



15 October 2008

Philippine Stock Exchange
Disclosures Department
4/F, Philippine Stock Exchange Inc., PSE Centre
Exchange Road, Ortigas Center
Pasig City, Metro Manila

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

Gentlemen:

This refers to your letter dated 14 October 2008 directing the company to pay the basic fine of P50,000.00, plus additional penalties thereof, in view of our failure to submit to the Exchange the company's Annual Report (SEC Form 17-A) for the fiscal year ended 30 June 2008 on its due date or on 13 October 2008.

Please be informed that we were not able to submit the company's Annual Report (on SEC Form 17-A) on its due date because we are still in the process of finalizing the report. I have earlier prepared a request for an extension of time (on SEC Form 17-L) to submit the report to the Exchange as well as to the Securities and Exchange Commission. Unfortunately, however, a copy of the request for extension was not sent to the Exchange last 13 October 2008 but was sent only yesterday or a day later from the time it was due for filing. The reason is that I went on leave until yesterday due to the recent demise of my wife hence, I was not able to closely monitor the submission of the request for extension to the Exchange.

In view thereof, I would like to request again your indulgence and your consideration with a plea for the condonation of the above mentioned penalty. The one (1) delay was not intentional and was simply brought about by the above mentioned circumstances.

Thank you very much.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Florencio M. MAMAUAG, JR.", written in a cursive style.

FLORENCIO M. MAMAUAG, JR.
VP Legal & Asst. Corporate Secretary