



Joint Press Release

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PSE inks deal to plunk in Php70M more to PDS Group

The Philippine Stock Exchange (PSE) is making an additional investment of Php70 million in the Philippine Dealing System Holdings Corp. (PDS Group) as part of a strategic program to help develop the capital market.

The PSE and PDS Group formally announced the fresh investment Tuesday, 13 November 2007, shortly after top company officials signed an agreement on the additional investment.

The signing ceremony, which was held at the PSE's headquarters, reaffirms PSE's strategic participation in the fixed-income market initiative together with the Bankers Association of the Philippines (BAP).

Mr. Francis Ed. Lim, PSE president and chief executive, and Mr. Vicente B. Castillo, president and CEO of PDS Group, signed the agreement on behalf of their respective companies.

“Our additional investment in the PDS Group not only reaffirms our unwavering commitment as a listed company to create long-term value for our shareholders , but also represents PSE’s strategic thrust to develop our local capital market,” Mr. Lim later said. “We in the PSE believe that a thriving fixed-income market provides a crucial support for the stock market’s advance.”

Mr. Castillo pointed out that the additional investment represents an even tighter collaboration between the two exchanges.

“This partnership paves the way for our collective efforts to integrate the equity and fixed-income markets to create a holistic capital market framework. We specifically look forward to working in our common interests in market governance, information technology, new product offerings and developing the investor base. All of these are fully expected to immediately redound to the benefit of investors, issuers and intermediaries through wider investment opportunities, deeper markets and heightened liquidity,” Mr. Castillo said.

PDS Group provides the market infrastructure for the fixed-income market through its three operating units. Its electronic trading platforms are operated by the Philippine Dealing & Exchange Corp. (PDEX) with a year-to-date volume of Php1.21 trillion and an average daily volume of Php5.7 billion.

The Philippine Depository & Trust Corp. (PDTC), a company that currently administers Php1.5 trillion in assets, provides depository, registry and custodial services for the fixed-income and equity markets. On the other hand, Philippine Securities Settlement Corporation (PSSC) operates the PDS Gateway that provides real-time settlement in local and US dollar currency for transactions of the financial markets.

PSE Independent Directors Jose Luis Javier and Cornelio T. Peralta, as well as broker-directors William Ang, Alejandro Yu and Vivian Yuchengco, together with Mr. Leonilo G. Coronel, BAP Executive Director and concurrent PDS Group Director, witnessed the signing ceremony, along with management officers of both the PSE and PDS Group.

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