



NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES

18TH FLOOR, PHILIPPINE AXA LIFE CENTRE, SEN. GIL PUYAT AVENUE CORNER TINDALO STREET, MAKATI CITY, PHILIPPINES
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25 March 2008

ATTY. PETE M. MALABANAN

Head, Disclosure Department
Philippine Stock Exchange, Inc.
PSE Centre, Exchange Road
Ortigas Center
Pasig City

Dear Mr. Malabanan:

Attached is our Press Release entitled "**PhilNaRe Reports Record Net Income and Cash Dividend,**" which we intend to distribute simultaneous with our disclosure on cash dividend declaration.

Sincerely,

A handwritten signature in dark ink, consisting of a large, stylized 'J' followed by a horizontal line and a loop.

JOHN E. HUANG
Senior Vice President/CFO



PRESS RELEASE
March 25, 2008
For Immediate Release

PHILNARE REPORTS RECORD NET INCOME AND CASH DIVIDEND

National Reinsurance Corporation of the Philippines (PSE: NRCP) reported record net income of P609 million for the twelve months ended December 31, 2007, representing a 121% increase over net income of P275 million in 2006. The Company's strong performance was attributed to strong profit growth in its underwriting and investment operations, as well as a reduction in general and administrative expenses. Earnings per share grew from P0.20 in 2006 to P0.31 in 2007.

On the back of the Company's solid performance for 2007, NRCP's Board of Directors, at its regular meeting held on March 25, 2008, approved the declaration of a cash dividend of P0.20/share, amounting to a total of P436 million, out of the unrestricted retained earnings of the Corporation as of December 31, 2007.

Wilfrido C. Bantayan, PhilNaRe President and Chief Executive Officer, said that the dividend payout is consistent with the Company's existing dividend policy. "We are committed to providing our stockholders with a good return by distributing as much of our income as we can in the form of cash dividends," said Mr. Bantayan. He also noted that the recently-approved P0.20/ share dividend is almost three times the P0.07/share cash dividend declared in last year.

Based on the Company's filing with the PSE and SEC, the cash dividend will be in favor of stockholders of record as of April 10, 2008 and will be paid on or before May 6, 2008.

National Reinsurance Corporation of the Philippines, or PhilNaRe, is the only domestically owned professional reinsurance company providing life and non-life

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reinsurance to the Philippine and neighboring insurance markets. The Company's shares were listed on the Philippine Stock Exchange in April 2007. Major stockholders include the Government Service Insurance System (GSIS), Bank of the Philippine Islands and the Malayan Group of insurance companies.

Reference:

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