



DEVELOPMENT BANK OF THE PHILIPPINES

Head Office: Sen Gil J. Puyat Avenue corner
Makati Avenue, Makati City, Philippines

15 February 2024

MR. ANTONINO A. NAKPIL
PRESIDENT & CEO
PHILIPPINE DEALING & EXCHANGE CORPORATION
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas
Makati City 1226

SUBJECT: Clarification of News Article by the Inquirer entitled “It’s official: No more DBP-Landbank merger”.

Dear Mr. Nakpil:

We reply to your inquiry through email dated 14 February 2024, requesting clarification of the following news article published in the Inquirer on Wednesday, 14 February 2024 entitled, “It’s official: No more DBP-Landbank merger”.

The article reported in part the following:

“MANILA, Philippines -The Marcos administration is abandoning its plan to merge Development Bank of the Philippines (DBP) and Land Bank of the Philippines, a turnaround from a previous bid to create a supersized government financial institution.

“To me, it’s as simple as I think we need two government depository banks,” Finance Secretary Ralph Recto told reporters in an interview on the sidelines of the 122nd founding anniversary of the Bureau of Customs on Tuesday.

“Their mandates are totally different. So I think we’re better off with two of them,” Recto added.

Had the merger pushed through, Landbank and DBP would account for P4.07 trillion in combined assets, P3.59 trillion in deposits and P1.82 trillion in loans, based on figures as of end-September 2023. This means the merged bank could be as large as BDO Unibank, the country’s largest bank.

DBP is a development bank that supports agricultural and industrial enterprises, especially small- and medium-scale firms.”

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(02) 8818-9511



info@dbp.ph



www.dbp.ph



P.O. Box 1996, Makati Central Post Office 1200
Makati City

With reference to the said article, the Bank is aware that the proposed merger between the Development Bank of the Philippines and Landbank of the Philippines is not considered as a viable solution by the incumbent Secretary of Finance. In view of the same, DBP shall continue to fully support the advocacies and direction of the Department of Finance and the National Government for the benefit and welfare of our fellow Filipinos. Nevertheless, the Bank shall continue to prioritize its mandate in providing excellent banking services to its customers and stakeholders.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to be 'ALLEN LOUIS V. YANZA', written over the printed name.

ALLEN LOUIS V. YANZA

Associated Person/Deputy Corporate Information Officer