BUILDING
FOR THE FUTURE

07
annual
report

CORPORATE MISSION

To be the preferred bank in every market we serve by consistently providing innovative products and flawless delivery of services, proactively reinventing ourselves to meet market demands, creating shareholder value through superior returns, cultivating in our people a sense of pride and ownership, and striving to be always better than what we are today…tomorrow.

CORE VALUES

Commitment to Customers

We are committed to deliver products and services that surpass customer expectations in value and every aspect of customer service, while remaining to be prudent and trustworthy stewards of their wealth.

Commitment to a Dynamic and Efficient Organization

We are committed to creating an organization that is flexible, responds to change and encourages innovation and creativity. We are committed to the process of continuous improvements in everything we do.

Commitment to Employees

We are committed to our employees' growth and development and we will nurture them in an environment where excellence, integrity, teamwork, professionalism and performance are valued above all else.

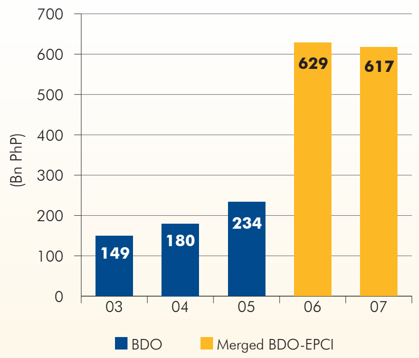
Commitment to Shareholders

We are committed to provide our shareholders with superior returns over the long term.

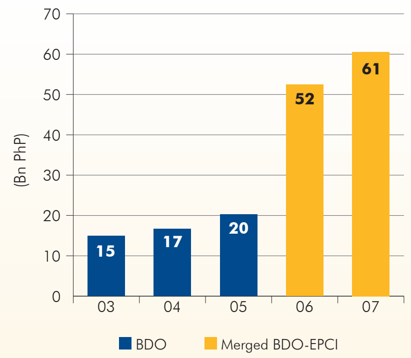
FINANCIAL HIGHLIGHTS

(Bn PhP)	2006	2007	% CHANGE
RESOURCES	628.88	617.42	-1.8%
GROSS CUSTOMER LOANS	257.96	297.03	15.1%
DEPOSIT LIABILITIES	470.08	445.40	-5.3%
CAPITAL FUNDS	52.42	60.54	15.5%
NET INCOME	6.39	6.52	2.0%

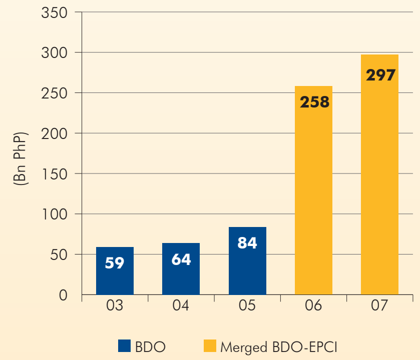
RESOURCES



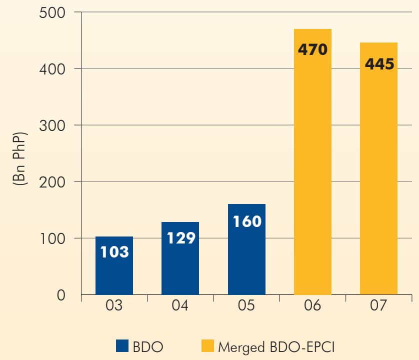
CAPITAL FUNDS



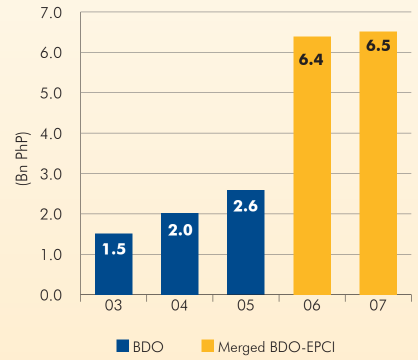
GROSS CUSTOMER LOANS



DEPOSIT LIABILITIES



NET INCOME



CORPORATE PROFILE

Having formalized its landmark merger with EPCIBank in 2007, BDO emerged as the second-largest bank in the country and drew recognition from various financial institutions and global publications for its record-breaking performance during the year. Today, with the competitive advantages and market leadership records consolidated into the merged entity, the Bank lays claim to a solid foundation and dynamic synergy upon which to build even more vigorous growth in the future.

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MESSAGE FROM THE CHAIRMAN EMERITUS

Last year, we laid the groundwork to make BDO one bank, and thanks to all the collective efforts, it has emerged a bigger and more competitive institution.

With more customers to serve and higher expectations to fulfill, I would like to take this opportunity to reassure our shareholders and clients of your Bank's continued commitment to excellence and service in our industry.

To achieve that, we will strengthen the foundation we have laid by continuously growing our Bank with vigor, hard work and perseverance, integrity, innovative spirit, and an optimistic outlook. We will continue to build together as we look for new ways to serve you, our clients and shareholders.

I thank my fellow-shareholders for being one with BDO in pursuing these objectives, and our management and staff for their contribution to the Bank's remarkable performance in 2007. With everyone's continued dedication and support, I look forward to BDO becoming the country's best bank in 2008.

Henry Sy, Sr.
Chairman Emeritus

MESSAGE FROM THE CHAIRPERSON

To the shareholders

BDO has been officially one bank since the approval of the merger last May. With that, there has been a tremendous surge in our numbers – 15,000 people in our organization, 700 branches, and 1,200 ATMs.

It has been said that there is strength in numbers; and today, we are focusing on these numbers to draw our competitive strengths from. There are more of us, after all, to serve more clients, giving us more opportunities for growth and innovation.

As one organization, we are continuing to review the current practices and procedures of both banks. We have to make difficult decisions along the way in order to leave the uncertainties of the past behind us, and to emerge as an efficient organization with one direction.

I am happy to note that the integration has been moving forward smoothly. With hard work, patience, and teamwork, many officers and staff members have contributed to the continuing progress of the integration, while at the same time, working equally hard to maintain the present business and further improve our service to our clients.

As one bank, our organization is committed to strive for greater efficiency and excellence to achieve higher returns for our shareholders.

Teresita T. Sy-Coson
Chairperson

MESSAGE FROM THE PRESIDENT

The year 2007 was significant. It signaled a new stage in the corporate life of what had previously been established and recognized as two banking industry leaders, BDO and EPCIBank. The merged entity, now referred to as the new BDO, has emerged with the combined strength, resources, and promise of performance of the unified institutions.

Moving forward, 2007 also marked the start of the integration process – the painstaking and deliberate process of attaining full consolidation. Our performance for the year reflected both the challenges and the rewards of that process. On one hand, we incurred integration costs and one-time unplanned expenses, which contributed to flat earnings and hindered us from meeting certain targets; on the other hand, however, we realized the power of synergy, which served to reinforce our potential for sustained growth. We also took steps to strengthen our balance sheet with capital raising initiatives and more conservative provisioning. These initiatives should serve us well amid uncertain market conditions. Looking back on this remarkable year, we could confidently say that we made the short-term investments and sacrifices that would pay lasting, worthwhile returns. The integration has brought BDO closer to our objectives of achieving "one bank, one service, one face" to the public as soon as possible.

Staying focused on this path was not easy, but we were fortunate to have had the gracious patience and continued support of our stakeholders. To our clients, who kept faith with us throughout the integration phase; to our investors and shareholders, who believed in our vision of the merger and remained confident in what we set out to do; and to our officers and staff, who strengthened us with their commitment, perseverance, and loyalty: we thank all of you for helping us bring BDO to this position. Together, we are truly building our Bank for the future. With this stronger foundation, we shall continue to turn the promise into concrete reality.

Nestor V. Tan
President

REVIEW OF 2007 OPERATIONS
Building Stability

The Philippines capped 2007 with a record-breaking economic performance despite the intermittent volatility that rocked global financial markets brought about by the US subprime mortgage crisis.

The country's GDP grew to its highest level in 30 years to 7.3% in 2007 from 5.4% in 2006, driven by the expansion in private consumption on the back of election-related spending in the first half of the year, the sustained rise in OFW remittances, and a low inflation environment. An improved fiscal position enabled the government to pursue active spending for infrastructure projects and pump priming, stimulating an upturn in investments amid rising confidence over the country's solid fundamentals. Strong domestic demand compensated for the soft export performance last year.

Inflation

The average inflation rate dropped from 6.3% in 2006 to 2.8% in 2007, the lowest in two decades, on the back of steady food supplies and the moderating impact of the strong peso. The low inflation environment augured well for consumers' purchasing power, furthering the economy's consumption-led growth.

Interest rates

Benign inflation and an improved fiscal position served as key factors that held interest rates at their lowest levels since the 1980s. Further, the marked deceleration in liquidity growth following the expanded access to the Special Deposits Accounts in May as well as the successive US Fed rate cuts in the latter part of the year gave the BSP enough flexibility to trim its key policy rates by a total of 225 points in 2007. The average 91-day Treasury bill rate fell by 200 bps last year to 3.4% from 5.4% in 2006.

Foreign Exchange

The peso sustained its appreciation in 2007, supported by record-high OFW remittances, increased foreign capital flows and structural weakness of the dollar. The peso's average rate in 2007 stood at P46.15 from P51.31 in 2006; by December, the peso had breached the P41 mark to end the year at P41.40 from the end-2006 level of P49.13, for an appreciation of 16%, earning for it as the best performing currency in the region. The peso's strength mirrored the country's strong external position, with the Balance of Payments (BOP) surplus reaching a record $8.6 Billion and the gross foreign reserves higher by 46.7% at $33.8 Billion in 2007 from $23.0 Billion in 2006.

Fiscal Performance

For the fifth consecutive year, the government posted an over-performance on the fiscal front, with the budget deficit shrinking to its lowest level since 1997 at P9.5 Billion (or -0.1% of GDP), notably lower than the P63 Billion ceiling for 2007 and the P64.8 Billion deficit in 2006. Substantial privatization proceeds and reduced interest payments, the latter due to the strong peso and low interest rates, accounted for the smaller fiscal gap. This enabled the government to channel more resources to productive spending, the first time it has done so in recent years.

OUTLOOK FOR 2008

Economic expansion in 2008 will continue to be driven by private consumption, with added lift coming from increased government spending and the continuing recovery in investments particularly in construction and in growth areas as mining and BPOs. A key factor is the P1.23 Trillion budget this year, which allocates a higher share of the budget to infrastructure development and basic social services. This should generate the desired multiplier effects on incomes. Steady domestic demand growth is thus seen taking up the slack in exports caused by the US slowdown. The country's GDP is expected to rise by 6% and GNP at 6.7%.

Average inflation rate this year is expected to creep higher to 4.3% on base effects and higher oil prices triggering potential adjustments in transport fares and wages. This is still within the 3%-5% target set by the BSP. Interest rates may likewise follow suit although at levels still lower than year-ago (average 91-day Treasury bill rate at 4.3%), as the BSP takes a more prudent stance in its monetary easing at the risk of stoking inflationary pressures. Meanwhile, the peso is seen continuing its appreciation trend this year, but market volatility and shifting investor sentiment are seen tempering the peso rise.

Perhaps at no other time in its history is the Philippine economy at its strongest, having turned in its best economic performance in years. Recent as well as potential upgrades of the country's sovereign ratings outlook enhance the country's credit image and further build up investor confidence. This translates to lower borrowing costs while fueling more foreign investments and promoting economic activity, in turn setting the stage for sustainable long-term growth.

OPERATIONAL HIGHLIGHTS
Building Synergy

The year 2007 marked a historic milestone for BDO. It formalized the merger described as the biggest ever transaction of its kind in the Philippine banking industry, and it signaled the start of integration of the strengths and franchises of the two entities. The first half of the year was devoted to preparing the groundwork for the legal merger. Termed internally as "harmonization," it focused on ensuring consistency in policies, pricing and product offerings to its clients to the extent possible. The two entities also started coordinating their business development and servicing efforts.

From June onwards, the merged organization tackled the challenges of operational integration while ensuring minimal impact on client servicing. The initial phase of operational integration strived to achieve one bank/one face/one service to its client base in the shortest possible time. By the end of the year, major progress has been made with majority of the business lines now presenting a unified set of products and services. The most challenging piece of that initiative, the branch conversion, achieved close to halfway mark by year-end and is expected to be completed by the first half of 2008. At the current rate, the integration is on track to achieve its objective of having one bank/one face/one service by mid-year 2008, just about a year from start of legal merger.

While integration is clearly a priority, the Bank did not lose sight of the need to maintain and grow the business. At the end of this pivotal year, the results reported by different operating units showed equally impressive results attesting to the value and business case for the merger of the two entities.

INTERMEDIATION ACTIVITIES

The Bank's funding, lending, and investing activities achieved strong growth on the back of superior execution abilities, innovative products, and expansion into new markets. Emphasis on client relationships continues to be the mantra as the Bank strives to bring more value to more people with its improved reach and servicing capabilities.

BUSINESS LENDING

The Institutional Banking Group (IBG), the unit responsible for managing relationships with institutional clients, achieved a 17% growth in its loan portfolio, fueled by strong growth in the infrastructure, energy, and privatization activities. For its large corporate client base, IBG also partnered with BDO Capital to handle syndicated loans and capital-raising transactions, achieving a series of landmark deals in the process. Notable transactions were:

- Fortune Tobacco – BDO Capital was the Lead Arranger for the largest peso-syndicated loan to a private unlisted company;
- First Philippine Holdings Corp. – BDO Capital was the Sole Arranger for the largest locally syndicated dollar corporate note;
- Red Vulcan Holdings – BDO Capital was Joint Arranger for the largest peso-denominated bridge facility.

The merger also boosted the Bank's share of middle-market lending or lending to small and medium scale enterprises. Building upon the combined strengths of the Bank in the Filipino-Chinese segment and provincial accounts, the middle market lending business was re-organized along geographic lines. The change sharpened the unit's focus and broadened its reach to ensure expanded market coverage throughout the country.

Complementing middle market lending is the Special Lending Unit (SLU), which promotes the growth of small and medium sized entities by sourcing cheaper third-party funding for working capital and business expansion. The Bank's SLU has been consistently awarded for its valuable support to countryside development and the SME sector.

LEASING

The Bank's leasing business, handled through BDO Leasing and Finance, Inc. (formerly PCI Leasing & Finance, Inc.) posted a net income of P342 Million in 2007. In addition to its direct marketing efforts, it works hand in hand with the IBG providing leasing expertise to the client relationships of the Bank.

2007 also reflected the restructuring of the leasing business, which saw a review of its financial reporting and information technology systems to put it in line with the Bank's corporate governance standards.

CONSUMER LENDING

Innovative marketing programs and superior execution drove Consumer Lending to grow by 34% versus previous year. As of year-end 2007, consumer lending comprised 15% of the Bank's total loan portfolio, up from 11% in 2006.

Hurdling the challenges of oil price hikes and intensifying competition, Auto Loans saw portfolio growth reaching 37% in 2007. It devoted closer attention to client feedback, cut turnaround time, expanded to the provinces, and strengthened strategic ties with auto dealers – achieving volume through all of these while maintaining asset quality.

Home Loans capitalized on opportunities in the booming local real estate industry to record a 26% portfolio growth. As dollar inflows from Overseas Filipino Workers (OFW) and foreign direct investments in call centers paved the rise in residential and commercial construction, Consumer Lending forged partnerships with property developers, real estate brokers, and contractors to increase its participation in this booming sector.

BDO IS COLLABORATIVE

Spurred by the advantages of BDO's extensive branch network, the Personal Loans portfolio surged a remarkable 91% growth in 2007. Playing up affordability and value, the business launched a series of marketing programs to generate personal loans as an alternative to other forms of financing. Notable of these is the "0.88% per month" promo under the Superlite Cash loan.

The credit card issuing and acquiring business now boasts of the combined strength of BDO's and the Equitable Card Network's portfolio. Such merger pushed the BDO cardbase to more than 700,000 cards. For 2007, the cardholder receivable base increased by 33%, enough to make it the 3rd largest credit card business in the industry. The combined merchant base is by far the largest among credit card acquiring companies, accounting for close to half of the industry's volume in terms of merchant base. Late in 2007, the Bank acquired the American Express Philippine card business to further gain strength in the issuing business. BDO now offers the full array of products from VISA, Mastercard, American Express, and JCB.

BRANCH BANKING

2007 heralded the unparalleled expansion of the BDO branch network, from 250 branch licenses prior to the merger to the current total of 703 combined branches nationwide. The priority was the integration of the former EPCIBank branches into the BDO system to assure the banking public of the continued excellent service they have grown accustomed to and more. Branch servicing areas have been upgraded and expanded, office hours now reflect the needs of its client base, and products now include the offerings of the combined entity. The expanded network also resulted in a more balanced branch distribution and a wider market reach, especially in the provincial areas.

Amid the integration, BDO opened nine new branches and geared up for extended banking hours and banking days. Branch Banking expects to further spur deposit growth with 20 more branches set for opening in 2008.

BDO IS CONFIDENT

TREASURY

Facing a volatile global financial environment, BDO focused on the successful integration of the treasury operations of the merged entity. The combined team, with years of experience and expertise in the multi-currency fixed-income, foreign exchange, and derivatives markets, sought to make adjustments in their strategy to compensate for expected downturn in the US and world economy, and the volatility it brings. Gradually, it shifted its portfolio to place more emphasis on spread income and less dependency on trading gains. It also added Asian Corporate Bonds and U.S. Corporate Bonds on its books, thus moving towards a better portfolio mix that balances risk, return, and capital efficiency.

While more challenges appear on the horizon in 2008 – particularly the forecast of a US recession and the newly implemented SEC rules on over-the-counter market trading of securities – Treasury remains upbeat on its prospects. Increased volatilities and widened spreads can lead to new opportunities. It also means expansion of its toolkit to include the derivatives business.

FEE-BASED ACTIVITIES

Complementing the Bank's intermediation activities are service businesses that provide good annuity-type fee income. Proven expertise and scale hold the key to BDO's continued success in these specialized fields. 2007 allowed BDO to move closer to a better future in these businesses.

TRUST AND INVESTMENTS

Trust Banking kept pace with changing markets and customer preferences to achieve the highest growth in assets under management of P274 Billion, representing a vigorous 60% increase from the previous year. The Group likewise registered the largest family of pooled funds in terms of UITF and CTF levels. Such performance elevated it to become the largest trust business in the country. The BDO Trust and Investment business also claimed the honor of being the best performing fund manager for the 5th consecutive year.

PRIVATE BANKING

BDO Private Bank reported another sterling performance in 2007, with total resources up by 11% to P24.56 Billion and assets under management soaring by 55.5% as customer base expanded by 44%. Total capital reached P3.58 Billion, net of the P500 Million cash dividend declared for the year.

The enthusiastic response to its open architecture philosophy and tailored-wealth advisory services reflected in the exceptional growth of fee-based income which grew 43%. Buoyed by these developments, BDO Private Bank expanded its operations to previously under-served markets in Metro Manila and the Visayas region.

INSURANCE – BROKERAGE & BANCASSURANCE

Through Generali Pilipinas and BDO Insurance Brokers, Inc. (BDOI), the Bank achieved record expansion in the insurance business in 2007. Generali Pilipinas grew by 26% in terms of total gross premiums while BDOI sailed to a 156% increase in commission income due to the growth in bancassurance operations and the merger with EBC Insurance Brokers, Inc.

For 2008, BDOI expects total bancassurance business to receive added boost from the PELAC partnership and expand its business by almost 200%. Besides capitalizing on its expanded market reach and leadership position, BDOI intends to focus on improving service delivery, maximizing efficiency, cross-selling and up-selling to existing customers, and beefing up staff capabilities. BDOI is now the largest insurance brokerage company in the Philippines.

INVESTMENT BANKING

BDO's investment-banking subsidiary, BDO Capital & Investment Corporation, reinforced its industry-leading position in 2007, accounting for 76% or P86.8 Billion of the country's total equity capital market offerings of P114.7 Billion during the 12 months to September 30, 2007. BDO Capital acted as the issue manager and lead underwriter in six of the seven initial public offerings during the period, including the PNOC Energy Development Corporation and Aboitiz Power Corporation.

Apart from these, it lead arranged, syndicated or participated in a total of P198.8 Billion of notes, bonds and loans issuances for both the government and corporate entities denominated in either local currency or in US dollars, focusing on infrastructure projects and structured financing.

The Asset, a prestigious financial publication, noted BDO Capital's performance by awarding it as the Best Domestic Investment Bank in the Philippines for the second consecutive year. BDO Capital also garnered accolades from FinanceAsia, Southeast Asia Deal Awards, and Alpha Southeast Asia Magazine, all attesting to its undisputed leadership in the investment banking arena.

CASH MANAGEMENT & ELECTRONIC BANKING

Reorganizing after the merger boosted the Transaction Banking Group's business portfolio, which now comprises cash management, electronic banking, and remittances. For 2007, the combined cash management and electronic business recorded revenue growth of 28% over 2006 levels. All business lines exceeded their respective revenue targets for the year.

The strong growth was on the back of a strong showing across all business lines. Cash Cards issued, both proprietary and private-labeled, grew by 44% to 1.5 million cards. This was complemented with the expansion of the ATM network to 1,249. The number of internet and phone banking users expanded by 435%. On the corporate side, 793 new mandates were added in 2007, making it the most active cash management bank in the country.

The Group remains well-positioned in all its product lines and enjoys market leadership in several select markets, thanks to a balanced portfolio that yields a healthy mix of fees and service charges, foreign exchange income, and interest from float and compensating balances. The Cash Management and Electronic Banking business sees solid prospects for building towards expansion in its business lines.

REMITTANCE

BDO Remittance Unit's extensive distribution network coupled with Express Padala's robust market base and overseas network resulted in a 15% growth in transactions and USD volume, as well as a 12% hike in net income.

The combined remittance force currently comprises 18 subsidiary offices and 154 accredited tie-ups all over Asia, Middle East, Europe, USA, and Canada. Expanded cash pick-up locations – which now include Bank branches, SM Hypermarkets, and MLhuillier Kwarta Padala outlets – give beneficiaries access to over 1,800 sites nationwide.

The Asenso Kabayan Program marked its first anniversary with a total of 140,000 accounts opened, while other products such as loans, insurance, and realty were marketed both domestically and overseas. The Asenso Kabayan team actively tapped other channels such as pre-departure seminars as well as various marketing events. The Bank capped the year by introducing the Jollibee Padalang Langhap Sarap remittance product, an innovation expected to deliver impressive results in the succeeding year.

RISK MANAGEMENT

The year 2007 underscored the importance of strong risk management, particularly as the global uncertainty in the financial markets loomed. Faced with this environment, the Bank's Risk Management Group doubled its efforts to build on the complementary strengths of BDO and EPCI and enhanced its risk management system to meet the demands of the merged Bank.

CREDIT AND REMEDIAL MANAGEMENT

Credit policies, procedures and guidelines were the first to be harmonized. Upon completion of legal merger, a common set of approval authorities and processes, including the risk rating system and a credit committee approval process, were rolled out.

Non-performing loans (NPLs) in 2007 went up significantly due to the transfer of pre-merger EPCI NPLs. Consequently, the NPL ratio went up from 3.66% in 2006 to 5.18% in 2007. The Bank booked additional loan loss reserves to end with a NPL coverage ratio of 80%. A significant portion of these reserves was used to cover the collective assessment for estimated actuarial losses in loans over an economic cycle.

Since the merger, BDO management has closely monitored and directly managed the Bank's NPLs and past-due accounts, ensuring the implementation of appropriate strategies to maximize collection and/or recovery of assets. To more effectively manage the NPL portfolios, the Bank classified the accounts by manner of recovery - restructuring, foreclosure, corporate rehabilitation, settlement by dacion, and possible combinations. Taking this approach fine-tuned the Bank's recovery efforts, thus making progress in terms of a more proactive strategy and improved NPL levels over time.

MARKET AND LIQUIDITY RISK MANAGEMENT

With the integration of the Market and Liquidity Risk Management (MLRM) unit, the Bank was able to solidify its various methodologies and procedures to monitor aggregate market and liquidity risks at any given time, and respond accordingly.

The major principles behind the Bank's liquidity management include the regular measurement of the Bank's liquidity risk under both Business-As-Usual (BAU) and stress conditions; the significant role of the Asset Liability Management Committee (ALCO) in enforcing the Bank's liquidity management policy; and the establishment of a contingency plan for liquidity pressures that may arise from unexpected internal or financial market developments. For market risk management, the key measure used by the Bank is the Value-at-Risk (VAR), or a statistical estimate of the maximum possible loss on a given position within a given time. Stress testing is an essential part of the measurement procedure not only for liquidity risk management but also for market risk management. Further, the market and liquidity risk framework of the Bank's financial subsidiaries were aligned with the Parent Bank to ensure consistency.

OPERATING RISK MANAGEMENT

The BDO Operational Risk Management Framework was likewise rolled out to the merged Bank and its subsidiaries. The Bank's Key Risk Indicators (KRIs) and Key Controls for use in Self-Assessment (KCSAs) were identified, while work continued on target priorities, namely the business continuity plan, information security, legal and regulatory compliance, outsourcing guidelines, and customer feedback management.

ASSET MANAGEMENT

The Asset Management Group's 2007 sales reached P3.7 Billion, exceeding target by 29%, buoyed by the resurgent demand in the property market. Low interest rates, OFW remittances, and heavy demand by BPO for office space, combined with the strong performance of the economy, pushed demand for bank-owned real estate assets. Much of the boost came from retail residential sales and sales of large prime properties suitable for development.

BDO IS AGILE

SERVICE & SUPPORT INITIATIVES

Perhaps less conspicuous but nonetheless crucial to our 2007 performance was the support dedicated to the Bank's human and technological resources. Faced with the increased expectations following the merger, they had to be armed with the appropriate tools to meet the tasks that lay ahead of them.

HUMAN RESOURCE

Merging two organizations, with their distinct characters and cultures, into one cohesive and solid team presented great challenges and complex priorities for Human Resource Management. The bulk of 2007 initiatives focused on the harmonization of the benefits and compensation packages of officers and staff, the resolution of issues between the unions, and the administration of the required training and development programs to adequately support the changes in structure, systems, and services.

Equally important were the corporate culture enhancement programs to ensure that the Bank faces the client with a common set of servicing philosophies. From the time operational integration started, the Human Resources team worked almost every weekend to run programs to help officers and staff of both entities cope with change. These included modules on the BDO philosophy, coping with change, corporate mission, vision and values, and the performance appraisal process. These were implemented with participation from senior officers to further strengthen the BDO corporate spirit.

With these priorities suitably addressed, the group ironed out adjustments in the technical and operational areas, including the Human Resource Information System (HRIS) and other technology-driven systems, policies, and procedures. Now that the personnel force has doubled – with a total count of close to 16,000 employees by year-end 2007 – the Bank considers human resource integration and organizational development a continuing primary thrust.

INFORMATION TECHNOLOGY

Early preparation for business growth and capacity required as a result of the merger enabled Information Technology to put the necessary adjustments in place and move towards a smooth implementation in 2007. It successfully completed the interconnection of the Makati and Benguet networks, as well as upgraded the Bank's main computers and other servers. It also relocated the Business Continuity Centers (BCC) of the Parent Bank and its subsidiaries to cluster around Benguet Center in Ortigas and the Makati Corporate Center offices.

Information Technology implemented its Enterprise Information Security Assessment during the year, as well as supported Branch Banking's conversion, relocation, and opening requirements. Further, it conducted a series of retooling and team-building activities to reinforce the staff's capability to rise to heightened demand and expectations for IT support in the merged Bank.

SUMMARY

The results clearly reflected the thrust of the Bank for 2007 – completing the integration and building the business on the strength of the synergy of the two banking entities. The 2007 performance manifests the results of those efforts. Integration is on track to achieve its one bank/one face/one service by June 2008 and headline business indicators show healthy growth numbers despite the difficulty in integration. While bottom line numbers may not be as impressive, the Bank is clearly building for the future, putting a lot of emphasis on asset quality, governance and transparency, and sound business strategies with clear accountabilities. For BDO, the best is yet to come.

CORPORATE SOCIAL RESPONSIBILITY

For BDO, the commitment towards building for the future extends well beyond the Bank and its network; it reaches far higher than the business targets for the year. Building for the future is given real meaning in the profound, continued fulfillment of the Bank's corporate social responsibility objectives and programs. In 2007, the Bank's endeavors in this field hewed closely to a long-standing track record of support to social development, reflecting a clear vision of a future built on a foundation of excellence, self-determination, and fearless initiative.

Philippine Business for Social Progress (PBSP)

As a member of PBSP, a private and non-profit foundation dedicated to promoting business sector commitment to social development, BDO shares in the belief that men and women of diverse business concerns can and should come together to lend their strength to the enterprise of social progress.

PBSP was organized in 1970 by 50 of the country's prominent business leaders, and has since grown to become the nation's largest business-led social development foundation. In 2007, BDO contributed resources to enable various PBSP programs, all strategically directed by the Foundation's Four Pillars: poverty alleviation, corporate citizenship, education in information technology, and CSR leadership. Its consistent and active support of PBSP further drove BDO's thrusts to help build sustainable communities, encourage development-based peace initiatives, and strengthen the social infrastructure for long-term growth.

Philippine Business for the Environment (PBE)

The Bank lends its active support as a member of PBE, a non-stock, non-profit organization formed in January 1992 as the business sector's instrument for addressing environmental issues and concerns. BDO shares in the philosophy that Philippine business has a unique and important role in providing solutions to the country's environmental problems. PBE's programs are focused on environmental information, advocacy, capacity building, and linkages.

Gift-Giving sa Makati

The Bank conducts a yearly Christmas gift-giving activity in Makati to bring the blessings of the season to the less fortunate. The yuletide tradition marked its 10th anniversary with Bank officers and staff participating in the 2007 drive and delivering not only gift packages but also the message of hope and the spirit of generosity to those most in need.

In 2008, BDO is devoting its efforts to more corporate social responsibility efforts with lasting returns in terms of building societal health, progress, and competitiveness.

AWARDS
Building Excellence

When two industry leaders and models of excellence merge, the result is an outstanding scorecard of proven and recognized distinction overall as well as in specific areas of the business. This was evident in the awards received by the Bank in 2007, which displayed its pacesetting performance as an institution and as a dominant player in the fields of investment banking, trade finance, trust banking, and countryside development. Building for the future means taking inspiration from these achievements and forging ahead to set new records.

Best Bank Award for 2007
- Euromoney

BDO outperformed other Philippine banks to garner the coveted Best Bank title, made more significant by the fact that the Bank won during what was described as its "transformational year" – it emerged as a bigger, better, and stronger entity after the merger. Awarded by the prestigious international publication, Euromoney, BDO was cited for its excellent management, impressive fiscal performance, and continuing business expansion. While considered a younger and leaner institution in comparison with the older banks that have won the award in the past, BDO proved itself a major force to reckon with in the highly competitive Philippine banking industry.

BDO IS INVENTIVE

Among the Best Managed Companies in the Philippines and Best in Corporate Governance
- FinanceAsia

Asia's leading financial publishing company based in Hong Kong, FinanceAsia covers the region's fast-moving financial and capital markets and publishes in-depth analyses of major events, transactions, and trends. The Best Managed Companies Poll is an annual survey it conducts among Asia's investment professionals and equity analysts. For 2007, BDO topped the list in the Philippines for its overall management, corporate governance, investor relations, and commitment to strong dividend payments.

Bank of the Year in the Philippines
- The Banker Awards 2007

According to The Banker, "BDO's growth strategy has centered on customer focus and best execution. Along with selective acquisitions and organic growth, this has allowed BDO to report above-average growth rates and enhanced market share." As a result of this recognition, the Bank received the prestigious Bracken award, named after Brendan Bracken, the founding editor of The Banker in 1926. The Banker's 155 Bracken winners, representing a record 143 countries and all the regions of the world, comprise the cream of the global banking community and the best achievers in the industry.

BDO-EPCI is Best Trade Finance Provider
- Global Finance

The recognition came from an international publication that reports on corporate finance, joint ventures and M&A, country profiles, capital markets, investor relations, currencies, banking, risk management, custody, direct investment, money management and other stories of interest to corporate readers worldwide. Global Finance editors – with inputs from industry analysts, corporate executives, and technology experts – selected the best trade finance providers in 67 countries, considering transaction volume, market share and scope of global coverage, customer services, range of products such as risk management and forfeiting, pricing, technology, and execution of skills. BDO's performance in trade finance put it in this elite circle.

BDO IS SOLID

BDO Capital & Investment Corporation as Best Investment Bank, Best Equity House, and Best Bond House
- FinanceAsia

In recognizing the remarkable performance of the Bank's investment banking subsidiary, BDO Capital & Investment Corporation, FinanceAsia noted, "A clean sweep of the investment bank, equity, and debt awards for BDO Capital underscores the Bank's remarkable progress. It is present across the range of fundraising and investment banking products, and in the past year has demonstrated its strength in each area."

BDO Capital & Investment Corporation as Best Domestic Investment Bank in the Philippines
- The Asset's Annual Triple A Country Awards for 2007

The Asset lauded BDO Capital's strong contribution to the Bank's triumphant record for 2007 and awarded it Best Domestic Investment Bank in the Philippines for the second consecutive year. It accounted for 76% or P86.8 Billion (US$2.01 Billion) of the country's total equity capital market offerings of P114.7 Billion during the 12 months to September 30, 2007.

BDO Capital & Investment Corporation receives The Asset's regional award for Best Project Finance / Best Privatization
- The Asset

BDO Capital also placed a strong emphasis on priority projects that exert a positive impact on national development goals. Among the awards it earned was The Asset's nod for Best Project Finance / Best Privatization for the US$380 Million Magat Hydro Power privatization that BDO Capital lead arranged together with HSBC, BPI Capital, China Banking, PNB Capital, SB Capital, and Development Bank of the Philippines.

BDO Capital & Investment Corporation is Best Investment Bank and Best Bond House
- Alpha South East Asia Magazine

In giving BDO Capital the two awards, the publication noted: "Despite its short operating history, BDO Capital is indisputably the leading investment bank in the Philippines, thanks to the experienced bankers and its unique staff strength. Since its inception, the Bank has raised US$13.8 Billion in debt and equity offerings for its clients. It is by far the most active and largest issue manager for local equity issues in the country, and over the past 12 months has successfully syndicated over US$1 Billion worth of notes, bonds, and loans for the government and its corporate clients."

BOARD OF DIRECTORS*

Henry Sy, Sr.
Chairman Emeritus

Teresita T. Sy-Coson
Chairperson

Corazon S. De la Paz-Bernardo
Vice Chairperson

Jesus A. Jacinto, Jr.
Vice Chairman

Nestor V. Tan
President & Director

Christopher A. Bell-Knight
Director

Nazario S. Cabuquit, Jr.
Director

Terence Ong Sea Eng
Director

Henry T. Sy, Jr.
Director

Josefina N. Tan
Director

Teodoro B. Montecillo
Independent Director

Jimmy T. Tang
Independent Director

Edmundo L. Tan
Corporate Secretary

*as of December 31, 2007

ADVISERS TO THE BOARD

Senen T. Mendiola
Adviser

Antonio C. Pacis
Adviser

Alberto V. Reyes
Adviser

Jose T. Sio
Adviser

Jesus G. Tirona
Adviser

BOARD OF DIRECTORS

Henry Sy, Sr., 84, Filipino, is Chairman Emeritus of BDO. Founder and Chairman of the SM Group of Companies, he is known as the visionary of Philippine retail because of his innovations in the industry. The shoe store he founded in 1958 has since evolved into a dynamic group of companies, with retail merchandising and shopping centers as core businesses and complementary ventures in banking, real estate, and leisure tourism development. He remains active in the Group as Chairman of its key businesses: SM Investments Corp., the Group's holding company; SM Prime Holdings, the country's leading owner and developer of shopping centers; and SM Development Corp., its real estate and development arm.

Teresita T. Sy-Coson, 57, Filipino, is Chairperson of BDO. Concurrently, she sits as Chairperson and/or Director of various BDO subsidiaries such as BDO Private Bank, BDO Leasing and Finance, Inc. (formerly PCI Leasing & Finance, Inc.), and BDO Capital & Investment Corporation. Ms. Sy-Coson is also the Vice Chairperson of SM Investments Corporation, Chairperson of Supervalue, Inc. and a Director of SM Prime Holdings, Inc., Shoemart, Inc., Multi-Realty Development Corporation, and First Asia Realty Development Corporation. Prior to the merger of BDO and Equitable PCI Bank, Inc. (EPCIB), she served as Chairperson of BDO (1996-2005) and Vice Chairperson of EPCIB (2005-2007). She was first elected to the Board of BDO in 1977. A graduate of Assumption College, she brings to the Board varied experiences in retail merchandising, mall development and banking businesses.

Corazon S. De la Paz-Bernardo, 66, Filipino, assumed the post of Vice Chairperson of BDO in July 2007. Prior to that, she served as Chairperson of Equitable PCI Bank from February 2006 to June 2007. She is currently the President and Chief Executive Officer of Social Security System. Re-elected in September 2007 as the President of the International Social Security Association, a Geneva-based organization, for the triennium 2008-2010, she is the first non-European to occupy this position. She is also a Director of Ayala Land Inc., San Miguel Corp., Philippine Long Distance Telephone Co., BDO Leasing and Finance, Inc. (formerly PCI Leasing & Finance, Inc), Equitable CardNetwork, Inc., Ionics, Inc., Philex Mining Corp., Philex Gold, Inc., Republic Glass Holdings, and Philippine Health Insurance Corp. She is also a member of the Board of Trustees of Jaime V. Ongpin Foundation, Inc., Laura Vicuna Foundation for Street Children, Makati Business Club (Treasurer), MFI Foundation, Inc., (Treasurer), Miriam College, Philippine Business for the Environment, and University of the East. She is a member as well of the Management Association of the Philippines, the Financial Executive Institute of the Philippines, and the Asia Society (Philippine Chapter), and is a member of the Board of Advisors of Ramon V. Del Rosario-AIM Center for Corporate Social Responsibility.

Jesus A. Jacinto, Jr., 60, Filipino, was elected Vice Chairman of the Bank in May 1996, and is concurrently the Chairman and President of BDO Insurance Brokers, Inc. He is likewise a Director and Treasurer of BDO Realty Corporation. Mr. Jacinto is currently a Director and Vice President of the Bankers Association of the Philippines. He also heads Jaces Corp. as Chairman and President; and Janil Realty, Inc., JAJ Realty, Inc., and M.R. Knitwear Specialist, Inc. as President. He is likewise a Director of Philam-Equitable Life Assurance Company (PELAC), Bayer Phil., Inc., and Philippine Depository & Trust Corp. Formerly, he was a Director and Executive Vice President of CityTrust Banking Corp., Director of CityTrust Investments Phil. and CityTrust Finance Corp., and Vice President and Managing Partner of Citibank N.A. Mr. Jacinto holds a Bachelor's degree in Business Administration from Fordham University in New York City and an MBA (International Business) from Columbia University, New York.

Christopher A. Bell-Knight, 63, Canadian, was appointed Director of BDO in May 2005. He was formerly a Director of Solidbank Corp. from 1990 to 1998, and Vice President and Country Head of the Bank of Nova Scotia. He has had over 40 years of banking experience in England, Canada, and Asia. Educated in universities in England and Canada, he is an Associate of the Chartered Institute of Bankers (UK), Associate of the Institute of Canadian Bankers, and fellow of the Institute of Corporate Directors.

Nazario S. Cabuquit, Jr., 74, Filipino, was elected Director of EPCIBank on July 19, 2005. He had also been elected to the board of several EPCIB subsidiaries as well as various board committees in both EPCIB and some of its subsidiaries. He currently serves on the BDO Board as a nominee of the Social Security System (SSS), where he is Special Assistant to the President and Chief Executive Officer. Prior to joining the SSS, he did consultancy work for SGV as well as for projects financed by the World Bank and the Asian Development Bank. Under the Aquino administration, he was Undersecretary of the Department of Budget and Management, serving as alternate member in the Monetary Board and as the DBM representative to the board of HDMF and NHMFC. After he left the Government in 1989, he was elected member of the Board of Directors of Associated Bank. He also served as Director of Philippine National Oil Company and First Philippine Holdings, Inc. Other executive stints include being Managing Director and Country Manager of the Philippine operations of SmithKline Corp. (now GlaxoSmithKline), President of Barbizon Philippines, and Executive Vice President of Philippine Steel Coating Corp. and its affiliates.

Terence Ong Sea Eng, 58, Singaporean, was appointed BDO Director in July 2006. He is also presently a Senior Executive Vice President of United Overseas Bank Ltd. and a Director of United Overseas Bank-Philippines. He holds a Bachelor's degree in Accountancy from the then University of Singapore and was previously the Deputy General Manager of the Board of Commissioners of Currency in Singapore. He has brought to BDO more than 20 years of experience in treasury services and operations.

Henry T. Sy, Jr., 54, Filipino, was elected BDO Director in July 2007. He is the Vice Chairman of SM Investments Corporation, SM Development Corporation, and Highlands Prime, Inc., and a Director of SM Prime Holdings, Inc. and San Miguel Corp. He is chiefly responsible for the real estate acquisitions and development activities of the SM Group of Companies and holds Board positions in several companies within the SM Group. Prior to his election to the board of BDO, he served as a Director of China Banking Corporation. He graduated with a management degree from the De La Salle University.

Josefina N. Tan, 62, Filipino, is a Director of BDO. Concurrently, she serves as Director and President of BDO Private Bank and a Director of BDO Realty Corp. Ms. Tan is also the Vice Chairperson of Miriam College, the President of Regal Properties, Inc., and a Trustee in the Development Center for Finance and Laura Vicuna Foundation. Prior to joining the BDO board in 2000, she was an Executive Vice President of the former Far East Bank and Trust Co. where she concurrently served as Director and President of FEB Leasing and Finance Corp., Executive Director and Trustee of FEB Foundation, Inc., and Executive Vice President of FEB Investments Inc. and a Director of other related companies. Ms. Tan was a Director of EPCIB from September 2005 until its merger with BDO in May 2007.

Nestor V. Tan, 50, Filipino, was elected President and Director of BDO in July 1998. He concurrently sits as Director of various subsidiaries of BDO including BDO Capital and Investment Corp., BDO Realty Corp., Generali Pilipinas Insurance Corp., BDO Leasing and Finance, Inc. (formerly PCI Leasing & Finance, Inc.), and Generali Pilipinas Life Insurance Corp. Mr Tan was formerly connected with the Mellon Bank, the Bankers Trust Company in New York, and the Barclays Group in New York and London. At Barclays, he served as Planning Director and Head of Strategic Planning for Corporate and Institutional Services Group and as Chief Operating Officer for Financial Institution Services Group of BZW, the investment banking subsidiary of Barclays Group. Mr. Tan holds a Bachelor's degree in Commerce from the De La Salle University and received his MBA from Wharton School, University of Pennsylvania.

Teodoro B. Montecillo, 73, Filipino, was appointed as an Independent Director in August 2004. He is currently an Independent Director in PDS Holdings Corp., Philippine Dealing Exchange Corp., Philippines Securities & Settlement Corp., and Philippine Depository & Trust Corp. Under the Ramos Administration, he was appointed as a member of the Monetary Board; subsequently, under the Ejercito Administration, he served as Chairman of the Central Bank Board of Liquidators. He had also worked as Chief Executive Officer and President of the Philippine Central Depository, Inc. and held various positions in areas of operations, credit and external debt management in Citibank-Manila. He holds a Bachelor of Science in Education from the University of the East, a Bachelor of Science in Business Administration from the University of the Philippines, and an MBA from the Northwestern University, Chicago.

Jimmy T. Tang, 72, Filipino, has served as Director of the Bank since 1984. He is also the President of Avesco Marketing Corp. and presently the Honorary President of the Federation of Filipino-Chinese Chambers of Commerce & Industry, Inc. He holds a Bachelor Degree in Electrical Engineering from the Mapua Institute of Technology.

Edmundo L. Tan, 62, Filipino, was appointed Corporate Secretary of BDO-EPCIBank (now BDO) on July 27, 2007. He is currently Chairman of EBC Investments, Inc. On September 19, 2007, he was likewise appointed Chairman and President of EBC Strategic Holdings Corp. He serves as Director and Corporate Secretary of APC Group, Inc., Philippine Global Communications, Inc., PhilCom Corp., and Aragorn Power & Energy Corp. He concurrently holds directorships in BDO Leasing and Finance, Inc. (formerly PCI Leasing & Finance, Inc.) and Sinophil Corp., and serves as Corporate Secretary of APC Mining Corp. and Aragorn Coal Resources, Inc. Atty. Tan is the Managing Partner of Tan Acut & Lopez Law Offices.

CORPORATE GOVERNANCE
Building Integrity

Reflective of the unwavering focus in BDO's transition year as a merged entity was the delicate balance achieved in corporate governance. The Bank enforced strict accountability and transparency while, at the same time, maintaining operational efficiency and pursuing dynamic innovations to deliver increased value to the banking public. This pro-active and long-term view of corporate governance was translated into concrete actions and results by the Bank's various working committees. In 2007, the committees reaffirmed in their respective areas how the Bank interprets corporate governance as a conscious and methodical effort, reinforced in an active and day-to-day advocacy of financial responsibility, integrity, and commitment to service.

EXECUTIVE COMMITTEE

Chairperson : Teresita T. Sy-Coson
Members : Nestor V. Tan; Jesus A. Jacinto Jr.; Corazon S. De la Paz-Bernardo; Josefina N. Tan

The Executive Committee is authorized to act on behalf of the Board of Directors on matters affecting the operations of the bank subject to legal limits and Bylaws of the bank, and such ceilings that may be imposed by the Board of Directors. It has the authority to approve within set limits, for instance, technology-related projects or such other initiatives for enhancing the Bank's operating and service delivery capabilities; operating policies and/or manuals; and the establishment of branches and/or extension offices as well as domestic or foreign subsidiaries. The Executive Committee meets as necessary to pass upon matters referred to it and is comprised of at least three directors appointed/designated by the Board.

AUDIT COMMITTEE

Chairman : Teodoro B. Montecillo
Members : Corazon S. De la Paz-Bernardo; Henry T. Sy, Jr.; Jimmy T. Tang; Christopher A. Bell-Knight
Advisers : Nazario S. Cabuquit, Jr.; Jesus G. Tirona

The Audit Committee acts on behalf of the Board and provides oversight of the Bank's financial reporting and control as well as internal and external audit functions. It reviews and assesses the Bank's annual audit plan, its system of internal controls, and regular financial and audit reports. It further reviews strategic issues relating to plans and policies, financial and system controls, and methods of operation, seeing to their adequacy and pinpointing possible improvements. The internal auditor and the independent external auditor report to the Committee. The Audit Committee meets at least once quarterly, and is composed of members of the Board, at least two of whom are independent directors, including the Chairman, with accounting, auditing or related financial management expertise or experience.

COMPENSATION COMMITTEE

Chairperson : Teresita T. Sy-Coson
Members : Corazon S. De la Paz-Bernardo; Josefina N. Tan; Teodoro B. Montecillo

The Compensation Committee provides oversight on directors' compensation and senior management and other key personnel's remuneration. It ensures consistency of compensation policies and practices with the corporate culture, strategy, and control environment as well as with peer institutions and designed to attract and retain qualified and competent individuals. It evaluates and recommends to the Board incentives and other equity-based plans for directors and senior management. The Compensation Committee meets at least once annually, and is composed of at least three members of the Board, one of whom is an independent director.

CORPORATE GOVERNANCE COMMITTEE

Chairman : Teodoro B. Montecillo
Members : Jesus A. Jacinto, Jr.; Nazario S. Cabuquit, Jr.; Jimmy T. Tang; Christopher A. Bell-Knight
Adviser : Antonio C. Pacis

The Corporate Governance Committee assists the Board in shaping the Bank's corporate governance policies and practices. Besides reviewing and assessing these policies and practices, it recommends applicable guidelines, monitors compliance, and recommends needed adjustments to ensure effectiveness. It also oversees the annual performance self-evaluation of the Board, its committees, and executive management, as well as conducts an annual self-evaluation of its own performance. Where needed, it recommends measures for the directors' continuing education and succession plan. It also exercises oversight over the Bank's compliance function. Moreover, the Committee Chair serves as a resource person in qualifying nominees to the Board, assignment to committees, succession plans for Board members and senior officers, and their remuneration commensurate with corporate and individual performance. The Corporate Governance Committee meets at least once quarterly, and is composed of at least three members of the Board, two of whom are independent directors.

CREDIT COMMITTEE

Chairperson : Teresita T. Sy-Coson
Members : Jesus A. Jacinto, Jr.; Nestor V. Tan; Josefina N. Tan; Antonio N. Cotoco; Evelyn L. Villanueva

The Credit Committee takes charge of the review and approval of the Bank's loans and investments as well as other credit-related issues. It assesses the viability of credit and investment proposals (except those involving DOSRI or related party accounts), with specific attention to the appropriateness of the credit extension and risks involved. Proposals beyond its approving authority are endorsed to the Executive Committee (or to the Board). It also sees to regular credit reviews on a per account and portfolio basis, as well as assessments of credit policies and procedures, risk standards, and, where required, dissemination of credit manuals. The Credit Committee meets at least twice weekly, and is composed of at least three members of the Board including the President, and such members of senior management appointed/designated by the Board.

NOMINATION COMMITTEE

Chairman : Henry T. Sy, Jr.
Members : Josefina N. Tan; Jimmy T. Tang

The Nomination Committee provides oversight on the qualifications of all nominees to the Board as well as to other Bank positions requiring Board appointment. It recommends to the Board the slate of nominees for election to the Board during the Bank's annual stockholders' meeting. In case of Board seat vacancies, it seeks qualified nominees and recommends these to the Board for appointment. The Nomination Committee meets at least once yearly, and is composed of at least three members, one of whom is an independent director.

RISK MANAGEMENT COMMITTEE

Chairman : Nestor V. Tan
Members : Teodoro B. Montecillo; Christopher A. Bell-Knight
Adviser : Jose T. Sio

The Risk Management Committee is responsible for policy development and oversight over the Bank's credit, market and operating risk exposures. It oversees the system of limits of discretionary authority that the Board delegates to management, ensuring that these are observed and any breaches are immediately corrected. It establishes the framework for reporting risk to the Board including the assessment on the probability and potential impact of each identified risk exposure of the Bank. These reports include information on portfolio concentrations, value at risk measurements, and breaches on limits. Considering the importance of credit risk, a separate Credit Committee created by the Board approves counter-party credit risk under the guidance of established policies, procedures, and guidelines of the Risk Management Committee. The Risk Management Committee meets at least monthly, and is composed of three members of the Board with risk expertise and adequate knowledge of the Bank's operational risk exposures.

TRUST COMMITTEE

Chairperson : Josefina N. Tan
Members : Teresita T. Sy-Coson; Nazario S. Cabuquit, Jr.; Nestor V. Tan; Ador A. Abrogena
Advisers : Antonio C. Pacis; Ma. Luz C. Generoso

The Trust Committee, acting within Board-set limits, is authorized to review and approve transactions between trust and/or fiduciary accounts, to accept and close trust and other fiduciary accounts and to approve the investment, reinvestment, and disposition of funds or property. It evaluates trust and other fiduciary accounts at least once yearly to determine compliance with the instrument creating the trust or other fiduciary relationship, as well as the advisability of retaining or disposing of the trust or fiduciary assets. The Trust Committee meets at least once monthly, and is composed of five members as follows: three directors who are not operating officers of the Bank or members of the Audit Committee, the President and the Trust Officer.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Banco de Oro Unibank, Inc. and Subsidiaries is responsible for all information and representations contained in the financial statements for the years ended December 31, 2007 and 2006. The financial statements have been prepared in conformity with generally accepted accounting principles in the Philippines and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The management likewise discloses to the Bank's audit committee and to its external auditor: (i) all significant deficiencies in the design or operation of internal controls that could adversely affect its ability to record, process, and report financial data: (ii) material weaknesses in the internal controls; and (iii) any fraud that involves management or other employees who exercise significant roles in the internal controls.

The Board of Directors reviews the financial statements before such statements are approved and submitted to the stockholders of the Bank.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has examined the financial statements of the Bank in accordance with generally accepted auditing standards in the Philippines and has expressed its opinion on the fairness of presentation upon completion of such examination, in its report to the Board of Directors and stockholders.

Signed under oath by the following:

Teresita T. Sy-Coson
Chairman of the Board

Nestor V. Tan
President

Lucy Co Dy
EVP and Comptroller

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and the Stockholders
Banco de Oro Unibank, Inc.
(Formerly Banco de Oro Universal Bank)

We have audited the accompanying financial statements of Banco de Oro Unibank, Inc. and subsidiaries (together hereinafter referred to as the Group) and Banco de Oro Unibank, Inc. (the Parent Company), which comprise the statements of condition as at December 31, 2007 and 2006, and the income statements, statements of changes in equity and cash flow statements for each of the three years in the period ended December 31, 2007, and notes to financial statements comprising of a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Banco de Oro Unibank, Inc. and subsidiaries and of Banco de Oro Unibank, Inc. as of December 31, 2007 and 2006, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2007 in accordance with Philippine Financial Reporting Standards.

Emphasis of Matter

As discussed in Notes 1 and 26, on November 6, 2006, the respective boards of directors of Banco De Oro Universal Bank (BDO or the Bank) and Equitable PCI Bank, Inc. (EPCIB) approved a Plan of Merger for BDO and EPCIB, with BDO as the surviving entity. The merger was effected through a swap of shares whereby BDO issued 1.8 of its shares for every EPCIB share. Subsequently, on March 29, 2007 and on May 25, 2007, the Bangko Sentral ng Pilipinas and the Securities and Exchange Commission (SEC), respectively, approved the merger of BDO and EPCIB which became effective on May 31, 2007. Since the merger of BDO and EPCIB is between two entities which are both under common control by SM Investments Corporation (SMIC), the merger was accounted for under the pooling-of-interests method of accounting which was approved by the SEC on May 25, 2007. In applying the pooling-of-interests method, the financial statement items of BDO and EPCIB were combined at the beginning of the period in which the merger occurred, that is, January 1, 2007. The comparative financial data presented for 2006 have been restated to include the accounts of EPCIB from October 2, 2006, the date the two merging entities became under common control by SMIC.

PUNONGBAYAN & ARAULLO

By: Benjamin P. Valdez
Partner
CPA Reg. No. 0028485
TIN 136-619-880
PTR No. 0986653, January 4, 2008, Makati City
SEC Accreditation No. 0009-AR-1
BIR AN 08-002511-5-2005 (December 27, 2005 to 2008)

February 23, 2008

STATEMENTS OF CONDITION

DECEMBER 31,2007 AND 2006

(Amounts in Thousands of Philippine Pesos)

	Notes	Consolidated 2007	Consolidated 2006 (Note 26)	Parent Company 2007	Parent Company 2006 (Note 26)
RESOURCES					
CASH AND OTHER CASH ITEMS	7	**P 18,387,847**	P 17,905,035	**P 18,133,485**	P 17,679,205
DUE FROM BANGKO SENTRAL NG PILIPINAS	7	**49,461,276**	42,236,370	**47,747,982**	39,623,531
DUE FROM OTHER BANKS	8	**20,689,635**	12,834,782	**16,272,469**	8 ,161,435
INVESTMENT AND TRADING SECURITIES					
At Fair Value Through Profit or Loss	9	**20,951,513**	30,695,243	**17,619,336**	29,053,044
Available-for-sale - net	10	**75,604,608**	63,523,728	**67,689,491**	55,587,001
Held-to-maturity - net	11	**67,944,102**	84,730,287	**62,570,515**	80,314,437
LOANS AND OTHER RECEIVABLES - Net	12	**311,674,939**	312,618,955	**286,976,275**	281,493,284
BANK PREMISES, FURNITURE, FIXTURES AND EQUIPMENT - Net	13	**11,431,397**	11,398,130	**10,833,080**	10,584,346
INVESTMENT PROPERTIES	14	**18,150,715**	18,521,367	**16,186,095**	16,595,608
EQUITY INVESTMENTS	15	**1,694,721**	1,766,653	**12,696,750**	13,715,468
DEFERRED TAX ASSETS	27	**5,592,305**	6,309,540	**5,342,175**	6,443,797
OTHER RESOURCES - Net	16	**15,838,418**	26,340,180	**15,409,711**	25,266,311
TOTAL RESOURCES		**P 617,421,476**	P 628,880,270	**P 577,477,364**	P 584,517,467
LIABILITIES AND EQUITY					
DEPOSIT LIABILITIES					
Demand		**P 25,164,584**	P 23,271,313	**P 22,934,544**	P 20,718,950
Savings		**318,669,697**	320,971,421	**313,895,411**	315,657,437
Time		**101,562,619**	125,833,501	**88,332,638**	117,892,548
Total Deposit Liabilities	17	**445,396,900**	470,076,235	**425,162,593**	454,268,935
BILLS PAYABLE	18	**52,483,249**	58,504,244	**41,589,084**	40,289,675
SUBORDINATED NOTES PAYABLE	19	**18,631,298**	10,188,430	**18,631,298**	10,188,430
OTHER LIABILITIES	20	**40,369,401**	37,690,278	**36,492,005**	33,178,118
Total Liabilities		**556,880,848**	576,459,187	**521,874,980**	537,925,158
EQUITY					
Attributable to Shareholders of the Parent Company		**59,840,386**	51,772,515	**55,602,384**	46,592,309
Minority Interest		**700,242**	648,568	**-**	-
Total Equity	21	**60,540,628**	52,421,083	**55,602,384**	46,592,309
TOTAL LIABILITIES AND EQUITY		**P 617,421,476**	P 628,880,270	**P 577,477,364**	P 584,517,467

See Notes to Financial Statements.

INCOME STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005

(Amounts in Thousands of Philippine Pesos Except Per Share Data)

	Notes	Consolidated 2007	Consolidated 2006 (Note 26)	Consolidated 2005	Parent Company 2007	Parent Company 2006 (Note 26)	Parent Company 2005
INTEREST INCOME ON							
Loans and Other Receivables	12	**P 21,414,488**	P 12,508,324	P 7,267,168	**P 19,391,005**	P 11,899,727	P 7,033,709
Investment and Trading Securities	9, 10,11	**11,743,428**	10,563,883	7,184,121	**10,541,748**	9,157,751	6,344,406
Due from Other Banks	7, 8	**2,338,609**	570,841	257,405	**2,133,193**	474,793	219,589
Others		**2,106,781**	566,098	76,112	**1,830,366**	501,678	70,935
		37,603,306	24,209,146	14,784,806	**33,896,312**	22,033,949	13,668,639
INTEREST EXPENSE ON							
Deposit Liabilities	17	**12,374,722**	9,862,104	5,998,459	**11,385,599**	9,467,058	5,853,457
Bills Payable and Other Liabilities	18, 19	**3,791,852**	3,272,024	1,943,639	**3,185,577**	2,551,613	1,613,042
		16,166,574	13,134,128	7,942,098	**14,571,176**	12,018,671	7,466,499
NET INTEREST INCOME		**21,436,732**	11,075,018	6,842,708	**19,325,136**	10,015,278	6,202,140
IMPAIRMENT LOSSES	10, 11, 12, 14, 15, 16	**4,118,147**	2,012,727	1,167,379	**3,805,675**	2,006,066	1,176,431
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES		**17,318,585**	9,062,291	5,675,329	**15,519,461**	8,009,212	5,025,709
OTHER OPERATING INCOME							
Service Charges, Fees and Commissions		**8,778,060**	3,196,685	1,499,830	**6,516,009**	2,078,249	991,141
Trading Gain - net	9	**3,854,605**	3,346,213	1,575,117	**3,599,030**	3,062,171	1,446,700
Trust Fees	25	**852,468**	600,246	422,777	**806,135**	600,246	422,777
Foreign Exchange Gain - net		**798,441**	316,541	402,331	**629,114**	224,811	368,075
Miscellaneous - net	22	**2,575,205**	817,877	48,753	**5,219,127**	738,040	499,466
		16,858,779	8,277,562	3,948,808	**16,769,415**	6,703,517	3,728,159
OTHER OPERATING EXPENSES							
Employee Benefits	23	**8,355,892**	3,957,092	2,108,975	**7,402,427**	3,519,447	1,934,489
Occupancy	13, 14, 24, 31	**3,392,853**	1,639,742	748,779	**2,961,156**	1,463,531	693,410
Taxes and Licenses		**2,646,252**	1,335,138	974,914	**2,311,570**	1,110,590	627,497
Security, Clerical, Messengerial and Janitorial		**1,108,813**	529,234	252,884	**1,037,651**	511,153	241,844
Insurance		**997,096**	381,773	282,429	**966,941**	476,507	282,408
Advertising		**784,178**	500,308	269,074	**639,681**	260,060	157,868
Litigation/Assets Acquired		**668,663**	324,805	240,489	**629,930**	319,237	239,286
Miscellaneous	22	**6,806,664**	3,411,559	1,671,789	**6,451,870**	2,974,762	1,671,945
		24,760,411	12,079,651	6,549,333	**22,401,226**	10,635,287	5,848,747
INCOME BEFORE TAX		**9,416,953**	5,260,202	3,074,804	**9,887,650**	4,077,442	2,905,121
TAX EXPENSE	27	**2,846,623**	1,270,326	531,287	**2,610,338**	1,034,365	434,759
NET INCOME		**P 6,570,330**	P 3,989,876	P 2,543,517	**P 7,277,312**	P 3,043,077	P 2,470,362
ATTRIBUTABLE TO:							
Shareholders of the Parent Company		**P 6,518,656**	P 3,969,623	P 2,586,191			
Minority Interest		**51,674**	20,253	(42,674)			
		P 6,570,330	P 3,989,876	P 2,543,517			
EARNINGS PER SHARE	28						
Basic		**P 2.86**	P 3.08	P 2.76			
Diluted		**P 2.85**	P 3.03	P 2.70			

See Notes to Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005
(Amounts in Thousands of Philippine Pesos)

	Notes	Consolidated 2007	Consolidated 2006 (Note 26)	Consolidated 2005	Parent Company 2007	Parent Company 2006 (Note 26)	Parent Company 2005
ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY							
Capital Stock							
Balance at Beginning of Year		**P 22,706,290**	P 9,395,931	P 9,081,895	**P 22,706,290**	P 9,395,931	P 9,081,895
Issuance of Additional Shares During the Year		**314,037**	13,310,359	314,036	**314,037**	13,310,359	314,036
Balance at End of Year	21	**23,020,327**	22,706,290	9,395,931	**23,020,327**	22,706,290	9,395,931
Common Stock Options							
Balance at Beginning of Year		**28,914**	13,634	27,268	**28,914**	13,634	27,268
Recognition (Conversion) of Common Stock Option	19	**47,366**	15,280	(13,634)	**47,366**	15,280	(13,634)
Balance at End of Year		**76,280**	28,914	13,634	**76,280**	28,914	13,634
Treasury Shares - At Cost							
Balance at Beginning of Year		**(1,428,265)**	(31,967)	(45,731)	**(1,400,000)**	-	-
Net Disposal (Acquisition) During the Year		**1,428,265**	(1 ,396,298)	13,764	**1,400,000**	(1,400,000)	-
Balance at End of Year		**-**	(1 ,428,265)	(31,967)	**-**	(1,400,000)	-
Additional Paid-in Capital							
Balance at Beginning of Year		**15,694,692**	2,064,277	1,850,013	**15,694,692**	2,064,277	1,850,013
Issuance of Additional Shares During the Year		**241,727**	13,254,714	-	**222,469**	13,254,714	-
Common Stock Subscription During the Year		**-**	375,701	214,264	**-**	375,701	214,264
Balance at End of Year		**15,936,419**	15,694,692	2,064,277	**15,917,161**	15,694,692	2,064,277
Surplus Reserves							
Balance at Beginning of Year		**830,119**	140,868	109,206	**824,873**	135,724	104,063
Merger with EPCIB	1.2	**-**	605,943	-	**-**	605,944	-
Transfer from Surplus Free		**220,922**	83,308	31,662	**102,330**	83,205	31,661
Balance at End of Year		**1,051,041**	830,119	140,868	**927,203**	824,873	135,724
Surplus Free							
Balance at Beginning of Year		**9,477,150**	7,256,061	5,355,756	**4,662,928**	6,071,909	4,244,758
Merger with EPCIB	1.2	**-**	894,846	-	**-**	(3,598,473)	-
Net Income		**6,518,656**	3,969,623	2,543,517	**7,277,312**	3,043,077	2,470,362
Cash Dividends	15, 21	**-**	(770,380)	(611,550)	**-**	(770,380)	(611,550)
Transfer to Surplus Reserves		**(220,922)**	(83,308)	(31,662)	**(102,330)**	(83,205)	(31,661)
Balance at End of Year		**15,774,884**	9,477,150	7,256,061	**11,837,910**	4,662,928	6,071,909
Fair Value Gain (Loss) on Available-for-sale Securities							
Balance at Beginning of Year		**3,310,858**	1,467,009	308,598	**2,724,996**	1,088,277	254,067
Merger with EPCIB	1.2	**-**	664,251	-	**-**	584,419	-
Recovery (Decline) in Value of Securities	10	**(684,303)**	1,179,598	1,158,411	**(251,109)**	1,052,300	834,210
Balance at End of Year		**2,626,555**	3,310,858	1,467,009	**2,473,887**	2,724,996	1,088,277
Revaluation Increment							
Balance at Beginning of Year		**1,360,812**	-	-	**1,349,616**	-	-
Merger with EPCIB	1.2	**-**	1,360,812	-	**-**	1,349,616	-
Balance at End of Year		**1,360,812**	1,360,812	-	**1,349,616**	1,349,616	-
Accumulated Translation Adjustment							
Balance at Beginning of Year		**(208,055)**	-	-	**-**	-	-
Merger with EPCIB	1.2	**-**	(185,882)	-	**-**	-	-
Translation Adjustment During the Year		**202,123**	(22,173)	-	**-**	-	-
Balance at End of Year		**(5,932)**	(208,055)	-	**-**	-	-
Total Equity Attributable to Shareholders of the Parent Company		**59,840,386**	51,772,515	20,305,813	**55,602,384**	46,592,309	18,769,752
MINORITY INTEREST							
Balance at Beginning of Year		**648,568**	(71,509)	(28,835)	**-**	-	-
Merger with EPCIB	1.2	**-**	628,315	-	**-**	-	-
Reversal During the Year		**-**	71,509	-	**-**	-	-
Share in Net Income (Loss) During the Year		**51,674**	20,253	(42,674)	**-**	-	-
Balance at End of Year	1.2, 21	**700,242**	648,568	(71,509)	**-**	-	-
TOTAL EQUITY		**P 60,540,628**	P 52,421,083	P 20,234,304	**P 55,602,384**	P 46,592,309	P 18,769,752
Net Gains (Losses) Directly Recognized in Equity		**(P 482,180)**	P 1,157,425	P 1,158,411	**(P 251,109)**	P 1,052,300	P 834,210

See Notes to Financial Statements.

CASH FLOW STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005
(Amounts in Thousands of Philippine Pesos Except as Stated)

	Notes	Consolidated 2007	Consolidated 2006 (Note 26)	Consolidated 2005	Parent Company 2007	Parent Company 2006 (Note 26)	Parent Company 2005
CASH FLOWS FROM OPERATING ACTIVITIES							
Income before tax		**P 9,416,953**	P 5,260,202	P 3,074,804	**P 9,887,650**	P 4,077,442	P 2,905,121
Adjustments for:							
Interest income	7, 8, 9, 10, 11, 12	**(37,603,306)**	(24,209,146)	(14,784,806)	**(33,896,312)**	(22,033,949)	(13,668,639)
Interest expense	17, 18, 19	**16,166,574**	13,134,128	7,942,098	**14,571,176**	12,018,671	7,466,499
Impairment losses	10,11,12,14,15,16	**4,118,147**	2,012,727	63,346	**3,805,675**	2,006,066	63,346
Depreciation and amortization	13, 14	**2,748,873**	2,141,752	259,500	**2,301,236**	2,161,990	274,531
Fair value loss (gain)	9	**791,881**	(157,056)	(809,767)	**779,013**	(275,217)	(641,908)
Amortization of deferred charges		**93,309**	36,921	5,286	**94,403**	36,540	5,286
Operating loss before changes in operating resources and liabilities		**(4,267,569)**	(1,780,472)	(4,249,539)	**(2 ,457,159)**	(2,008,457)	(3,595,764)
Decrease (increase) in financial assets at fair value through profit or loss		**10,325,830**	(21,784,706)	7,816,257	**11,888,267**	(21,488,409)	6,628,228
Increase in loans and other receivables		**(36,959,314)**	(195,161,856)	(33,080,990)	**(45,894,229)**	(162,099,699)	(25,195,086)
Increase in investment properties		**(463,244)**	(17,354,894)	(715,609)	**(395,987)**	(15,396,656)	(673,830)
Decrease (increase) in other resources		**15,139,754**	3,312,590	858,049	**14,044,025**	(14,452,422)	865,681
Increase (decrease) in deposit liabilities		**(20,230,254)**	311,971,596	27,347,358	**(25,624,945)**	298,709,915	26,495,918
Increase in other liabilities		**6,215,294**	44,200,079	1,336,614	**5,263,348**	36,581,981	1,907,068
Cash generated from (used in) operations		**(30,239,502)**	123,402,337	(687,860)	**(43,176,680)**	119,846,254	6,432,215
Interest received		**38,292,013**	21,818,929	14,499,088	**34,479,316**	19,991,741	13,267,443
Interest paid		**(16,823,803)**	(11,995,336)	(7,616,084)	**(14,866,996)**	(10,671,322)	(7,505,146)
Cash paid for income tax		**(4 ,617,942)**	(1,349,675)	(139,914)	**(2,640,432)**	(958,521)	(263,967)
Net Cash From (Used In) Operating Activities		**(13,389,235)**	131,876,256	6,055,230	**(26,204,792)**	128,208,152	11,930,545
CASH FLOWS FROM INVESTING ACTIVITIES							
Net acquisitions of bank premises, furniture, fixtures and equipment		**(1 ,948,244)**	(11,586,279)	(825,521)	**(1,744,470)**	(9,566,598)	(800,484)
Additions to equity investments		**-**	-	(2,048,276)	**(747,043)**	(98,318)	(1,971,672)
Disposals of equity investments		**-**	3,000	-	**1,669,962**	-	-
Net decrease (increase) in held-to-maturity investments		**21,595,119**	(47,716,706)	(4,914,218)	**22,060,345**	(47,330,615)	(4,329,127)
Increase in available-for-sale financial assets		**(7,204,670)**	(7,932,189)	(11,251,812)	**(7,361,846)**	(6,359,313)	(8,333,720)
Net Cash From (Used In) Investing Activities		**12,442,205**	(67,232,174)	(19,039,827)	**13,876,948**	(63,354,843)	(15,435,003)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from issuance of common shares		**314,037**	-	-	**314,037**	-	-
Net proceeds from (payments of) bills payable		**(1 ,369,979)**	20,122,216	17,777,144	**6,556,700**	14,447,848	7,801,489
Sale (acquisition) of treasury stock		**1,428,265**	(1,396,298)	13,764	**1,400,000**	(1,400,000)	-
Dividends paid		**(770,380)**	-	(611,550)	**(770,380)**	-	(611,550)
Net Cash From (Used In) Financing Activities		**(398,057)**	18,725,918	17,179,358	**7,500,357**	13,047,848	7,189,939
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(1,345,087)**	83,370,000	4,194,761	**(4,827,487)**	77,901,158	3,685,481
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR							
Cash and other cash items	7	**17,905,035**	6,621,220	5,627,066	**17,679,205**	6,620,667	5,626,974
Due from Bangko Sentral ng Pilipinas	7	**42,236,370**	4,277,317	1,971,323	**39,623,531**	3,664,748	1,741,549
Due from other banks	8	**12,834,782**	5,135,879	4,241,266	**8,161,435**	3,865,828	3,097,239
Interbank loans receivable		**26,428,229**	-	-	**26,588,229**	-	-
		99,404,416	16,034,416	11,839,655	**92,052,400**	14,151,243	10,465,762
CASH AND CASH EQUIVALENTS AT END OF YEAR							
Cash and other cash items	7	**18,387,847**	17,905,035	6,621,220	**18,133,485**	17,679,205	6,620,667
Due from Bangko Sentral ng Pilipinas	7	**49,461,276**	42,236,370	4,277,317	**47,747,982**	39,623,531	3,664,748
Due from other banks	8	**20,689,635**	12,834,782	5,135,879	**16,272,469**	8,161,435	3,865,828
Interbank loans receivable		**9,520,571**	26,428,229	-	**5,070,977**	26,588,230	-
		P 98,059,329	P 99,404,416	P 16,034,416	**P 87,224,913**	P 92,052,401	P 14,151,243

Supplemental Information on Noncash Financing and Investing Activities

The following are the significant noncash transactions in 2007, 2006 and 2005:

a. The carrying values of the resources and liabilities of EPCIB that were absorbed by BDO on May 31, 2007 were P305,779,401 and P274,556,992, respectively, in exchange for the 1,308,606,021 BDO common shares (see Notes 1 and 26).

b. On April 18, 2007, the Bank received notice of exercise from International Finance Corporation (IFC) to convert the remaining U.S.$10 million of its convertible loan to BDO common shares, which conversion the Bangko Sentral ng Pilipinas (BSP) approved in a letter to the Bank dated July 17, 2007. Thereafter, on August 23, 2007, the Bank issued to IFC 31,403,592 common shares (see Note 19).

c. On May 6, 2006, the Bank's Board of Directors (BOD) approved the declaration of cash dividends amounting to P0.80 per share or a total of P769,618, which was approved by the BSP on December 28, 2006. The cash dividends were paid on February 8, 2007.

d. On May 6, 2005, the Bank acquired certain assets totalling P8,469,410 and assumed certain liabilities totalling P8,469,410 from United Overseas Bank Philippines for a total cash consideration of P600,000 which was paid in 2006 (see Note 26).

e. Upon approval by the Bank's BOD on February 11, 2005, the Bank converted U.S.$10 million convertible loan from IFC and issued 31,402,592 common shares of the Bank. The BSP subsequently approved the conversion on May 3, 2005 (see Note 19).

See Notes to Financial Statements.

1. CORPORATE MATTERS

1.1 Incorporation and Operations

Banco de Oro Unibank, Inc. (formerly Banco de Oro Universal Bank, the Bank, BDO or the Parent Company) is the product of a merger, effective May 31, 2007, between BDO and Equitable PCI Bank, Inc. (EPCIB), with BDO as the surviving entity. Prior to and on the date of the merger, BDO and EPCIB were both majority-owned by the same controlling stockholder group, SM Investments Corporation (SMIC). BDO was incorporated in the Philippines on August 16, 1967 to engage in the business of banking. The Bangko Sentral ng Pilipinas (BSP) granted approval to the Bank to operate as an expanded commercial bank on August 5, 1996. The Bank commenced operations as such in September of the same year.

The Bank's common shares are listed in the Philippine Stock Exchange (PSE). As of December 31, 2007, the Bank has 621 branches, and 732 on-site and 517 off-site automated teller machines, all located nationwide. The Bank's registered address is at Benguet Center, 12 ADB Avenue, Ortigas Center, Mandaluyong City.

BDO and its subsidiaries (the Group) operate mainly within the Philippines with a banking branch in Hong Kong and various remittance subsidiaries operating in Asia, Europe and the United States. In 2007, these foreign operations accounted for 0.7% of the Group's total revenues and 0.2% of the Group's total resources. The Bank's subsidiaries and associates are shown in Note 15.

1.2 Merger with Equitable PCI Bank, Inc.

On November 6, 2006, the respective boards of directors (BOD) of BDO and EPCIB approved a Plan of Merger of BDO and EPCIB with BDO as the surviving entity. The merger was effected through a swap of shares whereby BDO issued to EPCIB shareholders 1.8 of its shares for every EPCIB share.

The Plan of Merger was subsequently approved by BDO and EPCIB shareholders in separate meetings on December 27, 2006. The Plan of Merger and Articles of Merger were approved by the BSP and the Securities and Exchange Commission (SEC) on March 29, 2007 and May 25, 2007, respectively, with May 31, 2007 as the effectivity date of the merger. Under the merger, the entire assets and liabilities of EPCIB were transferred to and absorbed by BDO. Since the merger is between two entities which are both under common control by SMIC, the Group has decided to account for the merger under the pooling-of-interests method of accounting. The use of the pooling-of-interests method of accounting was approved by the SEC on May 25, 2007. In applying the pooling-of-interests method, the financial statement items of BDO and EPCIB were combined at the beginning of the period in which the merger occurred, that is, January 1, 2007. The comparative financial data presented for 2006 have been restated to include the accounts of EPCIB from October 2, 2006, the date the two merging entities became under common control by SMIC.

Simultaneous and pursuant to the merger, BDO increased its authorized capital stock from P15 billion to P65 billion to provide for the issuance of the BDO common shares necessary to effect the exchange ratio (see Note 21).

The carrying values of the resources and liabilities of EPCIB that were absorbed by the Bank on May 31, 2007 were as follows:

Cash and other cash items	P	6,208,637
Due from BSP		34,915,003
Due from other banks		2,157,458
Trading and investment securities		62,025,072
Loans and other receivables - net		145,235,810
Bank premises, furniture, fixtures and equipment - net		11,232,456
Equity Investments		12,054,868
Investment properties - net		12,451,233
Other resources		19,498,864
Total Resources Absorbed	P	305,779,401
Deposit liabilities		226,802,943
Bills payable		10,631,746
Subordinated notes payable		9,156,589
Other liabilities		27,965,714
Total Liabilities Assumed	P	274,556,992

BDO issued to EPCIB shareholders 1,308,606,021 common shares with par value of P10 a share in exchange for the net assets of EPCIB based on an exchange ratio of 1.8 BDO shares for every EPCIB share. BDO's shares were quoted at P67 a share at the PSE on May 31, 2007, the date of the merger.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007, 2006 AND 2005
(Amounts in Thousands Except Per Share Data)

1.3 Approval of Financial Statements

The consolidated financial statements of the Group for the year ended December 31, 2007 (with comparatives for the years ended December 31, 2006 and 2005) were authorized for issue by the Bank's BOD on February 23, 2008.

1.4 Change in Name

As a result of the merger of BDO and EPCIB, the SEC approved the change in name of Banco de Oro Universal Bank to Banco de Oro-EPCI, Inc. on May 31, 2007. Subsequently, on June 30, 2007, the BOD approved a further change in name of the Bank from Banco de Oro-EPCI, Inc. to Banco de Oro Unibank, Inc. This latter change was approved by the SEC on February 6, 2008.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. The policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) *Statement of Compliance with Philippine Financial Reporting Standards*

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs). PFRSs are adopted by the Financial Reporting Standards Council (FRSC), formerly the Accounting Standards Council, from the pronouncements issued by the International Accounting Standards Board.

The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. These financial statements have been prepared on the historical basis, except for the revaluation of certain financial assets, bank premises, furniture, fixtures and equipment and investment property. The measurement bases are more fully described in the accounting policies that follow.

(b) *Functional and Presentation Currency*

These financial statements are presented in Philippine pesos, the Group's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated (see also Note 2.22).

2.2 Impact of New Standards, Amendments and Interpretations to Existing Standards

(a) *Effective in 2007 that are Relevant to the Group*

In 2007, the Group adopted for the first time the following new and amended PFRS which are mandatory for accounting periods beginning on or after January 1, 2007.

Philippine Accounting Standards
(PAS) 1 (Amendment) : Presentation of Financial Statements
PFRS 7 : Financial Instruments: Disclosures

Discussed below are the impact on the financial statements of these new accounting standards.

(i) PAS 1 (Amendment), *Presentation of Financial Instruments*. PAS 1 introduces new disclosures on the Group's capital management objectives, policies and procedures in each annual financial report. The amendments to PAS 1 were introduced to complement the adoption of PFRS 7. The new disclosures that became necessary due to this change in PAS 1 are shown in Note 21.

(ii) PFRS 7, *Financial Instruments: Disclosures*. PFRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, particularly:

- a sensitivity analysis, to explain the Group's market risk exposure with regard to its financial instruments; and,
- a maturity analysis that shows the remaining contractual maturities of financial liabilities.

(Amounts in Thousands Except Per Share Data)

PFRS 7 replaced PAS 30, *Disclosures in the Financial Statements of Banks and Similar Financial Institutions,* and the disclosure requirements in PAS 32, *Financial Instruments: Disclosure and Presentation.* The new disclosures under PFRS 7 are required to be made for all periods presented. However, the Group availed of the transitional relief with regard to the disclosure of the sensitivity analysis granted by the FRSC and presented only the relevant new disclosures required by PFRS 7 for 2007 (see Note 4).

The first-time application of these standards, amendments and interpretations has not resulted in any prior period adjustments of cash flows, net income or balance sheet line items.

(iii) Philippine Interpretation International Financial Reporting Interpretations Committee (IFRIC) 9, Re-assessment of Embedded Derivatives. This Philippine Interpretation establishes that the date to assess the existence of an embedded derivative is the date an entity first becomes a party to the contract, with reassessment only if there is a change to the contract that significantly modifies the cash flows. This interpretation will have no impact on the Group's financial statements when implemented in 2007.

(iv) Philippine Interpretation IFRIC 10, Interim Financial Reporting and Impairment. This Philippine Interpretation prohibits the impairment losses recognized in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. This standard does not have any impact on the Group's financial statements.

(b) Effective in 2007 but not relevant to the Group

PFRS 4 (Amendment)	:	Insurance Contracts
Philippine Interpretation IFRIC 7	:	Applying the Restatement Approach under PAS 29, *Financial Reporting in Hyper Inflationary Economies*
Philippine Interpretation IFRIC 8	:	Scope of PFRS 2

(c) Effective Subsequent to 2007

There are new and amended standards and Philippine Interpretations that are effective for periods subsequent to 2007. The following new standards are relevant to the Group which the Group will apply in accordance with their traditional provision.

2008		
Philippine Interpretation IFRIC 13	:	Customer Loyalty Programmes
Philippine Interpretation IFRIC 14	:	PAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
2009		
PAS 1 (Revised 2007)	:	Presentation of Financial Statements
PAS 23 (Revised 2007)	:	Borrowing Costs
PFRS 8	:	Operating Segments

Below is a discussion of the possible impact of these accounting standards.

(i) Philippine Interpretation IFRC 13, *Customer Loyalty Programmes* (effective from July 1, 2008). This Philippine Interpretation clarifies that where goods or services are sold together with a customer loyalty incentive (for example loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. IFRC 13 is not relevant to the Group's operation because none of the Group's companies operate any loyalty programmes.

(ii) Philippine Interpretation IFRIC 14, PAS 19 *– The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* (effective from January 1, 2008). This Philippine Interpretation provides general guidance on how to assess the limit in PAS 19, Employee Benefits, on the amount of the surplus that can be recognized as an asset. It standardizes practice and ensures that entities recognize an asset in relation to a surplus on a consistent basis. As any excess of the asset over the obligation is fully refundable to the Group based on the set-up of the pension trust fund, the Group determined that adoption of this Philippine Interpretation will not materially affect its financial statements.

(iii) PAS 1 (Revised 2007), *Presentation of Financial Statements* (effective from January 1, 2009). The amendment requires an entity to present all items of income and expense recognized in the period in a single statement of comprehensive income or in two statements: a separate income statement and a statement of comprehensive income. The income statement shall disclose income and expense recognized in profit and loss in the same way as the current version of PAS 1. The statement of comprehensive income shall disclose profit or loss for the period, plus each component of income and expense recognized outside of profit and loss classified by nature (e.g., gains or losses on available-for-sale assets or translation differences related to foreign operations). Changes in equity arising from transactions with owners are excluded from the statement of comprehensive income (e.g., dividends and capital increase). An entity would also be required to include in its set of financial statements a statement showing its financial position (or balance sheet) at the beginning of the previous period when the entity retrospectively applies an accounting policy or makes a retrospective restatement. The Group will apply PAS 1 (Revised 2007) in its 2009 financial statements.

(iv) PAS 23 (Revised 2007), *Borrowing Costs* (effective from January 1, 2009). Under the revised PAS 23, all borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset. The option of immediately expensing borrowing costs that qualify for asset recognition has been removed. The Group has initially determined that adoption of this new standard will not have significant effects on the financial statements for 2009, as well as for prior and future periods, as the Group's current accounting policy is to capitalize all interest directly related to qualifying assets.

(v) PFRS 8, *Operating Segments* (effective from January 1, 2009). PFRS 8 replaces PAS 13 and aligns segment reporting with the requirements of the U.S. standard SFAS 131, *Disclosures about segments of an enterprise and related information.* The new standard requires a management approach, under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply PFRS 8 from January 1, 2009. The expected impact is still being assessed in detail by management, but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. As goodwill is allocated to groups of cash generating units based on segment level, the change will also require management to reallocate goodwill to the newly identified operating segments. Management does not anticipate that this will result in any material impairment on goodwill.

2.3 Basis of Consolidation

The Group obtains and exercises control through voting rights. The Group's consolidated financial statements comprise the accounts of the Bank and its subsidiaries as enumerated in Note 15, after the elimination of material intercompany transactions. All significant intercompany balances and transactions with subsidiaries, including income, expenses and dividends, are eliminated in full. Unrealized profits and losses from intercompany transactions that are recognized in assets are also eliminated in full. Intercompany losses that indicate an impairment are recognized in the consolidated financial statements.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for under the pooling-of-interests method and reflected in the financial statements as if the business combination had occurred at the beginning of the earliest comparative period presented, or if later, at the date that common control was established; for this purpose comparatives are restated. The resources and liabilities acquired are recognized at the carrying amounts recognized previously in the Group's controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity.

The Group accounts for its investments in subsidiaries, and minority interest as follows:

(a) Investments in Subsidiaries

Subsidiaries are all entities over which the Group has the power to control the former's financial and operating policies. The Bank obtains and exercises control through voting rights.

Subsidiaries are consolidated from the date the Group obtains control until such time that such control ceases.

Except as otherwise indicated, the acquisition of subsidiaries are accounted for using the purchase method of accounting (see Note 2.11). Purchase method involves the revaluation at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated statement of condition at their revalued amounts, which are also used as the bases for subsequent measurement in accordance with the Group accounting policies.

Goodwill (positive) represents the excess of acquisition cost over the Group's share in the fair value of the identifiable net assets of the acquired subsidiary at the date of acquisition. Negative goodwill represents the excess of Bank's share in the fair value of identifiable net assets of the subsidiary at date of acquisition over acquisition cost (see Note 2.12).

(b) Minority Interests

Minority interests represent the portion of the net assets and profit or loss not attributable to the Group and are presented separately in the consolidated income statement and within equity in the consolidated statements of condition and changes in equity.

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals of equity investments to minority interests result in gains and losses for the Group that are recorded in the consolidated income statement. Purchases of equity shares from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired in the carrying value of the net assets of the subsidiary.

In the consolidated financial statements, the minority interest component is shown in the consolidated statement of changes in equity and in the consolidated income statement.

2.4 *Segment Reporting*

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is one that provides products or services within a particular economic environment that is subject to risks and returns that are different from those segments operating in other economic environments.

The Group's operations are organized according to the nature of the products and services provided. Financial information on business segments is presented in Note 5.

2.5 *Financial Assets*

Financial assets include cash and other financial instruments. Financial assets, other than hedging instruments, are classified into the following categories: at fair value through profit or loss (FVTPL), loans and receivables, held-to-maturity and available-for-sale. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired. Except for financial assets at FVTPL, the designation of financial assets is re-evaluated at every reporting date at which date a choice of classification or accounting treatment is available, subject to compliance with specific provisions of applicable accounting standards.

Cash and cash equivalents comprise of cash and non-restricted balances with the BSP and amounts due from other banks. For purposes of reporting cash flows, cash and cash equivalents include cash and other cash items, amounts due from BSP and other banks, and interbank loans receivable and Securities Purchased Under Reverse Repurchase Agreement (SPURRA) with original maturities of three months or less from dates of placements.

Regular purchase and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at fair value through profit or loss are initially recognized at fair value, plus transaction costs. Financial assets carried at FVTPL are initially recognized at fair value and transaction costs are expensed in the income statement.

The foregoing categories of financial instruments are more fully described below.

(a) *Financial Assets at FVTPL*

This category includes derivative financial instruments and financial assets that are either classified as held for trading or are designated by the entity to be carried at fair value through profit or loss upon initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the near term or if so designated by management. Derivatives are also categorized as "held for trading" unless they are designated as hedges.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognized in profit or loss. Financial assets originally designated as financial assets at FVTPL may not be subsequently reclassified.

(b) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to the debtor with no intention of trading the receivables. Included in this category are those arising from direct loans to customers, interbank loans and receivables, sales contracts receivable, and all receivables from customers and other banks. Loans and receivables also include the aggregate rental on finance lease transactions. Unearned income on finance lease transactions is shown as a deduction from Loans and Receivables (included in Unearned Discount account).

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment losses. Any change in their value is recognized in profit or loss.

SPURRA wherein Group enter into short-term purchases of securities under reverse repurchase agreements of substantially identical securities with the BSP, are included in this category. The difference between the sale and repurchase price is recognized as interest and accrued over the life of the agreements using the effective interest method.

Impairment losses is the estimated amount of losses in the Group's loan portfolio, based on the evaluation of the estimated future cash flows discounted at the loan's original effective interest rate or the last repricing rate for loans issued at variable rates (see Note 2.20). It is established through an allowance account which is charged to expense. Loans and receivables are written off against the allowance for impairment losses when management believes that the collectibility of the principal is unlikely, subject to BSP regulations.

(c) *Held-to-maturity Investments*

This category includes non-derivative financial assets with fixed or determinable payments and a fixed date of maturity. Investments are classified as held-to maturity if the Group has the positive intention and ability to hold them until maturity. Investments intended to be held for an undefined period are not included in this classification.

Held-to-maturity investments consist of government and private debt securities. If the Group were to sell other than an insignificant amount of held-to-maturity assets, the entire category of held-to-maturity securities would be tainted and would now be reclassified as available-for-sale securities. The tainting provision will not apply if the sales or reclassifications of held-to-maturity investments are: so close to maturity or the financial asset's call date that changes in the market rate of interest would not have a significant effect on the financial asset's fair value; occur after the Group has collected substantially all of the financial asset's original principal through scheduled payments or prepayments; or are attributable to an isolated event that is beyond the control of the Group, is nonrecurring and could not have been reasonably anticipated by the Group.

Held-to-maturity investments are subsequently measured at amortized cost using the effective interest method. If there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment due to impairment are recognized in profit or loss.

(d) *Available-for-sale Financial Assets*

This category includes non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

All financial assets within this category are subsequently measured at fair value, unless otherwise disclosed, with changes in value recognized in equity, net of any effects arising from income taxes. Gains and losses arising from securities classified as available-for-sale are recognized in the income statement when these are sold or when the investment is impaired.

In the case of impairment, any loss previously recognized in equity is transferred to the income statement. Losses recognized in the income statement on equity instruments are not reversed through the income statement. Losses recognized in prior period consolidated income statement resulting from the impairment of debt instruments are reversed through the income statement, when there is recovery in the amount of previously recognized impairment losses.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes the fair value by using valuation techniques, which include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Securities lending and borrowing transactions are usually collateralized by securities or cash. The transfer of the securities to counterparties is only reflected on the statement of condition if the risk and rewards of ownership are also transferred. Cash advanced or received as collateral is recorded as an asset or liability.

Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are included in Trading Gain account in the income statement in the period in which they arise. Gains and losses arising from changes in the fair value of available-for-sale securities are recognized directly in equity, until the financial asset is derecognized or impaired at which time the cumulative gain or loss previously recognized in equity shall be recognized in profit or loss. However, interest calculated using the effective interest method is recognized in the income statement. Dividends on available-for-sale equity instruments are recognized in the income statement when the entity's right to receive payment is established.

Non-compounding interest and other cash flows resulting from holding impaired financial assets are recognized in profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

Derecognition of financial assets occurs when the right to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

2.6 *Derivative Financial Instruments and Hedge Accounting*

The Group is a party to various foreign currency forward and swap contracts and cross-currency and interest rate swaps. These contracts are entered into as a service to customers and as a means of reducing or managing the Group's foreign exchange and interest rate exposures as well as for trading purposes.

Derivatives are initially recognized at fair value on the date on which derivative contract is entered into and are subsequently measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (the fair value of the consideration given or received) unless the fair value of the instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognizes profits at initial recognition.

For more complex instruments, the Group uses proprietary models, which usually are developed from recognized valuation models. Some or all of the inputs into these models may not be market observable, and are derived from market prices or rates or are estimated based on assumptions. When entering into a transaction, the financial instrument is recognized initially at the transaction price, which is the best indicator of fair value, although the value obtained from the valuation model may differ from the transaction price. This initial difference, usually an increase, in fair value indicated by valuation techniques is recognized in income depending upon the individual facts and circumstances of each transaction and not later than when the market data becomes observable.

The value produced by a model or other valuation technique is adjusted to allow for a number of factors as appropriate, because valuation techniques cannot appropriately reflect all factors market participants take into account when entering into a transaction. Valuation adjustments are recorded to allow for model risks, bid-ask spreads, liquidity risks, as well as other factors. Management believes that these valuation adjustments are necessary and appropriate to fairly state financial instruments carried at fair value on the statement of condition.

Certain derivatives embedded in other financial instruments, such as the conversion option in a convertible bond and credit default swap in a credit linked note, are considered as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are bifurcated from the host contracts and are measured at fair value with changes in fair value recognized in the income statement.

Certain derivatives may be designated as either: (1) hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedge); or (2) hedges of highly probable future cash flows attributable to a recognized asset or liability, or a forecasted transaction (cash flow hedge). Changes in the fair value of derivatives are recognized in profit or loss. The method of recognizing the resulting fair value gain or loss on derivatives that qualify as hedging instrument depends on the hedging relationship designated by the Group.

2.7 Non-current Assets Held for Sale

Assets held-for-sale include real and other properties acquired through repossession or foreclosure that the Group intends to sell within one year from the date of classification as held for sale.

Assets classified as held-for-sale are measured at the lower of their carrying amounts, immediately prior to their classification as held for sale and their fair value less costs to sell. Assets classified as held-for-sale are not subject to depreciation or amortization. The profit or loss arising from the sale or revaluation of held-for-sale assets is included in the Other Income account in the income statement.

2.8 Investment Properties

Investment properties are stated at cost. The cost of an investment property comprises its purchase price and directly attributable cost incurred. This also includes land and building acquired by the Bank from defaulting borrowers not held for sale in the next 12 months. For these assets, the cost is recognized initially at fair value. Investment properties except land are depreciated over a period of 10 years.

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the income statement in the year of retirement or disposal.

2.9 Equity Investments

Investments in associates are accounted for under the equity method of accounting and are initially recognized at cost, less any impairment loss (see Note 2.21). The Group's investment in associates includes goodwill, if any, (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which the Group obtains control. They are de-consolidated from the date that control ceases.

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Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

In the Parent Company financial statements, the investments in subsidiaries and associates are carried at cost, less impairment in value.

2.10 Bank Premises, Furniture, Fixtures and Equipment

Bank premises, furniture, fixtures and equipment are carried at acquisition cost less accumulated depreciation and amortization and impairment in value. Property items of the former EPCIB stated at appraised values were included in the consolidated balances at their deemed costs at date of transition to PFRS on January 1, 2005. The revaluation increment is credited to Revaluation Increment account under the Equity section, net of applicable deferred income tax.

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Depreciation is computed on the straight-line method over the estimated useful lives of the depreciable assets as follows:

Buildings	10 to 50 years
Furniture, fixtures and equipment	3 to 5 years

Leasehold rights and improvements are amortized over the terms of the leases or the estimated useful lives of the improvements, whichever is shorter.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 2.21).

The residual values and estimated useful lives of bank premises, furniture, fixtures and equipment are reviewed, and adjusted if appropriate, at each statement of condition date.

An item of bank premises, furniture, fixtures and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognized.

2.11 Business Combination

Except as indicated otherwise, business acquisitions are accounted for using the purchase method of accounting.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of a business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired (see Note 2.21).

Negative goodwill, if any, which is the excess of the Group's interest in the net fair value of acquired identifiable assets, liabilities and contingent liabilities over cost is recognized directly to income.

Transfers of assets between commonly controlled entities are accounted for under historical cost accounting.

2.12 Intangible Assets

Goodwill represents the excess of the cost of acquisition over the fair value of the net assets acquired and branch licenses at the date of acquisition. Goodwill is classified as intangible asset with indefinite useful life, and thus, not subject to amortization but would require an annual test for impairment (see Note 2.21). Goodwill is subsequently carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash generating units is represented by each primary reporting segment.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and install the specific software. These costs are amortized on the basis of the expected useful lives of five years. Costs associated with maintaining computer software are expensed as incurred.

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2.13 Financial Liabilities

Financial liabilities of the Group include deposit liabilities, bills payable, derivative liabilities, subordinated notes payable and other liabilities.

Financial liabilities are recognized when the Group becomes a party to the contractual agreements of the instrument.

Deposit liabilities and other liabilities are recognized initially at their fair value and subsequently measured at amortized cost less settlement payments.

Bills payable and subordinated notes payable, except for government financial assistance (see note below), are recognized initially at fair value, which is the issue proceeds (fair value of consideration received) net of direct issue costs. Bills payable and subordinated notes payable are subsequently stated at amortized cost; any difference between proceeds, net of transaction costs and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Preferred shares, which carry a mandatory coupon or are redeemable on a specific date or at the option of the shareholder, are classified as financial liabilities and are presented as part of Bills Payable in the statement of condition. The dividends on these preferred shares are recognized in the income statement as interest expense on an amortized cost basis using the effective interest method.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortized cost basis until extinguished on conversion or maturity of the bond. The remainder of the proceeds is allocated to the conversion option. This is recognized and included in equity, net of income tax effects.

Derivative liabilities are recognized initially and subsequently measured at fair value with changes in fair value recognized in the income statement.

Dividend distributions to shareholders are recognized as financial liabilities when the dividends are approved by the BSP.

Financial assistance from Philippine Deposit Insurance Corporation (PDIC) is accounted for under PAS 20, *Accounting for Government Grants*, whereby the loan received is initially recorded at the amount borrowed with no re-measurement to fair value or imputation of market interest.

Financial liabilities are derecognized in the statement of condition only when the obligations are extinguished either through discharge, cancellation or expiration.

2.14 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of condition when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.15 Terminal Value of Leased Assets and Deposits on Finance Lease

The residual value of leased assets, which approximates the amount of guaranty deposit paid by the lessee at the inception of the lease, is the estimated proceeds from the disposal of the leased asset at the end of the lease term. At the end of the lease term, the residual value of the leased asset is generally applied against the guaranty deposit of the lessee.

2.16 Equity

Common stock is determined using the nominal value of shares that have been issued.

Common stock option pertains to the value of the segregated equity component of the convertible loan as required under PAS 32 *Financial Instruments: Disclosures and Presentation* and the cumulative amount of stock option arising from the stock option plan granted by the Group to its qualified officers.

Treasury shares include the cost of the Bank's shares of stock which were acquired by a subsidiary.

Additional paid-in capital includes any premiums received on the issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital.

Surplus reserves pertain to a portion of the Group's income from trust operations set-up on a yearly basis in compliance with BSP regulations. Surplus reserves also consist of reserve for contingencies and self-insurance.

Surplus free includes all current and prior period results as disclosed in the consolidated income statement and which are available and not restricted for use by the Group.

Fair value gain (loss) on available-for-sale securities pertain to cumulative mark-to-market valuation of available-for-sale financial assets.

Revaluation increment consists of gains arising from the revaluation of land.

Accumulated Translation Adjustment pertains to exchange differences arising on translation of the assets and liabilities of foreign subsidiaries and overseas branch that are taken directly to equity.

Minority interests represent the portion of the net assets and profit or loss not attributable to the Group and are presented separately in the consolidated income statement and within equity in the consolidated statement of conditions and changes in equity.

2.17 Revenue and Cost Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria of income and expenses must also be met before revenue is recognized:

(a) *Interest* – Interest income and expenses are recognized in the income statement for all instruments measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(b) *Service charges, fees and commissions* – Service charges, fees and commissions are generally recognized when the service has been provided. Loan syndication fees are recognized as revenue when the syndication has been completed and the Group retained no part of the loan package for itself or retained a part at the same effective interest rate for the other participants. Commission and fees arising from negotiating, or participating in the negotiation of a transaction for a third party – such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses – are recognized on the completion of the underlying transaction. Portfolio and other management advisory and service fees are recognized based on the applicable service contracts, usually on a time-proportionate basis. Asset management fees related to investment funds are recognized ratably over the period the service is provided. The same principle is applied for wealth management, financial planning and custody services that are continuously provided over an extended period of time.

(c) *Trading gain* – Trading gain is recognized when the ownership of the securities is transferred to the buyer (at an amount equal to the excess of the selling price over the carrying amount of securities) and as a result of the mark-to-market valuation of the securities at year end.

(d) *Profit from assets sold or exchanged* – Profits from assets sold or exchanged are recognized when the title to the assets is transferred to the buyer or when the collectibility of the entire sales price is reasonably assured. This is included in the Trading Gain account in the income statement.

(e) *Dividends* – Dividend income is recognized when the Group's right to receive payment is established.

(f) *Rental income* – Rental income arising from leased properties is accounted for on a straight-line basis over the lease terms on ongoing leases and is recorded in the income statement as part of Other Operating Income.

(g) *Commissions earned on credit cards* – Commissions earned on credit cards are taken up as income upon receipt from member establishments of charges arising from credit availments by credit cardholders. These commissions are computed based on certain agreed rates and are deducted from amounts remittable to member establishments. Purchases by the credit cardholders, collectible on installment basis, are recorded at the cost of the items purchased plus certain percentage of cost. The excess over cost is credited to Unearned Discount and is shown as a deduction from Loans and Receivables in the statement of condition. The unearned discount is taken up to income over the installment terms and is computed using the effective interest method.

(h) *Income on direct financing leases and receivables financed* – Income on loans and receivables financed with short-term maturities is recognized using the effective interest method. Interest and finance fees on finance leases on loans and receivables financed with long-term maturities and the excess of the aggregate lease rental plus the estimated terminal value of the leased equipment over its cost are credited to unearned discount and amortized over the term of the note or lease using the effective interest method. Unearned income ceases to be amortized when receivables become past due.

Cost and expenses are recognized in the income statement upon utilization of the assets or services or at the date they are incurred.

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2.18 Provisions

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and these can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the statement of condition date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material.

Provisions are reviewed at each statement of condition date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements.

Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

2.19 Leases

The Group accounts for its leases as follows:

(a) Group as Lessee

Leases, which do not transfer to the Group substantially all the risks and benefits of ownership of the asset, are classified as operating leases. Operating lease payments are recognized as expense in the income statement on a straight-line basis over the lease term.

(b) Group as Lessor

Leases wherein the Group substantially transfers to the lessee all risks and benefits incidental to ownership of the leased item are classified as finance leases and are presented as receivable at an amount equal to the Group's net investment in the lease. Finance income is recognized based on the pattern reflecting a constant periodic rate of return on the Group's net investment outstanding in respect of the finance lease. Leases, which do not transfer to the lessee substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease collections are recognized as income in the income statement on a straight-line basis over the lease term.

The Group determines whether an arrangement is, or contains a lease based on the substance of the arrangement. It makes an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

2.20 Impairment of Financial Assets

The Group assesses at each statement of condition date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Group about certain loss events, including, among others: significant financial difficulty of the issuer or debtor; a breach of contract, such as a default or delinquency in interest or principal payments; it is probable that the borrower will enter bankruptcy or other financial reorganization; the disappearance of an active market for that financial asset because of financial difficulties; or observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group.

(a) *Assets carried at amortized cost.* The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the Group includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on loans and receivable or held-to-maturity investments carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. When practicable, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e., on the basis of the Group's or BSP's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

Estimates of changes in future cash flows for groups of assets should reflect and be consistent with changes in related observable data from period to period. The methodologies and assumptions used for estimating future cash flows are reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written off, subject to BSP guidelines, against the related allowance for loan impairment. Such loans are written off after all the necessary procedures including approval from the management and the Board, has been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the impairment loss in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in the income statement.

(b) *Assets carried at fair value with changes recognized in equity.* In the case of investments classified as available-for-sale financial assets, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in the income statement. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the income statement.

(c) *Assets carried at cost.* The Group assesses at each statement of condition date whether there is objective evidence that any of the unquoted equity securities and derivative assets linked to and required to be settled in such unquoted equity instruments, which are carried at cost, may be impaired. The amount of impairment loss is the difference between the carrying amount of the equity security and the present value of the estimated future cash flows discounted at the current market rate of return of a similar asset. Impairment losses on assets carried at cost cannot be reversed.

Where possible, the Group seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, the loan is no longer considered past due. Management continuously reviews restructured loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, calculated using the loans original effective interest rate. The difference between the recorded sale of the original loan and the present value of the restructured cash flows, discounted at the original effective interest rate, is recognized as part of Impairment Losses in the income statement.

2.21 *Impairment of Non-financial Assets*

The Group's equity investments, intangible assets (recorded as part of Other Resources), bank premises, furniture, fixtures and equipment and investment properties are subject to impairment testing. Intangible assets with an indefinite useful life or goodwill are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is recognized for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment loss is charged pro-rata to the other assets in the cash generating unit.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

2.22 *Functional Currency and Foreign Currency Transactions*

(a) *Functional and Presentation Currency*

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Philippine peso, which is also the Group's functional and presentation currency. The financial statements of the foreign currency deposit units (FCDUs) of the Bank and foreign subsidiaries are translated at the prevailing current exchange rates (for statement of condition accounts) and average exchange rate during the period (for income statement accounts) for consolidation purposes.

(b) *Transactions and Balances*

The accounting records of the Group are maintained in Philippine pesos except for the FCDUs and foreign subsidiaries which are maintained in U.S. dollars or Euro. An overseas branch, BDO Remittance and Express Padala HK are maintained in Hong Kong dollars. Foreign currency transactions during the period are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

(c) *Translation of Financial Statements of a Foreign Subsidiaries and Overseas Branch*

The operating results and financial position of foreign subsidiaries and overseas branch, which are measured using the U.S. dollar or Euro and Hong Kong dollars, respectively, their foreign currency, are translated to Philippine pesos, the Group's functional currency as follows:

(i) Assets and liabilities are translated at the closing rate at the date of the statement of condition;

(ii) Income and expenses are translated at the monthly average exchange rates (unless this average is not reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and,

(iii) All resulting exchange differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign subsidiaries and overseas branch is taken to equity under Accumulated Translation Adjustment. When a foreign operation is sold, such exchange differences are recognized in the income statements as part of the gain or loss on sale.

The translation of the financial statements into Philippine peso should not be construed as a representation that the U.S. dollar, Euro or Hong Kong dollars amounts could be converted into Philippine peso amounts at the translation rates or at any other rates of exchange.

2.23 *Employee Benefits*

(a) *Retirement Benefit Obligations*

Pension benefits are provided to employees through a defined benefit plan, as well as defined contribution plan.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for any benefits from this kind of pension plan remains with the Group, even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long-term benefit fund, as well as qualifying insurance policies. The Group's defined benefit pension plan covers all regular full-time employees. The pension plan is tax-qualified, noncontributory and administered by a trustee.

The liability recognized in the statement of condition for defined benefit pension plans is the present value of the defined benefit obligation (DBO) at the statement of condition date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The DBO is calculated by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are not recognized as an expense unless the total unrecognized gain or loss exceeds 10% of the greater of the obligation and related plan assets. The amount exceeding this 10% corridor is charged or credited to profit or loss over the employees' expected average remaining working lives. Actuarial gains and losses within the 10% corridor are disclosed separately. Past-service costs are recognized immediately in the income statement, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortized on a straight-line basis over the vesting period.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into an independent entity, such as the Social Security System (SSS). The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognized in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognized if underpayment or prepayment has occurred.

(b) *Termination Benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either: (a) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or (b) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the statement of condition date are discounted to present value.

(c) *Bonus Plans*

The Group recognizes a liability and an expense for bonuses based on the Group's bonus policy. The Group recognizes a provision where it is contractually obliged to pay the benefits.

(d) *Executive Stock Option Plan*

The Group grants stock option plan to its senior officers (from vice-president up) for their contribution to the Group's performance and attainment of team goals. The amount of stock option allocated to the qualified officers is based on the performance of the individual officers as determined by the management and is determined based on the Group's performance in the preceding year and amortized over five years starting from the date of the approval of the Board. The number of officers qualified at the grant date is regularly evaluated during the vesting period (at least annually) and the amount of stock option is adjusted in case there are changes in the number of qualified employees arising from resignation or disqualification. The annual amortization of stock option is shown as part of Employee Benefits in the income statement and the cumulative balance is shown as Common Stock Option in the statement of changes in equity.

(e) *Compensated Absences*

Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the statement of condition date. These are included in Other Liabilities account at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

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2.24 Income Taxes

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the statement of condition date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the period. All changes to current tax assets or liabilities are recognized as a component of tax expense in the income statement.

Deferred tax is provided, using the balance sheet liability method, on temporary differences at the statement of condition date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carryforward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred tax asset can be utilized.

The carrying amount of deferred tax assets is reviewed at each statement of condition date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the statement of condition date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of resources or liabilities that is charged directly to equity are charged or credited directly to equity.

2.25 Earnings Per Share (EPS)

Basic earnings per common share is determined by dividing net income by the weighted average number of common shares subscribed and issued during the period, after retroactive adjustment for any stock dividend declared in the current period.

Diluted earnings per common share is also computed by dividing net income by the weighted average number of common shares subscribed and issued during the period. However, net income attributable to common shares and the weighted average number of common shares outstanding are adjusted to reflect the effects of potentially dilutive convertible loan and stock option plan granted by the Group to the qualified officers. Convertible loan is deemed to have been converted into common shares at the start of the conversion period. The stock option plan is deemed to have been converted into common stock in the year the stock option plan is granted.

2.26 Trust Activities

The Group commonly acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets or income of the Group.

2.27 Subsequent Events

Any post-year-end event that provides additional information about the Group's position at the statement of condition date (adjusting event) is reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material to the financial statements.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The Group's financial statements prepared in accordance with PFRS require management to make judgments and estimates that affect amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Actual results may likely differ from these estimates and the differences could be significant.

3.1 Critical Judgments in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements:

(a) *Held-to-maturity Investments*

The Group follows the guidance of PAS 39, *Financial Instruments: Recognition and Measurement*, in classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgment. In making this judgment, the Group considers its intention and ability to hold such investments to maturity. If the Group fails to keep these investments at maturity (other than for the allowed specific circumstances, for example, selling more than an insignificant amount close to maturity), it will be required to reclassify the entire class to available-for-sale securities. The investments would therefore be measured at fair value and not at amortized cost. However, the tainting provision will not apply if the sales or reclassifications of held-to-maturity investments are so close to maturity or the financial asset's call date that changes in the market rate of interest would not have a significant effect on the financial asset's fair value; occur after the Group has collected substantially all of the financial asset's original principal through scheduled payments or prepayments; or are attributable to an isolated event that is beyond the control of the Group, is nonrecurring and could not have been reasonably anticipated by the Group. If the entire class of held-to-maturity investments is tainted, the fair value would increase by P1,500,378 in the consolidated financial statements and P1,170,410 in the parent company financial statement, with a corresponding entry in the Fair Value Gain on Available-for-sale Securities account in the statement of changes in equity.

(b) *Impairment of Available-for-Sale Financial Assets*

The Group follows the guidance of PAS 39, *Financial Instruments: Recognition and Measurement*, in determining when an investment is permanently impaired. This determination requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

(c) *Distinction Between Investment Properties and Owner-managed Properties*

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generated cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the production and supply of goods and services or for administrative purposes. If these portion can be sold separately (or leased out separately under finance lease), the Group accounts for the portions separately. If the portion cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the production or supply of goods or services of for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

(d) *Operating and Finance Leases*

The Group has entered into various lease agreements either as a lessor or lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risks and rewards of ownership of the properties covered by the agreements.

(e) *Classification of Acquired Properties and Fair Value Determination of Non-current Assets Held for Sale and Investment Property*

The Group classifies its acquired properties as Bank Premises, Furniture, Fixtures and Equipment if used in operations, as Non-current Assets Held-for-sale if the Group expects that the properties will be recovered through sale rather than use, as Investment Property if the Group intends to hold the properties for capital appreciation or as Financial Assets in accordance with PAS 39. At initial recognition, the Group determines the fair value of acquired properties through internally and externally generated appraisal. The appraised value is determined based on the current economic and market conditions as well as the physical condition of the property.

(f) *Provisions and Contingencies*

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and disclosure of contingencies are discussed in Note 2.18 and relevant disclosures are presented in Note 31.

(Amounts in Thousands Except Per Share Data)

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of condition date, that have a significant risk of causing a material adjustment to the carrying amounts of resources and liabilities within the next financial year:

(a) Impairment losses on financial assets (loans and receivables, held-to-maturity investments and available-for-sale securities)

The Group reviews its loans and receivables and held-to-maturity investments portfolios to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from the portfolio before the decrease can be identified with an individual item in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers or issuers in a group, or national or local economic conditions that correlate with defaults on assets in the group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

The Group carries certain financial assets at fair value, which requires the extensive use of accounting estimates and judgment. Significant components of fair value measurement were determined using verifiable objective evidence such as foreign exchange rates, interest rates, volatility rates. However, the amount of changes in fair value would differ if the Group utilized different valuation methods and assumptions. Any change in fair value of these financial assets and liabilities would affect profit and loss and equity.

Provisions for impairment losses amounted to P3,291,982 in 2007, P1,259,202 in 2006 and P1,081,832 in 2005 in the consolidated financial statements and P3,018,939 in 2007, P1,097,335 in 2006 and P1,037,778 in 2005 in the parent company financial statements (see Notes 10, 11 and 12).

(b) Fair Value of Financial Assets and Liabilities

At December 31, 2007, the following table summarizes the carrying amounts and fair values of those financial resources and liabilities not presented in the statement of condition at their fair value.

	Consolidated		Parent Company	
	Cost	Fair Value	Cost	Fair Value
Due from Other Banks and BSP	P 70,150,911	P 70,150,911	P 64,020,451	P 63,971,008
Available-for-Sale Securities – Unquoted	5,779,707	*	1,470,192	*
Held-to-Maturity Investments	67,944,102	69,444,480	62,570,515	63,740,925
Loans and Other Receivables	311,674,939	308,426,740	286,976,275	290,448,319
Deposit Liabilities	445,396,900	435,144,881	425,162,593	415,384,375
Bills Payable	52,483,249	53,053,387	41,589,084	41,282,186
Subordinated Notes Payable	18,631,298	19,037,282	18,631,298	19,037,282

* *not available*

(i) Due from other Banks and BSP

Due from BSP pertains to deposits made by the Group to BSP for clearing and reserve requirements. Due from other banks includes interbank placements and items in the course of collection. The fair value of floating rate placements and overnight deposits is their carrying amount. The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and remaining maturity, which for short term deposits approximates the nominal value.

(ii) Available-for-sale securities

The fair value of available-for-sale securities is determined by direct reference to published price quoted in an active market for traded securities. On the other hand, non-quoted available-for-sale securities are carried at cost because the fair value cannot be reliably determined either by reference to similar financial instruments or through valuation technique.

(iii) Held-to-maturity investments

Fair value for held-to-maturity assets is based on market prices. Where this information is not available, fair value has been estimated using quoted market prices for securities with similar credit, maturity and yield characteristics or through valuation techniques using discounted cash flow analysis.

(iv) Loans and other receivables

Loans and other receivables are net of provisions for impairment. The estimated fair value of loans and receivables represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(v) Deposits and borrowings

The estimated fair value of demand deposits with no stated maturity, which includes non-interest-bearing deposits, is the amount repayable on demand. The estimated fair value of long-term fixed interest-bearing deposits and other borrowings without quoted market price is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

(c) Fair Value of Derivatives

The fair value of derivative financial instruments that are not quoted in an active market are determined through valuation techniques using the net present value computation.

Valuation techniques are used to determine fair values which are validated and periodically reviewed. To the extent practicable, models use observable data, however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions could affect reported fair value of financial instruments. The Group uses judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each statement of condition date.

(d) Useful Life of Bank Premises, Furniture, Fixtures and Equipment and Investment Properties

The Group estimates the useful lives of bank premises, furniture, fixtures and equipment and investment properties based on the period over which the assets are expected to be available for use. The estimated useful lives of bank premises, furniture, fixtures and equipment and investment properties are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of bank premises, furniture, fixtures and equipment and investment properties is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of bank premises, furniture, fixtures and equipment and investment properties would increase recorded operating expenses and decrease bank premises, furniture, fixtures and equipment and investment properties.

(e) Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at each statement of condition date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

(f) Impairment of Non-financial Assets

Except for intangible assets with indefinite useful lives, PFRS requires that an impairment review be performed when certain impairment indicators are present. The Group's policy on estimating the impairment of non-financial assets is discussed in detail in Note 2.21. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Provisions for impairment losses amounted to P826,165 in 2007, P753,525 in 2006 and P85,547 in 2005 in the consolidated financial statements and P786,736 in 2007, P908,731 in 2006 and P138,653 in 2005 in the parent company financial statements (see Notes 14, 15 and 16).

(g) Retirement Benefits

The determination of the Group's obligation and cost of pension and other retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 23 and include, among others, discount rates, expected return on plan assets and salary increase rate. In accordance with PFRS, actual results that differ from the assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded obligation in such future periods.

The retirement benefit asset and net unrecognized actuarial losses amounted to P62,139 and P3,349,477, respectively, in 2007 and P127,282 and P2,306,412, respectively, in 2006 in the consolidated financial statements. In the parent company financial statements, the retirement benefit asset and net unrecognized actuarial losses amounted to P43,795 and P3,264,785, respectively, in 2007 and P73,895 and P2,215,307, respectively, in 2006 (see Note 23).

4. RISK MANAGEMENT

By their nature, the Group's activities are principally related to the use of financial instruments including derivatives. The Group accepts deposits from customers at fixed and floating rates, for various periods, and seeks to earn above-average interest margins by investing these funds in high-quality assets. The Group seeks to increase these margins by consolidating short-term funds and lending for longer periods at higher rates, while maintaining sufficient liquidity to meet all claims that might fall due. The Group also trades in financial instruments where it takes positions in traded and over-the-counter instruments, including derivatives, to take advantage of short-term market movements in equities and bonds and in currency and interest rate prices.

To manage the financial risk for holding financial assets and liabilities, the Group operates an integrated risk management system to address the risks it faces in its banking activities, including liquidity, interest rate, credit and market risks. The Group's risk management objective is to adequately and consistently evaluate, manage, control, and monitor the risk profile of the Group's consolidated statement of condition to optimize the risk-reward balance and maximize return on the Group's capital. The Group's Risk Management Committee (RMC) has overall responsibility for the Group's risk management systems and sets risks management policies across the full range of risks to which the Group is exposed. Specifically, the Group's RMC places trading limits on the level of exposure that can be taken in relation to both overnight and intra-day market positions. With the exception of specific hedging arrangements, foreign exchange and interest rate exposures associated with these derivatives are normally offset by entering into counterbalancing positions, thereby controlling the variability in the net cash amounts required to liquidate market positions.

Within the Group's overall risk management system, Assets and Liabilities Committee (ALCO) is responsible for managing the Group's consolidated statement of condition, including the Group's liquidity, interest rate and foreign exchange related risks. In addition, ALCO formulates investment and financial policies by determining the asset allocation and funding mix strategies that are likely to yield the targeted statement of condition results.

Separately, the Risk Management Group (RMG) is mandated to adequately and consistently evaluate, manage, control, and monitor the over-all risk profile of the Bank's activities across the different risk areas (i.e., credit, market, liquidity, and operational) to optimize the risk-reward balance and maximize return on capital. RMG has responsibility for the setting of risk policies across the full range of risks to which the Group is exposed to.

In the performance of its function, RMG observes the following framework:

- It is responsible for policy formulation in coordination with the relevant businesses/functions and ensures that proper approval for the manuals/policies is obtained from the appropriate body.
- It then disseminates down the approved policies to the relevant businesses/functions after which, pertinent authorities are delegated down to the businesses/functions to guide them in the conduct of their businesses/functions. RMG then performs compliance monitoring and review to ensure approved policies are adhered to.
- It is responsible for clarifying interpretations of risk policies/guidelines raised by the Business Heads/Units.
- When adverse trends are observed in the account/portfolio, RMG is responsible for flagging these trends and ensuring relevant policies for problem accounts/portfolio management are properly applied.
- RMG is responsible for the direct management of accounts in the Group's Non-Performing Loan (NPL)/property-related items in litigations portfolio and ensure that appropriate strategies are formulated to maximize collection and/or recovery of these assets.
- It is also responsible for regular review and monitoring of accounts under their supervision and ensuring that the account's loan classification is assessed timely and accurately.

4.1 Liquidity Risk

Liquidity risk is the risk that there could be insufficient funds available to adequately meet the credit demands of the Group's customers and repay deposits on maturity. The Group manages liquidity risk by holding sufficient liquid assets of appropriate quality to ensure short-term funding requirements are met and by maintaining a balanced loan portfolio which is repriced on a regular basis. In addition, the Group seeks to maintain sufficient liquidity to take advantage of interest rate and exchange rate opportunities when they arise.

The analysis of the maturity groupings of resources, liabilities and off-statement of condition items as of December 31, 2007 in accordance with account classification of the BSP, are presented below (amounts in millions). The amounts disclosed in the maturity analysis are the contractual undiscounted cash flows. Such undiscounted cash flows differ from the amount included in the statement of condition because the statement of condition amount is based on discounted cash flows.

Consolidated

	One to three months	More than three months to one year	More than one year to three years	More than three years	Total
Resources					
Cash	P 18,388	P -	P -	P -	P 18,388
Loans	127,458	39,871	38,136	90,283	295,748
Investments	13,995	6,411	28,759	115,335	164,500
Placements	77,053	249	520	8,256	86,078
Other resources	13	48	-	52,646	52,707
Total Resources	236,907	46,579	67,415	266,520	617,421
Liabilities and Equity					
Deposit liabilities	83,468	21,189	12,253	328,487	445,397
Bills payable	35,820	14,436	5,070	16,829	72,155
Other liabilities	6,931	18,193	1,808	13,437	40,369
Total Liabilities	126,219	53,818	19,131	358,753	557,921
Equity	-	1,702	-	58,838	60,540
Total Liabilities and Equity	126,219	55,520	19,131	417,591	618,461
On-book gap	110,688	(8,941)	48,284	(151,071)	(1,040)
Cumulative on-book gap	110,688	101,747	150,031	(1,040)	-
Contingent Assets	65,251	18,906	2,796	162	87,115
Contingent Liabilities	40,425	16,261	1,027	691	58,404
Off-book Gap	24,826	2,645	1,769	(529)	28,711
Net Periodic Gap	135,514	(6,296)	50,053	(151,600)	(27,671)
Cumulative Total Gap	P 135,514	P 129,218	P 179,271	P 27,671	P -

Parent Company

	One to three months	More than three months to one year	More than one year to three years	More than three years	Total
Resources					
Cash	P 18,133	P -	P -	P -	P 18,133
Loans	124,042	37,137	34,567	75,242	270,988
Investments	11,377	5,665	25,962	104,875	147,879
Placements	71,233	-	520	8,256	80,009
Other resources	-	-	-	60,468	60,468
Total Resources	224,785	42,802	61,049	248,841	577,477
Liabilities and Equity					
Deposit liabilities	79,965	20,236	4,173	320,789	425,163
Bills payable	27,301	13,407	3,735	16,817	61,260
Other liabilities	6,142	18,120	1,808	10,422	36,492
Total Liabilities	113,408	51,763	9,716	348,028	522,915
Equity	-	1,702	-	53,900	55,602
Total Liabilities and Equity	113,408	53,465	9,716	401,928	578,517
On-book gap	111,377	(10,663)	51,333	(153,087)	(1,040)
Cumulative on-book gap	111,377	100,714	152,047	(1,040)	-
Contingent Assets	62,574	16,480	2,388	113	81,555
Contingent Liabilities	39,737	14,053	448	111	54,349
Off-book Gap	22,837	2,427	1,940	2	27,206
Net Periodic Gap	134,214	(8,236)	53,273	(153,085)	(26,166)
Cumulative Total Gap	P 134,214	P 125,978	P 179,251	P 26,166	P -

4.2 Market Risk

The Group's exposure to market risk, the risk of future loss from changes in the price of a financial instrument, relates primarily to its holdings in foreign exchange instruments, debt securities and derivatives. The Group manages its risk by identifying, analyzing and measuring relevant or likely market risks. Market Risk Management recommends market risk limits based on relevant activity indicators for approval by the Group's RMC and BOD.

4.2.1 Foreign Exchange Risk

The Group manages its exposure to effects of fluctuations in the foreign currency exchange rates by maintaining foreign currency exposure within the existing regulatory guidelines and at a level that it believes to be relatively conservative for a financial institution engaged in that type of business.

The Group's net foreign exchange exposure is computed as its foreign currency assets less foreign currency liabilities. BSP regulations impose a cap of 20% of unimpaired capital or U.S.$50 million, whichever is lower, on the consolidated excess foreign exchange holding of banks in the Philippines . The Group's foreign exchange exposure is primarily limited to the day-to-day, over-the-counter buying and selling of foreign exchange in the Group's branches as well as foreign exchange trading with corporate accounts and other financial institutions. The Group, being a major market participant in the Philippine Dealing System, may engage in proprietary trading to take advantage of foreign exchange fluctuations.

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The Group's foreign exchange exposure during the day is guided by the limits set forth in the Group's Risk Management Manual. These limits are within the prescribed ceilings mandated by the BSP. At the end of each day, the Group reports to the BSP on its compliance with the mandated foreign currency exposure limits. In addition, it also reports to the BSP on the respective foreign currency positions of its subsidiaries.

The breakdown of the financial resources and liabilities as to foreign and peso-denominated balances as of December 31, 2007 and 2006 follows:

Consolidated

	2007 Foreign Currency	2007 Peso	2007 Total
Resources:			
Cash and other cash items and Due from BSP	P 9,970,508	P 57,878,615	P 67,849,123
Due from local banks	19,869,053	820,582	20,689,635
Financial assets at FVTPL	8,299,834	12,651,679	20,951,513
Available-for-sale securities	49,289,658	26,314,950	75,604,608
Held-to-maturity investments	48,369,114	19,574,988	67,944,102
Loans and receivables	41,784,989	269,889,950	311,674,939
Other resources	1,824,989	14,013,429	15,838,418
	P 179,408,145	P 401,144,193	P 580,552,338
Liabilities:			
Deposit liabilities	P 116,933,054	P 328,463,846	P 445,396,900
Bills payable	27,578,701	24,904,548	52,483,249
Subordinated notes payable	18,631,298	-	18,631,298
Other liabilities	31,668,227	8,701,174	40,369,401
	P 194,811,280	P 362,069,568	P 556,880,848

	2006 Foreign Currency	2006 Peso	2006 Total
Resources:			
Cash and other cash items and Due from BSP	P 3,509,473	P 56,631,932	P 60,141,405
Due from other banks	10,145,760	2,689,022	12,834,782
Financial assets at FVTPL	11,973,322	18,721,921	30,695,243
Available-for-sale securities	39,712,347	23,811,381	63,523,728
Held-to-maturity investments	35,500,005	49,230,282	84,730,287
Loans and receivables	32,558,830	280,060,125	312,618,955
Other resources	10,805,185	15,534,995	26,340,180
	P 144,204,922	P 446,679,658	P 590,884,580
Liabilities:			
Deposit liabilities	P 147,557,574	P 322,518,661	P 470,076,235
Bills payable	20,091,552	38,412,692	58,504,244
Subordinated notes payable	10,188,430	-	10,188,430
Other liabilities	23,176,001	14,514,277	37,690,278
	P 201,013,557	P 375,445,630	P 576,459,187

Parent Company

	2007		
	Foreign Currency	**Peso**	**Total**
Resources:			
Cash and other cash items and Due from BSP	P 9,357,390	P 56,524,077	P 65,881,467
Due from local banks	15,648,443	624,026	16,272,469
Financial assets at FVTPL	8,235,825	9,383,511	17,619,336
Available-for-sale securities	44,165,541	23,523,950	67,689,491
Held-to-maturity investments	45,901,054	16,669,461	62,570,515
Loans and receivables	41,158,290	245,817,985	286,976,275
Other resources	1,840,566	13,569,145	15,409,711
	P 166,307,109	P 366,112,155	P 532,419,264
Liabilities:			
Deposit liabilities	P 104,961,889	P 320,200,704	P 425,162,593
Bills payable	25,909,086	15,679,998	41,589,084
Subordinated notes payable	8,557,516	10,073,782	18,631,298
Other liabilities	4,894,919	31,597,086	36,492,005
	P 144,323,410	P 377,551,570	P 521,874,980

	2006		
	Foreign Currency	Peso	Total
Resources:			
Cash and other cash items and Due from BSP	P 2,717,738	P 54,584,998	P 57,302,736
Due from other banks	7,521,642	639,793	8,161,435
Financial assets at FVTPL	11,616,037	17,437,007	29,053,044
Available-for-sale securities	34,658,753	20,928,248	55,587,001
Held-to-maturity investments	54,442,174	25,872,263	80,314,437
Loans and receivables	33,244,949	248,248,335	281,493,284
Other resources	3,413,931	21,852,380	25,266,311
	P 147,615,224	P 389,563,024	P 537,178,248
Liabilities:			
Deposit liabilities	P 142,728,000	P 311,540,935	P 454,268,935
Bills payable	16,879,635	23,410,040	40,289,675
Subordinated notes payable	10,188,430	-	10,188,430
Other liabilities	23,023,589	10,154,529	33,178,118
	P 192,819,654	P 345,105,504	P 537,925,158

4.2.2 Interest Rate Risk

The Group prepares gap analysis to measure the sensitivity of its resources, liabilities and off-statement of condition positions to interest rate fluctuations. The focus of analysis is the impact of changes in interest rates on accrual or reported earnings. This analysis would give management a glimpse of maturity and re-pricing profile of its interest sensitive resources and liabilities. An interest rate gap report is prepared by classifying all assets and liabilities into various time buckets according to contracted maturities or anticipated repricing dates, and other applicable behavioral assumptions. The difference in the amount of resources and liabilities maturing or being repriced in any time period category would then give the Group an indication of the extent to which it is exposed to the risk of potential changes in net interest income.

The analyses of the groupings of resources, liabilities and off-statement of condition items as of December 31, 2007 based on the expected interest realization or recognition are presented below (amounts in millions):

Consolidated

	One to Three months	**More than Three months to one year**	**More than one year to five years**	**More than five years**	**Non-rate sensitive**	**Total**
Resources						
Cash	P -	P -	P -	P -	P 18,388	P 18,388
Loans	224,463	33,865	21,450	15,970	-	295,748
Investments	28, 000	11,841	24,110	88,871	11,678	164,500
Placements	22,443	249	107	8,256	55,023	86,078
Other Resources	13	48	-	65	52,581	52,707
Total Resources	274,919	46,003	45,667	113,162	137,670	617,421
Liabilities and Equity						
Deposit Liabilities	167,990	24,706	22,800	6,979	222,922	445,397
Bills payable	36,087	13,735	4,476	16,817	-	71,115
Other Liabilities	153	73	-	133	40,010	40,369
Total Liabilities	204,230	38,514	27,276	23,929	262,932	556,881
Equity	-	-	-	-	60,540	60,540
Total Liabilities and Equity	204,230	38,514	27,276	23,929	323,472	617,421
On-book gap	70,689	7,489	18,391	89,233	(185,802)	-
Cumulative on-book gap	70,689	78,178	96,569	185,802	-	-
Contingent Assets	34,933	4,553	2,893	773	-	43,152
Contingent Liabilities	33,318	4,597	2,708	830	-	41,453
Off-book Gap	1,615	(44)	185	(57)	-	1,699
Net Periodic Gap	72,304	7,445	18,576	89,176	(185,802)	(1,699)
Cumulative Total Gap	P 72,304	P 79,749	P 98,325	P 187,501	P 1,699	P -

Parent Company

	One to Three months	More than Three months to one year	More than one year to five years	More than five years	Non-rate sensitive	Total
Resources						
Cash	P -	P -	P -	P -	P 18,133	P 18,133
Loans	212,846	26,390	18,455	13,297	-	270,988
Investments	26,662	11,072	21,960	77,046	11,139	147,879
Placements	23,314	-	107	8,256	48,332	80,009
Other Resources	-	-	-	-	60,468	60,468
Total Resources	262,822	37,462	40,522	98,599	138,072	577,477
Liabilities and Equity						
Deposit Liabilities	161,678	21,921	16,797	5,084	219,683	425,163
Bills payable	26,436	13,232	3,735	16,817	-	60,220
Other Liabilities	-	-	-	-	36,492	36,492
Total Liabilities	188,114	35,153	20,532	21,901	256,175	521,875
Equity	-	-	-	-	55,602	55,602
Total Liabilities and Equity	188,114	35,153	20,532	21,901	311,777	577,477
On-book gap	74,708	2,309	19,990	76,698	(173,705)	-
Cumulative on-book gap	74,708	77,017	97,007	173,705	-	-
Contingent Assets	30,328	377	2,220	206	-	33,131
Contingent Liabilities	29,380	330	2,028	206	-	31,944
Off-book Gap	948	47	192	-	-	1,187
Net Periodic Gap	75,656	2,356	20,182	76,698	(173,705)	1,187
Cumulative Total Gap	P 75,656	P 78,012	P 98,194	P 174,892	(P 1,187)	P -

The Group's market risk management limits are generally categorized as limits on:

- Value-at-risk – The Risk Management Group (RMG) computes the value-at-risk benchmarked at a level which is a percentage of projected earnings. The Group uses the value at risk (VaR) model to estimate the daily potential loss that the Group can incur from its trading book, based on a number of assumptions with a confidence level of 99%. The measurement is designed such that exceptions over dealing limits should only arise in very exceptional circumstances.

- Stop loss – The RMG sets the amount of each risk-bearing activity at a percentage of the budgeted annual income for such activity.

- Nominal position – The RMG sets the nominal amount of U.S. dollar denominated instruments at the BSP-mandated U.S. dollar overbought position limit.

- Trading volume – The RMG sets the volume of transactions that any employee may execute at various levels based on the rank of the personnel making the risk-bearing decision.

- Earnings-at-risk – The RMG computes the earnings-at-risk based on a percentage of projected annual net interest income.

The Group uses the VaR model to estimate the daily potential loss that the Group can incur from its trading book. VaR is one of the key measures in the Group's management of market risk. VaR is defined as a statistical estimate of the maximum possible loss on a given position during a time horizon within a given confidence interval. The Group uses a 99% confidence level and a 260-day observation period in VaR calculation. The Group's VaR limit is established as a percentage of projected earnings and is used to alert senior management whenever the potential losses in the Group's portfolios exceed tolerable levels. Because the VaR measure is tied to market volatility, it therefore allows management to react quickly and adjust its portfolio strategies in different market conditions in accordance with its risk philosophy and appetite. The VaR model is validated through back-testing.

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Although VaR is an important tool for measuring market risk, the assumptions on which the model is based do give rise to some limitations, including the following:

- A 1-day holding period assumes that it is possible to hedge or dispose of positions within that period. This is considered to be a realistic assumption in almost all cases but may not be the case in situations in which there is severe market illiquidity for a prolonged period.

- A 99 % confidence level does not reflect losses that may occur beyond this level. Even within the model used, there is a one percent probability that losses could exceed the VaR.

- VaR is calculated on an end-of-day basis and does not reflect exposures that may arise on positions during the trading day.

- The use of historical data as a basis for determining the possible range of future outcomes may not always cover all possible scenarios, especially those of an exceptional nature.

- The VaR measure is dependent upon the Bank's position and the volatility of market prices. The VaR of an unchanged position reduces if the market price volatility declines and vice versa.

The limitations of the VaR methodology are recognized by supplementing VaR limits with other position and sensitivity limit structures, including limits to address potential concentration risks within each trading portfolio. In addition, the Bank uses a wide range of stress tests to model the financial impact of a variety of exceptional market scenarios on individual trading portfolios and the Bank's overall position.

Stress VaR is also performed on all portfolios as a complementary measure of risk. While VaR deals with risk during times of normality, stress testing is used to measure the potential effect of a crisis or low probability event.

A summary of the VaR position of the trading portfolios at December 31, 2007 follows (amounts in millions):

Consolidated

	VaR	Stress VaR
Foreign currency risk	(P 3,046)	(P 21,385)
Interest rate risk – Peso	(47,612)	(629,006)
Interest rate risk – USD	(21,260)	(294,317)
Total	(P 71,918)	(P 944,708)

Parent Company

	VaR	Stress VaR
Foreign currency risk	(P 2,743)	(P 20,561)
Interest rate risk – Peso	(37,257)	(591,770)
Interest rate risk – USD	(21,222)	(293,918)
Total	(P 61,222)	(P 906,249)

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The earnings-at-risk before tax in a rising and declining interest rate scenario for financial assets and liabilities repriced during 2007 is shown below:

Consolidated

	Change in interest rates (in basis points)			
	(100)	100	(50)	50
Change on annualized net interest income	(P 779,310)	P 779,310	(P 389,660)	P 389,660
As a percentage of the Bank's net income for 2007	(4.5%)	4.5%	(2.2%)	2.2%
Earnings-at-risk	P 1,036,990			

Parent Company

	Change in interest rates (in basis points)			
	(100)	100	(50)	50
Change on annualized net interest income	(P 847,900)	P 847,900	(P 423,950)	P 423,950
As a percentage of the Bank's net income for 2007	(5.5%)	5.5%	(2.7%)	2.7%
Earnings-at-risk	P 1,073,070			

4.2.3 Price Risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the statement of condition either as available for sale or at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The table below summarises the impact of increases of the financial assets at FVTPL and available-for-sale securities on the Group's 2007 net income after tax for the year and on equity. The analysis is based on the assumption that the equity indices had increased by P17,606 and P51,159 for securities under fair value through profit or loss and available-for-sale securities, respectively, with all other variables held constant and all the Group's equity instruments moved according to the historical correlation with the index:

	Impact on net Income after tax	Impact on other components of equity
Fair value through profit or loss	P 17,606	P -
Available-for-sale	-	51,159
	P 17,606	P 51,159

4.3 Credit Risk

Credit risk is the risk that the counterpart in a transaction may default and arises from lending, trade finance, treasury, derivatives and other activities undertaken by the Group. The Group manages its credit risk and loan portfolio through the RMG, which undertakes several functions with respect to credit risk management.

The RMG undertakes credit analysis and review to ensure consistency in the Group's risk assessment process. The RMG performs risk ratings for corporate accounts and risk scoring for consumer accounts. It also ensures that the Group's credit policies and procedures are adequate to meet the demands of the business. The RMG is also responsible for developing procedures to streamline and expedite the processing of credit applications.

The RMG also undertakes portfolio management by reviewing the Group's loan portfolio, including the portfolio risks associated with particular industry sectors, regions, loan size and maturity, and development of a strategy for the Group to achieve its desired portfolio mix and risk profile.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review. Limits on the level of credit risk by product, industry sector and by country are approved quarterly by the RMC.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits when appropriate. Exposure to credit risk is also managed in part by obtaining collateral and corporate and personal guarantees.

The RMG reviews the Group's loan portfolio in line with the Group's policy of not having significant unwarranted concentrations of exposure to individual counterparties, in accordance with the BSP's prohibitions on maintaining a financial exposure to any single person or group of connected persons in excess of 25% of its net worth.

4.3.1 Exposure to Credit Risk

The following table shows the exposure to credit risk as of December 31, 2007 for each internal risk grade and the related allowance for impairment losses:

Consolidated

	Loans and Receivables	Due from Other Banks	Investment Securities
Carrying Amount	**P 296,350,413**	**P 20,689,635**	**P 164,500,223**
Individually Impaired			
Grade: Unclassified	P -	P -	P 5,530
Grade C: Impaired	11,159,985	-	-
Grade D: Impaired	14,930,542	-	205,707
Grade E: Impaired	4,603,593	-	1,139,016
Grade F: Impaired	6,121,701	-	841,260
Gross Amount	36,815,821	-	2,191,513
Allowance for impairment	(15,067,322)	-	(1,851,790)
Carrying amount	21,748,499	-	339,723
Collectively Impaired			
Grade: Unclassified	11,385,384	-	7,914
Grade C: Impaired	2,187	-	-
Grade D: Impaired	226	-	2,590
Grade E: Impaired	2,103,272	-	-
Grade F: Impaired	114,355	-	-
Gross Amount	13,605,424	-	10,504
Allowance for impairment	(1,650,037)	-	(1,071)
Carrying amount	11,955,387	-	9,433
Past Due But Not Impaired			
Grade: Unclassified	4,232,318	-	485
Grade F: Impaired	15	-	-
Carrying Amount	4,232,333	-	485
Aging of Past Due			
30 to 60 days	2,817,542	-	-
61 to 90 days	557,357	-	58
91 to 180 days	738,061	-	40
More than 180 days	119,373	-	387
Carrying Amount	4,232,333	-	485
Neither Past Due Nor Impaired			
Grade: Unclassified	256,793,502	20,689,635	164,150,582
Accounts with Negotiated Terms	1,620,692	-	-
Total Carrying Amount	P 296,350,413	P 20,689,635	P 164,500,223

Parent Company

		Loans and Receivables		Due from Other Banks		Investment Securities
Carrying Amount	**P**	**275,233,464**	**P**	**16,272,469**	**P**	**147,879,342**
Individually Impaired						
Grade C: Impaired	P	10,832,210	P	-	P	-
Grade D: Impaired		14,625,348		-		170,308
Grade E: Impaired		4,337,212		-		104,957
Grade F: Impaired		5,943,864		-		726,260
Gross Amount		35,738,634		-		1,001,525
Allowance for impairment	(	14,651,931)		-	(	983,826)
Carrying amount		21,086,703		-		17,699
Collectively Impaired						
Grade E: Impaired		2,101,540		-		-
Allowance for impairment	(	1,068,350)		-		-
Carrying amount		1,033,190		-		-
Past Due But Not Impaired						
Grade: Unclassified		4,055,831		-		485
Aging of Past Due						
61 to 90 days		2,815,573		-		58
91 to 180 days		549,452		-		40
More than 180 days		690,806		-		387
Carrying Amount		4,055,831		-		485
Neither Past Due Nor Impaired						
Grade: Unclassified		247,437,048		16,272,469		147,861,158
Accounts with Negotiated Terms		1,620,692		-		-
Total Carrying Amount	P	275,233,464	P	16,272,469	P	147,879,342

Exposure to credit risk also includes unused commercial letters of credit amounting to P25,253,893 and P17,809,908 for 2007 and 2006, respectively, in the consolidated financial statements and P25,251,893 and P17,809,908 for 2007 and 2006, respectively, in the parent company financial statements (see Note 31).

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4.3.2 Collateral Held as Security and Other Credit Enhancements

The Group holds collateral against loans and receivables from customers in the form of mortgage interests over property, other registered securities over assets, and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired. Collateral generally is not held over due from other banks, interbank loans and investment securities, except when securities are held as part of reverse repurchase and securities borrowing activity.

The Group holds collateral against loans and other receivables in the form of property, debt securities, equities and others. An estimate of the fair value of collateral and other security enhancements held against loans and other receivables as of December 31, 2007 is shown below:

Consolidated

Against past due but not impaired		
Property	P	4,757,116
Debt security		6,471
Equity		1,141
Other		727,174
		5,491,902
Against neither past due nor impaired		
Property		175,715,478
Debt security		559,533
Equity		40,374,702
Other		34,588,711
		251,238,424
Total	P	256,730,326

Parent Company

Against past due but not impaired		
Property	P	3,910,190
Debt security		6,471
Equity		1,141
Other		138,029
		4,055,831
Against neither past due nor impaired		
Property		164,941,032
Debt security		446,309
Equity		40,277,096
Other		25,783,997
		231,448,434
Total	P	235,504,265

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4.3.3 Concentrations of Credit Risk

The Bank monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk at the reporting date is shown below:

Consolidated

	Cash and Cash Equivalents	Loans and Receivables	Investment Securities
Concentration by sector:			
Financial intermediaries	P 88,360,383	P 36,877,681	P 53,105,420
Manufacturing	-	69,738,717	625,242
Real estate, renting and business activities	-	19,894,914	2,997,717
Other community, social and personal activities	178,375	170,518,838	109,223,539
	P 88,538,758	P 297,030,150	P 165,951,918
Concentration by location:			
Philippines	P 69,283,757	P 293,178,762	P 119,532,807
Other	19,255,001	3,851,388	46,419,111
	P 88,538,758	P 297,030,150	P 165,951,918

Parent Company

	Cash and Cash Equivalents	Loans and Receivables	Investment Securities
Concentration by sector:			
Financial intermediaries	P 82,153,936	P 35,597,016	P 47,308,429
Manufacturing	-	66,252,014	638,103
Real estate, renting and business activities	-	18,582,944	2,406,399
Other community, social and personal activities	-	154,533,157	98,628,420
	P 82,153,936	P 274,965,131	P 148,981,351
Concentration by location:			
Philippines	P 66,806,310	P 271,789,461	P 105,611,365
Other	15,347,626	3,175,670	43,369,986
	P 82,153,936	P 274,965,131	P 148,981,351

4.4 Operational Risk

Operational risk is the risk of loss due to the Group's:

- failure to comply with defined bank operational procedures;
- inability to address fraud committed internally or externally;
- inability to handle system failures and;
- inability to cope with the impact of external events.

The Group manages its Operational Risks by having policies to minimize its expected losses, allocating capital for the unexpected losses, and having insurance and/or a business continuity plan to prepare for catastrophic losses.

Framework

True to its commitment to sound management and corporate governance, the Bank considers operational risk management as a critical element in the conduct of its business. Under the Group's Operational Risk Management Framework, the BOD is ultimately responsible for providing leadership in the management of risk in the Bank. The business and service unit heads, as risk owners, are responsible for identifying, assessing and limiting the impact of risk in their businesses. The RMG provides the common risk language and management tools across the Bank.

Since 2006, RMG has been conducting workshops with management and their operational risk coordinators to promote risk consciousness, and to instill the discipline of risk self-assessment.

In 2007, the Operational Risk Management (ORM) Policy Manual, which defines the Bank's minimum requirements that must be strictly adhered to by all units within the Group, was officially released to the merged Bank's business and service units and subsidiaries. Alignment of their respective policies to this Manual has been on-going.

The Operational risks are monitored to assess, measure and eventually manage/mitigate risks using appropriate management tools (e.g. identification of key risk indicators and key controls; key controls self-assessment; building of the loss database, etc.).

5. BUSINESS SEGMENTS

For management purposes, the Group is organized into four major business segments, namely commercial banking, investment banking, private banking and others. These are also the basis of the Group in reporting its primary segment information.

1) Commercial banking – handles the entire lending (corporate and consumer), trade financing and cash management services for corporate and retail customers;

2) Investment banking – provides services to corporate clients outside the traditional loan and deposit products. These services include loan syndications, underwriting and placing of debt and equity securities, and financial advisory services;

3) Private banking – provides traditional and non-traditional investment and structured products to high net worth individuals and institutional accounts; and

4) Others – includes asset management, insurance brokerage, realty management, leasing, financing, remittance, accounting service, credit card service and computer service, none of which constitutes a separately reportable segment.

Transactions between the business segments are on normal commercial terms and conditions.

Funds are ordinarily allocated between segments, resulting in funding cost transfers disclosed in operating income. Interest charged for these funds is based on the Group's cost of capital. There are no other material items of income or expense between the business segments.

Segment assets and liabilities comprise operating assets and liabilities including items such as taxation and borrowings.

Internal charges and transfer pricing adjustments have been reflected in the performance of each business. Revenue sharing agreements are used to allocate external customer revenues to a business segment on a reasonable basis.

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Primary segment information (by business segment) as of and for the period ended December 31, 2007 and 2006 follow:

	Commercial Banking	Investment Banking	Private Banking	Others	Eliminations	Consolidated
December 31, 2007						
Interest Income						
External	P 34,492,392	P 300,471	P 1,392,492	P 1,417,951	P -	P 37,603,306
Inter-segment	734,842	18,577	1,906	58,147	(813,472)	-
Total interest income	35,227,234	319,048	1,394,398	1,476,098	(813,472)	37,603,306
Interest Expense						
External	14,911,162	-	948,360	307,052	-	16,166,574
Inter-segment	787,459	2,445	1,427	22,141	(813,472)	-
Total interest expense	15,698,621	2,445	949,787	329,193	(813,472)	16,166,574
Net Interest Income	P 19,528,613	P 316,603	P 444,611	P 1,146,905	P -	P 21,436,732
Investment Banking Fees	P -	P 351,200	P -	P -	P -	P 351,200
Profit for the Period	P 7,803,621	P 607,287	P 459,110	P 686,402	(P 2,986,090)	P 6,570,330
Statement of Condition						
Total resources	P 590,996,158	P 3,501,382	P 24,563,971	P 18,562,799	(P 20,202,834)	P 617,421,476
Total liabilities	P 532,101,958	P 358,239	P 20,991,171	P 11,747,797	(P 8,318,317)	P 556,880,848
December 31, 2006						
Interest Income						
External	P 22,185,329	P 96,190	P 1,463,442	P 464,186	P -	P 24,209,147
Inter-segment	24,701	17,843	1,171	54,042	(97,757)	-
Total interest income	22,210,030	114,033	1,464,613	518,228	(97,757)	24,209,147
Interest Expense						
External	11,970,975	818	966,972	195,363	-	13,134,128
Inter-segment	76,774	2,549	1,092	17,342	(97,757)	-
Total interest expense	12,047,749	3,367	968,064	212,705	(97,757)	13,134,128
Net Interest Income	P 10,162,281	P 110,666	P 496,549	P 305,523	P -	P 11,075,019
Investment Banking Fees	P -	P 214,825	P -	P -	P -	P 214,825
Profit for the Period	P 3,589,740	P 170,127	P 457,088	(P 353,570)	P 126,491	P 3,989,876
Statement of Condition						
Total resources	P 610,043,687	P 9,779,566	P 22,171,071	P 4,520,931	(P 17,634,985)	P 628,880,270
Total liabilities	P 544,729,176	P 5,984,383	P 18,348,860	P 4,776,623	P 2,620,145	P 576,459,187

6. FINANCIAL ASSETS AND LIABILITIES

These consist of the following:

Consolidated

	Classes			
	At Amortized Cost	At Fair Value	Carrying Amount	Fair Value
Financial Assets:				
Cash and cash equivalents	P -	P 18,387,847	P 18,387,847	P 18,387,847
Due from BSP	-	49,461,276	49,461,276	49,461,276
Due from other banks	-	20,689,635	20,689,635	20,689,635
Financial assets at FVTPL	-	20,951,513	20,951,513	20,951,513
Available-for-sale securities	-	75,604,608	75,604,608	75,604,608
Held-to-maturity investments	67,944,102	-	67,944,102	69,444,480
Loans and other receivables	311,674,939	-	311,674,939	308,426,740
	P 379,619,041	P 185,094,879	P 564,713,920	P 562,966,099
Financial Liabilities:				
Deposit liabilities	P 445,396,900	P -	P 445,396,900	P 435,144,881
Bills payable	52,483,249	-	52,483,249	53,053,387
Subordinated loans payable	18,631,298	-	18,631,298	19,037,282
Other liabilities	40,369,401	-	40,369,401	40,369,401
	P 556,880,848	P -	P 556,880,848	P 547,604,951

Parent Company

	At Amortized Cost	At Fair Value	Carrying Amount	Fair Value
Financial Assets:				
Cash and cash equivalents	P -	P 18,133,485	P 18,133,485	P 18,133,485
Due from BSP	-	47,747,982	47,747,982	47,698,539
Due from other banks	-	16,272,469	16,272,469	16,272,469
Financial assets at FVTPL	-	17,619,336	17,619,336	17,619,336
Available-for-sale securities	-	67,689,491	67,689,491	67,689,491
Held-to-maturity investments	62,570,515	-	62,570,515	63,740,925
Loans and other receivables	286,976,275	-	286,976,275	290,448,319
	P 349,546,790	P 167,462,763	P 517,009,553	P 521,602,564
Financial Liabilities:				
Deposit liabilities	P 425,162,593	P -	P 425,162,593	P 415,384,375
Bills payable	41,589,084	-	41,589,084	41,282,186
Subordinated loans payable	18,631,298	-	18,631,298	19,037,282
Other liabilities	36,492,005	-	36,492,005	36,492,005
	P 521,874,980	P -	P 521,874,980	P 512,195,848

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7. CASH AND BALANCES WITH THE BSP

These accounts are composed of the following:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Cash and other cash items	**P 18,387,847**	P 17,905,035	**P 18,133,485**	P 17,679,205
Due from BSP				
Mandatory reserves	**41,825,598**	38,759,901	**40,939,808**	37,801,071
Other than mandatory reserves	**7,635,678**	3,476,469	**6,808,174**	1,822,460
	49,461,276	42,236,370	**47,747,982**	39,623,531
	P 67,849,123	P 60,141,405	**P 65,881,467**	P 57,302,736

Mandatory reserves represent the balance of the deposit account maintained with the BSP to meet reserve requirements and to serve as clearing account for interbank claims. Due from BSP bears annual interest rates ranging from 3.0% to 5.7% for 2007, 2006 and 2005, except for the amounts within the required reserve as determined by BSP. Total interest income earned amounted to P1,333,559, P544,223, and P120,681 for 2007, 2006 and 2005, respectively, in the consolidated financial statements and P1,001,665, P534,826, and P118,793 for 2007, 2006 and 2005, respectively, in the parent company financial statements (see Note 26).

Cash and balances with the BSP are included in cash and cash equivalents for cash flow statement purposes.

Under Section 254 of the Manual of Regulations for Banks (MORB), a bank is required to maintain at least 25 percent of its reserve requirements in the form of deposits with the BSP as among the allowable instruments for reserve cover. Section 254.1 of the MORB further provides that such deposit account with the BSP is not considered as a regular current account as BSP checks for drawings against such deposits shall be limited to (a) settlement of obligations with the BSP, and (b) withdrawals to meet cash requirements.

8. DUE FROM OTHER BANKS

The balance of this account represents regular deposits with the following:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Foreign banks	**P 18,836,797**	P 9,334,784	**P 14,707,933**	P 6,953,598
Local banks	**1,852,838**	3,499,998	**1,564,536**	1,207,837
	P 20,689,635	P 12,834,782	**P 16,272,469**	P 8,161,435

The breakdown of the account as to currency follows:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
U.S. dollar	**P 17,967,144**	P 8,326,977	**P 14,393,104**	P 6,264,055
Other currencies	**1,901,909**	1,818,783	**1,255,339**	1,257,587
Peso	**820,582**	2,689,022	**624,026**	639,793
	P 20,689,635	P 12,834,782	**P 16,272,469**	P 8,161,435

Interest rates on these deposits range from 0% to 4.8% per annum in 2007, 0% to 5.9% per annum in 2006 and 1% to 6% per annum in 2005 in the consolidated financial statements and 0% to 4.8% per annum in 2007, 0% to 5% per annum in 2006 and 1% to 4% per annum in 2005 in the parent company financial statements.

Due from other banks are included in cash and cash equivalents for cash flow statement purposes.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This account is composed of the following:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Government bonds	**P 12,903,136**	P 5,551,159	**P 10,674,051**	P 4,523,149
Derivative financial assets	**4,563,673**	2,580,675	**3,915,281**	2,069,220
Other debt securities	**3,030,297**	22,468,658	**3,030,004**	22,460,675
	20,497,106	30,600,492	**17,619,336**	29,053,044
Equity securities - listed	**454,407**	94,751	**-**	-
	P 20,951,513	P 30,695,243	**P 17,619,336**	P 29,053,044

All financial assets at FVTPL are held for trading. For government bonds and other debt securities, the amounts presented have been determined directly by reference to published price quoted in an active market. On the other hand, the fair value of derivative financial assets is determined through valuation technique using net present value of future cash flows method. The Group recognized fair value gain (loss) on financial assets at FVTPL amounting to (P779,013), P275,217 and P174,326 in 2007, 2006 and 2005, respectively, in the consolidated financial statements and (P791,881), P157,056 and P169,019 in 2007, 2006 and 2005, respectively, in the parent company financial statements which were included as part of Trading Gain in the income statements.

Foreign currency-denominated securities amounted to P8,299,834 in 2007 and P11,973,322 in 2006 in the consolidated financial statements and P8,235,825 in 2007 and P11,616,037 in 2006 in the parent company financial statements.

Derivative instruments used by the Group include foreign currency and interest rate forwards/futures, foreign currency and interest rate swaps, and embedded credit default swaps bifurcated from credit-linked notes or deposits. Foreign currency and interest rate forwards/futures represent commitments to purchase/sell or are contractual obligations to receive or pay a new amount based on changes in currency rates or interest rates on a future date at a specified price. Foreign currency and interest rate swaps are commitments to exchange one set of cash flows for another. The credit default swaps represent commitment of the counterparty to swap the note and deposit with high yielding securities upon the occurrence of the reference event by the reference entity.

The aggregate contractual or notional amount of derivative financial instruments and the total fair values of derivative financial assets and liabilities are set out below:

Consolidated

		Notional Amount		Fair Values Assets		Fair Values Liabilities
December 31, 2007						
Currency forwards/futures	P	132,578,639	P	3,349,874	P	2,922,600
Credit linked notes (see Note 10)		12,495,704		123,708		229,393
Interest rate swaps		4,004,100		436,151		492,340
Currency swaps		1,571,845		645,828		130,321
Credit default swap		4,157,450		8,112		69,376
	P	154,807,738	P	4,563,673	P	3,844,030
December 31, 2006						
Currency forwards/futures	P	96,547,713	P	973,056	P	725,531
Credit linked notes (see Note 10)		19,418,989		554,135		124,623
Interest rate swaps		4,007,250		520,977		545,484
Currency swaps		1,420,686		531,400		205,872
Credit default swaps		3,514,950		1,107		132,391
	P	124,909,588	P	2,580,675	P	1,733,901

Parent Company

		Notional Amount		Fair Values Assets		Fair Values Liabilities
December 31, 2007:						
Currency forwards/futures	P	132,467,716	P	3,040,627	P	2,533,831
Credit linked notes (see Note 10)		12,495,704		123,708		229,393
Interest rate swaps		2,539,100		263,900		346,819
Currency swaps		1,117,000		486,957		97,779
Credit default swap		1,068,750		89		3,232
	P	149,688,270	P	3,915,281	P	3,211,054
December 31, 2006:						
Currency forwards/futures	P	96,388,702	P	791,038	P	696,970
Credit linked notes (see Note 10)		17,702,940		518,918		115,960
Interest rate swaps		1,632,100		381,675		469,049
Currency swaps		1,318,753		377,589		123,820
	P	117,042,495	P	2,069,220	P	1,405,799

The fair value gain recognized as part of Trading Gain in the income statements and determined using valuation technique amounted to P883,342, P1,177,270 and P635,441 in 2007, 2006 and 2005, respectively, in the consolidated financial statements and P875,339, P1,221,985 and P472,889 in 2007, 2006 and 2005, respectively, in the parent company financial statements representing changes in value of the derivative financial assets and liabilities of the Group (see Note 26).

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10. AVAILABLE-FOR-SALE SECURITIES

The Group's available-for-sale securities consist of the following:

		Consolidated 2007		Consolidated 2006		Parent Company 2007		Parent Company 2006
Government debt securities	**P**	**47,877,324**	P	38,851,313	**P**	**45,165,306**	P	39,483,119
Other debt securities								
Quoted		**22,026,696**		20,667,995		**21,195,877**		14,302,288
Not Quoted		**3,291,521**		1,141,060		**-**		-
Equity securities								
Quoted		**528,750**		1,606,824		**116,299**		961,686
Not Quoted		**2,488,186**		2,402,428		**1,470,192**		942,025
		76,212,477		64,669,620		**67,947,674**		55,689,118
Allowance for impairment losses (see Note 16)	**(**	**607,869)**	(	1,145,892)	**(**	**258,183)**	(	102,117)
Net	**P**	**75,604,608**	P	63,523,728	**P**	**67,689,491**	P	55,587,001

As to currency, this account is composed of the following:

		Consolidated 2007		Consolidated 2006		Parent Company 2007		Parent Company 2006
Foreign currency	**P**	**49,289,658**	P	39,712,347	**P**	**44,165,541**	P	34,658,753
Peso		**26,314,950**		23,811,381		**23,523,950**		20,928,248
	P	**75,604,608**	P	63,523,728	**P**	**67,689,491**	P	55,587,001

Government and other debt securities issued by resident and non-resident corporations earn interest at 4.2% to 18% per annum in 2007, 4.2% to 22.9% per annum in 2006 and 3.1% to 16.5% per annum in 2005 in the consolidated financial statements and 5.2% to 18% per annum in 2007, 4.2% to 22.9% per annum in 2006 and 5.4% to 16% per annum in 2005 in the parent company financial statements.

Other debt securities include the host contract of credit-linked notes (CLN) while the embedded derivatives were bifurcated and presented separately from the CLN (see Note 9). A CLN is an instrument under which the issuer issues a note to the investor whereby both parties agree that in the occurrence of a credit event in relation to the reference entity, the CLN accelerates and the investor is delivered the defaulted asset of the reference entity, or paid a net settlement amount equal to the market price of the defaulted asset or reference obligation adjusted for any transaction unwind costs.

Unquoted equity securities include investments in Viage Corporation and Presage acquired by BDO Capital with another company as co-investor. In 2007, BDO Capital invested P82,100 in Presage representing 65% of its outstanding shares, with another entity as co-investor. Investment in Viage amounting to P38,000, also representing 65.5% of its outstanding shares was acquired by BDO Capital on August 14, 2006, together with the same co-investor in Presage.

The investments in Presage and Viage, carry a put option giving BDO Capital the right at its discretion to compel its co-investor to buy, or arrange for a third party to buy, all or part of its shares in Viage and Presage. Moreover, in the event of a sale by the co-investor of all its equity interest to third party, the co-investor has the right to compel BDO Capital to sell its shares to the same buyer.

The fair values of government debt and quoted available-for-sale securities (other debt securities and equity shares) have been determined directly by reference to published price generated in an active market. For unquoted available-for-sale securities, the fair value is not reliably determinable either by reference to similar financial instruments or through valuation technique using the net present value of the future cash flows. Accordingly, unquoted available-for-sale securities are carried at cost.

Total fair value gain (loss) on the balance of available-for-sale securities amounted to (P684,303), P1,179,598 and P1,158,411 in 2007, 2006 and 2005, respectively, in the consolidated financial statements and (P251,110), P1,052,300 and P834,210 in 2007, 2006 and 2005, respectively, in the parent company financial statements (see Note 26).

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11. HELD-TO-MATURITY INVESTMENTS

The balance of this account is composed of the following:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Government debt securities	**P 43,864,184**	P 63,414,960	**P 38,826,868**	P 60,927,669
Other debt securities :				
Listed	**6,876,605**	13,436,284	**6,540,335**	12,285,887
Nonlisted	**18,047,139**	9,004,021	**18,047,138**	8,228,624
	68,787,928	85,855,265	**63,414,341**	81,442,180
Allowance for impairment losses (see Note 16)	**(843,826)**	(1,124,978)	**(843,826)**	(1,127,743)
Net	**P 67,944,102**	P 84,730,287	**P 62,570,515**	P 80,314,437

Other debt securities include investments in a sinking fund setup by the Bank as required by BSP in connection with the Bank's redemption of the preferred shares it issued to SM Prime Holdings, Inc. (SMPHI) at the original issue price five years from the date of issue (see Note 18). The carrying balance of the sinking fund as of December 31, 2007 and 2006 amounted to P1,357,083 and P1,084,024, respectively, both in the parent company and consolidated financial statements.

Also, certain government securities are deposited with BSP as security for the Bank's faithful compliance of its fiduciary obligations in connection with the Bank's trust operations (see Note 25).

As to currency, this account is composed of the following:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Foreign currency	**P 48,369,114**	P 35,500,005	**P 45,901,054**	P 54,442,174
Peso	**19,574,988**	49,230,282	**16,669,461**	25,872,263
	P 67,944,102	P 84,730,287	**P 62,570,515**	P 80,314,437

The maturity profile of this account is presented below:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Less than one year	**P 6,526,508**	P 14,239,705	**P 5,702,249**	P 13,851,326
One to five years	**37,841,571**	48,746,742	**35,721,017**	30,887,386
Beyond five years	**23,576,023**	21,743,840	**21,147,249**	35,575,725
	P 67,944,102	P 84,730,287	**P 62,570,515**	P 80,314,437

Changes in the held-to-maturity account are summarized below:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Balance at beginning of year	**P 84,730,287**	P 66,112,962	**P 80,314,437**	P 63,166,188
Additions	**76,518,139**	127,562,324	**73,517,709**	125,651,600
Maturities	**(81,265,398)**	(105,839,715)	**(79,429,608)**	(105,503,997)
Foreign currency revaluation	**(12,038,926)**	(2,961,986)	**(11,832,023)**	(2,856,056)
Impairment during the year	**-**	(143,298)	**-**	(143,298)
	P 67,944,102	P 84,730,287	**P 62,570,515**	P 80,314,437

The fair values of the held-to-maturity investments are as follows:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Government debt securities	**P 45,994,312**	P 68,386,666	**P 40,646,262**	P 64,315,630
Other debt securities	**23,450,168**	18,248,109	**23,094,663**	17,551,745
	P 69,444,480	P 86,634,775	**P 63,740,925**	P 81,867,375

The fair value is determined through valuation techniques by determining the net present value of estimated future cash flows. Interest rates on these investments range from 0.9% to 18% per annum in 2007, 4% to 18% per annum in 2006 and 4% to 16.5% per annum in 2005 both in the consolidated and parent company financial statements.

12. LOANS AND OTHER RECEIVABLES

This account consists of the following:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Receivables from customers				
Loans and discounts	**P 239,232,877**	P 212,739,255	**P 218,045,762**	P 186,653,213
Customers' liabilities under letters of credit and trust receipts	**28,861,108**	27,393,035	**28,861,108**	27,393,035
Bills purchased	**16,891,879**	14,684,213	**16,858,137**	14,659,226
Others	**12,044,286**	3,138,436	**11,200,124**	2,837,888
	297,030,150	257,954,939	**274,965,131**	231,543,362
Allowance for impairment losses (see Note 16)	**(16,606,495)**	(15,193,617)	**(15,720,281)**	(13,803,942)
Net	**280,423,655**	242,761,322	**259,244,850**	217,739,420
Other receivables:				
Interbank loans receivables	**15,926,758**	48,686,402	**15,988,614**	48,846,402
SPURRA	**8,952,219**	16,818,694	**4,502,625**	10,365,729
Accounts receivables	**6,185,926**	3,717,994	**6,735,866**	3,971,675
Sales contract receivables	**1,959,794**	2,090,338	**1,881,926**	1,983,522
Others	**164,599**	4,545	**64,705**	-
	33,189,296	71,317,973	**29,173,736**	65,167,328
Allowance for impairment losses (see Note 16)	**(1,938,012)**	(1,460,340)	**(1,442,311)**	(1,413,464)
Net	**31,251,284**	69,857,633	**27,731,425**	63,753,864
	P 311,674,939	P 312,618,955	**P 286,976,275**	P 281,493,284

Interbank loans receivables include the host contract of credit-linked deposits (CLD) while the embedded credit default swaps were bifurcated and presented separately from the CLD. A CLD is an instrument under which the issuer/deposit-taker issues a certificate of deposit to the investor wherein both parties agreed that in the occurrence of a credit event in relation to the reference entity, the CLD accelerates and the depositor is delivered the defaulted asset of the reference entity, or paid a net settlement amount equal to the market price of the defaulted asset or reference obligation adjusted for any transaction unwind costs.

Included in these accounts are nonaccruing loans amounting to P24,550,908 in 2007 and P17,870,673 in 2006 in the consolidated financial statements and P21,815,733 in 2007 and P16,424,929 in 2006 in the parent company financial statements.

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The Bank's concentration of credit as to industry follows:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Manufacturing (various industries)	**P 67,762,653**	P 71,086,143	**P 66,252,014**	P 67,817,128
Wholesale and retail trade	**44,785,252**	46,715,489	**42,950,742**	44,575,196
Other community, social and personal activities	**36,455,031**	25,456,050	**35,192,331**	16,297,540
Financial intermediaries	**36,326,281**	27,584,381	**35,597,016**	31,674,075
Real estate, renting and other related activities	**23,893,265**	19,579,336	**18,582,945**	18,610,666
Transportation and communication	**15,322,038**	13,473,891	**13,530,861**	11,726,977
Agriculture, fishing and forestry	**3,728,232**	4,415,152	**3,618,182**	4,245,679
Others	**68,757,398**	49,644,497	**59,241,040**	36,596,101
	P 297,030,150	P 257,954,939	**P 274,965,131**	P 231,543,362

The breakdown of total loans as to secured and unsecured follows:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Secured:				
Real estate mortgage	**P 61,779,114**	P 56,674,075	**P 55,027,964**	P 46,425,659
Chattel mortgage	**19,695,515**	13,505,101	**9,694,874**	7,215,156
Other securities	**40,181,986**	49,190,700	**39,920,659**	49,106,648
	121,656,615	119,369,876	**104,643,497**	102,747,463
Unsecured	**175,373,535**	138,585,063	**170,321,634**	128,795,899
	P 297,030,150	P 257,954,939	**P 274,965,131**	P 231,543,362

The breakdown of total loans as to type of interest rate follows:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Variable interest rates	**P 197,730,250**	P 144,199,869	**P 189,677,588**	P 142,098,367
Fixed interest rates	**99,299,900**	113,755,070	**85,287,543**	89,444,995
	P 297,030,150	P 257,954,939	**P 274,965,131**	P 231,543,362

Loans and other receivables bear interest rates of 1.1% to 41.7% per annum in 2007 and 1.5% to 58.6% per annum in 2006 and 1.0 % to 27.8 % per annum in 2005 in the consolidated and parent company financial statements.

The Bank's receivables from customers amounting to P256,518 and P1,028,759 as of December 31, 2007 and 2006, respectively, were pledged as collaterals with the BSP to secure borrowings under rediscounting privileges. In addition, receivables from customers amounting to P171,814 and P222,468 as of December 31, 2007 and 2006, respectively, have been rediscounted under the Development Bank of the Philippines, Land Bank of the Philippines and SSS rediscounting facilities.

13. BANK PREMISES, FURNITURE, FIXTURES AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and impairment at the beginning and end of 2007 and 2006 are shown below:

Consolidated

	Land	Buildings	Leasehold Rights and Improvements	Furniture, Fixtures and Equipment	Total
December 31, 2007					
Cost	P 4,877,578	P 4,481,677	P 1,452,893	P 12,523,688	P 23,335,836
Accumulated depreciation and amortization	-	(1,618,868)	(577,990)	(9,707,581)	(11,904,439)
Net carrying amount	**P 4,877,578**	**P 2,862,809**	**P 874,903**	**P 2,816,107**	**P 11,431,397**
December 31, 2006					
Cost	P 4,889,924	P 4,143,464	P 1,032,847	P 11,324,414	P 21,390,649
Accumulated depreciation and amortization	-	(1,347,897)	(323,291)	(8,321,331)	(9,992,519)
Net carrying amount	P 4,889,924	P 2,795,567	P 709,556	P 3,003,083	P 11,398,130

Parent Company

	Land	Buildings	Leasehold Rights and Improvements	Furniture, Fixtures and Equipment	Total
December 31, 2007					
Cost	P 4,870,025	P 4,188,235	P 1,146,273	P 9,981,772	P 20,186,305
Accumulated depreciation and amortization	-	(1,391,086)	(406,284)	(7,555,855)	(9,353,225)
Net carrying amount	**P 4,870,025**	**P 2,797,149**	**P 739,989**	**P 2,425,917**	**P 10,833,080**
December 31, 2006					
Cost	P 4,883,484	P 3,960,122	P 817,287	P 8,914,504	P 18,575,397
Accumulated depreciation and amortization	-	(1,264,472)	(229,650)	(6,496,929)	(7,991,051)
Net carrying amount	P 4,883,484	P 2,695,650	P 587,637	P 2,417,575	P 10,584,346

A reconciliation of the carrying amounts at the beginning and end of 2007 and 2006, of bank premises, furniture, fixtures and equipment is shown below:

Consolidated

	Land	Buildings	Leasehold Rights and Improvements	Furniture, Fixtures and Equipment	Total
Balance at January 1, 2007, net of accumulated depreciation and amortization	P 4,889,924	P 2,795,567	P 709,556	P 3,003,083	P 11,398,130
Additions	1,166	361,825	471,135	2,139,807	2,973,933
Disposals	(13,512)	(23,612)	(51,089)	(940,533)	(1,028,746)
Depreciation and amortization charges for the year	-	(270,971)	(254,699)	(1,386,250)	(1,911,920)
Balance at December 31, 2007, net of accumulated depreciation and amortization	**P 4,877,578**	**P 2,862,809**	**P 874,903**	**P 2,816,107**	**P 11,431,397**
Balance at January 1, 2006, net of accumulated depreciation and amortization	P 4,977,805	P 2,193,139	P 644,044	P 3,926,980	P 11,741,968
Additions	-	901,419	307,284	1,438,736	2,647,439
Disposals	(87,881)	(162,556)	(8,381)	(401,809)	(660,627)
Depreciation and amortization charges for the year	-	(136,435)	(233,391)	(1,960,824)	(2,330,650)
Balance at December 31, 2006, net of accumulated depreciation and amortization	P 4,889,924	P 2,795,567	P 709,556	P 3,003,083	P 11,398,130

Parent Company

	Land	Buildings	Leasehold Rights and Improvements	Furniture, Fixtures and Equipment	Total
Balance at January 1, 2007, net of accumulated depreciation and amortization	P 4,883,484	P 2,695,650	P 587,637	P 2,417,575	P 10,584,346
Additions	-	350,690	448,502	1,685,260	2,484,452
Disposals	(13,459)	(122,577)	(119,515)	(617,993)	(873,544)
Depreciation and amortization charges for the year	-	(126,614)	(176,635)	(1,058,925)	(1,362,174)
Balance at December 31, 2007, net of accumulated depreciation and amortization	**P 4,870,025**	**P 2,797,149**	**P 739,989**	**P 2,425,917**	**P 10,833,080**
Balance at January 1, 2006, net of accumulated depreciation and amortization	P 4,883,484	P 1,978,288	P 513,086	P 3,358,384	P 10,733,243
Additions	-	112,949	258,741	1,025,293	1,396,983
Disposals	-	(14,239)	(3,571)	(312,619)	(330,429)
Reclassification	-	749,186	-	-	749,186
Depreciation and amortization charges for the year	-	(130,534)	(180,619)	(1,653,483)	(1,964,637)
Balance at December 31, 2006, net of accumulated depreciation and amortization	P 4,883,484	P 2,695,650	P 587,637	P 2,417,575	P 10,584,346

Under BSP rules, investments in bank premises, furniture, fixtures and equipment should not exceed 50% of a bank's unimpaired capital. As of December 31, 2007 and 2006, the Bank has satisfactorily complied with this requirement.

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14. INVESTMENT PROPERTIES

Investment properties include land and buildings held for capital appreciation and for rental. No income or loss or direct operating expenses were recognized during the reporting periods presented.

The gross carrying amounts and accumulated depreciation and impairment at the beginning and end of 2007 and 2006 are shown below:

Consolidated

	Land	Buildings	Total
December 31, 2007			
Cost	P 15,107,247	P 5,359,522	P 20,466,769
Accumulated depreciation	-	(1,236,494)	(1,236,494)
Accumulated impairment (See Note 16)	(1,056,707)	(22,853)	(1,079,560)
Net carrying amount	**P 14,050,540**	**P 4,100,175**	**P 18,150,715**
December 31, 2006			
Cost	P 14,106,760	P 5,793,060	P 19,899,820
Accumulated depreciation	-	(1,012,919)	(1,012,919)
Accumulated impairment (See Note 16)	(364,833)	(701)	(365,534)
Net carrying amount	P 13,741,927	P 4,779,440	P 18,521,367

Parent Company

	Land	Buildings	Total
December 31, 2007			
Cost	P 13,604,124	P 4,781,552	P 18,385,676
Accumulated depreciation	-	(1,148,427)	(1,148,427)
Accumulated impairment (See Note 16)	(1,051,154)	-	(1,051,154)
Net carrying amount	**P 12,552,970**	**P 3,633,125**	**P 16,186,095**
December 31, 2006			
Cost	P 12,615,707	P 5,291,802	P 17,907,509
Accumulated depreciation	-	(952,030)	(952,030)
Accumulated impairment (See Note 16)	(359,872)	-	(359,872)
Net carrying amount	P 12,255,835	P 4,339,773	P 16,595,608

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A reconciliation of the carrying amounts at the beginning and end of 2007 and 2006, of investment property is shown below:

Consolidated

		Land		Buildings		Total
Balance at January 1, 2007, net of accumulated depreciation and impairment	P	13,741,927	P	4,779,440	P	18,521,367
Additions		2,482,609		1,128,865		3,611,474
Disposals	(	1,482,122)	(	1,562,403)	(	3,044,525)
Impairment for the year	(	691,874)		-	(	691,874)
Depreciation for the year		-	(	245,727)	(	245,727)
Balance at December 31, 2007, net of accumulated depreciation and impairment	**P**	**14,050,540**	**P**	**4,100,175**	**P**	**18,150,715**
Balance at January 1, 2006, net of accumulated depreciation and impairment	P	14,046,283	P	5,351,669	P	19,490,286
Additions		661,385		294,380		955,765
Disposals	(	934,963)	(	636,777)	(	1,571,740)
Impairment for the year	(	30,778)		-	(	123,112)
Depreciation for the year		-	(	229,832)	(	229,832)
Balance at December 31, 2006, net of accumulated depreciation and impairment	P	13,741,927	P	4,779,440	P	18,521,367

Parent Company

		Land		Buildings		Total
Balance at January 1, 2007, net of accumulated depreciation and impairment	P	12,255,835	P	4,339,773	P	16,595,608
Additions		2,399,619		1,024,693		3,424,312
Disposals	(	1,411,202)	(	1,534,943)	(	2,946,145)
Impairment for the year	(	691,282)		-	(	691,282)
Depreciation for the year		-	(	196,398)	(	196,398)
Balance at December 31, 2007, net of accumulated depreciation and impairment	**P**	**12,552,970**	**P**	**3,633,125**	**P**	**16,186,095**
Balance at January 1, 2006, net of accumulated depreciation and impairment	P	12,544,926	P	4,943,624	P	17,488,550
Additions		601,943		159,842		761,785
Disposals	(	860,256)	(	566,340)	(	1,426,596)
Impairment for the year	(	30,778)		-	(	30,778)
Depreciation for the year		-	(	197,353)	(	197,353)
Balance at December 31, 2006, net of accumulated depreciation and impairment	P	12,255,835	P	4,339,773	P	16,595,608

The fair value of investment properties as of December 31, 2007 and 2006, determined based on the present value of the estimated future cash flows discounted at the current market rate, amounted to P19,060,606 and P19,791,902, respectively, in the consolidated financial statements and P16,678,854 and P16,891,902 in the parent company financial statements.

Real and other properties acquired (ROPA) in settlement of loans through foreclosure or dation in payment is accounted for as financial assets, investment properties, non-current assets held-for-sale and other assets. As of December 31, 2007 and 2006, ROPA gross of allowance comprise of the following:

	Consolidated				Parent Company			
		2007		2006		**2007**		2006
Available-for-sale securities	**P**	**1,048,961**	P	462,269	**P**	**1,048,961**	P	462,269
Investment properties		**16,203,405**		15,149,024		**15,232,029**		14,198,252
Non-current assets held-for-sale		**1,586,347**		4,201,355		**1,562,641**		4,162,080
Other assets		**27,614**		25,348		**-**		-
Total	**P**	**18,866,327**	P	19,837,996	**P**	**17,843,631**	P	18,822,601

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15. EQUITY INVESTMENTS

Equity investments consist of the following:

	Consolidated			Parent Company		
	% Interest Held	**2007**	2006	% Interest Held	**2007**	2006
Philippine Subsidiaries:						
Equitable Saving Bank, Inc. (ESB)	100%	**P -**	P -	100%	**P 2,981,049**	P 2,981,049
BDO Private Bank, Inc. (BDO Private)	100%	**-**	-	100%	**2,579,460**	2,579,460
PCI Leasing and Finance, Inc.	85%	**-**	-	85%	**1,854,073**	1,854,073
PCI Capital Corporation (PCI Capital)	100%	**-**	-	100%	**1,719,483**	1,719,483
EBC Strategic Holdings Corporation (ESHC)	100%	**-**	-	100%	**1,420,850**	1,420,850
EBC Investments, Inc. (EBCII)	100%	**-**	-	100%	**953,225**	1,203,225
PCIB Properties, Inc.	100%	**-**	-	100%	**891,692**	891,692
American Express Bank Philippines (A Savings Bank), Inc. (AEBP)	100%	**-**	-	100%	**677,087**	-
BDO Capital Corporation (BDO Capital)	100%	**-**	-	100%	**300,000**	300,000
BDO Financial Services, Inc.	100%	**-**	-	100%	**200,000**	200,000
Jardine Equitable Finance Corp. (JEFC)	100%	**-**	-	50%	**50,000**	50,000
Equimark – NFC Development Corp.	60%	**-**	-	60%	**44,997**	44,997
BDO Realty Corporation	100%	**-**	-	100%	**40,000**	40,000
Equitable Data Center, Inc. (EDCI)	100%	**-**	-	100%	**40,000**	40,000
PCIB Securities, Inc.	100%	**-**	-	100%	**39,177**	39,177
PCI Realty Corporation	100%	**-**	-	100%	**33,510**	33,510
BDO Insurance Brokers, Inc. (BDO Insurance)	100%	**-**	-	100%	**9,999**	9,999
PCI Insurance Brokers, Inc. (PCI Insurance)	100%	**-**	-	100%	**7,800**	7,800
PCI Automation Center, Inc. (PCI Automation)	100%	**-**	-	100%	**7,443**	7,443
EBC Insurance Brokerage, Inc. (EIBI)	100%	**-**	-	100%	**1,250**	1,250
Equitable Card Network, Inc. (ECN)	100%	**-**	-	100%	**-**	1,336,250
Maxicare Health Corporation	0%	**-**	-	60%	**-**	43,593
Onshore (see Note 27)	0%	**-**	-	100%	**-**	1,000
Foreign Subsidiaries:						
PCI Express Padala (HK) Ltd.	100%	**-**	-	100%	**215,282**	215,282
PCIB Europe, S.P.A.	100%	**-**	-	100%	**32,921**	32,921
Express Padala HK Ltd.	100%	**-**	-	100%	**27,956**	27,956
Express Padala (USA), Inc.	100%	**-**	-	100%	**26,494**	26,494
Equitable PCIB Express Padala (Deutschland) GmbH	100%	**-**	-	100%	**1,247**	1,247
Equitable PCI Express Padala (Nederland) B.V.	100%	**-**	-	100%	**823**	63
EPCI Cayman	0%	**-**	-	100%	**-**	39,119
Associates:						
SM Keppel Land, Inc.	50%	**1,294,044**	1,294,044	50%	**1,294,044**	1,294,044
Generali Pilipinas Holdings, Inc.	40%	**446,192**	446,192	30%	**378,000**	378,000
Jardine Land	20%	**232,000**	232,000	20%	**232,000**	232,000
Taal Land	33%	**170,382**	170,382	33%	**170,382**	170,382
Others	35%	**7,924**	7,924	35%	**3,500**	3,500
		2,150,542	2,150,542		**16,233,744**	17,225,859
Accumulated equity in net losses:						
Balance at beginning of year		**(434,725)**	(361,710)		**-**	-
Equity in net losses during the year		**(71,932)**	(73,015)		**-**	-
Balance at end of year		**(506,657)**	(434,725)		**-**	-
Total		**P 1,643,885**	P 1,715,817		**P 16,233,744**	P 17,225,859
At cost:						
Redfort Assets, Ltd.	10%	**29,199**	29,199		**-**	-
Others		**21,637**	21,637		**21,637**	21,637
Total at cost		**50,836**	50,836		**21,637**	21,637
Allowance for impairment loss (see Note 16)		**-**	-		**(3,558,631)**	(3,532,028)
Grand Total		**P 1,694,721**	P 1,766,653		**P 12,696,750**	P 13,715,468

The Group's subsidiaries and associates are all incorporated in the Philippines, except for the following:

Subsidiary	Country of Incorporation
PCI Express Padala (HK) Ltd.	Hong Kong
Express Padala HK Ltd.	Hong Kong
Express Padala (USA), Inc.	United States of America
Equitable PCI Express Padala (Deutschland) GmbH	Germany
Equitable PCI Express Padala (Nederland) BV	Netherlands
PCIB Europe, S.P.A.	Italy

The following table presents financial information on the Bank's associates as of December 31, 2007 and 2006:

	2007			
	Assets	**Liabilities**	**Revenues**	**Net Income (Loss)**
SM Keppel Land, Inc.	**P 1,724,387**	**P 256,034**	**P 250,913**	**P 59,756**
Generali Pilipinas Holdings, Inc.	**729,931**	**336,197**	**7,560**	**(514,439)**
Jardine Land	**1,422,700**	**500,300**	**101,700**	**57,100**
Taal Land	**158,718**	**200,125**	**577**	**351**

	2006			
	Assets	Liabilities	Revenues	Net Income (Loss)
SM Keppel Land, Inc.	P 1,767,581	P 358,984	P 274,795	P 53,616
Generali Pilipinas Holdings, Inc.	7,078,182	6,538,993	1,609,163	(302,874)
Jardine Land	1,100,375	16,566	38,168	18,048
Taal Land	158,382	49,600	8,467	(28,087)

15.1 Dividend Declarations

On July 30, 2007, the BOD of PCI Capital approved the declaration of cash dividends amounting to P250,000 or P0.20 per share in favor of stockholders of record as of June 30, 2007. The said cash dividend was paid on October 15, 2007. On March 31, 2006 and April 25, 2006, the BOD of PCI Capital approved the declaration of cash dividends in favor of stockholders of record as of March 31, 2006 and April 25, 2006, respectively, at P0.40 per share or P500,000, approved by BSP on May 25, 2006 and paid on June 29, 2006, and P0.12 per share or P150,000 approved by BSP on November 2, 2006 payable on December 20, 2006, respectively.

On April 10, 2007, the BOD of EIBI approved the declaration of cash dividends amounting to P55,000 or P91.67 per share in favor of stockholders of record as of December 31, 2006, P20,000 payable on June 29, 2007, P20,000 payable on September 28, 2007 and P15,000 payable on December 28, 2007. Also on January 17, 2006, the BOD of EIBI approved the declaration of cash dividends at P33.33 per share or P20,000 to be distributed to stockholders of record as of January 17, 2006 and to be paid equally in April 17, 2006 and June 30, 2006. On April 25, 2006, the BOD of EIBI approved the declaration of additional cash dividends at P83.33 per share or P50,000 to be distributed to stockholders of record as of December 31, 2005 to be paid as follows: P15,000 on May 2, 2006, P15,000 on July 14, 2006 and P20,000 on August 15, 2006.

On March 16, 2007, the BOD of BDO Capital approved the declaration of cash dividends amounting to P166.67 per share or a total of P500,000 payable to stockholders on record as of February 28, 2007 which was paid by the BDO Capital on March 20, 2007.

On February 2, 2007 and March 23, 2007, the BOD of ECN approved the declaration of cash dividends amounting to P846,800 and P415,500, respectively. These were paid on April 15, 2007 and June 15, 2007, respectively, to all stockholders of record as of December 31, 2006.

On December 4, 2006, the BOD of BDO Private approved the declaration of cash dividend amounting to P231 per preferred share and P231 per common share or a total of P500,115, payable to stockholders on record as of November 30, 2006. The cash dividends was approved by the BSP on January 18, 2007 and subsequently paid by BDO Private on January 26, 2007.

On April 4, 2006, the BOD of ECN approved the declaration of cash dividends amounting to P400,000 or P20.25 per share paid in two tranches, 50% on May 15, 2006 and the balance on June 15, 2006, in favor of stockholders of record as of December 31, 2005.

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15.2 Decrease in Authorized Capital Stock

On July 30, 2007, the BOD and stockholders of PCI Capital approved the decrease in authorized capital stock of PCI Capital from P2,000,000 divided into 2.0 billion shares of common stock to P725,000 divided into 725 million shares. The BOD also approved the return to stockholders of P525,000 to be sourced from the funds of PCI Capital representing surplus capital. The said return of capital was approved by the SEC on January 8, 2008.

In addition, on July 30, 2007, the BOD and stockholders of ECN approved the decrease in authorized capital stock of ECN from P2,000,000 divided into 20.0 million shares to P675,000 divided into 6.75 million shares. The BOD also approved the return to stockholders of P1,336,250 to be sourced from the funds of ECN representing surplus capital. On September 28, 2007, the SEC approved the decrease in authorized capital stock and P1,300,000 was returned by ECN on the same day. The remaining P36,250 was returned to stockholders on October 1, 2007.

15.3 Acquisitions

On August 29, 2006, the Bank, together with SMIC, a major stockholder and other members of the SM Group, filed a Tender Offer with the SEC to acquire up to around 401.1 million shares representing 55.2% of the total outstanding shares of common stock of EPCIB at P92 per share. The payment terms of the offer are as follows: 10% on October 2, 2006, 10% on June 2, 2007, 10% on February 2, 2008, and the remaining balance to be paid on October 2, 2008. On October 2, 2006, a total of 377.7 million shares equivalent to 52% of EPCIB's total shares outstanding were purchased by SMIC including 25.8% shares owned by SSS and 10.8% shares owned by EBCII. The total consideration of the Tender Offer and negotiated sale is P34.8 billion. The participation of SSS was conditional on the favorable outcome of its case with the Supreme Court as discussed in Note 26.1 to the financial statements. The Supreme Court found the issues in the said case moot and academic and dismissed the proceedings, which became final in November 2007. An entry of judgment of this dismissal order was issued on January 10, 2008 and thus, the EPCIB shares owned by SSS were crossed and sold to the SM Group on January 18, 2008 pursuant to the Tender Offer.

On September 25, 2006, EBCII, a wholly owned subsidiary, entered into a Sale and Purchase Agreement with SMIC and its affiliates, for the sale of 78,807,098 common shares of EPCIB. The EPCIB shares were sold at P92.00 per share, payable in cash and SMIC promissory notes, for a total consideration of P7,250,252 payable as follows:

	%		Amount
Downpayment on closing date	10%	P	725,025
8 months from closing date	10%		725,025
16 months from closing date	10%		725,025
24 months from closing date	70%		5,075,177
		P	7,250,252

On October 2, 2006, the closing date, subject shares were crossed in the PSE. On June 29, 2007, the Bank purchased the outstanding SMIC promissory notes of EBCII amounting to P5,800,202. The promissory notes are secured by shares of stock of listed "blue chip" corporations, equivalent to 200% of the face value of the promissory notes.

On January 23, 2007, the Parent Company's BOD resolved to fold its subsidiary, ECN, into the Parent Company or into the surviving entity resulting from the merger between the Parent Company and EPCIB, as may be appropriate, for reasons of cost efficiency and economies of scale. On February 22, 2007, the Parent Company's BOD granted the Bank's management the authority and discretion to determine the manner and time of the implementation of the following corporate actions, taking into consideration the best interest of the Parent Company and subject to applicable statutory and regulatory requirements:

1. The sale or disposal of the Parent Company's equity investments in certain publicly listed and non-listed corporations, the engagement of the services of a broker to handle the equity placement of the listed shares, and the engagement of the services of an investment/portfolio manager to implement the sale and disposition of the non-listed shares;

2. The sale or dissolution of certain non-operating non-stock companies;

3. The consolidation, integration or merger of its two IT company subsidiaries, PCI Automation and EDCI, with the latter as the surviving entity;

4. The consolidation, integration, or merger of Equitable Exchange, Inc. (EEI) with its parent company EBCII, subject to approval of the shareholders of these constituent corporations once the merger between the Parent Company and EPCIB receives approval from the appropriate regulatory bodies; and

5. The consolidation, integration, or merger of PCI Capital and EBC Capital Corporation with the merged Banco de Oro Unibank, Inc., after the latter receives the necessary approvals from the constituent corporations' shareholders the appropriate regulatory bodies.

On May 30, 2007, EPCIB entered into a MOA with ECN to purchase its outstanding credit card receivables and related liabilities as of March 31, 2007 for the amount of P3,650,000. ECN has also agreed to continue to provide the technical, marketing, collection and other credit card services with respect to the receivables and liabilities. On December 1, 2007, an addendum to the above-mentioned MOA was entered into with the Parent Company for the assignment and transfer of ECN's assets and assumption of ECN's liabilities amounting to P402,505 and P490,102, respectively. The parties understand and agree that the liabilities assumed by the Parent Company are more than the assets assigned and transferred to the Parent Company. ECN undertakes and agrees to pay the net liability to the Parent Company.

On a special meeting dated August 17, 2007, BOD approved the purchase of AEBP and the American Express Philippine Dollar Charge Card Portfolio in the amount of P762,000 (see Note 26).

15.4 Disposals

On December 8, 2007, the Bank's BOD approved the sale of the 1,250,000 issued and outstanding common shares of Onshore Strategic Assets (SPV-AMC), Inc., formerly known as Onshore Strategic Assets, Inc. including any and all dividends, rights, title, equity, interests which may accrue to or by virtue of the ownership of such shares for a consideration amounting to P32,000. The sale did not result in any gain or loss.

On August 31, 2007, a total of 2,500 of preferred shares with P100 par value and an equivalent amount of P250,000 have been redeemed by EBCII at par value. Said redemption of shares effectively reduced the outstanding preferred shares of EBCII from P500,000 to P250,000 composed of 2,500 shares.

The Bank's BOD approved on August 25, 2007 the sale of 120,000 common shares of Maxicare in the amount of P176,000 representing 60% ownership of the Bank. A gain on sale of Maxicare amounting to P132,407 was recorded as part of Other Income in the income statement.

On June 30, 2007, the BOD approved the complete dissolution of PCI Insurance and the merger of BDO Insurance and EIBI.

On February 1, 2006, BDO Card Corporation (BDO Card), formerly, a 60%-owned subsidiary, ceased commercial operations. On the same date, the Bank acquired the remaining 40% of BDO Card's equity from the minority stockholders and subsequently, acquired all the assets and assumed certain liabilities of BDO Card as of January 31, 2006. BDO Card is in the process of being dissolved as of December 31, 2007.

16. OTHER RESOURCES

Other resources consist of the following:

	Consolidated 2007	Consolidated 2006	Parent Company 2007	Parent Company 2006
Receivables from SPVs	**P 3,435,268**	P 3,435,268	**P 3,336,056**	P 3,336,056
Deposits under escrow	**2,931,054**	2,931,054	**2,931,054**	2,931,054
Returned checks and other cash items	**2,742,664**	128,741	**2,739,791**	125,548
Foreign currency notes and coins on hand	**1,742,435**	890,125	**1,735,994**	889,243
Non-current asset held for sale	**1,441,432**	3,115,014	**1,400,822**	3,075,738
Interoffice float items – net	**1,103,331**	2,300,265	**1,092,853**	2,177,720
Deferred charges – net of amortization	**1,037,969**	166,809	**1,025,473**	150,960
Goodwill (see Note 26)	**747,217**	935,221	**747,217**	661,718
Documentary stamps tax	**356,562**	245,238	**352,785**	243,776
Retirement benefit asset (see Note 23)	**62,139**	127,282	**43,795**	73,895
Non-current assets held by Onshore	**-**	8,633,075	**-**	-
Others	**7,194,733**	6,568,685	**6,393,219**	15,504,216
	22,794,804	29,476,777	**21,799,059**	29,169,924
Allowance for impairment loss	**(6,956,386)**	(3,136,597)	**(6,389,348)**	(3,903,613)
	P 15,838,418	P 26,340,180	**P 15,409,711**	P 25,266,311

Receivables from SPVs represent the amount due from sale of certain non-performing assets of the Parent Company and ESB to the SPVs. In 2005, the former EPCIB sold certain nonperforming assets having book value of P10,500,000 to Philippine Investment One, Philippine Investment Two, and Cameron Granville Asset Management, Inc. (CGAM) for a consideration of P4,100,000. Cash received from the SPVs amounted to P800,000 in 2005 and the balance of P3,300,000, through issuance of SPV Notes, shall be paid based on a cash flow waterfall arrangement and interest rate of 20% and 50% per annum on the P2,700,00 and P600,000, respectively. Also, in 2005, ESB entered into sale and purchase agreements with CGAM and LNC (SPV-AMC) Corporation (LNC) for the sale of ESB's loans to CGAM amounting to P621,000 and for the sale of its investment properties to LNC amounting to P98,000. Accordingly, ESB received SPV Notes amounting to P60,000 for loans from CGAM and P39,200 for investment properties from LNC, in addition to cash received amounting to P23,100 from CGAM and P4,200 from LNC. Receivables from SPVs of ESB are fully covered by an allowance for impairment losses as of December 31, 2007 and 2006.

Deposits under escrow amounting to P2,931,054 as of December 31, 2007 and 2006 pertain to the portion of the cash received by the Bank in consideration for its assumption of First e-Bank Corporation's deposits and other liabilities in October 2002. This amount is held in escrow pending compliance by the Bank with certain terms and conditions as stipulated in the MOA. Deposits under escrow earn an annual effective interest of 3.4% and 6.5% in 2007 and 2006, respectively.

Deferred charges mainly pertain to computer software licenses. Amortization expense on deferred charges amounted to P94,402, P36,922, and P5,286 in 2007, 2006 and 2005, respectively, in the consolidated financial statements and P93,309, P36,540 and P5,286 in 2007, 2006 and 2005, respectively, in the parent company financial statements. These are included under Other Operating Expenses in the income statement (see Note 22).

Non-current assets held-for-sale consist of real and other properties acquired through repossession or foreclosure that the Group intends to sell within one year from the date of classification as held for sale (see Note 14).

In 2006, non-current assets held by Onshore pertain to non-performing assets acquired by Onshore from United Overseas Bank Philippines (UOBP) in relation to the Group's acquisition of certain assets and branch licenses and assumption of certain liabilities of UOBP (see Note 26). This is presented under Other Resources as approved by the BSP. In 2006, Onshore and UOBP agreed to return certain non-performing assets totalling P347,823 to UOBP. As a result of the return, Onshore recognized receivable from UOBP and derecognized the related non-performing assets and the related income and expense on the assets returned. The receivable was settled through assignment of certain sales contract receivable of UOBP to Onshore.

In 2007, the Bank's BOD approved the sale of its investment in Onshore (see Note 15).

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Allowance for Impairment Losses

Changes in the allowance for impairment losses are summarized as follows:

	Consolidated 2007	Consolidated 2006	Parent Company 2007	Parent Company 2006
Balance at beginning of year				
Available-for-sale securities	**P 1,145,892**	P 554,738	**P 102,117**	P 293,784
Held-to-maturity investments	**1,124,978**	855,921	**1,127,743**	843,452
Loans and other receivables	**16,653,957**	16,293,310	**15,217,406**	13,854,482
Investment properties	**365,534**	806,914	**359,872**	264,654
Equity investments	**-**	-	**3,532,028**	2,419,905
Other resources	**3,136,597**	2,363,878	**3,903,613**	2,669,732
	22,426,958	20,874,761	**24,242,779**	20,346,009
Provisions during the year	**4,118,147**	2,012,727	**3,805,675**	2,006,066
Reclassification/Write-off	**1,487,043**	(460,530)	**1,215,280**	1,890,704
Balance at beginning of year				
Available-for-sale securities	**P 607,869**	P 1,145,892	**P 258,183**	P 102,117
Held-to-maturity investments	**843,826**	1,124,978	**843,826**	1,127,743
Loans and other receivables	**18,544,507**	16,653,957	**17,162,592**	15,217,406
Investment properties	**1,079,560**	365,534	**1,051,154**	359,872
Equity investments	**-**	-	**3,558,631**	3,532,028
Other resources	**6,956,386**	3,136,597	**6,389,348**	3,903,613
	P 28,032,148	P 22,426,958	**P 29,263,734**	P 24,242,779

17. DEPOSIT LIABILITIES

This account is composed of the following:

	Consolidated 2007	Consolidated 2006	Parent Company 2007	Parent Company 2006
Due to banks:				
Demand	**P 571,131**	P 224,999	**P 571,129**	P 224,364
Savings	**1,768,442**	338,380	**1,768,442**	508,926
Time	**408,604**	99,367	**408,604**	99,367
	2,748,177	662,746	**2,748,175**	832,657
Due to customers:				
Demand	**24,593,453**	23,046,314	**22,363,415**	20,494,586
Savings	**316,901,255**	320,633,041	**312,126,969**	315,148,511
Time	**101,154,015**	125,734,134	**87,924,034**	117,793,181
	442,648,723	469,413,489	**422,414,418**	453,436,278
Total	**P 445,396,900**	P 470,076,235	**P 425,162,593**	P 454,268,935

The breakdown of this account, as to currency, follows:

	Consolidated 2007	Consolidated 2006	Parent Company 2007	Parent Company 2006
Foreign currency	**P 116,933,054**	P 147,557,574	**P 104,961,889**	P 142,728,000
Peso	**328,463,846**	322,518,661	**320,200,704**	311,540,935
	P 445,396,900	P 470,076,235	**P 425,162,593**	P 454,268,935

The maturity profile of this account is presented below:

	Consolidated				Parent Company			
		2007		2006		**2007**		2006
Less than one year	**P**	**400,090,642**	P	420,155,190	**P**	**386,223,233**	P	408,395,155
One to five years		**36,322,607**		40,896,570		**29,955,709**		36,849,305
Beyond five years		**8,983,651**		9,024,475		**8,983,651**		9,024,475
	P	**445,396,900**	P	470,076,235	**P**	**425,162,593**	P	454,268,935

Deposit liabilities are in the form of demand, savings and time deposit accounts bearing interest rates of 0% to 10% per annum in 2007 and 0.5% to 13.7% per annum in 2006. Demand and savings deposits usually have both fixed and variable interest rates while time deposit has fixed interest rates except for the peso-denominated long-term negotiable certificates of deposits which are repriced every quarter.

On December 23, 2004, the BSP approved the Bank's application to issue in two or more tranches of up to P5,000,000 worth of peso-denominated long-term negotiable certificates of deposits (LTNCDs) within one year from date of approval. The first tranche amounting to P2,100,000 was issued on June 1, 2005 and will mature on June 2, 2010 and the second tranche amounting to P2,900,000 was issued on November 23, 2005 and will mature on November 24, 2010. The first tranche bears a variable interest based on MART 1 plus 0.3% spread while the second tranche pays a fixed rate of 9.7%. Also, on September 25, 2006, the BSP approved the Bank's application to issue another P5,000,000 LTNCDs in one tranche. The P5,000,000 LTNCDs bear a fixed interest rate of 8.3% per annum. These are presented as part of the Time Deposit account in the statements of condition.

Also on April 26, 2007, the Monetary Board (MB) of the BSP authorized BDO Private to issue up to P5,000,000 worth of fixed rate or zero coupon LTNCDs one or more tranches. The first tranche, consisting of P2,191,400 in zero coupon LTNCDs, was issued on June 18, 2007 and will mature on December 18, 2012. These LTNCDs are presented net of discount and P16,700 in capitalized transaction costs as part of the Time Deposit Liabilities account in the statements of condition.

Under existing BSP regulations, non-FCDU deposit liabilities of the Parent Company and BDO Private are subject to liquidity reserve equivalent to 11% starting July 15, 2005 (under BSP Circular 491) and statutory reserve equivalent to 10%. In addition, ESB and AEBP, thrift banks, are subject to liquidity and statutory reserves equivalent to 2% and 6%, respectively, on their deposit liabilities. As of December 31, 2007, the Group is in compliance with such regulations.

18. BILLS PAYABLE

This account is composed of the following:

	Consolidated				Parent Company			
		2007		2006		**2007**		2006
Foreign banks	**P**	**18,529,192**	P	13,883,175	**P**	**14,222,654**	P	7,684,132
Senior notes		**8,997,493**		10,539,624		**8,997,493**		10,539,624
Deposit substitutes		**6,715,602**		14,437,391		**6,715,602**		6,886,560
Local banks		**4,846,908**		6,407,353		**4,799,749**		2,697,553
PDIC (see Note 26)		**4,437,717**		4,437,717		**4,437,717**		4,437,717
BSP		**3,072,407**		1,207,216		**257,584**		1,207,216
SMPHI (Preferred shares)		**2,158,285**		2,722,833		**2,158,285**		2,722,833
Others		**3,725,645**		4,868,935		**-**		4,114,040
	P	**52,483,249**	P	58,504,244	**P**	**41,589,084**	P	40,289,675

The breakdown of this account, as to currency, follows:

	Consolidated				Parent Company			
		2007		2006		**2007**		2006
Foreign currency	**P**	**27,578,701**	P	20,091,552	**P**	**25,909,086**	P	16,879,635
Peso		**24,904,548**		38,412,692		**15,679,998**		23,410,040
	P	**52,483,249**	P	58,504,244	**P**	**41,589,084**	P	40,289,675

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The maturity profile of this account is presented below:

	Consolidated				Parent Company			
		2007		2006		**2007**		2006
Less than one year	**P**	**38,814,367**	P	26,390,457	**P**	**31,450,488**	P	16,099,038
One to five years		**10,920,192**		25,516,500		**8,080,449**		17,643,648
Beyond five years		**2,748,690**		6,597,287		**2,058,147**		6,546,989
	P	**52,483,249**	P	58,504,244	**P**	**41,589,084**	P	40,289,675

Bills payable bear interest rates of 3.6% to12.2% per annum in 2007 and 3% to 12.7% per annum in 2006. Certain bills payable to local banks and the BSP are collateralized by certain receivables from customers.

The following comprise the interest expense on bills payable in the income statements:

	Consolidated				Parent Company			
		2007		2006		**2007**		2006
Senior notes	**P**	**637,485**	P	566,725	**P**	**637,485**	P	566,725
Deposit substitutes		**430,913**		184,697		**429,991**		184,697
Local banks		**400,103**		673,805		**400,103**		430,822
Foreign banks		**213,015**		743,772		**213,015**		622,476
PDIC		**174,774**		174,774		**174,774**		174,774
SMPHI		**164,842**		166,347		**164,842**		166,347
Amortization on deferred charges		**39,883**		15,433		**39,883**		15,433
BSP		**27,785**		20,464		**27,785**		20,464
	P	**2,008,800**	P	2,546,017	**P**	**2,087,878**	P	2,181,738

Senior Notes

On November 23, 2004, the Bank's BOD approved the issuance of senior bonds. Relative to this, on February 18, 2005 the Bank issued US$100 million, 6.5% senior notes due in 2008. The issuance of the bonds under the terms approved by the BOD was approved by the BSP on January 31, 2005. Among the significant terms and conditions of the issuance of the senior notes are:

a. Issue price at 99.3% of the principal amount;

b. The senior notes bear interest at the rate of 6.5% per annum from and including February 18, 2005 to but excluding February 19, 2008. Interest will be payable semi-annually in arrears on February 19 and August 19 of each year, commencing August 19, 2005, except that the first payment of interest will be in respect of the period from and including February 18, 2005 but excluding August 19, 2005;

c. The senior notes will constitute direct, senior, unconditional, and unsecured obligations of the Bank and claims in respect of the notes shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Bank under the senior notes shall at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Bank, including liabilities in respect of deposits;

d. The Bank may redeem the senior notes in whole but not in part at redemption price equal to 100% of the principal amount of the Notes together with accrued and unpaid interest to the date fixed for redemption upon the occurrence of certain changes affecting taxation in the Philippines, as more particularly specified in the covering offering circular; and

e. The 2008 senior notes are not guaranteed or insured by the PDIC and are not deposit liabilities of the Bank.

On October 16, 2003, the Bank listed 6.5% U.S.$150,000 senior notes in the Singapore Stock Exchange which will mature on October 16, 2008. The net proceeds from the issuance of the senior notes amounted to U.S.$146,621 or about P8,890,000. Interest expense incurred by the Bank on these senior notes amounted to P365,964 in 2007, P478,088 in 2006 and P538,978 in 2005 (shown under Interest Expense on Bills Payable and Others in the consolidated income statement). On October 16, 2006, $35,740 worth of senior notes was redeemed by various noteholders.

(Amounts in Thousands Except Per Share Data)

SMPHI (Preferred Shares)

As required under PAS 32, *Financial Instruments: Disclosures and Presentation*, the Bank recognized as financial liability 25,000,000 shares of redeemable, cumulative and non-participating preferred shares with a par value of P10 per share issued to SMPHI on October 18, 2004. The preferred shares were issued at U.S.$2 per share or an aggregate subscription price of U.S.$50,000. The preferred shares entitle SMPHI to cumulative dividends, payable in U.S. dollars semi-annually in arrears, equal to 6.5% of the issue price per annum. The Bank is also required to redeem the preferred shares from SMPHI at the original issue price five years from the date of issue. As required by BSP, the Bank setup a sinking fund on October 17, 2005 for the redemption of the preferred shares. The balance of the sinking fund as of December 31, 2007 and 2006 amounted to P1,357,083 and P1,084,024, respectively, and is invested in debt securities, shown as part of Held-to-maturity Investments in the statements of condition (see Note 11). Dividends in arrears (recognized as interest expense) as of December 31, 2007 and 2006 amounted to P94,285 and P271,333, respectively, computed using the exchange rate at year end and are presented as part of Bills Payable account in the statements of condition.

19. SUBORDINATED NOTES PAYABLE

P10 Billion Unsecured Subordinated Notes

On November 21, 2007, the Bank issued P10 billion unsecured subordinated notes eligible as Lower Tier 2 Capital due on 2017, callable with step-up in 2012 (the "Notes") pursuant to the authority granted by the BSP to the Bank on October 8, 2007 and BSP Circular No. 280 Series of 2001, as amended. The issuance was approved by the BOD, in its special meeting held on June 1, 2007.

The Notes represent direct, unconditional unsecured and subordinated peso-denominated obligations of the Bank, issued in accordance with the Terms and Conditions under the Master Note. The Notes, like other subordinated indebtedness of the Bank, are subordinated to the claims of depositors and ordinary creditors, are not a deposit, and are not guaranteed nor insured by the Bank or any party related to the Bank, such as its subsidiaries and affiliates, or the PDIC, or any other person. The Notes shall not be used as collateral for any loan made by the Bank or any of its subsidiaries or affiliates. The Notes carry an interest rate of 7% p.a., with a step-up provision if not called on the fifth year from issue date. The Bank has the option to call the Notes on the fifth year, subject to prior notice to Noteholders.

As of December 31, 2007, the outstanding balance of the said notes amounted to P10,000,000.

US$ 200 Million Unsecured Subordinated Notes

On October 15, 2002, the former EPCIB BOD approved the raising of Lower Tier 2 capital through the issuance in the international capital market of subordinated bonds maturing in ten years but with a call option exercisable after five years subject to the provisions of BSP Circular No. 280. The bonds bear a coupon rate of 9.4% per annum with provision for step-up after five years.

The issuance of the foregoing subordinated notes under the terms approved by the BOD was approved by the BSP under MB Resolution No. 1660 dated November 12, 2002, as amended by MB Resolution No. 753 dated May 29, 2003.

Relative to this, on May 16, 2003 and June 5, 2003, the former EPCIB issued US$130.0 million and US$70.0 million, respectively, 9.4% subordinated notes due 2013. Among the significant terms and conditions of the issuance of the subordinated notes are:

a. Issue price at 98.7% and 101.5% of their principal amount;

b. The subordinated notes bear interest at the rate of 9.4% per annum from and including May 23, 2003 to but excluding July 1, 2008. Unless the call option is exercised, the interest rate from and including July 1, 2008 to but excluding July 1, 2013 will be reset at the U.S. Treasury rate plus 10.8% per annum. Interest will be payable semi-annually in arrears on January 1 and July 1 of each year, commencing July 1, 2003;

c. The subordinated notes will constitute direct, unconditional, unsecured and subordinated obligations of the Parent Company and will at all times rank *pari passu* and without any preference among themselves but in priority to the rights and claims of holders of all classes of equity securities of the Parent Company including holders of preference shares (if any);

d. The Group may redeem the subordinated notes in whole but not in part at redemption price equal to 100% of the principal amount of the subordinated notes together with accrued and unpaid interest on July 1, 2008, subject to the prior consent of the BSP and the compliance by the Group with the prevailing requirements for the granting by the BSP of its consent therefore;

e. Each noteholder by accepting a 2013 subordinated note will irrevocably agree and acknowledge that (i) it may not exercise or claim any right of set-off in respect of any amount owed to it by the Group arising under or in connection with the subordinated notes and (ii) it shall, to the fullest extent permitted by applicable law, waive and be deemed to have waived all such rights of set-off; and,

f. The subordinated notes are not deposits of the Group and are not guaranteed or insured by the Group or any party related to the Group or the PDIC and they may not be used as collateral for any loan made by the Group or any of its subsidiaries or affiliates. Also, the subordinated notes may not be redeemed at the option of the noteholders.

As of December 31, 2007 and 2006, the Group was in compliance with the terms and conditions upon which the subordinated notes have been issued.

The outstanding balance of the U.S.$200 million notes amounted to P8,631,298 and P9,691,113 as of December 31, 2007 and 2006, respectively.

International Finance Corporation (IFC)

On June 27, 2002, the Bank entered into a U.S.$20,000 convertible loan agreement with IFC. IFC has the option to convert a portion of the loan into common shares of the Bank commencing two years after the date of the agreement for P16.70 per share. Total proceeds of the loan amounted to P1,111,720. In compliance with PAS 32, *Financial Instruments: Disclosure and Presentation* and PAS 39, *Financial Instruments: Recognition and Measurement*, the Bank separated the equity component of the conversion option and unsecured loan with IFC. The balance of common stock option outstanding amounted to P13,634 both as of December 31, 2006 and 2005. The loan bears interest at a rate of 5.4% per annum and will mature in 2008.

Upon approval by the Bank's Board on February 11, 2005, the Bank converted U.S.$10,000 convertible loan from IFC, qualified as Tier 2 capital, and issued 31,403,592 common shares of the Bank based on the conversion price of P16.70 per share and exchange rate of P52.44 to a dollar. The BSP subsequently approved the conversion on May 3, 2005.

On April 18, 2007, the Bank received notice of exercise from IFC to convert the remaining U.S.$10,000 of its convertible loan to BDO, which conversion the BSP approved in a letter to the Bank dated July 17, 2007. Subsequently, the Bank's BOD, in its special meeting dated July 26, 2007, approved the conversion of the remaining U.S.$10,000 of the convertible loan from IFC, qualified as Tier 2 capital. Thereafter, on August 23, 2007, the Bank issued to IFC 31,403,592 common shares based on the pre-agreed conversion price of P16.70 per share and exchange rate of P52.44 to a dollar.

As of December 31, 2006, the outstanding balance of IFC loan amounted to P497,317.

Interest on Subordinated Notes Payable

Total interest expense on subordinated notes payable amounted to P970,586 and P276,523 in 2007 and 2006, respectively, both in the parent company and consolidated financial statements.

20. OTHER LIABILITIES

Other liabilities consist of the following:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Bills purchased-contra	**P 16,564,232**	P 14,178,817	**P 16,564,232**	P 14,178,817
Accounts payable	**4,332,326**	5,822,615	**3,952,356**	3,476,737
Manager's checks	**4,167,663**	2,136,736	**4,071,037**	2,003,322
Derivative liabilities	**3,844,030**	1,733,901	**3,211,054**	1,405,799
Accrued other expenses	**1,714,027**	3,284,755	**1,399,452**	1,790,209
Outstanding acceptances payable	**1,697,054**	1,063,821	**1,697,054**	1,047,733
Accrued other taxes and licenses payable	**351,231**	258,732	**301,073**	219,970
Due to Treasurer of the Philippines	**289,830**	2,226,302	**289,830**	2,226,302
Withholding taxes payable	**289,154**	817,572	**269,066**	763,649
Due to BSP	**276,221**	339,820	**260,054**	337,608
Income tax payable	**206,424**	1,977,743	**46,522**	76,616
Capitalized interest and other charges	**192,675**	241,017	**192,675**	237,764
Others	**6,444,534**	3,608,447	**4,237,600**	5,413,592
	P 40,369,401	P 37,690,278	**P 36,492,005**	P 33,178,118

21. EQUITY

21.1 Capital Management and Regulatory Capital

The Bank's lead regulator, the BSP, sets and monitors capital requirements for the Bank. In implementing current capital requirements, the BSP requires the Bank to maintain a prescribed ratio of qualifying capital to risk-weighted assets.

Under current banking regulations, the combined capital accounts of each bank should not be less than an amount equal to ten percent of its risk assets. The qualifying capital of the Bank for purposes of determining the capital-to-risk assets ratio is total equity excluding:

a. unbooked valuation reserves and other capital adjustments as may be required by the BSP;
b. total outstanding unsecured credit accommodations to directors, officers, stockholders and related interests (DOSRI);
c. deferred tax asset or liability;
d. goodwill;
e. sinking fund for redemption of redeemable preferred shares; and,
f. other regulatory deductions.

Risk assets consist of total assets after exclusion of cash on hand, due from BSP, loans covered by hold-out on or assignment of deposits, loans or acceptances under letters of credit to the extent covered by margin deposits, and other non-risk items as determined by the MB of the BSP.

The amount of surplus funds available for dividend declaration is determined also on the basis of regulatory net worth after considering certain adjustments.

The Bank's policy is to maintain a strong capital base as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholder's return is also recognized and the Bank recognizes the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Group's regulatory capital is analyzed into two tiers which are Tier 1 Capital plus Tier 2 Capital less deductions from the total of Tier 1 and Tier 2 capital for the following:

1. Investments in equity of unconsolidated subsidiary banks and other financial allied undertakings, but excluding insurance companies;
2. Investments in debt capital instruments of unconsolidated subsidiary banks;
3. Investments in equity of subsidiary insurance companies and non-financial allied undertakings;
4. Reciprocal investments in equity of other banks/enterprises; and,
5. Reciprocal investments in unsecured subordinated term debt instruments of other banks/quasi-banks qualifying as Hybrid Tier 1, Upper Tier 2 and Lower Tier 2, in excess of the lower of (i) an aggregate ceiling of 5% of total Tier 1 capital of the bank excluding Hybrid Tier 1; or (ii) 10% of the total outstanding unsecured subordinated term debt issuance of the other bank/quasi-banks.

As of the dates of the statements of condition, the Bank has complied with the requirement on the ratio of combined capital accounts against the risk assets.

Provided, That any asset deducted from the qualifying capital in computing the numerator of the risk-based capital ratio shall not be included in the risk-weighted assets in computing the denominator of the ratio.

Under an existing BSP circular, expanded commercial banks are required to comply with the minimum capital requirement of P4,950,000. As of the dates of the statements of condition, the Bank has complied with the above capitalization requirement.

There have been no material changes in the Bank's management of capital during the period.

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21.2 Capital Stock

Capital stock consists of common shares as follows:

	Number of Shares		
	2007	2006	2005
Common shares – P10 par value Authorized – 5,500,000,000 shares Issued and outstanding – 2,302,032,000 shares in 2007, 2,270,629,000 shares in 2006 and 939,593,100 shares in 2005			
Balance at beginning of year	**2,270,629,000**	939,593,000	908,189,500
Issued during the year	**31,403,700**	1,331,036,000	31,403,600
	2,302,032,700	2,270,629,000	939,593,100

	Amount		
	2007	2006	2005
Common shares – P10 par value Authorized – 5,500,000,000 shares Issued and outstanding – 2,302,032,000 shares in 2007, 2,270,629,000 shares in 2006 and 939,593,100 shares in 2005			
Balance at beginning of year	**P 22,706,290**	P 9,395,930	P 9,081,895
Issued during the year	**314,037**	13,310,360	314,036
	P 23,020,327	P 22,706,290	P 9,395,931

21.3 Issuance of Global Depositary Receipts by Primebridge

On various dates in 2006, Primebridge Holdings, Inc. ("Primebridge"), a stockholder owning 22.1% of the Bank's total outstanding shares as of December 31, 2005, offered and sold in aggregate 9,399,700 global depositary receipts (GDRs) with each GDR representing 20 shares of the Bank's common stock.

The GDRs constitute an offering in the United States only to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act of 1993 (the "Securities Act") and an offering outside the United States in reliance on Regulation under the Securities Act. The offered price for each GDR was U.S.$12.70 on January 25, 2006 and February 14, 2006; and U.S.$14.55 on May 15, 2006. The GDRs are listed and are being traded at the London Stock Exchange.

As part of the offering, Primebridge, while remaining as the registered holder of the Bank's shares underlying the GDRs, transferred all rights and interests in the Bank's shares underlying the GDRs to the depository on behalf of the holders of the GDRs and the latter are entitled to receive dividends paid on the shares. However, GDR holders have no voting rights or other direct rights of a shareholder with respect to the Bank's shares.

As of December 31, 2006, 4,724,214 GDRs issued, covering shares originally held by Primebridge, were converted into 94,484,280 shares of the Bank. As of December 31, 2006 and 2007, 1,463,304 GDRs equivalent to 29,266,080 shares of the Bank remained unconverted.

21.4 Surplus Free

On May 6, 2006, the Bank's Board approved the declaration of cash dividend amounting to P0.80 per share or a total of P769,618 payable to stockholders of record as of January 22, 2007. The cash dividend was approved by the BSP on December 28, 2006 and was paid on February 8, 2007.

Dividends also include the portion of interest expense paid by the Bank to IFC attributable to the equity component (see Note 18). Total amount of dividends allocated to the equity component amounted to P430 and P408 in 2007 and 2006, respectively.

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21.5 Capital Allocation

The allocation of capital between specific operations and activities is, to a large extent driven by optimization of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with difference activities. In such cases the capital requirements may be flexed to reflect differing risk profiles subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible of the operation and is subject to review by the ALCO.

Although maximization of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Bank to particular operations or activities, it is not the sole basis used for decision making. Account also is taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Bank's longer term strategic objectives. The Bank's policies in respect of capital management and allocation are reviewed regularly by its BOD.

21.6 Increase in Authorized Capital Stock

On November 6, 2006 and December 27, 2006, the Bank's Board and stockholders, respectively, approved the increase in the Bank's authorized capital stock from P15,000,000 divided into 1,015,000,000 common shares with a par value of P10 per share and 485,000,000 preferred shares with a par value of P10 per share to P65,000,000 divided into 5,500,000,000 common shares with a par value of P10 per share and 1,000,000,000 preferred shares with a par value of P10 per share, subject to the approval of the BSP and the SEC. The increase in the Bank's authorized capital stock was filed with the BSP and SEC on January 8, 2007. Subsequently, this was approved by the BSP and the SEC on March 29, 2007 and May 25, 2007, respectively.

As indicated in Note 2.13, mandatory redeemable preferred shares are classified as financial liabilities as part of bills payable.

22. MISCELLANEOUS INCOME AND EXPENSES

Miscellaneous income is composed of the following (see Note 26):

	Consolidated		
	2007	2006	2005
Dividend income	**P 53,840**	P 355,654	P -
Rental income	**259,717**	38,057	5,783
Income from assets acquired	**380,724**	252,966	41,778
Miscellaneous - net	**1,880,924**	171,200	1,192
	P 2,575,205	P 817,877	P 48,753

	Parent Company		
	2007	2006	2005
Dividend income	**P 2,634,332**	P 320,164	P 367,750
Income from assets acquired	**288,162**	252,811	41,778
Rental Income	**172,283**	42,282	5,783
Miscellaneous - net	**2,124,350**	122,783	84,155
	P 5,219,127	P 738,040	P 499,466

Miscellaneous expenses consist of the following:

	Consolidated		
	2007	2006	2005
Repairs and maintenance	**P 826,019**	P 353,961	P 134,055
Representation and entertainment	**672,259**	296,846	185,319
Documentary stamp tax used	**650,528**	429,368	252,919
Power, light and water	**546,709**	261,388	116,616
Travelling	**381,174**	196,524	100,928
Supplies	**300,057**	212,521	94,966
Banking fees	**275,225**	142,448	106,504
Management and other professional fees	**335,057**	239,488	134,114
Information technology	**207,024**	174,255	181,450
Losses (gain) from assets acquired	**118,193**	(151,388)	(41,778)
Amortization of deferred charges (see Note 13)	**94,402**	36,922	5,286
Miscellaneous	**2,400,017**	1,219,226	401,410
	P 6,806,664	P 3,411,559	P 1,671,789

	Parent Company		
	2007	2006	2005
Repairs and maintenance	**P 772,789**	P 325,646	P 123,222
Representation and entertainment	**610,250**	253,400	150,928
Documentary stamp tax used	**576,572**	425,504	252,919
Power, light and water	**487,040**	213,741	91,437
Travelling	**327,667**	170,182	91,443
Supplies	**260,403**	154,430	71,222
Banking fees	**247,823**	142,402	102,000
Management and other professional fees	**221,105**	169,873	123,682
Information technology	**188,448**	148,457	181,451
Amortization of deferred charges (see Note 13)	**93,309**	36,540	5,286
Miscellaneous	**2,666,464**	934,587	478,355
	P 6,451,870	P 2,974,762	P 1,671,945

23. EMPLOYEE BENEFITS

Expenses recognized for employee benefits are presented below:

	Consolidated		
	2007	2006	2005
Salaries and wages	**P 4,879,140**	P 2,395,214	P 1,505,471
Bonuses	**1,315,152**	633,967	384,066
Retirement – defined benefit plan	**771,476**	426,114	70,846
Social security costs	**229,821**	104,494	58,728
Other benefits	**1,160,303**	397,303	89,864
	P 8,355,892	P 3,957,092	P 2,108,975

	Parent Company		
	2007	2006	2005
Salaries and wages	**P 4,240,602**	P 2,123,095	P 1,363,928
Bonuses	**1,215,303**	605,836	371,329
Retirement – defined benefit plan	**695,929**	389,986	66,958
Social security costs	**208,820**	97,264	56,545
Other benefits	**1,041,773**	303,266	75,729
	P 7,402,427	P 3,519,447	P 1,934,489

The Group maintains a tax-qualified, noncontributory retirement plan that is being administered by the Bank's trust department covering all regular full-time employees.

The amounts of retirement benefit asset recognized are determined as follows:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Present value of the obligation	**(P 6,276,198)**	(P 4,567,463)	**(P 5,839,729)**	(P 4,175,305)
Fair value of plan assets	**2,988,860**	2,388,333	**2,618,739**	2,033,893
Deficiency of plan assets	**(3,287,338)**	(2,179,130)	**(3,220,990)**	(2,141,412)
Unrecognized actuarial losses	**3,349,477**	2,306,412	**3,264,785**	2,215,307
Retirement benefit asset	**P 62,139**	P 127,282	**P 43,795**	P 73,895

The movement in the present value of the retirement benefit obligation recognized in the books follows:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Balance at the beginning of the year	**P 4,567,463**	P 2,336,409	**P 4,175,305**	P 2,085,581
Current service cost and interest cost	**790,116**	469,816	**701,028**	411,669
Actuarial losses	**1,134,704**	2,025,102	**1,163,676**	1,930,364
Benefits paid by the plan	**(216,085)**	(263,864)	**(200,280)**	(252,309)
Balance at the end of the year	**P 6,276,198**	P 4,567,463	**P 5,839,729**	P 4,175,305

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The movement in fair value of plan assets is presented below.

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Balance at the beginning of the year	**P 2,388,333**	P 1,985,537	**P 2,033,893**	P 1,700,044
Contributions paid into the plan	**706,333**	265,007	**665,829**	236,362
Benefits paid by the plan	**(216,085)**	(263,864)	**(200,280)**	(252,309)
Actuarial gains (loss)	**(109,022)**	214,628	**(72,253)**	189,293
Expected return on plan assets	**219,301**	187,025	**191,550**	160,503
Balance at the end of the year	**P 2,988,860**	P 2,388,333	**P 2,618,739**	P 2,033,893

Actual return on plan assets were P969,220 and P978,101 in 2007 and 407,573 and 349,796 in 2006 in the consolidated and parent company financial statements, respectively.

The amounts of retirement benefits recognized in the income statements follow:

	Consolidated		
	2007	2006	2005
Current service costs	**P 442,912**	P 206,556	P 53,499
Interest costs	**347,204**	263,260	68,220
Expected return on plan assets	**(219,301)**	(187,025)	(51,020)
Net actuarial losses recognized	**200,661**	143,323	147
	P 771,476	P 426,114	P 70,846

	Parent Company		
	2007	2006	2005
Current service costs	**P 387,449**	P 176,793	P 49,246
Interest costs	**313,579**	234,876	64,830
Expected return on plan assets	**(191,550)**	(160,503)	(47,118)
Net actuarial gain recognized	**186,451**	-	-
Net transition asset recognized	**-**	138,820	-
	P 695,929	P 389,986	P 66,958

The movements in the retirement benefit asset recognized in the books follow:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Balance at beginning of year	**P 127,282**	P 292,225	**P 73,895**	P 227,519
Retirement benefit asset of acquired subsidiary	**-**	(3,836)	**-**	-
Expense recognized	**(771,476)**	(426,114)	**(695,929)**	(389,986)
Contributions paid	**706,333**	265,007	**665,829**	236,362
Balance at end of year	**P 62,139**	P 127,282	**P 43,795**	P 73,895

For determination of the retirement benefits, the following actuarial assumptions were used:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Discount rates	**8.3%**	8.9%	**8.4%**	7%
Expected rate of return on plan assets	**8.1%**	10%	**8%**	9%
Expected rate of salary increases	**9.3%**	10%	**10%**	5%

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24. RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Group has loan, deposits and other transactions with its related parties and with certain DOSRI.

a. Under existing policies of the Group, these loans are made on substantially the same terms as loans granted to other individuals and businesses of comparable risks. The General Banking Act and BSP regulations limit the amount of the loans granted by a Group to a single borrower to 25% of equity. The amount of individual loans to DOSRI, of which 70% must be secured, should not exceed the amount of the deposit and book value of their investment in the Group. In the aggregate, loans to DOSRI generally should not exceed the total equity or 15% of the total loan portfolio of the Group, whichever is lower.

The following additional information is presented relative to the DOSRI loans:

	Consolidated				Parent Company			
		2007		2006		**2007**		2006
Total DOSRI loans	**P**	**12,404,587**	P	6,794,065	**P**	**12,383,881**	P	6,772,528
Unsecured DOSRI loans	**P**	**5,729**	P	179,564	**P**	**3,837**	P	21,375
% of DOSRI loans to total loan portfolio		**4.2%**		1.5%		**4.5%**		2.9%
% of unsecured DOSRI loans to total DOSRI loans		**0.1%**		2.6%		**0.03%**		0.3%

In 2007 and 2006, the Group has a past due DOSRI loan amounting to P4,437 which represents 0.04% and 0.07% of the total DOSRI loans as of December 31, 2007 and 2006 both in the parent company and consolidated financial statements. As of December 31, 2007 and 2006, total deposit made by the related parties to the Group amounted to P107,079,533 and P138,663,161 respectively. The related interest expense from deposits amounted to P2,346, P9,909 and P123,717 in 2007, 2006 and 2005, respectively.

DOSRI loans bear interest rates of 4.5% to 9.8% per annum in 2007, 5.5% to 18.2% per annum in 2006 and 7.1% to 14.3% per annum in 2005 both in the consolidated and parent company financial statements.

The Bank extended a single purpose accommodation of P4,822,598 to Onshore as a requisite to completing its acquisition of the 66 branches of UOBP and their corresponding deposit liabilities. The Bank submitted to the BSP its MOA dated May 6, 2005 with UOBP and UOBL covering said branch network acquisition, including exemption of the aforesaid accommodation from the Bank's DOSRI limits. This loan was paid on December 19, 2007.

b. The Group leases from related parties space for its branch operations. For the years ended December 31, 2007, 2006 and 2005, total rent expense paid to related parties amounted to P298,104, P186,685 and P137,918, respectively, and is included as part of Occupancy in the income statements.

c. Generali has an existing Investment Management Agreement with the Group. For services rendered, Generali shall pay the Group management fees equivalent to 0.25% of managed funds and 0.10% of directed investments and custodianship which shall be based on the average daily balance of the fund type and shall be deducted quarterly from the fund.

d. EBC Management, Inc. engaged the Bank on August 29, 2005 to provide support services in connection with its general and administrative operations. The Bank charges EBC Management, Inc. a service fee equivalent to P50 per quarter excluding actual costs and expenditures. The service fee shall continue to be in force unless terminated through written notice by either party at least 60 days prior to the intended date of termination.

e. Express Padala International, Inc. engaged BDO on October 21, 2005 to provide support services in connection with its general administrative operations. The Bank charges Express Padala International, Inc. a service fee equivalent to P5 per annum excluding actual costs and expenditures. The service fee shall continue to be in force unless terminated through a written notice by either party at least 60 days prior to intended date of termination.

f. EIBI leased its bank premises from the Bank for a period of 5 years from July 1, 2002 to June 30, 2007, renewable under such terms and conditions as may be agreed upon with the Bank. The rentals shall be increased annually at a rate of 10% of the current rate. The lease agreement was no longer renewed after its expiration of lease term.

Also, on September 3, 2003, EIBI engaged the Bank to provide support services in connection with EIBI general administrative operations. EIBI pays the Bank service fee equivalent to P200 per month plus 15% of the total gross commissions which EIBI earns during the fiscal year payable under the terms which the parties may agree upon.

g. ESHC engaged the Bank to provide support services, such as human resource, audit, comptrollership, central administration and legal services in connection with its general and administrative operations. The Bank charges ESHC P50 per quarter or P200 annually. The service fee shall continue to be in force unless terminated through written notice by either party at least 60 days prior to intended date of termination.

On January 1, 2006, ESHC engaged EDCI to provide such services as systems development and maintenance, computer operations, technical support and network services. The Company is charged P500 annually for services rendered.

There are no outstanding balances arising from these transactions as of December 31, 2007 and 2006.

h. Service fees of Property Care, Inc. from property management are billed to the Bank under a service agreement which is substantially comparable to terms with other individuals and business entities.

i. JEFC engaged the services of the Bank to provide support in connection with its general and administrative operations which is executed under a service agreement. Under the agreement, a service fee equal to P5 per annum is to be paid for servicesr endered.

j. EEI engaged the Bank to provide various support services such as, human resources management, audit, preparation and issuance of checks for and in behalf of the EEI, documentation and safekeeping/custodianship of securities and collateral documents, accounting functions and review of financial statements for the EEI. The agreement is renewable every year. In 2007 and 2006, total service fees amounted to P2,000.

k. EDCI renders technical services and/or management consultation to the Bank and affiliates at substantially the same terms as transactions with third parties. In 2007 and 2006, total amount of transactions were P24,015 and P25,125, respectively.

l. On January 19, 2006, ESB engaged the Bank to provide support services in connection with its general and administrative operations. The Bank charges ESB a service fee equivalent to P960 per month excluding actual costs and expenditures. The service fee shall continue to be in force unless terminated through written notice by either party at least 60 days prior to the intended date of termination. In 2007 and 2006, service fees under this agreement amounted to P11,520 and P11,041, respectively.

m. EBCII engaged the Bank to provide various support such as human resources management, audit, preparation and issuance of checks for and in behalf of EBCII, documentation and safekeeping/custodianship of securities and collateral documents, accounting functions and review of financial statements for EBCII. The Bank charges EBCII a service fee equivalent to P11 per month excluding actual costs and expenditures. The agreement is renewable every year. In 2007 and 2006, total service fees amounted to P132 for each year.

n. On May 30, 2007, ECN entered into a service agreement with BDO. Under this agreement, ECN agreed to provide marketing, central operations, systems credit and collection support and finance services to BDO in connection with the operations of the credit card business. This agreement is pursuant to the terms and conditions of the MOA where ECN agreed to sell its rights, interests and obligations on its receivables and liabilities to BDO.

o. Strategic Property Holdings, Inc (SPHI) engaged the Bank to provide support services in connection with its general and administrative operations. SPHI pays the Bank an annual service fee equivalent to P360. The service agreement shall continue to be in force unless terminated by either party through a written notice of either party at least 60 days prior to date intended for termination. SPHI also leases its office space from the bank at P1,560 per year.

p. BDO Capital has a service agreement with BDO whereby BDO shall provide BDO Capital with various support services consisting of the following:

1) traditional bank transaction processing functions;
2) preparation and maintenance of the BDO Capital's books of accounts;
3) generation of required external regulatory reports and internal management information;
4) general and periodic examination of the books of the BDO Capital's accounts;
5) advertising and marketing services;
6) information technology support services;
7) recruitment and selection of personnel;
8) preparation of payroll and benefit administration; and,
9) other administrative and general services.

q. The salaries and other compensation given to the Group's key management personnel (from the Bank's Senior Vice-Presidents and up) amounted to P592,007, P293,735 and P164,863 in 2007, 2006 and 2005, respectively, in the consolidated financial statements and P360,650, P194,582 and P79,623 in 2007, 2006 and 2005, respectively, in the parent company financial statements.

25. TRUST OPERATIONS

The following securities and other properties held by the Bank in fiduciary or agency capacity (for a fee) for its customers are not included in the accompanying consolidated statements of condition since these are not properties of the Bank (see Note 31).

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Investments	**P 183,694,477**	P 112,775,574	**P 182,114,671**	P 112,719,900
Others	**90,413,728**	58,566,335	**73,384,654**	58,442,160
	P 274,108,205	P 171,341,909	**P 255,499,325**	P 171,162,060

In compliance with the requirements of the General Banking Act relative to the Bank's trust functions:

a. Investment in government securities (shown as part of Held-to-maturity Investments) with a total face value of P2,263,079, as of December 31, 2007 and P2,049,443 as of December 31, 2006 are deposited with BSP as security for the Bank's faithful compliance with its fiduciary obligations (see Note 11); and,

b. A certain percentage of the Bank's trust income is transferred to surplus reserve. This yearly transfer is required until the surplus reserve for trust function is equivalent to 20% of the Bank's authorized capital stock. As of December 31, 2007, the reserve for trust functions amounted to P544,479 and is included as part of Surplus Reserves in the consolidated statements of changes in equity.

Income from trust operations is reported gross of the related expenses and amounted to P852,468, P600,246, and P375,516 for the year ended December 31, 2007, 2006, and 2005, respectively, and shown as Trust Fees under Other Operating Income in the consolidated income statements

26. MERGERS AND ACQUISITIONS

26.1 Equitable PCI Bank, Inc. (EPCIB)

Accounting for the Merger

As discussed in Note 1, on March 29, 2007 and on May 25, 2007, the BSP and the SEC, respectively, approved the merger of BDO and EPCIB which became effective on May 31, 2007. Since the merger of BDO and EPCIB is between two entities which are both under common control by SMIC, the merger was accounted for under the pooling-of-interests method of accounting which was approved by the SEC.

The use of the pooling-of-interests method requires the restatement of all comparative financial data to be presented from the beginning of the earliest period presented, or if later, the date the two merging entities became under common control, which is October 2, 2006. BDO opted for the latter. Accordingly, the statements of condition as of December 31, 2006 have been restated to include all the resources, liabilities and equity accounts of both BDO and EPCIB as of December 31, 2006, and the income statements, statements of changes in equity and cash flow statements, for the year ended December 31, 2006 have been restated from the previously reported amounts to include all profit and loss accounts, changes in equity and cash flows of the former BDO for the whole year of 2006 and those of the former EPCIB from October 2, 2006 (the date both BDO and EPCIB became under common control by SMIC) to December 31, 2006.

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Proforma Income Statements for 2006

Assuming BDO and EPCIB were already under common control at the beginning of 2006, instead of October 2, 2006, the proforma income statements for 2006 for both consolidated and parent company would be as follows:

	Proforma Income Statements for 2006	
	Consolidated	**Parent Company**
Interest Income		
Loans and Other Receivables	P 21,873,190	P 19,574,009
Investment and Trading Securities	15,454,155	13,993,651
Due from Other Banks	836,071	727,664
Others	775,070	542,605
	38,938,486	34,837,929
Interest Expense		
Deposit Liabilities	14,552,238	13,870,139
Bills Payable and Other Liabilities	5,089,132	4,186,596
	19,641,370	18,056,735
Net Interest Income	19,297,116	16,781,194
Impairment Losses	5,108,218	5,078,539
Net Interest Income after Impairment Losses	14,188,898	11,702,655
Other Operating Income		
Service Charges, Fees and Commissions	P 7,468,521	P 4,223,949
Trading Gain – net	5,246,562	4,925,295
Trust Fees	1,066,178	1,066,178
Foreign Exchange Gain – net	926,940	755,794
Miscellaneous – net	2,936,555	2,465,156
	17,644,756	13,436,372
Other Operating Expenses		
Employee Benefits	7,192,930	6,231,943
Taxes and Licenses	2,352,670	1,858,282
Occupancy	3,205,228	2,668,023
Security, Clerical, Messengerial and Janitorial	813,018	778,775
Insurance	426,056	837,041
Advertising	500,307	311,956
Litigation/Assets Acquired	582,798	560,526
Miscellaneous	7,748,782	5,677,907
	22,821,789	18,924,453
Income Before Tax	9,011,865	6,241,574
Tax Expense	2,437,240	1,818,612
Net Income	P 6,574,625	P 4,395,962
Attributable to:		
Shareholders of the Parent Company	P 6,393,472	
Minority Interest	181,153	
	P 6,574,625	

The proforma income statements for 2006 do not represent what the results of operations would have been for 2006 had the merger of the two entities actually taken place at the beginning of 2006. The proforma income statements are being presented solely for analytical purposes.

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26.2 *American Express Bank Philippines (A Savings Bank), Inc.*

On August 17, 2007, the Parent Company entered into a stock purchase agreement with American Express Bank, Ltd. wherein the Parent Company acquired 100% of the total issued capital stock of AEBP for a consideration of P762,587. The fair value of the net assets of AEBP as of the closing date amounted to P677,087 (see Note 15). As such, the Bank recognized goodwill amounting to P85,500 representing excess of purchase price over the fair value of AEBP's net assets. The goodwill is included as part of Other Resources account in the consolidated statements of condition (see Note 16). The Parent Company's acquisition of AEBP was approved by the BSP on October 30, 2007.

26.3 *United Overseas Bank Philippines*

On May 6, 2005, the BDO and UOBP and United Overseas Bank Limited (UOBL) signed a MOA whereby the BDO acquired the 66 branches of UOBP for a total cash consideration of P600,000. As part of the MOA, the BDO assumed the deposit liabilities of UOBP in consideration of an equivalent amount of related assets of UOBP, including cash payment in case the assets would be lower than the assumed liabilities. Also under the MOA, the P600,000 payment of the BDO will be used by UOBL to subscribe for the Bank's shares of common stock valued at P26.75 per share, or equivalent to 22,429,906 shares. On December 19, 2005, the transfer of the assets including cash payment made by UOBP to fully offset the assumed liabilities by the BDO was carried out. The goodwill amounting to P600,000 is presented as part of Other Resources in the statements of condition (see Note 16). The UOBP acquisition was approved by the BSP on September 8, 2005 while the shares to be subscribed by UOBL were subsequently issued in February 2006.

As part of the MOA, a special purpose entity is created to acquire the non-performing assets (loans and real and other properties acquired) of UOBP (excluded in the net assets acquired by the Bank above). Accordingly, on November 21, 2005, Onshore, a wholly-owned subsidiary of the Bank, was incorporated to acquire and subsequently dispose of the non-performing assets of UOBP (see Note 16). To effect the acquisition of Onshore of the non-performing assets of UOBP, the Bank and UOBL provided a loan to Onshore amounting to P4,822,598 and P3,955,845, respectively. Moreover, UOBL guaranteed to compensate any losses incurred by Onshore including the satisfaction of Bank's loan to Onshore. In 2006, Onshore and UOBP agreed to return certain non-performing assets totalling P347,823 to UOBP. As a result, Onshore recognized receivable from UOBP and derecognized the related non-performing assets and the related income and expense on the assets returned. The receivable was settled through assignment of certain sales contract receivable of UOBP to Onshore.

Also as part of the MOA, the Bank received financial assistance from PDIC amounting to P4,420,000 (see Note 18). The financial assistance, which is recorded as part of Bills Payable in the statements of condition will mature on December 19, 2012 and bears annual interest rate of 3.90%. The related interest expense amounted to P174,774 and P174,774 in 2007 and 2006 is shown as part of Interest Expense in the income statements. As of June 30, 2007, the proceeds of the financial assistance from PDIC are invested in government securities as provided for in the MOA. The Bank accounted for the financial assistance from PDIC under PAS 20, Accounting for Government Grants, wherein the loan received is initially recorded at the amount borrowed with no re-measurement to fair value or imputation of market interest.

27. TAXES

27.1 *Current and Deferred Income Taxes*

The major components of tax expense for the years ended December 31 are as follows:

	Consolidated		
	2007	2006	2005
Income statements:			
Current tax expense:			
Regular corporate income tax (RCIT) (at 35% in 2007 and 2006 and 32% in 2005)	**P 277,944**	P 283,116	P 46,856
Minimum corporate income tax (MCIT) (at 2%)	**148,617**	22,105	29,111
Final tax – At 20%, 15%, 10% and 7.5%	**1,702,827**	807,381	265,579
	2,129,388	1,112,602	341,546
Deferred tax expense relating to origination and reversal of temporary differences	**717,235**	157,724	189,741
Tax expense reported in the income statements	**P 2,846,623**	P 1,270,326	P 531,287

	Consolidated		
	2007	2006	2005
Statements of changes in equity:			
Deferred tax relating to fair value gain on available-for-sale financial assets	**P 157**	P 3,724	P 5,916
Tax income reported in the statements of changes in equity	**P 157**	P 3,724	P 5,916

	Parent Company		
	2007	2006	2005
Income statements:			
Current tax expense – MCIT (at 2%)	**P 130,212**	P 158,435	P 29,111
Final tax – At 20%, 15%, 10% and 7.5%	**1,378,504**	726,985	234,856
	1,508,716	885,420	263,967
Deferred tax expense relating to origination and reversal of temporary differences	**1,101,622**	148,945	170,792
Tax expense reported in the income statements	**P 2,610,338**	P 1,034,365	P 434,759

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The reconciliation of the tax on pretax income computed at the statutory tax rates to tax expense is shown below:

	Consolidated		
	2007	2006	2005
Tax on pretax income (at 35% in 2007 and 2006; 32% and 35% in 2005)	**P 4,265,017**	P 1,841,070	P 1,076,181
Adjustment for income subjected to lower income tax rates	**1,338,873**	(607,526)	(235,518)
Tax effects of:			
Income exempted from tax	**(2,914,890)**	(988,201)	(626,359)
Tax-exempt income of FCDU	**(1,688,315)**	(1,472,025)	(771,042)
Deductible temporary differences not recognized	**1,154,962**	353,527	209,906
Non-deductible expenses	**973,757**	1,037,940	442,577
Non deductible interest expense	**(202,473)**	-	-
Application of unrecognized net operating loss carryover (NOLCO)	**(164,923)**	(4,735)	(18,540)
NOLCO not recognized	**75,910**	886,165	455,058
Impairment loss on investment in a subsidiary	**11,877**	196	2,394
Benefit from utilization of unrecognized MCIT	**(3,172)**	-	(3,085)
Interest expense on convertible loan	**-**	(267)	(285)
Others	**-**	224,182	-
Tax expense reported in the income statements	**P 2,846,623**	P 1,270,326	P 531,287

	Parent Company		
	2007	2006	2005
Tax on pretax income (at 35% in 2007 and 2006; 32% and 35% in 2005)	**P 3,460,678**	P 1,427,105	P 1,016,792
Adjustment for income subjected to lower income tax rates	**1,378,504**	(517,046)	(260,112)
Tax effects of:			
Income exempted from tax	**(2,495,819)**	(960,988)	(446,345)
Tax-exempt income of FCDU	**(1,656,443)**	(1,418,462)	(736,452)
Deductible temporary differences not recognized	**1,125,890**	349,820	224,992
Dividend income not subject to tax	**(2,816)**	(14,053)	(128,774)
Non-deductible expenses	**800,344**	1,086,030	313,667
NOLCO not recognized	**-**	818,817	451,276
Interest expense on convertible loan	**-**	(267)	(285)
Others	**-**	263,409	-
Tax expense reported in the income statements	**P 2,610,338**	P 1,034,365	P 434,759

The components of the deferred tax assets as of December 31, 2007 and 2006 are as follows:

	Statement of Condition			
	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Deferred tax assets:				
Allowance for impairment losses	**P 5,865,815**	P 5,787,632	**P 5,536,281**	P 5,928,519
Unamortized past service cost	**388,631**	386,990	**384,775**	376,312
Accrual of expenses	**(110,358)**	-	**-**	-
Lease income/expense differential	**73,930**	(50,616)	**73,930**	78,641
Unrealized loss on trading securities	**10,448**	12,712	**-**	-
Unrealized loss on asset conversion	**10,341**	14,385	**-**	-
Prepaid MCIT	**6,084**	16,820	**-**	-
NOLCO	**6,011**	766,849	**-**	634,508
Others	**-**	99,189	**-**	104,357
	6,250,902	7,033,961	**5,994,986**	7,122,337
Deferred tax liabilities:				
Revaluation increment in property	**(578,407)**	(578,407)	**(578,407)**	(578,407)
Capitalized interest	**(74,404)**	(100,133)	**(74,404)**	(100,133)
Retirement expense	**(5,682)**	-	**-**	-
Changes in fair values of available-for-sale financial assets	**(104)**	(45,881)	**-**	-
Net Deferred Tax Assets	**P 5,592,305**	P 6,309,540	**P 5,342,175**	P 6,443,797

	Consolidated Income Statements		
	2007	2006	2005
NOLCO	**P 874,528**	P 291,549	P 420
Allowance for impairment losses	**520,815**	(153,969)	105,248
Accrual of expenses	**(745,131)**	2,445	14,997
Reversal of fair value gains	**104,357**	-	-
Capitalized interest	**(25,730)**	693	-
Unamortized past service cost	**(10,378)**	4,073	(446)
Unrealized gain on trading securities	**(4,342)**	(590)	10,621
Unrealized loss on asset conversion	**3,151**	180	(1,248)
Prepaid MCIT	**(35)**	42,658	60,149
Lease Income differential	**-**	33,327	-
Investment properties	**-**	45,427	-
Others	**-**	(108,069)	-
Deferred Tax Expense	**P 717,235**	P 157,724	P 189,741

	Parent Company Income Statements		
	2007	2006	2005
NOLCO	**P 634,508**	P 298,522	P -
Allowance for probable losses	**523,314**	(165,438)	104,977
Accrual of expenses	**(126,364)**	-	15,394
Reversal of fair value gains	**104,357**	-	-
Capitalized interest	**(25,730)**	(692)	-
Unamortized past service cost	**(8,464)**	4,298	(665)
Prepaid MCIT	**-**	46,719	51,086
Lease Income differential	**-**	3,708	-
Investment properties	**-**	(65,865)	-
Others	**-**	27,693	-
Deferred Tax Expense	**P 1,101,621**	P 148,945	P 170,792

	Consolidated Statements of Changes in Equity		
	2007	2006	2005
Changes in fair values of available-for-sale financial assets	**P -**	P -	P 5,916
Deferred Tax Asset	**P -**	P -	P 5,916

The breakdown of NOLCO with the corresponding validity periods follow:

Year	Consolidated	Parent	Valid Until
2007	P 1,898,074	P 1,535,083	2010
2006	4,075,316	3,565,574	2009
2005	7,983,314	7,870,224	2008

NOLCO amounting to P418,035 and P644,552 expired in 2007 and 2006, respectively, in the consolidated financial statements and P596,629 and P549,661 expired in 2007 and 2006, respectively, in the parent company financial statements.

The breakdown of MCIT with the corresponding validity periods follow:

Year	Consolidated	Parent	Valid Until
2007	P 131,162	P 130,212	2010
2006	88,381	87,057	2009
2005	102,339	101,920	2008
2004	112,263	101,817	2007

The amounts of unrecognized deferred tax assets arising from NOLCO and other temporary differences as of December 31, 2007 and 2006 follow:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
NOLCO	**P 4,884,846**	P 7,777,257	**P 4,539,808**	P 7,110,350
Allowance for probable losses	**708,741**	2,410,254	**-**	565,195
MCIT	**321,882**	313,321	**319,189**	290,795
Others	**1,215**	374,501	**-**	374,501
	P 5,916,684	P 10,875,333	**P 4,858,998**	P 8,340,841

27.2 Relevant Tax Regulations

Revenue Regulation 12-2007

On October 19, 2007, the Bureau of Internal Revenue (BIR) issued Revenue Regulation (RR) No. 12-2007 which requires the quarterly computation and payment of the MCIT beginning on the income tax return for fiscal quarter ending September 30, 2007. This RR amended certain provisions of RR No. 9-98 which specifically provides for the computation of the MCIT at the end of each taxable year.

Thus, in the computation of the tax due for the taxable quarter, if the computed quarterly MCIT is higher than the quarterly regular corporate income tax, the tax due to be paid for such taxable quarter at the time of filing the quarterly corporate income tax return shall be the MCIT which is 2% of the gross income as of the end of the taxable quarter.

Republic Act 9337

On May 24, 2005, Republic Act No. 9337 (RA 9337), amending certain sections of the National Internal Revenue Code of 1997, was signed into law and became effective beginning on November 1, 2005. The following were the major changes brought about by RA 9337 that are relevant to the Company:

(a) RCIT rate was increased from 32% to 35% starting on November 1, 2005 until December 31, 2008 and will be reduced to 30% beginning on January 1, 2009;

(b) 10% value-added tax (VAT) rate was increased to 12% effective on February 1, 2006;

(c) 12% VAT rate is now imposed on certain goods and services that were previously zero-rated or subject to percentage tax;

(d) Input tax on capital goods shall be claimed on a staggered basis over 60 months or the useful life of the related assets, whichever is shorter; and,

(e) Creditable input VAT was capped at a maximum of 70% of output VAT per quarter which was effective until the third quarter of 2006 (this cap was removed effective for quarters ending on December 31, 2006 and onwards).

27.3 Gross Receipts Tax (GRT)/ VAT

Beginning January 1, 2003, the imposition of VAT on banks and financial institutions became effective pursuant to the provisions of Republic Act 9010. The Bank and BDO Private became subject to VAT based on their gross receipts, in lieu of the GRT under Sections 121 and 122 of the Tax Code which was imposed on banks, non-banks financial intermediaries and finance companies in prior years.

On January 29, 2004, Republic Act 9238 reverts the imposition of GRT on banks and financial institutions. This law is retroactive to January 1, 2004. The Bank and BDO Private complied with the transitional guidelines provided by the BIR on the final disposition of the uncollected Output VAT as of December 31, 2004.

On May 24, 2005, the amendments on RA 9337 was approved amending, among others, the gross receipts tax on royalties, rentals of property, real or personal, profits from exchange and on net trading gains within the taxable year on foreign currency, debt securities, derivatives and other similar financial instruments from 5% to 7% effective November 1, 2005.

27.4 Documentary Stamp Tax (DST)

Documentary stamp taxes (at varying rates) are imposed on the following:

a. Bank checks, drafts, or certificate of deposit not bearing interest, and other instruments;

b. Bonds, loan agreements, promissory notes, bills of exchange, drafts, instruments and securities issued by the Government or any of its instrumentalities, deposit substitute debt instruments, certificates of deposits bearing interest and other not payable on sight or demand;

c. Acceptance of bills of exchange and letters of credit; and,

d. Bills of lading or receipt.

On February 7, 2004, RA 9243 was passed amending the rates of DST, the significant provisions of which are summarized below:

a. On every issue of debt instruments, there shall be collected a DST of P1.00 on each P200 or fractional part thereof of the issue price of any such debt instrument. Provided, that for such debt instruments with terms of less than one year, the DST to be collected shall be of a proportional amount in accordance with the ratio of its term in number of days to 365 days. Provided further that only one DST shall be imposed on either loan agreement or promissory notes to secure such loan.

b. On all sales or transfer of shares or certificates of stock in any corporation, there shall be collected a DST of P0.75 on each P200, or fractional part thereof, of the par value of such stock.

c. On all bills of exchange or drafts, there shall be collected a DST of P0.30 on each P200, or fractional part thereof, of the face value of any such bill of exchange or draft.

d. The following instruments, documents and papers shall be exempt from DST:

- Borrowings and lending of securities executed under the Securities Borrowing and Lending Program of a registered exchange, or in accordance with regulations prescribed by the appropriate regulatory authority;
- Loan agreements or promissory notes, the aggregate of which does not exceed P250,000 or any such amount as may be determined by the Secretary of Finance, executed by an individual for his purchase on installment for his personal use;
- Sale, barter or exchange of shares of stock listed and traded through the local stock exchange for a period of five years from the effectivity of RA 9243;
- Fixed income and other securities traded in the secondary market or through an exchange;
- Derivatives including repurchase agreements and reverse repurchase agreements;
- Bank deposit accounts without a fixed term or maturity; and,
- Interbank call loans with maturity of not more than seven days to cover deficiency in reserve against deposit liabilities.

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28. EARNINGS PER SHARE

Basic earnings per share were computed as follows:

	Consolidated					
		2007		2006		2005
Net income attributable to equity holders of the parent	**P**	**6,518,656**	P	3,969,623	P	2,586,191
Divided by the weighted average number of outstanding common shares (in thousands)		**2,281,211**		1,287,071		935,808
Basic earnings per share	**P**	**2.86**	P	3.08	P	2.76
Diluted earnings per share is computed as follows:						
Net income attributable to equity holders of the parent	**P**	**6,518,656**	P	3,969,623	P	2,586,191
Interest expense on convertible loan, net of tax		**-**		21,291		20,854
Total diluted net income		**6,518,656**		3,990,914		2,607,045
Divided by the weighted average number of outstanding common shares (in thousands):						
Outstanding common shares		**2,281,211**		1,287,071		935,808
Potential common shares from assumed conversion of convertible loans		**-**		29,159		31,407
Potential common shares from assumed conversion of stock option plan		**2,722**		2,447		-
Total weighted average common shares after conversion		**2,283,933**		1,318,677		967,215
Diluted earnings per share	**P**	**2.85**	P	3.03	P	2.70

	Parent Company					
		2007		2006		2005
Net income	**P**	**7,277,312**	P	3,043,077	P	2,470,362
Divided by the weighted average number of outstanding common shares (in thousands)		**2,281,211**		1,287,071		935,808
Basic earnings per share	**P**	**3.19**	P	2.36	P	2.64
Diluted earnings per share is computed as follows:						
Net income	**P**	**7,277,312**	P	3,043,077	P	2,470,362
Interest expense on convertible loan, net of tax		**-**		21,291		20,854
Total diluted net income		**7,277,312**		3,064,368		2,491,216
Divided by the weighted average number of outstanding common shares (in thousands):						
Outstanding common shares		**2,281,211**		1,287,071		935,808
Potential common shares from assumed conversion of convertible loans		**-**		29,159		31,407
Potential common shares from assumed conversion of stock option plan		**2,722**		2,447		-
Total weighted average common shares after conversion		**2,283,933**		1,318,677		967,215
Diluted earnings per share	**P**	**3.19**	P	2.32	P	2.58

29. SELECTED FINANCIAL PERFORMANCE INDICATORS

a. The following are some measures of the Group's financial performance:

	Consolidated		
	2007	2006	2005
Return on average equity:			
Net income / Average total capital accounts	**11.5%**	10.9%	13.9%
Return on average assets:			
Net income / Average total assets	**1.0%**	0.9%	1.2%
Net interest margin:			
Net interest income / Average interest earning assets	**4.0%**	3.0%	3.8%
Capital to risk assets ratio:			
Combined Credit and Market Risk	**15.2%**	15.0%	17.5%

	Parent Company		
	2007	2006	2005
Return on average equity:			
Net income / Average total capital accounts	**14.2%**	9.3%	13.6%
Return on average assets:			
Net income / Average total assets	**1.2%**	0.8%	1.3%
Net interest margin:			
Net interest income / Average interest earning assets	**3.9%**	2.9%	3.6%
Capital to risk assets ratio:			
Combined Credit and Market Risk	**13.1%**	11.5%	15.4%

b. Secured Liabilities and Assets Pledged as Security

	Consolidated				Parent Company			
		2007		2006		**2007**		2006
Aggregate amount of secured liabilities	**P**	**453,080**	P	2,380,440	**P**	**426,170**	P	2,380,440
Aggregate amount of assets pledged as security	**P**	**6,199,584**	P	7,582,233	**P**	**6,199,584**	P	7,582,233

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30. EVENTS AFTER THE STATEMENT OF CONDITION DATE

On February 23, 2008, the BOD approved a program for the public issuance in tranches of up to P15,000,000 of unsecured subordinated debt eligible as Lower Tier 2 Capital, over a period of one year. On the same date, the BOD likewise approved the merger of BDO's wholly-owned subsidiary, ESB, with BDO.

On February 14, 2008, BSP approved the cash dividends of the Bank of P0.80 per share declared last July 26, 2007, payable to stockholders on record as of March 11, 2008. The cash dividend will be paid on April 8, 2008.

31. COMMITMENTS AND CONTINGENT LIABILITIES

31.1 Sale of Bankard

The Group has pending claims and/or is a defendant in legal actions arising from normal business activities, including the sale of its ownership in Bankard, a former subsidiary of EPCIB. Dispute on the said sale is under arbitration with the International Chamber of Commerce which recently ruled in favor of the claimant, stating among others that the claimant is entitled to damages, subject to proof of loss. The Bank has filed a motion for reconsideration to vacate the ruling which is pending resolution at the Regional Trial Court level.

Management believes that said claims are without merit or that the resulting liability if any, resulting from such claims, will not have material adverse effect on the Group's financial position and financial performance and will be taken up if and when a final resolution by the courts is made on each claim.

31.2 Leases

The Group leases the premises of its head office and most of its branch offices for periods ranging from 1 to 15 years from the date of the contracts, which terms are renewable upon the mutual agreement of the parties. Rent expense amounted to P1,390,711 in 2007, P866,867 in 2006 and P365,738 in the consolidated financial statements and P1,253,088 in 2007, P697,984 in 2006 and P339,273 in the parent company financial statements (included under Occupancy account in the income statement).

The estimated minimum future annual rentals for the next five years follow:

	Consolidated	Parent Company
2008	P 644,327	P 516,147
2009	753,678	620,128
2010	877,501	737,001
2011	904,223	767,702
2012	1,056,461	915,858

31.3 Others

In the normal course of the Group's operations, there are various outstanding commitments and contingent liabilities such as guarantees, commitments to extend credit, etc., which are not reflected in the accompanying consolidated financial statements. The Group recognizes in its books any losses and liabilities incurred in the course of its operations as soon as these become determinable and quantifiable. Management believes that, as of December 31, 2007, no additional material losses or liabilities are required to be recognized in the accompanying consolidated financial statements as a result of the above commitments and transactions.

Following is a summary of the Group's commitments and contingent accounts:

	Consolidated		Parent Company	
	2007	2006	**2007**	2006
Trust department accounts (see Note 25)	**P 274,108,205**	P 171,341,909	**P 255,499,325**	P 171,162,060
Forward exchange sold	**90,875,358**	65,685,564	**82,406,815**	59,313,070
Forward exchange bought	**62,964,257**	47,911,137	**54,606,637**	41,379,632
Other contingent accounts	**51,015,361**	18,177,518	**47,915,455**	14,660,048
Unused commercial letters of credit	**25,253,893**	17,809,908	**25,251,893**	17,809,908
Bills for collection	**9,064,716**	11,285,292	**9,064,575**	11,283,633
Interest rate swap payable	**7,065,007**	5,579,093	**1,670,600**	1,232,100
Interest rate swap receivable	**6,207,146**	4,878,925	**868,500**	430,000
Spot exchange bought	**3,260,919**	2,848,620	**3,260,919**	2,676,970
Late deposits/payments received	**1,941,799**	1,150,367	**1,931,621**	1,135,213
Spot exchange sold	**1,864,901**	3,552,942	**1,864,901**	3,381,337
Outstanding guarantees issued	**1,409,499**	3,326,080	**1,409,499**	3,326,080
Export LC's confirmed	**75,131**	25,444	**75,131**	25,444

The Group is also a defendant in various cases pending in courts for alleged claims against the Group, the outcome of which are not fully determinable at present. As of December 31, 2007, management believes that, liabilities or losses, if any, arising from these claims would not have a material effect on the financial position and results of operations of the Group and will be taken up if and when a final resolution by the courts is made on each claim.

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Luis Antonio S. Dalusung
Rafael N. Gaba
Marina M. Laurio
Isidro E. Paras, Jr.
Jonef A. Samonte
Danielle Maria S. Tort
Bartolome A. Vilbar, Jr.

ASST. VICE PRESIDENT
Nimfa D. Cantos
Noel S. Castillo
Catherine M. Chan
Eileen D. Clemente
Roberto D. Crisologo
Mikael D. Diaz de Rivera
Jaime B. Diaz
Bernard Z. Guirgen
BJ Joseph M. Legaspi
Thaib R. Mella
Eufemia M. Navarro
Michael L. Perez
Marie Grace A. Porta
Stefani M. Saño, Jr.
Stephen R. Segismundo
Benjamin G. Teves
John Randell R. Tiongson

JARDINE EQUITABLE FINANCE CORP.

PRESIDENT
Lucy C. Dy

TREASURER
Sergio Ll. Naranjilla, Jr.

PCI CAPITAL & INVESTMENT CORP.

PRESIDENT
Erlaster C. Sotto

SENIOR VICE PRESIDENT
Gabriel U. Lim

FIRST VICE PRESIDENT
Eleanor M. Hilado

VICE PRESIDENT
Noemi T. Villanueva

PCIB SECURITIES INC.

PRESIDENT
Gabriel U. Lim

SENIOR ASST. VICE PRESIDENT
Nilo C. Sampayo
Ma. Carolina T. Santana

1. PESO DEPOSITS
Regular Checking Account
Smart Checking Account
Super Checking Account
Checking Account Payroll
Checking Account with ATF
Regular Savings Account
Peso ATM Account
Savings Account Payroll
Junior Savers Club Account
Power Teens Club Account
Club 60 Account
Smart Guarantor
Super Savings Account
Savings Account with ATF
Super Savings with ATF
Mega Savings Account
Time Deposit Account
Premium Flexi Earner
Long-term Negotiable Certificates of Deposit

2. FOREIGN CURRENCY DEPOSITS
Dollar Savings Account
Club 60 Dollar
Dollar Super Saver
Dollar Time Deposit
Dollar Mega Savings
Two Year Dollar Time Deposit
Three Year Dollar Time Deposit
Third Currency Deposit

3. DEPOSIT-RELATED SERVICES
Manager's Checks
Gift Checks
Customized Checks
Demand Drafts
Interbranch Deposits
Deposit Pick-Up Service
Night Depository Services
Safe Deposit Box
Telegraphic Transfer
Deposit Gift Package

4. REMITTANCE SERVICES
Credit to BDO Account
Cash Pick Up Anywhere
- BDO Branches
- BDO OnSite Outlets
- SM Forex Counters in SM Dept. Stores & Hypermarkets
- Accredited Rural Banks
  - Bangko Kabayan
  - Bank of Florida
  - Card Bank
  - One Network Bank
  - Producers Rural Banking Corp.
  - Rang-Ay Bank
  - Rural Bank of Cauayan
  - Zambales Rural Bank

Cash Pick Up MLhuillier Kwarta Padala
Cash Pick Up Cebuana Lhuillier
BDO Remit Cash Card
BDO Kabayan Savings Account (USD & PHP)
BDO Kabayan Time Deposit Account
Jollibee Padalang Langhap Sarap
Direct Deposit
Other Services
- Credit to Other Local banks
- Cash Door-to-Door

Global Money Transfers
- ARY Speedy Remit
- Cash-to-Cash
- Coin Star Travelex
- EZ Remit
- Instant Cash
- MoneyGram
- Travelex
- Uniteller
- Xoom
- Xpress Money

5. TRUST SERVICES
Investment Advisory Services
Unit Investment Trust Funds
Investment Management Services
Agency Savings Account
Custodianship
Escrow
Loan/Security Agency
Property Administration
Transfer, Paying and Receiving Agency
Trusteeship
Court Trusts & Guardianships
Non-Voting Trust
Special Purpose Trust
Retirement Funds
Pre-Need Trust Funds
Institutional Trust Funds
Mortgage/Collateral Trust Indentures
Living Trusts
Life Insurance Trusts
Estate Planning

6. TREASURY DEALERSHIP & BROKERING SERVICES
Treasury Bills & Bonds
Fixed Rate Treasury Notes
Commercial Papers
Foreign Currency Denominated Bonds
FX Forwards and Swaps
Interest Rate Swaps

7. TRANSACTION BANKING
Cash Management Services
Integrated Collection Solutions
- Bills Payment
- Auto Debit Arrangement

Institutional Payment Collections
- Corporate Collections
- Postdated Check Warehousing
- Armored Car Cash Deposit Pick-up
- Motorized Check Pick-up

Integrated Disbursement Solutions
- Direct Credit
- Check Printing
- Payables Warehousing
- Regular Payroll
- Cashcard Payroll
- Check Disburse

Government Collections
- BIR e-Payment
- SSS EC Link
- Philhealth
- HDMF
- NHMFC

Liquidity Management
- Account Sweeping Facility
- Warehouse & Discounting Facility

Account & Information Services
- Infolink

Electronic Banking
- ATM
- Visa / Plus
- MasterCard / Cirrus / Maestro
- ExpressNet / Megalink / BancNet
- Amex
- JCB

Internet Banking
- myBDO Internet Banking
- Corporate Internet Banking

Phone Banking
Mobile Banking
Point-of-Sale (POS)

8. CARD PRODUCTS
Debit Cards
- BDO Smarteller ATM Card
- BDO ATM Debit Mastercard
- BDO ATM Debit Mastercard Paypass

Pre-Paid Cards
- BDO Cash Card
- BDO Cash Card International
- BDO Asenso Kabayan Cash Card
- Smart Money

9. CONSUMER LOANS
BDO Home Loan
BDO Home Equity Loans
Home Contract-to-Sell Financing
BDO Auto Loan
BDO Personal Loan
BDO Credit Cards
- BDO Shop More
- BDO Gold Mastercard, Visa, JCB
- BDO Classic Mastercard, Visa, JCB
- BDO Platinum
- BDO Titanium
- Home MasterCard
- American Express Cards

10. COMMERCIAL & INDUSTRIAL LOANS
Credit Lines
Bills Purchase Lines
Check Discounting Lines
Term Loans
Trust Loans
US Dollar Denominated Loans
LC / TR Financing
Stand-by LC
CTS Financing
Export Bills Purchase
Export Packaging Credit
Fx Settlement
Sugar Quedan Financing
Receivables Purchase Facility

11. SPECIAL LENDING
Funding Facilities
- Countryside Loan Fund (CLF III)
- Countryside Loan Fund - Credit Support for the Environment, Agribusiness and Small & Medium Enterprises (CREAM)
- Micro, Small and Medium Enterprises (MSME)
- Industrial Guarantee & Loan Fund (Regular & Special)
- Industrial Guarantee & Loan Fund (Short-Term Credit Facility)
- Sustainable Logistics Development Program (SLDP)
- Environmental Development Program (EDP)
- Industrial and Large Projects (ILP)
- BSP Rediscounting Facility for Production Credits
- SBGFC - SME Funding for Investments in Regional Markets (FIRM)
- SBGFC - SME Funding Access for Short-Term Loans (FAST)
- SSS Special Financing Program
- SSS Industry Loan Program
- SSS Financing Program for Hospitals
- SSS Financing Program for Schools
- SSS Financing Program for Tourism Projects
- SSS Golden 1-3-10 Program for MSMEs

Guarantee Facilities
- SBGFC - Clean Loan Guarantee Facility
- SBGFC - Collateral-Short Guarantee Facility
- SBGFC - Collateral-Sharing Guarantee Facility
- PhilExim - Pre-Shipment & Post-Shipment Export Finance Guarantee Program
- PhilExim - Term Loan Guarantee Program (TLGP)
- PhilExim - General Facility Program
- PhilExim - Omnibus Guarantee Line Under the General Facility Program
- PhilExim - Programs for Large Projects in Priority Sectors of the Government

12. FOREIGN EXCHANGE
Over-the-Counter Purchase / Sale of FX
Purchase / Sale of Traveller's Checks

13. INVESTMENT BANKING
BDO Capital & Investment Corp.
- Underwriting of debt, equity and quasi-equity issues
  - Bonds & notes offerings
  - Equity offering (initial public offering, follow on offering, and rights offering, etc)
  - Quasi-equity offerings (preferred shares)
- Loan Syndication
- Project Finance
- Securitization
- Private placement of debt and equity
- Financial Advisory
- Mergers and Acquisitions
- Direct Investments

BDO Securities/PCIB Securities/Armstrong Securities
- Equity securities trading and dealership

14. BDO INSURANCE BROKERS, INC.
Group Life / Individual Life
Mortgage Redemption

PRODUCTS AND SERVICES

Individual / Group Personal Accident
Travel Personal Accident
Industrial / Commercial All Risk
Surety Bonds (Construction Bond, Heirs Bond, etc)
Fire & Lightning with Allied Perils (Residential and Commercial)
Contractor's All Risks
Erection All Risks
Machinery Breakdown
Electronic Equipment
Motor Vehicle
Business Interruption
Marine Cargo, Marine Hull and Aviation
Personal / Comprehensive General / Product Liability
Group Health / Hospitalization / HMO
Money, Securities & Payroll
Fidelity Guarantee
Banker's Blanket Bond

15. TRADE SERVICES
Import / Export Letters of Credit
Domestic Letters of Credit
Standby Letters of Credit
Documents Against Payment
Documents Against Acceptance
Open Account Agreements
Export Negotiations
Shipping Guarantee
Trust Receipt
Inventory Financing
BSP TR Rediscounting

16. BDO PRIVATE BANK
Peso and Foreign Currency Settlement Accounts
Securities Custody and Safekeeping Accounts
Deposits
Securities Broking
Foreign Exchange
Derivatives
Consolidated Cash and Securities Statement
Wealth Advisory
Financial Planning
Financial Asset Consolidation
Investment Advisory and Management
Purpose Trust
Tax and Estate Advisory

17. BDO FINANCIAL SERVICES, INC.
Transaction Services
Remittance Services
Foreign Exchange Buying
Bills Payment Acceptance
Loan Inquiry
Application Drop-off for
Auto Loan
Housing Loan
Personal Loan
BDO Insurance
BDO Credit Cards

18. CROSS BORDER & WHOLESALE LENDING
Structured Trade Finance

19. MISCELLANEOUS SERVICE
Bills Payment Services
Aboitiz One, Inc.
Ace Insurance
ADL Marketing
AIG Credit Card Co., Phil. Inc.
American Express Bank Phil., Inc.
APO Cement Corp. (CEMEX GR)
APO Concrete (CEMEX GR)
Asia Pacific E-Serv Corp.
Asian Spirit Inc.
Asian Terminals Inc.
Ateneo De Manila University
Automobile Association Phils.
AZ Communication Network Inc.
Bankard
Bankard MasterCard Dollar
Banker's Institute of the Phils.
Bantay Bata 163
Bayantel
BDO AMEX
BDO Credit Card
BDO Insurance Brokers Inc.
BDO Superlite
BIR E-Payment
Bisaya CATV, Inc.
Blue Cross Insurance
Bonifacio Cable One Corp.
Bonifacio Gas Corporation
Boy Scouts of the Phils.
Cablelink-Parañaque Cable TV
Caelum Developers Inc.
CAP
Caritas Health Shield, Inc.
Cebu Cable TV, Inc.
Cebu Pacific Air, Inc.
Celebrity Sports Club
Central CATV
Certification Intl. Phils., Inc.
CFMRC Cebu Filipino MFG Res
CHC Development Consortium Inc.
CIS Bayantel
CIS Central CATV/Sky Cable
CIS Manulife Financial Plans
CIS Manulife Insurance
CIS Filipino Cable
CIS PLDT
CIS PT & T
Citibank
Citifinancial Corp.
Consolidated Plans Inc.
Consolidated Prime Dev-Mall
Consolidated Prime-Foodcourt
Davao Cableworld Network, Inc.
Destiny Cable Inc.
Dial Code Philippines
Digitel
Directory Philippines Corp. (DPC)
DXN Int'l Private Ltd.
East West MasterCard
Eastern Telecommunications Phils.
Easycall Communications Inc.
E-Census (UNISYS)
E-Negosyo Gateway Solutions Inc.
Equitable Card Network Inc.
Equitable Insurance Brokerage
ERI-Exquisite Resources Inc.
Ever Memorial Garden Co., Inc.
FARDC-Food Court
FARDC-Mall
Federal Phoenix Assurance Co.
Filinvest Land Inc.
First Leisure Ventures Group
Fontana Resort & Country Club
Fort Bonifacio Devt. Corp.
Fortune Cement (Lafarge GR)
Fortune Medicare Inc.
FR Cement (Lafarge GR)
Generali-Life
Generali-Non Life
Generali Pil Bancassurance
Gentrade Intl Phil., Inc.
Globe Telecom Inc.
Golden Haven Memorial Park
GP Bancassurance Subsequent PA
Green Peace Foundation Inc.
G-xchange Inc.
Health Maintenance Inc.
Hongkong Shanghai Banking Corp.
HPI's Horizon Community Condo
Ideal Optical Supply Mktg. (IOS)
Iligan Cement (Lafarge GR)
I-Manila/Tridel Technologies
Infocom Technologies Inc.
Innove
Insular Life Assurance Co.
Island Quarry & Aggregates Cor
Jardine Land Inc.
Jobstreet
Knights of Columbus
Letran
Lloyd's Richfield (Lafarge GR)
Loyola Plans Inc.
Macondray Finance Corp.
Mactan CATV Inc.
Madison Shopping Plaza
Mainstream Business, Inc.
Major Shopping Management Corp.
Mandurriao Star Inc.
Mangosteen Beverage
Manila Bankers Paramount Life
Manila Golf and Country Club
Manila Southern Associates, Inc.
Manulife Phils.
Market Management Services, Inc.
Market Strategic Firm, Inc.
Matrix Mobile
Maxicare
Maynilad Water Services Inc.
MBF Card Inc.
Megamobile Inc.
Meralco
Mercantile Stores Group, Inc.
Meridien Business Leader SM Lipa
Metro Main Star Asia – Bay City
Metro Manila Shopping Mecca Co
Mind Gate Systems Inc.
Mindanao Portland (Lafarge GR)
Mindanao Shopping Destination
Montessori Professional College
Moonsat CATV Inc.
Moresco – 1
Morinda
Multi Store Corp.
NDI Norkis Distributors Inc.
Negros Navigation Company Inc.
Next Mobile Inc.
NLEX/ECTAG/MNTC
Norkis Trading Co.
Northmin Norkis Northmin Fin'l
Onecard Company Inc.
OOCL Logistics Phils., Inc.
Pacific CATV
Pacific Internet
PCI Leasing & Finance, Inc.
PELAC Philam Equi Life Ass. Co.
PESALA
Phil. Deposit Insurance Corp.
Philam Equitable Life – USD
Philam Life Insurance Company
Philam Plans, Inc.
Philippine Airlines
Pilipino Cable
Piltel
Pioneer Life Inc.
Platinum Plans Inc.
PLDT
Portal AMAX
Powercycle Inc.
Premier Central Inc.
Premier Southern Corp.
Primewater Infra Corp.
Pru Life
Prudentialife Plans, Inc.
Quezon City Sports Club
Reader's Digest/AZ Direct
Republic Cement (Lafarge GR)
Riviera Golf & Country Club
Riviera Sports & Country Club
Royale Tagaytay Country Club
San Bruno Workshop, Inc.
SCA Hygiene Product Corp.
Seaboard Eastern Life Insurance Co.
SF Electric Light & Power Co., Inc.
Shoemart, Inc.
SM Keppel Land Inc.
SM Mart Inc.
SM Prime Holdings Inc.
SM Retail Inc.
Smart Communications Inc.
Smart Money Reload
Solid Broadband
Solid Cement Corp. (CEMEX GR)
Sony Life Insurance Phils. Corp.
SOS Children's Villages Inc.
Southmin Norkis Southmin Fin'l
St. Peter Life Plan Inc.
Standard Chartered Bank
Sun Cable Systems Davao Inc.
Sun Cellular
Sun Life Financial Plans
Sun Life of Canada
Super Shop Mkt. Inc.
Tagaytay Highlands International
Tagaytay Midlands Golf Club
Telecommunications Technologies
The Country Club at Tagaytay
The Highlands Prime Community Condo
The Orchard Golf & Country Club
Toyota Financial Services Phil.
Tri-Isys Internet
UBIX Corporation
Unistar Credit & Finance Corp.

SUBSIDIARIES & AFFILIATES

AMERICAN EXPRESS BANK (A SAVINGS BANK), INC.
29th Flr. PBCOM Tower, 6795 Ayala Ave. cor. V. A. Rufino, Makati City
817-9811

ARMSTRONG SECURITIES, INC.
20th Flr., BDO South Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
878-4552

BDO CAPITAL & INVESTMENTS CORPORATION
20th Flr., BDO South Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
878-4155/878-4125

BDO FINANCIAL SERVICES, INC.
12 ADB Avenue, Ortigas Center, Mandaluyong City
688-1245

BDO INSURANCE BROKERS, INC.
8th Flr. The JMT Condominium, 27 ADB Avenue, Ortigas Center, Pasig City
688-1288

BDO LEASING AND FINANCE, INC.
(formerly PCI Leasing & Finance, Inc.)
BDO Leasing Centre, Corinthian Gardens, Ortigas Ave., Quezon City
635-6416

BDO PRIVATE BANK, INC.
27th Flr. Ayala Tower 1, Ayala Triangle, Ayala Avenue, Makati City
848-6300/848-6297

BDO REALTY CORPORATION
7th Flr., The Orient Square Condominium, F. Ortigas Jr. Road, Ortigas Center Pasig City
688-1414

BDO REMITTANCE (HK) LTD
Shop 219 Worldwide Plaza
2/F 19 Des Vouex Road
Central Hong Kong
(00852) 2537-7148/2530-2236

BDO SECURITIES CORPORATION
The JMT Condominium, 27 ADB Avenue, Ortigas Center, Pasig City

EBC INSURANCE BROKERAGE, INC.
8th Flr. The JMT Condominium,
27 ADB Avenue, Ortigas Center, Pasig City
688-1288

EBC INVESTMENTS, INC.
BDO South Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
840-7000/878-4395

EBC STRATEGIC HOLDINGS CORPORATION
14th Flr., BDO South Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
840-7000/878-4396

EQUIMARK-NFC DEVELOPMENT CORPORATION
Rm. 603, EBC Bldg., 262 Juan Luna St., Binondo, Manila
840-7000/878-4396

EQUITABLE CARD NETWORK, INC.
Equitable Card Center, 203 Salcedo St., Legaspi Village, Makati City
812-5861 to 67

EQUITABLE DATA CENTER, INC.
BDO North Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
840-7000/878-4396

EQUITABLE EXCHANGE INC.
14th Flr., BDO South Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
840-7000/878-4396

EQUITABLE PCI EXPRESS PADALA (DEUTSCHLAND) GMBH
Grosse Friedberger Strasse 6
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(004969) 720-07070

EQUITABLE PCI EXPRESS PADALA (NEDERLAND) B.V.
Hendrik Zwaardecroonstraat 16
2593 XS, The Hague, The Netherlands
(003107) 03470720

EQUITABLE SAVINGS BANK, INC.
G/F Equitable PCI Bank Bldg., Ortigas Ave. cor. Roosevelt St., Greenhills, San Juan, MM
726-7799

EXPRESS PADALA (HK) LTD.

EXPRESS PADALA (ITALIA) S.P.A.

EXPRESS PADALA (USA) INC.

GENERALI PILIPINAS HOLDINGS, INC.
Gercon Plaza Bldg., 7901 Makati Avenue, Salcedo Village, Makati City, Philippines 1227
(632) 886-5258
F (632) 893-4195

JARDINE EQUITABLE FINANCE CORPORATION
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840-7000/878-4396

PCI CAPITAL CORPORATION
20th Flr., BDO South Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
878-4564

PCIB PROPERTIES, INC.
BDO South Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
840-7000/878-4395

PCIB SECURITIES. INC.
20th Flr., BDO South Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
878-4564

PROPERTY CARE, INC.
BDO North Tower, Makati Avenue cor. H.V. Dela Costa St., Makati City
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SM KEPPEL LAND, INC.

STRATEGIC PROPERTY HOLDINGS, INC.
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INTERNATIONAL REMITTANCE OFFICES

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BDO REMITTANCE LTD.
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EXPRESS PADALA (HK) LTD. WORLDWIDE
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Central, Hongkong
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EXPRESS PADALA (HK) LTD. WORLDWIDE
Shops 231-232, 2/F Worldwide Plaza,
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F (00852) 2526-9025

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Tsuen Wan New Territories Hongkong
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TSUEN MUN
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Tsuen Mun New Territories, Hongkong
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F (00853) 374-394

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EXPRESS PADALA (ITALIA) S.P.A. FLORENCE
Via San Zanobi 5-7/R 50129 Firenze, Italia
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F (0039055) 462-0636

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Via Vicenza 5/A, Interior 2A 00185 Roma, Italia
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F (0039060 446-0393

EXPRESS PADALA (ITALIA) S.P.A. TORINO
Via San Pio V, 10/C 10125 Torino, Italia
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F (0039011) 668-0085

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2593 XS, The Hague, The Netherlands
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91792
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F (00866) 372-3252

EXPRESS PADALA (USA) INC. LOS ANGELES
215 South Vermont Avenue Los Angeles, California
90004
(001213) 229-4404
F (001213) 229-0893

EXPRESS PADALA (USA) INC. SAN FRANCISCO
4815 Mission St. San Francisco, California 94112
(001415) 587-9495 to 97
F (001415) 587-9498

EXPRESS PADALA (USA) INC. CHICAGO
5845 North Clark Street Chicago Ilinois 60660
(001773) 2817380
F (001773) 2717382

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BDO PARIS REPRESENTATIVE OFFICE
25 boulevard des Capucines 75002 Paris,France
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F (00331) 5375-1143

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EQUITABLE PCI BANK ISRAEL
4th flr. Shop 4412 New Tachana Merkazit,108
Levinsky St. Tel Aviv,66052 Israel
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F (009723) 687-0150

DESK OFFICES

SAUDI ARABIA

AL RAJHI BANKING
Tahweel Al Rajhi Batha Br.# 701 2nd Flr Manila
Plaza Bldg. Riyadh, K.S.A
(009661) 405-0292
F (009661) 402-0722 / 405 - 3591

AL RAJHI BANKING
Tahweel Al Rajhi Batha Br.# 703 Al-Khobar KSA in
front of Al-Salama Hospital
(009663) 8649758
F (009663) 8983461

AL RAJHI BANKING
Tahweel Al-Rajhi Jeddah Br# 704 Queen's Bldg.
Balad, Jeddah KSA
(009662) 6427151 / 6451385
F (009662) 6438542

AL RAJHI BANKING
Tahweel Al Rajhi - Khamis Mushayt Ctr.
(009667) 2201950
F (009667) 2202630

AL ZAMIL EXCHANGE
PO Box 83 King Saud St, corner Cross A, Alkhobar
31952 KSA
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UAE DESK OFFICE
PO Box 39925 Dubai, UAE
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F (009714) 2971788

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KUWAIT DESK OFFICE
Zaid Al Kazemi & Sons Bldg., Mubarak Al Kabir St.
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F (00965) 6029672

QATAR

QATAR DESK OFFICE
PO Box 4847 Doha, Qatar
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F (00974) 4352199

OMAN

OMAN DESK OFFICE
PO Box 1116 PC 131 Al Hamriya, Sultanate of
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F (00968) 24750908

BAHRAIN

BAHRAIN DESK OFFICE
PO Box 20404, Gov't Rd., Manama Kingdom of
Bahrain
(009733) 9874998
F (009733) 17214819

BRANCH DIRECTORY

METRO MANILA

ALABANG / MUNTINLUPA

ALABANG
West Service Road, Alabang , Muntinlupa
850-1565, 850-6905, 850-1339
F 842-1848

AYALA - ALABANG
G/F Condominium C Unioil Center Bldg.
Acacia Avenue corner Commerce Avenue
Ayala Alabang, Muntinlupa
772-2722, 772-2919, 772-2932, 772-2893
F 772-2723

AYALA ALABANG - RICHVILLE CENTER
Richville Center 1314 Commerce Ave. Ext.
Madrigal Business Park, Ayala Alabang , Muntinlupa
809-3322 to 23, 809-3330, 807-3419, 809-4191
F 809-3868

MANUELA METROPOLIS - ALABANG
Unit G33, Manuela Metropolis, South Superhighway
Alabang Interchange, Muntinlupa City
807-2290 to 91, 807-2286, 807-2288
F 807-2289

SM SUPERCENTER MUNTINLUPA
UG/F SM Supercenter Muntinlupa, Brgy. Tunasan
National Road, Muntinlupa City
659-1624, 659-1625, 659-1627, 659-1628
F 659-1626

TIERRA NUEVA - ALABANG
Sycamore Arcade, Alabang-Zapote Nat'l. Road
1702 Alabang, Muntinlupa City
807-4759, 842-1406, 842-3255
F 8070660

CALOOCAN

CALOOCAN
G/F Victoria Bldg., 538 Rizal Avenue Extension
corner E. Mazenod St., Caloocan City
366-0948, 366-0949, 363-7402, 364-3749
365-5184
F 364-5440

CALOOCAN - A. MABINI
A. Mabini St., Poblacion, Caloocan City
285-4364, 287-4208, 287-4135
F 285-5962

CALOOCAN 7TH AVENUE
Rizal Avenue corner 7th Avenue, Caloocan City
362-1873, 361-1074, 361-1249
F 361-1272

CALOOCAN - SANGANDAAN
No. 628 A. Mabini St. 1408 Sangandaan
Caloocan City

EDSA - A. DE JESUS
474 EDSA Cor. B. Serrano and A. De Jesus Sts.
1403 Caloocan City
366-6088, 366-5638 to 39 366-8714
F 363-3845

EDSA EAST - CALOOCAN
L & E Bldg., EDSA cor. Gen Concepcion St.
Caloocan City
367-7336, 330-5836, 367-8751, 330-5834
330-5837, 330-5832
F 330-5832

GEN. LUIS
297 General Luis St., Barrio Kaybiga, Caloocan City
937-3355, 939-6152, 937-3355, 419-3005
F 938-6020

GRACE PARK
G/F A & R Bldg. 213 Rizal Avenue Extension
Grace Park, Caloocan City
365-5805, 364-6125, 365-5166
F 365-5804

GRACE PARK - 8TH AVENUE
Rizal Avenue Extension, Grace Park, Caloocan City
364-1941, 363-5628, 363-5635, 363-5668
363-5633, 361-1626
F 361-1299, 361-1622

GRACE PARK - 9TH AVENUE
414 Rizal Avenue Extension, Grace Park
1400 Caloocan City
365-7308, 363-3581, 361-1215/1208/1984
F 364-9148

GRACE PARK - 11TH AVENUE
1619 Rizal Ave. Extension cor. 11th Ave.
1400 Caloocan City
3661978, 366-1980, 361-1441, 361-2098
366-1926 to 27, 367-2349
F 3611421

MONUMENTO
MacArthur Highway, corner Calle Uno
Caloocan City
362-0295, 365-5470, 364-0532, 330-5683
365-6250
F 365-5470, 361-3295

SAMSON ROAD
G/F Ma. Cristina Bldg. Samson Road corner
UE Tech., Caloocan City
362-8140, 361-0602, 361-2538
F 366-4698

LAS PINAS

LAS PINAS - ALMANZA
Alabang Zapote Road, Almanza Uno, Las Pinas
Metro Manila
801-6357, 801-6399, 801-6400
F 801-6359

PAMPLONA
Alabang-Zapote Road Pamplona, Las Piñas
872-2563, 872-0824
F 872-9911

SM SOUTHMALL 1
UG/F SM Southmall Alabang-Zapote Road
Las Piñas City
800-0471, 806-4383, 806-4389, 800-1648
805-7568
F 800-0472

SM SOUTHMALL 2
UG/F SM Southmall Alabang-Zapote Road
Las Piñas City
800-6798, 800-9122, 800-0590, 800-0545
F 800-9597

TALON LAS PINAS
G/F Motiontrade Bldg. Alabang-Zapote Road
Talon, Las Piñas City
805-1922, 800-9559, 800-8920, 802-3504
805-1921
F 800-9999

MAKATI / TAGUIG

A. ARNAIZ - SAN LORENZO VILLAGE
L & R Bldg., 1018 A. Arnaniz Avenue, Makati City
887-7670; 844-2648; 843-0533; 844-3045
F 843-0522

ALFARO
Unit #2, G/F Chatham House, Herrera St. corner
Valero and San Agustin Sts. Salcedo Village
Makati City
843-4310, 843-4231
F 8434365

ALFARO - SALCEDO VILLAGE
G/F PCCI Bldg., 118 Leviste Street (formerly Alfaro
Street), Salcedo Village, Makati City
751-0237; 815-3014
F 815-2988

AMORSOLO
G/F Queensway Bldg., No. 118 Amorsolo St.
Legaspi Village, Makati City
813-8434 / 810-2202 / 817-7763
F 893-9352

ASIA TOWER - PASEO
G/F Asia Tower corner Paseo De Roxas &
Benavidez Sts., 1229 Makati City
750-6888; 841-0384 to 85; 841-0245
F 750-9888

AYALA AVENUE
G/F People Support Center, Amorsolo St. corner
Ayala Avenue, Makati City
889-7552/889-7554/889-7556/750-6007/750-6
008
F 889-7480

AYALA - RUFINO
G/F Rufino Bldg., Ayala Avenue corner Herrera St.
1226 Makati City
812-4214, 810-1439, 812-4243, 810-1476
F 810-1439

AYALA TRIANGLE 1
GM-B G/F Tower 1, Ayala Triangle, Ayala Avenue
Makati City
759-4413; 848-6734; 891-9948 to 49
F 891-9897

BAGTICAN - PASONG TAMO
Pryce Center, 1179 Chino Roces Ave. cor. Bagtican St.
San Antonio Village, Makati City
899-1059; 899-1063; 899-1061; 899-1053
F 899-1052

BEL-AIR
G/F Executive Bldg. Center Sen. Gil Puyat Avenue
Makati City
895-1579;895-1512;895-1428;896-8245;899-40 87;899-6259;899-6297
F 890-8475

BEL AIR - GIL PUYAT
Country Space 1 Cond. Building, Sen Gil Puyat Avenue, Bel-Air Village, 1209, Makati City
892-6891; 815-2013; 818-8142; 751-0238
F 815-2012; 818-8242

BONIFACIO GLOBAL CITY
Space No. 101 Market Market, Bonifacio City
Fort Bonifacio, Taguig
886-6476 to 80
F 886-6475

C5 - TAGUIG
G/F Ridgewood Square, C5-Avenue, Ususan, Taguig City
882-5630, 882-5633
F 882-5634

CASH & CARRY
G/F Unit G01A, Cash & Carry Mall, South Super Highway & Filmore St., Makati City
887-3210, 887-3761, 887-6205, 887-5360

CHINO ROCES AVENUE
Unit 14, La Fuerza, Chino Roces Avenue (Pasong Tamo), Makati City
893-7851, 893-7859
F 867-1549

DELA ROSA - RADA
Ace Bldg. corner Dela Rosa & Rada Streets
Legaspi Village 1229 Makati City
815-4163; 893-1495; 893-8770; 813-4912
F 817-2323

DIAN - GIL PUYAT
G/F EPCIB Bldg., Sen. Gil Puyat Avenue cor. Dian St., Makati City
844-2554; 889-1564 845-3239
F 844-4244

DPC PLACE - CHINO ROCES
G/F (unit 102) of DPC Place, 2322
Chino Roces Ave., Makati City
889-8685; 889-8689; 889-8626
F 889-8687

ENTERPRISE CENTER - AYALA AVENUE
3 Level, Tower 1, The Enterprise Center
6766 Ayala Ave., Makati City
886-5498
F 886-5500

EVANGELISTA - MAKATI
Evangelista St. cor. Lacuna St., Bangkal
1233 Makati City
844-9278; 888-2449; 844-9276; 888-2497
F 893-1810

FORT BONIFACIO - MC HOME DEPOT
G/F (CS 183) MC Home Depot-Fort Bonifacio Branch, 32nd Street cor. Bonifacio Ave.
Fort Bonifacio, Global City, Taguig
818-1972
F 818-7905

GIL J. PUYAT
Union Ajinomoto Bldg., Sen. Gil Puyat Avenue
Makati City
890-6546/896-4843/895-0471/897-4841 (BM)
F 890-6357

HERRERA
G/F YL Bldg. Herrera corner Sotto Sts.
Legaspi Village, Makati City
812-3074/810-0303/812-7054
F 759-4415

JAKA II - LEGASPI ST.
G/F 150 Jaka II Building, Legaspi St.
Legaspi Village, 1229 Makati City
817-8657; 893-5625; 817-2970;
F 817-0160

JP RIZAL
872 JP Rizal St. Barangay Poblacion, Makati City
899-8690 ; 899-8673 ; 895-7730
F 899-8443

LEGASPI VILLAGE - SALCEDO ST.
EBC Bldg., 203 Salcedo Street, Legaspi Village
Makati City
812-6144, 812-5873 to 74
F 812-6145

MAGALLANES VILLAGE
Unit 104, The Gate Way Center, Paseo de Magallanes, Magallanes Village Makati City
852-9640/852-9643/852-9843
F 852-9643

MAIN OFFICE
PCIBank Bldg., Tower 1 Makati Avenue corner
HV Dela Costa St. 1227 Makati City
818-4643, 878-4640, 878-4645, 878-4638
F 878-4631, 878-4670, 878-4639

MAKATI AVENUE - AYALA
L.V. Locsin Bldg., Ayala Avenue corner
Makati Avenue 1228 Makati City
817-7455; 818-7286 ;817-7182
F 817-7180

MAKATI CINEMA SQUARE
Makati Cinema Square, Pasong Tamo
1229 Makati City
811-1364; 811-1523; 811-1458; 844-1990
F 811-1447

MAKATI SHANGRILA HOTEL
Unit 191 Shangri-la Hotel-Manila, Ayala Center
Makati City
813-5004/813-5006/813-5007/813-4788/817-0 295
F 813-5005

MEDICAL PLAZA - LEGASPI VILLAGE
Unit 101, G/F Medical Plaza Makati, Amorsolo St. cor. Dela Rosa St. Legaspi Village, Makati City
813-2585; 750-5545 813-2739
F 750-5546

METROPOLITAN AVENUE
G/F Metropolitan Terraces Metropolitan Avenue corner Dao St. Makati City
899-6618 / 899-6693 / 899-6631 / 890-5437
F 899-6667

NEPTUNE - MAKATI AVENUE
101 Neptune Street cor. Makati Ave.
1209 Makati City
897-2174; 751-6332; 897-8483 897-2694
F 896-6062

PACIFIC STAR - MAKATI
G/F Pacific Star Bldg., Sen Gil Puyat Avenue corner Makati Ave., Makati City
811-5939; 811-5938; 811-5567; 811-5225
F 811-5568

PASAY ROAD
845 Corporate Plaza Bldg. Pasay Road
Makati City
894-1732;817-6113;810-9382;892-0800
840-0604
F 818-2958; 894-1733

PASEO DE ROXAS 2
8737 Paseo de Roxas St. Makati City
818-3527; 892-9796; 840-3366; 892-7333;
892-5703
F 892-5252

PASEO - GIL PUYAT
EBC Bldg., Paseo de Roxas corner Gil Puyat Ave.
Makati City
895-3949; 895-0055; 895-5918; 890-9531
F 897-6149

PASEO TOWER - MAKATI
Equitable Bank Tower, 8751 Paseo de Roxas
Makati City
886-0009 to 11
F 886-0015

PASONG TAMO EXT.
G/F Allegro Center, Pasong Tamo Extension
Makati City
817-5456; 817-5443; 817-5439
F 817-5641

PEREA - PASEO
G/F Universal Re Bldg. 106 Paseo De Roxas
1228 Makati City
817-1519; 816-2220; 817-7457; 815-9032
F 817-1845

RADA
G/F One Legaspi Place, Rada St., Legaspi Village
Makati City
909-2011 to 13
F 909-2014

REPOSO - MAKATI
EBC Bldg., JP Rizal cor. N. Garcia (formerly Reposo)
Makati City
896-2437; 897-8651; 897-8648; 896-1790
F 897-8655

ROCKWELL
G/F Power Plant Mall, Rockwell Center, Amapola corner Estrella St. Makati City
899-1488 / 899-1250 / 899-6196
F 899-1489

ROCKWELL CENTER - MAKATI
Lot 3, Block 7, Rockwell Drive, Rockwell Center
Poblacion, Makati City
898-1742 to 44
F 898-1746

SALCEDO
Golden Rock Bldg. 168 Salcedo St. Legaspi Village
Makati City
816-1467 / 816-1478 / 816-1489
F 816-1468

SM MAKATI
Shoemart Annex Bldg. Ayala Center, Makati City
893-3241/892-2182/812-6838/817-0856
F 818-0855/813-3975

TORDESILLAS
3 Salcedo Place Tordesillas St. Salcedo Village
Makati City
751-6087, 887-7734
F 751-6088

VALERO
G/F Pearl Center 146 Valero St. Salcedo Village
Makati City
817-9678; 817-9586; 817-9675; 750-1032
F 750-1037

VILLAR - SALCEDO VILLAGE
Eurovilla III Cond 154 Villar St. corner L.P. Leviste St.
Salcedo Village, Makati City
818-1681, 812-5070, 894-1049
F 894-1048

WASHINGTON - GIL PUYAT
G/F Keystone Bldg., 220 Gil Puyat Avenue
Makati City
893-2183; 844-7633, 844-0045, 844-1325
F 893-2180

MALABON / NAVOTAS

MALABON
685 JP Rizal St. Malabon
281-9254/281-9252/281-5603
F 281-5604

MALABON-RIZAL AVENUE
694 Rizal Ave. 1404 Malabon, Metro Manila
281-0995, 281-0949, 281-1005
F 2815346

NORTHBAY - VIRGO DRIVE
Melandrea III Bldg. NorthBay Blvd. near cor
Virgo Drive, Navotas, Metro Manila
282-9801 to 04, 282-1009
F 2821009

NAVOTAS
Seafront Commercial Bldg. North Bay Blvd., Navotas
282-7368 ; 282-7369 ; 283-8352
F 282-6535

POTRERO
110 MacArthur Highway corner Riverside St. Potrero
Malabon
447-4554; 447-4555; 367-9806
F 364-6308

MANDALUYONG

BEACON PLAZA - SHAW BLVD.
UG 105-UG 106 Beacon Plaza, Shaw Blvd. cor. Ideal St., Mandaluyong City
726-2314; 726-2450; 726-2364
F 726-1107

BONI AVENUE
74 Maysilo Circle corner Boni Avenue
Mandaluyong City
531-6378/532-5206/531-3694/534-6492 (MO/FA)
F 531-3550

EDSA-POEA
POEA Building, EDSA cor. Ortigas Ave.
Mandaluyong City
724-5943, 724-5955
F 724-5966

HEAD OFFICE
12 ADB Avenue Ortigas Center, Mandaluyong City
702-6275 to 76 /702-6278 to 79, 702-6000 local 5276 to 81, 6275 to 79, 5272 to 74
F 702-6280 to 81

KALENTONG
MRDC Bldg., Shaw Blvd. cor. Gen. Kalentong St.
Mandaluyong City
532-8953, 531-9146, 531-6984
F 531-7071

LIGAYA - BONI AVENUE
654 Boni Avenue, 1550 Mandaluyong City
534-0570; 534-3133 to 34
F 746-2747

ORTIGAS-EDSA
SEC Bldg., EDSA cor. Florida St. (near Ortigas Ave.)
Mandaluyong City
725-3159, 727-5161, 725-7486
F 721-0224

PIONEER HIGHLANDS - MADISON
Unit 01, Lower Ground Floor of Globe Telecom Plaza 1 Building, Pioneer St. cor. Madison St.
Mandaluyong City
746-0081; 634-7933; 746-3806
F 746-3805

RELIANCE ST. - EDSA
G/F Peragaon Plaza, cor. Reliance St.
Mandaluyong City
638-9070; 638-9066; 638-9072; 687-6804
F 638-9069

SAN MIGUEL CENTER - ORTIGAS
G/F SMPPI Corporate Centre Bldg., St. Francis Ave.
1554 Mandaluyong City
911-0976 to 77; 638-7001; 638-7003 to 04
F 638-7002

SHANGRILA PLAZA MALL - EDSA
Unit #129-A, Level 1, Shangri-La Plaza Mall, EDSA cor. Shaw Blvd., Mandaluyong City
638-2692 to 93; 633-4187
F 687-6944

SHAW BLVD.
555 Shaw Blvd. Mandaluyong City
722-7572 / 722-6677 / 722-7584
F 722-7592

SHAW BLVD. - STANFORD
EBC Bldg., Shaw Blvd. cor. Stanford St.
Mandaluyong City
723-5523; 723-8705; 723-8708
F 723-8707

SHAW BLVD.- YULO
285 A. Shaw Blvd. corner L. Cruz St.
Mandaluyong City
533-5424; 533-6518; 533-5252; 533-7688;
533-7751; 534-8419
F 533-7751

SM MEGAMALL A
G/F SM Megamall Bldg. A Ortigas Center
Mandaluyong City
631-9813 / 633-1786 / 635-2358 / 633-1785 / 634-0437
F 633-1784

SM MEGAMALL B
Upper & Lower Ground Floors SM Megamall Bldg. B Julia Vargas corner EDSA Ortigas Center, Mandaluyong City
632-7425; 631-2956; 631-9843; 631-9806;
633-4969; 633-1972
F 635-5172 (LG) / 631-6766 (UG)

MANILA

ARRANQUE
1359-1361 Soler St. Sta. Cruz, Manila
734-2550 / 733-0934 / 733-3538 / 733-0916 / 733-0908-AH
F 734-2549

ARRANQUE - T. ALONZO
733 T. Alonzo St., Manila
733-4655; 733-4648; 733-4657
F 736-9493

BINONDO
411 Quintin Paredes St., Binondo, Manila
241-3055/247-4278/241-3050/241-3065
F 241-2892

BLUMENTRITT
2325 Rizal Avenue corner Antipolo St. Sta. Cruz Manila
255-6260/254-1945/251-8135/256-5009
F 256-5012

C. PALANCA - QUIAPO
132 Carlos Palanca St. Quiapo, Manila
735-6403; 733-6342 to 43; 733-6337; 733-6334
F 733-6329

C.M. RECTO
CM Recto Avenue corner Nicanor Reyes St., Manila
735-2554/735-5686
F 735-5688

C.M. RECTO - REINA REGENTE
1059 CM Recto Ave. corner Reina Regente St.
Binondo Manila
244-3993 to 94
F 244-7318

C.M. RECTO - SAN SEBASTIAN
2070 C.M. Recto St. 1008 Sampaloc, Manila
734-8889; 734-9682; 733-0267; 734-6679;
734-9679
F 736-9059

CARMEN PLANAS
812 O'Racca Bldg. Carmen Planas St. Divisoria Manila
243-6712/242-6704
F 243-3595

CARMEN PLANAS - P. RADA
1033-1035 C. Planas St. 1012 Tondo, Manila
245-2240; 245-2323; 243-0193
F 245-1648

CARMEN PLANAS - ZARAGOZA
921 Carmen Planas St. cor. Zaragosa St. Tondo Manila
243-4879; 243-4881 to 82
F 245-5207

CENTRAL MARKET - V. FUGOSO
1711 V. Fugoso St. cor Sulu St. Sta. Cruz Manila
734-1509, 734-3048 735-0664
F 735-0664

CENTURY PARK - ADRIATICO
Century Park Hotel Cor. Adriatico & Vito Cruz Sts. 1004 Malate, Manila
536-9085; 528-8888 loc 2919
F 525-1607

DASMARINAS ST. - BINONDO
PCIBank Bldg., Dasmarinas St. Binondo 1006 Manila
242-9413; 242-9415 to 16; 242-9390; 242-9436
F 242-9438

DIVISORIA
744-746 Ilaya St. Tondo, Manila
241-8607/241-4158/241-8617/241-4159
F 241-8617

ECHAGUE
Nos. 116-120 C. Palanca St. Quiapo, Manila
733-7436/733-7437/733-7434/734-6858
F 734-8131

ELCANO
SHC Tower 619 Elcano St. San Nicolas, Manila
247-1957/247-1958/247-1960
F 247-1959

ERMITA - ADRIATICO
Adriatico Executive Center Adriatico St., Ermita Manila
536-7514, 536-7517, 521-7751
F 523-5866

ESPAÑA
Carmen Bldg. España corner G. Tolentino St. Sampaloc, Manila
735-6698/735-6573/736-1770
F 735-6588

ESPAÑA – BLUMENTRITT
2101-2103 Espana Ave cor. Blumentritt St. 1008 Sampaloc, Manila
741-1517/741-3274/741-6709
F 731-5101

GANDARA
811-813 Gandara St. Sta. Cruz, Manila
733-1342/734-3255/734-4574/733-3705/733-8079/736-6382
F 734-3254/733-1338

GANDARA - SOLER
1268 Soler St. cor. S. Padilla St., 1006 Binondo Manila
244-8097; 244-8039; 247-6507
F 244-8041

HARRISON PLAZA
Unit R-5 URDI Bldg. Harrison Plaza Shopping Complex F.B. Harrison Malate, Manila
524-4308/425-2954/524-6533/536-1573
F 523-2732

ILAYA
1049-1051 Ilaya St. Divisoria, Manila
245-5508/245-5510/242-1686
F 245-0569

ILAYA - M. DE SANTOS
632 M. de Santos St., Manila
243-1826; 243-1828 to 31
F 243-1827

ILAYA - PADRE RADA
940-942 Ilaya St., Tondo Manila
242-1110; 245-5478; 245-0283
F 245-0107

INTRAMUROS
G/F Chamber of Commerce Bldg. #3 Magallanes Drive, Intramuros, Manila
527-7998;527-7964; 527-8585
F 527-7574

J. ABAD SANTOS
G/F Ching Leong Temple, J. Abad Santos Avenue Tondo, Manila
252-2140 to 41/255-6594/252-2127
F 252-2139

JAS-ANTIPOLO
G/F Intercast Corporate Tower, J. Abad Santos Avenue, Tondo, Manila
253-6544/253-6566/253-6606
F 253-6555

JAS-RECTO
1174 J. Abad Santos Avenue Tondo, Manila
251-7584/256-6572
F 251-7578

JUAN LUNA
262 Juan Luna St., Binondo, Mla.
241-5967; 241-5946; 243-0195; 243-0197
F 243-0252; 241-6065

KAMAGONG
2567 P. Ocampo (Vito Cruz Extension) corner Madre Perla St. Manila
563-0504/564-7104/564-4495
F 563-1895

LAVEZARES
321-325 Garden City Condominium corner Lavezares & Camba Sts. San Nicolas, Manila
242-4244/242-4249/242-4250/242-4251
F 242-4254

LUNETA - T.M. KALAW
707 T.M. Kalaw St. corner Churruca St. Ermita Manila
525-6857 / 523-5334, 525-6590
F 525-4868

MABINI
A. Mabini corner Calle Soldado Sts. Ermita, Manila
524-6001/450-1693
F 524-6002

MASANGKAY
Lun Hong Townmates Association Bldg. 1226 Masangkay St., Sta. Cruz, Manila
255-2002 / 255-2065 / 255-2080
F 255-2023

MASANGKAY - CM RECTO
1029 - 1031 JP Bldg., Masangkay cor. Tronqued Sts. Sta. Cruz Manila
244-0185;244-1806; 244-1808
F 244-0186

MASANGKAY - LUZON ST.
907 Luzon St. corner Masangkay St. Tondo Manila
252-4456; 252-1149; 254-5056
F 254-9528

ONGPIN
Unit ABC Imperial Sky Garden, Ongpin St. corner T. Pinpin St. Binondo, Manila
244-3738 / 243-5516 / 241-8143
F 244-8239

ONGPIN - T. ALONZO
Unit 564 and 566, Gel Tower T. Alonzo St. Sta. Cruz Manila
733-9556; 733-1461; 733-1477; 733-9518
F 733-1459

ONGPIN-TOMAS MAPUA
1004-1006 Ongpin St., Sta. Cruz, Manila
734-2944 / 735-2524 / 735-8641 / 734-2945
F 734-2945

PACO - A. LINAO
1635-1641 A. Linao St., Paco, Manila
536-0358; 525-6521; 303-0399
F 536-0357

PADRE FAURA - A. MABINI
A .Mabini cor. Padre Faura Sts., 1000 Ermita Manila
525-8928, 523-3173
F 523-4879

PADRE RADA
Gosiupo Bldg. 480-482 Padre Rada corner Elcano St. Tondo, Manila
245-0176/245-0249/245-5513
F 245-5491

PEDRO GIL - A. MABINI
1567-1571 Salud Bldg. Pedro Gil corner A. Mabini Sts. Ermita, Manila
400-7362 to 63 525-6121
F 400-7364

PEDRO GIL - SINGALONG
1080 cor. Pedro Gil & Singalong Sts. 1007 Paco, Manila
536-6448, 536-6449, 523-1711, 523-7290, 521-3647, BH - 498-1191
F 525-3249

PLAZA CALDERON - PEDRO GIL
G/F Unit C, Harmonic Seven Bldg., 2332- 2334 Pedro Gil cor. Vesta St., Sta. Ana, Manila
563-4803; 562-6816; 563-7156; 563-4228
F 564-6548

PLAZA STA. CRUZ - DASMARINAS
377 Plaza Sta. Cruz 1003 Sta. Cruz, Manila
733-3003 to 04; 733-3001
F 733-3018

BRANCH DIRECTORY

PORT AREA - SOUTH HARBOR
13th St. cor. Atlanta St. South Harbor 1018 Port Area, Manila
527-0717, 527-0793
F 527-0695

QUIAPO - QUEZON BLVD
Quezon Blvd., 1001 Quiapo, Manila
733-6295, 733-6249, 735-0953, 734-0477 734-0478

QUIAPO - QUINTA MARKET
Quezon Blvd. cor. C. Palanca St., Quiapo, Manila
735-9591, 947-3594 to 95, 735-9593 to 95
F 735-9592

QUINTIN PAREDES
524 Enterprise Bldg. Quintin Paredes St. corner Carvajal St. Binondo, Manila
245-9937/ 245-6059 / 245-5945 / 243-9689 / 243-9687
F 243-4041

QUIRINO PACO
CRS Tower corner Perdigon St., Pres. Quirino Avenue Paco, Manila
561-7305 / 562-2153
F 561-7304

RIZAL AVENUE
2502-2504 Rizal Avenue corner Cavite St., Sta. Cruz Manila
781-9976 / 732-7483 / 732-7451 / 732-9848
F 740-3274

RIZAL AVENUE - BAMBANG
1607 Alvarez St. cor. Rizal Ave. Sta. Cruz 1003 Manila
711-8811 / 9042, 493-6160
F 711-7734

RIZAL AVENUE - BATANGAS ST.
2200 Rizal Ave. cor. Batangas St., Sta. Cruz, Manila
493-6172, 731 - 5962 / 3671 / 3667 / 8734
F 731-3671

ROBINSON'S PLACE - MANILA
G/F Robinson's Mall cor. Pedro Gil & M.Orosa Sts. Ermita, Manila
536-7901 to 02, 525-6430, 536-0331
F 536-7898

ROXAS BLVD. - R. SALAS
S & L Bldg., Roxas Blvd. St. cor. Romero Salas St. Ermita, Manila
524-8469; 450-8300; 536-7697
F 450-8297

SALES ST. - RAON
545 Sales St. cor. G. Puyat St. (Raon) 1016 Sta. Cruz, Manila
733-7656; 733-6679; 733-7865 to 86
F 733-6673

SAN ANDRES
San Andres corner A. Linao St. Malate, Manila
525-6658 / 525-6633 / 484-2237
F 525-6429

SM CITY MANILA
LG/F SM City Manila Concepcion corner Arroceros and San Marcelino Sts. Manila
524-7787 to 88 / 524-7978 / 524-7801
F 524-7788

SM CITY SAN LAZARO
Felix Huertas corner A.H. Lacson St, Sta. Cruz Manila
741-5603 / 731-5682 / 711-6922 / 743-3910 / AH-743-1832
F 743-1310

SM CITY STA. MESA
SM Centerpoint Annex Bldg. Aurora Blvd. Quezon City
715-0537 / 715-0547 / 715-0559 / 716-0343 / 716-0344 / 716-0619 / 715-7476
F 715-0543

SOLER
U-1118 & 1120 Gracetown Bldg. corner Soler & Alvarado Sts., Binondo, Manila
243-7819; 243-6915; 245-0286
F 244-7624

SOLER - REINA REGENTE
1087 Soler St., Manila
244-1146
F 243-5827

STA. CRUZ - RONQUILLO
Unit I, G/F Carmen Bldg. Ronquillo St. Sta. Cruz, Manila
735-9303 to 06
F 735-9302

STO. CRISTO
474-475 Kim Siu Ching Foundation Bldg. Sto. Cristo St., Binondo, Manila
242-4247; 242-2589; 242-2687; 242-0498
F 242-2672

STO. CRISTO - COMMERCIO
No. 686 Sto. Cristo St., Binondo, Manila
242-5380; 242-5383; 242-5382; 243-4849; 243-4796
F 242-2869

TABORA
859-861 L & J Bldg. Tabora St., Divisoria, Manila
243-2148; 243-0419; 241-9441
F 242-0154

TAFT - PEDRO GIL
1430 Taft Avenue, Manila
536-1215; 536-1117; 536-1119
F 536-1118

TAFT - VITO CRUZ
Bankard Bldg., 2422 Taft Ave. 1004 Malate, Manila
523-1869, 523-1223 523-1135, 484-4250
F 526-0034

TAFT AVENUE-J. NAKPIL
1747 Taft Avenue corner J. Nakpil St. Manila
521-1226; 522-0902; 522-8938
F 521-1675

TAFT AVENUE - PRES. QUIRINO
Ground Floor, FFW Bldg. #1943 Taft Ave., Malate Manila
523-2654; 523-2657; 526-4068
F 523-2640

TAYUMAN
G/F Delton Bldg. 1808 Rizal Avenue, Sta. Cruz Manila
749-5078; 732-9052; 732-9866
F 743-5754

TONDO - PRITIL
1815 N. Zamora St. 1012 Tondo, Manila
255-1050; 252-5762; 254-5028
F 254-5248

TUTUBAN
DS 17-18 Tutuban Prime Block, Tutuban Center CM Recto, Manila
251-1601; 251-1602; 254-3438; 254-3404; 251-1676
F 254-0768

TUTUBAN CENTERMALL
M1-B055 B, Ground Floor, Centermall Building Tutuban Center, C M Recto Ave. Manila
254-4503, 254-4354, 254-4586
F 252-4236

U.N. AVENUE
Puso ng Maynila Bldg. UN Avenue corner A. Mabini St. Ermita, Manila
524-1734; 524-1783; 524-0306; 536-9850; 525-2436
F 524-1755

U.N. AVENUE - J. BOCOBO
EBC Bldg., UN Avenue cor. J. Bacobo St., Ermita Manila
524-9661 to 65, 524-6530, 521-2721
F 525-2033

U.N. AVENUE - PHILAMLIFE
Unit G-2b(Sec. B) Times Plaza Building Taft Ave. cor United Nations Ave. Ermita Manila
404-1403, 404-1436, 404-1430
F 404-1447

ZURBARAN
Rizal Avenue corner Fugoso St., Sta. Cruz, Manila
734-1544; 734-1563; 735-0636
F 735-0710

ORTIGAS / PASIG / PATEROS

ADB AVENUE - ORTIGAS
Robinson's PCIBank Tower, ADB Avenue Ortigas Center, 1600 Pasig City
634-2116; 634-2125; 634-2116; 634-2131; 634-2124
F 634-2119

CAPITOL - PASIG
Shaw Blvd. cor Danny Floro St., Pasig City
636-3820; 636-3822; 636-3824; 634-1328
F 634-1330

CORINTHIAN GARDENS
BDO Leasing Center, Ortigas Avenue
632-9005 631-8683
F 636-1758

EMERALD AVENUE
G/F Unit 101 Taipan Place Emerald Avenue Ortigas Center, Pasig
635-4117/637-7329/634-7957/914-3544 -BM
F 634-2014

JULIA VARGAS
IBP Bldg. Julia Vargas Avenue, Ortigas, Pasig City
914-8762/638-7770 to 71/638-7767/687-5835/637-6606
F 638-7770

BRANCH DIRECTORY

MANGGAHAN
Amang Rodriguez Avenue, Manggahan, Pasig City
646-3177/681-1842
F 681-1844

MERALCO - ORTIGAS AVE
G/F Corporate Wellness Center, Meralco Compound
Ortigas Avenue, Pasig City
638-4802 / 637-2058 / 633-3243
F 635-2057

MERALCO-ORTIGAS B
Meralco Compound, Ortigas Ave., 1604 Pasig City
631-5853;631-5655;1622-5302;1622-5596;162
2-5809
F 631-6360

ORTIGAS AVENUE - PASIG
New Rosario Ortigas Commercial Arcade
#42 Ortigas Avenue, Pasig City
916-7455; 916-7457; 640-5272
F 916-7454

ORTIGAS AVENUE EXT. - ST. JOSEPH
15 A, Ortigas Avenue Ext. cor. Monaco St., Pasig City
656-1080; 656-0182
F 655-0368

ORTIGAS - EXCHANGE ROAD
G/F, PSE Center, Exchange Road, Ortigas Commercial
Complex, Pasig City
636-3729; 635-2902 to 05; 636-6153
F 636-3728

PASIG
Mariposa Arcade, A. Mabini corner Dr. Pilapil Sts.
Pasig City
641-0557; 640-1633; 640-1643
F 640-0564

PASIG BLVD. EXT. - ROSARIO
Along Pasig Blvd. Extension, Rosario, Pasig City
642-8406 to 09
F 641-5828

PASIG-KAPITOLYO
A.B. Sandoval Bldg. corner Oranbo Drive, Pasig City
638-2129; 638-2132
F 638-2130

PATEROS
East Mansion Homes, Phase I, Elisco Road
Sto. Rosario East, Pateros
641-4729; 641-3542; 642-9587
F 641-8927

ROBINSONS GALLERIA - ORTIGAS
Robinson's Galleria, Ortigas Avenue, 1602
910-5484; 632-9821; 632-9879
F 632-9866

SILVER CITY - PASIG
Level 1, Auto Mall, Frontera Verde Drive cor.
Julia Vargas St., Ortigas, Pasig City
633-2065; 633-7176; 637-2634; 636-1159
F 638-5399

SIXTO ANTONIO - PASIG
Sixto Antonio Ave. cor. R. Bedaña St., Pasig City
640-3411; 640-1197; 641-0619 to 20
F 641-0619

SM SUPERCENTER PASIG
G/F SM Supercenter Pasig, Frontera Verde
Ortigas Center, Pasig City
637-7326; 637-7952; 637-8536; 637-9239
F 637-6437

STRATA 100 - ORTIGAS
G/F Strata 100 Bldg., Emerald Avenue, Pasig City
638-3669; 631-2848; 631-2851; 638-3670;
914-3846
F 632-7084

VALLE VERDE - E. RODRIGUEZ
Cathay Builder's Corp. Bldg. E. Rodriguez Jr. Ave. cor.
Carlo J. Caparas St., Bo. Ugong, Pasig City
914-3370; 671-0523 671-1296; 671-1863
F 671-1296

PARANAQUE

A. SANTOS - SOUTH EXPRESSWAY
Units E & F, 8385 Dr. A. Santos Ave., Paranaque
829-4178; 829-4180 to 81
F 829-4179

A. SANTOS - ST. JAMES
8406 A. Santos Ave., Sucat, Paranaque City 1700
820-3446; 820-8210 to 11
F 826-9401

BETTER LIVING
Dona Soledad Avenue corner France St., Better Living,
Paranaque City
776-1161 to 63
F 776-1164

BETTER LIVING - BICUTAN
43 Doña Soledad Ave., Better Living Subd.
Don Bosco, Paranaque
824-6767; 824-6770 to 71
F 823-6338

BICUTAN - SOUTH SUPER HIGHWAY
Columbian Motors Cmpd., Km 16 West Service Road
South Super Highway, Bicutan 1700 Paranaque
823-3964; 823-6965; 823-5486
F 823-3932

BF HOMES - AGUIRRE
RGM Building, 326 Aguirre Avenue, BF Homes
Paranaque
788-0674, 825-0045, 820-2730
F 825-0044

BF HOMES PARAÑAQUE
65 President's Avenue Plaza near corner Aguirre
Avenue, BF Homes, Paranaque City
809-9385; 809-8778; 809-8083
F 809-8861

COASTAL ROAD - UNIWIDE
Roxas Blvd., Parañaque
879-0088 to 89, 879-0084
F 879-0086

DR. A. SANTOS AVENUE
LT Bldg. Dr. A. Santos Avenue, Parañaque City
825-1381/820-6792
F 825-1364

LAS PIÑAS - PHILAMLIFE AVENUE
Alabang-Zapote Road, Pamplona Tres, 1740 Las Pinas
874-4259 , 874-4252, 872-8167
F 874-3892

PARAÑAQUE - N. AQUINO AVENUE
JJM Bldg., 2 N. Aquino Ave. Sto. Nino, Parananque
854-4789, 854-4791, 854-4787
F 854-4792

PARAÑAQUE CABLE - A. SANTOS
Paranaque Cable TV Bldg., # 8210 Dr. A. Santos Ave.
Paranaque
820-1626, 820-1615, 820-1620 to 21
F 820-1617

PARANAQUE - LA HUERTA
0422 Quirino Avenue corner J. Ferrer St., La Huerta
Paranaque City 1700
829-7906, 826-1087, 826-2368
F 829-6005

PRESIDENT'S AVENUE - BF PARANAQUE
President's Ave. cor. J. Elizalde St., BF Homes
Paranaque
809-1677, 807-7068, 842-7395
F 850-8571 / 72

SM CITY BICUTAN
LG/F SM City Bicutan, Doña Soledad Avenue corner
West Service Road, Parañaque City
777-9262 to 64 / 823-7167/ AH- 821-3254
F 777-9261

SM CITY SUCAT A
G/F SM Supercenter Sucat, Parañaque City
825-6862 / 825-6224 / 826-6787
F 825-6728

SM CITY SUCAT B
G/F Annex Bldg. B, SM City Sucat, Dr. A. Santos
Avenue, Parañaque City
820-6737 / 825-3739 / 825-2967 / 820-7104
F 825-3467

SUCAT
8260 Dr. A. Santos Avenue, Parañaque
825-5374; 829-1630; 825-6861
F 829-1713

VILLA MENDOZA - A. SANTOS
Cor. Villa Mendoza Subd. Road & Dr. A. Santos Ave.
1700 Paranaque City
820-0019, 826-5789, 825-5871
F 8266487

PASAY

AIRPORT ROAD
Airport Road corner Quirino Avenue, Baclaran
Parañaque City
854-5285 / 854-1898
F 854-4806

BACLARAN
2987 Taft Avenue Extension, Pasay City
854-5401/832-5030/853-5136
F 831-2231

BACLARAN - REDEMPTORIST ROAD
Redemptorist Road, Baclaran, Parañaque
854-0685; 833-2844; 852-5169
F 832-0042

BUENDIA - TAFT
317 Sen. Gil Puyat Avenue, Pasay City
831-9334/551-0243/832-7200
F 831-3342

EDSA - PASAY
507 EDSA corner B. Garcia Street, 1300 Pasay City
831-7741; 833-7016; 831-0035; 833-6832
F 831-4493

EDSA TAFT
EDSA corner Zamora St., Pasay City
833-1505/833-0996/833-0696
F 833-1448

LEVERIZA - LIBERTAD
212 Libertad St., Pasay City
833-1143; 831-8190; 834-8783; 831-5889
F 833-1149

NAIA 1
Arrival Area, Ninoy Aquino Int'l Airport
N. Aquino Ave. 1705 NAIA
879-6201 to 02, 877-14057
F 832-0117

PASAY
Libertad corner Colayco Sts. Pasay City
831-0593/551-2513/551-6876/551-6877
F 831-0502

PASAY - DOMESTIC ROAD
Caltex Compound, NAIA cor. Domestic Road
1300 Pasay City
851-2230; 851-5360 to 61
F 851-2210

SM CORPORATE OFFICES
Bldg. 104 Bay Boulevard SM Central Business Park
Bay City, Pasay
833-6710/ 833-7378 / 833-8702
F 833-6469

SM MALL OF ASIA A
G/F Main Mall, SM Mall of Asia
SM Central Business Park, Pasay City
556-0012 / 556-0014 to 16
F 556-0013

SM MALL OF ASIA B
G/F Entertainment Mall, SM Mall of Asia
SM Central Business Park, Pasay City
556-0017 to 19 / 556-0021
F 556-0020

TAFT - LIBERTAD
MCF Building, 2250 Taft Avenue corner
College Road, Pasay City
831-6630; 831-5808; 551-9238
F 833-3069

QUEZON CITY

ABS CBN - MOTHER IGNACIA ST.
Stall No. 25 South Wing, G/F ELJCC Bldg., Sgt. E.A.
Esguerra Ave. cor. Mother Ignacia St.
925-6731 to 33; 925-6735; 411-1090; 920-1411
F 925-6736

ACROPOLIS - E. RODRIGUEZ
Ground Floor, ACO Bldg., 191 E. Rodriguez Jr. Ave.
Bagumbayan, Quezon City
637-5362; 440-4370 to 72
F 440-4368

AGNO - BANAWE
202-204 Banaue cor. Agno Sts., 1103 Quezon City
712-4774; 743-3432
F 712-4742

ANONAS
Manahan Bldg. Aurora Blvd. corner Anonas Avenue
Quezon City
421-3814 / 421-3816
F 421-3813

ANONAS - KAMIAS
Security Bank Bldg., Anonas Street cor. K-6 Street
East Kamias, 1102 Quezon City
921-2408; 922-6603; 925-5315
F 922-0460

AURORA BLVD.
Aurora Blvd. corner Yale St. Cubao, Quezon City
912-2720/912-2715/911-9261/911-9453/438-6
505/995-7046
F 911-8892

AURORA BLVD - NOTRE DAME
Aurora Blvd. cor. Notre Dame St. Cubao
1110 Quezon City
911-9108; 913-5024 to 26; 913-5020; 912-0464
F 911-9833

BANAWE AMORANTO
650 N. S. Amoranto Ave. cor. Banawe St.
Quezon City
712-4702/415-9864 to 65 / 712-4737 /
781-9812
F 712-4702

BANAWE - N. ROXAS
Unit 397-A and Unit 71-F, Banawe corner
N. Roxas St., Quezon City
743-7555/743-7552/743-7545

BANAWE-KITANLAD
23-25 Banawe corner Kitanlad, Quezon City
740-3285/732-2065
F 732-9620

BIG R-ROBINSON'S NOVALICHES
Level 1 Big R Lobby, Robinson's Place, Novaliches
Quirino Highway, Quezon City
935-4895, 935-4891 to 92
F 935-4890

BRIXTON HILL - G. ARANETA
G/F ILO Bldg. 195 G. Araneta Avenue, Quezon City
714-3546; 714-7688; 714-3988; 715-3005
F 714-3547

BROADWAY CENTRUM - AURORA BLVD
Broadway Centrum Cond., Aurora Blvd. cor. Dona
Juana Rodriguez St., 1112 Valencia, Quezon City
725-7250; 727-4522; 726-9372; 724-4821;
726-6238
F 724-4821

COMMONWEALTH
G/F Teresita Bldg., Holy Spirit Drive, Don Antonio
Heights, Quezon City
932-4717/932-8764/932-3398
F 932-9286

COMMONWEALTH - DON ANTONIO
Don Antonio Sports Center, Don Antonio Heights
Subdivision, Quezon City
931-1359, 931-5212
F 931-3215

CONGRESSIONAL AVE.
The Excelland System I Congressional Avenue
Quezon City
920-5613/454-9560
F 920-5614

CONGRESSIONAL - MINDANAO AVENUE
Congressional Avenue Ext. cor Mindanao Avenue
Quezon City
925-2626; 925-2629 to 31; 455-2394
F 925-2627

CORDILLERA - QUEZON AVENUE
Quezon Ave. cor. Cordillera St., Quezon City
731-7284 to 86 413-2316 412-3785
F 731-7286

CUBAO - GENERAL ARANETA
G/F, Philamlife Bldg., Aurora Blvd. corner Gen.
Araneta Ave., Cubao, Quezon City
437-7838, 913-4438, 912-5381
F 912-5384

DEL MONTE AVENUE
420 Del Monte Avenue, Quezon City
749-1711/749-1678/749-1651
F 413-4882

DEL MONTE - SIENNA
409 Del Monte Avenue, Quezon City 1105
367-1642, 367-1640, 414-7373 / 366-9152
F 3671641

DILIMAN - MATALINO
Ground Floor, J & L Bldg., Matalino Street, Diliman
Quezon City
921-9956, 434-2763 to 65
F 434-2768

E. RODRIGUEZ
1162 E. Rodriguez Sr. Blvd., Quezon City
724-4203/724-3977/722-1009/725-2408
F 724-3983

EASTWOOD CITY - LIBIS
G/F Techno Plaza One, Orchard Road
Eastwood City, Libis
667-3160; 667-3054
F 440-1797

EDSA - BALINTAWAK
Unit 17-19 ANPN Plaza, KM. 12 EDSA, Balintawak
Quezon City
455-5805, 330-9622, 455-5807 to 08
F 455-5806

EDSA CUBAO
596 Simeon Medalla Bldg., corner Gen. McArthur
Avenue, EDSA, Quezon City
911-1235/912-1750/911-1249
F 911-1239

EDSA - NEW FARMERS PLAZA
3rd Flr. Concourse Area, New Farmers Plaza EDSA
Araneta Center, Quezon City
995-0206 to 07

FAIRVIEW
Don Mariano Marcos Avenue Fairview, Quezon City
938-2712/938-2503/937-8436
F 939-9898

BRANCH DIRECTORY

GLORI - DEL MONTE
627 Del Monte Ave., San Francisco Del Monte
Quezon City
367-7159; 365-6801 to 02; 367-7169
F 3656804

HEMADY - AURORA BLVD.
708 Aurora Blvd. cor Hemady St., New Manila
1110 Quezon City
723-5372 / 724-6185 / 412-0054 / 724-8909
F 7218665

IBM PLAZA - LIBIS
G/F IBM Plaza Eastwood City, E. Rodriquez Jr. Avenue
Libis, Quezon City
911-3679; 911-9853 421-0530; 395-1017
F 421-0528

KAMIAS ROAD
Trinidad Bldg., Kamias Road cor. K-J St., Quezon City
426-4414; 426-4418
F 426-4417

KATIPUNAN
G/F Olalia Bldg., No. 327 Katipunan Avenue corner
F. Dela Rosa St., Loyola Heights, Quezon City
928-2713/928-2716
F 928-2714

LIBIS
Magnitude Commercial Arcade, E. Rodriguez Jr.
Avenue, Bagumbayan, Quezon City
911-1929/421-6913/421-6914
F 421-6915

LOYOLA HEIGHTS - KATIPUNAN
331 SMRC Bldg. 3, Katipunan Avenue corner
B. Gonzales St., Loyola Heights, Quezon City
426-0201 426-6546 434-8546 426-6812
426-0240
F 426-0237

MAKRO CUBAO
EDSA corner Main Street, Cubao, Quezon City
912-6173/ 421-1689 / 421-1690
F 421-1691

MAYON
G/F Alpha Bldg. 174 Mayon St., La Loma
Quezon City
414-3606 / 414-3607 / 740-9164 / 742-7679 /
742-7675
F 732-9673

MAYON - N. ROXAS
No. 241 Mayon Ave. cor. Nicanor Roxas St.
1161 Quezon City
740-2118; 743-8936; 743-8939
F 740-2058

NEW MANILA - E. RODRIGUEZ SR.
Unit 1G & 2E, 284 Dona Anita Bldg.
E. Rodriguez Sr. Ave., Quezon City
410-6651; 410-6653; 727-4841
F 410-6654

NEW YORK - EDSA
EDSA cor. New York St., Cubao, 1111 Quezon City
437-3646; 912-3670
F 437-3645

NOVALICHES
1016 Quirino Highway Town Proper, Barangay Monica
Novaliches, Quezon City
939-8468; 939-8590; 938-0225
F 939-8588

NOVALICHES - BAYAN
233 Karen Bldg., General Luis St., Novaliches
Quezon City
938-2432; 938-8082; 938-8084
F 938-3170

NOVALICHES – FOREST HILLS
Lot 2 D 1 Quirino Ave., Novaliches, Quezon City
937-1313 / 0989
F 937-1152

PITIMINI - ROOSEVELT
EBC Bldg. Roosevelt Ave., cor. Pitimini St., SFDM
Quezon City
412-1745; 412-6137 to 38; 372-5987 to 88
F 372-5987 373-7171

Q.I. - E. RODRIGUEZ SR.
G/F Ablaza Bldg., 117 E. Rodriguez Ave.
Quezon City
740-1091; 411-1091; 740-1906
F 732-8290

QUEZON AVENUE
103 Aries Bldg., Quezon Avenue, Quezon City
731-2354; 712-3411
F 712-3522

QUEZON AVENUE - HEROES HILL
1052 Quezon Avenue, 1103 Quezon City
372-4919 / 413-3779 / 372-4916 / 372-4936 /
372-9528
F 372-4917

ROOSEVELT - MANGA
325 Roosevelt Avenue corner Manga St.
Quezon City
414-3092 / 373-9691 / 376-4682
F 373-9690

RUSTAN'S - CUBAO
RC-01A, Times Square Ave. near cor. Gen. Roxas St.
Araneta Center, 1109
438-5564 to 65; 438-3350
F 438-5564

SCOUT ALBANO - QUEZON AVENUE
1488 Quezon Ave., 1103 South Triangle
Quezon City
373-1611; 410-8093; 372-3309; 410-8091;
372-3321
F 410-8092

SCOUT LIMBAGA - T. MORATO
102 & 103, The Forum, Tomas Morato Avenue
corner Sct. Limbaga Street, 1103 Quezon City
929-4596; 922-6623; 928-1982
F 928-9671

SM CITY FAIRVIEW
Quirino Highway corner Regalado St. Fairview
Quezon City
938-4271; 935-0042; 939-5015; 937-8925;
938-4291; 938-4691; 935-0041
F 938-4691

SM CITY FAIRVIEW B
SM City Fairview, Quirino Highway cor. Regalado
Ave., Fairview, Quezon City
935-0688, 417 - 9022
F 417-1056

SM CITY NORTH EDSA A
G/F The Block, SM City North EDSA corner
North Avenue, Quezon City
928-4329 / 928-3243 / 929-2173 / 927-9813 /
426-4605
F 927-8774

SM CITY NORTH EDSA B
G/F former Super Sales Club beside Bingo, SM City
North EDSA, Quezon City
426-3909 / 456-6580 / 925-5604
F 920-2972

SM CITY NORTH EDSA C
SM Center Complex North EDSA, 1105 Quezon City
456-6578 to 79, 927-8645 , 927-2090
F 9286932

SM CUBAO
Shoemart Arcade, Cubao, Quezon City
911-0558/911-3538/912-6687/911-8410/
912-5632
F 912-5631

ST. IGNATIUS - KATIPUNAN
134 Katipunan Avenue, St. Ignatius Village
Quezon City
912-8133; 437-1212 to 13; 912-8177
F 437-1211

STO. DOMINGO
6 Sto. Domingo Avenue, Quezon City
732-2934; 732-6219; 742-6448; 732-2917;
732-6219; 712-1540
F 712-5294; 732-6219

STO. NINO ST. - ROOSEVELT
284 Roosevelt Avenue, San Francisco Del Monte
1105 San Antonio, Quezon City
411-1475, 410-8079 to 80, 372-2310
F 3722310

TANDANG SORA
G/F FB Bldg. 13 Tandang Sora Avenue, Quezon City
938-7786; 938-6817
F 456-3724

TIMOG
26 Cedar Executive Bldg., Timog Avenue corner
Scout Tobias St., Quezon City
376-3450; 372-6648; 414-8347; 413-4112
F 372-6647

TIMOG - EDSA
No. 134 Timog Avenue, 1103 Quezon City
928-4268 to 69; 922-9031
F 928-4263

TIMOG - ROTONDA
Store 102 Imperial Palace, Tomas Morato
Quezon City
928-3168; 920-7875
F 928-3109

TIMOG - VICTORIA TOWERS
35-A Timog Ave., Quezon City
374-0732 to 33, 374-3167
F 840-7329 loc 0107

TOMAS MORATO - KAMUNING
Corner Kamuning & Tomas Morato, Quezon City
925-7847; 927-8907; 416-1810
F 416-1809

VISAYAS AVENUE
M & L Bldg. Visayas Avenue corner Road 1
Barangay Vasra, Quezon City
426-7701; 453-6172; 927-6151
F 926-9302

VISAYAS AVENUE - PROJECT 6
57 Visayas Avenue (Near Sanville Subdivision)
Quezon City
929-3648; 927-7373; 924-2238; 455-7220
F 927-8710

WEST AVENUE
68 Carbal Bldg. West Avenue, Quezon City
371-4689; 412-1063; 374-2296
F 371-8786

WEST AVENUE - BALER
No. 118 Jafer Bldg., West Avenue, Quezon City
928-7286; 928-3626; 928-0538; 928-7291
F 928-3621

WEST AVENUE - DEL MONTE
No. 40 West Ave., 1104 West Triangle, Quezon City
412-8049; 371-4672 to 73; 371-4663
F 371-4669

WEST AVENUE - EAST MAYA
160 West Avenue corner East Maya Drive
Quezon City
411-5426; 410-7611
F 426-2626

WEST TRADE CENTER - WEST AVENUE
Unit # 1, G/F West Trade Center, West Avenue
Quezon City
925-3447; 415-8947 to 48
F 415-8949

RIZAL

ANGONO - M.L. QUEZON AVENUE
G/F, AB Commercial Plaza, M.L. Quezon Ave.
Brgy. San Isidro, Angono, Rizal
470-0485; 470-0487; 470-0568
F 840-7329 local 0553 (F server)

ANTIPOLO MASINAG
Tripolee Bldg. Marcos Highway corner
Sumulong Highway, Mayamot, Antipolo
645-6041 / 982-4654 / 647-9948
F 645-6135

ANTIPOLO PLAZA
Gatsby Bldg. II M.L. Quezon St., Antipolo
650-8233 / 696-0021
F 697-0050

CAINTA
Hipolito Bldg. Ortigas Avenue Extension
Cainta Junction, Cainta, Rizal
655-8022/240-3145/240-3182
F 655-8021

MAKRO - CAINTA
Makro Cainta, Felix Avenue, Cainta, Rizal
655-1866; 656-2996; 655-5972
F 655-5072

MARCOS HIGHWAY
Town & Country Commercial Arcade, Marcos
Highway corner Narra St., Cainta, Rizal
668-1983/668-1197/668-1199/668-1235/668-1
976
F 668-1207

MARCOS - SUMULONG HIGHWAY
Kingsville Commercial Arcade, Marcos Highway
1870 Antipolo, Rizal
645-8156; 668-1296; 645-5323
F 645-4934

MARIKINA
17 Bayan-Bayanan Avenue, Concepcion
Marikina City
933-6395/941-1888/941-5851/942-3399
F 942-0433

MARIKINA - GIL FERNANDO AVE
Gil Fernando Avenue cor. Dragon St., Marikina City
647-8081; 647-7825; 645-7880
F 647-7764

MARIKINA - J. P. RIZAL
265 Jose Rizal St., Sta. Elena, 1800 Marikina City
646-3717, 646-1798, 646-8532
F 646-1796

MARIKINA - SUMULONG HIGHWAY
Corner E. Dela Paz St. and Amang Rodriguez Avenue
Sto Nino, Marikina City
646-2061 646-2041 647-9933 646-2414
F 646-9650

ROBINSONS METRO EAST
Level 1 (L1 160 & 162), Robinsons Metro East
Marcos Highway, Cainta
682-9115 to 17, 682-9112
F 682-9114

ORTIGAS AVENUE EXT. - CAINTA
Units 7-9 Philfoam Furnishing Bldg., Km 23
Ortigas Avenue Extension, Cainta, Rizal
669-1711; 658-1110; 240-3454; 660-9663;
669-1721; 240-3588; 240-3611
F 658-1080

SM CITY TAYTAY
G/F Bldg. A, SM City Taytay, Manila East Road
Brgy. Dolores, Taytay, Rizal
661-1934 to 37
F 661-1938

STA. LUCIA EAST - CAINTA
Sta. Lucia East Grand Mall, Marcos Hi-Way cor.
Felix Ave., 1900 Cainta
681-5232; 681-5296; 681-5171; 681-5173
F 681-5172

TAYTAY - NATIONAL HIGHWAY
Korte Rosario Restaurant, Taytay National Highway
Ilog Pugad, Brgy San Juan, Taytay, Rizal
658-6574; 660-6870; 286-3495 660-6070
F 658-6575

SAN JUAN

BLUMENTRITT - SAN JUAN
Lot 11-B, Blk. 127 Blumentritt cor Sto. Toribio Sts.
San Juan
723-7360; 744-1277 to 78 744-3464; 723-9540
F 744-1277

GREENHILLS
Greenhills Shopping Complex, Ortigas Avenue
San Juan
721-2730/721-2750/721-3451/722-6816
F 721-4211/721-2761

GREENHILLS - ROOSEVELT
EBC Bldg., Ortigas Ave. cor. Roosevelt Ave.
Greenhills, San Juan
722-7241; 722-7237 to 38; 726-7656; 721-8333
722-1388; 726-7653
F 726-7835; 721-7867

GREENHILLS SHOPPING CENTER
Shopesville Greenhills, San Juan
722-3316; 722-3312; 721-0515; 721-5556;
726-8213; 722-1380
F 724-2065

GREENHILLS – WEST
101 Limketkai Bldg., Ortigas Avenue, San Juan
721-4414/726-3660/726-3732
F 721-4362

ORTIGAS AVENUE
209 Ortigas Avenue, Greenhills, San Juan
724-7114/724-7091/724-9156/724-8561/
726-7364/724-7189
F 724-7075

ORTIGAS - SAN JUAN
Units 102-103 Sunrise Cond., Ortigas Ave.
1500 San Juan
721-1909; 721-5024
F 724-9405

SAN JUAN
88 N. Domingo St., San Juan
725-5019 / 724-8036 / 744-1751
F 724-4384

V-MALL
G/F New V-Mall, Greenhills Shopping Center
San Juan
725-9085; 726-6752; 726-6892
F 726-6207

VALENZUELA

KARUHATAN - MCARTHUR HIGHWAY
KM. 13 Mac Arthur Highway 1441 Karuhatan
Valenzuela
291-4785/1828, 292-1711
F 291-4783

MALANDAY - MCARTHUR HIGHWAY
KM 17 McArthur Hi- Way, Malanday
1405 Valenzuela
443-7539 to 41, 277-0111
F 443-7541

MARULAS - MCARTHUR HIGHWAY
Lot 16 & 17 McArthur Highway, Valenzuela
291-6089 / 6058 / 8075, 293-2708
F 2932711

PASO DE BLAS - NORTH EXPRESSWAY
97 Paso De Blas 1400 Valenzuela
294-0698 to 99, 444-1752, 432-1209
F 294-0697

BRANCH DIRECTORY

SM SUPERCENTER VALENZUELA
G/F SM Supercenter Valenzuela, McArthur Highway
Valenzuela City
292-4354; 292-9704; 293-0427; 293-3858 -BM
F 292-2847

VALENZUELA
Km.15 MacArthur Highway, Dalandanan, Valenzuela
292-1959; 292-3974
F 292-3899

CENTRAL / NORTHERN LUZON

ABRA / BAGUIO

ABRA - BANGUED
Unit 12, The Rosario Bldg., Taft St. cor.
Magallanes St., 2800 Bangued, Abra
(074)752-5273 to 74, 752-8094, 662-0001
F (074)752-8093

BAGUIO
Luneta Hill, corner Gov. Pack Road and Session Road
Baguio City
(074)442-2889/442-8250/442-8251/442-8252
F (074)442-8256

BAGUIO - ABANAO SQUARE
Abanao Square, Abanao cor Zandueta Sts.
Baguio City
(074) 442-6027 to 28; 442-1809 to 11
F (074) 442-2791

BAGUIO LEGARDA
Our Lady of Fatima Bldg., Yandoc St.
Kayang Extension, Baguio City
(074)446-6352/442-4063/443-8720/442-5638
F (074)444-3415

BAGUIO - SESSION ROAD
G/F National Life Bldg., Session Road, Baguio City
(074)443-8201 to 02, 442-3818
F (074)442-2583

BENGUET - LA TRINIDAD
S & B Bldg., Km.4 Balili 2601 La Trinidad, Benguet
(074)309-3685, 422-1092, 422-2461
F (074)422-1092

SM CITY BAGUIO
UG/F SM City Baguio, Upper Session Road
Baguio City
(074)619-7625 to 28 / 619-7623
F (074) 619-7624

BULACAN

BALANGA - A. BANZON
A. Banzon St., City of Balanga, 2100 Bataan
(044)237-2150, 237-2070
F (044)237-4775

BALIUAG
Corner Rizal & Tagle Sts., Baliuag, Bulacan
(044)673-0063/766-1423/766-1134
F (044)766-1148

BALIWAG - J. P. RIZAL
J. P. Rizal St., San Jose, Baliwag, Bulacan
(044)766-1185, 673-2587, 766-1224 to 25
F (044)673-2562, 766-7600

BOCAUE
MacArthur Highway, Brgy. Biñang 1st, Bocaue
Bulacan
(044) 692-4269; 692-4280
F (044) 692-4278

BULACAN - BALAGTAS
McArthur Highway, Brgy. San Juan 3016 Balagtas
Bulacan
(044)693-4342, 693-3406, 981-1254
F (044)693-4342

BULACAN - HAGONOY
G/F Ang Puso ng Hagonoy Shopping Center Plaza
Hagonoy, Bulacan
(044)793-3519 to 20, 793-0588
F (044)793-3519

BULACAN - PULILAN JUNCTION
Doña Remedios Trinidad Highway, Sto. Cristo
Pulilan, Bulacan
(044)676 - 0225 / 0494, 815 -0577
F (044) 299-8329

BULACAN - SAN RAFAEL
Km. 60, Cagayan Valley Road, Cruz na Daan
San Rafael, Bulacan
(044)677-1550 to 51, 677-1545
F (044)677-1548

BULACAN - STA. MARIA
M. De Leon St., Poblacion, 3022 Sta. Maria, Bulacan
(044)641-1548, 641-1578, 641-4725
F (044)641-4725

MALOLOS - CONGRESO
Paseo Del Congreso, San Agustin 3000 Malolos
Bulacan
(044)791-6286/ 662-3411/ 791-9241/ 791-9245
F (044) 791-0631

MARILAO - MACARTHUR HIGHWAY
Unit I-3 Cecilia Comm'l Complex Abangan Norte
McArthur Hi-way 3019 Marilao, Bulacan
(044) 711-3405; 711-1609; 760-0475 to 76
F (044) 711-3405

MEYCAUAYAN
Liberty Bldg. MacArthur Highway, Calvario
Meycauayan, Bulacan
(044)721-0820 / (02)702-6000 local 2104
F (044)228-2853 / 935-3815

MEYCAUAYAN- MALHACAN
Brgy. Northern Hills, Malhacan, Meycauayan
Bulacan
(044) 695 3143 to 44 / 3131 / 3927, 228 - 3766
F (044) 695 -3131

MEYCAUAYAN - ZAMORA
Zamora St., Barrio Calvario, Meycauayan, Bulacan
(044) 840-1386, 228-3133, 935-2528, 840-5296
F (044) 935-2527

OBANDO - J.P. RIZAL
J.P. Rizal St., Barangay Catanghalan 3021 Obando
Bulacan
292-2775; 294-0690; 294-3784
F 294-0689

STA. MARIA - BAGBAGUIN
NEM Bldg., Gov. F. Halili Ave., Bagbaguin
Sta. Maria, Bulacan
(044)641-1899, 641-2099, 641-2851
F (02)2996375

SM CITY MARILAO
G/F SM City Marilao, MacArthur Highway, Marilao
Bulacan
(044) 238-8001 / 933-2002 to 04 / (02) 299-6835
F (044) 711-1330

CAGAYAN / CABANATUAN / NUEVA ECIJA

APARRI-RIZAL ST.
Rizal St. cor. R.F. Balisi St. (Macanaya) Aparri
Cagayan
(078)822-8304, 888-2516
F (078)822-8779

CABANATUAN
Melencio cor. Paco Roman Sts., Cabanatuan City
(044)463-0476/600-2581
F (044)463-7277

CABANATUAN - MAHARLIKA ROAD
Maharlika Road, near cor. Sanciangco St.
Cabanatuan City
(044)463-3985, 463-3408, 463-3264
F (044)464-3946

CABANATUAN - MEGACENTER MALL
Unit 49-B Upper Grd. Flr. Megacenter, The Mall
Gen. Tinio & Melencio Sts., Cabanatuan City
(044)463-3143; 463-3271; 463-3285
F (044) 463-3160

CABANATUAN - NE PACIFIC MALL
Ground Level, Unit CM-2 (Mall Entrance 2)
NE Pacific Mall, Km.111, Maharlika Hiway
Cabanatuan City, Nueva Ecija
(044)940-2025 to 26
F (044)940-2026

CABANATUAN - SANCIANGCO
Sanciangco St., Cabanatuan City
(044)464-0909, 600-3251, 463-5853
F (044)463-0020

NUEVA ECIJA - GAPAN
Tinio St., 3105 Gapan, Nueva Ecija
(044)486-3345, 486-0305
F (044)4862288

NUEVA ECIJA - GUIMBA
Afan Salvador St., 3115 Guimba, Nueva Ecija
(044)611-0056, 611-0058, 943-0212
F (044)611-2058

NUEVA ECIJA - MUNOZ
T. Delos Santos St., Science City of Munoz
Nueva Ecija
(044) 456-0892 to 93 / 0123, 456-0356

NUEVA ECIJA - TALAVERA
Maharlika Highway, Marcos District, Talavera
Nueva Ecija
(044)951-1422, 951-1443, 411-1738
F (044)411-1276

NUEVA VIZCAYA - SOLANO
National Highway, Solano, Nueva Vizcaya
(078)326-7283
F (078)326-7754

SAN JOSE – NUEVA ECIJA
Maharlika Road, 3121 San Jose City, Nueva Ecija
(044) 947-1376; 947-1527; 947-2998 to 99
F (044) 511-1527

DAGUPAN / PANGASINAN

DAGUPAN
386 Perez Blvd., Dagupan City
(075)523-4002/522-2055/523-5240/522-2007
F (075) 515-4189

DAGUPAN - FERNANDEZ
A. B. Fernandez Ave., 2400 Dagupan City
Pangasinan
(075)515-8266, 523-5441, 523-4860
F (075)522-2791

PANGASINAN - ALAMINOS
Marcos Avenue, Palamis 2404 Alaminos, Pangasinan
(075)551-5692, 551-3353
F (075)551-5632

PANGASINAN - CARMEN
McArthur Highway, Carmen East 2441 Rosales
Pangasinan
(075)582-7372
F (075)582-2925

PANGASINAN - LINGAYEN
80 Avenida Rizal East, Lingayen, Pangasinan
(075)662-1283 to 84, 542-8004
F (075)542-8003

PANGASINAN - SAN CARLOS
Palaris St., 2420 San Carlos City, Pangasinan
(075)532-4522, 532-3844
F (075)532-4522

URDANETA
182 LIS Bldg., McArthur Highway, San Vicente
Urdaneta
(075) 568-4225; 624-2288; 568-4225
F (075) 568-4182; local 2232

ILOCOS

BATAC - WASHINGTON
Aoigan Bldg., Washington St., Batac 2906
Ilocos Norte
(077)792-3092, 617-1556
F (077)792-3375

ILOCOS SUR - CANDON
Nat'l Highway, cor. Abaya St. 2710 Candon
Ilocos Sur
(077)742-4167, 742-4157, 742-6410
F (077)742-6410

LAOAG - BALINTAWAK
Cor. Rizal & Balintawak Sts., 2900 Laoag City
Ilocos Norte
(077) 772-0315 / 1123 / 0121
F (077) 771-4021

LAOAG - CASTRO
Pichay Bldg., J. P. Rizal cor. A. Castro Sts., Laoag City
(077) 771-6098/771-5433/772-0266/770-3702
to 03
F (077) 771-6098

VIGAN - PLAZA MAESTRO
G/F Plaza Maestro Comm'l. Complex, Burgos and
Florentino Sts., Vigan City, Ilocos Sur
(077)722-3965, 722-3930, 722-3974
F (077)722-3934

VIGAN - QUEZON AVENUE
Corner Bonifacio St. & Quezon Ave. 2900 Vigan
Ilocos Sur
(077)722-6760; 722-1780 to 81; 722-2581
F (077) 722-2582

ISABELA / TUGUEGARAO

ISABELA - CAUAYAN
Ground Flr., Omega Cinema, Maharlika Highway
Cauayan, Isabela
(078)652-1289, 652-2330, 897-1490
F (078)652-2421

ISABELA - ILAGAN
Along Maharlika Highway, Calamagui 2nd, Ilagan
Isabela
(078)624-0017, 622-2653
F (078)622-3503

ISABELA - ROXAS
#23 Osmena Rd., Bantug, Mallig Plain, 3320 Roxas
Isabela
(078)642-8638, 642-8636
F (078)642-7166

ISABELA - SANTIAGO
Maharlika H'way cor. Quezon Avenue Victory Norte
Santiago City, Isabela
(078)682-5946, 682-4060, 682-8592
F (078)682-8592, 682-8245

TUGUEGARAO - BONIFACIO ST.
Bonifacio St., Tuguegarao, Cagayan
(078)846-2691;844-2405
F (078)844-0708

LA UNION

LA UNION
Rizal Avenue corner Ortega St., San Fernando
La Union
(072) 888-3316/242-3965 /(02) 702-6000 local
2097
F (072) 888-3318

SAN FERNANDO LA UNION - QUEZON AVE.
Quezon Ave., 2500 San Fernando, La Union
(072)700-1387, 242-0239, 700-1392
F (072)700-1388

PAMPANGA

ANGELES MACARTHUR HIGHWAY
G/F Excelsior Bldg., 314 MacArthur Highway
Brgy. Claro M. Recto, Angeles City
(045) 626-2050; 626-2051; 626-2053
F (045)626-2052

ANGELES - BALIBAGO
G/F Lawrence Plaza, McArthur Highway near cor.
Charlot St. Balibago, Angeles City
(045)625-7775, 892-4230, 892-5241
F (045)625-7647

ANGELES CITY - MIRANDA
PCIB Bldg., Miranda St., 2009 Angeles City
Pampanga
(045) 888-7712; 887-7242; 888-7373; 322-6032;
888-4935
F (045) 887-7242; 887-7378

ANGELES CITY - NEPO MART
G/F Angeles Business Center, Teresa Ave.
Nepo Mart Complex, Angeles City
(045) 888-8335; 322-4478; 888-6119; 888-1522
F (045) 888-1027

APALIT - PAMPANGA
G/F Quintos Bldg., McArthur Highway, San Vicente
Apalit, Pampanga
(045)879-1247, 879-1249, 551-5615
F (045)879-1248

CLARK FIELD SEZ - PUREGOLD
PureGold Duty Free(Expansion) Bldg. Claro M. Recto
H'way, Clark Special Economic Zone, Clarkfield
Pampanga
(045) 599-3284 to 86; 599-3288
F (045) 599-3287

CLARK SEZ - CENTENNIAL
Centennial Rd., Clark Special Eco. Zone, Clarkfield
Pampanga
(045)599-3487, 599-5666, 893-4149
F (045)599-5667

GUAGUA - PAMPANGA
Yabut Bldg., Plaza Burgos 2003 Guagua, Pampanga
(045)900-0213, 900-0060, 900-4454
F (045)9000-194

OLONGAPO
2043 Rizal Ave., 20th Place West Bajac-Bajac
2200 Olongapo City, Zambales
(047)222-3974, 222-9473, 224-5063
F (047)222-2250

SAN FERNANDO - DOLORES
McArthur Highway, Dolores, 2000
San Fernando, Pampanga
(045)860-0884, 961-2907, 963-4084
F (045)961-5286

SAN FERNANDO - PAMPANGA
Gen. Hizon Extension, San Fernando, Pampanga
(045) 961-5196 / 860-6379
F (045) 961-5156

SAN FERNANDO - SAN AGUSTIN
McArthur H'way Bgy. San Agustin, San Fernando
Pampanga
(045)963-5244, 963-5241, 963-5193 to 94
F (045)963-5193

SAN FERNANDO - SINDALAN
Palm Building, McArthur Highway, Sindalan
San Fernando City, Pampanga
(045)636-4113, 636-4114
F (045)860-0278

SM CITY CLARK
G/F SM City Clark, Clark Field, Pampanga
(045) 625-5621 to 23 / 625-5636
F (02) 584-4003 Mla line

BRANCH DIRECTORY

SM CITY PAMPANGA
G/F SM City Pampanga, San Fernando, Pampanga
(045) 921-2236 / 961-2304 / 961-2327 / 875-1877
F (045) 963-5262 / (02) 741-7018

SM CITY PAMPANGA B
G/F, SM City Pampanga Annex Bldg. 4
San Fernando, Pampanga
(045) 455-0142 to 46; (02) 702-6000 local 2113
F (045) 455-0144

SUBIC - TIMES SQUARE
420 Rizal Highway Subic Bay Freeport Zone
2200 Olongapo City, Zambales
(047) 252-7050, 252-2939, 252-7090
F (047) 252-7420

TARLAC

TARLAC
27 F. Tañedo St. Tarlac City
(045) 982-0056; 982-3826; (02) 7026000 local 2091
F (045) 982-6672

TARLAC - CONCEPCION
L. Jaena cor. L. Cortes Sts., San Nicolas
2316 Concepcion, Tarlac
(045)923-0792, 923-0630
F (045)923-0034

TARLAC - F. TAÑEDO
F. Tanedo cor. Juan Luna Sts., Tarlac City
(045) 982-3407 to 08; 982-0171 to 72; 982-7790;982-1299
F (045) 982-1298

TARLAC - J. LUNA
J. Luna St. near cor Mac Arthur Highway, Tarlac
(045)982-8158, 982-5539, 982-9005
F (045) 982-3192

TARLAC - PANIQUI
M. H. Del Pilar St. McArthur H-way 2307 Paniqui Tarlac
(045)931-0298, 931-0355, 931-1843
F (045)931-0298

SOUTHERN LUZON

BATANGAS / MINDORO

BATANGAS - BALAYAN
Antorcha St., Balayan, Batangas
(043)921-1059, 211-4686, 407-1194
F (043)9211059

BATANGAS - BAUAN
Kap. Ponso St., Bauan, Batangas
(043)984-1457, 727-1514 to 15
F (043)727-1515

BATANGAS - KUMINTANG
National Highway, Brgy. Kumintang Ilaya
Batangas City, Batangas
(043)723-0197, 723-1698, 723-4579
F (043)723-1698

BATANGAS - LEMERY
Ilustre Avenue corner Lakandula St., Lemery Batangas
(02) 429-2803, (043) 411-1803, 411-1805

BATANGAS - P. BURGOS
CM Ilagan Bldg., P. Burgos St., Batangas City
(043) 723-1408/723-3138/723-6295/723-6306
F (02) 520-6173

BATANGAS - SAN JUAN
Marasigan cor. Kalayaan Sts., San Juan, Batangas
(043)341-3034, 575-4319, 575-4287
F (02)429-3002

BATANGAS - STO. TOMAS
Maharlika Highway, San Antonio, Sto. Tomas Batangas
(043)318-0388, 778-6361, 778-0535
F (043)778-6361

BATANGAS CITY - RIZAL AVENUE
Rizal Ave. cor. P. Burgos St., 4200 Batangas
Batangas City
(043) 723-1054; 300-0817; 723-0558; 723-5975 to 76
F (043) 723-5974; 723-1053

LIPA
Casa Esperanza Bldg. Pres. J.P. Laurel Highway
Barangay Mataas na Lupa, Lipa City
(043)757-398/757-3982/757-3983/981-2020
F (02)520-6227

LIPA - C. M. RECTO
131 C. M Recto St, 4217 Lipa City, Batangas
(043) 756-6847 to 48 / 2313
F (043) 756-1515

LIPA - ROTONDA
C.M. Recto Avenue, Lipa City
(043) 757-0820; 756-2869; 756-2808
F (043) 756-3898

MINDORO - CALAPAN
J. P. Rizal St., 5200 Calapan, Oriental, Mindoro
(043)288-4104, 288-4666, 441-1553
F (043)288-4666

ROBINSONS PLACE - LIPA
Level 1, Space L1-177, Robinsons Place-Lipa
Lipa Highway, Lipa City, Batangas
(043)757-3062, 981-2018
F (043)757-3062

SM CITY BATANGAS
G/F SM City Batangas, Barangay Pallocan West
Batangas City
(043) 722-2556 / 722-2557 / 722-2534 / 980-5951
F (02) 886-7140

SM CITY LIPA
G/F SM City Lipa, Ayala Highway, Lipa City
Batangas
(043) 756-4482; 756-4485; 756-4474
F (02) 584-4023

TANAUAN-A. MABINI
A. Mabini St., Tanauan 4232 Batangas
(043)405-0710 to 11, 778-2682
F (043)778-0438

BICOL

ALBAY - DARAGA
Rizal St., 4501 Daraga, Albay
(052)824-1858, 483-3729, 824-1992
F (052)824-0272

ALBAY - TABACO
Along Ziga Avenue, Tabaco, Albay
(052)487-7755, 487-7744
F (052)487-7777

CAMARINES NORTE - DAET
J. Lukban Street corner Moreno Street Poblacion
Daet, Camarines Norte (054)440-2500, 721-4300, 440-2499
F (02)429-0034

CATANDUANES - VIRAC
San Juan cor. Rizal Sts., 4800 Virac , Catanduanes
(052)811-2229, 811-1434, 811-2230 to 31
F (052)811-1717

IRIGA
Contreras Bldg., Highway 1 , San Roque
Iriga City 4431
(054)299-2329, 655-0305, 299-2380
F (054)456-0069

LEGASPI CITY
Rizal corner Gov. Imperial St. Legaspi City
(052)481-4481/481-4482/820-2528
F (02)429-1508

LEGASPI CITY - ROTONDA
Rizal St., 4500 Legaspi City, Albay
(052) 820-4258; 480-7956; 480-6688
F (052) 480-7361

NAGA
Barangay San Francisco, Peñafrancia Avenue
Naga City
(054)472-6602;472-6603;811-8861;811-8862; (02)250-8015;702-6000 local 2189
F (02)250-8015

NAGA – GENERAL LUNA
Nos. 80-82 General Luna St., Dinaga, Naga City
(054)473-6731; 473-6639 ; 811-2846 ; 811-2891
Mla. Line 250-8150
F 250-8150

NAGA - MAGSAYSAY AVENUE
E. Angeles cor. Caceres Sts., 4400 Naga City
Camarines Sur
(02)250-8036, (054)811-1232, 811-1234
F (054)811-1232

NAGA – PLAZA RIZAL
Gen. Luna St., 4400 Naga City, Camarines Sur
(054) 811-2157; 473-9016;(02)-250-8092
F (054) 473-7913

SORSOGON
Son Bldg., R. Magsaysay Avenue, , Sorsogon City
(056)211-2391, 421-5501, 211-1821
F (056)211-2100, 421-5107

CAVITE

BACOOR
FRC Mall Gen. Evangelista St. near corner
Zapote Rotonda, Bacoor, Cavite
(046)870-2759/870-2760
F (02) 529-8957

BACOOR - AGUINALDO HIGHWAY
Gen. E. Aguinaldo Highway, Panapaan, Bacoor Cavite
(046) 417 - 6702 / 2998 / 6782 / 3169
F (046) 417-6752

CARMONA - GOVERNOR'S DRIVE
Motorola Phils., Inc. Compound, Carmona National Road, Bo. Maduya 4116 Carmona, Cavite
(046) 430-1771; 430-1773; (049) 839-2899; (02)-699-2015; (02)-520-8297
F (046) 430-1773; (02)840-7329 ext. 2389

CAVITE - DASMARIÑAS TECHNO PARK
Governor's Drive, Brgy. Paliparan I, Dasmarinas Cavite
(02)-529-8137 to 38
F (046)972-2175

CAVITE - EPZA
Cavite EPZA Compound, 4106 Rosario, Cavite
(02) 529-8843, (046)437-2643, 437-6267
F (046)437-6866

CAVITE CITY - P. BURGOS
Cor. P. Burgos & P. Julio Sts., Caridad
4100 Cavite City
(046)431-7640 to 41, 431-0143
F (046)431-0755

DASMARIÑAS - AGUINALDO HIGHWAY
G/F Digital Bldg. Gen. Emilio Aguinaldo Highway
Dasmarinas, Cavite
(046) 416-4320, 850 - 4041 / 2212
F (046) 850-2214

DASMARIÑAS - CAVITE
E.L. Toledo Bldg., Sampaloc I, Dasmariñas, Cavite
(046) 416-0954/973-0164
F (046) 416-0955

FCIE DASMARINAS - CAVITE
Governor's Drive, Brgy. Langkaan, Dasmarinas Cavite
(046) 402-0151; 402-1135, (02) 529-8140
F (046) 402-1134

GENERAL TRIAS - GATEWAY
Gateway Business Park, C. Delos Reyes Ave.
4107 Gen. Trias, Cavite
(046)433-0179 to 80, 433-0272, (02)-741-5138
F (046)433-0178

IMUS
Gen. Aguinaldo corner Ambrosia Road Anabu I
Imus, Cavite
(046) 515-9950 to 51
F (02) 529-8612

IMUS - AGUINALDO HIGHWAY
G/F DCR Building, Aguinaldo Highway
4103 Imus, Cavite
(046) 875-7242 to 43, 471-0989
F (046) 471-3214

IMUS - NUENO AVENUE
358 Exodus Bldg., Nueno Avenue, Imus, Cavite
(046)970-8733/471-4065/ (02)843-0215
F (046)970-8734

KAWIT - BINAKAYAN
1497 National Road,, Binakayan, 4104 Kawit Cavite
(046)434-4585, 434-4575
F (046)434-5676

SILANG - M. BELEN
194 J. Rizal corner M. Belen Sts., Silang, Cavite
(046)414-1643 to 44, 414-1048
F (046)414-2108

SM CITY BACOOR
UG/F SM Bacoor, Gen. Aguinaldo Highway corner
Tirona Highway, Bacoor, Cavite
(046) 970-5700 / 970-5701 / 417-4380
F (046) 417-3369 / (02) 886-4668

SM CITY DASMARIÑAS
SM City Dasmariñas, Barrio Pala-Pala, Dasmariñas Cavite
(046)432-3020 / 432-3080 / 432-3040 / (02) 886-4221
F (046) 432-3010

SM SUPERCENTER MOLINO
G/F SM Supercenter Molino, Molino Road
Bacoor, Cavite
(046) 474-3041 to 45
F (02) 844-3381

TAGAYTAY - ROTONDA
Frablyn Tower, Emilio Aguinaldo Highway, Tagaytay
(046) 413-0355, 0352 to 53
860-2164

LAGUNA

BIÑAN
A. Bonifacio St., Barrio Canlalay, Biñan, Laguna
(049) 411-4030/411-4031/411-4032
F (02) 520-8274

BINAN - A. MABINI
Rey Bldg., A. Mabini St., Poblacion
4024 Binan, Laguna
(049)511-9924, 511-6386, 511-7788
F (049)5119926

CALAMBA
J. Alcasid Business Center Bldg. National Highway
Crossing, Calamba, Laguna
(02)520-8858 (049) 545-7214/545-7215
F (02) 520-8858

CALAMBA - PARIAN
Old National Highway Sta. Cecilia Village Parian
Calamba, Laguna
(02)520-8868 (049)
545-2171/545-2149/545-2177
F (02) 520-8868

CALAMBA CROSSING - NORTH
Calamba Crossing National Highway
4027 Calamba, Laguna
(049) 545-4707 to 08; 545-5981; 520-8847
F (049) 5454706

LAGUNA - CABUYAO
G/F Lim-Bell Business Center J. P. Rizal St.
Cabuyao, Laguna
(049)531-4109 to 10, 531-4338
F (049)832-0458

LAGUNA - STA. CRUZ
Along Regidor Street, Sta. Cruz, Laguna
(049)808-0238, 808-0229
F (049)808-0226

LAGUNA - TECHNOPARK
Ground Floor, Rustan's Sta. Rosa Bldg., (North Wing)
Laguna Technopark, Ayala Land, Brgy Don Jose
Sta. Rosa, Laguna
(049)520-8454 to 55, 541-3074, 837-7154
F (049)520-8455

LOS BAÑOS
Olivarez Plaza Cinema & Supermarket Complex
Along National Highway, Brgy. Batong Malake
Los Banos
(049)536-6355, 536-6358, (02)-520-8363
F (049)536-6355, (02)-840-7329, (02) 840-7329 loc 0432

SAN PABLO
Mary Grace Bldg. Colago Avenue corner
M.L. Quezon St., San Pablo
(049) 562-1026 / 526-1027 / 800-0322
F (02) 520-6049

SAN PABLO - RIZAL ST.
2nd Flr., Equitable PCI Bldg., Rizal St. cor.
P. Alcantara, San Pablo City, Laguna
(049)561-1882 to 85, 561-1880, 562-5881
F (049)5611881

SAN PEDRO
Tayao Business Center Bldg. A. Mabini St.
San Pedro, Laguna
868-0353 / 868-0352 / 808-7013 / 847-3699 / 847-2688
F 868-0353

SAN PEDRO - NATIONAL HIGHWAY
Mega Bldg., National Highway, San Pedro, Laguna
868-7348 / 868-5995 / 868-5949
F 808-5939

SAN PEDRO - PACITA
G/F M. Allen Bldg., Km31, Old National
National Highway, San Pedro, Laguna
868-4994, 868-2130, 520-2859
F 868-4998

SM CITY STA. ROSA
G/F SM City Sta. Rosa, Barrio Tagapo
Sta. Rosa, Laguna
(049) 534-9823 to 26
F (02) 844-7870

STA. ROSA - SOUTH EXPRESSWAY
National Road, Pulong Sta. Cruz
4026 Sta. Rosa, Laguna
(049)539-0295 / (02) 520 8198 / 886 4738
F (02) 886 4738 / (049) 837 2941

WALTERMART - STA. ROSA
San Lorenzo Drive cor. Balibago Rd., Brgy. Balibago
4026 Sta. Rosa Laguna
(049)534-4630 to 32, 837-4976, (02) 534-2081
F (049)8374977

BRANCH DIRECTORY

QUEZON PROVINCE / PALAWAN

LUCENA
Merchan St. corner San Fernando St. Lucena City
(042)660-3760/373-4927/373-4979
F (02)250-8211

LUCENA - ENRIQUEZ
Enriquez corner Evangelista Sts., Lucena City
(042)373-7798, 373-7793, 373-5556
F (042)373-7799

LUCENA - QUEZON AVENUE
Quezon Ave. cor. Profugo St., Lucena City, Quezon
(042)710-3468, 373-5721 to 22, 710-2916
F (042)373-5930

PUERTO PRINCESA
261 Rizal Ave., 5300 Puerto Princesa City , Palawan
(048)434-4244, 433-2679, 433-2491
F (048)433-2713

QUEZON - CANDELARIA
Rizal cor. Valle Sts., Candelaria, Quezon
(042)741-1084, (02) 250-8414
F (02)250-8414

SM CITY LUCENA
G/F SM City Lucena, Pagbilao National Road
Lucena City
(042)710-6108 / 710-6723 / 660-7296
F (02) 889-6790

VISAYAS BRANCHES

BACOLOD / NEGROS

BACOLOD - ARANETA
Cineplex Complex Araneta St. Bacolod City
(034)433-5754 /433-5610/432-0978
F (034)435-1809

BACOLOD - CAPITOL SHOPPING
Benigno Aquino Drive, Capitol Shopping 6100
Bacolod City, Negros Occidental
(034)434-2448, 433-4484, 435-3216 to 17
F (034)435-3211, 434-2446

BACOLOD - GATUSLAO
26 & 28 Gov. V. Gatuslao St., Bacolod City
Negros Occidental
(034)433-3464 to 66, 434-7707
F (034)433-3378

BACOLOD - GOLDENFIELD
Goldenfield Comm'l Complex, Singcang
Araneta St., Bacolod City 6100
(034)434-3738, 433-0509, 433-0511, 435-1307
F (034)435-1307

BACOLOD - GONZAGA
Gonzaga-Lopez Enterprise Bldg., Gonzaga St.
Bacolod City
(034)434-4964/433-7910/434-7097
F (034)434-4965

BACOLOD - HILADO
Hilado cor. F. Y. Manalo Sts.
6100 Bacolod City, Negros Occidental
(034)434-7698, 432-3366, 709-0423
F (034)435-1441

BACOLOD - LACSON
Lacson cor. Galo Sts., 6100 Bacolod City
Negros Occidental
(034)435-4531 to 32, 435-4531, 433-0851
F (034)435-4531

BACOLOD - MANDALAGAN
G/F Sta. Clara Estate Building, Lacson St.
Mandalagan, Bacolod City
(034)441-0216, 441-1151, 441-3625
F (034)441-2443

BACOLOD - PLAZA
Araneta cor. Gonzaga Sts. 6100 Bacolod City
Negros Occidental
(034)434-2751 to 54, 433-6102, 434-1233
F (034)434-1233

BACOLOD - ROSARIO LACSON
Lot 296-B-7, Lacson St. cor. Rosario St., Bacolod City
Negros Occidental
(034)433-7991 to 93, 433-2654
F (034)433-0234

NEGROS OCC. - BINALBAGAN
Biscom Compound Binalbagan, Negros Occidental
(034)742-8223, 388-8258
F (034)388-8270

NEGROS OCC. - CADIZ
Cabahug St., 6121 Cadiz, Negros Occidental
(034)493-0667, 493-0479, 493-1465
F (034)493-0510

NEGROS OCC. - ESCALANTE
National Highway, Escalante City
6124 Negros Occidental
(034)724-7022, 454-0124
F (034)454-0192

NEGROS OCC. - HINIGARAN
Aguinaldo cor. Rizal Sts., Hinigaran
6106 Negros Occidental
(034)7407384, 3917795
F (034)3917794

NEGROS OCC. - KABANKALAN
Guanzon St., Kabankalan, 6111 Negros Occidental
(046)471-2147, 471-2146
F (034)471-2246

NEGROS OCC. - SAN CARLOS
S. Carmona St. corner Rizal St., San Carlos City
Negros Occidental
(034)312-5263, 312-5213, 729-9581
F (034)729-3500

NEGROS OCC. - VICTORIAS
Osmeña Ave., Victorias City, Negros Occidental 6119
(034)399-3616 to 17, 399-2746
F (034)399-2746

SILAY - FIGUEROA
Figueroa cor. Rizal St., Silay City
6116 Negros Occidental
(034)714-9149, 495-3787
F (034)495-3787

SM CITY BACOLOD
G/F Bldg. A SM City Bacolod, Poblacion
Reclamation Area, Bacolod City
(034)468-0138/468-0139/438-0140
F (034)468-0140

CEBU

CEBU - A. S. FORTUNA
G/F Tanaka Bldg. , 869 A.S. Fortuna St., Banilad
Mandaue City
(032) 343-3497/416-2044
F (032) 343-3498

CEBU - AYALA BUSINESS PARK
Cebu Towers, Mindanao corner Bohol Avenues
Cebu Business Park, Cebu City
(032) 238-8153 to 56
F (032) 238-8161

CEBU - AYALA CENTER
Stall 286A, Level 2, West Entry, Ayala Center Mall
Cebu, Cebu Business Park, Cebu City 6000
(032) 233-9623; 233-9627; 233-9621
F (032) 233-9620

CEBU - BANILAD
G/F PDI Condominium, Gov. Cuenco Avenue
Banilad, Cebu City
(032)234-0184, 234-0186, 234-0189, 416-2077
F (032)234-0182

CEBU - BOGO
P. Rodriguez cor. San Vicente Sts.
6010 Bogo, Cebu
(032)434-8900, 251-2030, 256-3574
F (032)434-8619

CEBU - BORROMEO
Borromeo cor., Magallanes Sts. Cebu City
(032)255-6165; 253-7449; 256-3583; 412-3737
F (032)253-8823

CEBU - CAPITOL
Osmena Blvd., cor Ma. Cristina St.
6000 Cebu City, Cebu
(032)254-2803, 254-4643, 256-0237
F (032)253-0659

CEBU - CUENCO
NSLC Bldg. M.J Cuenco Avenue, Cebu City
(032)256-2469/256-2474
F (032)253-3801

CEBU - ELIZABETH MALL
G/F Elizabeth Mall, Leon Kilat corner
South Expressway, Cebu City
(032)255-9769/417-7900/255-9971
F (032)255-9970

CEBU - ESCARIO
Cebu Escario St. Cebu City
(032)254-0482/254-0408
F (032)254-4305

CEBU - F. GONZALES
F. Gonzales cor. Magallanes Sts., Cebu City
(032)253-2246; 416-5088; 254-8191 to 94
F (032)253-2245

CEBU - F. RAMOS
134 Borromeo Bldg., F. Ramos corner
Arlington Pond, Cebu City 6000
255-0959, 254-9757, 412-5808, 253-6545
F (032)255-1515

CEBU - FUENTE
J. Rodriguez St., Fuente Osmeña Rotonda, Cebu City
(032) 253-8920/253-5686/253-0535
F (032)253-0535

CEBU - FUENTE CIRCLE
Fuente Osmeña Rotunda, Cebu City
(032)255-4036, 255-4034
F (032)255-4035

CEBU - GORORDO
Gorordo Ave., Lahug, 6000 Cebu City, Cebu
(032)233-0001; 233-5767; 232-1500 to 15;
231-4424
F (032) 231-4054

CEBU - JUAN LUNA
Gokongwei Bldg, Osmeña Blvd. cor.
Lapu-Lapu Street, Cebu City
(032)254-4691; 254-4693; 254-5885; 254-4689
F (032)253-6861

CEBU - LEGASPI
Legaspi corner Zamora Sts. Cebu City
(032)256-2507/256-2709/253-5076
F (032)412-1223

CEBU - MAGALLANES
Plaridel St. corner Magallanes St., Cebu City
(032)255-6792/256-1200
F (032)253-0486

CEBU - MAGALLANES PLARIDEL
Magallanes cor. Plaridel Sts., 6000 Cebu City
(032) 255-1728 to 29; 254-8467; 412-3398
F (032) 253-8572

CEBU - MANDAUE
La Fuerza Compound, Subangdaku, Mandaue City
(032)343-6531/343-6535/422-6786
F (032)343-6532

CEBU - MEZ 2
Unit 204 NGA Building 2, Pueblo Verde, MEZ II
Basak, Lapu lapu City
(032)341-5833 to 35

CEBU - NORTH ROAD
National Highway, Labogon, Mandaue City, Cebu
(032)345-1017 to 18, 345-1090, 345-3394
F (032)345-1061

CEBU - NORTH MANDAUE
National Highway, Mandaue City
(032)345-5993,346-2180, 340-3381, 345-5991
F (032)346-2043

CEBU - NORTH RECLAMATION
Blk. 20-A cor. Port Centre Ave. and Juan Luna Ave.
North Reclamation Area, Cebu City
(032)232-0320 to 24
F (032)232-0328, 232-0329

CEBU - OSMENA
Osmeña Blvd. corner Urgello St., Cebu City
(032)253-5277/253-8052/254-5041/253-3572/2
53-3250/253-3260
F (032) 253-6219/253-3250

CEBU - SOUTH MANDAUE
National Highway, 6014 Mandue City, Cebu
(032)D3354345-2458, 346-0101, 345-0713,
346-4689
F (032)346-7915

CEBU - TABO-AN
T. Abella St., San Nicolas Central 6000 Cebu City
(032)261-1377, 261-4421 to 22
F (032)261-1378

CEBU - TABUNOK
PBS Bldg. 2688 National Highway, Tabunok
Talisay, Cebu City
(032)273-6643/273-6644
F (032)491-7456

MACTAN - EPZA
Mactan - EPZA Compound
6000 Lapu-lapu City, Cebu
(032)341-2250, 341-2260, 340-3700, 340-3381
F (032)340-3912

SM CITY CEBU
SM City Cebu, North Reclamation Area, Cebu City
(032)231-2082 / 231-4053 / (02) 7026000 local
2080
F (032)232-0774 / 232-0773

SM CITY CEBU B
UG/F, North Wing - SM City Cebu
North Reclamation Area, San Jose dela Montaña cor.
M.J. Cuenco Avenue, Cebu City
(032)231-2182; 231-3335; 231-0602
F (032)231-1412

CENTRAL VISAYAS

BOHOL - TAGBILARAN
CP Garcia Ave. 6300 Tagbilaran City, Bohol
(038)411-2085, 411-4921
F (038)235-3373

DUMAGUETE
Colon St. fronting Bldg. V of City, Public Market
Poblacion 003, Dumaguete City
(035)225-5022, 225-1571, 225-7660, 225-4787,
422-7513
F (035)225-4462

EASTERN VISAYAS

LEYTE - MAASIN
Tomas Oppus St., 6600 Maasin, Southern Leyte
(053)381-2495, 381-2572, 570-8585
F (053)381-2032

LEYTE - ORMOC
Cor. Burgos & Rizal Sts. 6541 Ormoc City, Leyte
(053)255-7948, 255-4894, 255-2241
F (053)561-9759

SAMAR - CATBALOGAN
Del Rosario St. cor. Allen Ave., 6700 Catbalogan
Samar
(055)356-1706, 251-5541, 251-5477
F (055)543-9110

TACLOBAN
Chua Bldg. P. Zamora St., Tacloban City
(053) 321-3022; 321-2881; 325-9967;
(02)7026000 local 2099
F (053) 321-3022

TACLOBAN - JUSTICE ROMUALDEZ
Salazar St., Tacloban City, Leyte 6500
(053)321-2728, 254-4643, 321-2985
F (053)325-6672

TACLOBAN - RIZAL AVENUE
Roqson Building, Rizal Avenue corner P. Burgos St.
6500 Tacloban City, Leyte
(053)523-0366, 523-8015, 321-4265
F (053)523-8075

ILOILO / PANAY ISLAND

AKLAN - KALIBO
Along XIX Martyrs Street, Kalibo, Aklan
(036)268-8612 to 13, 262-7000 to 01, 500-7221,
500-7954
F (036)2688610

ANTIQUE
Corner Gov. Villavert St. and Gov. Gella St.
San Jose, Antique 5700
(036)320-1814, 320-2002, 540-8398, 540-7770
F (036)540-8398

ILOILO - CENTRAL
Iznart St., Lot 317-B-2-A-1, 5000, Iloilo City, Iloilo
(033)335-1105; 335-0417; 337-7210
F (033)337-7210

ILOILO - IZNART
Iznart St., 5000 Iloilo City, Iloilo
(033)337-7795, 336-0917, 335-8253
F (033)335-0669

ILOILO - JARO
NB Bldg., Lopez Jaena St., Jaro, Iloilo City
(033)329-2132, 329-6971 (02) 702-6000 local
2074
F (033)329-6931

ILOILO - JM BASA
JM Basa St. Iloilo City
(033)337-1052/336-0967/337-0127
F (033)335-0623

ILOILO - LEDESMA
G/F Esther Bldg., Ledesma St., Iloilo City
(033)336-8950 / 336-8244 / 335-0866
F (033)337-8382

ILOILO - MOLO
Escoto-Natividad Bldg. MH del Pilar corner
Lopez Jaena Sts., Molo, Iloilo City
(033)336-8950 / 336-8951 /(02)702-6000 local
2083
F (033)336-8949

ILOILO - QUEZON ST.
Lots 3 & 5 Quezon St., Iloilo City
(033)335-0594 to 95, 335-0597, 335-8250
F (033)337-0870

ILOILO - VALERIA
Valeria Street, Iloilo City
(033)336-4465, 335-1275, 337-9257, 337-9219
F (033)336-4467

ROXAS - ROXAS AVENUE
Roxas Avenue, Roxas City, Capiz
(036)621-0210,621-4962, 621-6112, 338-0648
F (036)621-0054

SM CITY - ILOILO B
Lower Ground Floor Unit No. 73, SM City Iloilo
Benigno Aquino Ave., Jaro-West Diversion
Mandurriao, Iloilo City
(033)320-0247, 320-5957, 320-0745, 320-0215
F (033)320-0123

BRANCH DIRECTORY

SM CITY ILOILO
UG/F SM City Iloilo Benigno Aquino Avenue
Mandurriao, Iloilo City
(033)320-9465 / 320-9470 / 320-9490 /
320-9433
F (033)320-9480

SM DELGADO
G/F SM Delgado Bldg. Valeria St. Iloilo City
(033)337-8973/337-0854/337-4931/337-4925
F (033)335-0394

MINDANAO BRANCHES

CAGAYAN DE ORO

CAGAYAN DE ORO - CARMEN
V. Castro St., Carmen District, 9000 CDO
Misamis Oriental
(08822)-723-676, (08822)-722-660, 858-1133
F (088)858-1113

CAGAYAN DE ORO - COGON
J.R. Borja St., Cogon, Cagayan de Oro City
(088)857-7960/857-7961/857-7962
F (088)857-7963

CAGAYAN DE ORO - LAPASAN
C. M. Recto Highway, Lapasan, 9000
Cagayan de Oro City, Misamis Oriental
(08822)-728-926, (08822)-725-253, 856-3233 to 35
F (088)856-3234

CAGAYAN DE ORO - OSMEÑA
Pres. S. Osmena cor. Ramon Chavez Sts., Cogon
9000 Cagayan de Oro, Misamis Oriental
(088)856-3727 to 28, (08822) 724567
F (088)856-5702

CAGAYAN DE ORO - VELEZ
Velez Road corner Abejuela Street, Cagayan de Oro
(088)857-2075; 857-1943 (08842)-729-360;
723-745
F (088) 856-4792

CAGAYAN DE ORO - XAVIER
Library Annex Bldg., Corrales Avenue
Cagayan de Oro City
(088)857-4108/857-3796
F (088) 857-4108

SM CITY CAGAYAN DE ORO
G/F SM City Cagayan de Oro, Pueblo de Oro
Business Park, Upper Canituan, Cagayan de Oro
Misamis Oriental
(088)859-2632 to 33 / (02) 702600 local 2087
F (088)859-2634

DAVAO

DAVAO - AGDAO
Lapu-lapu St., 8000 Agdao, Davao City
(082)222-3698 ; 221-6205
F (082)300-3024

DAVAO - BANGOY
R. Magsaysay Ave. cor. C. Bangoy St.
8000 Davao City
(082) 330-7161; 221-4480; 227-2113; 227-2802
F (082) 221-1251; 840-7329 ext. 018

DAVAO - C.M. RECTO
383 Claro M. Recto St., Davao City
(082)224-0821; 221-0671; 227-8591; 226-3703
F (082)226-3147

DAVAO - DIGOS
Rizal Avenue, Zone II, Digos, Davao del Sur
(082)553-7439, 553-4764, 553-2931
F (082)553-4764

DAVAO - JP LAUREL
Landco-PDCP Corporate Center, JP Laurel Avenue
Bajada, Davao City
(082)221-4553/221-4556
F (082)221-4557

DAVAO - LANANG
SJRDC Bldg., Insular Village 1 Commercial Area
Lanang, Davao City
(082)234-4412; 234-2413; 234-6723
F (082)234-5760

DAVAO - LIZADA
Ramon Magsaysay Ave. cor Lizada St.
8000 Davao City, Davao del Sur
(082)221-0126; 225-4045; 224-4193
F (082)222-0071

DAVAO MAGSAYSAY
Ramon Magsaysay Avenue, Davao City
(082)226-3868/221-6964
F (082) 221-6963

DAVAO - MATI
Rizal cor. Mabini Sts., 8200 Mati, Davao Oriental
(087)388-3336, 388-3219
F (087)388-3336

DAVAO MONTEVERDE
G/F Sequoia Inn, Monteverde Avenue, Davao City
(082)225-4345/225-4346/225-4348
F (082)225-4347

DAVAO - QUIRINO AVENUE
Nicolas I Bldg., Quirino Ave., 8000 Davao City
(082)224-5968; 221-4951; 305-5804; 221-4365
F (082)221-4365; 221-4951

DAVAO - RIZAL
Caritas Bldg., Rizal St. corner Pelayo St. Davao City
(082)221-9528; 221-9253; 221-9598
F (082)221-94347

DAVAO - SAN PEDRO
G/F KDC Bldg., San Pedro Street, Davao City
Davao del Sur
(082)221-8221; 227-1251; 305-5805
F (082)221-8186

DAVAO - STA. ANA
Monteverde cor. F. Bangoy Sts., 8000 Davao City
Davao Del Sur
(082)221-0314; 221-4746; 227-4638; 305-5810
F (082)226-3690

DAVAO - TAGUM
577 Rizal St., 8100 Tagum, Davao del Norte
(084)218-4961, 217-3664, 217-3469
F (084)217-3664

DAVAO - TORIL
Agton St., Toril, Davao City
(082)291-2278, 301-0107, 291-2276
F (082)291-2276

SM CITY DAVAO
UGF SM City Davao, Barangay Matina, Davao City
(082)298-4766 / 297-4341 / 299-2618 /
299-4341
F (082) 299-2730

GENERAL SANTOS

GEN. SANTOS
Santiago Blvd. corner JP Laurel St., Gen. Santos City
(083)553-3874/553-3875
F (083)553-3877

GENERAL SANTOS - KCC MALL
Unit 018 Lower Ground Floor KCC Mall of Gensan
Jose Catolico Sr. Ave., General Santos City
South Cotabato
(083)301-7330/7327, 522-9808
F (083)302-2958

GENERAL SANTOS - PENDATUN
G/F Sydney Hotel, corner Pioneer St. and
Pendatun Ave., General Santos City 9500
(083)302-4128; 302-3179; 552-2062
F (083)302-3180

GENERAL SANTOS - PIONEER ST.
National Hi-way cor. Roxas Ave., 9500
Gen. Santos City, S. Cotabato
(083)552-2241 to 42, 302-1690
F (083)301-0226

GENERAL SANTOS - SANTIAGO
Ireneo Santiago Blvd., 9500 Gen. Santos St.
South Cotabato
(083)302-4269; 552-2146; 551-2404
F (083) D3223+D3419552-2603

NORTHERN MINDANAO

BUKIDNON - VALENCIA
M. L. Quezon St. cor. G. Laviña Ave., Valencia City
Bukidnon 8709
(088)828-3331, 828-2148, 222-2185
F (088)828-2148

BUTUAN - J.C. AQUINO AVENUE
D & V Plaza II Bldg., J.C. Aquino Avenue
Butuan City
(085)815-1303/225-6192/342-5759
F (085)342-5758

BUTUAN - MONTILLA
Montilla Blvd. near cor. Lopez Jaena St., Butuan City
Agusan del Norte
(085)815-4430 to 31, 341-5240, 342-6033
F (085)342-7055

DIPOLOG
Quezon Avenue, 7100 Dipolog City
Zamboanga Del Norte
(065)212-6253, 212-8162, 212-2341, 212-2339
F (065)212-8164

ILIGAN - DEL PILAR
BC Labao corner Del Pilar St., Iligan City
(063)223-9449 to 50; 223-9446 to 47
F (063)223-9450

ILIGAN - QUEZON AVENUE
Quezon Ave., 9200 Iligan City, Lanao del Norte
(063)223-5133, 221-6545, 221-3685
F (063)221-6545

MISAMIS OCC. - OROQUIETA
Mayor A. Enerio St., Oroquieta City
7207 Misamis Occidental
(088)531-2171, 531-1121 to 22
F (088)531-1532

MISAMIS ORIENTAL - GINGOOG
Nat'l Highway, 9014 Gingoog City
Misamis Oriental
(088)861-0201, 861-0460, 427-313
F (088)861-0460

OZAMIZ CITY
Cebedo Street corner Gallardo Street, Centro
Ozamis City, Misamis Occidental
(088)521-2969; 521-0039
F (088)521-1529

PAGADIAN
F. S. Pajares Ave., Pagadian City, 7016
Zamboanga del Sur
(062)214-1744 to 45, 214-4839
F (062)214-1744

SURIGAO
Magallanes cor. San Nicolas Sts., 8400 Surigao City
(086)826-3425, 826-0293, 231-7226, 231-7270
F (086)826-0339

SOUTHERN MINDANAO

COTABATO - KABACAN
Rizal Ave., National Highway, 9407 Kabacan
North Cotabato
(064)248-2119, 248-2432
F (064)248-2118

COTABATO - KIDAPAWAN
Quezon Blvd., 9400 Kidapawan, North Cotabato
(064)278-3018, 288-1689
F (064)288-1687

COTABATO - MAKAKUA
Makakua St., 9600 Cotabato City, Maguindanao
(064)421-4980, 421-2069, 421-4934, 421-5233
F (064)421-2713

COTABATO - MIDSAYAP
Jaycee St., 9410 Midsayap, North Cotabato
(064)229-7589 to 90, 229-8327
F (064)229-8327

IPIL - ZAMBOANGA
National Highway, Ipil, 7001 Zamboanga del Sur
(062)333-2280, 333-5356
F (062)333-2380

SOUTH COTABATO - KORONADAL
R. Alunan Ave. cor. Osmena St., 9506 Koronadal
South Cotabato
(083)228-2541, 228-2323, 228-2219
F (083)228-2219

SULTAN KUDARAT - ISULAN
#075 National Highway, Kalawag 2, Isulan
Sultan Kudarat
(064)471-0026, 201-3247
F (064)471-0015

SULTAN KUDARAT - TACURONG
Alunan Highway, 9800 Tacurong, Sultan Kudarat
(064)477-0207, 477-0055, 200-3035, 200-3134
F (064)200-3035

ZAMBOANGA
Grand Astoria Hotel Annex Bldg. M.D. Jaldon St.
Zamboanga City
(062)991-1542l; 992-0341; 991-7751; (02)
7026000 local 2179
F (062)991-3217

ZAMBOANGA - MAYOR JALDON
Mayor Jaldon Ave. Brgy. Canelar, Zamboanga City
(062)991-0924, 992-3892, 992-3889
F (062)991-1121

ZAMBOANGA - RIZAL ST.
Rizal St., Zamboanga City, 7000 Zamboanga del Sur
(062)991-1476, 991-4804, 993-2390
F (062)993-2390

FOREIGN BRANCH

HONG KONG
G/F Euro Trade Centre
13 Connaught Road, Central Hong Kong
(00852)29010203, 29010220, 29010288

EQUITABLE SAVINGS BANK

METRO MANILA BRANCHES

ALABANG HILLS
RBC Corporate Centre, Don Jesus Blvd.
Barangay Cupang Muntinlupa
772-3693/842-9006/772-3694
F 772-3693

BF RESORT
ESB Bldg. Blk.4 Lot 9 BF Resort Drive Phase 4
BF Resort Village, Las Pinas
873-8925/873-8923
F 873-8918

CAINTA - A. BONIFACIO
Ledor Commercial Center, A. Bonifacio Ave. corner
Samonte St., Brgy. San Juan
655-5646/655-4358
F 655-2313

CIRCUMFERENTIAL RD. ANTIPOLO
Circumferential Rd. cor. F Manalo St. Antipolo City
696-5205/696-5212/696-5216
F 696-5212

CONCEPCION MARIKINA
ESB Bldg. Bayanbayanan Ave. corner Molave St.
Concepcion Marikina
997-3834/997-3832/997-3824/997-3833
F 997-3833

DAPITAN SAMPALOC
Dapitan cor. Cristina Sts. Sampaloc, Manila
743-1202/731-8544
F 731-8544

DON A ROCES AVENUE
Rotary Center Bldg. Don A. Roces cor.
Mother Ignacia, Brgy. Laging Handa
376-3342/415-0691
F 416-9395

FARMER'S CUBAO
Unit III, G/F Sampaguita Theatre Bldg. Along
Gen. Araneta & Gen. Roxas Sts.
911-8822/438-5563
F 911-8130

GEN T. DE LEON - VALENZUELA
Gen. T. De Leon St., Valenzuela City
292-3738/292-3365
F 292-3738

GREENHILLS
G/F Equitable Bank Bldg. II Ortigas Ave. cor,
Roosevelt Greenhills, San Juan, Metro Manila
726-7604/725-8353
F 725-8353/726-7604

ISIDORA HILLS
Pook Ligaya Riding Ground Interneighborhood Road
Isidora Hills Subd. Brgy. Holy Spirit, Quezon City
951-7744/951-7742
F 430-2101

MAGALLANES MAKATI
Maga Center , 1016 San Antonio St. Paseo de
Magallanes Brgy Magallanes,, Makati City
757-0391/757-0394
F 757-0394

MASINAG ANTIPOLO
ESB Bldg. Sumulong H'way, Masinag Mayamot
Antipolo
682-4194/682-4195/682-4196
F 682-4196

MAYON-AMORANTO
489 Units A& B Mayon St., Sta. Mesa Heights
Quezon City
742-5201/742-6013/413-3697
F 413-3697

MOONWALK-MERVILLE
G/F Seal I Bldg. Armstrong Ave. cor Yosemite St.
Moonwalk Subd.,
776-0692/776-0691
F 776-0690

MUÑOZ - ROOSEVELT
328 Mesa Holdings Building San Francisco
Del Monte, Quezon City
372-6689/374-1404
F 411-0405

PASIG A MABINI
G/F CFM Bldg. No. 97 A Mabini St. Pasig City
641-2298/642-3755
F 642-6834

PASIG KAPITOLYO
G/F Cabarrus Bldg. No. 9 East Capitol Drive
Bo. Kapitolyo, Pasig City
638-8577/638-8574
F 747-7003

PATEROS
G/F Milaor Bldg., Almeda St., Poblacion, Pateros
643-9456/643-9467/643-9463
F 643-9467

POBLACION - MUNTINLUPA
Grd. Flr. Elizabeth Center Bldg. National Road
Poblacion, Muntinlupa
861-4366/861-4367
F 861-4364

BRANCH DIRECTORY

SHORTHORN - PROJECT 8
ESB Bldg. No. 41 Shorthorn St, Brgy. Toro, Project 8
Quezon City
926-0840/926-0819
F 926-0827

TALIPAPA - NOVALICHES
G/F No. 388 Quirino Highway Brgy. Talipapa
Novaliches, Quezon City
930-0027/930-0081
F 930-0081

TANDANG SORA
M&J Bldg. 578 Tandang Sora Ave. Cor. Tagumpay St.
Brgy. New Era Q.C.
951-4227/456-7473
F 456-7473

TAYTAY RIZAL
ESB Bldg. East Road, Taytay Rizal (near Taytay Bagong
Palengke)
660-5393/660-5392
F 286-3271

TEACHER'S VILLAGE
G/F Luisa 2 Bldg., 107 Maginhawa St.
Teacher's Village, Quezon Ctiy
433-6780/433-8720
F 433-8716

WILSON-GREENHILLS
227 Wilson St. cor. Don Miguel St. Greenhills
San Juan Metro Manila
727-3764/396-1515/724-5856
F 724-5856

XAVIERVILLE AVENUE
G/F Xavierville Square Condominium 38
Xavierville Ave. Loyola Heights Q.C.
434-1019/929-8069
F 929-8028

LUZON BRANCHES

ANGELES
Plaza Rafael I, 151-D Sto. Rosario St. Sto. Domingo
Angeles City
(045) 887-1212/(02) 246-8400/(045) 887-0202
F (045) 887-0505

BIÑAN
Km. 35 National Highway, San Antonio, Biñan,
Laguna
(049) 411-4213/(049) 411-4261
F (049) 511-6952

CAVITE CITY
ESB Bldg. P. Burgos Avenue, Caridad Cavite City
(046) 504-0086/(046) 504-0134
F (046) 504-0086

LUCENA
505 Quezon Ave. Extension , Barangay Gulang-
Gulang, Lucena City
(042) 373-7127/(042) 373-5410/(042) 373-5573
F (042) 373-5410

PALLOCAN WEST BATANGAS
Manuela Pastor Ave., Pallocan West Batangas City
(043) 723-8047/(043) 980-0529
F (043) 723-8162

TAPUAC DAGUPAN
Units 8,9,10 Mother Goose Play School Building
Mc Arthur Highway Tapuac District,
(075) 523-3591/(075) 523-6330/(075) 523-6331
F (075) 523-3591

VISAYAS BRANCHES

BANILAD - CEBU
Governor M. Cuenco, Banilad, Cebu City
(032) 343-3640/(032) 343-3847
F (032) 343-3669

DUMAGUETE
Sta. Rosa St. Dumaguete City Negros Oriental
(035) 226-2538/(035) 422-5900
F (035) 226-2537

GORORDO-SALINAS DRIVE CEBU
117 Gorordo Ave. Lahug Cebu City
(032) 414-7974/(032) 414-7975
F (032) 231-4581

LOPUE'S EAST - BACOLOD CITY
Unit 24 & 25, Lopue's East Center, Carlos Hilado
National Highway, Brgy. Villamonte,
(034) 432-1580/(034) 434-9671
F (034) 434-9671

TABUC SUBA - ILOILO
Roger's Building, Mc Arthur Highway Tabuc Suba Jaro
Iloilo City
(033) 320-0069/(033) 320-3058
F (033) 320-9137

MINDANAO BRANCHES

CM RECTO - CDO
ESB Bldg. Claro M. Recto Ave., Cagayan De Oro City
9000
(088) 856-4013/(088) 856-4067
F (088) 856-2617

LOBREGAT HIWAY - ZAMBOANGA
Yubenco Star Mall, Maria Clara Lobregat Highway
Brgy, Putik Zamboanga City
(062) 984-1192/(062) 984-1330
F (062) 984-0895

MATINA - DAVAO
36 Peacenest Bldg. Ecoland Subd. Quimpo Blvd.
Matina Davao City
(082) 299-0172/(082) 299-2893
F (082) 297-5360

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