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June 11, 2014

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Head, Disclosure Department

PHILIPPINE STOCK EXCHANGE, INC.

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Makati City

Mesdames:

We reply to your letter dated June 11, 2014 (received thru EDGE Submission System at 8:55 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco presses ahead with plans to build power plants" posted in Manila Bulletin Internet Edition on June 10, 2014. The article reported in part that:

"Manila Electric Co., the Philippines' largest retailer of electricity, is pressing ahead with a \$7-billion plan to build its own plants as blackouts become more frequent and prices spike to a record.

'Capacity is becoming increasingly tight,' President Oscar Reyes said in an interview in Makati City on June 9. 'More expensive plants are now being dispatched. We have also noted an increasing incidence of outages.'

...."

With reference to the said news article, we would like to confirm the statements attributed to our President and CEO, Mr. Oscar S. Reyes concerning Meralco's plans to build its own power plants to address the increasing incidence of outages of older power plants and the resulting dispatch of more expensive oil-based plants in the country particularly in the Luzon grid, and also to meet the growing requirements of its customers.

We trust that you will find the foregoing in order.

Very truly yours,


WILLIAM S. PAMINTUAN
First Vice President
Assistant Corporate Secretary &
Information Disclosure Officer