July 31, 2013

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: Term-Loan Facility from International Finance Corp.

Gentlemen:

Please be informed that today, Manila Water Company, Inc. signed an 18-year USD 100M term loan facility with the International Finance Corporation to finance its capital expenditure program.

Kindly refer to the enclosed press release for more details.

Sincerely,

[Signature]

JHOEL P. RAQUEDAN
Chief Legal Counsel

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Manila Water Signs a $100 Million 18-year Fixed-Rate Term Loan

On July 31, 2013, Manila Water Company, Inc. (Manila Water) signed the loan agreement for a USD100M term loan facility with the International Finance Corporation ("IFC"). This fixed-rate term loan, which is Manila Water’s fourth loan facility with IFC since 2003, has a tenor of 18-years, the longest IFC has provided for the Philippine water sector.

The loan is expected to partly finance construction of water and sewerage treatment plants as part of Manila Water’s capital expenditure program, enabling the company to meet its service obligations under the Concession Agreement.

Since its establishment in 1997, Manila Water has been providing world-class water and wastewater services to its customers in Metro Manila’s East Zone, maintaining 24/7 water availability at an average pressure of 20 psi to 99% of its distribution network.