BY KRISTA ANGELA M. MONTEALEGRE Reporter

Philcomsat Holdings Corp. (PHC) will raise additional funds by selling shares to its stockholders and parent firm after the current and unified board of directors recovered most of the firm's assets and streamlined operations.

In a briefing, Ramon Jacinto, PHC president and chief executive, said the company is set to increase its authorized capital stock from one million to three billion common shares with a par value of P1 per share to accommodate additional investors.

He said PHC's private shareholders and its parent, Philippine Communications Satellite Corp. (Philcomsat) would subscribe to the additional shares.

"The PHC now has a clean bill of health with no liabilities. It owns solid properties and has substantial funds, and is poised to take on new investment opportunities," he said.

Jacinto said the company will focus on property development and eco-tourism projects through its Montemar Beach Resort, which still has 300 hectares of undeveloped real estate.

PHC will also capitalize on Philcomsat's telecommunication facilities in Pinugay, Rizal and satellite uplinking equipment sitting on 700 hectares of land. It will also gain interest in 2.5 hectares of land in Ayala Alabang business center.

Besides these properties, PHC owns a 2.9-hectare Pasig property and a large unit at the Pacific Star Building in Makati City.

Jacinto said the company has P400 million in cash to finance some of these developments.

"We also have another P85 million that the BPI [Bank of the Philippine Islands] has been keeping from us," Lin Bildner, PHC chief finance officer, said.

"We're cautious in having our plans because of the torrid history of the company," Bildner added.

Jacinto claimed that BPI was "careless" and "negligent" in handling PHC's funds being disputed by two groups that had controlled the company.

"We felt BPI carelessly and negligently released the money when we had warned them not to release the funds," Jacinto said.

The company sued BPI to recover more than P100 million, which were allegedly withdrawn without authorization from its account by its old directors elected in 2004.

In 2006, the Regional Trial Court of Makati ruled that the election of these directors were invalid.

PHC’s legal counsel, Lorna Patajo Kapunan, said there were “certain inaccuracies” in BPI President Aurelio Montinola 3rd’s testimony that the bank had just followed orders from the regional trial court and the Court of Appeals.

“This being a very publicized case and the amount not being a small one, we wished Montinola had taken better care of the account,” Kapunan said.

BPI got entangled in the conflict after it absorbed Far East Bank, where the old PHC board originally opened an account.

Last year, PHC registered a profit of P5.7 million, reversing a net loss of P600 million in toxic assets and losses incurred from 2004 to 2007 because of the alleged plunder of its funds by the previous board led by the Presidential Commission on Good Governance’s (PCGG) nominees.

“The massive losses are due to anomalous expenses, investments and advances to failed ventures, excessive compensation packages for PCGG and its nominees, deposits to suspicious bank accounts and dubious accounting practices of PHC’s former directors,” the company said.