



25 January 2013

Philippine Stock Exchange, Inc.
Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Ma. Ilonah Jane T. Torres**
Analyst, Disclosure Department

Ms. Janet A. Encarnacion
Head, Disclosure Department

Gentlemen:

We reply to your request for clarification on a news article entitled "LRWC eyeing P1 billion for more bingo sites, building project" posted in The Manila Times.net on 25 January 2013. The pertinent portion of the article states:

Listed gaming firm Leisure and Resorts World Corp. (LRWC) is looking to spend P500 million for 30 to 40 additional bingo sites, and another P500 million for a joint office building project in Makati City called Techzone.

LWRC Investor Relations Officer Freddie Reyes said in a telephone interview that as part of the proceeds from its planned offering of P1.75 billion preferred shares within the year, the company is looking to spend P500 million for the 30 to 40 additional bingo sites it is planning to roll out in 2013.

"We were looking to allot P500 million for bingo sites, including existing sites where we have to renovate," he said.

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Reyes also said that LRWC might allocate another P500 million for a joint venture project to build an office building in Makati called Techzone.

"Our participation [in the project] is P500 million but to qualify that, some of the units will be sold, so maybe the whole amount will not be needed," he said.

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As for its 2013 outlook, Reyes said that LRWC is expecting continued growth and is hoping that its recently-acquired Midas Hotel would start contributing significantly to earnings.

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As disclosed to the Exchange on 23 and 24 January 2013, the proceeds of the ₱1.75 billion preferred shares offer will be used to finance the following: (a) acquisition of additional bingo sites; (b) Belle Grande Integrated Resort and Casino project; (c) Techzone project; and (d) Midas Hotel project. However, the exact allocation of the proceeds of the offer will depend on further discussions of management and the results of the private placement offering. The figures quoted in the article are estimates and are still subject to approval.

Very truly yours,

A handwritten signature in black ink, appearing to read 'RAUL G. GERODIAS', with a large, sweeping initial 'R'.

RAUL G. GERODIAS
Compliance Officer