



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

September 13, 2010

DISCLOSURE DEPARTMENT

The Philippine Stock Exchange
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 on the news article entitled "Maynilad secures approval to restructure equity" published in the September 11, 2010 issue of the Manila Times. The article reported in part that:

"THE Securities and Exchange Commission (SEC) has approved Maynilad Water Services Inc.'s plan to undergo equity restructuring to eliminate its deficit. Documents from the corporate regulator showed that Maynilad would apply a portion of its P775.796-million additional paid-in capital to eliminate the utility firm's deficit of P673.98 million as of December 31, 2009. The SEC said it agreed to the plan on the condition that the remaining additional paid-in capital of P101.82 million will not be used to eliminate future losses without the regulator's consent. ..."

This is to confirm that the Securities and Exchange Commission (SEC) has approved Maynilad Water Services Inc.'s (Maynilad) request to apply a portion of its additional paid-in capital to totally eliminate Maynilad's deficit as of December 31, 2009.

We hope this clarifies the matter.

Very truly yours,

Aldric G. Borlaza
Finance Officer