



09 July 2012

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

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

Gentlemen:

We reply to your request for clarification on a news article entitled "Leisure & Resorts World to invest P3 B in Sy-led casino venture" posted in the *philSTAR.com* on 09 July 2012. The pertinent portion of the article states:

MANILA, Philippines - Leisure & Resorts World Corp. (LRWC) will invest as much as P3 billion in a \$1 billion casino venture with Sy-led upscale leisure developer Belle Corp. and Macau casino firm MelcoCrown Entertainment (Melco).

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LRWC was originally supposed to manage the casino and split EBITDA (earnings before interest, taxes, depreciation and amortization) evenly with Belle for a 10-year time frame. Belle and LRWC, however, decided to amend their earlier arrangement to make way for the entry of Melco.

Sources said LRWC is likely to get a maximum 30 percent share of the lease rental payments to be made by Melco to Belle for the casino property.

Aside from that, LRWC is expected to get up to 15 percent of the casino's revenues.

Sources said LRWC would invest up to P3 billion in the entertainment complex, which will come from a combination of cash and debt.

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We confirm that the agreement among LRWC, AB Leisure Global, Inc., Premium Leisure and Amusement, Inc. and Belle Corporation was amended to make way for the participation of Melco in the Belle Grande Integrated Resort and Casino Project. However, the definite terms of the amount of investment and other terms and conditions are still being discussed by the parties and will be embodied in the final and definitive agreement.

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