

E EI CORPORATION

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

Held at the Yuchengco Institute for Advanced Studies, 5th Floor, Tower 2, RCBC Plaza, Makati City, Metro Manila at 2:00 p.m., July 03, 2015.

PRESENT : F. T. BERBA, JR.
R. J. L. CASTILLO
H. Y. DEE
M. T. NERA
W. E. SANCHEZ

ALSO PRESENT : F. G. VILLAFUERTE

ABSENT : J. K. G. BELMONTE
R. F. DE OCAMPO
F. G. ESTRADA
A. T. YUCHENGCO

Ms. Helen Y. Dee, Vice-Chairperson, presided over the meeting. The Corporate Secretary, Atty. Villafuerte, took down the minutes.

1. Certification of Sending of Notices and Quorum.

Ms. Dee inquired on the proof of Notice of Meeting to the Stockholders and Atty. Villafuerte replied that the requisites for Notice to Stockholders have been duly complied with; the Company has caused the mailing of Notices of Meeting by ordinary mail to stockholders with Metro Manila, P.O. Box and provincial mail addresses and by ordinary air mail to stockholders with foreign addresses. Atty. Villafuerte also informed the body of the existence of a quorum for the meeting. The Stockholders present during the meeting, either in person or by proxy, represented 654,917,647 shares or 63.02% of total shares issued and outstanding.

2. Approval of the Minutes of the Annual Stockholders' Meeting held on July 04, 2014.

On motion duly made and seconded, the reading of the Minutes of the meeting of the prior year was dispensed with and considered approved.



3. Annual Report and Review of Operations by the Chief Executive Officer.

Mr. R. J. L. Castillo, President & Chief Executive Officer, reported to the stockholders as follows:

(Please refer to the 2014 Annual Report)

After the CEO's report, Ms. Dee asked the body if there are any comments or questions.

Mr. Philip Turner: This refers to p. 121 of the Annual Report, it says after reconciling items, the Parent Company's retained earnings available for dividend declaration amounted to ₱2 billion as at December 2014. Now, our dividends for the year comes to ₱257 million, is that right?

Mr. R.J. L. Castillo: Yes.

Mr. Turner: What is the restriction preventing the ₱2 billion pesos available for dividends from being declared as dividends when the corporation code says that company's should not retain restricted earnings in excess of issued capital.

Mr. Castillo: Mr. Turner, we are entering into a very exciting phase of the business of EEI where we are winning very large projects on infrastructure and will thus have to invest heavily on new equipment for civil works. Also, in view of the declining business in Saudi Arabia we have to try to go into other countries which will mean an increase in travel and marketing expenses. That's why we're trying to judiciously conserve our cash.

Mr. Turner: The Corporation Code requires you not to retain cash in excess of capital.

Mr. Castillo: Yes, we understand that Mr. Turner. But that is not an absolute requirement. The same provision of the Code allows certain exceptions, like in our case where we will have to buy new equipment for our projects.

Mr. Turner: The ₱257 million total dividend pay-out is only 10% of the ₱2 billion that's available. I think we should have much higher dividends.

Mr. Castillo: We shall take note of your comments, sir.

Ms. H.Y. Dee: Any other question?

Ms. H.Y. Dee: Any other question?

Mr. Alfred Reiterer: May I ask the floor, my name is Alfred Reiterer from Philippine Active Shareholders Association, Inc. I have a question, last year the dividend was 20% percent of earnings, this year it's 10%, is it correct?

Atty. Leo R. De Castro: May I answer the question. I am the CFO. The P0.20/share amounted to 22% of earnings. The only difference is that this year, it will be paid out in two installments, or every 6 months, while last year, it was paid out in 4 quarterly installments.

Mr. Reiterer: And the 20% dividend rate will continue in 2015?

Atty. Castro: Yes, that's the declaration.

Mr. Reiterer: Is the Company making money in Saudi Arabia or losing money there?

Mr. Castillo: We are making money. It's just that we're making less than we used to.

Mr. Reiterer: So as soon as the oil price is going up do we expect business to climb up again.

Mr. Castillo: Yes. The situation now is that when the oil price went down many of the projects were shelved and because of that the number of contractors fighting it out there is more compared to the number of projects available. When the price of oil goes up again the projects that were shelved could finally be put on stream. We do not bid of course for projects that are we going to lose money.

Mr. Reiterer: I notice that a lot of the projects in the Philippines are condominium projects, and it seems there is an oversupply already.

Mr. Castillo: If you will note in my presentation, our focus has shifted from 84% share of buildings in total revenues to only 30%. We will focus more on electro-mechanical and infrastructure projects.

4. Approval of the Annual Report and Ratification of the Actions of the Board of Directors and Officers.

On motion duly made and seconded, the Annual Report as well as the official acts performed by the Board of Directors and Officers of the Corporation relative to the conduct and management of the business of the Corporation for the past fiscal year were ratified.

5. Election of Directors.

Ms. Dee informed the body that pursuant to Art. IV of the Revised By-Laws of the Corporation, the Nominations Committee had received, evaluated and endorsed to the Board nominations for the position of Director.



The following stockholders were nominated for election as Director of the Corporation:

JUAN KEVIN G. BELMONTE
ROBERTO JOSE L. CASTILLO
HELEN Y. DEE
FRANCISCO G. ESTRADA
MEDEL T. NERA
WILFRIDO E. SANCHEZ
ALFONSO T. YUCHENGCO

Nominated for Independent Director are:

FILEMON T. BERBA, JR.
ROBERTO F. DE OCAMPO

There being only 9 nominees to fill up 9 positions and upon motion duly made and seconded, the Corporate Secretary was instructed to vote in favor of the nine (9) nominees the shares present either in person or by proxy except those with negative instruction, if any.

The following were declared duly elected:

JUAN KEVIN G. BELMONTE
FILEMON T. BERBA, JR. (Independent Director)
ROBERTO JOSE L. CASTILLO
ROBERTO F. DE OCAMPO (Independent Director)
HELEN Y. DEE
FRANCISCO G. ESTRADA
MEDEL T. NERA
WILFRIDO E. SANCHEZ
ALFONSO T. YUCHENGCO

6. Appointment of External Auditors.

Ms. Dee informed the body that the Board of Directors, upon the recommendation of the Audit Committee, has approved to endorse to the stockholders the appointment of Sycip Gorres & Velayo (SGV) as external auditor.

On motion duly made and seconded, the appointment of Sycip Gorres and Velayo (SGV) as External Auditor was approved.

7. Adjournment.

There being no other matters to discuss, the meeting adjourned at 2:45 p.m.



FERDINAND G. VILLAFUERTE
Corporate Secretary

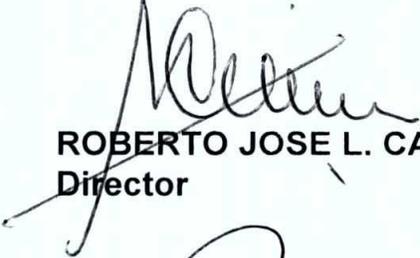
ATTESTED BY:



ALFONSO T. YUCHENCO
Chairman



HELEN Y. DEE
Vice Chairperson



ROBERTO JOSE L. CASTILLO
Director



MEDEL T. NERA
Director



FILEMON T. BERBA, JR.
Independent Director



WILFRIDO E. SANCHEZ
Director

ROBERTO F. DE OCAMPO
Independent Director



FRANCISCO G. ESTRADA
Director



JUAN KEVIN G. BELMONTE
Director