



ORTIGAS AVENUE, PASIG CITY
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September 29, 2014

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Head, Disclosure Department

PHILIPPINE STOCK EXCHANGE, INC.

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PHILIPPINE DEALING & EXCHANGE CORPORATION

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Makati City

Mesdames:

We reply to your letter dated September 29, 2014 (received thru EDGE Submission System at 8:42 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco in talks with power producers" posted in philSTAR.com on September 27, 2014. The article reported in part that:

"MANILA, Philippines - Manila Electric Co. (Meralco) is negotiating with power producers to contract as much capacity as it can for the summer of 2015, officials said.

'We are trying to cover our requirements to the extent that we can,' Meralco president Oscar Reyes said.

According to Reyes, the company is eyeing about 300 megawatts to 400 MW in contracted capacity as part of efforts to have enough power in the summer of 2015.

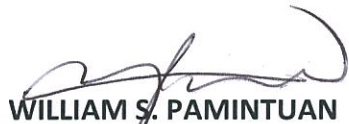
'We are talking to everybody with capacity that can be offered and procured and the price is accepted by the consumer and the regulator,' he said.

Meralco head of Customer Retail Services Al Panlilio said the power distributor is also assessing the impact of the secondary price cap at the spot market and its effect on power prices.

...."

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 regarding Meralco's undertaking to cover its requirements to deliver 300 MW to 400 MW in contracted capacity as part of its efforts to meet the power demand of its consumers in the summer of 2015 at a price both acceptable by the consumers and regulators with the clarification that the said capacities include the renewal of the Interim Power Supply Agreements that the Company entered into with certain generation companies.

Very truly yours,



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