



NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO ALL STOCKHOLDERS
Manila Electric Company

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Meralco will be held at the Meralco Theatre, Lopez Building, Ortigas Avenue, Pasig City on Tuesday, May 28, 2013, at 10:00 a.m. with the following agenda:

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Meeting of Stockholders held on May 29, 2012
4. Report of the President and Chief Executive Officer
5. Prospect / Outlook from the Chairman
6. Approval of the 2012 Audited Financial Statements
7. Approval of Grant of Additional Compensation to Directors
8. Ratification of Acts of the Board and Management
9. Election of Directors for the ensuing year
10. Appointment of External Auditors
11. Other business that may properly be brought before the meeting
12. Adjournment

Minutes of the 2012 Annual Meeting of Stockholders will be available for examination during office hours at the Office of the Corporate Secretary.

The Board has fixed the close of business on **March 15, 2013** as the record date for the determination of stockholders entitled to notice of, and to vote at, the meeting. The stock and transfer books of the Company will not be closed.

In accordance with Article I, Section 3 of the Company's Amended By-Laws, any instrument authorizing a proxy to act shall be submitted to and received at the principal office of the Company on or before **April 26, 2013, 5:00 p.m.**, addressed to the attention of the Corporate Secretary. Validation of proxies is set on **May 15, 2013, 10:00 a.m.** at Lopez Building, Ortigas Avenue, Pasig City.

Meeting will start at 10:00 a.m.. Registration will begin at 8:00 a.m. and close at 10:30 a.m. or immediately before voting starts, whichever comes first. Please bring this notice and any form of identification such as driver's license, TIN card, passport, etc. to facilitate registration.

Pasig City, April 24, 2013


SIMEON KEN R. FERRER
Corporate Secretary



Annex "A"

AGENDA DETAILS AND RATIONALE

1. **Call to Order.** The Chairman of the Board of Directors, Mr. Manuel V. Pangilinan, will call the meeting to order.
2. **Certification of Notice and Quorum.** The Corporate Secretary, Atty. Simeon Ken R. Ferrer, will certify that copies of this Notice were sent to Stockholders of record as of March 15, 2013 and will certify the number of attendees, whether in person or by proxy, for the purpose of determining the existence of quorum to validly transact business.
3. **Approval of the Minutes of the Annual Meeting of Stockholders held on May 29, 2012.** Copies of the draft Minutes are available for examination during office hours at the Office of the Corporate Secretary and at the Company website, www.meralco.com.ph. Stockholders will be asked to approve the draft Minutes and acknowledge the completeness and accuracy thereof. Below is the text of the proposed resolution:

"RESOLVED, that the Stockholders of the Corporation hereby approve the Minutes of the Annual Stockholders' Meeting held on May 29, 2012."

4. **Report of the President and Chief Executive Officer** – The Report summarizes the milestones and key achievements of the Company in 2012 and provides a clear picture of how the Company reached its goals during the past year.
5. **Prospect/Outlook from the Chairman** – The Report provides the Stockholders with a view of the opportunities and challenges to be faced by the Company in 2013 and Management's goals and strategies for the year.
6. **Approval of the 2012 Audited Financial Statements** – The Company's audited financial statements, highlights of which are explained in the President's Report and in the Information Statement, will be presented to the Stockholders for approval. Copies of the duly approved 2012 Audited Financial Statements were also submitted to the Securities and Exchange Commission and the Bureau of Internal Revenue. Below is the proposed resolution:

"RESOLVED, that the audited financial statements for the year ended December 31, 2012 be, as the same are hereby, approved."

7. **Approval of Grant of Additional Compensation to Directors** - Stockholders will be asked to consider and approve the grant of additional compensation to the members of the Board of Directors as reflected in the Company's Amended By-laws. Below is the text of the proposed resolution:

"RESOLVED, as it is hereby resolved, that all Directors are hereby allowed to receive additional compensation, as such, whether in the form of a fixed retainer, bonus or stock grant, or a combination thereof, as may be approved by the Board of Directors; Provided, That the total value of such additional compensation, in whatever form so given, shall not exceed one percent (1%) of the net income before tax of the Company during the preceding year."

RESOLVED, further, that the Stockholders hereby approve and ratify the amendment of Section 7, Article II of the Company's Amended By-laws which reflects the foregoing grant of additional compensation to the Board of Directors."

8. **Ratification of Acts of the Board and Management** – Ratification of the acts of the Board of Directors and Management crucial to the successful performance of the Company in 2012 will be sought from the Stockholders. Below is the proposed resolution:

“RESOLVED, that all acts, resolutions, and deeds of the Board of Directors and Management of the Company from the Annual Stockholders’ Meeting held on May 29, 2012 up to the date of this meeting be as they hereby are, confirmed, ratified and approved.”

9. **Election of Directors for the ensuing year** – Copies of the *curriculum vitae* and profiles of the candidates to the Board of Directors are provided in the Information Statement for the examination of the Stockholders. For this year, the candidates to the Board are the following:

- a) Mr. Ramon S. Ang
- b) Atty. Ray C. Espinosa
- c) Mr. Jose Ma. K. Lim
- d) Ambassador Manuel M. Lopez
- e) Atty. Estelito P. Mendoza
- f) Retired Chief Justice Artemio V. Panganiban
- g) Mr. Manuel V. Pangilinan
- h) Mr. Vicente O. Panlilio
- i) Mr. Eric O. Recto
- j) Mr. Oscar S. Reyes
- k) Mr. Pedro E. Roxas

Stockholders will be given the opportunity to elect the directors who will serve for the term 2013-2014 by way of individual voting administered by a third party.

10. **Appointment of External Auditors** – The Company’s external auditors for 2013-2014, tasked with the preparation of the annual audited financial statements, will be appointed by the Stockholders. This is upon favorable recommendation by the Company’s Audit Committee. Below is the text of the proposed resolution:

“RESOLVED, that SGV & Company, Certified Public Accountants, be, as they hereby are, appointed external auditors of the Company for the year 2013-2014.”

11. **Other business that may properly be brought before the meeting** – Stockholders may be requested to consider such other issues/matters as may be raised throughout the course of the meeting.

12. **Adjournment** – After all business has been considered and resolved, the Chairman shall declare the meeting adjourned.