Aboitiz Equity Ventures

Full Year 2018
Financial & Operating Results
8 March 2019
Review of Business Units

• Power

• Banking & Financial Services

• Food

• Infrastructure

• Land

• AEV Financials

• Q&A
FY 2018 EBITDA*

+4% YoY growth, mainly of which...

- +3% from new contributions from PEC and HBI
- +1 distribution group driven by strong growth

*Beneficial figures
FY 2018 Core Net Income

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>46,969</td>
<td>48,645</td>
<td>4%</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>11,518</td>
<td>11,479</td>
<td>0%</td>
</tr>
<tr>
<td>Depcn. &amp; Amort.</td>
<td>8,084</td>
<td>8,761</td>
<td>8%</td>
</tr>
<tr>
<td>Tax &amp; Others</td>
<td>4,016</td>
<td>4,622</td>
<td>15%</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>23,350</td>
<td>23,783</td>
<td>2%</td>
</tr>
</tbody>
</table>

**FY 2018 Core Net Income**

- **EBITDA**: 48,645
- **Interest Expense**: 11,479
- **Depcn. & Amort.**: 8,761
- **Tax & Others**: 4,622

**Core Net Income**: 23,783
## FY 2018 Net Income

<table>
<thead>
<tr>
<th></th>
<th>FY2017</th>
<th>FY2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Net Income</td>
<td>23,350</td>
<td>23,783</td>
<td>2%</td>
</tr>
<tr>
<td>Non-recurring losses</td>
<td>(2,934)</td>
<td>(2,075)</td>
<td>-29%</td>
</tr>
<tr>
<td>Forex Gain/(Loss)</td>
<td>15</td>
<td>(1,521)</td>
<td>-102%</td>
</tr>
<tr>
<td>Gain on investment</td>
<td>167</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>GMCP – FV Adjustment</td>
<td>791</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Refinancing costs</td>
<td>(650)</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Impairment costs</td>
<td>(3,487)</td>
<td>(554)</td>
<td>N/A</td>
</tr>
<tr>
<td>Bargain purchase gain</td>
<td>310</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Bidding and project expenses</td>
<td>(80)</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Net Income</td>
<td>20,416</td>
<td>21,708</td>
<td>6%</td>
</tr>
<tr>
<td>EPS</td>
<td>2.77</td>
<td>2.95</td>
<td></td>
</tr>
</tbody>
</table>

FX in Dec 2017: 49.98 vs 52.58 in 2018
## Balance Sheet Highlights

<table>
<thead>
<tr>
<th>(Php mn)</th>
<th>CONSOLIDATED</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YE2017</td>
<td>YE2018</td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>35,700</td>
<td>46,343</td>
</tr>
<tr>
<td>Trade and Other Receivables</td>
<td>17,360</td>
<td>21,722</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>204,025</td>
<td>207,110</td>
</tr>
<tr>
<td>Investments and advances</td>
<td>31,249</td>
<td>34,334</td>
</tr>
<tr>
<td>Total Assets</td>
<td>361,477</td>
<td>389,662</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>237,499</td>
<td>253,086</td>
</tr>
<tr>
<td>Total Equity</td>
<td>123,978</td>
<td>136,577</td>
</tr>
<tr>
<td>Total Interest Bearing Debt</td>
<td>205,996</td>
<td>216,499</td>
</tr>
<tr>
<td>Net Debt</td>
<td>167,654</td>
<td>164,866</td>
</tr>
<tr>
<td>Net Debt to Equity</td>
<td>1.3X</td>
<td>1.2X</td>
</tr>
<tr>
<td>Debt to Equity*</td>
<td>1.7X</td>
<td>1.6X</td>
</tr>
</tbody>
</table>

*Interest bearing debt / Total equity
Operating Highlights: Capacity Sales and Capacity Sold Factor by Contract Type

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: Revenue and Energy Sold

<table>
<thead>
<tr>
<th></th>
<th>FY2017</th>
<th>FY2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Php MN</td>
<td>88,487</td>
<td>92,646</td>
<td>+5%</td>
</tr>
<tr>
<td>GWh</td>
<td>5,106</td>
<td>6,955</td>
<td>23,711</td>
</tr>
<tr>
<td>Energy Contracts</td>
<td>30,133</td>
<td>34,520</td>
<td></td>
</tr>
<tr>
<td>Capacity Contracts</td>
<td>49,764</td>
<td>46,912</td>
<td></td>
</tr>
<tr>
<td>Spot</td>
<td>5,106</td>
<td>6,955</td>
<td></td>
</tr>
<tr>
<td>Ancillary Services</td>
<td>1,451</td>
<td>2,362</td>
<td></td>
</tr>
</tbody>
</table>

FY2017:
- Capacity Contracts: 46,912 GWh (60%)
- Energy Contracts: 968 GWh (4%)
- Spot: 1,659 GWh (7%)
- Ancillary Services: 6,749 GWh (29%)

FY2018:
- Capacity Contracts: 14,334 GWh (51%)
- Energy Contracts: 11,962 GWh (33%)
- Spot: 1,451 GWh (6%)
- Ancillary Services: 2,362 GWh (10%)
Operating Highlights: Gross Margin

In Php MN

Revenue
- FY2017: 88,487
- FY2018: 92,646
- Increase: 5%

Cost of Sales
- FY2017: 44,516
- FY2018: 48,599
- Increase: 9%

Gross Margin
- FY2017: 43,971
- FY2018: 44,047

In GWh

Energy Generated
- FY2017: 14,460
- FY2018: 15,029
- Increase: 4%

Purchased Power
- FY2017: 2,264
- FY2018: 2,032
- Decrease: -10%
Operating Highlights: WESM

WESM LOAD WEIGHTED AVERAGE PRICES (P/MWh)
Operating Highlights: Water Level

Magat’s Water Level vs. Rule Curve (in MASL)
Operating Highlights: Distribution

Beneficial Power Sales (GWh)

- Strong growth in distribution sales
- 5% growth from 2017 to 2018

Beneficial Power Sales By Customer Type (GWh)

- Residential: 1,331 (2017), 1,415 (2018)

Peak Demand in (MW)

- VECO: 547 (2018)
- SEZ: 134 (2018)
Operating Highlights: Distribution

Gross Margin / kWh

Feeder Loss

<table>
<thead>
<tr>
<th>Company</th>
<th>FY2018</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLPC</td>
<td>7.48%</td>
<td>7.39%</td>
</tr>
<tr>
<td>VECO</td>
<td>4.87%</td>
<td>4.97%</td>
</tr>
<tr>
<td>DLPC</td>
<td>4.38%</td>
<td>4.38%</td>
</tr>
<tr>
<td>SFELAPCO</td>
<td>3.52%</td>
<td>3.55%</td>
</tr>
<tr>
<td>SEZ</td>
<td>2.45%</td>
<td>2.79%</td>
</tr>
<tr>
<td>BEZ</td>
<td>0.17%</td>
<td>0.30%</td>
</tr>
<tr>
<td>MEZ</td>
<td>0.42%</td>
<td>0.38%</td>
</tr>
<tr>
<td>LEZ</td>
<td>0.44%</td>
<td>0.45%</td>
</tr>
</tbody>
</table>

Gov't Cap: 6.5%
# 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 Commercial Operation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>LUZON</td>
<td>La Trinidad (Hydro – Hedcor Inc)</td>
<td>19 MW</td>
<td>100%</td>
<td>19 MW</td>
<td>Jul 2019</td>
</tr>
<tr>
<td></td>
<td>Dingin Unit 1 (Coal – GNPD)</td>
<td>668 MW</td>
<td>40%</td>
<td>267 MW</td>
<td>Nov 2019</td>
</tr>
<tr>
<td></td>
<td>Dingin 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>VISAYAS</td>
<td>Cebu (Coal – Therma Visayas)</td>
<td>300 MW</td>
<td>80%</td>
<td>240 MW</td>
<td>Unit 1 Apr 2019  Unit 2 Jun 2019</td>
</tr>
<tr>
<td>MINDANAO</td>
<td>Manolo Fortich (Hydro – Hedcor Bukidnon)</td>
<td>68 MW</td>
<td>100%</td>
<td>68 MW</td>
<td>On commercial operations</td>
</tr>
</tbody>
</table>

**Total**: 2,023 MW

| Estimated Commercial Operation Date | 936 MW |

**Total Capacity**: 936 MW
Project Update

Manolo Fortich - 68 MW of Hydro Power
Project Update

Cebu - 300 MW of Coal Power
Project Update

La Trinidad - 19 MW of Hydro Power
Project Update

Dinginin - 2 x 668 MW of Coal Power
Project Update

Naga Power Plant Complex
AP Received Approval From Philippine Competition Commission

<table>
<thead>
<tr>
<th></th>
<th>PREV</th>
<th>ADDTL</th>
<th>NEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMCP</td>
<td>66%</td>
<td>12%</td>
<td>78%</td>
</tr>
<tr>
<td>GNPD</td>
<td>40%</td>
<td>30%</td>
<td>70%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>PREV</th>
<th>ADDTL</th>
<th>NEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMCP</td>
<td>418</td>
<td>77</td>
<td>495</td>
</tr>
<tr>
<td>GNPD</td>
<td>534</td>
<td>401</td>
<td>935</td>
</tr>
</tbody>
</table>

478
Review of Business Units

• Power

• Banking & Financial Services

• Food

• Infrastructure

• Land

• AEV Financials

• Strategic Overview

• Q&A
FY 2018 Net Income

(in Php mn)

Net income at P7.3 Bn

8,411

13%

7,316

Dec 2017

Dec 2018

*Attributable to Parent Bank’s Stockholders
FY 2018 Movements in Equity

(in Php mn)

<table>
<thead>
<tr>
<th>Component</th>
<th>Value (Php mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2017 Equity</td>
<td>73,344</td>
</tr>
<tr>
<td>Cash Dividends</td>
<td>(2,011)</td>
</tr>
<tr>
<td>SRO, net of proceeds</td>
<td>9,915</td>
</tr>
<tr>
<td>Net Income</td>
<td>7,316</td>
</tr>
<tr>
<td>PFRS9 Adoption</td>
<td>1,640</td>
</tr>
<tr>
<td>Others</td>
<td>756</td>
</tr>
<tr>
<td>FY2018 Equity</td>
<td>90,961</td>
</tr>
</tbody>
</table>
FY 2018 Net Interest Income

Lower net interest income driven by margin compression

<table>
<thead>
<tr>
<th>NET INTEREST INCOME</th>
<th>NET INTEREST MARGIN</th>
<th>EARNING ASSETS*</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Consolidated)</td>
<td>(Parent)</td>
<td>(ADB in Php bn)</td>
</tr>
<tr>
<td>Dec 2017: 20,785</td>
<td>Dec 2017: 5.1%</td>
<td>Dec 2017: 438</td>
</tr>
<tr>
<td>Dec 2018: 19,999</td>
<td>Dec 2018: 5.4%</td>
<td>Dec 2018: 492</td>
</tr>
<tr>
<td>▼ 4%</td>
<td>▼ 34 bps</td>
<td>+15%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-26%</td>
</tr>
<tr>
<td>34 bps</td>
<td>69 bps</td>
<td></td>
</tr>
</tbody>
</table>

*excludes cash and reserve requirements
FY 2018 Credit Portfolio

(in Php mn)

Credit portfolio sustained double-digit growth

<table>
<thead>
<tr>
<th>Retail Loans</th>
<th>Dec 2017</th>
<th>Dec 2018</th>
<th>Var</th>
<th>% Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass Market Loans</td>
<td>57.6</td>
<td>56.5</td>
<td>(1.1)</td>
<td>-2%</td>
</tr>
<tr>
<td>Credit Card</td>
<td>4.3</td>
<td>5.9</td>
<td>1.6</td>
<td>37%</td>
</tr>
<tr>
<td>Mortgage</td>
<td>23.5</td>
<td>31.1</td>
<td>7.6</td>
<td>32%</td>
</tr>
<tr>
<td>Auto Loans</td>
<td>3.5</td>
<td>2.8</td>
<td>(0.7)</td>
<td>-20%</td>
</tr>
</tbody>
</table>
FY 2018 Non-Interest Income

(in Php mn)

Non-interest income up on profits on sale of securities

Dec 2017

<table>
<thead>
<tr>
<th>Securities Trading Gains</th>
<th>Ser. Charges, Fees and Com.</th>
<th>Other Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,420</td>
<td>2,846</td>
<td>267</td>
</tr>
</tbody>
</table>

Dec 2018

<table>
<thead>
<tr>
<th>Securities Trading Gains</th>
<th>Ser. Charges, Fees and Com.</th>
<th>Other Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,572</td>
<td>1,543</td>
<td>4,532</td>
</tr>
</tbody>
</table>
FY 2018 Total Deposits & CASA Deposits

(in Php mn)

Double-digit CASA growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Deposits</th>
<th>CASA Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 2017</td>
<td>427</td>
<td>143</td>
</tr>
<tr>
<td>Dec 2018</td>
<td>441</td>
<td>157</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>UnionBank</th>
<th>Subsidiaries</th>
<th>Peso</th>
<th>FCDU</th>
<th>Share of CASA to Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 2017</td>
<td>374</td>
<td>52</td>
<td>120</td>
<td>20</td>
<td>+3%</td>
</tr>
<tr>
<td>Dec 2018</td>
<td>396</td>
<td>45</td>
<td>143</td>
<td>22</td>
<td>+6%</td>
</tr>
</tbody>
</table>
FY 2018 Operating Expenses

(in Php mn)

Operating Expenses increased primarily on business growth

Dec 2017

11,309

Dec 2018

16,320

Operating Expenses increased primarily on business growth (in Php mn)

FY 2018 Operating Expenses

(in Php mn)

Operating Expenses increased primarily on business growth

Dec 2017

11,309

Dec 2018

16,320

Operating Expenses increased primarily on business growth (in Php mn)

FY 2018 Operating Expenses

(in Php mn)

Operating Expenses increased primarily on business growth

Dec 2017

11,309

Dec 2018

16,320

Operating Expenses increased primarily on business growth (in Php mn)
Capital Adequacy Ratios
Consolidated Basis

Capital ratios remain healthy

Dec 2017 | Dec 2018
---|---
Tier 1 Capital Ratio | Tier 1 Capital Ratio
Total Capital Adequacy Ratio | Total Capital Adequacy Ratio
Min. req. Tier 1 ratio | Min. req. Tier 1 ratio
Min. req. CAR | Min. req. CAR

14.4% | 15.2%
12.1% | 12.7%
10% | 8.5%
Profitability Ratios

Sustained above-industry profitability ratios

<table>
<thead>
<tr>
<th></th>
<th>Dec 2017</th>
<th>Dec 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>RETURN ON EQUITY</td>
<td>12.4%</td>
<td>10.0%</td>
</tr>
<tr>
<td>RETURN ON ASSETS</td>
<td>1.5%</td>
<td>1.2%</td>
</tr>
<tr>
<td>REVENUE-TO-EXPENSE RATIO</td>
<td>1.8</td>
<td>1.6</td>
</tr>
</tbody>
</table>
Updates / Outlook

• Double-digit growth in lending business

• More benign interest rate environment, as impact of US rates taper off and outlook on PH economy strengthens

• Mass market plans to continue given recent mergers/acquisitions

• Digital transformation initiatives are on-stream, with further improvements on UnionBank Online app and launch of more Arks/Arklites
Review of Business Units

• Power

• Banking & Financial Services

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• Land

• AEV Financials

• Q&A
### FY 2018 Financial Highlights

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY 2018</th>
<th>Change</th>
<th>vs. FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>64,264</td>
<td>+145%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>4,142</td>
<td>+35%</td>
<td></td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>6%</td>
<td>-500bps</td>
<td></td>
</tr>
<tr>
<td>NIAT</td>
<td>1,866</td>
<td>+8%</td>
<td></td>
</tr>
</tbody>
</table>
VOLUME GROWTH
2017 vs 2018

PILMICO FEEDS (PH + VN)
+ 25%

PILMICO FLOUR
+ 3%

GOLD COIN FEEDS*
+ 1.8M MT

PILMICO FARMS
+ 12%

*Gold Coin volume is for full year 2018
FY 2018 Financial Highlights: Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>FARMS</td>
<td>3,042</td>
<td>3,499</td>
</tr>
<tr>
<td>GOLD COIN FEEDS</td>
<td>16,184</td>
<td>32,171</td>
</tr>
<tr>
<td>PILMICO FEEDS</td>
<td>6,982</td>
<td>20,895</td>
</tr>
<tr>
<td>FLOUR</td>
<td>7,700</td>
<td>7,700</td>
</tr>
</tbody>
</table>

145% increase
FY 2018 Financial Highlights: EBITDA

FY 2017: 3,067
- FARMS: 1,218
- FEEDS: 1,395
- PH & VN: 454

FY 2018: 4,142
- FARMS: 1,068
- FEEDS: 1,273
- PH & VN: 1,175
- FLOUR: 625

Increase: 35%
FY 2018 Financial Highlights: Net Income

FY 2017: 1,732
- FARMS: 666
- FEEDS: 869
- PH & VN: 197

FY 2018: 1,866
- FARMS: 564
- FEEDS: 513
- PILMICO FEEDS: 489
- FLOUR: 299

Increase: 8%
Layer Farm Expansion

- Rearing Farm Expansion to grow Ready-To-Lay hens
- Capacity: 260K Layer Birds by end of 2019
- Completion Rate: 71%
- Estimated Completion Date: April 2019
Meat Fabrication Plant

- Forward integration of the farms business
- Capacity: 345,600 Heads
- Completion Rate: 40%
- Estimated Completion date: November 2019
Two Biogas Facilities

- Source of renewable energy in Tarlac for farms business
- Capacity: 148 KW each
- Completion Rate: 78%
- Estimated Completion Date: August 2019
Business Highlights

Iligan Feedmill Expansion

- Additional Capacity to support Visayas & Mindanao Region
- Capacity: 20TPH
- Completion Rate: Bidding Stage
- Estimated Completion Date: December 2019
Harnessing Synergies and Executing Business Plan

- Alignment and Integration is underway
- Synergies identified:
  - Raw Materials
  - Access to leverage and capital
  - Research & Development & Formulation
  - Opportunities for cross selling of products
  - Manufacturing best practices

Project Pipeline

China
- Dongguan Feedmill Fish Line
- Dongguan Feedmill Hog Line
- Zhangzhou Feedmill Pelleting Line
- Packing Line Automation

Vietnam
- Ha Nam Feedmill Fish Line
- Integration of Eurofeed into GoldCoin
Dongguan Feedmill Expansion

- Additional capacity for Floating Fish & Pig lines in Southern China
- Capacity: Floating Fish feed 5TPH
  Pig feed 9TPH
- Completion Rate: Building Extension Approval obtained
- Estimated Completion Date:
  Floating Fish feed Aug-2019
  Pig feed Jun-2019
Zhangzhou Feedmill Expansion

- Additional capacity for pelleting line to support strong demand in Eastern China
- Capacity: 9TPH
- Completion Rate: Contract signed, manufacturer preparing machine
- Estimated Completion Date: Jun-2019
Business Highlights

China Automated Finished Goods Packing Line

- Efficiency Improvement & lower labor costs
- Capacity: 600 bags/H per line
- Completion Rate: 95%
- Estimated Completion Date: March 2019
Business Highlights

Ha Nam Fish Feed Line

- Cater Strong demand for fish feed line in North Vietnam
- Capacity: 5TPH
- Completion Rate: Signed Installation Contract
- Estimated Completion Date: November 2019
Integration of Pilmico Animal Nutrition Joint Stock-Company (Eurofeed) to Gold Coin

- To supplement the growing animal feeds requirement in South Vietnam
- Capacity: 10TPH
- Completion Rate: 100%
- Estimated Completion Date: January 2019
Review of Business Units

• Power

• Banking & Financial Services

• Food

• Infrastructure

• Land

• AEV Financials

• Q&A
Water Infrastructure: Project Updates

300 MLD Bulk Water project in Davao

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

- Achieved financial close for Php 9B loan
- Issued NTP to EPC contractor
- On-going physical construction at the water treatment plant site and access roads to Tamugan river
Water Infrastructure: Lima Water Corporation

• Revenues grew by 23% YoY due to robust water sales growth from both existing and new locators
• Demand expected to maintain positive trend with influx of new locators and opening of The Outlets
Transport Infrastructure: Airport Proposals

NAIA

Original Proponent Status (OPS)
to rehabilitate, develop, operate and maintain for 15 years

PHP102 billion estimated total project cost

Annual Passenger Capacity:
- 31 Million (2018)
- 47 Million (2020)
- 65 Million (2022)
Transport Infrastructure: Airport Proposals

Bohol-Panglao International Airport

Original Proponent Status (OPS) to operate and maintain, and undertake future expansions of the airport.

2 Million passenger capacity, more than double the size of Tagbilaran airport.

The airport opened on Nov 25, 2018.
Transport Infrastructure: Airport Proposals

Laguindingan Airport – OPS awarded on February 26, 2019

Unsolicited Proposal to operate and maintain, and undertake Immediate upgrade and future expansions of the airport

2.1 Million vs 1.6 Million
2018 actual traffic vs current terminal capacity

Source: Daily Tribune
Digital Infrastructure: Telecom Towers

MoU with DICT
To become a Common Tower Operator

50,000 new sites needed
For the country to catch up with other SEA countries
Strong Demand But Challenging Environment

- Robust infrastructure demand
- Stable private sector demand
- Prices have improved slightly
- Significant increases in energy costs impacting results
- Contribution to AEV amounts to PhP213M in FY 2018
Review of Business Units

- Power
- Banking & Financial Services
- Food
- Infrastructure
- Land
- AEV Financials
- Q&A
### FY 2018 Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>vs FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Sales</td>
<td>2.3B</td>
<td>-20%</td>
</tr>
<tr>
<td>Revenues</td>
<td>4.0B</td>
<td>+3%</td>
</tr>
<tr>
<td>GP</td>
<td>1.8B</td>
<td>+17%</td>
</tr>
<tr>
<td>NOP</td>
<td>959M</td>
<td>+73%</td>
</tr>
<tr>
<td>NIAT</td>
<td>645M</td>
<td>-11%</td>
</tr>
</tbody>
</table>
FY 2018 Revenues
(in Php Million)

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>1,654</td>
<td>1,863</td>
</tr>
<tr>
<td>Commercial &amp; Others</td>
<td>157</td>
<td>181</td>
</tr>
<tr>
<td>Industrial</td>
<td>1,863</td>
<td>2,475</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,674</td>
<td>4,001</td>
</tr>
</tbody>
</table>

- Residential: +9%
- Commercial & Others: +15%
- Industrial: +33%
- Total: +9%

- Residential: -19%
FY 2018 Gross Profit & Net Operating Profit

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Profit</th>
<th>Net Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2017</td>
<td>1,526</td>
<td>554</td>
</tr>
<tr>
<td>FY 2018</td>
<td>1,790</td>
<td>959</td>
</tr>
</tbody>
</table>

Gross Profit

- FY 2017: 1,526
- FY 2018: 1,790
  - Change: +17%

Net Operating Profit

- FY 2017: 554
- FY 2018: 959
  - Change: +73%
Construction & sales momentum to expand as new phases for the Seafront Residences & Amoa were launched in 2018
2018 Business Highlights

Ajoya brand introduced in Capas, Tarlac & Cabanatuan, Nueva Ecija
2018 Business Highlights

Strong performance from the Lima Technology Center with 43 hectares sold in 2018

- 48% Filipino companies
- 23% Taiwanese companies
- 20% Japanese companies
- 9% Other Nationalities
Opened The Outlets at Lipa, the country’s largest outlet mall and AboitizLand’s first commercial project in Luzon
Synergy

Harness synergies with AboitizPower, Aboitiz Construction and Aboitiz InfraCapital
25 Years of Creating Better Lives

AboitizLand

- 65,666 + Workers
  Industrial
- 23,000 Vecinos
  Residential
- 60,475 Footfall
  Commercial
Review of Business Units

• Power

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FY 2018 Financial Performance

**Revenues**
- **₱52 bn** | **₱187 bn**
  - **+33%** vs 4Q2017
  - **+24%** vs FY2017

**Conso EBITDA**
- **₱15 bn** | **₱61 bn**
  - **-3%** vs 4Q2017
  - **+6%** vs FY2017

**Core Net Income**
- **₱5 bn** | **₱23 bn**
  - **-21%** vs 4Q2017
  - **-3%** vs FY2017

**Net Income**
- **₱5 bn** | **₱22 bn**
  - **-14%** vs 4Q2017
  - **+3%** vs FY2017
FY 2018 Beneficial EBITDA
(in Php mn)

flat vs FY 2017 due to...
• +3% from power group driven by fresh contributions of PEC and HBI, and strong growth from Distribution units
• +1% from food driven by fresh contributions of Gold Coin
• -2% from banking on lower CSB loans
• -2% from infrastructure on higher production costs
FY 2018 Consolidated EBITDA

(in Php mn)

<table>
<thead>
<tr>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power</td>
<td>Power</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>Infrastructure</td>
</tr>
<tr>
<td>Real Estate</td>
<td>Real Estate</td>
</tr>
<tr>
<td>Financial Services</td>
<td>Financial Services</td>
</tr>
<tr>
<td>Food</td>
<td>Food</td>
</tr>
<tr>
<td>Parent &amp; Others</td>
<td>Parent &amp; Others</td>
</tr>
</tbody>
</table>

FY 2017:
- Power: 47,650
- Infrastructure: 1,720
- Food: 3,025
- Financial Services: 608
- Real Estate: 4,206
- Parent & Others: 0

FY 2018:
- Power: 51,491
- Infrastructure: 1,613
- Food: 3,906
- Financial Services: 1,539
- Real Estate: 1,041
- Parent & Others: 0

Percentage Change:
- Power: 6%
- Infrastructure: -8%
- Food: +29%
- Financial Services: -0%
- Real Estate: +1232%
- Parent & Others: -1.6%
FY 2018 Core Net Income
(in Php mn)

<table>
<thead>
<tr>
<th>Component</th>
<th>FY2017</th>
<th>FY2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conso EBITDA</td>
<td>56,977</td>
<td>60,653</td>
<td>6%</td>
</tr>
<tr>
<td>Less: Interest Expense</td>
<td>11,742</td>
<td>13,162</td>
<td>12%</td>
</tr>
<tr>
<td>Depcn. &amp; Amort.</td>
<td>8,456</td>
<td>9,818</td>
<td>16%</td>
</tr>
<tr>
<td>Tax &amp; Others</td>
<td>4,521</td>
<td>4,799</td>
<td>6%</td>
</tr>
<tr>
<td>Non-controlling Interest</td>
<td>8,347</td>
<td>9,749</td>
<td>17%</td>
</tr>
<tr>
<td>Core Net Income</td>
<td>23,912</td>
<td>23,124</td>
<td>-3%</td>
</tr>
<tr>
<td>EPS</td>
<td>4.24</td>
<td>4.10</td>
<td></td>
</tr>
</tbody>
</table>
FY 2018 Net Income

(in Php mn)

<table>
<thead>
<tr>
<th></th>
<th>FY2017</th>
<th>FY2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Net Income</td>
<td>23,912</td>
<td>23,124</td>
<td>-3%</td>
</tr>
<tr>
<td>Non-recurring losses</td>
<td>(2,303)</td>
<td>(891)</td>
<td>61%</td>
</tr>
<tr>
<td>Net Income</td>
<td>21,609</td>
<td>22,233</td>
<td>3%</td>
</tr>
</tbody>
</table>

FX rate as of 31 Dec 2018: 52.58 vs 49.93 in 2017

EPS

3.84

3.95
### Balance Sheet Highlights

*in Php mn, except ratios*

#### Parent Net Debt

<table>
<thead>
<tr>
<th>YE2017</th>
<th>YE2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,629</td>
<td>24,829</td>
</tr>
</tbody>
</table>

+59%

#### Consolidated Balance Sheet/Key Ratios

<table>
<thead>
<tr>
<th></th>
<th>YE2017</th>
<th>YE2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>64,870</td>
<td>59,033</td>
</tr>
<tr>
<td>Total Assets</td>
<td>492,244</td>
<td>554,588</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>299,661</td>
<td>337,325</td>
</tr>
<tr>
<td>Total Equity</td>
<td>192,584</td>
<td>217,264</td>
</tr>
<tr>
<td>Equity Attributable to Parent</td>
<td>155,011</td>
<td>174,705</td>
</tr>
<tr>
<td>Book Value Per Share</td>
<td>27.51</td>
<td>31.02</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>1.6x</td>
<td>1.8x</td>
</tr>
<tr>
<td>Debt to Equity</td>
<td>1.6x</td>
<td>1.6x</td>
</tr>
<tr>
<td>Net Debt to Equity</td>
<td>1.0x</td>
<td>1.0x</td>
</tr>
</tbody>
</table>
Payout Ratio: 1/3 of previous year’s consolidated net income

2019 Dividend Yield: Computed based on March 07, 2019 closing price
Payout Ratio: 1/2 of previous year’s consolidated net income

2019 Dividend Yield: Computed based on March 07, 2019 closing price
AEV Group Capital Expenditure (with partners)

2019 Budget:
- Power: 63%
- Non-Power: 37%
- Total: P81 bn

2018 Actual:
- Power: 69%
- Non-Power: 31%
- Total: P49 bn

2017 Actual: P35 bn

2016 Actual: P42 bn

2015 Actual: P39 bn
Capital Raising Activities for 2019
Review of Business Units

• Power

• Banking & Financial Services

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Thank you!