June 19, 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. Zuño III
OIC - Head, Disclosure Department

Subject: Joint Venture Agreement between Manila Water Company, Inc.
and the Calasiao Water District

Gentlemen:

In relation to our disclosure dated December 14, 2016, please be informed that Manila Water Company, Inc. ("Manila Water" or the "Company") has signed and executed today a Joint Venture Agreement ("JVA") with the Calasiao Water District ("CWD"). The JVA will govern the relationship of Manila Water and CWD as joint venture partners in project for the design, construction, rehabilitation, maintenance, operation, financing, expansion and management of the water supply system of the CWD in the Municipality of Calasiao in the Province of Pangasinan (the "Project").

Under the JVA, Manila Water and the CWD shall cause the incorporation of a Joint Venture Company ("JVC"). The Company and CWD shall own 90% and 10% respectively of the JVC's outstanding capital stock such that the subscribed and paid-up capital of the JVC shall be as follows:

<table>
<thead>
<tr>
<th>Parties</th>
<th>Form of Contribution</th>
<th>Amount Subscribed</th>
<th>Amount Paid-Up</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWCI</td>
<td>Cash</td>
<td>PhP23,760,000.00</td>
<td>PhP23,760,000.00</td>
<td>90%</td>
</tr>
<tr>
<td>CWD</td>
<td>Cash</td>
<td>PhP2,640,000.00</td>
<td>PhP2,640,000.00</td>
<td>10%</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>PhP26,400,000.00</td>
<td>PhP26,400,000.00</td>
<td>100%</td>
</tr>
</tbody>
</table>

The JVC will then enter into a Concession Agreement with the CWD for the implementation of the Project for 25 years from the Commencement Date as defined in the Concession Agreement.

Manila Water shall update the SEC and the PSE for further developments regarding this transaction.

Very truly yours,

JHOEL P. RAQUEDAN
Chief Legal Counsel
Assistant Corporate Secretary