April 29, 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 for Laguna AAAWater Corporation

Gentlemen:

Please be informed that today the Laguna AAAWater Corporation (“Laguna Water”), a subsidiary of Manila Water Company, Inc., signed a Php500 million Term Loan Facility, with an option to increase the amount to a maximum of Php1.33 billion, with the Development Bank of the Philippines through the Philippine Water Revolving Fund. The loan will finance the additional capital expenditures of Laguna Water in fulfilment of its service obligations in the province of Laguna.

Enclosed is the press release for additional information.

Very truly yours,

[Signature]

Jhoel P. Raquedan
Chief Legal Counsel
Assistant Corporate Secretary
Laguna Water Loan to Support Expansion of Water Coverage Requirements

Laguna AAAWater Corporation ("Laguna Water") recently closed a P500 million loan with an option to increase up to P1.33 billion with the Development Bank of the Philippines through the Philippine Water Revolving Fund (PWRF) to finance the additional capital expenditures for the company’s water projects in its service concession area.

The PWRF is a collaborative undertaking of the Philippine Government, United States Agency for International Development (USAID) and the Japan International Cooperation Agency (JICA) to address the need to mobilize additional and sustainable resources to meet one of the country’s Millennium Development Goals.

The loan facility will provide the company with financial support to undertake modernization and expansion of water network system and water supply facilities. These expansion projects will deliver 24 hours of water supply among the unserved population within its concession area comprising the cities of Sta. Rosa, Biñan and Cabuyao.

Since taking over the concession’s operations more than three years ago, Laguna Water was able to more than double its customer base, significantly reduce non-revenue water from 48% to 24% and provide potable quality water available 24/7.

Laguna Water is a result of a Public Private Partnership between Manila Water Company, Inc. and the Provincial Government of Laguna.