

COVER SHEET

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S.E.C. Registration Number

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| A | B | O | I | T | I | Z | | P | O | W | E | R | | C | O | R | P | O | R | A | T | I | O | N | | | |
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(Company's Full Name)

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| C | I | T | Y | , | T | A | G | U | I | G | | C | I | T | Y | , | M | E | T | R | O | | M | A | N | I | L | A |
| P | H | I | L | I | P | P | I | N | E | S | | | | | | | | | | | | | | | | | | |

(Business Address: No. Street City / Town / Province)

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|-----------------------------|--|--|--|--|--|--|--|--|--|
| M. JASMINE S. OPORTO | | | | | | | | | |
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Contact Person

| | | | | | | | | | |
|---------------------|--|--|--|--|--|--|--|--|--|
| 02- 886-2800 | | | | | | | | | |
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Company Telephone Number

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Month Day
Fiscal Year

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FORM TYPE

3rd Monday of May

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Month Day
Annual Meeting

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Secondary License Type, if Applicable

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| S | E | C |
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Dept. Requiring this Doc

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Amended Articles Number/Section

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Total No. of Stockholders

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| x |
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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

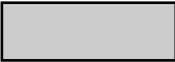
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| STAMPS | | | | | | | | | |
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SECURITIES & EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE (SRC)
AND SRC RULE 17.2(c) THEREUNDER

1. **August 1, 2013**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **C199800134** 3. BIR TIN **200-652-460**
4. **ABOITIZ POWER CORPORATION**
Exact name of registrant as specified in its charter
5. **Philippines**
Province, country or other jurisdiction
of incorporation
6. 
Industry Classification Code
7. **32nd Street, Bonifacio Global City, Taguig City, Metro Manila, Philippines** **1634**
Address of principal office Postal Code
8. **(02) 886-2800**
Registrant's telephone number, including area code
9. **N.A.**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding
(as of June 30, 2013) |
|-----------------------------------|---|
| Common Stock P1 Par Value | 7,358,604,307 |
| Amount of Debt Outstanding | P59,540,906,000.00 |
11. Indicate the item numbers reported herein: 9

Item 9: Other Events

Aboitiz Power Corporation (AboitizPower or the Company) recorded a 25% year-on-year (YoY) decrease in its consolidated net income for the second quarter of 2013, from P6.6 billion (bn) to P4.9 bn. The movements in the peso-dollar exchange rate resulted to a P1,435 million (mn) non-recurring loss (versus last year's gain of P442 mn) due to the revaluation of consolidated dollar-denominated liabilities and placements. Without the one-off loss, AboitizPower's core net income for the second quarter of 2013 amounted to P6.4 bn, which is 1% lower YoY.

On a year-to-date (YTD) basis, AboitizPower's bottomline performance recorded a 22% YoY decrease, from P12.2 bn to P9.5 bn. This translated to earnings per

share of ₱1.29. The revaluation of consolidated dollar-denominated loans and placements resulted to a non-recurring loss of ₱1,280 mn (versus last year's gain of ₱945 mn). In addition, the Company realized a one-time, non-recurring expense due to a debt prepayment cost of ₱93 mn. Adjusting for these one-offs, the Company's core net income for the first semester of 2013 amounted to ₱10.9 bn, down by 6% YoY.

Business Segments

Power Generation

For the quarter ending June 30, 2013, the power generation business recorded an income contribution of ₱4.1 bn, 34% lower as compared to the same period last year. The decrease in earnings was mainly attributable to the drop in ancillary volumes due to the lower acceptance rate by the National Grid Corporation of the Philippines (NGCP). When adjusted for non-recurring items, the group registered an 8% YoY decrease in its core net income, from ₱6.0 bn to ₱5.5 bn.

On a YTD basis, the generation business accounted for 83% of earnings contributions from AboitizPower's business segments, recording an income share of ₱8.1 bn for the first semester of 2013, down 29% YoY. Netting out one-off items, AboitizPower's generation business amounted to ₱9.4 bn for the period, which was 11% lower than last year.

The group's average price for its power decreased by 11% YoY during the first half of 2013. This was due to the YoY decline in both the average selling price of electricity sold to the spot market and average selling price under bilateral contracts of 19% and 10%, respectively.

On the other hand, AboitizPower's attributable net generation for the semester grew by 5% YoY, from 5,096 GWh to 5,360 GWh for the period in review due to the increase in demand brought about by the hotter weather during the summer months. Power sales through bilateral contracts decreased by 3% YoY to 4,365 GWh. The decline has been partly due to the conversion of a number of the Company's expiring power supply agreements from energy-based contracts to capacity-based type contracts. Meanwhile, spot market sales improved by 69% YoY from 589 GWh to 996 GWh. On a capacity basis, the Company's attributable sales decreased by 6% YoY from 1,560 MW to 1,465 MW as a result of lower sales for ancillary services. Ancillary volumes dropped by 63% during the period due to the lower acceptance rate by the NGCP. This more than offset the impact of the 74% increase in capacity sales made by the Company through bilateral contracts.

Power Distribution

For the period April to June 2013, the power distribution group registered a 29% YoY increase in its income contribution, from ₱682 mn to ₱879 mn. AboitizPower's attributable electricity sales for the quarter ending June 30, 2013 was at 1,041 GWh, increasing by 4% from 999 GWh a year ago. The strong performance of the distribution group can be attributed to the increase in sales across all customer classes as compared to the same period last year, with the residential and commercial segments registering notable sales growth of 9% and 6%, respectively.

Expansions in volumes and margins resulted to a 15% YoY growth in the power distribution group's earnings share for the first semester of 2013, from ₱1.4 bn to ₱1.6 bn. Total attributable electricity sales increased by 2% YoY, from 1,949 GWh to 1,997 GWh. The residential segment spearheaded the growth in sales with a 6% YoY expansion in volume sales, while commercial and industrial accounts registered 4% and 0.6% YoY increases, respectively. The group's year-to-date gross margin on a per kWh basis slightly improved to ₱1.71. Adding to the group's gross margin was the continued improvement in systems loss levels of both Visayan Electric Company, Inc. and Cotabato Light & Power Company, which registered reductions of 1.1 and 3.1 percentage points, respectively. The latest reduction puts both distribution utilities within the regulator-imposed cap on systems loss levels of 8.5%. Approved adjustments under PBR also helped support the increase in gross margins.

Financial Condition

As of June 30, 2013, the Company's total consolidated assets amounted to ₱152.0 bn, 7% lower than the year-end 2012 level of ₱163.1 bn. The Company's consolidated Cash and Cash Equivalents was at ₱14.7 bn, while total consolidated interest-bearing loans was at ₱59.5 bn. Equity Attributable to Equity Holders of the Parent decreased by 3% to ₱78.4 bn from year-end 2012. As of June 30, 2013, the Company's current ratio was at 2.6x (versus year-end 2012's 2.7x), while net debt-to-equity ratio was at 0.6x (versus year-end 2012's 0.4x).

SIGNATURE (S)

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ABOITIZ POWER CORPORATION

By



M. JASMINE S. OPORTO

Corporate Secretary

Date: August 1, 2013