



ORTIGAS AVENUE, PASIG CITY
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February 1, 2016

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Head, Disclosure Department

PHILIPPINE STOCK EXCHANGE, INC.

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PHILIPPINE DEALING & EXCHANGE CORPORATION

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Mesdames:

We reply to your letter dated February 1, 2016 (received thru EDGE Submission System at 8:58 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco sales volume up 5.4%" posted in The Standard (Internet Edition) on January 31, 2016. The article reported in part that:

"Manila Electric Co., the country's biggest power retailer, posted a 5.4-percent increase in sales volume in 2015, after consumer segments registered growth.

'All segments are strong especially residential due to lower gen charges, low inflation, El Niño which meant higher temperatures, stable supply and a lot of our customer programs,' Meralco senior vice president Al Panlilio said over the weekend. Meralco has not released its full-year financial figures for 2015.

Meralco, however, is forecasting a lower sales volume growth of 3 percent to 3.5 percent this year after a high base of 5.4 percent expansion in 2015.

....

Reyes expressed confidence the company was likely to hit its P18.5-billion full year core net income target this year due to higher sales volume.

...."

With reference to the said news article, we would like confirm the statement attributed to our Senior Vice President and Head of Customer Retail Services and Corporate Communications Mr. Al Panlilio, concerning the sales performance for 2015, with the clarification that the aforesaid percentages are only indicative and that the actual percentages will be properly disclose in the Company's financial and operating results as soon as it becomes available. We would also like to clarify that the statement made by our President and CEO Mr. Oscar Reyes, is only a forecast and that the full year core net income will also be disclose in the Company's full year briefing.

We trust that you will find the foregoing clarification in order.

Very truly yours,



WILLIAM S. PAMINTUAN

First Vice President

Assistant Corporate Secretary &
Information Disclosure Officer