



SEC News Service

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Wednesday, March 19, 2014 **B1**

Boulevard to receive some P1.3 billion in upfront cash from Ayala Land

By VG CABUAG

BOULEVARD Holdings Inc. on Tuesday said that it will get an upfront cash of P1.3 billion from Ayala Land Inc. for the purchase of part of its tracts of land in Ternate, Cavite, and the remaining will be payable in the next 18 years.

J. Marcel Panlilio, Boulevard's chairman and chief executive officer, said it sold part of the company's land for P2.4 billion. He did not give details for the acquisition.

"Since we agreed with our new partners to allow them to interpret the size of resort parcels needed, the topography, and for them to get comfy that they too are maximizing profit for their stakeholders, we limit our discussion to the financial benefits to Boulevard," he said.

The upfront cash payment will be remitted to the company in June and August.

The company said P628 million will be payable in 18 years at 7-percent interest rate, or an average of P70 million per year.

"...so that BHI and affiliates will have cash flow to cover operations and taxes in future," Panlilio said

"You should all note that we had to adjust to the concerns of many severe and unbuildable areas that ALL, in compliance to good environmental practice, will not cut. The synergies gained are greater with everything around this one beach and valley of many others going up many times over with many present inquiries for pocket developments—where BHI stands to make even more."

The Ayala Land Premier brand will be used for the said areas, it said.

The deal only aimed at developing a quarter of the entire property was supposed to happen late last year but other companies including the

SEE "BOULEVARD," B2

Boulevard... CONTINUED FROM B1

SM Group also courted the Panlilios for the development.

Boulevard Holdings in 2009 acquired seven parcels of land in Baramgay Sapang in Ternate, Cavite, with a total area of about 106 hectares. It earlier said that the company plans the site to become the company's third Friday's Resort, but the plan did not push through.

In Puerto Azul Boulevard has about 3,000 hectares of land area, which it

also planned to have a Fridays Resort in Paniman Beach.

Boulevard was established in 1994 as a holding company that mainly develops hotels and resorts and tourism-related businesses and investments in strategic land locations and other real-estate property business.

Its main business, however, is the operation of Fridays in Boracay and soon in Puerto Galera.

Foreign investments drop 5.4%

THE total foreign investments (FI) approved by investment promotion agencies (IPAs) in 2013 fell by 5.4 percent from the previous year, data from the Philippine Statistics Authority (PSA) showed.

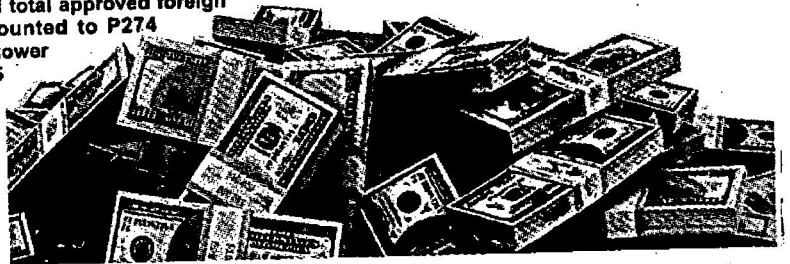
According to the PSA, total approved foreign investments amounted to P274 billion last year, lower than the P289.5 billion pledges in 2012.

In the fourth quarter alone, investment commitments declined by 42.7 percent to P132 billion.

Approved FIs represent the amount of proposed contribution or share of foreigners to various potential projects in the country, as approved and registered by the IPAs. This consists of equity, loans, and reinvested earnings.

The foreign investments pledges in the fourth quarter alone were approved by seven IPAs, namely the Board of Investments, Clark Development Corp., Philippine Economic Zone Authority, Subic Bay Metropolitan Authority, Authority of the Freeport Area of Bataan, BOI-Autonomous Region of Muslim Mindanao, and Cagayan

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Economic Zone Authority.

The PSA said that the British Virgin Islands account for bulk of the investment pledges in 2013 or 34 percent, with FI commitments worth P92.8 billion.

This is followed by USA and Japan with a share of 20.2 percent and 16.3 percent, respectively.

The manufacturing industry was the top performing industry in the previous year as it accounted for more than a quarter of the investment pledges for 2013, worth P77.6 billion.

The electricity, gas, steam, and air-conditioning supply industry received the second

highest amount of FI approvals, followed by the transportation and storage sector.

The PSA said that the FI projects approved in 2013 is expected to generate 132,700 jobs, 18.5 percent higher than the previous year.

Meanwhile investment commitments in 2013 from both foreign and Filipino nationals amounted to P754 billion, eight percent up from the previous year.

More than 60 percent of the investments approved during the period came from Filipino investors, valued at P480 billion.

A total of 161,998 jobs are expected to be generated from approved investments of foreign and Filipino nationals for 2013.

8990 Holdings Raises Stock Offering Size

By JAMES A. LOYOLA

Housing developer 8990 Holdings, Inc. is increasing the size of its planned follow-on offering to a maximum of P17.52 billion from the originally proposed share sale worth up to P14.85 billion.

In a disclosure to the Philippine Stock Exchange, 8990 Holdings said its board of directors has approved the increase in the number of shares to be offered in the follow-on offering which has an indicative maximum price of P12.70 per share.

The firm is now offering up to 1.24 billion base shares compared to the 1.03 billion shares earlier contemplated while the over-allotment option to be granted to a stabilizing agent remained at 134.95 million shares.

The revised offering size also reflects a larger number of primary shares and a reduction of the secondary shares to be offered by existing stockholders.

The new proposal is for 862.19 million primary shares and up to 382.36 million secondary shares compared to the original 517.31

million shares each for the primary and secondary offering.

The 8990 Holdings board also appointed UBS AG, Hong Kong Branch, as the sole global coordinator, sole international bookrunner and lead manager and UBS Investments Philippines, Inc. as a domestic lead underwriter, together with SB Capital Investment Corporation.

Meanwhile, the 8990 board also approved the commencement of a proposed securitization transaction involving subsidiaries of the corporation.

Specifically, the transaction will involve the conveyance of up to P1 billion of receivables arising from eligible Contracts to Sell (CTS) entered into by the 8990's subsidiaries with its housing buyers.

The conveyance shall be by way of a true and absolute assignment of the CTS Receivables (as well as all rights, title, interests and benefits) to a special purpose to be separately identified (SPT) on a without-recourse basis and under such terms and conditions as the Board of Directors may deem beneficial to the Corporation.

Greenergy sells 60% stake in Negros biomass plant

By Alena Mae S. Flores

LISTED Greenergy Holdings Inc. is selling its 60-percent stake in a company building an 18-megawatt biomass power plant in Negros Occidental to a German hedge fund.

Greenergy said in a disclosure to the stock exchange it agreed to sell its stake in Biomass Holdings Inc. to ThomasLloyd Cleantech Infrastructure Fund GmbH (formerly Cleantech Projektgesellschaft mbH).

Biomass Holdings is the investment company of San Carlos BioPower Inc., which is developing a P3.5-billion, 18-megawatt bagasse-fired power generation project in San Carlos City, Negros Occidental. The project is expected to be completed by early 2015.

Greenergy said together with ThomasLloyd, they "agreed in principle on the sale by Greenergy of its 60 percent in Biomass Holdings." It did not provide other details.

Biomass Holdings, a subsidiary of Greenergy, acquired a 64-percent equity interest in San Carlos BioPower for P667.527 million last year.

"The definitive agreements, which shall contain the final terms and conditions of the transaction, are in the process of being finalized. Greenergy shall make the necessary disclosure upon execution of the definitive agreements," it said.

The biomass plant will be built alongside the existing San Carlos Bionergy ethanol facility. The main power plant and associated infrastructure will be built on 20 hectares of land. Another five hectares will be allocated for fuel storage.

The facility will provide electricity in the Visayas amid an increasing demand for power and will provide an additional source of income to the local farming community.

The Board of Investment already issued a certificate of registration to the

San Carlos BioPower project on Dec. 21, 2012. The Energy Department confirmed on Feb. 13, 2013 said the project satisfactorily met the requirements to avail of the feed-in tariff rates.

Greenergy also announced last year it was conducting legal, financial and environmental due diligence on Zhonghe Renewable Energy Corp. in Heilongjiang, China which owns four biomass power plants in Heilongjiang province.

Zhonghe Renewable is also the partner of China's biggest agricultural firm BeiDaHuang in converting its agricultural waste products into energy for the province.

"Definitive and binding agreements that would allow the company to acquire 60 percent equity interest in Zhonghe shall only be executed after the completion of the due diligence and the results thereof are satisfactorily based on the analysis of the company's legal, financial and operations advisers," it said.

8990 Holdings increases size of share sale

By Jenniffer B. Austria

PROPERTY developer 8990 Holdings Inc. said Tuesday it increased the size of its planned share sale to 1.244 billion shares in a bid to raise as much as P8.18 billion in proceeds based on current market price.

8990 Holdings said in a disclosure to the stock exchange its board had approved the increase in the number of shares in the follow-on offering to 1.244 billion shares, including 862.186 million primary shares and up to 382.360 million secondary shares.

The company also earmarked

134.950 million shares to cover possible over-allotment.

8990 Holdings appointed UBS as the sole global coordinator, international bookrunner and lead manager and UBS Investments Philippines Inc. and SB Capital as the domestic lead underwriters.

The terms of the planned follow-on offering are subject to the approval of the Securities and Exchange Commission and the Philippine Stock Exchange.

Share price of 8990 Holdings closed at P6.58 on Tuesday.

The SEC approved the planned follow-on offering of 8990 Holdings

in January.

8990 Holdings earlier said it would sell 1.034 billion primary and secondary shares at a maximum offer price of P12.70 apiece.

Proceeds from the share sale will be used for landbanking and working capital requirements of the company.

Meanwhile, 8990 Holdings also disclosed its board approved to securitize up to P1 billion worth of receivables.

"Specifically, said transaction shall involve the conveyance of up to P1 billion of receivables arising from eligible contracts to sell entered into by the corporation's subsidiaries with its housing buyers," 8990 Holdings said.

IN BRIEF

Growth requires P4.2t

THE government and the private sector should invest P4.2 trillion to support growth in the medium term, Economic Planning Secretary Arsenio Balisacan said Tuesday.

"The total estimated public investments are about P4.2 trillion. More than half is for infrastructure development, followed by social development [21 percent], agriculture and fisheries [15 percent], and sustainable and climate resilient environment and natural resources [5 percent]," Balisacan said during the Philippine Economic Briefing.

Balisacan said most projects would be started before and probably finished by 2016, but some might extend beyond the Aquino administration.

He said of the investment targets, about 80 percent would be funded by the national government at P2.7 trillion.

"With these strategies, we strive to sustain our economy's growth over the medium term. The economy is targeted to grow by 6.5 to 7.5 percent in 2014, 7 to 8 percent in 2015, and 7.5 to 8.5 percent in 2016," he said. Jennifer Ambanta

Metrobank bonds swamped

METROPOLITAN Bank & Trust Co., the second-largest bank in terms of assets, shortened the offering period for Basel 3-compliant Tier 2 notes due to the strong demand from investors.

The banks said the public offering period, which started on March 10, was originally scheduled to end on March 21. Despite the early closing, the issue date of March 27 would stay.

"Due to the strong demand from both institutional and retail investors, Metrobank has decided to shorten the offer period from the original schedule. To date, the issue is more than two times oversubscribed," the bank said.

Metrobank's Tier 2 notes will have a tenor of 10 years and three months, with the bank having an option to redeem after five years and three months.

The notes carry a coupon rate of 5.375 percent per annum with interest payments due on a quarterly basis. The minimum investment size was P500,000 with increments of P100,000. Julito G. Rada

Mitsubishi posts record sales in Feb

By LOUELLA D. DESIDERIO

The Philippine unit of Japan's Mitsubishi Motors Corp. registered record monthly sales in February.

In a statement, Mitsubishi Motors Philippines Corp. (MMPC) said it sold 4,409 units in February.

MMPC's previous highest record monthly sales was in December when it sold 4,322 units.

Sales for February posted a 29-percent increase compared to its January sales of 3,411 units.

Compared to the 3,554 units sold in February 2013, last month's sales grew by 24 percent.

The new record monthly sales were achieved amid strong demand for passenger cars (PC) and light commercial vehicles (LCV).

MMPC's PC sales went up by six percent to 919 units in February from the previous month's 869 units.

The company noted the Mirage hatchback and Mirage G4 continue to attract a substantial chunk of the car buyers because of its fuel efficiency, cool styling and value added features.

Sales of the firm's LCVs which reached 3,351 units, rose by 39 percent compared to the 2,407 units in January.

The firm attributed the increase in LCV sales to the strong performance of the Montero Sport as well as demand for the Mitsubishi L300 and Adventure.

For the January to February period, MMPC's sales reached 7,820 units, 22 percent higher year-on-year.

MMPC said affordable financing packages have made it easier to purchase a brand new vehicle.

Given positive economic conditions and expected growth on the demand for brand new vehicles, MMPC is highly optimistic that it will be able to sustain its robust market performance throughout the year.

"MMPC is aiming to sell more than 50,000 units or around 16 percent higher than that of last year and to achieve this we will continue to offer world-class vehicles that will perfectly respond to our customers' needs. We are also doubling our efforts to give our valued clients the best customer experience from the time they visit our showroom to checkout our products on display up to the moment they come back for servicing or even to purchase their next Mitsubishi," MMPC vice president for marketing services Froilan Dytianquin said.

8990 increases shares for sale in follow-on offering

By NEIL JEROME C. MORALES

Low-cost residential developer 8990 Holdings Inc. has jacked up the number of shares it plans to sell to the investing public.

In a disclosure, 8990 Holdings said its board of directors "approved the increase in the number of shares to be offered in the follow-on offering."

The follow-on offering will now involve as much as 1.24 billion shares, of which up to 862.18 million are primary shares and as much as 382.36 million are secondary shares.

In January, the Securities and Exchange Commission (SEC) allowed 8990 Holdings to sell 1.034 billion shares at a maximum offer price of P12.70 apiece, for a total transaction value of P13.13 billion.

"Further, an over-allotment option is proposed to be granted to a stabilizing agent covering a total of 134.95 million over-allotment shares, representing about 10 percent of the base offer shares," 8990 Holdings said.

The property firm hired UBS AG (Hong Kong Branch) as the sole global coordinator, sole international bookrunner and lead manager while UBS Investments Philippines Inc. and SB Capital are the domestic lead underwriters.

"8990 Holdings intends to use the net proceeds from the offer for additional investment in subsidiaries, to fund their landbanking and working capital requirements including general corporate purposes," the company earlier said.

In particular, it allotted P2.5 billion to acquire a 13-hectare property along Ortigas Ave. Extension in Pasig City and a 30-hectare lot in Davao City. Last month, the firm acquired several parcels of land in Pasig City for P2.2 billion.

It will also spend P2.5 billion for general working capital requirements and P1.4 billion for general corporate purposes.

The property firm is into mass

housing projects under the Deca Homes brand for horizontal projects and Urban Homes brand for vertical projects.

In October, the corporate regulators approved the transformation of shell company IP Converge into 8990 Holdings.

Since starting its mass housing business in 2003, 8990 Holdings has completed 11 projects and sold 22,130 housing units in Luzon (Angeles, and Cavite), Visayas (Cebu province and Iloilo), and Mindanao (Tagum and Davao cities).

8990 Holdings is currently developing 15 projects in Cebu, Davao, Iloilo, Clark, Pampanga and other major hubs in the Philippines.

The company's board also approved the proposed securitization transaction involving its subsidiaries.

The transaction includes subsidiaries assigning up to P1 billion of receivables from eligible contracts to sell to a special purpose unit.

In January to September last year, of 8990 Holdings earned P2.1 billion, up 64 percent from P1.28 billion a year ago. For the third quarter alone, the property developer's income almost doubled to P589 million from P300.4 million a year ago while sales rose 27.6 percent to P1.23 billion from P964.35 million.

Apart from housing, 8990 Holdings is also in the business of resort and hotel development under the time share membership brand Azalea. It is also involved in the Deca Wake Board Park in Angeles and Davao.

Index gets boost from strong reg'l markets

The recovery in regional and global markets rubbed off on local equities, with the main index climbing for the second straight day.

The Philippine Stock Exchange index gained 1.04 percent or 66.56 points to 6,466.55, while the broader all shares index rose 0.92 percent or 35.76 points to 3,905.08.

"We had a follow through today after snapping the three-day decline on Monday," Nisha S. Alicer, research strategist at DA Market Securities, said in a text message.

Alicer said the local boursed improved also

By NEIL JEROME C. MORALES

because of the US market's rally and positive economic outlook of World Bank.

Easing tensions in Ukraine drove overseas markets higher yesterday while some investors remained at the sidelines pending the policy meeting of the US Federal Reserve.

Wall Street ended in the green following a violence-free referendum in Crimea despite opposition from the Ukraine government and other countries.

The Dow Jones industrial average added 1.13

percent or 181.55 points to 16,247.22, while the broader Standard & Poor's 500 index improved 0.96 percent or 17.7 points to 1,858.83.

Regional stocks also posted gains, led by Japan's Nikkei 225 that jumped 0.94 percent or 133.60 points to 14,411.27.

At home, all counters were in the green, paced by the property sector that closed 1.43 percent higher or 34.53 points to 2,442.85. Mining and oil rose 1.17 percent or 166.89 points to 14,392.98.

The value of shares traded picked up to P7.82 billion from P7.27 billion on Monday.

Housing scam victims file rap vs Delfin Lee

By AIE BALAGTAS SEE

Twenty people yesterday filed criminal charges against detained Globe Asiatique president Delfin Lee before the National Bureau of Investigation (NBI).

The complainants became emotional as they accused Lee's company of defrauding them in 2004, when they purchased houses in Santa Barbara, San Mateo, Rizal.

The new complainants filed their complaint before the NBI's Anti-Graft Division, headed by Rachel Angeles Marfil.

According to the victims, most of them were talked into purchasing houses in the subdivision by Globe Asiatique.

After payments were made and most of them had moved in, another company called to tell them that the houses and lots they were occupying did not belong to Lee's company.

Due to this, the complainants withheld payments to Lee's company until the issue was resolved. Months later, however, Lee's company sent them notices to vacate.

Marfil said the charges might fall under syndicated estafa since they allegedly dealt with double

sale of the houses and lots.

These were the same charges that Lee faces for defrauding the Pag-IBIG Fund of P6.6 billion.

Lee is currently detained in Pampanga while the case is pending before the San Fernando, Pampanga regional trial court.

Lee was arrested in a hotel in Manila earlier this month after two years in hiding. He had a P2-million bounty on his head.

Meanwhile, the NBI is also set to file more than 50 syndicated estafa charges against Lee.

Lawyers score DILG

A group of lawyers has taken to task Interior Secretary Manuel Roxas II for the botched removal of Lee from the wanted list of the Philippine National Police (PNP) prior to his arrest last March 6.

In a statement, the Philippine Association for the Advancement of Civil Liberties (PAACL) denounced the development and pointed out that Roxas has the final word on any removal from the PNP's Warrant of Arrest Information System.

- With Edu Punay, Cecille Suerte Felipe