

Dear Sandra,

As per undertaking, we are furnishing you with the answers to your queries. Hopefully these will be sufficient for your report. Sorry to have not been able to meet you personally. Please feel free to ask me anything. Thanks your response and accommodation.

Lito Marana

Dear Mr. Lito,

Kindly relay this to JSG and E. Gardiola.

GMA Network plans to air the story on Monday and it is our hope that you can reply on or before Monday.

GMA News has been know for fair and balanced reporting and we would like to make sure that our report will present all sides of the story.

Thank you very much.

QUESTIONS FOR E.GARDIOLA AND JSG :

1) What is the status of your registration with the SEC and the DTI?

Kindly confirm if the information below are correct :

JSG

-SEC registration revoked due to failure to submit yearly financial statement (for five years)

While we admit to the fact that the SEC issued a revocation of its registration due to oversight of our previous accountant handling our finance reports . Nevertheless, we have religiously filed our FINANCIAL STATEMENTS with the BIR annually as a requirement for accreditation with PCAB. Corrective steps have been taken to address this. Presently, we are preparing a Petition to lift said revocation.

-DTI registration : active (june 1, 2004)

E. Gardiola

-Sec registration : active (feb 12, 08)

-DTI registration : active (feb 27, 09)

2) For E. Gardiola : If the company was registered with the DTI only in 2008, how were you able to get government contracts before 2008?

Information is incorrect because the company was established in 1993 and at that same year, the company already registered with the DTI. So prior to 2008 its was already registered with DTI.

3) kindly give us a profile of your company - when was it founded? how many employees? how many branches? where are these branches?

JSG CONSTRUCTION started it's operation in 1986 as a Single-Proprietorship company. The company initially provided general construction service to the Local Municipal Government and the Department of Public Works and Highways. Armed with only a handful of equipments, skilled and efficient workers and a big dream, the company started to carve a solid name in the local construction industry, providing general construction and some building services.

It was in April of 1994, when the company, looking forward and wanting to pre-qualify to bigger aspirations, has decided to register with the Securities and Exchange Commission as a corporation, JSG CONSTRUCTION COMPANY, INC. The transition from a Single-Proprietorship to a Corporation had been easy for JSG because the company has already established a solid reputation in the local industry. Among the projects tackled by the company during that time were the following, to name a few:

- *Various Projects for the Handicapped*
- *Public Markets*
- *Road Improvement/Drainage Improvement*
- *Bridges*

Established in 1993, **E.GARDIOLA CONSTRUCTION** has been continuously doing construction projects, both for private and government sectors.

It has been fifteen (15) challenging fruitful years since the time it was established. The company has been able to deliver quality results in its projects and it has won a large number of clientele to serve. As such, it has made the company gain and keep good stand in the industry's fast growing competition.

The company started with a project that barely entailed a contract price of P250,000.00. It was a maiden project that started it all. Propelled by the values of fairness in all its dealings, good human relations, sense of commitment, hard work, skills and dedication, dependable workforce, quality work and good results, the company has gradually gained success in meeting the industry's fast and non-scalable demands.

Now, the company executes several contracts for various construction projects. This time, the prices of projects have grown in millions. With this, it is the ultimate aim of the company to be able to achieve greater results in order to show best value for every cost.

E. GARDIOLA CONSTRUCTION'S mission is to carry out construction projects to the best of its human values, expertise and resources, with client's satisfaction and human relations interest as its paramount goals. The company envisions to continue contributing largely to the country's industry and economy, and to remain a part of the country's pillars in supporting the whole nation.

4) Do you own other construction companies? (apart from JSG and E. Gardiola)
In what other businesses are you engaged in?

We do not own any other construction company other than abovementioned. We are engage in some real estate ventures and management contracts.

5) How were you able to get numerous government contracts? (based on our computation, JSG ranks first and E.Gardiola ranks seventh in terms of aggregate amount of government contracts)

We would like to believe that perseverance and hardwork has a lot to do with that. We started small but with a big dream.we actively participated in various biddings and fortunately was able to get a lot of winning bids.

6) What could have been your edge over other contractors?

We have a proven track record for finishing projects on time and not been involved in any anomalous transactions or engage in ghost projects .

7) How are you able to take projects as far as mindanao if E. Gardiola is based in Manila and JSG in Batangas?

Projects are posted in PhilGEPS (online), the DPWH website and also advertised in newspapers specifically Manila Standard and Manila Times. We were very aggressive in our pursuit of various government public work programs that we were able to get projects as far as Mindanao.

8) We understand that sub-contracting is a regular practice among many contractors. Do you also sub-contract your projects in far flung areas?

NO, we do not sub contract out projects.

9) If so, how do you make sure that sub-contractors produce quality roads?