



DMCI HOLDINGS
I N C O R P O R A T E D

15 October 2007

PHILIPPINE STOCK EXCHANGE

Disclosure Department
4/F PSE Center
Exchange Road
Ortigas Center, Pasig City

Attention: **ATTY. PETE M. MALABANAN**
Head, Disclosure Department

Gentlemen:

In reference to your email dated October 15, 2007, requesting for clarifications on the following news articles published on October 15, 2007:

1. “DMCI to build power plant in Iloilo sans partners” published in Business World, which reported in part that:

Consunji firm DMCI Holdings, Inc. is pushing through with its plan to build a 100-megawatt (MW) coal-fired power plant in Iloilo sans partners early next year....The plant already secured the green light from the Department of Environment and Natural Resources.....DMCI plans to buy a secondhand power plant from China or India.... A new plant would cost around \$120 million to \$150million, but assembling an old one would cost about 20% less, he added.....The Iloilo plant would consume about 600,000 tons of coal annually....He said an earlier proposal to enter into a joint venture with Lopez’s First Gen Corp. might still push through, but only after the plant goes onstream. Mr. Consunji said that DMCI was studying a 70-30 funding mix for the power plant, with 70% of the project’s cost sourced from debts and 30% coming either from equity or – if the company does not get partners – from internal funds. Along with the Iloilo plant, DMCI also plans to put up a 30-MW coal-fired power plant in Masbate to support the energy needs of a gold mine and the local electric cooperative. Mr. Consunji said the Company would set up the plant via 70% debt from Rizal Commercial Banking Corp. and 30% equity possibly with Singaporean firm Argosy....”

2. “Lopez, Consunjis form new company for infra projects” published in The Philippine Star, which reported in part that:

The Lopezes and Consunjis, through First Balfour Inc. and DMCI Holdings, Inc., respectively, have formed a Pph1 billion company to serve as the corporate vehicle for infrastructure projects they intend to jointly undertake. The new company called Private Infra Dev. Corp. is seeking business registration..... and DMCI are eyeing the construction of the \$430-million Subic-Clark-Tarlac Expressway (SCTEX) in Central Luzon...

We would like to confirm the following:

1. *“DMCI to build power plant in Iloilo sans partners”*


We would like to confirm the veracity of the information stated in this Item.

2. *“Lopez, Consunjis form new company for infra projects”*

We would like to inform the Exchange that the Private Infra Dev Corp. is a consortium company between First Balfour and D. M. Consunji, Inc., a wholly-owned subsidiary of the Company. Private Infra Dev Corp. is seeking registration with the Securities and Exchange Commission (SEC) with a Php1 billion authorized capital stock. Out of this Php250 million was subscribed while Php62.5 million has been paid. The consortium company is eyeing for the Tarlac-La Union Toll Expressway project.

We hope this clarifies the matter.

Thank you.



Aldric G. Borlaza
Finance Officer