

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-C

### CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)  
Sep 19, 2019
2. SEC Identification Number  
AS095002283
3. BIR Tax Identification No.  
004-703-376-000
4. Exact name of issuer as specified in its charter  
DMCI Holdings Inc.
5. Province, country or other jurisdiction of incorporation  
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
3/F Dacon Bldg. 2281 Chino Roces Avenue, Makati City  
Postal Code  
1231
8. Issuer's telephone number, including area code  
(632) 8883000
9. Former name or former address, if changed since last report  
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	13,277,470,000
Preferred	960
11. Indicate the item numbers reported herein  
Item no. 9

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*



# DMCI Holdings, Inc.

## DMC

### PSE Disclosure Form 4-26 - Legal Proceedings

**References: SRC Rule 17 (SEC Form 17-C) and  
Section 4.4 of the Revised Disclosure Rules**

#### Subject of the Disclosure

Maynilad's receipt of the Supreme Court En Banc decision in the case of Maynilad v. The Secretary of DENR, et al.

#### Background/Description of the Disclosure

Maynilad Water Services, Inc. v. Secretary of the Department of Environment and Natural Resources, the Pollution Adjudication Board and the Environmental Management Bureau- Regional Directors, G.R. No. 202897

On April 2, 2009, the Regional Office of the Department of Environment and Natural Resources ("DENR") filed a complaint before the DENR's Pollution Adjudication Board ("PAB") charging Metropolitan Waterworks and Sewerage System ("MWSS"), Maynilad and Manila Water Company, Inc. (the "Concessionaires") with violation of the Clean Water Act ("CWA") for having failed to (i) comply with the mandatory sewer connection of houses and establishments as prescribed under Section 8 of the Clean Water Act ("CWA"), and (ii) construct sufficient wastewater treatment facilities satisfactory enough in quantity to meet the standards and objectives of the law.

Maynilad refuted DENR's charges and posited that its compliance with the CWA should be viewed in the context of (i) its Concession Agreement with the MWSS, and (ii) the 15 February 2011 Extended Resolution which the Supreme Court ("SC") issued in the Manila Bay case which directed the Concessionaires to complete the construction of the necessary wastewater treatment facilities no later than 2037.

On 3 October 2009, the Pollution Adjudication Board ("PAB") and the Secretary of the DENR issued an Order finding MWSS and the Concessionaires in violation of Section 8 of the CWA and imposing a joint and solidary fine of Php29,000,000.00, and a daily penalty of Php200,000.00 (the fine imposed by the PAB is reckoned from 6 May 2009, or five years from the date of effectivity of the CWA).

On 24 August 2012, MWSS, each of the Concessionaires filed a Petition for Review before the Court of Appeals ("CA"), all of which were dismissed. The CA upheld the PAB's 3 October 2009 Order, thus, the parties each filed a Petition for Review on Certiorari before the SC.

On 17 September 2019, Maynilad, through its external counsel, received a copy of the Supreme Court En Banc decision in the case of Maynilad v. The Secretary of DENR, et al (the "Decision").

The Supreme Court affirmed, with modifications, the decisions of the Court of Appeals finding the Concessionaires and the Metropolitan Waterworks and the MWSS guilty of violating Sec. 8 of the CWA. Sec. 8 of the CWA mandates MWSS, as the government agency vested with the duty to provide water and sewerage services, and/or the concessionaires in Metro Manila and other highly urbanized cities (as defined in the Local Government Code) to connect all existing sewage lines to the available sewerage system within five years from the CWA's effectivity, or from 6 May 2004.

For violating Sec. 8 of the CWA, the Supreme Court held each of the Concessionaires jointly and severally liable with the MWSS for Php921,464,184.00 for the period 7 May 2009 (the day following the lapse of the five-year period provided in Sec. 8) to 6 August 2019, the date of the Decision's promulgation. The fine is to be paid within 15 days from the time the Decision becomes final. In addition, MWSS and the Concessionaires will be liable for the initial amount of Php322,102.00 a day, subject to a further 10% increase every two years pursuant to Sec. 28 of the CWA, until full compliance with the mandate of Sec. 8. A 6% interest will be imposed on the total amount of the fines should there be a delay in its payment.

The Decision also enjoins all water supply and sewerage facilities and/or concessionaires in Metro Manila and other highly urbanized cities to comply strictly with Sec. 8 of the CWA.

Maynilad shall file a Motion for Reconsideration of the Decision with the Supreme Court on or before 2 October 2019.

<b>Name of the court or agency in which the proceedings are pending</b>	Supreme Court En Banc
<b>Date Instituted</b>	Aug 24, 2012
<b>Docket Number</b>	G.R. No. 202897

#### Principal Parties

- (i) Maynilad Water Services, Inc.
- (ii) Secretary of the Department of Environment and Natural Resources
- (iii) Pollution Adjudication Board
- (iv) Regional Executive Directors of EMB-NCR, EMB-Region III, and EMB-Region IV

#### Nature and description of the legal proceedings

Petition for Review to reverse the Court of Appeals' Decision dated 26 October 2011.

#### The effect(s) on the Issuer's business or operations, if any

Please see discussion above on the penalties imposed by the Court on the Concessionaires and MWSS.

It is difficult to project at this time the overall impact of the Decision on Maynilad's financial position as Maynilad will have to engage with its Regulators on the tariff adjustment to be implemented as a result of the accelerated capital expenditures that will arise from the accelerated implementation of sewerage projects.

#### Other Relevant Information

Amendment pertains to the provision of the history of the case.

#### Filed on behalf by:

<b>Name</b>	Brian Lim
<b>Designation</b>	Vice President & Senior Finance Officer