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October 30, 2014

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Mesdames:

We reply to your letter dated October 30, 2014 (received thru EDGE Submission System at 7:58 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled "Meralco unit raising P40b to expand 455-MW coal plant" posted in Manila Standard Today (Internet Edition) on October 29, 2014. The article reported in part that:

"San Buenaventura Power Ltd. Co., a power company majority-owned by Meralco PowerGen Corp., is raising P40 billion to finance the expansion of a 455-megawatt coal plant in Mauban, Quezon.

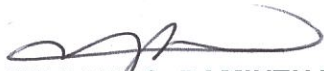
'We are raising about P40 billion from the debt market,' Meralco PowerGen senior vice president Angelo Lantin told reporters. The amount will be used to double the capacity of the existing 455-MW coal-fired power plant of Quezon Power Philippines Ltd., which is partially controlled by Electricity Generating Public Co. Ltd. of Thailand.

...."

With reference to the said news article, we would like to clarify the above mentioned statements attributed to Mr. Angelito U. Lantin, Senior Vice President of Meralco PowerGen Corporation (the "Corporation"), that it is San Buenaventura Power Limited Co. (SBPL), and not the Corporation, that is intending to raise P40-billion from the debt market to finance its (SBPL's) new 455-megawatt coal-fired power plant project in Mauban, Quezon.

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

Very truly yours,

A handwritten signature in dark ink, appearing to read 'William S. Pamintuan', with a stylized, flowing script.

WILLIAM S. PAMINTUAN

First Vice President

Assistant Corporate Secretary &
Information Disclosure Officer