

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM
STATEMENT OF CHANGES IN EQUITY**

For the Year Ended December 31, 2008

(With comparative figures for the year ended December 31, 2007)

(In Thousand Pesos)

	Notes	2008	2007
CAPITAL STOCK			
Authorized - 80 million shares, P100 par			
Issued and outstanding 60,954,867.84 shares			
Balance, beginning		6,095,487	6,095,487
Additions (deductions)		-	-
Balance, end		6,095,487	6,095,487
DONATED CAPITAL			
Balance, beginning	21	1,046,971	1,046,971
Additions (deductions)		-	-
Balance, end		1,046,971	1,046,971
APPRAISAL CAPITAL			
Balance, beginning		28,656,080	28,656,080
Additions (deductions)		-	-
Balance, end		28,656,080	28,656,080
RETAINED EARNINGS			
Balance, beginning		3,876,290	2,452,570
Prior- period adjustments	22	(2,162,748)	(676,224)
Net profit (loss)		(3,553,491)	2,099,944
Balance, end		(1,839,949)	3,876,290
TOTAL EQUITY		33,958,589	39,674,828

See accompanying Notes to Financial Statements.