August 14, 2007

COVER SHEET

AS093004369

SEC Registration Number

BENPRES HOLDINGS CORPORATION

(Company's Full Name)

4th Floor, Benpres Building, Meralco Avenue, Pasig City

(Business Address: No. Street City/Town/Province)

Salvador G. Tirona	910-3040
(Contact Person)	(Company Telephone Number)

12	31	17-Q		
Month	*Day*	(Form Type)	*Month*	*Day*
(Fiscal Year)			(Annual Meeting)	

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

11,557	₱2,012,397,073	US$150,000,000
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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THE SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17- Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17 (2)(b) THEREUNDER

1. **June 30, 2007**
   Date of Report (Date of earliest event reported)

2. SEC Registration No. **AS093-04369** 3. BIR TIN. **002-825-058-000**

4. **Benpres Holdings Corporation**
   Exact name of registrant as specified in its Articles of Incorporation

5. **Metro Manila**
   Place of incorporation

6. ____________________
   Industry Classification Code

7. **4th Floor Benpres Building, Exchange Road cor. Meralco Ave. Pasig City**
   Address of principal office

8. **(02) 910-3040**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Section 4 and 8 of RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**4,581,544,408 shares**
Long Term Commercial Papers	**P2,000,000,000.00**

11. Are any or all of the securities listed on the Philippine Stock Exchange:
    Yes **[X]** No [ ]

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11 (a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports)

    Yes **[X]** No [ ]

    (b) has been subject to such filing requirements for the past 90 days.

    Yes **[X]** No [ ]

PART I – FINANCIAL INFORMATION

Item I. Financial Statements

The unaudited consolidated financial statements are filed as part of the Form. It is prepared in compliance with accounting principles generally accepted in the Philippines as set forth in the Philippine Financial Reporting Standards (PFRSs). PFRS, include standards named PFRSs and Philippine Accounting Standards (PASs), including interpretations issued by the Philippine Accounting Standards Council. These are the Company's first consolidated financial statements prepared in compliance with PFRSs.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale investments that have been measured at fair value.

Item II. Management Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

Benpres Holdings Corporation (Benpres) reported unaudited consolidated revenues of P8.989 billion in the first six months of 2007, 8% higher than P8.358 billion in the same period last year. Net income attributable to equity holders of the parent decreased by 6% to P1.778 billion from P1.898 in the same period last year.

This result is primarily due to the 38% fall in equity in net earnings of investees to P1.475 billion from P2.395 billion. The 2006 figure (P2.395 billion) includes gains booked by affiliate First Philippine Holdings Corporation (FPHC) from the initial public offering (IPO) of First Gen Corporation (First Gen) in February last year.

Without these one-time gain recorded by FPHC, Benpres's net income attributable to equity holders of the parent in the first half of 2006 would have been P478 million, for an increase of 272% year-on-year (YoY). The favorable results from the recurring businesses stems from the stable performance of FPHC and the steady recovery of ABS-CBN Broadcasting Corporation (ABS-CBN).

Airtime (+20%) and license fees (-49%) reflect ABS-CBN accounts on the revenue side as do production costs (-13%), costs of sales and services (+14%), interest and others-net (-6%), and other income (+215%).

Foreign exchange adjustments resulted in a gain of P633 million compared to an expense of P30 million in the comparative period. The peso appreciated to P46.24 per US dollar in June 2007 from P49.03 in December 2006, compared to a depreciation to P53.11 per US dollar in June 2006 from P53.09 in December 2005. Provision for losses were 5% lower as well, due to a stronger peso.

Affiliates

First Holdings reported a net income attributable to the equity holders of the Parent amounted to P2.6 billion for the first six months of the year is 36% lower compared to the same period last year. However, on a recurring basis, net income is up 86% on the strength of equity in net earnings of associates which grew by 113% to P1.0 billion. Driving the growth in equity in net earnings is Meralco which reported a net income of P2.4 billion for the period against the previous year's net income of P367 million. First Philippine Holdings has disclosed its plan to purchase Meralco shares. It has entered into agreements with Union Fenosa and the Meralco Pension Fund to purchase their shares in Meralco for a total amount of US$430 million. Upon completion, this will increase its ownership in Meralco by 15.74%, bringing their total ownership in Meralco to 33.4%.

ABS-CBN's net income in 1H07 improved by 77% to P739 million from P417 million in 1H06, bolstered by the ongoing improvement in its advertising business and the rising contribution of its subscription-based business. Gross revenues increased by 12% YoY to P9.200 billion from P8.193 billion. Airtime revenues increased by 20% on the back of higher advertising volume as well as political ads, even as the industry slowed down. Meanwhile, total expenses were 5% higher YoY as the Company continued to keep costs under control. Overall, higher revenue growth coupled with slower total expense growth helped ABS-CBN generate higher earnings.

SkyCable's revenues increased by 9% YoY on the back of subscriber growth of 2.4% and on a rate increase implemented this year. Operating expenses grew by 7% with programming cost flat. EBITDA (earnings before interest, taxes, depreciation and amortization) increased by 14% to Php455 million from the same period last year. SkyCable reported a net profit of P61 million from a net loss of P83 million last year.

Bayan Telecommunications total revenues for 1H07 grew 12% to P2.60 billion from 2.32 billion YoY, driven by higher data and voice revenues. Voice revenues (+6%), data revenues (+23%), and internet revenues (+58%) all contributed to resurgent operations. Bayan posted a net income of P820 million, representing a 169% turnaround from the P1.19 billion loss posted in the first half of 2006. Bayan continues to anchor its business on delivering the service customers require, installing new telephones within 48 hours for 95% of subscribers and DSL within 5 days for 90% of subscribers. On the repair side, about 95% of reported incidents were restored within 24 hours and roughly 94% of DSL repair incidents among residential subscribers were restored within 24 hours.

Key Performance Indicator

As a holding company, Benpres receives revenues from asset sales and dividends from investees. Hence, the key performance indicator with the most direct impact on Benpres is the net income of investees. Dividends received by Benpres are based on the investees' net income in the previous year. During the first semester of 2007, Benpres received dividends from FPHC, ABS-CBN, and Medical City based on the respective companies' 2006 audited net income. For the January-June 2007 period, the financial performance of investees was within expectations.

Financial Condition

Cash and cash equivalents increased by 9% from end-2006 levels due to dividends received during the 1H07, which essentially accounts for the 10% rise in total current assets. Investments and advances increased by 7% to P21.005 billion to reflect the equity share in net earnings of investee companies during the semester. Trade and other receivables (+6%), program rights (+12%), derivative asset (11x versus end-2006), other current assets-net (+17%), noncurrent program rights and other intangible assets (+23%), and other noncurrent assets-net (-10%) reflect ABS-CBN accounts.

Trade and other payables grew by 12% as Benpres continued to accrue interest on debt subject to restructuring. Current Interest-bearing loans and borrowings (-15%), derivative liabilities (+57%), noncurrent interest-bearing loans and borrowings-net of current portion (+30%) and other noncurrent liabilities (-19%) reflect financing activities of ABS-CBN.

Unaudited total consolidated equity as of June 30, 2007 stood at P8.334 billion, 21% better than 2006 yearend balance as the deficit was reduced by 35% to P3.247 billion given the net income for the semester in review. Share in unrealized gain on fair value of available-for-sale investments declined by 30% due to the reduction in the number of Digitel shares held. 52.027 million Digitel shares were sold during the period.

There are no any known trends, demands, commitments, events or uncertainties that will have material impact on the Company's liquidity other than those disclosed above and in the notes to financial statements herein attached. Also, the Company has no material commitments for capital expenditures nor investments.

PART II – OTHER INFORMATION

The Company has no other information that needs to be disclosed other than disclosures made under SEC Form 17-C.

BENPRES HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Amounts in Millions)

	June 30, 2007 (Unaudited)	December 31, 2006 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	₱3,245	₱2,969
Trade and other receivable - net	4,706	4,438
Program rights - current	865	773
Derivative asset	135	12
Other current assets - net	1,214	1,040
Total Current Assets	10,165	9,232
Noncurrent Assets		
Investments and advances – net (Notes 3 and 4)	21,005	19,631
Property and equipment - net	9,955	10,185
Long-term receivables from related parties	2,418	2,423
Noncurrent program rights and other intangible assets	1,782	1,445
Other noncurrent assets – net	4,069	4,541
Total Noncurrent Assets	39,229	38,225
TOTAL ASSETS	₱49,394	₱47,457

	June 30, 2007 (Unaudited)	December 31, 2006 (Audited)
Current Liabilities		
Trade and other payables	₱10,469	₱9,350
Interest-bearing loans and borrowings (Note 5)	9,797	11,497
Estimated liabilities from guarantees and commitments	10,270	10,304
Derivative liabilities	561	358
Total Current Liabilities	31,097	31,509
Noncurrent Liabilities		
Interest-bearing loans and borrowings – net of current portion (Note 5)	3,180	2,449
Other noncurrent liabilities	319	395
Total Noncurrent Liabilities	3,499	2,844
Equity Attributable to Equity Holders of the Parent		
Capital stock	4,581	4,581
Capital in excess of par value	6,766	6,766
Share in equity adjustment from translation	(489)	(489)
Share in unrealized gain on fair value of adjustments of available-for-sale investments	724	1,031
Deficit	(3,248)	(5,026)
	8,334	6,863
Minority interest	6,464	6,241
Total Equity	14,798	13,104
TOTAL EQUITY AND LIABILITIES	₱49,394	₱47,457

See accompanying Notes to Consolidated Financial Statements.

BENPRES HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(UNAUDITED)
(Amounts in Millions, Except Per Share Amounts)

	Six Months Ended June 30	
	2007	2006
REVENUES		
Airtime – net	**₱6,162**	₱5,144
Net sales and services	**2,535**	2,647
License Fees	**292**	567
	8,989	8,358
EXPENSES (INCOME)		
Production costs	**3,009**	2,674
General and administrative	**2,465**	2,399
Costs of sales and services	**1,353**	1,189
Agency commission, incentives and co-producers' share	**1,106**	1,143
Equity in net earnings of investees	**(1,475)**	(2,395)
Foreign exchange adjustment	**(633)**	30
Provision for losses	**112**	118
Interest and others – net	**856**	909
Other income	**(475)**	(151)
	6,318	5,916
INCOME BEFORE INCOME TAX	**2,671**	2,442
PROVISION FOR INCOME TAX	**(580)**	(322)
NET INCOME	**₱2,091**	₱2,120
Attributable to:		
Equity holders of the parent	**₱1,778**	₱1,898
Minority interests	**313**	222
	₱2,091	₱2,120
Income Per Share Attributable to Equity Holders of the Parent:		
Basic	**₱0.3881**	₱0.4143
Diluted	**0.3880**	0.4142

See accompanying Notes to Consolidated Financial Statements.

BENPRES HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(UNAUDITED)
(Amounts in Millions, Except Per Share Amounts)

	Second Quarter Ended June 30	
	2007	2006
REVENUES		
Net sales and services	**₱1,157**	₱1,365
Airtime – net	**3,445**	2,881
License Fees	**204**	158
	4,806	4,404
EXPENSES (INCOME)		
Production costs	**1,628**	1,396
General and administrative	**1,273**	1,198
Costs of sales and services	**745**	567
Agency commission, incentives and co-producers' share	**604**	640
Equity in net earnings of investees	**(843)**	(465)
Foreign exchange adjustment	**(474)**	439
Provision for losses	**112**	118
Interest and others – net	**434**	344
Other income	**(282)**	(80)
	3,197	4,157
INCOME BEFORE INCOME TAX	**1,609**	247
PROVISION FOR INCOME TAX	**(346)**	(208)
NET INCOME	**₱1,263**	₱39
Attributable to:		
Equity holders of the parent	**₱1,047**	(₱154)
Minority interests	**216**	193
	₱1,263	₱39

BENPRES HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)

(Amounts in Millions, Except Number of Shares and Par Value Amounts)

	Six Months Ended June 30	
	2007	2006
CAPITAL STOCK - ₱1 par value Authorized - 5,500,000,000 shares Issued - 4,581,544,408 shares	**₱4,581**	₱4,581
CAPITAL PAID IN EXCESS OF PAR VALUE	**6,766**	6,766
SHARE IN UNREALIZED GAIN ON FAIR VALUE OF ADJUSTMENTS OF AVAILABLE-FOR-SALE INVESTMENTS	**724**	625
SHARE IN EQUITY ADJUSTMENT FROM TRANSLATION	**(489)**	233
DEFICIT		
Balance at beginning of period	**(5,026)**	(9,239)
Net income	**1,778**	1,898
Balance at end of period	**(3,248)**	(7,341)
	₱8,334	₱4,864

See accompanying Notes to Consolidated Financial Statements.

BENPRES HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)
(Amounts in Millions)

	Six Months Ended June 30, 2006	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	**₱1,778**	₱1,898
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Equity in net earnings of investees	**(1,475)**	(2,395)
Depreciation and amortization	**582**	589
Provision for losses	**112**	118
Others	**(419)**	–
Changes in assets and liabilities:		
Decrease (increase) in current assets	**(994)**	584
Increase (decrease) in current liabilities	**1,322**	(337)
Net cash provided by operating activities	**906**	457
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in:		
Investments and advances	**(318)**	604
Property and equipment and other assets	**125**	(583)
Net cash provided by (used in) investing activities	**(193)**	21
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in long-term debt	**(584)**	(1,234)
Increase (decrease) in:		
Other noncurrent liabilities	**(76)**	45
Minority interest	**223**	177
Net cash used in financing activities	**(437)**	(1,012)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**276**	(534)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIODS	**2,969**	2,341
CASH AND CASH EQUIVALENTS AT END OF PERIODS	**₱3,245**	₱1,807

See accompanying Notes to Consolidated Financial Statements.

1. Corporate Information and Status of Operations

a. Corporate Information

Benpres Holdings Corporation (the Parent Company) is incorporated in the Philippines. The Parent Company is a 56.26% owned subsidiary of Lopez, Inc. (Lopez), also a Philippine entity. The Parent Company and its subsidiaries (collectively referred to as "the Company") are mainly involved in investment holdings, broadcasting and entertainment and water distribution (until July 20, 2005 - see Note 3). The Company's associates are involved in telecommunications, power generation and distribution, cable television, real estate development and infrastructure.

The registered office address of the Parent Company is 4th Floor, Benpres Building, Meralco Avenue, Pasig City.

b. Balance Sheet Management Plan

In June 2002, the Parent Company announced a plan called the Balance Sheet Management Plan (BSMP) to address all its financial obligations involving activities to reduce debt and dispose non-core assets.

On January 19, 2007, the Parent Company officially exited from Maynilad Water and wrote-off US$220 million of guaranteed obligations.

With the revival of the capital markets, the Parent Company's efforts to monetize non-core investments are beginning to bear fruit. Recrafting a suitable debt restructuring plan to reflect current market conditions is now in progress.

Long-term direct obligations of the Parent Company that are due for payment as of June 30, 2007 and December 31, 2006 amounted to ₱8,936 million and ₱9,355 million, respectively. In addition, by virtue of its guarantees and commitments, based on the BSMP, the Parent Company may be liable for certain obligations that already fell due amounting to approximately US$210 million (equivalent to ₱9,718 million as of June 30, 2007 and ₱10,304 million as of December 31, 2006). As of June 30, 2007 and December 31, 2006, consolidated current liabilities exceeded consolidated current assets by ₱20,932 million and ₱22,277 million, respectively.

Starting in 2002, the Parent Company defaulted on its principal and interest payments on its long-term direct obligations and guarantees and commitments. As proposed in the BSMP, all liabilities of the Parent Company were computed as of May 31, 2002 and the Parent Company continues to make good faith semi-annual payments on its direct and contingent obligations since December 2002.

On March 13, 2003, the Parent Company convened a Special Stockholders' Meeting to obtain stockholders' consent to delegate to the BOD the authority to take all actions and matters necessary and desirable for the restructuring of the Parent Company's obligations under the BSMP. The stockholders granted full authority to the BOD to negotiate with the creditors without the need for prior stockholders' approval.

In 2005, Ferrier Hodgson Corporate Advisory (WA) Pty Ltd. was appointed as financial adviser to assist the Parent Company in addressing its long-term direct obligations, as well as contingent obligations arising from outstanding guarantees and commitments. The creditors formed the Benpres Creditors' Committee to facilitate the overall process for the financial restructuring of the Parent Company.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue operating as a going concern. The ability of the Company to continue operating as a going concern depends on the success of its BSMP. This condition, along with other matters previously discussed, indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue operating as a going concern.

2. Transfer of Media Interest

On April 17, 1997, the stockholders of the Parent Company approved the transfer of its ownership interest in ABS-CBN Broadcasting Corporation (ABS-CBN) and SkyVision Corporation (SkyVision) to Lopez, a majority stockholder. On March 16, 1998, the National Telecommunications Commission (NTC) authorized the transfer of the ABS-CBN and SkyVision shares and on April 21, 1998, the transfer was approved by the creditors of the Parent Company, thus, the release of the ABS-CBN and SkyVision shares from the negative pledge covenants included in the terms of outstanding long-term commercial papers (LTCPs).

On April 24, 1998, the Parent Company transferred 553,457,304 shares of ABS-CBN at its market value of ₱16.50 per share equivalent to ₱9,132 million and 162,463,400 shares of SkyVision at its book value of ₱2.75 per share equivalent to ₱447 million in exchange for cash of ₱75 million and Convertible and Nonconvertible Notes (Notes) of ₱9,504 million (Convertible Notes of ₱5,504 million and Nonconvertible Notes of ₱4,000 million). The Notes are secured by a pledge of the shares transferred and all subsequent shares distributed to Lopez by reason of its holdings of ABS-CBN and SkyVision shares. After the transfer, Lopez assumed all voting rights associated with the shares.

The Notes shall be repaid on April 24, 2013 (Maturity Date). Lopez has the option to redeem the Notes, at any time, subject to certain conditions provided for in the Agreement by both parties. The Parent Company has the option to convert the Convertible Notes into 553,457,304 shares of ABS-CBN and 162,463,400 shares of SkyVision (Conversion Quantity) at a conversion price of ₱5,504 million until Maturity Date or redemption date, as the case may be. The conversion quantity and price are subject to adjustments as provided for in the Agreement. The Notes may be repaid in whole or in part on or before the Maturity Date. The Notes shall terminate on any earlier date if the Convertible Notes shall have been properly converted and Lopez has satisfied its obligations with respect to all such Convertible Notes. The Notes bear an annual interest of 1.5%, subject to adjustments as agreed by both parties.

As of June 30, 2007 and December 31, 2006, the outstanding Notes amounted to ₱7,918 million and ₱7,690 million, respectively. The underlying shares totaled 446,800,022 ABS-CBN shares [including 568,415 Philippine Depositary Receipts (PDRs)] and 162,463,400 SkyVision shares.

As of this date, the shares of stock in ABS-CBN and SkyVision are still under the name of Lopez. Consequently, the power to vote those shares is with Lopez. The Parent Company has not exercised its option to convert the ABS-CBN and SkyVision Notes into ABS-CBN and SkyVision shares, respectively.

<u>ABS-CBN</u>
ABS-CBN is incorporated in the Philippines. Its core business is television and radio broadcasting. Its subsidiaries and associates are involved in the following related businesses: cable and direct-to-home (DTH) television distribution and telecommunication services overseas, movie production, audio recording and distribution, video/audio post production, and film distribution. Other activities of the subsidiaries include merchandising, internet and mobile services and publishing.

The convertibility feature of the ABS-CBN Notes qualifies as "potential voting rights" under

PAS 27, "Consolidated and Separate Financial Statements." Under PAS 27, the existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by another entity, are considered when assessing whether an entity has the power to govern the financial and operating policies of another entity. Consequently, for consolidation purposes, ABS-CBN is considered a subsidiary of the Parent Company. Accordingly, the issuance of the ABS-CBN Notes is eliminated for consolidation purposes.

SkyVision

SkyVision is mainly involved in cable television services in Metro Manila and in certain provincial areas in the Philippines.

The convertibility feature of the SkyVision Notes qualifies as "potential voting rights" under PAS 28, "Investments in Associates." Under PAS 28, the existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether an entity has significant influence. Consequently, for consolidation purposes, SkyVision is considered an associate of the Parent Company. Accordingly, the Parent Company's investment in SkyVision is accounted for under the equity method.

a. Consolidation of Central CATV, Inc. and Philippine Home Cable Holdings, Inc.

On July 18, 2001, ABS-CBN along with the Parent Company and Lopez (collectively, the Benpres Group), signed a Master Consolidation Agreement (MCA) whereby they agreed with the Philippine Long Distance Telephone Company and Mediaquest Holdings, Inc. (collectively, the PLDT Group) to consolidate their respective ownership or otherwise their rights and interests in SkyVision and Unilink Communications Corporation (Unilink) under a holding company to be established for that purpose. Beyond Cable Holdings, Inc. (Beyond) was incorporated on December 7, 2001 as the holding company. SkyVision owns Central CATV, Inc. (Central) and Pilipino Cable Corporation (PCC), which in turn operate cable television systems in Metro Manila and key provincial areas under the tradenames "Sky Cable" and "Sun Cable," respectively. Unilink owns Philippine Home Cable Holdings, Inc. (Home Cable), which operates cable television systems in Metro Manila and key provincial areas under the tradename "Home Cable."

Pursuant to the MCA, the Benpres Group and the PLDT Group shall, respectively, own 67% and 33% of Beyond upon the transfer of their respective ownership, rights and interests in SkyVision and Unilink to Beyond. Although the original MCA envisioned the transfer to be completed within six months from signing date, or by January 18, 2002, the Benpres Group and the PLDT Group agreed on January 16, 2002, to extend this closing date.

In view of the above, a separate Memorandum of Agreement (Agreement) was executed on April 8, 2004, wherein the majority stockholders of Home Cable and SkyVision have agreed to consolidate the ownership of their respective shares in Home Cable and SkyVision and to combine the operations, assets and liabilities of Home Cable and Central. To effect the consolidation, Home Cable transferred its assets and liabilities to Central in exchange for a 33% ownership in Central. The issuance of shares was approved by the Philippine Securities and Exchange Commission (SEC) on August 30, 2004.

It is planned to transfer the minority shareholders of SkyVision to Central to put into effect in Central what was originally intended for Beyond. With this transfer and as stipulated in the MCA, the Minority shall hold 17.3% of Central while SkyVision will hold 55% and Home Cable holding the balance 27.7%. Barring any unforeseen impediments, it is expected that the transfer of the SkyVision Minority to Central be completed in 2007.

In relation to the consolidation discussed above, a competitor television broadcasting company filed a case before the NTC asking for it to declare as null and void the consolidation of the cable operating companies. On November 16, 2004, the NTC denied the motion for cease and desist order filed by the competitor broadcasting company. On November 30, 2004, the competitor television broadcasting company filed a motion for reconsideration which is still pending resolution with the NTC as of August 14, 2007. It is the opinion of SkyVision's legal counsels that the case filed by the competitor television broadcasting company is without legal basis.

b. Debt Restructuring

On October 17, 2003, the required majority of SkyVision and Central's creditors and a substantial majority of Home's creditors have signed the Memorandum of Agreement (MOA) covering the restructuring plan. The MOA provided the framework under which Central, SkyVision, Home Cable and the creditors mutually agreed to restructure the outstanding debt obligations which became the basis for the Debt Restructuring Agreement, and consent to the consolidation and merger of Central, SkyVision and Home Cable.

On July 2, 2004, the Debt Restructuring Agreement between Central and its creditors has been formalized in the Facility Agreement. Under the provisions of the Facility Agreement, the outstanding principal on the existing secured and unsecured debt shall be paid by way of a term loan payable in seven years inclusive of a two-year grace period, in 20 unequal consecutive quarterly amortization immediately commencing from the end of the 9th quarter from the value date.

In November 2005, SkyVision met with its creditors to request for an extension of the grace period for another five (5) years, with principal amortization to start in 2011. The creditors have already formed a steering committee to address the request of SkyVision.

In September 2006, Central paid a token payment amounting to ₱5 million, upon which the principal payments due in September 2006, December 2006 and March 2007 were deferred. A second token payment amounting to ₱5 million shall be paid upon finalization of the debt restructuring of which negotiations are still ongoing.

c. Convertible Notes Issued by SkyVision to ABS-CBN

On June 30, 2004, SkyVision and Central ("Issuer") issued a convertible note (the "note") to ABS-CBN amounting to US$30 million equivalent to ₱1,579 million and ₱1,576 million as of December 31, 2006 and 2005, respectively. ABS-CBN's long-term receivable from SkyVision includes accrued interest receivable of ₱459 million and ₱344 million as of December 31, 2006 and 2005. The note is subject to interest of 13% compounded annually and matured on June 30, 2006. The principal and accrued interest as of maturity date shall be mandatorily converted, based on the prevailing U.S. Dollar to Philippine Peso exchange rate on Maturity Date, at a conversion price equivalent to a twenty percent (20%) discount of: (a) the market value of the Shares, in the event of a public offering of the Issuer before Maturity Date; (b) the valuation of the Shares by an independent third party appraiser that is a recognized banking firm, securities underwriter or one of the big three international accounting firms or their Philippine affiliate jointly appointed by the Benpres Group and the PLDT Group pursuant to the MCA dated July 18, 2001 as amended or supplemented. Consequently, Benpres' equity in SkyVision will be diluted upon conversion by ABS-CBN.

As of June 30, 2007, the conversion price has not been determined. Based on the provisions of the convertible note, its conversion cannot be completed without the determination of the conversion price, which in turn depends on the valuation of SkyVision or Central, by an independent third party. Consequently, ABS-CBN cannot convert the notes without such valuation. The conversion date was effectively extended since the conversion price was not fixed on June 30, 2006. The conversion date will effectively be the date when the conversion price will be set. ABS-CBN will gain control of SkyVision upon their conversion of the convertible note. Consequently, the voting rights on the underlying shares are retained by the original shareholders and ABS-CBN has no right to exercise such voting rights.

The convertible note does not specifically state that interest shall accrue after June 30, 2006 in the event that the convertible note is not converted for any reason. Thus, no interest was charged after June 30, 2006.

Prior to the issuance of the convertible note, SkyVision, Central and Home Cable had trade and advances payable to its shareholders in the Benpres Group and the PLDT Group, respectively. Upon receipt of the proceeds of the note, SkyVision, Central and Home Cable prioritized the servicing of its outstanding payables to third-party suppliers and creditors, as well as new payables due to Creative Programs, Inc. (CPI), a wholly owned subsidiary of ABS-CBN. As a result, these companies did not service payables to its existing shareholders outstanding as of June 30, 2004. Included in the amounts left unpaid were CPI's trade receivables from Central of ₱437 million. Subject to approval of its creditors, ABS-CBN intends to include CPI's receivables in the above equity conversion in SkyVision under the same terms of the note.

As of December 31, 2006, equity in net losses from SkyVision amounting to ₱52 million has been recorded by ABS-CBN against the "Long-term receivable from a related party" account in the consolidated balance sheet.

On January 11, 2007, ABS-CBN signed a commitment letter with ABN Amro Bank N.V., BPI Capital Corporation and ING Bank N.V. (together, the Mandated Lead Arrangers,) to arrange and underwrite on a firm commitment basis the refinancing/restructuring of the existing long-term loan. Consequently, the execution copies of the agreement amending the Senior Credit Agreement (SCA) facility was signed on March 27, 2007. It provides a carve out allowing ₱437 million receivables of CPI from Central to be converted into equity. This shall effectively supersede the consent requirement under the old facility.

d. Shareholders' Agreement

On August 15, 1997, SkyVision entered into a Shareholders' Agreement with Telemondial Holdings, Inc. (THI) granting the latter certain rights and privileges as a minority shareholder in PCC. THI owns 49% of PCC. Under the agreement, THI has the option, under certain conditions, to require SkyVision to purchase THI's shares in PCC. THI exercised this option on October 2, 2001. As provided in the agreement, a process whereby the value of THI's shares in PCC will be established has been set in motion. As of May 15, 2007, this valuation process has not been concluded.

3. Deconsolidation of Maynilad Water

Maynilad Water, formerly known as Benpres-Lyonnaise Waterworks, Inc., was incorporated on January 22, 1997 as a joint venture between the Parent Company and Suez-Lyonnaise Des Eaux, now known as Suez Environnement (Suez), primarily to bid for the operation of the privatized system of waterworks and sewerage services of the Metropolitan Waterworks and Sewerage System (MWSS) for Metropolitan Manila.

On February 21, 1997, Maynilad Water entered into a Concession Agreement with MWSS, a government-owned and controlled corporation organized and existing pursuant to Republic Act No. 6234 (the Charter), as amended, with respect to the MWSS West Service Area. The Concession Agreement sets forth the rights and obligations of Maynilad Water throughout the concession period. The MWSS Regulatory Office (MWSS-RO or Regulatory Office) acts as the regulatory body of the Concessionaires [Maynilad Water and the East Concessionaire - Manila Water Company, Inc. (Manila Water)] under the Concession Agreement with MWSS.

Under the Concession Agreement, MWSS grants Maynilad Water (as contractor to perform certain functions and as agent for the exercise of certain rights and powers under the Charter), the sole right to manage, operate, repair, decommission and refurbish all fixed and movable assets (except certain retained assets of MWSS) required to provide water and sewerage services in the West

Service Area for 25 years commencing on August 1, 1997 (the Commencement Date) to May 6, 2022 (the Expiration Date) or the Early Termination Date as the case may be. Maynilad Water officially took over the operations of the West Service Area on August 1, 1997.

Debt Capital and Restructuring Agreement (DCRA)

On April 29, 2005, Maynilad Water, its shareholders, bank creditors, and MWSS executed the DCRA to set out the terms and conditions of their understanding and to govern their respective rights and obligations in connection with the restructuring of the debt and capital of Maynilad Water. The DCRA provides, among others, the capital restructuring and restructuring of debt and concession fees of Maynilad Water. The DCRA took effect upon the satisfaction of the conditions precedent set forth in the DCRA. Conditions precedent include among others, the Court Approval. The Rehabilitation Court approved the DCRA on June 1, 2005. The Effective Date of the DCRA, wherein all the conditions precedent has been satisfied occurred on July 20, 2005.

The creditors of Maynilad Water has completely released the Parent Company from all its obligations as guarantor of the US$120 million Standby Letter of Credit Facility and the US$100 million term loan facility of Maynilad Water. A Deed of Release in relation to the US$120 million Standby Letter of Credit Facility Agreement and a Deed of Release in relation to US$100 million loan agreement were both executed as of April 29, 2005.

The capital restructuring provisions mainly involve write-off of shareholder advances, conversion of advances into equity and dilution of the shares of the Parent Company's equity interest in Maynilad Water, representing fifty-nine percent (59%) of the equity interest in Maynilad Water (BHC Shares). Under Section 24 of the DCRA, MWSS is given the right, subject to the prior approval of Maynilad Water's bank lenders and the Suez Group, to assign its right and obligation to subscribe to 83.97% of the shares of Maynilad Water or to assign any portion or all of the said shares (in the event the subscription has been exercised), provided that the assignee of the MWSS shall assume all the obligations and undertakings of MWSS under the DCRA in connection with, relating to, or arising from, such right. On September 8, 2005, the MWSS Board of Trustees resolved that MWSS shall assign its right and obligation to subscribe to shares in Maynilad Water by way of public bidding (MWSS BOT Resolution No. 2005-203). After a process of competitive bidding conducted by MWSS from June 2006 to January 2007, DMCI-MPIC Water Company (DMCI-MPIC) was designated by MWSS as its assignee, with the prior approval of all the Lenders and Suez Group, pursuant to Clause 24 of the DCRA. Such assignment was effected by MWSS (MWSS Assignment) through Assignment and Assumption Agreement executed by MWSS and DMCI-MPIC on December 27, 2006, which was acknowledged by Maynilad Water on the same date. Also on the same date, Maynilad Water, DMCI-MPIC, and Lyonnaise Asia Water (Holdings) Pte Ltd. (LAWL) executed the Debt Conversion and Subscription Agreement which governs the agreement of the parties on the conversion of debt to equity required in connection with the Capital Restructuring. The MWSS Assignment became effective on January 10, 2007 (Closing Date).

The Capital Restructuring was completed on January 19, 2007 after the SEC approved all corporate actions of Maynilad Water required by Clause 2 of the DCRA for the full implementation of the Capital Restructuring.

As of December 31, 2006, based on the stock and transfer book of Maynilad Water, the Parent Company is still the registered owner of the BHC Shares. However, the said stock certificates covering the BHC Shares have already been endorsed and delivered to the Rehabilitation Receiver pursuant to the DCRA. In further compliance with the terms of the DCRA, the Parent Company delivered to the Rehabilitation Receiver, an irrevocable proxy dated July 21, 2005 (Proxy) appointing MWSS or any of MWSS' authorized representatives as its proxy to attend, in the Parent Company's name, place and stead, all meetings of Maynilad Water, and to vote all of the BHC Shares, specifically for the purpose of carrying out, or ensuring the completion of the capital restructuring of Maynilad Water as set out in the DCRA. Accordingly, the Parent Company has lost its power to govern the financial and operating policies of Maynilad Water as provided for in PAS 27, "Consolidated and Separate Financial Statements." In view of the above, the Parent Company deconsolidated Maynilad Water effective July 20, 2005.

Pending Cases on Maynilad Water's Corporate Rehabilitation Proceedings

Two petitions relating to the corporate rehabilitation proceedings of Maynilad Water have been filed, consolidated and are currently pending before the Second Division of the Supreme Court (SC).

The first petition involves a Petition for Certiorari and Mandamus instituted by certain so called public interest groups, three members of congress identified with these groups and some individuals who claim to be Maynilad Water consumers in the West Service Area against the presiding judge of the Rehabilitation Court, seeking to nullify the resolution issued by the Rehabilitation Court barring the said petitioners from further participating in the rehabilitation proceedings and refusing to declare them as interested parties, and praying for the issuance of an order allowing them to take part in the case.

The second petition involves a Petition for Certiorari under Rule 65 of the Rules of Court filed by the same petitioners against the same respondents but including MWSS, the Parent Company, Suez SA, Suez Environment, LAWL, Ondeo Services (Philippines) Inc., and certain lenders and creditor banks who are signatories to the DCRA, questioning the approval of Maynilad Water's 2005 Rehabilitation Plan and the DCRA by the Rehabilitation Court, on the ground that the same are allegedly "void, unlawful and contrary to public policy". In support of their prayer for the issuance of a preliminary injunction, the petitioners reiterate their position that the implementation of the Rehabilitation Plan and the DCRA allows Maynilad Water to avoid its obligations under the Concession Agreement, to the detriment of the government and the consuming public. They also claim that such implementation will result in the dissipation of public funds. On October 17, 2005, Maynilad Water filed its Comment to this petition. The Parent Company filed a Special Appearance with Manifestation on November 17, 2005.

As of August 14, 2007, no resolution has yet been issued by the SC in respect of the above-mentioned consolidated cases.

4. Basis of Preparation of Financial Statements and Significant Accounting Policies

Basis of Preparation

The consolidated financial statements of the Company have been prepared in compliance with accounting principles generally accepted in the Philippines as set forth in the Philippine Financial Reporting Standards (PFRSs). PFRS, include standards named PFRSs and Philippine Accounting Standards (PASs), including interpretations issued by the Philippine Accounting Standards Council. These are the Company's first consolidated financial statements prepared in compliance with PFRSs.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale investments that have been measured at fair value.

The consolidated financial statements are presented in Philippine pesos, which is the Company's functional and presentation currency, and all values are rounded to the nearest million (₱000,000) except when otherwise indicated.

Accounting Policies

The same accounting policies are followed in the interim financial statements as compared in the most recent annual audited financial statements of the Company.

Basis of Consolidation
The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries as of December 31 of each year. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company, using consistent accounting policies.

All intra-company balances, transactions, income and expenses and profits and losses resulting from intra-company transactions that are recognized in assets, are eliminated in full.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Parent Company obtains control, and continue to be consolidated until the date that such control ceases. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting year during which the Parent Company has control.

Minority Interest
Minority interest represents the portion of profit or loss and net assets in subsidiaries, not held by the Company and is presented separately in the consolidated statements of income and within equity in the consolidated balance sheets, separately from the equity attributable to the equity holders of the Parent Company. The losses applicable to minority may exceed the minority's investment in the subsidiary. Any losses applicable to a minority shareholder in a consolidated subsidiary in excess of the minority shareholder's equity in the subsidiary are charged against the minority interest to the extent that the minority shareholder has binding obligation to, and are able to, make good the losses.

Minority interest represents the interest in subsidiaries not held by the Company.

Investments in Associates
The Company's investments in associates are accounted for under the equity method of accounting. An associate is an entity over which the Company owns 20% or more or has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, investments in associates are carried at cost plus post-acquisition changes in the Company's share of net assets of the associate in the consolidated balance sheet. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortized. After application of the equity method, the Company determines whether it is necessary to recognize any additional impairment loss with respect to the Company's net investment in the associate. The consolidated statement of income reflects the share in the results of operations of the associate. Intercompany revenues with associates are eliminated against the investment accounts. Where there has been a change recognized directly in the equity of the associate, the Company recognizes its share of any changes and discloses this, when applicable, in the consolidated statement of changes in equity.

The reporting dates of the associates and the Company are identical and the associates' accounting policies conform to those used by the Company for like transactions and events in similar circumstances.

Equity adjustment from translation represents the Company share in the adjustments of an associate resulting from the translation into Philippine pesos of the foreign currency financial statements of an associate's investee.

Starting in 2001, the Parent Company discontinued the recognition of its 49% share in the losses of Bayan Telecommunications Holdings Corporation (Bayantel). The accumulated losses in Bayantel reduced the carrying value of the Parent Company's investment in Bayantel to zero. Additional claims against the Parent Company arising from its guarantees and commitments have been provided for and credited to "Estimated liabilities from guarantees and commitments" account in the consolidated financial statements. If Bayantel subsequently reports profits, the Parent Company will resume including its share of these profits only after its share of the profits equals the share of net losses not recognized.

In July 2003, Verizon, a 19% shareholder of Bayantel sold all of its equity interest in Bayantel to the Parent Company. As a result, the Parent Company's equity ownership in Bayantel increased from 49% to 68%. Lopez retained its direct equity ownership in Bayantel of 17%. On the same date, the Parent Company executed a Voting Trust Agreement with Lopez where the Parent

Company assigned the voting rights of the additional 19% equity in Bayantel to Lopez while the Parent Company still has outstanding liabilities to Lopez. As a result, Lopez retained control of Bayantel and continues to consolidate Bayantel in its consolidated financial statements.

Business Segments
For management purposes, the Company is organized into 2 major operating businesses, namely, investment holdings and water distribution. Financial information on business segments is presented in Note 7.

For purposes of pro forma information, ABS-CBN is considered as another operating business. ABS-CBN recognizes three business activities - broadcasting, cable and satellite and other businesses. Other business activities of ABS-CBN include movie production, consumer products and services. ABS-CBN operates in three major geographical areas namely, the Philippines, Unites States and other locations (which include Middle East and Milan). Financial information on ABS-CBN's business and geographical segments is presented in Note 7.

5. Interest-Bearing Loans and Borrowings

	Effective Interest Rate %	**June 30, 2007**	December 31, 2006
Current			
Parent Company:			
7.875% Notes	7.875%	**₱6,936**	₱7,355
LTCPs		**2,000**	2,000
ABS-CBN:			
Bank loans	11.17%	**–**	474
Long-term debt under Senior Credit Agreement (SCA)	10.70%	**736**	1,555
Obligations under capital lease		**120**	108
Bayanmap:			
Peso-denominated loans		**5**	5
		₱9,797	₱11,497

	Effective Interest Rate %	**June 30, 2007**	December 31, 2006
Noncurrent			
Parent Company:			
4.2% Perpetual Convertible Bonds	4.2%	**₱12**	₱12
ABS-CBN:			
Long-term debt under SCA (net of transaction costs amounting to ₱114 million in 2006)	8.62%	**2,981**	2,252
Obligation under capital lease		**187**	185
		₱3,180	₱2,449

6. Earnings Per Share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to equity holders of the parent by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are calculated by dividing the net profit attributable to equity holders of the parent (after deducting interest on the convertible bonds) by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential shares into shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	For the Six Months Ended June 30,	
	2007	2006
	(In Millions)	
(a) Income attributable to equity holders of the parent	**₱1,778**	₱1,898
Interest on convertible bonds and amortization of bond issue cost.	**1**	1
(b) Net income attributable to equity holders of the parent – diluted	**₱1,779**	₱1,899
(c) Weighted average number of common shares - basic	**4,581,544,408**	4,581,544,408
Conversion of bonds	**3,421,410**	3,421,410
(d) Adjusted weighted average common shares – diluted	**4,584,965,818**	4,584,965,818
Per Share Amounts Attributable to the equity holders of the Parent		
Basic (a/c)	**₱0.3881**	₱0.4143
Diluted (b/d)	**0.3880**	0.4142

There have been no other transactions involving shares or potential shares between the reporting date and the date of completion of these financial statements.

7. Segment Information

The primary segment reporting format is determined to be business segments as the Company's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Segment information is prepared on the following bases:

Business segments: The Company's main businesses are investment holdings, broadcasting and entertainment and water distribution (up to July 20, 2005). Broadcasting and entertainment is further segmented into three business activities - broadcasting, cable and satellite, and other businesses. This segmentation is the basis upon which ABS-CBN reports its primary

segment information. The broadcasting segment is principally the television and radio broadcasting activities which generate revenue from sale of national and regional advertising time.

Cable and satellite business primarily develops and produces programs for cable television, including delivery of television programming outside the Philippines through its DTH satellite service, cable television channels and blocked time on television stations. Other businesses include movie production, consumer products and services. The Company's remaining activity includes information service.

Geographical segments: Although ABS-CBN is organized into three business activities, they operate in three major geographical areas. In the Philippines, its home country, ABS-CBN is involved in broadcasting, cable operations and other businesses. In the United States and other locations (which includes Middle East, Europe and Australia), ABS-CBN operates its cable and satellite operations to bring television programming outside the Philippines.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated in consolidation.

ABS-CBN's geographical segments are based on the location of ABS-CBN's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers.

Business Segment Data
(Amounts In Millions)

The following tables present revenue and income information and certain asset and liability information regarding business segments for the period ended June 30, 2007 and 2006:

	Investment Holdings		Services		Broadcasting		Cable Satellite		Other Business of ABS-CBN		Elimination		Consolidated	
	June 30		June 30		June 30		June 30		June 30		June 30		June 30	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
Revenues	**₱–**	₱–	**₱–**	₱–	**₱6,215**	₱5,466	**₱2,194**	₱2,293	**₱791**	₱600	**₱–**	₱–	**₱9,200**	₱8,359
Intersegment-sales	–	–	–	–	**42**	44	**54**	45	**101**	88	**(197)**	(177)	**–**	–
Total revenues	**₱–**	₱–	**₱–**	₱–	**₱6,257**	₱5,510	**₱2,248**	₱2,338	**₱892**	₱688	**(₱197)**	(₱177)	**₱9,200**	₱8,359
Results														
Segment result	**(₱66)**	₱313			**₱789**	₱611	**₱137**	₱15	**₱167**	₱48	**₱261**	₱358	**₱1,288**	₱1,345
Investment income	**1,898**	2,674	**–**	–	**–**	75	**6**	–	**–**	–	**(429)**	(819)	**1,475**	1,930
Interest income													**231**	106
Other income													**131**	170
Interest and financing charges													**(1,087)**	(1,079)
Foreign exchange gain (loss)													**633**	(30)
Income before income tax													**2,671**	2,442
Income tax													**(580)**	(322)
Minority interest													**(313)**	(222)
Net income													**₱1,778**	₱1,898
Segment Assets and Liabilities														
Segment assets	**₱3,311**	₱2,279	**₱4**	₱–	**₱19,302**	₱19,501	**₱4,869**	₱5,662	**₱5,455**	₱1,204	**(₱4,585)**	(₱3,917)	**₱28,356**	₱24,729
Investment in associates	**21,588**	19,451	**11**	10	**3,538**	3,729	**–**	–	**–**	–	**(3,549)**	(3,685)	**21,588**	19,505
Consolidated total assets													**₱49,944**	₱44,234
Segment liabilities	**₱10,065**	₱14,838	**₱10**	₱9	**₱5,434**	₱4,399	**₱2,086**	₱2,846	**₱4,648**	₱636	**(₱1,216)**	(₱2,340)	**₱21,027**	₱20,388
Bank loans and long-term debt													**12,977**	15,077
Income tax payable													**592**	20
Consolidated total liabilities													**₱34,596**	₱35,485
Other Segment Information														
Depreciation and amortization	**9**	9	**–**	–	**806**	818	**131**	114	**31**	46	**–**	–	**977**	987
Noncash expenses other than depreciation and amortization	–	–	**–**	–	**90**	34	**25**	22	**4**	3	**7**	–	**126**	59

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BENPRES HOLDINGS CORPORATION

By:

MA. VICTORIA M. MARCELINO AVP - Financial Controls	<u>August 14, 2007</u> Date
SALVADOR G. TIRONA Chief Finance Officer	<u>August 14, 2007</u> Date
ANGEL S. ONG President and COO	<u>August 14, 2007</u> Date

BENPRES HOLDINGS CORPORATION
AGING OF ACCOUNTS RECEIVABLES
AS OF JUNE 30, 2007
(Amounts in Thousands)

TYPE OF ACCOUNTS RECEIVABLES	TOTAL	NOT YET DUI	CURRENT	30 DAYS	60 DAYS	90 DAYS	120-360 DAYS	OVER 360	PAST DUE & ITEMS IN
I. TRADE RECEIVABLES									
Trade	**4,019**	1,254	687	236	181	77	643	924	17
Allowance	**562**								
Net A/R	**3,457**								
II. NON - TRADE RECEIVABLES									
Accrued interest	**3**								
Advances to suppliers	**352**								
Advances to talents	**46**								
Advances against claims - sss	**8**								
Others	**840**								
	1,249								
	4,706								

ACCOUNTS RECEIVABLE DESCRIPTION

1 TRADE RECEIVABLES *- accumulated through the normal course of business, i.e. sale of airing spots*

2 NON TRADE RECEIVABLES *- accumulated through transactions other than the normal course of business, i.e. sale of airing spots*