



---

## **EEI Corporation Earns P304 M in 2007**

EEI Corporation announced today that it posted audited consolidated net income of P304 million in 2007, up 52 percent from the P200 million it earned the previous year.

The growth in earnings was on the back of the 42 percent rise in consolidated revenues to P7.483 billion from P5.259 in 2006 as the Company benefited from a strong orders book, principally from its overseas operations.

EEI Chairman Rizalino S. Navarro noted that the Company continued to take advantage of the strong Middle East economy as construction work progressed during the year on contract packages worth a total of US\$270 million for the Eastern Petrochemical Company (also known as Sharq) and other clients in the Kingdom of Saudi Arabia (KSA).

The Company is currently undertaking the Balance-of-Plant construction, erection and commissioning works in the 1.3 million tons per year ethylene plant and pyrolysis furnace contract for Sharq. Its subsidiary (Al Rushaid Construction Company) is also involved in new contracts with ARAMCO and the construction of a new power and desalination plant in Shuqaiq also in KSA.

In addition, EEI is also involved in various contract packages in the Inco Goro nickel mining project in the South Pacific island of New Caledonia.

Mr. Navarro added that the domestic construction industry posted strong performance in 2007 due in general to the 7.3 percent expansion in the economy, as

well as the healthy property development sector and continuing investments and expansion projects of the industrial, manufacturing and mining companies in particular.

During the year, EEI won the general contract for the construction of the the 39-storey *Mandarin Square* Building, which promises to be one of the tallest in the Binondo district, the Makati Medical Center Annex building in Makati City and the *Beacon Tower 1* of Geo Estate.

Likewise, EEI obtained the structural and electro-mechanical construction of Wyeth Phils.' new manufacturing plant in Laguna. It engaged in various industrial and electro-mechanical projects for oil and gas and mining corporations during the year.

The Company's total assets stood at P7.054 billion as of the end of 2007, an increase of 25 percent over the P5.636 billion in 2006. Stockholders' equity rose 50 percent from P1.506 billion to P2.252 billion in view of the proceeds of its P540 million stock rights offering held in March 2007 and the P304 million earnings results it submitted during the year.

While EEI's construction orders backlog remains healthy, Management is cautious about the general near-term economic prospects because of the US mortgage market financial turbulence and the anticipated slowdown in the US economy. Mr. Navarro said that EEI will continue its productivity enhancement and cost-management programs to sustain its profitability and financial performance, while continuing to tap into opportunities in East Asia and the Middle East.