



Energy Center, Merritt Road, Fort Bonifacio
1201 Taguig City, Philippines
Tel: +63 (2) 667-7332
Fax: +63 (2) 840-1575

January 7, 2011

JANET A. ENCARNACION
HEAD, Disclosures Department
The Philippine Stock Exchange, Inc.
Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Dear Ms. Encarnacion:

In compliance with the disclosure requirements of the Philippine Stock Exchange, Inc., please be informed that the Board of Directors of the Energy Development Corporation (the "Company") today approved management's recommendation for an international US\$ bond offering in an aggregate principal amount of US\$300 million. The final terms, size and timing of the bonds' issuance shall be determined based on prevailing market conditions. Upon issue, the bonds are intended to be listed on the Singapore Exchange Securities Trading Limited (SGX-ST). Proceeds from the bond offering are intended to be used to fund the Company's growth projects, capital expenditures, debt servicing requirements, and other general corporate purposes.

Deutsche Bank and JPMorgan Securities Ltd. will act as Joint Lead Managers for the transaction.

Additional details pertaining to the transaction will be provided to the Exchange as soon as definitive information become available.

This announcement is not an offer of securities for sale. Any offering of securities of the Company will be made only by means of an offering memorandum that may be obtained from the Company and will contain detailed information about the Company, its management, as well as financial statements.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Erudito S. Recio", is written over the typed name and title.

Erudito S. Recio
Investor Relations Manager &
Company Information Officer