



BACNOTAN CONSOLIDATED INDUSTRIES, INC.
A PHINMA Company

2 April 2009

Philippine Stock Exchange, Inc.
Phil. Stock Exchange Centre
Exchange Road, Pasig

Attention: Mr. Noel B. del Castillo
OIC, Disclosure Department

Gentlemen:

Please be informed that at the annual meeting of the shareholders of Bacnotan Consolidated Industries, Inc. held today, April 2, 2009, the following were elected directors for the ensuing year:

Mr. Oscar J. Hilado
Dr. Magdaleno B. Albarracin, Jr.
Mr. Ramon R. del Rosario, Jr.
Mr. Jose L. Cuisia, Jr.
Mr. Victor J. del Rosario
Mr. Roberto M. Laviña
Mr. Roberto F. de Ocampo - Independent
Mr. Rizalino S. Navarro - Independent
Fr. Noel D. Vasquez, SJ - Independent
Mr. Felipe B. Alfonso - Independent
Mr. Guillermo D. Luchangco - Independent

Prior to the Annual Shareholders meeting, in answer to a question from the press at the Press Conference held today, Mr. Roberto M. Laviña, Senior Vice President-Treasurer of Bacnotan Consolidated Industries, Inc. (BCII), stated that he expects capital expenditures of BCII's operating units to approximate 200 to 300 million pesos for 2009.

At the same Press Conference, the company issued a Press Release copy of which is attached hereto.

Very truly yours,


JUAN J. DIAZ
Corporate Secretary

Bacnotan Reports Income of P 317 M; Recent Acquisitions to Drive Future Growth

Bacnotan Consolidated Industries, Inc. (BCII) is gearing up for growth in the future, despite the volatile financial and economic environment, through new acquisitions in education and business process outsourcing.

This was disclosed by BCII President Ramon R. Del Rosario, Jr. at the company's Annual Shareholders Meeting. "Much of our efforts last year and early this year were focused on laying the groundwork for growth in the coming years. Early this year, BCII acquired a 70% interest in both University of Pangasinan and University of Iloilo. Education is now the company's biggest investment and reflects the Group's belief in the importance of education in nation-building," Del Rosario said.

In 2008, Araullo University and Cagayan de Oro College posted net income of P 19.9 million and P 11.9 million. "Our challenge in this sector," Del Rosario added, "is to continue to deliver the best possible education we can provide our students while providing decent returns to shareholders".

Late last year, BCII acquired an 80% interest in One Animate Ltd. which has a 95% interest in award-winning local animation studio, Toon City Animation, Inc. "We are excited about this acquisition since it brings to the Philippines much-needed jobs from abroad and keeps world-class talent home. The company employs some 800 animators and support staff and brings to the fore Filipino talent and creativity," he said.

BCII likewise has interests in housing, steel roofing, energy and financial services. For the Group's property unit, Phinma Property Holdings Corporation, the year 2008 was a landmark year with revenues mainly from its various condominium projects hitting the P 1.0 billion mark.

BCII's steel roofing subsidiary, Union Galvasteel Corporation, posted a net income of P 140.3 million, 74% higher than last year's, mainly owing to forward buying positions for the company's material requirements and the successful implementation of price adjustments.

Trans-Asia Oil and Energy Development Corporation (TA Oil) and its subsidiaries, Trans-Asia Power Generation (TA Power) and CIP II Power Corporation (CIPP) chalked up consolidated net income of P 88 million, 13% higher than last year's. Electricity trading started in 2008 significantly contributed to the increase in revenues.

Amidst the economic slump, BCII and AB Capital booked mark-to-market losses on its financial assets, which dragged down earnings. Nevertheless, BCII benefited from the strengthening of the dollar, booking a P 120 million net forex-related gain.

On a consolidated basis, BCII posted consolidated earnings in 2008 of P 317 million, lower than 2007's P 367 million. Income attributable to equity holders of the parent amounted to P 273 million. The robust total earnings of the group has enabled BCII to declare a cash dividend of P 0.40 per share or a total of P103 million to be paid out on April 24, 2009.

Total assets as of year-end stood at P 8.5 billion, with liabilities of only P 1.9 billion. The company continues enjoy healthy financial ratios with current ratio of 3.4:1.0 and debt to equity ratio of 0.3:1. "Our strong balance sheet and high liquidity put BCII in

a very good position to face the challenges ahead, and take advantage of opportunities, brought about by the global economic crisis, "Del Rosario noted.

This year, BCII looks forward to Phinma Property's two new condominium projects in Quezon City. Also auguring well for the group's future is Union Galvasteel's new revenue source in its newly operated polyurethane line, and Trans-Asia's promising prospects in renewable energy, particularly in wind resource development.

BCII likewise has a P 66 million investment in convertible preferred shares of Coral Way City Hotel Corporation which will operate a 150-room Microtel Hotel at the Mall of Asia Complex.

Del Rosario says, "We are excited about our recent acquisitions. Together with existing investments, these will provide a greater stream of earnings for our shareholders in the long-term."

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