



MACONDRAY PLASTICS, INC.

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January 4, 2010

PHILIPPINE STOCK EXCHANGE, INC.

Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City

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

Ladies and Gentlemen:

Re: Macondray allots P5b for capital expenditure

We write in response to your letter of 4 January 2010 on the newspaper article on the above-referred subject published in the 4 January 2010 issue of the Manila Standard Today, which reads in part:

"MACONDRAY Plastics, Inc., soon to be renamed Alphaland Corp., plans to spend between P3 billion and P5 billion in capital expenditure this year to finance several property projects. Macondray president Mario Oreta told reporters the company is lining up two real estate projects, namely Alphaland Bay City along Roxas Boulevard and a mixed use development in Makati Oreta said the construction of the project might start in 2012 in time for the recovery of the BPO sector"

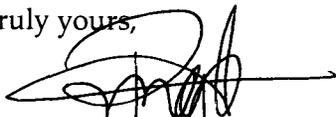
We confirm that Atty. Mario A. Oreta, President of Alphaland Corporation (the new name of Macondray Plastics, Inc. and hereinafter referred to as the "Company"), talked with reporters during the Company's special stockholders meeting held last 23 December 2009 where, in response to queries, he discussed the Company's upcoming plans and projects. However, we would like to make the following clarifications:

1. As previously disclosed, the Company's soon to be wholly-owned subsidiary, Alphaland Development, Inc. (formerly, Alphaland Corporation and hereinafter referred to as "Alphaland") has five major property development projects: Shangri-la at the Fort, Alphaland Southgate Tower and Mall, Alphaland Makati Place, Alphaland Bay City and The Alphaland Makati Tower.
2. Shangri-la at the Fort, where Alphaland has a 20% stake, is an ongoing development led by the Shangri-la Group.
3. Alphaland Southgate Tower and Mall, is 100% owned by Alphaland and was completed in August of 2009. Alphaland Southgate Tower will be inaugurated this month.

4. Alphaland Makati Place and Alphaland Bay City are the two real estate projects mentioned in the above-quoted article as being lined up by the Company for this year.
5. Alphaland Makati Place is an 85:15 joint venture between Silvertown Property Development Corporation (to be renamed, Alphaland Makati Place, Inc. and hereinafter referred to as "Silvertown") and the Boy Scouts of the Philippines to develop a one hectare property located at the corner of Ayala Avenue and Malugay Street in Makati City. As mentioned in the above-quoted news article, it will be a mixed-use development with a shopping mall and a city club as well as three residential towers. Silvertown is a 94%-owned subsidiary of Alphaland.
6. Alphaland Bay City is a 50:50 joint venture between Alphaland and the D.M. Wenceslao group to develop around 32 hectares of reclaimed land in Parañaque City, located in between the SM Mall of Asia and the Pagcor Entertainment City. The development will include a world class yacht club as well as hotels, retail establishments and residential towers.
7. For 2010, the Company (through its subsidiaries) intends to first build the shopping mall and the city club (at a cost of approximately P2.3 billion) for the Alphaland Makati Place project and the marina (at a cost of approximately P1 billion) for the Alphaland Bay City project. Hence the estimate of at least P3 billion in capital expenditure for 2010. Since the Company is also looking at other projects for the year, an estimate ceiling of P5 billion in capital expenditure was also mentioned.
8. For The Alphaland Makati Tower project, the Company plans to start construction sometime in 2011 (not 2012 as indicated in the above-quoted news article) in time for the country's projected economic recovery (not just of the BPO sector as indicated in the above-quoted news article).

We hope the foregoing fully clarifies the matter and fully apprises the Exchange as well as the investing public of the developments in the Company.

Very truly yours,



RODOLFO MA. A. PONFERRADA

Corporate Information Officer