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October 13, 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 October 13, 2014 (received thru EDGE Submission System at 8:45 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco sees higher income in Jan-Sept" posted in philSTAR.com on October 13, 2014. The article reported in part that:

"MANILA, Philippines - Manila Electric Co. (Meralco), the country's biggest power distributor, expects its nine-month income to be better than a year ago on the back of changing energy consumption patterns, its top official said.

'The nine-month (income) is slightly better than last year,' said Meralco president Oscar Reyes but said he could not provide specific figures yet.

Meralco is set to announce third quarter results on Oct. 27.

However, in September, there's a bit of softness due to the cooler temperature and some energy efficiency measures implemented by consumers, Reyes said. 'We're seeing increased energy usage awareness and use of newer energy efficiency appliances,' Reyes said.

...."

With reference to the said news article, we would like to confirm the above mentioned statements attributed to our President and CEO, Mr. Oscar S. Reyes that Meralco's third quarter or nine-month income is slightly better compared to the same period in 2013, with the clarification that the same is a mere projection and that the Company's actual results of its nine-month financial operating performance will be disclosed in the last week of October 2014.

Very truly yours,


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