
abootiz

Equity Ventures

Fourth Quarter / Full Year 2009
Financial & Operating Results
5 March 2010

AGENDA

- **Overview**
- **AEV Financials**
- **Review of Business Units**
 - Aboitiz Power Corporation
 - Union Bank of the Philippines
 - Aboitiz Transport System
 - Pilmico Foods Corporation
- **Q&A**

AGENDA

- Overview
- **AEV Financials**
- **Review of Business Units**
 - Aboitiz Power Corporation
 - Union Bank of the Philippines
 - Aboitiz Transport System
 - Pilmico Foods Corporation
- Q&A

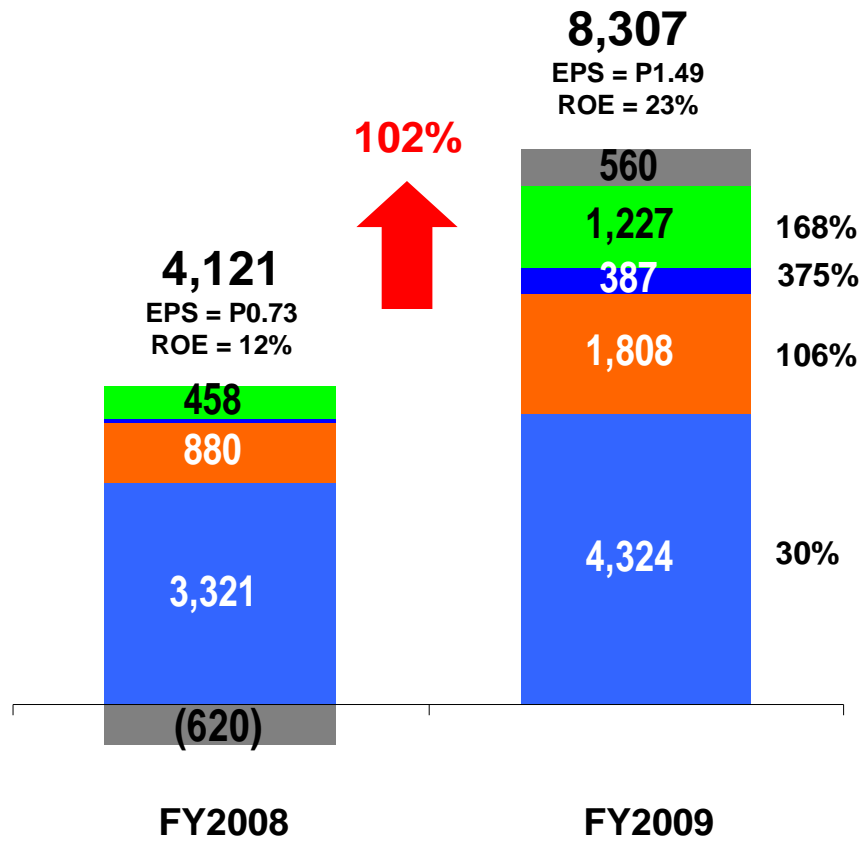
CONSOLIDATED PROFIT & LOSS (In Million Pesos)



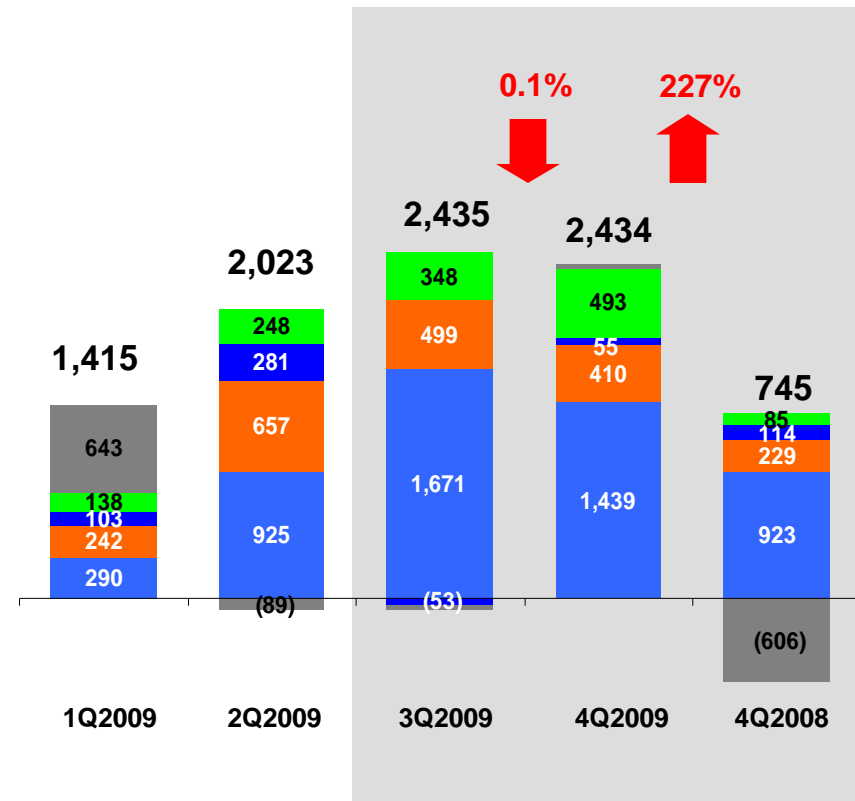
	4Q2008	4Q2009	% Ch	FY2008	FY2009	% Ch
Revenues	9,132	15,279	67%	35,862	46,195	29%
Equity Earnings	1,121	1,152	3%	3,625	4,322	19%
EBITDA	2,520	5,628	123%	8,701	15,643	80%
Net Income	745	2,434	227%	4,121	8,307	102%
Core Net Income	1,359	2,016	48%	4,896	7,346	50%
Core Net Income (Ex Pagbilao Effect)	1,359	3,168	133%	4,896	8,498	74%

NET INCOME (In Million Pesos)

FY RESULTS



4Q RESULTS



■ Power
 ■ Banking
 ■ Transport
 ■ Food
 ■ Parent & Others

NON-RECURRING ITEMS (In Million Pesos)

	1Q2009	2Q2009	3Q2009	4Q2009	4Q2008	FY2009	FY2008
Parent	633	(0)	(0)	(0)	(574)	632	(571)
Power	(83)	(121)	73	411	(39)	281	(252)
Transport			41	7	0	48	48
Total	550	(121)	114	418	(614)	961	(775)

4Q2009

- **Parent:** P0.5 mn FX loss
- **Power:** P369 mn FX gain; P36 mn one-off costs related to the Tiwi-Makban acquisition and Pagbilao IPPA contract; P78 mn reversal of NPC charges for ancillary services
- **Transport:** P43 mn gain on sale of assets; P36 mn goodwill impairment on investments

4Q2008

- **Parent:** P0.4 mn FX gain; P575 mn provision for impairment of ATS investment
- **Power:** P1.5 mn FX loss; P43 mn project write-off; P5.5 mn reversal due to arbitration settlement
- **Transport:** P0.1 mn gain on sale of assets

FY2009

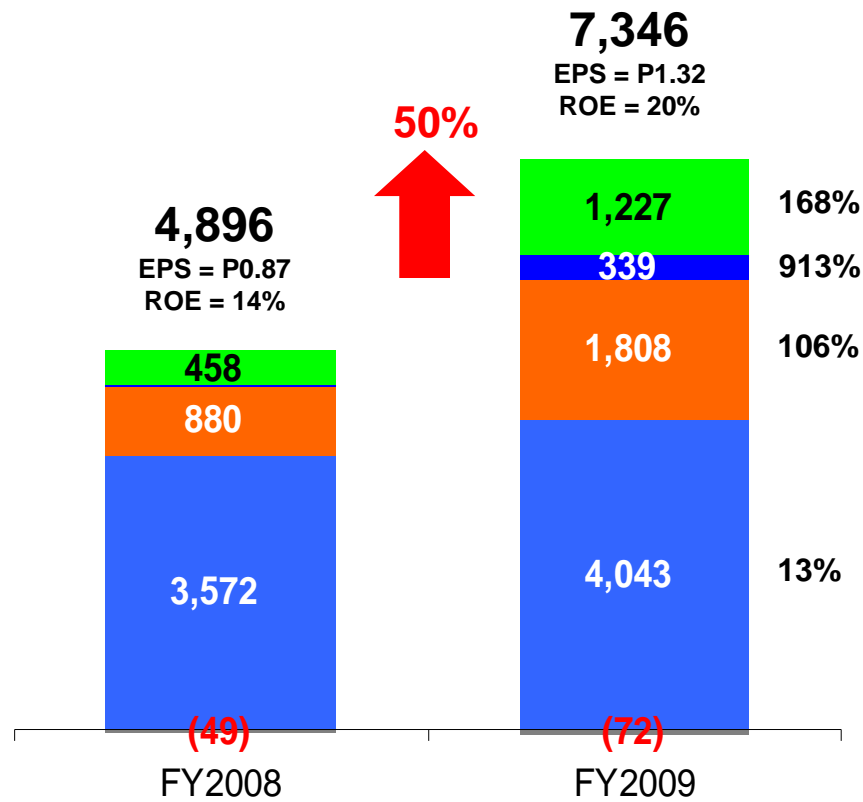
- **Parent:** P0.5 mn FX loss; P575 mn reversal of impairment of ATS investment; P58 mn of booked revenue for option fee for ATS (net of tax)
- **Power:** P380 mn FX gain; P142 mn acquisition-related cost for APR1; P36 mn one-off cost for Pagbilao IPPA contract; P78 mn reversal of NPC charges for ancillary services
- **Transport:** P84 mn gains on asset/business sale; P36 mn goodwill impairment on investment

FY2008

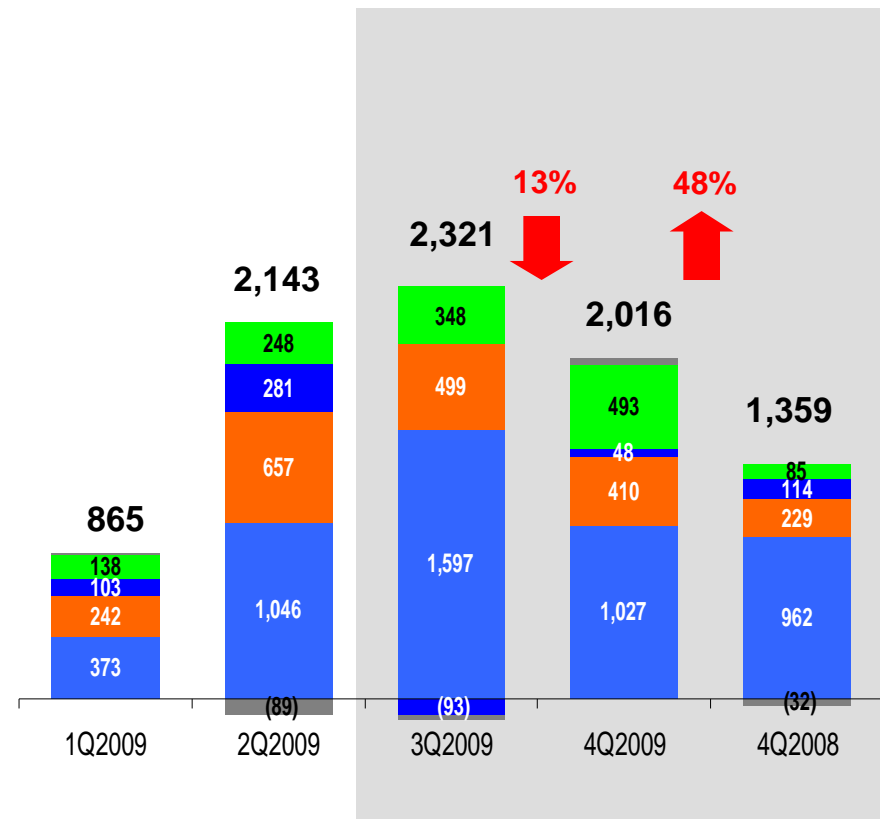
- **Parent:** P3.4 mn FX gain; P575 mn provision for impairment of ATS investment
- **Power:** P406 mn FX loss; P43 mn project write-off; P198 mn reversal due to arbitration settlement
- **Transport:** P48 mn gain on sale of assets

CORE NET INCOME (In Million Pesos)

FY RESULTS



4Q RESULTS

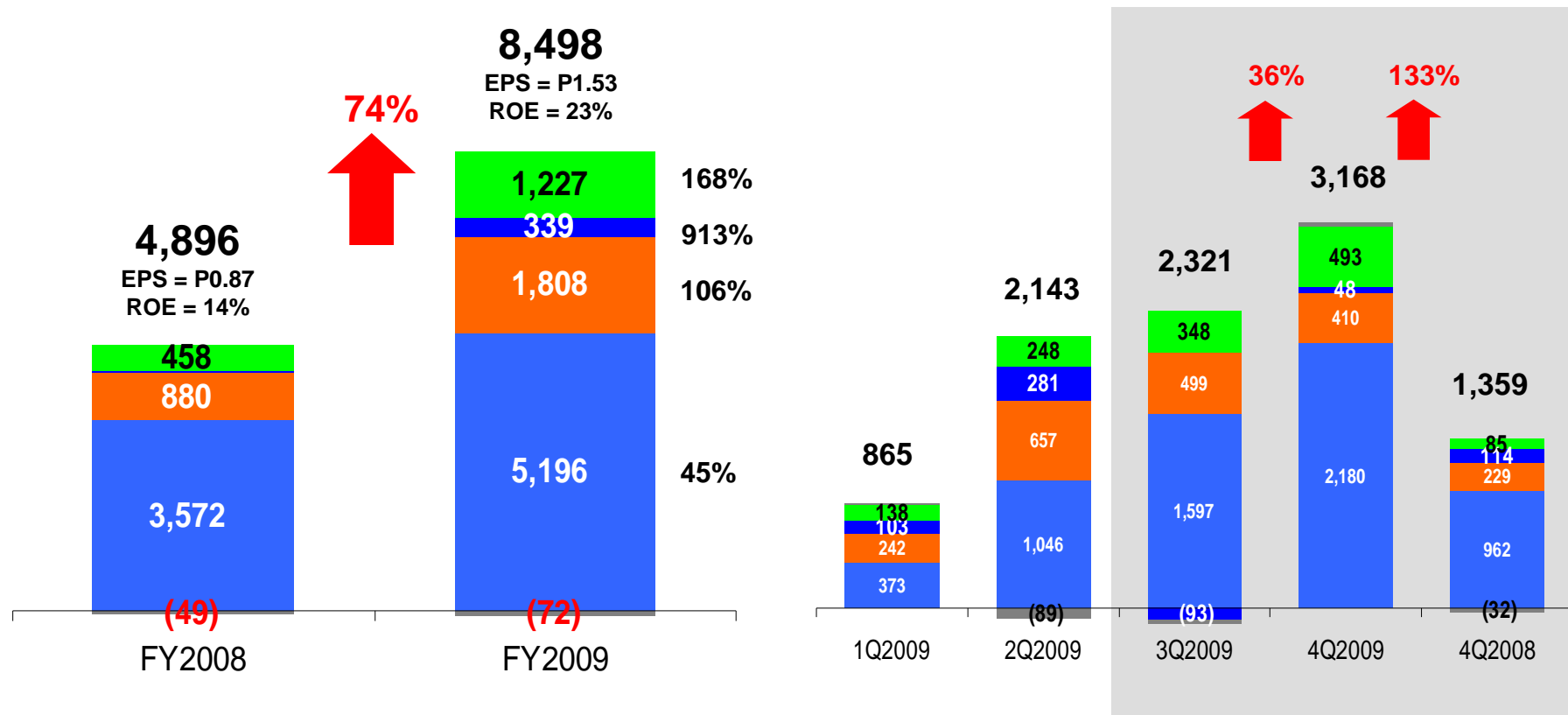


■ Power
 ■ Banking
 ■ Transport
 ■ Food
 ■ Parent & Others

CORE NET INCOME , Ex Pagbilao Effect (In Million Pesos)

FY RESULTS

4Q RESULTS



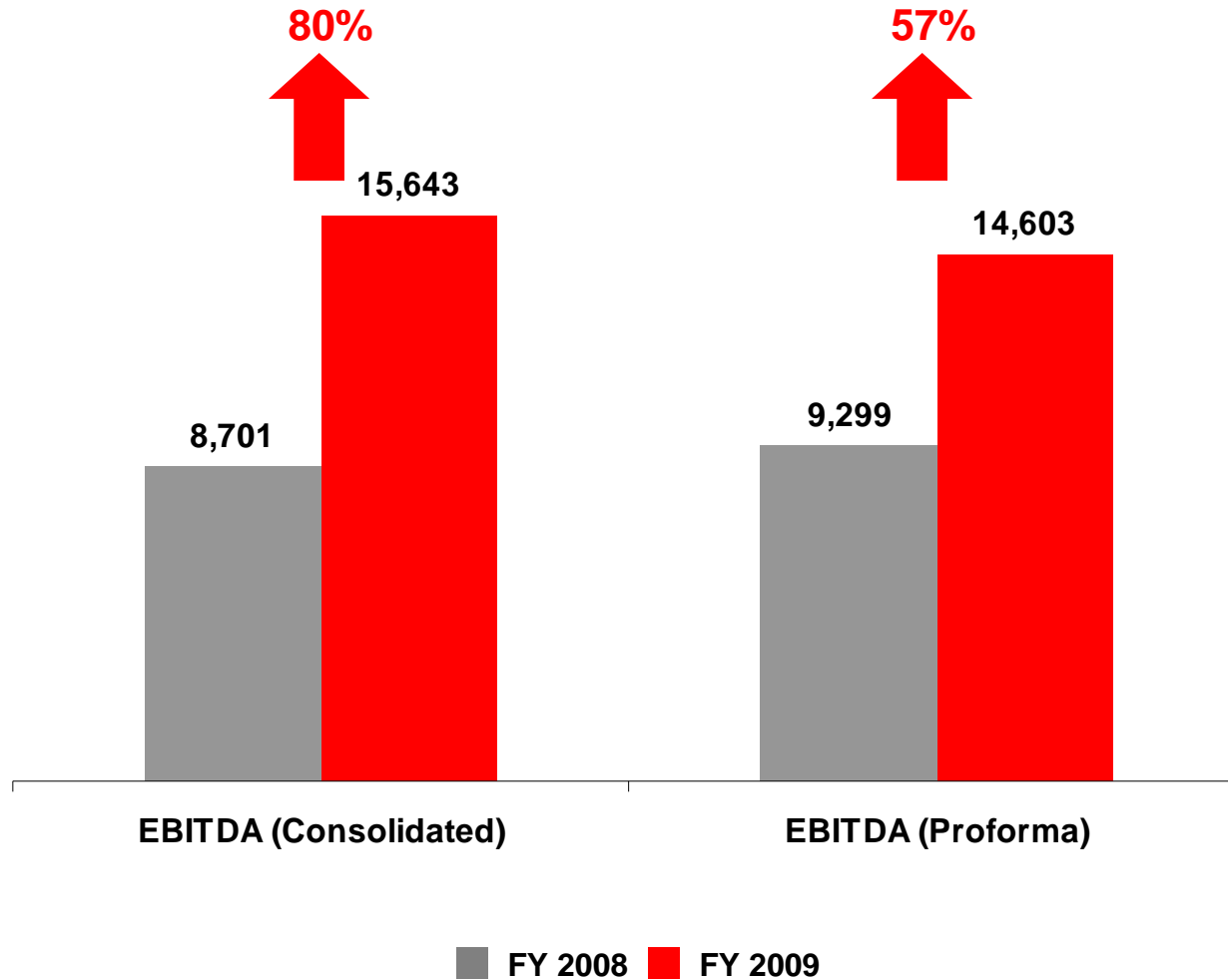
■ Power
 ■ Banking
 ■ Transport
 ■ Food
 ■ Parent & Others

EARNINGS CONTRIBUTION (In Million Pesos)

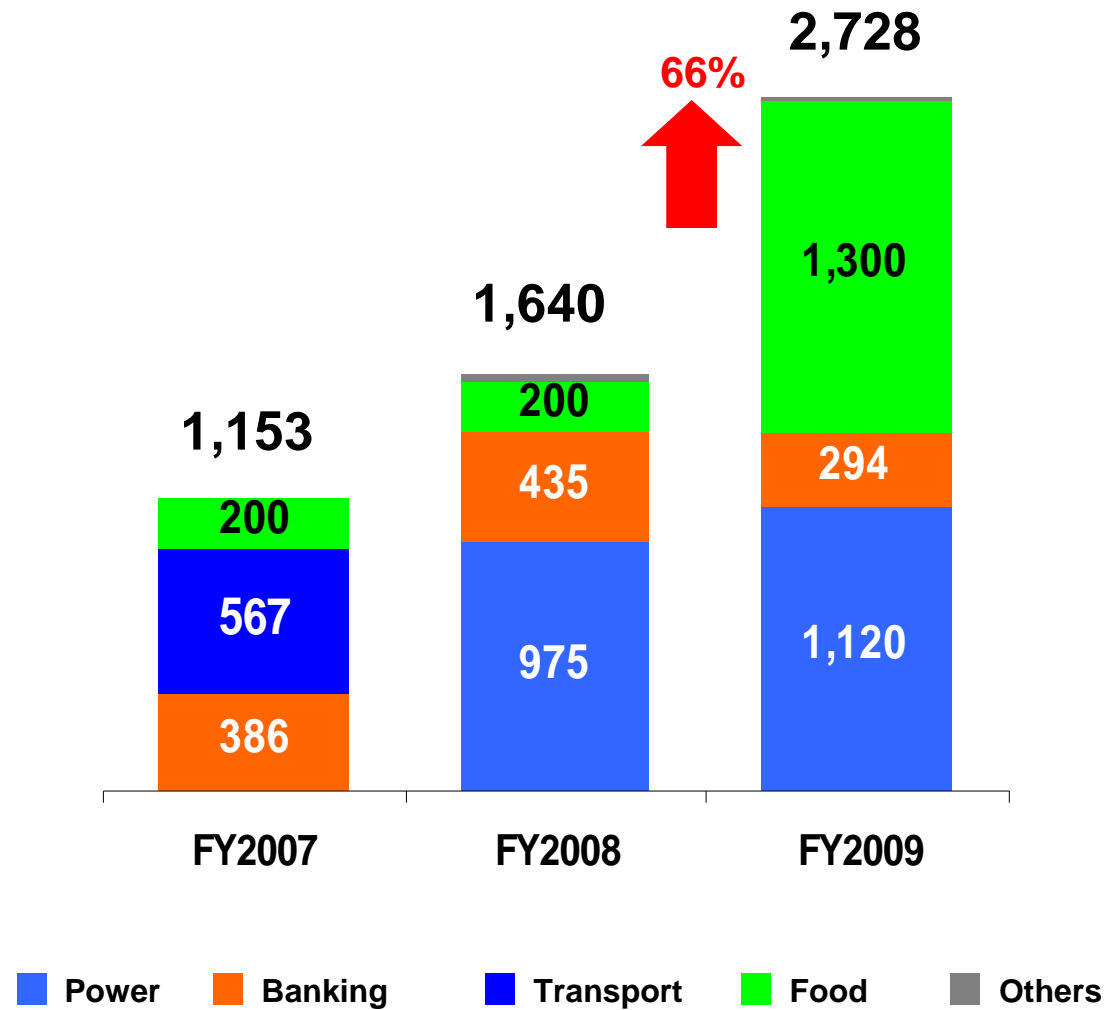


	4Q2008	4Q2009	% Ch	FY2008	FY2009	% Ch
Aboitiz Power Corp.	923	1,439	56%	3,321	4,324	30%
City Savings Bank	10	40	288%	37	96	163%
Union Bank	219	370	69%	843	1,712	103%
ATSC	114	55	-51%	81	387	375%
Pilmico	85	493	479%	458	1,227	168%
Parent & Others	(606)	36	--	(620)	560	--
Net Income	745	2,434	227%	4,121	8,307	102%
Core Net Income	1,359	2,016	48%	4,896	7,346	50%
Core Net Income (Ex Pagbilao Effect)	1,359	3,168	133%	4,896	8,498	74%

EBITDA (In Million Pesos)

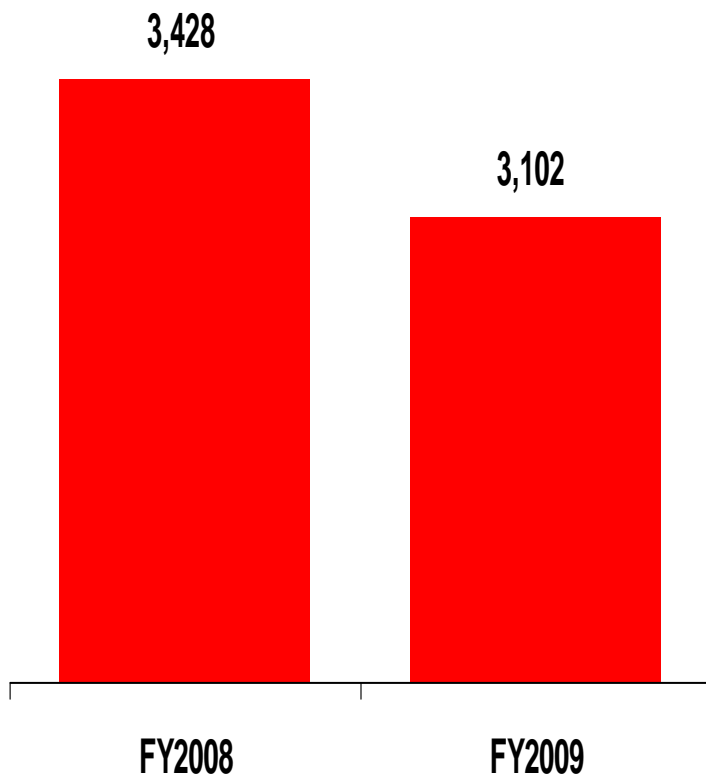


DIVIDENDS RECEIVED (In Million Pesos)

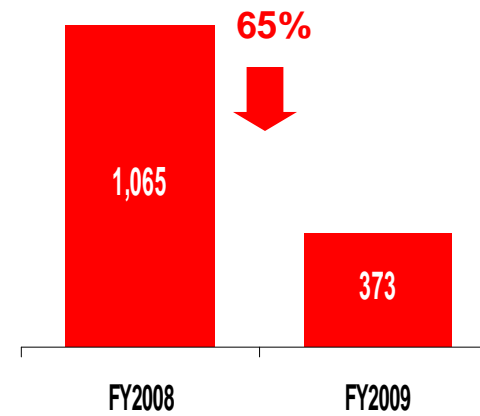


PARENT NET DEBT (In Million Pesos)

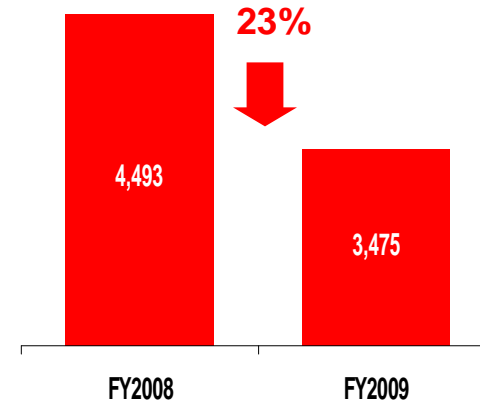
- Parent net debt declined by 10% YOY



Cash & Equivalents



Long-term Debt



CONSOLIDATED BALANCE SHEET / KEY RATIOS



(In Million Pesos, except ratios)	YE 2008	YE 2009	% Change
Cash and Cash Equivalents	15,177	5,576	-63%
Total Assets	75,715	143,260	89%
Total Liabilities	29,059	88,617	205%
Total Equity	46,656	54,642	17%
Book Value Per Share	6.78	8.09	
Current Ratio	1.89	0.79	
Debt to Equity	0.62	1.62	
Net Debt to Equity	0.08	1.28	

- **Overview**
- **AEV Financials**
- **Review of Business Units**
 - Aboitiz Power Corporation
 - Union Bank of the Philippines
 - Aboitiz Transport System
 - Pilmico Foods Corporation
- **Q&A**

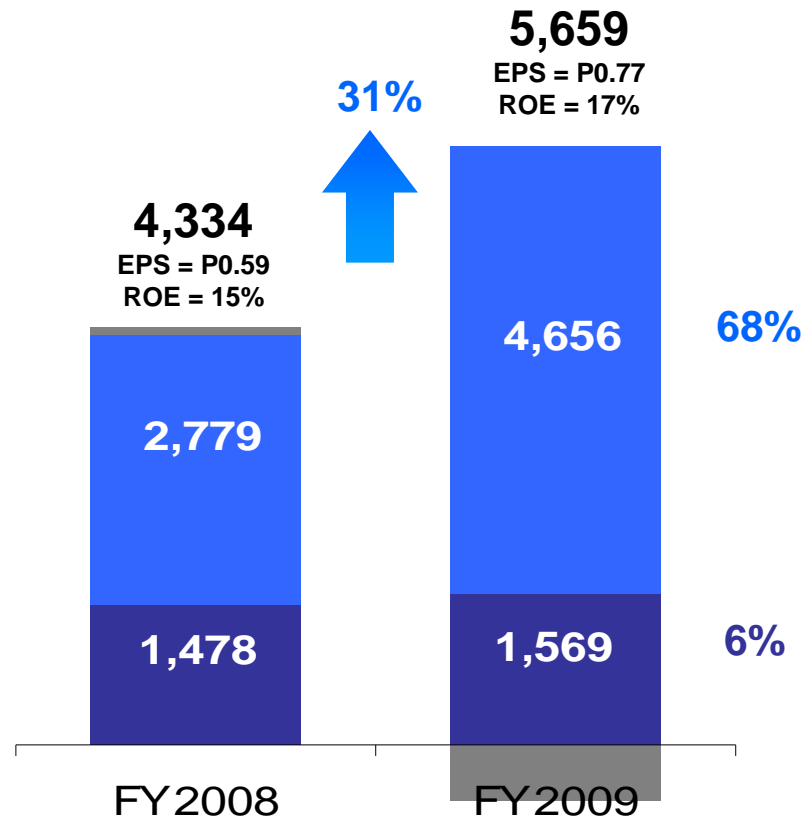
AGENDA

- **Overview**
- **AEV Financials**
- **Review of Business Units**
 - Aboitiz Power Corporation
 - Union Bank of the Philippines
 - Aboitiz Transport System
 - Pilmico Foods Corporation
- **Q&A**

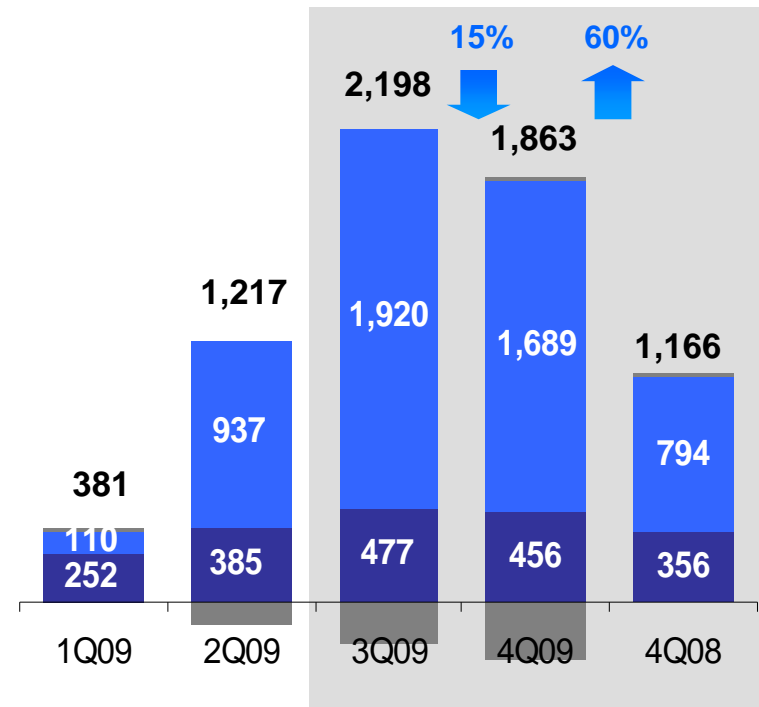
NET INCOME (In Million Pesos)



FY RESULTS



4Q RESULTS



■ Distribution ■ Generation

NON-RECURRING ITEMS (In Million Pesos)



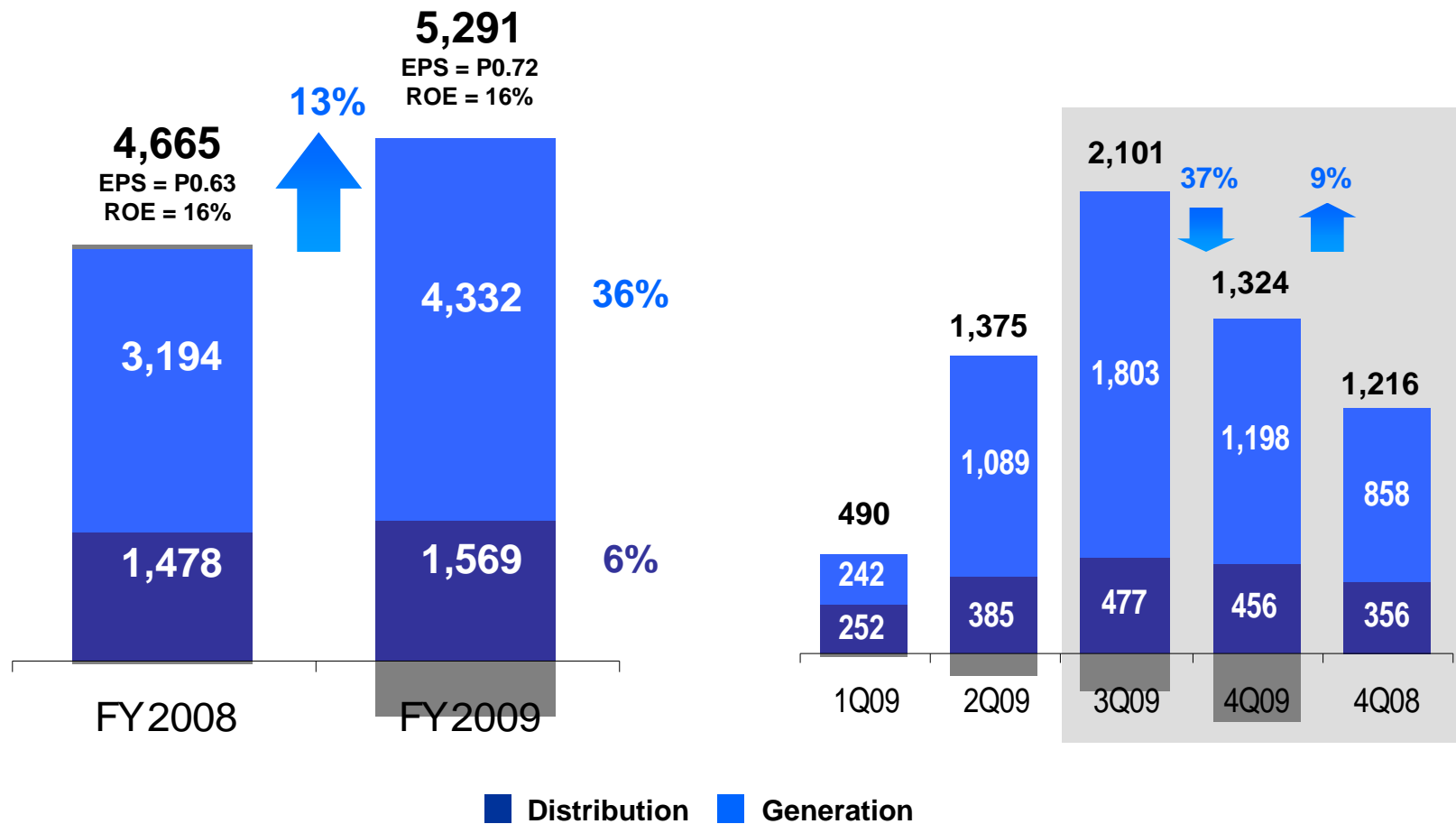
	1Q2009	2Q2009	3Q2009	4Q2009	4Q2008	FY2009	FY2008
FX Gains/(Losses)	(109)	27	97	483	0	497	(534)
Reversal of provisions			-	-	6	-	260
Project cost write-off				-	(57)	-	(57)
Reversal of NPC claims				103		103	
Acquisition-related costs		(186)		(47)		(232)	
Total	(109)	(159)	97	539	(50)	368	(331)

CORE NET INCOME (In Million Pesos)



FY RESULTS

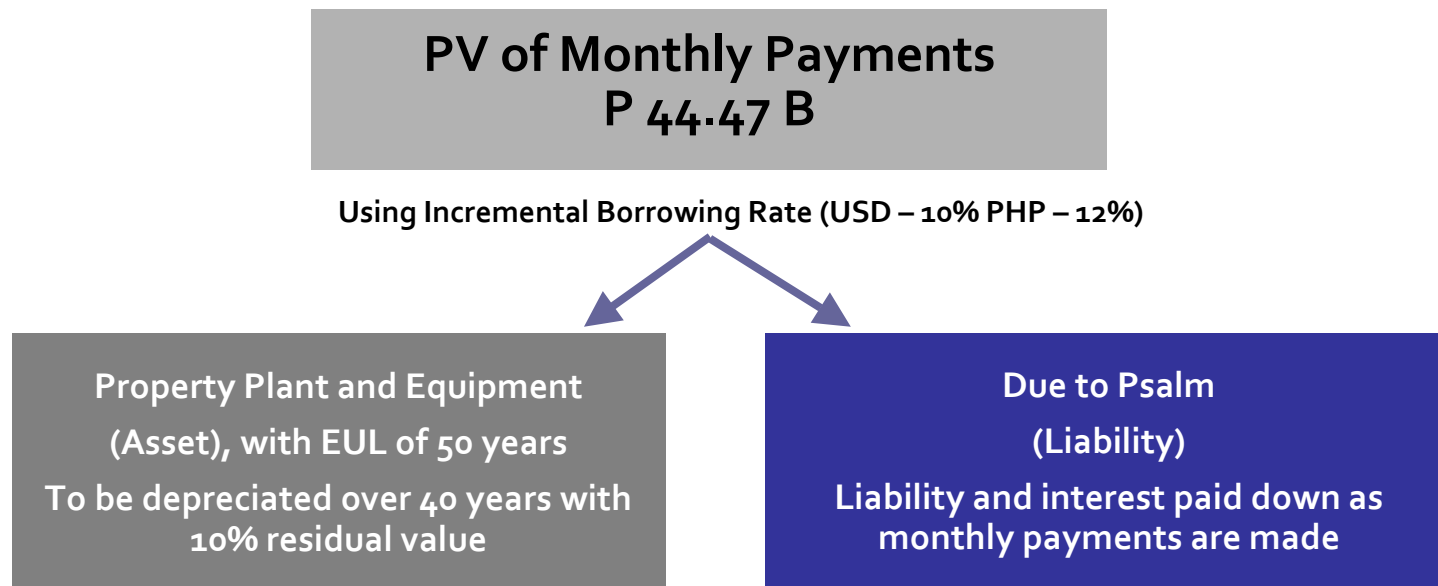
4Q RESULTS



ACCOUNTING TREATMENT OF THE PAGBILAO IPPA CONTRACT



- Pagbilao IPPA Contract is booked as a finance lease
 - PAS 17 defines a Finance Lease as “a lease that transfers substantially all the risks and rewards incident to ownership of an asset”
 - Lessee: the lease is conceived as a purchase of an asset that would require the recognition of an asset (PP&E) and liability



ACCOUNTING TREATMENT OF THE PAGBILAO IPPA CONTRACT



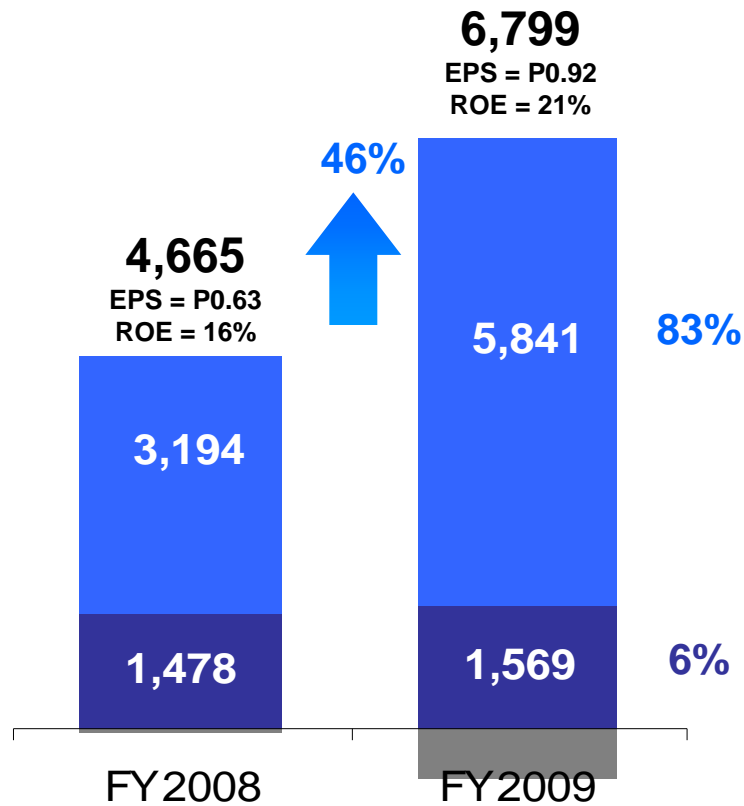
■ Variance between Monthly Payments and Accounting Expenses

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CASH EXPENSE																	
Monthly Payments (FX rate at P47.05:US\$1)	-	1,141	1,141	2,623	7,072	7,072	8,224	8,555	8,555	8,555	8,555	8,555	10,265	10,265	10,265	10,265	5,323
ACCOUNTING EXPENSES																	
Depreciation	274	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095
Accreted Interest Expense	1,235	5,225	5,699	6,202	6,280	6,191	6,021	5,749	5,427	5,068	4,667	4,220	3,615	2,847	1,990	1,033	166
	1,509	6,320	6,794	7,297	7,375	7,286	7,116	6,844	6,522	6,163	5,762	5,315	4,710	3,942	3,085	2,128	1,261
VARIANCE	(1,509)	(5,179)	(5,653)	(4,673)	(303)	(214)	1,108	1,711	2,033	2,392	2,793	3,240	5,556	6,324	7,181	8,138	4,062

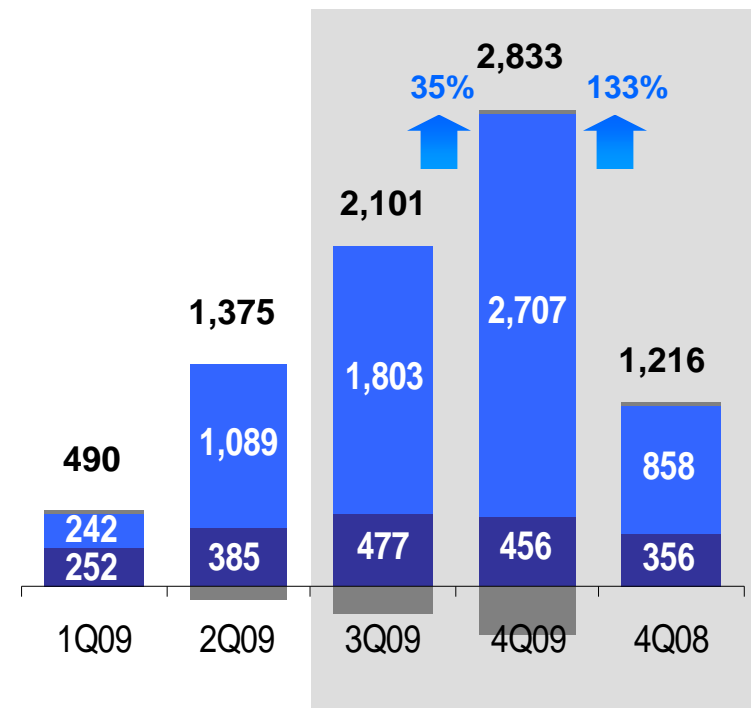
CORE NET INCOME – Ex Pagbilao Effect (In Million Pesos)



FY RESULTS



4Q RESULTS

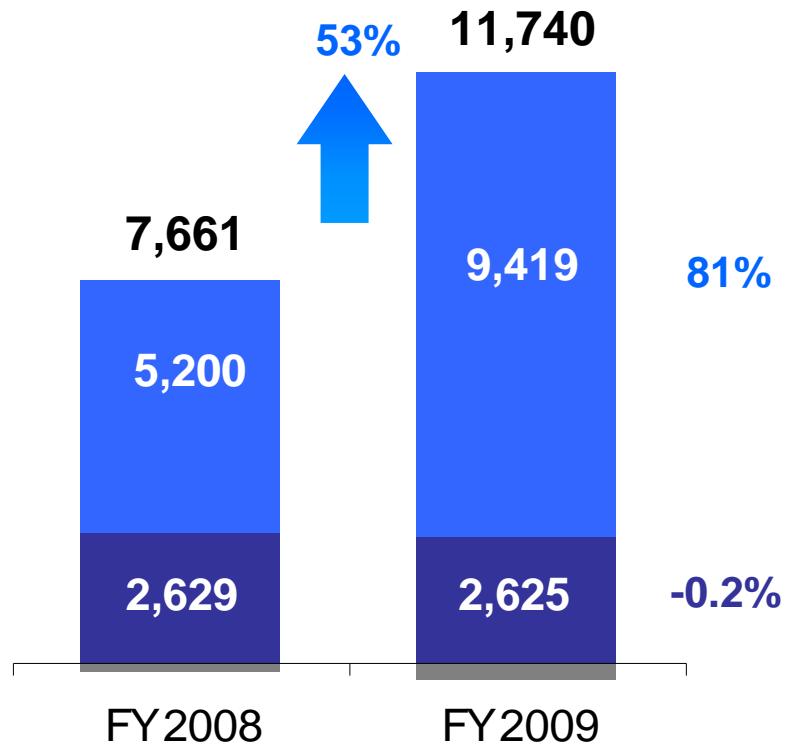


■ Distribution ■ Generation

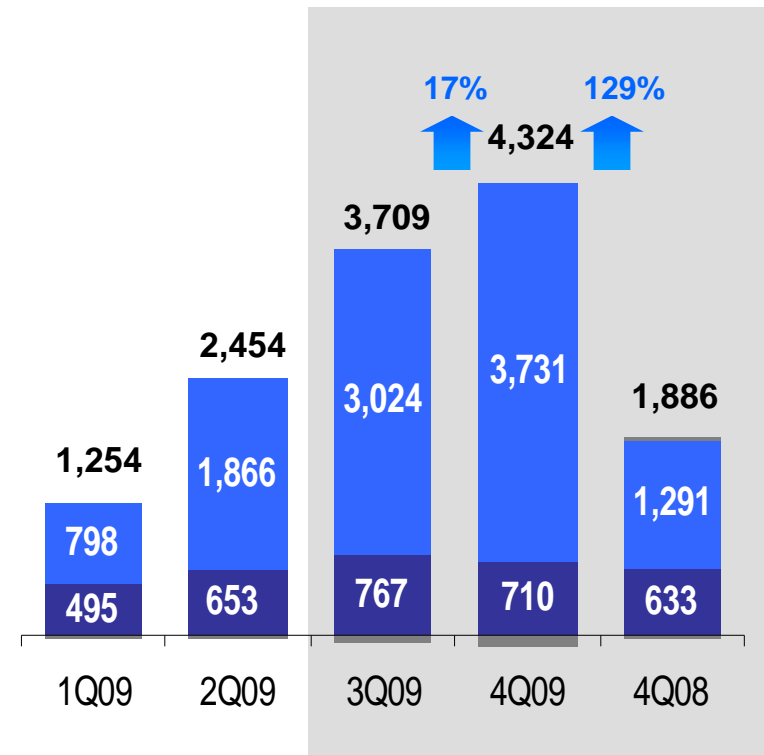
PROFORMA EBITDA (In Million Pesos)



FY RESULTS



4Q RESULTS

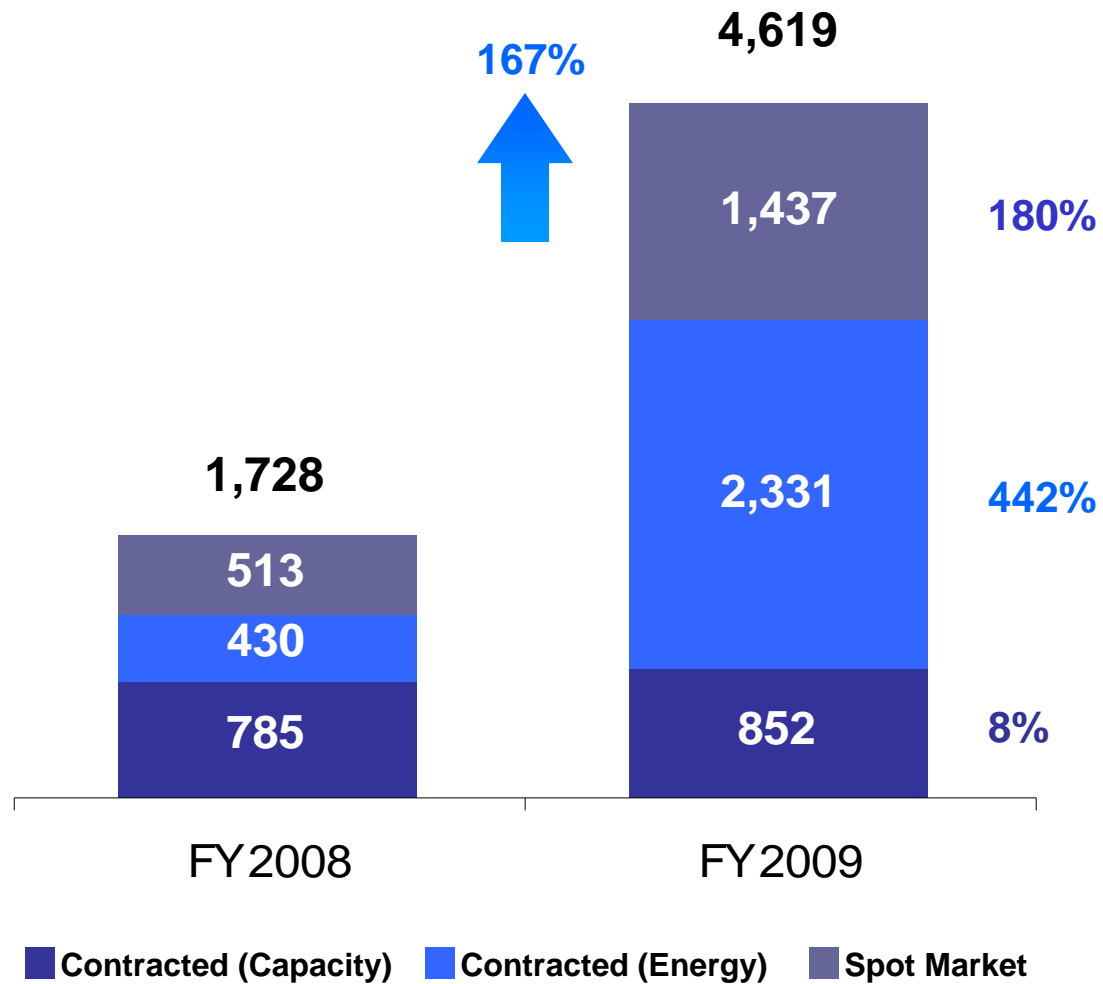


■ Distribution ■ Generation

OPERATING HIGHLIGHTS - GENERATION



ENERGY SALES BREAKDOWN (GWh)

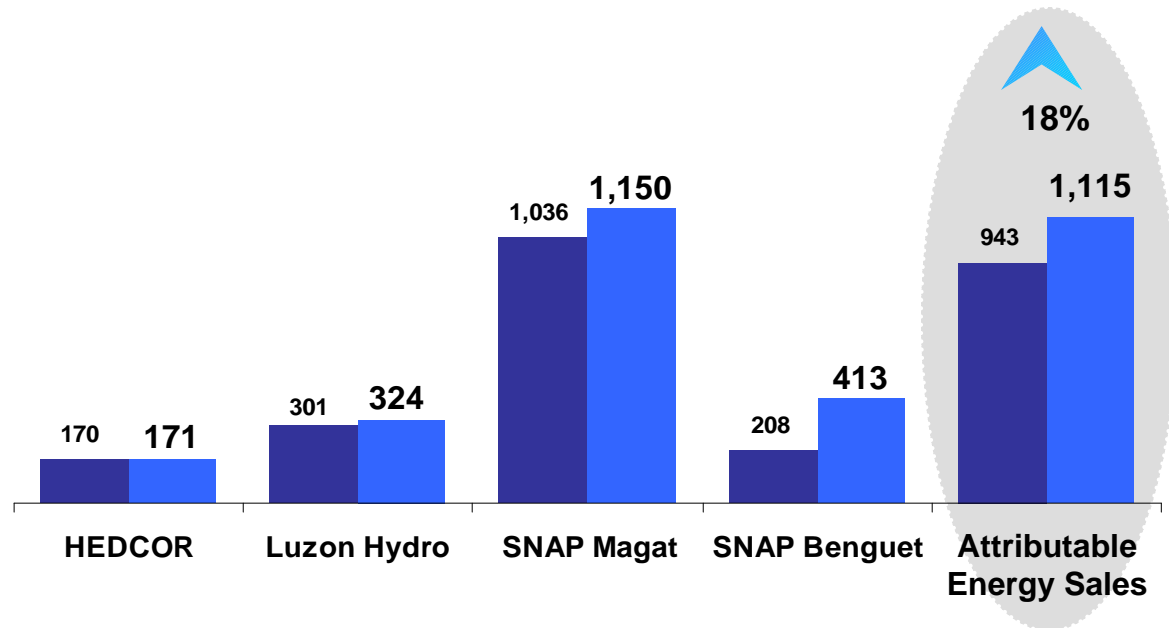


OPERATING HIGHLIGHTS – HYDRO

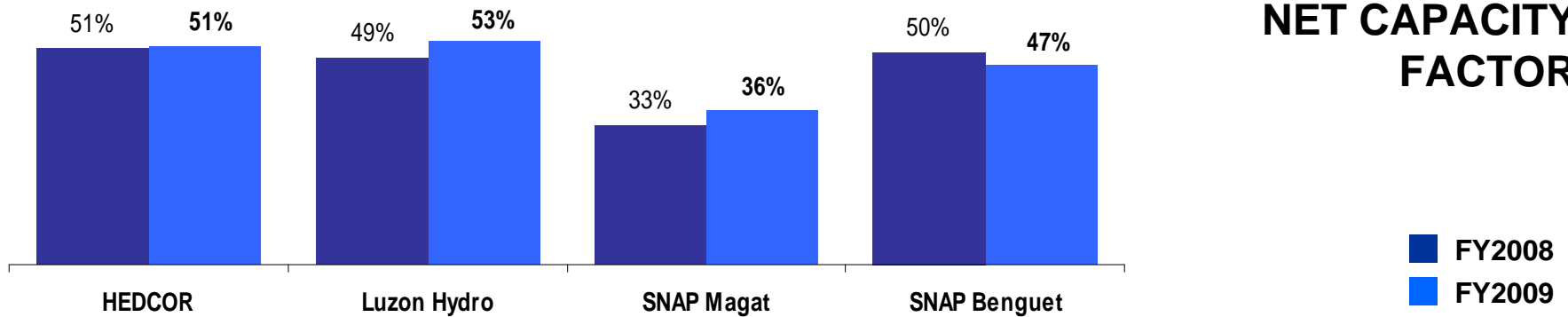


AboitizPower

ENERGY SALES (GWh)



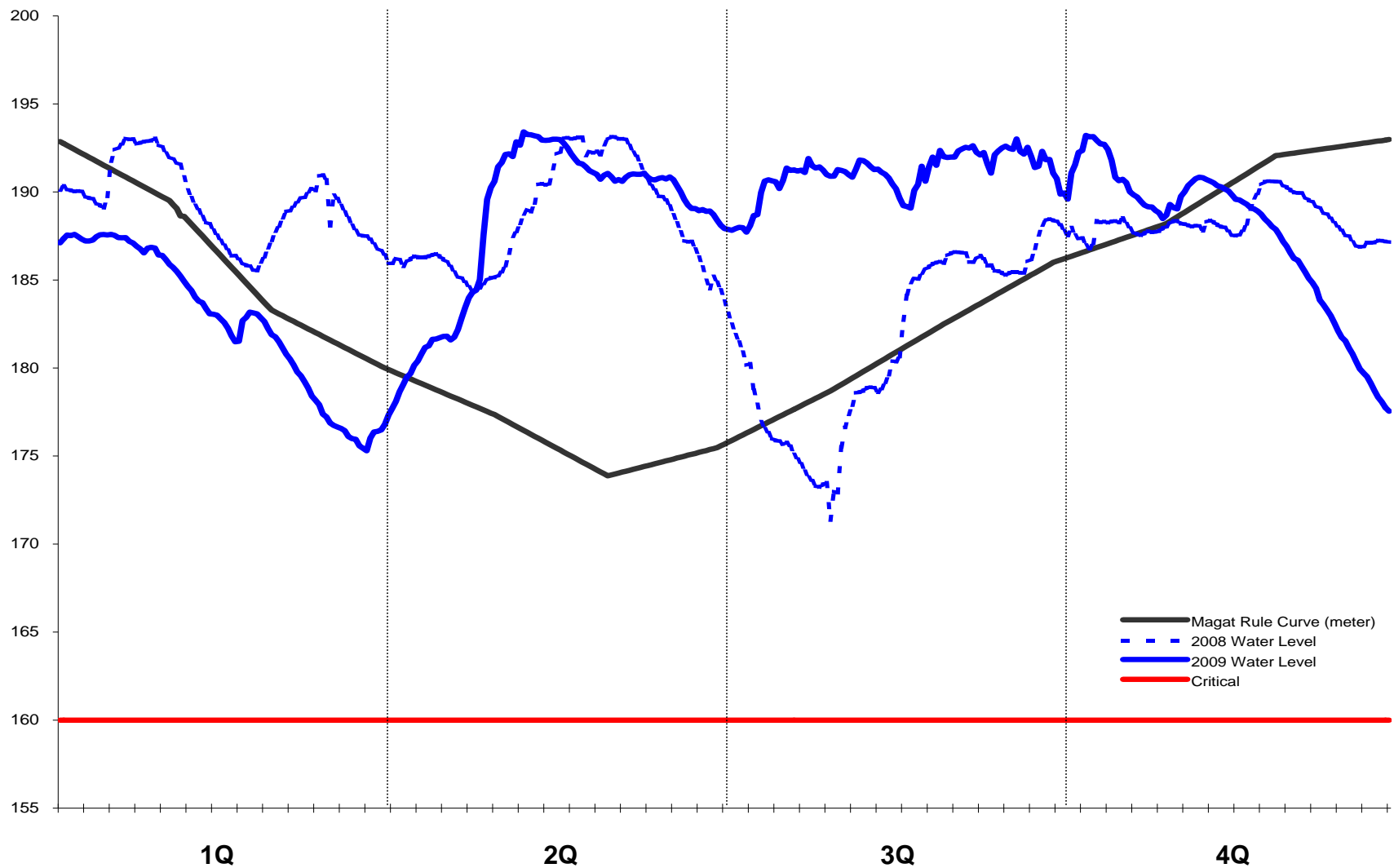
NET CAPACITY FACTOR



Note: SNAP Benguet started operations in July 2008.

OPERATING HIGHLIGHTS – HYDRO

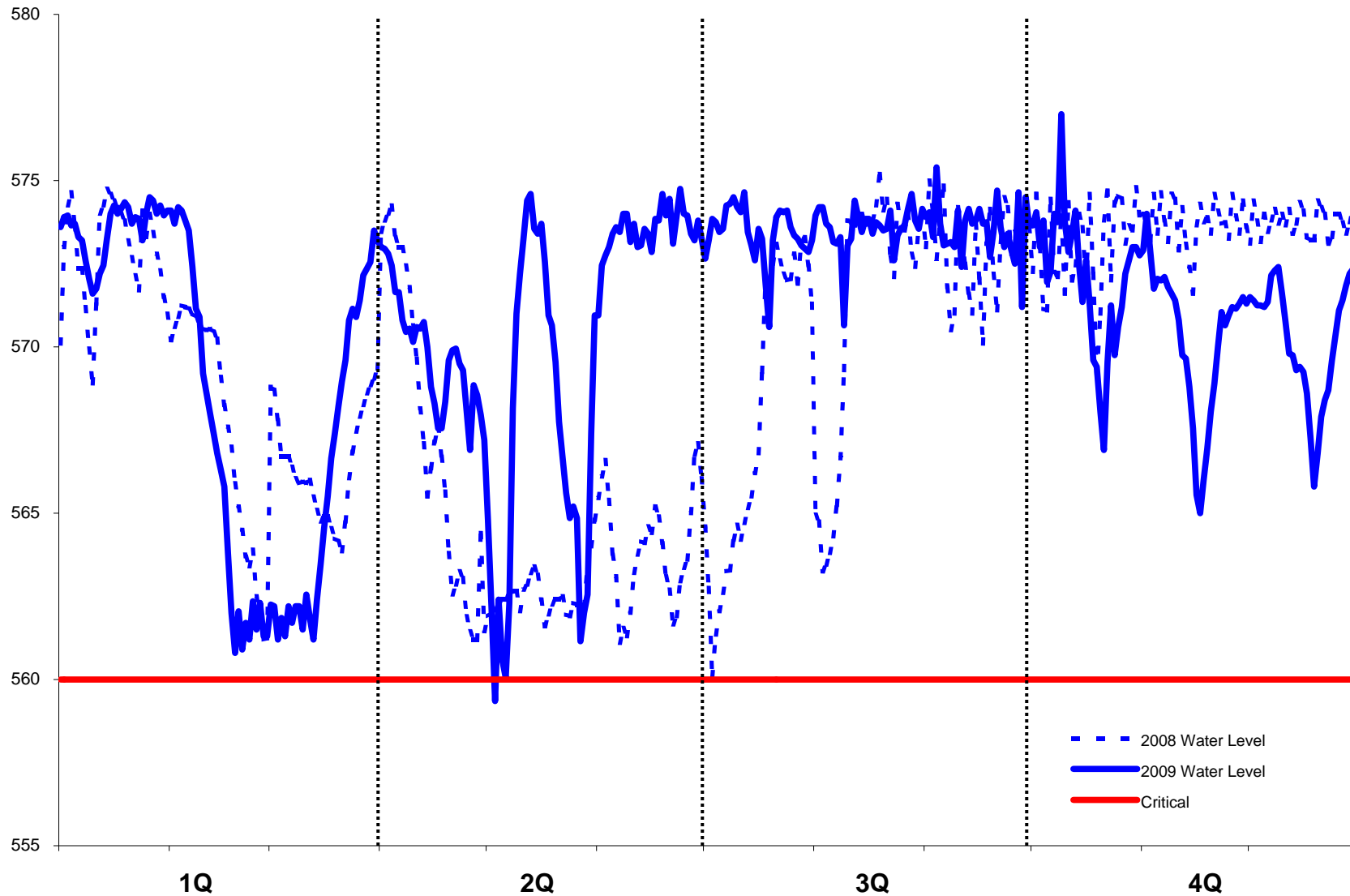
MAGAT'S WATER LEVEL VS. RULE CURVE (in MASL)



Source: SNAP

OPERATING HIGHLIGHTS – HYDRO

BINGA'S WATER LEVEL (in MASL)

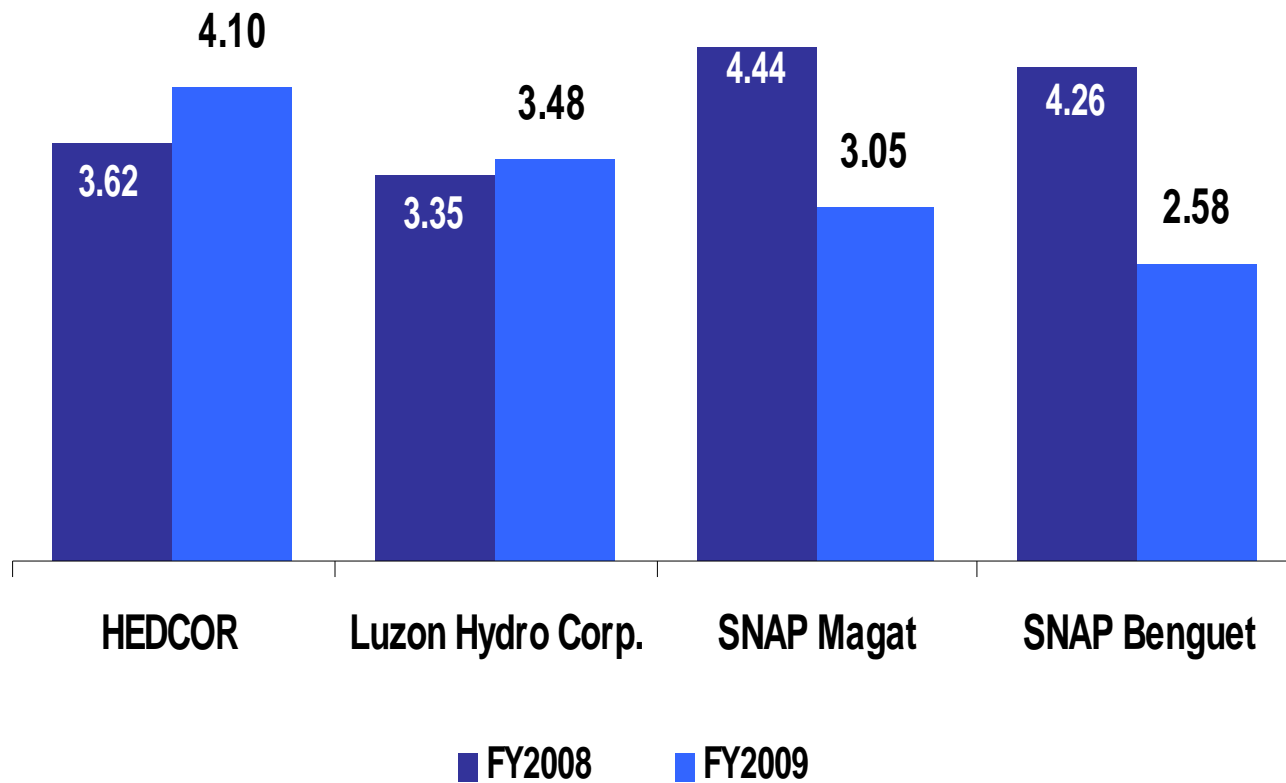


Source: SNAP

OPERATING HIGHLIGHTS – HYDRO



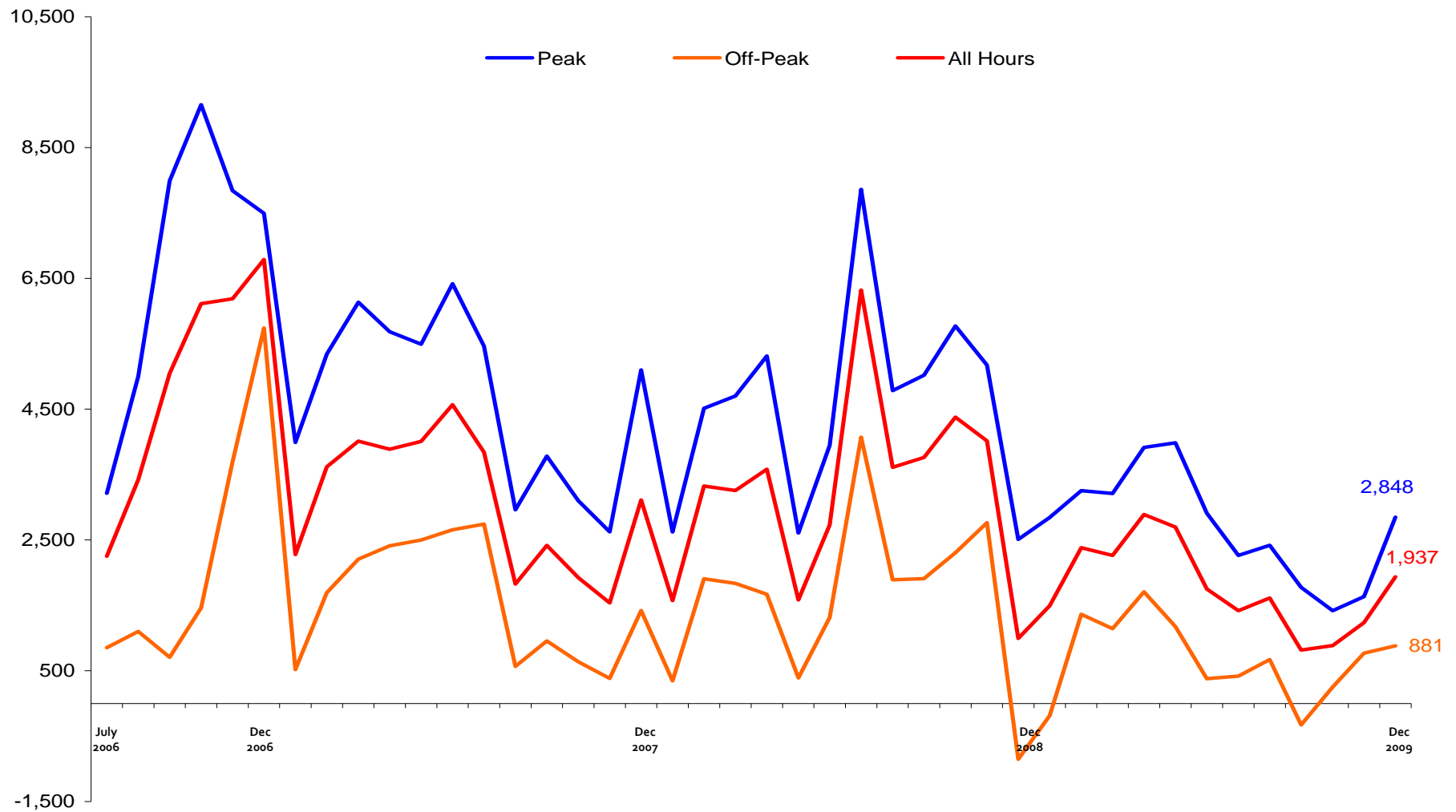
AVERAGE SELLING PRICE (P/kWh)



OPERATING HIGHLIGHTS – HYDRO



WESM PRICES (P/MWh)



Note: Calculated based on raw data downloaded from the WESM website. July 26 – October 25 prices are reflective of NPC TOU rates.
Source: WESM, SNAP

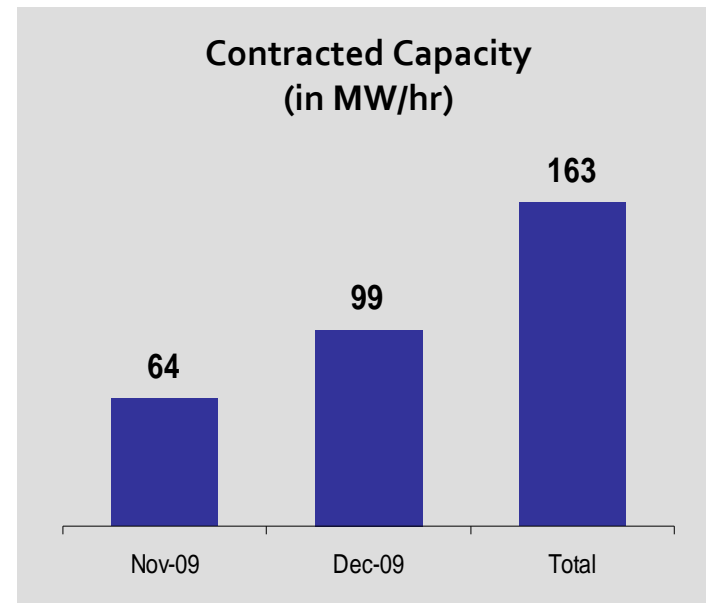
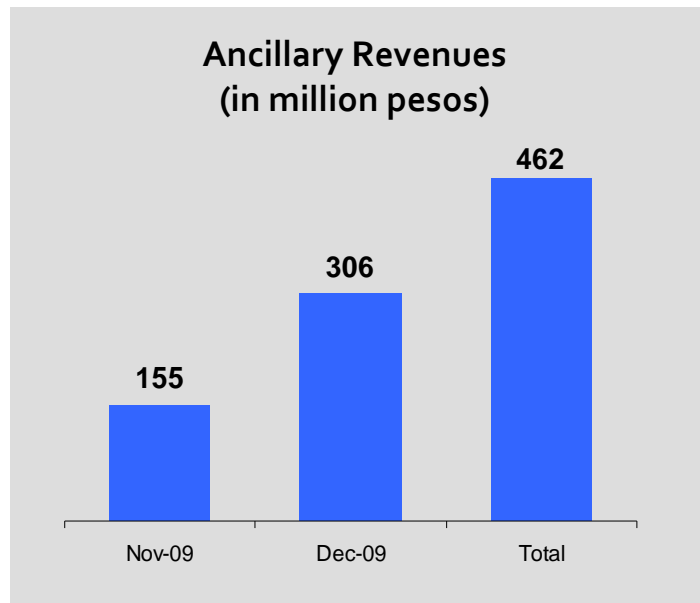
OPERATING HIGHLIGHTS – HYDRO



ANCILLARY SERVICES PROCUREMENT AGREEMENT

▪ NGCP and SNAP Magat

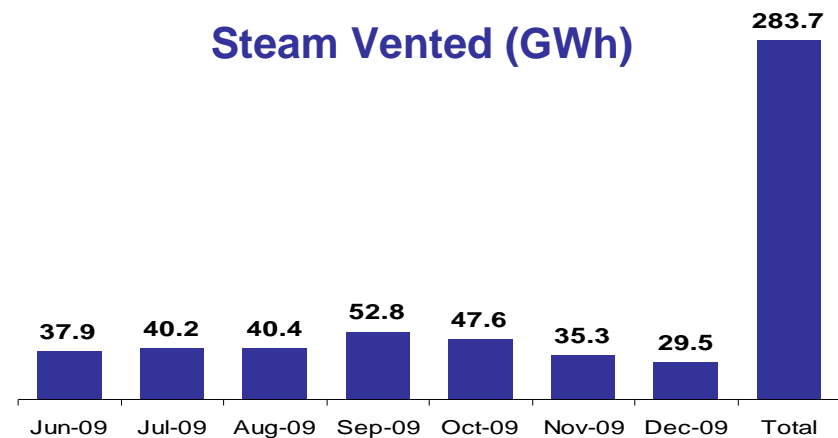
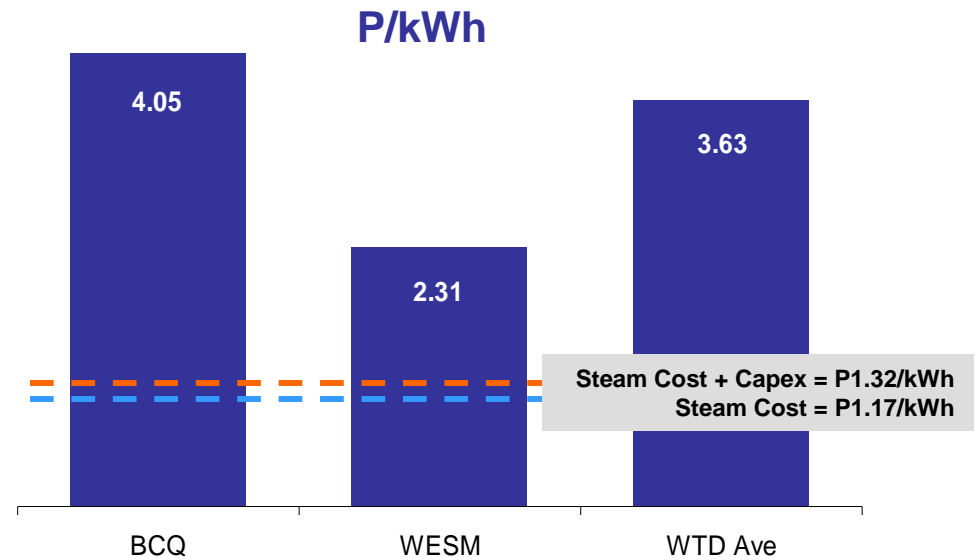
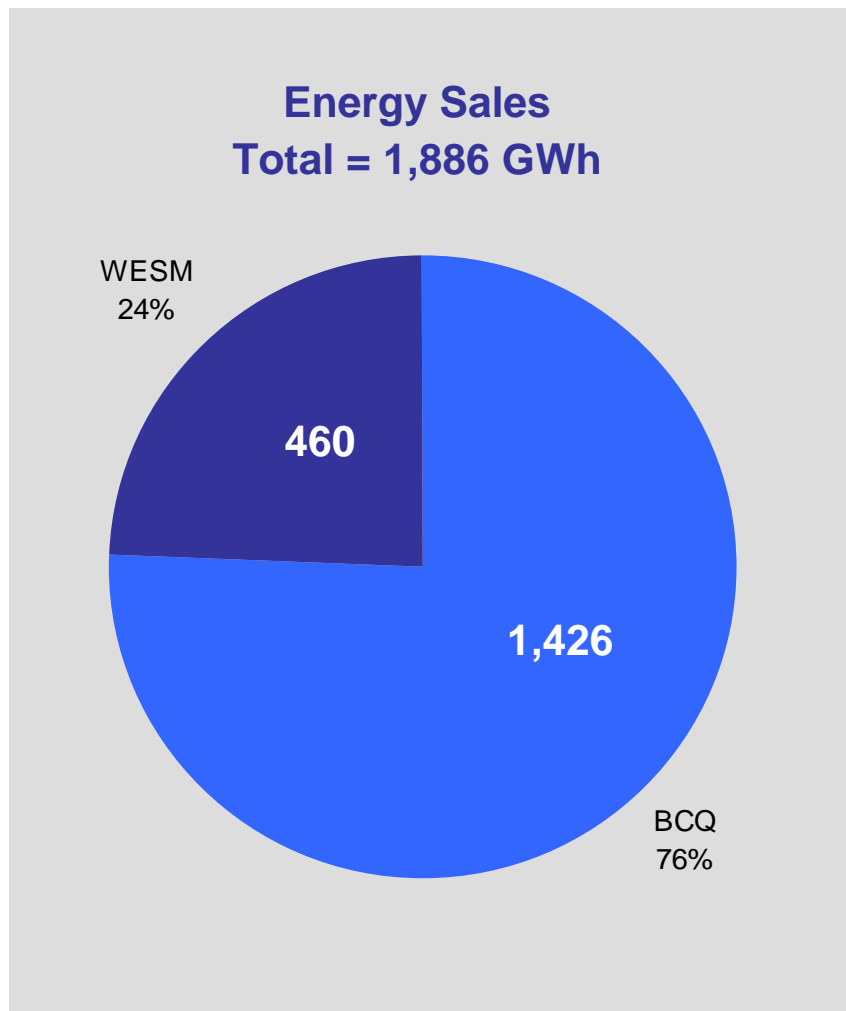
- For period of 3 years starting November 6, 2009 (to be terminated when spot market for ancillary services is established)
 - When no energy dispatch – settlement price will be the prevailing market price or P2.14/kW capacity/hour, whichever is higher, but not to exceed P6/kW capacity/hour
 - When there is energy dispatch
 - If spot price is higher than P2.14/kW capacity/hour, NGCP will not pay
 - If spot price is lower than P2.14/kW capacity/hour, NGCP will pay the difference of spot price and P2.14/kW capacity/hour



OPERATING HIGHLIGHTS – GEOTHERMAL



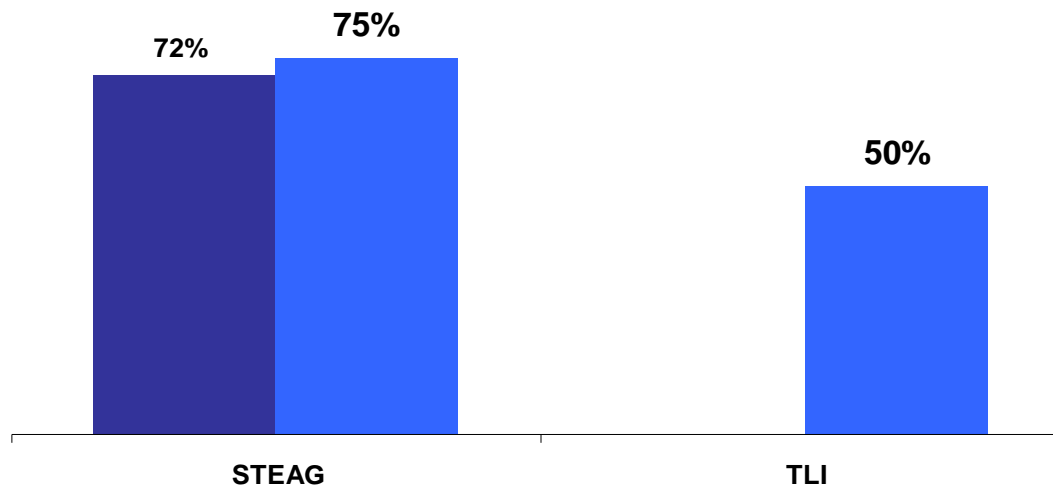
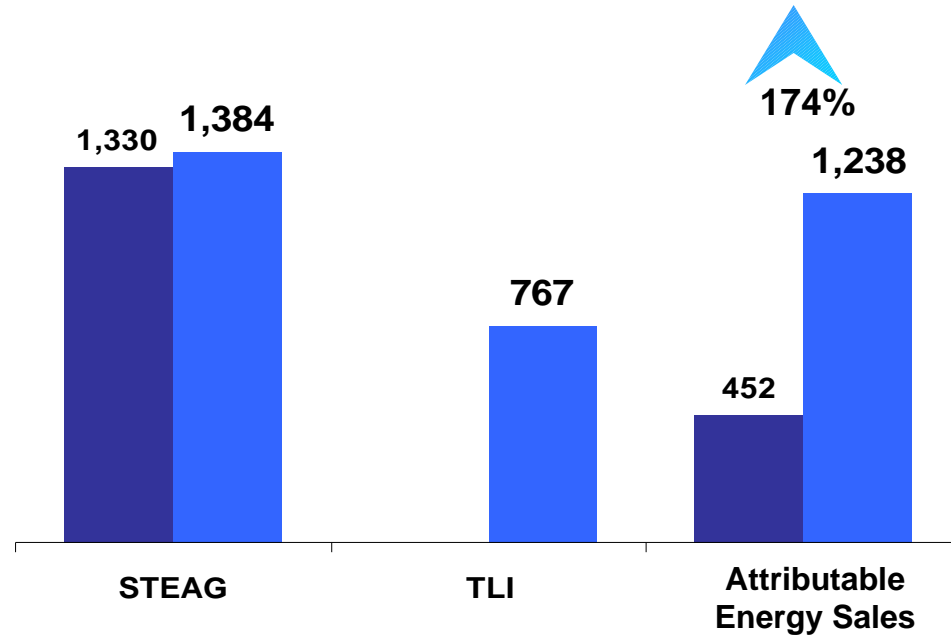
FOR THE PERIOD MAY 26 - DECEMBER 31, 2009



OPERATING HIGHLIGHTS – COAL



ENERGY SALES (GWh)



NET CAPACITY FACTOR

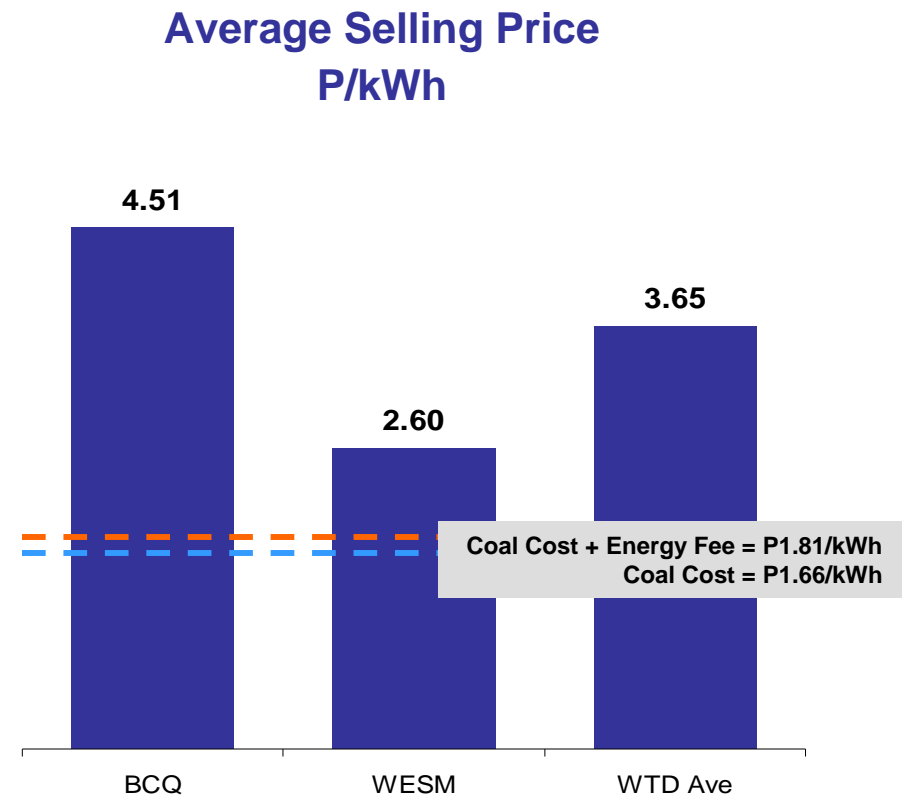
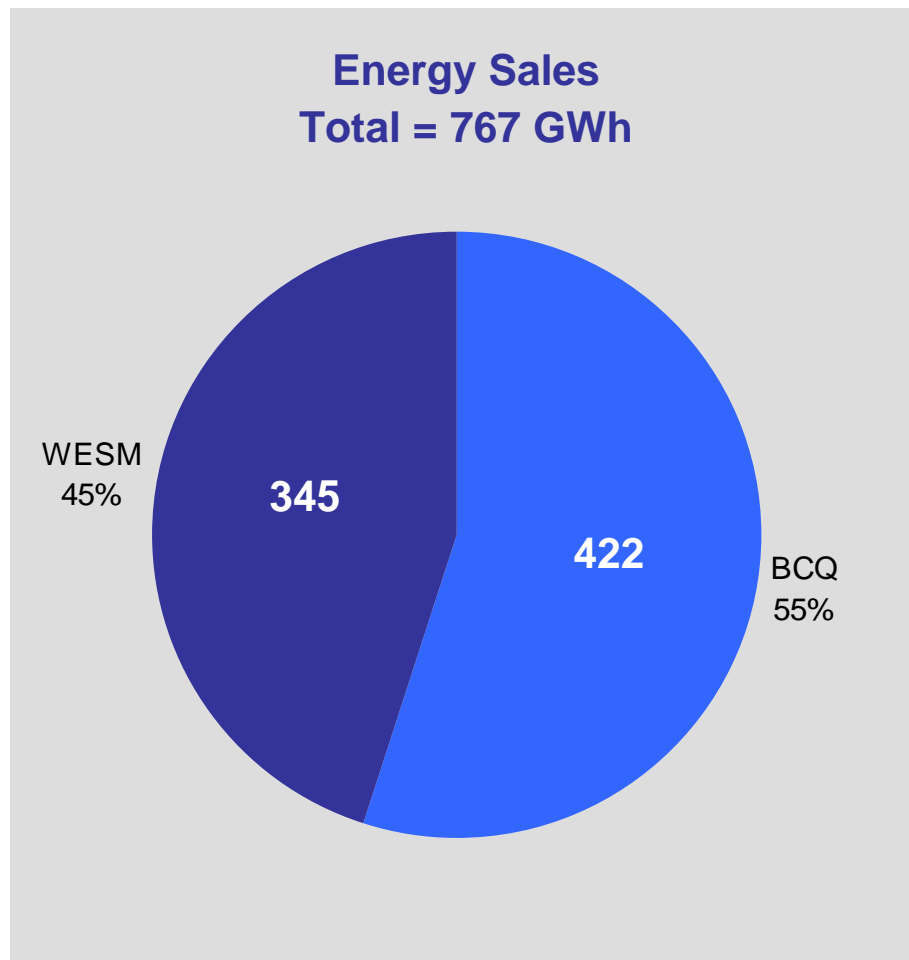
■ FY2008
■ FY2009

OPERATING HIGHLIGHTS – COAL



THERMA LUZON

For the period October 1 – December 31, 2009

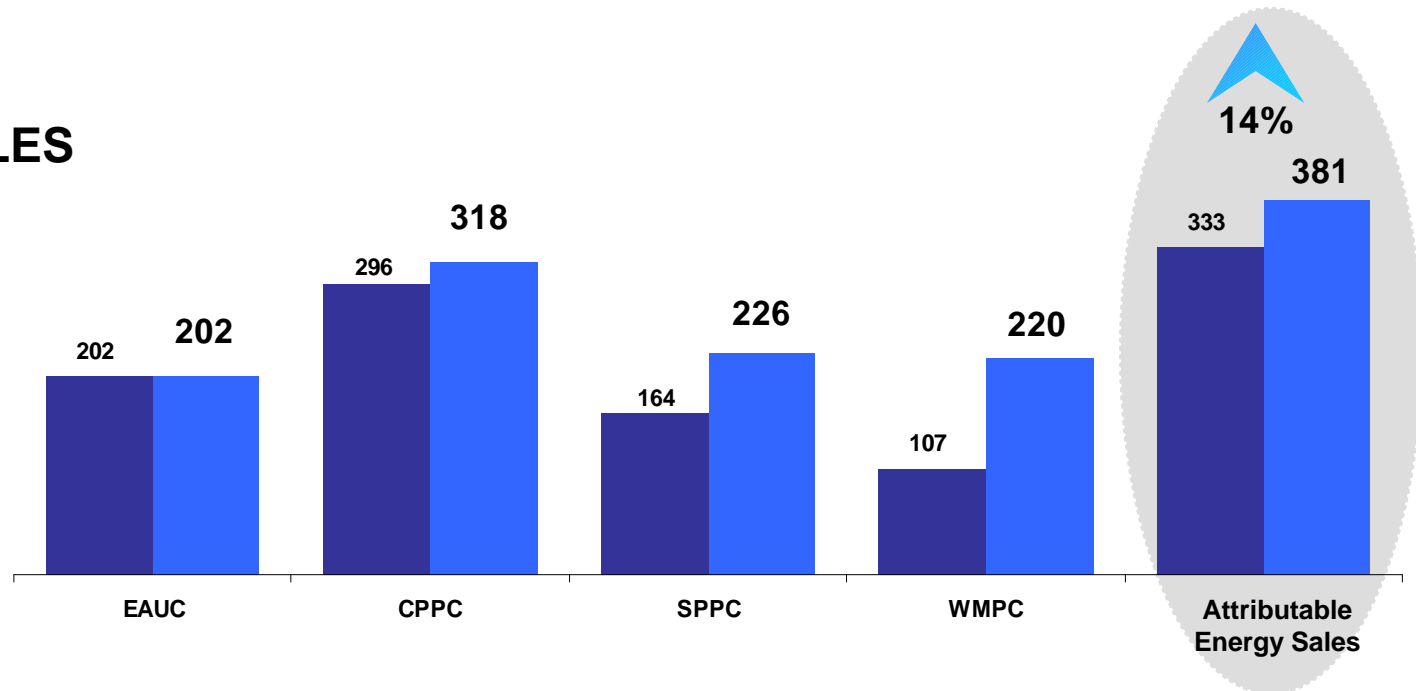


OPERATING HIGHLIGHTS – OIL

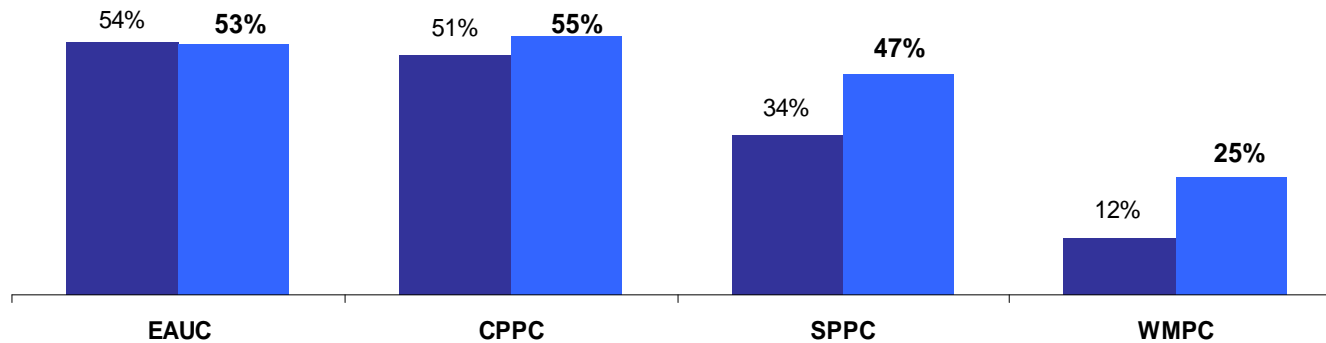


AboitizPower

ENERGY SALES (GWh)



NET CAPACITY FACTOR

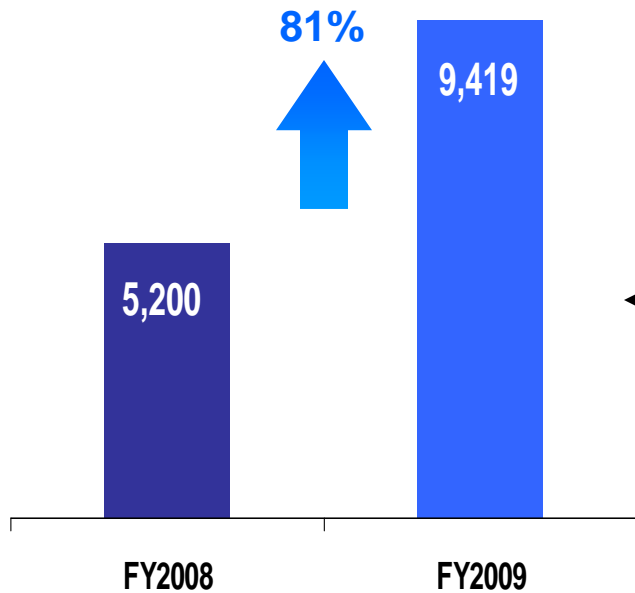


■ FY2008
■ FY2009

OPERATING HIGHLIGHTS – GENERATION

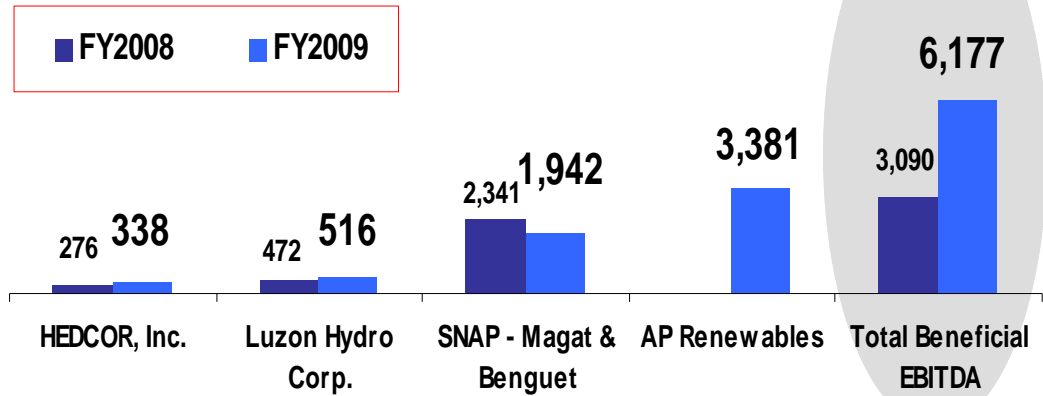


PF BENEFICIAL EBITDA

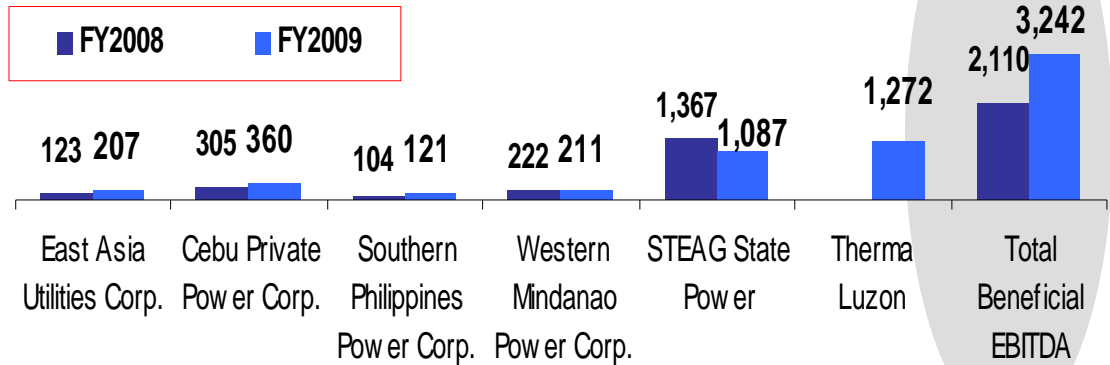


Amounts in Million Pesos

RENEWABLE PLANTS



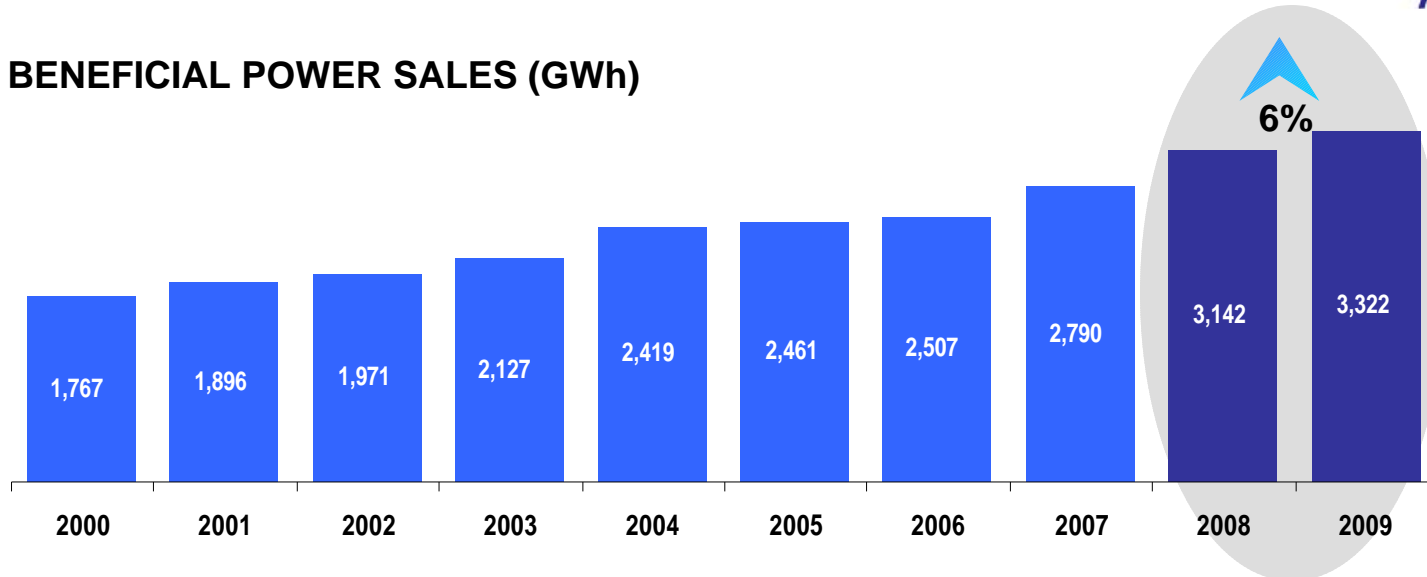
THERMAL PLANTS



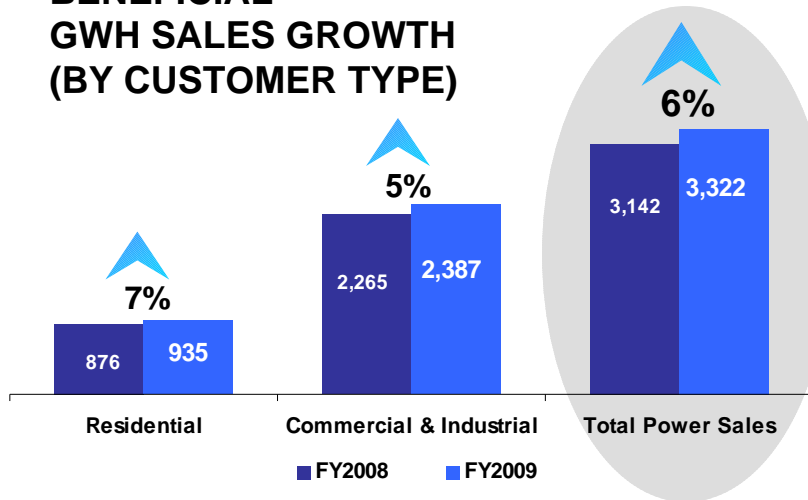
OPERATING HIGHLIGHTS – DISTRIBUTION



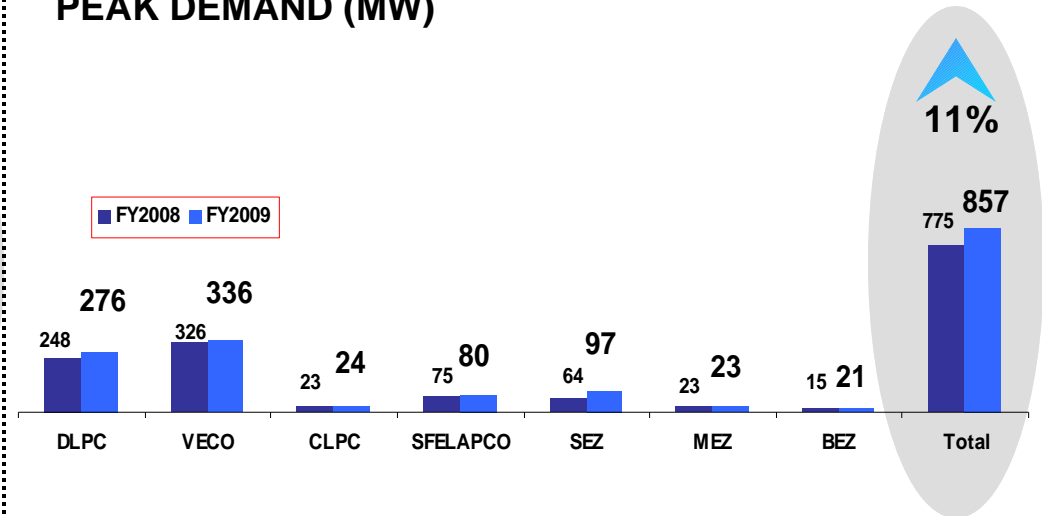
BENEFICIAL POWER SALES (GWh)



BENEFICIAL GWH SALES GROWTH (BY CUSTOMER TYPE)



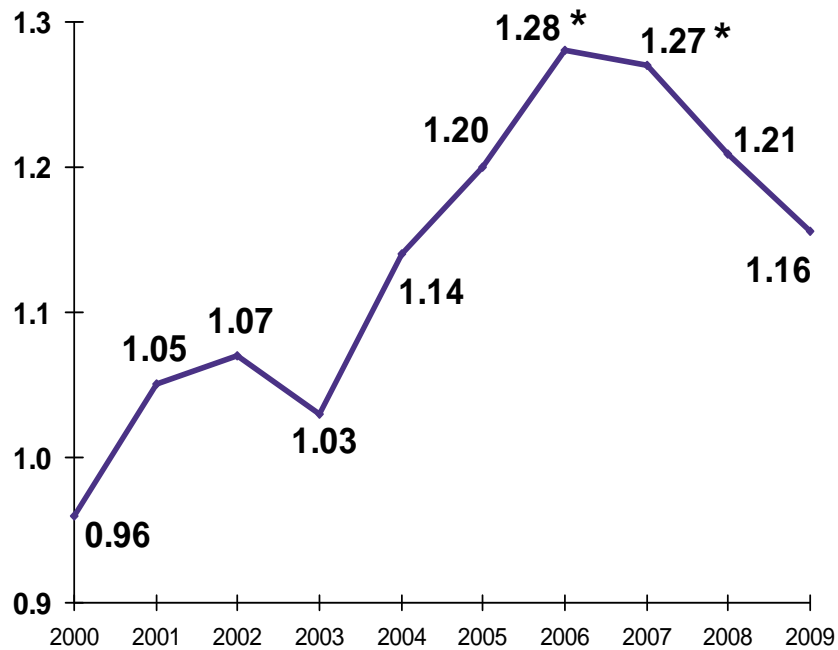
PEAK DEMAND (MW)



OPERATING HIGHLIGHTS – DISTRIBUTION

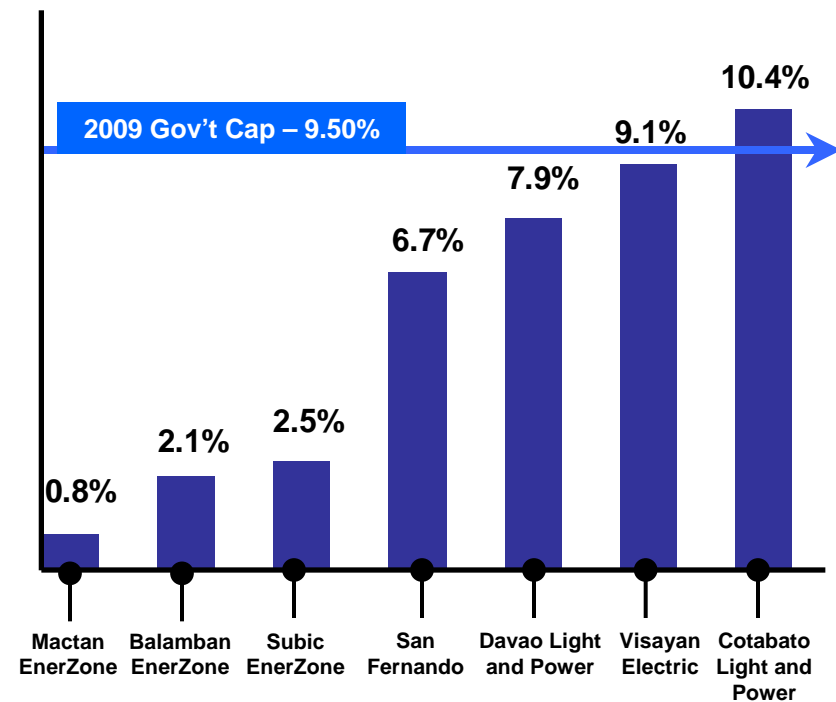


GROSS MARGIN / KWHR SALE



* Adjusted for timing of transmission charge recovery

2009 SYSTEMS LOSS

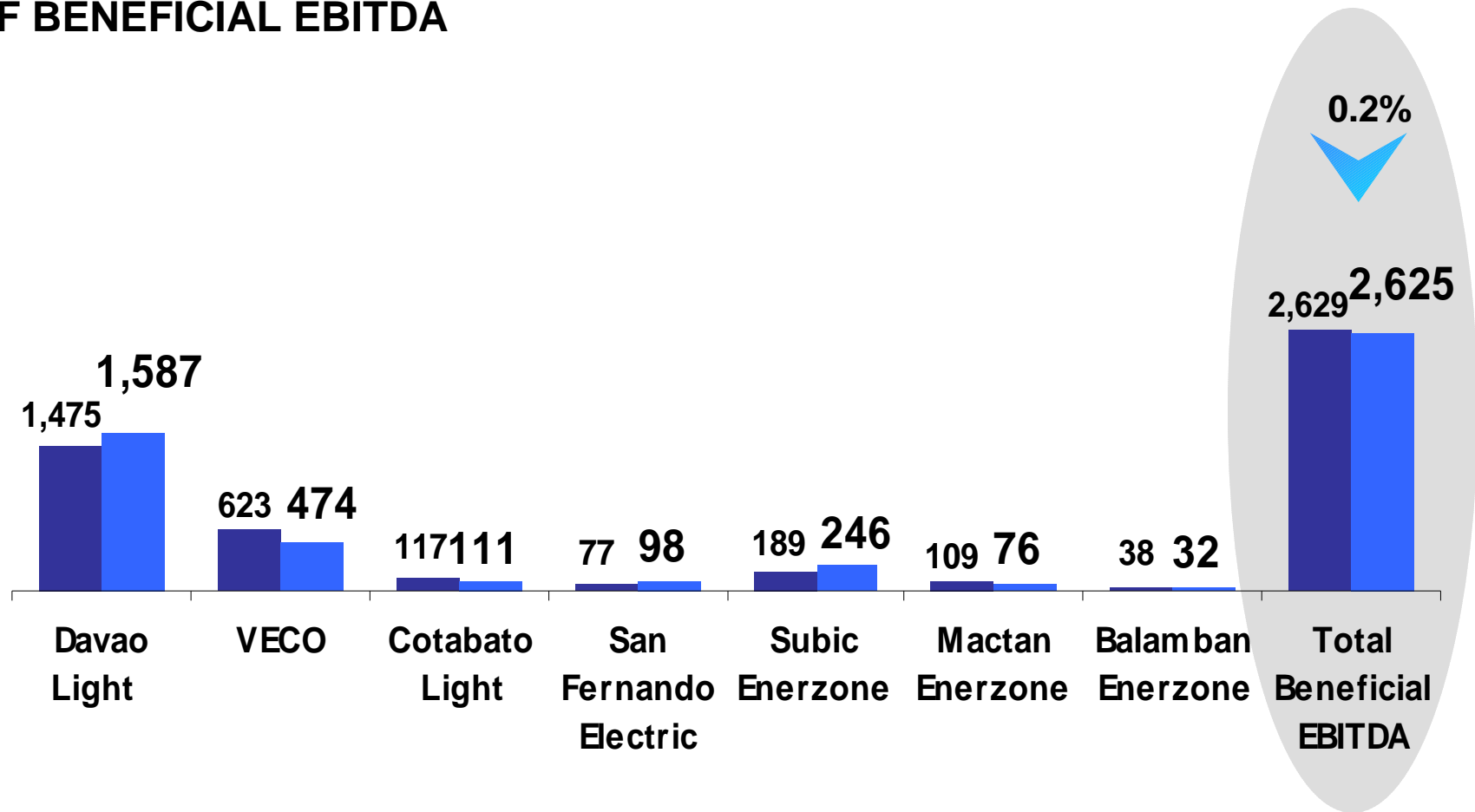


OPERATING HIGHLIGHTS – DISTRIBUTION



AboitizPower

PF BENEFICIAL EBITDA



Amounts in Million Pesos

■ FY2008
■ FY2009

FINANCIAL CONDITION



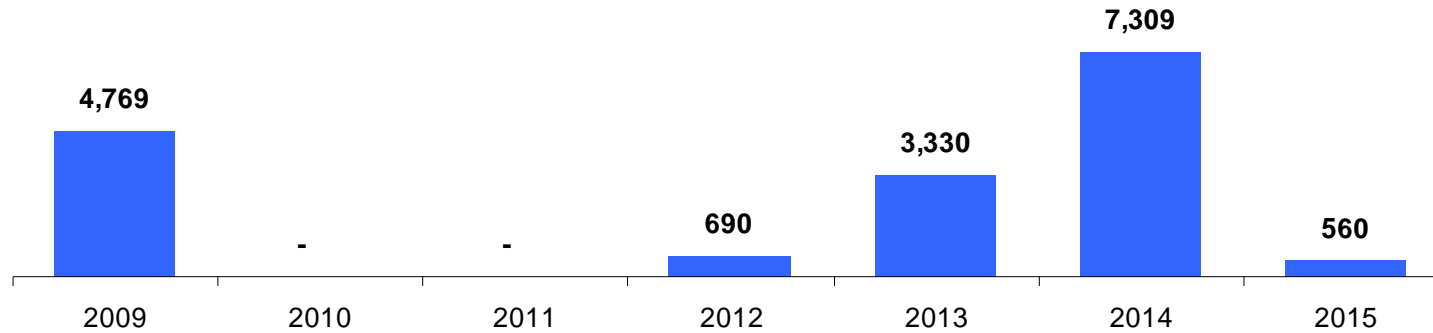
BALANCE SHEET (In million Pesos)	PARENT		CONSOLIDATED	
	YE2008	YE2009	YE2008	YE2009
Cash and Equivalents	12,708	74	14,334	3,809
Investments and Advances	21,042	42,786	21,251	24,800
Total Assets	34,307	43,195	47,272	111,341
Total Interest Bearing Debt	7,697	16,565	11,417	67,755
Total Liabilities	9,084	17,824	16,580	76,294
Net Debt	(5,360)	16,490	(3,313)	63,946
Total Equity	25,223	25,371	30,692	35,047
Current Ratio	3.48	3.89	2.12	0.68
Net Debt to Equity	(0.21)	0.65	(0.11)	1.82

DEBT PROFILE – AP PARENT



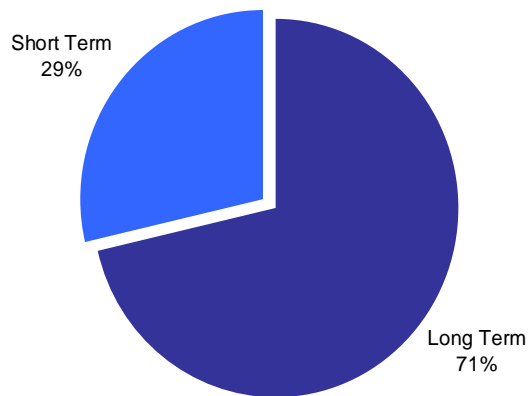
Maturity Profile - PhPM

(As of December 2009)



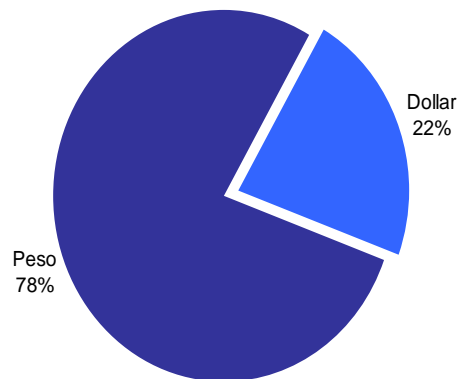
Breakdown by Tenor

(As of December 2009)



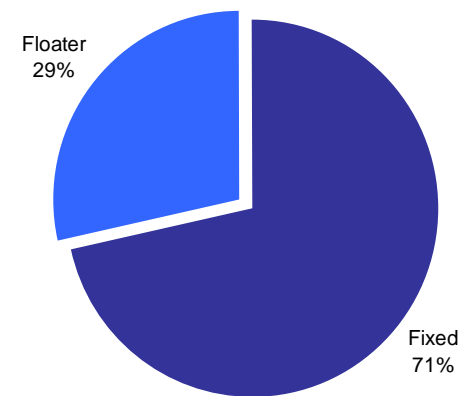
Breakdown by Currency

(As of December 2009)



Breakdown by Interest Rate

(As of December 2009)



OUTLOOK: Generation Business

PROJECT UPDATE: 42.5 MW SIBULAN HYDRO

- Target commercial dates
 - March 2010 for 26 MW plant (Plant B)
 - May 2010 for 16.5 MW plant (Plant A)
- Capex spent as of end-2009 at P4.85 billion
- Power Supply Agreement with DLPC
 - For 12 years
 - Price of contracted energy at P4.0856 per kwh, adjusted based on inflation



Powerhouse B



Powerhouse B Substation



Headpond B

OUTLOOK: Generation Business

PROJECT UPDATE: 246 MW CEBU COAL

- Broke ground in January 2008. Commercial operations are expected to commence by:
 - Unit 1 in March 2010
 - Unit 2 in June 2010
 - Unit 3 in December 2010
- Signed an EPPA with VECO last Oct 2009
 - 105 MW
 - For 25 years
 - Electricity rate (at 100% load factor) of P2.97/kWh, plus fuel cost as a pass through. Total tariff ~P5.23/kWh
 - Rate subject to Phil and US CPI adjustments
- Estimated capex as of end- 2009 at \$267 million



OUTLOOK: Generation Business

PROJECT UPDATE: AMBUKLAO-BINGA

- Total combined project cost of \$270 million
 - \$189 million for 75 MW Ambuklao
 - \$81 million for 100 MW Binga
- Target completion dates for Ambuklao
 - Unit 1: August 2010
 - Unit 2: November 2010
 - Unit 3: November 2010
 - To increase capacity to 105 MW
- Target completion dates for Binga
 - Unit 1: 2011
 - Unit 2: 2012
 - Unit 3: 2013
 - Unit 4: 2014
 - To increase capacity to 120 MW
- Capex spent as of end-2009 at \$129 million, vs. project cost of \$270 million



OUTLOOK: Generation Business

ASSET ACQUISITION



	PB 117	PB 118
Bid Price	US\$16 million	US\$14 million
Acquiring Company	Therma Marine, Inc.	Therma Marine, Inc.
Turnover Date	March 2010	February 2010
Location	Nasipit, Agusan del Norte	Maco, Compostella Valley
Capacity	2x50 MW	2x50 MW
Contracted Capacity	50 MW (ASPA with NGCP)	50 MW (ASPA with NGCP)

OUTLOOK: Generation Business



PRIVATIZATION

ASSET SALE

- **Angat Hydro 246 MW**

IPPA

- **Bidding of IPP Administrator (IPPA) Contracts**
 - 550 MW Unified Leyte (EDC)
 - 1200 MW Ilijan

GREENFIELD

LUZON GRID

- **Subic Coal 300 MW**

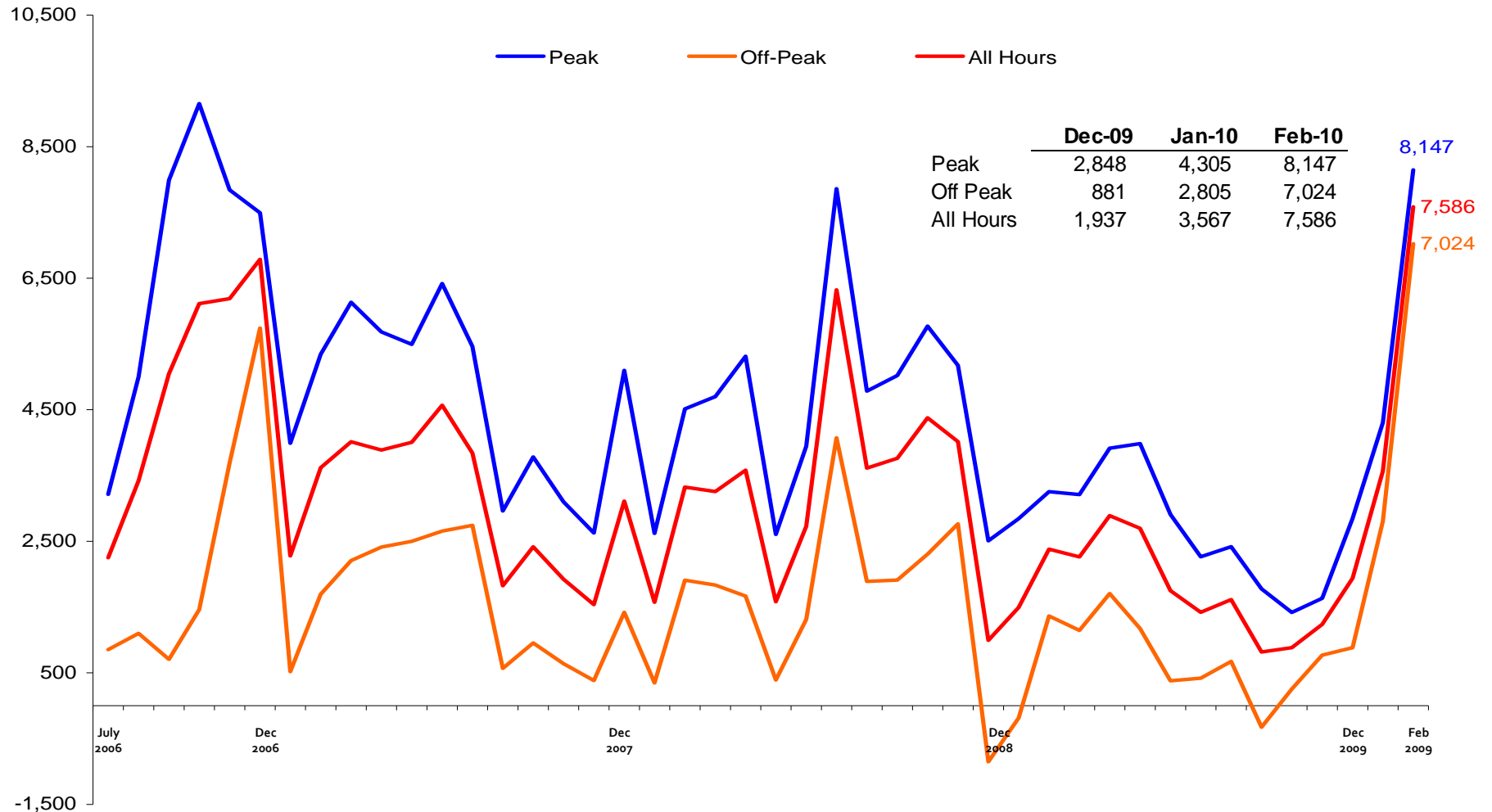
MINDANAO GRID

- **Tamugan Hydro**
- **Mindanao Coal Expansion**

OUTLOOK: Generation Business



WESM PRICES (P/MWh) Monthly Average Up to February 2010



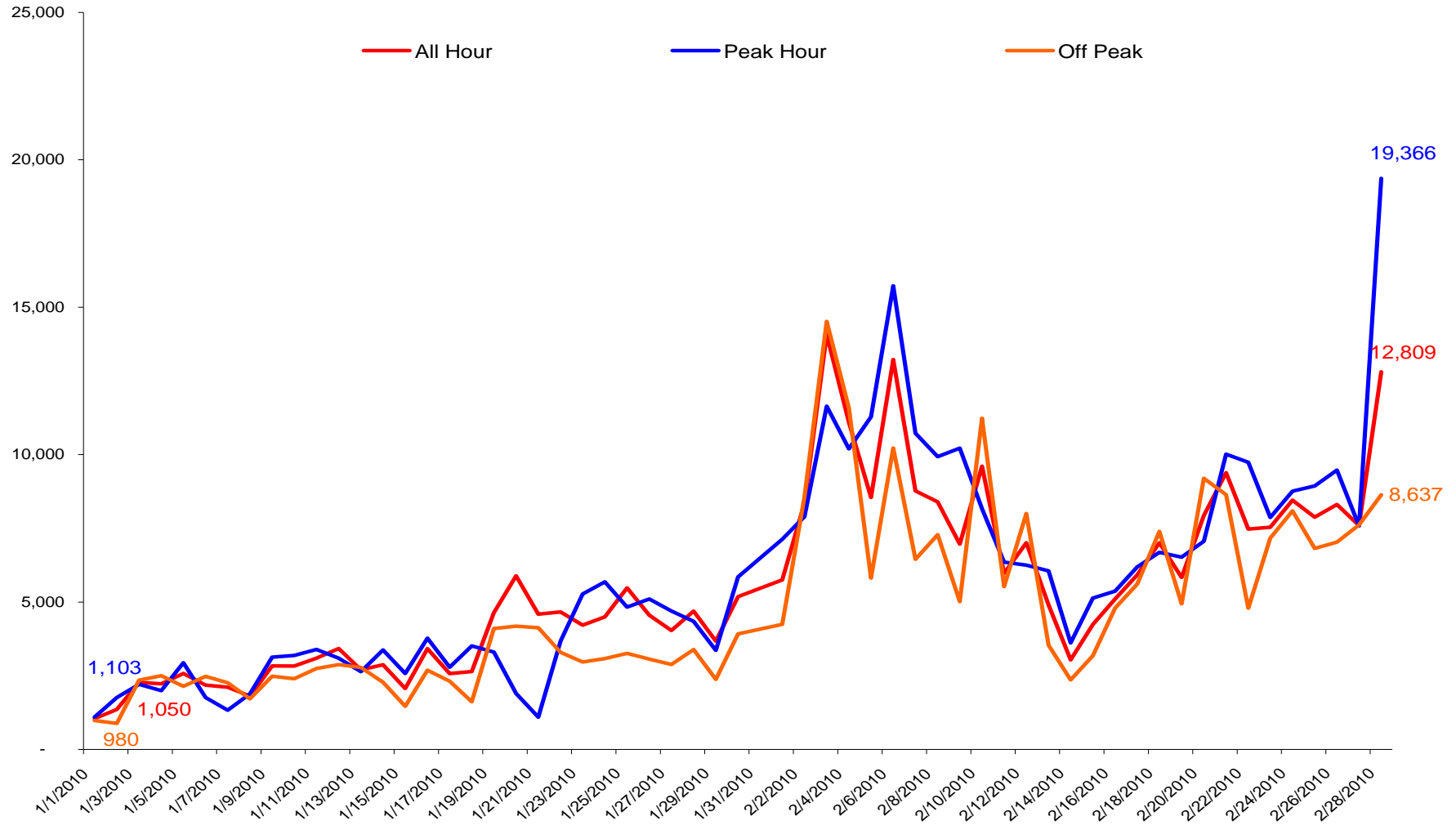
Note: Calculated based on raw data downloaded from the WESM website. July 26 – October 25 prices are reflective of NPC TOU rates.
Source: WESM, SNAP

OUTLOOK: Generation Business



WESM PRICES (P/MWh)

Daily Average, January 1 to February 28, 2010



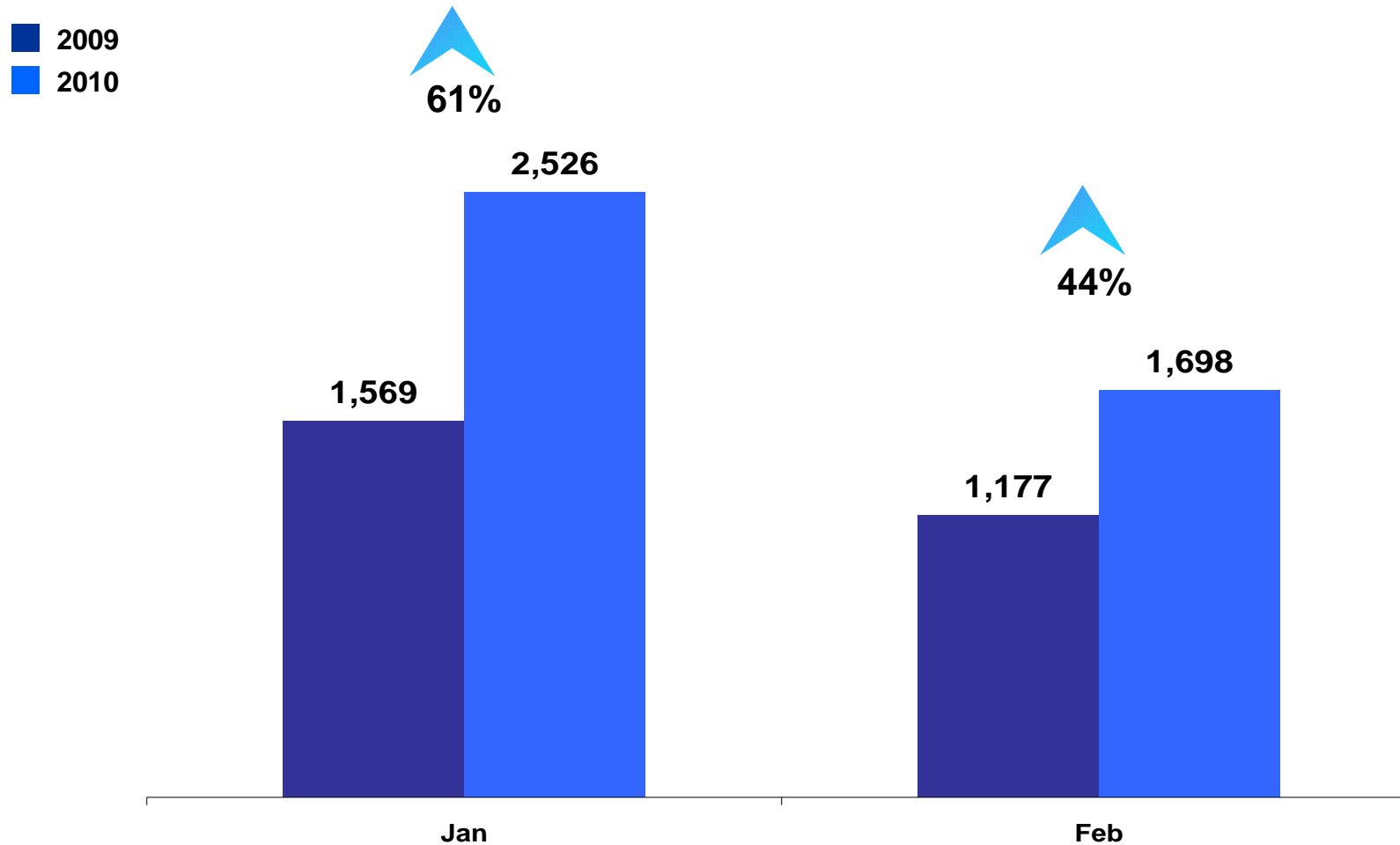
Source: WESM, SNAP

OUTLOOK: Generation Business



AVERAGE CAPACITY ON OUTAGE (in MW)

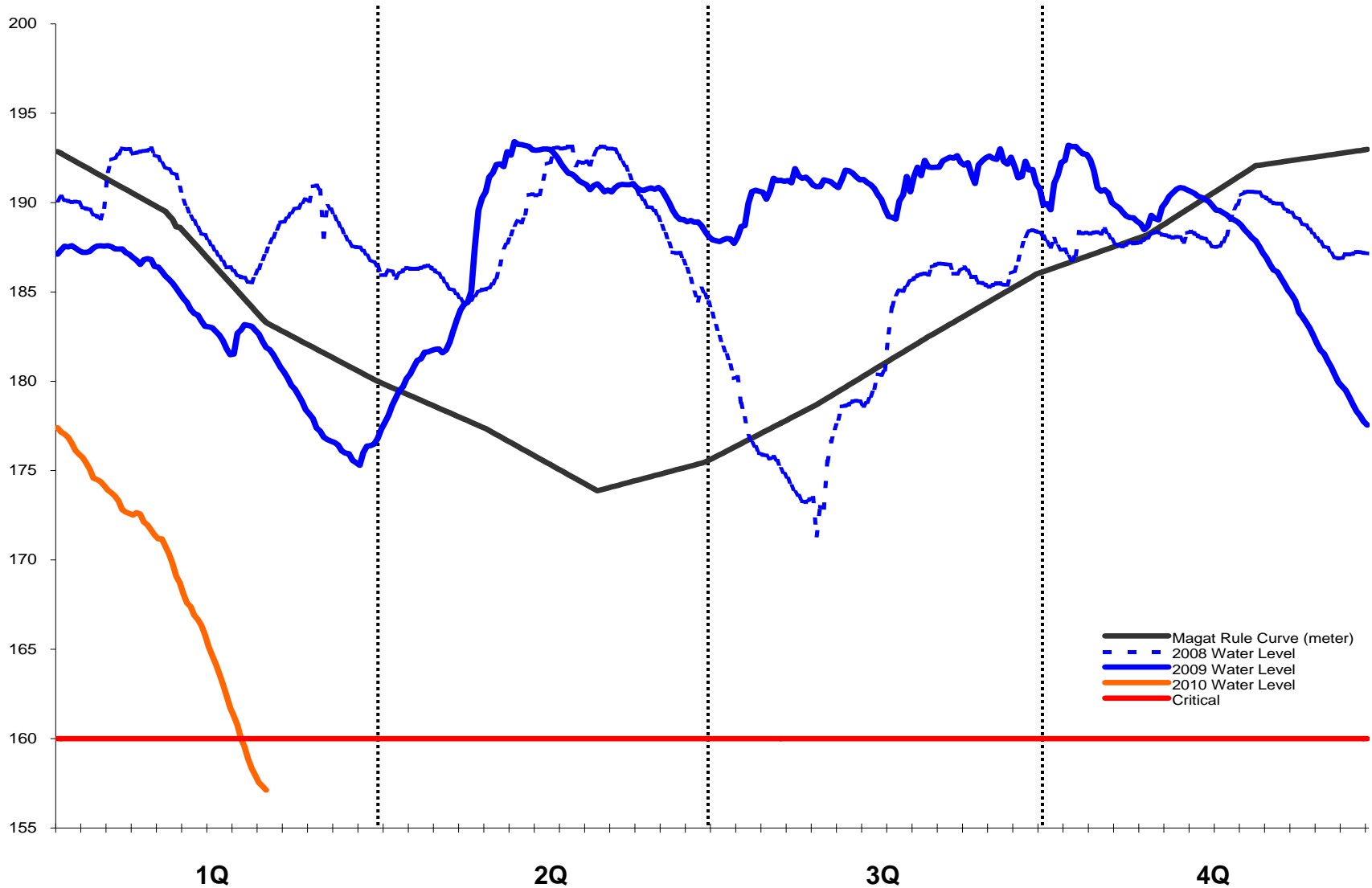
January 1 - February 28, 2010



Source: WESM, SNAP

OPERATING HIGHLIGHTS – HYDRO

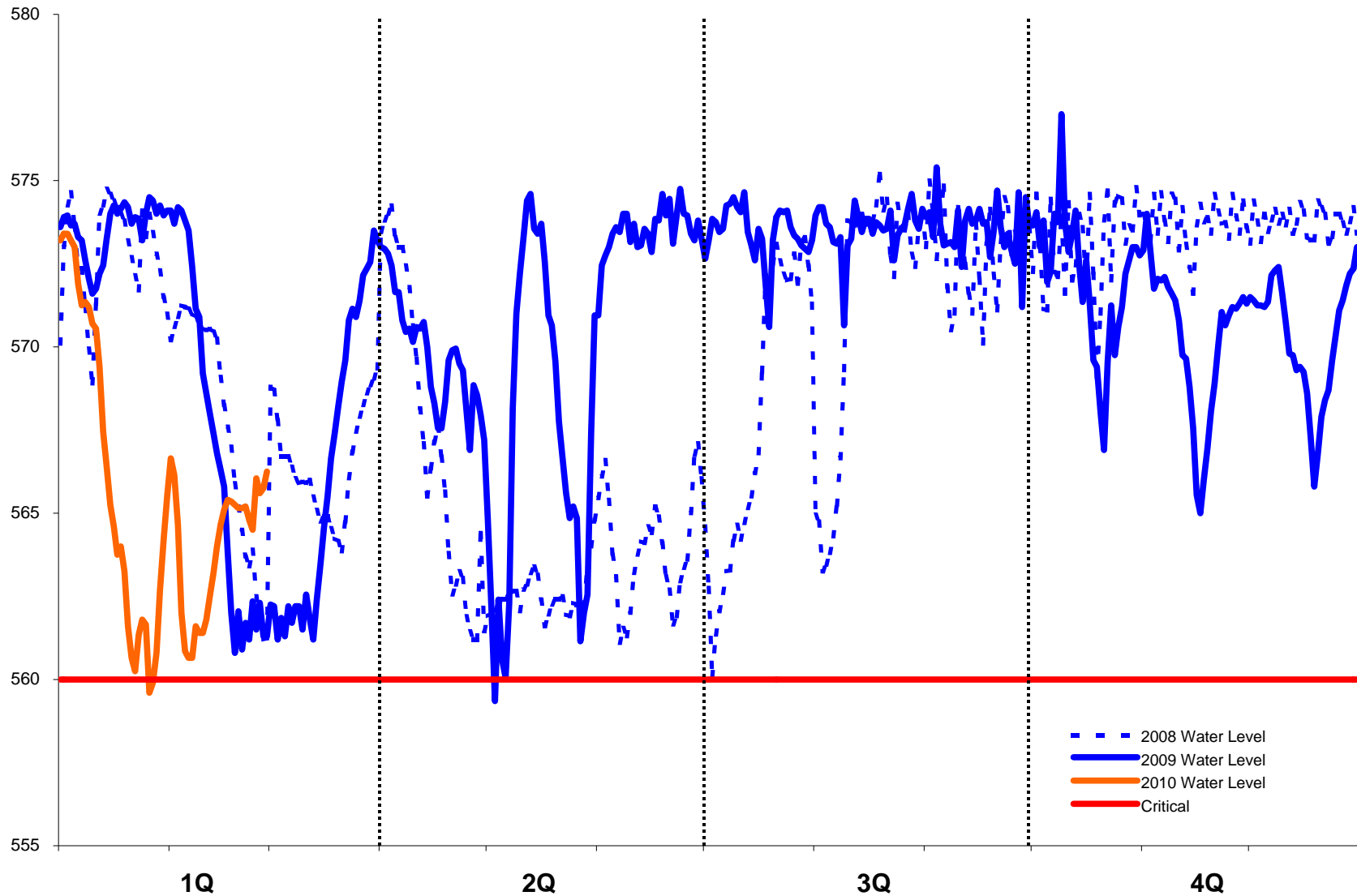
MAGAT'S WATER LEVEL VS. RULE CURVE (in MASL)



Source: SNAP

OPERATING HIGHLIGHTS – HYDRO

BINGA'S WATER LEVEL (in MASL)



Source: SNAP


SFELAPCO's Rate Increase Application Under RORB

Regulatory Asset Base before re-appraisal

P0.4 billion

Regulatory Asset Base after re-appraisal

P1.1 billion



176%

Applied rate increase

P0.3980/kwh

Date of Initial Hearing

Oct 29, 2009

Target Implementation Date

2Q2010

OUTLOOK: Distribution Business



PBR SCHEDULE

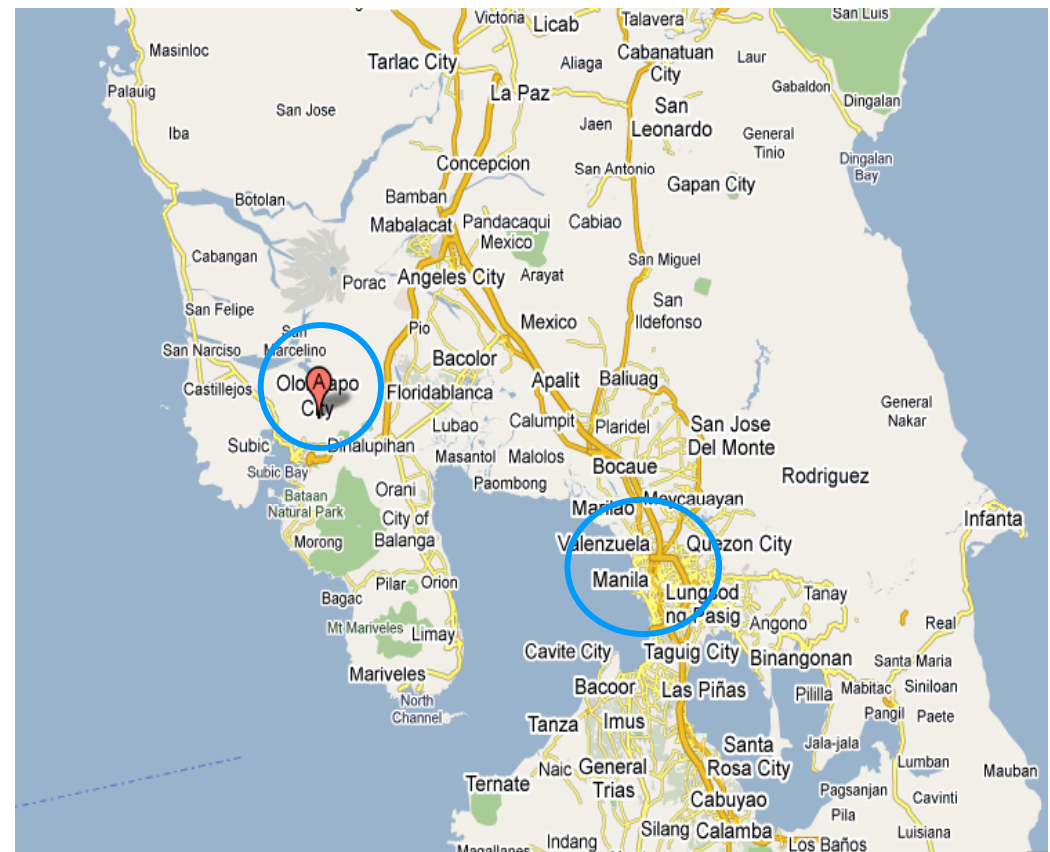
Groups	Reset Process	Regulatory Period
A – Meralco, Dagupan, Cagayan de Oro	January 2006 to June 2007	July 2007 to June 2011
B – Cotabato Light , Iligan, Mactan	October 2007 to March 2009	April 2009 to March 2013
C – Visayan Electric, Davao Light Cabanatuan, La Union, Tarlac, Ibaan	January 2009 to June 2010	July 2010 to June 2014
D – Subic EnerZone, San Fernando , Panay, Bohol, Angeles	October 2009 to March 2010	April 2011 to March 2015

OUTLOOK: Distribution Business

Bid for Olongapo Distribution Utility

- Bid date moved to May 2010

Location	Olongapo, Zambales
Name of DU	Olongapo Public Utility Department
Current Owner/Operator	City of Olongapo
2008 Electricity Sales	139 Gwh
2008 Peak Demand	29 MW
2008 # of Customers	41,000
2008 Systems Loss	25%
Franchise Expiry	2012



Annex: 4Q/FY2009 EARNINGS BREAKDOWN



(in million pesos)		YEAR - TO - DATE		FOR THE QUARTER	
INVESTEE	% OWNED DEC 31/2009	ACTUAL 2009	ACTUAL 2008	ACTUAL 2009	ACTUAL 2008
Parent & Others		(567.25)	76.30	(281.31)	15.67
Power Generation Group:					
PHC Parent	100.00%	49.10	22.28	32.66	(21.07)
HEDCOR, INC.	100.00%	108.01	80.19	(53.01)	(48.21)
LUZON HYDRO	50.00%	233.63	540.25	15.76	104.32
SNAP - MAGAT	50.00%	764.79	565.20	329.05	311.64
SNAP - BENGUET	50.00%	170.00	21.97	214.03	84.57
SOUTHERN PHILS. POWER	20.00%	47.09	30.50	21.73	11.55
WESTERN. MINDANAO POWER	20.00%	104.19	83.20	23.55	31.55
CEBU PRIVATE POWER CORP.	60.00%	284.45	244.38	111.81	74.41
EAST ASIA UTILITIES CORP.	50.00%	192.74	112.19	85.34	32.08
STEAG	34.00%	738.10	1,092.37	(23.76)	218.10
THERMA LUZON	100.00%	(78.90)	0.00	(78.90)	0.00
AP RENEWABLES, INC.	100.00%	2,072.73	(8.12)	1,065.54	(8.05)
OTHERS		(29.58)	(5.40)	(54.93)	2.96
Sub-Total Power Generation		4,656.34	2,779.01	1,688.87	793.86
Power Distribution Group:					
COTABATO LIGHT & POWER	99.93%	44.55	52.84	(2.30)	10.92
DAVAO LIGHT & POWER	99.93%	974.53	831.04	277.04	171.48
VISAYAN ELECTRIC CO.	55.18%	255.82	317.44	125.36	106.36
SFELAPCO	43.78%	52.09	28.86	25.24	(4.46)
SUBIC ENERZONE	99.97%	146.43	114.05	8.45	41.72
MACTAN ENERZONE	100.00%	68.81	100.53	16.87	22.47
BALAMBAN ENERZONE	100.00%	27.27	33.55	4.93	7.71
Sub-Total Power Distribution		1,569.49	1,478.30	455.59	356.20
TOTAL NET INCOME		5,658.58	4,333.61	1,863.16	1,165.74
NET INCOME TO COMMON		5,658.58	4,333.61	1,863.16	1,165.74
EARNINGS PER SHARE (average outstanding)		0.769	0.589	0.253	0.158
RECURRING NET INCOME		5,290.78	4,664.51	1,324.09	1,216.10
RECURRING EPS		0.719	0.634	0.180	0.165
RECURRING INCOME before Pagbilao accounting		6,799.31	4,664.51	2,832.62	1,216.10

AGENDA

- **Overview**
- **AEV Financials**
- **Review of Business Units**
 - Aboitiz Power Corporation
 - Union Bank of the Philippines
 - Aboitiz Transport System
 - Pilmico Foods Corporation
- **Q&A**

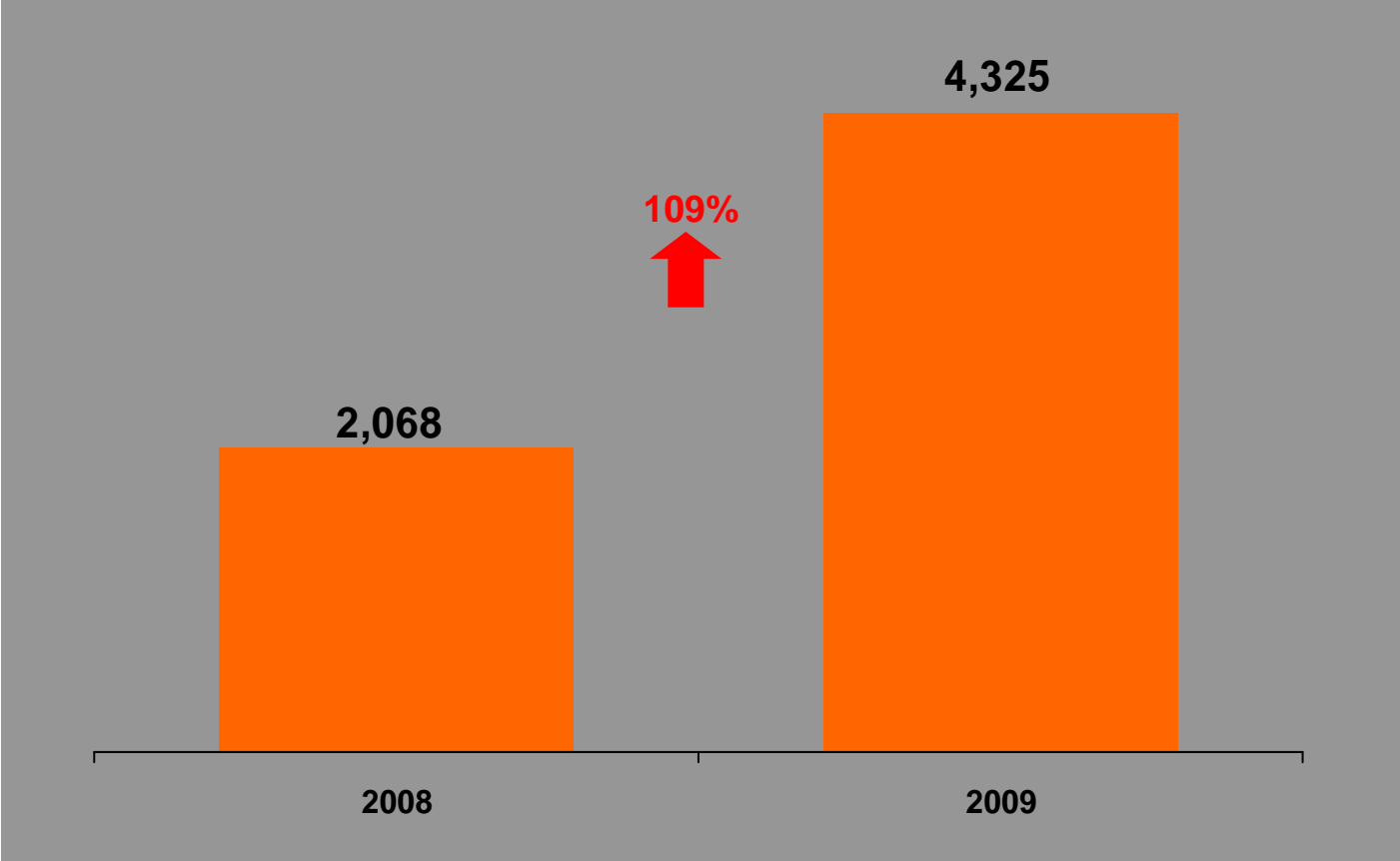


FOCUS 2010

**Driving remarkable performance
in the post crisis landscape**

Record performance in 2009

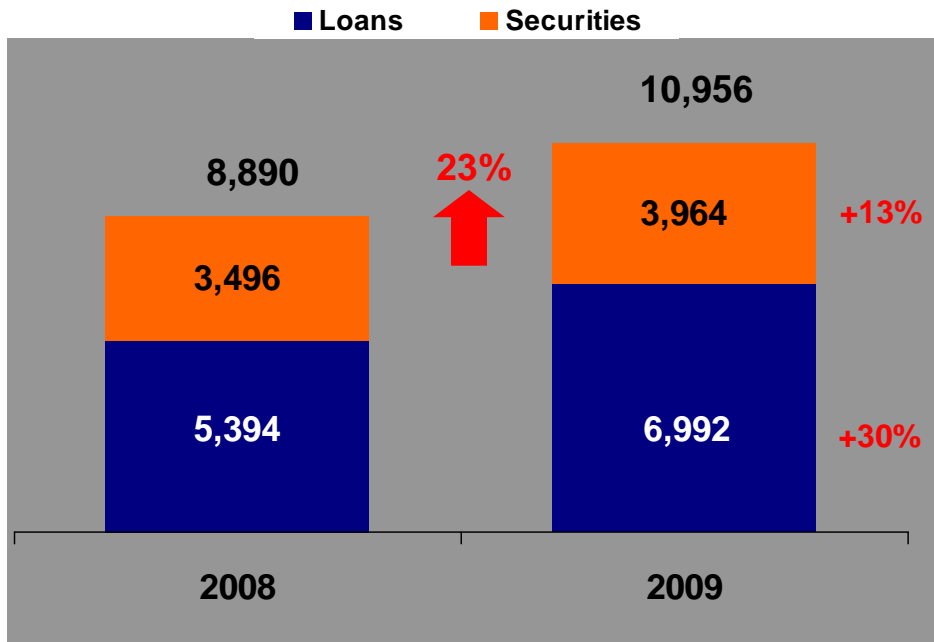
Net income
(in million pesos)



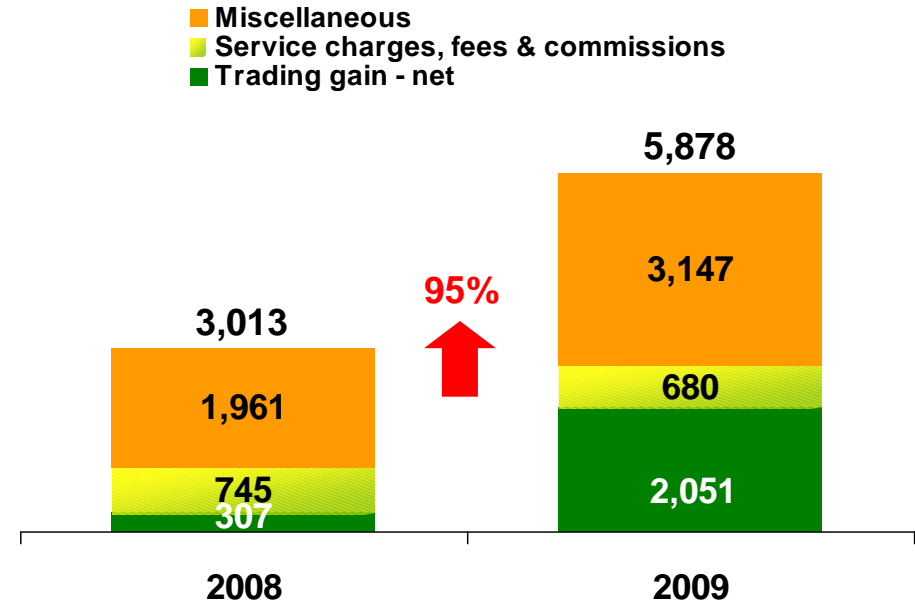
Staying focused on the ball

Solid recurring income supported by trading gains

Interest income
(in million pesos)



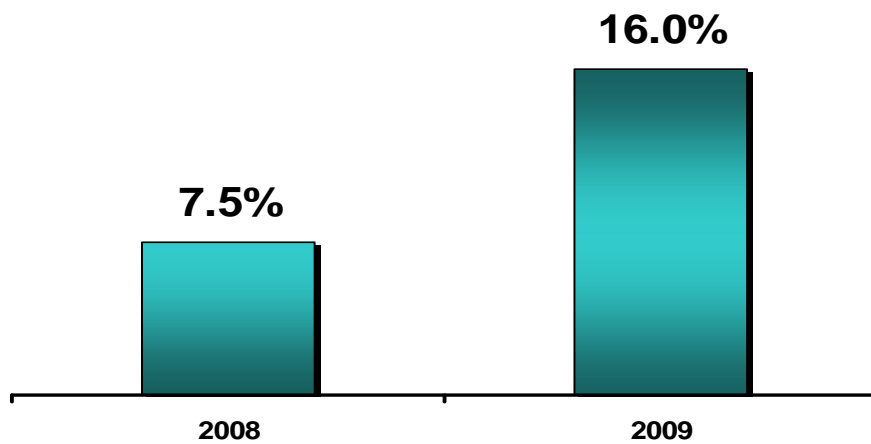
Non-interest income
(in million pesos)



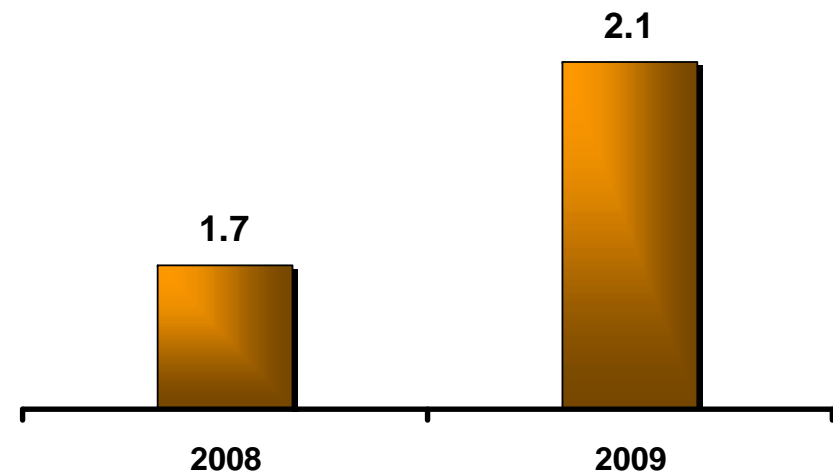
Reclaiming profitability yardstick

Key financial ratios strengthened

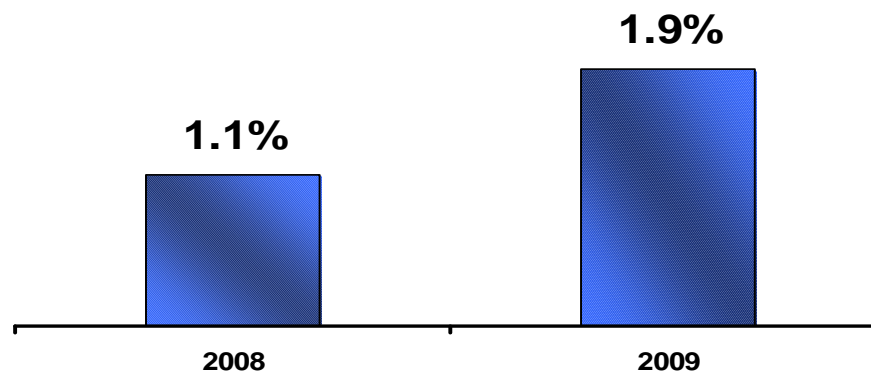
Return on equity



Revenue to expense

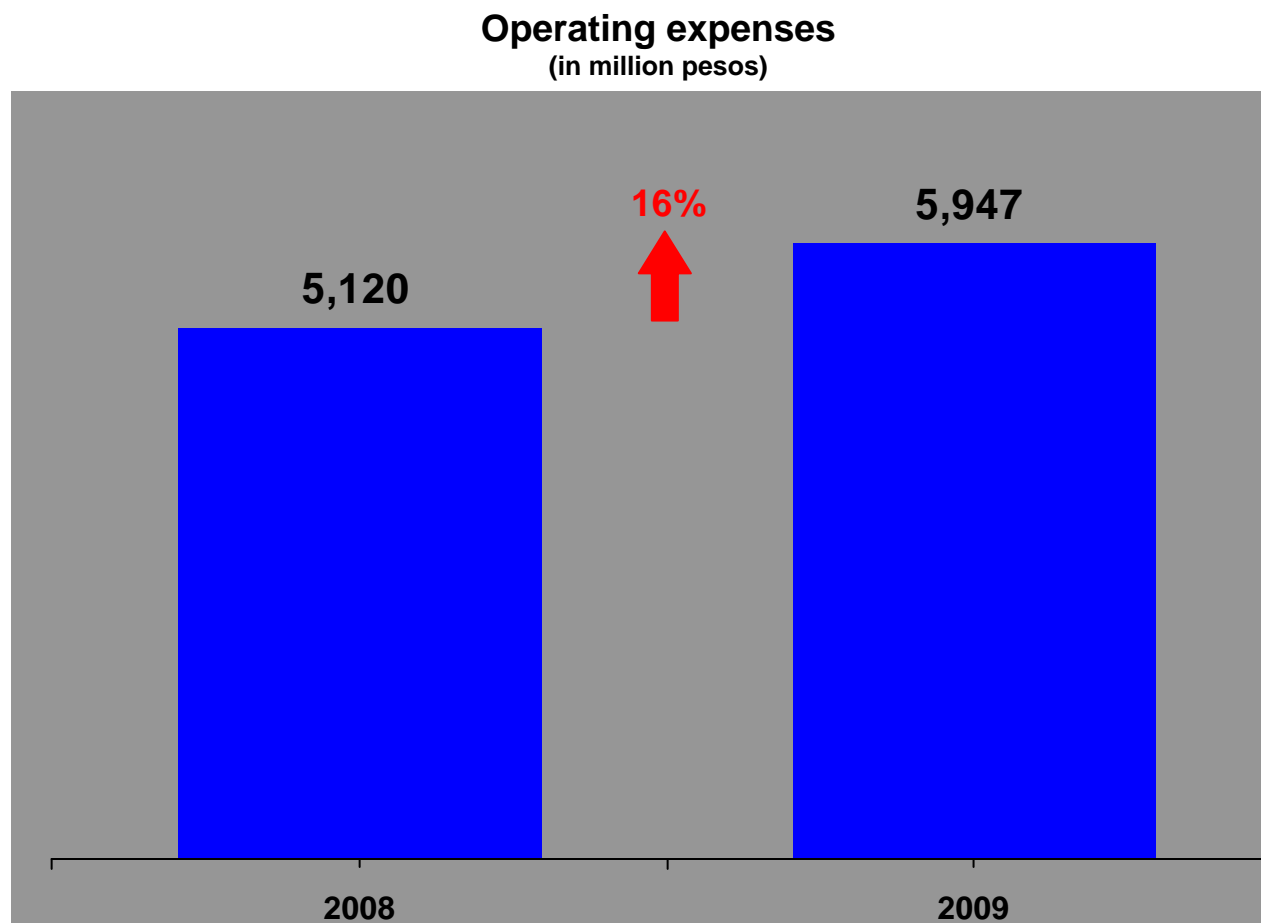


Return on average assets



Keeping a tight lid on expenses

Operational efficiencies fully absorbed growth in business volume

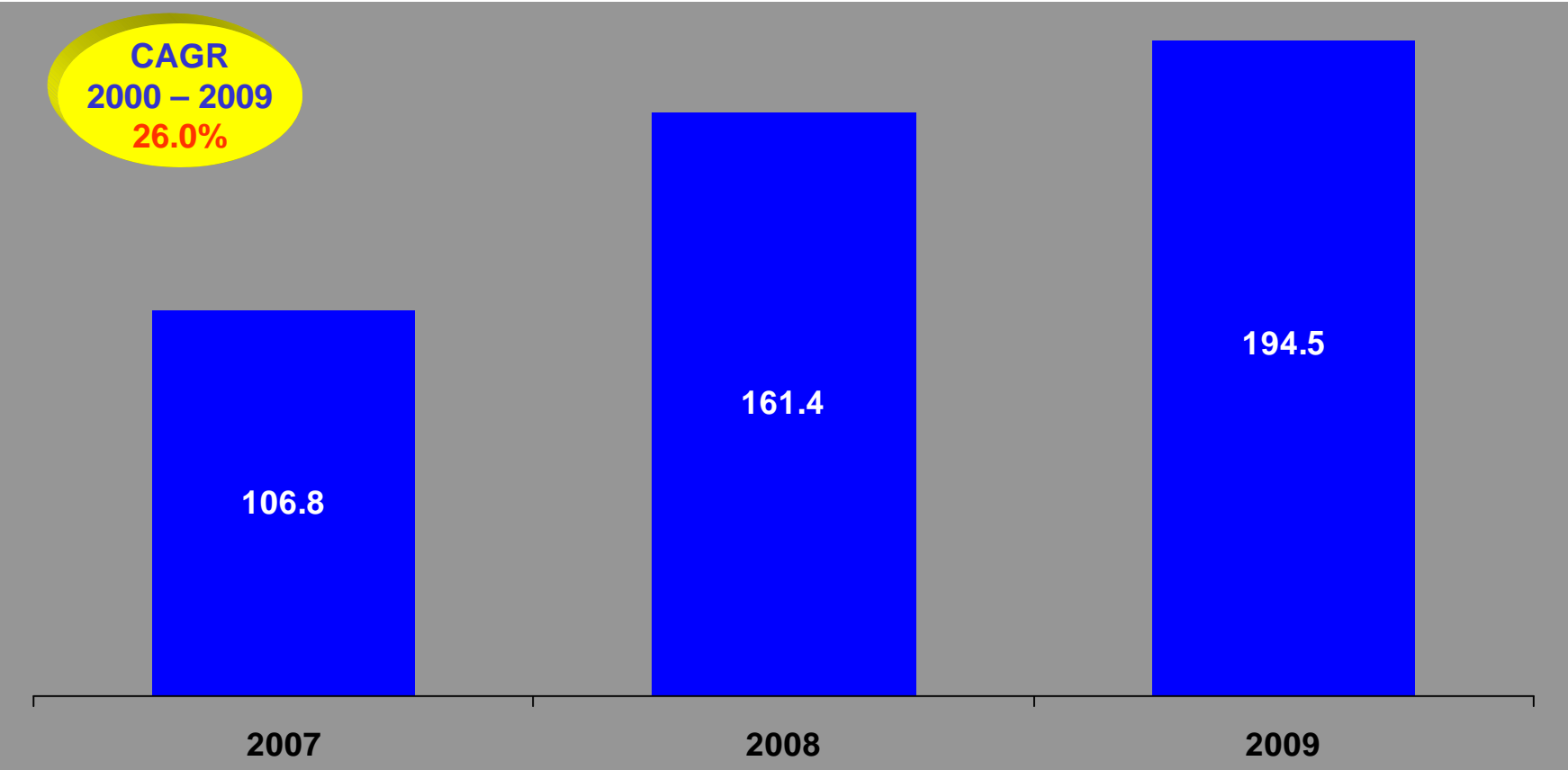


Impressive deposits growth



Deposits growth ahead of FOCUS 2010 program

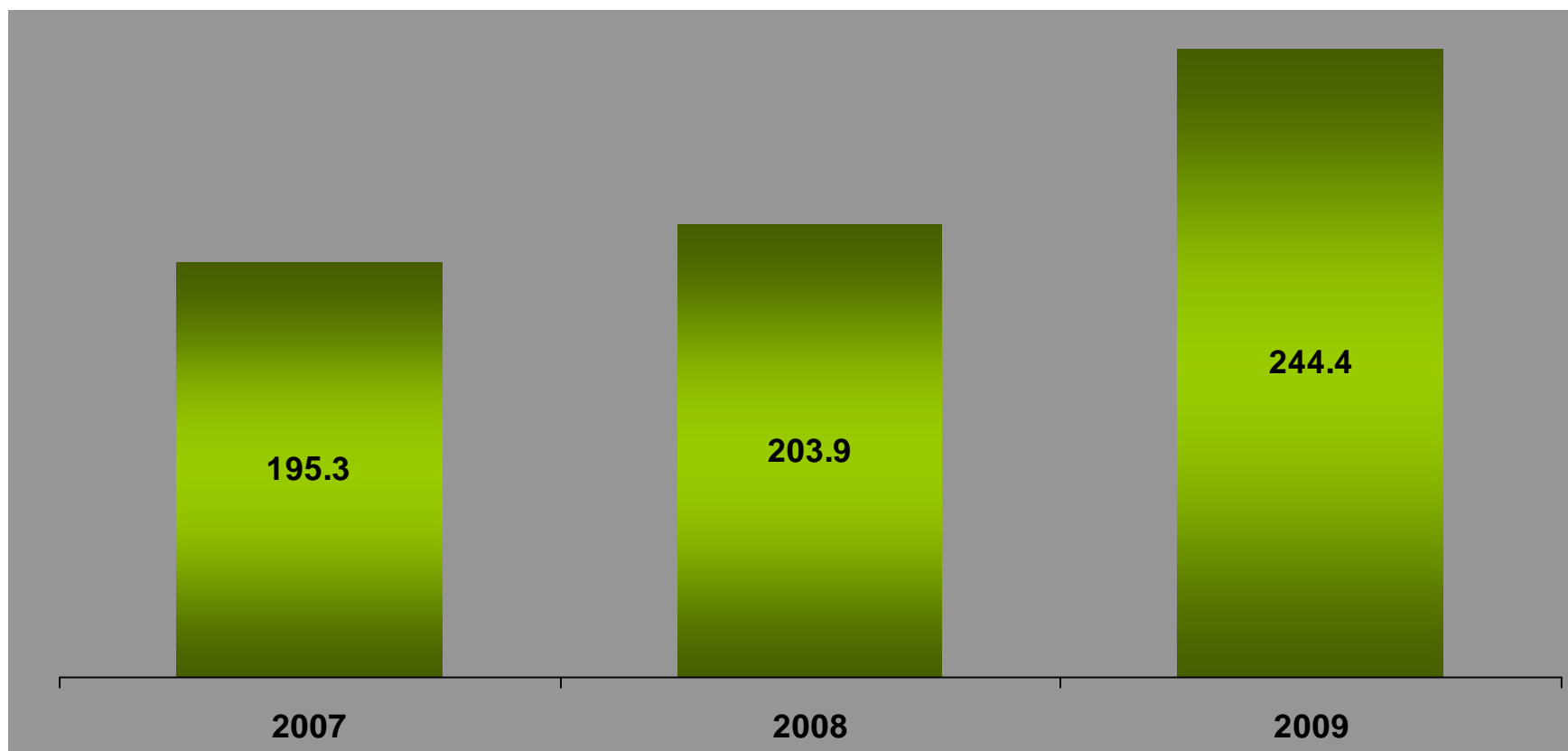
Outstanding deposits
(in billion pesos)



Expanding resources

Deposits increase together with Tier II proceeds fueled solid resource base

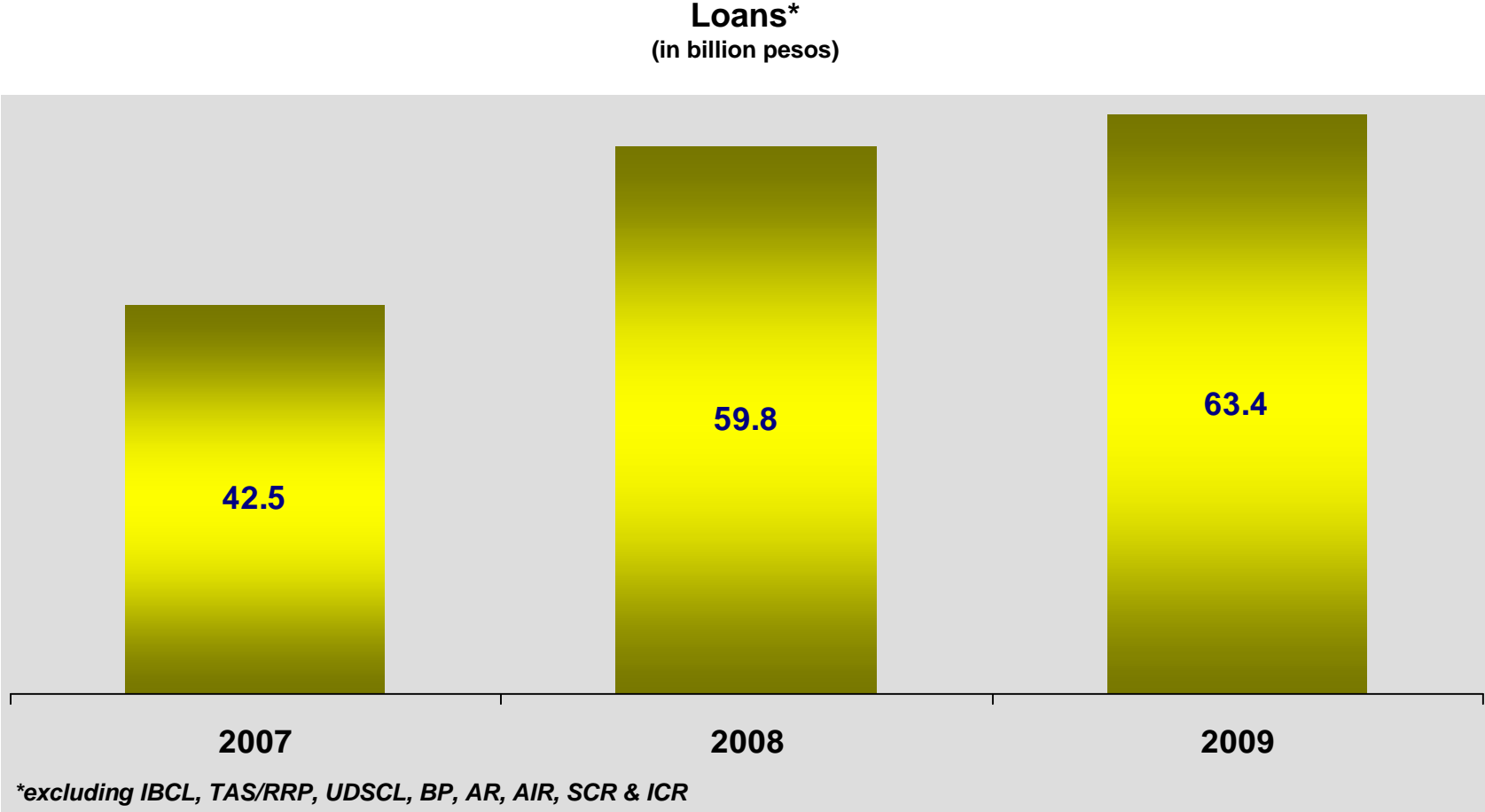
Total resources
(in billion pesos)



Calibrating loan growth



Loan portfolio growth guided by risk-adjusted measures

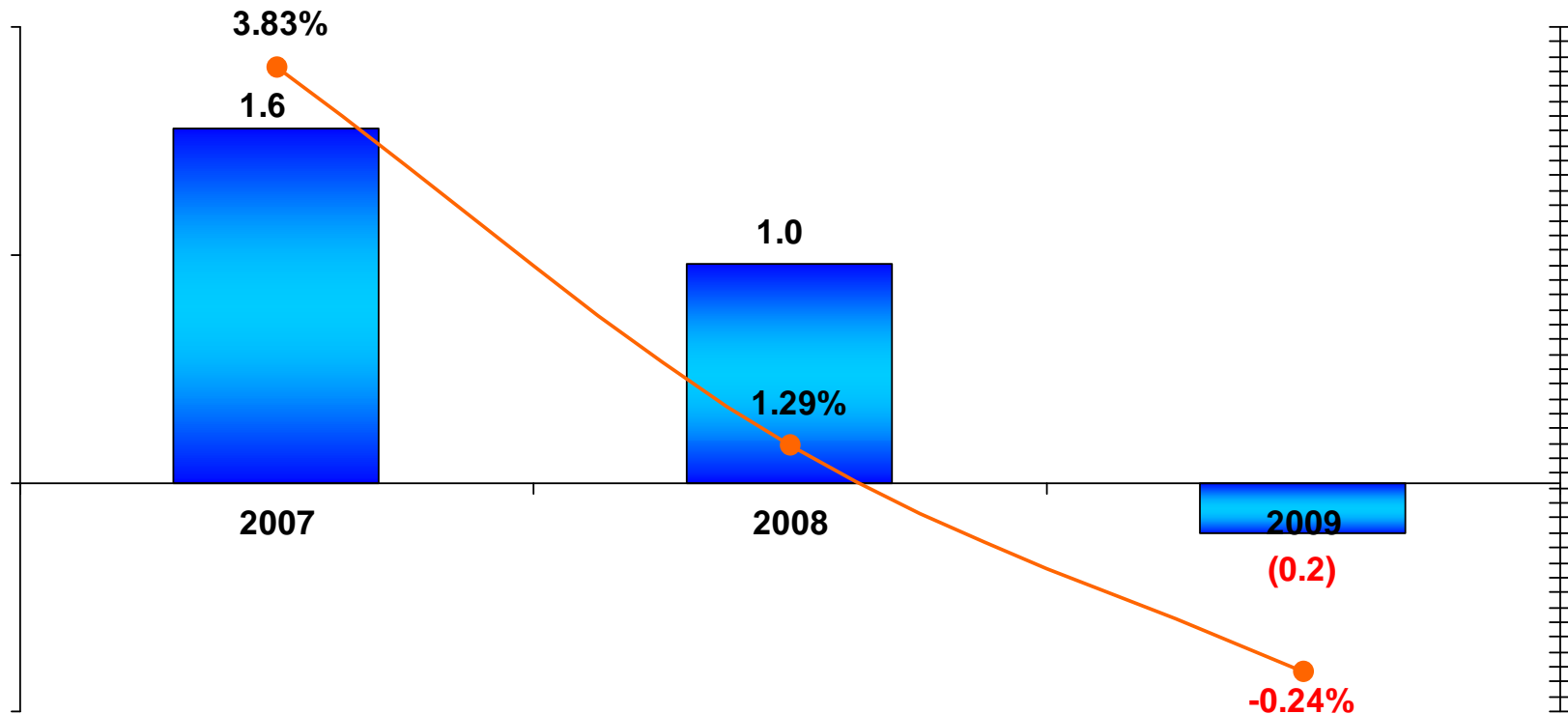


Improving asset quality

Asset quality through pro-active risk management practices

Net non-performing loans*

Net NPL (in billion pesos) — Net NPL ratio

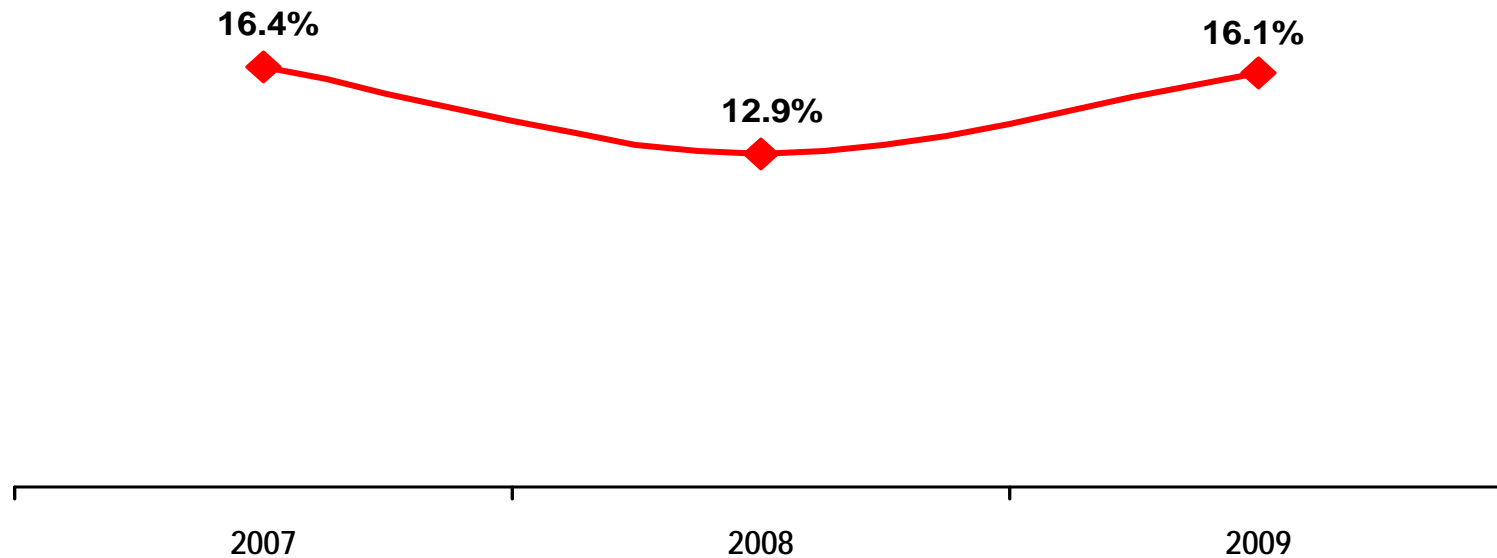


*NPLs & Total Loans net of Loan Reserves

Starting from a position of strength

Record high Income + Strong capital cushion = Stronger CAR

Capital adequacy ratio (%)



AGENDA

- **Overview**
- **AEV Financials**
- **Review of Business Units**
 - Aboitiz Power Corporation
 - Union Bank of the Philippines
 - Aboitiz Transport System
 - Pilmico Foods Corporation
- **Q&A**

2009 HIGHLIGHTS



- **KGL offer did not materialize**
- **SuperFerry 9 incident**
- **Temporary Marina suspension**
- **Devastating typhoons**
- **Asset sales**
- **Vessel charters**
- **Vessel purchases**
- **Growing value added business**
 - **JV with Kerry Logistics**

REVENUES (in million pesos)

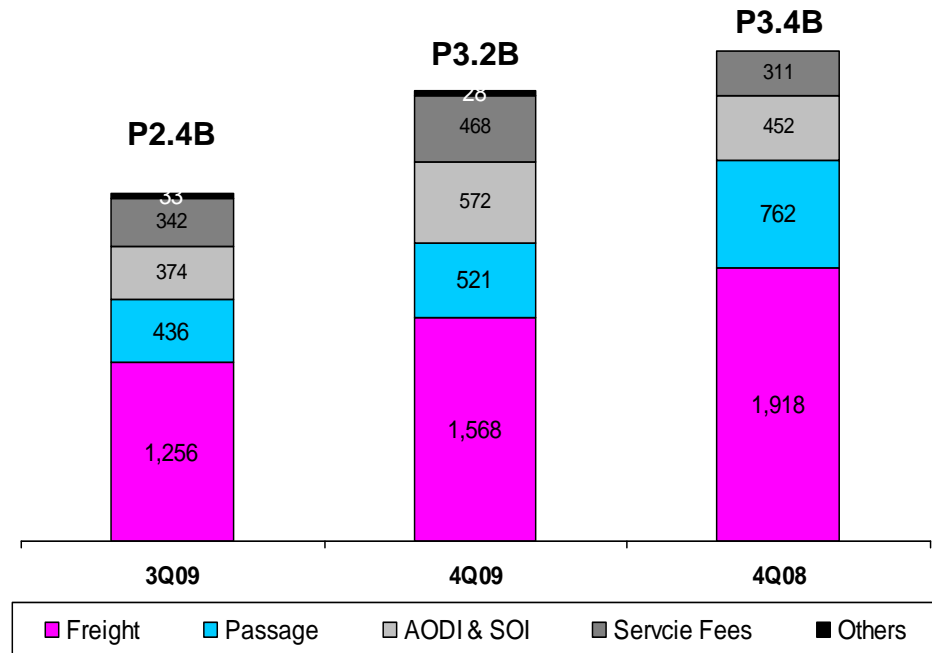
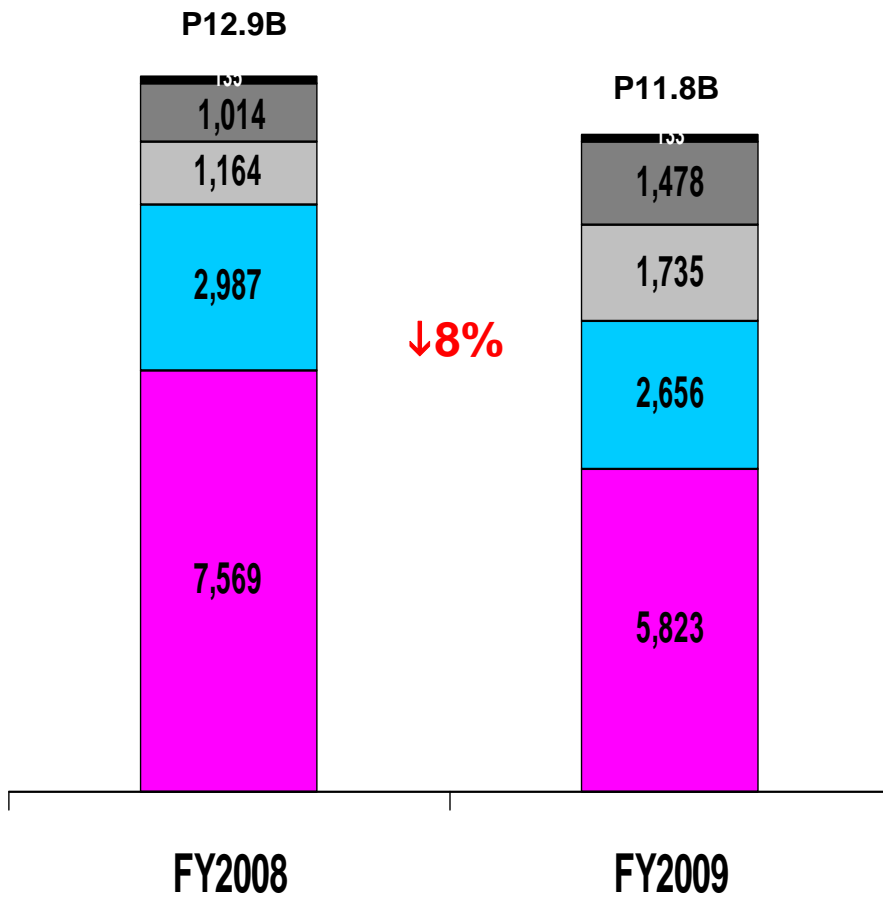


FY2009

- P1.3B lower int'l ship chartering business vs FY08
- P331M lower Passenger revenues
- P1.1B higher overall value added business

4Q09

- recovery from 3Q09 with 29% higher revenues

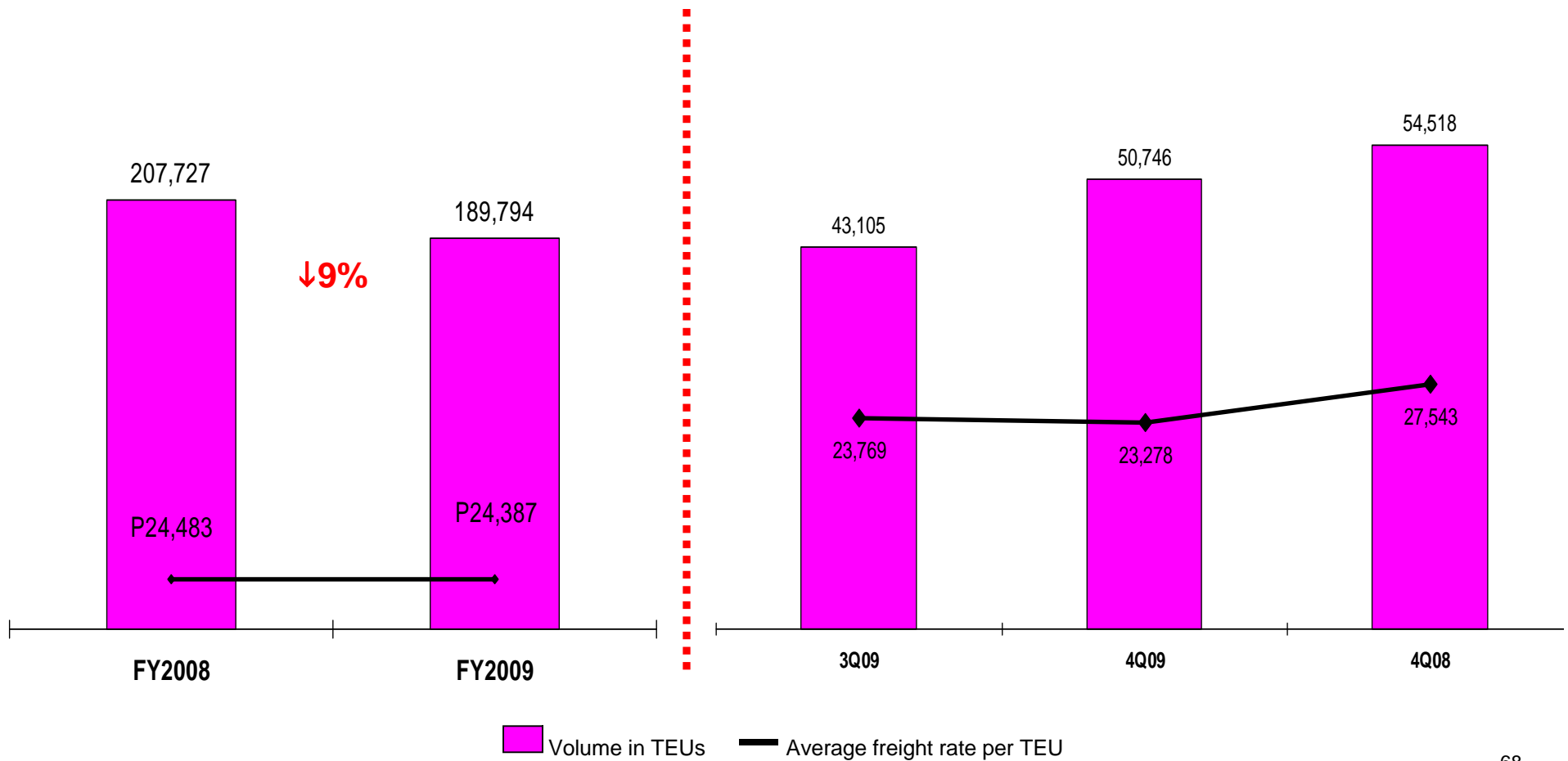


FREIGHT



FY2009

- 9% Lower Volume with rate per teu maintained
- 80% Load Factor vs. 88% FY08



PASSENGER

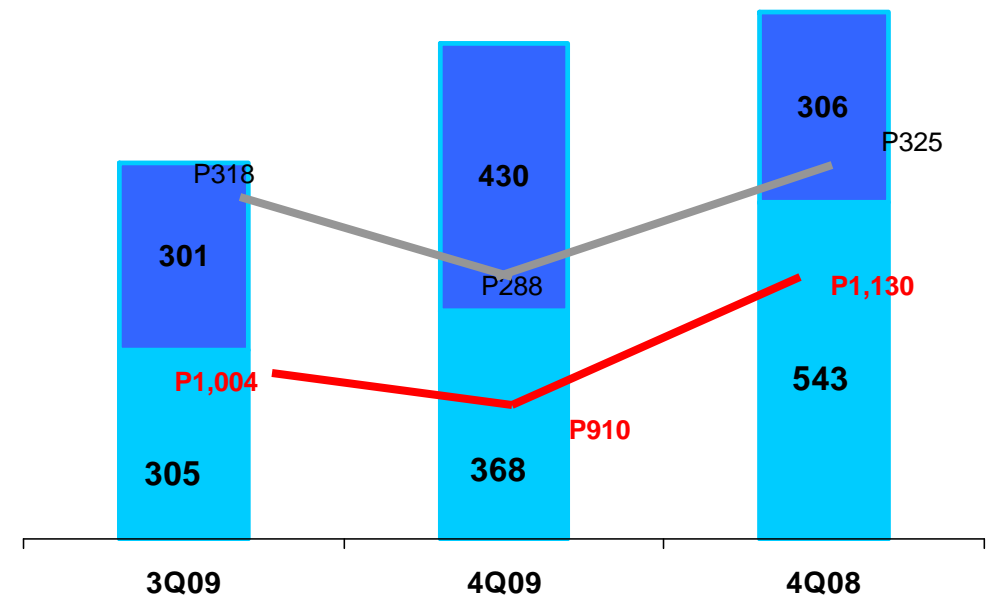
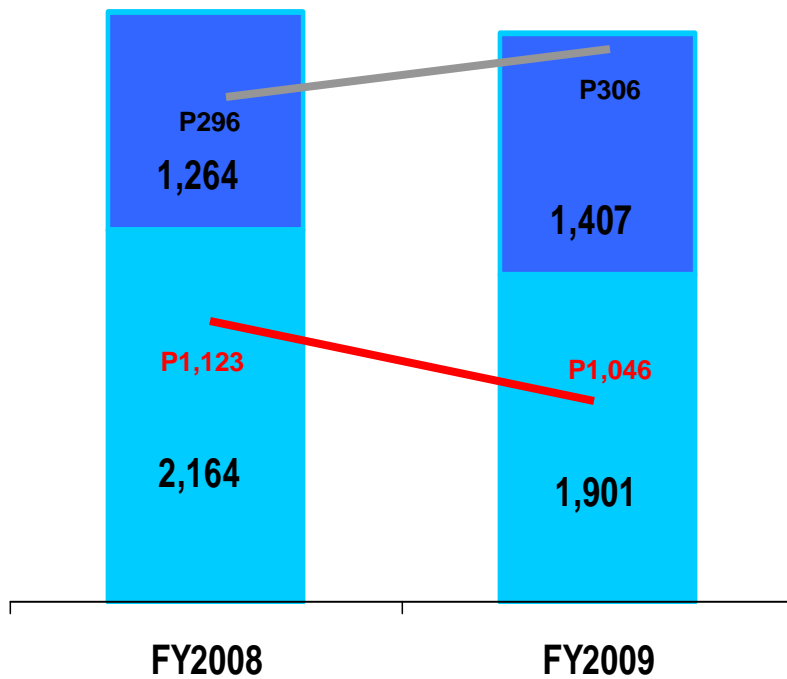


FY2009

- ROPAX: 13% lower capacity / load factor 71% vs. 70% FY08
- FASTCRAFT: 3% higher capacity / 4% higher rate
- load factor 60% vs. 56% on FY08

4Q09

- ROPAX: 32% decrease in volume / 20% lower rates vs 4Q08
- FAST CRAFT: 41% increase in volume with 11% lower rates vs 4Q08



■ Pax volume in Ropax
 ■ Pax volume in Fast craft
 — Average rate per Pax
 — Average rate per Pax for fast craft

EXPANSION

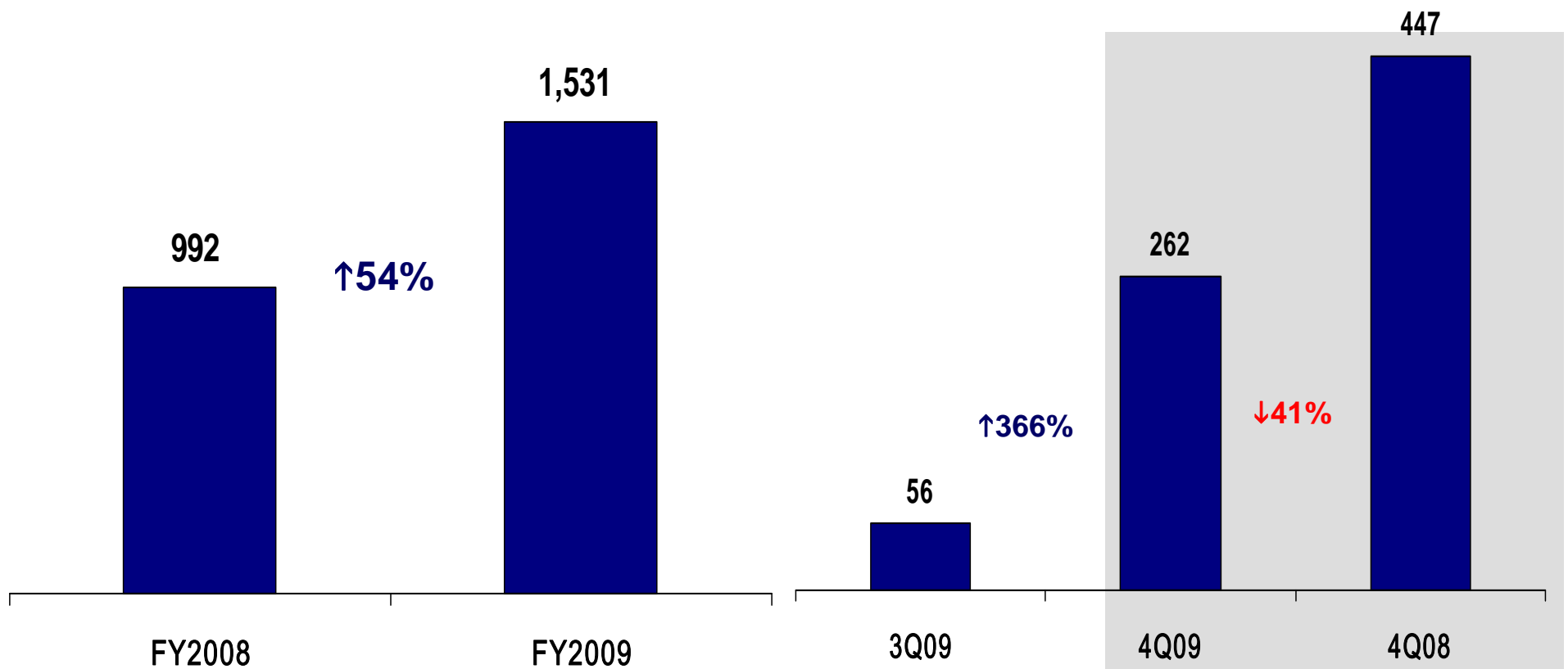


- Scania principals increased 23 principals with 85 brands versus 16 principals in 2008
- Expanded warehouse from 8,482 to 30,648 pallet positions with 79% utilization
- 5,261 crew onboard vs 5,166
- 7,892 crew in the pool vs 7,674
- 53 principals operating 355 ships
- 26 ships under ship management

EBITDA (in million pesos)



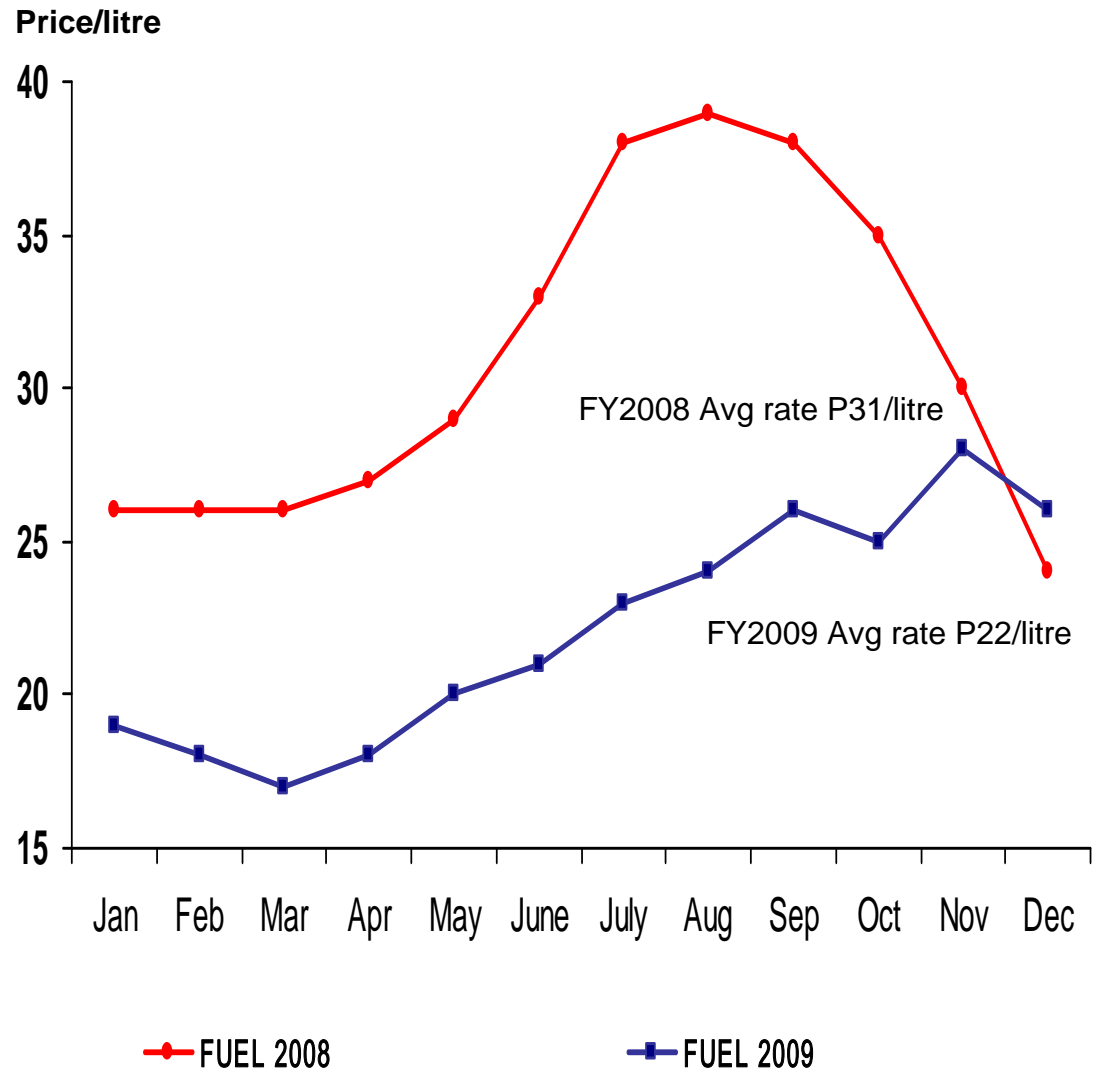
- 4Q09: EBITDA decreased by P185M vs 4Q08
- FY2009: EBITDA increased by P539M vs FY2008



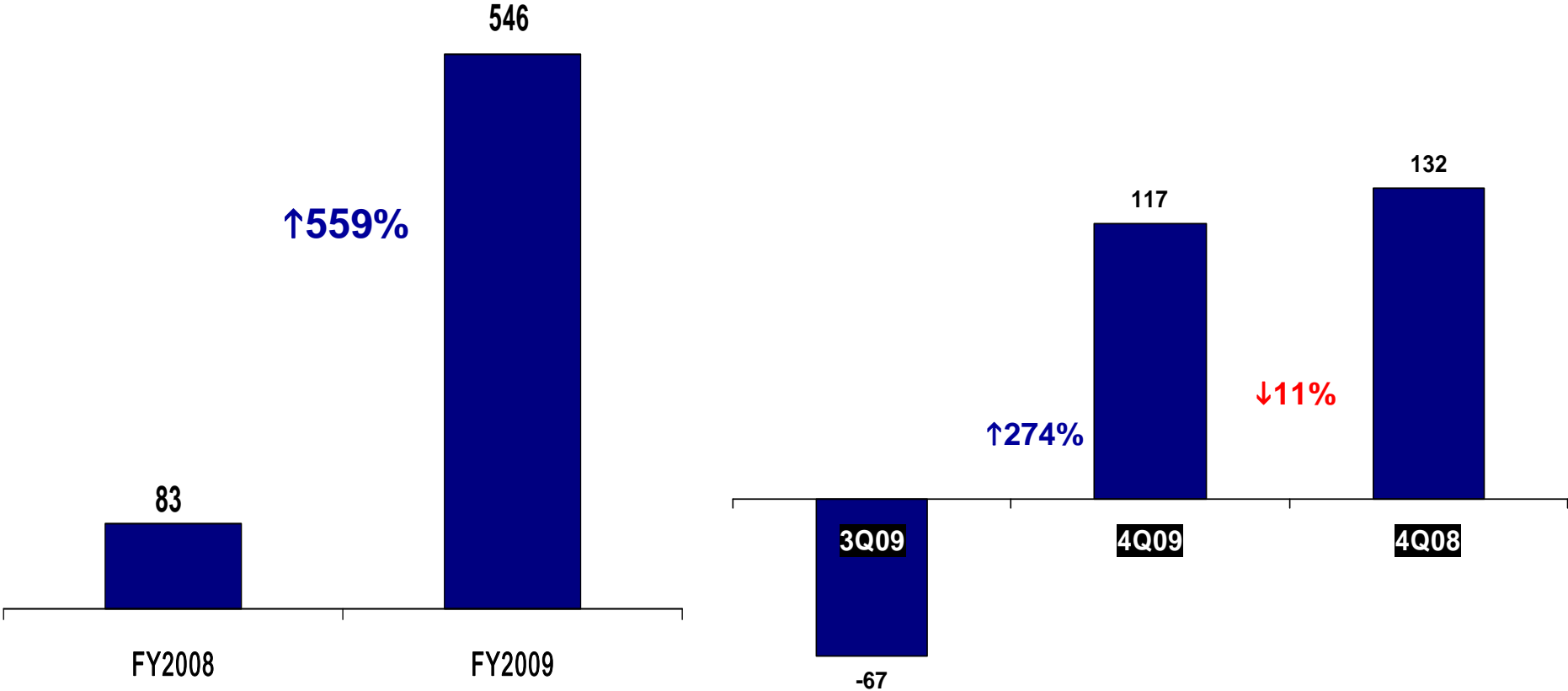
VESSEL FUEL COSTS



- Total fuel cost is P2.1B, 36% lower in FY09 vs FY08
- 29% lower average fuel price per litre
- 9% lower no. of litres consumed

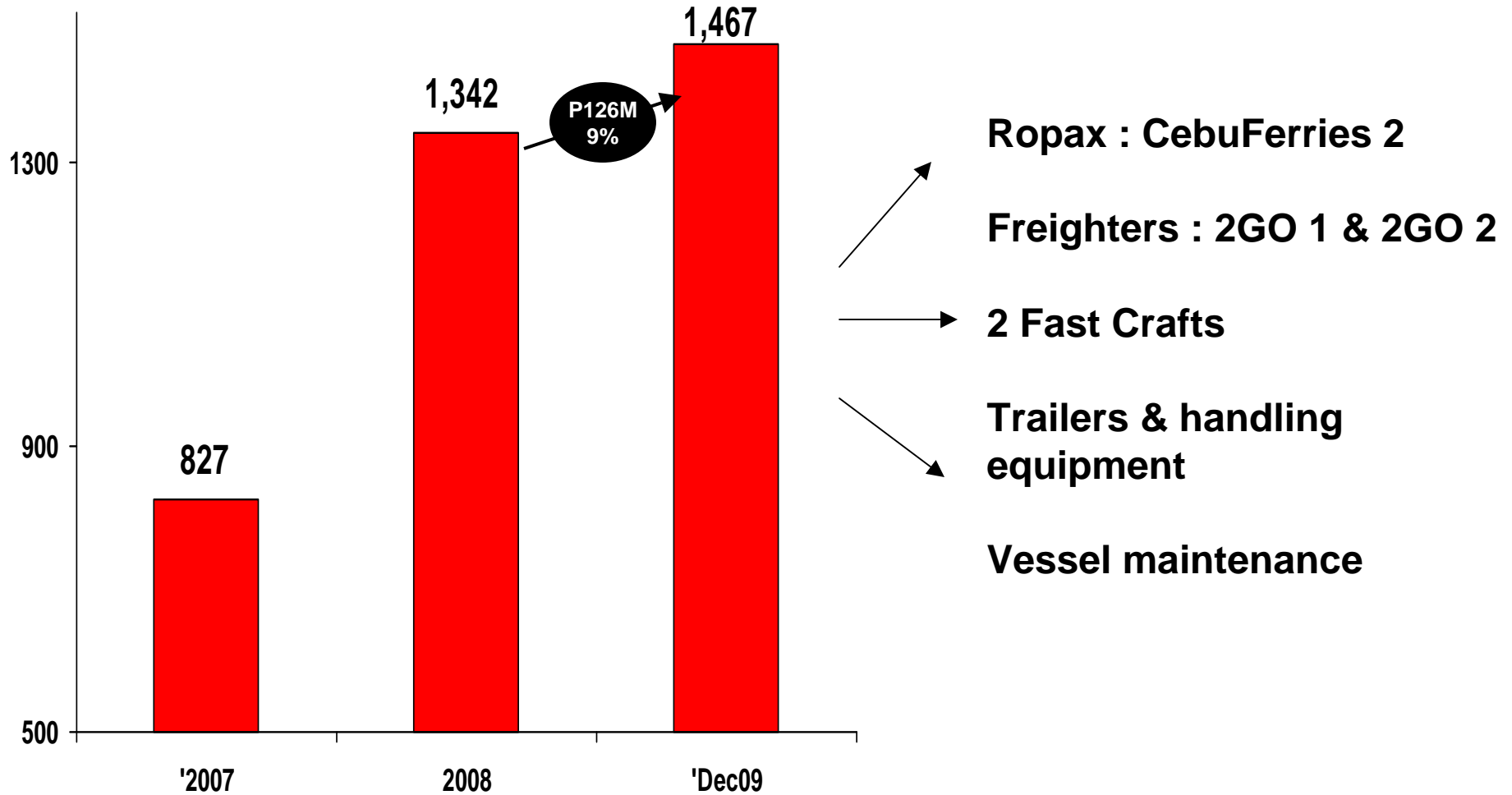


NET INCOME (in million pesos)



Amounts in Million Pesos

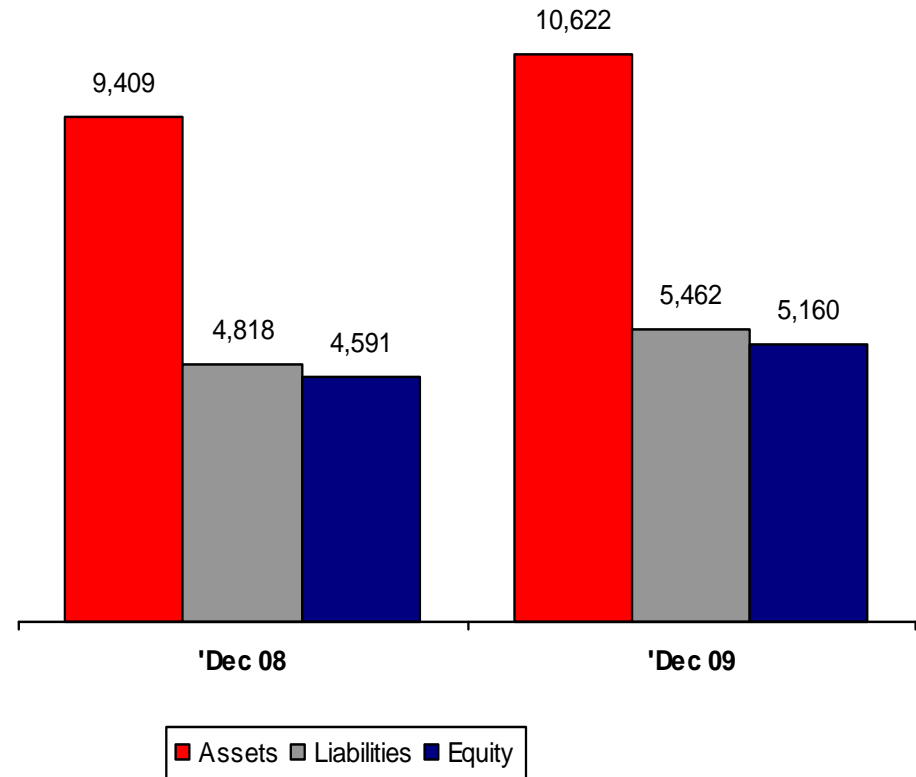
INTEREST BEARING DEBT (in million pesos)



BALANCE SHEET (in million pesos)



- Total Assets increased 13% to P10.6B.
- Cash & Cash Equivalents of P1.1B
- D/E ratio of 1.06:1.00 vs 1.05:1.00 last Dec 08 (Int. Bearing Debt / Equity of 0.28:1.00)
- Capital expenditures of P1.9B (P0.70B Vessel acquisition)



Amounts in Million Pesos

OUTLOOK



- **Focus on getting our customers back**
- **Continue to build our value added business**
- **Serving customers better thru frequency, reliability & speed**
- **Full operations of our newly purchased assets**
- **Purchase of 2 ropax vessels**
- **Refleeting and retooling of assets**
- **Low cost model of passenger business**
- **Expansion of Abojeb business**

AGENDA

- **Overview**
- **AEV Financials**
- **Review of Business Units**
 - Aboitiz Power Corporation
 - Union Bank of the Philippines
 - Aboitiz Transport System
 - Pilmico Foods Corporation
- **Q&A**

FINANCIAL HIGHLIGHTS



	2008	2009	% Change
Revenue			
Flour	6,685	6,239	-7%
Feeds	3,126	3,987	28%
Swine	955	878	-8%
TOTAL	10,765	11,104	3%
Net Income			
Flour	324	405	25%
Feeds	25	699	2707%
Swine	109	124	13%
TOTAL	458	1,227	168%

FLOUR

- With the global drop in wheat prices, flour prices in 2009 were lower. Better volume with minimal presence of imported flour in the market.

FEEDS

- Declining cost in relation to commodity prices. Better margins thru freight cost reduction as Vismin demands are supplied by Iligan plant. Iligan feedmill on tax holiday until Q2 2014.

SWINE

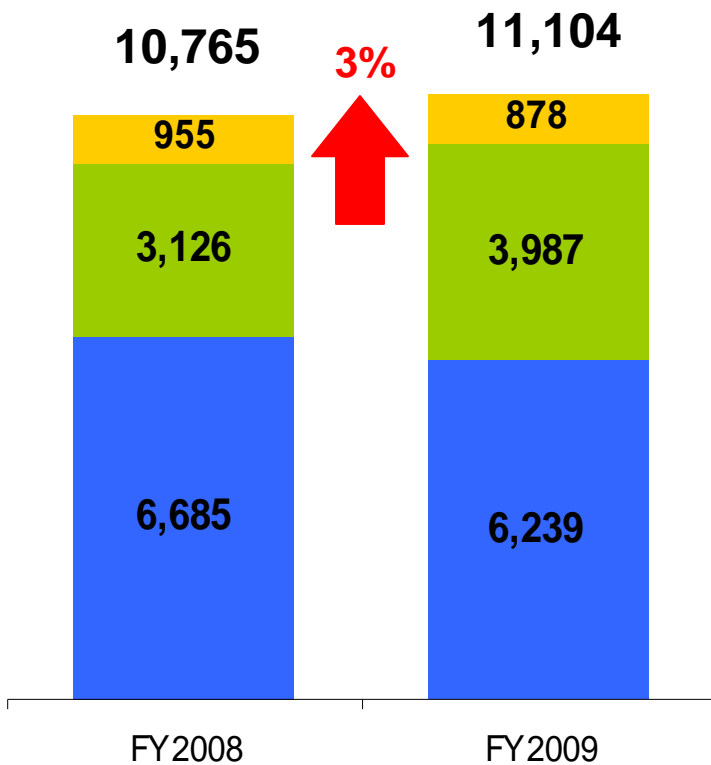
- Major mortality hit the farms in Jul-Aug affecting volume. Efficiencies in Farm 3 contributed to lower cost and better margins despite fewer heads sold this year. Farm 3 has 4,800 heads and has completed 2 full cycles in 2009.

FINANCIAL HIGHLIGHTS

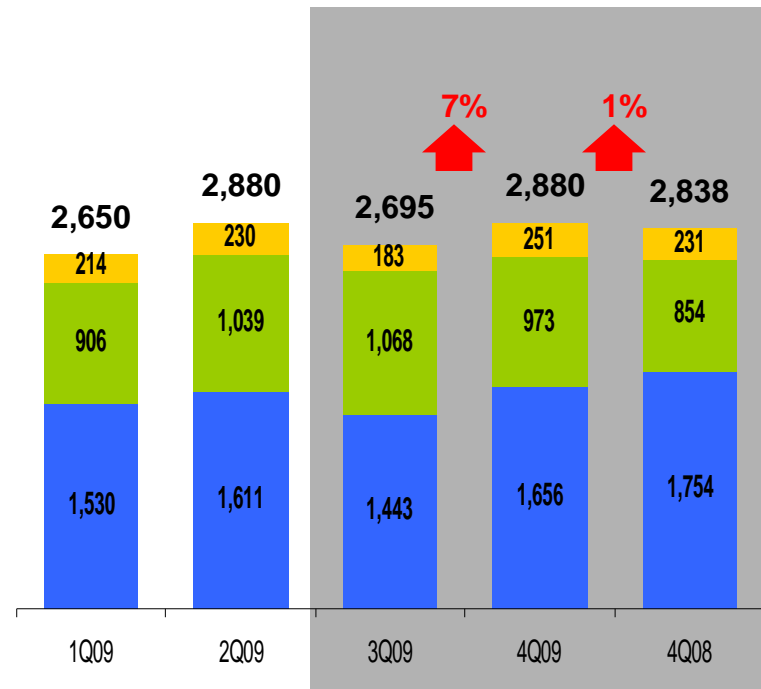


REVENUE (in million pesos)

FY RESULTS



4Q RESULTS



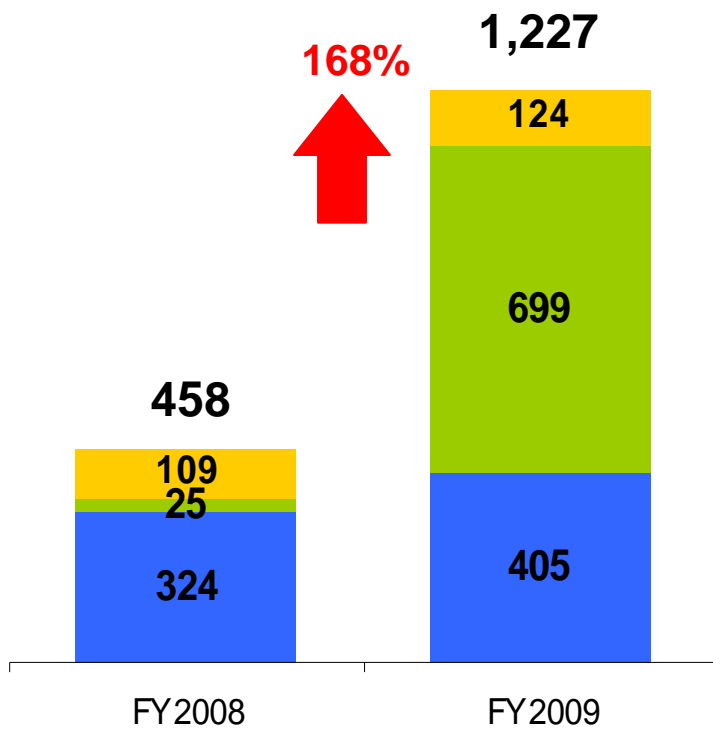
■ Flour
 ■ Feeds
 ■ Swine

FINANCIAL HIGHLIGHTS

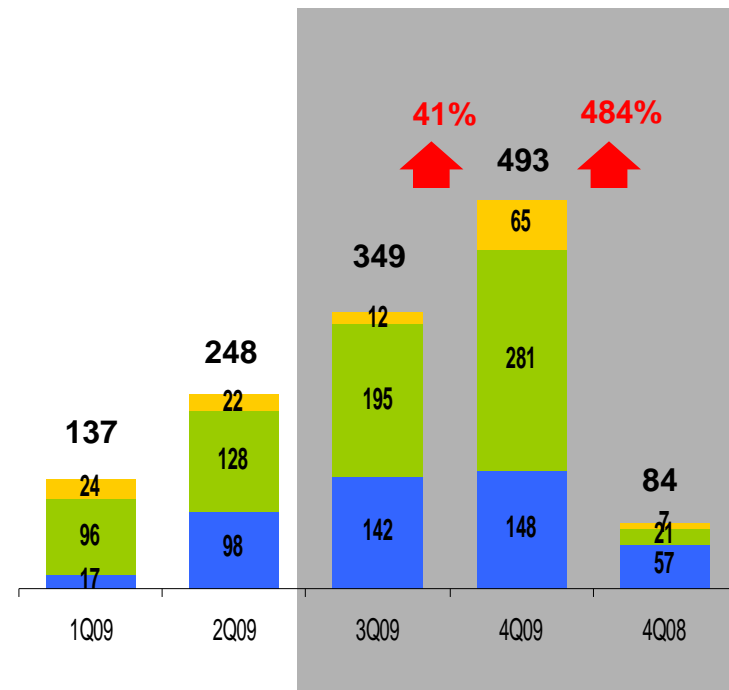


NET INCOME (in million pesos)

FY RESULTS



4Q RESULTS



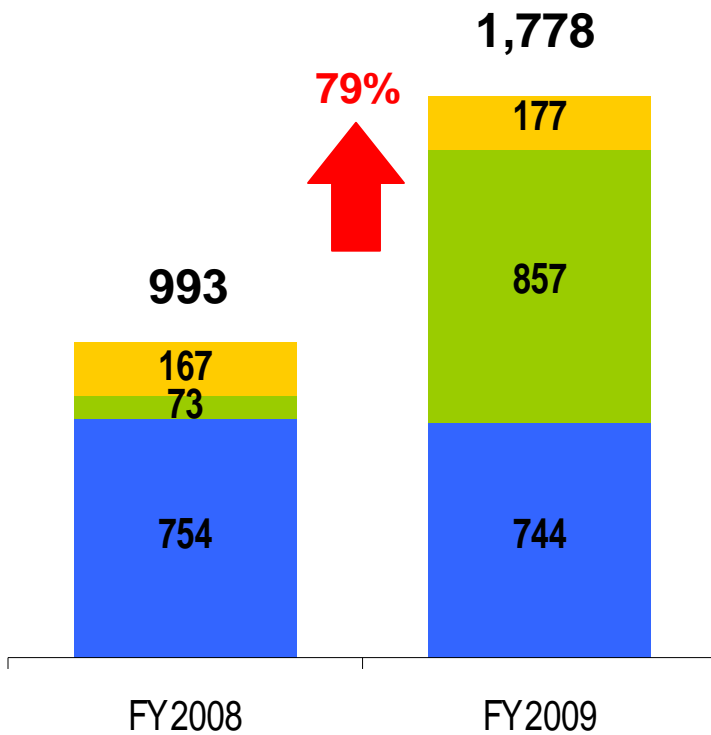
■ Flour
 ■ Feeds
 ■ Swine

FINANCIAL HIGHLIGHTS

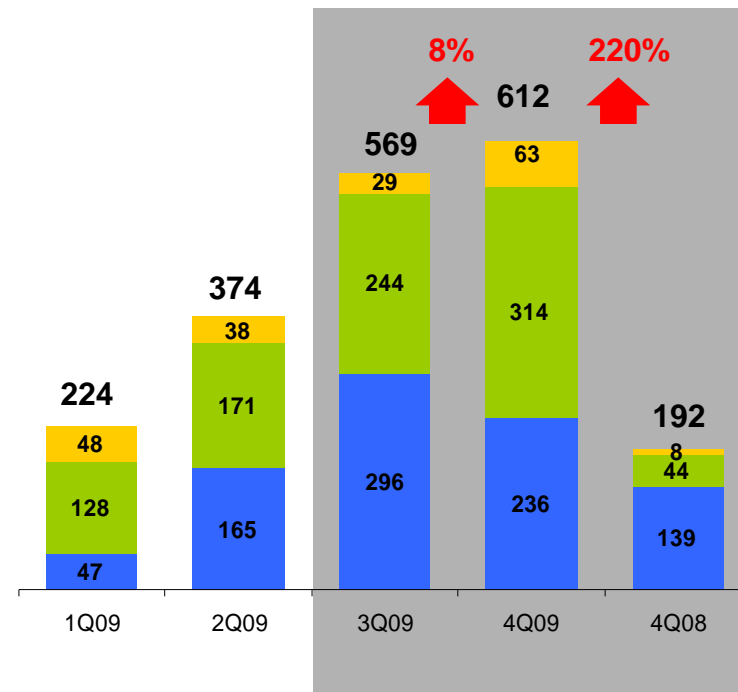


EBITDA (in million pesos)

FY RESULTS



4Q RESULTS



■ Flour
 ■ Feeds
 ■ Swine

Tarlac: Farm 4

- Start of commercial operation in Q1 2010

Tarlac: Farm 5

- Approved in December Pilmico BOD meeting
- Estimated project cost of P131M
- This is another company-owned grow-fin farm with 7,200 heads capacity

Iligan: Feedmill 2

- Target commissioning date – June 2010
- Target start of commercial operation – July 2010
- This additional production line has an estimated annual capacity of 108,000 metric tons
- Project cost estimated at P100 million

Tarlac & Iligan Feedmill:

- Launching of the Gamefowl line of Salto
- Preparatory documentation for the target ISO certification of the two feedmill plants next year

AGENDA

- **Overview**
- **AEV Financials**
- **Review of Business Units**
 - Aboitiz Power Corporation
 - Union Bank of the Philippines
 - Aboitiz Transport System
 - Pilmico Foods Corporation
- **Q&A**

abootiz

Equity Ventures

Fourth Quarter / Full Year 2009
Financial & Operating Results
5 March 2010
