June 6, 2014

Meralco presents 2013 performance, key areas for growth at Annual General Meeting of Stockholders (AGM)

Meralco notched another good year in 2013 notwithstanding challenges surrounding the power industry.

At the 2014 Annual General Meeting of Stockholders (AGM) Meralco President and CEO Oscar S. Reyes said that the Company remains focused on its five key areas in order to create further consumer and shareholder value.

During the meeting, Reyes discussed the Company's 2013 financial and operational performance, highlighting a consolidated core net income of P17.0 billion and EBITDA (ROCE) of P30.7 billion, higher by 4.7% and 10.8%, respectively, than in 2012. Further stating that the Company continues to provide good shareholder value, he reported that dividend payout from core earnings of 2013 was P10.55 per share, up 4.5% from P10.10 per share in 2012. The Company's dividend payout was also maintained at 70% on 2013 earnings, similar to the last two years.

In creating further consumer and shareholder value, Reyes said that the Company remains focused on five key areas:

(1) Strengthening core distribution business;

(2) Building power generation portfolio through Meralco Power Gen;

(3) Actively participating in retail electricity supply through our RES unit, MPower;

(4) Growing the distribution service area beyond the existing franchise and

(5) Supporting the expansion of subsidiaries and affiliates.

Stockholders, attending in person and in proxy owning approximately over 960,000,000 or 85.18% of the Company's shares, voted on the following agenda and supported the board's recommendation on each:

- Approval of the Minutes of the Annual Meeting of Stockholders held on May 28, 2013
- Approval of the 2013 Audited Financial Statements
- Approval of Amendment to Section 3 of the Articles of Incorporation to comply with SEC Memorandum Circular No. 6, Series of 2014
- Ratification of Acts of the Board and Management
- Election of Directors for the ensuing year:
- Appointment of External Auditors

To provide ample time to respond to the concerns and questions of shareholders, all 11 nominated and elected directors were present, including the Chairman Mr. Manuel V. Pangilinan, the President & CEO Mr. Oscar S. Reyes, and the Chairman of the Audit and Risk Management Committee, Ret. Chief

Justice Artemio V. Panganiban. Also present were the senior management and key officers of the Company, including the Corporate Secretary Atty. Simeon Ken R. Ferrer, Chief Finance Officer, Ms. Betty C. Siy-Yap and the Assistant Corporate Secretary and Compliance Officer Atty. William S. Pamintuan.