

March 11, 2015

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

ATTENTION : **MS. JANET ENCARNACION**
Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

Market Regulatory Services Group
37/F, Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas, Makati City

ATTENTION : **MS. VINA VANESSA S. SALONGA**
Head - Issuer Compliance and Disclosures Department

Gentlemen:

On behalf of Aboitiz Equity Ventures, Inc. (AEV), we submit for your files the Press Release of AEV dated March 11, 2015.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ EQUITY VENTURES, INC.

By



M. JASMINE S. OPORTO
Corporate Secretary



Aboitiz Equity Ventures Posts P18.4B Income in 2014, eyes more infra and power projects

Aboitiz Equity Ventures' net income declined by 13% YoY to P18.4B in 2014 from P21.0B in 2013. This translates to P3.32 in earnings per share. Power accounted for 71%, followed by Banking, Food and Land Development, with income contributions of 18%, 7%, and 4%, respectively.

The Company incurred a non-recurring gain of P436M, from the revaluation of AboitizPower's consolidated dollar-denominated liabilities and placements, and a one-off gain of P634M from the sale of a couple of the Group's investments. AboitizPower also booked a non-recurring cost for the acquisition of Lima Utilities Corporation.

Adjusting for these one-off's, AEV's core net income dropped by 15% to P17.9B, from a year ago.

Moving forward, the company sees more growth opportunities from infrastructure investments, which it has made the fifth leg of its business. "Our strategic growth plans remain intact as we pursue to further strengthen and expand our businesses, keeping pace with the country's economic growth," said Erramon Aboitiz, AEV President and Chief Executive Officer.

AEV is particularly eyeing more PPP opportunities and has formed the consortium Trident Infrastructure and Development Corporation, along with Ayala Land, SM Prime Holdings, and Megaworld Corporation, to vie for the P123.8-billion Laguna Lakeshore Expressway and Dike Project, the government's biggest PPP project to date.

The company, through its joint venture with JV Angeles Construction Corp, has received a notice of award to develop a 300 MLD bulk water supply project to support Davao City's growing needs, the country's largest private bulk water supply project to date.

Strategic Business Units

Power

AboitizPower's income dropped by 10% in 2014, to P16.7B from P18.6B, translating to earnings per share of P2.27. The Company registered a non-recurring loss of P135.6M from P1.5B the previous year, mostly due to the revaluation of consolidated dollar-denominated loans and placements.

Adjusting for these one-offs, the Company's core net income for 2014 amounted to ₱16.8B, down by 16% from a year ago.

In terms of income contribution to AEV, its share in earnings also dropped to ₱12.7B from ₱14.2B the previous year. When adjusted for non-recurring items, AboitizPower's earnings share dropped further by 16% to ₱12.9B from ₱15.5B the previous year.

Despite this, AboitizPower continues its expansion allotting ₱52B in capital expenditure this year. This is to fulfill its commitment to increase its capacity, along with its partners, by over 2,000 MW in the next five years.

"In the next five years we intend to increase our capacity by approximately 2,000 MW, providing reliable and competitive power meeting the economy's increasing energy demands. We will build renewable power where it makes sense and will always remain resolute in protecting the environment and the interests of our host communities," added Erramon Aboitiz, AboitizPower's Chief Executive Officer.

Banking

UnionBank's income contribution in 2014 decreased by 21% to ₱3.2B, from ₱4.1B the previous year. This is due to the drop in total other income by 35% to ₱8.2B, brought by the exceptional level of trading gain earned the previous year.

Still, the bank's net interest income rose by 20% to ₱10.6B, retail loans continued to grow, and operating expenses were trimmed down to just ₱9.8B, from ₱10.4B the previous year.

Food

The Group's Food Unit, Pilmico had a 4% earnings increase to ₱1.3B. The growth was propelled by the remarkable performance of Farms whose net income soared by 101% to ₱377M. This made up for the decline in the earnings from Flour and Feeds.

Pilmico also continues to explore business opportunities in the region. "Our food group is leading the pack to integrate into ASEAN with its investment in Vietnam. It is also exploring opportunities for cross-border trade in the region," shared Aboitiz.

Land Development

AboitizLand's income increased by 132% to ₱633M from ₱273M a year ago. The company achieved the ₱3.0B mark in revenue, 86% higher than last year, due to growth across all its business units.

For 2015, the company will continue its aggressive expansion plan to support its strategy to become a major national player in the real estate industry.

Dividends Declaration

AEV and AboitizPower have declared a cash dividend of ₱1.11 per share and ₱1.66 per share, respectively. The dividends will be paid out on April 20, 2015 to shareholders on record as of March 24, 2015. This represents a dividend yield based on March 9 closing prices equivalent to 1.9% for AEV and 3.7% for AboitizPower.

For additional queries you may contact Timi Nubla at [+63917-5816970](tel:+63917-5816970)

About Us

Aboitiz Equity Ventures (AEV) is the publicly listed holding and investment company of the Aboitiz Group with major investments in power, banking, food, and land development. Today, AEV is recognized as one of the the best managed companies in the Philippines and in the region, and is acknowledged for its good corporate governance.

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