

May 19, 2015

PHILIPPINE DEALING & EXCHANGE CORP.

Market Regulatory Services Group
37/F, Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas, Makati City

ATTENTION : **MS. VINA VANESSA S. SALONGA**
Head - Issuer Compliance and Disclosures Department

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 BusinessWorld Online News Article

Gentlemen:

This refers to your letter requesting us to confirm the veracity of the information contained in the BusinessWorld Online news article with reference no. CL-2015-009-AEV entitled "Aboitiz plans P40-B borrowing" a portion of which is quoted hereunder:

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"ABOITIZ EQUITY Ventures, Inc. (AEV) plans to raise over P40 billion via the debt market to partly fund construction of two power projects, according to company officials.

"We are currently in the advanced stages of closing several project finance packages for our newest greenfield projects," Steph G. Paradies, AEV senior vice president and chief financial officer (CFO), said in a report to shareholders.

These projects – which are being undertaken by subsidiaries of Aboitiz Power Corp. (AboitizPower) – were identified as the 510-megawatt (MW) Toledo coal plant in Cebu and the 68-MW Manolo Fortich hydropower project in Bukidnon.

"We're looking at around P34 billion for Toledo plant and P9 to 10 billion for Manolo Fortich." Mr. Lozano said in a briefing after the company's annual stockholders' meeting in Makati City.

"We expect to close both of them within the third quarter." he added."

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We confirm that Aboitiz Equity Ventures, Inc.'s (AEV) holding company for its power generation assets, Aboitiz Power Corporation (AboitizPower), is exploring funding from a syndicate of local banks to finance the projects of its subsidiaries, Therma Visayas, Inc. (TVI) and Hedcor Bukidnon, Inc. (Hedcor Bukidnon). The project financing for these projects are expected to close within the third quarter of 2015, and the proper disclosures shall be made to the public in due course.

TVI is the project company for the 510 MW circulating fluidized bed coal-fired power plant located in Toledo City, Cebu, while Hedcor Bukidnon is the project company for the 68-MW hydropower project in Manolo Fortich, Bukidnon.

We trust you find the foregoing clarification to your satisfaction.

Very truly yours,

ABOITIZ EQUITY VENTURES, INC.

By

A handwritten signature in black ink, appearing to read 'S. Paradies', with a large, sweeping loop at the top.

STEPHEN G. PARADIES

Corporate Information Officer