

January 16, 2007

**ATTY. PETE MALABANAN**

Head, Disclosure Department  
PHILIPPINE STOCK EXCHANGE  
4/F PSE Center, Exchange Road,  
Ortigas Center, Pasig City

Re: Clarification to January 16, 2007 Philippine Star article

Dear Atty. Malabanan,

This has reference to your letter asking us to confirm the veracity of the information contained in the January 16, 2007 Philippine Star article entitled, "Aboitiz earmarks P200M for feedmill in Iligan, a portion of which is quoted hereunder:

*"Aboitiz Equity Ventures, Inc. (AEV), the listed investment holding company of the Aboitiz family, is setting aside P200 million for the establishment of a new feedmill in Iligan City.*

*AEV chief operating officer Erramon Aboitiz said the new facility will be the group's second, next to the one in Tarlac which underwent expansion in 2005.*

*The new plant will have an estimated capacity of 10,000 tons of feed per month, Aboitiz said."*

This is to confirm that AEV's subsidiary, Pilmico Foods Corporation, is looking into putting up a feedmill in Iligan with an estimated capacity of 9,000 to 10,000 tons of feed per month.

The planned investment is in line with Pilmico's continuing efforts to further concentrate on growing its flour milling and feeds businesses.

We hope that we have sufficiently clarified your query.

Thank you.

Very truly yours,

**(Original signed)**  
**M. JASMINE S. OPORTO**  
Corporate Secretary