



PRESS RELEASE

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MFMCP TO MANAGE PHILIPPINES FUND FOR AIZAWA

THE MUTUAL FUND MANAGEMENT COMPANY OF THE PHILIPPINES, INC. (MFMCP), a member of The **ATR KimEng Group**, is pleased to announce it has entered into an agreement to act as the investment manager for a new Philippines fund named **The MFMCP-Aizawa Trust Philippine Fund**, which was launched by Japanese stockbroker **Aizawa Securities Co. Ltd.**, exclusively for the Japanese retail investor market.

The new fund is the only Philippines country fund presently being marketed in Japan. It will focus on investing in publicly-listed Philippine equities, which have performed well in recent years relative to their regional peers. Aizawa aims to raise **US\$ 30 to 50 million** among its clients over the next two months.

MFMCP President and CEO Phillip F.S. Hagedorn said: “We welcome the launch of a significantly-sized equity fund by foreign investors as a vote of confidence in the continued improvement in the country's economic health.”

Mr. Hagedorn added: “Even though The MFMCP-Aizawa Trust Philippine Fund will not be available to investors domiciled in the Philippines, hopefully our existing investors in **The Kabuhayan Fund** and **The ATR KimEng Equity Opportunity Fund** will view Aizawa's choice of us as a validation of MFMCP's fundamentals-based, value-oriented stock-picking culture.” The Kabuhayan Fund posted a return on investment of 38% in 2006, while The ATR KimEng Equity Opportunity Fund rose 45.5% in the same period, beating the Philippine Stock Exchange Index's increase of 42% for that year.

ATR KimEng Group President Manuel N. Tordesillas said: “We share Aizawa's expectation that the Philippines should outperform many of its neighbors in Southeast Asia over the next three

years and beyond. We are also excited at the prospect of serving the Japanese market, considering this segment has not been as active in the Philippines as investors from North America and Europe. We hope to replicate this formula in other important retail investor markets and we welcome the challenge of developing similar alliances in those markets.”

About MFMCP and its Funds

Established in July 1995, **MFMCP** is the investment adviser, principal distributor, and administrator of three locally-distributed mutual funds, namely: **The Kabuhayan Fund**, **The ATR KimEng Equity Opportunity Fund**, and **The ATR KimEng Fixed Income Fund**. In 2006, The Kabuhayan Fund and the ATR KimEng Equity Opportunity Fund were both ranked by the **Investment Company Association of the Philippines** among the country’s best-performing mutual funds in the balanced and equity fund categories, respectively. MFMCP's locally-distributed funds are highly affordable to the general public, with a minimum initial investment size of P 5,000. For more details on MFMCP and its funds' performance, please visit the company's website: www.mutualfund.com.ph.

About the Aizawa Group

Established in 1918, **Aizawa Securities Co. Ltd.** is a member of both the Tokyo Stock Exchange and the Osaka Stock Exchange, and is primarily involved in the trading of equities, options and futures. The Group serves the Japanese retail investor market via more than 40 brokerage branches clustered mostly in the Tokyo and Osaka areas. Other subsidiaries of the Group are engaged in real estate leasing and asset management. The Group's asset management business includes country funds and real estate investment trusts (REITs). The Group has successfully launched other country funds, which are managed by Cayman Islands-based subsidiary **Fund Creation Co. Ltd.**, and are presently invested in China, Viet Nam and Thailand, and now the Philippines as well. For more details on the Group, please visit www.aizawabtc.com and www.fundcreation.co.jp/en.

About ATR KimEng Group

The **ATR KimEng Group’s** business operations encompass corporate finance and advisory services (equity IPOs and secondary offers, bond underwriting, mergers and acquisitions, debt restructuring); stockbroking and equity research; life and general insurance underwriting and distribution, and insurance broking; asset management (mutual funds and trust fund management); foreign exchange and fixed income broking; and real estate development.

Group parent **ATR KimEng Financial Corporation** is a diversified financial services company listed on the Philippine Stock Exchange. Its wholly-owned subsidiary, **ATR KimEng Capital Partners, Inc.**, is the country’s largest non-bank-related investment house, and is the direct majority parent of **MFMCP**. Another wholly-owned subsidiary, **ATR KimEng Securities, Inc.**, is the leading Filipino-controlled stock brokerage. ATR KimEng Securities ranked sixth in total trading volume on the PSE in 2006, and remains by far the leading Filipino-controlled broker in terms of both trading volume and awards from international finance magazines such as *FinanceAsia* and *The Asset*.

Through minority shareholder **Kim Eng Holdings Ltd.** of Singapore, the Group enjoys equity distribution access throughout East Asia, Europe and North America. For more details, please visit www.atrkecapital.com and www.kimeng.com.

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