



THE PHILODRILL CORPORATION

QUAD ALPHA CENTRUM, 125 PIONEER, MANDALUYONG CITY, PHILIPPINES
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April 7, 2014

THE DISCLOSURE DEPARTMENT

4th Floor, The Philippine Stock Exchange, Inc.
PSE Centre, Exchange Road, Ortigas Center
Pasig City

Gentlemen:

We hereby submit the Quarterly Progress Report on the application of the proceeds from the stock rights offering for the period ended March 31, 2014 as follows:

CASH FLOW	JAN	FEB	MAR	TOTAL
BEGINNING BALANCE	14,497,845.95	14,497,910.81	14,505,134.75	14,497,845.95
COLLECTION OF SUBSCRIPTIONS	0	7,223.94	0	7,223.94
NET INTEREST EARNED	64.86	0	132,802.50	132,867.36
TRANSFER OF INTEREST EARNED	0	0	0	0
USE OF PROCEEDS:				
<i>Payment of Loans</i>	0	0	0	0
<i>Operating expenses (Galoc/Nido/Matinloc)</i>	0	0	0	0
<i>Exp related to SRO</i>	0	0	0	0
<i>Refund to stockholders</i>	0	0	0	0
ENDING BALANCE	14,497,910.81	14,505,134.75	14,637,937.25	14,637,937.25

USES OF SRO FUNDS	PROJECTS/ BEGINNING BALANCE DEC 31, 2013	AMOUNT UTILIZED FIRST QUARTER	TOTAL AS OF MAR 31, 2014	TOTAL ALLOCATION BASED ON PROSPECTUS 1 ST 25% AND 2 ND 25%	AMOUNT OF ALLOCATION BUT NOT YET UTILIZED
LOANS					
<i>MBTC</i>	30,906,720.52	-	30,906,720.52		-
<i>UCPB</i>	69,444,861.11	-	69,444,861.11		-
<i>Loans arranged by Penta</i>	30,216,481.04	-	30,216,481.04		-
National Book Store	7,148,236.33	-	7,148,236.33		-
Sub-total	137,716,299.00	-	137,716,299.00	137,716,299.00	-
OPERATING EXPENSES:					
<i>Galoc</i>	41,334,839.00	-	41,334,839.00	41,334,839.00	-
<i>Nido/Matinloc</i>	11,011,434.00	-	11,011,434.00	11,011,434.00	-
EXP RELATED TO SRO	5,000,000.00	-	5,000,000.00	5,000,000.00	-
TOTALS	195,062,572.00	-	195,062,572.00	195,062,572.00	-

The foregoing disclosures are made in compliance with the rules and regulations of the Exchange.

Very truly yours,


REYNALDO E. NAZAREA
Treasurer & VP-Administration