

abotiz outlook



April 30, 2009

- **Aboitiz Power issues ₱ 3-billion bonds**

Aboitiz Power Corporation (AP) completed its maiden issuance of ₱3 billion worth of peso-denominated 3 and 5 year fixed rate retail bonds.

The 3-year bonds worth P705,580,000 (maturing on April 30, 2012) and the 5-year bonds worth P2,294,420,000 (maturing on May 1, 2014) have a fixed interest rate equivalent to 8.0% per annum and 8.7% per annum, respectively.

The issue was 2.5x oversubscribed and had to be upsized from ₱1.5 billion to ₱3.0 billion. The Securities and Exchange Commission (SEC) had approved last April 14, 2009 AP's application for the registration of ₱1.5 billion worth of bonds, with an oversubscription option of up to ₱1.5 billion.

Earlier this year, the Philippine Rating Services Corporation, assigned the highest possible rating of "PRS Aaa" to both the retail bond issue and the P3.89-billion corporate notes the company issued in December 2008.

AP is the largest private hydropower developer and operator in the Philippines. In July 2008, it won the bid for the 747-megawatt (MW) Tiwi-Makban facilities in Southern Luzon, the company's first geothermal assets. After its take over, AP will be one of the leading renewable energy companies in the country.

Other successful bids include the Magat and Ambuklao-Binga hydro plants in Northern Luzon and its acquisition of a 34% stake in STEAG State Power Inc., which owns and operates a coal-fired plant in Misamis Oriental.

To further augment the country's power requirements, AP is constructing greenfield projects in Davao, Cebu. The company will also continue to bid for targeted assets being sold by PSALM.

Named by Asiamoney as the Philippines' best managed medium-company last year, AP ended the 2008 with a recurring net income of P4.7 billion, up by 38% from the previous year's P3.4 billion

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