February 3, 2016

**SECURITIES AND EXCHANGE COMMISSION**
SEC Building, EDSA, Greenhills, Mandaluyong City, Philippines

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, Philippines

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

Subject : Detailed Notice and Agenda of Annual Stockholders’ Meeting

Gentlemen :

Please see attached detailed notice and agenda of our annual stockholders’ meeting which is set for April 11, 2016, with explanation on each agenda item for stockholders’ approval.

Very truly yours,

JHOEL P. RAQUEDAN
Chief Legal Counsel
Assistant Corporate Secretary
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of MANILA WATER COMPANY, INC., will be held at the Ballroom 2, Fairmont Makati, 1 Raffles Drive, Makati Avenue, Makati City, on Monday, April 11, 2016, at 9:00 A.M., with the following

AGENDA

1. Call to order
2. Proof of notice of meeting, certification of quorum, and rules of conduct and voting procedures
3. Approval of the minutes of the annual meeting of stockholders on April 7, 2015
5. Election of directors, including independent directors
6. Appointment of external auditor and fixing of its remuneration
7. Consideration of such other business as may properly come before the meeting
8. Adjournment

Explanations for these agenda items and the proposed resolutions for adoption at the meeting are set forth in the next page.

In accordance with Section 8, Article II of the Company’s By Laws, the Board has fixed February 19, 2016 as the record date for the stockholders entitled to notice and vote at this meeting.

In accordance with Section 7, Article II of the Company’s By Laws, any stockholder who wishes to authorize a proxy to act for and in his behalf during the meeting must submit duly accomplished proxies to the Office of the Corporate Secretary on or before March 31, 2016 at the 2nd Floor MWSS Administration Building, 489 Katipunan Road, Balara, Quezon City, Philippines. Validation of proxies is set for April 4, 2016.

The annual meeting of stockholders will be followed by an organizational meeting of the Board of Directors for the election of the officers of the Company and for the transaction of such other business as may properly come before the meeting.

Balara, Quezon City, February 3, 2016.

[Signature]
SOLOMON M. HERMOSURA
Corporate Secretary
EXPLANATION AND RATIONALE OF EACH ITEM IN THE AGENDA

1. Call to order

The Chairman of the Board of Directors, Mr. Fernando Zobel de Ayala, will call the meeting to order.

2. Notice of meeting, certification of quorum, and rules of conduct and voting procedures

The Corporate Secretary will certify the date when written notice of the meeting was sent to all stockholders of record as of February 19, 2016, and the date of publication of the notice in newspapers of general circulation. The Corporate Secretary will further certify the presence of a quorum. The shareholders representing a majority of the outstanding voting capital stock of the Company, present in person or by proxy, shall constitute a quorum for the transaction of the business.

The following are the Rules of Conduct and Voting Procedures at the meeting:

a. A stockholder who wishes to make a remark or to ask a question shall identify himself after being acknowledged by the Chairman and shall limit his remarks and query to the item in the agenda under consideration.

b. On voting procedures, stockholders may opt for manual or electronic voting. For manual voting, each stockholder will be given a ballot upon registration to enable the stockholder to vote in writing per item in the agenda. For electronic voting, there will be computer stations placed outside the Ballroom where stockholders may cast their votes electronically. Both the paper ballot and computer platform for electronic voting will contain the proposed resolutions for consideration by the stockholders and each proposed resolution will be shown on screens in front of stockholders as the same is taken up at the meeting. Stockholders may cast their vote anytime during the meeting.

All the items in the agenda requiring approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the outstanding voting capital stock. Each outstanding share of stock entitles the registered stockholder to one vote. The votes will be tabulated by the Office of the Corporate Secretary, and the results will be validated by Sycip Gorres Velayo & Company, the independent party appointed for the purpose.

The election of the directors shall be by plurality of votes and every stockholder shall be entitled to cumulate his votes.
3. Approval of the minutes of the meeting of stockholders on April 7, 2015

The minutes are available at the Company website, www.manilawater.com and copies thereof will also be distributed to the stockholders upon their registration for the meeting.

A motion for the approval of the following resolution will be presented:

"RESOLVED, to approve the minutes of the annual stockholders’ meeting held on April 7, 2015."

The affirmative vote of stockholders representing at least a majority of the outstanding voting capital stock of the Corporation is necessary to approve the resolution.


The Chairman, Mr. Fernando Zobel de Ayala, and the President, Mr. Gerardo C. Ablaza, Jr., will deliver their reports on the highlights of the Y2015 Company performance and the outlook for Y2016. The reports are hereafter referred to as the Annual Report, a printed version of which will also be distributed to the stockholders and posted on the Company’s website, www.manilawater.com. The printed version of the Annual Report will include the Financial Statements as of December 31, 2015 audited by Sycip Gorres Velayo & Company ("FS") and a discussion of the Company’s governance policies and principles. The FS is also embodied in the Information Statement to be sent to the stockholders at least fifteen (15) business days prior to the meeting.

A resolution noting the Annual Report and approving the FS will be presented to the stockholders, who will be given opportunity to ask questions on the FS.

Below is the proposed resolution:

"RESOLVED, to note the Annual Report and to approve the 2015 Audited Financial Statements of the Company."

The affirmative vote of stockholders constituting at least a majority of the outstanding voting capital stock of the Corporation is necessary to approve the resolution.

5. Election of directors, including independent directors

In accordance with Section 2, Article II of the Company’s By Laws, all nominations to the Board of Directors must be submitted in writing to the Nomination Committee on or before February 24, 2016. The Nomination Committee shall evaluate and determine if the nominees for election to the Board of Directors, including the nominees for independent directors, have all the qualifications and none of the disqualifications before submitting
the nominees for election by the stockholders of the eleven (11) members of the Board of Directors including the independent directors. Copies of the curriculum vitae and profiles of the candidates to the Board of Directors will be provided in the Information Statement.

The election of the directors shall be by plurality of votes. Every stockholder may vote the number of shares owned by him for as many persons as there are directors to be elected, or cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares shall equal, or distribute such votes on the same principle among as many candidates as he shall see fit. The eleven (11) directors receiving the highest number of votes will be declared elected as directors of the Company.

6. Appointment of external auditor and fixing of its remuneration

A resolution for the approval of the appointment of the Company’s external auditor will be presented to the stockholders. Prior to the stockholders’ meeting, the Audit and Governance Committee will recommend, and the Board will appoint, an external auditor. The profile of the proposed external auditor will be provided in the Information Statement.

Below is the proposed resolution:

"RESOLVED, to approve the appointment of the firm of [name of firm] as external auditor of the Company for the fiscal year January 1, 2016 to December 31, 2016."

The affirmative vote of stockholders representing at least a majority of the outstanding voting capital stock of the Corporation is necessary to approve the resolution.

7. Consideration of such other business as may properly come before the meeting

The Chairman will open the floor for comments and questions by the stockholders. Stockholders may raise other matters or issues that may be properly taken up at the meeting.

8. Adjournment

Upon confirmation by the Corporate Secretary that there are no other matters to be considered, and on motion by a stockholder duly seconded, the Chairman will declare the meeting adjourned.