

17th August 1999

FORT BONIFACIO REPORTS FIRST HALF PROFIT OF PESOS 1.3 BILLION

Fort Bonifacio Development Corporation (FBDC) today reported net income after tax of Pesos 1.3 billion for the first half of 1999 from revenues of Pesos 2.4 billion. This compares with Pesos 1.2 billion in net income in the same period last year from revenues of Pesos 2.5 billion. FBDC is 55 percent held by Bonifacio Land Corporation, which in turn is owned 67 per cent by Metro Pacific Corporation.

Total assets stood at P 83.2 billion as at 30th June 1999, with shareholders' equity being P 67.2 billion as of the same date. Net interest bearing debt amounted to only P 500 million, resulting in a very low gearing ratio of .007 to 1.

Majority of FBDC's revenues was derived from the sale of land in 1996, which is booked on a percentage completion basis for the 57-hectare first phase of the project known as the Big Delta. As of end June this year, Big Delta was 76 per cent complete, with full completion targeted by the end of the first quarter next year. When completed, Big Delta can accommodate 2.9 million square metres (sqm) of gross floor area (GFA). This compares with the existing density of approximately 3.3 million sqm of GFA at the Makati CBD.

In May 1999, FBDC launched Bonifacio Ridge, a 25-year leasehold residential condominium project comprising four buildings with a total of 576 units that will be leased over 25 years for Pesos 4.5 million to Pesos 6.5 million each, depending on the unit's location and orientation. The size per unit is 113 sqm. The three-year project calls for the first two buildings to be built between September this year and early 2001, and the second two buildings to be constructed mid 2001 and early 2002. Reservations have already been made for approximately 175 units in the first two buildings.

Strong business traffic continued to be recorded at The Fort, FBDC's restaurant and entertainment complex, which opened in September last year. Construction will begin in the fourth quarter of an enlarged retail and entertainment center, which will increase the existing size of The Fort from 3,500 sqm to possibly 100,000 sqm by late 2001.

FBDC president and CEO Ricardo S. Pascua said, " Momentum is fast building up in our Global City project at Fort Bonifacio. The country's largest retail and mall

operators have expressed keen interest in participating in the build out of our retail and entertainment center; while our Bonifacio Ridge project has already drawn 175 reservations even before we break ground in September of this year. The weakness in the property sector has not been much of a problem for us as FBDC's working capital continues to be underpinned by the pre-sale of land during the strong property market of 1996. To date, FBDC has very little debt and is therefore properly hedged for the persistent tightness in the property market."