



19 February 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:

Good morning!

In reply to your letter dated February 18, 2008, requesting for additional information on our tender offer disclosure of 15 February 2008, please be informed that:

1. Reason/purpose for the tender offer;

The purpose of the tender offer is to provide the minority shareholders the opportunity to monetize their stake in the company at a premium which is currently difficult to achieve because of the low current trading volumes and the liquidity of the shares. Moreover, the company will incur additional debt in excess of P5 billion due to its expansion program and this will necessarily increase interest costs which, in turn, will eventually affect dividend payments to shareholders.

2. Source/s of funds

The company will fund the tender offer out of its own financial resources as well as from a credit facility to be provided by BDO.

3. Future plans of the Company after the transaction

The company will pursue its expansion program after the transaction.

4. Pertinent accounting entries in the books to record the purchase

The shares that will be purchased will be placed in treasury.

5. Such other relevant information available

None at the moment.