27 September 2019

**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.**
PSE Tower, 5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City, Philippines

Attention :  Ms. Janet A. Encarnacion
Head, Disclosure Department

Subject :  Foreign Currency Differential Adjustment

Gentlemen :

We would like to inform you that effective 13 October 2019, water rates for the customers of Manila Water Company, Inc. (“Manila Water” or the “Company”) will have a Foreign Currency Differential Adjustment (FCDA) of PHP0.69 per cubic meter. This adjustment is based on the exchange rates of USD1:PHP52.413 and JPY1:PHP0.472. The FCDA component of the water bill will be adjusted to 2.43% of the basic charge.

As provided in the Concession Agreement between Manila Water and the Metropolitan Waterworks and Sewerage System (MWSS), as amended, the FCDA is a tariff mechanism formulated to account for foreign exchange losses or gains arising from the payment by the Company of concession loans and foreign currency-denominated borrowings of the MWSS, as well as loans of Manila Water for service expansion and improvement of its services. The FCDA has no impact on the projected net income of the Company.

Very truly yours,

[Signature]
Gerardo M. Lobo II
Assistant Corporate Secretary