



ORTIGAS AVENUE, PASIG CITY
0300 PHILIPPINES

August 24, 2016

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: MR. JOSE VALERIANO B. ZUÑO III

OIC - Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORPORATION

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas
Makati City

Attention: MS. VINA VANESSA S. SALONGA

Head - Issuer Compliance and Disclosure Department

Gentlemen:

We reply to your letter dated August 24, 2016 (received thru EDGE Submission System at 8:13 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco reports 7-percent year-on-year jump on electricity sales volume in July" published in the August 24, 2016 issue of Business Mirror. The article reported in part that:

"THE Manila Electric Co. (Meralco) recorded a growth in electricity sales last month compared to the same period a year ago, mainly on account of a continued strong demand.

'For the whole month of July, there was a 7-percent growth year-on- year,' Meralco President Oscar Reyes said in an interview.

....

The company anticipates a single-digit volume growth in the second half of 2016 'at circa 8 percent to 10 percent, absent destructive weather disturbances.'"

With reference to the said news article, we would like to confirm the statement attributed to our President & CEO, Mr. Oscar S. Reyes, with the clarification that the forecasted sales volume for the 2nd half of the year is only indicative, and that the actual percentage of growth on sales volume will be disclosed properly in the Company's financial and operating results as soon as it becomes available.

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

Very truly yours,

A handwritten signature in black ink, appearing to read 'William S. Pamintuan', with a stylized flourish at the end.

WILLIAM S. PAMINTUAN

First Vice President

Assistant Corporate Secretary &
Information Disclosure Officer