MERALCO

ORTIGAS AVENUE, PASIG CITY
0300 PHILIPPINES

August 1, 2013

MS. JANET A. ENCARNACION
Head, Disclosure Department
Philippine Stock Exchange, Inc.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Madame:

We reply to your letter dated August 1, 2013 (received thru email at 8:36 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco, SMC eye Albay power coop" posted in *Inquirer.net* on July 31, 2013. The article reported in part that:

> "…..
>
> Energy Secretary Carlos Jericho L. Petilla told reporters in Manila that four companies, including the Meralco group and San Miguel Corp., are interested in participating in a rehabilitation plan for the debt-ridden Albay Electric Cooperative, Inc. (Aleco).
>
> ….."

With reference to the said news article, we would like confirm the statement attributed to Energy Secretary Carlos Jericho L. Petilla that Meralco is among those companies that are interested in participating in the rehabilitation plan for Aleco.

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

Very truly yours,

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