
Lopez group to keep stake in Manila Electric

Friday, 27 Nov, 2009

Reuters reported that First Philippine Holdings Corporation has no plans to unload its remaining 6.7% stake in power retailer Manila Electric Co.

Mr Oscar Lopez chairman of First Philippine Holdings Corporation said that "We don't want to sell. We want to still keep our stake in Meralco."

It may be note that the PLDT group recently bought half the 13.4% Meralco stake held by First Philippine Holdings in a deal valued at USD 471 million. The deal also ensures the PLDT group will end up owning the Lopez family's remaining stake if they decide to sell out anytime in the next three years, allowing it to eventually control about 48% of the country's biggest power distributor.

Conglomerate San Miguel Corporation and its allies, which hold up to 47% of Meralco, had been battling with the PLDT group for control of the power firm. The takeover tussle had pushed Meralco shares up by as much as 400% this year, hitting a record level in July.

(Sourced from www.reuters.com)

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