



May 28, 2019

The Philippine Stock Exchange, Inc.  
6<sup>th</sup> Floor PSE Tower  
28<sup>th</sup> corner 5<sup>th</sup> Avenue  
Bonifacio Global City  
Taguig City

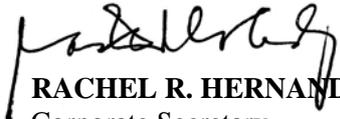
Attention: ***Ms. Janet A. Encarnacion***  
*Head, Disclosure Department*

Gentlemen:

Please find attached a press statement pertaining to the groundbreaking ceremony at the First Gen Clean Energy Complex (FGCEC) in Batangas City.

Thank you.

Very truly yours,

  
**RACHEL R. HERNANDEZ**  
Corporate Secretary

## **First Gen LNG Corporation's LNG Terminal Project marks Kagami Biraki groundbreaking ceremony**

First Gen LNG Corporation's (FGEN LNG) LNG Terminal Project held its "**Kagami Biraki**" **groundbreaking ceremony** last 28 May 2019 at the First Gen Clean Energy Complex (FGCEC) in Batangas City.

FGEN LNG has now completed significant pre-development work for its planned Liquefied Natural Gas (LNG) Receiving Terminal located at FGCEC in Batangas City, to make the project site "construction ready". Once completed, the LNG terminal will allow the country to import liquefied natural gas and ensure a continuing stable supply of clean energy once the Malampaya gas field is depleted. The LNG Terminal Project could possibly be the most significant energy infrastructure project to be undertaken in the Philippines in more than two decades.

The Japanese term "Kagami Biraki", which means "opening the mirror", is a traditional Japanese ceremony originating in acts said to have been performed by samurai warriors even before the Edo period which dated back to 400 years ago.

"A Kagami Biraki ceremony is held to mark the start of something new, as symbolized by the act of breaking open a round sake barrel, representing harmony and good luck. It is then considered that the transition has taken place," said Kunio Nohata, Member of the Board, Senior Managing Executive Officer and Chief Executive of the Global Gas Division.

"Given the Joint Development Agreement between Tokyo Gas and First Gen, we consider that the holding of a Kagami Biraki ceremony is an appropriate way for First Gen and Tokyo Gas to celebrate our collaboration, the completion of the significant pre-development work, and the commencement of the next phase of the development of the project," said Federico R. Lopez, Chairman and CEO of First Gen.

FGEN LNG believes First Gen LNG Terminal will play a critical role in ensuring the energy security of the Philippines, and the Luzon grid particularly when the indigenous Malampaya gas resource no longer produces sufficient fuel for the country's existing gas-fired power plants, and certainly not for additional gas-fired power plants. The entry of LNG will encourage both industrial and transport industries to consider it as a replacement to more costly and polluting fuels.

First Gen Corporation (**First Gen**) signed a Joint Development Agreement (**JDA**) with Tokyo Gas Co., Ltd (**Tokyo Gas**) last December 5, 2018. The JDA is a preliminary agreement between the parties to jointly pursue development of FGEN LNG Corporation's LNG Terminal Project located at First Gen's Batangas Clean Energy Complex (**FGEN LNG Project**).

FGEN LNG Corporation is a wholly owned subsidiary of First Gen, one of the biggest independent power producers in the country and the leading gas power generation company in the Philippines with approximately 2,000 MW in operating gas assets composed of four gas-fired power plants – the 1,000 MW Santa Rita Power Plant, the 500 MW San Lorenzo Power Plant, the 414 MW San Gabriel Power Plant and the 97 MW Avion Power Plant.

Tokyo Gas, headquartered in Tokyo, Japan, is a leading LNG player with 130 years of experience and more than 50 years of experience in the LNG business. Tokyo Gas is one of the largest purchasers of LNG in the world with an annual volume of 14 mtpa. It has over 63,000 kilometers of gas pipelines serving more than 11 million customers.

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