

**COVER SHEET**

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S.E.C. Registration Number

A B O I T I Z P O W E R C O R P O R A T I O N

( Company's Full Name )

A B O I T I Z C O R P O R A T E C E N T E R  
 G O V . M A N U E L A . C U E N C O A V E .  
 K A S A M B A G A N , C E B U C I T Y

( Business Address: No. Street City / Town / Province )

**LEAH I. GERALDEZ**

Contact Person

**(032) 411-1804**

Company Telephone Number

**Current Report**

1 2 3 1

Month Day

Fiscal Year

1 7 - C

FORM TYPE

0 5 1 9

Month Day

Annual Meeting

Secondary License Type, if Applicable

S E C

Dept. Requiring this Doc

Amended Articles Number/Section

Total No. of Stockholders

X

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

\_\_\_\_\_

LCU

Document I.D.

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Cashier


STAMPS

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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. **November 05, 2008**  
Date of Report (Date of earliest event reported)
2. SEC Identification Number **C199800134**      3. BIR TIN **200-652-460**
4. **ABOITIZ POWER CORPORATION**  
Exact name of registrant as specified in its charter
5. **Cebu City, Philippines**  
Province, country or other jurisdiction  
of incorporation
6.   
Industry Classification Code
7. **Gov. Manuel A. Cuenco Ave., Kasambagan, Cebu City**      **6000**  
Address of principal office      Postal Code
8. **(032) 411-1800**  
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<br>Outstanding and Amount of Debt Outstanding<br>(as of September 30, 2008) |
|-----------------------------------|--|
| <b>Common Stock P1 Par Value</b>  | <b>7,358,604,307</b>   |
| <b>Amount of Debt Outstanding</b> | <b>P10,371,798,000</b>   |
11. Indicate the item numbers reported herein: 9

**Item 9: Other Events**

Aboitiz Power Corporation (AP) ended the first nine months of 2008 with a recurring net income of P3.45 billion, a 73% year-on-year growth versus last year's P1.99 billion. For the period in review, the company had a non-recurring net loss of P281 million due to foreign exchange net losses of P535 million resulting from the revaluation of dollar-denominated loans and placements of some of its subsidiaries and the reversal of a P254 million provision made by an associate company due to an arbitration settlement. All these bring AP's total earnings to P3.17 billion, still recording a robust bottomline year-on-year growth of 35%. This translates to an earnings per share of P0.43 for the period ending September 2008.

## **Business Segments**

### ***Power Generation***

The power generation business shored in a net income contribution of P1.99 billion, recording a 66% year-on-year growth from last year's P1.20 billion. The strong growth can be attributed to the incremental earnings contribution from 2007 acquisitions, with a major contribution coming from the 232MW STEAG coal power plant.

Total power sold for the period in review recorded a 130% year-on-year expansion, from 566 GwH to 1,300 GwH. This robust performance can be attributed to the 41% year-on-year increase in AP's attributable capacity, from 411MW to 578MW. Said increase was brought on by the acquisition of the 232MW STEAG coal power plant in November 2007 and the turnover of the 175MW Ambuklao-Binga hydro power plants in July 2008. Moreover, improved capacity factors for the hydro plants due to higher rainfall also led to the improvement in the power generation for the period.

During the months July to September, transmission line constraints brought on by the outage at the San Jose substation in Bulacan led to lower prices for North-based power plants, including AP's 360MW Magat and 100MW Binga hydro plants. However, the Energy Regulatory Commission issued a ruling on October 20, 2008 that allowed for price adjustments based on the NPC Time-of-Use rates, covering the period July 26 to October 25. This resulted to improved prices for Magat and Binga. Starting October 26, the electricity spot market has reverted to market-driven pricing.

### ***Power Distribution***

Higher electricity sales for the period resulted to an income contribution from the power distribution business of P1.12 billion, up by 6% year-on-year from last year's P1.06 billion.

The group's kilowatt-hour electricity sales for the period grew by 17% year-on-year, from 1,990 GwH to 2,329 GwH. Aside from the incremental volume sales from the 2007 acquisitions, expansion in Subic Enerzone's industrial segment accounted for the strong growth of the distribution group, with power demand increasing mainly due to the operation of the Hanjin shipyard. On an organic basis, the group recorded a growth of 5.5% year-on-year.

## **Financial Condition**

As of September 30, 2008, the company's total assets amounted to P39.65 billion, up by 10% from year-end 2007 levels. The company remains in a net cash position with Cash and Cash Equivalents at P7.54 billion and total consolidated interest bearing loans at P5.75 billion. Equity Attributable to Equity Holders of the Parent increased by 6% to P28.69 billion. Current ratio as of period end was at 1.8x (versus year-end 2007's 2.5x), while net debt-to-equity ratio was at -0.14x (versus year-end 2007's -0.29x).

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 POWER CORPORATION**

By

A handwritten signature in cursive script, appearing to read "M. Jasmine S. Oporto".

**M. JASMINE S. OPORTO**

Corporate Secretary

Date: November 05, 2008