31 March 2008

SECURITIES AND EXCHANGE COMMISSION
Attention: Atty. Justina Callangan
Corporation Finance Department

PHILIPPINE STOCK EXCHANGE, INC.
Attention: Atty. Pete M. Malabanan
Head, Disclosure Department

Meetings of the Stockholders and Board of Directors

Dear Sir/Madam:

Please be informed that at the annual meeting of the stockholders of Manila Water Company, Inc. ("Company") held today, the stockholders considered and approved the following:

1. Election of the following as members of the Board of Directors for the ensuing year:

   Fernando Zobel de Ayala
   Jaime Augusto Zobel de Ayala II
   Delfin L. Lazaro
   Antonino T. Aquino
   Alberto L. Jugo
   Aurelio R. Montinola III

   Kevin Starling
   Martin Beesley
   Hiromu Nishimura
   Cielito F. Habito
   Oscar S. Reyes

   Messrs. Habito and Reyes were elected as independent directors.

2. Appointment of SyCip, Gorres, Velayo & Co. as external auditors for the ensuing year

In its organizational meeting held after the stockholders’ meeting, the Board of Directors elected or appointed the following:

1. Officers

   Chairman of the Board: Fernando Zobel de Ayala
   Vice Chairman of the Board: Jaime Augusto Zobel de Ayala II
   President: Antonino T. Aquino
   Treasurer and Chief Finance Officer: Sherisa P. Nuesa
   Corporate Secretary: Atty. Solomon M. Hermosura
Group Directors:
Virgilio C. Rivera, Jr.  Group Director, Regulation and Corporate Development
Jose Rene D. Almendras  Group Director, Business
Frank Beaumont  Group Director, Operations and Project Delivery
Ruel T. Maranan  Group Director, Human Resources and Corporate Services
Geodino V. Carpio  Group Director, Project Delivery

2. Committees and Memberships

Executive Committee
Fernando Zobel de Ayala  – Chairman
Jaime Augusto Zobel de Ayala II  – Vice Chairman
Antonino T. Aquino  – Member
Delfin L. Lazaro  – Member
Kevin Starling  – Member

Audit and Governance Committee
Cieltlo F. Habito  – Chairman
Oscar S. Reyes  – Member
Aurelio R. Montinola III  – Member
Hiromu Nishimura  – Member

Nomination Committee
Oscar S. Reyes  – Chairman
Jaime Augusto Zobel de Ayala II  – Member
Kevin Starling  – Member

Proxy Validation Committee
MWC Chief Internal Auditor  – Chairperson
MWC Legal Director  – Member
Representative of External Auditor  – Member

Remuneration Committee
Fernando Zobel de Ayala  – Chairman
Delfin L. Lazaro  – Member
Oscar S. Reyes  – Member

Compliance Officer:  Glorina N. Padua-de Castro

3. Declaration of Cash Dividends

The Board declared the following first semester 2008 cash dividends: (i) ₱0.175 per share on the outstanding common shares, and (ii) ₱0.0175 per share on the outstanding participating preferred shares. The dividends are payable to stockholders of record as of April 15, 2008, to be paid on April 25, 2008.
4. Creation of Special Purpose Companies

The Board approved the creation of two special purpose companies, one to undertake the Company's international business development projects, and one to implement the Company's projects related to local environment protection.

We attach a press release in relation to the stockholders' and board meeting.

Best regards.

Sincerely,

Jewel C. Fernandez-Austria
Legal and Investment Officer
Manila Water Bares Aggressive Expansion Plans

East Zone Concessionaire Manila Water Company will spend P37 billion over the next five years as it intensifies efforts to further expand and improve the water and wastewater networks in the East Zone. This was announced today by the Company during its annual stockholders' meeting. It also announced plans to form two subsidiary companies to respectively cater to the Company's international and environmental business initiatives.

Manila Water earlier reported earnings of P2.42 billion for 2007, which was better than the previous year despite the full year provision for income tax worth P892 million. The Company's income tax holiday expired at the end of 2006.

This year, the Company announced that it will spend P7.7 billion, in capital expenditures and concession fees. Among its major plans for the year is to start the construction of a P1.5 billion water treatment plant, which aims to increase the Company's current production capacity by at least 100 million liters per day (MLD). This project will complement the network expansion and service sustainability projects worth P4 billion earmarked for 2008.

It will also embark on an ambitious program to help clean the Marikina River. This program entails the construction of at least three regional sewage treatment plants using combined sewage-drainage systems along the banks of the Marikina River to serve Rodriguez, San Mateo, Marikina, Quezon City, Pasig and Antipolo. Upon completion, the program is expected to benefit approximately 1.5 million people.

The Company now serves more than 5 million customers from just 3 million when operations started in 1997. Through these initiatives, Manila Water plans to add an additional 1 million more over 5 years which will come from the new areas in Rizal Province. It also announced plans to increase sewerage and sanitation coverage in its concession area. In addition, discussions are currently ongoing for the provision of bulk water supply to Bulacan.

"The approved business plan resulting from the recently concluded Rate Rebasining exercise is a good foundation for our thrusts to further improve water and wastewater services to our customers and to sustain the Company's growth. At the same time, our experience in operating the East Zone concession provides us with the required capabilities needed to expand the business in both the environmental field and the international arena. The formation of the two subsidiary companies will serve as a springboard for the development of these projects outside the East Zone," Manila Water President Antonino T. Aquino said.

The Company believes that it should be able to sustain its growth trajectory in 2008 on the back of higher water sales in the first two months of the year, while system losses further declined from the same period in 2007. Long term growth will still largely come from the East Zone. This will be supported by the company's plan to arrange new loan facilities. Nevertheless, the Company had already started to explore and develop new business opportunities offshore.
"Looking ahead, our growth within the East Zone will be underpinned by our long-term business plan that was approved by the regulators last December 2007. We will continue to rely on the model of aligning business and sustainable development objectives as we pursue future growth initiatives," according to Manila Water chairman Fernando Zobel de Ayala.