



## DFNN GROUP OF COMPANIES

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Via ODiSy

March 22, 2010

### **PHILIPPINE STOCK EXCHANGE, INC.**

Philippine Stock Exchange Centre  
Exchange Road, Ortigas Center  
Pasig City

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

Gentlemen:

This is to inform the Philippine Stock Exchange that DFNN, Inc. ("DFNN"), pursuant to Civil Case No. Q-10-66454 entitled an "Application for Interim Measure of Protection in Aid of Arbitration – Preliminary Injunction with Application for Temporary Order for Protection" pending before Branch 220 of the Regional Trial Court of Quezon City (the "Court"), received today, its copy an Order dated 19 March 2010 from the Court granting DFNN's petition for among others the issuance of a Writ of Preliminary Injunction ("WPI") restraining the Philippine Charity Sweepstakes Office ("PCSO") from implementing PCSO Resolution No. 1210 (the "PCSO Resolution") which allows PCSO to implement betting through PCD/wireless technology with possible vendors Philippine Gaming Management Corporation, Pacific Online Systems Corporation and any other possible entities.

The WPI was issued by the Court to prevent PCSO from awarding any contract to any entity for PCD/wireless betting while DFNN is commencing arbitration proceedings in connection with the cancellation of its Equipment Lease Agreement with the PCSO dated 9 April 2003 ("ELA"). Under the ELA, DFNN was to provide the PCSO with PCD/wireless technology to enable PCSO to receive lotto bets nationwide via said technology. In issuing the Order, the Court provided that:


*"In the present application, petitioner DFNN has sufficiently shown that: (1) the unilateral cancellation of the ELA was without cause; (2) the issuance of the PCSO Resolution, approving the revised text betting project, as well as PCSO's act of negotiating with third parties regarding the implementation of the said project compounds the violation of the rights of DFNN; and (3) DFNN will suffer grave and irreparable injury should the above acts of PCSO not be enjoined. Hence, this Court finds DFNN's application for issuance of an interim of protection by way of writ of preliminary injunction proper."*

The Order is immediately executory.

For your information and guidance.

**DFNN, INC.**

By:

  
Patricia De Las Cagigas  
Corporate Information Officer