

Maynilad Water Services, Inc. Signs Credit Agreements with JICA and Japanese Banks

On June 7, Maynilad Water Services, Inc. (hereinafter "Maynilad"), a water and sewerage company in the Philippines, in which Marubeni Corporation (hereinafter "Marubeni") owns a 20% stake, signed credit agreements with the Japan International Cooperation Agency (hereinafter "JICA") for a non-revenue water improvement program (*1) and with Japanese commercial banks for water service expansion projects (*2) being implemented by Maynilad.

Under a concession agreement with the Metropolitan Waterworks and Sewage System, Maynilad provides water, sewerage and sanitation services in the West Zone of Metro Manila. The service area has a total population of 9.85 million (August 2015), and water demand is projected to increase due to population growth and an increase in per capita water consumption accompanying an improvement in the standard of living. Expanding water service connection, improving water quality, and reducing non-revenue occurrences to achieve an efficient water supply with less water loss are therefore priorities.

Even before Marubeni's equity participation in Maynilad in 2013, Marubeni, for many years, has participated in JICA private-public partnership assistance program feasibility studies and has supported acquisition of loans to combat non-revenue water occurrences and expand clean water supply. Maynilad is committed to continuing to further improve and develop water services in the West Zone of Metro Manila through loans to realize the "Quality Infrastructure Partnership Policy" promoted by the Japanese government.

In addition to the Philippines, Marubeni is involved in water and sewerage concessions in Chile in Latin America through the water service companies Aguas Decima and Aguas Nuevas, and in Portugal in Europe through Administração e Gestão de Sistemas de Salubridade (AGS), respectively. Marubeni will pursue further business expansion in the water and wastewater business by utilizing the expertise accumulated through these concession companies.

- (*1) Non-revenue water improvement program: Upgrading or replacing water pipes and installing meters and distribution systems in order to reduce non-revenue water which is produced and does not result in revenues due to leakages, water theft or water provided for free to public facilities (currently the non-revenue water ratio of Maynilad is around 30%).
- (*2) Water expansion projects: Installing new water pipes and upgrading existing water treatment plants.

【Maynilad Water Services, Inc.】

Headquarters: Quezon City, Metropolitan Manila, Republic of the Philippines
Establishment: 1997
Capital Stock: Php 4.5 billion
Major Shareholders: Metro Pacific Investments Corporation 52.8%
DMCI Holdings, Inc. 25.3%
Marubeni Corporation 20.0%
Sales: Php 20billion (FY2016)
URL : <http://www.mayniladwater.com.ph/>