

October 26, 2016

via facsimile (632) 584-5593 and by hand
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA Greenhills,
Mandaluyong City, Metro Manila

ATTENTION : **DIR. VICENTE GRACIANO P. FELIZMENIO JR.,**
Director, Markets and Securities Regulation Department

via PSE EDGE
PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

ATTENTION : **MR. JOSE VALERIANO B. ZUÑO III**
OIC - Head, Disclosure Department

via electronic mail
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:

Attached is the SEC Form 17-C (Current Report) of Aboitiz Equity Ventures, Inc. filed in compliance with the Securities Regulation Code, its 2015 Implementing Rules and Regulations, the Revised Disclosure Rules of the Philippine Stock Exchange (PSE), and the Issuer Disclosure Operating Guidelines of the Philippine Dealing Exchange Corp. (PDEX).

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ EQUITY VENTURES, INC.

By:



M. JASMINE S. OPORTO
Corporate Secretary

COVER SHEET

C E O 2 5 3 6

S.E.C. Registration Number

A B O I T I Z E Q U I T Y V E N T U R E S , I N C .

(Company's Full Name)

3 2 N D S T R E E T , B O N I F A C I O G L O B A L

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)

M. JASMINE S. OPORTO

Contact Person

(02) 886-2729

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

1 7 - C

FORM TYPE

3rd Monday of May

0 5 1 6

Month Day

Annual Meeting

N/A

Secondary License Type, if Applicable

SEC

Dept. Requiring this Doc

N/A

Amended Articles Number/Section

Total No. of Stockholders

x

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = Pls. use black ink for scanning purposes

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. **October 26, 2016**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **CEO2536**
3. BIR TIN **003-828-269-V**
4. **ABOITIZ EQUITY VENTURES, INC.**
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
Common Stock ₱1 Par Value	5,633,792,557
Amount of Debt Outstanding (June 30, 2016)	₱180,230,126,448.00
11. Indicate the item numbers reported herein: 9

Item 9 : Other Events

Aboitiz Equity Ventures, Inc. (AEV or the "Company") ended the third quarter of 2016 with a consolidated net income of ₱6.6 billion (bn), recording an increase of 61% year-on-year (YoY). Out of the total earnings contributions from the Company's strategic business units (SBU), Power accounted for 57% while the income contribution of the Banking and Financial Services, Food, Infrastructure and Real Estate SBUs were at 29%, 7%, 6% and 1%, respectively.

For the three-month period in review, the Company recorded a non-recurring loss of ₱117 million (mn), (versus last year's one-time loss of ₱513 mn). This was mainly due to the net foreign exchange loss generated from the revaluation of consolidated dollar-denominated assets and liabilities. Adjusting for these, AEV closed the quarter with a core net income of ₱6.7 bn, higher by 46% YoY.

On a year-to-date (YTD) basis, AEV's consolidated net income increased by 44% YoY to ₱17.1 bn from ₱11.9 bn. This translates to ₱3.05 in earnings per share. Power accounted for 63%, followed by the Banking and Financial Services, Food, Infrastructure and Real Estate SBUs with income contributions of 22%, 7%, 7% and 1%, respectively.

For the period ending September 30, 2016, the Company incurred a non-recurring loss of ₱17 mn (versus last year's one-time loss of ₱623 mn), which largely resulted from the Power unit's unreal foreign exchange loss, net of gain on step acquisition of East Asia Utilities Corporation. Adjusting for these one-offs, AEV's core net income amounted to ₱17.1 bn, 37% higher YoY.

Strategic Business Units

Power

Aboitiz Power Corporation (AboitizPower) ended the first nine months of the year with income contribution to AEV of ₱11.6 bn, registering a 24% increase when compared to the previous year's ₱9.4 bn.

On a stand-alone basis, AboitizPower's bottomline YTD increased 24% YoY, from ₱12.2 bn to ₱15.1 bn. Adjusting for non-core items, the Company's core net income for the first nine months of 2016 amounted to ₱15.2 bn, up by 17% YoY.

The generation business accounted for 80% of earnings contributions from AboitizPower's business segments, recording an income share of ₱12.0 bn for the first nine months of 2016, up 26% YoY. The growth was largely driven by Davao Coal's new contribution. Netting-out one-off items, the income contribution of AboitizPower's generation business amounted to ₱12.5 bn for the period, which was 20% higher than last year.

For the first nine months of 2016, AboitizPower's attributable net energy sold grew by 13% YoY, from 9,161 GWh to 10,308 GWh, as electricity sold through bilateral contracts, which made up 92% of total energy sold during the period, expanded by 15% to 9,501 GWh. On the other hand, spot market sales decreased by 11% from 907 GWh to 807 GWh. In terms of capacity, higher sales through bilateral contracts and ancillary services resulted to a 9% YoY increase in AboitizPower's attributable sales from 1,866 MW to 2,026 MW. Meanwhile, ancillary sales remained unchanged.

In October 2016, the Company disclosed that Therma Power, Inc. finalized the purchase and sale agreements for the acquisition of The Blackstone Group L.P.'s effective partnership interests in GNPowder Mariveles Coal Plant Ltd. Co. (604-MW) and GNPowder Dinginin Ltd. Co. (2x668-MW). The transaction is still subject to the Philippine Competition Commission's approval. Also in the same month, Redondo Peninsula Energy, Inc. also signed a construction contract with Azul Torre Construction, Inc., and a supply contract with Doosan Heavy Industries & Construction Co. Ltd., for the construction of 2x300 MW coal-fired power plant in Subic. This project's Unit 1 is expected to come online by 2020. Meanwhile, works are ongoing for Pagbilao, Cebu Coal, Manolo Fortich, Aseagas and Maris Mini Hydro.

The power distribution group's earnings share for the first nine months of 2016 increased by 11%, from ₱2.6 bn to ₱2.9 bn due to 8% increase YoY of total attributable electricity sales, from 3,546 GWh to 3,818 GWh.

Banking & Financial Services

Union Bank of the Philippines (UnionBank or the "Bank") and its subsidiaries posted ₱4.0 bn of income contribution to AEV during the first nine months of 2016, registering a 178% increase compared to previous year's ₱1.4 bn.

On a stand-alone basis, UnionBank and its subsidiaries posted ₱8.2 bn in net income during the first nine months of 2016, more than double the earnings posted for the same period a year ago of ₱3.0 bn. The surge in net income is primarily attributed to the robust growth in net interest income and fees coupled with the profits from the sale of securities. This strong earnings performance translated to return on average equity and return on average assets at 2.4% and 18.2%, respectively.

Net interest income and fees, accounting for 72% of total net revenues, increased by almost a quarter to ₱14.1 bn. Net interest income surged by 27% to ₱10.9 bn in view of higher interest income on loans, and trading and investment securities resulting from the Bank's thrust on accrual business. Fee-income, similarly, increased by 16% to ₱3.2 bn attributed to the increasing customer base in both loans and deposits. Notwithstanding business and branch expansion, operating expenses rose by only 5% to ₱8.9 bn.

As of end-September 2016, UnionBank's total resources rose by 11% to ₱478.9 bn from ₱433.3 bn reported as of end-December 2015. The Bank continues to build-up its loans and securities portfolio registering a combined YTD growth of 16% to ₱325.0 bn. Loans and other receivables – net, in particular, expanded 23% owing to the robust expansion across all business segments. Deposit liabilities, likewise, posted strong growth of 17% to ₱364.0 bn mainly driven by the 20% increase in both demand and savings deposits. Meanwhile, the Bank's capitalization remains healthy, with a total capital adequacy ratio of 16.7%.

Food

AEV's non-listed food subsidiaries, Pilmico Foods Corporation, Pilmico Animal Nutrition Corporation and Pilmico International Pte. Ltd., posted ₱1.4 bn income contribution to AEV for the first nine months of the year, slipping by 1% compared to previous year.

Feeds Philippines was the sole gainer across all divisions. Feeds Philippines' bottomline increased by 18% to ₱675 mn on the back of higher volume and lower raw material prices. Flour, Feeds Vietnam, and Farms all reported a drop in net income contributions mainly driven by lower prevailing selling prices. Flour's YTD net income fell by 1% YoY to ₱522 mn on lower gross profit brought by depressed flour selling prices. Feeds Vietnam dropped to ₱70 mn with the decline in volume due to decreased demand from external customers; income over ingredient cost (IOIC) likewise dropped on account of the decrease in selling prices, reducing net income by 44%. Despite the increase in Farms' volume attributable to the sow level expansion, the significant YoY drop in live hog prices resulted to the 33% drop in YTD net income to ₱121 mn.

Real Estate

AEV's real estate subsidiary, Aboitiz Land, Inc.'s (AboitizLand) income contribution to AEV for the nine-month period in review decreased by 40% YoY to ₱149 mn from last year's ₱249 mn.

Of AboitizLand's revenue, which remained flat when compared to the same period last year, the residential business unit contributed 61% (₱1.0 bn), the industrial business unit at 32% (₱534 mn), and the commercial business unit 7% (₱107 mn). Residential sales and commercial revenue expanded by 45% and 19% YoY, respectively. On the other hand, industrial revenues contracted by YoY due to timing in sales recognition of Lima Land Inc. Sales is on-track having sold 20 hectares to date, but revenue recognized is only related to 7.5 hectares. Lastly, commercial revenues of ₱107 mn expanded by 19% YoY.

The 40% decline in net income was mainly due to the increase in operating expenses as the company grows its team to become a national real-estate player.

AboitizLand continues to gather itself for growth as various projects in the pipeline are being prepared for launch. To support its growth initiatives, the company has spent ₱1.6 bn in capex out of the annual target of ₱4.6 bn. Project development accounted for 80% of capex, land acquisition for 12%, and 8% for other corporate initiatives. Having pushed back a few residential project launches, the company shall defer unspent 2016 capex to 2017.

Infrastructure

AEV's infrastructure unit, Republic Cement and Building Materials, Inc. (RCBM) posted an income contribution to AEV of ₱1.3 bn for the period in review. It started contributing mid-September last year.

Our RCBM investment performed well in the first nine months of the year, on the back of steady demand. In the medium to high rise segment, building construction was fueled by strong demand in office and commercial spaces. In the individual home builders segment, steady residential sector construction and repairs were supported by OFW remittances, low-interest mortgage lending environment and a continued consumption-driven economy. Lastly, in the roads and infrastructure segment, which includes roads and other public facilities, government and election-related spending in projects drove solid growth in our volumes.

Financial Condition

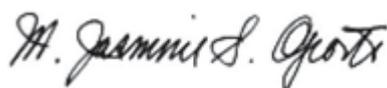
As of September 30, 2016, the Company's consolidated assets amounted to ₱393.7 bn, reflecting a 16% increase as compared to the year-end 2015 level of ₱340.1 bn. Cash and cash equivalents was at ₱84.5 bn, 33% higher than the year-end 2015 level of ₱63.6 bn. Consolidated liabilities amounted to ₱224.2 bn while Equity Attributable to Equity Holders of the Parent increased to ₱140.3 bn. Current ratio as of September 30, 2016 increased to 3.2x (versus year-end 2015's 2.8x), while the net debt-to-equity ratio was at 0.6x (versus year-end 2015's 0.7x).

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 EQUITY VENTURES, INC.

By:



M. JASMINE S. OPORTO

Corporate Secretary

Date: October 26, 2016

PRESS RELEASE
26 October 2016

AEV registers 44% growth in net income for January to September 2016

Aboitiz Equity Ventures, Inc. (AEV) reported a 44% year-on-year (YoY) increase in its consolidated net income to ₱17.1 billion from ₱11.9 billion for the first nine months of the year. This translates to ₱3.05 in earnings per share.

The largest contribution came from the power group with 63%, followed by banking and financial services, food, infrastructure, and land strategic business units (SBUs) with income contributions of 22%, 7%, 7%, and 1%, respectively.

"Our efforts to pursue organic growth, invest in new assets, and strengthen operational capabilities have resulted in strong profit contributions from our power, banking and financial services, and infrastructure business units. As we ride on the tailwind that a growing economy brings, we will continue to build a sustainable, responsible, and industry-leading enterprise," Erramon I. Aboitiz, AEV President and Chief Executive Officer, said.

Strategic Business Units

Power

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The generation business accounted for 80% of earnings contributions from AboitizPower's business segments, recording an income share of ₱12 billion for the first nine months of 2016, up 26% YoY. The growth was largely driven by Therma South Inc.'s new contribution.

The power distribution group's earnings share for the first nine months of 2016 increased by 11%, from ₱2.6 billion to ₱2.9 billion. Total attributable electricity sales increased by 8% YoY, from 3,546 gigawatt-hours (GWh) to 3,818 GWh.

Earlier this month, AboitizPower disclosed the finalization of the purchase and sale agreements for the acquisition of The Blackstone Group's effective partnership interests in GNPower Mariveles and GNPower Dinginin. The transaction is still subject to Philippine Competition Commission's approval.

Banking & Financial Services

Union Bank of the Philippines and its subsidiaries posted ₱4 billion in income contribution to AEV, registering a 178% increase compared to previous year's ₱1.4 billion.

The surge in net income is primarily attributed to the robust growth in net interest income and fees coupled with the profits from the sale of securities.

Food

AEV's non-listed food subsidiaries, Pilmico Foods Corporation, Pilmico Animal Nutrition Corporation, and Pilmico International Pte. Ltd. posted ₱1.4 billion income contribution to AEV, slipping by 1% compared to the previous year.

Feeds Philippines was the sole gainer across all divisions. Feeds Philippines' bottomline increased by 18% to ₱675 million on the back of higher volume and lower raw material prices. Flour, Feeds Vietnam, and Farms all reported a drop in net income contributions mainly driven by lower prevailing selling prices.

Land

AEV's land subsidiary, Aboitiz Land, Inc.'s income contribution to AEV decreased by 40% YoY to ₱149 million from last year's ₱249 million. The 40% decline in net income was mainly due to the increase in operating expenses as the company continued to grow its team to become a national real estate player.

Infrastructure

AEV's infrastructure unit, Republic Cement and Building Materials, Inc. (RCBM) posted an income contribution of ₱1.3 billion for the period in review. It started contributing mid-September last year.

RCBM performed well on the back of steady demand. In the medium to high rise segment, building construction was fueled by strong demand in office and commercial spaces. In the individual home builders segment, steady residential sector construction and repairs were supported by overseas Filipino worker remittances, low-interest mortgage lending environment and a continued consumption-driven economy. Lastly, in the roads and infrastructure segment, which includes roads and other public facilities, government and election-related spending in projects, drove solid growth in our volumes.

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About Aboitiz Equity Ventures

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

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For further queries on this Press Release, please contact:

THET R. MESIAS

Corporate Branding and Communication

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