



First Philippine Holdings Corporation

Annual Stockholders' Meeting

31 May 2010



- **Report of the Chairman and CEO**
- **Report of the President and COO**



We have made substantial changes to reduce our debt and to take advantage of the opportunities to grow our businesses

2008	<ul style="list-style-type: none"> ● Sold FPII for Php6.2 billion
2009	<ul style="list-style-type: none"> ● Sold initial 20% of Meralco stake ● Investments in First Gen, Rockwell Land and First Philec Solar
2010	<ul style="list-style-type: none"> ● Sold additional 6.6% of Meralco stake



Our results: solid performance in 2009

- Php 8.5 billion net income attributable to Parent, increased 614%
- Php 13.41 diluted earnings per share
- Php 16.6 billion cash at the Parent level
- Php 1.0 billion paid to common and preferred shareholders



Net income* 2009 vs. 2008



* Net income attributable to Parent



Parent Cash vs. Parent Debt



Even with the sale of our 20% stake in Meralco, First Holdings remain in net debt position

** Including loans payable*



Dividends paid



From 2004 to 2009:
Php 5.1 billion was returned to shareholders in the form of dividends 7



Partial Statement of Financial Position

ASSETS	LIABILITIES & EQUITY
Current Assets	Liabilities
Noncurrent Assets	Equity
Investment & deposits in associates	Common stock
Available for sale financial assets	Unrealized fair value gains (loss)
Property, plant & equipment	Retained earnings

Valuation and Classification of remaining investment in Meralco

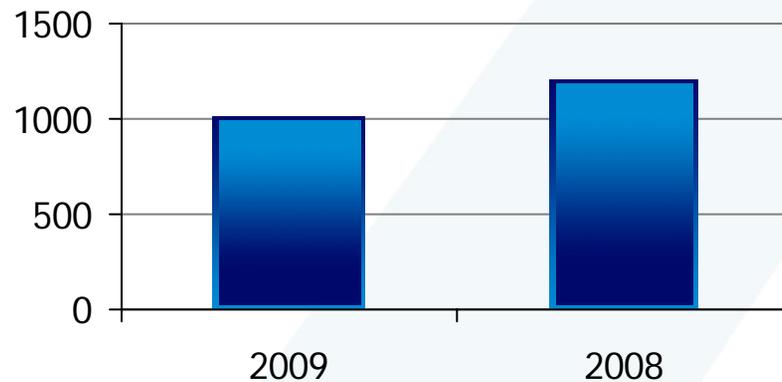
In MM Php	March 29	March 30	March 31
Carrying Value	5,860	13,555	13,108



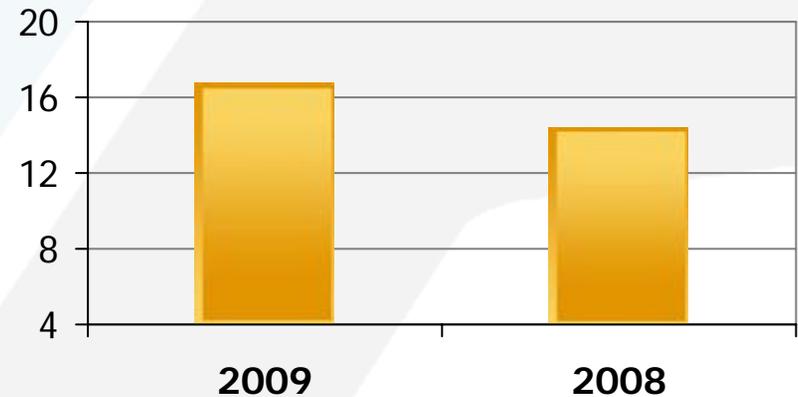
First Gen

In MM USD

Sale of Electricity



Net Income*



- Currently maturing loans are down to \$46 million from \$518 million.
- First Gen's income* went up by 16% to \$17 million
- EDC won 193 MW Palinpinon and 113 MW Tongonan in 2009, won 150 MW Bacon-Manito during the first quarter of 2010.

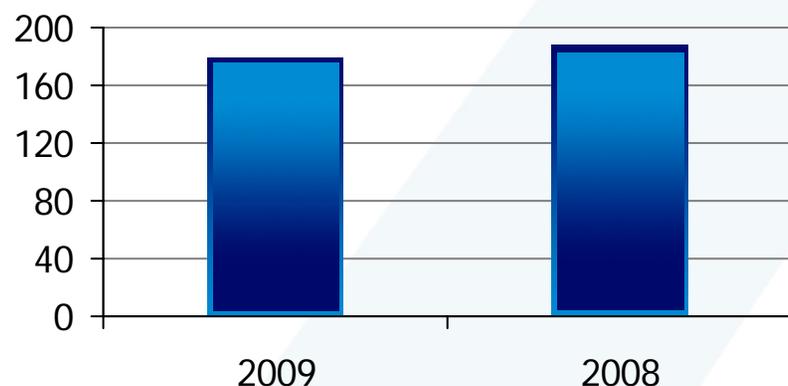
* Net income attributable to Parent



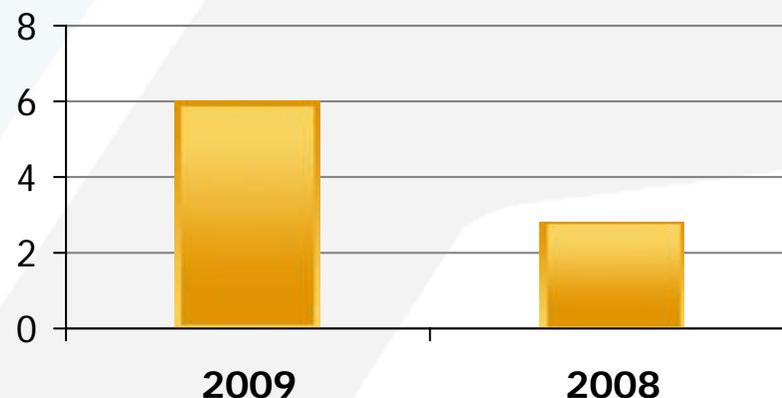
Meralco

In Bn Php

Sale of Electricity



Net Income*



- Meralco's first rate adjustment under PBR was implemented in May 2009.
- Meralco's net income* increased by 114% to P6.0 billion
- Overall average kWh rate of P7.65 in 2009, is below that of 2008 and 2007
- Energy sales increased 1.7% to 27,516 GWh; number of customers grew 3.1% to 4.7 million; 237.4 GWh were recovered from 57 self-generating companies.
- Systems loss of 8.61% lowest level since 1981 and better than the 9.5% cap.

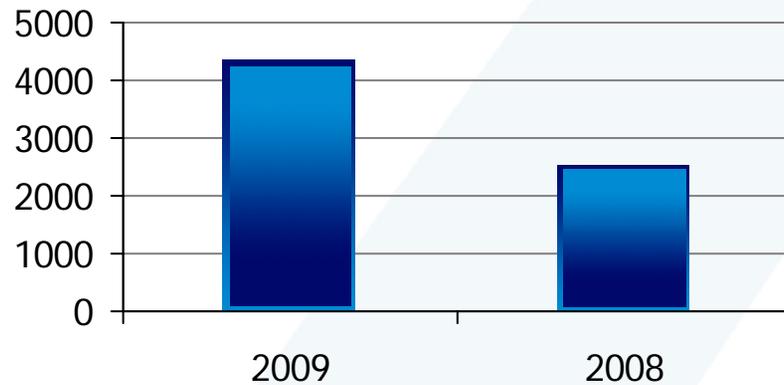
* Net income attributable to Parent



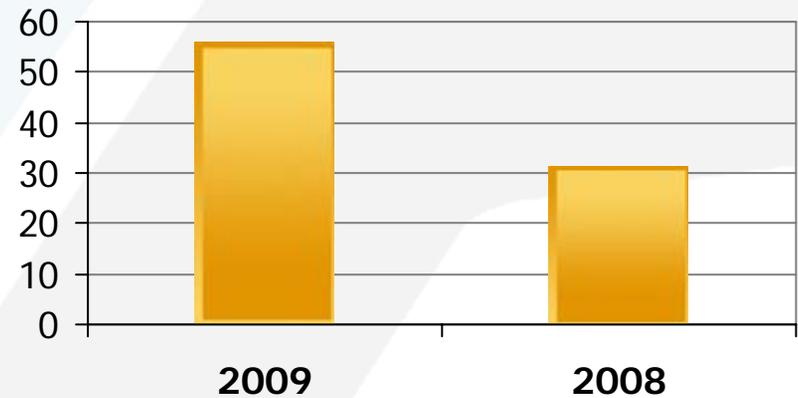
First Philec

In MM Php

Revenues



Net Income*



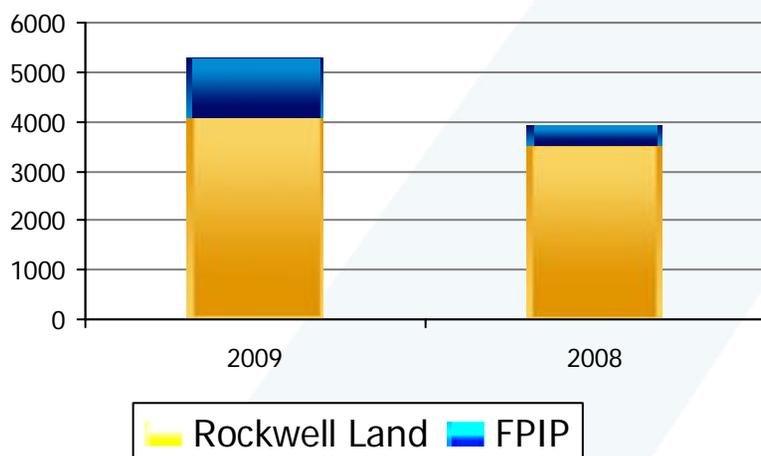
- Revenues of P4.4 billion and net income* of P56 million.
- Top and bottom lines grew by 74% and 81%, respectively.

* Net income attributable to Parent

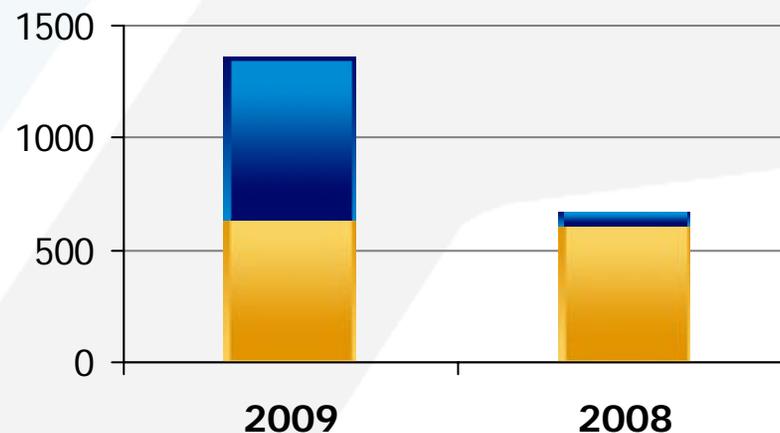
Property Development

In MM Php

Revenues

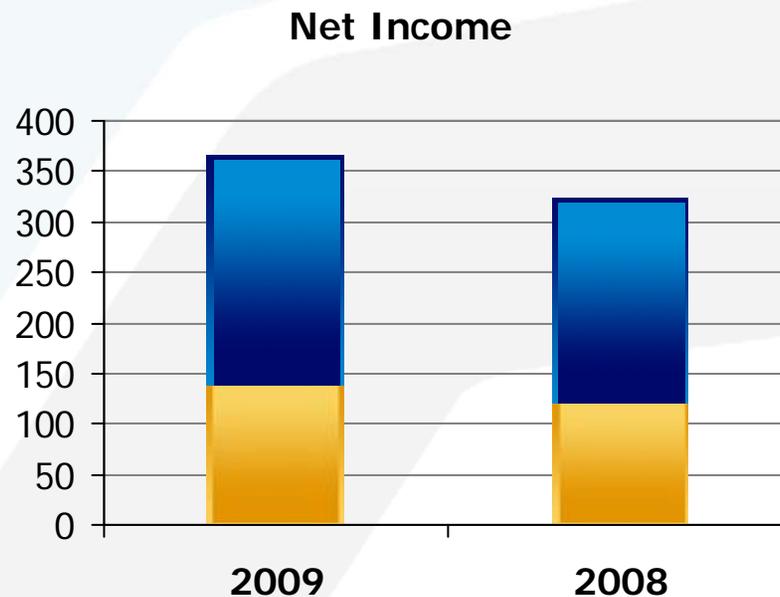
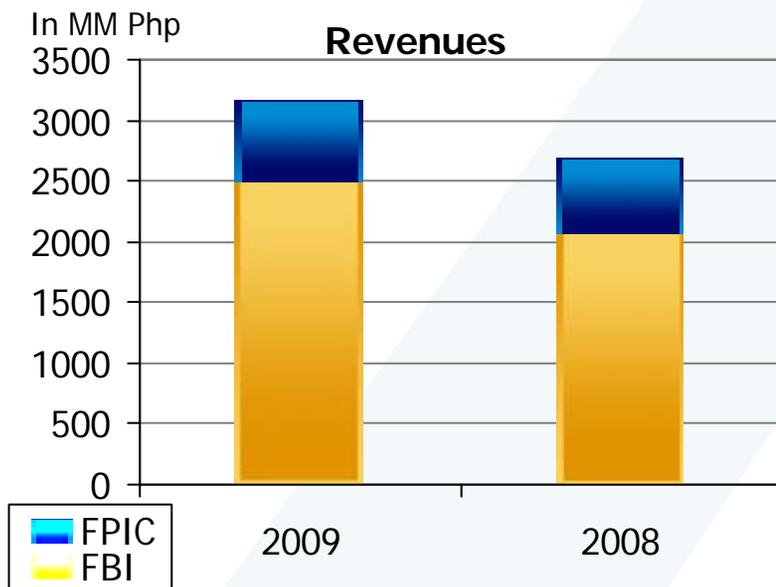


Net Income



- FPIP delivered net income of P726 million on revenues of P1.2 billion in 2009, its highest so far.
- Rockwell Land reported P4.1 billion in revenues and P634 million in net income.
- Increased investment in Rockwell Land, by purchasing Benpres' 24.5% stake. This brings First Holdings ownership to 49%.

Infrastructure



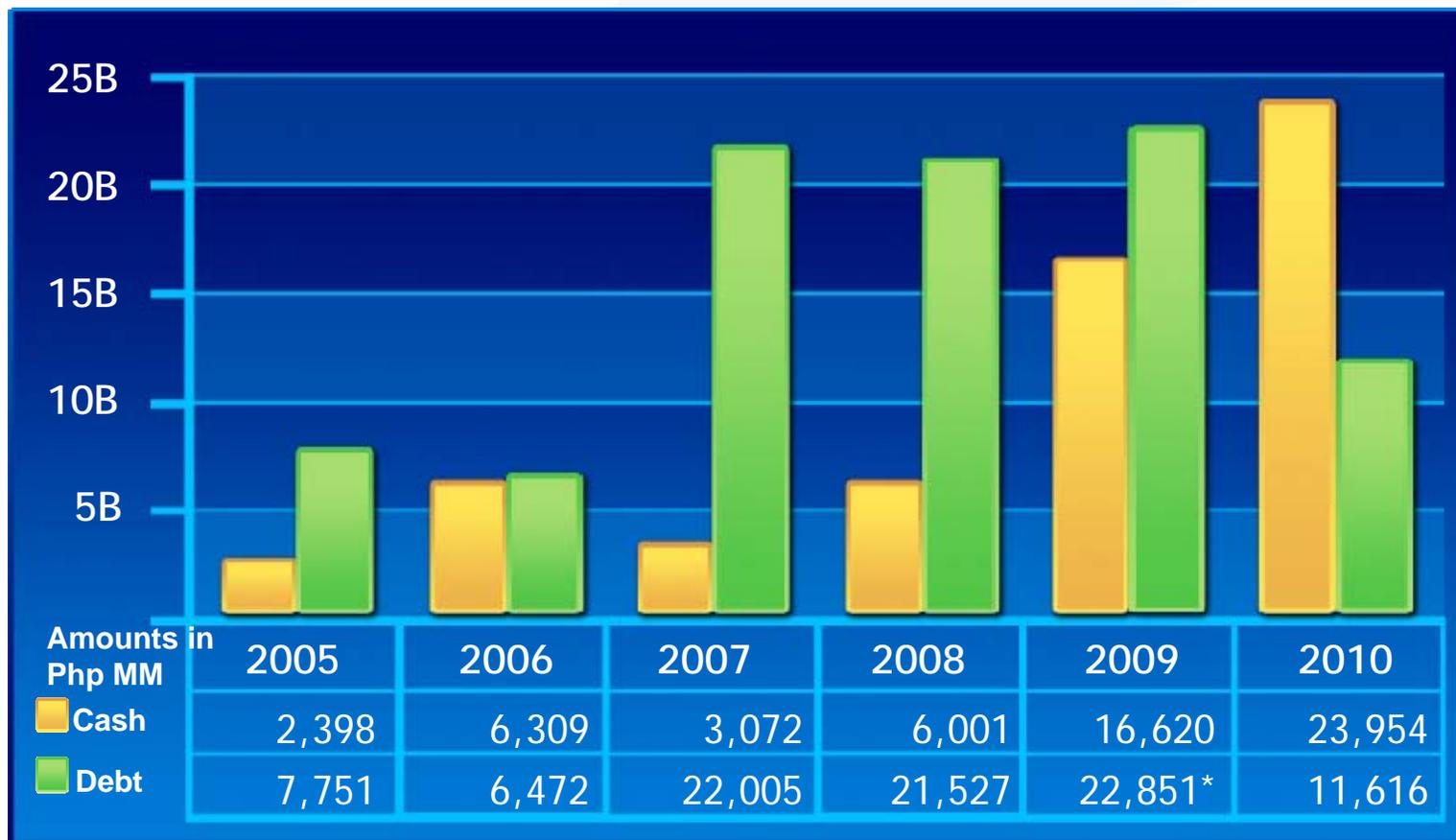
- FBI surpassed previous year's record revenues and profit, with its revenue of P2.5 billion and net income of P138 million.
- FPIC reported revenues of P663 million and net income of P229 million. Revenues and net income increased 8% and 13%, year-on-year, respectively.
- FBI and FPIC are continuously on the lookout for business opportunities.



Results for the First Quarter 2010:

- **Php 972 million recurring income, increased 446%**
- **Php 23.6 billion gain on sale of investment in Meralco**
- **Php 24.6 billion net income attributable to Parent**
- **Php 41.21 diluted earnings per share**
- **Php 24.0 billion cash at the Parent level**

Parent Cash vs. Parent Debt



From a net debt of P5.4 billion in 2005 to P19 billion in 2007, the Parent turned around to a net cash position of P12.3 billion in the 1st quarter of 2010

* Including loans payable



THANK YOU