



CIRCULAR FOR BROKERS No. 0108-2003

Philippine Stock Exchange, Inc.

<input checked="" type="checkbox"/> Disclosures	<input type="checkbox"/> Stockholders' Meeting	Others: _____
<input type="checkbox"/> Dividend Update	<input type="checkbox"/> SEC / Gov't. Issuance	_____
<input type="checkbox"/> Stock Rights Notice	<input type="checkbox"/> Transfer Agent's Notice	_____

Posted January 16, 2003

Date : **January 16, 2003**
 Subject : **BENPRES HOLDINGS CORPORATION**

This is in reference to the news article entitled "Maynilad rate hike plea gets clearance from MWSS" published in the January 15, 2003 issue of the BusinessWorld. The article reported that: "The Metropolitan Waterworks and Sewerage System (MWSS) yesterday said it approved new rebased rates for Maynilad Water Services, Inc. In a telephone interview, MWSS-Regulatory Office (MWSS-RO) chief Eduardo C. Santos said the board has allowed Maynilad to raise water tariff by P6.84 per cubic meter to P26.76 per cubic meter from P19.92 at present. However, Mr. Santos said initially, Maynilad can only increase its all-in average tariff rates this year by P4.4 per cubic meter, while the P2.44-per-cubic-meter balance will be implemented in the next four years. x x x"

Benpres Holdings Corporation ("BPC"), in its letter dated January 15, 2003, disclosed that:

"x x x

In a letter from Mr. Orlando Hondrade, Administrator of MWSS, dated January 9, 2003, Maynilad Water Services, Inc. was informed of the MWSS Board Resolution to grant a rate increase to Maynilad. The news article correctly captures the specific amount and timing of the rate hike granted by MWSS.

However, the rate adjustment is one of the several issues raised by Maynilad against MWSS in its Notice of Early Termination submitted to MWSS on December 9, 2002. Maynilad, with its legal counsel, are currently reviewing the impact of the rate hike implementation."

For your information.

(Original Signed)
TRISHA M. ZAMESA
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Noted by:

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