COVER SHEET

PW-102

S.E.C Registration Number

MANILA ELECTRIC COMPANY

(Company's Full Name)

LOPEZ BUILDING, ORTIGAS AVENUE, BRGY UGONG, PASIG CITY

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

ATTY. WILLIAM S. PAMINTUAN

Contact Person

8632-8014

Company Telephone Number

12-31

Month Day

Fiscal Year

17-C

FORM TYPE

05 30

Month Day

Annual Meeting

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. **Date of Report:** *July 31, 2023*
2. **SEC Identification Number:** *PW-102*
3. **BIR Tax Identification Code:** *000-101-528-000*
4. **Name of Issuer as specified in its Charter:** *Manila Electric Company*
5. **Country of Incorporation:** *Philippines*
6. **Industry Classification: (SEC use only)**
7. **Address of principal office:** *Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City 1605*
8. **Issuer's telephone numbers:** *(02) 86328014* **Area Code:** *02*
9. **Former name or former address:** *Not Applicable*
10. **Securities registered pursuant to Sections 18 and 12 of the SRC or Sections 4 and 8 of the RSA:**

Number of Shares of
Common Stock Outstanding

1,127,098,705
(As of June 30, 2023)

Amount of Debt Outstanding: PhP7.0 Billion Bonds

11. **Item Number reported:** ***Item 9 (Other Events)***

The Company's Board of Directors, in its regular meeting held today, July 31, 2023, approved the following:

1. The Company's Financial and Operating Results for the First Six (6) Months of 2023 with comparatives for 2022 listed below.

	MANILA ELECTRIC COMPANY Consolidated Financial Highlights (In Million Pesos, except per share data)		
	For the Six (6) Months Ended June 30		**% Change**
	2023	**2022**	
REVENUES			
Electricity	218,314	193,741	13
Non-electricity	6,506	5,865	11
	224,820	199,606	13
COSTS AND EXPENSES	206,982	187,201	11
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OTHER EXPENSES – net	2,308	545	323
INCOME BEFORE INCOME TAX	22,225	16,211	37
PROVISION FOR INCOME TAX	3,879	2,842	36
NET INCOME	18,346	13,369	37
NET INCOME – REPORTED	17,853	13,121	36
CORE NET INCOME	19,205	13,088	47
EARNINGS PER SHARE			
On Reported Net Income			
Basic	15.840	11.641	36
Diluted	15.840	11.641	36
On Core Net Income [1]			
Basic	17.039	11.612	47
Diluted	17.039	11.612	47

The Company will disclose the First Six (6) Months Financial and Operating Results using SEC Form 17-Q once available. For more information, please refer to the attached press release.

FINANCIAL AND OPERATING RESULTS
FOR THE SIX (6) MONTHS ENDED JUNE 30, 2023
WITH COMPARATIVES FOR 2022

- **CONSOLIDATED CORE NET INCOME ("*CCNI*") ROSE 47% TO PESOS 19.2 BILLION; CONSOLIDATED REPORTED NET INCOME GREW 36% TO PESOS 17.9 BILLION**

- **CORE EARNINGS PER SHARE ("*EPS*") AT PESOS 17.039 PER SHARE; REPORTED EPS AT PESOS 15.840 PER SHARE**

- **THE BOARD OF DIRECTORS ("*BOD*") APPROVED INTERIM CASH DIVIDENDS OF PESOS 8.520 PER SHARE PAYABLE TO ALL SHAREHOLDERS OF RECORD AS OF AUGUST 30, 2023. DIVIDEND PAYOUT IS 50% OF CORE EPS**

- **CONSOLIDATED CORE EBITDA FOR 2023 OF PESOS 33.2 BILLION VERSUS PESOS 24.4 BILLION IN 2022**

- **CONSOLIDATED REVENUES ROSE 13% TO PESOS 224.8 BILLION, DRIVEN BY INCREASE IN PASS-THROUGH CHARGES, HIGHER CONTRIBUTION FROM POWER GENERATION, AS WELL AS THE COMBINED EFFECT OF 3% GROWTH IN VOLUMES SOLD AND SLIGHTLY HIGHER AVERAGE DISTRIBUTION RATE WITH THE CONCLUSION OF THE ASSET TRUE-UP ("*ATU*") REFUND IN NOVEMBER 2022**

- **COMBINED VOLUMES OF ENERGY GENERATED AND SOLD, THOSE SOLD BY OUR RETAIL ELECTRICITY SUPPLY ("*RES*") UNITS, AND DISTRIBUTED WITHIN THE PHILIPPINES TOTALED 28,678 GWH**

- **DISTRIBUTION CONTRIBUTED PESOS 11.0 BILLION OR 57% OF *CCNI* DUE TO HIGHER VOLUME OF ENERGY SOLD AND MANAGED CASH OPERATING EXPENSES ("*OPEX*")**

- **POWER GENERATION UNIT SUPPLIED PESOS 6.6 BILLION OR 34% OF *CCNI,* BUOYED BY HIGHER EARNINGS OF PACIFICLIGHT POWER PTE. LTD. ("*PACIFICLIGHT*") IN SINGAPORE AND THE TURNAROUND OF GLOBAL BUSINESS POWER CORPORATION ("*GBPC*")**

- **MERALCO SPENT PESOS 14.1 BILLION IN CAPITAL EXPENDITURES LARGELY FOR NETWORK UPGRADE AND POLE RELOCATION PROGRAM IN SUPPORT OF**

GOVERNMENT INFRASTRUCTURE PROJECTS, TOWER ACQUISITION AND BUILD-OUT OF THE TOWER BUSINESS, AND CONSTRUCTION OF THE SOLAR PROJECT IN BARAS, RIZAL

- **DISTRIBUTION-RELATED REFUNDS BY MERALCO FOR 2023 AMOUNTING TO PESOS 10.3 BILLION LOWERED THE AVERAGE RETAIL RATE FOR THE PERIOD**

- **MERALCO MAINTAINED ALL-TIME BEST ESG RATINGS AND SECURED CLIMATE SCORES THAT ARE 'IN LINE' WITH PARIS AGREEMENT GOAL; ADVANCED SUSTAINABILITY AGENDA WITH TWO (2) MILLION TREES MILESTONE AND INTERNATIONAL RECOGNITION ON TRANSFORMATIVE INITIATIVES**

2. The declaration of cash dividends of Pesos 8.520 a share to all shareholders of record as of August 30, 2023, payable on September 14, 2023. This represents 50% of *Meralco*'s Core *EPS*.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MANILA ELECTRIC COMPANY
Issuer

WILLIAM S. PAMINTUAN
Senior Vice President
Assistant Corporate Secretary &
Information Disclosure Officer

Date: July 31, 2023

Cc: Disclosure Department
Listings and Disclosure Group
Philippine Stock Exchange

Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.

PRESS RELEASE

FINANCIAL AND OPERATING RESULTS
FOR THE SIX (6) MONTHS ENDED JUNE 30, 2023
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MANILA, Philippines, July 31, 2023 – Manila Electric Company ("*Meralco*") reported today that Consolidated Core Net Income ("*CCNI*") in the first six (6) months of 2023 stood at Pesos 19.2 billion, 47% higher than Pesos 13.1 billion realized in the same period last year, driven mainly by the 186% increase in contribution of the Power Generation business.

Consolidated Reported Net Income rose by 36% to Pesos 17.9 billion from Pesos 13.1 billion.

Core Earnings per Share ("*EPS*") amounted to Pesos 17.039, 47% more versus last year, while Reported *EPS* increased by 36% to Pesos 15.840.

Consolidated revenues increased by 13% to Pesos 224.8 billion from Pesos 199.6 billion last year, mainly due to the effect of (i) higher fuel prices on pass-through charges of the distribution utilities and energy fee of the non-renewable power generation plants; (ii) depreciation of the Peso against the US dollar which averaged at Pesos 55.233 during the six-month period vs. Pesos 52.157; (iii) increase in spot prices and energy purchases from the Wholesale Electricity Spot Market ("*WESM*"); and (iv) combined impact of the 3% growth in volumes distributed and slightly higher average distribution rate with the completion of the *ATU* refund in November last year.

Meralco's average retail rate increased by 14% to Pesos 10.68 per kWh from Pesos 9.33 per kWh as the generation charge, which accounted for about 68% of the total retail rate, went up by 25%. This was partly offset by lower transmission charge, comprising 7% of the retail rate, which decreased by 10%. Subsidies and taxes (with a share of 10% of the retail rate) grew by 15%.

On the other hand, *Meralco's* average distribution charge of Peso 1.08 per kWh, which accounted for 9% of the retail rate, decreased by 11% following the implementation of distribution rate true-up ("*DRTU"*) adjustments which averaged Peso 0.42 per kWh during the first half of the year. By May 2023, *Meralco* had completed the total amount of *DRTU* refund of Pesos 48.3 billion ordered by the Energy Regulatory Commission ("*ERC*"). Over the period of the refund, covering about 28 months, the amount of bills paid by our customers have been correspondingly reduced.

Purchased power cost ("*PPC*") went up by 13% to Pesos 167.5 billion from Pesos 148.4 billion due to the increase in prices and energy purchases from the *WESM*, higher fuel costs, and depreciation of the Peso against the US dollar.

The average *WESM* price went up to Pesos 7.13 per kWh from an average of Pesos 6.86 per kWh due to the continuing restriction of the Malampaya gas facilities and record-high power demand. On May 9, Luzon grid recorded a peak demand of 12,431 MW for the first half of the year, higher by 318 MW from 12,113 MW a year ago.

Meanwhile, Malampaya gas prices rose to an average of US$ 9.78 per GJ versus US$ 9.25 per GJ a year ago. The Malampaya gas supply restrictions imposed since March 2021 coupled with the 15-day Malampaya maintenance shutdown in February 2023 compelled the Sta. Rita and San Lorenzo natural gas plants to continue using more expensive liquid fuel to ensure stable power supply to *Meralco*.

In the first semester, *Meralco* spent Pesos 14.1 billion for capital expenditures ("*CAPEX*"), of which Pesos 9.6 billion went to Networks projects consisting of new connections, asset renewals, and load growth projects. Tower business *CAPEX* for the first half of 2023 amounted to Pesos 2.0 billion while power generation *CAPEX* totaled Pesos 461.0 million mainly for the 75 MWac Baras Solar Project.

Operating expenses ("*OPEX*") grew 7% to Pesos 18.2 billion driven by higher (i) consolidated manpower count and related costs; (ii) bills management-related expenses of the distribution utility ("*DU*"); (iii) cybersecurity costs with increasing bills payment transactions volume and digitalization initiatives of CIS Bayad Center, Inc. ("*Bayad*"); (iv) sales-related costs with the increase in corporate data and internet services circuits and connected Gigabit Passive Optical Network ("*GPON*") subscribers; and (v) materials and manpower costs for construction projects of Meralco Industrial Engineering Services Corporation ("*MIESCOR*") and Meralco Energy, Inc. ("*MServ*").

Consolidated interest-bearing debt (including total debt of all subsidiaries of Pesos 51.7 billion) stood at Pesos 101.5 billion. Of the total amount, Pesos 33.8 billion are maturing within one (1) year.

On July 31, 2023, the *Meralco BOD* approved the declaration of interim cash dividends amounting to Pesos 8.520 per share to all shareholders of record as of August 30, 2023, payable on September 14, 2023. This represents 50% of *Meralco*'s Core *EPS*.

Higher demand from Residential and Commercial segments push energy sales volumes to all-time high

Consolidated *DU* energy sales volumes in the first half of 2023 rose by 3% to 24,792 GWh from 23,968 GWh, as volumes of *Meralco* and Clark Electric Distribution Corporation ("*Clark Electric*") increased by 3% and 7%, respectively.

Monthly sales volume breached the 4,000-GWh level since April and reached a high of 4,643 GWh in June. Demand in the *Meralco* franchise area peaked at 8,438 MW on May 9, up by 4% compared with the peak demand of 8,111 MW in the first half of 2022. Higher temperature and humidity during the dry season drove the increase in demand for electricity from the Residential segment while the continuing recovery and growth in the economy were drivers of Commercial segment sales.

Sales mix also continued to shift towards pre-pandemic levels, with Commercial segment accounting for a bigger 37% share from 35% in 2022. Share of Residential was the same at 35%, while Industrial share slipped to 28% from 30%.

Commercial led all segments with 9,162 GWh sales volume, a double-digit growth of 10% from 8,305 GWh in the same period a year ago. The year-to-date performance reflected a combination of strong business recovery and boost in public confidence as it surpassed the pre-pandemic mid-year sales volume of 8,951 GWh in 2019, which was then shaved off by 17% during the height of the pandemic in 2020. With the resumption of face-to-face engagements such as concerts, conventions, and business gatherings, demand from leisure and entertainment, hotels, retail, and restaurant sectors continued to improve. The shift in academic calendar also amplified demand of educational institutions, as schools consumed more electricity to battle the summer heat.

Despite a slight decline in the first quarter, Residential sales volume recovered in the second quarter to close the first half at 8,629 GWh, 1% higher than 8,506 GWh the previous year. The end of the prevailing cold phase caused by La Niña coincided with the start of the warm and dry season in mid-March, causing several areas within the franchise to experience dangerous heat indices. This phenomenon caused households to increase their usage of cooling appliances to maintain the level of comfort and avoid heat cramps and exhaustion.

The Industrial segment continued to be battered by the impact of economic headwinds as sales declined by 2% to 6,928 GWh from 7,085 GWh. Semiconductors, plastics, cement, and steel posted lower production and demand due to plant shutdowns, excess supply, and stiff competition from overseas. Generation wheeling from embedded generators, which is included in our sales volume, increased by about 50% due to must-run mandates to cover the supply required during the summer season.

At the end of the first semester, consolidated customer count was at 7.716 million, up 3% from 7.519 million a year ago, with the continuous energization of new customers from both ordinary service and project-covered applications.

Meralco's 12-month moving average ("*12-MMA*") system loss improved by 0.08 percentage point to 5.78% at end-June 2023 from 5.86% last year due to ramp-down of consumption with the onset of southwest monsoon. *Clark Electric*'s *12-MMA* system loss, meanwhile, was at 1.80%.

Distribution network upgrade and support to Government's infrastructure projects

Meralco continued to invest in the expansion and upgrading of its distribution network facilities.

Among the major networks projects completed by *Meralco* in the first half of the year were the development of four (4) new substations: the Arca South 115kV-34.5kV Gas Insulated Switchgear

("*GIS*") Substation in Taguig City; the Vermosa South 115kV-34.5kV Substation in Imus City, Cavite; the Real 115kV-34.5kV Substation in Calamba City, Laguna; and the San Ildefonso 69kV-13.8kV Substation in Bulacan.

In addition, *Meralco* also installed 115 kV capacitor banks at the Canlubang and Cainta substations, implemented a conjunctive project with National Grid Corporation of the Philippines ("*NGCP")* involving the installation of associated 115 kV facilities to the Zapote 5th 300 MVA transformer bank in Las Piñas City, and the replacement of power transformer banks at the Marilao and Taguig substations.

Through its pole relocation program, a total of 720 poles were relocated for road widening projects of the Department of Public Works and Highways ("*DPWH*") and various Local Government Units ("*LGUs*"), while a total of 370 poles were relocated for the government's Build Better More infrastructure program.

Regulatory developments

Meralco and San Miguel Joint Motions for Price Adjustment

Meralco received the Court of Appeals ("*CA*") joint decision dated June 27, 2023 related to the petition for price adjustments of South Premier Power Corporation ("*SPPC*" or "Ilijan Plant") and San Miguel Energy Corporation ("*SMEC*" or "*Sual Plant*") granting the price adjustment sought.

The *CA* also made permanent the Writ of Preliminary Injunction ("*WPI*") earlier granted to *SPPC*, which allowed the *Ilijan Plant* to cease supplying a total of 670 MW to *Meralco*. *SMEC's* petition for *WPI*, meanwhile, was declared moot and academic.

With a recent *CA* decision, *SMEC* ceased supply of 330 MW to *Meralco* beginning July 24, 2023. Further, *Meralco* received notices from both *SPPC* and *SMEC* asserting termination of their *PSA*s as of October 2022. To ensure continuity of supply and minimize exposure to volatile *WESM* prices, *Meralco* is negotiating with a potential supplier for a new Emergency Power Supply Agreement ("*EPSA*") to replace the capacity of *SMEC*.

"Our record-high sales volumes reflect strong rebound in terms of power demand. As we expect this growth trajectory to continue, we will aggressively invest in distribution network upgrades and expansion, and implement more programs that will improve overall customer experience," *Meralco Executive Vice President and Chief Operating Officer* ***Ronnie L. Aperocho*** said.

"When it comes to power rates, we have seen the generation charge decrease for two consecutive months and still expect lower crude prices in the world market to help pull down power costs this coming August. However, we are cautious about the possible impact of El Niño on the power sector. We will work closely with the industry as we also seek ways to mitigate any adverse impact on our rates and continuously ensure sufficient supply to our over 7.7 million customers," ***Mr. Aperocho*** added.

Power Generation and *RES* Performance

Power Generation

- Wholly-owned subsidiary Meralco PowerGen Corporation ("*MGen*") contributed Pesos 6.6 billion to *Meralco's* *CCNI* in the first six (6) months of the year, significantly higher than the Pesos 2.3 billion in the same period last year on account of the strong performance of *PacificLight* in Singapore and positive contributions of the operating power projects in the Philippines. *MGen* currently has combined power generation capacity of 2,240.1 MW (net) in the Philippines and in Singapore.

- *PacificLight* recorded a *CCNI* of S$221.0 million (Pesos 8.9 billion) as of end-June, up from S$147.7 million (Pesos 5.6 billion). This was primarily driven by higher blended non-fuel margins, averaging S$100.00 per MWh from S$70.40 per MWh the previous year. *PacificLight's* 771 MW (net) liquefied natural gas facility in Jurong Island delivered a total of 2,893 GWh of energy in the semester. *MGen* currently has combined direct and indirect interest of 58% in *PacificLight*.

- San Buenaventura Power Ltd. Co. ("*SBPL*"), a 455 MW (net) supercritical coal-fired plant in Mauban, Quezon, delivered 1,244 GWh of energy with 93% plant availability during the period. *SBPL*'s *CCNI* was at Pesos 1.7 billion, up 17% from a year ago. *MGen* holds a 51% interest in *SBPL*.

- Global Business Power Corporation *("GBP")* booked a *CCNI* of Pesos 843.1 million and delivered 3,095 GWh of energy from its portfolio of coal and oil plants with a net capacity of 824 MW, of which 717 MW are contracted under *PSA*s with customers and Ancillary Services Procurement Agreements ("*ASPAs*") with *NGCP*.

- MGen Renewable Energy, Inc. ("*MGreen*"), a wholly-owned renewable energy unit of *MGen* registered a *CCNI* of Pesos 78.0 million and delivered 166 GWh of energy from its solar plants namely, Powersource First Bulacan Solar, Inc. ("*BulacanSol*"), Nuevo Solar Energy Corporation ("*NSEC*"), and PH Renewables Inc. ("*PHRI*").

- *BulacanSol*, a 55 MWac (net) solar plant in partnership with PowerSource Energy Holdings Corporation, had a plant availability of 97% and delivered 60 GWh to *Meralco* under a 20-year *ERC*-approved *PSA*.

- *NSEC's* 68 MWac (net) solar plant in partnership with Vena Energy, a renewable energy developer in the Asia Pacific Region, started delivering its entire capacity to *MPower* on March 26, 2023, and generated a total of 75 GWh of energy as of end-June.

- *PHRI's* 75MWac (net) solar plant in Baras, Rizal, a partnership with Mit-Renewables Philippine Corporation (a subsidiary of Mitsui & Co.) has completed commissioning tests for

Phase 1 involving 67.5 MWac and commercial operation is expected by mid-August 2023. Phase 2, meanwhile, is targeted to be operational by mid-2024. *PHRI* delivered 31 MW to *MPower* as of end-June.

Retail Electricity

- *MPower*, the local *RES* unit of *Meralco*, *Clark Electric*'s Cogent, and three (3) other affiliate retail electricity suppliers, sold 3,481 GWh of energy to the contestable market as of end-June.
- *WESM* prices hit a high of Pesos 38.35 per kWh during off-peak demand hours on May 26, 2023. *CCNI* contribution of the *RES* segment improved due to lower *WESM* and fuel price exposure.

Meralco achieved more sustainability milestones with all-time best ESG ratings and good climate scores, planted two (2) million trees, and earned international recognition for transformative initiatives

Meralco sustained its strong environmental, social, and governance ("*ESG*") performance as it maintained its all-time best ratings in global indices.

Ranking higher than Philippine and energy sector averages, *Meralco* secured a 3.2 *ESG* score for the third consecutive year from Financial Times Stock Exchange *("FTSE*") Russell *ESG* Ratings, which rates over 7,200 companies' exposure to and management of *ESG* issues. In particular, *FTSE* Russell cited the distribution utility's accomplishments in relation to risk management, labor standards, and corporate governance.

MSCI, Inc. ("*MSCI*"), meanwhile, cited achievements in renewable energy opportunities and water management and accorded *Meralco* with a BBB rating for another year, the *Company*'s highest score so far following its BB rating from 2019 to 2021. *MSCI* assesses over 8,500 companies around the world on general and industry-specific sustainability parameters using a scale with AAA as the highest rating and CCC as the lowest.

Meralco also secured climate scores that were in line with the Paris Agreement's goal of limiting global temperature to below 2°C, based on newly launched ratings of *MSCI* and Sustainalytics, another global *ESG* rater.

In *MSCI's* Implied Temperature Rise Rating which measures the temperature alignment of companies with global temperature goals, *Meralco* garnered a climate score 1.7°C, indicating that it is 'in line' with the Paris Agreement.

Meanwhile, we received a score of 1.9°C from Sustainalytics' Low Carbon Transition Rating, which measures the degree to which a company's projected greenhouse gas emissions differ from the net-zero pathway towards 2050.

Meralco has been advancing its *ESG* efforts through its sustainability agenda called "Powering the

Good Life", which is deeply rooted in and promotes the United Nations' Sustainable Development Goals.

Another significant milestone in the Company's sustainability journey was the successful planting of over two (2) million trees across the Philippines in time for the celebration of Earth Day 2023. This brought the Meralco Group of Companies ("*One Meralco*") closer to its target to cultivate a total of five (5) million trees by 2026. Under the One for Trees Program led by One Meralco Foundation, *One Meralco* partners with communities and people's organizations to enable economic and social development for Filipino communities through tree-nurturing activities.

Meralco also continued to earn recognition for its transformative initiatives as it brought home four (4) awards for its stakeholder management and corporate social responsibility programs at the recently concluded 2023 Asia-Pacific Stevie Awards which honors positive contributions of organizations worldwide.

Meralco's 2021 Annual and Sustainability Reports entitled "Bayanihan", "Malasakit", and "Kalinga" collectively received a silver Stevie; while bronze Stevies were awarded to its programs "Electrification for Development: Improving the lives of last-mile Filipinos", "Safeguarding the Stability of the Power Grid through Power Supply and Energy Management Education", and "Meralco's Spectrum on solar rooftop installations: The Gift that Keeps on Giving".

Conclusion

"Considering *Meralco*'s operational and financial performance in the first half of the year, it is reasonable for *Meralco* to show record sales and earnings for the full year 2023. Beyond the core distribution business, we have always considered the expansion of our power and non-power subsidiaries as important growth pillars for *Meralco*. We expect a significant boost to our bottom line this year from the power generation business in particular, which will also drive *Meralco's* growth moving forward, especially as we pursue larger generation projects that will help meet the country's growing demand for power and decarbonization goals," *Chairman and Chief Executive Officer* ***Manuel V. Pangilinan*** said.

"This is also in line with the Government's socio-economic agenda that considers renewable energy as the way forward. We express our strong support to the Government's commitment to achieve total household electrification by 2028 and a similar commitment to contribute to the energization efforts not just in our franchise area, but the whole nation. Beyond supporting the energy industry, *Meralco* shall continue to be the Government's staunch partner in pursuing digitalization, development of public infrastructure, and improving the quality of education, among others, as we work to uplift the lives of Filipinos and achieve sustainable and inclusive growth," ***Mr. Pangilinan*** concluded.

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[1] Reported net income, adjusted to exclude the effect of foreign exchange gains or losses, impairment charges, mark-to-market adjustments, and other one-time, exceptional transactions.

This press release may contain some statements, which constitute “forward-looking statements” that are subject to a number of risks and uncertainties that may affect the business and results of operations of *Meralco*. Although the management of *Meralco* believes that expectations reflected in any of the forward-looking statements are reasonable, it cannot guarantee any future performance, action, or events.

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