

May 6, 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 : **MS. JANET ENCARNACION**
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
Contact Person

(02) 886-2800

Company Telephone Number

1 2 3 1

Month Day
Fiscal Year

1 7 - C

FORM TYPE

3rd Monday of

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. **May 6, 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	5,554,266,807
Amount of Debt Outstanding (December 31, 2015)	₱160,639,642,000.00
11. Indicate the item numbers reported herein: 9

Item 9 : Other Events

Aboitiz Equity Ventures, Inc. (AEV or the "Company") ended the first quarter of 2016 with a consolidated net income of ₱5.0 billion (bn), recording an increase of 24% year-on-year (YoY). Out of the total earnings contributions from the Company's strategic business units (SBU), Power accounted for 70% while the income contribution of the Financial Services, Food, Infrastructure and Real Estate SBUs were at 15%, 7%, 7% and 1%, respectively.

For the three-month period in review, the Company registered a non-recurring income amounting to ₱186 million (mn). This was mainly due to the net foreign exchange gains generated from the revaluation of consolidated dollar-denominated assets and liabilities. Adjusting for these one-offs, AEV closed the quarter with a core net income of ₱4.9 bn, higher by 19% YoY.

Strategic Business Units

Power

Aboitiz Power Corporation (AboitizPower) ended the quarter with income contribution to AEV of ₱3.9 bn, registering a 15% increase when compared to the previous year's ₱3.3 bn.

AboitizPower's income performance recorded a 15% YoY increase, from ₱4.3bn to ₱5.0 bn. Adjusting for its non-recurring mark-to-market gain of ₱242 mn (versus last year's gain of ₱11 mn), AboitizPower's core net income for the first quarter of 2016 amounted to ₱4.8 bn, up by 10% YoY.

For the first quarter of 2016, the income contribution of the power generation business to AboitizPower increased by 17% to ₱4.2 bn as compared to the same period last year. Netting out one-off items, the group registered a 10% YoY increase in its core net income, from ₱3.6 bn to ₱3.9 bn. The increase was mainly due to the fresh contribution of Therma South, Inc. (TSI).

Capacity sales for the first quarter of 2016 registered a 12% increase from 1,804 MW to 2,014 MW. This increase comes from the additional capacities from TSI, which declared full commercial operations last February 2, 2016. SN Aboitiz Power Business Units' had higher available capacities as they started the year at higher water elevations. Consequently, attributable energy sold rose by 22% YoY, from 2,828 GWh to 3,451 GWh. Bilateral sales made up 91% of the total volume sold, which expanded by 29% to 3,157 GWh. Spot sales decreased by 23% YoY from 380 GWh to 294 GWh.

The power generation group's average selling price decreased by 14% YoY for the period in review as the fuel pass through component in the group's selling price on its bilateral contracts continued to decline. On the other hand, the average rate for ancillary services remain unchanged.

On the other hand, the power distribution group registered a 5% increase YoY in its earnings contribution, from ₱812 mn to ₱851 mn. The group's attributable electricity sales for the quarter increased by 8% to 1,201 GWh from 1,111 GWh a year ago. The growth in sales was driven by higher electricity sales across all customer segments, with residential, commercial, and industrial sales registering YoY growth of 11%, 11%, and 6% respectively. The group's year-to-date gross margin on a per kWh basis declined to ₱1.46 from ₱1.51 a year ago.

Banking & Financial Services

Union Bank of the Philippines (UnionBank or the "Bank") and its subsidiaries posted ₱837 mn of income contribution to AEV during the first quarter of 2016, more than double the contribution for the same period a year ago.

The surge in net income is primarily attributed to the strong growth in net interest income and fees. This translated to return on average equity and return on average assets at 12.8% and 1.6%, respectively

Net interest income and fees, accounting for 90% of total income, jumped by a third to ₱4.5 bn. Net interest income soared by 41% to ₱3.5 bn in view of higher interest income on loans, and trading and investment securities. Fee-income, similarly increased by 11% to ₱1.0 bn attributed to the sustained growth in consumer-based asset businesses. Operating expenses, on the other hand, rose by 10% to ₱2.6 bn largely due to compensation related items.

As of end-March 2016, UnionBank's total resources settled at ₱419.8 bn, slightly lower against the ₱433.3 bn reported as of end-December 2015. Aligned with the Bank's shift to accrual income, the Bank continues to build up its loans and securities portfolio as well as reduce low-yielding assets. Loans and other receivables-net expanded by 6% to ₱190.0 bn. Trading and investment securities climbed by 11% to ₱112.8 bn. Due from banks and interbank loans decreased by 31% to ₱73.5 bn. Deposit liabilities, meanwhile, posted a 2% growth to ₱316.6 bn as the 6% growth in time deposits more than offset the 4% contraction in demand and savings. Nevertheless, average CASA ratio registered 260 basis points improvement to 37%. The Bank's capitalization remains more than adequate to support the growth of its business segment, with a capital adequacy ratio of 15.5%.

Food

AEV's non-listed food subsidiaries, namely Pilmico Foods Corporation, Pilmico Animal Nutrition Corporation and Pilmico International Pte Limited, posted a 6% decline YoY in its first quarter income contribution to AEV in 2016 amounting to ₱389 mn from ₱416 mn last year. Feeds Philippines was the sole gainer across all divisions. Feeds Philippines' bottomline improved by 39% to ₱203 mn on account of strong volume and lower raw material prices. On the other hand, Feeds Vietnam, Flour and Farms all reported a drop in income contributions largely driven by lower prevailing selling prices. Feeds Vietnam fell to ₱14 mn as the drop in selling prices was faster than the drop in raw material costs. Depressed flour prices and lower volume dragged Flour's first quarter income to ₱162 mn, 9% lower YoY. Despite the increase in Farms' volume attributable to the sow level expansion, the significant drop in live hog prices resulted in the 66% drop in first quarter income contribution to ₱20 mn.

Real Estate

AEV's real estate subsidiary, Aboitiz Land, Inc.'s (AboitizLand) income contribution to AEV for the first quarter decreased by 38% YoY, from ₱80 mn to ₱50 mn.

AboitizLand posted a revenue of ₱500 mn at the end of the first quarter of 2016, 13% lower YoY from ₱576 mn. The residential business unit brought in 56% of contribution to revenues amounting to ₱282 mn, the industrial business unit contributed 37% or ₱186 mn, while the commercial business unit brought in 6% or ₱32 mn. Although residential sales were ahead of target and grew 75% higher compared to same period last year, consolidated revenues are down as revenues are recognized under the percentage-of-completion (POC) method. Under the POC method, revenue is recognized based on percentage of actual work done. The pace of construction in the first quarter of 2016 was slower than that of the same period last year. The YoY decrease in net income is also driven by higher operating expenses, as part of the organization's expansion.

AboitizLand gears up for an exciting 2016 as various projects in the pipeline are being prepared for launch. To support growth initiatives, the AboitizLand has spent ₱519 mn in capex this quarter out of the annual target of ₱4.6 bn. Project development accounted for 62%, land acquisition accounted for 28%, while the remaining 10% was spent for other corporate initiatives.

Infrastructure

AEV's infrastructure unit, Republic Cement and Building Materials, Inc. (RCBM) posted an income contribution to AEV of ₱391 mn for the period in review. It started contributing mid-September last year.

RCBM had a strong performance in the first quarter of 2016 with cement demand supported by strong foreign direct investments in the BPO sector, which helped fuel demand for medium to high rise office space; OFW remittances, which helped fuel demand for residential homes; and increasing government infrastructure spend.

Financial Condition

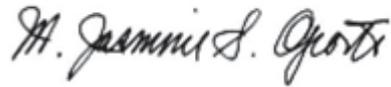
As of March 31, 2016, the Company's consolidated assets amounted to ₱370.6 bn, reflecting a 9% increase as compared to the year-end 2015 level. Cash and cash equivalents was at ₱82.7 bn, 30% higher than the year-end 2015 level of ₱63.6 bn. Consolidated liabilities amounted to ₱220.4 bn while Equity Attributable to Equity Holders of the Parent increased by 2% to ₱120.4 bn. Current ratio as of March 31, 2016 remained benign at 2.6x (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:

A handwritten signature in black ink, appearing to read "M. Jasmine S. Oporto". The signature is written in a cursive style with a large initial "M" and a long, sweeping underline.

M. JASMINE S. OPORTO

Corporate Secretary

Date: May 6, 2016