

Draft

MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS OF MANILA ELECTRIC COMPANY HELD ON 31 MAY 2016 LOPEZ BUILDING, ORTIGAS AVENUE, PASIG CITY

CALL TO ORDER

The Company's 2016 Annual Stockholders Meeting was called to order at 10:00 a.m. on May 31, 2016 by the Chairman of the Board, Mr. Manuel V. Pangilinan, who presided over the same at the Company's principal office at Lopez Bldg., Ortigas Ave., Pasig City, Metro Manila. The Corporate Secretary, Atty. Simeon Ken R. Ferrer, took the minutes of the meeting

The Chairman introduced the members of the Board of Directors, namely: Atty. Ray C. Espinosa, Messrs. James L. Go, John L. Gokongwei, Jr., Lance Y. Gokongwei, Jose Ma. K. Lim, Napoleon L. Nazareno, Oscar S. Reyes, Pedro E. Roxas, 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 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 Chairman addressed the stockholders and reminded them that given the level of complexity and the time needed to resolve questions on customer service, dividend delivery, invitations to or notice of the Annual Stockholders' Meeting and other technical matters, all stockholders with concerns or questions on these are requested to approach the Customer

Help Desk or Stockholder Concerns Desk near the Registration Area. They may also write these concerns with their contact details and submit the same to the marshals / ushers / microphone / placard holders nearest to them so they can forward these concerns to the responsible person in the Company.

Prior to the meeting, all stockholders 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 also posted in the Company website last January 25, 2016 calling for the submission of the proposed agenda and nomination of qualified candidates on or before March 11, 2016. All stockholders were also 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 the meeting were contained in the Information Statement, a copy of which was provided to all stockholders prior to the meeting. The proposed Resolutions were also posted at the registration area for further reference of the attending stockholders. This practice is in line with the Company’s commitment to good governance and its desire to encourage broader participation of its stockholders 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, Company officers will be available for consultation after the 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 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.

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 & Co., which was duly appointed to act as such for the 2016 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 11, 2016. The notices were released on April 6, 2016, fifty-five (55) working days prior to the annual stockholders meeting. 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 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 and certified that there was a quorum for the meeting, as stockholders who own or hold over 940,373,351 shares or approximately 83.43% 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 2015

The Chairman submitted for approval the Minutes of the Annual Stockholders Meeting held on May 26, 2015.

Mr. Edgar Michael C. Robles moved to dispense with the reading of the Minutes of the Annual Stockholders' Meeting held on May 26, 2015 and to approve the same 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. Oscar P. Moreno, Jr. 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	939,470,941	83.35%
2. Against	1,619	0.0%
3. Abstained	15,469	0.0%
Total Votes	939,488,029	83.35%

The following resolution was thus adopted and approved as Resolution 2016-1:

“RESOLVED, that the Minutes of the Annual Stockholders’ Meeting held on May 26, 2015 be, as the same are hereby approved.”

<p>REPORT OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER</p>

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

“Fellow stockholders, thank you once again for the privilege of your presence in this year’s Stockholders Meeting.

2015 – witnessed a highly favorable economic climate for business and for consumers. Last year also saw a highly conducive environment for the power sector and for the electricity consumer.

Given these conditions, 2015 was another strong year for your Company.

ON THE ECONOMY

The Philippine economy posted a growth of 5.8% in 2015, and an average of 6.5% p.a. over the last four (4) years, placing the Philippines among the fastest-growing countries in Asia. Fueling this growth were private and public sector investment which increased by 13.6% to ₱1.78 trillion, government spending up 9.4% to ₱785 billion, and consumer spending of ₱5.25 trillion, 6.2% higher, boosted by the sustained rise in Overseas Filipino remittances and BPO revenues which totaled over \$50 billion in 2015.

Inflation was at an all-time low of 1.4%. Interest rates also remained low with the Bangko Sentral leaving its benchmark overnight borrowing rate unchanged at 4% p.a. These were highly supportive of a bullish business environment and consumer spending.

The Philippine Stock Exchange remained among the best performing in the region. The PSE Index closed 2015 at 6,952 dipping by 3.85% from the previous year's close of 7,231, and was at 7,464 yesterday.

The country earned a further upgrade by Fitch Ratings to "BBB-Positive", and by the Japan Credit Rating Agency to "BBB+" Stable.

ON THE POWER INDUSTRY

The continuing growth in economic activity and consumer demand, and warmer temperatures, drove strong electricity demand. In 2015, the Luzon Peak Demand reached 8,928 MW on May 21, 2.4% higher than in 2014. This year, to-date, Peak Demand has risen 8.9% to 9,727 MW last May 3.

Growth in Peak Demand and in energy sales was spurred by the fall in fuel prices and by warmer temperature, particularly during the second half of 2015, which persists up to now. These have helped drive down the generation charge and the power bill to the consumer.

In 2015, we were granted by the Energy Regulatory Commission (or ERC) the authority to offer and provide Prepaid Retail Electricity Service, enabling us to give our customers greater power to control their electricity spend.

Together with the Department of Energy (or DOE) and the Senate and House Committees on Energy, we also implemented the Interruptible Load Program under which customers with gensets may be called upon to shift their load from the grid to self-generation to help avert power interruptions. By the end of 2015, 827 MW of deloading capacity was enrolled in the Interruptible Load Program with Meralco, greater than the 647 MW capacity of the largest power plant in the Luzon Grid, Sual.

New Feed-In Tariff Rates were adopted by ERC in 2015. For "solar", this new FIT rate is ₱8.69/kwh for the additional 450 MW which DOE certified in 2014. For "wind", the new FIT rate is ₱7.40/kwh for the additional 200 MW certified by the DOE last year.

ERC then provisionally approved in February 2016 a FIT-ALL charge of 12.40 centavos/kwh, effective April 1, 2016, triple the 4.06 centavos/kwh previously. This substantial increase of 8.34 centavos/kwh is an added subsidy charge in the consumer's bill.

2015 also saw changes at the top at the DOE and the ERC in July 2015 with the appointments of Secretary Zenaida Monsada, vice ex-Secretary Jericho Petilla, and of ERC Chairman Jose V. Salazar, vice ex-Chairperson Zenaida Cruz-Ducut.

New rules were issued by ERC with profound implications for the power industry and the consumer. Last October 2015, the ERC issued a Resolution requiring all Distribution Utilities to undergo a Competitive Selection Process (CSP), in any acceptable form, with a restated effectivity of April 30, 2016. This enabled Meralco and various generating companies to conclude seven (7) new Power Supply Agreements aggregating around 3,550 MW for our supply requirements in the coming years.

In May 2016, the ERC issued a Resolution for the Mandatory contestability of contestable customers with an average demand of 1 MW and above on December 26, 2016, 750 KW to 999 KW on June 26, 2017 and 500 KW to below 750 KW on June 26, 2018. These Contestable customers will have to contract for their power supply with Retail Electricity Suppliers or RESs, which DUs such as Meralco will still wheel or deliver. They will no longer have a choice to remain at the DU blended rate similar to captive customers.

Lastly, last Friday, May 27, 2016, the ERC issued a Resolution providing for a phase-out over a three-year period of the operations of DU RESs, otherwise known as local RES's. Industry players, including your Company, are taking the appropriate legal remedies in respect of this Resolution.

ON OUR FINANCIAL RESULTS

A robust economy and positive conditions in the power industry underpinned yet another exceptional year of service, and of sales, operating, and financial performance for Meralco and its subsidiaries in 2015.

Consolidated Core Net Income grew to ₱18.887 billion in 2015, up 4.2% compared with ₱18.1 billion in 2014. This translates to an average annual core income increase of 6.1% over the last five (5) years.

Reported net income was ₱19.1 billion in 2015, 5.8% higher than in the previous year. EBITDA was ₱31.1 billion, 5.6% lower than in 2014.

These results have enabled Meralco to continue providing good value to its shareholders. Core earnings per share rose to **₱16.76**, up 4.2% from **₱16.08** in 2014. Dividend payout on core income, inclusive of a 10% special dividend declared on April 25, 2016 to be paid out on June 17, 2016 will be 100% of 2015 core income, compared with a 90% payout last year. Total cash dividends declared out of core earnings over the past 5 years from 2011-2015 amount to **₱62.66** per share.

Meralco's share price was **₱320** at the last trading day of 2015, 25% higher than the preceding year, placing Meralco's capitalization at nearly **₱361** billion as of end-2015. Meralco's share price closed at **₱301** yesterday.

These favorable results allowed us to sustain a strong balance sheet, with total assets of **₱282.2** billion, shareholders equity of **₱80.9** billion, and borrowings at **₱30.3** billion as of December 31, 2015. Our robust cash position at **₱50.8** billion, plus Held to Maturity and Available for Sale securities of **₱32.2** billion, our prudent debt management and cash generation from operations provide the necessary assurance of Meralco's ability to meet our OPEX and CAPEX needs, our investment requirements to fund the various projects which will deliver future growth, and future dividend payout.

These have also earned for Meralco a recent upgrade by Standard and Poors to "BB+" with Positive outlook.

ON OUR CUSTOMER BASE AND ENERGY SALES

Meralco's financial results have been enabled by the growth of our customer base and our energy sales, up 3.8% and 5.6% respectively, in 2015. Residential customers numbered 5.3 million, Commercial 474,000 and Industrial 10,000, for a total of 5.8 million customer accounts by end-2015.

Consolidated energy sales surged 5.6% in 2015 to 37,124 GWh, on the back of new accounts and higher same store sales due to warmer temperature, lower inflation and electricity prices, and positive economic conditions. Residential, which comprises 30% of total sales, grew by 7.3% to 11,421 GWh in 2015. Commercial with 40% of total sales expanded by 6.1% to 14,654 GWh due to the vibrant real estate, retail trade, entertainment and tourism sectors. Industrial, with a 30% share of total sales was up 3.4% to

11,217 GWh, driven by the food and beverage and non-metallic mineral product industries.

ON MERALCO'S DISTRIBUTION SYSTEM AND CUSTOMER RETAIL

Our distribution system has remained highly responsive to the stresses of surging peak demand, energy sales and customer expansion. And our operating performance has been outstanding.

2015 peak demand within the Meralco franchise area increased by 2.9% to 6,298 MW, recorded on August 18, the first time such peak occurred outside of the summer months of March to June. This year, due to record temperatures, peak demand spiked on May 4 by 6.5% to 6,706 MW.

Meralco's system loss by end-2015 was 6.47%, the lowest recorded in the Company's 113 year history and well below the ERC's 8.5% system loss cap. This translates to significant savings for Meralco customers. Our system reliability, availability, power quality, and speed to energize customers continue to outperform regulatory standards and prior year's performance.

We have managed to generate these improvements with an even leaner organization of 5,660 people, down 2% from 5,766 in 2014. These translate to higher workforce productivity with all time highs in our Energy Sales Per Employee, and our Customer per Employee Ratios, improving by 7.5% and 5.7% respectively over 2014.

We achieved a reduction in the average customer bill to P8.26/kwh, 12.3% lower than in 2014, while delivering better service to our customers. This was largely driven by the drop in the generation charge, reflecting the positive impact of Meralco's well-structured Power Supply Agreements (PSAs) and the drop in fuel prices.

Meralco's own distribution charge accounts for only 18.1% of the average customer bill, with generation still the largest component at about 54.3%.

All of these, supported by focused efforts to enhance customer experience, have earned for Meralco its highest ever Customer Satisfaction Index at 8.18%

We delivered all these with improvements as well in Meralco's safety performance.

HOW WILL WE SUSTAIN MERALCO'S GROWTH TRAJECTORY IN THE COMING YEARS

Our strategy for profitable growth, and for sustained enhancement of value to our customers and our shareholders, is anchored on five pillars: (1st) Meralco's core distribution business; (2nd) re-entry into power generation through Meralco PowerGen; (3rd) continued participation in retail electricity supply through our RES unit, MPower; (4th) extending Meralco's service to other areas and (5th) the expansion of our subsidiaries and affiliates.

We continue to spend heavily in capital expenditures to support continuing growth and service excellence.

In 2015, we invested ₱11.3 billion for Customer and Load Growth, sustained Reliability and Network Quality, Weather Resiliency, Safety, Automation, Innovation and Technology. This brings our total capital expenditures for the past 5 years to ₱53.1 billion.

As examples, these capital expenditures included the ₱1.2 billion PAGCOR-1 Substation which is the largest integrated and fully automated gas insulated substation in the country, the modernization of Meralco's System Control Center and CAPEX to upgrade our network to a Smarter Grid to support Prepaid Retail Electricity Service (PRES), and to further improve the quality of our service and offers to customers.

POWER GENERATION

On power generation, substantial progress has been achieved by Meralco PowerGen in bringing its joint venture power projects to financial close, or nearer this milestone, with the signing of Power Supply Agreements, the award or shortlisting of EPC contracts, and the Notice to Proceed for these projects.

These are San Buenaventura Power or SBPL, a 455 MW (net) supercritical coal-fired plant in Mauban, Quezon which reached financial close and issued the Notice to Proceed in December 2015. Redondo Peninsula Energy, a phased 2 x 300 MW circulating fluidized bed coal-fired plant in Subic, and Atimonan One Energy, a 2 x 600 MW Supercritical coal-fired plant in Atimonan, Quezon.

Global Business Power, the largest power producer in the Visayas in which we have a 22% equity stake, has expanded its power plant portfolio to 854 MW, including a 150 MW coal-fired power plant shortly to come on stream. PacificLight Power's 2x400 MW LNG-fired power plant in Singapore, in which we have a 28% effective interest, has been operating at design standards and actively competing in the very challenging retail and wholesale markets in Singapore.

ON RETAIL ELECTRICITY SUPPLY

Meralco's RES Unit, MPower, has been participating in a very competitive RES market and providing highly responsive product offerings and services to the contestable market. As of end 2015, MPower was serving 212 or nearly 59% out of 360 large industrial and commercial customers who have switched to contestability since June 2013.

ON BRINGING THE MERALCO SERVICE TO OTHER AREAS

Meralco continues to profitably operate the electric distribution network within the Cavite Ecozone under a 25-year Concession Agreement with the Philippine Economic Zone Authority or PEZA, providing excellent service to the locators in the Ecozone.

In addition, Comstech Integration Alliance, in which we are invested, has been providing management and technical services and support to Pampanga Electric Cooperative II, or PELCO II, under a 20 year Investment and Management Agreement.

We continue to pursue opportunities to serve in other areas.

ON THE EXPANSION OF SUBSIDIARIES AND AFFILIATES

Intent on diversifying Meralco's revenues and earnings base, we remain resolute in driving the profitable growth of Meralco's various subsidiaries and affiliates in businesses adjacent to our core [distribution] business. These include Clark Electric in power distribution; MIESCOR, MServ and MRail in energy, allied electro-mechanical and technical and rail-related services; Radius in fiber optic connectivity; Bayad Center in bills payment collection; Republic Surety Insurance and Lighthouse Overseas in

insurance services and our newest subsidiary in Renewables, Spectrum, in rooftop and utility scale solar power generation.

WHAT ABOUT MERALCO BEYOND ITS BUSINESS UNDERTAKINGS

Meralco's success in our various businesses gains greater meaning when viewed in the context of the difference we try to make in the quality of the life and livelihood of our consumers, the success of their own businesses, and equally important, in our response to the needs of communities within and beyond our franchise area.

Meralco crews and equipment, the One Meralco Foundation (OMF), and Meralco employee volunteers were there in Mindoro and Sorsogon to respond to those at need in the aftermath of Typhoon Nona in December 2015 and fully supported the restoration of downed electric distribution facilities in these areas. 145 Meralco men, with 37 vehicles and all the needed equipment, helped in re-energizing vital government and private installations. Tirelessly working for 20,000 man-hours, Disaster relief was provided to help disaster victims recover and rebuild a new life.

In 2015, One Meralco Foundation engaged in social development programs in Community Electrification, Emergency Preparedness and Disaster Response, Youth and Sports Development and Grassroots Partnership. Through these programs, the Foundation contributed in uplifting hope and the lives of 48,700 families, energized and provided technology-aided learning to 50 remote public schools, improving the learning experience of over 14,100 students, and delivered much needed disaster response to 30,400 households. All these were with the support of Meralco volunteer employees who selflessly contributed close to 30,000 volunteer hours.

TO CONCLUDE

In our engagement with various publics and the conduct of our business, we have been honored with various awards by international and local organizations on corporate governance, people management and communications excellence, and business leadership.

In delivering superior performance to our customers and value to you our stockholders, we profusely thank all of you, and all our people in Meralco, our subsidiaries and affiliates, and the One Meralco Foundation.

That concludes my Report, Mr. Chairman. As always, 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 Help Desk near the Registration Area.

In as much as enough time was given and there was no question from the floor, Mr. Karl William Louise L. Soriano moved to proceed to the next item on the agenda. Mr. Teodorico L. Contreras seconded the motion. There being no objection despite opportunity given by the Chairman, the motion was thereupon carried.

APPROVAL OF THE 2015 AUDITED FINANCIAL STATEMENTS

The next item on the agenda was the approval of the Audited Financial Statements for the Year 2015.

Ms. Madelyn C. Delos Santos moved for the approval of the Company’s 2015 Audited Financial Statements and the motion was seconded by Ms. Tina Andrea V. Amador. 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, 2015 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	939,461,631	83.35%
2. Against	6,800	0.0%
3. Abstained	17,504	0.0%
Total Votes	939,485,935	83.35%

The following resolution was thus adopted and approved as Resolution 2016-2:

“RESOLVED, that the audited financial statements for the year ended December 31, 2015 be, as the same hereby are, approved.”

**RATIFICATION OF ACTS, RESOLUTIONS, AND DEEDS
OF THE BOARD OF DIRECTORS AND MANAGEMENT**

The next item on the agenda was the ratification of acts, resolutions, and deeds of the Board of Directors, its Committees and Management of the Company from the Annual Stockholders' Meeting held on May 26, 2015 up to this meeting. Upon the Chairman's request, the Corporate Secretary briefly explained that 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.

Acts of Management 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. Angelo Albert T. Sanchez 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 26, 2015 up to this meeting.

This was seconded by Mr. Teodorico L. Contreras. 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 26, 2015 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	939,458,414	83.35%
2. Against	3,913	0.0%
3. Abstained	18,057	0.0%
Total Votes	939,480,384	83.35%

The following resolution was thus adopted and passed as Resolution 2016-3:

“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 26, 2015 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 provides 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 Company’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. 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	Metro Pacific Investments Corporation
6. Manuel M. Lopez	First Philippine Holdings, Corp.
7. Anabelle L. Chua	Beacon Electric Asset Holdings, Inc.
8. Artemio V. Panganiban	Mr. Mark Dennis Y.C. Joven
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 had 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 Ms. Tina Andrea V. Amador and seconded by Mr. Angelo D.R. Manlangit, 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. Anabelle L. Chua	938,916,885
2. Ray C. Espinosa	938,990,865
3. James L. Go	938,882,073
4. John L. Gokongwei, Jr.	939,392,057
5. Lance Y. Gokongwei	939,434,155
6. Jose Ma. K. Lim	938,846,332
7. Manuel M. Lopez	941,245,148
8. Artemio V. Panganiban	939,546,246
9. Manuel V. Pangilinan	940,136,735
10. Oscar S. Reyes	939,949,751
11. Pedro E. Roxas	939,029,271
A total of 12,404 shares (136,444 equivalent votes) abstained from the election of directors.	

The above was thus adopted and passed as Resolution 2016-4.

The Chairman thanked outgoing Director, Mr. Napoleon L. Nazareno for his valuable contributions to the Company and wish him well in his future endeavors. On the same note, the Chairman acknowledged and welcomed the newly elected Board member, Ms. Anabelle L. Chua to the Company's Board of Directors.

APPOINTMENT OF EXTERNAL AUDITORS

The next order of business was the appointment of external auditor 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 auditor, SyCip Gorres Velayo & Company. For the year ended December 31, 2015, the Company paid an audit fee of ₱7.1 million. The Audit 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 Committee and the Board of Directors.

On motion made by Mr. Garri T. Calabio and seconded by Mr. Oscar P. Moreno, Jr., 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	939,391,770	83.34%
2. Against	17,397	0.0%
3. Abstained	13,926	0.0%
Total Votes	939,423,093	83.34%

The following resolution was thus adopted and passed as Resolution 2016-5:

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

ADJOURNMENT

There being no other business to transact, upon motion made by Mr. Angelo D.R. Manlangit and seconded by Ms. Madelyn C. Delos Santos, the meeting was adjourned at 11:10 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 31, 2016.



SIMEON KEN R. FERRER
Corporate Secretary