Aboitiz Equity Ventures

FY 2017
Financial & Operating Results
9 March 2018
Review of Business Units

- Power
- Banking & Financial Services
- Food
- Infrastructure
- Land
- AEV Financials
- Q&A
FY 2017 EBITDA

19% growth vs FY2016, of which...

- +15% from coal group (mainly from GMCP addition and overcontracting)
- +5% from hydro group driven by better hydrology

Note: All numbers represent beneficial share.
## FY 2017 Core Net Income

### EBITDA Breakdown

<table>
<thead>
<tr>
<th>Description</th>
<th>FY2016</th>
<th>FY2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>39,450</td>
<td>46,968</td>
<td>19%</td>
</tr>
<tr>
<td>-Interest Expense</td>
<td>8,138</td>
<td>11,516</td>
<td>42%</td>
</tr>
<tr>
<td>-Depcn. &amp; Amort.</td>
<td>6,854</td>
<td>8,084</td>
<td>18%</td>
</tr>
<tr>
<td>-Tax &amp; Others</td>
<td>3,844</td>
<td>4,019</td>
<td>5%</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>20,614</td>
<td>23,350</td>
<td>13%</td>
</tr>
</tbody>
</table>

### Interest expense increased...

- Initial take up of share in GMCP interest expense
- Interest expense on TPI Loan
- Depcn & Amort increased due to first time take up of GMCP and first full year of TSI Unit 2 D&A

### EPS

<table>
<thead>
<tr>
<th>Description</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>2.80</td>
<td>3.17</td>
</tr>
</tbody>
</table>
## FY 2017 Net Income

<table>
<thead>
<tr>
<th>Core Net Income</th>
<th>FY2016</th>
<th>FY2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2016</td>
<td>20,003</td>
<td>20,416</td>
<td>2%</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>2.72</td>
<td>2.77</td>
<td></td>
</tr>
</tbody>
</table>

### Non-recurring losses

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2016</th>
<th>FY2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aseagas impairment</td>
<td>-</td>
<td>(3,233)</td>
<td>N/A</td>
</tr>
<tr>
<td>Refinancing costs</td>
<td>(326)</td>
<td>(650)</td>
<td>99%</td>
</tr>
<tr>
<td>Interest expense differential</td>
<td>-</td>
<td>791</td>
<td>N/A</td>
</tr>
<tr>
<td>Acquisition/divestment gain - net</td>
<td>197</td>
<td>223</td>
<td>13%</td>
</tr>
<tr>
<td>Bidding &amp; project expenses</td>
<td>(452)</td>
<td>(80)</td>
<td>-82%</td>
</tr>
<tr>
<td>Forex Gain/(Loss)</td>
<td>(30)</td>
<td>15</td>
<td>-150%</td>
</tr>
</tbody>
</table>
## YE 2017 Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>YE2016</th>
<th>YE2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>47,095</td>
<td>35,700</td>
</tr>
<tr>
<td>Investments and Advances</td>
<td>30,596</td>
<td>31,257</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>192,634</td>
<td>204,025</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>354,776</td>
<td>361,730</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>243,147</td>
<td>237,499</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td>111,629</td>
<td>124,232</td>
</tr>
<tr>
<td><strong>Total Interest Bearing Debt</strong></td>
<td>214,217</td>
<td>205,996</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td>165,022</td>
<td>167,654</td>
</tr>
<tr>
<td><strong>Net Debt to Equity</strong></td>
<td>1.5x</td>
<td>1.3x</td>
</tr>
<tr>
<td><strong>Debt to Equity</strong></td>
<td>1.9x</td>
<td>1.7x</td>
</tr>
</tbody>
</table>

*Interest bearing debt/Total equity
Operating Highlights: Generation

Capacity Sales Breakdown (MW)

- FY2016: 2,223
  - Spot Market: 143
  - Energy Contracts: 1,253
  - Capacity Contracts: 161
  - Ancillary: 667
- FY2017: 3,124
  - Spot Market: 109
  - Energy Contracts: 1,704
  - Capacity Contracts: 189
  - Ancillary: 1,122

Increased capacity sales driven by GN Power Mariveles and hydro units

Capacity Sold Factor

<table>
<thead>
<tr>
<th>Fuel Group</th>
<th>FY2016</th>
<th>FY2017</th>
<th>Change pts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mini Hydro</td>
<td>42%</td>
<td>49%</td>
<td>7</td>
</tr>
<tr>
<td>Large Hydro</td>
<td>73%</td>
<td>93%</td>
<td>21</td>
</tr>
<tr>
<td>SNAP Magat</td>
<td>57%</td>
<td>84%</td>
<td>27</td>
</tr>
<tr>
<td>SNAP Benguet</td>
<td>96%</td>
<td>108%</td>
<td>11</td>
</tr>
<tr>
<td>Geothermal</td>
<td>96%</td>
<td>113%</td>
<td>17</td>
</tr>
<tr>
<td>Coal</td>
<td>97%</td>
<td>118%</td>
<td>21</td>
</tr>
<tr>
<td>Therma Luzon</td>
<td>100%</td>
<td>100%</td>
<td>(1)</td>
</tr>
<tr>
<td>Therma South</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GN Power Mariveles</td>
<td>110%*</td>
<td>104%</td>
<td>(6)</td>
</tr>
<tr>
<td>Oil</td>
<td>94%</td>
<td>91%</td>
<td>(3)</td>
</tr>
<tr>
<td>Others</td>
<td>10%</td>
<td>13%</td>
<td>3</td>
</tr>
<tr>
<td>AP Generation</td>
<td>89%</td>
<td>105%</td>
<td>16</td>
</tr>
</tbody>
</table>

*shown only for comparison purposes

Capacity Sales: Capacity Contracts (MW) + Energy Contracts (MW) + [Spot (MWh) + Ancillary (MWh)]/Days_Year/Hours_Day
Capacity Sold Factor: Capacity Sales (MW) / Net Sellable Capacity (MW)
Operating Highlights: Generation

<table>
<thead>
<tr>
<th></th>
<th>FY2016</th>
<th>FY2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beneficial Energy Dispatch (GWh)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mini Hydro</td>
<td>651</td>
<td>788</td>
<td>21%</td>
</tr>
<tr>
<td>Large Hydro</td>
<td>895</td>
<td>1,156</td>
<td>29%</td>
</tr>
<tr>
<td>- SNAP Magat</td>
<td>462</td>
<td>662</td>
<td>43%</td>
</tr>
<tr>
<td>- SNAP Benguet</td>
<td>433</td>
<td>494</td>
<td>14%</td>
</tr>
<tr>
<td>Geothermal</td>
<td>2,688</td>
<td>2,747</td>
<td>2%</td>
</tr>
<tr>
<td>Coal</td>
<td>7,873</td>
<td>10,466</td>
<td>33%</td>
</tr>
<tr>
<td>- Therma Luzon</td>
<td>5,091</td>
<td>5,126</td>
<td>1%</td>
</tr>
<tr>
<td>- Therma South</td>
<td>1,640</td>
<td>1,647</td>
<td>0%</td>
</tr>
<tr>
<td>- GN Power Mariveles</td>
<td>3,380*</td>
<td>2,682</td>
<td>-21%</td>
</tr>
<tr>
<td>Oil</td>
<td>1,511</td>
<td>670</td>
<td>-56%</td>
</tr>
<tr>
<td>Others</td>
<td>18</td>
<td>22</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Total Energy Dispatch</strong></td>
<td>16,875</td>
<td>15,849</td>
<td>-6%</td>
</tr>
<tr>
<td><strong>AP Generation</strong> (2016 excluding GMCP)</td>
<td>13,636</td>
<td>15,849</td>
<td>16%</td>
</tr>
</tbody>
</table>

*shown only for comparison purposes
### Operating Highlights: Generation

<table>
<thead>
<tr>
<th>Fuel Group</th>
<th>Capacity Contracts (P/kWh)</th>
<th>Energy Contracts (P/kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Capacity based and AS</td>
<td>Energy based and Spot</td>
</tr>
<tr>
<td>Hydro</td>
<td>FY2016 2.36</td>
<td>FY2016 4.30</td>
</tr>
<tr>
<td></td>
<td>FY2017 2.20</td>
<td>FY2017 4.33</td>
</tr>
<tr>
<td>Oil</td>
<td>FY2016 2.03</td>
<td>FY2016 5.96</td>
</tr>
<tr>
<td></td>
<td>FY2017 1.76</td>
<td>FY2017 5.72</td>
</tr>
<tr>
<td>Coal</td>
<td>FY2016 3.28</td>
<td>FY2016 3.91</td>
</tr>
<tr>
<td></td>
<td>FY2017 3.69</td>
<td>FY2017 4.80</td>
</tr>
<tr>
<td>Geothermal &amp; Solar</td>
<td>-</td>
<td>FY2016 3.89</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>FY2017 4.43</td>
</tr>
</tbody>
</table>

- Total average price increased from **P4.12/kWh** to **P4.95/kWh** primarily on account of higher indices.

**Notes:**
- Capacity contracts include ancillary; energy contracts include spot
- kWh: Based on total energy sold
- kWh: Based on Contracted_capacity * Days_year * Hours_days
Operating Highlights: Generation

Magat’s Water Level vs. Rule Curve (in MASL)

- Water levels ended almost the same level of the rule curve
Operating Highlights: Generation

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

Source: WESM, SNAP
Operating Highlights: Distribution

Slight growth in distribution sales
Operating Highlights: Distribution

Gross Margin/kWh

System Loss

- Cotabato Light: 8.84% (7.75%)
- VECO: 6.51% (6.52%)
- Davao Light: 7.32% (7.15%)
- SFELAPCO: 4.97% (5.35%)
- SEZ: 3.77% (2.80%)
- BEZ: 0.77% (0.50%)
- MEZ: 1.08% (0.93%)
- LEZ: 1.16% (0.94%)

Gov't Cap – 8.5%
# Project Update

Pipeline on track to reach our target of 4,000 MW by 2020

<table>
<thead>
<tr>
<th>GRID</th>
<th>Project</th>
<th>Capacity (Net)</th>
<th>% Ownership</th>
<th>Attributable Net Capacity</th>
<th>Estimated Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LUZON</strong></td>
<td>Maris (Hydro – SNAP Magat)</td>
<td>8.5 MW</td>
<td>50%</td>
<td>4.3 MW</td>
<td>Jan 2018 (done)</td>
</tr>
<tr>
<td></td>
<td>Pagbilao 3 (Coal – Pagbilao Energy)</td>
<td>400 MW</td>
<td>50%</td>
<td>200 MW</td>
<td>Mar 2018</td>
</tr>
<tr>
<td></td>
<td>Bineng Combined (Hydro – Hedcor Inc)</td>
<td>19 MW</td>
<td>100%</td>
<td>19 MW</td>
<td>2019</td>
</tr>
<tr>
<td></td>
<td>Dinginin Unit 1 (Coal – GNPD)</td>
<td>668 MW</td>
<td>40%</td>
<td>267 MW</td>
<td>2019</td>
</tr>
<tr>
<td></td>
<td>Dinginin Unit 2 (Coal – GNPD)</td>
<td>668 MW</td>
<td>40%</td>
<td>267 MW</td>
<td>2020</td>
</tr>
<tr>
<td></td>
<td>Subic (Coal – RP Energy)</td>
<td>300 MW</td>
<td>25%</td>
<td>75 MW</td>
<td></td>
</tr>
<tr>
<td><strong>VISAYAS</strong></td>
<td>Cebu (Coal – Therma Visayas)</td>
<td>300 MW</td>
<td>80%</td>
<td>240 MW</td>
<td>Unit 1 - Aug 2018   Unit 2 - Aug 2018</td>
</tr>
<tr>
<td><strong>MINDANAO</strong></td>
<td>Manolo Fortich (Hydro – Hedcor Bukidnon)</td>
<td>68 MW</td>
<td>100%</td>
<td>68 MW</td>
<td>Unit 1 Apr 2018   Unit 2 Jul 2018</td>
</tr>
</tbody>
</table>

**Total**: 2,432 MW  1,140 MW
Project Update

Maris – 8.5 MW of Hydro
Project Update

Pagbilao 3 – 400 MW of Coal power
Project Update

Manolo Fortich – 68 MW of Hydro
Project Update

Therma Visayas Inc – 300 MW of Coal Power
Review of Business Units

• Power

• Banking & Financial Services

• Food

• Infrastructure

• Land

• AEV Financials

• Q&A
FY 2017 Net Income

(in Php mn)

Core income (ex-trading gain) up 30% YoY

Attributable to Parent Bank’s Stockholders
FY 2017 Net Interest Income

(in Php mn)

Net interest income driven by growth of earning assets

**NET INTEREST INCOME**

*In Millions*

- **YTD 2016**: 14,917
- **YTD 2017**: 17,641
- Increase: 18%

**NET INTEREST MARGIN**

- **YTD Dec 2016**: Avg Yield: 4.9%, Avg Cost: 1.3%, NIM: 3.6%
- **YTD Dec 2017**: Avg Yield: 4.6%, Avg Cost: 1.4%, NIM: 3.3%
- Decrease: 32 bps

**EARNING ASSETS**

*ADB In Billions*

- Increase: +26%
- Decrease: +35%

- **Share of EA to Net Assets**: 90% - 92%
FY 2017 Credit Portfolio

Double-digit growth across all major segments

(ADB in Php bn)
FY 2017 Non-Interest Income

(in Php mn)

Non-interest income driven by fee-based income

YTD 2016

- Fees and Other Income: 6,585
- Securities Trading Gains: 3,815

YTD 2017

- Fees and Other Income: 7,158
- Securities Trading Gains: 7,425

Change:
- Fees and Other Income: +9%
- Securities Trading Gains: -93%

Total:
- FY 2017: 10,400
- FY 2016: 10,225

Change: -29%
FY 2017 Total Deposits & CASA Deposits

(ADB in Php bn)

Deposits in line with strong asset growth
FY 2017 Operating Expenses

(in Php mn)

Higher Operating Expenses driven by business expansion
Capital Adequacy Ratios

Consolidated Basis

Capital ratios well-above regulatory minimum

Graph showing Capital Adequacy Ratios from YTD Dec 2016 to YTD Dec 2017.

- Tier 1 Capital Ratio
- Total Capital Adequacy Ratio
- Min. req. Tier 1 ratio
- Min. req. CAR
Profitability Ratios

Sustained above-industry profitability ratios

<table>
<thead>
<tr>
<th></th>
<th>RETURN ON EQUITY</th>
<th>RETURN ON AVE. ASSETS</th>
<th>COST-TO-INCOME RATIO</th>
</tr>
</thead>
<tbody>
<tr>
<td>YTD 2016</td>
<td>16.9%</td>
<td>2.3%</td>
<td>46.4%</td>
</tr>
<tr>
<td>YTD 2017</td>
<td>12.4%</td>
<td>1.5%</td>
<td>53.9%</td>
</tr>
</tbody>
</table>
Recent Milestone

**ACQUISITIONS**

- 100% stake in Philippine Resources (PR) Savings Bank (Dec-17)
- 51% stake in PeraHub (Feb-18)

**CUSTOMER EXPERIENCE**

- EON (Mar-17)
- UnionBank Chatbot “Rafa” (Apr-17)
- “The Ark” (Sep-17)
- UnionBank Online Mobile App and Web (Jul-17)

**CREDIT RATING**

- Moody’s Rating (Baa2)

*Subject to closing conditions and regulatory approval*
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• Banking & Financial Services

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• Q&A
<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>vs. FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>26,230 Php mn</td>
<td>+11%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3,049 Php mn</td>
<td>-3%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>12%</td>
<td>-300bps</td>
</tr>
<tr>
<td>NIAT</td>
<td>1,732 Php mn</td>
<td>-5%</td>
</tr>
</tbody>
</table>
FY 2017 Revenue

FY 2016
6,561
Flour
14,975

FY 2017
6,982
Flour
14,912

11%
FY 2017 Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flour</td>
<td>6,561</td>
<td>6,982</td>
</tr>
<tr>
<td>Feeds</td>
<td>14,975</td>
<td>14,912</td>
</tr>
<tr>
<td>Farms</td>
<td>2,166</td>
<td>1,293</td>
</tr>
<tr>
<td>Trading</td>
<td></td>
<td>3,042</td>
</tr>
</tbody>
</table>

Revenue increased by 11% from FY 2016 to FY 2017.
FY 2017 EBITDA

(in Php mn)

FY 2016

- Flour: 1,587
- Feeds: 997
- Farms: 546
- Trading: 46

Total: 3,130

FY 2017

- Flour: 1,330
- Feeds: 454
- Farms: 1,218
- Trading: 46

Total: 3,049

Decrease: 3%

3,130 - 3,049 = 81
FY 2017 Net Income

(in Php mn)

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flour</td>
<td>1,053</td>
<td>844</td>
</tr>
<tr>
<td>Feeds</td>
<td>557</td>
<td>197</td>
</tr>
<tr>
<td>Farms</td>
<td>204</td>
<td>25</td>
</tr>
<tr>
<td>Trading</td>
<td>666</td>
<td></td>
</tr>
</tbody>
</table>

Total: 1,815 (FY 2016) 1,732 (FY 2017)
FY 2017 Net Income
(in Php mn)

FY 2016
- Flour: 557
- Feeds: 1,053
- Farms: 204

FY 2017
- Flour: 197
- Feeds: 844
- Farms: 666
- Trading: 25
FY 2017 Financial Highlights: Feeds and Farms

(in Php mn)

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farms</td>
<td>204</td>
<td>688</td>
</tr>
<tr>
<td>Feeds</td>
<td>963</td>
<td>724</td>
</tr>
</tbody>
</table>

NET INCOME

1,167

1,412

21%
Project Updates
## Capacity Expansion

### HOG FARMS
- **Sow Level Capacity** *(in heads)*
  - 2014 - 8,360
  - 2017 - 14,376
  - 2020 - 20,000

### LAYER FARMS
- **Ready-to-Lay Hen Capacity** *(in heads)*
  - 2017 - 172,800
  - 2020 - 1 Million

### ANIMAL FEEDS
- **Capacity** *(tons per hour)*
  - 2014 - 73 TPH
  - 2017 - 113 TPH
  - 2020 - 153 TPH

### AQUA FEEDS
- **Capacity** *(tons per hour)*
  - 2014 - 24 TPH
  - 2017 - 44 TPH
  - 2020 - 64 TPH
Project Updates

**Farms**
- GrowFin Farm 12: 29% Completed
- Meat Processing Plant: 11% Completed
- Breeder Farm 3
- Nursery Farm 3

**Feeds**
- Grain Storage Facility: 82% Completed
- PowerMix Project: 52% Completed
- Tarlac Feedmill +20 TPH
Vietnam Growth Strategy

**EUROFEED (Animal)**
- Intro to animal feed milling industry in Vietnam
- 16 TPH Animal Feed Mill in Binh Duong, South Vietnam (26km N of HCMC)
- 70% equity stake valued at USD 3.71 million
- Turn-over scheduled on September 2017

**FEEDS VIETNAM (Aqua)**
- 44 TPH Aqua Feed Mill in Dong Thap, South Vietnam
- Additional 15% Equity Buy-out of minority valued at USD4.5M last August 1
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Modest cement demand growth in 2017

- Government’s infrastructure projects picked up in 2H 2017
- Steady demand growth in residential and non-residential segments
- Strong headwinds from imports, cost inflation and competitive pressures
- Contribution to AEV amounts to PHP 670M
Water Sector: Project Updates

300 MLD Bulk Water project in Davao

One of the country’s largest private bulk water supply projects

A partnership with JV Angeles Construction Corporation

- Permitting almost complete
- Detailed design works in progress, expected to be finalized in 2018
- Continuous stakeholder engagement campaigns in preparation for commencement of construction in 2018
Water Sector: Strategic Developments

LiMA Water Corporation
- Acquisition from Lima Land (a 100%-owned subsidiary of AboitizLand)
- 6.0 MLD industrial park water supply, distribution and waste water treatment
- Acquisition was completed August 1, 2017

Balibago Waterworks System, Inc.
- Acquisition of 11.14% from San Fernando Electric Light & Power Co. Inc.
- BWSI provides running water to almost 200,000 households in its franchise area
Transport Infrastructure: NAIA Unsolicited Proposal

• In line with the government’s ‘Build, Build, Build’ program to modernize NAIA
• Balance short- and long-term needs to provide immediate action and long term solutions
• Strategic alliance with strong local partners and experienced foreign operator
• Proposal aims to improve, upgrade facilities, enhance operational efficiencies
Transport Infrastructure: Regional Airports
Unsolicited Proposal

• Gateways to high growth regions in Visayas and Mindanao

• In line with the ‘Build, Build, Build’ program to develop sustainable airport facilities

• Proposal to upgrade, expand, operate and maintain the four airports: Iloilo, Bacolod-Silay, Laguindingan, New Bohol
Review of Business Units

- Power
- Banking & Financial Services
- Food
- Infrastructure
- Land
- AEV Financials
- Q&A
## FY 2017 Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>vs FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Sales</td>
<td>2.9B</td>
<td>+51%</td>
</tr>
<tr>
<td>Revenues</td>
<td>3.7B</td>
<td>+51%</td>
</tr>
<tr>
<td>GP</td>
<td>1.5B</td>
<td>+47%</td>
</tr>
<tr>
<td>NOP</td>
<td>554M</td>
<td>+125%</td>
</tr>
<tr>
<td>NIAT</td>
<td>726M</td>
<td>+286%</td>
</tr>
</tbody>
</table>
Residential sales well exceed the previous year, attributable to H&L products.

<table>
<thead>
<tr>
<th>Year</th>
<th>1Q'17</th>
<th>2Q'17</th>
<th>3Q'17</th>
<th>4Q'17</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>101</td>
<td>354</td>
<td>332</td>
<td>354</td>
<td>1,106</td>
</tr>
<tr>
<td>2017</td>
<td>56</td>
<td>415</td>
<td>411</td>
<td>415</td>
<td>1,106</td>
</tr>
</tbody>
</table>

Quarterly Breakdown:
- 1Q'17: +76%
- 2Q'17: +7%
- 3Q'17: +2%
- 4Q'17: 51%

*H&L, Condo, Lots*
FY 2017 Revenues

(in Php mn)

Revenues increase with improved operational and business performance

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q'17</th>
<th>2Q'17</th>
<th>3Q'17</th>
<th>4Q'17</th>
<th>4Q'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>640</td>
<td>884</td>
<td>860</td>
<td>1,290</td>
<td>782</td>
</tr>
<tr>
<td>2017</td>
<td>339</td>
<td>425</td>
<td>504</td>
<td>386</td>
<td>350</td>
</tr>
</tbody>
</table>

Quarterly Breakdown

Residential | Industrial | Commercial and Others

2016: 928 | 1,367 | 147
2017: 1,654 | 1,863 | 157

51% increase, 101% increase, 21% increase, 7% increase
FY 2017 Gross Profit & Net Operating Profit

Gross Profit

(in PHP mn)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q'17</td>
<td>284</td>
<td>1,526</td>
</tr>
<tr>
<td>2Q'17</td>
<td>407</td>
<td></td>
</tr>
<tr>
<td>3Q'17</td>
<td>399</td>
<td></td>
</tr>
<tr>
<td>4Q'17</td>
<td>435</td>
<td></td>
</tr>
<tr>
<td>4Q'16</td>
<td>334</td>
<td></td>
</tr>
</tbody>
</table>

Quarterly Breakdown:
- 1Q'17: 284
- 2Q'17: 407
- 3Q'17: 399
- 4Q'17: 435
- 4Q'16: 334

Gross Profit Increase: 47%

Net Operating Profit

(in PHP mn)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q'17</td>
<td>86</td>
<td>554</td>
</tr>
<tr>
<td>2Q'17</td>
<td>164</td>
<td></td>
</tr>
<tr>
<td>3Q'17</td>
<td>175</td>
<td></td>
</tr>
<tr>
<td>4Q'17</td>
<td>128</td>
<td></td>
</tr>
<tr>
<td>4Q'16</td>
<td>49</td>
<td></td>
</tr>
</tbody>
</table>

Quarterly Breakdown:
- 1Q'17: 86
- 2Q'17: 164
- 3Q'17: 175
- 4Q'17: 128
- 4Q'16: 49

Net Operating Profit Increase: 125%
FY 2017 Business Highlights

Holiday Wonderfair event (featured above)

The largest Outlet mall to open in the Philippines (~27,000 GLA) by 1H of 2018
FY 2017 Business Highlights

Residential
• Launch of Seafront Residences – 1st residential project in Luzon
• Launch of Foressa Mountain Town – ~250 hectare second-home mountain community in Cebu
• Significant construction progress in various projects such as Seafront Residences, Amoa, Almiya, Pristina North

Commercial
• The Outlets at Pueblo Verde – a prime shopping destination as foot traffic increased by 94% from the previous year, whilst maintaining full occupancy
• The much awaited Outlets at Lipa is expected to open by the 1H of 2018

Industrial
• 50 hectares sold for the year
• Rank 1 in industrial lot sales within Calabarzon
Review of Business Units

- Power
- Banking & Financial Services
- Food
- Infrastructure
- Land

- AEV Financials

- Q&A
### FY 2017 Financial Performance

<table>
<thead>
<tr>
<th>Category</th>
<th>FY2016 (BN)</th>
<th>FY2017 (BN)</th>
<th>FY2017 vs FY2016 (%)</th>
<th>4Q2016 (BN)</th>
<th>FY2017 vs 4Q2016 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>₱150.7 bn</td>
<td>₱39.2 bn</td>
<td>+36%</td>
<td>₱150.7 bn</td>
<td>+36%</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>₱23.9 bn</td>
<td>₱6.8 bn</td>
<td>+19%</td>
<td>₱23.9 bn</td>
<td>+19%</td>
</tr>
<tr>
<td>Net Income</td>
<td>₱21.6 bn</td>
<td>₱5.7 bn</td>
<td>+6%</td>
<td>₱21.6 bn</td>
<td>+6%</td>
</tr>
<tr>
<td>Conso EBITDA</td>
<td>₱57.0 bn</td>
<td>₱15.6 bn</td>
<td>+31%</td>
<td>₱57.0 bn</td>
<td>+31%</td>
</tr>
<tr>
<td>Net Income</td>
<td>₱21.6 bn</td>
<td>₱5.7 bn</td>
<td>+6%</td>
<td>₱21.6 bn</td>
<td>+6%</td>
</tr>
</tbody>
</table>
11% growth vs 2016, of which...

- +13% from power group driven by better hydrology and fresh contribution from GN Power Mariveles
- +3% from land on strong industrial sales
- -3% from infrastructure on lower RCBM volume and selling prices
- -2% from banking on lower trading gains
FY 2017 Consolidated EBITDA
(in Php mn)

FY 2016
- Power: 38,086
- Financial Services: 3,156
- Infrastructure: 4,960
- Food: 1,545
- Real Estate: 1,450
- Parent & Others: 349

FY 2017
- Power: 47,650
- Financial Services: 3,023
- Infrastructure: 608
- Food: 3,156
- Real Estate: 4,206
- Parent & Others: 37

Change:
- Power: +18%
- Financial Services: -12%
- Infrastructure: -61%
- Food: +327%
- Real Estate: -4%
- Parent & Others: -15%

Overall: +25%
FY 2017 Core Net Income
(in Php mn)

<table>
<thead>
<tr>
<th></th>
<th>FY2016</th>
<th>FY2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conso EBITDA</td>
<td>48,128</td>
<td>56,975</td>
<td>18%</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>8,131</td>
<td>11,742</td>
<td>44%</td>
</tr>
<tr>
<td>Depcn. &amp; Amort.</td>
<td>6,829</td>
<td>8,454</td>
<td>24%</td>
</tr>
<tr>
<td>Tax &amp; Others</td>
<td>4,167</td>
<td>5,198</td>
<td>25%</td>
</tr>
<tr>
<td>Non-controlling Interest</td>
<td>6,180</td>
<td>7,670</td>
<td>24%</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>22,820</td>
<td>23,912</td>
<td>5%</td>
</tr>
</tbody>
</table>

- **Interest expense** increased due to additional loan taken up by Power
- **Depcn & Amort** increased due to first time take up of Power acquisition D&A

**EPS**

4.08

4.24
### FY 2017 Net Income

<table>
<thead>
<tr>
<th></th>
<th>FY2016</th>
<th>FY2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Net Income</td>
<td>22,820</td>
<td>23,912</td>
<td>5%</td>
</tr>
<tr>
<td>Non-recurring Income/(Loss)</td>
<td>(347)</td>
<td>(2,303)</td>
<td>564%</td>
</tr>
<tr>
<td>Aseagas impairment</td>
<td>-</td>
<td>(2,486)</td>
<td>n/a</td>
</tr>
<tr>
<td>Forex gains/(losses)</td>
<td>100</td>
<td>(17)</td>
<td>-117%</td>
</tr>
<tr>
<td>Prepayment costs</td>
<td>(251)</td>
<td>(500)</td>
<td>99%</td>
</tr>
<tr>
<td>Other gains/(losses)</td>
<td>(196)</td>
<td>700</td>
<td>-457%</td>
</tr>
<tr>
<td>Net Income</td>
<td>22,473</td>
<td>21,609</td>
<td>-4%</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>4.02</td>
<td>3.84</td>
<td></td>
</tr>
</tbody>
</table>

None core items

- Aseagas impairment cost (mainly from Power)
- Prepayment costs incurred from the GMCP refinancing
- Other gains mainly from interest expense adjustment on GMCP loan and gain on sale of BWSI

FX in December 2017: 49.93 vs 49.72 in 2016
YE 2017 Balance Sheet
(in Php mn, except ratios)

Parent Net Debt

Consolidated Balance Sheet/Key Ratios

<table>
<thead>
<tr>
<th></th>
<th>YE2016</th>
<th>YE2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>63,858</td>
<td>64,870</td>
</tr>
<tr>
<td>Total Assets</td>
<td>464,077</td>
<td>492,542</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>290,681</td>
<td>299,713</td>
</tr>
<tr>
<td>Total Equity</td>
<td>173,396</td>
<td>193,181</td>
</tr>
<tr>
<td>Equity Attributable to Parent</td>
<td>140,299</td>
<td>192,829</td>
</tr>
<tr>
<td>Book Value Per Share</td>
<td>24.90</td>
<td>27.51</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>2.5x</td>
<td>1.6x</td>
</tr>
<tr>
<td>Debt to Equity</td>
<td>1.7x</td>
<td>1.6x</td>
</tr>
<tr>
<td>Net Debt to Equity</td>
<td>1.1x</td>
<td>1.0x</td>
</tr>
</tbody>
</table>

Net debt

ND/E  0.11x  0.10x
AEV Dividend Payments

Payout Ratio: 1/3 of previous year’s consolidated net income
Payout Ratio: 1/2 of previous year’s consolidated net income
2017 Posted a Better Post-Election Year Performance

GDP Growth (in %)

Source/s
1: Philippine Statistics Authority (www.psa.gov.ph)
2: Unionbank Economic Research Unit (UBP-ERU)
Improved Trade balance mitigated declines in Investment and Consumption

Consumption (+5.8%)

Investment (+9.0%)

Government (+7.3%)

Trade (+18.3%)

Real GDP ₱8.7Tn (+6.7%)

Growth Contribution to GDP (in %)

2016

2017

Source/s 1: Philippine Statistics Authority (www.psa.gov.ph)
Agriculture continued its resurgence in 2017.

- **Real GDP**: ₱8.7Tn (+6.7%)
  - Agriculture: (+7.3%)
  - Industry: (+9.0%)
  - Service: (+5.8%)

Growth Contribution to GDP (in %)
- 2016:
  - Agriculture: -0.1%
  - Industry: 4.2%
  - Service: 2.8%

- 2017:
  - Agriculture: 3.9%
  - Industry: 2.5%
  - Service: 6.9%

*Source/s: 1: Philippine Statistics Authority (www.psa.gov.ph)*
2018 inflation is expected to average 4.5% driven by the effects of TRAIN and rising Oil Prices in the Global Market

UBP ERU HEADLINE INFLATION Forecast*

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.5%</td>
<td>3.6%</td>
</tr>
</tbody>
</table>

Source/s
1: Philippine Statistics Authority (www.psa.gov.ph)
2: Unionbank Economic Research Unit (UBP-ERU)
Our Group Outlook

Aboitiz Power

Aboitiz InfraCapital

7.0%
(2018F)
UBP-ERU

UnionBank

Aboitiz Land

Pilmico

Source: Unionbank Economic Research Unit (UBP-ERU)
Review of Business Units

• Power

• Banking & Financial Services

• Food

• Infrastructure

• Land

• AEV Financials

• Q&A
Thank you!