



Energy Center, Merritt Road, Fort Bonifacio
1201 Taguig City, Philippines
Tel: +63 (2) 893.6001 to 47; 893.1320 to 64
Fax: +63 (2) 840.1575

July 23, 2010

JANET A. ENCARNACION
HEAD, Disclosure Department
Philippine Stock Exchange
Tektite Building, Ortigas Center
Pasig City

Dear Ms. Encarnacion:

In compliance with the disclosure requirements of the Philippine Stock Exchange, we submit the attached press release on EDC's 2nd quarter 2010 financial results entitled "EDC H1 Net Income Soared 113.7 % to Php 5.74 billion."

Very truly yours,

A handwritten signature in blue ink, appearing to read "Erudito S. Recio", is written over a faint, larger version of the signature.

Erudito S. Recio
Investor Relations Manager &
Company Information Officer



Energy Development Corporation
Building 5, Energy Complex
Merritt Road, Fort Bonifacio, Taguig City
Tel.: 632 893 1320
Fax : 632 840 1575

Press Release

July 23, 2010

Highlights

Net Income up 113.7% to Php 5.74 billion from Php 2.69 billion
Core Net Income up 89.2 % to Php 4.85 billion from Php 2.57 billion
EBITDA Up 115.0 % to Php 9,588.9 billion

EDC H1 net income soared 113.7% to PhP5.74 billion

Combined power plant operations continue to boost financial performance of geothermal leader Energy Development Corporation (EDC) as it posted a 113.7 percent increase in its income for the first six months of the year. The company earned PhP5.74 billion for the first half of 2010, more than double the PhP2.69 billion registered for the same period in 2009.

Of its different subsidiaries, First Gen Hydro, operator of the 122.5-MW Pantabangan-Masiway hydroelectric plants contributed PhP 1.06 billion to the total net income for the first half. Income from the 106-MW Mindanao geothermal plants improved to PhP436.4 million from PhP343.2 million with the elimination of BOT fees after the turnover to EDC in June last year. However, as a stand-alone entity, Green Core Geothermal, Inc. (GCGI) which operates the 305-MW Tongonan 1 and Palinpinon power plants reported a net loss of PhP0.26 billion.

“The successful acquisition of NPC owned geothermal power plants is an integral component of our forward integration growth strategy. Despite investor concerns on the immediate impact of loss steam revenues for the Bacman acquisition, EDC’s purchase of the power plant remains to be value-enhancing for the company,” EDC President and COO Richard Tantoco explained.

EDC submitted the highest complying bid for PSALM’s auction of the 150-MW Bacman plants last April. It has programmed the rehabilitation of the plants to bring them back to full capacity within 18 to 24 months.

“Complementary to this is our initiative to strengthen our balance sheet by redenominating our loans and smoothening out lumpy maturities. We are confident that we can sustain this momentum for the balance of the year with the continued seamless integration of the newly acquired plants with their fuel source – steamfields that we have been operating for the past three decades,” Tantoco said.

The company’s core net income also increased by 89.2 percent to PhP4.85 billion from PhP2.57 billion.