



Filinvest Development Corporation

27 January 2009

THE PHILIPPINE STOCK EXCHANGE

PSE Center, Exchange Road
Ortigas Center, Pasig City

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

Dear Sir,

We refer to your letter requesting clarification on the news article appearing on today's issue of the Manila Standard Today entitled "Filinvest eyes P3b worth of 5-year notes" which reads, in part, as follows:

" . . . East West Banking Corp., a wholly owned subsidiary of Filinvest Development, has just won the bidding for AIG Philam Savings Bank and two other subsidiaries of the AIG group for about P2 billion . . . East West Bank president Antonio Moncupa, Jr. said the bank was getting an additional P2 billion in tier 1 capital infusion from shareholders, mainly Filinvest Development . . . The Bank registered a net income of P375 million in 2008 and aims to nearly double it to P700 million this year and P 1 billion by 2010. It plans to build its assets to P100 billion by 2010 . . . "

We confirm that East West Bank won the bidding for PhilAm Savings Bank and its subsidiaries PhilAm Auto Finance & Leasing, Inc. (formerly "Primus Finance and Leasing, Inc.") and PFL Holdings, Inc. for Php2 billion. We likewise confirm that East west bank registered net income of Php375 million in 2008. The bank targets a net income of Php700 million this year and Php1 billion by 2010, and plans to build its assets to Php100 billion by 2010.

We further clarify that FDC received a proposal from East West Bank for an additional Php2 billion capital infusion. The proposal is presently being studied by the company.

We hope the above sufficiently clarifies the matters mentioned in the above-quoted news article.

Very truly yours,

A handwritten signature in black ink, appearing to read "Apollo M. Escarez".

ATTY. APOLLO M. ESCAREZ
VP & Corporate Information Officer