



**MS. JANET A. ENCARNACION**  
Head, Disclosure Requirements  
Philippine Stock Exchange  
3/F Tower One and Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Re: Aboitiz Power Corporation's 1<sup>st</sup> Quarter SEC Form 17-Q

Gentlemen:

Enclosed is a copy of Aboitiz Power Corporation's (Corporation) letter to the Securities and Exchange Commission (SEC) which was filed today, September 26, 2012 in response to SEC'S comments on the Corporation's SEC Form 17-Q (Quarterly Report) for the period ended March 31, 2012 (1st Quarter).

Very truly yours,

A handwritten signature in black ink, appearing to read "M. Jasmine S. Oporto". The signature is written in a cursive, flowing style.

M. JASMINE S. OPORTO  
Corporate Secretary



September 26, 2012

**JUSTINA F. CALLANGAN**  
Acting Director  
Securities and Exchange Commission  
SEC Bldg., EDSA, Greenhills, Mandaluyong City

Re: AP SEC Form 17-Q for the period ended March 31, 2012

Dear Atty. Callangan:

In compliance with your letter dated August 13, 2012, which we received last September 19, 2012, we offer the following explanation on the findings cited therein:

**1. Finding – Non-submission of the Schedule of Relevant Financial Ratios.**

Response – We inadvertently failed to include the attached new schedule. We attach herewith as Annex "A" a copy of the Schedule of Relevant Financial Ratios.

In future reporting, we will make sure to include this schedule.

We would like to request the Commission to consider this letter reply as part of the duly filed S.E.C. Form 17-Q dated May 15, 2012, and to attach the same as Annex "A" to the said report.

We trust that you will find everything in order.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION By:

CRISTINA BRIONES-BELORIA  
Assistant Vice President/Controller

**ABOITIZ POWER CORPORATION AND SUBSIDIARIES  
SCHEDULE OF RELEVANT FINANCIAL RATIOS**

	FORMULA	MAR 2012	DEC 2011
<b>LIQUIDITY RATIOS</b>			
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	4.09	3.46
Acid test ratio	$\frac{\text{Cash + Marketable Securities + Accounts Receivable+ Other Liquid Assets}}{\text{Current liabilities}}$	3.74	3.15
<b>SOLVENCY RATIOS</b>			
Debt to equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	1.10	1.19
Asset to equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	2.10	2.19
Net debt to equity ratio	$\frac{\text{Debt - cash \& cash equivalents}}{\text{Total equity}}$	0.59	0.71
Gearing ratio	$\frac{\text{Debt - cash \& cash equivalents}}{\text{Total equity + (Debt - cash \& cash equivalents)}}$	37.03%	41.51%
Interest coverage ratio	$\frac{\text{EBIT}}{\text{Interest expense}}$	4.64	4.55
<b>PROFITABILITY RATIOS</b>			
Operating Margin	$\frac{\text{Operating Profit}}{\text{Total revenues}}$	33.10%	37.37%
Return on Equity *	$\frac{\text{Net income after tax}}{\text{Total equity}}$	n.a.	43.18%

Ratio marked \* is deemed not applicable (n.a.) for the interim reporting period since this would not be comparable to the ratio reported in the previous period.