26 February 2016

SECURITIES AND EXCHANGE COMMISSION
Securities and Exchange Commission Building, EDSA, Greenhills, Mandaluyong City

Attention : MR. VICENTE GRACIANO P. FELIZMENIO, JR.
Director, Markets and Securities Regulation Department

PHILIPPINE STOCK EXCHANGE, INC.
Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City

Attention : MS. JANET A. ENCARNACION
Head, Disclosure Department

Subject : Bulk Water Supply and Purchase Agreement between Tagum Water Company, Inc. and Tagum Water District

Gentlemen :

In relation to our disclosure dated 15 October 2015, please be informed that today, Tagum Water Company, Inc. ("Tagum Water") and the Tagum City Water District (TWD) have signed and executed a Bulk Water Sales and Purchase Agreement for the supply of Bulk Water to TWD for a period of fifteen (15) years from the Operation Start Date.

Tagum Water is a joint venture between Davao Del Norte Water Infrastructure Company, Inc. ("Davao Water") and the TWD, wherein Davao Water and TWD hold 90% and 10% equity interest, respectively. On the other hand, Davao Water is a consortium of Manila Water Company, Inc. and iWater, Inc., wherein Manila Water owns 51% of the issued and outstanding capital stock of Davao Water.

Very truly yours,

JHOEL P. RAQUEDAN
Chief Legal Counsel
Assistant Corporate Secretary