



13 November 2012

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

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

We reply to your request for clarification on a news article entitled "LRWC acquires 51% stake in Midas Hotel" posted in the *philSTAR.com* on 13 November 2012. The pertinent portion of the article states:

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Aside from Midas Hotel, LRWC is also injecting P4 billion in capital to help fund a \$1-billion integrated casino and resort on a reclaimed land along Manila Bay. The project is in partnership with Belle Corp. and Macau casino giant Melco Crown Entertainment Ltd.

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As previously disclosed on 29 October 2012, the Company's wholly-owned subsidiary AB Leisure Global, Inc. (ABLGI) will provide funding to Belle Corporation (Belle) for the Casino Project equivalent to 30% of Belle's interest, or an estimated P 4 billion which will be funded through debt and internally generated income. In exchange for ABLGI's contribution, ABLGI shall be entitled to 30% of the fixed yearly income generated from the leasing of all commercial spaces in the project, inclusive of the hotel, retail and casino premises. Moreover, ABLGI shall be paid fees equivalent to 30% of the 50% share of Premium Leisure and Amusement, Inc. (PLAI) on the EBITDA from casino operations or 30% of PLAI's 15% share of the Net Win, whichever is higher, after deducting PLAI's Royalty which is based on Gross Win.

Very truly yours,

A handwritten signature in black ink, appearing to read "Raul G. Gerodias", with a stylized flourish at the end.

**RAUL G. GERODIAS**  
*Compliance Officer*