



*Filinvest Development Corporation*

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February 23, 2006

**PHILIPPINE STOCK EXCHANGE, INC.**

Phil. Stock Exchange Centre, Exchange Road  
Ortigas Center, Pasig City

Attention: JURISITA M. QUINTOS  
Senior Vice-President

Re: Clarification on News Article "Israeli firm acquires  
40% stake in Filinvest Development arm"

Gentlemen:

We refer to the email of your Exchange of even date seeking confirmation of the veracity of the information contained in the above referenced news article, which appeared in the February 23, 2006 issue of the *BusinessWorld*.

The portion of the news article for which clarification has been sought reads as follows:

"One of Israel's largest conglomerates Africa Israel Investments bought up to 40% of Cyberzone Properties, inc. the information technology park development arm of Filinvest Development Corp.

"Prior to the deal, Cyberzone Properties used to be a wholly-owned unit of Gotianun-led Filinvest. The Israeli firm, through Africa Israel Investments (Phil.), is the first foreign partner in Cyberzone Properties.

"The two parties declined to give the value of the deal.

"Cyberzone Properties and Africa Israel Investments entered the deal two weeks ago, after three months of due diligence.

“The proceeds from this private offering will be used to finance the construction of additional buildings and other facilities at the Northgate Cyberzone IT Park in Filinvest Corporate City, Cyberzone Properties said in a statement sent to *BusinessWorld*.”

We wish to clarify that on February 7, 2006 Cyberzone Properties, Inc. (“CPI”) entered into an “Investment Agreement” with its parent, Filinvest Alabang, Inc. (“FAI”), and Africa Israel International Properties (2002) Ltd. (“AI”) which provides, among other things, that AI shall subscribe to such number of shares of CPI that would eventually represent forty percent (40%) of CPI’s outstanding capital stock, through the infusion of funds over a 24-month period.

We further clarify that the investment proceeds will be used to finance the construction of additional IT buildings in Northgate Cyberzone and fund CPI’s other working capital requirements.

Finally, FAI, the parent of CPI, is a majority-owned subsidiary of Filinvest Development Corporation.

We confirm the veracity of the other information contained in the article.

We trust the foregoing is sufficient. Should you require additional clarification, please let us know.

Very truly yours,

(original signed)

**ABNER C. GENER JR.**

Corporate Information Officer