



EXPORT AND INDUSTRY BANK

03 November 2009

The Philippine Stock Exchange
Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Gentlemen:

This refers to your letter of even date requiring the Bank to confirm and/or deny the veracity of the news article entitled "BDO wants ₱12-b loan for Export(b)ank takeover" published in the 03 November 2009 issue of the Manila Standard Today which reads in part, as follows:

"BANCO de Oro Unibank Inc., the country's largest bank, has asked Bangko Sentral to extend a concessional loan of ₱10 billion to ₱12 billion as an incentive to take over the select assets of Export and Industry Bank, sources from the central bank said. Sources from BDO, controlled by the family of retail magnate Henry Sy, said the loan as income support to Export(b)ank was crucial to the deal because of the weak finances of the smaller bank... BDO president Nestor Tan and Export(b)ank chairman Jaime Gonzalez met with Bangko Sentral Gov. Amado Tetangco Jr. and Deputy Gov. Nestor Espenilla about two weeks ago to discuss the possible takeover by BDO...Central bank sources said Export(b)ank had also asked the central bank to keep its commercial banking license...The central bank gave Export(b)ank until the end of October to raise an additional ₱3.3 billion on tier 1 capital. It has asked the central bank to extend the deadline again..."

As stated in an earlier disclosure, the sale of the Bank's select assets and liabilities, which includes the assumption of all of its deposit liabilities, is still subject to final regulatory approvals. Any further disclosure on this matter will be made at the appropriate time.

We trust that we have clarified you on the foregoing.

Very truly yours,


Riva Khristine V. Maala
Assistant Corporate Secretary

PSE-Manila Standard article (11.03.09)/corpsec/rvm