



ORTIGAS AVENUE, PASIG CITY
0300 PHILIPPINES

July 31, 2014

MS. JANET A. ENCARNACION

Head, Disclosure Department

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange Plaza

Ayala Triangle, Ayala Avenue

Makati City

MS. VINA VANESSA S. SALONGA

Head - Issuer Compliance and Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORPORATION

37th Floor, Tower 1, The Enterprise Center

6766 Ayala Avenue corner Paseo de Roxas

Makati City

Mesdames:

We reply to your letter dated July 31, 2014 (received thru EDGE Submission System at 8:13 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco confident of 3% sales growth" posted in Manila Bulletin Internet Edition on July 30, 2014. The article reported in part that:

"Extreme weather conditions could swing the pendulum on energy demand, yet Manila Electric Company (Meralco) is still anticipating that it can sustain its 3 percent electricity sales growth on a full-year basis this 2014.

'We expect the growth in volume to be sustained at 3 percent through the rest of the year,' Meralco chairman Manuel V. Pangilinan has noted.

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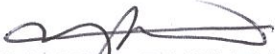
For July, Reyes noted that sales had turned 'anemic' with just 1.9 percent growth due to strain from weather conditions, such as the recent onslaught of typhoon Glenda which had also downed many of their network facilities.

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With reference to the said news article, we would like to confirm the above mentioned statements attributed to our Chairman, Mr. Manuel V. Pangilinan and our President and CEO, Mr. Oscar S. Reyes which were quoted from the press release that we previously disclosed to the Exchange last July 28, 2014. We also would like to clarify that the growth in sales for the month of July is still to be determined and that the 1.9% sales growth mentioned in the said news article is just an estimate.

We trust that you will find the foregoing clarification in order.

Very truly yours,

A handwritten signature in black ink, appearing to read 'William S. Pamintuan', written over the printed name.

WILLIAM S. PAMINTUAN

First Vice President

Assistant Corporate Secretary &
Information Disclosure Officer