

June 22, 2009

**MS. JANET ENCARNACION**

Head, Disclosure Department  
PHILIPPINE STOCK EXCHANGE  
4/F PSE Center, Exchange Road,  
Ortigas Center, Pasig City

Re: Clarification to June 22, 2009 *Inquirer.Net* article

Dear Ms. Encarnacion,

This has reference to your letter asking us to confirm the veracity of the information contained in the June 22, 2009 *INQUIRER.NET* article entitled, "Cebu power project secures P16-B loan", a portion of which is quoted hereunder:

*"MANILA, PHILIPPINES – Cebu Energy Development Corp. signed a P16-billion loan package, which will be used for the completion of its 246-megawatt clean coal power plant in Toledo, Cebu. In a deal arranged by First Metro Investment Corp. last week, 11 banks and insurance companies pledged to lend CEDC a total of P16 billion. The loan, according to CEDC, is considered the largest peso-denominated project financing in the Philippines to date..."*

We confirm that CEDC secured a ₱16 billion loan from a consortium of local banks and insurance companies, which will partially finance the ongoing construction of CEDC's 246 MW coal-fired power plant in Toledo City, Cebu.

As previously disclosed, Aboitiz Power Corporation has an effective ownership interest of 26.4% in CEDC.

We hope we have sufficiently clarified this matter.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By



**M. JASMINE S. OPORTO**

Corporate Secretary