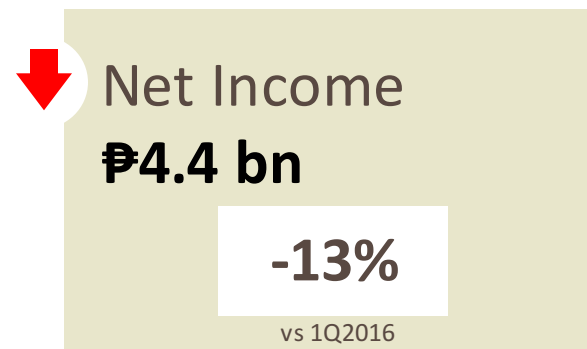
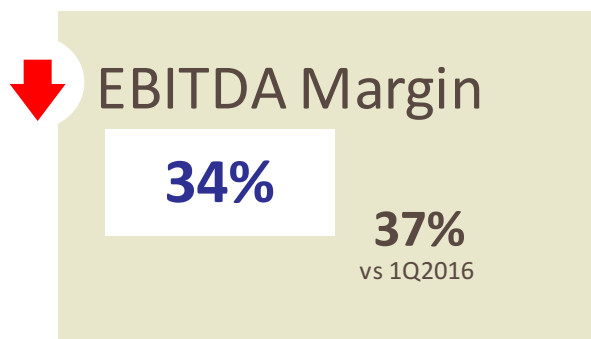
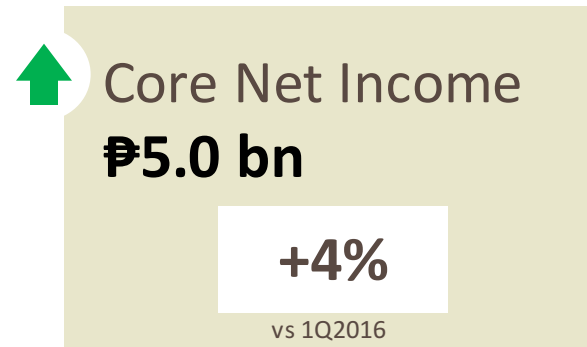
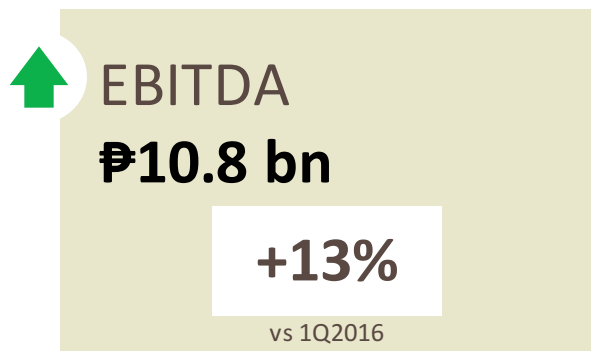


Aboitiz Equity Ventures

First Quarter 2017
Financial & Operating Results
4 May 2017

- **Review of Business Units**
 - **Power**
 - Banking & Financial Services
 - Food
 - Land
 - Infrastructure
- **AEV Financials**
- **Q&A**

1Q2017 Financial Performance



Note: All numbers represent beneficial share.

EBITDA



Php mn	EBITDA		
	1Q2016	1Q2017	Change
Generation	8,096	9,223	+14%
Distribution	1,325	1,449	+9%
Parent & Others	104	94	-10%
Total EBITDA	9,526	10,766	+13%
EBITDA Margin	37%	34%	-30 bps

13% growth, of which...

- +9% from hydro group driven by better hydrology
- +5% from coal group driven by GN Power addition, tempered by TSI Unit 1 outage

Note: All numbers represent beneficial share.

Core Net Income



Php mn	Core Net Income			
	1Q2016	1Q2017	Change	
EBITDA	9,526	10,766	+13%	Interest expense increased... <ul style="list-style-type: none"> • First period take up of GMCP Interest expense • Interest expense on TPI Loan • Full quarter interest of APRI Loan • Depcn & Amort increased due to first time take up of GMCP D&A
-Interest Expense	2,105	2,691	28%	
-Depcn. & Amort.	1,576	1,918	22%	
-Tax & Others	1,071	1,207	13%	
Core Net Income	4,774	4,950	4%	

Net Income



Php mn	Net Income		
	1Q2016	1Q2017	Change
Core Net Income	4,774	4,950	+4%
Non-recurring Income/(Loss)			
Forex gains/losses	242	-447	-1729%
Derivatives MTM	-	-130	-220%
Net Income	5,016	4,373	-13%

None core items

- From a Forex gain in 2016 to Forex losses in 2017 from the revaluation of :
 - TLI finance lease obligation
 - TPI dollar denominated loan
- Mark to Market (MTM) of GMCP's derivative

Balance Sheet



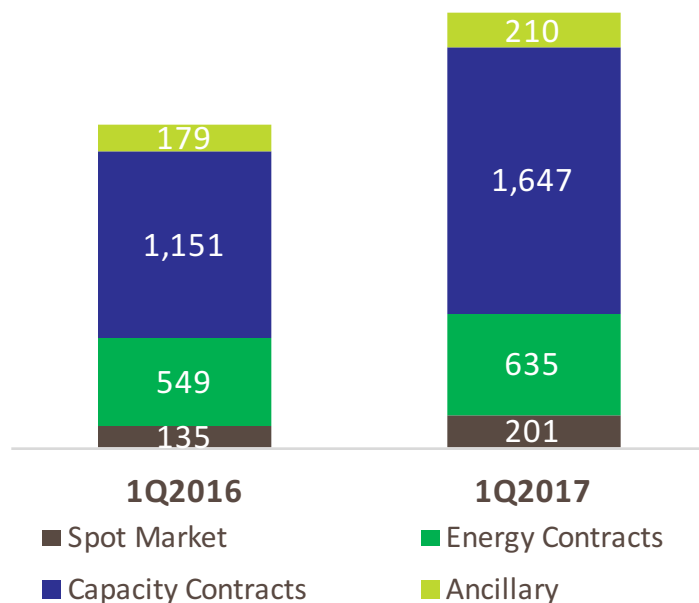
(Php mn)	CONSOLIDATED	
	YE2016	1Q2017
Cash and Cash Equivalents	47,095	45,739
Investments and Advances	30,596	31,407
Property, Plant and Equipment	192,634	195,378
Total Assets	354,776	358,085
Total Liabilities	243,147	252,183
Total Equity	111,629	105,901
Total Interest Bearing Debt	214,217	213,084
Net Debt	165,022	164,726
Net Debt to Equity	1.5x	1.6x
Debt to Equity*	1.9x	2.0x

*Interest bearing debt/Total equity

Operating Highlights: Generation



Capacity Sales Breakdown (MW)



Capacity Sold Factor

Fuel Group	1Q2016	1Q2017	Change pts
Mini Hydro	24%	36%	+11
Large Hydro	72%	93%	+21
SNAP Magat	64%	85%	+22
SNAP Benguet	84%	104%	+20
Geothermal	78%	68%	-10
Coal	94%	99%	+5
Therma Luzon	91%	104%	+13
Therma South	100%	77%	-23
GN Power Mariveles	-	103%	-
Oil	96%	88%	-8
Solar	-	9%	+9
AP Generation	84%	88%	+4

Capacity Sales: Capacity Contracts (MW) + ([Spot (MWh) + Energy Contracts (MWh) + Ancillary (MWh)]/Days_Year/Hours_Day)

Capacity Sold Factor: Capacity Sales (MW) / Net Sellable Capacity (MW)

Operating Highlights: Generation



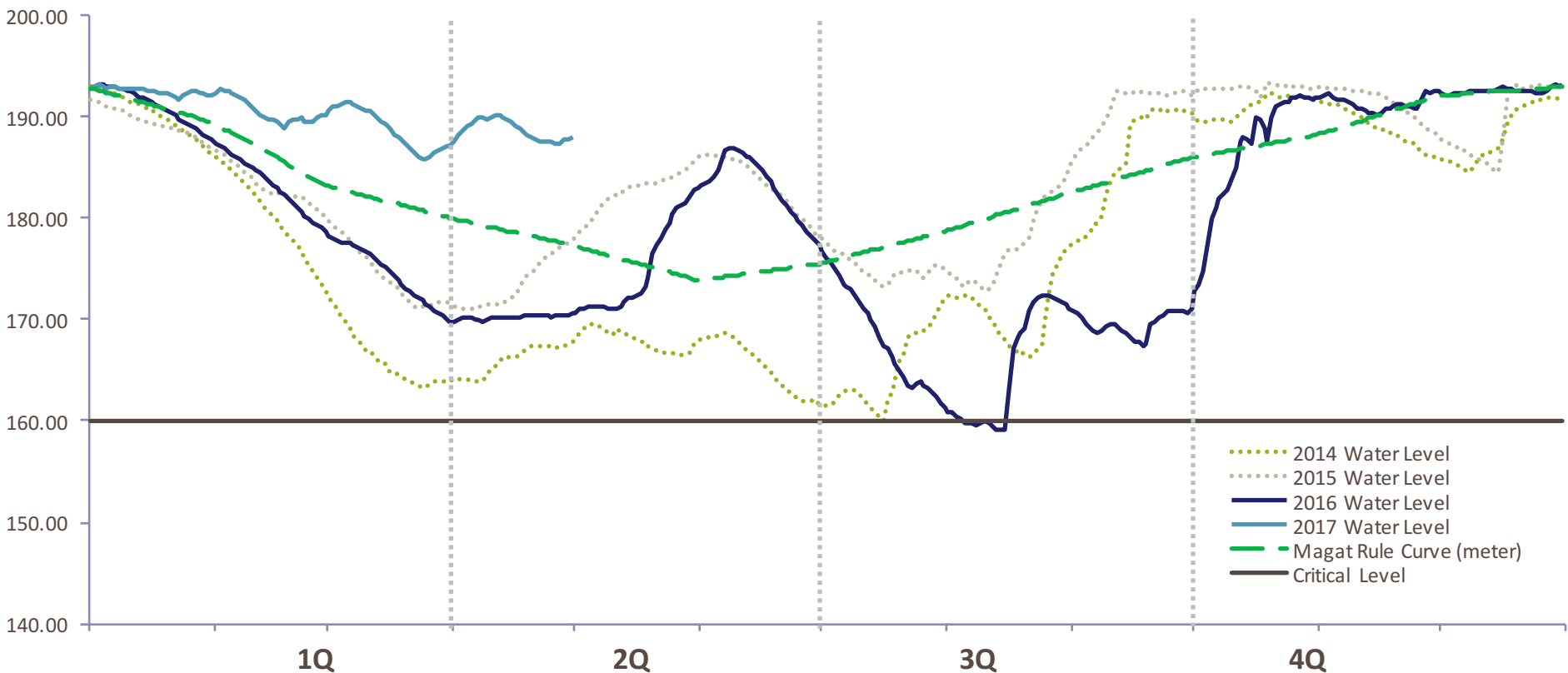
	Beneficial Total Energy Sales (GWh)			Beneficial Ancillary Sales (GW-h)		
	1Q2016	1Q2017	Change	1Q2016	1Q2017	Change
Mini Hydro	71	114	+59%	-	-	-
Large Hydro	178	259	+45%	592	693	+17%
SNAP Magat	105	171	+63%	290	320	+10%
SNAP Benguet	74	88	+20%	302	372	+23%
Geothermal	667	576	-14%	-	-	-
Coal	2,055	2,332	+13%	-	-	-
Therma Luzon	1,300	1,255	-3%	94	108	+15%
Therma South	499	283	-43%	-	-	-
GN Power Mariveles	-	570	-	-	-	-
Oil	478	163	-66%	-	-	-
Solar	-	4	-	-	-	-
AP Generation	3,451	3,448	0%	686	801	+17%

- Volume afloat; GN Power and hydro plants contribution cushions lower Therma South and Therma Marine volume

Operating Highlights: Generation



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



- Water levels ended above the rule curve

Operating Highlights: Distribution



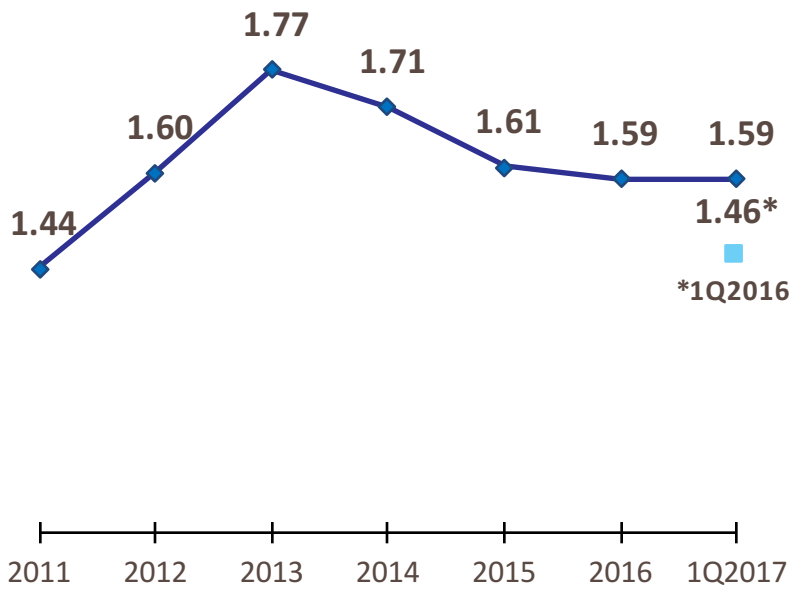
	Beneficial Power Sales		
	1Q2016	1Q2017	Change
Residential	300	298	-1%
Commercial	147	146	0%
Industrial	739	750	2%
Others	15	15	-3%
Total	1,201	1,208	+1%

	Peak Demand		
	1Q2016	1Q2017	Change
	1,151	1,158	+1%

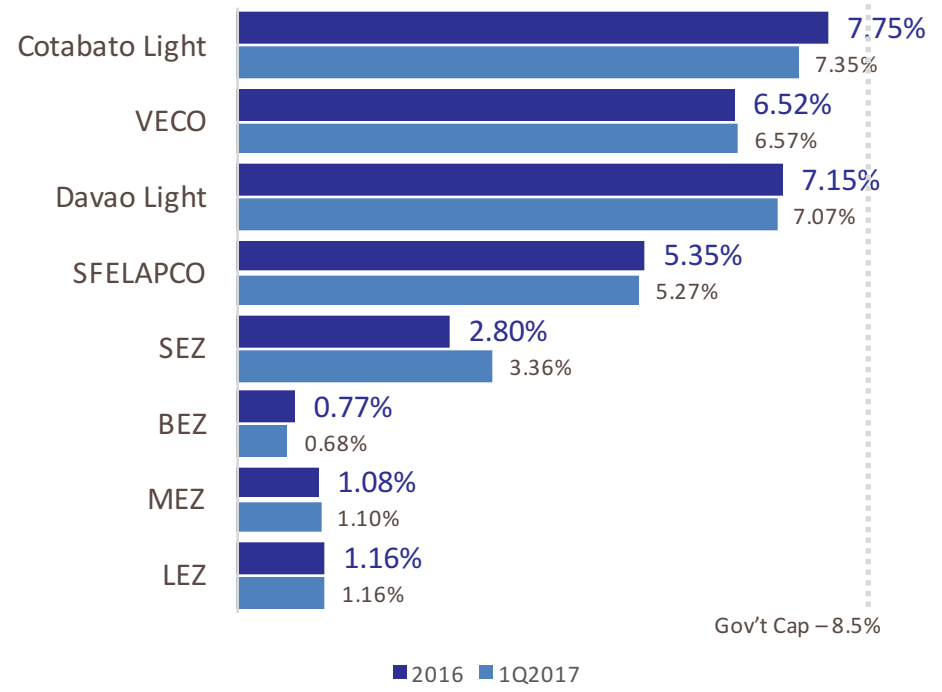
- Minimal movement across all segments

Operating Highlights: Distribution

Gross Margin/kWh



System Loss

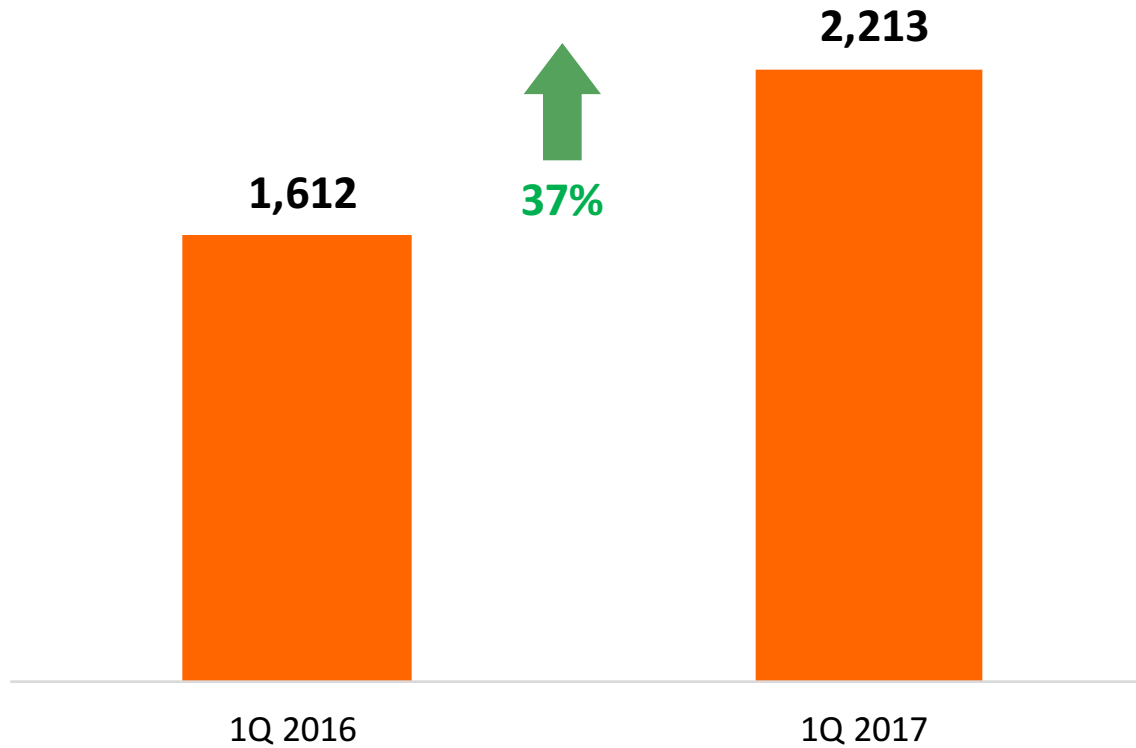


- **Review of Business Units**
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Net Income

In Php mn

Net Income up by 37%



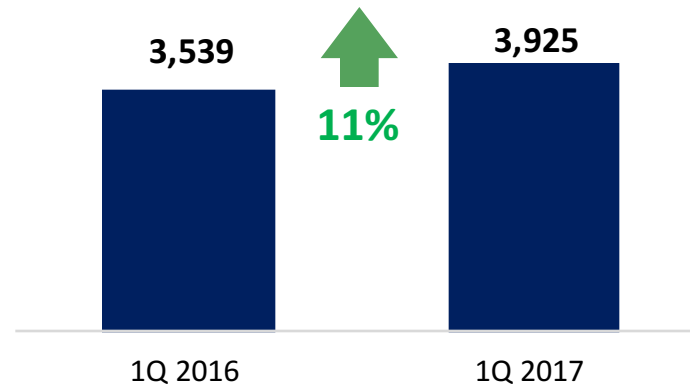
Attributable to ParentBank's Stockholders

Sustained double-digit growth in net interest income

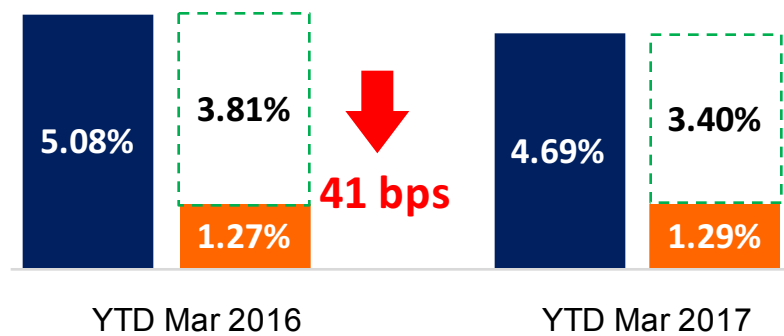


NET INTEREST INCOME

In Php mn



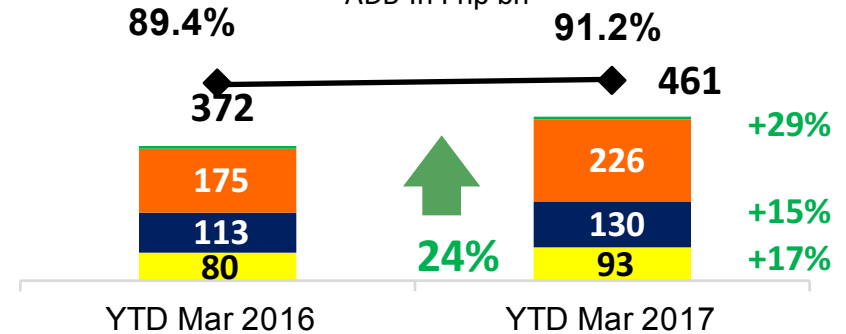
NET INTEREST MARGIN



■ Ave. Yield ■ Ave. Cost □ NIM

EARNING ASSETS

ADB In Php bn

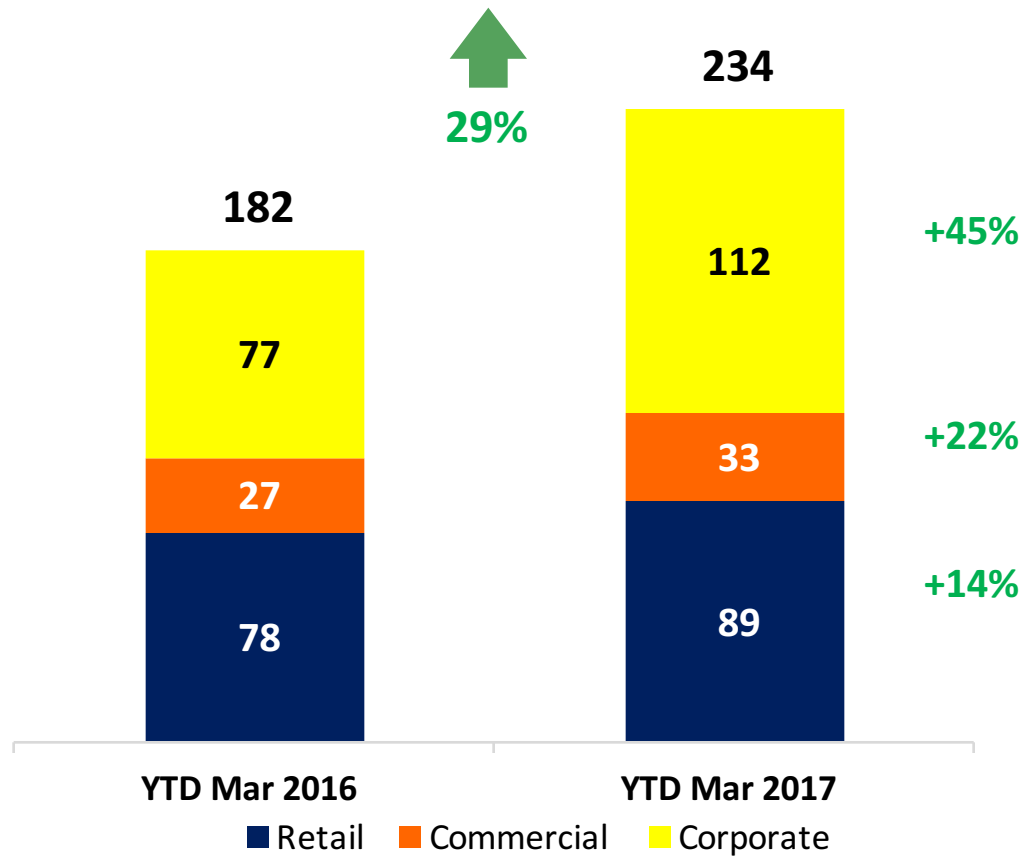


■ Liquid Assets ■ Securities ■ Loans ■ Others ◆ Share of EA to Net Assets

Credit Portfolio

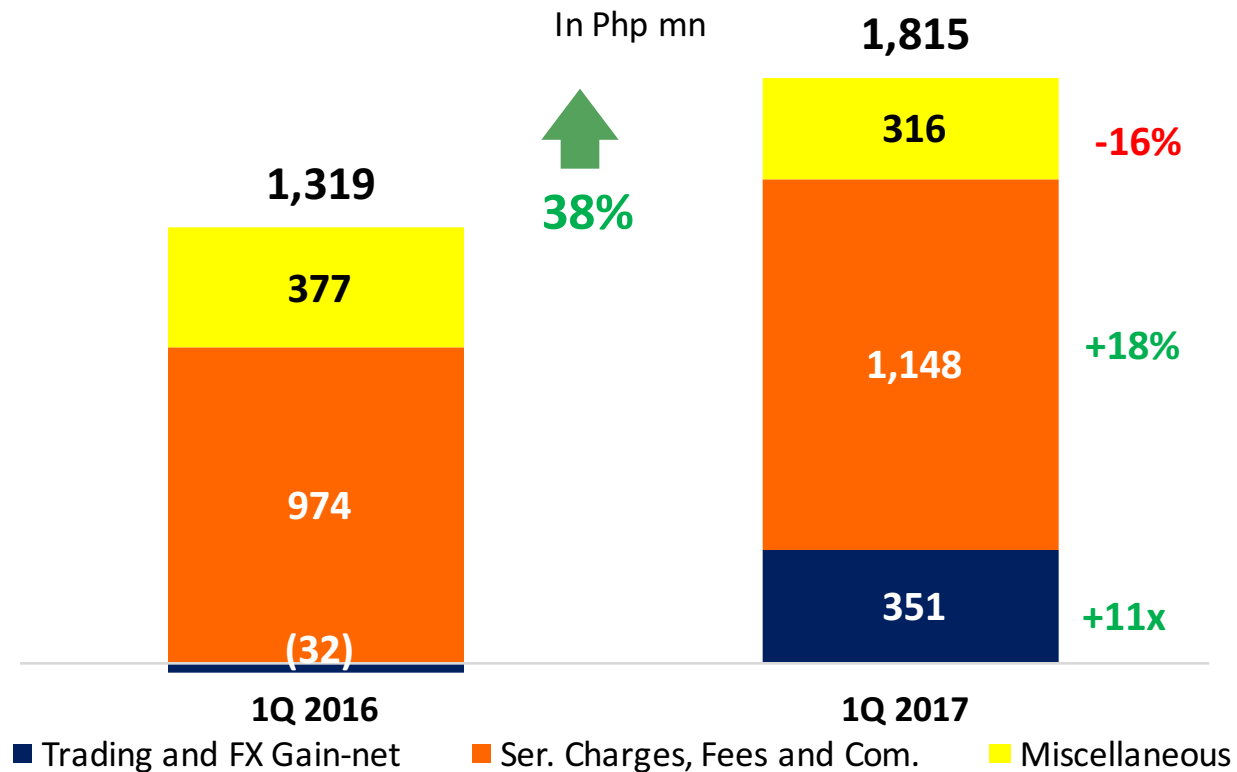
Credit portfolio posted robust expansion

ADB In Php bn



Non-interest Income

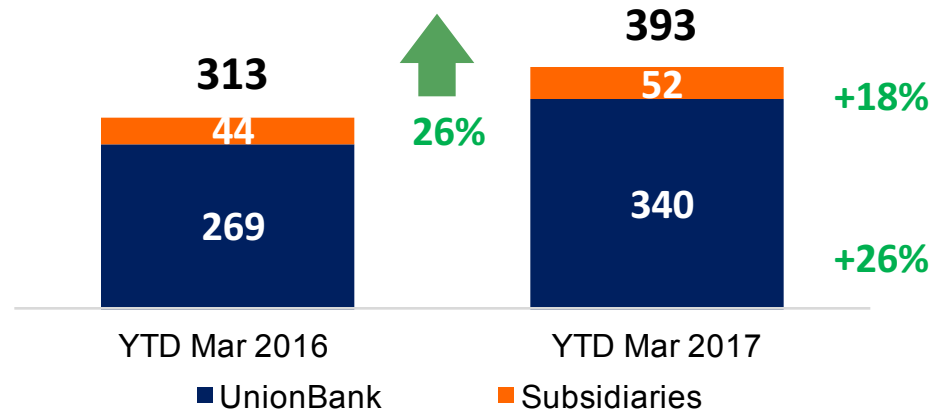
Non-interest income surged on higher fee-based income and trading profits



Sustained double-digit growth in deposits

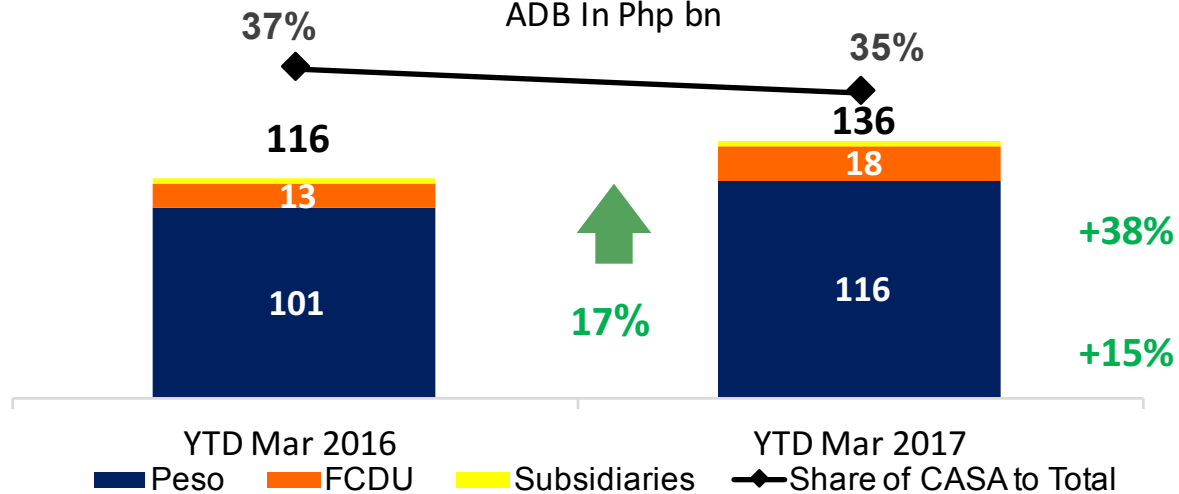
TOTAL DEPOSITS

ADB In Php bn



CASA DEPOSITS

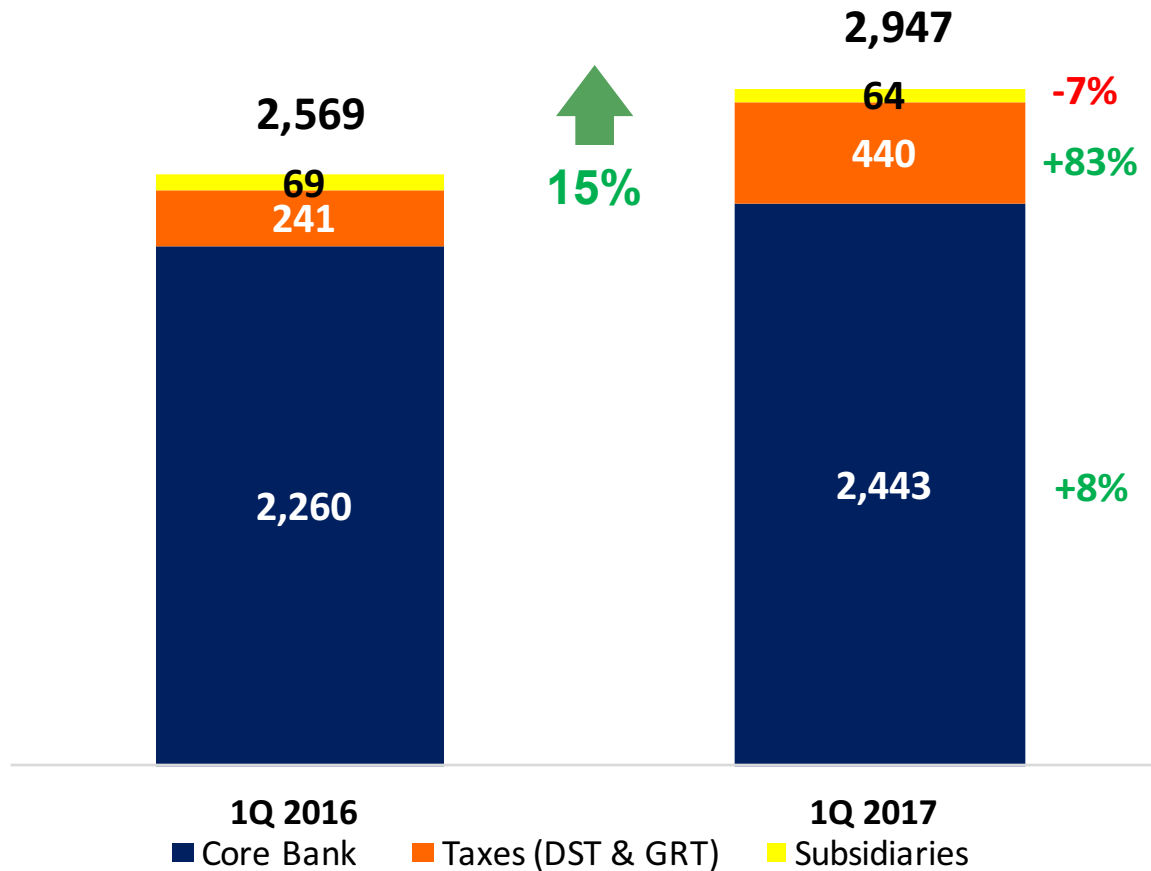
ADB In Php bn



Operating Expenses

Operating Expenses was up due to business growth

In Php mn

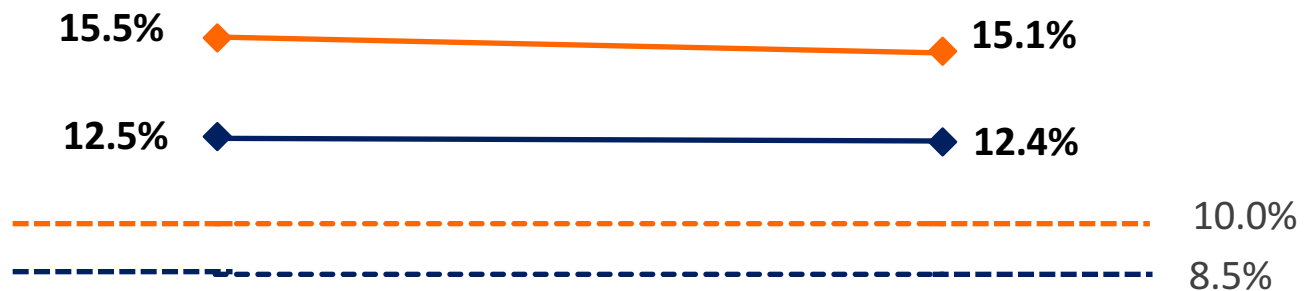


Capital Adequacy Ratios

Consolidated Basis



Capital ratios remained healthy



YTD Mar 2016

YTD Mar 2017

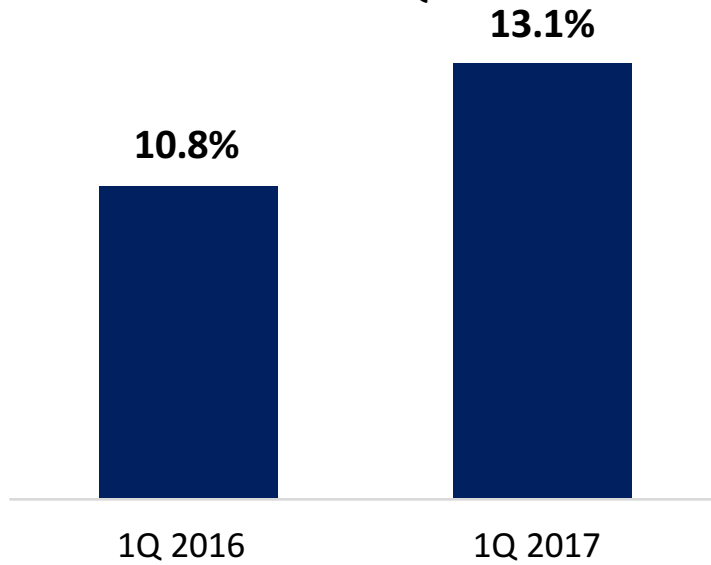
- ◆ Tier 1 Capital Ratio
- Min. req. Tier 1 ratio

- ◆ Total Capital Adequacy Ratio
- Min. req. CAR

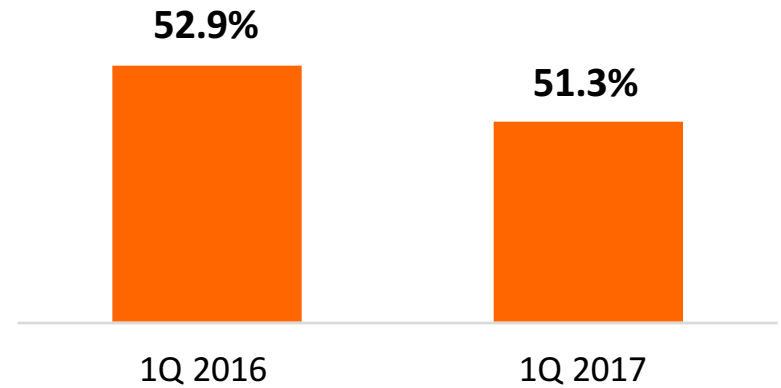
Profitability ratios further improved



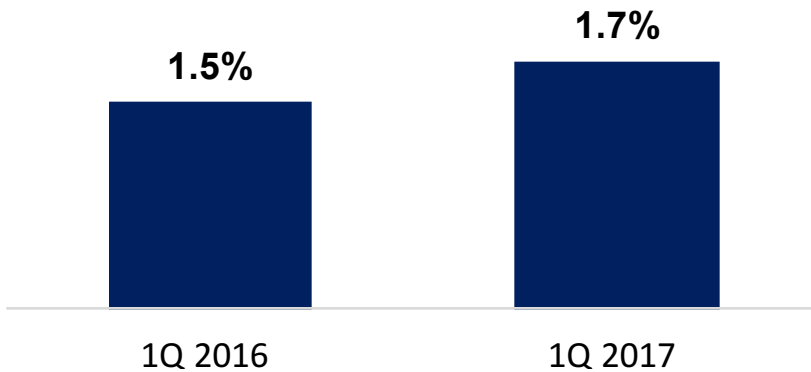
RETURN ON EQUITY



COST TO INCOME RATIO



RETURN ON AVE. ASSETS

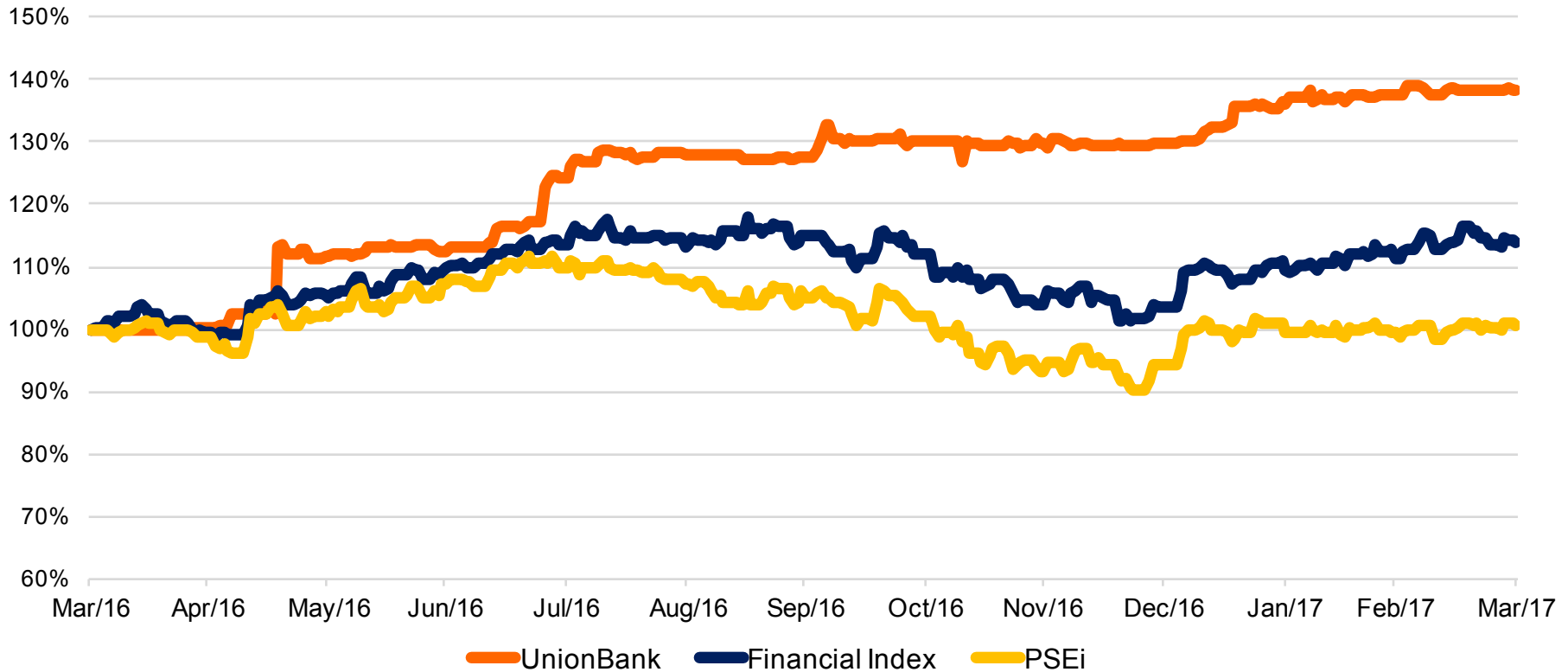


Rebased Stock Performance

3/31/2016 – 3/31/2017



UnionBank outperforming PSE and Financial indices



	UBP	BPI	BDO	Metrobank	Security Bank	PNB	Chinabank	RCBC	PSEi	Financial
03/31/2016	57.55	87.00	97.75	82.45	174.06	51.68	34.53	30.05	7,262.30	1,598.73
03/31/2017	79.65	101.20	117.60	80.00	202.00	55.30	38.77	38.40	7,311.72	1,820.56
% Change	38%	16%	20%	-3%	16%	7%	12%	28%	1%	14%
Rank	1	4	3	8	5	7	6	2		

- **Review of Business Units**
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1Q 2017 Financial Highlights

pilMICO



Revenue

5,924

vs. 1Q16

+ 8 %



EBITDA

639

-15%



EBITDA Margin

11%

-300bps



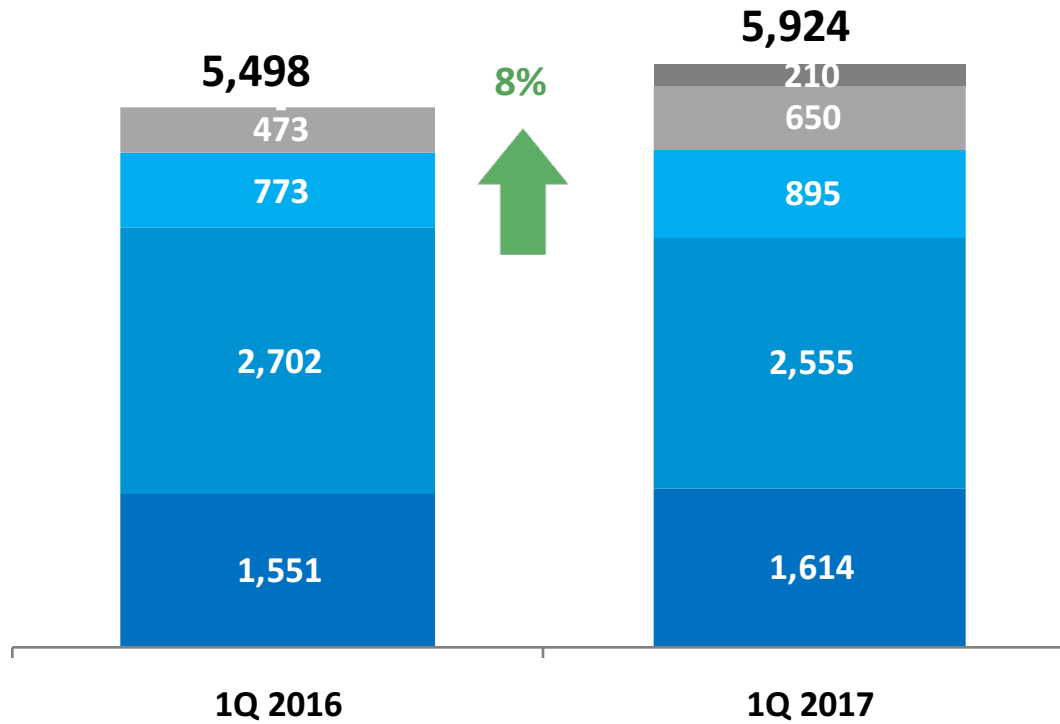
NIAT

303

-24%

Revenue

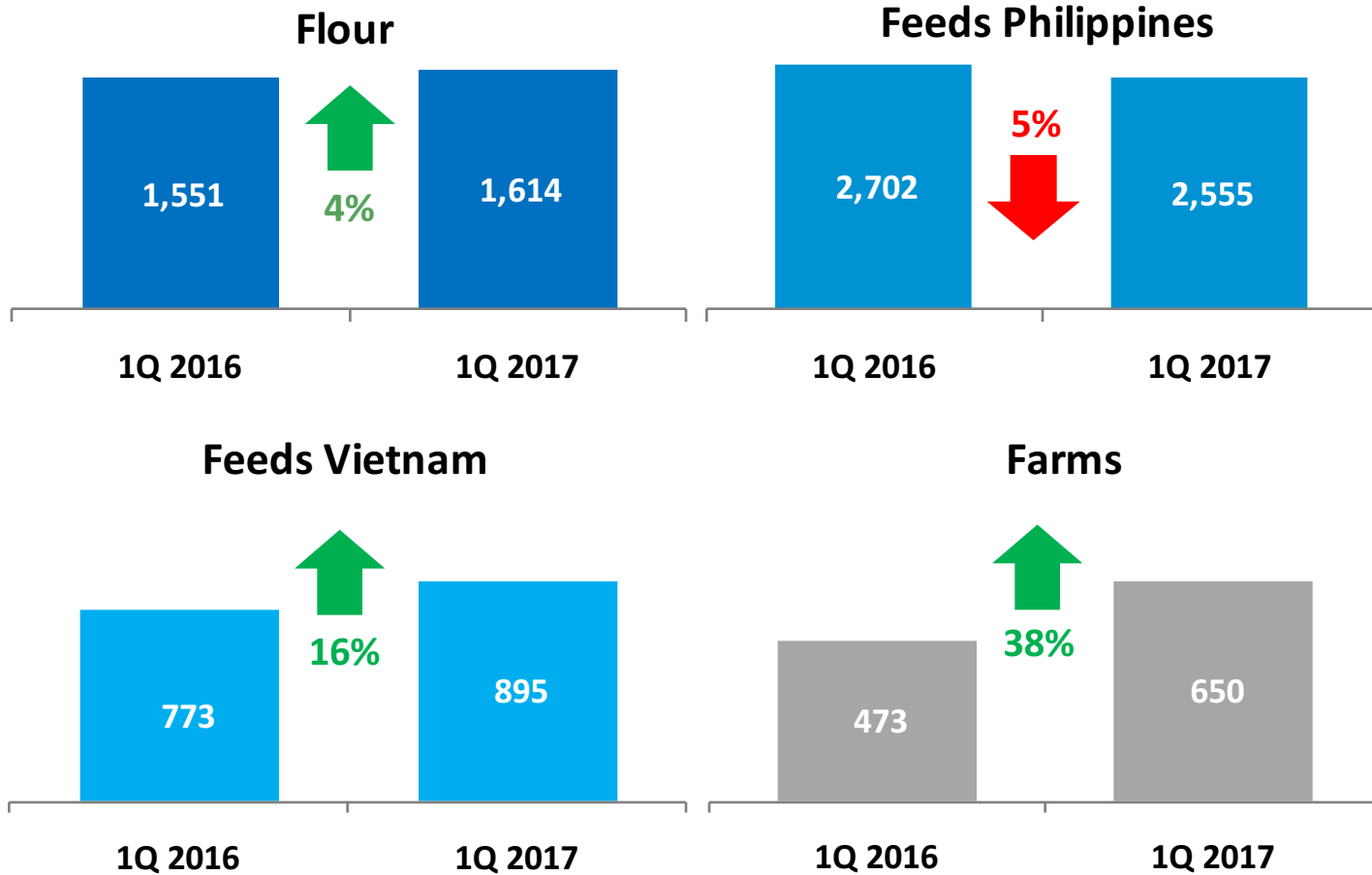
in Php mn



■ Trading ■ Farms ■ Feeds Vietnam ■ Feeds Philippines ■ Flour

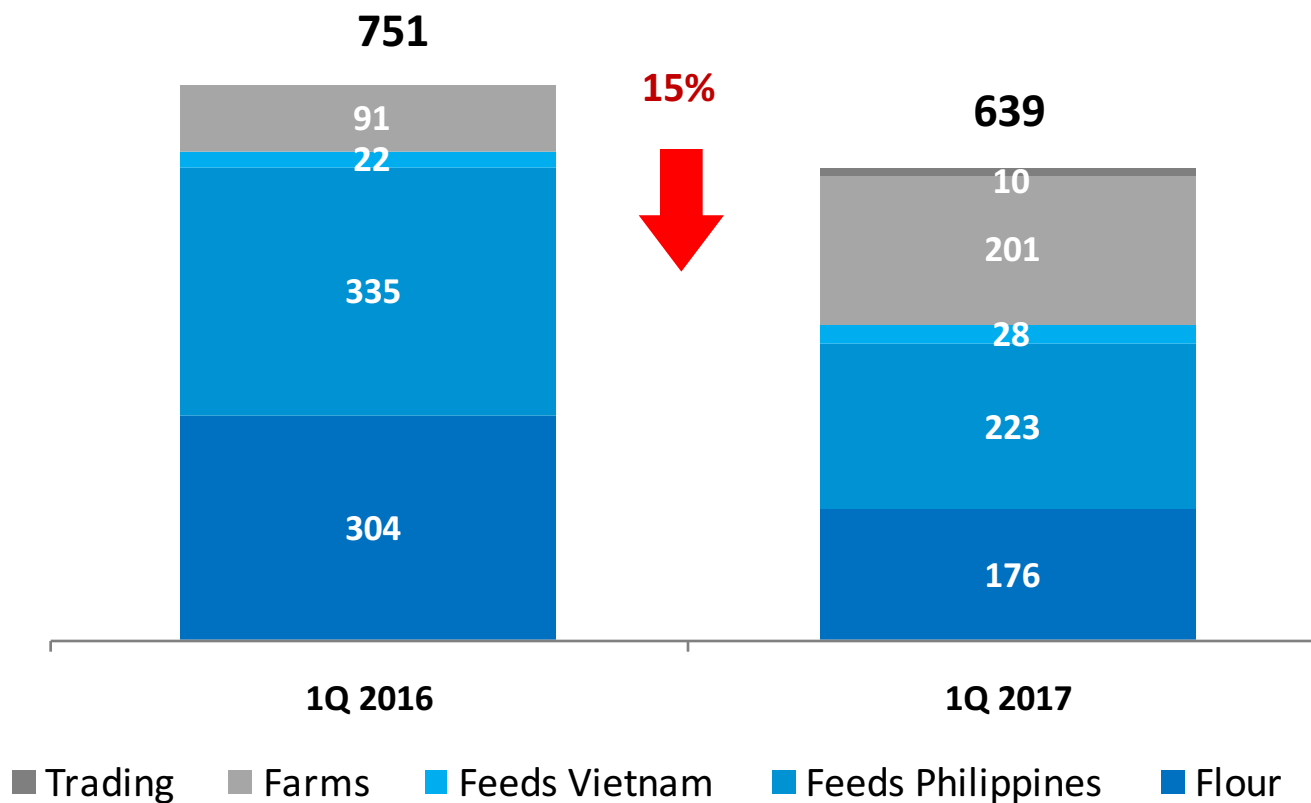
Revenue

in Php mn



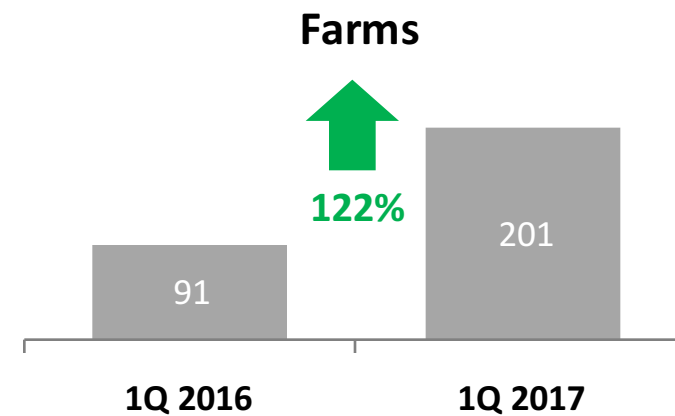
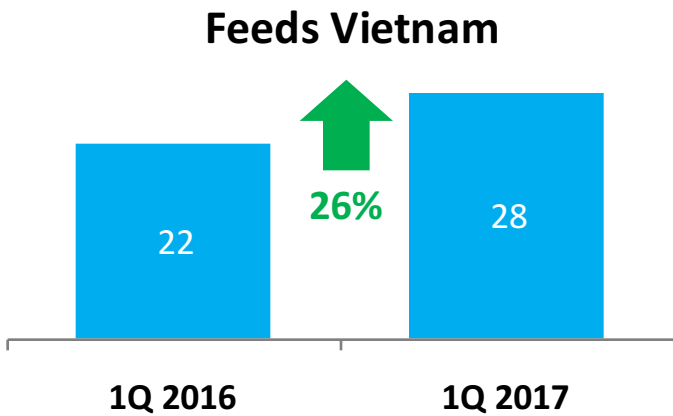
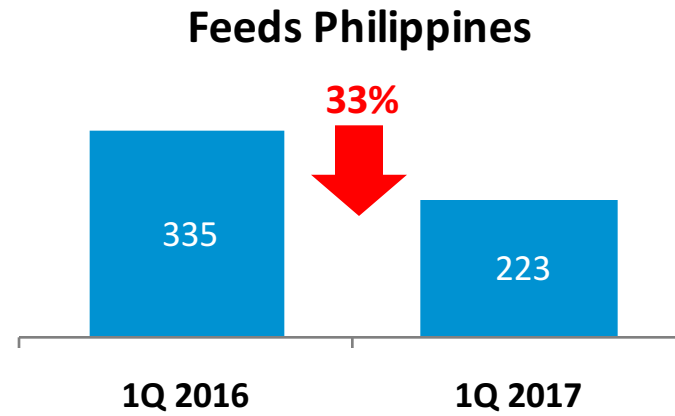
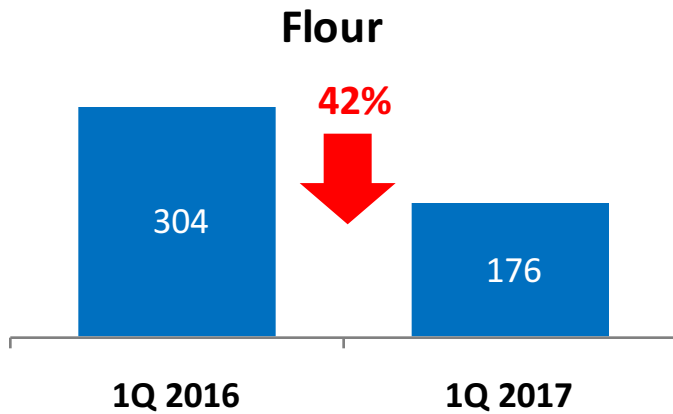
EBITDA

in Php mn



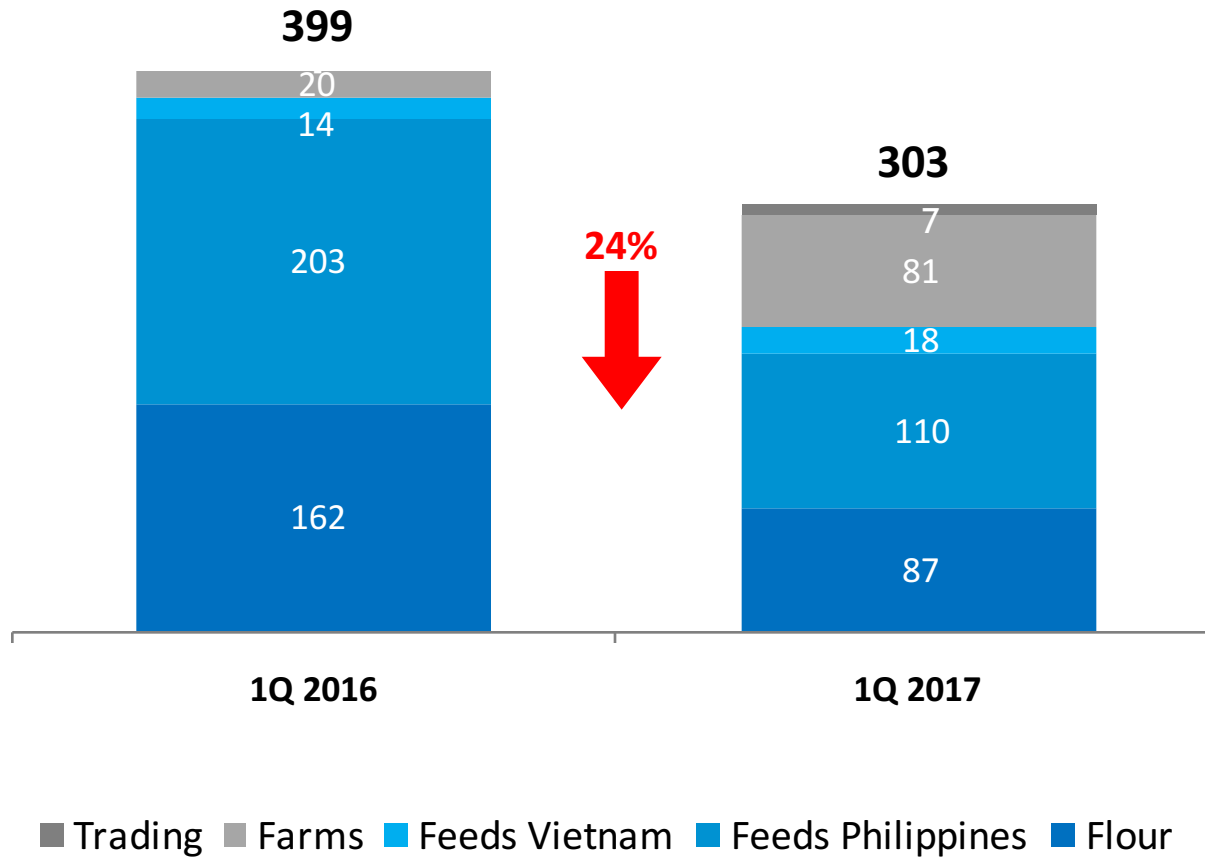
EBITDA

in Php mn



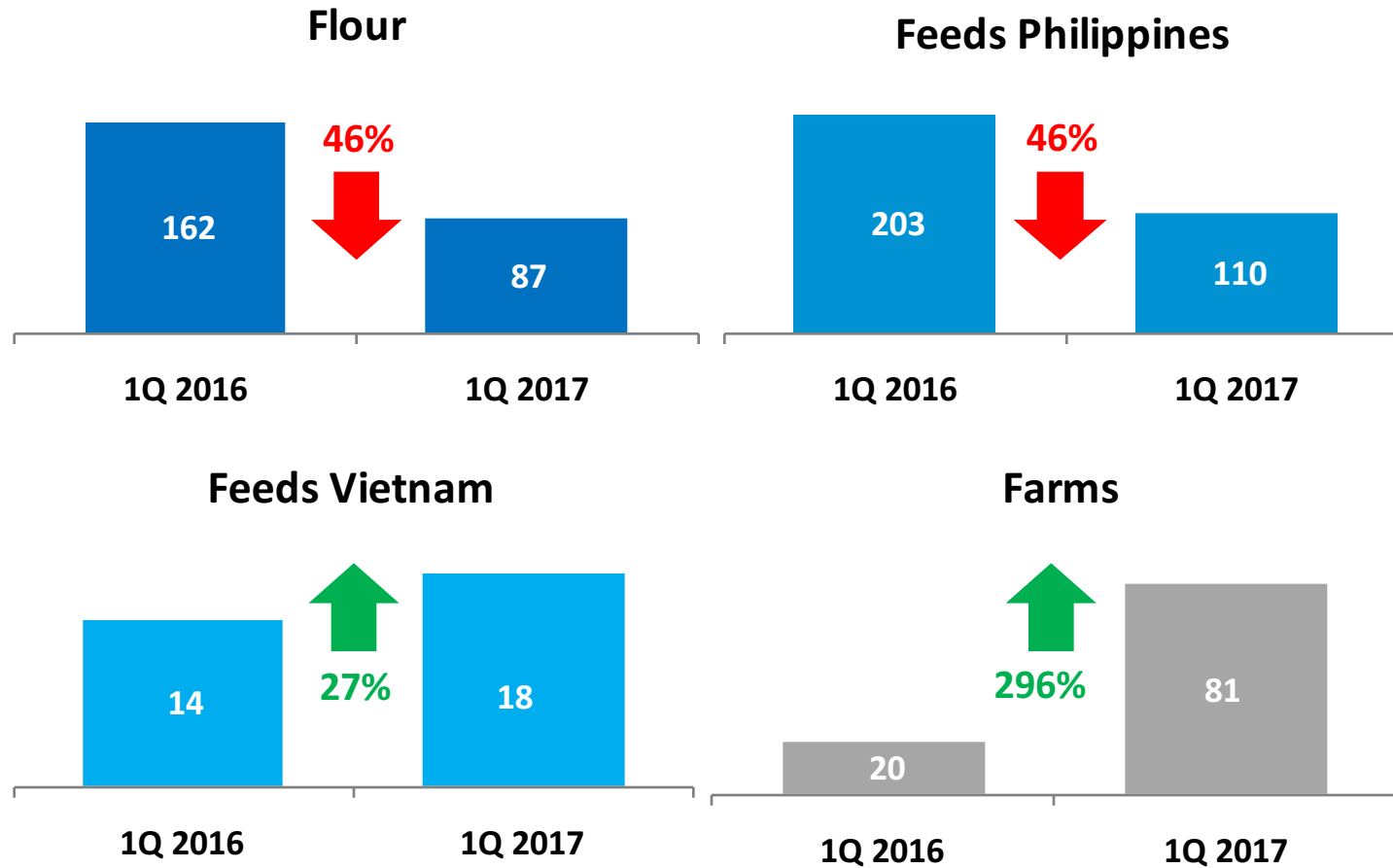
Net Income

in Php mn



Net Income

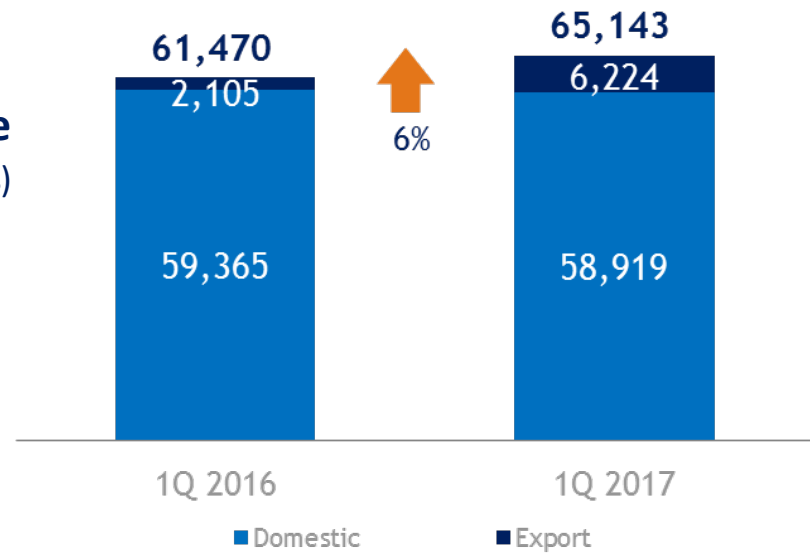
in Php mn



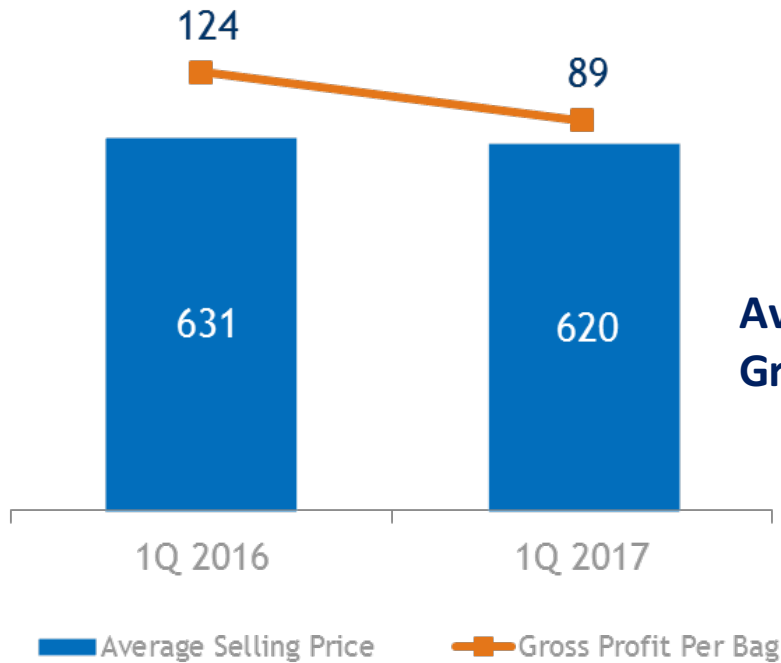
Operating Highlights: Flour Division



Sales Volume (in Tons)



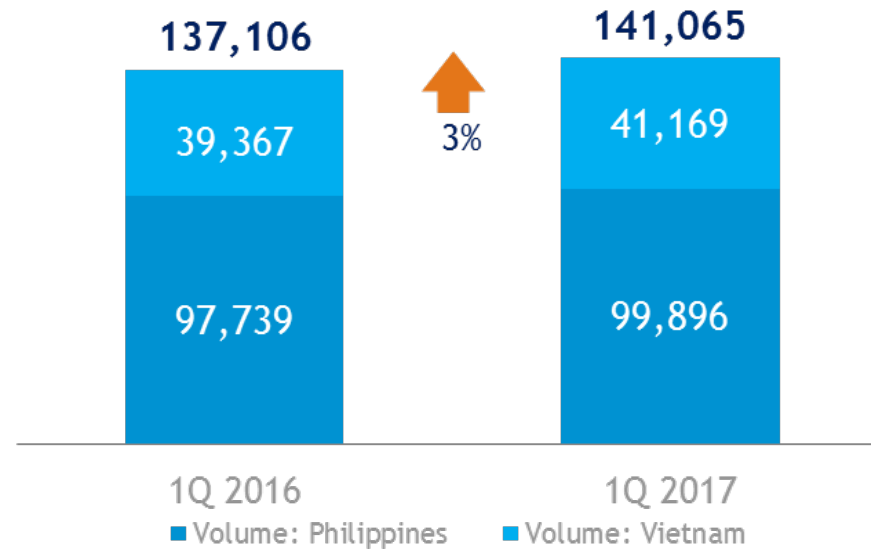
Average Selling Prices and Gross Profit (Php|Bag)



Operating Highlights: Feeds Division

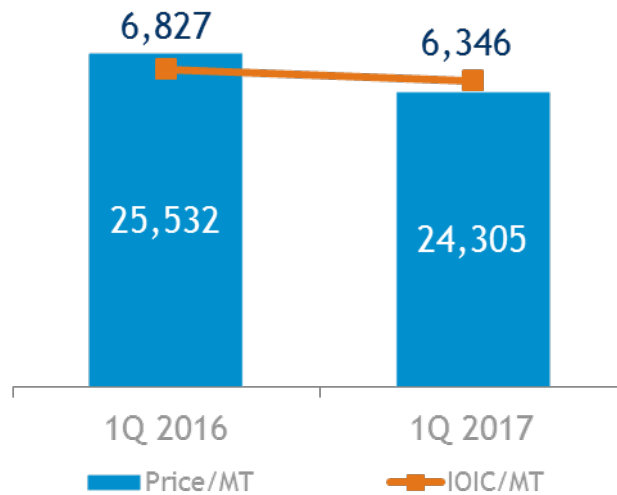


Sales Volume
(in Tons)

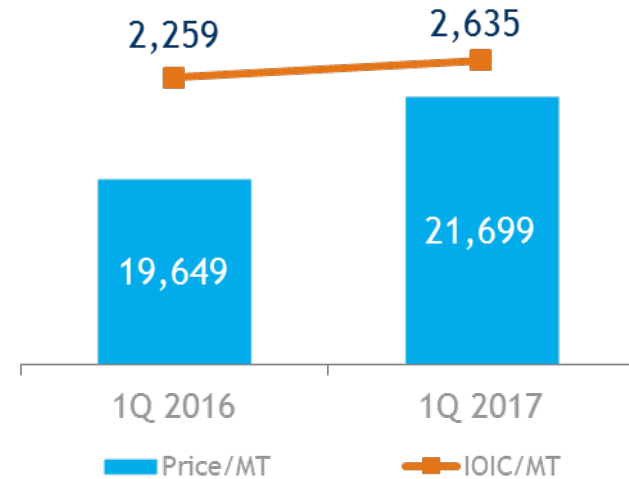


Average Selling Prices and Income Over Ingredient Cost (Php|Mt)

Feeds Philippines

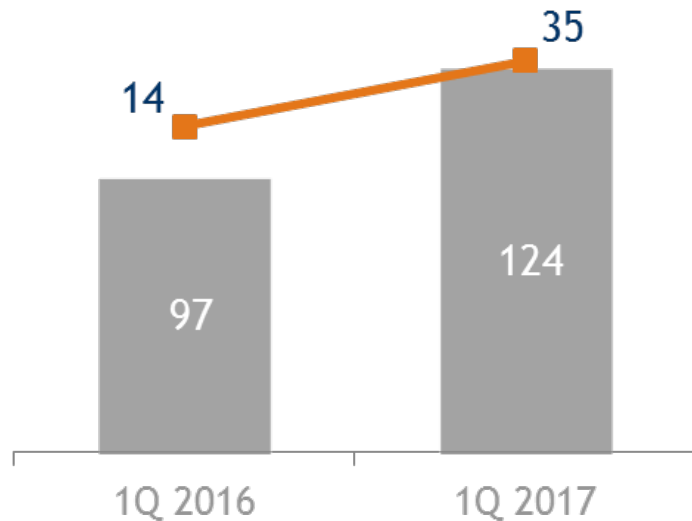


Feeds Vietnam

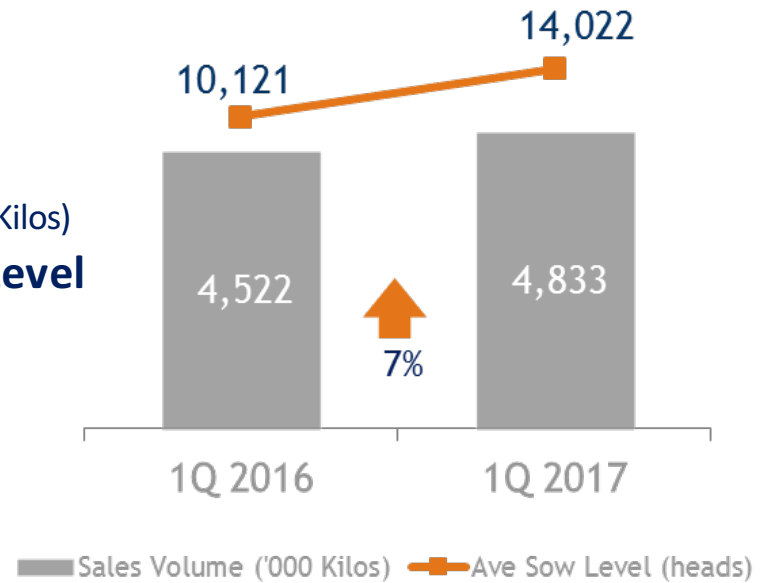


Operating Highlights: Farms Division

Sales Volume (in '000 Kilos) and Ave Sow Level



■ Average Selling Price ■ Gross Profit Per Kilo



Average Selling Prices and Gross Profit (Php|Kg)

Project Updates



Farms

HOG FARMS

Sow Level Capacity *(in heads)*

2014 - 8,360
2017 - 14,200
2020 - 20,000

LAYER FARMS

Ready-to-Lay Hen Capacity *(in heads)*

2017 - 172,000
2020 - 1 Million



**Feeds
PH**

ANIMAL FEEDS

Capacity *(tons per hour)*

2014 - 73 TPH
2017 - 113 TPH
2020 - 153 TPH




**Feeds
VN**

AQUA FEEDS

Capacity *(tons per hour)*

2014 - 24 TPH
2017 - 44 TPH
2020 - 64 TPH

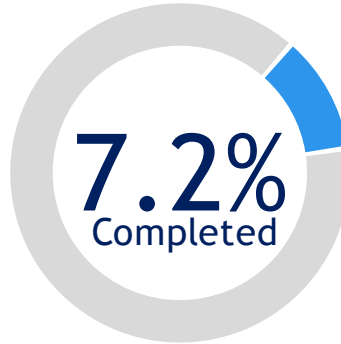
Project Updates



Farms



GrowFin
Farm 11



Meat Processing
Plant

PROJECT PIPELINE

- Growfin Farm 12
- Breeder Farm 3
- Nursery Farm 3



Feeds



Grain Storage
Facility

PROJECT PIPELINE

- Tarlac
Feedmill
+20 TPH








TradeCo

- New Indonesian
Trading Office
*(for Feeds and
Flour Export)*

- **Review of Business Units**
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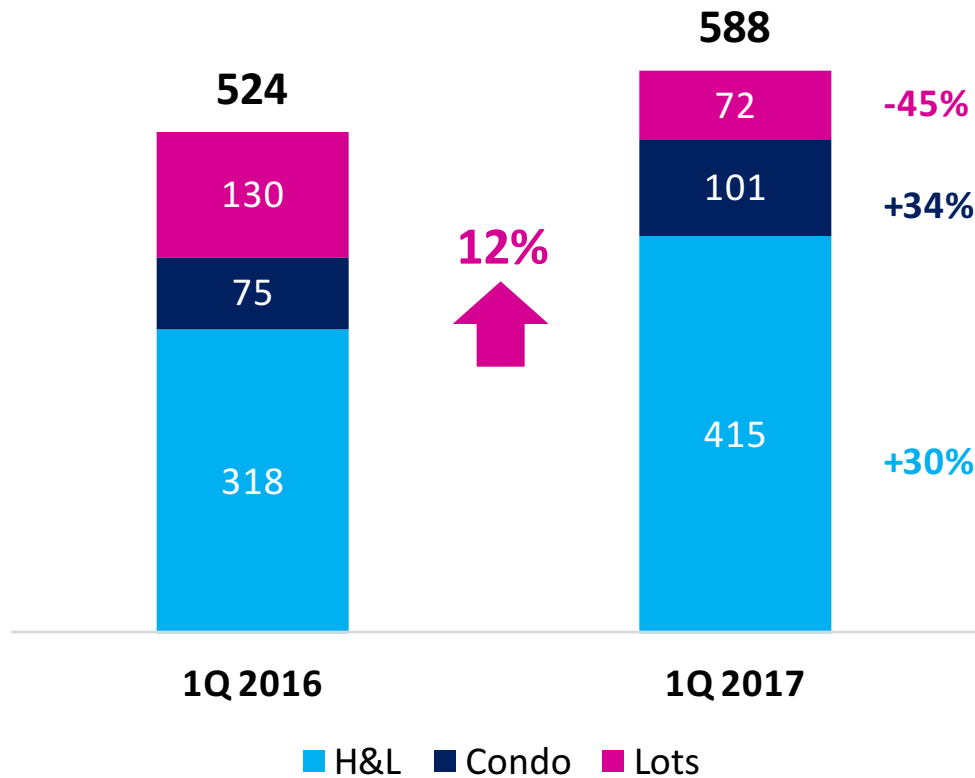
1Q 2017 Financial Highlights

	1Q 2017	vs 1Q 2016
 Residential Sales	587.8M	+12%
 Revenues	640.4M	+28%
 GP	284.2M	+33%
 NOP	86.1M	+35%
 NIAT	72.1M	+46%

Residential Sales

in Php mn

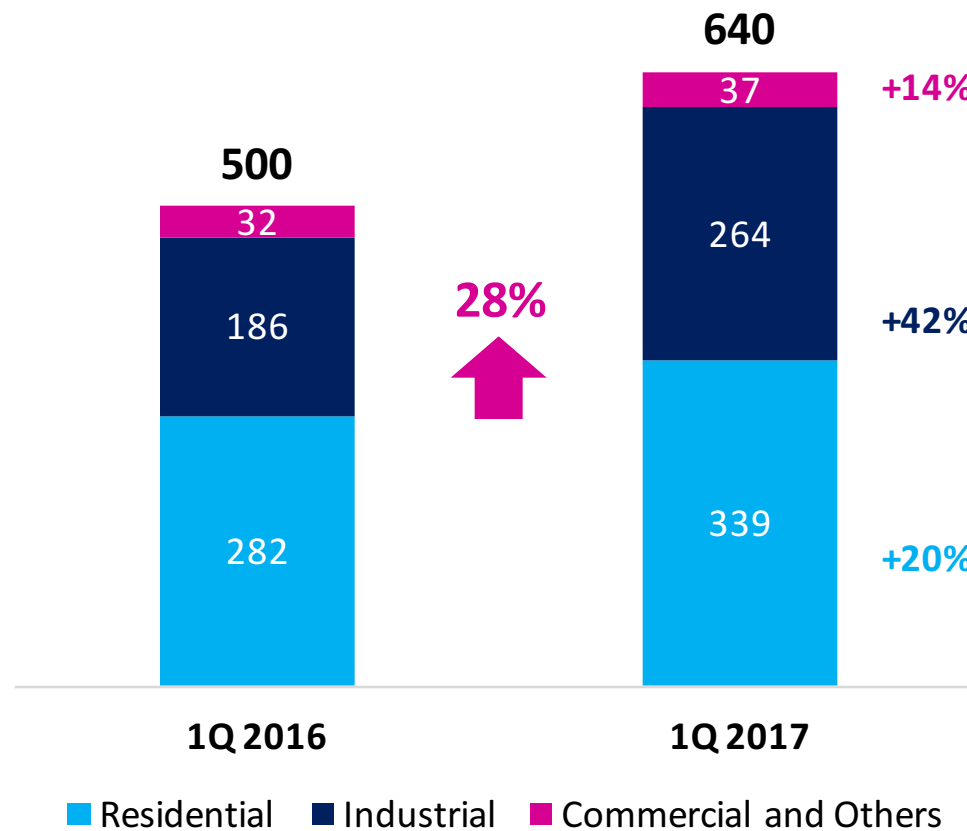
Residential sales remain robust, driven by H&L and Condo products



Revenues

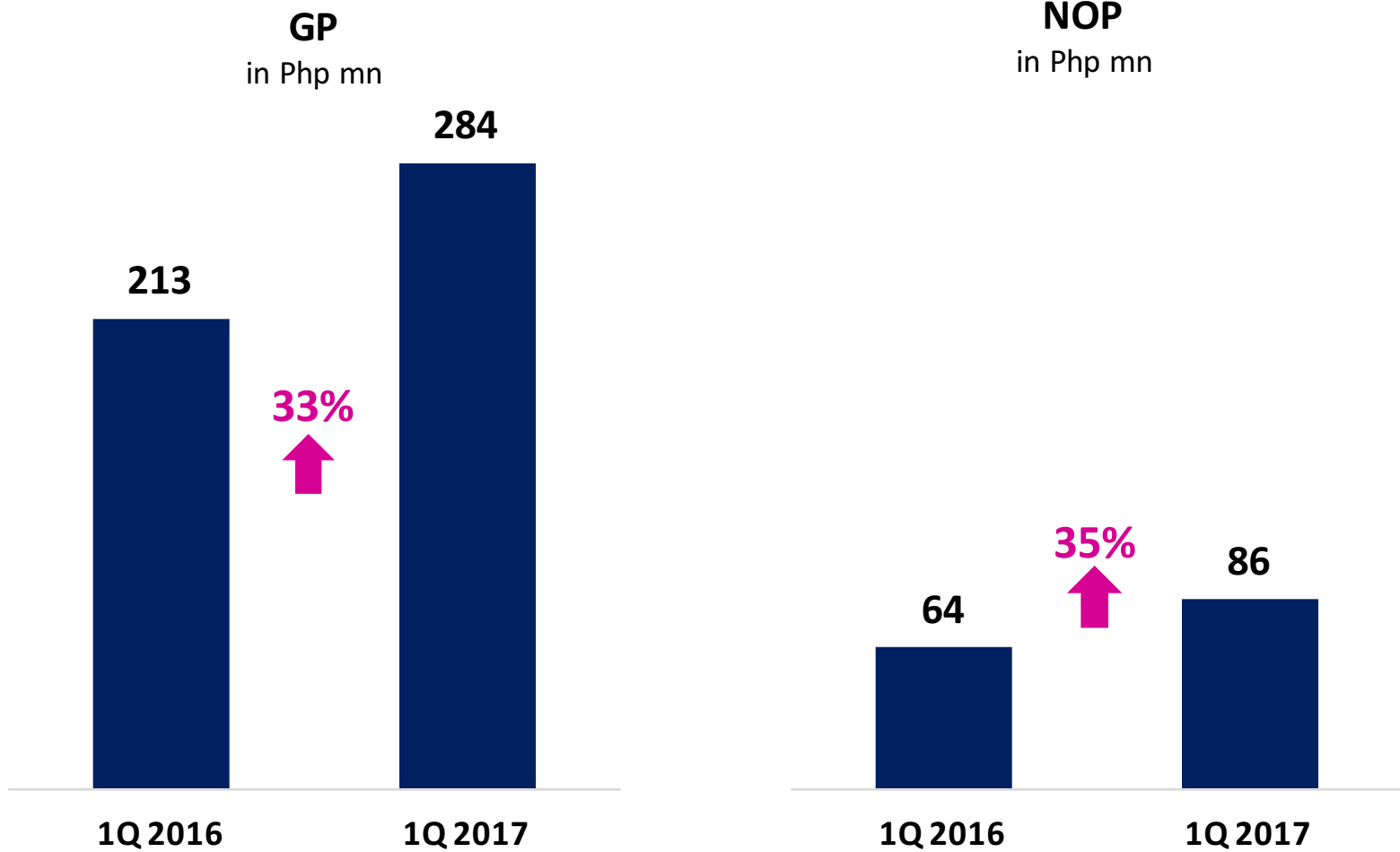
in Php mn

Revenues increase with improved industrial and residential performance



Gross Profit and Net Operating Profit

GP and NOP grow with revenues



Operating Highlights



Se@front
RESIDENCES

- 43-hectare beachside residential development in San Juan, Batangas
- Lush green landscapes
- Beautifully designed homes and amenities
- Relaxation and enjoyment

Operating Highlights



Residential

- Successful launch of Seafront Residences – additional launches to look forward to in the coming months
- Site development and house construction progress on track



Commercial

- *The Outlets at Pueblo Verde* maintained 100% occupancy, while its expansion area reached 100% occupancy after only 1 year in operation
- *The Persimmon Plus, iMez, and Pueblo Verde* all saw increases in occupancy levels
- Construction of *The Outlets at Lipa* in full swing



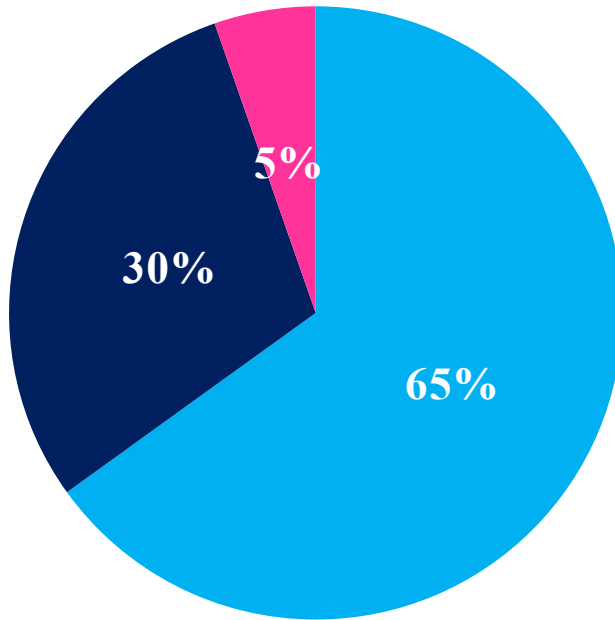
Industrial

- 28 hectares sold to date
- Ongoing construction of expansion areas nearing completion

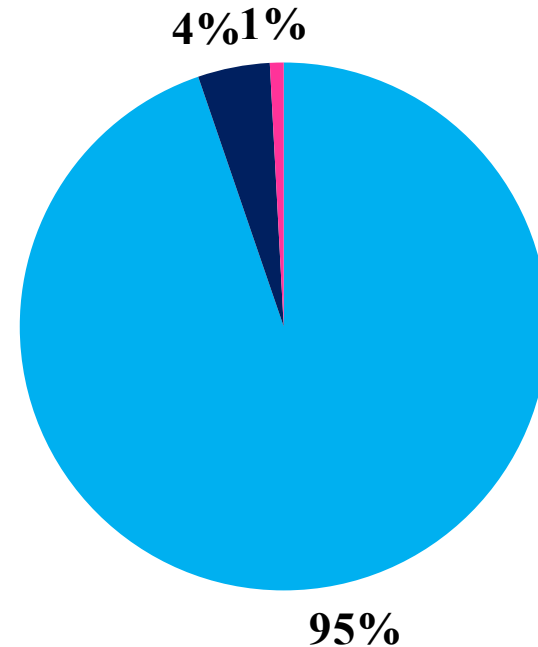
1Q 2017 CAPEX Update

Majority of 2017 capital expenditures committed towards project development

2017 CAPEX Target: P5.0B



1Q 2017 CAPEX spent: P538M



■ Project Development ■ Land Acquisition ■ Other Initiatives

- **Review of Business Units**
 - Power
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- **AEV Financials**
- **Q&A**

Cement demand slowdown in Q1 2017



- Market recovering but demand still below Q1 2016 pre-election level
 - Steady demand in residential and non-residential segments
 - Infrastructure projects progressing but not as fast as expected
- Contribution to AEV amounts to PHP0.2B in Q1 2017

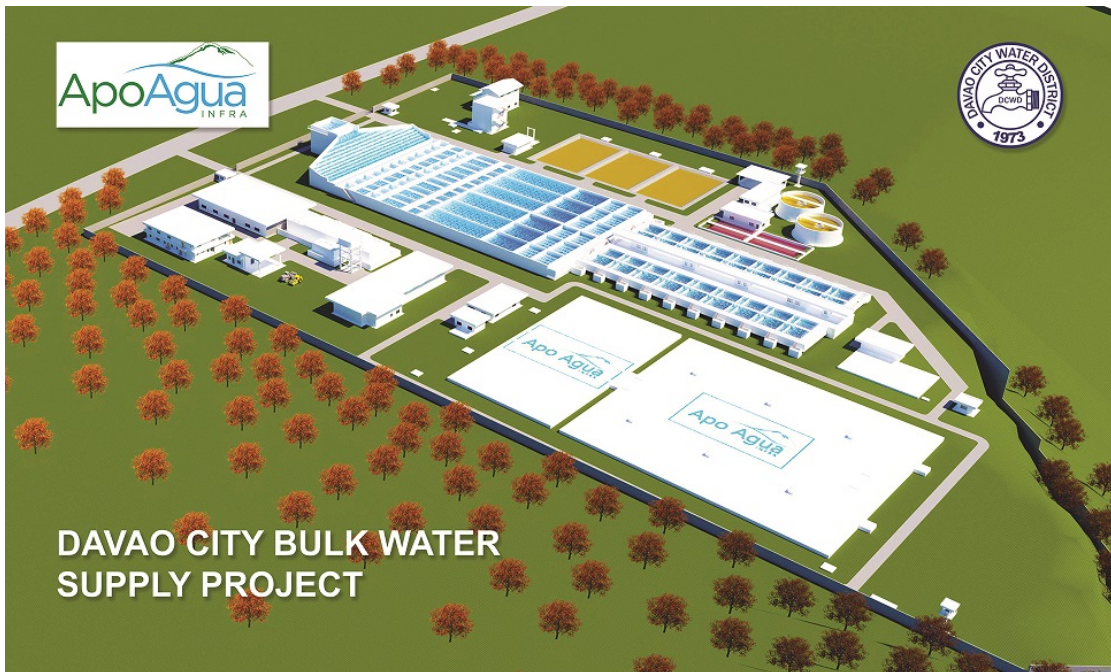
Project Updates



300 MLD Davao Bulk Water Project

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

**A partnership with
JV Angeles Construction Corporation**



On-going

In-progress

**Target
Commercial
Operations**

Some critical permits

Onsite investigation & design works

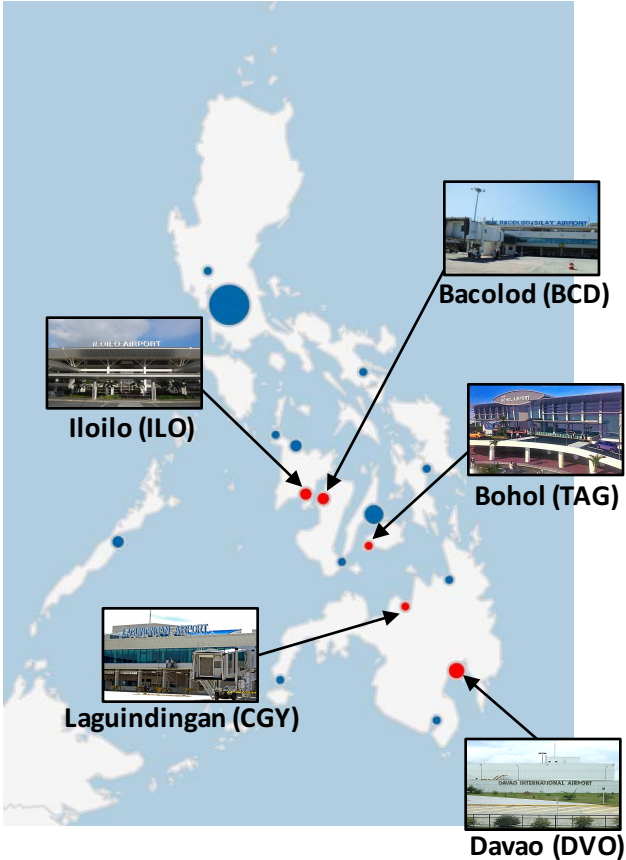
Remaining permits

Q4 2019

PPP Project of Interest

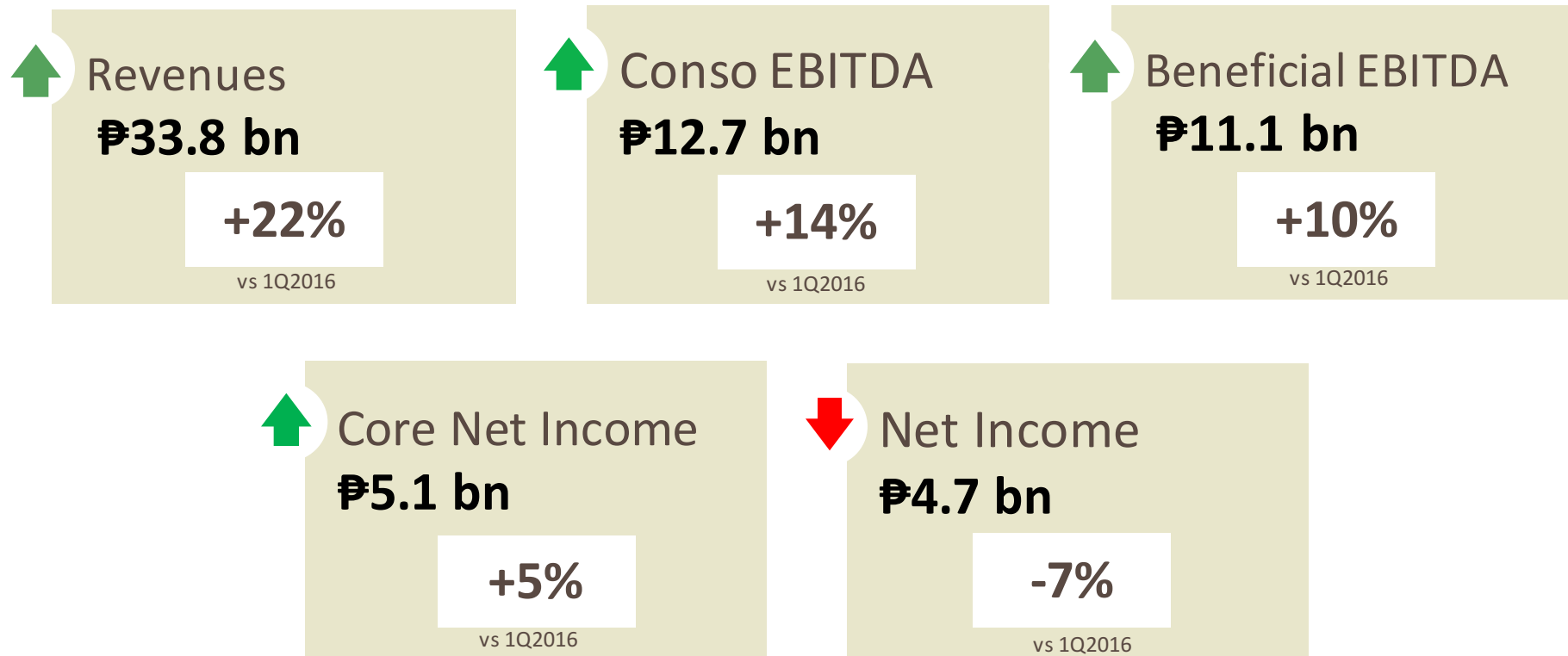


Regional Airports



- **Review of Business Units**
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First Quarter 2017 Financial Performance



1Q2017 EBITDA

	Beneficial EBITDA			Consolidated EBITDA		
	1Q2016	1Q2017	Change	1Q2016	1Q2017	Change
Power	7,324	8,277	+13%	9,239	10,716	+16%
Financial Services	1,145	1,439	+26%	843	1,101	+31%
Infrastructure	894	599	-33%	390	186	-52%
Real Estate	79	111	+41%	79	111	+41%
Food	741	638	-14%	741	638	-14%
Parent & Others	(129)	(8)	-94%	(125)	(4)	-97%
	10,054	11,055	+10%	11,166	12,748	+14%

- Increase in consolidated and beneficial EBITDA's is due to fresh contribution of GMCP and the rise in EBITDA of the AboitizPower (Hydro Group and Distribution Group) and UnionBank.

1Q2017 Core Net Income

Php mn	Core Net Income		
	1Q2016	1Q2017	Change
EBITDA*	11,166	12,748	14%
-Interest Expense	2,221	2,869	29%
-Depcn. & Amort.	1,585	2,019	27%
-Tax & Others	1,159	1,131	-2%
-Non-controlling interest	1,338	1,614	21%
Core Net Income	4,863	5,115	5%

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

*Consolidated

1Q2017 Net Income

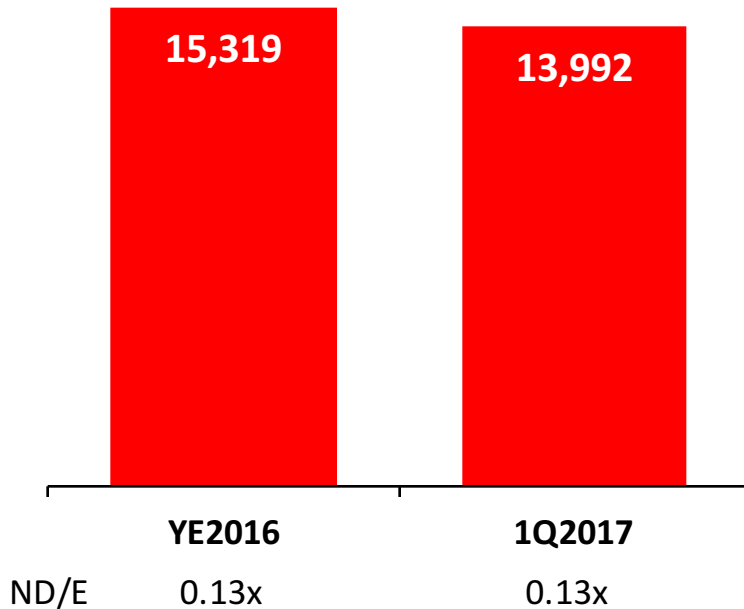
Php mn	Net Income		
	1Q2016	1Q2017	Change
Core Net Income	4,863	5,115	5%
Non-recurring Income/(Loss)			
Forex gains/losses	186	(342)	-284%
Derivatives MTM	(0)	(100)	-
Net Income	5,049	4,673	-7%
EPS	0.91	0.83	-9%

None core items

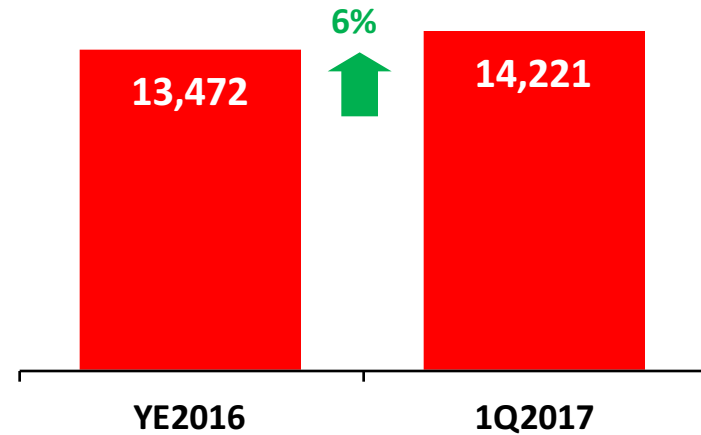
- From a Forex gain in 2016 to Forex losses in 2017 from the revaluation of dollar denominated liabilities, mainly from Power

Parent Net Debt

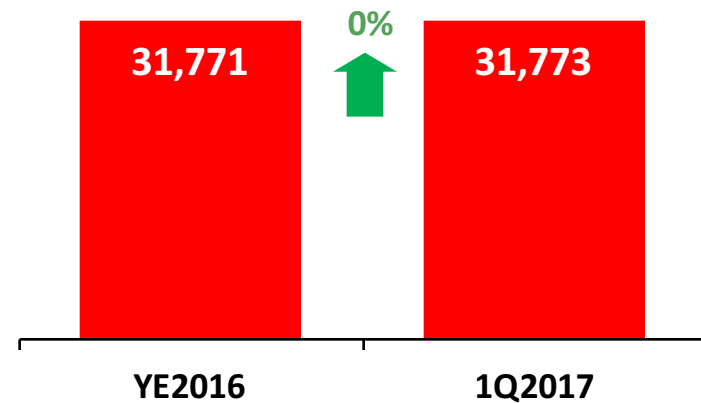
Parent net debt decreases by P1.3 bn



Cash and Equivalents



Long-term Debt



Consolidated Balance Sheet/Key Ratios

(in Php million, except ratios)

	YE2016	1Q2017
Cash and Cash Equivalents	63,858	66,968
Total Assets	464,077	474,553
Total Liabilities	290,681	301,223
Total Equity	173,396	173,330
Equity Attributable to Parent	140,275	139,293
Book Value Per Share	24.90	24.72
Current Ratio	2.5x	2.1x
Debt to Equity	1.7x	1.7x
Net Debt to Equity	1.1x	1.1x

Prudence and preparedness





Growing with the economy

**7% to 8% from
2018 to 2022**

abotiz



Why we do what we do

**Advancing business
& communities**

Is there a better way?

- **Review of Business Units**
 - Power
 - Banking & Financial Services
 - Food
 - Land
 - Infrastructure
- **AEV Financials**
- **Q&A**

Is there a better way?

EARNINGS CONTRIBUTION

(in Php million)

	1Q2016	4Q2017	% Ch
AboitizPower	3,857	3,362	-13%
UnionBank	837	1,086	30%
Petnet	(4)	4	-207%
Pilmico	389	292	-25%
AboitizLand	50	72	46%
Republic Cement	391	202	-48%
Parent & Others	(470)	(345)	-26%
Net Income	5,049	4,673	-7%
Core Net Income	4,863	5,115	5%