



July 29, 2010

THE PHILIPPINE STOCK EXCHANGE, INC.

4th Floor, Philippine Stock Exchange Center
Exchange Road, Ortigas Center, Pasig City

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

Re: Clarification of news articles

Gentlemen:

This has reference to your request for clarification regarding the news articles published in yesterday's issue, July 28, 2010, of the *Manila Bulletin (Internet Edition)* and in today's issue of *The Philippine Star*, respectively, as follows:

1. "DMCI expects 50% rise in profits; Semirara eyes Meralco, Marubeni ties" posted in the *Manila Bulletin (Internet Edition)*, which reported in part that:

... At the sidelines of the firm's annual stockholders' meeting, DMCI president Isidro Consunji said coal and power unit Semirara Mining Corporation will contribute P1.8 billion to holding firm's earnings... Consunji said they expects (*sic*) to spend \$60 million, down from the original budget of \$120 million for the rehabilitation and upgrading of the two Calaca plants to bring back capacity of 550 megawatts from the current output of 340 megawatts...

Please be advised the \$60 million budget is based on estimates of the Corporation in rehabilitating and upgrading of the two Calaca power plants. This may significantly change due to unforeseen events.

2. "Meralco-Marubeni mulls tieup with DMCI for \$750-M project" published in the *The Philippine Star* on July 29, 2010, which reported in part that:

Power utility giant Manila Electric Co. and Marubeni Corp. of Japan are reportedly interested in partnering with the Consunji-led SEM-Calaca Power Corp. to build a new 600-megawatt coal-fired power plant in Batangas estimated to cost \$750 million, according to a top official of DMCI Holdings Inc. DMCI Holdings president Isidro Consunji said his group is scouting for a partner for its planned coal power plant in Calaca,



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Batangas which has drawn a lot of interest from Meralco and Marubeni. "Meralco and Marubeni have expressed interest to join us in this project," he said...

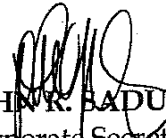
Anent to the immediately foregoing news article, the plan to build a new 600-megawatt coal-fired power plant is at the exploratory stage.

Thank you.

Very truly yours,

SEMIRARA MINING CORPORATION

By:


JOHN R. BADULLO
Corporate Secretary