



Energy Development Corporation
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November 29, 2013

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

Dear Ms. Encarnacion:

Further to the disclosure requirements of the Exchange, we advise the following:

Bacman Geothermal Inc ("BGI"), a subsidiary of Energy Development Corporation ("EDC"), filed, last November 28, 2013, with the International Court of Arbitration of the International Chamber of Commerce a request for arbitration of its dispute with TurboCare, Inc. and Siemens Inc. (together the "Contractor").

BGI alleges breaches by the Contractor of the Contract for Works dated 18 November 2010 (the "Contract for Works"), which required the Contractor to undertake the rehabilitation of Bac-Man Units 1 and 2, 55MW Ansaldo-type geothermal steam turbine generators, the Cawayan 20MW MHI-type geothermal steam turbine generator, as well as their associated auxiliary equipment. BGI initiated the arbitration in order to enforce its rights under the Contract for Works, following a favorable determination from the Engineer that sums are owed by Turbocare and Siemens to BGI. Parsons Brinkerhoff is the appointed Engineer pursuant to the Contract for Works.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Erudito S. Recio", is written over a vertical blue line that extends downwards from the signature area.

Erudito S. Recio
Investor Relations Manager &
Company Information Officer