

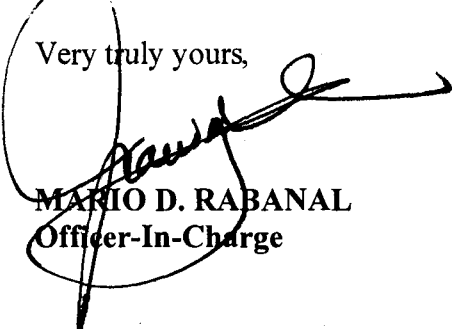
17 August 2007

**ATTY. PETE MALABANAN**  
**Head, Disclosure Department**  
**Philippine Stock Exchange**  
**4/F, Philippine Stock Exchange Center**  
**Exchange Road, Ortigas Center,**  
**Pasig City**

Dear Atty. Malabanan:

Further to our earlier disclosure on the purchase by Banco De Oro-EPCI, Inc. of the American Express business in the Philippines, the attached statements on the matter will be released to the press.

Very truly yours,



**MARIO D. RABANAL**  
**Officer-In-Charge**



## **Banco De Oro Acquires American Express Cards and Consumer Banking Business in The Philippines**

Sees business growth with highly valued brand

**Manila, 17 August 2007** - Banco de Oro – EPCI, Inc. (BDO) marked another milestone with its acquisition of the American Express business in the Philippines, which includes the American Express Philippines US Dollar and Peso Card portfolios as well as the consumer banking services of American Express Savings Bank (AESB). Concurrent with the sale, BDO has also entered into a partnership agreement with American Express that allows BDO to issue American Express Cards in the Philippines. The said transaction is still subject to regulatory approvals.

BDO (which will be renamed Banco de Oro Unibank, Inc.) announced its successful bid to add the highly valued American Express brand to its already impressive roster of banking products and services. The deal represents a unique opportunity to leverage BDO's vast branch network to offer American Express-branded Cards. Analysts noted that American Express holds a hefty portfolio of "high-spend customers", with balances and average spend levels far above those of competitors.

According to BDO President Nestor V. Tan, "We are acquiring the business to consolidate our position in the credit card market, and our ongoing partnership with American Express will allow us to fill in the gap in the higher-end market. At the same time, we will be able to strengthen our hold on the mass affluent market as we will eventually consolidate AESB with BDO Private Bank."

He added that the agreement will enable both organizations to leverage each other's strengths to consistently deliver value to stakeholders. "American Express is a globally recognized brand that has successfully differentiated itself in the



# BANCO DE ORO

cards, travel and financial services arena. We are indeed honored that American Express has selected BDO to continue its tradition of providing superior value and service excellence to its Cardmembers in Philippines. BDO is committed to building on this solid foundation to grow the franchise by providing differentiated value propositions and greater choice for Cardmembers," he said.

Elaborating on the partnership, Mr Ian Fish, President of American Express Savings Bank said, "American Express already has a strong presence in Philippines and we are delighted to take this to the next level through this partnership with BDO. This move demonstrates our commitment and continued confidence in the Philippines, an important market for American Express. In BDO, we have found the right partner to grow the number of American Express branded Cards in the Philippines market."

"Besides gaining access to a rapidly growing portfolio of high-spending customers, we see American Express Savings Bank as an excellent venue for expanding our consumer banking business, particularly in terms of tapping a more affluent customer base" said Teresita T. Sy, BDO Chairperson. "The acquisition of the American Express business in the Philippines ties in with our vision for long-term growth and value in the industry."

This partnership will benefit American Express Cardmembers in the Philippines, Nestor V. Tan said. "Both current and new American Express Cardmembers will not only have additional choices of products that reflect their lifestyle. They will have also access to our wide distribution network including delivery channels for their payment convenience or financial service needs."

BDO and American Express have worked closely together to ensure a smooth transition of the business. Cardmembers will continue to enjoy their current benefits, privileges, Membership Reward programmes and payment modes.

“Moving forward, BDO will inform Cardmembers of new services being offered, particularly access to the range of new privileges and benefits,” said Nestor V. Tan.

American Express will continue to operate its other business in The Philippines, including the American Express Bank Ltd. Offshore Banking Unit (OBU) and the American Express Travel Joint Venture – American Express Transnational Inc. The American Express Travel Representative offices of Adventure International Tours Inc. also continue.

### **About Banco De Oro**

BDO arose as a result of the merger of two of the Philippines' banking industry stalwarts, representing an unparalleled consolidation of the distinct strengths of Banco de Oro Universal Bank and Equitable PCI Bank and creating a model of joint leadership and dynamic synergy.

For more information, contact "[www.bdo.com.ph](http://www.bdo.com.ph)" or "[www.equitablepcib.com](http://www.equitablepcib.com)".

### **About American Express**

The American Express Company is a diversified worldwide travel, financial and network services Company. Founded in 1850, it is a leader in charge and credit Cards, Travellers Cheques, travel, and business services.

For more information about American Express products and services, visit the worldwide web site at <http://www.americanexpress.com.sg>.

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