October 5, 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 : MR. JOSE VALERIANO B. ZUNO III
OIC-Head, Disclosure Department

Re : Term Loan Facility for Manila Water Philippine Ventures, Inc.

Gentlemen :

Please be informed that Manila Water Philippine Ventures, Inc. (MWPV), a wholly-owned subsidiary of Manila Water Company, Inc. ("Manila Water"), signed today a 15-year Php4.0 Billion Fixed Rate Term Loan Facility with Security Bank Corporation and Metropolitan Bank and Trust Company. The terms of the loan include an option to increase the size of the facility to a maximum of Php7.0 Billion. The proceeds of the loan will be used to finance the company’s capital expenditures, future acquisitions and other general corporate requirements.

MWPV is intended to hold all investments in the domestic operating subsidiaries of Manila Water. Currently under MWPV are: 1) LagunaAAA Water Corporation – the concessionaire of the Province of Laguna for the provision of water and usedwater services in the province of Laguna; 2) Boracay Island Water Company, Inc. – the concessionaire of the Tourism Infrastructure and Enterprise Zone Authority for the provision of water and usedwater services in the island of Boracay; 3) Clark Water Corporation ("Clark Water") – the concessionaire of the Clark Development Corporation for the provision of water and usedwater services in the Clark Special Economic Zone; and 4) Cebu Manila Water Development, Inc. ("CMWD"), a bulk water supply joint venture company with the province of Cebu.

Kindly refer to the enclosed press release for more details.

Very truly yours,

[Signature]

JHOEL P. RAQUEDAN
Chief Legal Counsel
Assistant Corporate Secretary
PRESS RELEASE

Manila Water Philippine Ventures Secures 15-Year Maiden Loan

October 5, 2016; Manila – Manila Water Philippine Ventures, Inc. ("MWPV"), a wholly owned subsidiary of Manila Water Company, Inc. ("Manila Water"), recently signed a Php4.0 Billion loan with an option to increase up to Php7 Billion with Security Bank Corporation and Metropolitan Bank and Trust Company. The fixed rate term loan facility, which carries a tenor of 15-years, was arranged by SB Capital and First Metro Investment Corporation.

At present, this maiden loan of MWPV is the single largest capital raising activity of a Manila Water subsidiary. The proceeds of the loan will be used to partly finance the company’s capital expenditures related to its Estate Water business, future acquisitions, and other general corporate requirements.

On January 12, 2016, MWPV signed a Memorandum of Agreement ("MOA") with Ayala Land Inc. and its subsidiaries ("ALI Group") with the objective of leveraging on their respective expertise to provide optimum services and facilities to their customers and clients. Under the MOA, MWPV, through its Estate Water Division, will provide the water and used water services and facilities to all property developments of ALI Group nationwide. Previously, ALI Group provides in-house water and used water services in their development projects.

Apart from being an operating company, MWPV also serves as Manila Water’s holding company for its local projects. Building on its success in the East Zone, Manila Water organized MWPV to explore potential water and used water projects in key metropolitan areas in the Philippines. To-date, Manila Water, through MWPV, operates concession projects in Laguna, Boracay and Clark Freeport Zone and a bulk water project in the province of Cebu.

Recently, Manila Water made its first investments in Mindanao with a 10-year performance-based non-revenue water reduction project with the Zamboanga City Water District and a 15-year bulk water supply project in Tagum City, Davao del Norte.