



8 November 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:

Further to our earlier disclosures on the matter, Banco de Oro - EPCI, Inc. (the "Bank") is commencing today the public offering of its unsecured subordinated debt eligible as Lower Tier 2 Capital (the "Notes"), as approved by the Monetary Board of the Bangko Sentral ng Pilipinas under Resolution Nos. 872 (dated August 2, 2007) and 1131 (dated October 5, 2007).

Salient features of the Notes are as follows:

- | | |
|---------------|---|
| Maturity | : 10 years from issue date with a call option on the fifth year of the Notes |
| Issue Size | : Minimum of Five Billion Pesos (₱5,000,000,000) up to an aggregate of Ten Billion Pesos (₱10,000,000,000). |
| Interest Rate | : 5-year Philippine Dealing System Treasury Fixing, plus a spread |
| Denomination | : Minimum purchase price of Five Hundred Thousand Pesos (₱500,000), and in increments of One Hundred Thousand Pesos (₱100,000) thereafter |



We shall apprise the Exchange of further developments relative to the Offering of the Notes.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elmer B. Serrano'.

ELMER B. SERRANO
Corporate Information Officer