

HOME GUARANTY CORPORATION
BALANCE SHEET
December 31, 2006
(With Comparative Figures for 2005)

| A S S E T S | 2006 | 2005 (As Restated) | Increase (Decrease) |
|---|-------------------------|-------------------------------------|--------------------------------------|
| Current Assets | | | |
| Cash on hand and in banks (Note 3) | P 363,728,166 | P 251,516,005 | P 112,212,161 |
| Short-term investments (Note 4.1) | 7,124,154,423 | 659,387,132 | 6,464,767,291 |
| Receivables - net (Note 5.1) | 2,562,472,125 | 737,965,329 | 1,824,506,796 |
| Inventories | 4,530,526 | 4,237,949 | 292,577 |
| Prepayments (Note 6.1) | 193,896,070 | 126,632,627 | 67,263,443 |
| Total Current Assets | 10,248,781,310 | 1,779,739,042 | 8,469,042,268 |
| Non-Current Assets | | | |
| Long-term investments (Note 4.2) | 1,458,033,378 | 8,020,663 | 1,450,012,715 |
| Receivables - long term (Note 5.2) | 1,048,646,888 | 1,742,149,103 | (693,502,215) |
| Guaranty deposits | 22,639,366 | 22,330,814 | 308,552 |
| Long-term prepayments (Note 6.2) | 149,902,146 | 3,454,775 | 146,447,371 |
| Property and equipment - net (Notes 2.2 and 7) | 57,484,744 | 62,063,170 | (4,578,426) |
| Other assets - foreclosed (Note 8) | 21,958,817,597 | 20,993,346,834 | 965,470,763 |
| Other assets - assets held-in-trust (Note 9) | 1,062,448,122 | 1,063,238,952 | (790,830) |
| Other assets - various | 151,199,257 | 149,661,169 | 1,538,088 |
| Total Non-current Assets | 25,909,171,498 | 24,044,265,480 | 1,864,906,018 |
| TOTAL ASSETS | 36,157,952,808 | 25,824,004,522 | 10,333,948,286 |
| LIABILITIES AND NET WORTH | | | |
| Current Liability | | | |
| Payables and other liability accounts (Note 10) | 6,154,366,676 | 6,522,283,577 | (367,916,901) |
| Bonds payable (Note 11.1) | 7,761,739,495 | 7,787,713,661 | (25,974,166) |
| Total Current Liabilities | 13,916,106,171 | 14,309,997,238 | (393,891,067) |
| Contingent Liabilities | | | |
| Cash guarantee | P 13,989,527,300 | P 16,606,115,180 | |
| Bonds guarantee | 48,081,808,127 | 32,690,659,524 | |
| Standard guarantee | 1,501,454,038 | 2,252,680,786 | |
| | P 63,572,789,465 | P 51,549,455,490 | |
| Non-Current Liabilities | | | |
| Bonds payable (Note 11.2) | 11,631,519,637 | 3,648,896,311 | 7,982,623,326 |
| Deferred credits (Note 12) | 1,205,354,574 | 985,872,249 | 219,482,325 |
| Due to other funds - trust accounts | 1,062,448,122 | 1,063,238,952 | (790,830) |
| Total Non-current Liabilities | 13,899,322,333 | 5,698,007,512 | 8,201,314,821 |
| | 27,815,428,504 | 20,008,004,750 | 7,807,423,754 |
| Net worth | 8,342,524,304 | 5,815,999,772 | 2,526,524,532 |
| TOTAL LIABILITIES AND NET WORTH | P 36,157,952,808 | P 25,824,004,522 | P 10,333,948,286 |

See accompanying Notes to Financial Statements.