



# Filinvest Development Corporation

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29 May 2012

**Philippine Stock Exchange**

3rd Floor, Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

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

Gentlemen:

We refer to your request for clarification/confirmation of the article appearing on 29 May 2012 issue of the *Philippine Daily Inquirer* entitled " FDC plans ₱25-B investment in power projects", to wit:

GOTIANUN-led Filinvest Development Corp. plans to invest about P25 billion in power generation facilities that will have a combined capacity of 200 megawatts.

FDC plans to start construction of the plants this year.

FDC is also interested in existing power assets of the government that are slated for privatization, particularly Unified Leyte Geothermal (640 MW), Caliraya-Botocan-Kalayaan hydropower facilities (728-MW), Malaya thermal power plant (650-MW) and Casecnan power project (140-MW), company officials said.

For the new plants planned by the company, commercial operations are expected to start in about two to three years, FDC chair Jonathan Gotianun told reporters.

Instead of using liquefied natural gas (LNG) for its upcoming power plants as earlier announced, FDC has opted to use instead clean coal and renewable energy.

During its stockholders meeting last year, FDC announced plans to develop four LNG power plants with a total capacity of 1,500 to 1,800 MW over a five-year period.

FDC president Josephine Gotianun-Yap, however, said the group had shelved this strategy pending the completion of a government master plan for LNG.

Yap said the group's holding firm for utilities projects, FDC Utilities Inc., had so far successfully signed bilateral supply contracts amounting to more than 70 MW. She said this unit was pursuing power generation projects in Luzon, Visayas and Mindanao with a combined capacity of 350 MW.

FDC Utilities president Jesus Alcorido said his unit was targeting to sign up to 200 MW in additional power generation capacity this year. The unit has prospective projects in Camarines Sur, Davao, Cebu, Negros and Mindanao.

We confirm the matters reported in the said news article.

Very truly yours,

A handwritten signature in black ink, appearing to be "Conrad P. Cereno", written over a light blue horizontal line.

**ATTY. CONRAD P. CERENO**  
Corporate Information Officer