

COVER SHEET

MANILA ELECTRIC COMPANY

(Company's Full Name)

**LOPEZ BUILDING, ORTIGAS AVENUE
PASIG CITY**

(Company's Address)

18220

(Company's Telephone Number)

DECEMBER 31

(Fiscal Year Ending)

LAST TUESDAY OF MAY

(Annual Meeting)

SEC FORM 17-C

(Form Type)

PW-102

(S. E. C. Registration No.)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. **Date of Report:** *August 23, 2007*
2. **SEC Identification Number:** *PW-102*
3. **BIR Tax Identification Code:** *350-000-101-528*
4. **Name of Issuer as specified in its Charter:** *Manila Electric Company*
5. **Country of Incorporation:** *Philippines*
6. **Industry Classification:** (SEC use only)
7. **Address of principal office:** *Lopez Building, Ortigas Avenue, Pasig City*
8. **Issuer's telephone numbers:** *16220 local 3186 Area Code: 0300*
9. **Former name or former address:** *Not Applicable*
10. **Securities registered pursuant to Sections 18 and 12 of the SRC or Sections 4 and 8 of the RSA:**

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding</u>
Class "A"	603,790,814
Class "B"	402,556,849
Total	<u>1,006,347,663</u>

Amount of Debt Outstanding: *P123.83 Billion (as of June 30, 2007)*

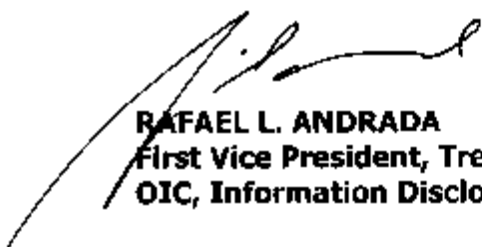
11. Item Number reported: Item 9 (Other Events)

We have just received today the approval by the Securities and Exchange Commission on 22 August 2007 of the Manila Electric Company's application for increase in authorized capital stock from P13.8 billion to P15.5 billion and the issuance of 100,634,766 common shares of the par value of P10.00 or P1,006,347,660.00 to cover 10% stock dividend to common stockholders as of record date 10 September 2007. The Commission further approved the declassification of the Company's Class "A" and Class "B" shares. (A photocopy of the Order, Certificate of Filing of Amended Articles of Incorporation, and Certificate of Increase of Capital Stock all dated 22 August 2007 are attached.)

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MANILA ELECTRIC COMPANY
Issuer



RAFAEL L. ANDRADA
First Vice President, Treasurer &
OIC, Information Disclosure Officer

Date: August 23, 2007

*cc: Disclosure Department
Listings and Disclosure Group
Philippine Stock Exchange (PSE)*



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

IN THE MATTER OF

:

MANILA ELECTRIC COMPANY

Fixing of Record Date of
Stock Dividend which is
payment for the Increase of
Capital Stock

X ----- X

O R D E R

Upon consideration of the application for increase of capital stock from P13,800,000,000.00 to P15,500,000,000.00 of MANILA ELECTRIC COMPANY and other papers and documents attached thereto, the Commission resolved to authorize the issuance of 100,634,766 common shares of the par value of P10.00 or P1,006,347,660.00 to cover stock dividends declared by its Board of Directors on May 21, 2007 and ratified by the corporation's stockholders representing at least two-thirds (2/3) of the outstanding capital stock on May 29, 2007 and the issuance of shares of stocks to stockholders of record as of September 10, 2007 pursuant to the Amended Rules Governing Pre-emptive and other Subscription Rights and Declaration of Stock or Cash Dividends of Corporations whose Securities are Registered under the Securities Regulation Code or Listed in the Stock Exchange.

SO ORDERED.
Mandaluyong City.

August 22, 2007

BENITO A. CATARAN
Director
Company Registration and Monitoring Department



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

COMPANY REG. NO. 102

CERTIFICATE OF INCREASE OF CAPITAL STOCK

KNOW ALL PERSONS BY THESE PRESENTS:

This is to certify that the certificate of increase of capital stock of the

MANILA ELECTRIC COMPANY

copy annexed, from P13,800,000,000.00 divided into 1,080,000,000 common; 300,000,000 preferred shares both with the par value of P10.00 each, to P15,500,000,000.00 divided into 1,250,000,000 common; 300,000,000 preferred shares both with the par value of P10.00 each, approved by majority of the Board of Directors on February 26, 2007 and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock at a meeting held on May 29, 2007 certified to by the Chairman and the Secretary of the stockholders' meeting and a majority of the Board of Directors of the corporation, was approved by the Commission on the date indicated hereunder in accordance with the provision of Section 38 of the Corporation Code of the Philippines (Batas Pambansa Blg. 68), approved on May 1, 1980, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 22nd day of August, Two Thousand Seven.




BENITO A. CATARAN
Director

Company Registration and Monitoring Department





REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

Company Reg. No. 102

**CERTIFICATE OF FILING
OF
AMENDED ARTICLES OF INCORPORATION**

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the amended articles of incorporation of the

MANILA ELECTRIC COMPANY
(Amending Article VII by declassification of shares and
increasing authorized capital stock thereof)

copy annexed, adopted on February 26, 2007 by a majority vote of the Board of Directors and on May 29, 2007 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock and certified under oath by the Secretary and a majority of the Board of Directors of the corporation was approved by the Commission on this date pursuant to the provision of Section 16 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980 and copies thereof are filed with the Commission.

Unless this corporation obtains or already has obtained the appropriate Secondary License from this Commission, this Certificate does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company, pre-need plan issuer, general agent in pre-need plans and time shares, club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 22nd day of August, Two Thousand Seven.




BENITO A. CATARAN
Director

Company Registration and Monitoring Department



AMENDED
ARTICLES OF INCORPORATION
OF THE
MANILA ELECTRIC COMPANY

(As amended on 29 May 2007)

KNOW ALL MEN BY THESE PRESENTS:

That we, a majority of whom are residents of the Philippine Islands, have this voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the Philippine Islands.

AND WE HEREBY CERTIFY -

FIRST. That the name of said corporation shall be the "MANILA ELECTRIC COMPANY".

SECOND. That the purpose for which such corporation if formed is to engage in the production of light, heat and power, and in furtherance thereof, to acquire, construct, equip, own, lease, operate, and maintain in City of Manila, and elsewhere in the Philippine Islands, street railway, tramlines, and passenger and freight buses, whether operated by electric power, steam power, animal power, or power of any other kind; to acquire, construct, equip, own, lease, operate, and maintain in the City of Manila, and elsewhere in the Philippine Islands, plants for the production of electric light, heat, and power, water-power plants, gas plants, and other plants for the production of illumination, heat or power, and ice plants, refrigeration, cold-storage, and bottling plants and to produce, manufacture, develop, distribute, buy, sell, deal in, and dispose of the products of supplies of all kinds, to acquire, construct, equip, own, operate, and manage warehouses, docks, and other terminal facilities; to acquire, own, hold, lease, operate, and dispose of any and all franchises or right to operate street railways or other railways or plants for

the production of electricity, water power, or gas, or to carry on any of the businesses hereinbefore described; to acquire, hold, dispose of any patents, and to deal in any kind of machinery and apparatus or supplies, or to carry on all the works necessary or convenient for the purpose and powers herein set forth.

To purchase, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of real or personal properties, shares of stock, bonds or other securities or evidences of indebtedness, of any corporation or corporation of the Philippine Islands or any state, territory, or country, and, while owner of any such securities, to exercise all the rights, powers, and privileges of ownership, including the right to vote therein.

To invest its corporate funds in another corporation or business to improve or enhance the services of the Company or leverage on the Company's assets and other incidental or necessary investment of corporate funds.

Without in any particular limiting any of the powers of the corporation, it is hereby expressly declared and provided that the corporation shall have power to guarantee any dividends or bonds, contracts, or other obligations; to make and perform contracts of any kind and description, and, in carrying on its business, and for the purpose of attaining or furthering any of its objects, to do any and all other powers which a natural person could do and exercise and which are now or hereafter may be authorized by law.

Notwithstanding any other provision of these Articles of Incorporation, or the laws of the Republic of the Philippines, so long as there shall be outstanding any of the Corporation's First Mortgage Bonds, due 1984, Series L, the Corporation's Series Q Bonds, due 1987, or the Corporation's Series R Bonds, due serially 1971, 1972, and 1973, or the Corporation's Bonds of each additional series as the Board of Directors of the Corporation may designate for this purpose by resolution filed with the Trustee under the Indenture referred to below, the Corporation shall not, and shall lack the corporate power to, create or suffer to exist any lien (other than the lien of the Corporation's

indenture, dated as of December 31, 1957, as the same has heretofore been supplemented and amended, and may be further supplemented and amended, said Indenture, as thus heretofore and to be supplemented and amended being herein referred to as the "Indenture") upon the property, or any part thereof, covered or intended to be covered by the lien of the Indenture, or the income therefrom, other than (1) excepted encumbrances as defined in the Indenture, and (2) in the case of property acquired after September 25, 1964, prior liens existing thereon at the time of acquisition thereof, provided, however, that this provision shall not relate to any unsecured obligation or liability of the Corporation incurred in the ordinary course of business which, if unpaid, might solely as a matter of general Philippine Law, be given precedence over or equality with the lien of the Indenture as a lien or charge upon any of the property covered or intended to be covered by the lien of the Indenture or the income therefrom, as long as the Corporation shall cause the same to be discharged when due and in any event within four months after the accruing thereof.

THIRD. That the place where the principal office of the Corporation is to be established or located is Pasig City, Metro Manila, Philippines.

FOURTH. That the term for which said Corporation is to exist is (1) 50 years from and after the date of its incorporation, May 7, 1919, and (2) 50 years more upon the expiration of the said original term of 50 years, or fifty years more from and after May 7, 1969.

FIFTH. That the names and residences of the incorporators of said Corporation are as follows:

<u>NAME</u>	<u>WHOSE RESIDENCE IS AT</u>
J. C. Rockwell	Manila, P. I.
D. M. Shaw	Manila, P. I.
R. W. Spofford	Manila, P. I.
James Ross	Manila, P. I.
J. G. Lawrence	Manila, P. I.

SIXTH. That the number of directors of said Corporation shall be eleven (11) and that the names and residences of the directors of the Corporation who are to serve until their successors are elected and qualified as provided by the By-Laws are as follows, to wit:

<u>NAME</u>	<u>WHOSE RESIDENCE IS AT</u>
J. C. Rockwell	Manila, P. I.
D. M. Shaw	Manila, P. I.
R. W. Spofford	Manila, P. I.
James Ross	Manila, P. I.
J. G. Lawrence	Manila, P. I.

SEVENTH. That the capital stock of the Corporation is FIFTEEN BILLION FIVE HUNDRED MILLION PESOS (Php 15,500,000,000.00) and said capital stock is divided into:

- a) ONE BILLION TWO HUNDRED FIFTY MILLION (1,250,000,000) shares of Common Stock, with par value of TEN PESOS (Php10.00) per share, or TWELVE BILLION FIVE HUNDRED MILLION PESOS (Php12,500,000,000.00); and
- b) THREE HUNDRED MILLION (300,000,000) shares of Preferred Stock, with par value of TEN PESOS (Php10.00) per share, or THREE BILLION PESOS (Php3,000,000,000.00).

(As approved by the Board of Directors on 28 February 2007 and by the stockholders representing at least 2/3 of the outstanding capital stock on 29 May 2007)

In no case, however, shall the capital stock of the corporation be reduced to less than sixty percent (60%) full Filipino ownership.

Preferred stock shall be issued serially in blocks of not less than ONE HUNDRED THOUSAND (100,000) shares. Shares of preferred stock comprising one series shall have the same rights and restrictions. There shall be no pre-emptive right on the part of the holders of shares of either the common stock or preferred stock of the Corporation to subscribe to any or all issues or other disposition of shares of preferred stock.

Holders of preferred stock shall be entitled to cumulative preferential dividends before any dividend is paid upon shares of common stock, payable at a rate and at such

interval as may be determined by the Board of Directors from time to time for each series or block of preferred stock, provided that such dividend rate shall in no case be higher than Twenty Percent (20%) per annum. Preferred stock may be issued subject to call by the Corporation or with rights for their redemption, either mandatory at a fixed or determinable date after issue or at the option of the holders thereof. Any and all shares of preferred stock so redeemed shall not be considered retired and may be re-issued by the Corporation. Preferred shares shall have such other features as the Board of Directors may determine prior to the issue of each series or block of preferred stock to which they are applicable.

Voting rights shall be vested exclusively in common shares. Preferred stock shall be non-voting, except in those cases expressly provided by law.

After full cumulative dividends upon the outstanding preferred shares shall have been paid, the holders of common shares shall be entitled to receive such dividends as may from time to time be declared by the Board of Directors.

EIGHTH. That the amount of said capital stock which has been actually subscribed is TWENTY THOUSAND PESOS (P20,000.00), and the following persons have subscribed for the number of shares and amount of capital stock set out after their respective names:

Name	<u>Residence</u>	<u>Number of Shares</u>	<u>Amount of Capital Stock Subscribed</u>
J. C. Rockwell	Manila, P. I.	40	P 4,000.00
D. M. Shaw	Manila, P. I.	40	4,000.00
R. W. Spofford	Manila, P. I.	40	4,000.00
James Ross	Manila, P. I.	40	4,000.00
J. G. Lawrence	Manila, P. I.	<u>40</u>	<u>4,000.00</u>
		<u>200</u>	<u>P 20,000.00</u>

NINTH. That the following persons have paid on the shares of capital stock for which they have subscribed the amounts set out after their respective names:

<u>Name</u>	<u>Residence</u>	<u>Amount of Paid on Subscription</u>
J. C. Rockwell	Manila, P. I.	₱ 4,000.00
D. M. Shaw	Manila, P. I.	4,000.00
R. W. Spofford	Manila, P. I.	4,000.00
James Ross	Manila, P. I.	4,000.00
J. G. Lawrence	Manila, P. I.	4,000.00
		<u>₱ 20,000.00</u>

TENTH. That D. M. Shaw, has been elected by subscribers as treasurer of the Corporation to act as such until his successor is duly elected and qualified in accordance with the By-laws, and that as such treasurer he has been authorized to receive for the Corporation and to receipt in its name for all subscriptions paid in by said subscribers.

ELEVENTH. That tram lines to be acquired and operated by the corporation are the tramlines now owned and operated in the City of Manila, and the province of Rizal, Philippine Islands, by the Manila Electric Railroad and Light Company and the Manila Suburban Railways Company.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 5th day of May, 1919.

(SGD.) J. C. ROCKWELL	(SEAL)
(SGD.) R. W. SPOFFORD	(SEAL)
(SGD.) D. M. SHAW	(SEAL)
(SGD.) JAMES ROSS	(SEAL)
(SGD.) J. G. LAWRENCE	(SEAL)

Signed and sealed in the
Presence of

(SGD.) JAMES M. ROSS

(SGD.) EWALD E. SELPH

PHILIPPINE ISLANDS)

CITY OF MANILA) S.S.

On this 6th day of May in the year A. D. one thousand nine hundred and nineteen, before me, J.R. Mateo, a notary public in and for the City of Manila, P.I., personally appeared J.C. Rockwell, with personal cedula No. F-7422 issued at Manila, P.I., on the 7th day of January, 1919; D. M. Shaw, with personal cedula no. F-7612, issued at Manila P.I., on the 9th day of January, 1919; R. W. Spofford, with personal cedula No. M-168688, issued at Manila, P.I., on the 6th day of May, 1919; James Ross, with personal cedula No. F-5318, issued at Manila, P.I., on the 4th day of January, 1919; and J. G. Lawrence, with personal No. F-6628, issued at Manila, P.I., on the 7th day of January, 1919, known to me to be the persons whose names are subscribed and who executed the within instrument, and each of them acknowledged to me that he freely and voluntarily executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last written.

Doc. No. 239 Page 87 of my register.

(SGD.) J. R. MATEO
Notary Public
My commission expires
December 31, 1920

PHILIPPINE ISLANDS)

CITY OF MANILA) S.S

D. M. Shaw, being duly sworn, depose and says that on the 5th day of May, anno domini nineteen hundred and nineteen, he was duly elected by the subscribers named in the foregoing articles of incorporation as treasurer of the corporation to act as such until his successor has been duly elected and qualified in accordance with the by-laws of the

corporation, and that as such treasurer, he has been authorized by the subscriber to receive for the corporation all subscriptions paid in by subscribers for the capital stocks; that Twenty Thousand (P20,000) pesos worth of stock has been actually subscribed and that of said subscription, Twenty Thousand (P20,000) pesos. has been actually transferred to him in trust and received by him for the benefit and to the credit of the corporation. and that at least twenty per centum of the entire capital stock has been subscribed and at least twenty-five per centum of the subscription has been actually paid to him for the benefit and credit of the corporation.

(SGD.) D. M. SHAW

Subscribed and sworn to before me this 6th day of May, 1919, the affiant exhibiting his cedula No. F-7612, issued at Manila, P.I., on the 9th day of January 1919.

(SGD.) J. R. MATEO
Notary Public
My commission expires
December 31, 1919

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DIRECTOR'S CERTIFICATE



WE, the undersigned majority members of the Board of Directors and the Assistant Corporate Secretary, hereby certify that the Articles of Incorporation of MANILA ELECTRIC COMPANY was amended by an affirmative vote of the majority of the directors at their regular meeting held on February 26, 2007 and of the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock at their annual meeting held on 29 May 2007 at the principal office of the corporation.

The amendment involves Article 7 of the Articles of Incorporation and consists of the increase in the authorized capital stock of the Company and the removal of Class "A" and Class "B" classification of shares.

IN WITNESS WHEREOF, we have hereunto set our hands this 26 day of May 2007, at Pasig, Philippines.


MANUEL M. LOPEZ
Chairman & CEO/Director
TIN: 100-749-139

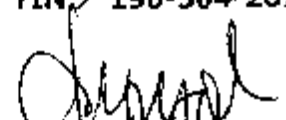

FELPE B. ALFONSO
Vice Chairman/Director
TIN: 105-332-630

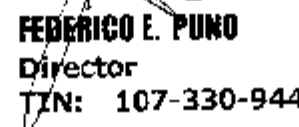

JESUS P. FRANCISCO
President & COO/Director
TIN: 100-748-716


ARTHUR R. DEFENSOR, JR.
Director
TIN: 129-439-128


GREGORY L. DOMINGO
Director
TIN: 190-504-267

OCTAVIO VICTOR R. ESPIRITU
Director
TIN: 115-321-258


CHRISTIAN S. MONSOD
Director
TIN: 137-470-983


FEDERICO E. PUNO
Director
TIN: 107-330-944

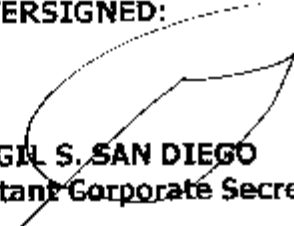
Board 2/24/07

WASHINGTON Z SYCIP
Director
TIN: 106-215-942

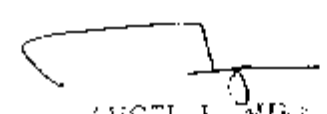
EMILIO A. VICENS
Director
TIN: 221-615-410


CESAR E. A. VIRATA
Director
TIN: 167-999-197

COUNTERSIGNED:


GIL S. SAN DIEGO
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this JUN 26 2007 day of May 2007, at Pasig City, affiants exhibited to me their Tax Identification Numbers indicated below their signatures.


ANGEL L. MIRAFLORES
Notary Public
Until December 31, 2008
No. Q294133
Issued on July 2, 2006 at Pasig City

Doc. No. 307;
Page No. 62;
Book No. 18;
Series of 2007.