12 April 2010

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

   Fernando Zobel de Ayala                John Eric T. Francia
   Jaime Augusto Zobel de Ayala          Charles Thomas Cornish
   Jose Rene D. Almendras                Takeaki Yamashita
   Delfin L. Lazaro                      Jose L. Cuisia, Jr.
   Antonino T. Aquino                    Oscar S. Reyes
   Gerardo C. Ablaza, Jr.

   Messrs. Cuisia and Reyes were elected as independent directors.

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

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: Jose Rene D. Almendras
   Treasurer and Chief Finance Officer: Luis Juan B. Oreta
2. Committees and Memberships

Executive Committee
Fernando Zobel de Ayala - Chairman
Gerardo C. Ablaza, Jr. - Vice Chairman
Jose Rene D. Almendras - Member
Antonino T. Aquino - Member
John Eric T. Francia - Member

Audit and Governance Committee
Oscar S. Reyes - Chairman
Gerardo C. Ablaza, Jr. - Member
Takeaki Yamashita - 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

Proxy Validation Committee
MWC Chief Internal Auditor - Chairperson
(Ma. Lourdes P. Miranda)
MWC Legal & Corporate Governance - Member
(Atty. Jhoel P. Ra quedan)
Representative of External Auditor - Member

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

Compliance Officer: Luis Juan B. Oreta
3. Declaration of Cash Dividends

The Board also declared the following first semester 2010 cash dividends: (i) P0.23 per share on the outstanding common shares, and (ii) P0.023 per share on the outstanding participating preferred shares. The dividends are payable to stockholders of record as of April 26, 2010, to be paid on May 19, 2010.

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

Best regards.

Sincerely,

Jhoel P. Raquedan
Head, Legal and Corporate Governance
Manila Water Declares Higher Dividends for 2010

Manila Water announced today that its Board of Directors approved the declaration of cash dividends amounting to P0.23 per common share. The increase reflects the 16% growth in earnings per share that the company posted for 2009. The Company regularly declares its cash dividends twice a year, corresponding to an annual pay-out ratio of 35% of previous year's net income. The dividend will be payable on May 19, 2010 to stockholders of record as of April 26, 2010.

During the company's recently concluded Annual Stockholders' Meeting, Manila Water reported a double-digit increase in net income to P3.2 billion by yearend 2009, brought about by a moderate growth in water sales volume and lower corporate income tax rates. Non-revenue water in the East Zone also registered a 3.8 percentage point decline resulting in a new low of 15.8%.

The Company also ended the year with a stronger balance sheet. Total assets grew by 20.3% due to aggressive capital investments, while operating cashflows remained robust due to higher collection efficiency. The Company reported a total cash balance (including investments in securities classified as available-for-sale) at P9.7 billion by the end of 2009 and a net debt to equity ratio of 0.27x.

"We continue to be optimistic about our business prospects, notwithstanding the challenges that we faced due to last year's economic slowdown and the recurrence of the El Niño this year. Because of our successful initiatives in bringing down our water losses, we have been able to sustain the delivery of the required service levels to our customers," according to Manila Water President Rene D. Almendras. "The declaration of cash dividends is an affirmation of our operational capabilities and strong financial position," Almendras added.

While the East Zone will continue to be Manila Water's main focus, the company has also set its sights on further growing the business outside the East Zone with operations in its Laguna and Boracay subsidiaries in full swing and the signing of joint venture agreements with REE Corporation and Mitsubishi, and the O. P. Jindal group for Vietnam and India respectively.

The Company also announced changes in its line up of board members. New members were elected to the board, namely Mssrs. Jose L. Cuisia, Jr. (independent), Takeaki Yamashita, and John Eric T. Francia, replacing Mssrs. Cielito F. Habito, Hiromu Nishimura, and Leslie A. Bell.