



Trans-Asia Oil
and Energy Development
Corporation

7 February 2011

MS. JANET A. ENCARNACION
Head-Disclosure Department
4th Floor, The Philippine Stock Exchange, Inc.
Philippine Stock Exchange Center
Exchange Road, Ortigas Center, Pasig City

Re : **The Philippine Star News Article**

Dear Ms. Encarnacion,

This refers to your letter dated 7 February 2011, requesting confirmation of the news article entitled, "*Trans-Asia Renewable Energy raising capital from P100M to P1B*" that was published in the 6 February 2011 issue of the *Philippine Star*, and which reported in part that:

Trans-Asia Renewable Energy (Tarec), a member of the Phinma Group of Companies, is raising capitalization to P1 billion from P100 million. Documents filed with the Securities and Exchange Commission show that P225 million out of the P900 million capital increase had been subscribed and paid for by Trans-Asia Oil & Energy Development Corp...

Please be informed that the news article is accurate insofar as it reports the increase in TAREC's authorized capital stock. Furthermore, a disclosure regarding the abovementioned was made to the Philippine Stock Exchange on 13 September 2010.

With regards to the last paragraph of the news article, Trans-Asia Oil acquired CIP II Power Corporation (CIPP) on 28 December 2006 from Ascendas Utilities PTE of Singapore. CIPP operated a 21-MW power plant in Carmelray Industrial Park II Special Economic Zone in Calamba, Laguna.

Sincerely,

BENNETTE D. BACHOCO
SVP-Finance