

September 19, 2011

MS. JANET A. ENCARNACION
Head, Disclosure Department
Philippine Stock Exchange, Inc.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Re: Clarification to September 19, 2011 the *BusinessMirror* news article

Dear Ms. Encarnacion,

This refers to your letter requesting us to confirm the veracity of the information contained in the *Business Mirror* news article dated September 19, 2011 entitled, "Therma South gets ECC, now closer to building Davao coal plant", a portion of which is quoted hereunder:

"CAGAYAN DE ORO CITY – Aboitiz Power (AP) subsidiary Therma South Inc. is one step closer to starting the construction of its P25-billion 300-megawatt coal-fired power plant project in southern Davao, after receiving its Environmental Compliance Certificate (ECC) recently.

The Environmental Management Bureau (EMB) of the Department of Environment and Natural Resources (DENR) issued the certification last Sept. 9, 2011.

The ECC, addressed to Therma South Vice President Thomas Sliman, means the project has complied with government requirements to ensure that the project, once constructed and operational, will not cause significant negative impact on the environment.

The document also certifies that the project's Environmental Impact Study (EIS) and its operational and environmental protection plans received positive reviews from independent reviewers."

We confirm that Therma South, Inc. (Therma South), a subsidiary of Aboitiz Power Corporation (AboitizPower) was granted an Environmental Compliance Certificate (ECC) by the Department of Environment and Natural Resources through the Environmental Management Bureau for the proposed Therma South Energy Project located in Barangay Binugao, Toril District, Davao City and Barangay Inayawan, Sta. Cruz, Davao del Sur. The original copy of the ECC was received by Therma South on September 14, 2011.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By



M. JASMINE S. OPORTO

Corporate Secretary

cc: **Philippine Dealing & Exchange Corp.**
Market Regulatory Services Group
Attn: **Ms. Ma. Concepcion M. Magdaraog**
Issuer Compliance and Disclosures Department