

July 25, 2013

MS. JANET A. ENCARNACION

Head, Disclosure Department
The Philippine Stock Exchange, Inc.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Re: Clarification to the news article published in the July 25, 2013 issue of the Manila Standard Today

Dear Ms. Encarnacion:

This refers to your letter dated July 25, 2013 requesting clarification and/or confirmation of the information stated in the Manila Standard Today news article entitled **“Aboitiz to develop 2 geothermal areas,”** which reads, in part :

AP RENEWABLES, Inc. a unit of Aboitiz Power Corp., plans to develop two geothermal fields in Mindanao in a bid to strengthen its non- renewable energy portfolio.

AP Renewables sought the approval of the Energy Department to develop the Mt. Sibulan-Kapatagan geothermal power project in Davao del Sur and Mt. Talomo-Tico in North Cotabato and Davao del Sur.

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We wish to clarify that Aboitiz Power Corporation (AboitizPower) intends to develop two geothermal fields in the Mt. Sibulan-Kapatagan and Talomo-Tico areas in Mindanao, through its subsidiaries and affiliates. AP Renewables, Inc. (APRI), an affiliate of AboitizPower, applied for service contracts with the Department of Energy for these areas. At this point, these geothermal projects are still at the very early stages of their pre-development phase.

We trust the foregoing is to your satisfaction.

Very truly yours,

ABOITIZ POWER CORPORATION

By



M. JASMINE S. OPORTO

Corporate Secretary