August 16, 2018

Securities and Exchange Commission
Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City

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

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

Subject : Joint Venture Agreement between Obando Water Consortium Holdings Corp.
and the Bulacan Water District

Gentlemen :

Please be informed that the Obando Water Consortium Holdings Corp. (OWCHC), the consortium of Manila Water Company, Inc. ("Manila Water") and its wholly-owned subsidiary, Manila Water Philippine Ventures, Inc. (MWPV), has signed and executed a Joint Venture Agreement (JVA) with the Bulacan Water District (BWD). Under the JVA, OWCHC and BWD shall incorporate a Joint Venture Company (JVC), which shall be granted a concession by BWD for the design, construction, rehabilitation, maintenance, operation, financing, expansion, and management of the water supply system and sanitation facilities of the BWD in the Municipality of Bulakan in the province of Bulacan (the "Project").

Under the JVA, OWCHC and BWD 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>OWCHC</td>
<td>Cash</td>
<td>Php135,000,000.00</td>
<td>Php135,000,000.00</td>
<td>90%</td>
</tr>
<tr>
<td>BWD</td>
<td>Cash</td>
<td>Php15,000,000.00</td>
<td>Php15,000,000.00</td>
<td>10%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>Php150,000,000.00</td>
<td>Php150,000,000.00</td>
<td>100%</td>
</tr>
</tbody>
</table>

Upon completion of conditions precedents set out in the JVA, the JVC will then enter into a Concession Agreement with the BWD for the implementation of the Project for 25 years from the commencement date as defined in the Concession Agreement.

Manila Water undertakes to provide the Exchange with further developments regarding this transaction.

Very truly yours,

Gerardo M. Lobo II
Assistant Corporate Secretary