

**BALANCE SHEETS**

DECEMBER 31, 2007 AND 2006 (In Thousand Pesos)

	<b>A S S E T S</b>	
	<b>2007</b>	<b>2006</b>
CASH	P 260,023	P 283,748
INSURANCE BALANCES RECEIVABLE, net	593,114	517,517
REINSURANCE RECOVERABLE ON UNPAID LOSSES	479,592	628,327
DEFERRED REINSURANCE PREMIUM	567,795	638,858
DEFERRED ACQUISITION COST, net	102,764	88,625
FINANCIAL ASSETS		
HELD-TO-MATURITY INVESTMENTS	1,104,235	1,157,234
AVAILABLE-FOR-SALE FINANCIAL ASSETS	1,353,963	1,037,782
LOANS AND RECEIVABLES, net	49,941	63,594
INVESTMENT INCOME DUE AND ACCRUED	42,573	46,242
PROPERTY & EQUIPMENT, net	125,467	127,373
SOFTWARE COSTS, net	49,540	61,644
DEFERRED INCOME TAX ASSETS, net	79,983	60,077
OTHER ASSETS	19,479	18,041
<b>Total assets</b>	<b>P 4,828,469</b>	<b>P 4,729,062</b>
	<b>LIABILITIES AND EQUITY</b>	
RESERVE FOR OUTSTANDING LOSSES	P 725,257	P 931,861
RESERVE FOR UNEARNED PREMIUMS	1,108,801	1,138,742
DUE TO REINSURERS AND CEDING COMPANIES	393,775	206,508
FUNDS HELD FOR REINSURERS	134,122	118,853
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	319,079	265,291
INCOME TAX PAYABLE	-	16,135
<b>Total liabilities</b>	<b>2,681,034</b>	<b>2,677,390</b>
CAPITAL STOCK	350,000	304,923
CAPITAL PAID EXCESS OF PAR	425,972	425,972
RETAINED EARNINGS	1,297,337	1,213,060
RESERVES	74,126	107,717
<b>Total equity</b>	<b>2,147,435</b>	<b>2,051,672</b>
<b>Total liabilities and equity</b>	<b>P 4,828,469</b>	<b>P 4,729,062</b>