December 20, 2010

THE PHILIPPINE STOCK EXCHANGE, INC.
PSE Center, Exchange Road, Ortigas Centre
Pasig City

> *Attention* : **Ms. Janet A. Encarnacion**
> *Head, Disclosure Department*

Gentlemen:

This is in reply to your letter dated December 20, 2010 requiring LRWC to clarify the news article published in today's issue of The Philippine Star entitled "Belle group to tap Macau gaming firm for resort-entertainment complex" particularly in this part:

> "The consortium of Belle Corp. and Leisure & Resorts World Corp. (LRWC) is likely to tap the services of Macau-based Asia Pacific Gaming (APG), a leader in gaming consultancy, as it contemplates running and funding its proposed multi-billion peso integrated resort entertainment complex on its own. Negros Occidental Rep. Alfredo "Albee" Benitez, majority owner and former president of LRWC, said the group may not take in a foreign strategic partner and could just hire APG to help them operate The Belle Grande Manila Bay, which is targeted for soft opening by the fourth quarter next year…"

We hereby confirm that LRWC is negotiating with Asia Pacific Gaming (APG) for APG to act as a consultant for Belle's casino set-up and operations in the event that LRWC is formally designated by Belle to be its local operating partner in its casino project. While Belle considers LRWC as its prospective local partner in their casino project, there is, to date, no finalized agreement between the two corporations. The consultancy agreement being negotiated with APG will be contingent on LRWC signing an operating agreement with Belle. LRWC is not in a position to state whether or not Belle will take a foreign strategic partner. This is a matter that should be addressed to Belle.

We trust that with the foregoing explanations, we have sufficiently clarified the information contained in the above-quoted news article.

Thank you.

Very truly yours,

GEOFFREY L. UYMATIAO
Treasurer