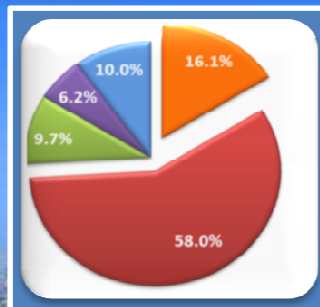


Manila Electric Company

www.meralco.com.ph



3RD QTR 2011 FINANCIAL & OPERATING RESULTS



OPERATING
HIGHLIGHTS



FINANCIAL
RESULTS



REGULATORY
UPDATES



POWER GEN
REPORT

2nd November 2011 / 2:00 pm to 4:00 pm / MERALCO, Pasig City

INVESTORS' BRIEFING & TELECONFERENCE

Disclaimer



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Outline of Presentation



- **Operating Highlights**

Oscar S. Reyes, Senior Executive Vice President & Chief Operating Officer

- **Financial Results**

Betty C. Siy-Yap, Senior Vice President & Chief Finance Officer

- **Regulatory Updates**

Ivanne G. Dela Peña, First Vice President & Head, Regulatory Management

- **Power Generation Report**

*Aaron A. Domingo, Executive Vice President & General Manager
Meralco PowerGen Corporation (MPG)*

- **Outlook**

Manuel V. Pangilinan, President & Chief Executive Officer

OPERATING HIGHLIGHTS



Sept 2011 YTD Sales and Customer Count highest in 10 yrs

- Consolidated sales of 22,725 GWh up 0.3% vs. 2010; Meralco at 22,518 GWh
- Industrial and Commercial sales 2.2% and 1.4% higher vs. Sept 2010 YTD
- Residential sales for Sept 2011 YTD 2.8% below vs. Sept 2010 YTD
- Consolidated customer growth up 3.4% to 4.98M; expected 5M by Nov.

Sept 2011 YTD Net System Input slightly down 0.5% at 24,683 GWh vs. Sept 2010 YTD

- Peak Demand at 5,283 MW (May 2011) down 1.7% vs. 2010's 5,374 MW
- IPPs contributed 47.9%, NPC 45.8% and WESM 6.3% of Meralco's total power purchases for the period Jan-Sept 2011
- IPPs remain as Meralco's lowest cost of source of supply

Jan-Sept 2011 Ave. Retail Rate lower by 3¢/kWh at P9.02/kWh vs. Jan-Sept 2010

- Lower Tax/Universal Charge, System Loss and Generation Charge more than offset higher Transmission and Distribution Charges
- Generation Charge still the largest component of customers' bill at 55.6%; Meralco share is 18.0% and NGCP is 11.4%

Sustained Operational Performance vs. Regulatory Standards

- 12MMA System Loss ending Sept 2011 at 7.43% (improved by 0.35% vs. end Sept 2010)
- All S-Factor performance metrics within rewards range
- GSL performance within allowed limits; effective savings for Meralco

Other Events of Interest

- Impact of Typhoon “Pedring” on Meralco franchise area
- Customer Satisfaction Index 1H 2011 Topline Result - a 10-year high
- Business updates



Details

Sept YTD Sales and Customer Count, Year on Year

- Sept 2011 YTD Sales and Customer Count highest in 10 years

ENERGY SALES* in GWh



CUSTOMER COUNT* in million customers



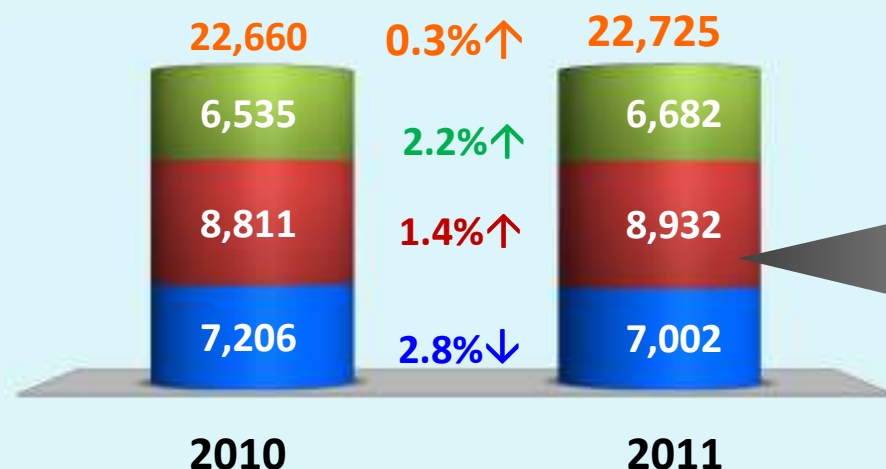
ENERGY SALES Growth	-0.6%	5.1%	3.8%	0.9%	1.0%	4.8%	2.6%	1.1%	11.1%	0.3%
CUST COUNT Growth	3.1%	3.0%	4.1%	2.8%	1.6%	2.0%	2.1%	2.8%	3.2%	3.4%

* 2008-2011, MERALCO + CEDC

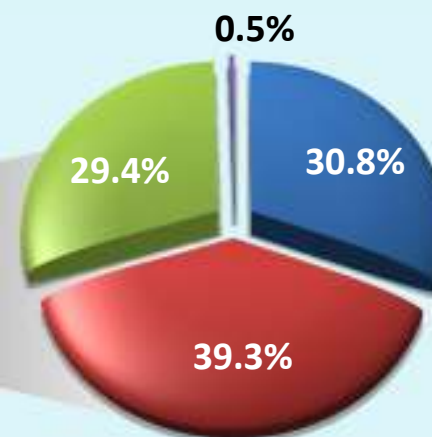
Sept 2011 YTD Energy Sales Profile

- Sept 2011 YTD 22,725 GWh up 0.3% vs. 2010 and 11.4% higher than 2009
- Industrial and Commercial 2.2% and 1.4% higher vs. Sept 2010 YTD
- Residential sales down 2.8% vs. Sept 2010 YTD partly due to cooler temp

Energy Sales, GWh:



2011 share of sales:



■ Industrial
 ■ Commercial
 ■ Residential
 ■ Flat Streetlights

Drivers in Jan – Sept 2011

• Electrical Machinery (Semicon)
 • Fabricated Metals
 • Food



• Real estate
 • Transport, Storage and Communications
 • Trade



• Non-metallic Mineral Products
 • Textiles
 • Paper and Paper Products



• Private Services
 • Government Services



Ave Temperature (°C) 2010 vs. 2011

- Lower monthly average temperatures sustained in the 9th month of 2011; Sept 2011 lower by almost 1°C vs. Sept 2010
- Sept 2011 YTD lower by average of 1.2 °C vs. Sept 2010 YTD



Sept 2011 YTD Ave temp = 27.6 C
Sept 2010 YTD Ave temp = 28.8 C

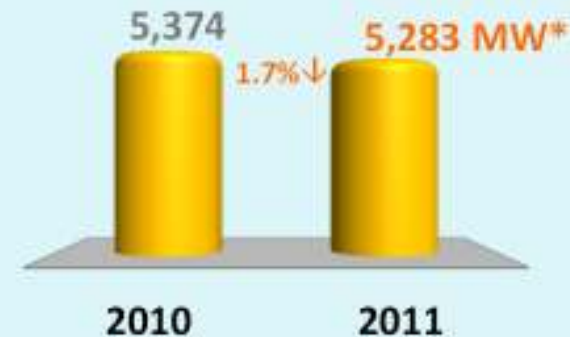
Sept 2011 YTD NSI & Peak Demand

- NSI of 24,683 GWh slightly down 0.5% vs. Sept 2010 YTD ; YTD Peak demand still at 5,283 MW*

Net System Input, GWh:

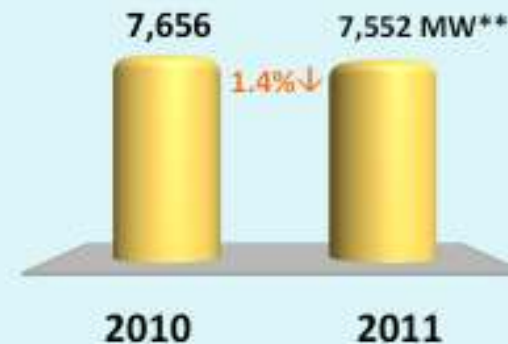


Meralco Peak Demand, MW:



*occurred May 18, 2011 as against May 26, 2010 Peak

Luzon Peak Demand, MW:

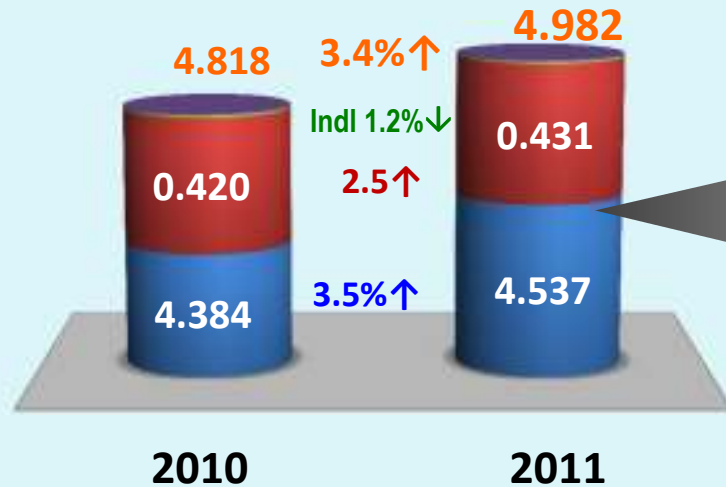


**occurred June 7, 2011

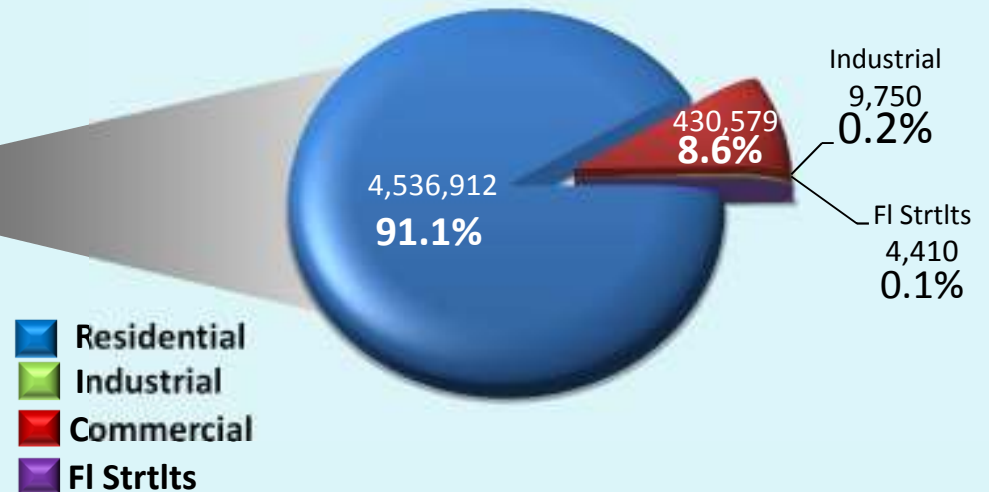
Sept 2011 YTD Customer Count

- Total of 4.982 million customers, up 3.4% vs. Sept 2010; 5 million expected Nov 2011
- Addition of 134,413 new customers from beginning of 2011, majority Residential

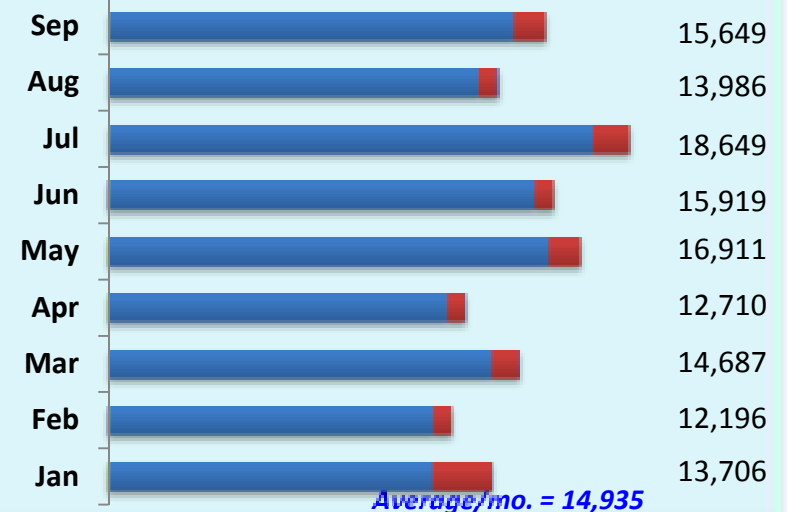
Customer Count, in millions:



2011 Segment Composition:



Monthly increase of customers

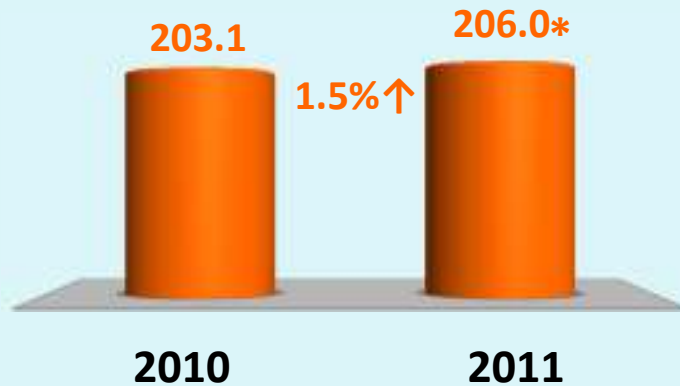


CONSOLIDATED

Clark Electric (CEDC) Sales, NSI and Customer Count, Sept 2011 YTD

- Energy Sales, NSI and Customer Count sustained growth vs. Sept 2010 YTD

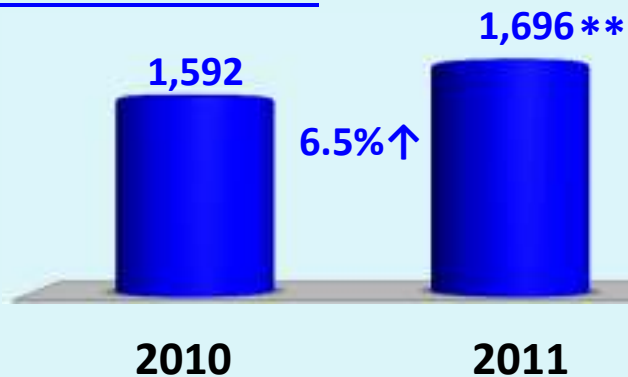
Energy Sales, GWh



NSI, GWh



Customer Count

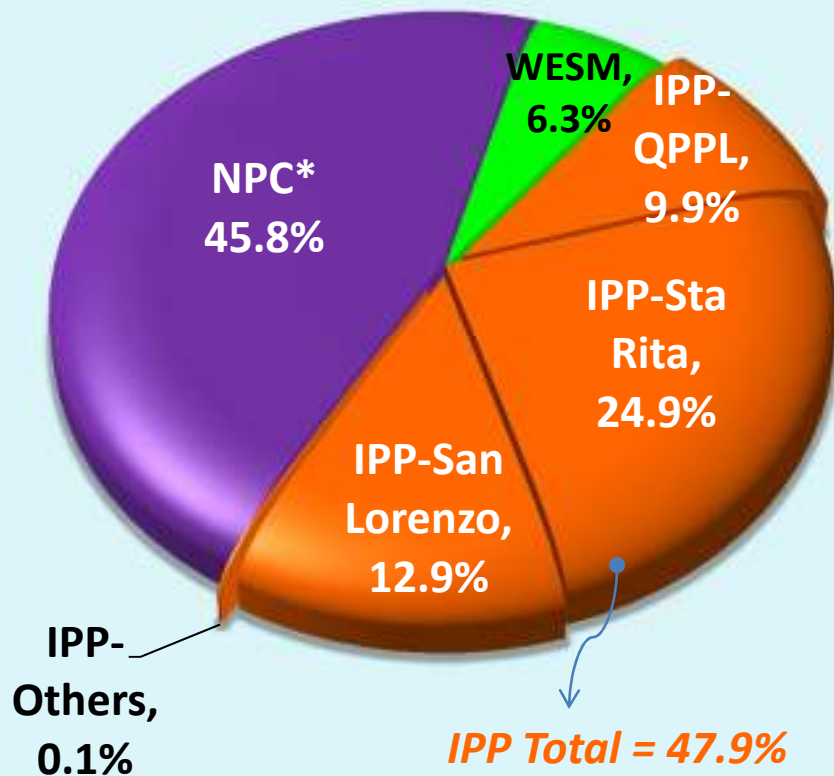


	*% Sales	**% Count
Commercial	51.2%	56.1%
Industrial	46.9%	6.1%
Residential	1.5%	34.6%

Power Supply for Sept '11 YTD purchase

- Out of 24,469 GWh purchased, 47.9% came from Meralco IPPs, 45.8% came from NPC Privatized Plants and IPPAs, and 6.3% from WESM

Sept 2011 YTD Purchases



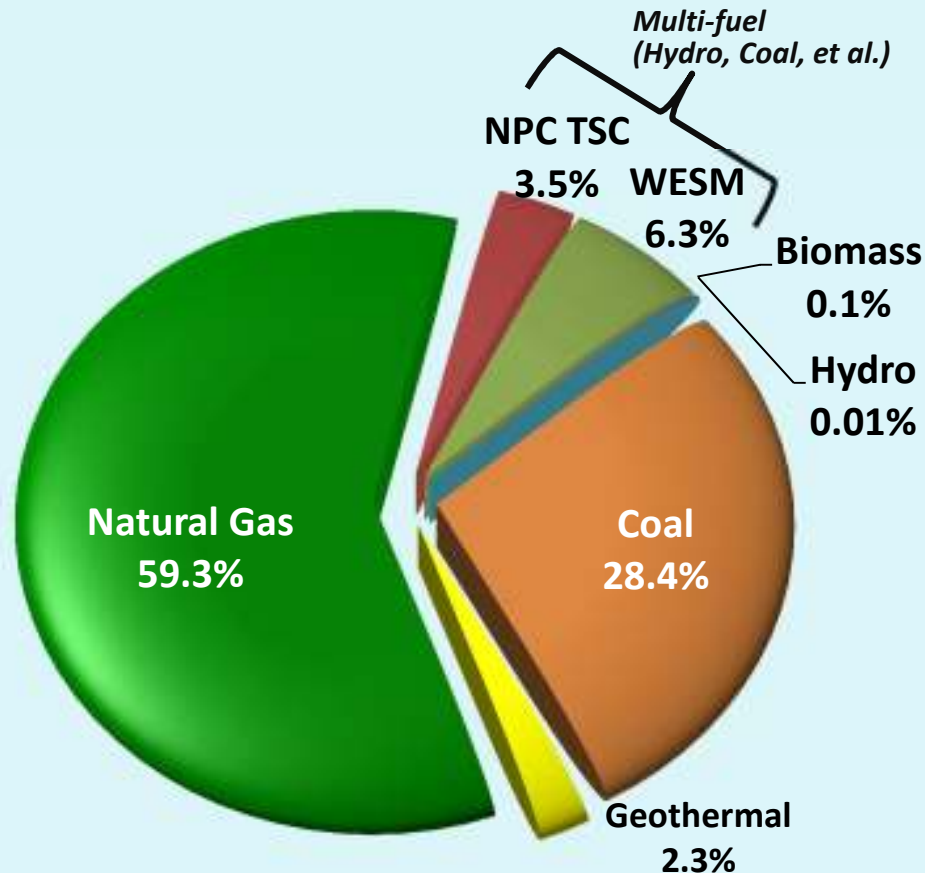
SOURCE	GWh	Share
NPC*	11,219	45.8%
WESM	1,535	6.3%
IPP-Total	11,716	47.9%
Sta. Rita	6,093	24.9%
San Lorenzo	3,157	12.9%
QPPL	2,434	9.9%
Others	32	0.1%
Total NSI	24,469	100.0%

**Including Special Programs (Ecozone and CCP)*

Supply Mix for Sept '11 YTD purchase

- Majority of MERALCO's purchased power used Natural Gas.

Sept 2011 YTD Purchases

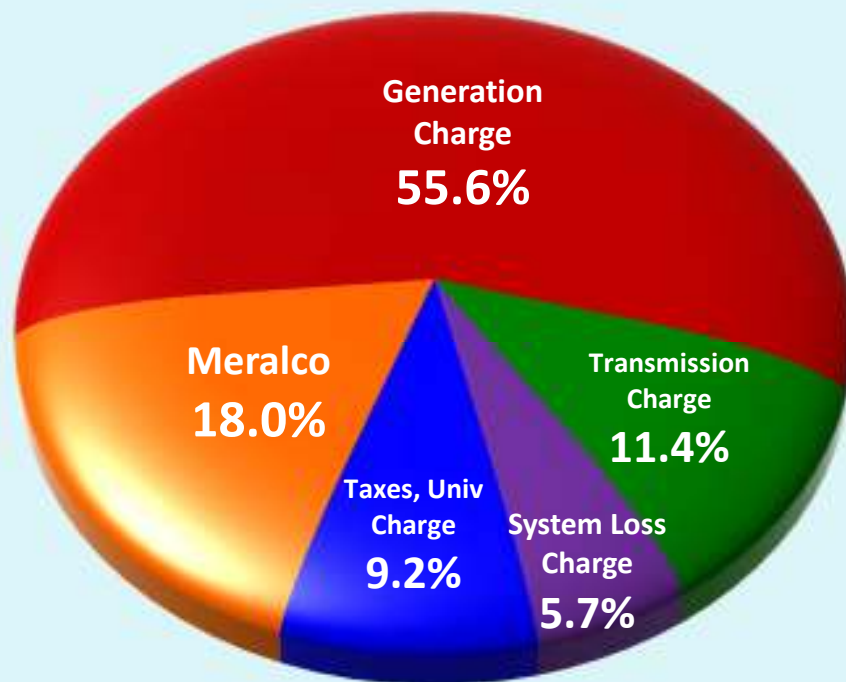


TYPE	QUANTITY*
Natural Gas	14,523,183
Coal	6,961,603
Geothermal	571,733
Biomass	29,611
Run-of-River Hydro	2,472
NPC TSC	847,113
WESM	1,534,745

**in MWh, as of Sept 2011 YTD*

Overall Ave. Retail Rate for Jan-Sept 2011 LOWER by 3¢/kWh vs. Jan-Sept 2010 Ave

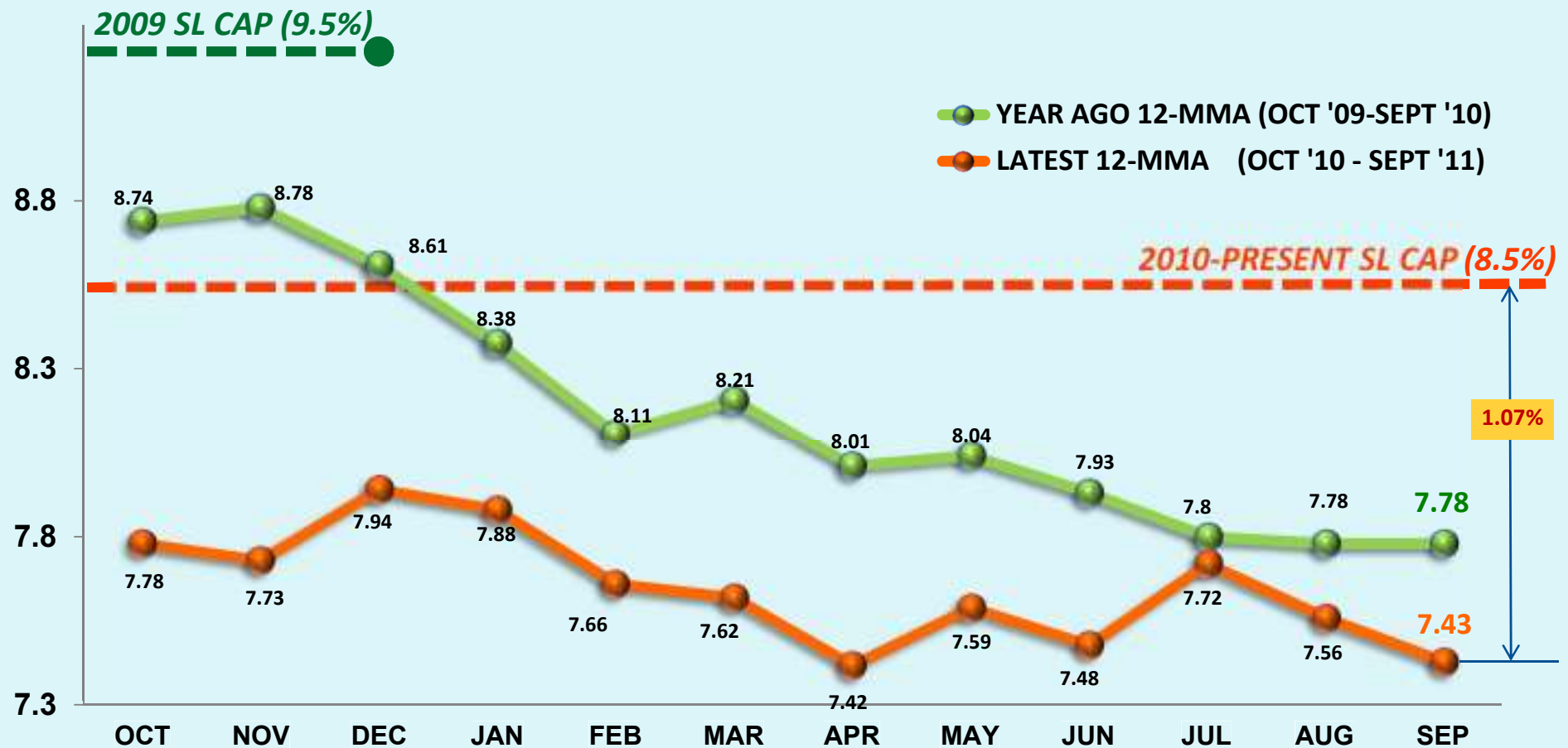
- Generation Charge still the largest component of customers' bill at 55.6%
- Distribution Charge (Meralco) share 18.0%; Transmission Charge (NGCP) share 11.4%
- Taxes/Universal, System Loss and Generation Charges more than offset higher Transmission and Distribution charges



BILL COMPONENT	Jan-Sept 2011 Overall Ave, P/kWh
Generation Charge	5.02
Distribution Charge (MERALCO)	1.62
Transmission Charge (NGCP)	1.03
System Loss Charge	0.52
Taxes, Univ Charge	0.83
TOTAL	9.02

System Loss Performance

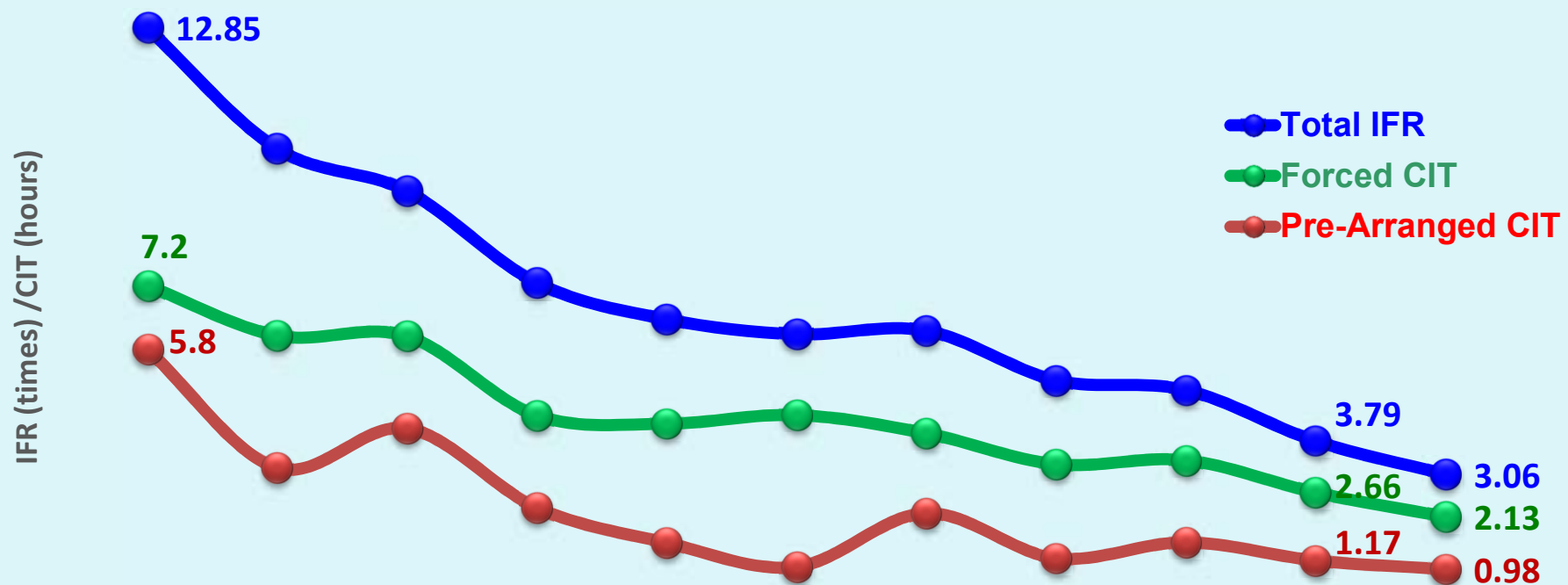
- 12-MMA ending Sept 2011 at 7.43%
- Performance improved by 0.35% vs. Sept 2010's 7.78%



- Official ERC-filed Meralco System Loss: excludes that of **Clark Electric Distribution Corp. (CEDC)** – 12MMA ending Sept 2011: 4.05%; Sept 2010: 3.75%
- Starting 2008, System Loss was computed excluding kilowatthour recoveries from violation of contracts (VOC) and Illegal Service Connections (ISCs) cases.

Sustained improvement in System Reliability and Availability as of Sept 2011 YTD

- Reliability (Total Interruption Frequency Rate, IFR) improved by 19.3%, at 3.06 times
- Availability (Forced Cumulative Interruption Time, CIT) improved by 19.9%, at 2.13 hours
- Availability (Pre-Arranged CIT) improved by 16.2% , at 0.98 hours



NOTE: Service Interruption includes Forced and Pre-arranged outages. Effects of major typhoons have been excluded.

YTD Performance: S-Factor

- All S-Factor performances are within rewards range

S-FACTOR INDICATOR	As of Sept (YTD)		% Change (2011 vs. 2010)	REMARKS
	2011	2010		
IFR, Forced and PAI (Times) 	3.06	3.79	19.3	IMPROVED; W/IN REWARDS
CIT, Forced (Hours)	2.13	2.66	19.9	IMPROVED; W/IN REWARDS
CIT, Pre-arranged (Hours)	0.98	1.17	16.2	IMPROVED; W/IN REWARDS
Prob. of Voltage Violations (%)	0.14	0.56	0.42 ppts	IMPROVED; W/IN REWARDS
Ave. Time to Process App. (Days)	4.72	5.50	14.18	IMPROVED; W/IN REWARDS
Ave. Time to Connect (Days)	1.62	2.77	41.52	IMPROVED; W/IN REWARDS
Call Center performance (%)	10.31	14.64	4.33 ppts	IMPROVED; W/IN REWARDS
System Loss (%) -12MMA	7.43	7.78	0.35 ppts	IMPROVED; W/IN REWARDS

YTD Performance: GSL

- All GSL performances are within set limits

GSL INDICATOR	As of Sept 2011 (RY 2012)	No. of Violations per Year (Reward Ceiling)	REMARKS
GSL 1	4,899 customers	373,658 customers	WITHIN LIMITS (3 rd /12 months)
GSL 2	0 customer	18,989 customers	WITHIN LIMITS (3 rd /12 months)
GSL 3	8,349 incidents	234,439 incidents	WITHIN LIMITS (3 rd /12 months)
GSL 4	36,365 days delay	163,995 days delay	WITHIN LIMITS (3 rd /12 months)

GSL1: Customer experiencing a cumulative duration of sustained service interruptions in a Regulatory Year that exceeds the threshold

GSL2: Customer experiencing a total number of sustained interruption in a Regulatory Year that exceeds the threshold

GSL3: Restoration of supply to a customer after a fault on the secondary distribution network taking longer than the threshold time

GSL4: Connection not provided on the day agreed with the customer

Other Events of Interest



Typhoons Pedring and Quiel

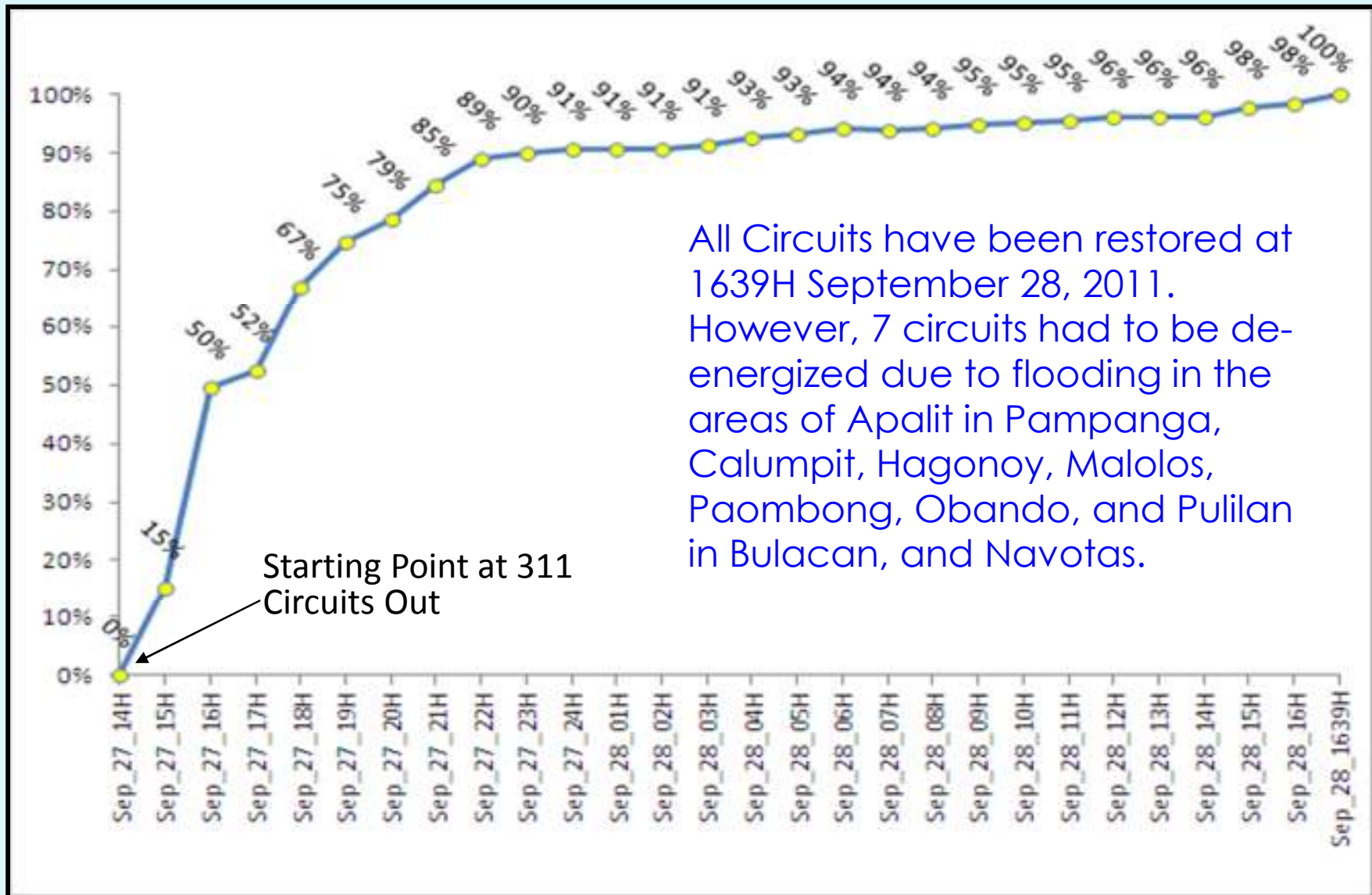
Traversing almost the same path across Northern Luzon

Source: wunderground.com



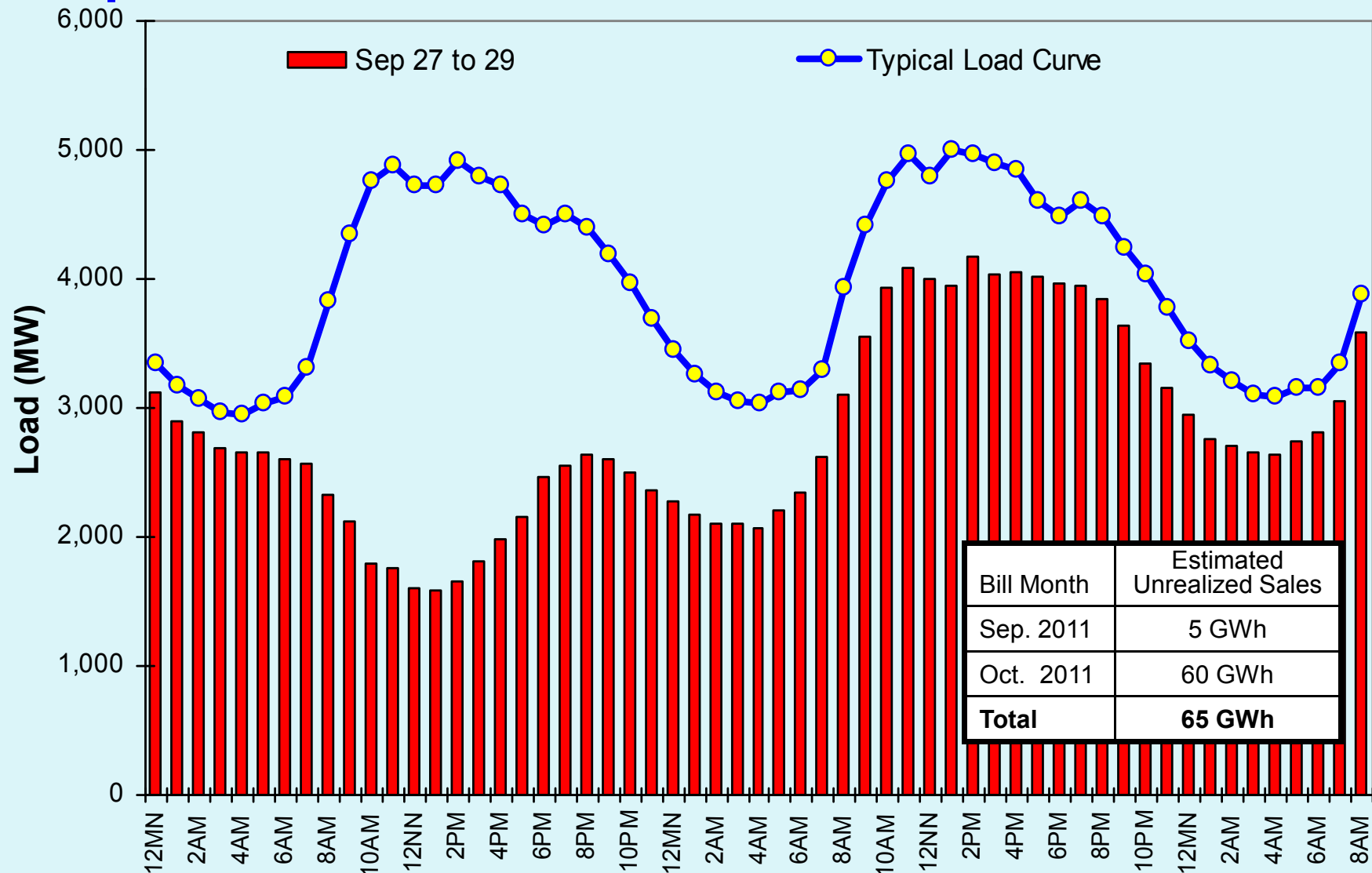
Progress of restoration

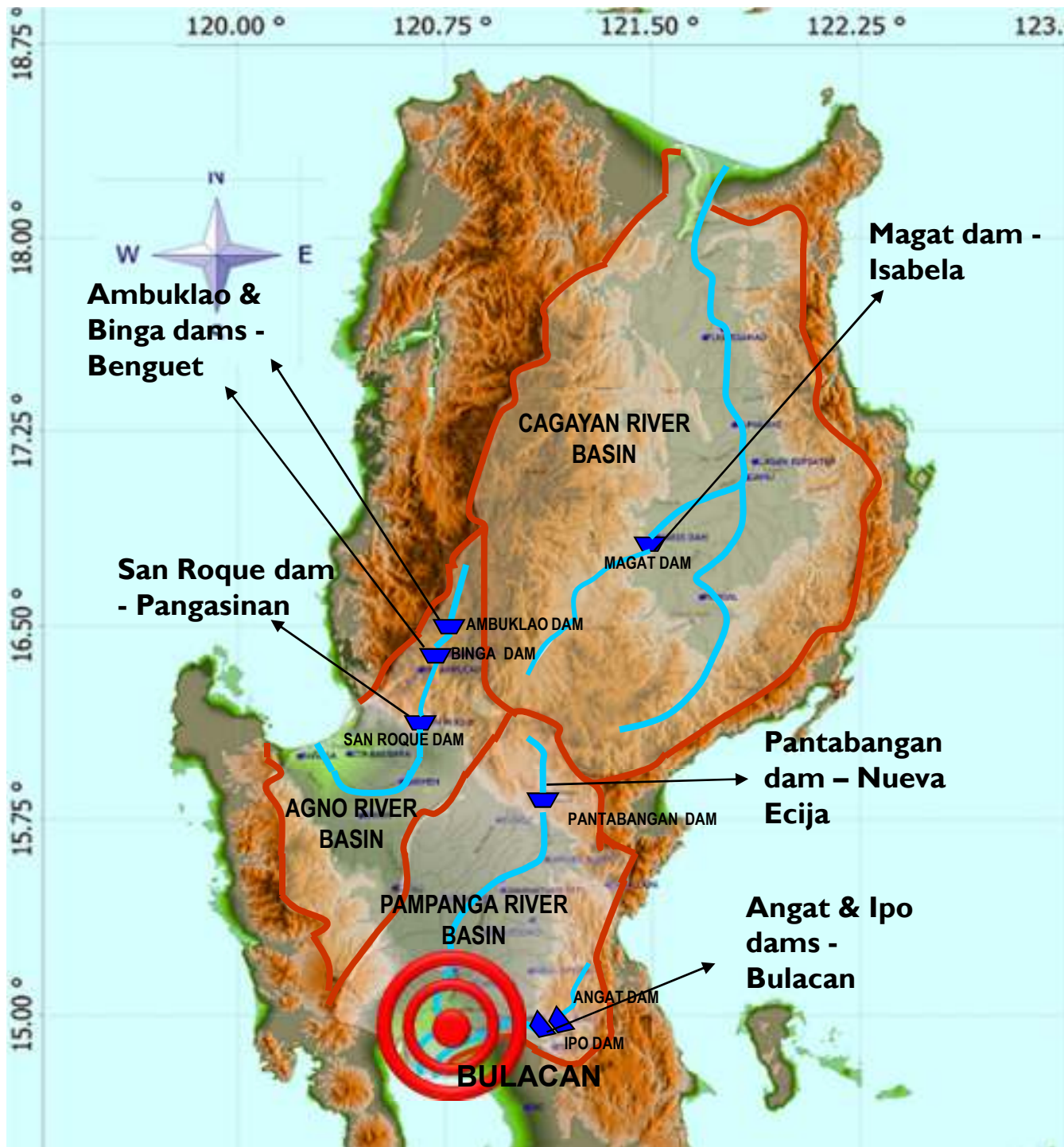
Distribution circuit restoration



Impact on Meralco operations

September 27 to 29 unrealized sales





Location of monitored dams in Luzon

Source:

Presentation on "49th Climate Change Forum" by PAGASA, October 12, 2011

SYSTEM	2M	1M	400K	200K	50K
BULACAN	460K	158K	89K	36K	

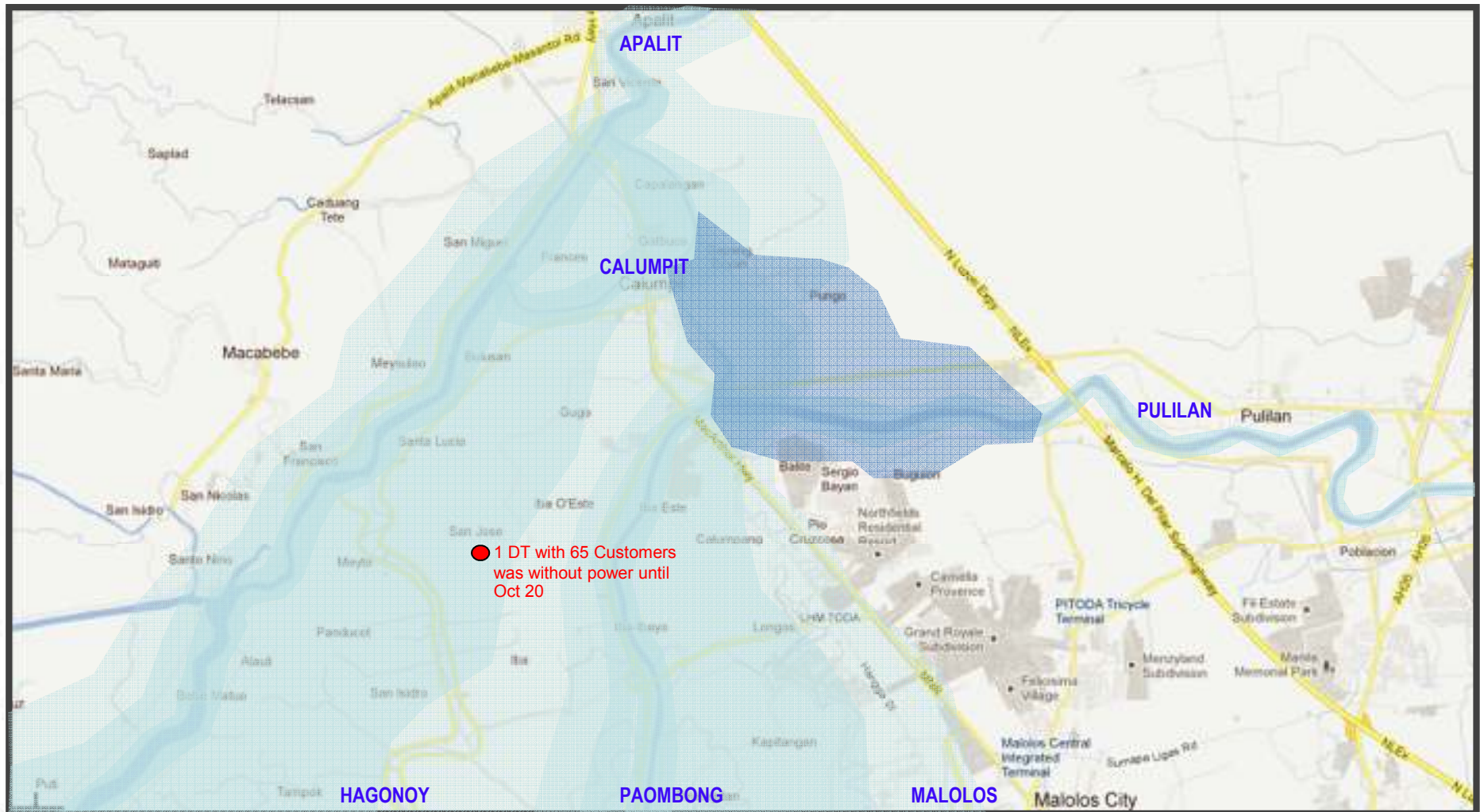
33K 33K 31K

29K 20K

18K



11



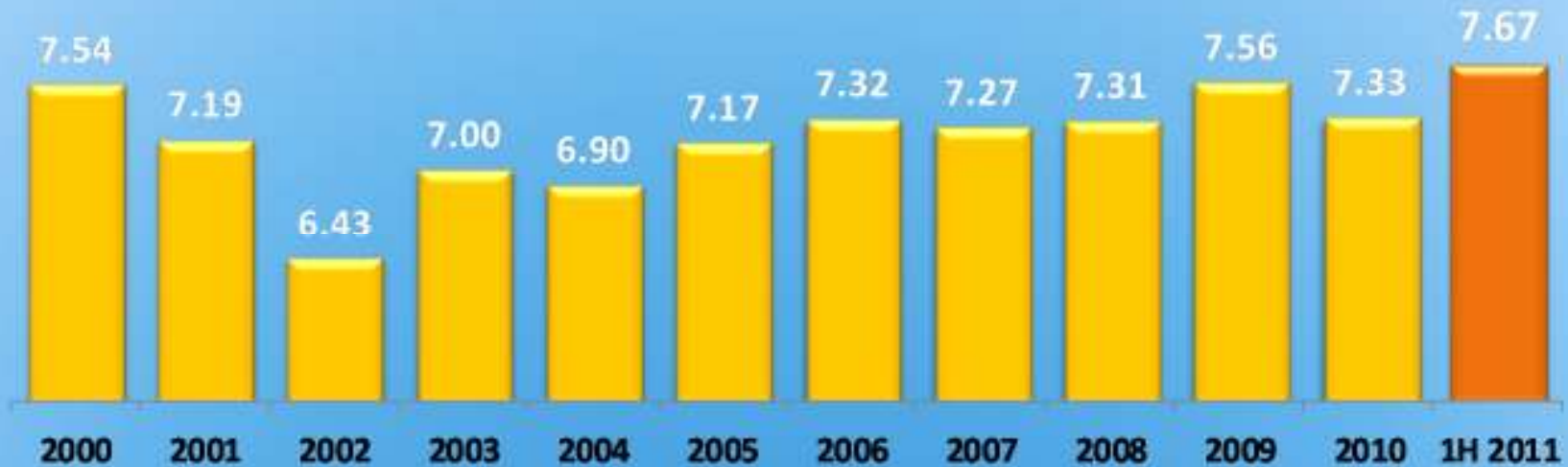
Estimated replacement costs of damaged facilities due to Typhoon Pedring

As of October 20, 2011

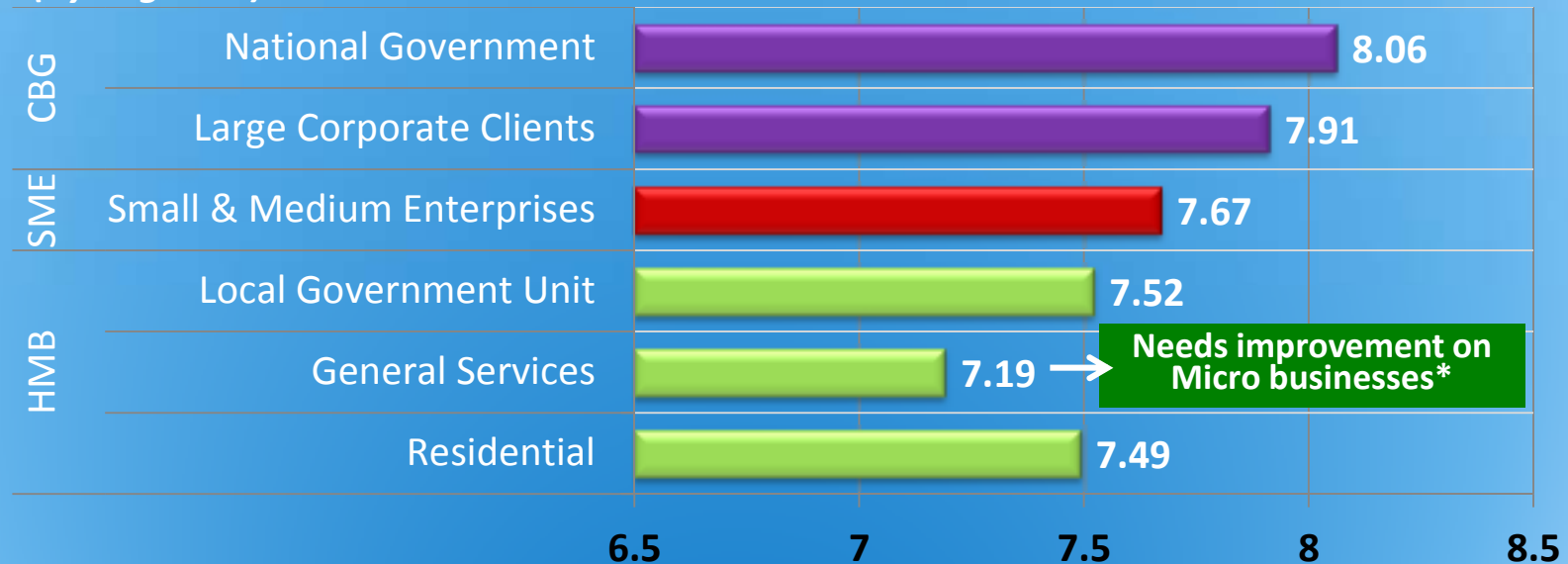
Facilities/Equipment	No. of Damages	Estimated Replacement Cost (PhP)
Poles (Down/Broken/Leaning)	259	37,931,900
Wires (Down/Detached/Stolen)	390	15,293,831
Distribution Transformers	51	11,244,715
Lines Switches (LBS/ABS)	2	2,882,541
Elevated Metering Centers (EMCs)	9	5,496,276
Other Line Materials	456	1,832,329
Meters (Flooded)	3,630	3,646,154
Total	4,797	78,327,746

Customer Satisfaction Index (CSI)

- Topline survey result – 1H 2011: Customer satisfaction is at a 10-year high



Summary (By Segment)



*Small businesses: Hardwares, water refilling stations, beauty parlor, small-scale laundry shops, etc.

Business events



MERALCO BAGS GLOBAL CSR AWARD

Meralco's CSRO and One MERALCO Foundation were recognized in the Global CSR Summit held in Cebu City on August 11. Meralco bagged the Silver Award for Best Community Program category. Meralco's CSR programs were cited for its successful implementation resulting to poverty alleviation, better education opportunities and stronger community participation. Meralco was awarded together with Indika Energy Indonesia and Citibank Pakistan as the Bronze and Gold Awardees in the same category, respectively.

FINANCIAL RESULTS



YTD

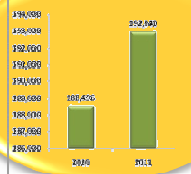


9M2011 RESULTS IMPROVED FROM 9M2010

Core Income at P11.7B, up by 27% from P9.2B in 2010

Reported Income at P9.9B, up by 25% from P8.0B in 2010

Revenues



SALES VOLUME UP FROM PREVIOUS YEAR

YTD Revenues up by 2% to P192.9B

Costs and Expenses



SLIGHT INCREASE IN COSTS AND EXPENSES

Purchased power decreased by 1% to P150.6B

Lower System Loss at 7.43%

O&M Expenses increased by 16% at P12.6B

GEARING UP ON DEBT

P2.5B Bilateral Loan in January 2011

P5B Fixed Rate Note Facility Agreement in June 2011

Lower average effective interest rate at 5.4% for local long-term loans from 7.5% last year

RETURN TO SHAREHOLDERS

BOD today approved interim cash dividends of P1.30 a share

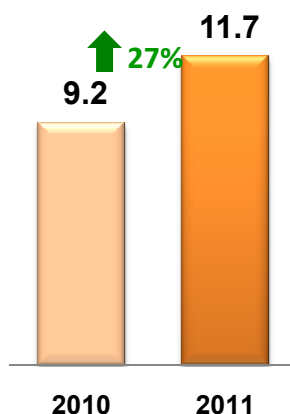
RE-ENTRY INTO POWER GENERATION

Investment in Redondo Peninsula Energy thru Meralco Powergen Corporation

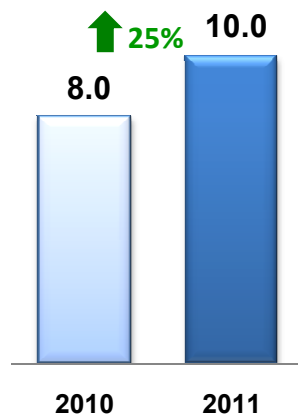
Financial Results Summary- YTD



Core Income



Reported Income



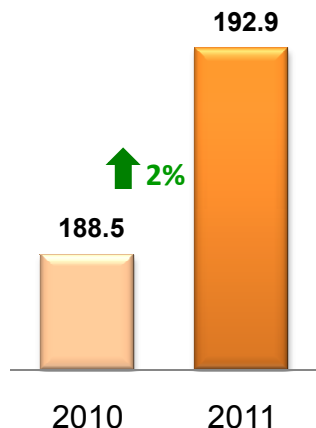
(In Millions)	9M 2011	9M 2010	% Change	
Gross Revenues	P 192,940	P188,496		2
Electric	186,970	183,394		2
Non-electric	5,970	5,102		17
Costs and Expenses	177,691	176,820		1
Purchased Power	150,602	152,655		(1)
Operations and Maintenance	12,648	10,888		16
Depreciation	4,300	4,083		5
Interest Expense	1,083	1,914		(43)
Others	9,058	7,280		24
EBITDA	19,175	16,117		19
Reported Net Income	9,951	7,966		25
Core Net Income	11,663	9,154		27

	9M 2011	9M 2010	% Change	
EBITDA Margin	10%	9%		16
Earnings per share	8.83	7.07		25
Core Earnings per share	10.35	8.12		27

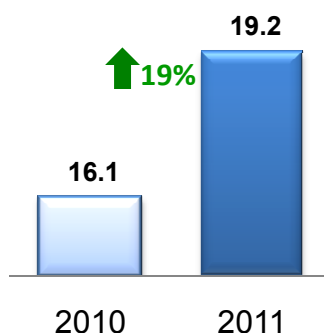
Revenues and EBITDA



Revenues



EBITDA



Revenue was up by 2% at P192.9 billion

Electric Revenues which comprise 97% increased by 2%

EBITDA up by 19% at P19.2 billion

• Distribution Revenue increased by 14% with the delayed distribution charge adjustments for the 4RY of 2RP

Electric Revenue Details

	9M 2011	9M 2010	% Change
Sales Volume (in GWh)	22,725	22,660	0.3
Electric Revenues (In Million Pesos)			
Pass-through	150,289	151,108	2
Distribution	36,681	32,286	14
TOTAL	P 186,970	P183,394	2
Rate Per kWh			
Pass-through	6.62	6.67	(0.7)
Distribution	1.61	1.42	13
TOTAL	8.23	8.09	2

Volume

Energy Sales

0.3%
increase

Number of
Customers

3.4%
increase

Tariff/kWh

Generation

6% dec

Transmission

27% inc

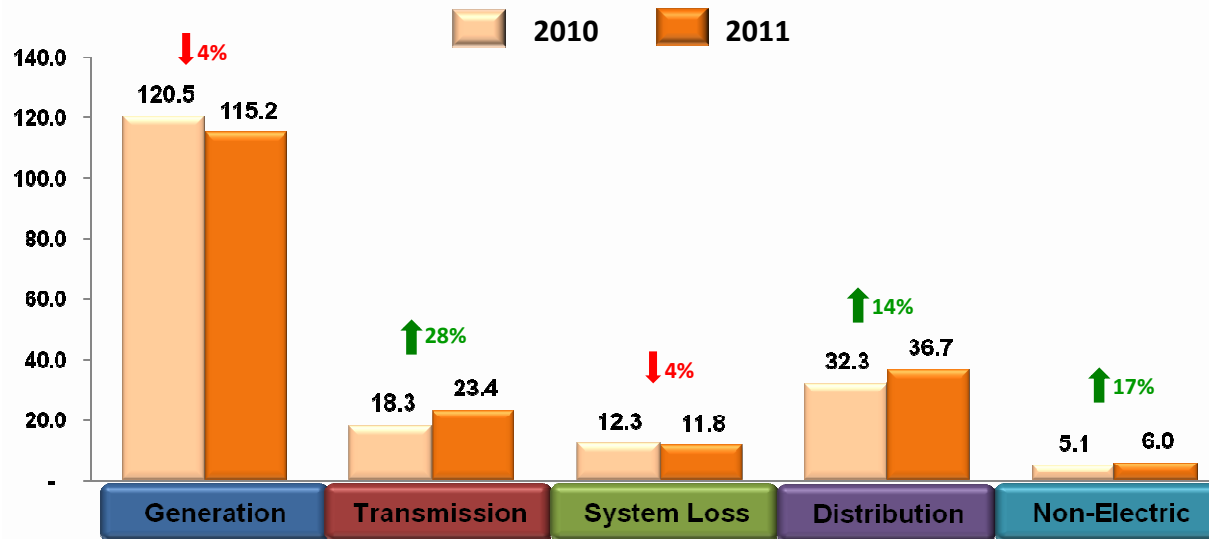
Distribution

13% inc

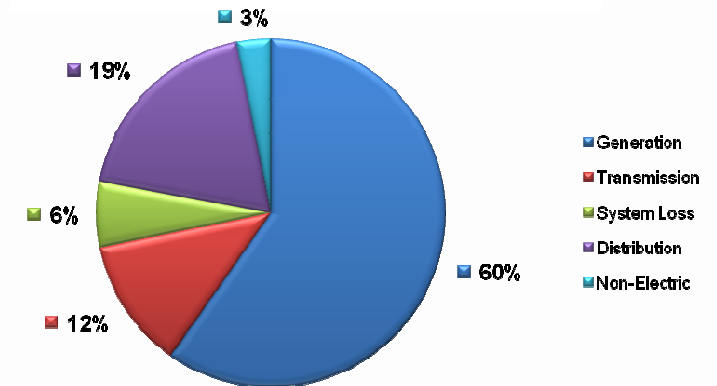
System Loss

17% dec

Revenue Composition



Revenues YTD Sept-2011



Average generation revenue at P5.07 per kWh from P5.32 per kWh in 2010



Average transmission revenue per kWh at P1.03 per kWh from P0.81 per kWh in 2010



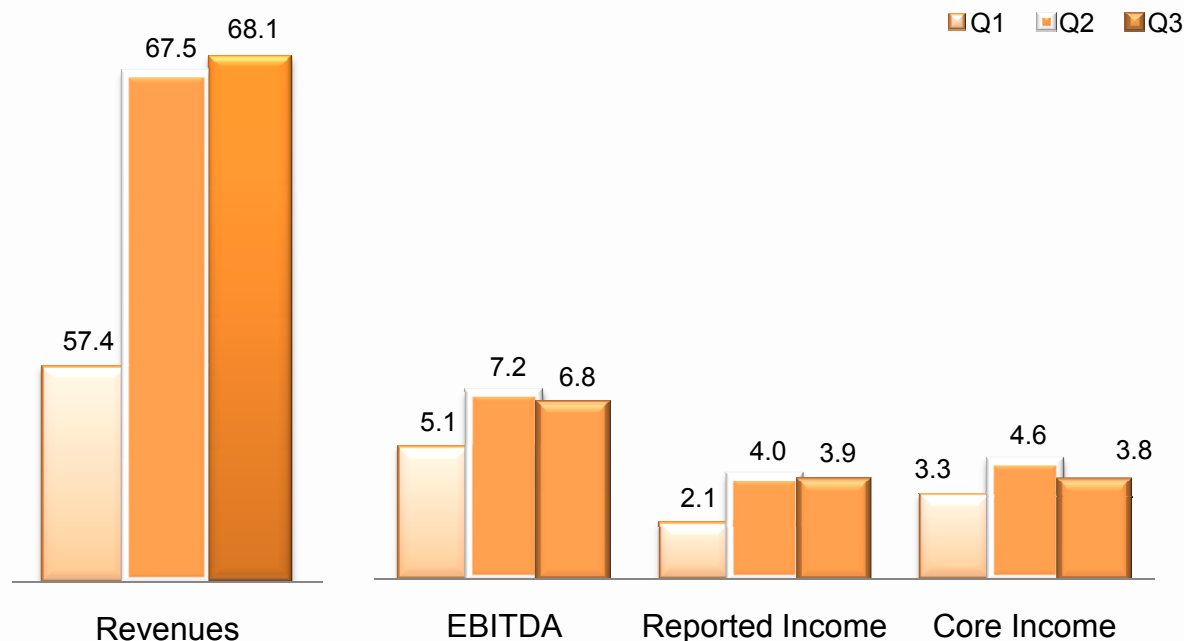
Average system loss revenue at P0.52 per kWh from P0.63 in 2010. Meralco system loss at 7.43% vs. 7.78% in 2010



Average distribution revenue per kWh at P1.61 from P1.42 in 2010

Note: Average rates per kWh include revenues of Clark Electric

Quarterly Results Summary



Core Income for the 3rd qtr 2011 was 15% higher than in the same period last year

•3Q Revenue was higher than in the previous quarters due to higher sales volume to the industrial segment as it began to improve starting April 2011.

	Q1		Q2		Q3		YTD	
	2011	2010	2011	2010	2011	2010	2011	2010
Volume	6,991	6,996	7,790	7,954	7,944	7,711	22,725	22,661
Revenues	57,368	61,076	67,458	66,136	68,114	61,285	192,940	188,496
EBITDA	5,102	4,929	7,235	6,094	6,838	5,094	19,175	16,117
Reported Income	2,132	2,010	3,959	2,841	3,860	3,115	9,951	7,966
Core Income	3,252	1,980	4,570	3,825	3,841	3,349	11,663	9,154

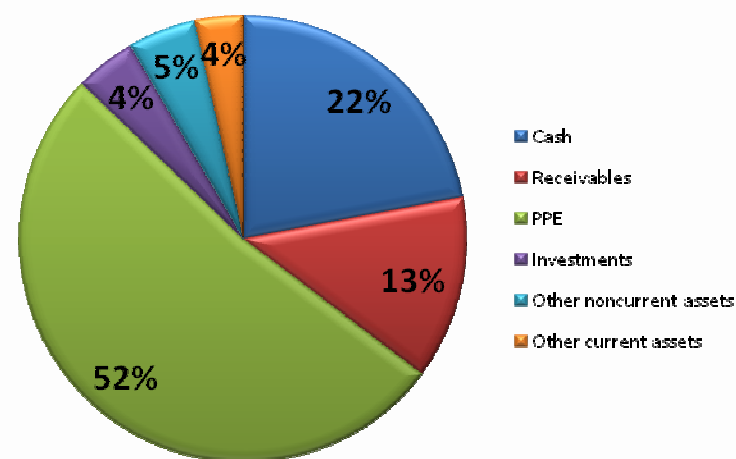
Financial Position

As at September 30, 2011 and 2010

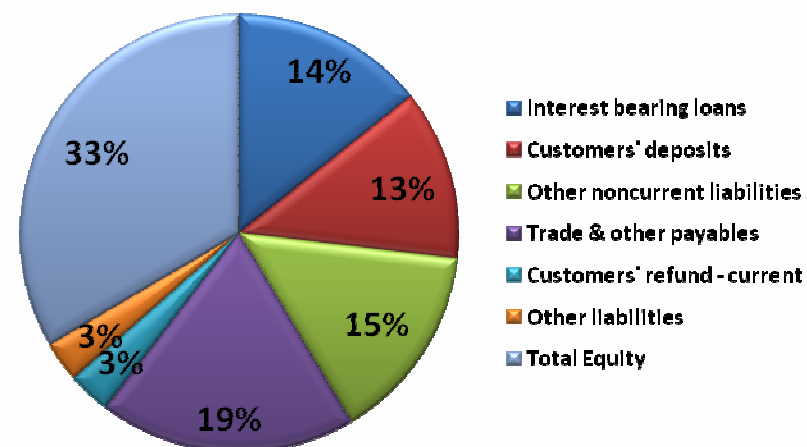


	Sept 2011	Sept 2010	% Chg	Dec 2010
↑ Cash	43,945	20,238	117	24,370
↓ Receivables	26,711	27,545	(3)	25,609
↑ PPE	103,765	101,683	2	103,250
↑ Investments	8,757	8,127	8	8,358
↓ Other noncurrent assets	9,846	14,315	(31)	11,603
↓ Other current assets	6,879	7,235	(5)	5,778
↑ Total Assets	199,903	179,143	12	178,968
	Sept 2011	Sept 2010	% Chg	Dec 2010
↑ Interest-bearing loans	28,514	20,627	38	21,221
↓ Customers' deposits	25,228	26,167	(4)	23,761
↑ Other noncurrent liabilities	29,197	22,507	30	24,774
↑ Trade & other payables	37,716	32,601	16	31,551
↓ Customers' refund-current	6,305	7,756	(19)	7,131
↓ Other liabilities	6,061	6,507	(7)	7,334
↑ Total Liabilities	133,021	116,165	15	115,772
↑ Equity Attributable to Equity Holders of Parent	62,333	58,883	6	58,969
↑ Non-controlling Interest	4,549	4,095	11	4,227
↑ Total Equity	66,882	62,978	6	63,196
↑ Total Liabilities & Equity	199,903	179,143	12	178,968

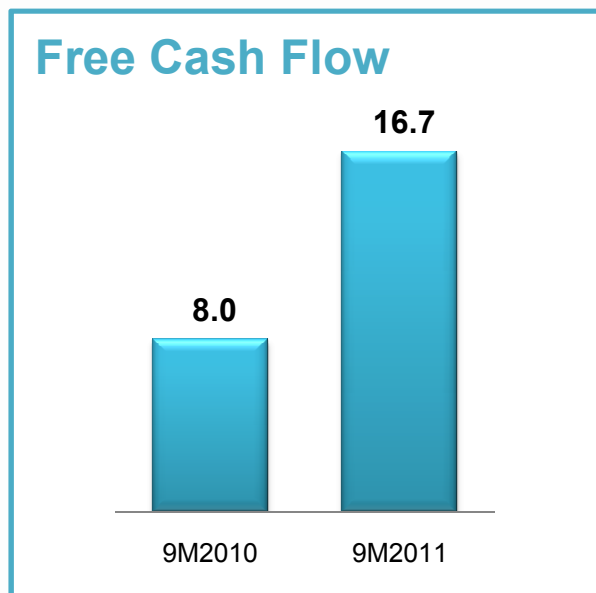
Total Assets



Total Liabilities & Equity



Free Cash Flow and Dividends



•The Company's funds include amounts allotted for the redemption of preferred shares and customer deposits to be refunded to customers based on the DSOAR.

Dividends

Core EPS	Div /share	Date Declared
2010: P10.78	P2.50	July 26, 2010
	P1.30	December 13, 2010
	P2.65	February 28, 2011
9M2011: P10.35	P3.45	July 25, 2011
	P1.30	November 2, 2011

Meralco's Dividend Policy

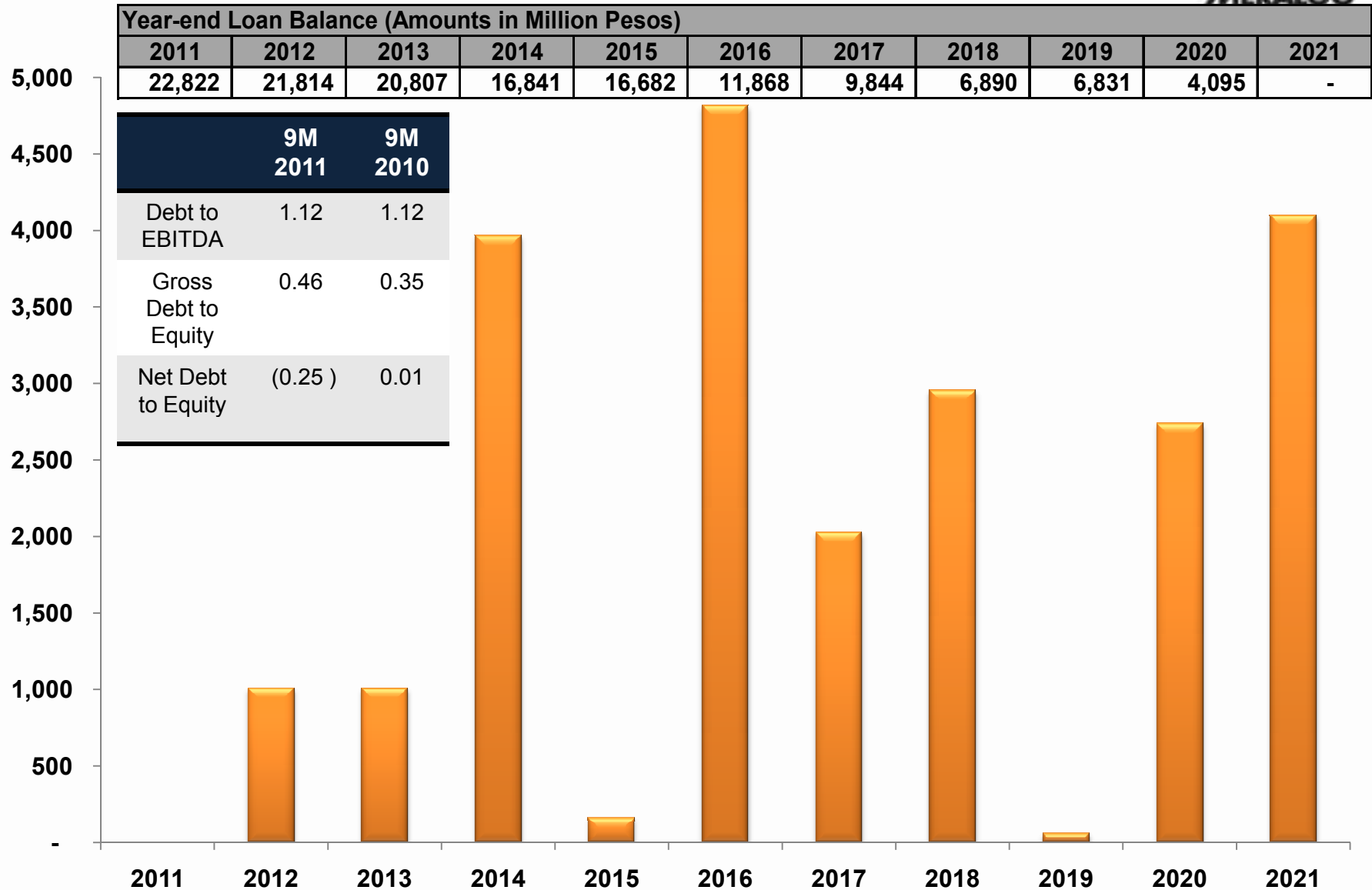
Regular dividend of 50% of core earnings, with a "look-back approach."

Debt Profile

As at September 30, 2011



MERALCO



Major Capital Projects

As at September 30, 2011



Unloading of Tayabas 31ZY



Distribution Lines



Replacement of Mecauyan PXF

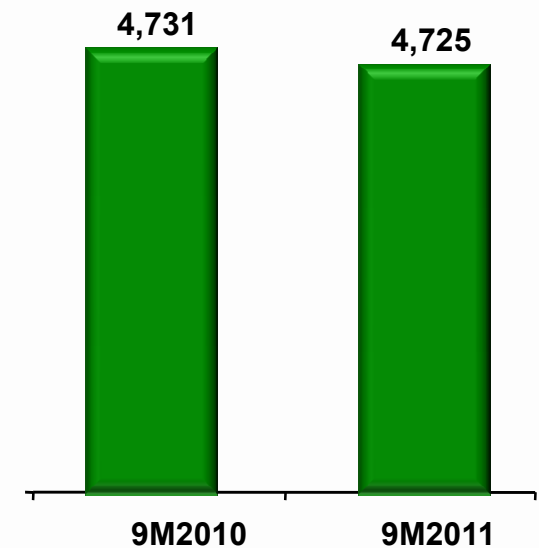


Power Transformers

Balintawak- Sta. Mesa 115kV Line

Capital Expenditures

Php in Millions



Electric Capital Projects completed in the 3rd Qtr 2011

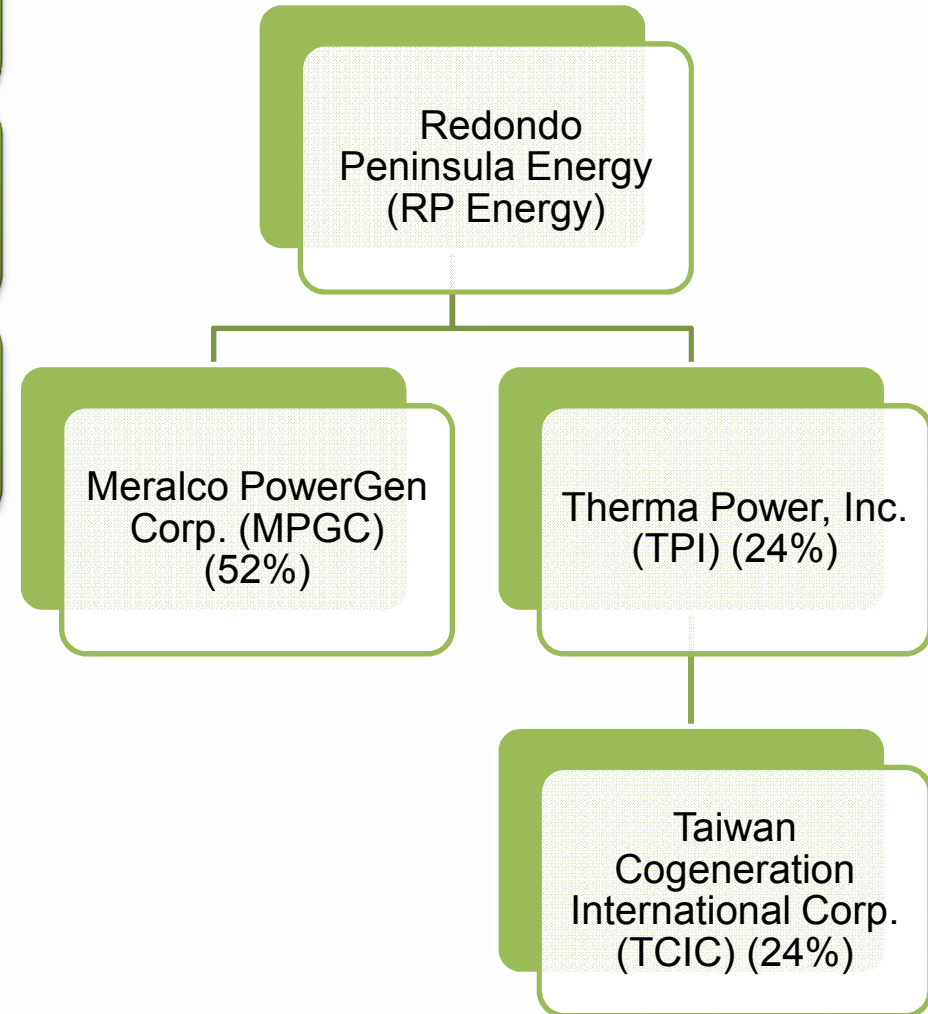
Re-entry into Power Generation



The Shareholder Agreement was signed on July 22, 2011

RP Energy, the project company will develop a 600-MW clean coal-fired power plant at the Subic Bay Freeport Zone.

The project will be financed with 30% equity, 70% debt



REGULATORY UPDATES



Outline of the updates



- Rate translation approval for RY 2012 under Performance-Based Regulation (PBR)
- Court of Appeals Ruling on the NPC-Meralco Settlement Agreement Case
- Deferment of the commencement of Open Access and Retail Competition (OARC)

PBR implementation

ERC Case No. 2011-058RC

MAP Verification and Rate Translation



- ERC released an Order dated 6 October 2011.
Dispositive portion of the Order as follows:

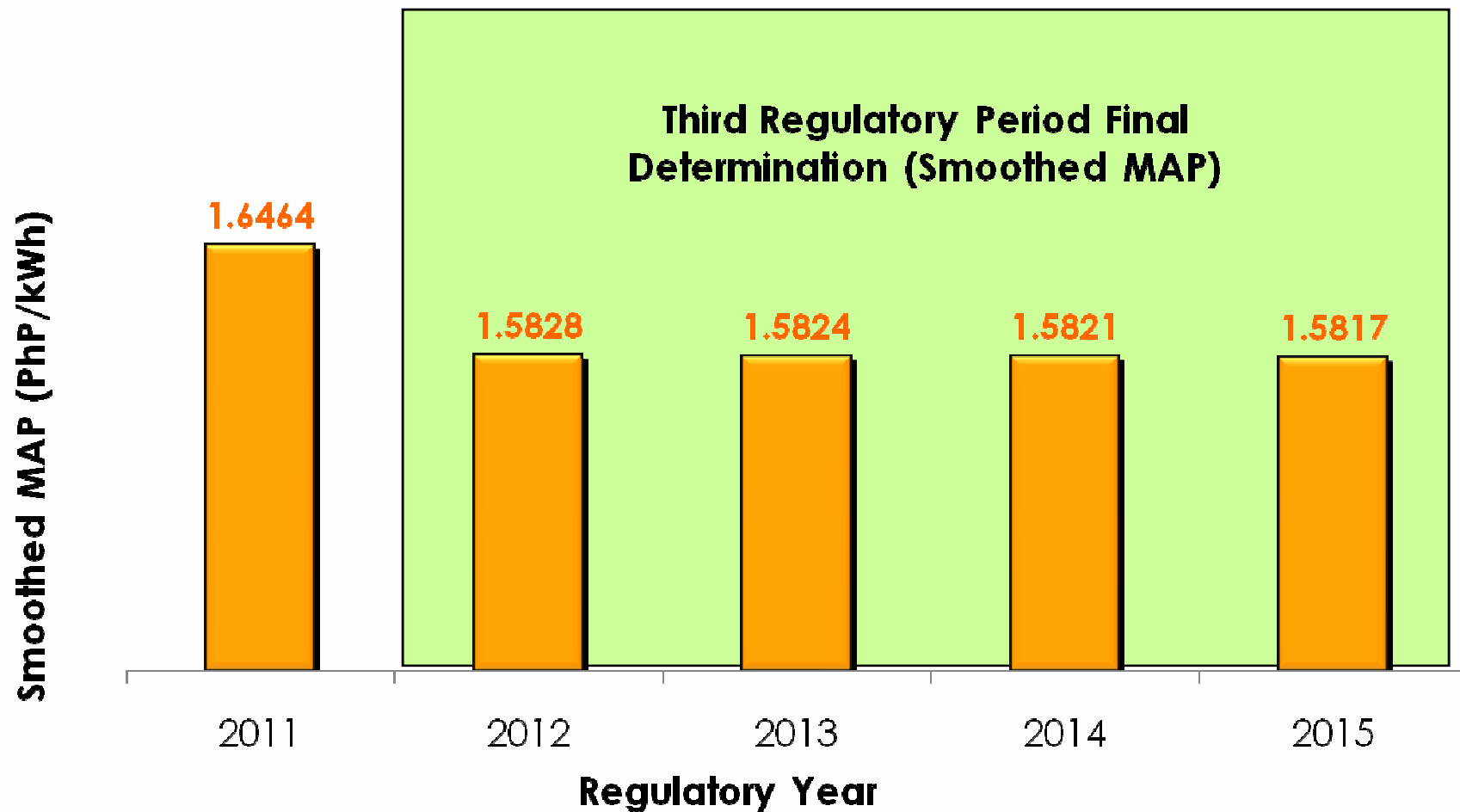
“Wherefore, the foregoing premises considered, the Commission hereby PROVISIONALLY APPROVES the application filed by Manila Electric Company for approval of: a) the maximum average price for the regulatory year 2012 (MAP2012); and b) the translation of said MAP2012 into distribution, supply and metering charges for its different customer classes, with prayer for provisional authority.”

- The provisionally approved rates were reflected in the October 2011 customer bills.



PBR implementation

3RP Final Determination: Maximum Average Prices (MAP)



PBR implementation

Rate Verification of RY2012



(In Pesos per kWh)

ERC Approved MAP 2012	PhP1.58280
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PIS Reward	0.02033
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Related Business Plow back	(0.00198)
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Adjusted MAP 2012	PhP1.6012
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PBR implementation

MAP 2011 & MAP 2012



	MAP 2012	% of Total
Distribution	1.1621	72.6%
Supply	0.2674	16.7%
Metering	0.1717	10.7%
TOTAL	1.6012*	100.0%

* The MAP 2012 of P1.6012 per kWh is a **4.5-¢/kWh reduction** from the MAP 2011 of P1.6464 per kWh

NPC-Meralco Settlement Agreement

Decision in CA-GR SP No. 116863



- The Court of Appeals (CA) Special 1st Division resolved to DENY the Petition of the Office of the Solicitor General (OSG), seeking to:
 - Enjoin the Regional Trial Court of Pasig City (RTC-Pasig) from proceeding with the hearings on Meralco's "Petition for Declaratory Relief of Validity of Settlement Agreement"
 - Require the National Power Corporation (NPC) and Meralco to resolve their dispute in accordance with the arbitration clause in their Contract for Sale of Electricity (CSE)
- According to the CA ruling:
 - OSG's issues can be threshed out in the proceedings on at the Pasig-RTC Meralco's Petition for Declaratory Relief
 - OSG's fear on burden of pass-through provision is mere assumption
 - Validity of the Settlement Agreement rests upon the judgment of the RTC and the pass-through provision will undergo the ERC's evaluation & scrutiny
- Next step: Meralco to file a motion with RTC-Pasig to set case for hearing for continuation of proceedings in accordance with mandate of the CA Decision

Open Access & Retail Competition (OARC)

ERC defers start of OARC



- Background – **On June 6**, ERC determined that EPIRA's preconditions for commencement of OARC have been achieved. Open Access Date was set at December 26, 2011
- **June 17**– Department of Energy (DOE) created an inter-agency Steering Committee to define the policies for OARC commencement
- **September 6** – Distribution Utilities sent joint letter to ERC, encouraging to revisit the Open Access Date
 - **September 9** –DOE Steering Committee suggested
 - “To defer the commencement ... based on the simulation of the time/period required to put in place the necessary rules, regulations, infrastructures and such other compliances”
 - **October 5** – ERC conducts a public hearing on the proposed deferment
 - **October 24** – ERC resolves to defer OARC commencement
 - New Open Access Date will have to consider the forthcoming study and recommendations of the DOE Steering Committee



POWER GENERATION UPDATES



RP Energy Project Description



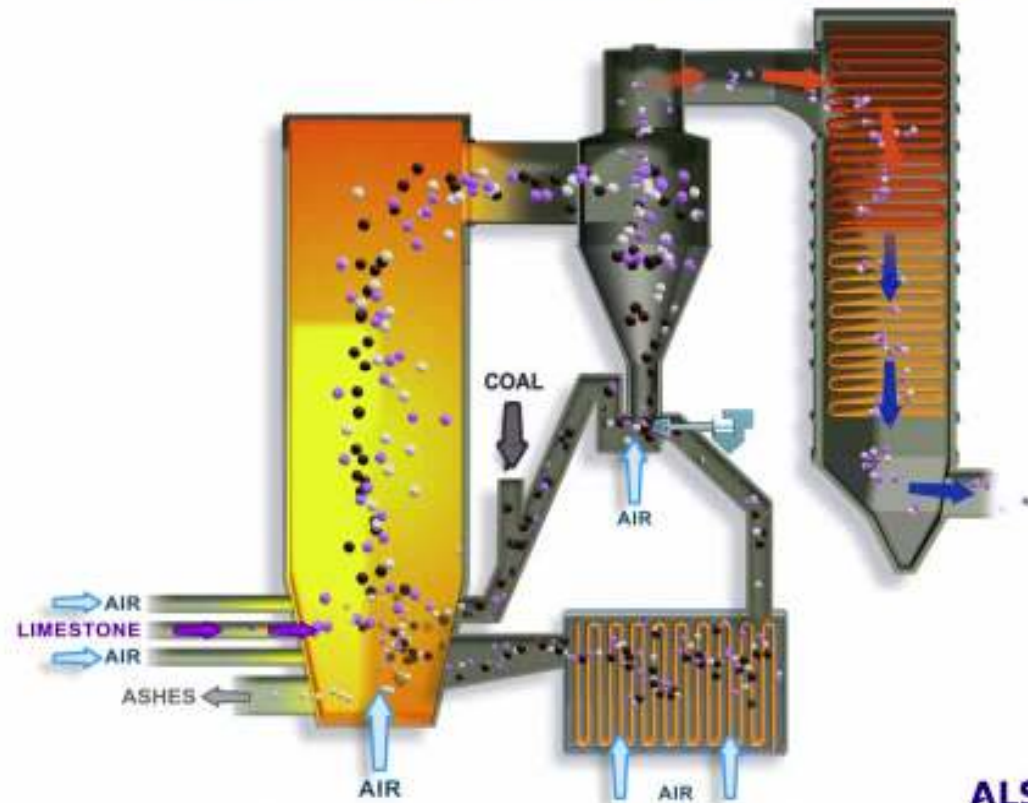
Project Company:	Redondo Peninsula Energy, Inc. ("RP Energy")
Project Sponsors:	Meralco PowerGen Corporation, (a wholly owned subsidiary of Manila Electric Company), Taiwan Cogeneration International Corporation ("TCIC") and Therma Power, Inc., (a wholly owned subsidiary of Aboitiz Power Corporation)
Location:	Sitio Naglatore, Barangay Cawag, Subic, Zambales, within the Subic Bay Freeport Zone
Net Capacity:	600 MW (Phase I: 300 MW; Phase II: 300 MW)
Type of Plant:	Circulating Fluidized Bed Coal Fired Boiler & Steam Turbine Power Plant
Fuel:	Bituminous & sub-bituminous coal
Type of Operation:	Base Load (target dispatch of 83%)
System Interconnection:	230 kV Hanjin Substation within the Subic Bay Freeport Zone Initial Project Concept (2 x 150 MW) Grid Impact Study ("GIS") has been completed and approved for a 270 MW interconnection; GIS for the entire 600 MW completed on July 22, 2011
Financing Strategy:	To be Project Financed with 70% debt, Philippine Pesos.
Target Completion:	Phase I: 1st Qtr. 2015 – Full EPC Contracting Strategy with major equipment (boiler and steam turbine generator) bidding and selection by February 27, 2012 Phase II: 6 months after Phase I

Circulating Fluidised Bed (CFB) Technology

Circulating Fluidised Bed (CFB)

Circulating Fluidised Bed

- Control of air and bed temperature allows for complete combustion of fuel
- Lower combustion temperature avoids slagging and fouling, and lowers NO_x Emission
- Limestone introduced in combustion gas controls SO_x
- Cyclone to optimize combustion efficiency



RP Energy Project Status



- Shareholders Agreement signed and executed on July 22, 2011 at The Lighthouse Marina Resort, Subic Bay
- Courtesy call made to SBMA Board on July 19, 2011; presentations to SBMA board made on September 12 and October 24, 2011 to address environmental questions and concerns
- Stakeholders Information, Education and Communication campaign is ongoing within the municipality of Subic, Olongapo City, SBMA locators and Zambales Provincial Board
- Original Equipment Manufacturers (boilers and turbines) have been selected on October 28, 2011
- Project site from SBMA, secured and site development, ongoing
- Grid impact study for 600 MW completed on July 22, 2011, transmission line scoping with NGCP ongoing
- Request for Proposals sent to 3 EPC contractors, bids due January 2012
- ECC amendment to 600 MW capacity in progress due 1Q 2012/2Q 2012
- Structuring of Peso Financing and selection of Mandated Lead Arrangers ongoing and is expected to be complete by 2Q 2012/3Q 2012
- Power Sales Agreement structure and terms being developed and is expected to be complete by 2Q 2012/3Q 2012
- Coal supply invitation to bid sent out in September 2011; pre bid conference scheduled in early November 2011; expected completion by 2Q 2012/3Q 2012

MPG Pipeline Projects Status



- Pipeline Projects:
 - Aero Derivative Combined Cycle Power Plant in Luzon – up to 150 MW
 - Coal-fired Power Plant in Luzon – 600 MW
 - Gas-fired Power Plants in Luzon – 1,500 MW
- Aero Derivative Combined Cycle Power Project Status:
 - Evaluation and Recommendation on the Aero Derivative Bids has been completed by an Independent Engineer on March 24, 2011
 - Option Agreement with CIP II Power Corp. extended to December 31, 2011
 - Distribution Impact Study (DIS) completed on August 8, 2011; interconnection discussions with NGCP ongoing
 - Environmental Compliance Certificate (ECC) issued by the DENR on October 26, 2011
 - Power Sales Agreement discussions with Meralco ongoing
- Other Pipeline Projects are still in the feasibility study stage.

INVESTORS' BRIEFING November 2, 2011

www.meralco.com.ph



BUKAS, HIGIT NA MAGLILIWANAG ANG PILIPINAS.
Mula ngayon at sa mga susunod na taon, ang Meralco ay maghahatid ng mga pagbabagong magdadala sa ating bansa tungo sa kaunlaran.

Wider Distribution Network
Para mas maraming Pilipino ang maabot ng kuryente.

Smart Grid
Para sa paglago ng mga negosyo at pag-asa ng ekonomiya.

Electric Vehicle
Para sa mas luntiang kapaligiran.

Prepaid Electricity
Para mas madali nang i-budget ang pag-konsumo ng kuryente.

Automated Area Network
Para sa mas madaling pagpapatakbo ng bahay at negosyo.

Meralco Power Generation
Para sa mas abot-kayang kuryente.

Thank you