



ORTIGAS AVENUE, PASIG CITY
0300 PHILIPPINES

July 14, 2016

MR. JOSE VALERIANO B. ZUÑO III
OIC – Head, Disclosure Department
Philippine Stock Exchange, Inc.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

MS. VINA VANESSA S. SALONGA
Head – Issuer Compliance and Disclosure Department
PHILIPPINE DEALING & EXCHANGE CORP.
37th Floor, Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo De Roxas
Makati City

Gentlemen:

We reply to your letter dated July 14, 2016 (received thru EDGE Submission System at 8:25 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled “Meralco eyes SMC’s Ilijan power contract” published in the July 14, 2016 issue of The Standard. The article reported in part that:

“Manila Electric Co. is in talks with San Miguel Corp. to acquire the independent power producer contract of the 1,200-megawatt Ilijan natural gas power plant in Batangas province.

Meralco president Oscar Reyes said ‘talks are very preliminary’ on the Ilijan IPPA contract sale. San Miguel president Ramon Ang did not confirm the negotiations.

....”

With reference to the said news article, we would like to confirm the statement attributed to our President & CEO, Mr. Oscar S. Reyes therein and iterate with emphasis that the discussion on this matter is in "very preliminary" stage and no definitive agreement whatsoever have been made between the parties.

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