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S.E.C. Registration Number

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(Company's Full Name)

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

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|------------------|
| LEAH I. GERALDEZ |
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Contact Person

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| (032) 411-1804 |
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Company Telephone Number

Current Report

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Month Day

Fiscal Year

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FORM TYPE

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Month Day

Annual Meeting

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Secondary License Type, if Applicable

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Dept. Requiring this Doc

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Amended Articles Number/Section

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Total No. of Stockholders

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Domestic

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Foreign



To be accomplished by SEC Personnel concerned

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File Number

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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 3, 2009**
Date of Report (Date of earliest event reported)

 2. SEC Identification Number **CE02536**
 3. BIR TIN **003-828-269-V**

 4. **ABOITIZ EQUITY VENTURES, INC.**
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**
Address of principal office
 - 6000**
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
Outstanding and Amount of Debt Outstanding
(as of September 30, 2009) |
|-----------------------------------|--|
| Common Stock P1 Par Value | 5,574,942,121 |
| Amount of Debt Outstanding | P42,341,235,111 |
-
11. Indicate the item numbers reported herein: 9

Item 9: Other Events

Aboitiz Equity Ventures, Inc.'s ("AEV" or "the Company") consolidated net income for the third quarter of 2009 registered a 110% year-on-year ("YOY") increase, from P1.2 billion to P2.4 billion. Out of the total earnings contributions from the business segments, power accounted for 68%. This was followed by the banking and food groups pouring in 20% and 14% of the total, respectively, offsetting the negative contribution of the transport group.

For the three-month period, AEV incurred a non-recurring gain of P114 million (versus a P119 million non-recurring loss for the same period last year), which consists of (1) P73 million in foreign exchange gains at the parent and subsidiary levels, and (2) a P41 million share in the gains booked by its transport business, as it sold one of its vessels and its logistics business. Adjusting for these one-off's,

AEV's core net income for the quarter still grew at a robust rate of 81% YOY, from P1.3 billion to P2.3 billion.

On a year-to-date ("YTD") basis, AEV ended the period with a consolidated net income of P5.9 billion, recording an increase of 74% YOY. This translates to P1.05 in earnings per share for the first nine months of 2009. The power group still accounted for the lion's share at 54%, followed by the banking group at 26%, the food group at 14% and the transport group at 6%.

For the nine-month period, the Company had a non-recurring gain of P543 million (versus last year's P161 million non-recurring loss). Aside from a P10 million foreign exchange gain at the parent and subsidiary levels, AEV realized a non-recurring income of P633 million, which consists of (1) a P575 million reversal of impairment provision to adjust the carrying amount of the assets of Aboitiz Transport System Corporation ("ATS") in consideration of the termination of the planned sale of ATS and (2) a P58 million booked revenue (net of income tax provision), which represents the option money paid to AEV for the planned sale of ATS. In addition, Aboitiz Power Corporation ("AP") booked one-off costs that relate to the acquisition of the Tiwi-Makban geothermal power plants, contributing P141 million to AEV's non-recurring expenses. In the meantime, ATS booked gains on the sale of one of its vessels and its logistics business, contributing P41 million to AEV's non-recurring income for the period. Accounting for all these, AEV's core earnings was still strong at P5.3 billion, up 51% YOY.

Business Segments

Power

AP ended the first nine months of the year with an income contribution of P2.9 billion, recording a 20% YOY increase. When adjusted for non-recurring items, the group recorded a 16% YOY rise in its earnings share, from P2.6 billion to P3.0 billion.

Despite lower spot market prices, the power generation business recorded a 50% YOY expansion in earnings contribution, from P1.5 billion to P2.3 billion, for the period YTD September 2009. The strong showing was on the back of a 91% YOY increase in total attributable power sales, from 1,300 GwH to 2,489 GwH. The expansion mainly came from the improved generation of the hydro assets, which resulted from the higher rainfall during the year and the full nine months operation of the 100 MW Binga hydro power plant. In addition, the Tiwi-Makban geothermal power plants, which were turned over in May 2009, contributed 1,022 GwH, accounting for 41% of the power generation's energy sales for the period.

As of end-September 2009, AP's attributable capacity was at 1,040 MW, posting an 80% YOY increase. The growth was due to the turnover of the Tiwi-Makban geothermal power plants in May 2009, which has an estimated sustainable capacity of 462 MW.

The power distribution group's attributable electricity sales for the first nine months of the year grew by 6% YOY, from 2,329 GwH to 2,460 GwH. The attributable power consumption of residential and non-residential customers improved by 7% and 5%, respectively. The group's customer base still grew with the residential segment increasing by 5% and the non-residential inching up by 1%.

Despite the robust volume growth recorded, the power distribution group's income contribution to AEV remained flat at P847 million. The impact of the under recovery of cost of purchased power by the utilities in March 2009 negated the strong gain

recorded by the group in the third quarter. On the back of an 8% increase in volume sales and improved gross margin, AP's power distribution group recorded a 34% YOY increase in net earnings for the third quarter of 2009. Enhancements in the distribution business' gross margin for the third quarter was due to (1) the rate increase implemented by Cotabato Light & Power Company, Inc in May 2009, as it shifted to the Performance Base Regulation Scheme; and (2) the rate increase of Subic Enerzone Corporation, which resulted from its rate unbundling in November 2008. On September 10, 2009, the Visayan Electric Company, Inc. implemented a rate increase of P0.23 per kwh. Said rate increase was approved by the Energy Regulatory Commission under the Return on Rate Base scheme.

Financial Services

For the period January to September 2009, the financial services group contributed net earnings of P1.4 billion, recording a 115% YOY improvement from previous year's P651 million.

Union Bank of the Philippines ("UBP") ended the period with an earnings contribution of P1.3 billion, up by 115% YOY. A 101% YOY increase in the bank's net income for the period, coupled with the increase in AEV's equity ownership to roughly 39%, led to the higher contribution.

Interest income for the period increased by 27% YOY to P9.1 billion. This was mainly attributable to a 40% YOY expansion in interest earnings on loans and receivables to P5.2 billion. The bank's loan portfolio recorded a 12% YOY increase, from P71.0 billion to P79.7 billion, as efforts on accounts acquisition were implemented in the corporate, commercial and consumer finance market segments. Interest earnings from investments and trading securities improved by 14% YOY to P3.1 billion. Net interest income rose by 13% YOY, from P4.3 billion to P4.8 billion, despite the 49% YOY increase in total interest expense brought about by the bank's higher deposit level.

Higher net securities and foreign exchange trading gains led to a 171% YOY increase in the bank's other income. Meanwhile, other expenses only grew by 14% as UBP continued to implement cost containment and efficiency improvements.

UBP's asset base stood at P226.6 billion as of period end, with a deposit level of P181.0 billion. The bank's capital adequacy ratio was at 13.2%, inclusive of credit, market and operational risk charges, which remains above the industry minimum requirement of 10%.

AEV's non-listed thrift bank, City Savings Bank ("CSB"), contributed earnings of P56 million during the period YTD September 2009, up 113% YOY. The bank's higher earnings contribution could be attributed mainly to the 53% growth in its interest income on loans. CSB ended the period in review with a total loan book of P4.7 billion, up by P1.3 billion or 38% from P3.4 billion in the same period last year. Total resources increased to P5.7 billion from the 2008 year-end level of P4.7 billion. The bank's NPL ratio stood at 1% while its NPL coverage ratio was at 171%. Total capital funds amounted to P681 million with a capital adequacy ratio of 14%.

Transport

The transport group registered an income contribution of P331 million for the period January to September 2009, a marked improvement over last year's net loss contribution of P32 million. Declining fuel prices resulted to a 35% YOY decline in fuel cost, ATS' single largest expense.

ATS' income expansion was tempered by the loss of one of its ships and the subsequent temporary suspension of all its ro-ro-passenger vessels in September 2009. This greatly affected the freight and passenger business. This, coupled with the decline in its international chartering business, resulted to a P1 billion drop in consolidated revenues for the quarter ending September 30, 2009. Consequently, ATS recorded a net loss attributable to equity holder of parent of P67.3 million, versus last year's P66.2 million net loss incurred for the same period last year.

As of September 30, 2009, consolidated assets amounted to P10.2 billion. Cash and cash equivalents stood at P1.3 billion. Interest bearing debt remained flat at P1.3 billion vis-à-vis 2008 year-end level, while stockholders' equity stood at P5.1 billion.

Food

For the first nine-month period ending September 30, 2009, income contribution from AEV's non-listed food subsidiary, Pilmico Foods Corporation, recorded a 97% YOY increase to P734 million. Despite a 7% YOY rise in volumes, the flour business recorded a 4% YOY earnings reduction due to lower average selling prices realized in the period. Lower sales volume and average selling prices resulted in a 43% YOY drop in the swine business' earnings. In the meantime, the feeds business recorded a significant improvement in its bottomline countering income declines in the flour and swine groups, as it recorded an 18% YOY increase in sales volume coupled with improved margins that resulted from higher average selling prices and freight cost savings due to the operation of the Iligan feedmill.

Financial Condition

For the period ending September 30, 2009, the Company's total assets amounted to P94.8 billion, up by 25% from year-end 2008 level. Cash and cash equivalents amounted to P7.6 billion, lower by P9.0 billion from year-end 2008 levels. Total consolidated liabilities increased by 46% to P42.3 billion, while Equity Attributable to Equity Holders of the Parent increased by 13% to P42.9 billion. Current ratio as of period end was at 0.9x (versus year-end 2008's 1.9x), while net debt-to-equity ratio was at 0.45x (versus year-end 2008's 0.07x).

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 EQUITY VENTURES, INC.

By:



M. JASMINE S. OPORTO

Corporate Secretary

Date: November 3, 2009