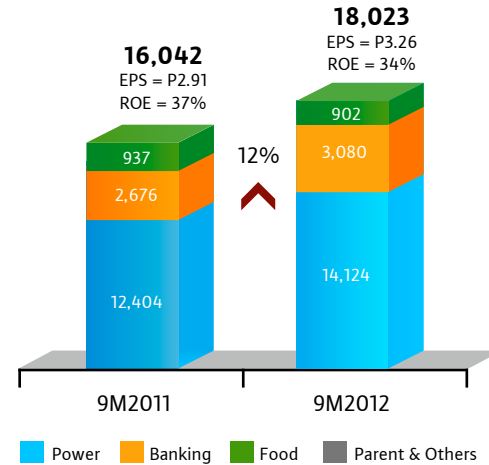


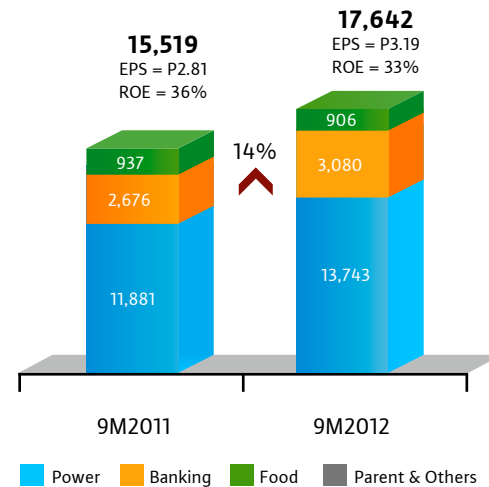
Net income

In mn Pesos



Core Net Income

In mn Pesos



- Earnings expansion recorded by the power (+16% YoY) and banking (+15% YoY) units buoyed profitability for the first nine months of 2012
- Power still accounted for the bulk at 78% of total contributions from business segments, followed by the banking and food groups with contributions of 17% and 5% of total, respectively

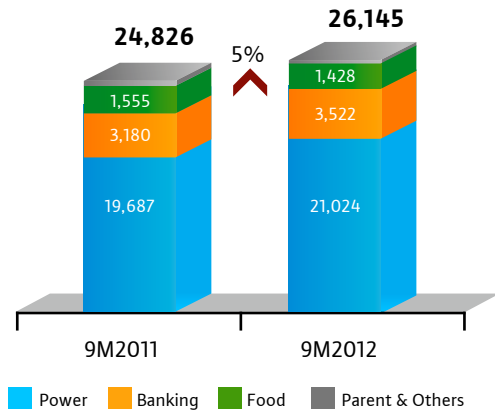
Non-recurring item (in mn Pesos)

	9M2011	9M2012
AEV Parent - FX gain (loss)	(0.0)	(1.1)
Power - FX gain (loss)	(28)	895
Power - TMI revenue adjustment	266	(202)
Power - STEAG cost reimbursement	137	-
Power - Gain from share redemption	-	11
Power - APRI steam cost adjustment	-	(183)
Power - TLI reversal of accrued heat rate bonus	149	-
Power - Parent's debt prepayment cost	-	(139)
	<u>523</u>	<u>381</u>

- 9M2012 one-off's include net FX gains due to revaluation of group-wide dollar liabilities and placements, gains on share redemption made by the Power SBU's associates, reimbursement made to the Power SBU's steam supplier, a downward revenue adjustment by the Power SBU's subsidiary due to a regulatory ruling for its ancillary services contract, and debt prepayment cost at the Power SBU Parent level
- 9M2011 showed a net FX loss due to the revaluation of group-wide dollar loans and placements, a Power SBU subsidiary's topline adjustment involving 2010 revenues relating to the regulator's favorable ruling involving its tariff structure for its ancillary services contract, a power associate company's recovered costs relating to its fuel importation, and the reversal by a Power SBU subsidiary of a 2010 accrued expense relating to its IPPA contract

Beneficial EBITDA

In mn Pesos

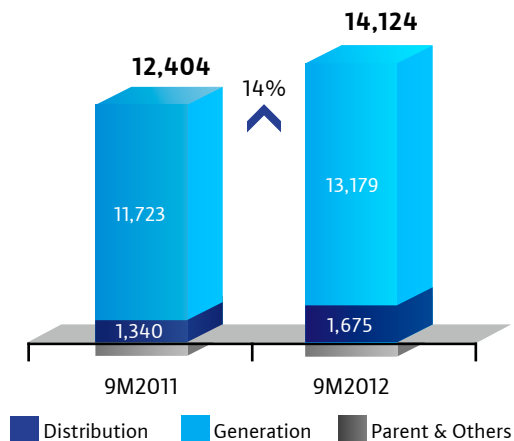


- Power and banking units propelled cash generation during the period
- Beneficial EBITDA is the summation of the proportionate share of AEV in the EBITDA of its subsidiaries and associate companies

Result of Operations – Power Group

Income Contribution

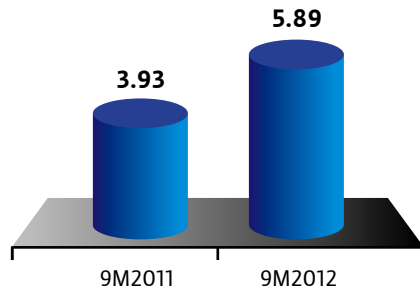
In mn Pesos



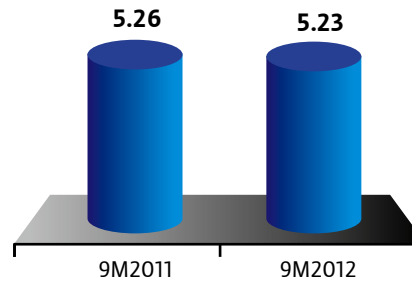
- Increase in power sales, coupled with higher average selling price, resulted to a 12% YoY growth for the generation group's income contribution
- 25% YoY income share expansion by the distribution group was due to sustained growth in electricity sales and improved margins

Result of Operations – Power Generation Group

Average Selling Price for Spot Market Transactions P/kWh



Average Selling Price for Contracted Capacity P/kWh

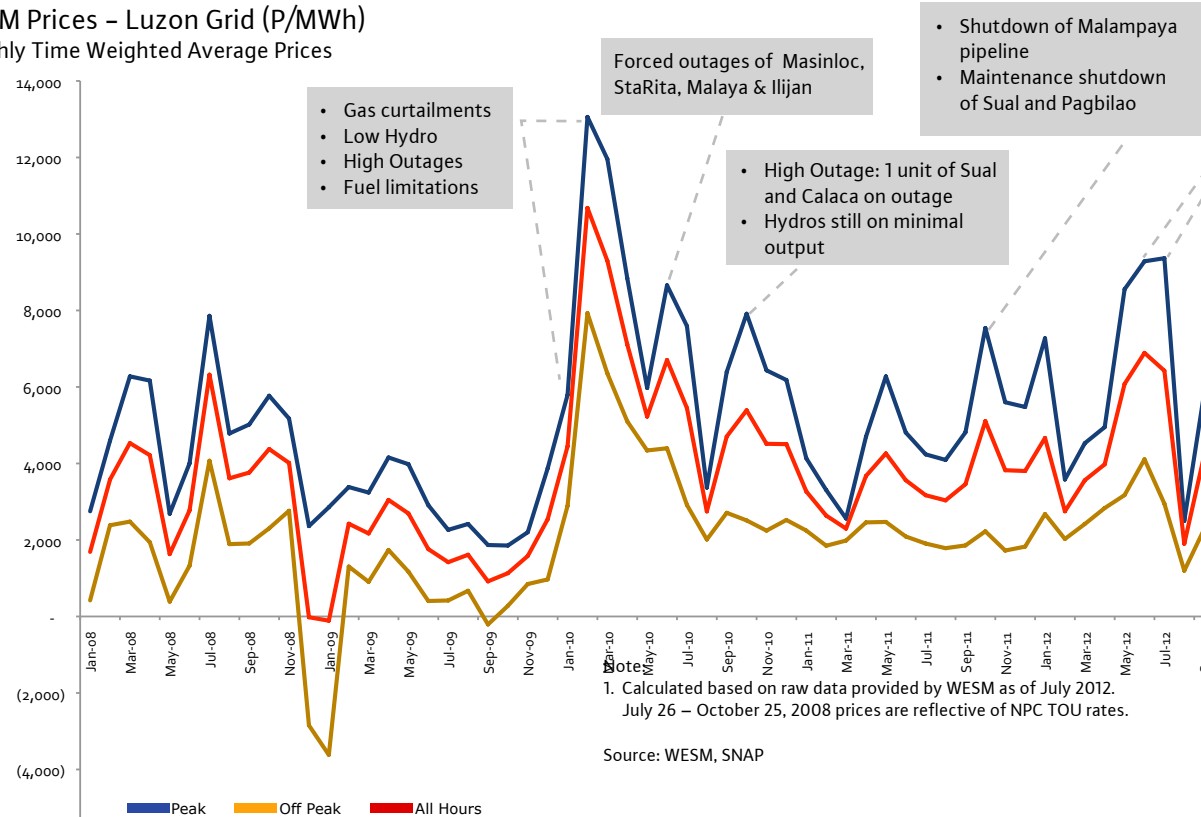


- Average selling price was up 6% YoY, from P5.03/kWh to P5.32/kWh, largely due to the 50% YoY rise in average selling price of electricity at the Wholesale Electricity Spot Market (WESM)

- Supply conditions were tight given higher outage levels
- Hotter climate sustained growth in electricity demand

Result of Operations – Power Generation Group

WESM Prices – Luzon Grid (P/MWh)
Monthly Time Weighted Average Prices



- Shutdown of Malampaya pipeline
- Maintenance shutdown of Sual and Pagbilao
- Coal plants on outage
- Malampaya maintenance

YTD Prices			
	Peak	Off Peak	All Hours
2011	4,796	2,035	3,508
Sept 11	4,325	2,072	3,263
Sept 12	6,209	2,630	4,496

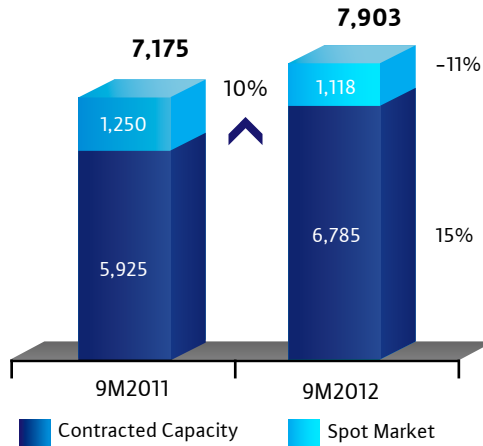
1. Calculated based on raw data provided by WESM as of July 2012.
July 26 – October 25, 2008 prices are reflective of NPC TOU rates.

Source: WESM, SNAP

Result of Operations – Power Generation Group

Energy Sales

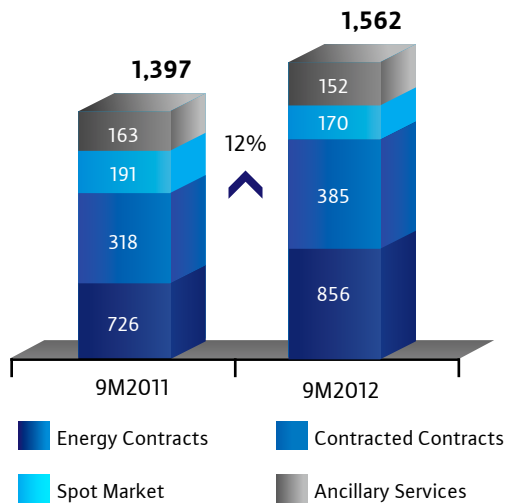
In GWh



- Luzon Grid recorded a 5% YoY expansion in its recorded peak demand, with the hotter climate sustaining increase in electricity demand
- Bilaterals taking up more space in the sales portfolio. 15% YoY growth fueled the expansion in AboitizPower's total attributable net generation for period in review

Capacity Sales

In MW



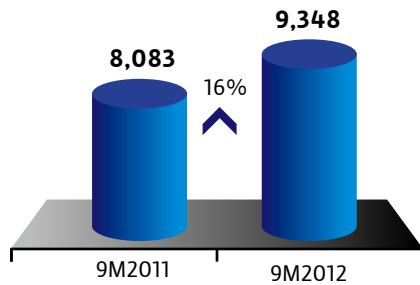
- Higher bilateral sales resulted to a 12% YoY rise in capacity sales for the first nine months of 2012



Result of Operations – Power Generation Group

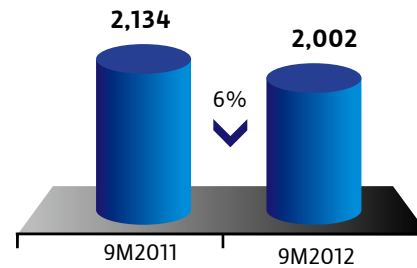
Ancillary Revenues

At 100%, In mn Pesos



Accepted/Billed Capacity

At 100%, In GW/h

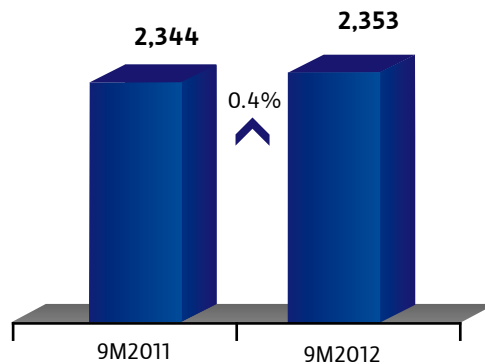


Ancillary services remain as a good revenue source

- Higher spot prices at the WESM resulted to robust growth in revenues from ancillary services
- Lower acceptance for ancillary services brought about by ongoing rehabilitation works at Binga
- Storage capacities of both Magat and Binga hydro facilities were maximized to ensure capability of providing much needed back up power for the Luzon Grid
- Consequent to topline improvement resulting from ancillary services, the combined income contribution of these assets grew by 56% YoY

Attributable Capacity

in MW



Attributable capacity as of end-September 2012 registered at 2,353 MW, 9MW higher than the previous year

- Partial completion of the Binga (2 of 4 units) rehabilitation program
- Completion of the 4-MW Irisan hydro Greenfield project

Result of Operations – Power Generation Group

Other Developments – Generation

Ongoing Brownfield Developments

- **Rehabilitation of Binga Hydro Power Plant**

- Commenced in 2011, performing works on at least one unit per year
- Completed first unit in December 2011 and second unit in July 2012, adding 10 MW to total capacity
- Rehab works on the third unit are underway with expected completion in the first quarter of 2013. Fourth unit to follow thereafter with completion targeted in the fourth quarter of 2013
- Completion of all four units will result to an enhanced generation capacity, reaching 120 MW

- **Rehabilitation of the Tiwi-Makban Geothermal Plants**

- Several units are undergoing rehabilitation/refurbishment. Enhancements in the plants' availability rate are expected following the completion of the refurbishment, rehabilitation and resource improvements
- Completion will be in stages, with Tiwi plants estimated to be finished by the fourth quarter of 2012, while Makban plants by April 2013

- **Rehabilitation of the Navotas Power Barges**

- In May 2011, Therma Mobile, Inc., a wholly owned subsidiary of AboitizPower, acquired 242 MW four (4) barge-mounted floating power plants including their respective operating facilities
- Upon turnover, rehabilitation works on existing facilities commenced with completion by the fourth quarter of 2011 for 123 MW and the balance estimated by end-2012
- All barges are expected to be operational and ready to feed into the Luzon Grid by March 2013

Green/Brownfield Developments Moving Forward

- **600 MW Coal-fired Power Plant in Subic**

- Project by Redondo Peninsula Energy, Inc. (RP Energy), a JV with Meralco PowerGen Corporation and Taiwan Cogeneration International Corporation (TCIC). AboitizPower's effective stake at ~25%
- Involves the construction and operation of 2x300 MW coal-fired power plant in the Subic Bay Freeport Zone (the Subic Coal Project)
- Commercial operation of the the Subic Coal Project is estimated to commence within 2016

- **300 MW Coal-fired Power Plant in Davao**

- A project of wholly owned subsidiary, Therma South, Inc., which involves the construction and operation of a 2x150MW coal-fired power plant in Davao, the biggest load center in the island of Mindanao
- Groundbreaking took place in June 2012. Completion of the first generating unit is expected to be after 34 months, with the second unit to follow in 3 months

- **13.2 MW Sabangan Hydro Power Plant Project**

- A project of Hedcor Sabangan, Inc.
- Involves the construction and operation of a run-of-river hydropower plant facility to be located in Mt. Province (Northern Luzon)
- With environmental clearance. Engineering and design are underway
- Target groundbreaking is by first quarter of 2013, with construction estimated to be completed after a 2-year period



Binga hydro power



Makban geothermal power plant

Other Developments – Generation

Green/Brownfield Developments Moving Forward

- **13.7 MW Tudaya 1 and 2 Hydro Power Plant Project**
 - Involves the construction and operation of run-of-river power plants to be located in the upper and downstream sections of the existing Sibulan hydropower plant, tapping the same water resource, which are the Sibulan and Baroring rivers
 - Combined capacity at 13.7 MW
 - With environmental clearance and endorsement by local communities
 - Construction for Tudaya 1 and 2 began in the third quarter of 2012, and are estimated to be completed by the first quarter of 2014
- **11.5 MW Tamugan Hydro Power Plant Project**
 - In 2010, wholly owned subsidiary Hedcor Tamugan, Inc., has reached an agreement with the Davao City Water District on the use of the Tamugan river. Originally planned as a 27.5 MW run-of-river facility, Hedcor Tamugan submitted a new proposal, which involves the construction of an 11.5-MW hydropower facility. Hedcor Tamugan is waiting for the Davao City council to approve the project. Once approval and permits are secured, the two-year construction period will commence
- **400 MW Coal-fired Power Plant in Pagbilao, Quezon**
 - In September 2011, AboitizPower signed a Memorandum of Understanding with Marubeni Corporation to formalize their intention to jointly develop, construct and operate a coal-fired power plant with a capacity of ~400 MW
 - To be located within the premises of the existing 700 MW Pagbilao coal-fired plant
 - Terms and conditions of the JV still to be finalized
- **150 MW Coal-fired Power Plant in Misamis Oriental**
 - On June 28, 2010, AboitizPower and its partners in STEAG State Power, Inc., owner of the 232 MW coal plant located at Misamis Oriental, firmed up their collective intention to develop a third unit of approximately 150 MW capacity adjacent to the existing facility
 - Shareholdings in the new corporation to be established for the planned additional capacity will be of the same proportion
 - Certain essential facilities, such as the jetty, coal handling facilities and stockyards and the 138-kV interconnection with the Mindanao Grid are to be shared with the existing facilities



Pagbilao coal-fired power plant



Sibulan hydroelectric power plant

Other Developments – Generation

Green/Brownfield Developments Moving Forward

- **Other Hydro Power Plant Developments**

- 100%-owned subsidiary Hedcor, Inc. (Hedcor) is conducting feasibility studies for potential hydropower projects located in Luzon, Visayas, and Mindanao. Based on current findings, Hedcor sees the potential of building 10 MW to 50 MW plants in the identified areas. The feasibility studies are expected to be completed in two years. Once permits are secured, another two years will be needed for the actual construction of the hydro facilities
- The SN Aboitiz Power Group (“SNAP Group”) is in the process of evaluating several hydropower plant projects. A Brownfield project is being evaluated for its Magat hydropower plant, which involves the construction of a pumped storage facility that could potentially increase its capacity by at least 90 MW. The SNAP Group is likewise evaluating several Greenfield hydropower plant projects that have at least 70 MW of potential capacity each

Participation in the Government’s Privatization Program for its Power Assets

- The Company continues to closely evaluate the investment viability of the remaining power generation assets that PSALM intends to auction off. To date, more than 70% of the identified generation assets of NPC in the islands of Luzon and Visayas have been privatized
- AboitizPower is also keen on participating in PSALM’s public auction for the Independent Power Producer (IPP) Administrator contracts, which involves the transfer of the management and control of total energy output of power plants under contract with NPC to the IPP administrators



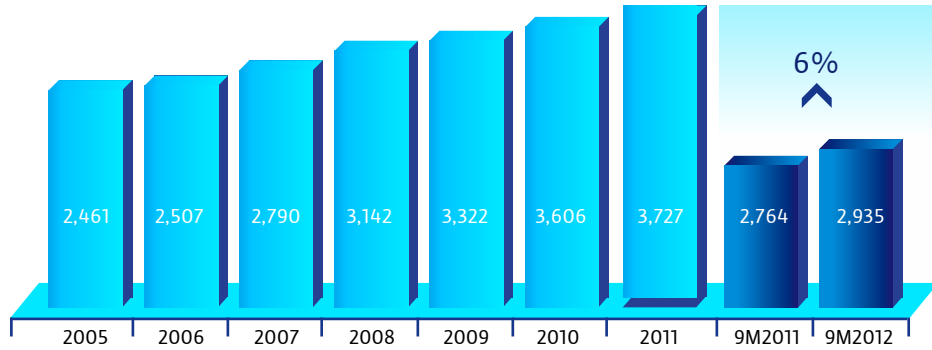
Magat Dam



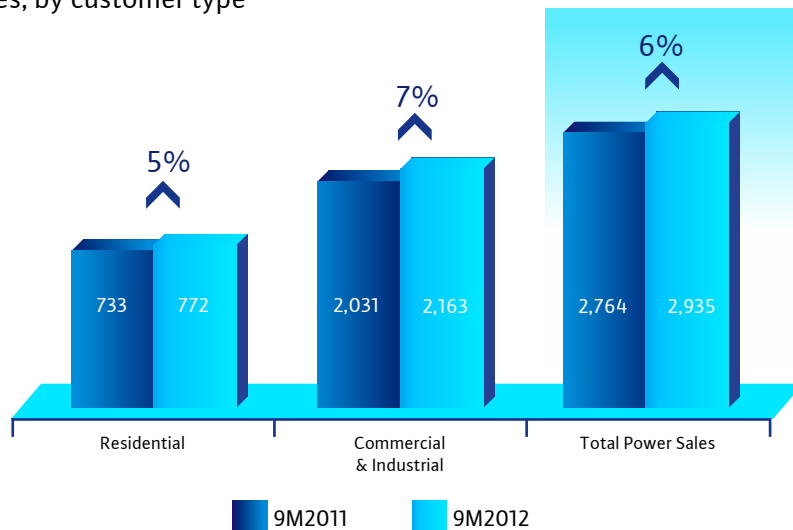
Ambuklao hydroelectric power plant

Result of Operations – Power Distribution Group

Attributable Electricity Sales
In GWh



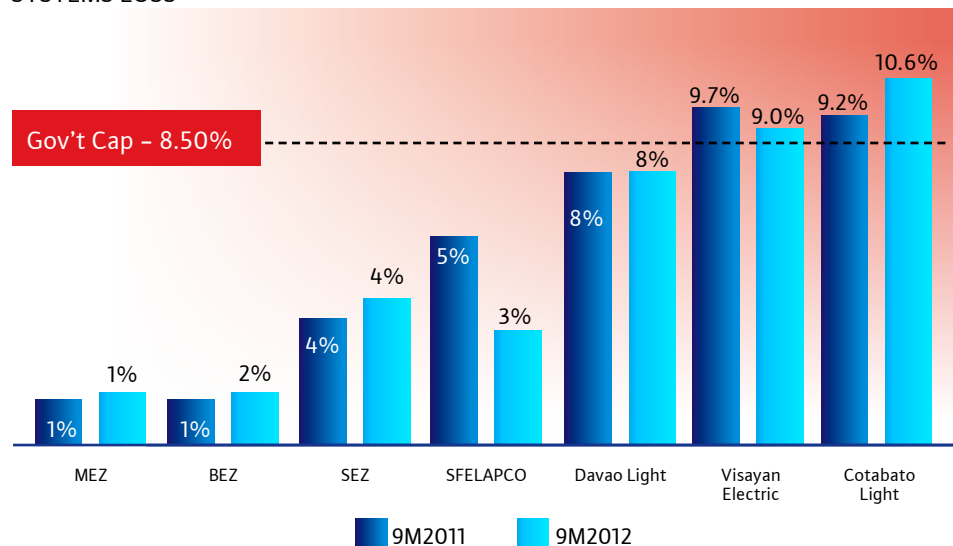
Electricity Sales, by customer type
In GWh



- Growth led by the non-residential sector, particularly the industrials with YoY growth of 7%

Result of Operations – Power Distribution Group

SYSTEMS LOSS



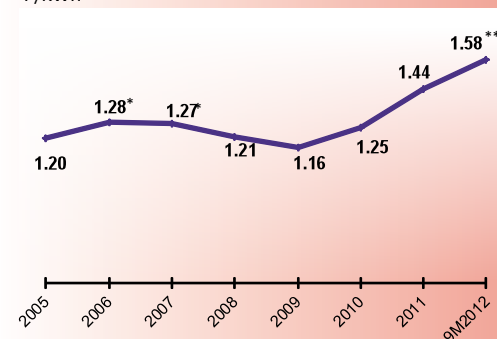
- Pilferage remains as the main cause of Cotabato Light's and Visayan Electric's high systems losses
- Nevertheless, initiatives taken by Visayan Electric has resulted in a 0.7 percentage point decrease in its system loss by the end of September 2012

Other Developments

Performance-Based Regulation (PBR)

Cotabato Light	Davao Light and Visayan Electric	SFELAPCO and SubicEnerzone
Entered its fourth regulatory year on April 1, 2012. Currently undergoing reset process in preparation for its second 4-year regulatory period.	Implemented PBR approved rate structures in August 2010. Currently in the third year of their 4-year regulatory period, albeit rates have yet to be approved and implemented.	Entered 4-year regulatory period on October 1, 2011. Subic Enerzone implemented its approved rate structure in January 2012, while SFELAPCO in March 2012. All under-recoveries from October 2011 shall be recouped in the succeeding regulatory year.

GROSS MARGIN P/kWh



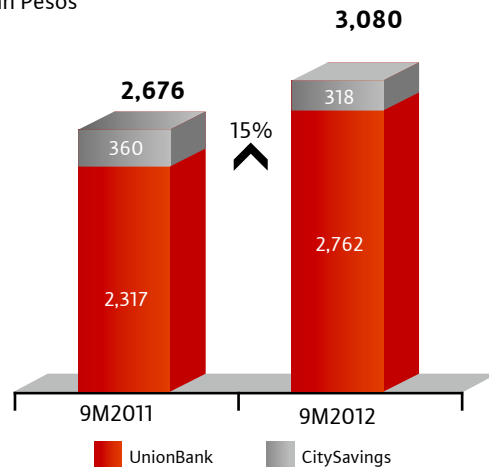
* Adjusted for timing of transmission charge recovery
** 12 month average

- Implementation of the utilities' approved tariffs under the Performance Based Regulation (PBR) scheme led to an enhanced gross margin for the group
- Subic Enerzone and San Fernando Electric were the last distribution utilities of AboitizPower that shifted to PBR, which took place in October 2011. Implementation of approved rates commenced in January 2012 and March 2012 for Subic Enerzone and San Fernando Electric, respectively

Result of Operations – Banking

Income Contribution

In mn Pesos



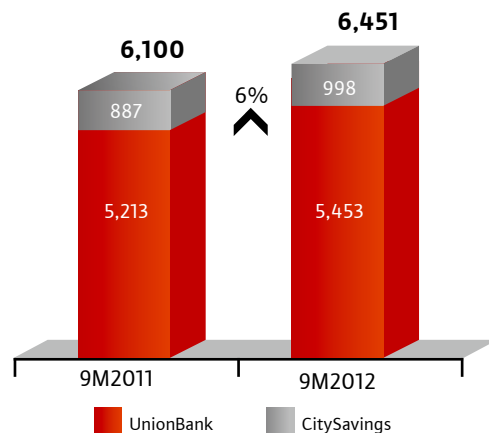
- **Income contribution was higher by 15% YoY**
 - Given improved core banking profits, coupled with hefty trading gains, UnionBank's income contribution to AEV shored up the Banking unit's earnings share for the period ending September 2012
 - Higher operating expenses brought about by the ongoing expansion program and implementation of other initiatives countered the robust topline growth of CitySavings

AEV's Ownership

	UnionBank	CitySavings
As of end-9M2011	43.3%	99.3%
As of end-9M2012	44.5%	99.5%

Total Net Interest Income

In mn Pesos



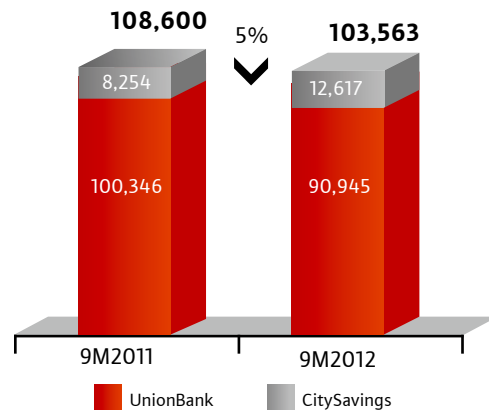
- **Total net interest income grew by 6% YoY**
 - A 39% YoY expansion in CitySavings' interest income on loans boosted topline performance by 17% YoY
 - UnionBank's net interest income grew by 5% YoY on the back of a 22% improvement in funding costs from interest-bearing liabilities, more than offsetting a 6% drop in income from earning assets



Result of Operations - Banking

Total Loans

In mn Pesos



Total loan book decreased by 5% YoY

Branch Network

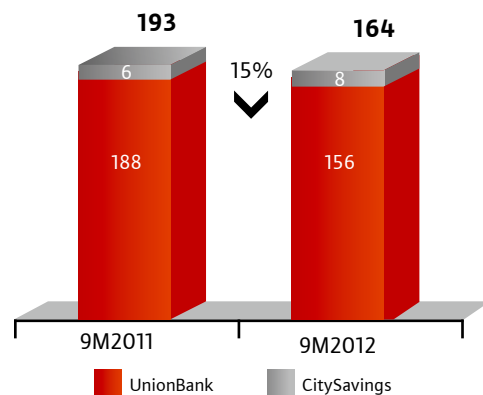
	UnionBank	CitySavings
As of end-9M2011	190	29
As of end-9M2012	189	33

- Total Loans and Other Receivables decreased in spite of a 53% growth in CitySavings' loan book
- CitySavings' borrower base grew by 12% YoY and registered a 37% YoY improvement in its average loan take up



Deposit Base

In bn Pesos



Rationalization of UnionBank's deposit mix countered robust growth in CitySavings' deposit level

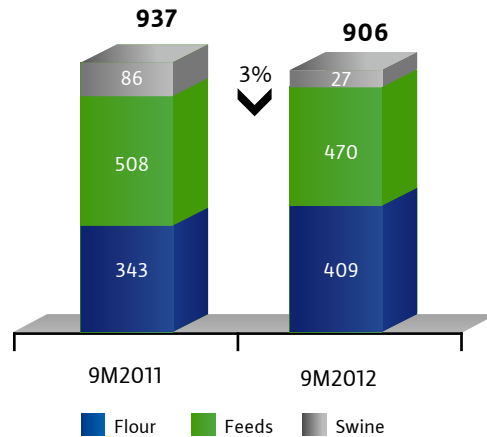
- UnionBank's focus on low cost funds maintained
- CitySavings access to funds improved with expanded network



Result of Operations – Food

Income Contribution

In mn Pesos



- Higher overall sales were countered by decreasing margins resulting from softer prices and an uptick in input costs for the feeds and swine divisions



Other Developments

Flour

- Unloading facility – completed in June 2012
- Port dredging – completed and operational in 3Q
- Pier expansion

Feeds

- Additional steel silos in Iligan – completed
- 2nd Iligan Feedmill Plant

Farms

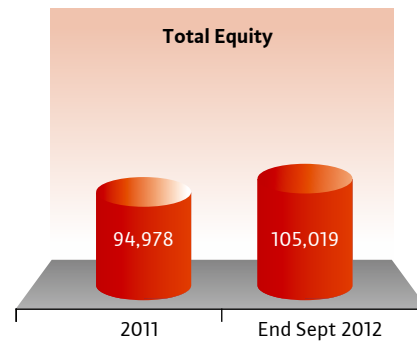
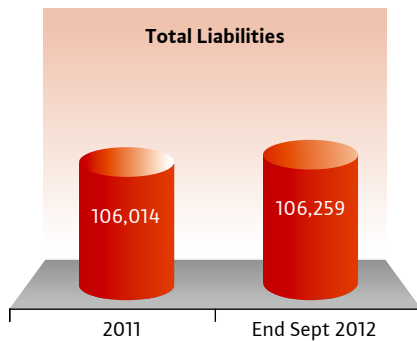
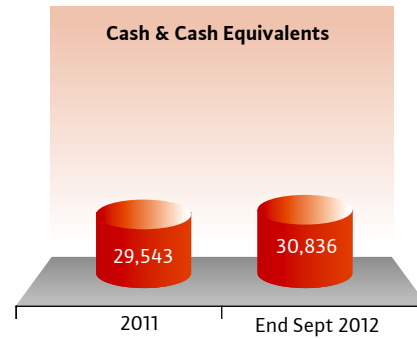
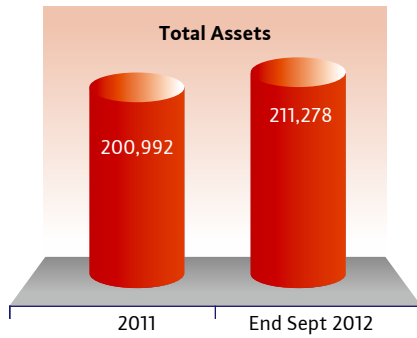
- Increase sow level from 6,500 to 8,350 heads by 2014
 - Offsite nursery farm construction (Completed)
 - 1st grow-fin farm – improvement (Completed)
 - 2nd grow-fin farm – expansion (Completed)
 - 5th grow-fin farm – construction (Completed)
 - Breeder farm 1 expansion – Feb 2013



Financial Condition

In mn Pesos

Consolidated Figures

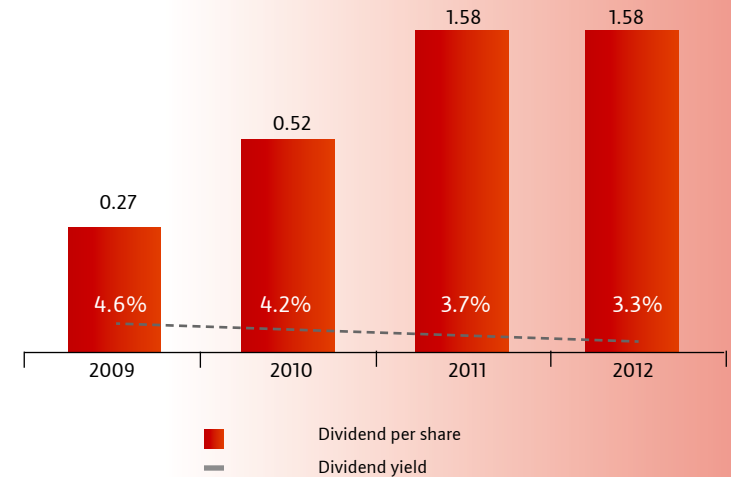


Dividends

- Internal dividend policy is to payout 1/3 of previous year's net earnings
- On March 1, 2012, AEV declared a dividend of P1.58 per share, which translated to more than 1/3 of 2011 net earnings
 - Paid out over P8.7 billion in dividends on April 3, 2012

Dividend Declared

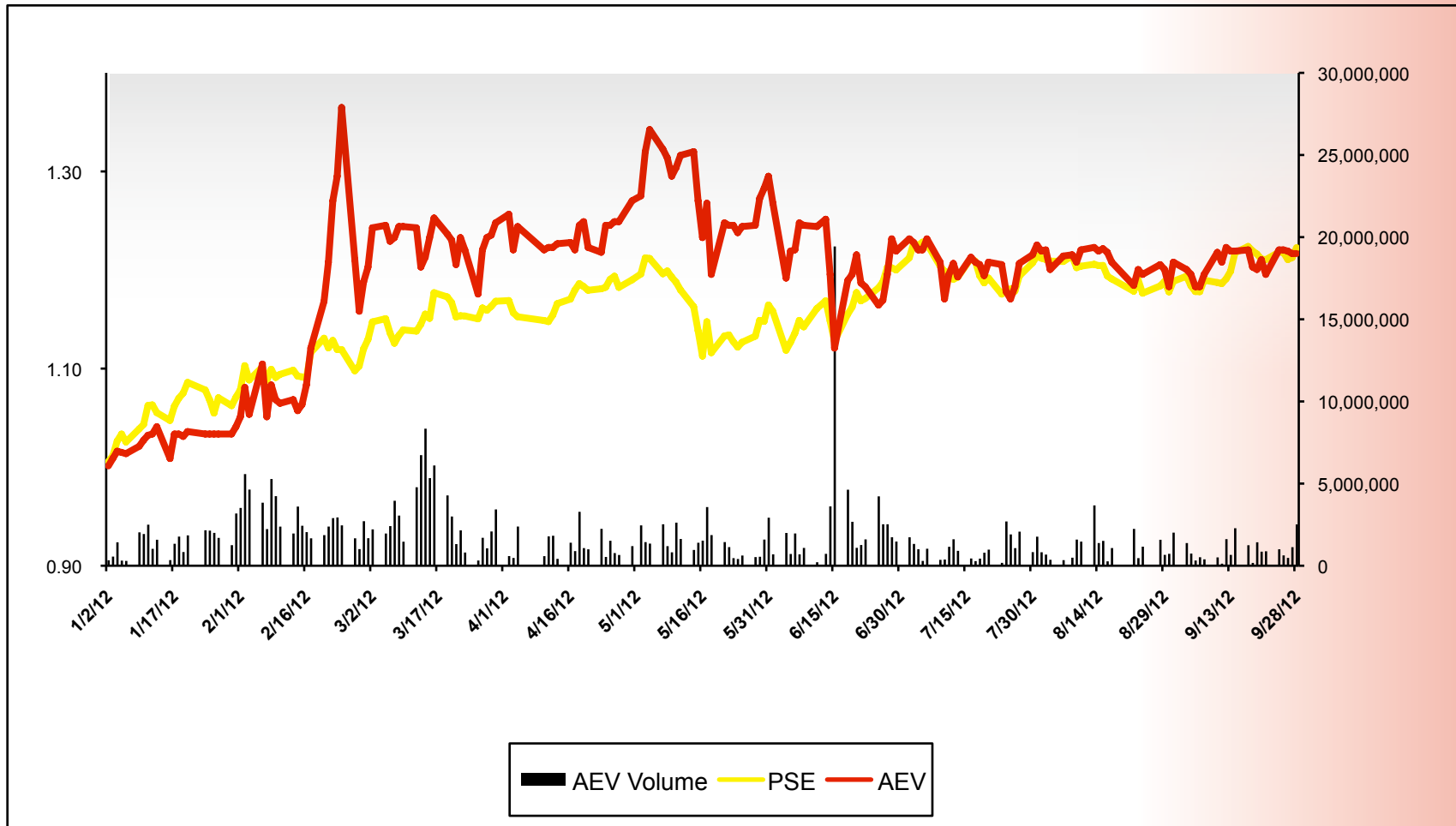
in Pesos



Note: Dividend yields are based on closing prices as of date of dividend declaration.

Stock Price Performance

YTD September 2012



AEV Growth	21.67%
PSE Growth	22.28%