

January 8, 2015

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

ATTENTION : **MS. JANET ENCARNACION**
Head, Disclosure Department

Re : Clarification to the January 7, 2015 BusinessWorld Online News Article

Dear Ms. Encarnacion:

This refers to your letter requesting us to confirm the veracity of the information contained in the BusinessWorld Online news article dated January 7, 2015, entitled, "Aboitiz to sign P10-B water supply deal in Davao," a portion of which is quoted hereunder:

.....

"DAVAO CITY -- Aboitiz Equity Ventures, Inc. (AEV), in partnership with JV Angeles Construction Corp., will ink a contract with Davao City Water District (DCWD) by March for a P10-billion water supply project that will be completed by 2018.

DCWD spokesperson Bernardo D. Delima said construction for the bulk supply project, which will tap surface water source from the Tamugan River, is scheduled to start by early 2016.

....

Mr. Delima said AEV and JV Angeles are expected to complete this year the incorporation of the joint venture company.

'The timeline is for the consortium to complete the requirements within the year so that the implementation of the project could be started within 2016,' he said.

...."

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We confirm that Aboitiz Equity Ventures, Inc. (AEV) and its partner, JV Angeles Construction Corp. (JVACC), expect to finalize the contract for the delivery of treated bulk water to Davao City Water District (DCWD) in the first quarter of this year. The project is expected to be completed by 2018.

The consortium of JVACC and AEV are entering into a joint venture with DCWD for the bulk water project pursuant to NEDA's rules and guidelines. The parties are currently finalizing the definitive agreements for the joint venture and bulk water project.

We trust you find the foregoing clarification to your satisfaction.

Very truly yours,

ABOITIZ EQUITY VENTURES, INC.

By



CATHERINE R. ATAY

Assistant Corporate Secretary

Cc:

MS. VINA VANESSA S. SALONGA

Head, Disclosure Department

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