



Filinvest Development Corporation

15 June 2009

THE PHILIPPINE STOCK EXCHANGE

PSE Center, Exchange Road
Ortigas Center, Pasig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Dear Ms. Encarnacion,

This refers to your request for clarification regarding the news articles that appeared on the June 12-13, 2009 issue of the BusinessWorld entitled "Filinvest to spend P12B on property, banking and sugar units".

LISTED HOLDING firm Filinvest Development Corp. will more than double its capital expenditure this year, with the bulk of the budget allocated for the expansion of its real estate business, the company's top official said yesterday. After the firm's annual stockholders' meeting yesterday, Filinvest Development President Lourdes Josephine G. Yap told reporters that 60% of its P12-billion budget is allocated for the real estate business, 30% for financial service subsidiary East West Banking Corp. and the rest for Pacific Sugar Holdings Corp. The firm plans to spend P800 million over the next two to three years to expand the production capacity of its sugar mills, she said...

We confirm that FDC has a capex budget of Php12 billion for 2009, of which about 60% is allotted to its real estate business, principally via Filinvest Land, Inc. and Filinvest Alabang, Inc. The banking business, through East West Banking Corporation, will account for about 30% of the budget, while the sugar business will spend about 10% of the budget.

Very truly yours,

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

ATTY. APOLLO M. ESCAREZ
VP & Corporate Information Officer