

ANNEX "C"

**MANILA ELECTRIC COMPANY
ERC CASE NOS. 2001-900 AND 2001-646
ADJUSTED RATE BASE**

Amount

Rate Base per Decision dated March 20, 2003

PHP 74,475,910,302

Adjustments:

5% Allowance for over valuation on appraisal increase 886,891,764

Construction Work In Progress (July 1 to Feb. 2003) 1,210,415,211

Proportionate Value of land-Meralco theater 64,278,810

Land and Land Rights 117,467,415

Meter Inventory 83,120,955 2,362,174,155

Adjusted Rate Base

76,838,084,457