

August 4, 2008

**ATTY. PETE M. MALABANAN**  
Head, Disclosure Department  
PHILIPPINE STOCK EXCHANGE  
4/F PSE Center, Exchange Road,  
Ortigas Center, Pasig City

Re: Clarification to August 4, 2008 *Manila Standard Today* article

Dear Atty. Malabanan,

This has reference to your letter asking us to confirm the veracity of the information contained in the August 4, 2008 *Manila Standard Today* article entitled, "Aboitiz Power eyes other Napocor plants", a portion of which is quoted hereunder:

*"THE Aboitiz Group, fresh from winning the 289-megawatt Tiwi and the 458-MW Makiling-Banahaw geothermal facilities, is looking at other power generation assets to be auctioned by the government, including the 146.5 MW-Panay and 22-MW Bohol diesel power plants. 'We are interested in Dingle because it's in our franchise area in the Visayas,' Aboitiz Power Corp. senior vice president Luis Miguel Aboitiz told reporters. 'We have submitted our letter of interest to join the bidding of the said power plants,' he said, referring to the Dingle, Iloilo diesel generator..."*

We confirm that Aboitiz Power Corporation (AP) had submitted a letter of interest to the Power Sector Assets and Liabilities Management Corporation (PSALM) for the bidding of the 146.5 MW Dingle and 22 MW Bohol diesel power plants, which is scheduled in October 2008. We likewise confirm that AP is interested in bidding for the IPP Administrator contracts of the National Power Corporation (NPC) as well as the Palinpinon geothermal power facility. As previously disclosed, these planned acquisitions are in line with AP's strategy of expanding its generation portfolio to add value to its current asset base and to further diversify its revenue stream.

We hope we have sufficiently clarified this issue.

Thank you.

Very truly yours,

**ABOITIZ POWER CORPORATION**

By:



**M. JASMINE S. OPORTO**  
Corporate Secretary