26 April 2012

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

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

Re: Vietnam company awards 10% of its shares and 49% of its holdings in one of its water infrastructure assets to Ayala Corporation and Manila Water, respectively

Gentlemen:

Please be informed that today Ho Chi Minh City Infrastructure Investment Joint Stock Company (CII) has awarded to Ayala Corporation and Manila Water Company, Inc. (“Manila Water”) the right to respectively purchase 10% of CII and a 49% interest in Kenh Dong Water Supply Joint Stock Company (“Kenh Dong”).

With the issuance of the award, CII, Ayala Corporation and Manila Water shall negotiate and execute separate Share Purchase Agreements for the purchase of CII’s shares and interests. The cost to purchase the 49% interest in Kenh Dong is not more than 10% of the total assets of Manila Water.

CII is a leading player in the infrastructure sector in Vietnam with a solid track record in sourcing, implementing and operating various infrastructure projects including water treatment plants and toll roads, among others.

Kenh Dong was established in 2003 to build, own, and operate major water infrastructures in Ho Chi Minh City. It owns a water treatment plant (the “Plant”) located in the Cu Chi District with a capacity of 200 million liters per day (mld). The Plant is expected to start commercial operations by the second semester of 2012 and will supply water to the suburban districts of District 12, Tan Phu and Binh Tan, where water coverage is currently very low, averaging at about 50% of the population only. Furthermore, Kenh Dong has a bulk water supply contract with the Saigon Water Corporation, a state-owned enterprise managing the water supply system in Ho Chi Minh City, for a guaranteed volume of 150 mld.

Please see attached press release for more information.

Very truly yours,

Lizelle Zamora-Dimaucha
Legal and Corporate Governance Manager
AYALA CORPORATION AND MANILA WATER TO INVEST IN VIETNAM INFRASTRUCTURE COMPANIES

Ayala Corporation and its water unit, Manila Water Co., Inc. ("MWC"), have been respectively awarded by Ho Chi Minh City Infrastructure Investment Joint Stock Company ("CII"), the right to purchase a 10% stake in CII and a 49% stake in Kenh Dong Water Supply Joint Stock Company ("Kenh Dong"). Ayala Corporation had earlier offered to purchase a 10% stake in CII concurrent with MWC’s offer to acquire a 49% stake in Kenh Dong.

CII is a leading player in the infrastructure sector in Vietnam with a solid track record in sourcing, implementing and operating infrastructure assets. The company has a portfolio of strategic infrastructure assets, including water treatment plants and toll roads serving Ho Chi Minh City and surrounding areas. CII also holds a stake in Thu Duc Water BOO Corporation, a water treatment company which is now 49%-owned by MWC. CII was established in December 2001 and is listed in the Ho Chi Minh Stock Exchange.

Kenh Dong was established in 2003 to build, own, and operate major water infrastructure in Ho Chi Minh City. Its water treatment plant is expected to start commercial operations by the second semester of 2012 with a capacity of 200 million liters per day ("mld"). This is expected to benefit the suburban districts of District 12, Tan Phu and Binh Tan, where water coverage is very low, averaging at about 50% of the population. Currently, Kenh Dong has a bulk water supply contract with Saigon Water Corporation ("SAWACO") for a guaranteed volume of 150mld. SAWACO is the state-owned enterprise managing the water supply system in Ho Chi Minh City.

In addition to water infrastructure, CII holds toll road concession agreements such as the 15.7-kilometer expansion of the existing Ha Noi Highway which connects the northeastern part of Ho Chi Minh City to Bien Hoa, an industrial center located in the southern part of Vietnam. CII is looking to invest further in new water infrastructure initiatives and is eyeing expansion into other types of infrastructure projects such as public transportation terminals.

Mr. Fernando Zobel de Ayala, Ayala Corporation President and Manila Water Chairman said, “This investment primarily supports and complements the expansion of Manila Water Co. as it gradually builds its presence in Vietnam. At the same time, this also provides strategic access to other related infrastructure opportunities which may be of value to the group. We recognize Vietnam is a high growth area in the region and there is strong demand for infrastructure investments. This may potentially present opportunities for the Ayala group to establish presence across several sectors.”

The transactions are subject to customary closing conditions, including compliance with Vietnam laws.