

**EQUITABLE PCI BANK**

Makati Avenue cor. H.V. de la Costa St., Makati City

**STATEMENT OF CONDITION  
(HEAD OFFICE AND BRANCHES)  
AS OF DECEMBER 29, 2006**

<b>ASSETS</b>	<b>AMOUNT</b>
Cash and Cash Items	7,266,800,232
Due from Bangko Sentral	22,694,033,307
Due from Other Banks	3,831,525,289
Interbank Loans Receivables	23,870,262,002
Trading Account Securities(Net)	25,325,564,252
Investment in Bonds and Other Debt Instruments(Net)	46,678,921,481
Loans and Discounts & Advances (Net)	116,469,745,559
Equity Investments (Net)	12,790,008,862
Bank Premises, Furniture, Fixtures & Equipment(Net)	11,697,293,945
Other Assets(Net):	
Property owned/Acquired	12,822,244,808
Others	40,364,252,336
<b>TOTAL ASSETS</b>	<b>324,810,649,864</b>
<b>LIABILITIES</b>	
Demand Deposits	16,306,928,559
Savings Deposits	169,763,279,357
Time Deposits	46,337,580,300
Special/Other Deposits	168,083,520
Due to Bangko Sentral	140,675,543
Due to Banks	3,562,998
Outstanding Checks/Payment Orders	2,161,189,502
Bills Payable:	
BSP - Rediscounting/Special Programs	801,060,344
Interbank Borrowings	268,733,430
Others	13,269,664,745
Unearned Income and Other Deferred Credits	1,591,876,821
Other Liabilities	19,494,727,614
Unsecured Subordinated Debt (Inclusive of Unamortized Premium/Discount)	9,785,255,089
<b>TOTAL LIABILITIES</b>	<b>280,092,617,825</b>
<b>CAPITAL ACCOUNTS</b>	
Capital Stock	7,270,033,450
Surplus	35,820,016,956
Surplus Reserves	605,997,543
Other Capital Accounts	1,221,982,090
Less:Parent Company Shares Held By A Subsidiary	0
<b>TOTAL CAPITAL ACCOUNTS</b>	<b>44,718,032,039</b>
<b>TOTAL LIABILITIES &amp; CAPITAL ACCOUNTS</b>	<b>324,810,649,864</b>

**CONTINGENT ACCOUNTS**

Used Commercial Letters of Credit		9,884,943,599
Bills for Collection		10,316,283,295
Spot/Future Exchange Bought		13,455,455,954
Spot/Future Exchange Sold		19,475,103,852
Assets Held Under Trust and Investment Management Agreements		73,228,292,046
Invested in:		
Government Securities	29,196,535,046	
Other Securities, Debt Instruments and Shares of Stocks	25,750,740,150	
Loans & Discounts	1,070,065,759	
Other Assets	17,208,045,091	
Accountabilities:		
Trust & Other Fiduciary	44,351,985,536	
Common Trust Fund	20,552,451,590	
Investment/Fund Management	3,032,950,317	
Unearned Income & Other Accountabilities	5,298,903,604	
Other Contingent Accounts		4,558,705,315
<b>TOTAL CONTINGENT ACCOUNTS</b>		<b>130,916,789,161</b>

**OTHER INFORMATION**

1. Deposits of:		
a) Government		151,933,433
b) Bank		667,292,026
c) Trust		6,840,267,310
2. Compliance with Magna Carta Laws of December 31, 2006		
Prescribed		
Ratio of Compliance	5% for Small Enterprises	2% for Medium Enterprises
Rate of	6.10%	6.07%
Parent and Subsidiaries	6.79%	5.80%
3. Loans and Loan Loss Reserves Information		
a) Non-performing Loans as defined in BSP Circulars 202 and 351 (Loans classified as "NPA" which are fully covered by a tolerance amount to P 2.622B)		
Amount of non-performing loans		7,570,937,282
Ratio to total loan portfolio		4.96%
b) Classified loans and other risk assets		41,572,848,000
c) Loan Loss Reserves:		
General		1,092,315,265
Specific		10,077,415,163
Total		11,169,730,428
Ratio to non-performing loans as defined in BSP Circular 202		147.48%
4. Return on Equity (ROE)		7.70%
5. Total loans/advances		905,634,943
6. Ratio of DOSRI loans/advances to total loan portfolio		0.60%
7. Past Due DOSRI loans/advances		-
8. Ratio of past due DOSRI to total loan portfolio		0.000%
9.   a) NPAs sold, gross		15,068,638,765
Allowance for probable losses (specific) on NPAs sold		9,215,170,483
b) Cash received		7,98,418,099
c) Financial instruments received, gross		3,336,055,545
Less: Allowance for probable loss (specific)		1,492,303,000
Carrying amount of financial instrument received		1,844,055,545
d) Deferred charges, gross		7,025,480,789
Less: Deferred charges written down		702,548,079
Carrying amount of unforfeited charges		6,322,932,709

of the total loss reserve valuation (reserve) reflects an allowance resulting from the sale of NPAs to RPV, amounting to P7.820 billion. Said reserve (allowance) exceeds in greater than the total deferred charges of P6.820 billion and yet written down.

**REPUBLIC OF THE PHILIPPINES**

I We, **RICARDO V. MARTIN** and **NESTOR V. TAN** of the above-mentioned bank do solemnly swear that all matters set forth in the above statement of condition are true and correct to the best of my/our knowledge and belief.

*Ricardo V. Martin*  
**RICARDO V. MARTIN**  
 EVP & Chief Financial Officer  
 (Signature Over Printed Name)

*Nestor V. Tan*  
**NESTOR V. TAN**  
 Officer-in-Charge  
 (Signature Over Printed Name)

SUBSCRIBED AND SWORN to before me this JAN 24, 2007 at MAKATI CITY Philippines exhibiting to me his/hers/their Residence Certificate No. CC1 08232927, issued at Makati City on 01-19-07 and Residence Certificate No. CC1 08411796 issued at San Juan, M.M. on 01-31-08.

**BENJAMIN B. MATA**  
 NOTARY PUBLIC  
 0917 887 377  
 2007

**NOTARY PUBLIC**  
 Until Dec. 31, 20  
 P.T.R. No. \_\_\_\_\_  
 Date Issued \_\_\_\_\_

Doc. No. 290  
 Book No. 1-0  
 Page No. 28X11  
 Series of 2007



**EQUITABLE PCI BANK**

Makati Avenue cor. H.V. de la Costa St., Makati City

**CONSOLIDATED STATEMENT OF CONDITION  
(BANK AND FINANCIAL SUBSIDIARIES AND AFFILIATES)  
AS OF DECEMBER 29, 2006**

<b>ASSETS</b>	<b>AMOUNT</b>
Cash and Cash Items	7,438,460,383
Due from Bangko Sentral	23,345,016,974
Due from Other Banks	4,999,863,125
Interbank Loans Receivables	23,710,262,002
Trading Account Securities(Net)	26,464,148,408
Investment in Bonds and Other Debt Instruments(Net)	48,509,616,957
Loans and Discounts & Advances (Net)	140,513,298,850
Equity Investments (Net)	627,217,823
Bank Premises, Furniture, Fixtures & Equipment (Net)	12,369,997,637
Other Assets(Net):	
Property owned/Acquired	14,414,307,712
Others	<u>41,723,524,619</u>
<b>TOTAL ASSETS</b>	<u><b>344,115,714,498</b></u>
<b>LIABILITIES</b>	
Demand Deposits	15,389,338,919
Savings Deposits	174,989,880,107
Time Deposits	48,367,740,786
Special/Other Deposits	168,083,520
Due to Bangko Sentral	142,887,202
Due to Banks	3,562,998
Outstanding Checks/Payment Orders	2,289,963,324
Bills Payable:	
RSP - Rediscounting/Special Programs	801,060,344
Interbank Borrowings	0
Others	17,935,285,562
Unearned Income and Other Deferred Credits	3,243,390,404
Other Liabilities	25,281,234,204
Unsecured Subordinated Debt (Inclusive of Unamortized Premium/Discount)	<u>9,785,255,089</u>
<b>TOTAL LIABILITIES</b>	<u><b>299,397,682,459</b></u>
<b>CAPITAL ACCOUNTS</b>	
Capital Stock	7,270,033,450
Surplus	35,620,018,956
Surplus Reserves	605,997,543
Other Capital Accounts	1,221,982,090
Less:Parent Company Shares Held By A Subsidiary	<u>0</u>
<b>TOTAL CAPITAL ACCOUNTS</b>	<u><b>44,718,032,039</b></u>
 <b>TOTAL LIABILITIES &amp; CAPITAL ACCOUNTS</b>	 <u><b>344,115,714,498</b></u>

**CONTINGENT ACCOUNTS**

United Commercial Letters of Credit	9,884,943,899
Bills for Collection	10,317,844,789
Spot/Future Exchange Bought	13,604,471,954
Spot/Future Exchange Sold	10,476,302,937
Assets Held Under Trust and Investment	
- Manufacturing Agreements	73,226,292,045
Invested in:	
Government Securities	29,196,538,046
Other Securities, Debt Instruments and Shares of Stocks	25,750,740,150
Loans & Discounts	1,070,066,759
Other Assets	17,208,948,091
Accountabilities:	
Trust & Other Fiduciary	44,361,986,535
Common Trust Funds	20,562,151,590
Investment Fund Management	3,002,950,317
Unearned Income & Other Accountabilities	6,298,903,604
Other Contingent Accounts	<u>4,570,505,332</u>
<b>TOTAL CONTINGENT ACCOUNTS</b>	<u><b>130,980,460,757</b></u>

Other Information

1. Deposits of:
  - a) Government 151,933,430
  - b) Bank 667,282,025
  - c) Trust 6,840,267,310
  
2. List of Bank's Financial Subsidiaries And Affiliates:
  - a) Equitable Card Network, Inc.
  - b) ERC Investments, Inc.
  - c) Equitable Savings Bank
  - d) ERC Strategic Holdings Corp.
  - e) PCI Capital Corporation
  - f) PCI Leasing and Finance, Inc.
  - g) PCIB Securities, Inc.
  - h) Express Padala ( Hongkong ) Limited
  - i) Express Padala ( USA ) Inc.
  - j) Express Padala (Rotterdam) B.V.
  - k) Express Padala (Deutschland), GmbH
  - l) PCIB Europe SPA
  - m) Equitable PCIBank Cayman Ltd.
  - n) Jardine Equitable Finance Corporation

**REPUBLIC OF THE PHILIPPINES**

I We, **RICARDO V. MARTIN** and **NESTOR V. TAN** of the above-mentioned bank do solemnly swear that all matters set forth in the above statement of condition are true and correct to the best of my/our knowledge and belief.

*Ricardo V. Martin*  
**RICARDO V. MARTIN**  
 EVP & Chief Financial Controller  
 (Signature Over Printed Name)

*Nestor V. Tan*  
**NESTOR V. TAN**  
 Officer-in-Charge  
 (Signature Over Printed Name)

SUBSCRIBED AND SWORN to before me this JAN 24 2007 at MAKATI CITY  
 affiants exhibiting to me his/her/their Residence Certificate No. CCI 06232927, issued at Makati City on 01-10-07, and Residence Certificate No. CCI-00411798 issued at San Juan, M.M. on 01-31-05.

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 Book No. 67  
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**JEN JAMIN B. MATA**  
 NOTARY PUBLIC  
 UNTIL DEC. 31, 2007  
 P.T.R. NO. 1187077  
 DATED 02 JANUARY 2007

**NOTARY PUBLIC**  
 Until Dec. 31, 20\_\_\_\_  
 P.T.R. No. \_\_\_\_\_  
 Date Issued \_\_\_\_\_