



SCTEX: A Promise Delivered

2008

Annual Report



SCTEX: A Promise Delivered
2008
Annual Report

BCDA

Cover photo by Mr. Hideyuki Takeda, KOJM Program Manager

Cover Story

2008 is the banner year of the Subic-Clark-Tarlac Expressway (SCTEX). The 94-kilometer toll road's completion and eventual opening for full commercial operations allow for a faster, convenient and more efficient transport of people, goods and services to and from Central and Northern Luzon—thereby boosting business, trade and employment opportunities in the region. The BCDA, which spearheaded construction of the SCTEX, envisioned the country's newest tollway as the launch pad for Central Luzon's unprecedented economic take-off anchored on the development of a logistics and commercial hub in the Asia-Pacific rim.

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Message of Her Excellency
Gloria Macapagal-Arroyo
President, Republic of the
Philippines

I warmly congratulate the men and women of the Bases Conversion and Development Authority for your remarkable achievements in 2008, which are highlighted in your Annual Report with the theme, "SCTEX: A Promise Delivered."

Indeed, it is heartwarming to note that the BCDA has completed on time the administration's flagship Subic-Clark-Tarlac Expressway, a concrete embodiment of our commitment to speed up the economic development of Central Luzon and improve the quality of life and well-being of the people in the region and nearby environs.

The BCDA also deserves our highest commendation for its steady and dedicated pursuit to further develop the former US military bases so that the yields and benefits that we can derive from them will be used not only for the modernization of the Armed Forces of the Philippines but also for the welfare of the entire Filipino people.

I wish the BCDA all the best this year and in the years to come. Mabuhay!

GLORIA MACAPAGAL-ARROYO

MESSAGE OF THE CHAIRMAN



The Bases Conversion and Development Authority, once again, turns another leaf with another fulfilling year that is 2008. I am wont to describe this year for the agency as the year when the organization has clearly metamorphosed from its conversion tasks to the more sophisticated field of development in which the BCDA is proving itself a major revelation.

While this annual report focuses on our biggest flagship project to date, the landmark Subic-Clark-Tarlac Expressway, there are a myriad other developments that are equally noteworthy and deserving of prominent mention.

These include our asset disposition program for the so-called Expanded Big Delta Lots at the Bonifacio Global City, the major upgrading of the San Fernando Airport at the Poro Point Special Economic Zone, the development expansion in the Clark Special Economic Zone, the renewed investment vigor in Camp John Hay, to name a few.

The expressway's envisioned role as a catalyst for the economic development of Central Luzon and nearby environs has shown concrete results during its initial months of operations, and the men and women of the BCDA rightfully deserve credit for delivering this important project.

Individually, these developments don't seem to be extraordinarily special. But when one considers that all these events transpired within a calendar year, under the aegis of a single government agency that is only 16 years in existence, there is good reason for us to pause and ponder deeper.

The BCDA is a government agency that can now be benchmarked with the best in the private sector in terms of delivering big-ticket projects on time.

Yes, we have undertaken these wide-ranging, encompassing tasks, through sheer dedication, discipline, and a huge dose of confidence in the capability and competence of the men and women in the organization.

What, I believe, we achieved in 2008 goes beyond the usual numbers and statistics, which one would find in ample servings in this report. Beyond the numbers is the fact that the BCDA has delivered crucial results during a critical juncture in the nation's history, when the world is reeling from a debilitating financial turmoil.

We could have faltered, and added to the nation's burden of soaring unemployment and economic displacement. We could have given critics ample canon fodder to snipe and magnify our failures, and thus weaken the foundations of a strong republic that we are painstakingly trying to cobble together.

Instead, we zealously guarded what we have slowly built throughout the years, and ensured that we continue to contribute to the arduous task of nation-building, so that by the end of the year, we are again able to realize fruitful concrete results with which future generations could continue to build on.

What the BCDA achieved in 2008 is to enhance the value of its past accomplishments, to continue providing employment, to continue creating business

opportunities, to sustain modest contributions to the AFP Modernization Program, and to put in place the critical infrastructure for the further development not only of BCDA's urban holdings but its countryside assets as well.

But, make no mistake about it: Significant hurdles remain ahead of us. There are pockets of underdevelopment that need to be addressed at the soonest possible time. There are new frontiers, new territories that must be opened up. More opportunities need to be created, if we are to keep abreast of a fastchanging and very daunting global economic order.

Clearly, we cannot rest on our laurels. Yet, coming from a fruitful and defining year, we are emboldened, and our resolve strengthened to face more challenges as we sail on to more uncharted waters.

As Chairman, I am grateful for the opportunity to steer the corporate ship that is BCDA, knowing that very able hands are with me on board.



ALOYSIUS R. SANTOS
Chairman

MESSAGE OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER



There is much to look back to in 2008 for the Bases Conversion and Development Authority (BCDA), and I can confidently say that this year will stand out as among the agency's most productive and significant periods to date, especially because it saw the completion of our flagship project, the Subic-Clark-Tarlac Expressway (SCTEX).

In the larger scheme of things, 2008 will always be marked as the year when the global financial markets went on a dangerous tailspin that needed the concerted efforts of all countries in the world to contain. As we write this report, much financial uncertainties have taken over the world—further destabilizing currencies and causing economies to be in a standstill; with major players biding one's time for events to run their course.

BCDA, however, played it differently and as such, stood determined to deliver on its mandates.

We poured our resources into completing the 93.7-km SCTEX, which started commercial operations in the first semester; we continued to draw investors to our special economic zones in Central and Northern Luzon; we were able to dispose of some of our prime assets in Fort Bonifacio; we succeeded in restarting the development of Camp John Hay, to name a few of our achievements during the year.

With the SCTEX finally completed and delivered, we shall now focus our energies on other equally important undertakings. We have proven our capability as an organization to deliver not just promises but also our mandate. We are in fact ready for the bigger challenges that lie ahead.

Such significant gains have proven that the BCDA remains to be a catalyst for national development—successfully delivering on its promise of infrastructure development—in line with President Arroyo’s 10-point action agenda. With the completion of the SCTEX, other national priorities—such as the creation of super regions under the government’s Luzon Urban Beltway program, hastening development outside and decongesting Metro Manila, the generation of employment opportunities and the establishment of the Subic-Clark corridor as an international services and logistics hub—have become even more attainable.

Admittedly, our financial performance in 2008 is clearly impacted by the huge appreciation of the yen vis-à-vis the peso, which resulted in foreign exchange losses for us, especially since the SCTEX was financed in bulk by a loan from the Japan Bank for International Cooperation. But this should only be for the short term, because we expect the project to start contributing to BCDA’s bottom line now that it is fully operational.

Despite the crisis, total gross operating revenues generated by BCDA in 2008 amounted to Php1.494 billion, an increase of 60 percent compared to the previous year’s Php935 million. Income from joint venture operations which make up 70 percent of total revenues reached Php1.05 billion, an increase of Php646 million from the Php404 million in 2007. Further, revenues from the SCTEX toll collection also started off this year with Php155 million. Along with the 2.032 billion proceeds (inclusive of creditable withholding tax) from the disposition of Fort Bonifacio lots and gross proceeds from the FBDC joint venture worth Php1.481 billion, BCDA gross revenues in 2008 reached more than Php5 billion.

Our operating expenses of Php1.442 billion is 32 percent higher than last year’s Php1.091 billion, as Maintenance and Other Operating Expenses rose from Php969 million in 2007 to Php1.284 billion. Among the MOOE, substantial variations are posted for donations and subsidies mainly due to increased contributions to the modernization of the Armed Forces of the Philippines (AFP), while SCTEX operations and maintenance set off this year with Php230 million.

Still, with Php1.494 billion in operating revenues as against Php1.442 billion in operating expenses, BCDA registered a net income from operations of

Php52.5 million, a turnaround from last year’s Php156 million net loss. However, as mentioned earlier, the considerable appreciation of the yen resulted to a foreign exchange paper loss of Php6.598 billion, and we ended the year with a Php6.173 billion in net loss.

Despite the sudden economic downturn, our Asset Disposition Program continued its healthy contribution to the national coffers, specifically to the AFP Modernization Program. Gross disposition proceeds were up by almost Php5 billion—the bulk of which, Php2.032 billion, inclusive of creditable withholding tax, came from the sale of our assets. This brings our total gross disposition proceeds since 1993 to almost Php41 billion, and out of this total, Php16.63 billion has gone to the AFP. Cumulatively, the privatization and disposition of Fort Bonifacio have brought about massive investments in real estate and construction. The 2.6 million-square meters of gross floor area (GFA) resulting from vertical developments until 2012 in the Bonifacio Global City alone will have realized investments of about Php78 billion, by conservative estimates. These do not as yet include investments arising from the 50-hectare McKinley Hill area estimated at Php38 billion; the 25-hectare Newport City projected at Php35 billion; and, the 43-hectare North Bonifacio area.

These investments in Fort Bonifacio and Villamor Air Base has enabled the creation of at least 25,000 job opportunities.

It may have been a rough year, but we have all the reasons to be proud of the agency’s accomplishments in 2008. With the SCTEX finally completed and delivered, we shall now focus our energies on other equally important undertakings. We have proven our capability as an organization to deliver promises and fulfill our mandates. We are in fact ready for the bigger challenges that lie ahead.

To the men and women of BCDA, and to our stakeholders: Congratulations for a job well done!



GEN NARCISO L. ABAYA (RET)
President and Chief Executive Officer

THE SUBIC-CLARK-TARLAC EXPRESSWAY: THE BACKBONE OF A NEW ECONOMIC CORRIDOR

The Bases Conversion and Development Authority in 2008 accomplished what no other agency has probably done in recent memory: Successfully deliver its flagship project, the Subic-Clark-Tarlac Expressway, right on schedule.

Breaking ground on April 4, 2005, the 93.77-kilometer world-class toll road started commercial operations on April 28, 2008, a feat that easily stands out among the many achievements of BCDA in its 16-year history.

The early completion of the SCTEX showcases the firm political will and determination of President Arroyo's administration to transform the Subic-Clark corridor into a world-class logistics hub for the Asia-Pacific region.

The SCTEX completion also boosts the country's standing in the eyes of foreign funding institutions like the Japan Bank for International Cooperation, which financed bulk of the flagship project that now provides a seamless link between the Subic Bay Freeport Zone and the Clark Special Economic Zone.

Judging by the number of satisfied motorists and travelers who have experienced traversing the world-class toll road in 2008, the SCTEX may yet prove to be one of the Arroyo administration's most durable and lasting legacies to the Filipino people.





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SCTEX TIMELINE



March 18, 2005

Contract signing with Japanese contractors Kajima-Obayashi-JFE Engineering-Mitsubishi Heavy Industries Co. Ltd (KOJM) for Package 1 (Subic-Clark segment) and Hazama-Taisei-Nippon Steel (HTN), for Package 2 (Clark-Tarlac)



April 4, 2005

Groundbreaking ceremony



April 21, 2005

Start of construction



June 11, 2007

Signing of the Toll Operation Agreement (TOA) between BCDA and the Toll Regulatory Board



March 18, 2008

President Gloria Macapagal-Arroyo leads the free Holyweek dry run from March 18-24, 2008 for the 50.5-kilometer Subic-Clark segment of the SCTEX, dubbed "Handog ni Pangulong Gloria: Libreng Biyahe sa SCTEX."



April 5, 2008

The second dry run from April 5 to 9, 2008 for the Subic-Clark segment was President Gloria Macapagal-Arroyo's gift to the public on the occasion of her birthday.



April 9, 2008

The Toll Regulatory Board approves a Php2 per kilometer toll for the newly constructed 93.77-kilometer SCTEX.



April 18, 2008

The "94K Weekend" held on April 18-20, 2008 brought together athletes, bikers and car enthusiasts to test the new highway.



April 21, 2008

Dry run of the Clark-Tarlac segment



April 28, 2008

The Subic-Clark segment opens for commercial operations.



July 24, 2008

The BCDA launches the "Greening SCTEX Program" that aims to plant 50,000 trees along the 93.77-kilometer toll road in five years.



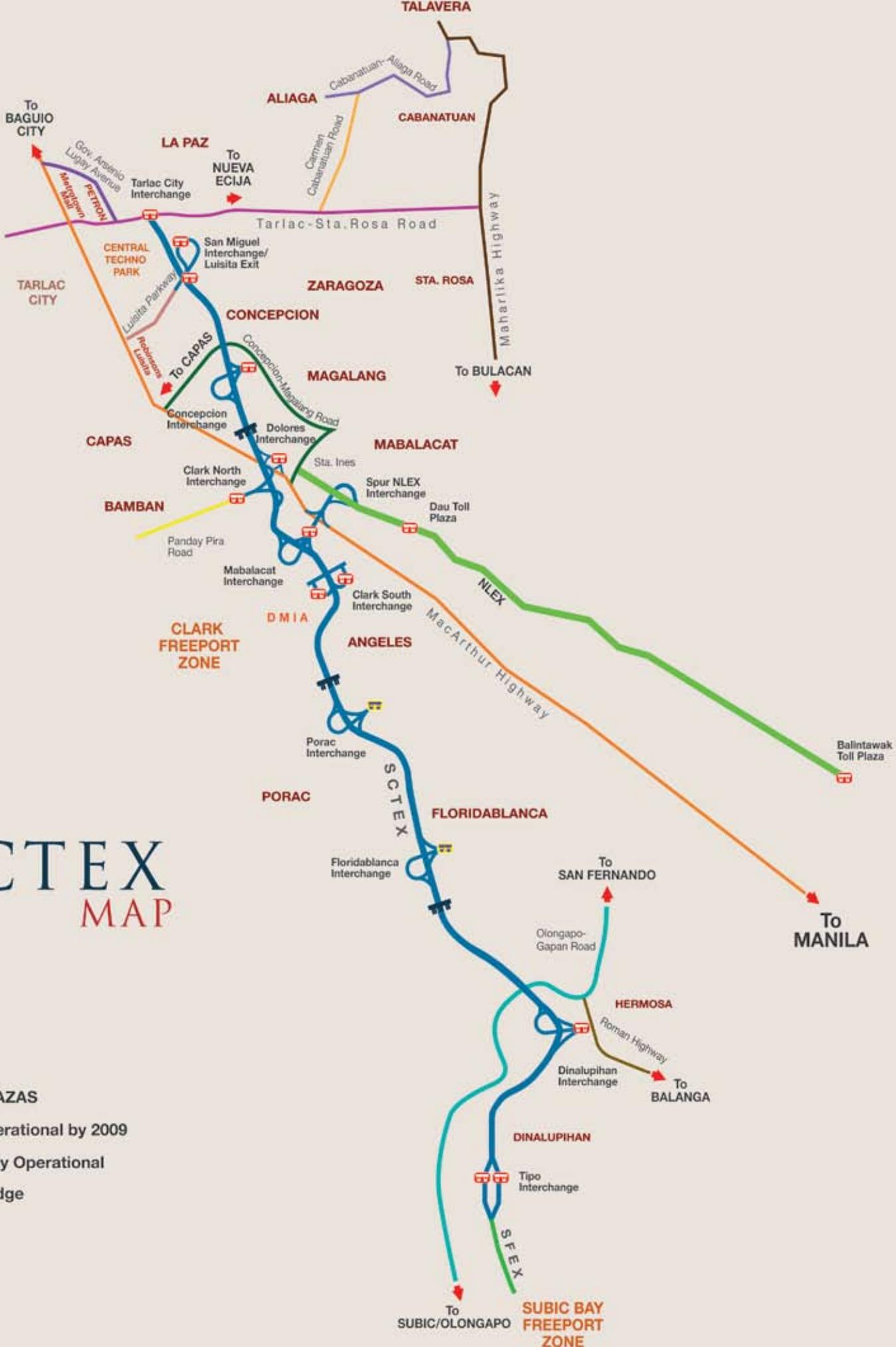
July 25, 2008

The Clark-Tarlac segment opens signaling the full operations of the entire 93.77-kilometer toll road.



December 23, 2008

The Clark North Interchange opens for commercial operations.



SCTEX MAP

- TOLL PLAZAS**
- Operational by 2009
 - Fully Operational
 - Bridge

Tri-athlete Denise Weldon



Hiroshi Togo of the Japan Bank for International Cooperation



Athletes, bikers and car enthusiasts put to test the new highway in an atmosphere of fun and excitement from April 18 to 20 for the historic pre-inaugural opening rites.

Dubbed the 94K Weekend, since the expressway measures nearly 94 kilometers, the three-day event brought together not only athletes but also the country's most distinguished business leaders and celebrities for a weekend of running, biking and driving. BCDA partnered with Clark Development Corporation and Subic Bay Metropolitan Authority for this event.

Activities included the first Luzon Motorcycle Federation Inc.'s (LMFI) Philippine International Motorcycle Exhibit and Convention, the Tour de SCTEX Linked: A Race for Progress, and a wall climbing exhibition.

There was also the 94K Drive and 94K Ride, a partnership between BCDA and BMW Philippines where driving enthusiasts were allowed to test the 100 kph speed limit of the toll road on board the most luxurious sports cars and big bikes.

There was the 10-kilometer Fun Run that let families experience the smooth asphalt of the SCTEX, while aspiring marathon runners tested their mettle in the 42-kilometer long-distance endurance marathon.

The affairs' highlight was the 94K Torch Relay on April 19, when guest runners coming from Subic and Tarlac negotiated portions of the entire Subic-Clark-Tarlac Expressway that culminated at the Clark Freeport Zone, where the SCTEX pyre was lighted by BCDA Chairman Aloysius Santos and President and CEO Narciso Abaya to symbolize a better future not only for Central Luzon but the entire nation as well.

For the weekend's grand finale, BCDA partnered with R.O.X. and 10 Pinoy Ultra Runners in a "run for life" 94K Ultra Marathon that benefited cancer patients around the country.

The marathon covered the entire length of the SCTEX from Tarlac to Subic, with the runners starting in the afternoon of April 19 in Tarlac, ending the grueling 15-hour challenge the next day at the Tipo Interchange in Zambales. The Pinoy Ultrarunners have the distinct honor of being the only ones who have done the said feat.

Pinoy Ultra Marathon Runners



Andrew Tan of Megaworld



BGen Robert Gervacio leading the SCTEX delegation



Tollways Management Corporation delegation

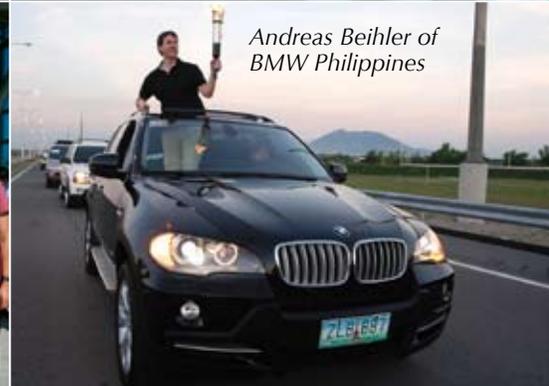
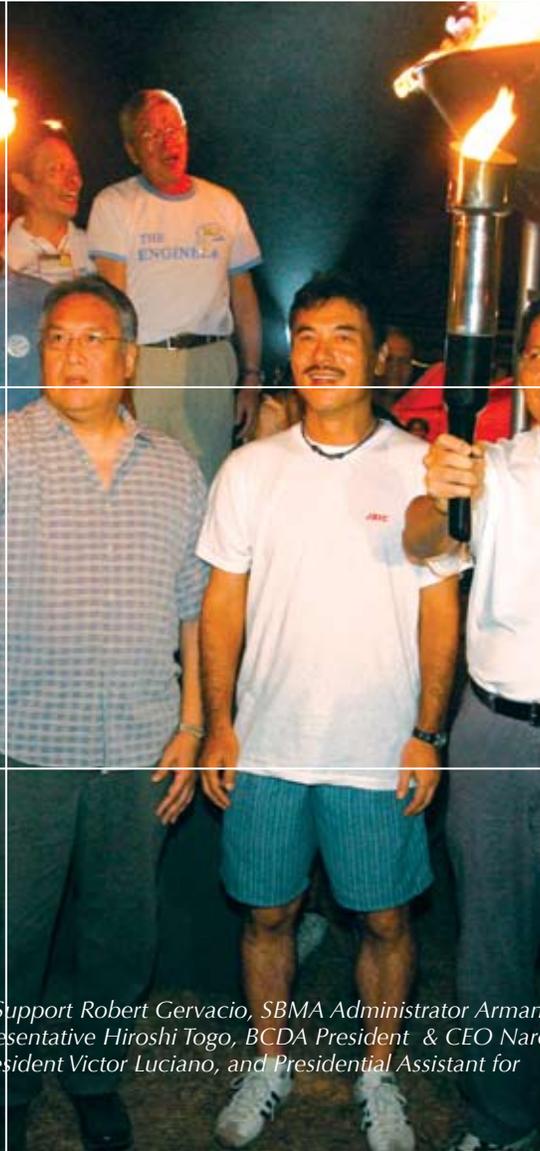




Leica Carpo of the Philippine Daily Inquirer



(L - R) SCTEX Program Manager for Operational Support Robert Gervacio, SBMA Administrator Armand Arreza, BCDA Chairman Aloysius Santos, JBIC Chief Representative Hiroshi Togo, BCDA President & CEO Narciso Abaya, BCDA General Counsel Arnel Casanova, CIAC President Victor Luciano, and Presidential Assistant for Central Luzon Lorelei Fajardo



Andreas Beihler of BMW Philippines



Aeta Community representatives



Butch Jimenez of PLDT



Nina Herrera-Huang of Runners for Others



Raul Ignacio of the Manila North Tollways Corp.



Clark Investors and Locators Association delegation



Gov. Enrique Garcia of Bataan



Fernando Zobel de Ayala

BCDA President and CEO Narciso Abaya and BCDA Chairman Aloysius Santos lead the symbolic lighting of the SCTEX Pyre. Looking on is Presidential Assistant for Central Luzon Lorelei Fajardo.

Congresswoman Herminia Roman of the First District of Bataan



SPEEDY, COMFORTABLE TRAVEL VIA A WORLD-CLASS EXPRESSWAY

Giving the public a first taste of SCTEX, the BCDA allowed motorists a free Holy Week trial run involving the Subic-Clark segment starting on Holy Tuesday, March 18, with the soft opening graced by President Gloria Macapagal-Arroyo.

On the first day, a total of 2,356 Class 1 and 2 vehicles used the 50.5-kilometer portion of the SCTEX from the Clark Freeport in Angeles City, Pampanga to the Subic Freeport in Zambales. The dry run, dubbed “Handog ni Pangulong Gloria: Libreng Biyaha sa SCTEX”, lasted until March 24, the Monday after Easter, when most motorists returned to the city.

The joint venture of First Philippine Holdings Corporation (FPHC), Egis Road Operation (ERO) and Tollways Management Corporation (TMC), SCTEX’s interim operator, recorded 50,130 vehicles entering the SCTEX from March 19 to 24—a validation of BCDA’s projections of an urgent need for a direct and faster route between Subic and Clark.

Less than two weeks later, the BCDA once again allowed, for free, eager motorists on the brand-new toll road from April 5 to 9 as President Arroyo’s birthday gift to holiday motorists.

Clark-Tarlac Test Run

Riding on the momentum of the two successful dry runs, BCDA immediately followed with a successful test run on the Clark-Tarlac segment on April 21, again with President Arroyo on the lead culminating in the inspection of the ongoing works at the Clark South Interchange of the SCTEX.

The Clark South Interchange is one of three additional interchanges to the original SCTEX design. It will serve as the entry and exit point from SCTEX to the bustling Clark Freeport Zone and Angeles City.

Global Gateways Caravan

A couple of days before the SCTEX opened to commercial traffic, the expressway served as the main route for the Global Gateways Caravan on April 26 which highlighted the exciting and diverse tourist destinations of Central Luzon.

Some 200 vehicles joined the caravan that started at the Luisita Mall Complex in Tarlac City, proceeding to the Subic Bay Boardwalk and exiting at the Clark Freeport Zone where the participants toured and enjoyed the recreational and tourism facilities of the Freeport zones.

SCTEX begins commercial operations

At exactly 12:01 p.m. on April 28, the first motorist bound for Subic passed through the Mabalacat Toll Plaza in Pampanga, heralding the start of commercial operations of the country’s longest toll road in its Subic-Clark stretch.

Earlier, Secretary Pamintuan, on behalf of President Arroyo, delivered the keynote address at the Toll Operations Center following the remarks of BCDA President Narciso Abaya, Japanese Ambassador to the Philippines Makoto Katsura and Japan Bank for International Cooperation (JBIC) Chief Representative Hiroshi Togo.

Ambassador Katsura provided regional perspective to the role of SCTEX in maximizing the potential of the Subic and Clark Freeports. For his part, JBIC’s Togo cited the SCTEX as a lasting symbol of Philippine-Japan friendship and cooperation, with more than 200 Japanese engineers deployed for the landmark project.

Opening toll rates were at Php2 per kilometer for Class 1 vehicles as approved by the Toll Regulatory Board. Travel time from Subic to Clark is pegged at 40 minutes.



Opening of the Clark-Tarlac Segment

Hailed as the backbone of Central Luzon’s new economic corridor, the BCDA formally opened the remaining 32-kilometer stretch of the Clark-Tarlac segment on July 25, signaling the start of full commercial operations and officially making the SCTEX the country’s longest toll highway.

Providing the fastest route to the country’s northern provinces, motorists from Manila are finally able to use the SCTEX via a seamless connection from the North Luzon Expressway (NLEX) to destinations in Tarlac, Cabanatuan, La Union, Pangasinan, Baguio City and Ilocos. The drive from the Mabalacat Interchange to Tarlac City is reduced to 25 minutes.

Clark North Interchange opens to public

The Clark North Interchange and the 3.8-kilometer Panday Pira Road were opened to vehicular traffic on December 23 at exactly 6 a.m. With its completion, only three SCTEX interchanges remain to be opened: The Clark South Interchange near the Yokohama manufacturing facility in Clark, and those in Porac and Floridablanca towns, all in Pampanga. With the completion of the new interchanges in 2009, nearby towns will have direct access to the SCTEX.

BRINGING THE GOOD NEWS TO LIGHT

Side by side with the agency’s numerous development pursuits in 2008, the BCDA embarked on a comprehensive and wide-reaching marketing and information campaign to highlight the many good news about the SCTEX.

At the forefront of these corporate initiatives is the traveling exhibit dubbed as, “BCDA: 15 Years at the Forefront of Development: Creating New Engines of Growth,” the exhibit celebrated the agency’s strong partnership with local government units and the private sector in generating business opportunities, jobs and economic development—with the SCTEX as its centerpiece.

The corporate exhibit made the rounds of six shopping malls in Metro Manila, Central Luzon and Northern Luzon, namely, Market!Market! in Bonifacio Global City, Glorietta in Makati, Trinoma in Quezon City, SM City Clark and SM City San Fernando in Pampanga and SM City Baguio.

Further, the BCDA invited select groups of journalists and information officers from various government agencies to familiarization tours of the new toll road and tourist spots in Central and Northern Luzon. Dubbed “The Journey and the Destination,” the familiarization tours also brought members of the media for a first hand view of recent developments in BCDA-affiliated economic zones that were mostly former US military facilities. Employees of BCDA and its subsidiaries were also brought to the project site for a familiarization and appreciation tour of the SCTEX.

A vision-sharing workshop was also conducted by BCDA in cooperation with the Department of Tourism and the Philippine Tourism Authority for key players in the tourism industry in Region 3. Capitalizing on the opening of the SCTEX, the participants from government and private sector came up with ideas and plans on how to further accelerate growth of the Philippine tourism industry, particularly in Central Luzon.

It was pointed out that crucial infrastructures such as the SCTEX, the refurbished Diosdado Macapagal International Airport (DMIA) in Clark and the North Luzon Expressway have made Central Luzon well-positioned to provide viable inter-regional tour packages and efficient links to tourist destinations in the north. The participants agreed to implement a more aggressive promotional campaign anchored on these developments.

RISING ABOVE CHALLENGES IN THE ECOZONES

While the global economic slowdown caused massive job dislocations in many advanced economies, the special economic zones under the wings of the Bases Conversion and Development Authority (BCDA) escaped the turmoil relatively unscathed, and some even posted modest gains in terms of both revenues and number of locators.

More importantly, the Clark Freeport Zone in Pampanga, the Camp John Hay Special Economic Zone in Baguio City, the Poro Point Freeport Zone in La Union, and the Bataan Technology Park in Morong, are able to maintain their workforce levels in 2008, significantly contributing to the stabilization of the local economy in the face of the financial crisis.

These economic zones/freeports, after all, enjoy distinct and unique features as investment locations that are hard to match. And, with the government bent on matching, or even surpassing, the incentives being offered by our Asian neighbors, it is just a matter of time when these economic dynamos realize their full potentials not only as centers of economic growth but also of human and social development.

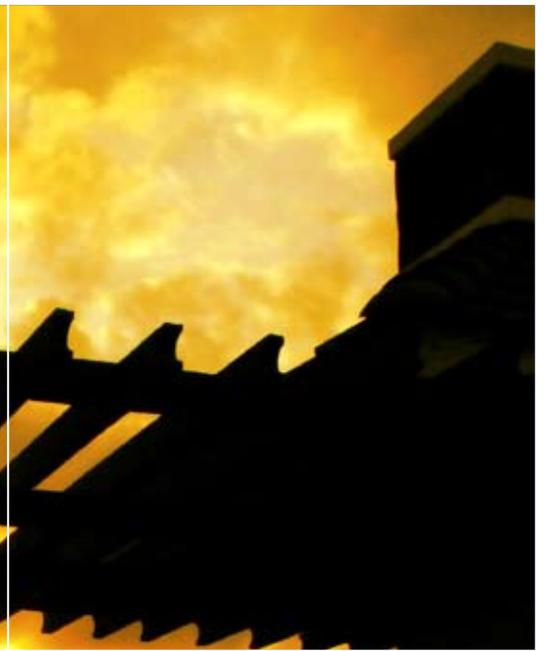
CLARK SPECIAL ECONOMIC ZONE

The year 2008 opened auspicious enough for the Clark Freeport Zone when, on January 29, President Gloria Macapagal-Arroyo declared the Diosdado Macapagal International Airport (DMIA) as the country's premier international airport and not just as a developmental route.

In line with this pronouncement, the Clark International Airport Corporation (CIAC), which has been designated to develop and operate the Clark Civil Aviation Complex (CCAC), was restored as a direct subsidiary of the BCDA on April 3 by virtue of Executive Order No. 716 (EO 716). This move to transfer the CIAC under the wings of the BCDA from the Clark Development Corporation (CDC) was meant to ensure that the development of the CCAC is aligned with the overall conversion program of BCDA. It is also meant to clarify the functions and delineate the jurisdiction of the CDC and CIAC, respectively, in order to create synergy between the two corporations involved in the development of the 4,400-hectare Clark Complex.

As such, BCDA effectively became responsible for the DMIA, which President Arroyo has envisioned as the country's next premier gateway.





With the government bent on matching, or even surpassing, the incentives being offered by our Asian neighbors, it is just a matter of time when these economic dynamos realize their full potentials not only as centers of economic growth but also of human and social development.





DMIA, A Premier Gateway

The BCDA, through the CIAC, began expansion of the Passenger Terminal Building of the DMIA to enable the airport to accommodate two million passengers annually from its present one million passenger capacity. The project was inaugurated by President Gloria Macapagal-Arroyo on April 4, 2008, a day after she signed EO 716.

The DMIA, living up to its billing as the country's premier gateway, continues to host an influx of domestic and foreign travelers, with passenger arrivals on board international flights recorded at 245,241, up slightly from arrival figures in 2007 of 241,954, with the number of departing international passengers at 245,507.

CIAC records show domestic and international flights are up 40 percent over the previous year. Domestic airlines, Seair and Cebu Pacific, service 16 flights per week to two provinces in the Philippines (Cebu and Caticlan). International carriers, on the other hand, service seven Asia-Pacific destinations, namely: Singapore, Hongkong, Macau, Bangkok, Kota Kinabalu, Kuala Lumpur, and Incheon. Cebu Pacific, which has established its hub in DMIA, has been servicing 21 international flights per week since October.

The total number of flights in year 2008 was 5,263 flights, representing 2,623 passenger flights and 2,640 cargo flights. The DMIA had an average of 14 flights per day in year 2008.

Further, international passenger traffic increased by 0.2 percent compared to the recorded passengers in 2007. Total tourist arrivals in the Clark Freeport Zone were thus dramatically up by 26.31 percent, from 614,542 in 2007 to 776,254 visitors in 2008. Aside from domestic and international airport arrivals (265,241), the number of tourists swelled based on attendance in educational tours and events (148,000) and room occupancies (363,000). Total cargo tonnage for 2008 was 130,585 tons, a 1.5 percent increase marked over the previous year.

CIAC's operations for the year yielded a total of Php278.82 million in revenues, bulk of which comes from toll and terminal fees, check-in counter fees, concessionaire fees, ad space rentals, lease rentals, security fees and parking fees, accounting for more than 66 percent, or Php183.1 million. Another significant contributor are landing and parking fees for aircraft using the facility, amounting to Php90.88 million or 33 percent of total revenues.

Sustained Investor Interest

The economic dynamo that is the Clark Freeport Zone continues to churn out big numbers, which is hardly surprising considering the modern infrastructure facilities already in place in the former US military facility, and complemented by continuing developments and the opening of the strategic Subic-Clark-Tarlac Expressway (SCTEX) during the year.

With the sustained investor interest in the Clark Freeport Zone, employment jumped 11.11 percent in 2008, with a total of



Texas Instruments



Oxford Hotel

57,790 jobs generated compared to 52,010 the year before. This can be attributed to the increase in export and import receipts in the Freeport—with exports reaching \$949.95 million, up 7.40 percent compared to the \$884.46 million figure in 2007, while imports rose 4.88 percent to \$927.61 million from \$832.16 million a year ago. The biggest exporters from the Freeport in 2008 were Nanox Philippines with \$412.47 million and Yokohama Tire (Phils.) Inc., with \$222.19 million.

A significant shift is detected in the investment mix in Clark during the year, following the overall pattern in the national economy, which has seen a robust tourism sector. Out of the Php13.11 billion in total investment commitments in 2008, the bulk of Php9.45 billion came from tourism investments that are mostly new and direct leases in the Freeport.

The sustained economic and tourism activities in the Freeport enabled the Clark Development Corporation (CDC) to increase its 2008 revenues to Php871.72 million, up 8.78 percent compared to the previous year's Php801.33 million.

Correspondingly, taxes remitted to the national government from the operations of locators in Clark reached Php1.85 billion, an 11.45 percent hike compared to the Php1.66 billion remitted in 2007, making the Clark Freeport Zone a significant contributor to national economic development.

Clark International Airport Corporation Now Under BCDA

The Clark International Airport Corporation (CIAC), which has been designated to operate the Clark Civil Aviation Complex, was made a subsidiary of the BCDA by virtue of EO 716, which was issued by President Arroyo on April 3, 2008.

The move to transfer the CIAC under the wings of the BCDA from the Clark Development Corporation (CDC) was meant to ensure that the development of the Clark Civil Aviation Complex (CCAC)-DMIA is aligned with the conversion program of BCDA, as well as to clarify the functions and delineate the jurisdiction of the CDC and CIAC, in order to create synergy between the two government corporations.

As such, the BCDA effectively became responsible for the Diosdado Macapagal International Airport (DMIA) located at the CCAC, which President Arroyo has envisioned as the country's next premier gateway. With the reversion of the CIAC to the BCDA, the conversion agency shall be the recipient of dividends from CIAC.

In line with this, the BCDA through the CIAC, began expansion of the terminal 1 Building of the DMIA to enable the terminal to accommodate two million passengers annually from its present one million passenger capacity. The project was inaugurated by President Gloria Macapagal-Arroyo on April 4, 2008, a day after she signed EO 716.

A total of Php278.82 million in revenues was generated from CIAC's operations for the year 2008, more than 66 percent, or Php183.1 million of which comes from toll and terminal fees, check-in counter fees, concessionaire fees, ad space rentals, lease rentals, security fees and parking fees. Other significant contributors are the landing and parking fees for aircraft using the facility, amounting to Php90.88 million or 33 percent of total revenues.

Strategic Directions

With at least Php13.11 billion in total investment committed by locators in 2008, the Clark Freeport Zone has embarked on a long-term business agenda to extend and expand its development, highlighted by the completion of a Master Development Plan which, in turn, was the result of a perfected agreement the year before to manage an additional 10,684 hectares of land in the Clark Sub-Zone.

A major locator, SM Clark, started expansion activities and signed a lease agreement for an additional 5.5 hectares of land with the CDC. The company plans a mixed-use facility for office, retail, commercial, leisure and entertainment activities. SM Clark committed a minimum Php500-million investments for the expansion.

Beyond 2008, CDC will actively build up from the progress it has made in recent years to make doing business in the Clark Freeport Zone most efficient. Taking advantage of the seamless integration of business zones spurred by the Subic-Clark-Tarlac Expressway (SCTEX), CDC will closely work together with concerned Local Government Units (LGUs) for the possible development of other economic zones within the SCTEX corridor and the promotion of tourism attractions in their respective areas.

Further, Clark will continue playing its role as catalyst in spurring parallel developments in surrounding communities, embarking on programs that promote self-sufficiency.

JOHN HAY SPECIAL ECONOMIC ZONE

The Camp John Hay Special Economic Zone got a big boost in 2008 with the entry of real estate giant Ayala Land, Inc. (ALI). ALI has committed to become an active player in the zone that is expected to contribute significantly to further enhancing the value of the historic and scenic property.

Ayala Land started the development of its Business Process Outsourcing (BPO) Campus at John Hay in July of 2008. The project consists of six low-rise office buildings with supporting retail and residential facilities, with the architecture complementing the Camp John Hay (CJH) ambiance. The retail development is envisioned to be the new commercial destination in Baguio.

The BCDA and Camp John Hay Development Corporation (CJHDevCo) officially signed a Restructuring Lease Agreement on July 1, 2008, which obliges the private developer to complete the development of tourism-related facilities in its leased area based on a revised project implementation plan. The restructured agreement also assures BCDA an annual fixed rental of Php150 million, of which Php75 million will come from Ayala Land, Inc., now a sub-lessee in CJHDevCo.'s lease area.

Camp John Hay Special Economic Zone sustained growths in major performance indicators, including a healthy increase in tourist arrivals, employment, and revenue generation. At the same time, ecological balance and protection of John Hay's unique environment and forest watershed area are continuously being maintained.

The year saw employment in the Camp John Hay Special Economic Zone reach 1,510, a 5.5 percent increase compared to the 1,436 jobs registered in 2007, with a big upside potential once the revived development plans go full blast.

Of the total employees inside the SEZ in 2008, a total of 1,410 workers came from the Baguio-La Union-Itogon-Sablan-Tuba (BLIST) area, in compliance with the Baguio City resolution in 2004 which mandated, among others, that at least 85 percent of workers to be hired in the Camp John Hay Special Economic Zone must come from the aforementioned areas. The BLIST share of workers has consistently been above 90 percent.

Tourist arrivals in the John Hay Special Economic Zone likewise posted a 7.5 increase during the year, reaching 119,873 from its year ago level of 111,517 visitors. The data is sourced from records of the three hotels operating inside the JHSEZ: Camp John Hay Manor (107,094 guests), Mile-Hi Inn (4,170 guests), and the AIM Igorot Lodge (8,609 guests).

BCDA, through its subsidiary, the John Hay Management Corporation (JHMC), achieved a big increase in its operating revenues that reached Php18.69 million, up more than 70 percent from Php10.98 million of last year. This indicates a healthy economic rebound for the JHMC, with its rental income reaching Php11.51 million, miscellaneous income at Php5.73 million, and income from the economic zone at Php1.44 million.

Environment and Forest Management

JHMC continued its prudent implementation of environmental policies in 2008, focusing on initiatives such as the monitoring of air and water quality within the SEZ and the solid and hazardous waste management of locators. Another major undertaking during the year is the proposed construction of a sewer line by CJHDevCo and the continuous biodiversity monitoring of the Camp John Hay Reservation.

JHMC also maintained, enhanced and further developed the SEZ as a watershed and forest eco-tourism destination, which has been the top draw of Camp John Hay for more than a hundred years. Activities under this initiative included the meticulous and regular inspection of century-old trees to control infestations, as well as to assure forest density within the sprawling reservation. Steps to prevent forest fires were likewise actively pursued.

Other notable JHMC accomplishments in 2008 include: a) the awarding of 15 Transfer Certificates of Title to housing beneficiaries under the ongoing Scout Barrio Housing Program who have completed the requirements that qualified them to the awarded titles; and, b) the improvement of the Camp John Hay Historical Core, another top tourist draw that has seen a steady stream of visitors the whole year round.





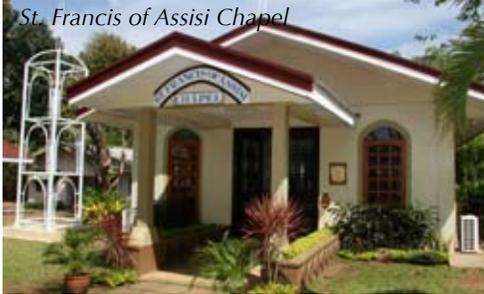
St. Francis of Assisi Chapel



Administrative Building



Freedom Park



BTPI Museum

BATAAN TECHNOLOGY PARK

Ready to soar with the tourism boom

The Bataan Technology Park (BTP) in Morong, Bataan remains the most untapped asset of the BCDA. The continuing boom in the Philippines' tourism industry makes it an ideal target for potential investors, and the completion in 2008 of the Subic-Clark-Tarlac Expressway bodes well for this unique special economic zone.

The BTP, like many other investment destinations, was severely affected by the global economic slowdown during the year.

The Bataan Technology Park, Inc. (BTPI), however, continues to market the property's potentials to prospective locators who may see the value of the area for eco-tourism, retirement and leisure developments.

The 365-hectare property, featuring scenic rolling hills amidst quiet and serene greeneries everywhere, is now just an half hour away from the Subic end of the SCTEX. This accessibility, not to mention the size of the zone, gives the BTP a clear advantage once developed into a leisure, adventure and sports destination highly sought by tourist markets in Europe, the US and Asia particularly Japan, Korea and Taiwan.

During the 2008 lull, the BTPI concentrated in completing its comprehensive five-year Business and Land Use Development Plan that focuses on planning its development thrust, as well as the requisite funding and marketing aspects for the zone.

As such, the BTPI continues to maintain a strategic core of employees who are tasked to prepare all the requirements and process the requests of interested investors regarding viable tourism enterprises that may be established in the ecozone given the government's projections of a continuing boom in the tourism industry in the next few years.

Despite the stalled investments, the BTP continues to attract local and foreign tourists to its facilities and sprawling grounds that are perfect for team-building activities, eco-tourism hikes and other outdoor endeavors. Total number of visitors in 2008 totaled 6,296, mainly on the strength of pass-on, word of mouth endorsement of Morong town's "best kept secret."

The success of Ayala Land's Anvaya Cove and record tourist arrivals registered at the Subic Bay Freeport and Special Economic Zone, which are both adjacent properties to the Bataan Technology Park, are good indicators that the area is ripe for tourism and leisure park development.



Thunderbird Resort

PORO POINT

The Poro Point Freeport Zone got its biggest boost in 2008 from the upgrading of the San Fernando Airport to be able to accommodate bigger aircrafts and attract more commercial flights as part of the government’s bid to transform Northern Luzon into a super region.

Another big development for Poro Point is the unqualified success of one of its biggest investors, Thunderbird Pilipinas Hotels and Resorts, Inc., which operates the 65.5-hectare tourism complex inside the former US Wallace Air Station that now draws thousands of visitors. Thunderbird opened its sprawling, world class golf course in May of 2008, with President Arroyo as guest of honor.

A third significant development, which strengthened the Freeport’s bid to become a center of economic activity in the north, is the launching in late 2008 of the Tarlac-La Union Expressway. This will give the Freeport a strategic link by land to Central Luzon and the National Capital Region, thereby giving not only the Freeport but the entire province of La Union and the rest of Northern Luzon a crucial, world-class toll road.

Worthy Investments

Thunderbird Pilipinas Hotels and Resorts, together with its sister company Thunderbird Poro Development Ventures, Inc., have poured in huge investments to develop the tourism complex in the Freeport, which now boasts of a world-class hotel and a 9-hole golf course, among others.

In 2008, Thunderbird also started building a swimming pool, started expanding its entertainment and leisure complex, and commenced construction of the beach club as the company forged ahead with its plan to make Poro Point a major tourist hub in the region. The facilities are all scheduled for completion by the first quarter of 2009.

Significant Results

As a result, 2008 saw an influx of visitors to Poro Point, registering almost 66,000 local and foreign guests. Employment likewise jumped to 1,688 from the previous year’s 1,440, with Thunderbird again leading the pack with 505 employees. As in previous years, the figures do not include the thousands of stevedores and arrastre personnel employed in the seaport on a ‘pakyaw’ basis.

Revenues and Investments

Total investments in the Poro Point Freeport Zone now total Php845.22 million, the bulk of which is courtesy of the Thunderbird Group with over Php730 million in actual investments.

Total revenues generated by the Freeport in 2008 reached Php86.80 million, a 23.4 percent jump from the year ago level of Php70.32 million. These are mainly from rentals and from the percentage of gaming revenues from Thunderbird’s entertainment and leisure operations.

Taxes remitted to the national government from Poro Point operations, including taxes and fees, totaled Php19.56 million in 2008.

Poro Point Seaport



San Fernando Airport



Seaport, Airport Operations

The San Fernando Seaport inside the Freeport Zone continues to generate economic activities, mainly as a transshipment point as well as handling inward and outward foreign cargo which, as earlier mentioned, contributes to employment generation mainly for thousands of dock hands.

Commodity importation via the seaport was valued at \$1.79 million during the year, while bringing in of imported articles by PPFZ Registered Enterprises was at \$1.12 million, with local purchase amounting to Php79.52 million.

The airport, on the other hand, continues to handle increasing traffic as a result of the upgrading activities, with 17 flying schools using the airport for cross-country training flights. Private and chartered flights register 2,172 during the year, plus military and government aircraft, and some commercial flights.

With the completion of the Php477.934-billion peso upgrading project, South Korea's tourism and aviation officials have expressed interest in utilizing the San Fernando Airport, which can now accommodate Boeing 737s and Airbus 300s.

Offering Opportunities

With the scheduled completion of the San Fernando Airport, the continuing development of its breathtaking seaside tourism complex, and the promise of a seamless land connection through a modern expressway, Poro Point is indeed well-positioned to offer its sprawling facilities to more investors, and the Poro Point Management Corporation has embarked on an aggressive marketing thrust to lure more locators.

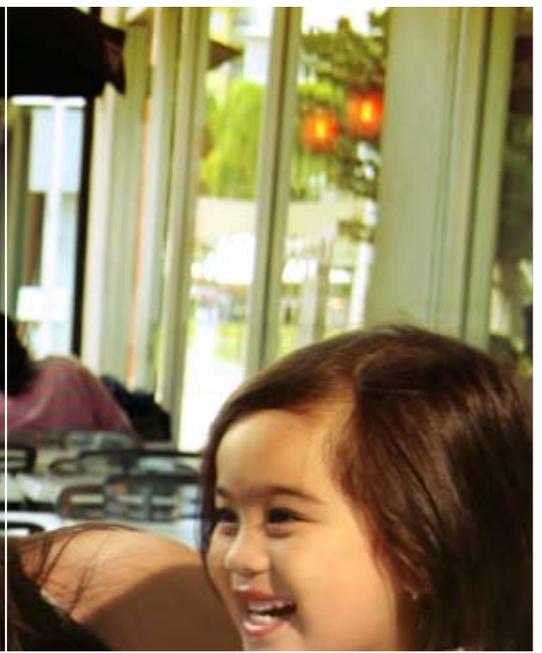
Two new significant locators, in fact, signed up in 2008: Leading Edge International Academy, Inc., and the Grand Union Business Development Group. More are expected once the airport resumes commercial operations to bring in not only tourists and investors but airline companies and other related industries as well.

MAXIMIZING YIELDS THROUGH PRUDENT ASSET MANAGEMENT

The year 2008 started and ended on a mixed note for real estate and for BCDA's Asset Disposition Program. Coming from a highly upbeat 2007, the year started out with foreign and local real estate developers bullish on the sector. Accelerating capital values spawned by such aggressive investors were however arrested by the global financial meltdown which manifested in the latter part of the year.

Nonetheless, BCDA registered gross disposition proceeds of almost P5 billion by end-2008, realized primarily through a combination of prudent asset management and a sustained asset disposition thrust. These enabled BCDA to reap the benefits of hard decisions and careful business judgment made in the past, as well as take advantage of opportunities in the market, however short-lived.





BCDA registered gross disposition proceeds of almost Php5 billion by end-2008, realized primarily through a combination of prudent asset management and a sustained asset disposition thrust.





The BCDA Board of Directors



Prime office and residential spaces at the Bonifacio Global City

Bonifacio Global City

Sale of Expanded Big Delta Lots

Sale of Expanded Big Delta Lots
BCDA bid out and sold the 12,036 sq.m. Expanded Big Delta Lots (formerly the “Government Center for Investments” Lot) at a price of Php168,889.11 per sq.m. for a total of Php2.0327 billion. The mixed-use property is strategically located in the E-square Area where locators can qualify for tax and other incentives from the Philippine Economic Zone Authority.

A Notice of Award was issued to and, subsequently, a Deed of Sale was signed with the unincorporated joint venture of companies headed by the Net Group of Mr. Carlos S. Rufino and Mr. Jacques A. Dupasquier. The Net Group undertook detailed planning and design for the property immediately after the full payment of the purchase price last July 23, 2008.

Cumulative Investments

By end-2008, cumulative investments in Serendra and Market! Market! since 2004 reached Php7.273 billion and Php5.187 billion, respectively. In 2008 alone, investments in Serendra totaled Php1.977 billion.

Taxes paid amounted to Php321.536 million for input Value-Added Tax (VAT), Php512.013 million for output VAT, Php26.973 million for Business Tax and Php331.860 million for Creditable Withholding Tax (CWT).

On the other hand, cumulative investments in McKinley Hill since 2004 were estimated at Php14.428 billion, with Php2.886 billion invested in 2008.

McKinley Hill will soon showcase more than 9,000 residential condominium units, 300,000 square meters of office spaces, 78,000 square meters of retail spaces and a Venetian-themed retail mall. By 2012, investments are projected to reach Php38.475 billion.

Returns from Investments in Fort Bonifacio Development Corporation

The year 2008 was one of the banner years for Fort Bonifacio Development Corp. (FBDC), the joint venture between

BCDA and Bonifacio Land Corporation led by the consortium of ALI and Evergreen (otherwise known as the Campos Group), which is developing the Bonifacio Global City. Returns from FBDC realized Php1.481 billion in revenues for BCDA in the form of dividend income and redemption of preferred shares.

Dividend income from FBDC, cumulatively, has reached Php1.867 billion from 2005 to 2008. Including redemption of preferred shares, returns from FBDC since 2003 have reached Php2.943 billion as of end-2008.

Joint Venture and Lease Proceeds

On the other hand, joint venture and lease proceeds in 2008 totaled Php1.049 billion and Php283.415 million, respectively. These joint ventures are for Serendra, McKinley Hill, Newport City and Pacific Plaza Towers, while lease proceeds came from Market! Market! and the Institutional Area, among others.

As of end-2008, the leaders in net disposition proceeds are Market! Market! which has so far remitted to BCDA Php1.525 billion, Serendra at Php1.405 billion, McKinley Hills at Php1.404 billion and Newport City in Villamor at Php380 million.

These actual proceeds do not, as yet, include some Php820 million worth of replication projects for the Philippine Air Force and community facilities and schools in Villamor Air Base which were advanced by the developer of Newport City and charged to disposition proceeds.

Serendra

Total sales of BCDA-allocated units in Serendra Districts 1 & 2 hit Php3.027 billion or an equivalent of 347 residential units and 60 parking slots out of a total BCDA inventory of Php3.752 billion or an equivalent of 419 residential units and 239 parking slots for the five selling periods since February 2004. Out of the total sold units, gross collections reached Php2.395 billion, from which the advances and development and marketing fees were deducted. Cumulative selling efficiency of residential units allocated to BCDA is at 84.91percent for Serendra District 1 and 81.54 percent for Serendra District 2. For parking slots, Serendra District 1 hit a sales achievement of 40 percent and Serendra District 2 posted 23.74 percent.



Map of the Bonifacio Global City

North Bonifacio Lots

Based on the new master development plan for North Bonifacio District, formulated and agreed upon by and among BCDA, Metrobank/Federal Land, Inc. and FBDC, and on the basis of the NEDA Joint Venture Guidelines issued last May 2, 2008, BCDA conditionally accepted the unsolicited proposal of Megaworld Corporation for the 8.38 hectare-North Bonifacio Lots.

Thereafter, BCDA entered into detailed negotiations with Megaworld, verifying the proponent's technical and financial capacity as well as effecting some crucial revisions to the technical and financial parameters for the joint venture development of the North Bonifacio Lots. While negotiations and discussions were ongoing,

the global financial meltdown reared its ugly head with the declaration of bankruptcy of Lehman Brothers in September 2008. Negotiations were held in abeyance as Megaworld requested for more time so as to monitor developments in the global economy.

JUSMAG Property

On the heels of the final Supreme Court ruling on the 35-hectare JUSMAG property, BCDA undertook preparations to respond to renewed interest in the property and caused the cancellation of titles on the property held by the Southside Homeowner's Association, Inc., the private claimant whose alleged ownership was nullified by the Supreme Court. BCDA acquired title to 31 hectares of the JUSMAG property and

applied for special patent on the remaining untitled portion, based on actual ground survey, also completed by BCDA last year.

These preparations paved the groundwork for a full-blown master and business planning activity, not just for the JUSMAG property but for the entire, high-value Bonifacio South property covering 120 hectares. The JUSMAG property, along with other portions of Bonifacio South, is targeted for disposition and development by 2009.

NCBD Lots

Pursuant to the 2007 agreement between BCDA and FBDC to jointly develop the 8.5 hectare-NCBD (Northern Central Business District) Lots, a joint development agreement was finalized for signing. The 8.5 hectare-NCBD Lots will complete the development of the North Bonifacio District consisting of the 10.5 hectare-Metrobank/Federal Land, Inc. Lots and BCDA's 8.38 hectare-North Bonifacio Lots.

The new master development plan for North Bonifacio was thrashed out and finalized among the three landowners concerned. Recognizing the need to develop the main thoroughfare crucial to the success of North Bonifacio District, BCDA and Metrobank/ Federal Land, Inc. agreed to jointly develop 8th Avenue, otherwise known as Bonifacio Boulevard. Construction was started and was in full swing in 2008.

Detailed engineering plans were also prepared by BCDA, FBDC and Metrobank/ Federal Land, Inc. for the construction of 7th Avenue and 9th Avenue, two of the main thoroughfares connecting to and complementing 8th Avenue. FBDC completed the development and detailed engineering plans for the NCBD, allocating at least Php682.4 million for the development of the area, and started development in 2008.

For its part, BCDA completed the detailed design and engineering plans to complete the infrastructure and site

development of the BCDA-owned Institutional Area and North Bonifacio Area and is set to implement Php305 million worth of these projects in 2009.

Signing of the joint development agreement for the NCBD Lots, however, was deferred for 2009 pending resolution of certain tax issues.

Employment Generation

Alongside outstanding achievements under BCDA's ADP is the notable rise in employment opportunities with Market! Market! generating the most jobs at 9,000, Serendra with 6,200, Serendra Retail with 1,900 and Bonifacio High Street with 1,000 jobs.

On the other hand, some 187,000 square meters of office space have been built at McKinley Hill which currently hosts 7,400 employees.

Newport City in Villamor Air Base

The year 2008 saw the continuing clearing, relocation and replication of military and civilian facilities affected by the development of Newport City in Villamor Air Base, with around Php611 million spent out of a budget of Php624.7 million for Philippine Air Force facilities. Relocation and replication of community facilities like barangay halls, day care centers, etc., as well as the dredging of Maricaban Creek was completed in 2008 at a total cost of Php30.3 million.

The relocation and replication of Villamor Air Base Elementary School and Pasay City South High School were completed at a total cost of Php173.49 million. Discussions were started for the relocation and replication of the Villamor Driving Range and the Philippine State College of Aeronautics (PhilSca).

In total, almost Php820 million in the form of replicated facilities were advanced by Megaworld Corporation,



Bonifacio High Street



The Bonifacio Global City skyline



St. Luke's Hospital



Newport City's developer, to make way for the development of and for showcasing the country's new international gateway in Villamor Air Base.

Newport City, right across the new international passenger terminal, is emerging as the country's premiere urban integrated tourism resort complex with a strong I.T. (information technology) component and airport-related businesses. Construction of the five-star Marriott Hotel, with more than 300 rooms, was ongoing in 2008 and is targeted for completion by end-2009.

Investments in Newport City, cumulatively, were estimated at Php17.314 billion from 2003 to 2008. In 2008, investments reached a total of Php4.809 billion. On the other hand, total projected investments until 2012 is Php35.589 billion.

The entry of a strategic investor, Malaysia's Genting Berhad Group, which partnered with Megaworld to establish Travellers International Hotel Group, Inc., signals the incubation of more innovative tourism projects in Newport City. A six-star, luxury, all-suites hotel will be developed on top of a premium entertainment and leisure center.

Complementing the hotel entertainment and leisure center will be a high-end mall and commercial center with a transparent dome. A 1,000-room budget hotel is also in the works to cater to foreign travelers and businessmen.

To support these tourist and travel facilities, a 1,000-seat theater for the performing arts and a wholly-integrated academy and training center for employees of the entertainment and leisure center, hotel and restaurant personnel, trainers and medical professionals are also planned. All these will generate much-needed investments, jobs and technology transfer.

By 2012, Newport City is expected to generate 10,000 jobs. Newport City is envisioned to be the country's first 24/7 leisure and entertainment complex.

Heritage Park

In 2008, BCDA was able to generate Php34.37 million from the sale of BCDA-held inventory of Heritage Park Investment Certificates (HPICs) representing memorial products in Area 2 of The Heritage Park along Bayani Road in Taguig City.

BCDA expects to generate more revenues from this prime memorial park development with the completion of the Pavilion Terraces, the North Terraces and the Angel's Touch Columbarium which shall soon be launched for selling.

The Pavilion Terraces, strategically located at the base of The Pavilion, Heritage Park's imposing Chinese architecture-inspired columbarium structure, are comprised of new inventories of various memorial products such as estate lots which can accommodate mausoleum and above-ground crypts, Family Garden Lots which can accommodate four burial plots and, Companion Garden lots, designed as side-by-side burial plots. The value of the inventories at the Pavilion Terraces is estimated at Php161.2 million.

The North Terraces, aptly called as it is located at the northern portion of the park near the man-made lagoon, has similar inventories as the Pavilion Terraces and offers prime headstone lawn lots. Estimated value of the inventories at the North Terraces is Php334.12 million.

The Angel's Touch Columbarium, a granite-finished structure in Area 2 of The Heritage Park, features 128 companion niches with a total value of about Php6.8 million. On top of this granite base is a cast bronze sculpture depicting two angels, their hands intertwined as they stand with their backs against each other and their faces looking to the heavens. The Angel's Touch sculpture is by Jose Mendoza, the same artist who has produced such works as the Gabriela Silang monument on Ayala Avenue and the Pio del Pilar and Sultan Kudarat monuments on Paseo de Roxas at Ayala Center.



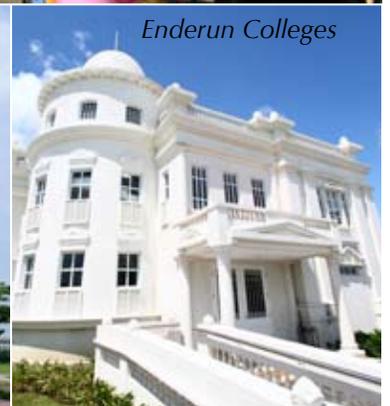
Heritage Park



Serendra



The Venice, McKinley Hill



Enderun Colleges



BEYOND DEVELOPMENT: A NURTURING AND HELPING HAND

As the BCDA went full blast in its myriad development and conversion activities in 2008, the agency pursued with equal zeal and enthusiasm its various corporate social responsibility (CSR) programs for the year, reaching out not only to people who have been directly affected by its undertakings but also those who, in one way or the other, share the organization's aspirations for a more caring, more nurturing Philippine society.

And, like in its development tasks, BCDA's corporate social responsibility efforts are varied and far-reaching, from the simple medical missions to livelihood programs and environmental pursuits, to making a difference in the lives of cancer-stricken children.

Community Relations

As can be expected, the Subic-Clark-Tarlac Expressway project affected thousands of people living along the path of the 93.77 kilometer toll road – before, during and after its construction. Part of BCDA's task was to make sure that the impacts of the project are mitigated, and all affected parties are adequately and promptly compensated for their troubles.

Thus, personnel from the SCTEX Community Relations Unit helped facilitate dialogues and negotiations with landowners and tenants during road right-of-way acquisition procedures, and made sure that disturbances are kept to the bare minimum.



At the same time, BCDA conducted several medical missions in project-affected areas including three barangays in Hermosa, Bataan in June. This was followed by similar missions in Floridablanca, Pampanga in December 2008, with 160 beneficiaries from Barangay San Ramon and 326 beneficiaries in an Aeta community in Barangay Nabuclod.

The BCDA Yuletide Committee also conducted a Children’s Program and Gift-giving activity for 100 Aeta students of the Nabuclod Primary School during the same month as part of its outreach program.

Livelihood programs for project-affected people, on the other hand, were launched in coordination with the Land Bank of the Philippines like the hog-fattening project in Concepcion, Tarlac, particularly in the barangays of Tinang, Talimundoc-San Miguel and Sto. Nino.

BCDA personnel also assisted in the organization and registration of the Sama-Sama Multi-Purpose Cooperative composed of SCTEP-affected people and beneficiaries of the livelihood project in Concepcion.

Selection of prospective partner non-government organizations (NGOs) for the direct implementation of a livelihood micro-lending project in Bataan was also pursued, leading to the identification of the group Daan sa Pag-unlad, Inc. (DSPI) as the partner-NGO in the province.

Discussions with the Local Government of Floridablanca, Pampanga through the Municipal Social Welfare and Development Office (MSWDO), for possible livelihood projects in affected barangays in the town have also been started.

Greening SCTEX

Aside from its community involvement, BCDA pursued environmental projects like its “Greening SCTEX” a program that not only aims to plant 50,000 native trees along the entire stretch of the toll road in five years, but also establish a Tree Museum that will propagate endemic and indigenous trees—many of which are unknown to most Filipinos.

The kick-off ceremony in July saw some 2,000 Narra saplings planted in the vicinity of the Clark North B Interchange in Barangay Dolores, Mabalacat, Pampanga. Some 500 volunteers from BCDA, Clark Development Corporation, Subic Bay Metropolitan Authority, the Tollways Management Corporation, the Armed Forces of the Philippines, DENR Region III, and local NGOs took part in the tree-planting initiative.

The program is also designed to forge partnerships with corporations and other organizations into adopting a kilometer each of the 94-km stretch of the SCTEX for tree-planting and maintenance activities through the years.

94K Run for Life

A more high-profile CSR activity for the year was the 94K Ultra Marathon, wherein 10 Pinoy Ultra Runners covered the entire length of the SCTEX from Tarlac to Subic, in a 15-hour challenge dubbed “Run for Life.” The run was matched by financial pledges from sponsors, with the proceeds amounting to P50,000 donated to the Kythe Foundation in V. Luna Hospital for treatment of cancer-stricken children.

FINANCIAL REPORT

Parent Company Balance Sheets

December 31, 2008 and 2007

	2008	2007 (As restated)
ASSETS		
Current Assets		
Cash and cash equivalents	₱2,138,963,290	₱2,056,772,655
Short-term investments	2,943,234,751	322,349,334
Receivables	2,909,382,197	2,838,855,790
Inventories	3,497,886,826	5,370,467,935
Prepayments	2,304,484,948	1,914,953,244
Other current assets	10,515,528	10,809,996
Total Current Assets	13,804,467,540	12,514,208,954
Non-Current Assets		
Investments in and advances to subsidiaries/ affiliates	23,989,220,339	24,317,544,769
Other investments	323,584,391	433,875,943
Property and equipment - net	63,665,721,364	59,944,405,909
Other non-current assets	1,729,861,345	1,459,322,573
Total Non-Current Assets	89,708,387,439	86,155,149,194
TOTAL ASSETS	₱103,512,854,979	₱98,669,358,148
LIABILITIES AND EQUITY		
Current Liabilities		
Payables	₱436,065,929	₱324,799,557
Inter-agency payables	4,686,927,946	2,211,813,804
Intra-agency payables	251,607,572	1,253,141,134
Total Current Liabilities	5,374,601,447	3,789,754,495
Non-Current Liabilities		
Loan payable	23,618,893,855	13,515,974,048
Deferred credits	8,244,625,160	7,420,169,184
Other long-term liabilities	136,985,421	163,169,985
Total Non-Current Liabilities	32,000,504,436	21,099,313,217
Total Liabilities	37,375,105,883	24,889,067,712
Equity	66,137,749,096	73,780,290,436
TOTAL LIABILITIES AND EQUITY	₱103,512,854,979	₱98,669,358,148

CY 2008: Financial Condition

The total assets of BCDA increased by ₱4.843 billion, from ₱98.669 billion in 2007 to ₱103.513 billion this year. Such increment is attributed primarily to the capitalized construction cost of the Subic-Clark-Tarlac Expressway (SCTEX) Project, even as *Inventories* decreased due to the sale of Big Delta Lots at Bonifacio Global City. In addition, *Short-Term Investments* increased considerably from ₱322 million in 2007 to ₱2.943 billion this year due to cash receipts from the redemption of FBDC shares, disposition of BCDA properties and shares in JV projects.

Total liabilities grew by ₱12.486 billion, from ₱24.889 billion to ₱37.375 billion, due to the increase in *loans payable* ensuing from loan drawdowns from the Japan Bank for International Cooperation, as part of the loan extended to BCDA for the funding of the SCTEX Project. Moreover, *inter-agency payables* increased which is attributable to the recording of the 72.5 percent share of beneficiaries

on the sale of Big Delta Lots and redemption of FBDC shares. There is also a considerable increase of ₱824 million in *deferred credits* this year due mainly to the tax subsidy issued by the Department of Finance for the tax portions on contractors' billings for the SCTEX, as well as on the unrealized income from the unsold allocated units of BCDA in Serendra and McKinley Hill Project. *Intra-agency payables*, on the other hand, decreased as a result of the remittance of ₱1 billion to Clark Development Corporation (CDC) for the implementation of the Concepcion-Clark Power Transmission Project pursuant to EO No. 666.

Total Capital dropped to ₱66.138 billion from ₱73.780 billion in 2007. This resulted mainly from the net loss incurred for the year which is attributable to the loss on foreign exchange on account of the yen loan for SCTEX, as mentioned in "Results of Operations".

Parent Company Statements of Income

For the Years Ended December 31, 2008 and 2007

	2008	2007 (As restated)
REVENUES		
Share from income of joint venture operations	₱1,049,883,969	₱404,185,387
Lease income	283,415,436	517,026,974
SCTEX toll collection	155,127,424	-
Miscellaneous income	6,259,002	13,541,971
TOTAL REVENUES	1,494,685,831	934,754,332
EXPENSES		
Personal Services	158,521,324	122,097,004
Maintenance and Other Operating Expenses	1,283,663,681	968,909,625
TOTAL EXPENDITURES	1,442,185,005	1,091,006,629
INCOME (LOSS) FROM OPERATIONS	52,500,826	(156,252,297)
OTHER INCOME (EXPENSES)		
Dividend income	409,767,738	182,666,667
Interest income	253,827,381	128,155,423
Financial expenses	(95,732,089)	(70,420,488)
Loss on disposal of properties	(154,847,149)	(9,114,707)
INCOME FROM OPERATIONS AFTER OTHER INCOME (EXPENSES)	465,516,708	75,034,598
NON-MONETARY INCOME (LOSS)		
Gain (Loss) on foreign exchange	(6,598,410,291)*	1,506,247,241
Impairment Loss	(10,500,000)**	-
INCOME (LOSS) BEFORE INCOME TAX	(6,143,393,584)	1,581,281,839
INCOME TAX	(29,893,717)	(19,606,526)
NET INCOME (LOSS)	(₱6,173,287,301)	₱1,561,675,313

* The loss incurred on foreign exchange transactions represents the foreign currency difference of JBIC loan drawdown on the SCTEX Project which resulted from the considerable appreciation of the Japanese Yen over the Phil. Peso from a closing rate of ¥0.3642 last year to ¥0.5221 this year. This loss does not involve actual cash transaction but recorded in the Profit & Loss Statement as paper loss in compliance with the provision of International Accounting Standard No. 21 which became effective in 01 January 2005.

** Impairment loss pertains to the difference in the carrying amount of Other Investments against its recoverable amount. This loss was recorded in accordance with International Accounting Standard No. 36 with effective date of adoption in 01 April 2004.

CY 2008: Results of Operations

For this year, total revenues generated by BCDA amounted to ₱1.494 billion, a record increase of 60 percent as compared to the previous year's revenues of ₱935 million. *Income from joint venture operations* (Serendra, McKinley Hill, Seaport/Casino, Newport City, and Pacific Plaza Towers parking spaces) which make up 70 percent of total revenues, totaled ₱1.05 billion showing an increase of ₱646 million from ₱404 million generated in 2007. On the other hand, revenues from *Lease Income* decreased to ₱283 million from ₱517 million in 2007 on account of delayed remittance from Manila International Airport Authority (MIAA) of its lease payment, which was due for collection by yearend. Revenues from the SCTEX toll collection started off this year with ₱155 million.

Operating expenses, which amounted to ₱1.442 billion, is 32 percent higher than last year's ₱1.091 billion. *Personal Services* totaled ₱158 million registering a 30 percent increase from that of ₱122 million in 2007. *Maintenance and Other Operating Expenses* (MOOE) likewise rose from ₱969 million in 2007 to ₱1.284 billion in 2008. Among the MOOE, substantial variations are posted for *donations and subsidies*

which rose to ₱504 million from ₱231 million in 2007 mainly due to increased contributions to AFP Modernization; and in SCTEX *operations and maintenance* which set off this year with ₱230 million. Conversely, expenses on *taxes, insurance premiums and other fees* decreased by ₱93 million from ₱154 million in 2007 to only ₱61 million this year. *Depreciation expense* likewise decreased this year to ₱184 million from ₱261 million. *Advertising and promotion* decreased as well from ₱94 million to ₱67 million.

To summarize, with the recorded ₱1.494 billion revenues as against ₱1.442 billion operating expenses, BCDA registered a net income from operations of ₱52.5 million this year. This is a turnaround from last year's ₱156 million net loss from operations. However, after considering all *other income and expenses including income tax*, BCDA registered ₱6.173 billion *net loss*. This resulted mainly from items under *non-monetary income/loss*, consisting of *loss on foreign exchange* and *impairment loss*, the former due to the considerable appreciation of the Japanese Yen against the Philippine Peso this year, thus affecting loan drawdowns for the SCTEX Project which is funded under a special yen loan package.

Parent Company Statement of Cash Flows

For the Years Ended December 31, 2008 and 2007

	2008	2007 (As restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash from operating activities	2,998,809,453	450,974,314
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used in investing activities	(2,353,551,917)	(5,225,110,975)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash from (used in) financing activities	(582,719,310)	5,845,989,832
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	19,652,409	(29,852,856)
NET INCREASE IN CASH AND CASH EQUIVALENTS	82,190,635	1,042,000,315
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,056,772,655	1,014,772,340
CASH AND CASH EQUIVALENTS AT END OF YEAR	₱2,138,963,290	₱2,056,772,655

CY 2008: Cash Flows

Net cash proceeds from *operating activities* amounted to ₱2.999 billion, a big leap from last year's ₱451 million. The lion's share of cash inflows came from new disposition totaling ₱2.012 billion, as well as those from joint venture projects amounting to ₱1.151 billion. Conversely, the largest portion of cash usage were for payments made to suppliers/creditors which reached ₱444 million, followed by remittance of ₱215 million contribution to the AFP modernization.

For *investing activities*, net cash used amounted to ₱2.354 billion, showing a 55 percent decrease from that of ₱5.225 billion in 2007. The main contributor for cash inflow hailed from the redemption of FBDC shares which amounted to ₱1.076 billion. Outflows, on the other hand, were shown in the ₱2.478 billion decrease in short-term

investments, and for the SCTEX-related acquisition of property and equipment and other infrastructure projects totaling ₱1.074 billion.

Net cash used in *financing activities* totaled ₱583 million, resulting primarily from the release of funds held in trust for CDC's power transmission project. The loan drawdown from JBIC amounted to ₱651 million.

Consequently, at yearend, the *net increase in cash and cash equivalents* amounted to ₱82.19 million, showing a drop of 92 percent from last year's ₱1.042 billion. The ending cash balance for 2008 is ₱2.139 billion which is 4 percent higher than that of the ending balance of ₱2.057 billion in 2007.

Asset Disposition Report

In 2008, BCDA felt the pressures of the global financial meltdown that has affected the very aggressive behavior of foreign and local real estate developers. Nevertheless, BCDA recorded gross disposition proceeds of almost Php5-billion by end-2008.

Through prudent asset management and a deliberate disposition program, BCDA was able to take advantage of opportunities in the market and broaden its contribution to the sound conversion of former military baselands into self-sustaining and globally competitive investment centers. This has resulted to more property developments in Fort Bonifacio and Villamor Air Base in 2008.

Further, with the opening of the Subic-Clark-Tarlac Expressway (SCTEX), there is reason for BCDA to remain optimistic for an expansion of business opportunities in Central Luzon, and the country in general.

Disposition Proceeds from BCDA's Asset Disposition Program

Since 1994, BCDA has generated a total of Php40.911 billion disposition proceeds, net of creditable withholding tax, from the disposition of Metro Manila Camps (MMC). Of this amount, 74 percent or Php30.36 billion was derived from the sale of a large portion of the Bonifacio Global City to the Fort Bonifacio Development Corporation. Proceeds from lease and joint venture transactions amounted to Php5.592 billion or equivalent to 14 percent of the total disposition proceeds while BCDA received a total of Php4.959 billion or equivalent to 12 percent from the sale of certain portions of MMC.

Distribution of Disposition Proceeds

Pursuant to RA 7227, as amended by RA 7917 and the Executive Order 309, the net proceeds from the disposition of Metro Manila Camps are remitted to the Bureau of Treasury for the utilization of the beneficiary government agencies as mandated in the BCDA charter.

For the period of 1994 to 2008, the AFP has received a total of Php16.634 billion or equivalent to 40 percent of BCDA's disposition proceeds consisting of Php7.138 billion for the AFP modernization program and Php9.496 billion for the replication of military facilities affected by the government's development projects.

Likewise, BCDA's share of Php6.023 billion was used to fund the conversion of former U.S. military baselands and the construction of major infrastructure projects that include the Subic-Clark-Tarlac Expressway and the rehabilitation of the San Fernando Airport-Phase I. The rest of the disposition proceeds went to the following: Php5.924 billion as share of other government beneficiary agencies; Php409 million represents the share of the contiguous municipalities; Php8.624 billion was incurred as direct expenses related to the disposition; Php2.678 billion was paid for taxes and fees and Php619 million was disbursed for the replication of non-military facilities.

Disposition Proceeds

For the period January-December 31, 2008



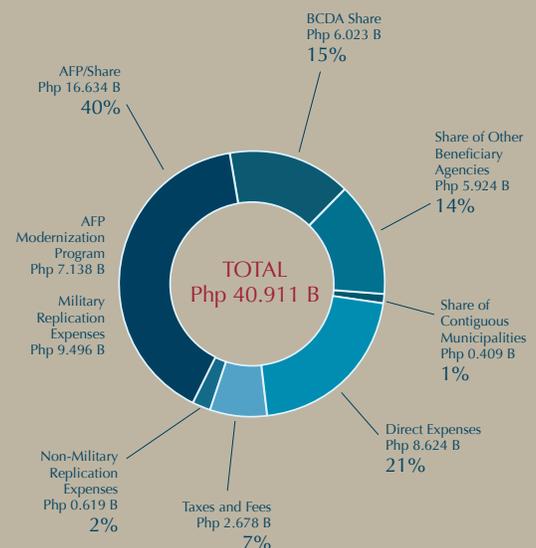
Disposition Proceeds

For the period 1993-31 December 2008



Distribution of Disposition Proceeds

For the period 1993-31 December 2008



BOARD OF DIRECTORS

Aloysius R. Santos
Chairman



Gen Narciso L. Abaya (Ret)
President and CEO



Isaac S. Puno III



Rafael Julian V. Azanza



Jorge L. Banal, Sr.



Alvin P. Capino



Stefani C. Saño



Gerard R. Seno



Renato C. Valencia



Aloysius R. Santos

Chairman - Bases Conversion and Development Authority (BCDA) since November 2006
Chairman - BCDA Management and Holdings, Inc. (BMHI)
Chairman - Heritage Park Management Corporation (HPMC)
Vice-Chairman - Fort Bonifacio Development Corporation (FBDC)
Director - John Hay Management Corporation (JHMC)
Adviser to the Board - Clark International Airport Corporation (CIAC)

Aside from his involvement with BCDA, Mr. Santos is a renowned businessman. He is Vice-Chairman of Guidance Management Corporation, and Executive Committee Member of Global Restaurant Concepts, Inc. (California Pizza Kitchen Philippine Franchisee). He was Vice Chairman of Diner's Club (Phils.). He was an MBA professorial lecturer of the Ateneo de Manila University from 1980 to 2005 and the De La Salle University from 1973 to 1993. He graduated with a Master in Business Management at the Asian Institute of Management in 1971 and he has undergraduate degrees from Loyola University of Los Angeles, California and De La Salle College, Manila.

Rafael Julian V. Azanza

Director - Bases Conversion and Development Authority (BCDA) since May 2001, and Chairman of the BCDA Board's Audit Committee
Director - BCDA Management and Holdings, Inc. (BMHI) also serving as Treasurer of BMHI
Director - Fort Bonifacio Development Corporation (FBDC)
Director - Bonifacio Water Corporation (BWC)
Director - Bonifacio Gas Corporation (BGC)

Professor Azanza is a faculty member of the Asian Institute of Management (AIM). He is also presently the Chairman of the Leukemic Indigents Fund Endowment. For years he was a Trustee, then Chairman, of the Dr. Fe del Mundo Medical Center and General Hospital. He holds a Master in Business Administration, major in finance, from the Harvard Business School (1971) and has undertaken doctoral work at the University of the Philippines.

Stefani C. Saño

Director - Bases Conversion and Development Authority (BCDA) since June 19, 2008
Director - BCDA Management and Holdings, Inc. (BMHI)

Mr. Saño is currently a consultant of the Subic Bay Metropolitan Authority (SBMA) and its subsidiary, the Freeport Service Corporation (FSC), where he had twice served as President and CEO. He was formerly manager of the Philippine National Oil Company-Alternative Fuel Corporation (PNOC-AFC) Petrochemical Industrial Park in Bataan and proprietor of the SCS Public Affairs Consultancy based in Quezon City. A former student activist of the University of the Philippines, where he obtained his degree in Industrial Engineering, and staffer of the Philippine Collegian, he was once detained at Fort Bonifacio as one of those who fearlessly stood against the Marcos dictatorship during the time of Martial Law in 1972.

Gen Narciso L Abaya (Ret)

President and Chief Executive Officer and Vice Chairman - Bases Conversion and Development Authority (BCDA) since November 4, 2004
Vice-Chairman - BCDA Management and Holdings, Inc. (BMHI)
Vice-Chairman - Clark Development Corporation (CDC)
Director - John Hay Management Corporation (JHMC)
Director - Fort Bonifacio Development Corporation (FBDC)
Adviser to the Board - Clark International Airport Corporation (CIAC)

Prior to his appointment in BCDA, Gen. Abaya served a successful career in the Armed Forces of the Philippines (AFP), culminating with his appointment as AFP Chief of Staff in April 2003 to his retirement in October 2004. He is a distinguished graduate of the US Military Academy at West Point, New York (Class of 1971), and holds a Master in Civil Engineering from Lehigh University in Bethlehem, Pennsylvania, USA. He topped the Civil Engineering Board Examination in February 1974. He finished his Master in Business Administration at the University of the Philippines, where he graduated with honors in 1980.

Jorge L. Banal, Sr.

Director - Bases Conversion and Development Authority (BCDA) since March 22, 2007
Director - BCDA Management and Holdings, Inc. (BMHI)
Director - Fort Bonifacio Development Corporation (FBDC)
Adviser to the Board - Poro Point Management Corporation (PPMC)

A four-termer City Councilor representing the 3rd District of Quezon City, he was first elected in 1988 and, consequently, re-elected for three consecutive terms. He served as Majority Floor Leader in 1990, President Pro Tempore of the City Council from 1998 to 2004 and National President of the Junior Chamber International (JCI) Senate Philippines in 2005. Mr. Banal is also President of the Federation of Senior Citizens Associations of the Philippines (FSCAP)-National Capital Region (NCR), FSCAP Quezon City Chapter, and the Regional Senior Citizens Federation-NCR; member of the National Executive Board, Boy Scouts of the Philippines; and 2008 President of JCI Senate ASEAN. A Director of the Land Bank Realty Development Corporation, he pursued his graduate studies at the Far Eastern University, where he holds a BS Commerce degree. He is happily married to the former Charminia Baluyut, president of the Liga ng Barangay, 3rd District of Quezon City. Blessed with eight children, their eldest son Jorge, Jr., is the incumbent President Pro Tempore of the Quezon City Council.

Gerard R. Seno

Director - Bases Conversion and Development Authority (BCDA) since May 2001
Director - BCDA Management and Holdings, Inc. (BMHI)
Director - Bataan Technology Park, Inc. (BTPI)
Director - Fort Bonifacio Development Corporation (FBDC)

Mr. Seno is a labor rights advocate. He currently holds the following positions: President of the Associated Labor Unions for Banking & Allied Industry; President of the Associated Labor Unions for Building & Construction Industry; Vice President and member of the Board of Directors of the Trade Union Congress of the Philippines (TUCP) and International Metalworkers Federation - Philippine Council; Vice Chairman of Associated Multi-Purpose Cooperative, Inc. (AMCI); and, Labor Representative of the Bank Industry Tripartite Council, the Hotel and Restaurant Tripartite Consultative Board and the Construction Industry Tripartite Council. He graduated with Bachelor of Laws and Bachelor of Science in Business Administration degrees from University of San Carlos, Cebu City in 1986 and 1981, respectively.

Isaac S. Puno III

Executive Vice President and Director - Bases Conversion and Development Authority (BCDA) since February 1996
President and Chief Executive Officer - BCDA Management and Holdings, Inc. (BMHI)
Director - Fort Bonifacio Development Corporation (FBDC)
Director - Bonifacio Estate Services Corporation (BESC)
Director - Heritage Park Management Corporation (HPMC)
Director - Rosehills Memorial Management (Phils.) Inc. (RMMI)

Mr. Puno is also the Program Director and head of the Operations and Maintenance Project Management Office of the Subic-Clark-Tarlac Expressway (SCTEX) Project, the country's longest and most modern tollway. He finished his Master in Business Administration and his Bachelor of Arts degree, major in Economics, from the University of the Philippines in 1976 and 1972, respectively.

Alvin P. Capino

Director - Bases Conversion and Development Authority (BCDA) since May 2001
Director - BCDA Management and Holdings, Inc. (BMHI)
Director - Bataan Technology Park, Inc. (BTPI)
Director - North Luzon Railways Corporation (NorthRail)
Adviser to the Board - Fort Bonifacio Development Corporation (FBDC)

Mr. Capino is a career journalist. He presently writes a bi-weekly political column, Counterpoint, for the Manila Standard Today and he is one of the hosts and commentators of the daily radio program *Karambola* over dwlZ 882 khz. He has previously been a columnist and senior reporter for broadsheets Philippine Daily Globe and Today. He has also been a contributor to Observer Magazine and Philippine Free Press. He has also worked as political commentator/host in radio stations dzRH, Radio Veritas and dwWW. Other positions he has held include; Chairman and Director of Poro Point Management Corporation and Director of Bonifacio Gas Corporation. He is a graduate of the Ateneo de Manila University where he holds an AB Political Science degree.

Renato C. Valencia

Director - Bases Conversion and Development Authority (BCDA) since September 2004
Director - Fort Bonifacio Development Corporation (FBDC)
Director - BCDA Management and Holdings, Inc. (BMHI)

Mr. Valencia is a former President and CEO of Social Security System and a former Chairman and CEO of Union Bank of the Philippines. He sits as an independent director in some listed companies. He finished his Master in Business Management at the Asian Institute of Management in 1971 and his Bachelor of Science degree major in General Engineering at the Philippine Military Academy in 1963.

TOP MANAGEMENT



Gen Narciso L. Abaya (Ret)
President and CEO

Isaac S. Puno III
*Executive Vice President
and SCTEP Program Director*



Victor V. Zablan
*Vice President for Finance/
Chief Finance Officer*

Atty. Arnel Paciano D. Casanova
General Counsel and Corporate Secretary

Nieveleña V. Rosete
Vice President for Corporate Services

Aileen Anunciacion R. Zosa
*Vice President for Business Development
and Officer-in-Charge for Operations*

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BENIGNO N. RICAFORT
President & CEO

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NESTOR S. MANGIO
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President & CEO

ANTHONY C. MANGUIAT
Executive Vice President & COO

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