



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

05 November 2009

**PHILIPPINE STOCK EXCHANGE**

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

Attention: **JANET A. ENCARNACION**  
Head, Disclosure Department

Gentlemen:

We reply to your request for clarification of the news article entitled "P29.4-M fine imposed on water concessionaires" published in the November 5, 2009 issue of the Business World Online which reported in part that:

*"The two concessionaires in Metro Manila were slapped with a total of P29.4 million in fines by the Environment department for failing to install sufficient wastewater treatment facilities within a period specified by law. In a statement yesterday, Jose L. Atienza, Jr. Environment Secretary and Chairman of the Pollution Adjudication Board, said he issued the order for Maynilad Water Services, Inc. and Manila Water Co. to pay the fines with the department. Mr. Atienza said the agencies failed to install and maintain sufficient wastewater treatment facilities within five years after Republic Act (RA) 9275 or the Clean Water Act, which took effect in May 2004....."*

This is to confirm that the Pollution Adjudication Board (PAB) has ordered the Metropolitan Waterworks and Sewerage System (MWSS), and its two concessionaires, Manila Water Company Inc. and Maynilad Water Services Inc. (Maynilad) to solidarily pay the amount of P29.4 million as fines for alleged violation of the Clean Water Act and Maynilad has moved for the reconsideration of this order.

According to Atty. Lourdes Marivic P. Espiritu, Maynilad's Head of Legal and Regulatory Affairs, "Maynilad is right on track in the installation and maintenance of its wastewater treatment facilities in the West Zone pursuant to its Concession Agreement with the MWSS. Maynilad is committed to ensure continuous compliance with the government's effluent standards to protect the environment and is hopeful that the PAB will reconsider its decision."

We hope this clarifies the matter.

Thank you.

Very truly yours,



**Aldric G. Borlaza**  
Finance Officer