



Infrastructure, Government & Healthcare (IGH)



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The attached industry update from KPMG Manabat Sanagustin & Co. is a bi-weekly collection of the latest news and developments from the country's Infrastructure, Government and Healthcare (IGH) sector. We hope that you will find this service, which the Firm provides its clients for the different Lines of Business, interesting and useful.

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NEDA body endorses projects

The National Economic and Development Authority (NEDA) Investment Coordination Committee-Cabinet Committee (ICC-CC) has approved about P4.7 billion worth of two transmission projects, a P692.55-million increase in the cost of the Central Mindanao Road project, as well as a 15-month extension in grant validity and additional grant of P287.25 million for the Basic Education Assistance for Mindanao (BEAM) Stage 2, a NEDA statement read. <http://www.bworldonline.com/BW081908/content.php?id=052>

11 firms vie for DMIA project

The bidding for the P6.47-billion Diosdado Macapagal International Airport (DMIA) Terminal project has attracted 11 interested proponents, including Asia's Emerging Dragon Corp. (AEDC) of Lucio Tan, Ayala Land Inc. (ALI) and some foreign firms. Aileen Zosa, vice president of the Bases Conversion and Development Authority (BCDA), said the 11 firms bought the bidding's terms of reference (TOR) worth P250,000 last month. Besides the AEDC and ALI, among the other Filipino companies that bought the TOR were F. F. Cruz, Philippine Regional Investment Development Corp., Architect Leandro Locsin and Partners, First Philippine Holdings and Synergy. Zosa said there are also two Korean firms and a Chinese company. She said the 11 companies have been instructed to submit their eligibility, financial and technical documents on September 15. Clark International Airport Corp. (CIAC), a 100-percent subsidiary of the BCDA, will then open the eligibility documents first to determine the companies that will proceed to the next phases of the bidding. <http://www.businessmirror.com.ph/08142008/headlines011.html>

Asian Spirit up for relaunch soon

Beverage maker Alfredo Yao, who recently took over Asian Spirit Inc., is expected to formally relaunch the airline soon in time for the arrival of the new planes that will be utilized to serve planned regional routes. "There are plans to do that, yes. But nothing has been finalized yet. We are still looking into it," said Yao in a phone interview. Sources, however, told the Business Mirror that there might be rebranding involved. From Asian Spirit, the airline is



expected to be known as “Zest,” with orange and green as the new company colors. Yao owns juice-maker Zesto-O Corp. as well as the Philippine Business Bank. “It’s a new management and the new management simply wants to put in new ideas that will represent the new management,” added Yao. The budget airline awaits the delivery of four Airbus aircraft next month. It will also take delivery of wide-bodied airplanes and five smaller turbo-propeller planes within the year. <http://www.businessmirror.com.ph/08132008/companies02.html>

Royal Brunei wants more RP flights

Royal Brunei Airlines is looking at expanding its operations in the country, starting with more flight frequencies and possibly flying to other points outside of Manila in the future. The airline’s senior vice president for commercial sales and marketing, Wong Peng Hoon, said the Civil Aviation Board had been informed of its plans to increase flights for the Manila-Brunei route to daily from the current five times weekly. “We would want to service daily flights for our Manila-Brunei route. The Philippines is one of our strong markets,” he said after a short program on the company’s tie-up with cargo carrier Global Air Services Corp.

<http://www.businessmirror.com.ph/08112008/companies06.html>

RO-RO service planned for Camiguin-Bohol route

Cagayan de Oro — The provincial government will acquire and operate a roll on-roll off (RO-RO) vessel to ply the Camiguin-Bohol route thru a lease agreement with the National Development Co.-Maritime Leasing Corp. “This [the vessel] is expected to produce impact, not only to the riding public and cargo shippers, but to the economy of the province as well,” Felicisimo M. Gomez, provincial planning and development coordinator said in a statement. The vessel can carry 310 passengers, four 10-wheeler trucks and six light vehicles. It is projected to make four trips daily from Balbagon town here to Jagna in Bohol and vice-versa. Mr. Gomez said that the provincial government hopes to bring down passenger and cargo rates in this area through this step.

<http://www.bworldonline.com/BW081108/content.php?id=054>

MPIC sets fund for Cardinal Santos Medical Center

Metro Pacific Investments Corp. (MPIC) said it may allocate additional funds to finance the operation of the Cardinal Santos Medical Center. In a disclosure to the Philippine Stock Exchange, the Philippine unit of Hong Kong-listed conglomerate First Pacific Co. Ltd., said it may need to put in working capital amounting to approximately P100 million for the operation of the San Juan City hospital. Cardinal Santos is a 212-bed tertiary hospital situated in a three-hectare property along Wilson Street. The land as well as the hospital is owned by the Roman Catholic Archbishop of Manila. The Manila Archbishop tapped MPIC to operate the hospital for six months pending the selection of a permanent operator. MPIC plans to incorporate a company under the fold of unit Medical Doctors Inc. (MDI) to manage the hospital in the long run.

<http://www.manilatimes.net/national/2008/aug/07/yehyey/business/20080807bus9.html>



Property firms to build units for government

Listed property developer Megaworld Corp. and two sister companies have signed a joint venture deal with the government to develop office buildings and housing units in the cities of Quezon, San Juan and Taguig. The project will address office requirements of the National Police Commission (NAPOLCOM), Interior and Local Government department, as well as housing needs of the agencies' employees and beneficiaries. Megaworld signed the deal with sister firms Empire East Land Holdings, Inc. and First Centro, Inc. and the Bases Conversion and Development Authority (BCDA) and NAPOLCOM.

<http://www.bworldonline.com/BW080708/content.php?id=047>

ICTSI revenue from foreign ports grows

Revenue from the overseas assets of International Container Terminal Services Inc. (ICTSI) has outstripped the income from its flagship facility Manila International Container Terminal (MICT) and other domestic ports. In a report, ICTSI said 50 percent of its total cargo volume of 913,718 TEU (twenty-foot equivalent units) in the second quarter already came from its overseas facilities, up from 40 percent a year earlier. ICTSI said its facilities in Ecuador, Georgia and Syria generated much of the growth in cargo volume for the period. In terms of revenue, its overseas facilities have outstripped domestic income accounting for 55 percent of the P5 billion in revenue the company posted in the second quarter, from 45 percent in the same period a year earlier.

<http://www.businessmirror.com.ph/08052008/shipping01.html>

Vista Land posts lower earnings in first half

The listed holding firm of the Villar group announced that its profits for the first six months fell by a quarter due to higher operating expenses and real estate sales' cost. Vista Land and Lifescapes Inc. disclosed its net income dropped 25 percent to P1.54 billion in January to June from P2.06 billion the same period last year. The company said cost of real estate sales went up 28.6 percent from P2.05 billion due to increase in the overall recorded sales of Vista Land. Operating expenses also increased 29.5 percent from P821 million last year on higher spending for the advertising and promotions; commissions, salaries, wages and employee benefits. Vista Land said in statement: "For the first semester, there were no seasonal aspects that had a material effect on the financial condition or results of operations of the company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales, revenues, income from continuing operations."

<http://www.manilatimes.net/national/2008/aug/13/yehey/business/20080813bus9.html>



Feedback

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