

July 28, 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. ZUNO 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  
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. July 28, 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 6.   
Province, country or other jurisdiction of incorporation Industry Classification Code

7. 32<sup>nd</sup> 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
<u>Common Stock ₱1 Par Value</u>	<u>5,565,461,557</u>
<u>Amount of Debt Outstanding (March 31, 2016)</u>	<u>₱178,583,494,925.00</u>

11. Indicate the item numbers reported herein: 9

Item 9 : Other Events

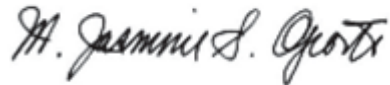
Please see attached.

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 some capitalization.

**M. JASMINE S. OPORTO**

Corporate Secretary

Date: July 28, 2016

**PRESS RELEASE**  
**28 July 2016**

## **AEV reports 34% increase in first half net income**

Aboitiz Equity Ventures, Inc. (AEV or the “Company”) ended the first half of the year with a consolidated net income up 34% year-on-year (YoY) to ₱10.5 billion from ₱7.8 billion. This translates to ₱1.89 in earnings per share. Power accounted for 67.1%, followed by Banking and Financial Services, Food, Infrastructure, and Land strategic business units (SBUs) with income contributions of 16.8%, 7.8%, 7.6% and 0.7%, respectively.

For the period ending June 30, 2016, the Company incurred a non-recurring gain of ₱100 million (versus last year’s one-time loss of ₱110 million), which largely resulted from the power unit’s gain on step acquisition of East Asia Utilities Corporation. Adjusting for these one-offs, AEV’s core net income amounted to ₱10.4 billion, 31% higher YoY.

“Our two-pronged strategy of organic growth in our existing businesses and diversifying our income streams from our fifth leg—infrastructure-related businesses—is on track and paying off. We are very pleased with the strong contribution of our cement business and the prospects of infrastructure moving forward,” said Erramon I. Aboitiz, AEV President and Chief Executive Officer.

### **Strategic Business Units**

#### **Power**

Aboitiz Power Corporation (AboitizPower) ended the first half of the year with an income contribution to AEV of ₱7.7 billion, registering a 24% increase compared to the previous year’s ₱6.2 billion. AboitizPower’s bottomline performance recorded a 24% YoY increase, from ₱8 billion to ₱10 billion. When adjusted for one-off items, the company’s core net income for the first semester of 2016 amounted to ₱9.8 billion, up by 20% YoY.

The power generation business group accounted for 82% of earnings contributions from AboitizPower’s business segments, recording an income share of ₱8.1 billion, up 27% YoY. Netting out one-off items, AboitizPower’s generation business amounted to ₱8.2 billion for the period, which was 25% higher than last year.

As of semester end, AboitizPower’s attributable capacity sales rose by 13% YoY from 1,795 MW to 2,020 MW. Therma South, Inc.’s new capacity contribution primarily accounts for the increase in capacity. Magat Dam’s better water inflow, particularly in June, further augmented capacity sales.

Meanwhile, the power distribution group’s earnings share for the first semester of 2016 grew by 3%, from ₱1.7 billion to ₱1.8 billion. Total attributable electricity sales increased by 7% YoY, from 2,338 GWh to 2,512 GWh. The sales growth was driven by Visayan Electric Co., Inc., Davao Light & Power Company, Inc., and San Fernando Electric Light & Power Co., Inc.

#### **Banking & Financial Services**

Union Bank of the Philippines and its subsidiaries posted ₱1.9 billion of income contribution to AEV, registering a 121% increase compared to previous year’s ₱866.7 million. The surge in net income is primarily attributed to the robust growth in core recurring income. This

translated to return on average equity and return on average assets at 15.6% and 1.9%, respectively.

### **Food**

AEV's non-listed food subsidiaries, Pilmico Foods Corporation, Pilmico Animal Nutrition Corporation, and Pilmico International Pte Limited, posted an ₱885 million income contribution to AEV, remaining relatively flat YoY during the first half of 2016 compared to the previous year.

Feeds Philippines' bottomline improved by 36% to ₱436 million from last year's ₱321 million on account of strong volume and lower raw material prices. Despite depressed flour prices, Flour's net income for the first half of the year was 3% higher YoY at ₱366 million from last year's ₱357 million with increased volume and better by-product performance.

On the other hand, Feeds Vietnam and Farms both reported a drop in net income contributions, largely driven by lower prevailing selling prices. Feeds Vietnam fell to ₱24 million with the decline in volume due to decreased demand from external customers; income over ingredient cost likewise dropped on account of the decrease in selling prices, reducing net income by 68% YoY from last year's ₱75 million. Despite the increase in Farms' volume attributable to the sow level expansion, the significant drop in live hog prices against last year resulted to the 55% decrease in first half performance of net income to ₱59 million from last year's ₱131 million.

### **Land**

AEV's land subsidiary, Aboitiz Land, Inc.'s (AboitizLand) income contribution to AEV for the first half of 2016 decreased by 60% YoY to ₱85 million from last year's ₱213 million.

AboitizLand posted revenues of ₱1 billion, 16% lower YoY from last year's ₱1.2 billion. The drop was driven by the 63% decrease in revenues of the Industrial BU due to the lower Lima Land, Inc. sales as prospective locators held off commitments in light of the recent national elections, but still mitigated by the residential and commercial BUs recording revenue growth of 8% and 16% YoY, respectively, supported by their respective markets' growing interest.

### **Infrastructure**

AEV's infrastructure unit, Republic Cement and Building Materials, Inc. (RCBM) posted an income contribution to AEV of ₱869 million for the period. It started contributing mid-September last year.

RCBM had a strong performance in the first half of 2016 with cement demand supported by growth in commercial and other non-residential spaces, sustained demand in the residential sector and sustained government infrastructure spending.

### **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.

###

For further queries on this Press Release, please contact:

**THET R. MESIAS**  
**Corporate Branding and Communication**  
**ABOITIZ EQUITY VENTURES, INC.**  
[thet.mesias@aboitiz.com](mailto:thet.mesias@aboitiz.com)  
**+632 886-2497**  
**+63917 3036766**