

# SEMIRARA MINING CORPORATION

## COMPANY PROFILE

1. **Name of the Company** : Semirara Mining Corporation  
(formerly Semirara Coal Corporation)
2. **Address** : 2<sup>nd</sup> Floor, DMCI Plaza Building  
2281 Don Chino Roces Ave., Makati City
3. **Telephone Numbers** : 888-3555  
888-3955 (Fax)
4. **Date of Incorporation** : February 26, 1980
5. **Capitalization**
  - Authorized Capital : 1,000,000,000.00
  - Issued Capital Stock : 296,875,000
  - Treasury Shares : 19,302,200
  - Outstanding Capital Stock : 277,572,800

6. **Company Background and Nature of Business**

On April 7, 1980, Semirara Mining Corporation (the "Corporation") became the assignee of the coal operating contract pursuant to Presidential Decree No. 972, otherwise known as "The Coal Development Act of 1976," which was then awarded by the Energy Development Board, now the Department of Energy on July 11, 1977, to a consortium formed by three private companies covering 5,500 hectares track of land. In June 1983, the contract was amended by agreement of the parties, which gives the Corporation exclusive right to conduct exploration, development and coal mining operations on Semirara Island, in the Antique Province until 2012.

Under the said law, the Corporation shall have the following incentives: exemption from all taxes except income tax; exemption from payment of tariff duties and compensating tax (VAT) on importation of machinery and equipment and spare parts, and material required for the coal operations, subject to certain conditions; accelerated depreciation of fixed assets necessary in coal operations; preference in grant of government loans, among others. In return, the Corporation pays the Government three percent (3%) royalty for all incentives it enjoys under the coal operating contract.

Production at the Unong mine commenced in early 1984 with final acceptance of the project by the Corporation occurring in 1987 following the resolution of technical issues raised by the Corporation. Voest Alpine, after the Corporation

negotiated for loan restructuring, acquired 40% equity in the Corporation's shares. In February 1997, Voest Alpine's equity was subsequently purchased by DMCI Holdings, Inc. ("DMCI-HI"). However, following further difficulties experienced by the Corporation, DMCI-HI agreed to equity conversion in 1998, which gave it a total interest in the Corporation of 74%. In addition, in July 2004 the Corporation issued 19,657,388 shares to DMCI-HI, taking its shareholdings to 94.5%, and on December 3, 2004, the Corporation issued dividend of P225 million consisting of 225 million shares in favor of all holders of record as of November 25, 2004. As of August 31, 2007, DMCI-HI owns 58.31% of the Corporation's shares.

To date, the Corporation is the only large-scale coal producer in the Philippines and is engaged in surface open cut mining of thermal coal from its Panian mine. The Corporation accounted for approximately 22% of the country's total coal consumption or 88% of the domestic coal supply for the year ended December 31, 2006.

**7. Directors and Officers (to date)**

a. Board of Directors

Chairman	:	David M. Consunji
Members	:	Isidro A. Consunji Victor A. Consunji Jorge A. Consunji Cesar A. Buenaventura Herbert M. Consunji Ma. Cristina C. Gotianun Ma. Edwina C. Laperal George G. San Pedro Victor C. Macalincag ( <i>Independent</i> ) Federico E. Puno ( <i>Independent</i> )

b. Officers

Chairman	:	David M. Consunji
Vice-Chairman/CEO	:	Isidro A. Consunji
President/COO	:	Victor A. Consunji
VP-Operations/ Resident Manager	:	George G. San Pedro
Chief Finance Officer	:	Nestor D. Dadivas
Corporate Secretary	:	John R. Sadullo
VP-Special Projects	:	George B. Baquiran
VP-Administration	:	Ma. Cristina C. Gotianun
VP-Procurement/ Logistics	:	Jaime B. Garcia

8. **Major Stockholders (as of 08.31.07)**

	% of Shareholdings
DMCI Holdings, Inc.	58.31%
PCD Nominee Corp. (NF)	32.81%
PCD Nominee Corp.	04.39%
National Development Corp.	04.09%
Privatization & Management Office	00.28%
Dacon Corporation	00.04%
Others	00.08%

9. **Financial Highlights**

	December 31, 2006 (audited)	December 31, 2005 (audited)
Total Assets of which:	P6,511,193,166	P6,927,927,564
- Cash & cash equivalent	510,439,223	1,331,641,854
- Receivables	566,877,125	1,171,854,780
- Inventories	1,840,409,362	1,366,127,761
- Other current assets	187,975,060	84,564,749
- Non-current assets	3,105,492,396	2,973,738,420
 Total Liabilities & Equity of which:	 P6,511,193,166	 P6,927,927,564
- Accounts & other payables	320,464,835	388,737,244
- Current Portion-long-term debt	976,010,745	402,742,462
- Income tax payable	30,568,160	324,107,390
- Long-term debt (net)	713,056,539	1,456,431,223
- Equity	4,314,594,021	4,191,696,323

10. **External Auditor**

: SyCip Gorres Velayo & Co.  
6760 Ayala Avenue  
1226 Makati City  
891-0307 / 819-0872 (Fax)