MERALCO

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March 2, 2020

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Gentlemen:

We reply to your letter dated March 2, 2020 (received thru EDGE Submission System at 09:18 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "MGen to contribute P1B to Meralco this year" posted in philstar.com on March 2, 2020. The article reported in part that:

"MANILA, Philippines — Meralco Powergen Corp. (MGen) expects to contribute at least P1 billion to parent firm Manila Electric Co. (Meralco) this year with the full operations of its supercritical coal-fired power plant in Quezon.

MGen president and CEO Rogelio Singson said the 455-megawatt (MW) San Buenaventura Power Limited Co. (SBPL) power plant in Mauban, Quezon contributed P300 million to Meralco's net income last year.

. . . .

'We have contributed to the bottomline of Meralco of about P300 million. We completed the project below budget and on schedule. We are very happy with the outcome of the project,' Singson said.

. . . .

With income contribution equivalent to one quarter last year, MGen projects to contribute four times the amount this year.

'Possibly, that's expected because it's just one quarter,' Singson said. 'We expect it.'

. . . ."

With reference to the said news article, we would like to confirm the statements attributed to our Senior Vice President and President & CEO, MGen, Mr. Rogelio L. Singson, with the clarification that said contribution is only an estimate and that the actual amount shall be reported to the Exchange as soon as the audited financial results of MGEN is completed.

Thank you.

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