

abotiz outlook



July 31, 2009

- **Aboitiz Power acquires two 100-MW power generating barges**

Aboitiz Power Corporation (AP) won on July 31 a negotiated bid to acquire two barge-mounted, diesel-powered generation plants from the Power Sector Assets and Liabilities Management Corporation (PSALM). The plants each have a generating capacity of 100 megawatts (MW).

AP's price offer for the power barges (PB), also known as PB 117 and PB 118, were US\$16 million and US\$14 million, respectively. Of these amounts, at least 40% will be payable upon closing of the acquisition with the remaining 60% payable over a period not to exceed seven years.



The engine control room of PB 117 where the monitoring of all machinery activities, performance, alarms and remote control operation is done.

AP will acquire PB 117, located in Barangay Sta. Ana, Nasipit, Agusan del Norte, through its wholly owned subsidiary Therma Mobile, Inc. PB 118, located in Barangay San Roque, Maco, Davao Del Norte, will be acquired by another wholly owned subsidiary Therma Marine, Inc.



100-MW PB 118 located in Barangay San Roque, Maco Davao del Norte

The power barges are currently being operated by Burmeister & Wain Scandinavian contractor Mindanao, Inc. (BWSC), under contract with the National Power Corporation.

The closing of the transaction will depend on the fulfillment of certain conditions preceded by AP and PSALM. It must occur not later than 270 days from PSALM's issuance of the award letter, which is expected within 10 days from July 31.

When the power barges are turned over to AP, its attributable generating capacity will be 1,240 MW.

Note: This report is for information purposes only and should not be relied upon by its intended recipients for investment decisions. It is not an offer to sell or a solicitation of an offer to buy the security of the company covered by this report. AEV makes no warranties, implied or otherwise, as to the accuracy of the information contained herein. Any financial figures presented are unaudited unless stated otherwise. Under no circumstances should this information or any of it be copied, reproduced or redistributed without written permission.

Head Office: Aboitiz Corporate Center, Manuel A. Cuenco Ave., Cebu City, Philippines **Phone:** (63-32) 411-1800 **Fax:** (63-32) 231-4031

Manila Office: 110 Legazpi Street, Legaspi Village, Makati City, Philippines **Phone:** (63-2) 793-2800 **Fax:** (63-2) 817-9508

Email: aev@abotiz.com

Website: www.abotiz.com