



EXPORT AND INDUSTRY BANK

05 November 2008

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

Attention: Atty. Pete M. Malabanan
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 published in the *BusinessMirror* (Internet Edition) on 05 November 2008 which reads in part, as follows:

EXPORT and Industry Bank, Inc., also called Exportbank, is pursuing plans to sell wholly-owned unit EIB Securities, Inc. as part of efforts to streamline the groups' operations ...

Since 2002, it has been part of the Bank's rationalization plan for all its subsidiaries and affiliates to continue the operations of certain businesses only. Thus, the Bank's existing subsidiaries will pursue their respective mandates and service their clientele. However, should a potential strategic investor express an interest in any one of them, the Bank may give it due course.

We trust we have clarified you on the foregoing.

Very truly yours,

Riva Khristine V. Maala
Assistant Corporate Secretary

PSE-BW article (11.05.08)/corpsec/rvm