



**First Philippine
Holdings Corporation**

23 July 2009

PHILIPPINE STOCK EXCHANGE

4th Floor, PSE Center
Exchange Road
Ortigas Center, Pasig City

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

Ladies and Gentlemen:

This is in response to your letter dated 22 July 2009 with respect to the news column entitled "Ultimatum for 'two-timing' auditor" published in the July 22, 2009 issue of the Philippine Daily Inquirer. The relevant portion of the article reads in part that:

"... In recent weeks, FPH prices have sizzled on talks that Ayala Corp. and a foreign partner would come in as strategic partners and acquire a 30-percent stake, diluting the Lopezes' holdings, but allowing them to retain control.... But much to the regret of those who had bought FPH shares in anticipation of the entry of these new formidable investors, the talks have bogged down, at least for now...."

First Philippine Holdings Corporation ("FPH") has always been open to partnerships with entities that share its business philosophy and which will help maximize shareholder value. In the ordinary course of business, FPH has had talks with a number of potential investors. However, it is not in discussions with the Ayala Group on the acquisition of a 30-percent stake in FPH.

We trust that the foregoing is sufficiently helpful to you. Please do not hesitate to call us should you have any further questions.

Thank you.

Very truly yours,


RODOLFO R. WAGA, JR.
Asst. Information Officer