



January 10, 2011

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 January 10, 2011 requiring LRWC to clarify the news article posted in today's issue of the BusinessWorld Online entitled "Belle and LRWC finalize tieup" particularly in this part:

"HIGH-END leisure developer Belle Corp. is finally sealing within this week an agreement to take Leisure and Resorts World Corp. (LRWC) as its local operating partner for the planned multibillion-peso casino complex within the Manila Bay reclamation area. "The signing is (this) week, (it's) all systems go," said Belle vice chairman Willy Ocier in a text message, responding to a BusinessMirror query on the status of the deal ..."

Our company confirms that there are on-going negotiations with Belle Corporation for an operating agreement designating LRWC as its local operating partner for its casino project. The operating agreement may be finalized and signed this week if all the issues are finally resolved. We still have to receive confirmation from Belle Corporation as the approval of the draft agreement and the schedule of for the signing of the agreement. We shall immediately inform the Exchange as soon as the agreement is finalized and signed by the parties.

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,

A handwritten signature in black ink, appearing to read "Geoffrey L. Uymatiao", written in a cursive style.

GEOFFREY L. UYMATIAO
Treasurer