

23 July 2010

THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Metro Manila

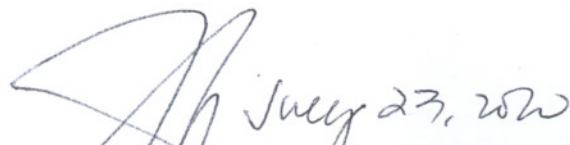
Attention: MS. JANET A. ENCARNACION
Head, Disclosure Department

Gentlemen:

Attached herewith is a copy of the report that was rendered by the Company's President and COO, Mr. Harris E. D. Jacildo, during the Annual Stockholders' Meeting of the Company, which was held today at the 42nd Floor, Discovery Centre, 25 ADB Avenue, Ortigas Center, Pasig City.

Thank you for your kind attention.

Very truly yours,



Bernadette C. Tiou
July 23, 2010

BERNADETTE CINDY C. TIU
First Vice President & Chief Financial Officer

Attachment: a/s

I-REMIT, INC.
ANNUAL STOCKHOLDERS' MEETING
PRESIDENT'S REPORT

Friday, July 23, 2010
Columbus Room, 42nd Floor, Discovery Centre
25 ADB Avenue, Ortigas Center, Pasig City

[Slide 1: Title Slide]

Mr. Chairman, honorable members of the Board, esteemed shareholders, my fellow officers and colleagues in I-Remit, ladies and gentlemen: good morning. I once again take great pleasure in reporting the performance of your Company in this year's Annual Stockholders' Meeting.

[Slide 2: Global Economic Crisis]

In 2009, the global economy was still reeling from the effects of the worst economic crisis since the 1930's. Global output and trade fell sharply and asset values plunged across advanced and emerging economies thereby decreasing household wealth and putting downward pressure on consumer demand. With governments resorting to economic stimulus packages, signs of recovery began to show in the

third quarter but on a year-over-year basis, the global economy is believed to have contracted by negative 0.6 percent.

[Slide 3: OFW Deployment and Remittances]

The resiliency of the Filipino overseas labor force was again proven as the global deployment of workers surpassed the one million-mark for the fourth straight year. In 2009, more than 1.4 million Filipinos were deployed to various jobs in more than 190 host destinations all over the globe. The new deployments represent a 15.1% increase over the 1.2 million workers placed in 2008. The considerable increase in deployment is an outcome of the sustained demand in the advanced economies for skilled workers, particularly healthcare professionals --- jobs which had been relatively unaffected by the global recession.

The remittances of overseas Filipinos that were coursed through the financial system reached 17.3 billion U.S. dollars --- representing a 5.6% growth over the 2008 remittances of 16.4 billion U.S. dollars. The sustained demand for Filipino manpower worldwide and the greater access by workers and their beneficiaries to expanded money transfer facilities helped sustain remittance growth.

The higher level of remittances and sustained deployments indicated that labor demand had already picked-up in 2009 compared to 2008

when most export-dependent economies and businesses became cautious in hiring new employees and had even resorted to reduction of work hours or retrenchments.

[Slide 4: Key Initiatives]

Your Company remained steadfast in pursuing its key strategic initiatives amidst the challenges posed by the lingering effects of the financial downturns and market strains that have besieged the global economy since 2007. I-Remit implemented measures aimed at institutional strengthening, expansion of global and local distribution reach, improvement of operating capabilities, and building a premier brand. These efforts helped fortify your Company's position as the largest Filipino-owned non-bank provider of remittance services in the country.

On July 1, 2009, I-Remit completed its acquisition of 49-percent of Hwa Kung Hong and Company Limited, a Taiwan-based remittance company, for a consideration of 3.6 million pesos.

Likewise, your Company's majority-owned subsidiary in Austria, IREMIT EUROPE Remittance Consulting AG successfully registered with the *Banca D'Italia Eurosistema* as a financial intermediary to operate money transfer services in Italy. It is now operating in Rome.

In August, I-Remit's North American subsidiary, International Remittance Canada Limited opened a new branch in the city of Edmonton, the second most populous provincial capital after Toronto.

Your Company also continued to forge tie-up arrangements in countries with considerable numbers of Filipino workers. It signed remittance partnership agreements with the Al Alamiah Group based in Damascus, Syria in June and with Elite Exchange Remittance Services in Greece in August.

I-Remit relentlessly pursued innovations and introduced new services for the benefit of overseas Filipino workers. In May, it signed an agreement with the Home Development Mutual Fund or Pag-IBIG for the use of the Fund's electronic collection system. With the mandatory Pag-IBIG fund coverage of overseas workers, the new collection system will ensure the fast recording and crediting of member contributions and loan payments from abroad.

Your Company also continued the expansion of its domestic distribution network for the benefit of OFW beneficiaries with the signing of remittance partnership agreements with the Philippine Savings Bank and Maybank Philippines. Philippine Savings Bank and Maybank Philippines have 170 and 45 branches nationwide, respectively, that are

now part of the more than 5,500 pay-out stations where beneficiaries can claim their remittances.

I-Remit also sealed its alliance with Jollibee Foods Corporation, the country's leading fast food chain for the *Salu-Salo Padala* Treat to bring joy to families of overseas workers. Your Company also partnered with consumer giant Nestle to pave the way for I-Remit to become a gift destination for OFWs during special occasions.

We also would like to report to you that with the devastation and loss brought by Ondoy in September, your Company opted to offer its remittance services free-of-charge to families in areas grossly affected by the typhoon. I-Remit also mobilized its offices all over the world to accept donations for the ABS-CBN Foundation, GMA Kapuso Foundation and the Philippine National Red Cross.

[Slide 5: Growth in Volume and Value]

Let me now report to you our operating results.

Your Company's consolidated operating performance also showed good results in spite of the global slowdown.

Transaction volume growth contributed to robust earnings and an improved financial position. In 2009, the volume of transactions reached 2.7 million growing by 12-percent against the 2.4 million transactions realized in 2008. The increase in the number of transactions was the key driver of fee income growth during the year.

The value of remittance transactions in 2009 amounted to 1.104 billion U.S. dollars, increasing by 1.9-percent against the 1.083 billion U.S. dollars posted in 2008.

[Slide 6: Improved Operating Results]

I-Remit realized consolidated total revenue of 778.6 million pesos in 2009, 2.2-percent higher than the 762 million pesos posted in 2008.

The higher level of business volume resulted in a 13.5-percent increase in delivery fees that reached 490 million pesos in 2009 against 432 million pesos in 2008.

Consequently, the higher number of transactions also resulted in a 17-percent increase in the cost of services of 231 million pesos at the end of 2009 against 197 million pesos in 2008.

Gross income declined slightly by 3-percent from 565 million pesos in 2008 to 547 million pesos in 2009. However, your Company augmented its operating income when it realized gains amounting to almost 32 million pesos from its investments in private debt securities.

Consolidated operating expenses grew by only 4-percent from 397 million pesos in 2008 to 412 million pesos in 2009 as the Company rationalized its expenditures in view of the global crisis.

[Slide 7: Enhanced Shareholder Value]

Your Company ended 2009 with a net income of 133 million pesos, 2.4-percent higher than the bottom line of 130 million pesos in 2008.

Last March 19, your Board of Directors declared cash dividends worth 26 million pesos representing 20-percent of the Company's consolidated net income in the year 2009. The cash dividend of approximately 0.0481 centavos per share is the third consecutive annual declaration of dividends since the Company turned public in 2007.

I-Remit's stock performed relatively well in the local equities market as it closed the year strong at six pesos and 10 centavos, 23-percent higher than its closing price of four pesos and 95 centavos a year earlier.

As 2009 drew to a close, your Company's market capitalization improved by 23-percent at 3.4 billion pesos registering a premium of 169-percent over book value.

In 2009, I-Remit's average daily trading volume in the Philippine Stock Exchange grew to over 742 thousand shares per day, increasing by 89-percent over the daily average of 393 thousand shares in 2008. The average value turnover improved three times at 4.5 million pesos per day in 2009 against the daily average of 1.5 million pesos in 2008.

I-Remit's stock continues to be a part of the Philippine Stock Exchange Financials Index, a reflection of its good performance in the market. In qualifying for a sector index, a stock must have an average daily trading volume of at least one million pesos and a tradability of at least 75-percent of the total trading days of the stock market.

[Slide 8: 2010 Outlook]

While the year 2009 had indeed been very challenging for your Company and the entire world, 2010 presents more positive prospects. The global economy is definitely transitioning into a more mature phase of recovery where the influence of rebound factors such as fiscal stimuli are fading and GDP gains will increasingly depend on private investments and consumption spending. There are market jitters

caused by the fiscal positions of several European high-income economies that pose a new challenge for the world economy. However, financial developments in Europe have had little effect on developing countries and the threat of a global contagion seems remote.

While there has been a slowdown in the growth of remittances in 2009, we expect the pace to pick-up again particularly in May and in the last three months of the year which traditionally are high-growth months for the industry. As of May this year, the *Bangko Sentral ng Pilipinas* reported total inward remittances amounting to 7.4 billion U.S. dollars representing a 6.6% growth compared to the first five months in 2009. For this year, the BSP had raised its remittance forecast from 6-percent to 8-percent.

Skilled workers and professionals will continue to be in demand and their continued deployment is expected to even accelerate in the medium to long term once the global economy has fully bounced back.

Asia, the second largest regional destination of OFWs, will continue to hire skilled workers and professionals as its countries pursue their development plans to expand their economic bases.

The Gulf states such as Saudi Arabia, Qatar, Oman, Kuwait, and the United Arab Emirates have major projects in construction, energy,

tourism, petrochemicals, transportation and other heavy industries that would need more Filipino workers.

Europe faces labor shortage due to rapidly-aging population and declining workforces that will facilitate the entry of more high-skilled workers in the medium to long term.

Our optimism is bolstered by the good performance of your Company in the first quarter of this year as it outpaced the growth posted by the remittance industry. The total transaction value in the first five months of the year reached 486 million U.S. dollars representing a 12-percent growth over the 434 million dollars posted in the same period last year. The *Bangko Sentral* reported last week that as of May this year the OFW remittances grew by 6.6-percent against last year.

[Slide 9: Moving Forward]

Moving forward, we expect new opportunities and good growth prospects for your Company. I-Remit will continue to transform itself into a globally-competitive organization. We will continue to invest in new and attractive markets while fortifying our stronghold in countries where we have sizeable market shares.

Your Company is aggressively pursuing the opening of new remittance corridors such as that for Chinese remittances in Europe in strategic partnership with the Bank of China, one of the big four state-owned banks of the People's Republic of China. In March of this year, I-Remit also signed a collaboration agreement with LTD/MFO Intel Express, a money transfer company licensed by the National Bank of Georgia.

Early this year, I-Remit also partnered with Automatic Centre to enable OFWs and their family members who are holders of the ShopNPay Visa card to be entitled to discounts when purchasing appliances and other home equipment.

Your Company intends to pursue its expansion initiatives particularly with the opening of new offices in which most of the funds raised from the initial public offering had been earmarked.

We therefore thank you for your unwavering support for our initiatives and your continuing confidence in your Board and the management team.