



February 15, 2013

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 entitled "Marubeni buys into Maynilad" posted in *Malaya Business News Online* on February 15, 2013. The article reported in part that:

Japan's Marubeni Corp. is buying 20 percent of Maynilad Water Services Inc. for \$400 million or P16 billion, roughly equivalent to the P17 billion capital expenditure budgeted for the year.

Marubeni is buying the 16 percent stake of DMCI Holdings Inc. and Metro Pacific Investment Corp. 's four percent in Maynilad. Of the \$400 million some \$320 million or P12.B billion will go to DMCI.

The P12.B billion that will go to DMCI coffers is expected to be used in the company's planned venture into the country's PPP projects including the construction of the Light Rail Transit extension to Cavite. DMCI is likewise selling its stake in another water company another joint venture with MPIC.

"Total consideration is roughly \$400 million," said Herbert Consunji, DMCI chief finance officer, in a text message to Malaya Business Insight.

We would like to confirm that the transaction involving the acquisition of Marubeni Corporation of a 20% interests in Maynilad Water Services Inc. has a total consideration of approximately USD 400 million.

Further, the Company has no definite decision yet on its portion of the proceeds from the Maynilad sale and its expected use in the PPP projects including the construction of the LRT Extension to Cavite, since the PPP project terms are yet to be finalized.

We hope this clarifies the matter.

Thank you.


ALDRIC G. BORLAZA
Senior Finance Officer