

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

OF

DMCI HOLDINGS, INC.

Held on July 28, 2004, 9:00 a.m.
at the Fairways Function Room
Manila Golf & Country Club
Forbes Park, Makati City, Metro Manila.

1. **Call to Order**

Mr. David M. Consunji, the Chairman of the Board of Directors, called the meeting to order and presided over the same. Mr. Noel A. Laman, the Corporate Secretary, was Secretary of the Meeting and recorded the minutes of the proceedings.

2. **Certification of Quorum**

The Secretary of the meeting certified that a quorum existed for the transaction of business, there being present or represented by proxies, stockholders owning at least 70.39% of the Corporation's total outstanding common capital stock.

3. **Approval of Previous Minutes**

Copies of the minutes of the annual stockholders' meeting held on August 27, 2003 were distributed to the stockholders. There being no comments on the minutes, upon motion made and duly seconded, the minutes of the annual stockholders' meeting held on August 28, 2003 were deemed read, and thereafter, approved, ratified and confirmed by the stockholders.

4. **President's Report**

The President, Mr. Isidro A. Consunji, presented to the stockholders the Management Report contained hereunder.

A. ***Consolidated Revenue & Net Income***

The President commenced his report by presenting the highlights of the performance of DMCI Holdings, Inc. (the "Company"), the details of which are contained in the Annual Report of the Company. He was pleased to report that the Company had achieved remarkable progress in its financial performance due to its ability to increase productivity and create new markets for its coal business. In construction, the Company has reduced cost, and has been able to identify certain assets that provided additional sources of liquidity. In real estate, the Company has reorganized management and administrative support services in order to address the increasing market demand for residential housing.

As a result, consolidated net income of the Company for the year ended December 31, 2003 amounted to Php196 million, while revenue posted Php4.6 billion. The President then introduced to the stockholders a graph showing the consolidated revenue and net income of the company for the years 2000, 2001, 2002, 2003 and 2004

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(forecast). He expressed optimism that the group's overall revenue and net earnings will continue to rise in 2004, despite a projected decline in the construction sector.

B. Construction

Amid the general slowdown in the construction industry, the Company has been able to obtain notable projects from clients with whom it shares a long standing relationship, namely, SM Prime for whom the Company is building two more shopping mall branches. In infrastructure, Mirant and NAPOCOR have awarded to the Company the transfer to Iloilo of their Bataan Diesel-Powered Plant and Pinamucan Plant, respectively.

In order to be more competitive, the Company has decentralized its organization, breaking it down into independent business units that are now able to service not only the Company's internal business requirements but also outside markets in ready-mixed concrete, equipment management, formworks system and real estate.

However, the Company's revenue and net earnings from construction will slightly decline in 2004 due to fewer projects awarded during the first half of the year. The projected revenue and net earnings in construction for 2004 is Php1.8 billion and Php 118 million, respectively.

C. Coal Mining

The exceptional growth of the Company's coal mining business segment has broken its barrier in marketing and production. Semirara Mining Corporation ("Semirara") posted a remarkable gross revenue of Php2.2 billion and net earning of Php 138 million for year 2003. These positive results were attributed to the increase in both sales volume and selling price, together with effective management techniques. In 2004, Semirara is optimistic to produce and sell 1.9 million metric tons of coal at a minimum composite price of Php1,400 per metric ton. Based on this forecast, the projected revenue for Semirara for year 2004 is at Php2.6 billion, with net earnings of Php246 million.

In pursuit of corporate social responsibility, Semirara's commitment for community development continues through its educational assistance, environmental programs, infrastructure development and community livelihood and beautification.

D. Real Estate & Investment

The Company's customers' needs brought about the increase in its real estate business, thus, the Company is continuously redesigning the lay-out of its product and is formulating softer financial packages to address the specific requirements of clients. Similarly, the Company is also undertaking endless search for business opportunities and marketing techniques.

In 2003, the Company sold approximately 26 thousand square meters with an average price of Php28 thousand per sqm. Its East Ortigas Mansion contributed the majority of last year's sales. Strong enthusiasm was created from new pocket land development product in Taguig. This is a single street gated community with 35 lots, averaging 110 square meters per lot.

With the Company's ability to build, coupled with its land banking, specially in Taguig, where the completion of the Commando Link road will give it a direct

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connection to C5, just across from the Fort Bonifacio development, the Company is clearly positioned for another robust year in real estate.

E. Consolidated Balance Sheets

Showing a slide of the consolidated balance sheet, the President expressed strong belief that the Company is stable in spite of any growth from 2002. The Company's 2003 total assets of Php12.5 billion includes unsold housing units from its East Ortigas Mansions and Vista de Lago with a carrying value of php1.4 billion or an estimated market value of Php2 billion.

The increase in total liabilities from 2001 to 2003 was a result of the Company's Preferred Shares' restructuring program, with an outstanding balance of Php1 billion. The Company expects to service said amount using the proceeds from the sale of said housing units and various assets.

F. Equity Share in Semirara

Semirara's capital restructuring allowed the Company to increase its percentage equity ownership from 74% to 94%. This gave the Company full compensation, commensurate to its efforts and risks taken in the past years. The Company is studying the possibility of making primary and secondary offerings in the near future in order to retire its restructured Preferred Shares and also the existing debt of Semirara.

G. Preferred Shares: Redemption Status

Lastly, from a total of 2.4 million preferred shares issued and due last April 2002, the President was pleased to inform the stockholders that they have redeemed 2.1 million shares under its approved Exchange Offer. Around 140 thousand shares are in the process of documentation and subsequent for retirement. A majority of the balance of 94 thousand shares belongs to two (2) government financial institutions. Agreement has been reached with these government financial institutions and nearing final approval. The Company expects that redemption of these shares will be made before the year ends.

Upon conclusion of the Management Report, an open forum followed. The following comments of the stockholders were discussed and addressed by the President:

1. Comment on the need to disclose the name of external auditor.
2. Commendation received from the stockholders; and
3. Questions regarding ULC/URPHI

Thereafter, upon motion made and duly seconded, the Management Report was approved.

5. Ratification of the Acts of Officers and Directors

The stockholders proceeded to the next item in the Agenda which was the ratification of the acts of officers and Board of Directors of the Corporation performed or undertaken from August 28, 2003 to date. The following resolution was then introduced, seconded and unanimously approved:

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"RESOLVED, That the stockholders of DMCI Holdings, Inc. (the "Corporation") approve, ratify and confirm, as they do hereby, all the acts, decisions and resolutions of the Board of Directors and officers made or undertaken in the year 2003 and until the date of this meeting as they are reflected in the books and records of the Corporation."

6. Appointment of Independent Auditors

The stockholder then took up the item of appointment of independent auditors. Upon motion made and duly seconded, the following resolution was approved:

"RESOLVED, That the stockholders of DMCI Holdings, Inc. approve, ratify and confirm, as they do hereby, the appointment of SyCip, Gorres, Velayo & Co. as the independent auditor of the Corporation for the current fiscal year."

7. Election of Directors

The next matter on the agenda was the election of the members of the Board of Directors. Upon directive from the Chairman, the Corporate Secretary apprised the stockholders of the provisions of the By-laws on nomination and election of directors. The Secretary further announced that the Board of Directors received nine (9) nominations to the Board, namely: David M. Consunji, Cesar A. Buenaventura, Isidro A. Consunji, Victor A. Consunji, Jorge A. Consunji, and Ma. Edwina C. Laperal, Herbert M. Consunji, Oscar S. Reyes, and Evaristo T. Francisco. Messrs Oscar S. Reyes and Evaristo T. Francisco were the nominees for the independent directors in line with the provisions of Section 38 of the Securities Regulation Code and the SEC Manual on Corporate Governance.

There being no other nominations, the Chair directed the Corporate Secretary to cast the votes of the stockholders present or represented in this meeting for the persons who have been nominated. And with the casting of votes, the Chair declared the following as directors of the Corporation for a period of One (1) year and until their successors shall have been elected and qualified:

1. David M. Consunji
2. Cesar A. Buenaventura
3. Isidro A. Consunji
4. Victor A. Consunji
5. Jorge A. Consunji
6. Ma. Edwina C. Laperal
7. Herbert M. Consunji
8. Oscar S. Reyes
9. Evaristo T. Francisco

8. Adjournment

There being no further business to transact before the meeting, the same was, upon motion duly made and seconded, adjourned.

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ATTEST:


DAVID M. CONSUNJI
Chairman of the Meeting


NOEL A. LAMAN
Secretary of the Meeting

Annual Stockholders' Meeting July 28, 2004