



Filinvest Development Corporation

December 18, 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 letter dated December 18, 2007 requiring our company to confirm the veracity of the news article entitled "Filinvest allots P22B for capex" appearing in today's issue of *The Philippine Star*. The article reads in part:

The Filinvest Group of Companies is setting aside P22 billion for the continued expansion of its real estate, banking and sugar milling units and its possible entry into the bioethanol business as it seeks to further boost profit.

In an interview following the 25th listing anniversary of Filinvest Development Corp. (FDC) yesterday, company president Josephine Gotianun-Yap said P16 billion of the total programmed capital budget will be spent by FDC while the remaining P6 billion will go to property arm Filinvest Land, inc. (FLI).

We confirm the veracity of the information stated above as appearing the said news article.

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