December 18, 2017

Securities and Exchange Commission
Secretariat Building, PICC Complex, Roxas Boulevard, Pasay 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 : Mr. Jose Valeriano B. Zuno III
OIC - Head, Disclosure Department

Subject : Lease Agreement between Manila Water Philippine Ventures, Inc.
and the Philippine Economic Zone Authority

Gentlemen :

Please be informed that today, Manila Water Philippine Ventures, Inc. ("MWPV"), a wholly-owned subsidiary of Manila Water Company, Inc., signed a 25-year Lease Agreement ("Agreement") with the Philippine Economic Zone Authority ("PEZA").

Pursuant to the Agreement, MWPV will lease, operate, and manage the water and used water facilities of PEZA in the Cavite Special Economic Zone for the provision of water and used water services to the locators therein. MWPV shall apply its expertise in industrial zones operations and shall provide capital expenditures for the duration of the Agreement.

The Cavite Special Economic Zone is a 275-hectare industrial estate with 297 locators consuming approximately 0.35 million cubic meters per month (12 million liters per day).

Very truly yours,

[Signature]

JOEL P. RAQUEDAN
Chief Legal Counsel
Assistant Corporate Secretary