



**First Philippine  
Holdings Corporation**

30 January 2009

**PHILIPPINE STOCK EXCHANGE**

4<sup>th</sup> Floor PSE Center  
Exchange Road  
Ortigas Center, Pasig City

Attention: **ATTY. PETE M. MALABANAN**  
*Head, Disclosure Department*

**MR. NOEL B. DEL CASTILLO**  
*Analyst, Disclosure Department*

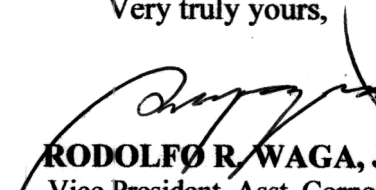
Re: **Annual Report on Use of Proceeds**  
**Series B Preferred Shares**

Gentlemen:

Attached is First Philippine Holdings Corporation's Annual Report on the Use of Proceeds from its Series B Preferred Shares. We trust you will find the foregoing in order.

Thank you.

Very truly yours,

  
**RODOLFO R. WAGA, JR.**  
Vice President, Asst. Corporate  
Secretary & Asst. Information Officer

FPHC's Perpetual Preferred Shares-Series B  
**Annual Progress Report on Use of Proceeds**  
As of 31 December 2008

	Actual		
<b>Preferred Shares Series B</b>	<b>Php</b>		<b>4,300,000,000.00</b>
<b>Expenses:</b>			
SEC Registration and other fees			1,853,500.00
Documentary stamp tax			25,000,000.00
Issue Management, Underwriting and Selling fees			45,505,376.34
PSE filing and processing fees			4,873,000.00
Professional fees			2,526,184.74
Printing and publication costs			503,516.00
Stock transfer and Receiving Agent fees			300,000.00
Roadshows, promotions & others			906,938.53
			81,468,515.61
 <i>Net Proceeds</i>			 <b>4,218,531,484.39</b>
 <b>Debt repayment/buy-back</b>			
Principal buyback: Floating Rate Notes (FRN) -- Credit Suisse			
May 2008	\$	6,000,000.00 PHP 42.265	253,590,000.00
December 2008	\$	24,900,000.00 PHP 48.940	1,218,606,000.00
Credit Suisse : Interest - September 2008	\$	2,250,600.60 PHP 45.925	103,358,832.56
 AIMCF (Term Notes due in 2011)			
11 July 2008 - Principal	\$	5,000,000.00 PHP 44.900	224,500,000.00
- Interest	\$	1,857,916.67 PHP 44.900	83,420,458.33
 PhP5 Billion FXCN (ING) - Interest - October 2008		PHP 192,982,556.25	192,982,556.25
 Standard Bank Asia Limited			
22 October 2008 - Principal	\$	3,550,000.00 PHP 47.05	167,027,500.00
Interest	\$	683,502.46 PHP 47.05	32,158,790.74
 BDO - FRCN - 30 Oct 2008 - PhP6.4 Billion (Peso tranche) - Interest		PHP 291,200,000.00	291,200,000.00
BDO - FRCN - 30 Oct 2008 - US\$152 MM (Dollar tranche) - Interest	\$	3,906,400.00 PHP 47.05	183,796,120.00
			2,750,640,257.88
 <b>Balance as of 31 December 2008</b>	<b>Php</b>		<b><u>1,467,891,226.51</u></b>