

**MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF  
FIRST PHILIPPINE HOLDINGS CORPORATION  
HELD AT THE ROCKWELL TENT, ROCKWELL CENTER  
J.P. RIZAL AVENUE, MAKATI CITY  
ON MAY 27, 2013**

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The annual meeting of the stockholders of First Philippine Holdings Corporation (“Corporation”) was held at 10:00 a.m. on May 27, 2013 at the Rockwell Tent, Rockwell Center, J.P. Rizal Avenue, Makati City. The following Directors were present at the meeting:

Mr. Oscar M. Lopez  
Mr. Federico R. Lopez  
Mr. Manuel M. Lopez  
Mr. Augusto Almeda-Lopez  
Amb. Cesar B. Bautista  
Mr. Arthur A. De Guia  
Mr. Peter D. Garrucho, Jr.  
Mr. Oscar J. Hilado  
Mr. Elpidio L. Ibañez  
Mr. Eugenio L. Lopez III  
Chief Justice Artemio V. Panganiban  
Mr. Francis Giles B. Puno  
Mr. Ernesto B. Rufino, Jr.  
Mr. Washington Z. Sycip

**CALL TO ORDER**

The meeting was called to order by Mr. Federico R. Lopez, Chairman of the meeting. The minutes of the proceedings were recorded by Mr. Enrique I. Quiason, Corporate Secretary.

**PROOF OF NOTICE**

The Secretary reported that notices of the annual meeting of the stockholders had been sent to the stockholders of the Corporation. He had executed a certification to that effect. The Chairman directed the Secretary to append the said certification to the minutes of the meeting.

**DETERMINATION OF QUORUM/GROUND RULES**

The Secretary reported that out of the 551,958,397 common shares issued and outstanding, there were present either in person or represented by proxy 356,860,082

shares of the common stock representing 64.65% of the outstanding voting stock of the Corporation. There being a quorum, the Chairman of the meeting declared the meeting open for the transaction of business. A few of the proxies submitted and validated carried approvals for, abstentions or opposition to some of the matters to be discussed during this meeting. While the abstentions or opposition are not significant and will not affect the results of the voting, they will nevertheless be made part of the records and noted for each item under consideration.

For fair, orderly, and efficient proceedings, the Corporate Secretary advised that the following ground rules were going to be observed during the meeting:

(a) Each stockholder shall be allowed one (1) vote per share. In case of election of directors, a shareholder is allowed to cumulate his votes;

(b) A stockholder who wishes to take the floor must identify himself and direct his question to the Chairman. If he is a holder of a proxy, he is to state this fact and the name of the stockholder who granted him the proxy. He must first be recognized by the Chairman before he can have the floor;

(c) Questions or comments from the floor will be entertained subject to the following:

(i) Only questions or comments relevant to the particular item in the agenda being discussed will be allowed;

(ii) To give equal chance to everyone – a stockholder can ask one (1) question or give one (1) comment. If there are questions or comments which could not be entertained on the floor, a stockholder may submit his/her position in writing to the Office of the Corporate Secretary within five (5) days from today;

(d) A stockholder shall be given, at most, two (2) minutes to ask a question or to discuss his comments;

(e) Voting shall be by viva voce. The stock transfer agent shall assist in the recording of votes.

The Chairman may waive or allow exceptions to the foregoing rules if, in his judgment, he deems it necessary or proper under the circumstances. Any person who fails to follow the foregoing guidelines may be declared out of order and barred from further participation in the proceedings or escorted from the venue.

The Corporate Secretary reminded everyone to observe proper decorum and due courtesy during the meeting.

## **APPROVAL OF MINUTES OF PREVIOUS MEETING**

On motion made and seconded, the reading of the minutes of the Annual Stockholders Meeting held last May 28, 2012, copies of which had earlier been circulated to the stockholders, was dispensed with, and the minutes were approved as recorded.

Stockholders representing 326,378,967 shares or 91.46% of the shares present or represented at the meeting voted in person or by proxy in favor of approving the minutes of the annual stockholders meeting held on May 28, 2012 while stockholders representing 28,671,302 shares or 8.02% of the shares present or represented at the meeting abstained from voting.

## **THE CHAIRMAN'S REPORT**

Mr. Federico R. Lopez, the Chairman & Chief Executive Officer, then rendered his annual report, thus -

To My Fellow Stakeholders:

The year 2012 saw yet another boost in our recurring net income (*attributable to equity holders of the parent*) by almost 28% to Php4.34 Billion, up from Php3.4 Billion in 2011, and likewise up from just Php1.5 Billion in 2010.

This steady climb in the recurring income base of First Philippine Holdings (FPH) is quite important for us, given that we have been prudently redeploying our capital, management time and human resources to activities that are expected to generate higher returns for the company in the coming years.

In this regard, we are eager to sweat our platform of assets more, maximize potential and have all our subsidiaries firing on all cylinders in the coming years.

This is precisely why FPH is adopting a more active parenting style over its subs, empowering them to become the growth engines of our company in the decades to come.

FPH is enabling this future via three words: Vision, Execution and Collaboration.

### ***Vision***

As we celebrated our 50<sup>th</sup> anniversary in 2011, FPH took a long hard look at its past half-century as a company.

In the process of reacquainting ourselves with our history, we rediscovered an alignment of purpose between past and future. That of “*uplifting lives through key industries and infrastructure that advance national development*”.

This purpose has permeated everything FPH and the Lopez group has done since its inception and it will continue to be at the core of our life as a company. However, we also know that this vision can only be possible and sustained if we have *strategic clarity* in all our businesses and our actions are always guided by our values.

### ***Execution***

We have an excellent platform of businesses from which to propel FPH onto a second wave of growth for its next 50 years. Nevertheless, vision and strategic clarity are nothing without capable execution. Which is why we keenly emphasize *talent-centricity* at FPH and we will continue to hire, position and empower the best people to bring our businesses to greater heights.

### ***Collaboration***

To maximize the potential of all our business platforms we must combine the many unique capabilities we find throughout the group. That can only be done if we create an innovative internal environment that encourages both collaboration and *synergy*.

Throughout 2012, many good developments have affirmed the initiatives and directions we've taken.

At First Gen Corporation (First Gen), recurring net income is at an historic high of US\$166 MM or roughly Php6.6 Billion. This was also a result of a record recurring net income of Php8.2 Billion at Energy Development Corporation (EDC) as well as First Gen's purchase of BG plc's 40% stake in First Gas at an attractive price of US\$360 MM.

The BG buyout added close to US\$31 MM or Php1.3 Billion in net income to First Gen's bottom line last year, somewhat like adding a 600MW power plant to its portfolio overnight!

However, more than just the incremental income, the key gain of the BG buyout is that, whereas we were previously constrained by a 40% partner reluctant to invest funds in a business they considered non-core, today we now have the ability to freely pursue growth of our natural gas platform for the country. Not only does this mean developing more gas-fired power plants for the future but we can decisively take the lead and build a capability to import Liquefied Natural Gas for our power plants as well.

Our San Gabriel project is strategically positioned at this historic juncture. We believe that given the need to diversify energy sources, this capability will become vital to our country's energy infrastructure in the coming decades. The BG stake acquisition has indeed unleashed our natural gas platform towards a new dynamic growth path for the coming years.

Furthermore, with the implementation of the feed-in-tariffs for renewable energy this year, we are set to unleash even more platforms for growth.

EDC is venturing into wind energy through an approximate US\$300 million investment in the 87-MW Burgos Wind Project in Ilocos Norte with the possibility of expansion to 150 MW. We have signed an Engineering, Procurement and Construction contract with Vestas of Denmark, the world-leader in wind turbines, for the construction of the plant.

We will also build 63 MW of run-of-river hydropower plants in two sites in Agusan del Norte and another in Bukidnon and bid out the EPC contracts for all three plants within the year.

Of course, our geothermal platform in EDC is pushing forward on the expansion of its existing sites like Mt. Apo in Kidapawan, as well as Bacman 3 and Kayabon in Albay/Sorsogon. We are also in the process of relocating part of the Northern Negros Geothermal Plant to Nasulo in Southern Negros to generate an additional 20 MW, and we expect to commission in 2014.

In the international sphere, EDC was awarded three sites in a tender process conducted by the Chilean government: Batea, Newen and San Rafael. EDC is also looking at the prospects of developing an additional two concessions in Chile and six concessions in Peru through potential joint venture partnerships with the concession holders.

Just last May 20, we signed a joint venture agreement with Alterra Power Corp., a Canadian-based renewable energy company for the exploration and development of the Mariposa project in Chile and 3 geothermal projects in Peru, namely --- Tutupaca, Loriscota and Crucero. We also continue to pursue the Quellaapacheta prospect in Peru via our shareholders agreement with Hot Rock Ltd. of Australia.

Last December, EDC was also awarded by the Indonesian Ministry of Energy and Mineral Resources preliminary survey rights over a prospective geothermal resource in Sumatra where we will commence surface exploration activities sometime this year.

All told, the potential for growth of our various energy platforms is extremely promising and I am confident that our execution teams have the capability to make it all possible.

Another quiet transformation that's taking place is within our construction and energy services subsidiary First Balfour Inc.

Its true beginnings were as a construction and engineering firm enabling the rapid expansion of Meralco's power generation and distribution capacities in the mid 1960's.

In a similar manner, First Balfour is returning to its roots and strengthening its capabilities in the power and energy industry once again. It is developing its asset and knowledge base in geothermal drilling, tunneling, the building of transmission lines and substations and management of heavy equipment and civil works that are indispensable for a burgeoning energy industry.

Its growth is expected to track and support the same upward trajectory of the Philippine power and infrastructure sector in the next few years. In 2012, its consolidated net income has already risen to Php221 MM. We expect this to climb steadily in the years to come.

Net incomes at our real estate subsidiaries are likewise at historic highs. Rockwell Land's net profit after taxes finally breached the Billion-Peso mark at Php1.1 Billion. First Philippine Industrial Park (FPIP) also achieved its highest-ever net income last year of Php1.114 Billion made possible through record land sales of more than 52.6 hectares and higher average land selling prices.

Although Rockwell Land began as an opportunistic foray into the real estate business via an old 15.5 hectares power plant site, this foray has now become one of the highest quality brand names in the premium residential condominium market.

Aside from developing more of the same, the challenge for Rockwell Land is to capture new opportunities by extending this brand towards townhomes, office buildings, malls and service apartments as well as in other locations outside Metro Manila. It is also extending the Rockwell name into the broader market segment via its newly launched second brand, Primaries. The latter hopes to bring a new reputable level of quality and attention to detail towards this fast growing segment of the market.

FPIP is undoubtedly the strongest brand in the country's industrial park sector today. Last year alone, FPIP successfully attracted familiar names in global manufacturing like Canon, Brother, Hoya, Cooper and Jedic to build their manufacturing facilities in our park.

With their entry also come their suppliers and subcontractors also wanting to establish operations next to their largest customer.

Since we established it in 1997, we have always sought to build a park with facilities and services capable of attracting the best, most discriminating manufacturing firms in the world. In founding this subsidiary 16 years ago, our Chairman Emeritus has always had a strong belief in the potential of our country and its people. He's always harbored a conviction of us one day becoming an important manufacturing hub for global industries.

I also share his conviction that Filipinos should not have to leave their country and their families in order to have better lives. I believe the stars are finally aligning for these aspirations to materialize and FPIP will be that catalyst creating more manufacturing jobs for Filipinos right here at home.

With two emerging but powerful brands in the real estate sector now as full subsidiaries of FPH, collaboration and combination of their capabilities is the next step in creating more value for our customers. FPH parent is precisely creating the kind of environment for this to happen systematically among its subsidiaries throughout the company.

However, not everything last year was rosy. First Philippine Electric Corporation's (First Philec) foray into the photovoltaic wafer slicing business has met serious problems with the slowdown in the global solar power industry. We have initiated arbitration proceedings and the termination of supply agreements with our joint venture partners and customers that resulted in a Php3.8 Billion impairment loss in 2012.

First Philippine Industrial Corporation's (FPIC) white oil pipeline still remained in shutdown mode the whole of last year. However, we are making all the preparations necessary to operate it with heightened safety and reliability in the expectation that the Writ of Kalikasan will be lifted soon.

What we are seeing today in FPH is a massive redeployment of your company's capital, talent and resources from a highly regulated utility business like Meralco into more competitive ones like power generation, energy services, infrastructure and real estate. The results speak for themselves.

Today, FPH's market capitalization stands at Php56.3 Billion. That's more than a 50% increase from last year alone! However, with the more competitive nature of all these sectors, it is vital that we always maintain strategic clarity, constantly sharpen our ability to execute, and be mindful of combining our strengths through collaboration.

We have to remain vigilant and nimble if our businesses are to thrive into the future and stay true to our vision.

Never lost in our thoughts is the belief that each day spent at work is not just about building a company, it's about building a nation and everything about making the world a better place.

Once again, thank you for your continued trust and confidence. ✍

## **THE PRESIDENT'S REPORT**

Mr. Elpidio L. Ibañez, President & Chief Operating Officer of the Corporation, was given the floor and rendered his report, thus -

Mr. Chairman Emeritus,  
Mr. Chairman,  
Fellow Shareholders,

Good Morning.

First Philippine Holdings Corporation (FPH) generated a consolidated net income of ₱12.4 billion for the year ended December 31, 2012, significantly higher compared to the ₱4.8 billion in 2011. Net income attributable to equity holders of the Parent amounted to ₱9.6 billion in 2012 against ₱2.1 billion in 2011 driven by the strong contribution of the energy and real estate businesses coupled with gains of ₱8.2 billion on the sale of the Meralco shares and on the fair value re-statement of our investment in Rockwell Land. However, these were partially offset by our ₱2.9 billion share in the impairment loss of our solar business in 2012. Removing the effects of these gains and the impairment, FPH's recurring net income attributable to equity holders of the Parent grew by 28% from ₱3.4 billion in 2011 to ₱4.3 billion in 2012.

Our Energy sector, through First Gen, posted a robust net income attributable to Parent of \$186 million (₱7.9 billion), 431% higher compared to the previous year's net income of \$35 million (₱1.5 billion). This was fueled by higher income contributions from EDC, FG Hydro and First Gas and lower interest expenses as a result of the low interest rate environment and lower debt costs in various refinancing transactions. Energy Development Corporation (EDC) posted an all-time high income of ₱8.7 billion in 2012 against a net loss of ₱167 million in 2011. This was due to the absence of the previous year's impairment provision for the Northern Negros Geothermal Plant assets, the increased contributions of Palinpinon and Tongonan following the re-pricing of their off-take contracts and foreign exchange gains. In addition, FG Hydro had a stellar year in 2012 generating a net income of ₱3.4 billion, an increase of 183%

from the ₱1.2 billion reported in 2011, as a result of higher revenues from ancillary services and higher electricity sales.

Our Real Estate sector, likewise, achieved record financial results in 2012. First Philippine Industrial Park delivered its best ever performance of ₱1.1 billion in net income, twice the previous year's ₱511 million due to strong land sales, higher lease income from ready-built factories and recurring revenues from water sales and wastewater treatment.

Rockwell Land also breached the billion mark in net income at ₱1.1 billion, outperforming 2011 by 23% or ₱210 million, up from ₱915 million. This was driven by higher contributions from the condominium sales of Edades and The Grove. In terms of sales take up, Rockwell reported a substantial improvement of ₱4.3 billion or 87% to ₱9.2 billion with half of the sales coming from newly launched projects, the Kirov and Sakura Towers of The Proscenium and 205 Santolan.

For the construction and energy services business, First Balfour Inc. reported a 21% increase in its net income to ₱221 million in 2012 from ₱184 million in 2011. The growth resulted from higher volumes and increased margins from construction and considerable earnings from ThermaPrime, Inc., its subsidiary providing well-drilling services.

First Philippine Industrial Corporation's operating results continued to suffer due to the shutdown of its white oil pipeline operations as the "Writ of Kalikasan" is still in effect since November 2010. FPIC reported a net loss of ₱204 million for 2012.

### **First Quarter Results for 2013**

The unaudited consolidated net income for the first quarter of 2013 amounted to ₱3.8 billion, down by 51% or ₱4.0 billion from last year's ₱7.8 billion. The decline was mainly due to the absence of the ₱3.3 billion gain from the sale of Meralco shares last year. Net income attributable to Parent was ₱1.8 billion, lower by 64% or ₱3.2 billion from last year. However, without the gain of last year, recurring net income was slightly higher by 10% or ₱155 million for this period.

Our energy sector reported better results, from a net income attributable to Parent of ₱2.2 billion (US\$50.3 million) to ₱2.3 billion (US\$55.8 million) for the quarter ended March 31, 2013. This was due to higher contributions from our gas plants following the purchase of the British Gas stake last May 2012, and the lower interest expense of First Gen with the prepayment of loans and redemption of convertible bonds. This was, however, moderated by the lower earnings of EDC, due to the lower electricity sales of our hydropower business and reduced foreign exchange gains. Red Vulcan, likewise, incurred higher expenses due to taxes on loan amendments.

Our industrial estate business reported a downturn in its bottomline due to the absence of major land sales during this quarter. However, this was partially cushioned by the contribution from Rockwell Land on the back of the growth in the residential development business.

We expect to continue growing our recurring income base given the favorable business environment and deliver to you, our stakeholders, better results in the future.

Thank you and good morning.

**PRESENTATION & APPROVAL OF THE  
MANAGEMENT REPORTS AND  
RATIFICATION OF THE BOARD APPROVAL OF  
THE AUDITED FINANCIAL STATEMENTS FOR  
THE PERIOD ENDED DECEMBER 31, 2012**

The Chairman said that copies of the management report, which include the audited financial statements for the calendar year ending December 31, 2012, were distributed to the stockholders prior to the meeting. He explained that the Board of Directors approved the audited financial statements last April 4, 2013. The Chairman inquired whether there were questions from the floor on the audited financial statements.

In response to a question from Mr. Jose Leonardo, the Chairman said that the only commercial natural gas field so far is the Camago-Malampaya field; and that the field is estimated to last until about year 2022. The Chairman also said that First Gen's subsidiaries intend to enter into contracts for fuel supply, which shall take effect after 2022. If new sources of natural gas are discovered, the relevant subsidiaries will try to contract with the natural gas suppliers but absent the agreements, these subsidiaries will be importing their fuel requirements.

Mr. Cabiling, a resident of Bangkal, Makati, asked about the status on gas leak at the West Tower. The Chairman gave the floor to Mr. Anthony M. Mabasa, President of FPIC. Mr. Mabasa said that FPIC recently installed a 140-meter segment of new pipe. FPIC had to seek the permission of the Court of Appeals before connecting the same to the original pipeline because FPIC did not want to be accused of tampering with the evidence. Mr. Mabasa said that it was only recently that the company obtained all the permits. He clarified that there are no more leaks from the pipe.

In reply to the question of Mr. Rommel Songco, the Chairman said that before the leak incident, the company's net income was around Php200 Million of which sixty percent (60%) is owned by FPH and forty percent (40%) by Shell.

Mr. Songco said that right now it seems that the construction industry is booming and enjoying high valuations. He said that what he understands is that currently First Balfour, Inc. (FBI) is concentrated on the power generation industry. He asked whether there are plans to do other construction works in general. As a corollary question, he asked for the PPP projects that FBI intends to participate in.

The Chairman said that in the past, and to their credit, the bulk of FBI's projects came from projects outside of the group and they were able to build their base. This, however, gave rise to a feast and famine pattern in their financial performance. FBI had difficulties in keeping people on this basis and the turnover of people in FBI was quite high. The challenge at FPH is how to assist FBI find a base load of business that it can steadily count on. FPH looked back to its history where PECCO, the predecessor of FBI, helped Meralco expand rapidly. PECCO was the repository of knowledge in putting up power plants, substations and transmission lines. The management also determined that the single biggest growth engine in the group was power generation. FBI is trying to build up capability in the area of power generation so that they can also ride with the developments in the power generation business. Given the fact that that the FPH power group is one of the three leaders in the power generation sector, growth in the power generation will make the growth for FBI solid. FBI will still not lose its capability to seek outside projects. He noted that the other construction companies are very good in the vertical side, which is a very competitive business. On the power generation side, not many have the capability and it is in this area where FBI is competitive. FBI will be able to help the group in the power generation projects in terms of execution, which it will be able to do in a faster and better way.

Mr. Songco then said that there was a disclosure on the participation of FPH and FBI in the Mactan International Airport bid project. He asked if there are other PPP projects where FBI has participated in or plans to participate in.

Mr. Anthony L. Fernandez, the President of FBI, said that aside from the Mactan airport, FBI is also closely monitoring a few of the tenders that DPWH is planning for, including the Cavite-Laguna Expressway, and a number of bridge

projects. FBI is also tracking the other LRT projects. FBI's projects may not be in the form of PPP but as a contractor working for developers.

Mr. Songco said that the manufacturing plant for First Philec Solar Corp. is not being utilized right now. He asked whether there are plans to use it for other purposes, or whether it can be used for other purposes. Mr. Ibañez said that the company is in arbitration. FPSC is trying to find new clients, but these are few and far between.

In reply to another query, Mr. Ibañez said that the plant for the joint venture with Nexolon is completely shut down because it never got off the ground.

Ms. Reggie Cardíño said that she has read in the papers in the early part of this year that FPH was buying back shares into treasury shares. She inquired if the company has completed its share buyback program and if not until when will it be buying back. Mr. Francis Giles B. Puno, Chief Finance Officer of FPH, said that the company has so far bought about 10% of the common shares of FPH over the last few years. It still has an outstanding buyback program of FPH shares. With reference to the preferred shares, the company retired 4.3 billion preferred shares that it issued sometime 2008. This was refinanced with debt. The cost for the Php5 Billion of debt is quite significantly lower than the cost of dividends for the preferred shares.

As there were no other questions raised, the stockholders, on motion made and duly seconded approved the following resolution:

*“RESOLVED, That the Board of Directors’ approval of the Audited Financial Statements of the Corporation for the period ended December 31, 2012, be, as the same hereby is, confirmed, approved and ratified, and that the management reports for the period ended December 31, 2012, be, as they are hereby, approved.”*

Stockholders representing 326,378,967 shares or 91.46% of the shares present or represented at the meeting voted in person or by proxy in favor of the resolution while stockholders representing 28,671,302 shares or 8.02% of the shares present or represented at the meeting abstained from voting.

**RATIFICATION OF THE ACTS OF THE BOARD,  
THE EXECUTIVE COMMITTEE AND THE  
MANAGEMENT OF THE CORPORATION**

On motion made and duly seconded, the following resolution was approved by the stockholders:

*“RESOLVED, That all resolutions and acts of the Board of Directors and the Executive Committee as well as the acts and contracts entered into by the Management of the Corporation during the calendar year ended December 31, 2012 and up to the date of the meeting, and the Chairman and President’s Reports, be, as they are hereby, confirmed, ratified and approved.”*

The Secretary noted that the company received proxies with votes in favor, against and to abstain on the following items:

	<b>FOR</b>	<b>WITHHOLD</b>	<b>ABSTAIN</b>
Items entered into in the ordinary course of business with those of significance having been covered by the proper disclosures such as:			
a) The election of corporate officers	326,378,967 (91.46)	0%	28,671,302 (8.02%)
b) Membership in the relevant committees such as the Executive Committee	356,799,809 (99.98%)	0%	0%
c) Designation of authorized signatories	328,207,214 (91.97%)	0%	26,843,055 (7.52%)
d) Additional investment of P1.8 Billion in First Gen’s Series G preferred shares	356,799,809 (99.98%)	0%	0%
e) The execution of a Deed of Termination and Release in relation to its joint venture agreements with the BG Group for the First Gas projects in Batangas	356,799,809 (99.98%)	0%	0%
f) The extension of the buyback program for two years	336,299,975 (91.44%)	0%	60,300 (0.02%)
g) The transfer/sale to FPH of 1,300,048,529 shares, 52,787,367 shares, and 84,546,294 shares in Rockwell Land	354,835,659 (99.43%)	1,175,670 (0.33%)	788,480 (0.22%)
h) The execution of an agreement with San Miguel Corp. for the purchase of its 681,646,831 shares in Rockwell Land	334,725,958 (93.80%)	1,828,247 (0.51%)	16,730,674 (1.89%)
i) The declaration of cash dividends for common and preferred shares	334,471,728 (99.73%)	0%	1,828,247 (0.51%)
j) Opening of accounts with various banks	335,955,565 (94.14%)	344,410 (0.10%)	0%
k) Appointments in compliance with corporate governance policies	335,955,565 (94.14%)	344,410 (0.10%)	0%

## **ELECTION OF DIRECTORS**

The Secretary informed the Chairman that, according to Article II, Section 3 of the By-Laws, nominations for the election of Directors by the stockholders shall be submitted in writing to the nomination and election committee at least sixty (60) days before the scheduled date of the annual stockholders meeting. Nominations and elections of independent directors must also comply with Securities and Exchange Commission Circular No. 16. The Board, as recommended by the Nomination & Election Committee, received within the said period nominations in favor of the following stockholders as Directors of the Corporation for the ensuing year:

Mr. Augusto Almeda-Lopez  
Ambassador Cesar B. Bautista  
Mr. Arthur A. De Guia  
Mr. Peter D. Garrucho, Jr.  
Mr. Oscar J. Hilado  
Mr. Elpidio L. Ibañez  
Mr. Eugenio L. Lopez III  
Mr. Federico R. Lopez  
Ambassador Manuel M. Lopez  
Mr. Oscar M. Lopez  
Chief Justice Artemio V. Panganiban  
Mr. Francis Giles B. Puno  
Mr. Ernesto B. Rufino, Jr.  
Mr. Juan B. Santos  
Mr. Washington Z. Sycip.

It was advised that the Board of Directors, in its regular meeting on March 7, 2013, reviewed and favorably passed upon the qualifications and eligibility of the stockholders nominated as Directors for the ensuing year in accordance with the By-Laws and the Corporation's Manual on Corporate Governance. Ambassador Cesar B. Bautista, Mr. Oscar J. Hilado, Chief Justice Artemio V. Panganiban, Mr. Juan B. Santos and Mr. Washington Z. Sycip are being nominated as independent directors.

It was duly moved and seconded that the fifteen stockholders who were nominated as directors for the ensuing year be declared elected as Directors for the fifteen board seats of the Corporation.

There being no objection, the Chairman directed the Secretary to cast the relevant votes in favor of the following stockholders duly nominated as Directors of First Philippine Holdings Corporation for the ensuing year and until their successors shall have been duly elected and shall have qualified. The votes for the directors were as follows:

	<b>FOR</b>	<b>WITHHOLD</b>	<b>ABSTAIN</b>
Election of Directors			
Oscar M. Lopez	334,968,425 (93.87%)	1,271,250 (0.36%)	60,300 (0.02%)
Augusto Almeda-Lopez	347,920,809 (97.50%)	7,205,330 (2.02%)	1,673,670 (0.47%)
Cesar B. Bautista	355,232,369 (99.54%)	0%	1,567,440 (0.44%)
Arthur A. De Guia	356,799,809 (99.98%)	0%	0%
Peter D. Garrucho, Jr.	356,799,809 (99.98%)	0%	0%
Oscar J. Hilado	354,451,985 (99.93%)	1,271,250 (0.36%)	60,364 (0.02%)
Elpidio L. Ibañez	348,913,178 (97.77%)	1,271,250 (0.36%)	6,615,381 (1.85%)
Eugenio L. Lopez III	350,346,622 (98.17%)	742,550 (0.21%)	5,710,637 (1.60%)
Federico R. Lopez	341,917,152 (95.81%)	9,111,720 (2.55%)	5,770,937 (1.62%)
Manuel M. Lopez	355,468,259 (99.64%)	404,710 (0.55%)	926,840 (0.26%)
Artemio V. Panganiban	338,787,508 (94.94%)	16,949,161 (4.75%)	1,063,40 (0.30%)
Francis Giles B. Puno	346,641,434 (97.14%)	0%	10,158,375 (2.85%)
Ernesto B. Rufino, Jr.	337,782,631 (94.65%)	0%	1,405,957 (0.39%)
Juan B. Santos	332,249,820 (93.10%)	742,550 (0.21%)	6,938,768 (1.94%)
Washington Z. Sycip	339,931,138 (95.26%)	0%	0%

It was also noted that Ambassador Cesar B. Bautista, Mr. Oscar J. Hilado, Chief Justice Artemio V. Panganiban, Mr. Juan B. Santos and Mr. Washington Z. Sycip were duly elected as independent directors.

#### **APPOINTMENT OF EXTERNAL AUDITORS**

On motion duly made and seconded, the stockholders ratified the Board approval to retain Sycip, Gorres, Velayo and Co., Certified Public Accountants, as the Corporation's external auditors for the ensuing year.

Stockholders representing 330,003,474 shares or 92.47% of the shares present or represented at the meeting voted in person or by proxy in favor of the motion while stockholders representing 1,906,390 shares or 0.53% of the shares present or represented at the meeting voted against the motion and stockholders representing 8,021,274 shares or 2.25% of the shares present or represented at the meeting abstained from voting.

At this point, another stockholder remarked that Rockwell Land is now in a better financial position. He inquired as to its potential in the stock market. Mr.

Nestor J. Padilla, President of Rockwell Land, said that the prospects for real estate in general continue to be good because of the very strong fundamental macro conditions. But as a company, it created a brand that it truly would want to capitalize on and has capitalized on for the past few years.

#### **ADJOURNMENT**

The Chairman inquired if there was any other business to be taken up. There being no further business to transact, the meeting was, on motion made and duly seconded, thereupon adjourned.

The company received proxies representing 319,431,304 shares, or 89.51% of the total outstanding shares, instructing the proxy holder, Chairman or Secretary to vote in favor of approving the adjournment.

**ENRIQUE I. QUIASON**  
Secretary

A T T E S T :

**FEDERICO R. LOPEZ**  
Chairman of the Board