11 April 2011

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

PHILIPPINE STOCK EXCHANGE, INC.
Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORPORATION
Attention: Mr. Cesar B. Crisol
President and Chief Operating Officer

Re: Meetings of the Stockholders and Board of Directors

Gentlemen:

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. Increase in directors’ compensation such that as increased, the new compensation for each director will be as follows:
   a. A fixed annual retainer fee of P500,000;
   b. P200,000 for each quarterly and annual meeting actually attended; and
   c. P50,000 per committee meeting actually attended.

2. Election of the following as members of the Board of Directors:

   Fernando Zobel de Ayala
   Jaime Augusto Zobel de Ayala
   Gerardo C. Ablaza Jr.
   Antonino T. Aquino
   Ricardo Nicanor N. Jacinto
   Keiichi Asai

   John Eric T. Francia
   Simon Gardiner
   Delfin L. Lazaro
   Jose L. Cuisia Jr.
   Oscar S. Reyes

   Messrs. Cuisia and Reyes were elected as independent directors.

3. Appointment of SyCip Gorres Velayo & Co. as external auditors

In the 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
President : Gerardo C. Ablaza Jr.
Treasurer and Chief Finance Officer : Luis Juan B. Oreta
Corporate Secretary : Atty. Solomon M. Hermosura
Asst. Corporate Secretary : Atty. Jhoel P. Raquedan

Group Directors

Virgilio C. Rivera, Jr. : Regulation and Corporate Development
Geodino V. Carpio : Operations and Project Delivery
Ruel T. Maranan : Corporate Resources

2. Committees and Memberships

Executive Committee

Fernando Zobel de Ayala - Chairman
Gerardo C. Ablaza Jr. - Vice Chairman
Ricardo Nicanor N. Jacinto - Member
Antonino T. Aquino - Member
John Eric T. Francia - Member

Audit and Governance Committee

Oscar S. Reyes - Chairman
Delfin C. Gonzalez Jr. - Member
Keiichi Asai - Member
Jose L. Cuisia Jr. - Member

Nomination Committee

Jose L. Cuisia Jr. - Chairman
Jaime Augusto Zobel de Ayala - Member
John Eric T. Francia – Member
Oscar S. Reyes - Member

Remuneration Committee

Oscar S. Reyes - Chairman
Gerardo C. Ablaza Jr. - Member
Fernando Zobel de Ayala - Member
Jose L. Cuisia Jr. - Member

Proxy Validation Committee

MWC Chief Internal Auditor – Chairperson (Ma. Lourdes P. Miranda)
MWC Legal & Corporate Governance – Member (Atty. Jhoel P. Raquedan)
Representative of External Auditor - Member

Luis Juan B. Oreta – Compliance Officer
Abelardo P. Basilio – Director, East Zone Business Operations
Ma. Victoria P. Sugapong – Chief Risk Officer

4. Declaration of Cash Dividends

The Board declared the following first semester 2011 cash dividends: (i) ₱0.28 per share on the outstanding common shares, and (ii) ₱0.028 per share on the outstanding participating preferred shares. The dividends are payable to stockholders of record as of April 27, 2011, to be paid on May 19, 2011.

5. Revision of the Corporate Governance Manual

The Board also approved, in principle, the revisions on the Manual of Corporate Governance of the Company pursuant to the directive of the Securities and Exchange Commission but delegated the final approval to the Chairman.

Enclosed is the press release in relation to the stockholders’ meeting.

Best regards.

Very truly yours,

JHOEL P. RAQUEDAN
Head, Legal and Corporate Governance Department
Manila Water Commits to a Sustainable Future

In its recently concluded annual stockholders meeting, Manila Water reaffirmed its commitment to deliver reliable, safe and affordable water to Filipinos across the country while continuing to protect the environment for a sustainable future.

Manila Water made efforts to improve its operational efficiencies by reducing the level of water losses to an all-time low of 11%. This allowed the company to manage its water supply effectively and maintain 24/7 water services to its customers amidst the onset of the worst El Niño episode since 1997.

In 2010, Manila Water invested P9.6 billion in capital investments. Over the next several years, the company expects to increase its investments to support key initiatives such as the development of new water sources, water and wastewater coverage expansion, and network reliability improvements. These efforts in turn will allow Manila Water to serve more people in the East Zone and mitigate the possible impact of climate change on its operations and service levels.

Manila Water is also looking at expanding to areas outside its East Zone concession. The company believes that it can replicate its success in Manila to other places that exhibit the same characteristics as the East Zone. It currently has existing concessions in Laguna and Boracay, as well as a contract for leakage reduction in Vietnam.

In Boracay specifically, Manila Water, through its subsidiary Boracay Island Water, has improved water service coverage and largely addressed the problem of deteriorating water quality by improving its wastewater operations. It has recently upgraded the island’s sewage treatment plant last March, which resulted in a doubling of treatment capacity and full compliance with environmental regulations.

“Looking forward, the future of Manila Water will be built on three pillars – maximizing growth within the East Zone, focusing on projects in the country’s top metros, and securing concession-type contracts within key Asian cities”, said Gerardo Ablaza, Jr., Manila Water President.

Manila Water also declared a cash dividend of P0.28 to common shareholders. The Company declares cash dividends twice a year corresponding to an annual dividend payout ratio of 35% of previous year’s net income. The cash dividends will be paid on May 19, 2011 to stockholders of record as of April 27, 2011.

The Company also announced changes in its line-up of board members. New members were elected to the board, namely Mssrs. Ricardo Nicanor N. Jacinto and Simon Gardiner.