



August 16, 2013

3rd floor
DACON Building
2281 Don Chino Roces Ave.
(formerly Pasong Tamo Ext.)
Makati City 1231, Philippines

(632) 888 • 3000

Facsimile

(632) 816 • 7362

E-Mail

investor_inquiries@dmcinet.com

DISCLOSURE DEPARTMENT

The Philippine Stock Exchange
3/F Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **JANET A. ENCARNACION**
Head, Disclosure Department

Gentlemen:

We reply to your request for clarification on the news article "Bidding for LRT 1 Ext derailed" published in the *philSTAR.com* on August 16, 2013. The article reported in part that:

MANILA, Philippines - The Aquino administration's biggest infrastructure project - the P60 billion extension of the Light Rail Transit line 1 (LRT 1) all the way to Bacoor, Cavite - got derailed yesterday after a lone prequalified bidder submitted what was described as a non-compliant bid.

Jose Perpetuo Lotilla, undersecretary of the Department of Transportation and Communications (DOTC), told reporters yesterday that only one pre-qualified bidder submitted a technical proposal yesterday. The three others withdrew.

.....

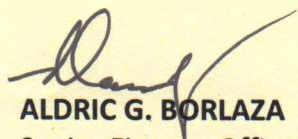

He said three other groups that were prequalified last November -the MTD Samsung Group, San Miguel Infrastructure Resources Inc., and DMCI Holdings Inc. - withdrew their participation.

.....

The Company confirms that it did not submit a bid proposal for the LRT1 Extension, Operations and Maintenance Project. The decision was prompted by risks surrounding the existing bid terms causing uncertainties in investments in the Project.

We hope you find said confirmation in order.

Thank you.


ALDRIC G. BORLAZA
Senior Finance Officer


Subsidiaries:

D.M. Consunji, Inc.

DMCI Project Developers, Inc.

DMCI Power Corporation

DMCI Mining Corporation

Semirara Mining Corporation

DMCI-MPIC Water Co., Inc.

Wire Rope Corporation of the Phils.