



Filinvest Development Corporation

10 June 2008

Philippine Stock Exchange
4/F Philippine Stock Exchange
Exchange Road, Ortigas Center
Pasig City

Attention: **Atty. Pete M. Malabanan**
Head, Disclosure Department

Re: **"Filinvest to pursue ethanol plant plan"**

Dear **Atty. Malabanan**,

This refers to your request for clarification regarding the news article appearing on the June 10, 2008 issue of the *Business Mirror* entitled "*Filinvest to pursue ethanol plant plan*", which states in part:

"Filinvest Development Corp. (FDC) is still keen on plans to put up an ethanol plant to take advantage of the emerging biofuels industry in the country. At the sidelines of its annual stockholders' meeting Friday, chairman Jonathan Gotianun said the company is in the process of evaluating plans to go into the production of ethanol using the byproduct of its sugar-milling operations.... The plan involves the construction of ethanol plant --possibly in Davao-- with an initial production capacity of 100,000 liters per day or an annual capacity of 30 million liters.... He said the construction cost of the plant would likely reach P700 to P800 million...."

Kindly be informed that Filinvest Development Corporation is looking at opportunities made possible by the Biofuels Act of 2006 requiring a certain percentage of bioethanol blend in all diesel and gasoline fuels in the country. Cotabato Sugar Central Company, Inc. and Davao Sugar Central Company, Inc., subsidiaries of Filinvest Development Corporation through 100% owned Pacific Sugar Holdings Corporation, are indeed evaluating plans for the construction of an ethanol plant capable of producing ethanol in the volume as reported in the news article.

Please be guided accordingly.

Truly yours,


Apollo M. Escarez
Corporate Information Officer