



22 August 2007

Atty. Pete M. Malabanan
Head, Disclosure Department
PHILIPPINE STOCK EXCHANGE
4/F PSE Centre, Exchange Road
Ortigas Centre, Pasig City

Ref. No. _____

Date: _____

Dear Atty. Malabanan:

Banco de Oro - EPCI, Inc. (BDO) has received notice of the approval by the Bangko Sentral ng Pilipinas (BSP) of BDO's proposed issuance of up to *Php10.0 Billion unsecured subordinated debt*. The issuance will qualify as Lower Tier 2 capital under the relevant rules and regulations of the BSP.

Very truly yours,

A handwritten signature in black ink, appearing to read "Elmer B. Serrano", is positioned above the typed name.

ELMER B. SERRANO
Corporate Information Officer