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June 2, 2016

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Head, Disclosure Department

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PHILIPPINE DEALING & EXCHANGE CORPORATION

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Mesdames:

We reply to your letter dated June 2, 2016 (received thru EDGE Submission System at 8:22 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco to build 20-MW solar sites" posted in The Standard (Internet Edition) on June 1, 2016. The article reported in part that:

"Power distributor Manila Electric Co. said Wednesday unit MSpectrum will pursue renewable energy projects with an initial 20 megawatts of solar capacity by early next year.

Meralco senior vice president and head of customer retail services and corporate communications Al Panlilio said MSpectrum was looking at solar rooftop and utility solar installations.

'We do have a pipeline of accounts that we are looking at. We are looking at for the first year of operations, maybe this year up to next year of about 20 MW as a target,' Panlilio said.

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Reyes said aside from solar, Meralco through Meralco PowerGen was also looking at opportunities in power generation for wind, biomass and hydro.

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Reyes said the company was also on the lookout for partnership for most renewable energy projects.

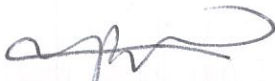
'Our approach will continue to be partnerships because we would like to do these ventures together with established and credible partners. MSpectrum is more for solar, the other renewables will be in MGen [especially] large scale renewables,' he said.

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With reference to the said news article, we hereby confirm the statements attributed to our President and Chief Executive Officer Oscar S. Reyes and our Senior Vice President and Head of Customer Retail Services and Corporate Communications Al Panlilio that the Company will pursue renewable energy projects and look for partnerships for these ventures.

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