

D R A F T

**MINUTES OF THE ANNUAL MEETING
OF STOCKHOLDERS OF
MANILA ELECTRIC COMPANY
HELD ON 27 MAY 2014
LOPEZ BUILDING, ORTIGAS AVENUE, PASIG CITY
*(For Shareholders Approval on the 2015 AGM)***

CALL TO ORDER

Before the start of the 2014 Annual Stockholders' Meeting, the Chairman of the Company, Mr. Manuel V. Pangilinan introduced the members of the Board of Directors who were present, namely: Messrs. James L. Go, John L. Gokongwei, Jr., Lance Y. Gokongwei, Jose Ma. K. Lim, Napoleon L. Nazareno, Oscar S. Reyes, Pedro E. Roxas, Atty. Ray C. Espinosa, Ambassador Manuel M. Lopez, and retired Chief Justice Artemio V. Panganiban. Mr. Oscar S. Reyes also serves as the President and Chief Executive Officer of the Company, while retired Chief Justice Artemio V. Panganiban serves as the Chairman of the Audit and Risk Management Committee. Also introduced were the Corporate Secretary, Atty. Simeon Ken R. Ferrer, the Chief Finance Officer, Ms. Betty C. Siy-Yap, and the Assistant Corporate Secretary, Atty. William S. Pamintuan. Other company officers and executives present in the meeting were likewise acknowledged.

The meeting was then called to order at 10:00 a.m. and presided by the Chairman. The meeting was held at the principal office of the Company located at Pasig City, Metro Manila, Philippines.

The Corporate Secretary, Atty. Simeon Ken R. Ferrer, took the minutes of the meeting.

Prior to the meeting, all shareholders were given the opportunity to submit their views on any issue that they deemed fit for inclusion in the agenda, as well as to propose qualified candidates for directors. A "Call for Nomination" was posted in the Company website last January 30, 2014 calling for the submission of the proposed agenda and nomination of qualified candidates on or before March 10, 2014.

The Chairman addressed the shareholders and informed them that prior to the meeting, they were provided with ballots and proxy forms allowing them to vote whether in person or in absentia on matters to be passed upon in the meeting and to elect the Company's Board of Directors. The proposed Resolutions for this meeting were contained in the Information Statement, a copy of which was provided to all stockholders prior to this meeting. The proposed Resolutions were also posted at the registration area for further reference of the attending shareholders. This practice is in line with the Company's commitment to good governance and its desire to encourage broader participation of its shareholders in deciding fundamental matters involving the Company.

Thereafter, the Corporate Secretary read the following ground rules and voting procedure to be observed during the meeting to ensure the conduct of fair, orderly, and efficient proceedings:

- a) Only stockholders as of record date or their proxies shall be allowed to speak. Any stockholder who wishes to take the floor must wait to be acknowledged by the Chairman. If acknowledged, he must identify himself and address his concerns to the Chairman.
- b) Questions from the floor shall be entertained subject to the following:
 - i. Only questions relevant to the particular item in the agenda being discussed shall be allowed. Hence, questions not relevant to the agenda shall be considered "out-of-order";
 - ii. A maximum of three (3) questions shall be entertained for each item on the agenda;

- iii. Questions about the Company and its operations will be entertained after the President and Chief Executive Officer's report;
 - iv. To give equal chance to everyone, a stockholder can ask one (1) main question and, if needed, a follow-up question; and
 - v. If due to time constraints there are questions which could not be entertained on the floor, our officers will be available for consultation after this meeting.
- c) All concerns should be raised by way of a question so that these can be properly addressed. The Chairman may waive or allow exceptions to the foregoing rules if, in his judgment, he deems it necessary or proper under the circumstances.

For our voting procedure, the Company's class of outstanding shares entitles the holder to one vote for one share. The affirmative vote of the stockholders representing at least a majority of the outstanding and voting shares shall be needed to pass and approve each proposed resolution unless the law provides otherwise.

Hence, for the amendment of the Company's Articles of Incorporation which is item 7 of our Agenda, both voting and non-voting shares can vote. For the election of directors, stockholders are allowed to elect directors individually or to cumulate their votes. Election of directors shall be by plurality of votes.

Ballot boxes are placed at the registration area where stockholders may drop their ballots.

All votes received shall be tabulated by the Office of the Corporate Secretary and results thereof shall be validated by the auditing firm, Reyes and Tacandong, which was duly appointed to act as such for this 2014 Annual Stockholders' Meeting.

As each item in the agenda is taken up, the Corporate Secretary will report on the votes received and tabulated as of 10:00 a.m. today. The minutes will, however, reflect the final tally of votes.

Lastly, the Corporate Secretary reminded everyone to observe proper decorum and due courtesy during the meeting.

SERVICE OF NOTICE

The Corporate Secretary reported that, in accordance with the provisions of the Corporation Code and the Amended By-Laws of the Company, written notice of the meeting was served to all stockholders of record as of March 14, 2014. The notices were released on April 16, 2014, which is twenty-eight (28) working days prior to the annual stockholders meeting on May 27, 2014. The profiles of all nominees to the Board of Directors, stating their age, qualifications, experience, date of first appointment to the Board of the Company, and other directorships in other publicly listed companies (or subsidiaries, whether listed or non-listed within the group of companies) were made available as part of the Information Statement. Notification attesting to this fact is provided in the last page hereof.

DETERMINATION OF QUORUM

The Corporate Secretary reported that there was a quorum for the meeting, as stockholders who own or hold over 960,000,000 shares or approximately 85.18% of the 1,127,098,705 issued and outstanding common shares of the Company entitled to vote, were present in person or by proxy.

**APPROVAL OF THE MINUTES OF
STOCKHOLDERS' MEETING HELD IN 2013**

The Chairman submitted for approval the Minutes of the Annual Stockholders Meeting held on May 28, 2013.

Ms. Jocelyn V. Altamira moved for the approval of the Minutes of the Annual Stockholders' Meeting held on May 28, 2013 and to dispense with the reading thereof since copies of the Minutes have been made available at the Office of the Corporate Secretary and posted at the registration area and at the Company's website. The motion was seconded by Mr. Larry Francisco. No objection was raised despite opportunity given by the Chairman, thus the motion was thereupon carried. The Minutes was approved by more than a majority

of the total voting stockholders present and represented at the meeting and eligible to vote, as detailed below:

VOTES	NUMBER OF VOTES CAST (1 share = 1 vote)	PERCENTAGE OF VOTING
1. Approved	960,042,921	85.18%
2. Against	668	0.0%
3. Abstained	6,979	0.0%

The following resolution was thus adopted and approved as Resolution 2014-1:

“RESOLVED, that the Minutes of the Annual Stockholders’ Meeting held on May 28, 2013 be, as the same is hereby approved.”

REPORT OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

The President and Chief Executive Officer, Mr. Oscar S. Reyes, presented his report to the stockholders as follows:

“2013- A banner year for the economy. A challenging year for the power industry. Another good year for the Company.

Fellow Stockholders, thank you for joining us in this year’s Annual General Meeting.

THE ECONOMY

Our economy continues to outperform our regional peers and our own achievements in 2012. Gross Domestic Product increased by 7.2% in real terms, up from 6.8% the previous year.

This was driven by Overseas Filipino Remittances of \$25.1 Bn, and BPO Revenues of \$13.3 Bn, which fueled consumer spending. Increased Private Investments, including Foreign Direct Investments, and Government spending, contributed to this remarkable growth.

Inflation and interest rates were at their new lows, at 3.0% for inflation, and 3.5% for the Bangko Sentral overnight borrowing rate. These were highly supportive of healthy business and personal investment spending.

The Philippine Stock Exchange remains bullish, with the PSE index at 6,811 as of last Friday, May 23, up from 5,890 at the end of 2013. The country’s credit rating

has again been upgraded and is now a notch above minimum Investment Grade as rated by Standard & Poor's and Moody's.

THE POWER INDUSTRY

On the Power Industry, the faster growth of the economy over the past few years has created strains on power generation.

Additions to generating capacity have fallen well behind the growth in demand. The only new power plant built in Luzon since the year 2000 was the GN Power coal-fired plant in Mariveles, Bataan with a rated capacity of 600 MW, while demand has grown by around 2,600 MW during this period.

Almost all of our power plants in Luzon were built before the year 2000. They are less fuel efficient by today's standards and are prone to more periodic maintenance shutdowns and increasing forced outages.

This was most evident in November and December 2013 when Wholesale Electricity Spot Market, or WESM, prices spiked to record levels. During this period, the Luzon Grid experienced twenty one (21) forced outages of various durations, while eight (8) power plant units were on scheduled and extended maintenance shutdowns. The WESM billings for December 2013 have since been recalculated and revised downwards by the Philippine Electricity Market Corp. or PEMC pursuant to an Order by the Energy Regulatory Board or ERC, although their settlement is still awaiting a final ERC order.

FINANCIAL RESULTS

These were the economic and industry environments under which Meralco operated last year.

2013 still proved to be a good year for the Company, with Reported Net Income at P17.2 billion, approximately the same as in 2012. Consolidated Core Net Income or CCNI was P17.0 billion, up 4.7%. EBITDA reached P30.7 Billion, 10.8% higher than in 2012.

Energy sales to our commercial, industrial and residential customers grew by 4.0% and reached 34,084 GWH. Our customer base expanded to 5,368,000 customer accounts, an increase of 3.4%.

As a result, sales revenues rose to P298.6 Bn, 4.7% higher than in 2012.

Meralco's favorable financial performance enabled us to maintain a strong balance sheet as of end-2013. Total assets increased to P264.0 Bn, with Utility plant and related assets accounting for 43% of this total. Shareholders equity grew by 10.7% to P75.2 Billion. The Company maintains a healthy cash position and manages borrowings to adequately support current operations and future growth. As of the end of 2013, our cash balance continued to exceed our bank debt by a comfortable margin.

The Company continues to provide good shareholder value. Dividend payout from core earnings of 2013 was P10.55 per share, up 4.5% from P10.10 per share in 2012. We have maintained the Company's dividend payout at 70% on 2013 earnings, similar to the last two (2) years.

The share price of Meralco was P263.80 as of last Friday, up from P251.00 at the end of last year. Our Market cap was P297.3 billion, compared to P282.9 billion at the close of 2013.

OPERATING RESULTS

Our operating performance reached new highs. We again outperformed previous years, and did better than the standards set by the ERC. We achieved new records on system reliability and availability, power quality, and speed to process and to connect new customers. System loss was at an all-time low of 6.92%, well below the allowable system loss cap of 8.5% set by the ERC. This translated to savings for our consumers, which over the past six (6) years, have totaled P12.6 Billion, equivalent to about 7.02 centavos/kwh.

We achieved these new "highs" with a leaner organization, and the highest productivity ever. Customers per employee was at 910, up 4.5%, and Sales Revenues per employee was P50.0 Million, higher by 5.3% over 2012. This we attribute to Meralco's highly engaged workforce. One pioneering people initiative we took was the launch of our 1st Linewomen Trainees to promote diversity and broaden our resource base for line work.

What drove energy sales to 34,084 Gwh. Residential and commercial energy sales increased by 4.7% and 4.3% respectively. Industrial Customer sales contributed a

decent 3.0% growth in 2013. Our franchise continues to have a well-balanced sales mix of 39% Commercial, 31% Industrial and 30% Residential.

In 2013, the average customer bill was P9.45/kwh, 2% lower than the P9.64/kwh in 2012. Generation charge, which is the blended cost Meralco pays to various generators, is the largest component at 57%. Meralco's distribution charge accounts for only 18% of the bill. Transmission charge, system loss, taxes and universal charges comprise the balance of 25% of the bill.

To contain the cost of power to consumers, we have focused on managing the largest bill component, the "Generation Charge". We have driven down System loss to its all-time low. We have contracted highly cost-competitive Power Supply Agreements aggregating 2,880 MW which replaced the higher priced Transition Supply Agreement with the National Power Corporation. We continue to contract additional capacity and energy supply for our customers' growing requirements at least-cost terms, all subject to ERC approval.

As a result of these, we have also reduced our energy purchases from the WESM. In 2013, our WESM purchases for captive customers was down to 5.8% from 7% in 2012.

OUR GROWTH PLATFORMS

To create further consumer and shareholder value, we remain focused on five (5) key areas- (1) first, strengthening our core distribution business, Meralco, (2) second, building our power generation portfolio through Meralco Power Gen, (3) third, actively participating in retail electricity supply through our RES unit, MPower, (4) fourth, growing our distribution service area beyond our existing franchise, and (5) fifth, supporting the expansion of Meralco subsidiaries and affiliates.

CAPEX FOR CORE DU GROWTH, AND NEW BUSINESS INITIATIVES

Allow me to discuss each of these very briefly.

To strengthen and grow the core distribution business, Meralco continues to reinvest heavily, with capital expenditures reaching a high of P10.2 Billion in 2013. The bulk of these CAPEX is for electric capital projects which ensure that our

network, customer service and shared services infrastructure are responsive to customer demand growth and higher service needs.

In addition, we continue to pursue new initiatives in the areas of a Smarter Grid, including Prepaid Retail Electricity Service and Electric Vehicle Charging. Prepaid Electricity is aimed at enabling residential customers and enterprises to better manage their electricity spend, and consume more smartly and affordably.

Our initiative in the Electric Vehicle space is aimed at providing the charging infrastructure and e-vehicle services to support the e-vehicle programs of local governments, e-vehicle industry players, and multilateral agencies such as the Asian Development Bank.

In power generation, as reported last year, Meralco PowerGen had successfully closed the acquisition of an effective 28% interest in PacificLight Power. This Company has now completed the construction and commissioning of its highly fuel efficient, latest technology 2 x 400 MW LNG-fired power plant in Singapore. The two units of the plant achieved commercial operations in January and February this year.

Meralco PowerGen also acquired last year a 20% stake in Global Business Power Corporation or GBPC, the largest independent power producer in the Visayas. This acquisition is providing the Company early income accretion and cash generation, while longer lead-time power plants are being developed. In the Meralco Board of Directors meeting earlier this morning, the Board approved the funding for Meralco PowerGen's acquisition of another 2% stake in Global Business Power, which will raise Meralco PowerGen's equity interest in GBPC to 22%.

In joint venture with reputable partners with proven track record in the power industry, Meralco PowerGen is currently developing the 460 MW supercritical coal-fired power plant in Mauban, Quezon, and the 600 MW circulating fluidized bed (CFB) coal-fired power plant in Subic, (currently stalled by a Writ of Kalikasan case pending at the Supreme Court)

RETAIL ELECTRICITY SUPPLY

On Retail Competition and Open Access, the commercial operation of Phase 1 covering customers with a load of 1 MW and above commenced on June 26, 2013.

So far, Phase 1 has been on a voluntary basis, meaning that Contestable customers have been allowed to either switch to Retail Electricity Suppliers or remain as a distribution utility customer.

Out of over 770 qualified contestable customers in the Meralco franchise area, 260 or 33% had switched to RESs as of end Dec. 2013. Of these, 155 customers or 60% have chosen to contract with Meralco's RES, MPower.

GROWING THE ELECTRIC DISTRIBUTION SERVICE AREA

On growing our electric distribution service area, there exist areas in the country where development is hampered due to the lack of reliable and reasonably-priced electricity. Meralco is pursuing opportunities in these areas to bring its resources and track record of performance to the benefit of the consumers and their communities.

Even as we are doing so locally, a Meralco subsidiary, Meridien Atlantic Light Company, Ltd. in Nigeria, has assumed the management of the Electricity Distribution Companies in Ibadan and Yola, under our Technical Services Agreement with the Integrated Energy Distribution and Marketing (IEDM) of Nigeria.

EXPANSION OF SUBSIDIARIES

Meralco has a number of subsidiaries and affiliates engaged in various businesses such as power distribution and supply through Clark Electric, energy services through MIESCOR, MServ and Miescor Rail, and related business services such as bills payment collection, through Bayad Center. We are pursuing growth of these businesses in markets locally and overseas.

OUR CSR FACE

Our "determination to serve", first and foremost in our franchise area, has time and again been tested under the most difficult of climatic conditions, severe typhoons and flooding. In 2013, our crews were out at the height of Tropical Storm Maring and the intensified Habagat.

But Meralco service knows no bounds and we have always responded to the needs and challenges beyond our borders. We were there in force with our crews and complete equipment to restore poles and power lines immediately following Super

Typhoon Yolanda which devastated the Visayas in November 2013, and Typhoon Santi which hit Nueva Ecija in October 2013.

Beyond our business, we have endeavored to make a difference in the communities we serve and in other areas in the country. This we do through our One Meralco Foundation and its four pillars of social work- Community Electrification, Emergency Preparedness and Disaster Response, Youth and Sports Development, and Grassroots Partnership. In 2013, the Foundation's activities touched the lives of 33,400 families, bringing electricity to over 12,500 households and 24 public schools, helping close to 25,000 families during Typhoons Yolanda and Santi, and engaging over 2,600 disadvantaged youth through Youth and Sports Development programs.

In our pursuit of excellence in all that we do, we are humbled that our Company has been given numerous recognitions and awards by international and local bodies, for excellence in the areas of corporate governance, human capital management, industry and business leadership, corporate social responsibility and other corporate disciplines.

For all these, and for Meralco's performance in 2013, we thank all of you, our stockholders, our 5,890 people in Meralco, and the people of our subsidiaries, affiliates, and One Meralco Foundation.

That concludes my Report, Mr. Chairman. Maraming salamat po sa inyong lahat."

QUESTIONS AND ANSWERS ON THE FLOOR

The Chairman opened the floor and gave the stockholders the opportunity to ask questions and/or raise issues. Stockholders with technical or customer service concerns were advised to approach the Customer Desk near the Registration Area.

Ms. Carmencita Santos commended the Company for the banner year 2013 and requested for clarification on the declining shareholder returns figure on the Financial Highlights presented on the 2013 Annual Report of the Company. The Chief Finance Officer, Ms. Betty C. Siy-Yap replied that the shareholder returns were due to the increase in market capitalization and share price.

Mr. Ed Dulalia then took the floor and congratulated the Board and Management for the Company's good performance in 2013 despite economic and political crises. In this connection, he proposed that the Directors and employees be given a bonus.

Thereafter, Mr. Guillermo Gili raised a point regarding the right of stockholders where shares are lodged with brokers. He mentioned that as beneficial owners of the shares, the right to vote belongs to them. The Chairman noted the point raised by Mr. Gili.

In as much as there has been sufficient discussion, Ms. Shiela Marie Granados moved to close the discussion and to proceed to the next item on the agenda. Mr. Paul Soriño seconded the motion.

APPROVAL OF THE 2013 AUDITED FINANCIAL STATEMENTS

The next item on the agenda was the approval of the Audited Financial Statements for the Year 2013.

Mr. Raymond Yap moved for the approval of the Company's 2013 Audited Financial Statements and the motion was seconded by Mr. Roy Pedroso. There being no objection despite opportunity given by the Chairman, the motion was thereupon carried.

Accordingly, the Company's Audited Financial Statements for the period ended December 31, 2013 was approved by a majority of the total voting stockholders present and represented at the meeting and eligible to vote, as detailed below:

VOTES	NUMBER OF VOTES CAST (1 share = 1 vote)	PERCENTAGE OF VOTING
1. Approved	951,039,365	84.38%
2. Against	9,000,668	0.0%
3. Abstained	8,921	0.0%

The following resolution was thus adopted and approved as Resolution 2014-2:

"RESOLVED, that the audited financial statements for the year ended December 31, 2013 be, as the same hereby are, approved."

APPROVAL OF AMENDMENT TO SECTION 3 OF THE ARTICLES OF INCORPORATION

The next item on the agenda was the approval of the resolution to amend the Company's Articles of Incorporation to comply with SEC Memorandum Circular No. 6 Series of 2014, which states that "all corporations and partnerships whose articles of incorporation or articles of partnership indicate only a general address as their principal office address, such that it refers only to a city, town or municipality, or "Metro Manila" are directed to file an amended articles of incorporation or amended articles of partnership in order to specify their complete address, such that, if feasible, it has a street number, street name, barangay, city or municipality and if applicable, the name of the building, the number of the building and name or number of the room or unit."

The Assistant Corporate Secretary, Atty. William S. Pamintuan, explained to the stockholders that the Board, in compliance with the said SEC Memorandum Circular in its meeting held on April 28, 2014, adopted a resolution amending Section 3 of the Articles of Incorporation to reflect the complete address of the principal office of the Company to be located at Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City. Under the Corporation Code, the amendment is subject to the approval of at least 2/3 of the Company's outstanding capital stock.

Ms. Eliza Yamamoto moved for the approval of the amendment to Section 3 of the Company's Articles of Incorporation reflecting the complete address of the Corporation to read as follows: "That the place where the principal office of the Corporation is to be established or located is at Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City." The motion was seconded by Mr. Roy Pedroso.

The amendment to Section 3 of the Company's Articles of Incorporation reflecting the complete address of the Corporation was approved by at least two-thirds (2/3) of the total outstanding capital stock present and represented at the meeting and eligible to vote, as detailed below:

VOTES	NUMBER OF VOTES CAST (1 share = 1 vote)	PERCENTAGE OF VOTING
1. Approved	960,028,695	85.18%
2. Against	1,773	0.0%
3. Abstained	14,992	0.0%

The following resolution was thus adopted and approved as Resolution 2014-3:

“RESOLVED, that Section 3 of the Company’s Articles of Incorporation be amended to read as follows: ‘THIRD. That the place where the principal office of the Corporation is to be established or located is at Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City.’”

RATIFICATION OF ACTS, RESOLUTIONS, AND DEEDS OF THE BOARD OF DIRECTORS AND MANAGEMENT
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The next item on the agenda was the ratification of acts, resolutions, and deeds of the Board of Directors and Management of the Company from the Annual Stockholders’ Meeting held on May 28, 2013 up to this meeting. Upon the Chairman’s request, the Corporate Secretary briefly explained that these acts pertain to those taken to implement the resolutions, directives and instructions of the Board and its Committees and those done in the regular course of the Company’s business.

Mr. Adrian Rex Dimalanta moved for the confirmation, approval and ratification of all acts, resolutions, and deeds of the Board of Directors and Management of the Company from the Annual Stockholders’ Meeting held on May 28, 2013 up to this meeting. These acts are provided in the minutes of meetings of the Board, its Committees and the Management. These also include the approval of contracts and agreements, projects and investments, treasury matters, dividend declaration, and disclosures to the Securities and Exchange Commission and Philippine Stock Exchange.

This was seconded by Mr. Michael David Azucena. No objection was raised despite opportunity extended by the Chairman. Accordingly, the motion was carried.

Consequently, all acts, resolutions, and deeds of the Board of Directors and Management of the Company from the Annual Stockholders’ Meeting held on May 28, 2013

up to this meeting were ratified by a majority of vote of the stockholders present and represented at the meeting and eligible to vote, as detailed below:

VOTES	NUMBER OF VOTES CAST (1 share = 1 vote)	PERCENTAGE OF VOTING
1. Approved	960,016,354	85.18%
2. Against	5,233	0.0%
3. Abstained	4,388	0.0%

The following resolution was thus adopted and passed as Resolution 2014-4:

“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 28, 2013 up to the date of this meeting be as they hereby are, confirmed, ratified and approved.”

ELECTION OF DIRECTORS

The next item on the agenda was the election of the members of the Board of Directors for the ensuing year. The Company’s Articles of Incorporation provide for eleven (11) seats in the Board. The Company’s shareholders, including shareholders in the minority, were given the opportunity to nominate candidates for election to the Board of Directors. The Chairman of the Nomination and Governance Committee, Mr. Pedro E. Roxas, was requested by the Chairman to explain the screening process and to read the names of the nominees.

Mr. Roxas stated that in accordance with the Corporation’s By-Laws and Manual of Corporate Governance, as well as the Corporation Code and the Securities Regulations Code, the following stockholders were duly nominated as members of the Company’s Board of Directors to serve as such for the ensuing term:

Name	Nominated by
1. Atty. Ray C. Espinosa	Beacon Electric Asset Holdings, Inc.
2. James L. Go	JG Summit Holdings, Inc.
3. Lance Y. Gokongwei	JG Summit Holdings, Inc.
4. John L. Gokongwei, Jr.	JG Summit Holdings, Inc.
5. Jose Ma. K. Lim	Beacon Electric Asset Holdings, Inc.
6. Manuel M. Lopez	First Philippine Holdings, Corp.
7. Napoleon L. Nazareno	Beacon Electric Asset Holdings, Inc.
8. Retired Chief Justice	Mr. Mark Dennis Y.C. Joven

Artemio V. Panganiban	
9. Manuel V. Pangilinan	Beacon Electric Asset Holdings, Inc.
10. Oscar S. Reyes	Beacon Electric Asset Holdings, Inc.
11. Pedro E. Roxas	Mr. Mark Dennis Y.C. Joven

Retired Chief Justice Panganiban and Mr. Roxas were nominated as independent directors.

The Nomination and Governance Committee have evaluated the qualifications of the nominees, including the nominees for Independent Directors, and determined that they have all the qualifications and none of the disqualifications to serve as directors of the Company. All these nominees have given their consent to their nomination.

Copies of the profiles of all nominees for seats in the Board of Directors, stating their age, qualifications, experience, date of first appointment to the Board of the Company, and other directorships in other publicly listed companies (or subsidiaries, whether listed or non-listed within the group of companies) were provided in advance to the stockholders through the Company's Information Statement.

On motion made by Mr. Karl William Soriano and seconded by Mr. Larry Francisco, the following were declared duly elected members of the Board of Directors to serve for the ensuing year and until their successors are duly elected and qualified, having received the following number of votes from the stockholders present and represented at the meeting:

Name	Approved
1. Atty. Ray C. Espinosa	959,790,768
2. James L. Go	959,745,507
3. Lance Y. Gokongwei	959,998,408
4. John L. Gokongwei, Jr.	960,049,415
5. Jose Ma. K. Lim	959,781,064
6. Manuel M. Lopez	960,991,314
7. Napoleon L. Nazareno	959,873,656
8. Retired Chief Justice Artemio V. Panganiban	960,250,219
9. Manuel V. Pangilinan	960,434,192
10. Oscar S. Reyes	960,352,311
11. Pedro E. Roxas	959,741,490
A total of 14,262 shares abstained from the election of directors.	

The above was thus adopted and passed as Resolution 2014-5.

APPOINTMENT OF EXTERNAL AUDITORS

The next order of business was the appointment of external auditors for the Company.

Retired Chief Justice Artemio V. Panganiban stated that in the evaluation of the performance during the past year of the Company's present external auditors, SGV & Company, the Audit and Risk Management Committee found their performance satisfactory. The reappointment of SGV & Company as external auditors of the Company for the ensuing year was thus endorsed by the Audit and Risk Management and the Board of Directors. For the year ended December 31, 2013, the Company paid an audit fee of P8.3 Million, inclusive of P1.8-Million audit fees for the review of the interim consolidated financial statements of the Company as of June 30, 2013 and September 30, 2013 in relation to the Company's bond offering. The Committee was satisfied with their performance.

On motion made by Mr. Michael David Azucena and seconded by Mr. Adrian Rex Dimalanta, there being no objection despite opportunity given, SGV & Company's reappointment as the Company's external auditor was approved by a majority vote of the stockholders present and represented at the meeting and eligible to vote, as detailed below:

VOTES	NUMBER OF VOTES CAST (1 share = 1 vote)	PERCENTAGE OF VOTING
1. Approved	960,065,006	85.18%
2. Against	6,310	0.0%
3. Abstained	10,283	0.0%

The following resolution was thus adopted and passed as Resolution 2014-6:

“RESOLVED, that SGV & Company, Certified Public Accountants, be, as they hereby are, retained and appointed external auditors of the Company.”

ADJOURNMENT

There being no other business to transact, upon motion made by Mr. Paul Soriño and seconded by Ms. Shiela Marie Granados, the meeting was adjourned at 11:20 a.m.

SIMEON KEN R. FERRER
Corporate Secretary

ATTEST:

MANUEL V. PANGILINAN
Chairman of the Board

PROOF OF NOTICE

I HEREBY CERTIFY, as duly elected, qualified and incumbent Corporate Secretary of Manila Electric Company (MERALCO), that written notice of the annual meeting of stockholders was sent to all stockholders of record at least ten (10) days before the date of the meeting, in accordance with the By-laws of the Company. A copy of the notice is attached as Annex "A" hereof.

Pasig City, Philippines, May 27, 2014.

SIMEON KEN R. FERRER
Corporate Secretary