February 2, 2006

PHILIPPINE STOCK EXCHANGE, INC.
Disclosure Department
Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City

Attention:    Ms. Jurisita M. Quintos
              Senior Vice President

Meeting of the Board of Directors

Dear Sir:

Please be informed that at the regular meeting of the board of directors (Board) of Manila Water Company, Inc. (Manila Water) today, the Board considered and approved the following:

1. Declaration of Cash Dividends

The Board declared the following first semester 2006 cash dividends: (i) P0.105 per share on the outstanding Common shares; and (ii) P0.0105 per share on the outstanding Participating Preferred Shares. The said dividends are payable to stockholders of record as of February 17, 2005, to be paid on March 14, 2005.

2. Other Matters

The Board also discussed (i) Manila Water’s financial and operating highlights; (ii) updates on expansion projects and sustainable development programs; and (iii) administrative matters.

Best regards.

Sincerely,

(Sgd.)
Jewel C. Fernandez-Austria
Legal and Investment Officer