



**First Philippine  
Holdings Corporation**

July 10, 2008

**PHILIPPINE STOCK EXCHANGE, INC.**

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

Gentlemen:

Please be advised that First Philippine Holdings Corporation ("FPHC") has: (i) remitted part of the P4.3 Billion proceeds from the Series B Preferred Shares in the amount of \$5 Million as amortization payment on its \$35 Million Term Notes (the "Notes") due in 2011 and (ii) made interest payments in the amount of \$1.9 Million on the same Notes.

FPHC has likewise applied part of the proceeds towards the buyback in the amount of \$6M of its remaining \$52.0 Million Floating Rate Notes due in 2009. The total amount of the proceeds used to date is \$12.9 Million, which is equivalent to about P561.5 Million.

Very truly yours,

  
**RODOLFO R. WAGA, JR.**  
Asst. Information Officer

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