



*Filinvest Development Corporation*

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September 10, 2007

**THE PHILIPPINE STOCK EXCHANGE INC.**

Philippine Stock Exchange Centre  
Exchange Road, Ortigas Center  
Pasig City

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

Gentlemen:

We refer to your email dated September 10, 2007 requiring our company to confirm the veracity of the *Philippine Daily Inquirer* news article entitled "Filinvest to issue 3.5B shares" which reads in part:

. . . Over the next five years, FDC is spending ₱30 billion for various projects. Including subsidiary Filinvest Land Inc.'s projects, the total capital expenditure may hit ₱50 billion . . . FDC plans to put up an ethanol plant in Mindanao to take advantage of the implementation of the biofuels law. The plant, which may cost between ₱600 million to ₱800 million, will produce up to 100,000 liters of fuel a day by 2009 . . .

We hereby clarify that based on a more aggressive side of expansion posture, the Filinvest Group of companies estimate capital expenditures would run to ₱30 billion for the next three years and ₱50 billion for the next five years. Such plans would involve the development of buildings and other projects of Filinvest Development Corporation, Filinvest Land, Inc. and Filinvest Alabang, Inc., the increase in capitalization of EastWest Banking Corporation, and sugar milling and refinery expansion, including ethanol production. The feasibility of putting up an ethanol plant is still under study.

We trust the foregoing sufficiently clarifies the matter raised in your email.

Very truly yours,

A handwritten signature in black ink, appearing to read "Abner C. Gener Jr.", written over a horizontal line.

**ABNER C. GENER JR.**  
Corporate Information Officer