



Energy Development Corporation
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March 22, 2018

JOSE VALERIANO B. ZUÑO III
OIC-HEAD, Disclosures Department
The Philippine Stock Exchange, Inc.
PSE Tower, 28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

Dear Mr. Zuño:

We advise the exchange that on March 22, 2018, Energy Development Corporation (EDC) and the International Finance Corporation (IFC), a member of the World Bank Group, signed a 15-year financing agreement for an amount in Philippine pesos equivalent to USD 90 million. The proceeds of the loan will fund a portion of the 2018 capital requirements and other general corporate purposes of EDC's existing geothermal operations. These capital expenditures include the balance of work related to the return of service of the geothermal power plants in Leyte that were affected by the July 2017 earthquake and other project initiatives aimed at increasing the reliability, efficiency and throughput of EDC's existing geothermal facilities as well as reducing outages and health, safety & environment (HSE) risks.

"With this most recent financing on the back of previous financings in 2011, 2008, and even an IPO-enabling IFC investment in 2006, EDC & IFC continue to strengthen our partnership. We share a joint commitment to provide sustainable energy sources for the Philippines and to mitigate carbon emissions." EDC President and Chief Operating Officer Richard Tantoco said.

As of December 31, 2017, EDC and its subsidiaries owns and operates a diversified portfolio of renewable energy projects in the Philippines with a total installed capacity of 1,472MW, including geothermal, hydro, wind and solar projects. As a leader in the geothermal industry, EDC aims to promote and improve the utilization of indigenous geothermal technology, which is still the most superior renewable energy technology today offering base load operations, low greenhouse gas emissions, and low land and water utilization. EDC's power generation in 2016 represents approximately nine (9) percent of the country's total power generation capacity.

"Securing this financing with IFC further confirms that EDC continues to adhere to the high standards of multi-lateral funding organizations in the aspects of financial discipline, good corporate governance, environmental and social stewardship, safety and security, and fair labor practices." EDC Senior Vice President and Chief Financial Officer Nestor Vasay said.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Ryan Z. Velasco".

Ryan Z. Velasco
Head of Investor Relations
& Corporate Information Officer

cc: **ERIKA GRACE C. ALULOD**
Head – Issuer Compliance and Disclosure Department (ICDD)
Philippine Dealing & Exchange Corp.