



CIRCULAR FOR BROKERS No. 1983-2002

P h i l i p p i n e S t o c k E x c h a n g e , I n c .

<input checked="" type="checkbox"/> Disclosures	<input type="checkbox"/> Stockholders' Meeting	Others: _____
<input type="checkbox"/> Dividend Notice	<input type="checkbox"/> SEC / Gov't. Issuance	_____
<input type="checkbox"/> Stock Rights Notice	<input type="checkbox"/> Transfer Agent's Notice	_____

Posted on July 30, 2002

Date : **July 30, 2002**

Subject : **FIRST PHILIPPINE HOLDINGS CORPORATION**

This is with reference to the news article entitled "FPHC taps \$50-M loan to settle debt notes" published in the July 27, 2002 issue of the Philippine Daily Inquirer. The article reported that:

"FIRST Philippine Holdings Corp. is now in the final stages of negotiations with a still undisclosed party for a financing facility amounting to \$50 million.

Philippine Rating Services Corp. said this in a press statement yesterday as it noted that its PRS A rating on the Lopez owned firm's outstanding P800 million in long-term commercial papers was still under review.

Philratings, in the same statement, quoted FPHC as saying that all major terms and conditions governing the facility have already been agreed upon. However, Philratings added that the agreement has yet to be signed pending minor revisions of the terms of the financing facility.

x x x FPHC is currently seeking to raise funds to pay \$86 million in debt notes held by the JP Morgan group (\$20 million), the AIG Group (\$38 million) and cash strapped Benpres Holdings Corp. (\$28 million). x x x

According to FPHC, it already has \$60 million in cash on hand to partly cover the amount that will have to be paid in August. x x x"

First Philippine Holdings Corporation ("FPH"), in its letter dated July 30, 2002, stated that:

"x x x the company confirms that it is in the final stages of negotiations to raise a net amount of US\$50Million. It was deemed appropriate to disclose this when the parties shall have signed the appropriate financing documents.

The company confirms the items in paragraphs 4 and 5 with a note that a disclosure(s) shall be made thereon as appropriate."

For your information.

(Original Signed)
JOSE G. CERVANTES
Senior Vice President

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