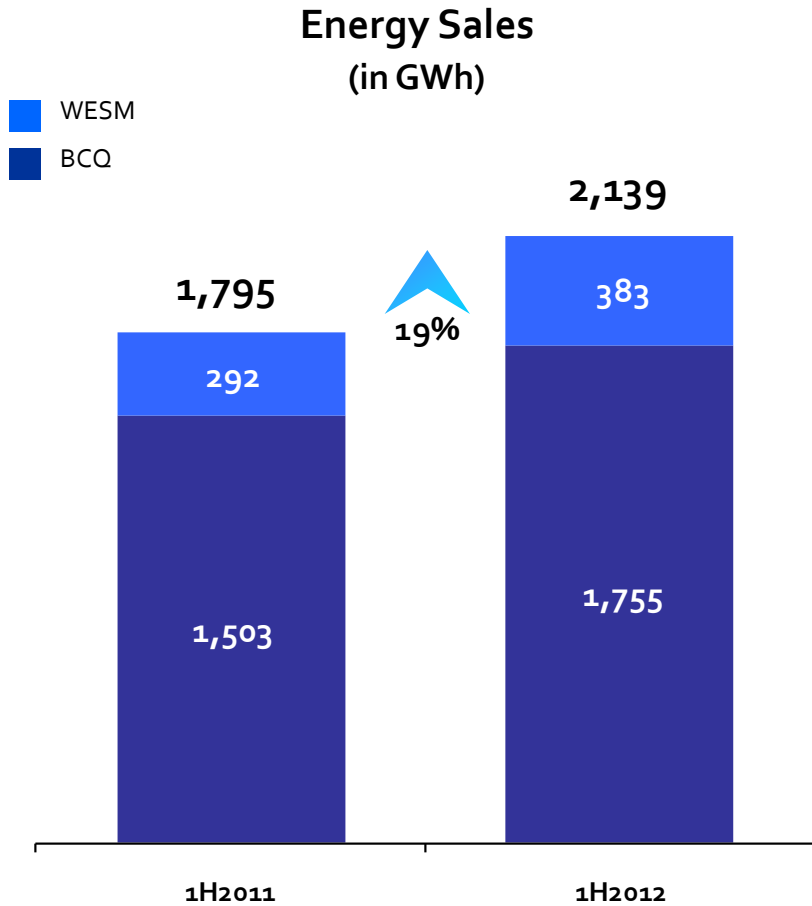


NET CAPACITY SOLD FACTOR

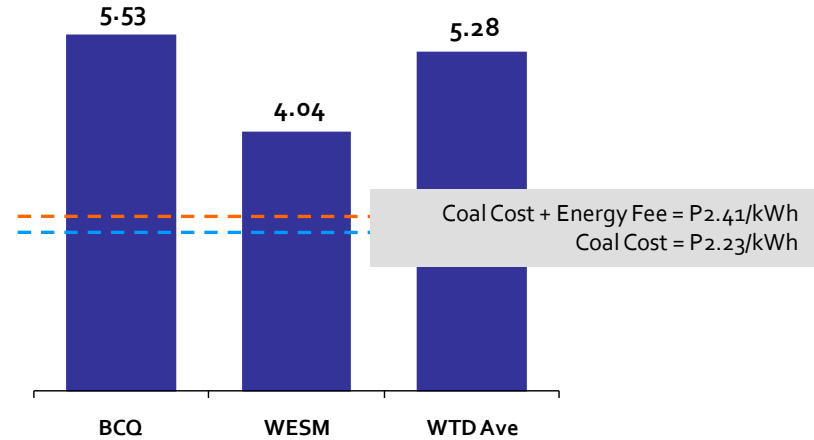
■ 1H2011
■ 1H2012

OPERATING HIGHLIGHTS: COAL

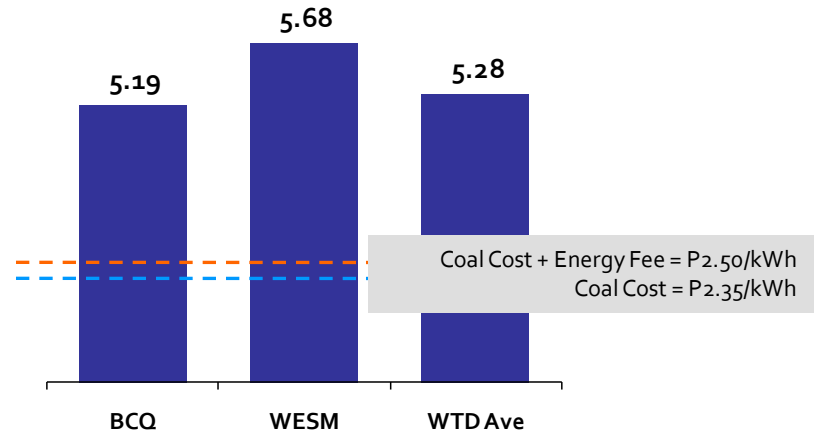
THERMA LUZON (Pagbilao)



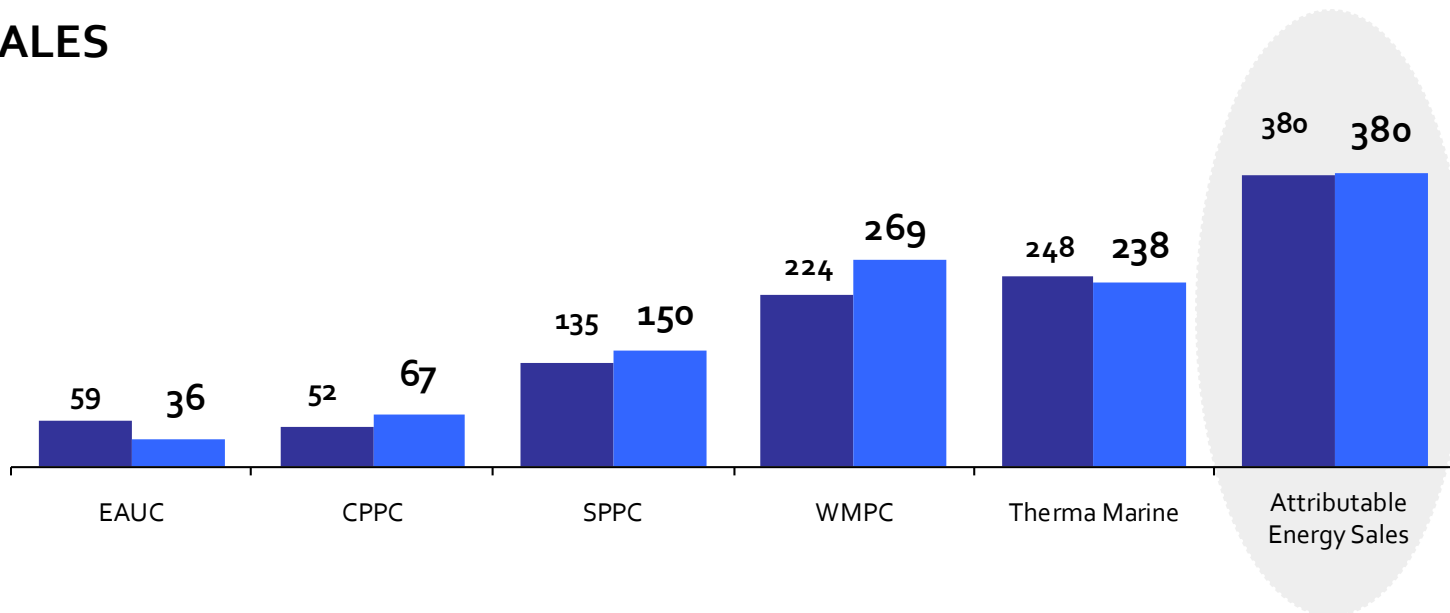
1H2011 Average Selling Price P/kWh



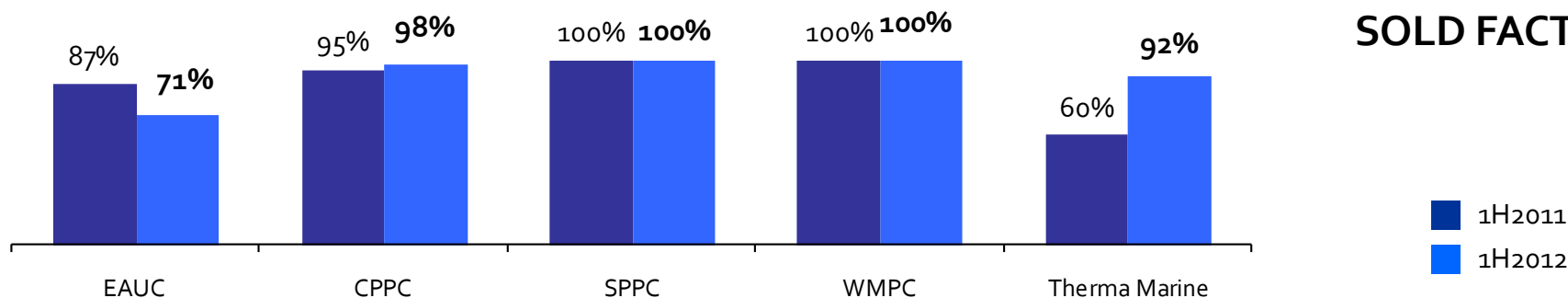
1H2012 Average Selling Price P/kWh



ENERGY SALES (GWh)



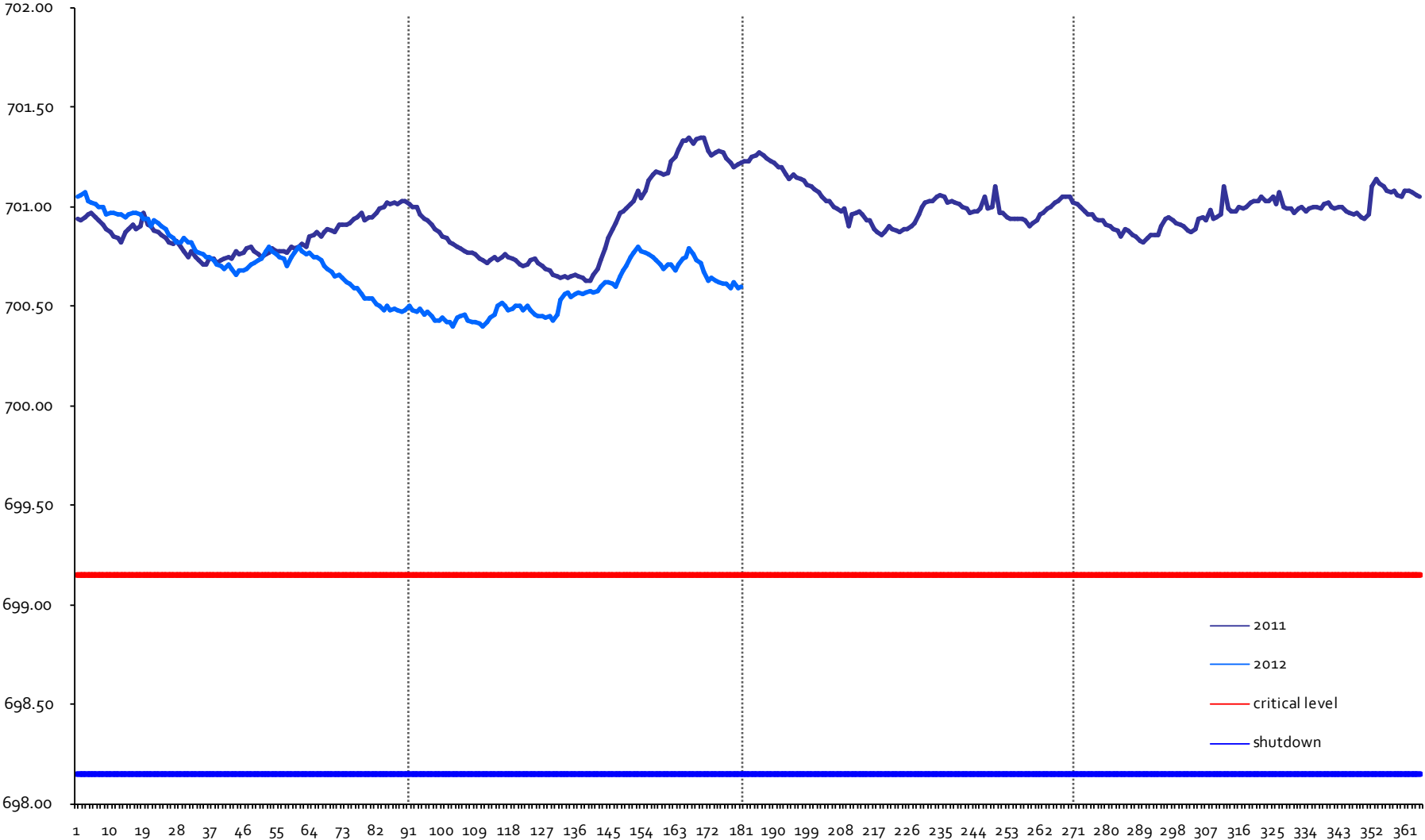
NET CAPACITY SOLD FACTOR



OPERATING HIGHLIGHTS: OIL

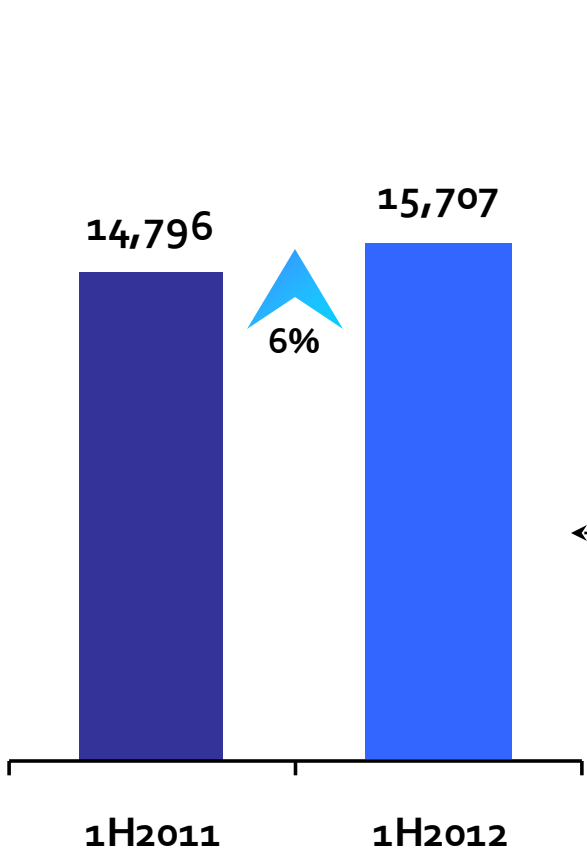


LAKE LANA O WATER LEVEL (in MASL)



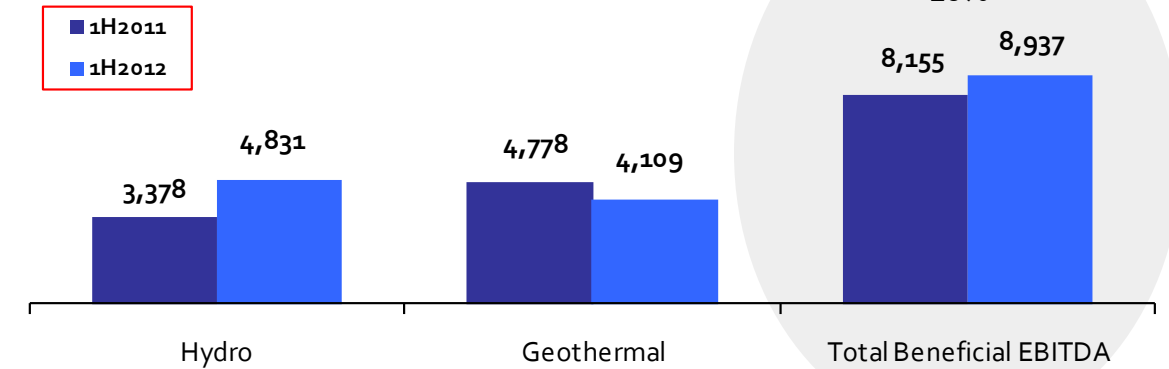
OPERATING HIGHLIGHTS: GENERATION

PF BENEFICIAL EBITDA

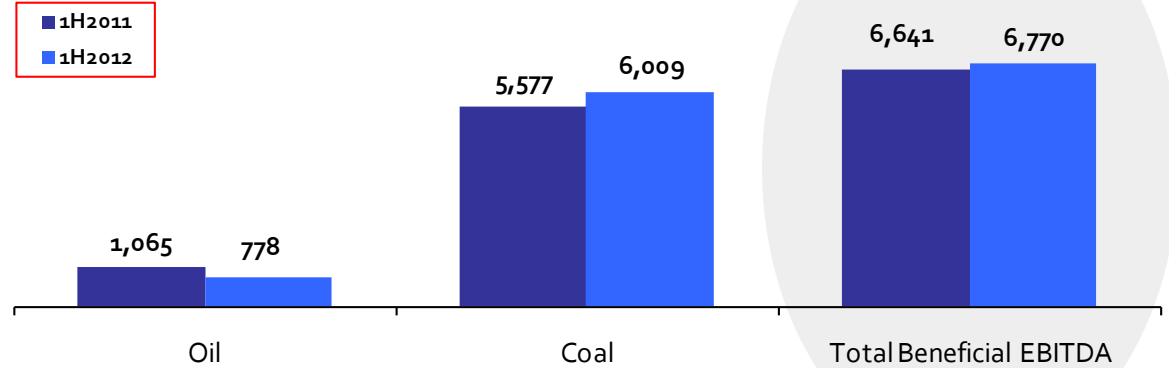


Amounts in Million Pesos

RENEWABLE PLANTS

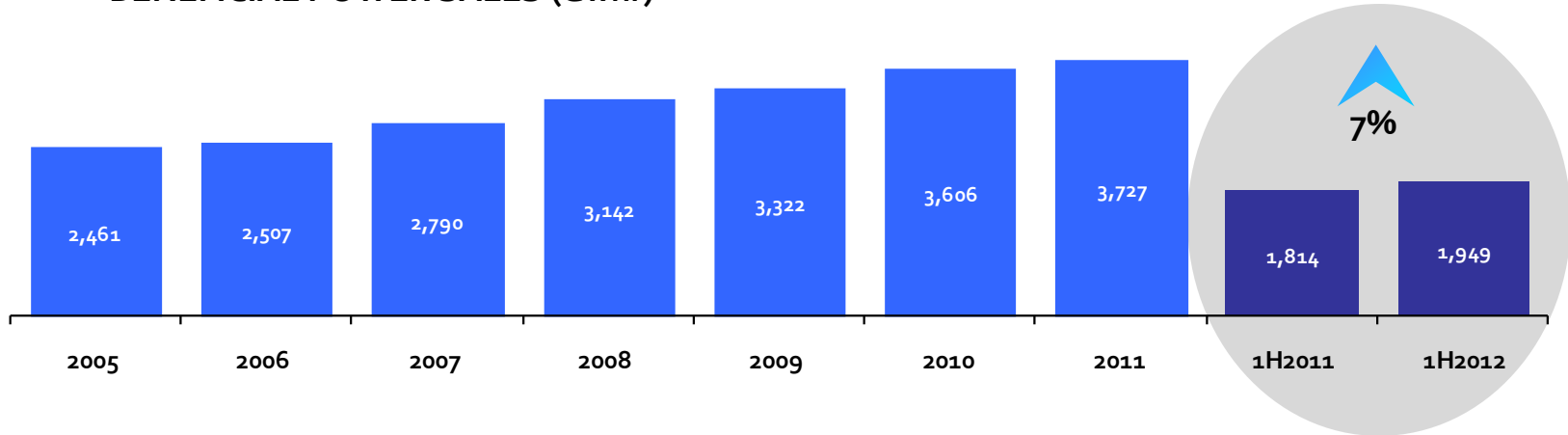


THERMAL PLANTS

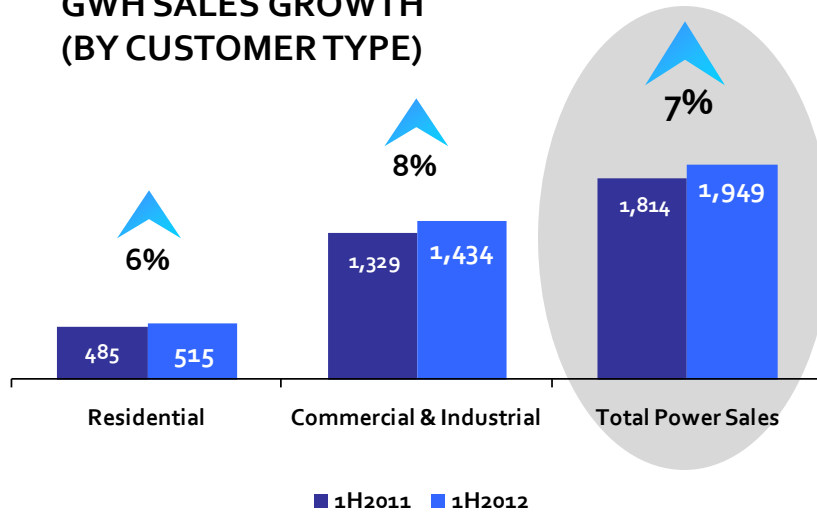


OPERATING HIGHLIGHTS: DISTRIBUTION

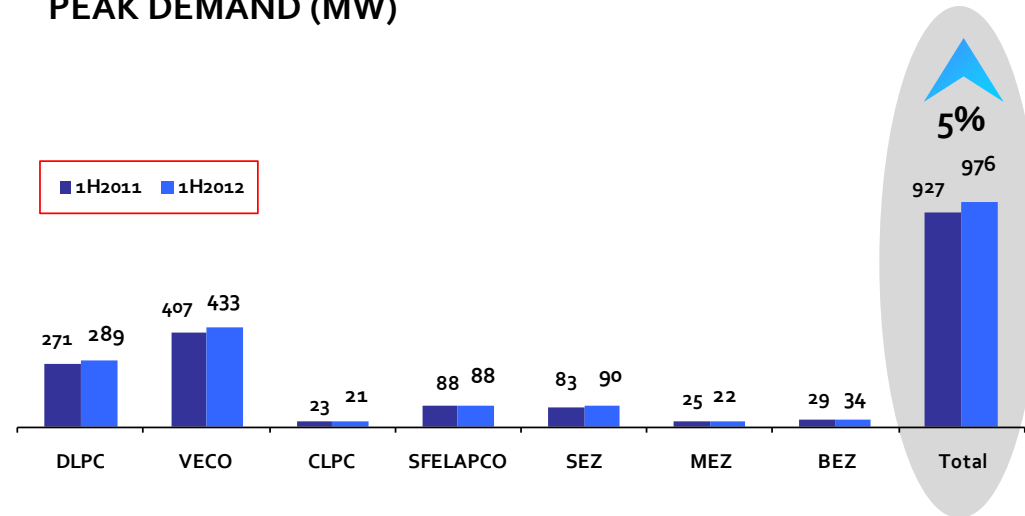
BENEFICIAL POWER SALES (Gwhr)



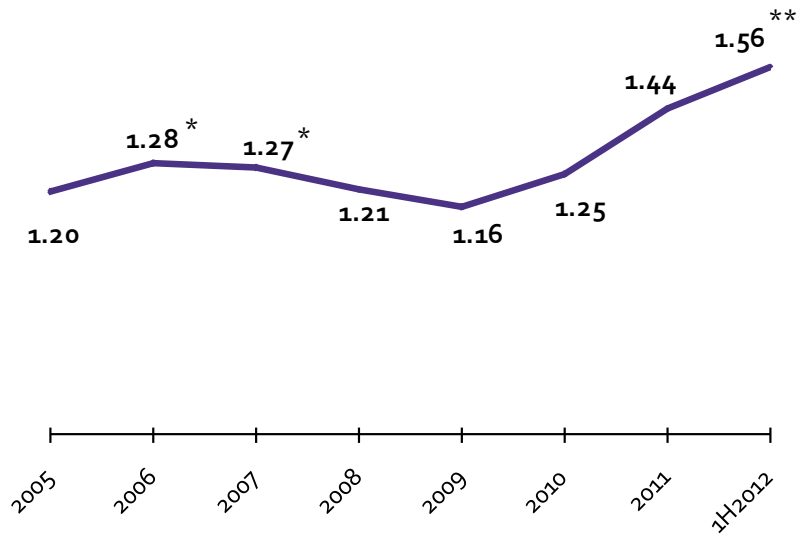
BENEFICIAL GWH SALES GROWTH (BY CUSTOMER TYPE)



PEAK DEMAND (MW)



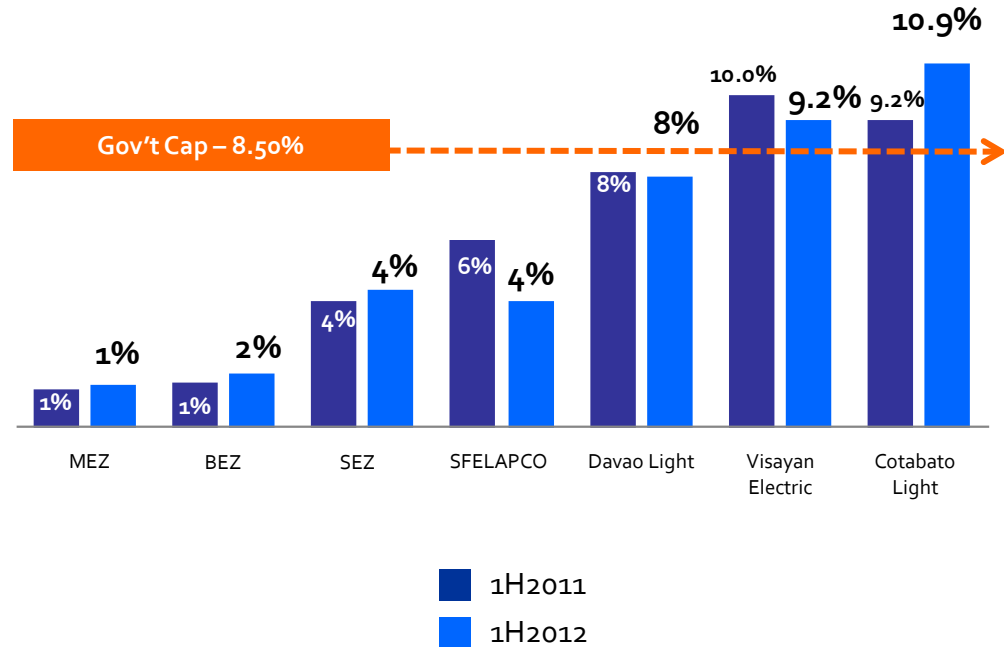
GROSS MARGIN / KWH SALE



* Adjusted for timing of transmission charge recovery

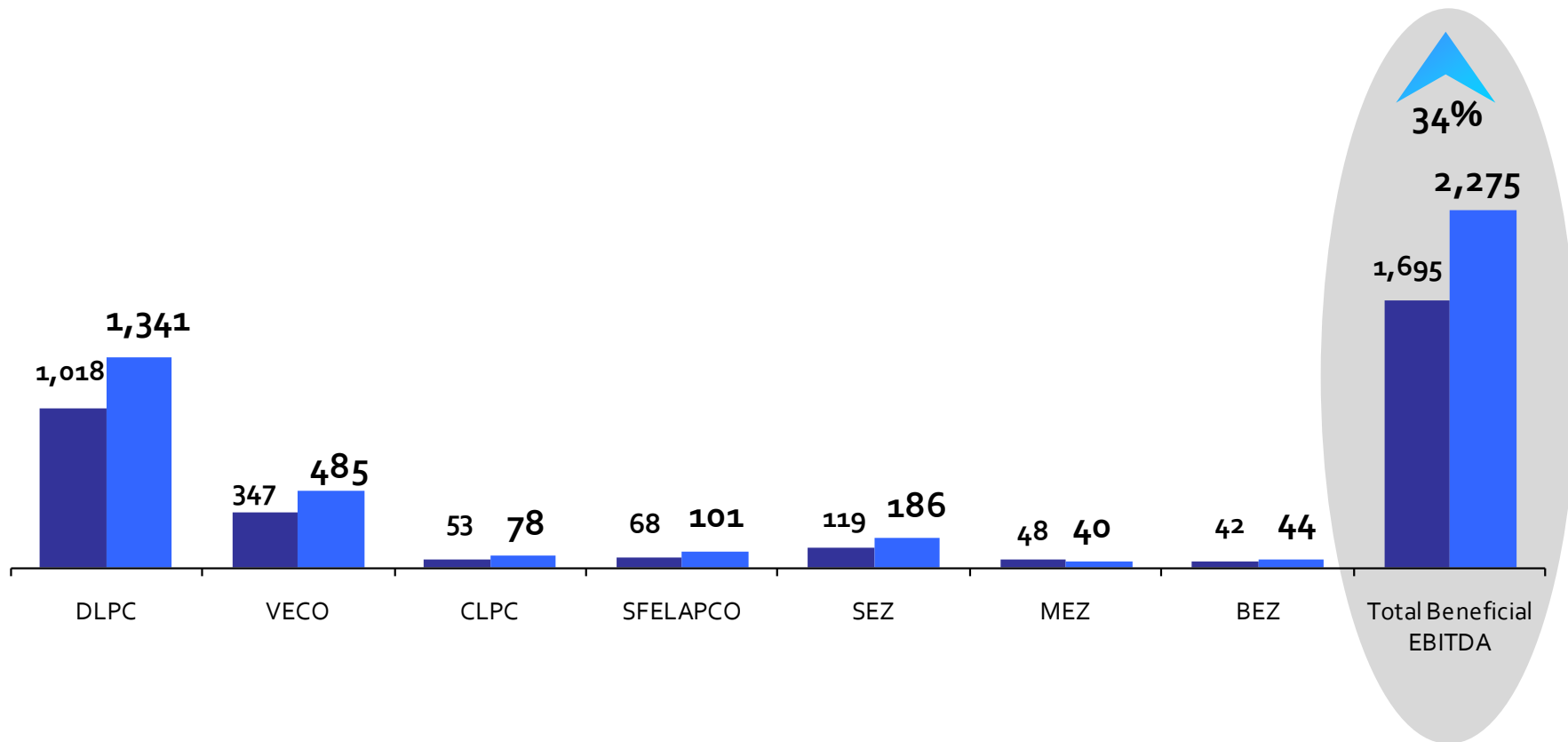
** 12 month moving average

SYSTEMS LOSS



OPERATING HIGHLIGHTS: DISTRIBUTION

PF BENEFICIAL EBITDA



Amounts in
Million Pesos

■ 1H2011
■ 1H2012

BALANCE SHEET (In million Pesos)	PARENT		CONSOLIDATED	
	YE2011	End June 2012	YE2011	End June 2012
Cash and Equivalents	7,900	4,059	23,392	25,424
Investments and Advances	56,990	58,557	29,122	29,927
Total Assets	65,499	63,135	153,528	157,612
Total Interest Bearing Debt	13,457	10,480	73,198	72,307
Total Liabilities	13,692	10,581	83,336	84,763
Net Debt	5,557	6,421	49,806	46,883
Total Equity	51,807	52,553	70,192	72,849
Current Ratio	8.8x	40.7x	3.5x	3.4x
Net Debt to Equity	0.1x	0.1x	0.7x	0.6x

BALANCE SHEET (In million Pesos)	BENEFICIAL	
	YE2011	End June 2012
Total Interest Bearing Debt	93,043	91,035
Cash	31,300	31,136
Net Debt	61,743	59,899
Equity*	68,928	70,951
Net Debt to Equity	0.90	0.84
Net Debt to EBITDA	1.74	

*Equity Attributable to Parent

BROWN/GREENFIELD

LUZON GRID

- Binga Hydro 15 MW (2013)
- Subic Coal 600 MW (2016)
- Sabangan Hydro 13 MW
- Magat Hydro 90-115 MW
- Pagbilao Coal 380-400 MW

MINDANAO GRID

- Mindanao Hydro 54 MW (2014-15)
- Davao Coal 300 MW (2015)

PRIVATIZATION

- Unified Leyte Geothermal plants (EDC) 550 MW, Visayas Grid
- IPPA: Caliraya-Botokan-Kalayaan Hydro (J Power) 728 MW, Luzon Grid
- IPPA: Casecnan Hydro, 150 MW, Luzon Grid
- Asset Sale: Agus Hydro 727 MW & Pulangi Hydro 255 MW, Mindanao Grid

Annex A: EARNINGS BREAKDOWN

(in million pesos) INVESTEES	YEAR - TO - DATE		FOR THE QUARTER	
	ACTUAL 2012	ACTUAL 2011	ACTUAL 2011	ACTUAL 2010
Parent & Others	(565)	(595)	(349)	(329)
Power Generation Group:				
HEDCOR INC	(42)	(64)	51	(10)
HEDCOR SIBULAN	134	151	99	101
LUZON HYDRO	(334)	38	(416)	52
SNAP MAGAT	3,175	1,923	1,905	1,189
SNAP BENGUET	870	392	694	169
SPPC	27	29	13	17
WMPC	64	87	31	48
CPPC	154	114	77	55
EAUC	99	93	66	37
THERMA MOBILE	(9)	(0)	5	(0)
THERMA MARINE	225	560	146	136
STEAG	274	696	182	483
ABOVANT HOLDINGS (CEDC)	304	116	180	75
THERMA LUZON	2,836	1,768	1,769	723
AP RENEWABLES	3,622	4,255	1,471	2,162
OTHERS	(67)	8	(24)	10
Sub-Total Power Generation	11,333	10,167	6,250	5,249
Power Distribution Group:				
COTABATO LIGHT & POWER	40	19	25	10
DAVAO LIGHT & POWER	845	642	416	296
VISAYAN ELECTRIC CO.	280	184	103	165
SFELAPCO	62	35	41	24
SUBIC ENERZONE	118	65	62	34
MACTAN ENERZONE	33	43	17	23
BALAMBAN ENERZONE	36	35	18	17
Sub-Total Power Distribution	1,415	1,023	682	569
TOTAL NET INCOME	12,183	10,594	6,583	5,488

NET INCOME TO COMMON	12,183	10,594	6,583	5,488
% increase (decrease)		15%		20%
CORE NET INCOME	11,521	9,924	6,437	5,273
% increase (decrease)		16%		22%
CORE NET INCOME ex Pagbilao	14,433	12,606	7,908	6,625
% increase (decrease)		14%		19%

Annex B: CORE NET INCOME, Ex Pagbilao Effect (in million pesos)

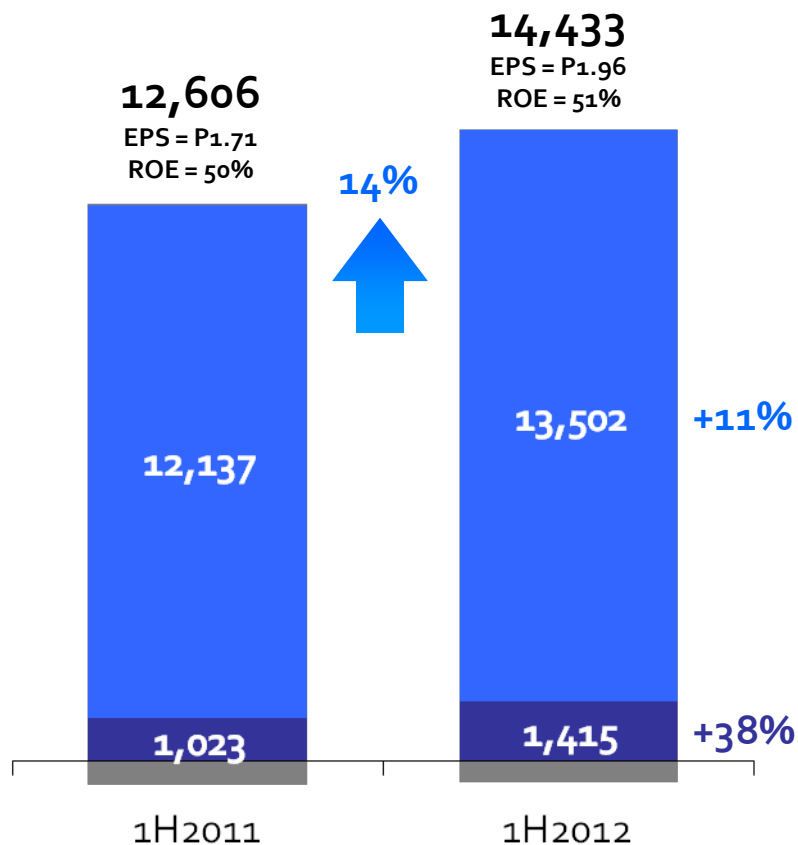


Pagbilao Finance Lease Effect

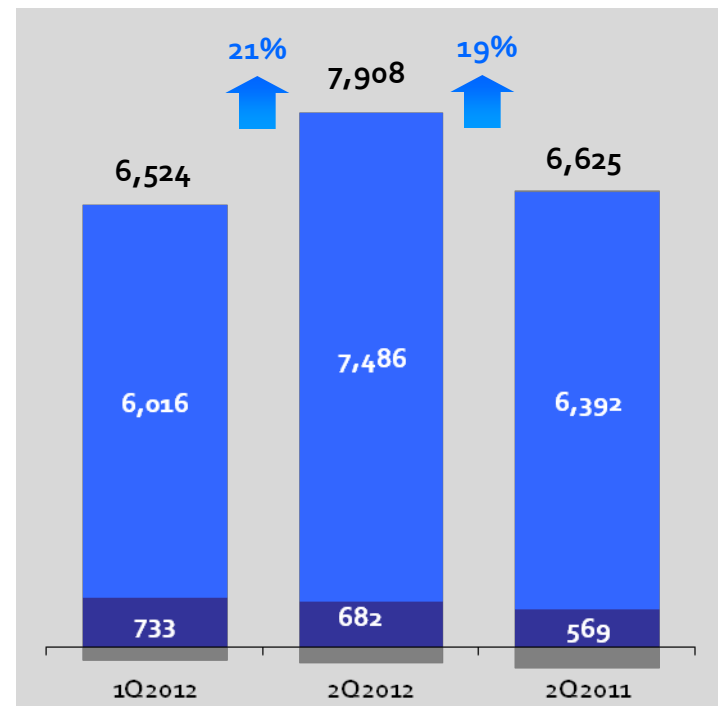
	1H2011	1H2012
Accreted Interest Expense	2,683	2,911
Depreciation	547	547
PSALM Monthly Payments	(549)	(546)
	<u>2,682</u>	<u>2,912</u>

Pagbilao Finance Lease Effect

	1Q2012	2Q2012	2Q2011
Accreted Interest Expense	1,441	1,470	1,352
Depreciation	274	274	274
PSALM Monthly Payments	(273)	(273)	(274)
	<u>1,441</u>	<u>1,471</u>	<u>1,352</u>



QUARTERLY BREAKDOWN

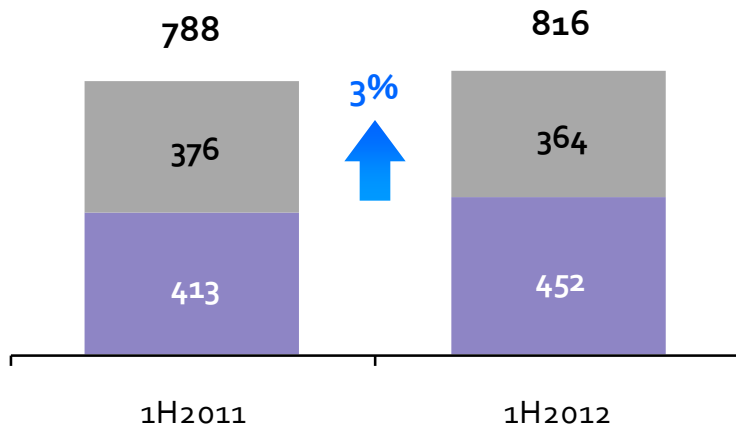


■ Distribution
 ■ Generation
 ■ AP Parent & Others

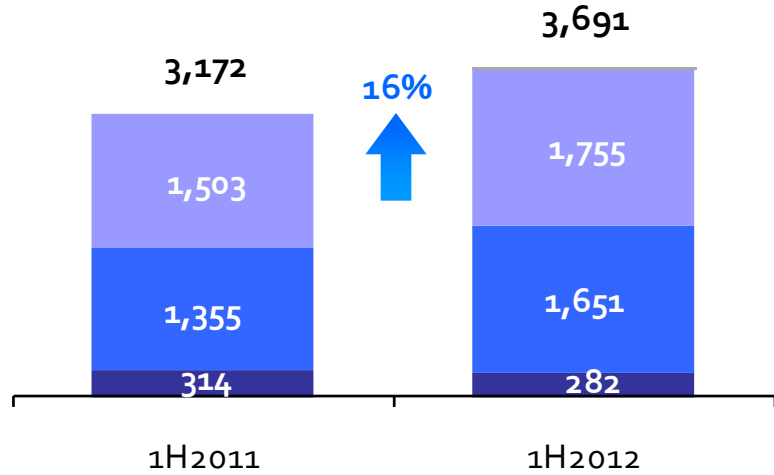
Annex C: OPERATING HIGHLIGHTS – GENERATION



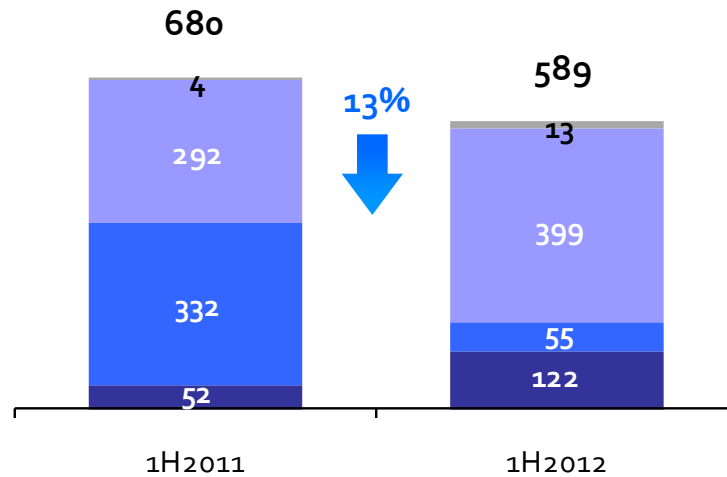
CONTRACTED (CAPACITY)



CONTRACTED (ENERGY)



SPOT MARKET



- Oil
- Coal
- Geothermal
- Hydro

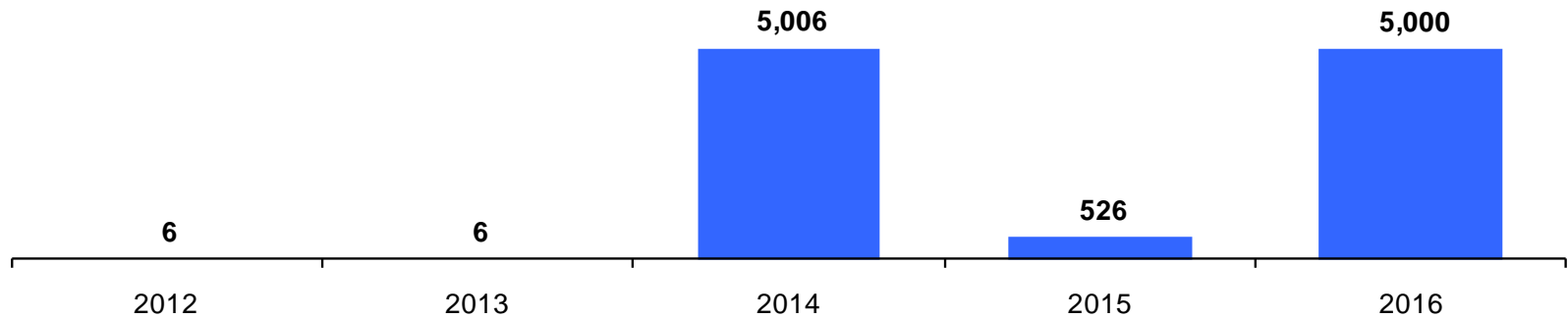
*Figures are in GWh

Annex D: DEBT PROFILE – AP PARENT



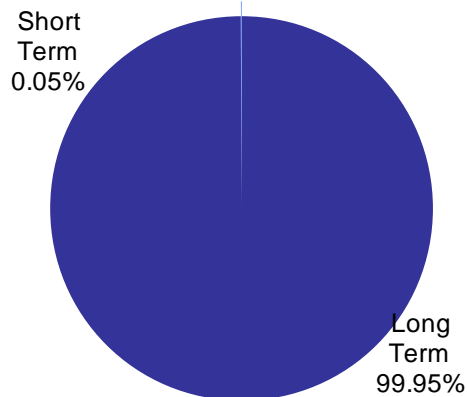
Maturity Profile - PhPM

(As of June 2012)



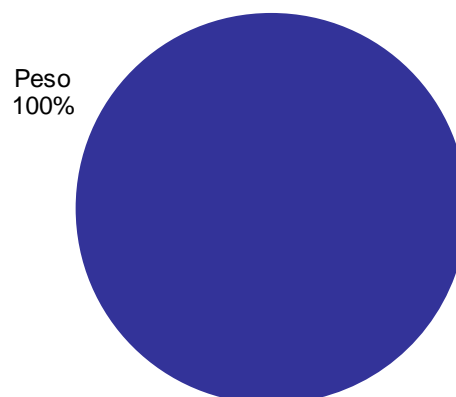
Breakdown by Tenor

(As of June 2012)



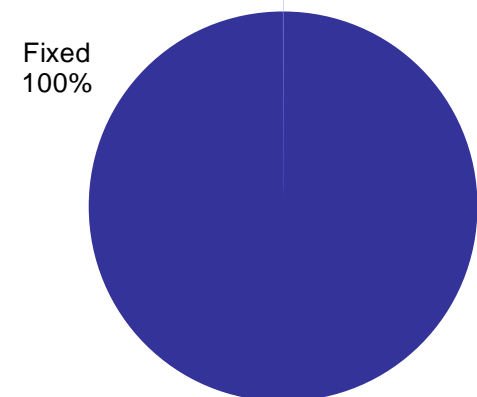
Breakdown by Currency

(As of June 2012)



Breakdown by Interest Rate

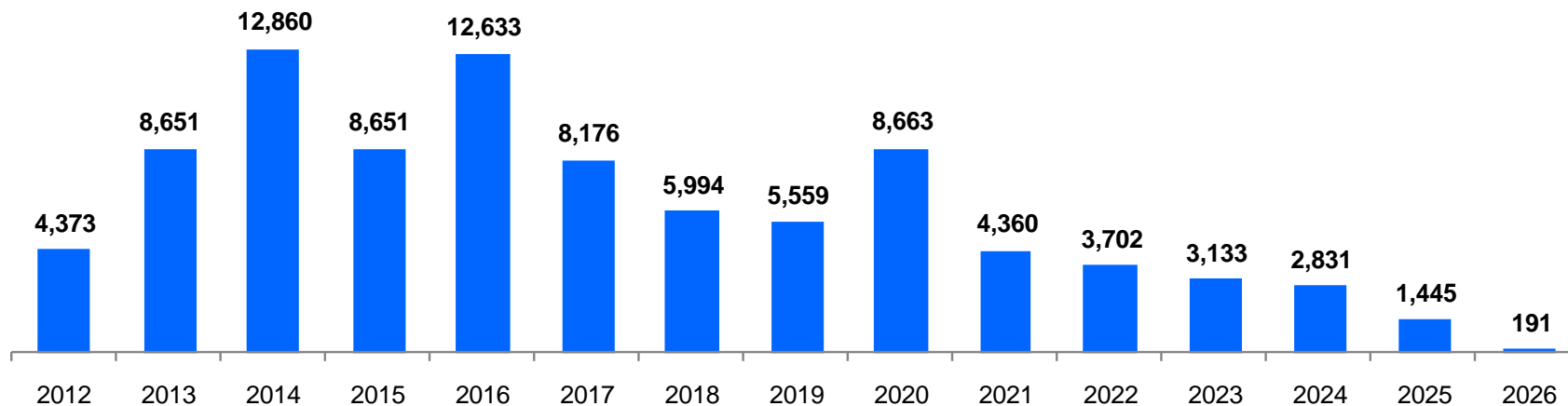
(As of June 2012)



Annex E: DEBT PROFILE – AP BENEFICIAL

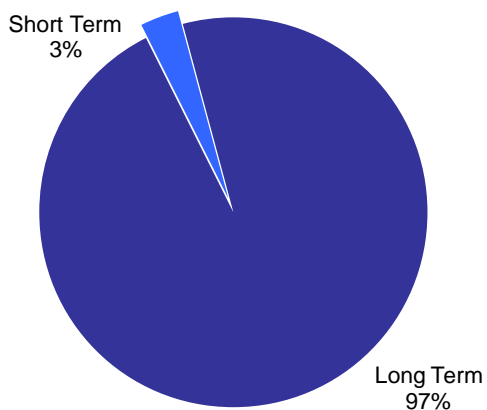
Maturity Profile - PhPM

(As of June 2012)



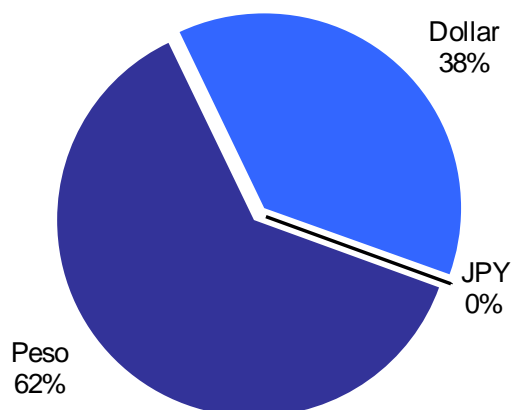
Breakdown by Tenor

(As of June 2012)



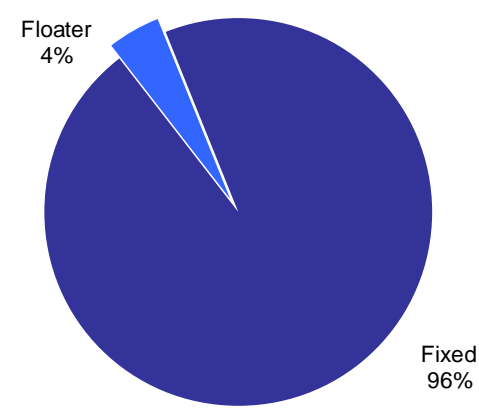
Breakdown by Currency

(As of June 2012)



Breakdown by Interest Rate

(As of June 2012)



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 done by 3Q2011
 - Rated capacity currently at 105 MW
- Target completion dates for Binga
 - Unit 1: done in December 2011
 - Unit 2: done in July 2012
 - Unit 3: 1Q2013
 - Unit 4: 4Q2013
 - To increase capacity to 120 MW
- Capex spent as of end-1H2012 at roughly \$264.2 million



TIWI-MAKBAN REHABILITATION

- At Makban
 - Estimated completion date within 1Q2013
- At Tiwi
 - Estimated completion date within 4Q2012
- As of end-1H2012, total actual capex spent at P4.8 billion (roughly \$114 million)
- Enhancements in the plants' availability rate are expected following the completion of the refurbishment, rehabilitation and resource improvements



Makban Plant A



Tiwi Rehab Activity

242 MW NAVOTAS POWER BARGES

- To undergo rehabilitation, which involves:
 - Overhaul of engines
 - Repair of barge super-structure and deck
 - Possible dry docking
 - Construction of new transmission line
- Total rehab cost estimated at P1.9 bn
 - Capex spent as of end-1H2012 at P852.9 million
- Estimated rehab timeline
 - 4Q2011: 123 MW
 - 3Q2012: 67 MW
 - 4Q2012: 52 MW, including switchyard
- Off-take
 - Merchant
 - Possible contracts for peaking capacity



Pre-Acquisition



Post-Acquisition

Thank you



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