

PRESSRELEASE

DOTC AWARDS LRT 1 TO METRO PACIFIC -AYALA CONSORTIUM

28 July 2014, Manila, Philippines--The Department of Transportation and Communication (DOTC) today officially awarded the 32-year concession for the LRT Line 1 project to the Light Rail Manila Consortium (LRMC). LRMC is composed of Metro Pacific Light Rail Corp. who leads the consortium with a 55% stake, AC Infrastructure Holdings Corporation with a 35% stake, and Macquarie Infrastructure Holdings (Philippines), Inc. with a 10% stake.

The Consortium has put together partnerships with solid global companies such as Bouygues Travaux Publics and Alstom Transport Pte Ltd. to build the rail system. Both French companies, well known for their efficiency and reliability, carry impressive track records in constructing multiple mass rail transit systems in France and in other parts of the world. .

The Consortium also pre-qualified two (2) of the top operators that dominate the global rail industry--RATP Dev, which runs the Paris Metro, and MTR Corporation of Hong Kong. The commitment of these internationally-recognized companies in the field of rail development attests to the consortium's desire to bring only the best expertise available to address the transport challenges faced by Manila's rapid urbanization.

Under the concession, LRMC will assume the operations and maintenance (O&M) of the existing 20-kilometer LRT Line 1 System and construct the 11.7-kilometer extension of the rail line southward from the current endpoint at Baclaran up to Niyog, Bacoor, Cavite.

This entails the construction of eight (8) new stations out of which three (3) shall have intermodal facilities. The eight new stations after Baclaran will include Aseana, MIA, Asia World, Ninoy Aquino, Dr. Santos, Las Pinas, Zapote, and Niyog. The intermodal facilities shall be located at Dr. Santos, Zapote, and Niyog.

This extension will increase the span of LRT 1 from the current 20.7-kilometer line to 32.4 kilometers and provide commuters from the Province of Cavite and other parts of Paranaque and Las Pinas vital access to central Manila. This will give daily commuters a swift and comfortable alternative to other forms of transportation to and from Manila.

LRMC will invest P35 billion to create a convenient, safe, and efficient train system that offers a long-term solution to the worsening traffic conditions in the Paranaque-Las Pinas-Cavite corridor. The extended rail line will also generate economic benefits in these areas as it opens opportunities for commercial development around the rail stations.

LRMC was declared the preferred bidder after offering the government a P9.35 billion concession fee. In turn, it will also handle the O&M of the project, including overall maintenance of the depot, electrical and mechanical systems, rolling stocks, stations, track and related assets of the LRT Line 1.

Under the PPP framework, the government will acquire the Right of Way for the Cavite Extension, the satellite depot, and procure 120 light rail vehicles which will be funded under a JICA grant.

Metro Pacific Chairman, Manuel V. Pangilinan said, "This is a momentous day for LRMC. Our partnership with the government will benefit nearly 500,000 Metro Manila commuters that ride LRT 1 daily. The Consortium commends the open and transparent bidding process adopted by the government in selecting and awarding the contract to us based on our technical and financial strengths in building a highly advanced and modern rail system that would be at par with train systems globally and our neighbours in the region."

Pangilinan added that the Consortium is committed to providing the public convenient, reliable and safe train service and will work with one of its pre-qualified international rail system operators which has solid experience in developing and operating modern and efficient mass rail transit..

"We envision a state-of-the-art train system that will bring a different rail experience to our commuters, including the introduction of an Automated Fare Collection System in the 11.7 kilometer Cavite Extension that will improve passenger comfort and convenience by cutting queuing time, and allowing seamless transfers from one rail line to another," Pangilinan added.

For his part, Jaime Augusto Zobel de Ayala, Chairman of Ayala Corp. which is a 100% owner of AC Infrastructure Holdings Corporation said, "We are excited to proceed with this project together with our partners. We share a common vision to create a highly efficient rail transport system that is safe and convenient for all the daily commuters of the rail line. Above anything else the riding experience and comfort of the commuters are our prime concern as we build a world-class rail transit system.

Mr. Zobel added, "The resources that our group and the Metro Pacific group are putting in for the rail system attest to our serious commitment to provide a holistic, long-term solution to the transport challenges we are facing today. This project is a significant step forward in creating the right environment and infrastructure to address the many pressures that growth brings to urbanization. The Ayala group has always been supportive of the country's development agenda and we will continue to support this through the many services and products we provide in real estate, telecommunications, banking, and water infrastructure. We believe this is highly important to ensure that the current momentum of growth and development that our country is taking continues."

"Through this extension project, MPIC as the lead proponent will ensure the completion of the project and shall continue to help the government in its nation-building efforts by improving transportation means that would spur economic growth and create job opportunities," Pangilinan concluded.

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