

SUNTRUST HOME DEVELOPERS, INC.

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26 October 2011

The Philippine Stock Exchange, Inc.

Disclosure Department
3F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1226

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

Ms. France Alexandra M. Du
Assistant Manager, Disclosure Department

Gentlemen:

We reply to your letter dated October 26, 2011 received via ODiSy wherein Suntrust Home Developers, Inc. (the "Company") is requested to clarify and/or confirm the news article entitled "Suntrust expects windfall from acquisition of affiliate" published in the October 26, 2011 issue of *The Manila Times*, which reported in part that:

"SUNTRUST Home Developers, Inc. expects the acquisition of a property management arm of the Megaworld Group to boost profitability in the future.

Ferdinand Masi, Suntrust Chairman, told reporters the company expects First Oceanic Property Management, Inc., which manages residential and office condominium and private estates, to contribute about P10 million to P12 million to earnings this year.

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"In the meantime, we will focus of property management because of the limited resources of the company to ensure a stream of profit," said Masi.

The Company wishes to clarify that the figures stated represent an estimate on an annualized basis of the net income reported by First Oceanic Property Management, Inc. as of end April this year.

We trust we have satisfied the requirements of the Exchange.

Very truly yours,



ROLANDO D. SIATELA
Corporate Secretary & Information Officer