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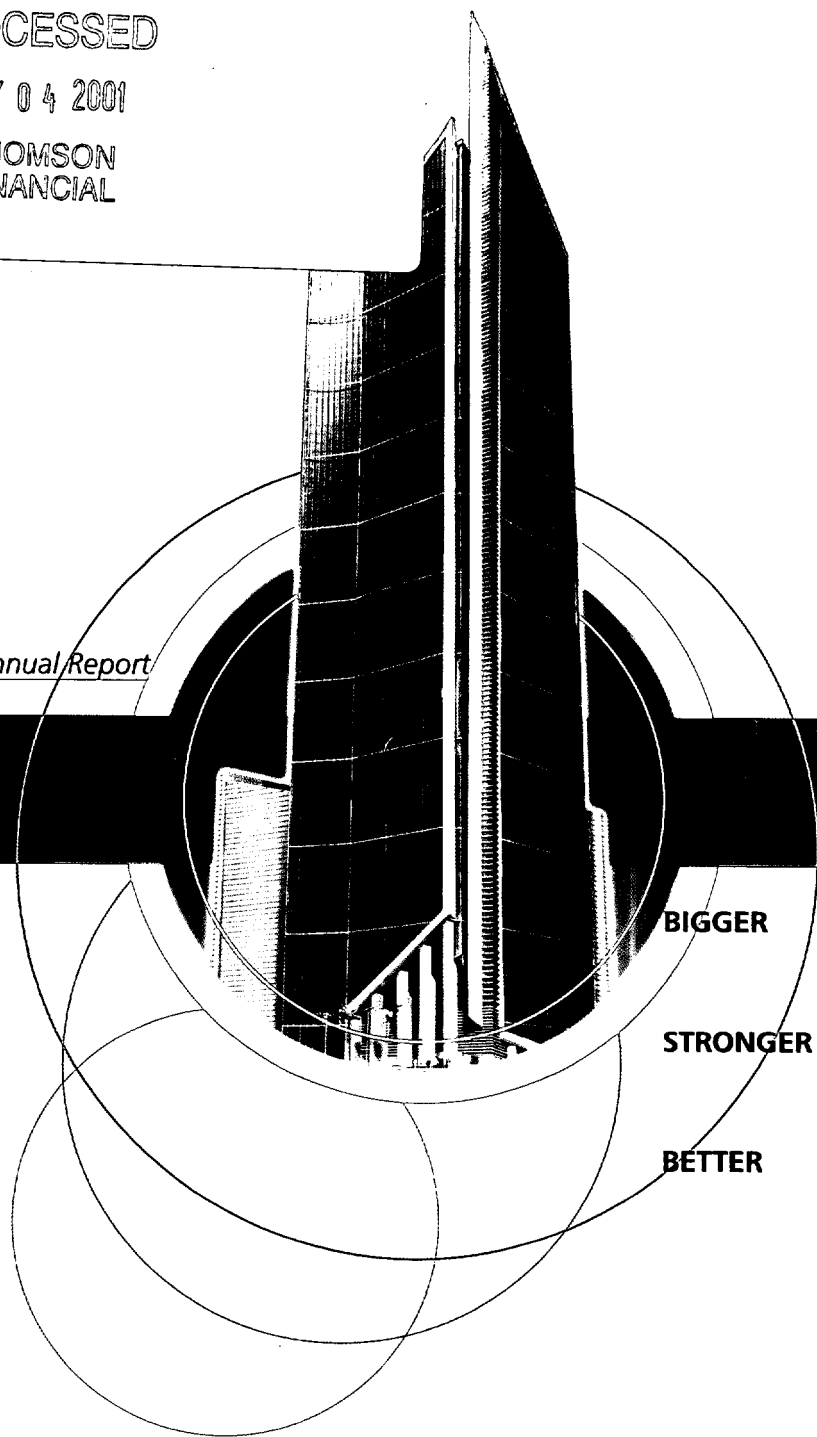
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FINANCIAL



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2000 Annual Report



BIGGER

STRONGER

BETTER



METROBANK

**Bigger,
Stronger,
Better**

The economy may have found itself battered by external and internal forces in 2008, but Metrobank managed to stand firm and succeeded in completing its integration initiatives. To end the year bigger, stronger, and better prepared to address the challenges of banking in the new millennium. Rising above the country's present business district, the 47 story Cit Tower, the new home of the Metrobank Ayala Avenue Center, stands as a testament to this synergy of stability and strength.

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FINANCIAL HIGHLIGHTS

(In thousand pesos, except per share amounts)

| | 2000 | 1999 | Percent Increase/ (Decrease) |
|----------------------------------------------|--------------|--------------|---------------------------------|
| FOR THE YEAR | | | |
| Total Income | P 43,593,074 | P 30,832,792 | 41.39% |
| Total Expenses | 42,089,006 | 27,707,068 | 51.91% |
| Net Income | 1,504,068 | 3,125,724* | (51.88%) |
| Earnings Per Share | 4.82 | 10.52* | (54.18%) |
| Cash Dividends | - | 2% | |
| Stock Dividends | - | 10% | |
| Ratio of Net Income to Average Capital Funds | 3.40% | 7.28%* | |

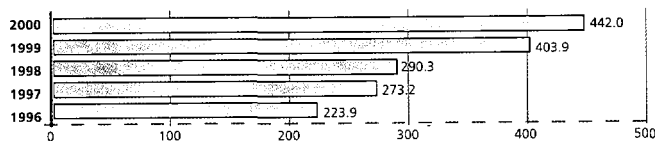
AT YEAREND

| | | | |
|-----------------------------------------------------------------------------------------------------------------------------|---------------|---------------|--------|
| Total Resources | P 442,011,457 | P 403,850,867 | 9.45% |
| Investment Securities – net | 92,686,979 | 61,167,528 | 51.53% |
| Receivables from Customers (net of unearned discount and other deferred income, and allowance for probable losses) | 217,298,388 | 200,964,232 | 8.13% |
| Deposit Liabilities | 347,505,991 | 305,650,429 | 13.69% |
| Capital Funds | 47,448,593 | 45,014,874 | 5.41% |
| Book Value Per Share | 145.22 | 135.70** | 7.02% |

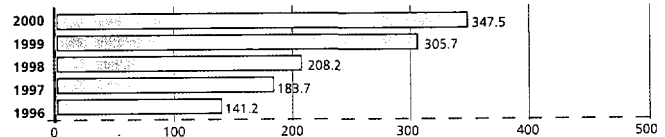
* See Note 19 to the consolidated financial statements on page 30.

** Amount of Capital Funds used in the computation is net of P4.7 billion deposits for future stock subscription.

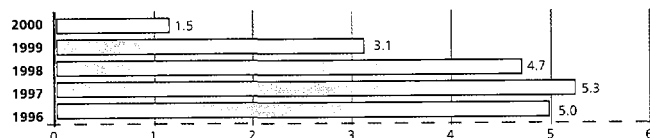
RESOURCES in billion pesos...



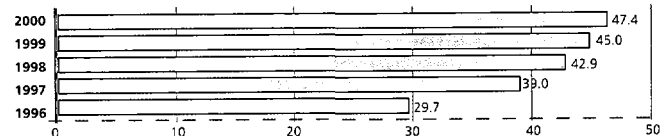
DEPOSITS in billion pesos



NET INCOME in billion pesos



CAPITAL in billion pesos



CHAIRMAN'S MESSAGE

Our prudence and conservatism have continued to serve us well in these trying times. In spite of the difficult environment, our efforts have enabled us to remain a step ahead of our peers, thereby allowing us to preserve our standing as the industry leader.

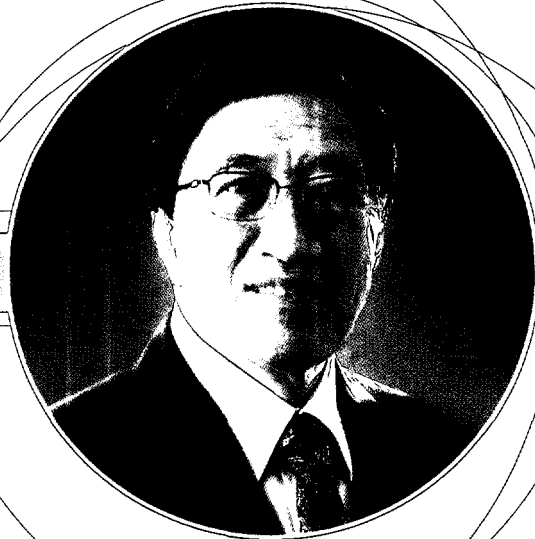
The year 2000 was particularly difficult for the country and for the banking industry. The weak economic conditions carried over from the financial crisis of the previous years, compounded by political instability, led to an erosion of the country's economic prospects.

While Metrobank was not spared from the problems that generally beset the banking industry, we are pleased to note that our prudence and conservatism have continued to serve us well in these trying times. In spite of the difficult environment, our efforts have enabled us to remain a step ahead of our peers, thereby allowing us to preserve our standing as the industry leader.

This year, however, much more will be demanded of us if we are to successfully surmount the challenges confronting the banking sector and the nation as a whole. While the recent peaceful change in the national leadership has renewed hope of an economic recovery, this may not immediately translate to a substantially better year ahead for the nation, much more the banking industry.

In this context, the twin tasks of consolidation and improvement pose a constant challenge that we must continue facing. To maintain our position in the industry, we must strive to become an even better institution and look at new sources of business.

> **GEORGE S.K.TY**
Chairman of the Board



The completion of the Metrobank-Solidbank integration frees up our time and resources and we can now focus on maximizing synergy and returns, enhance our institutional strengths, improve our products and services and take advantage of new business opportunities. These will definitely redound to the benefit of our clients. Moreover, the integration has provided Metrobank with additional resources that may be used to take advantage of better economic prospects that may arise in the future.

While size is a welcome advantage, however, we must also focus on increasing spreads and other income while cutting down on overhead costs. In general, we will endeavor to manage expenses by improving efficiency and enforcing internal control systems.

Indeed, the task ahead seems formidable, but not insurmountable. Amidst the challenges of doing business in these difficult times, we are confident that we will prevail and become an even bigger, stronger and better institution.

With the unwavering support of our stockholders, clients and friends, as well as the invaluable contribution of our employees, we renew our commitment to provide our customers and stakeholders with the same standards of product quality and service excellence that has brought us to the forefront of the banking industry.

A handwritten signature in black ink, appearing to be 'G.S.K. Ty', enclosed within a circular scribble.

GEORGE S.K.TY
Chairman of the Board

THE ECONOMY AND THE BANKING INDUSTRY

> PLACIDO L. MAPA, JR.
Vice Chairman of the Board



Holding out amid crisis.

The road behind was a difficult one. As the months went, the costs of doing business increased.

Inflation rate in January was uncharacteristically low at 2.6%, but by December, it had reached 6.6%, as increases in world petrol prices and weaknesses in the peso took their toll.

The foreign exchange rate averaged ₱40.43/USD in January, but sank to a mean of ₱49.92/USD in December. It was weighed down at various times of the year by political issues on one hand, and economic concerns, such as regional contagion and fiscal deficit, on the other.

Though the budget deficit deteriorated during the year, the funding requirements needed to bridge the deficit and retire the accounts payable were roughly of similar magnitude of over ₱200 billion as when the previous administration took the reins of the national government. Nonetheless, market perceptions of a worsening fiscal condition hounded the 91-day Treasury bill market. However, the pressure on the 91-day Treasury bill rate was tempered by a liquid financial system, to a large part because of the Bangko Sentral's accommodating monetary policy. This was until monetary conditions were tightened substantially due to the sharp

currency movement late last year and the pernicious inflation expectations.

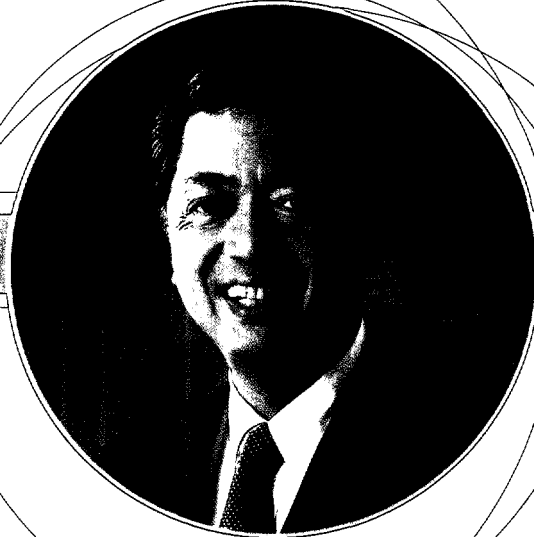
Businesses, households, and government struggled as economic and political dislocations worsened. The lack of confidence discouraged more robust investment flows and consumption spending. These weighed heavily on the foreign exchange inflows the country badly needed to support its external account and exchange rate stability. It was under these conditions that the central monetary authority had to strike a delicate balance in its monetary policies. And market confidence was at the center of the complex task.

Still and all, the economy managed to grow. The will to adjust, survive, and prosper apparently proved mighty.

The country produced and spent more than it did in 1999. Growth in gross domestic and national products was healthier, although short of the targets and even below pre-1997 crisis levels. Even during the fourth quarter, despite the political crisis that shook the government, households and businesses, on aggregate, spent and invested more than what they did a year ago.

Notwithstanding, Metrobank vice chairman Dr. Placido L. Mapa, Jr. finds some consolation. "This reflected great adaptability," he says.

> **DEOGRACIAS N. VISTAN**
Vice Chairman of the Board



"There were reports, for instance, that during the year firms modified prices, packaging, and promotions, among other things, to support and generate sales. Correspondingly, consumers adjusted their spending patterns. More money also was going to office machines and data processing equipment as well as other industry-specific machineries, thus building up labor productivity.

"Private sector outlays compensated for the fiscal consolidation needed to save the public finances from sinking further. Exports, in the meantime, progressively reduced the drag in economic growth due to imports. A half-empty glass was a half-full glass indeed.

Dr. Mapa continues: "Spending and investing were helped by the relative absence of international turbulence, the central bank's liquidity support to the economy, as well as the even keel of the banking industry. Moreover, notwithstanding the spurt in interest rates in the last quarter, the annual average of the 91-day Treasury bill credit benchmark rate was less than those of 1997-1999.

"Verily the economy was resilient. There were times when prevailing downcast forecasts of economic growth were eventually proven wrong. Pleasant surprises were in store. As a whole, industry and services, in particular, markedly improved in 2000, and agriculture remained buoyant despite the conflict in Mindanao," Dr. Mapa adds.

The road ahead appears to him easier. "With the recent political crisis more or less resolved, the country can now work less hampered on building the strengths of the economy and enriching its processes," he says.

Indeed, even as the government fashions a competent, committed and transparent governance, it already hammers the brass tacks that will keep the lid on the budget deficit. It is im-

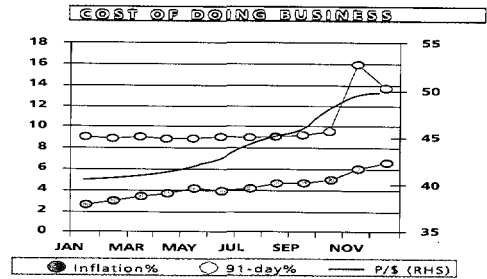
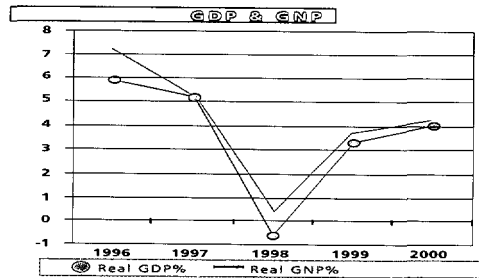
Clearly, there is still much to be done. While many countries around us are said to be slowing down, we—the private sector and government—have to work doubly hard to create the possibilities for greater prosperity.

perative to address the market's fiscal concerns through urgent public revenue and spending policy initiatives. On the other hand, monetary and external account management will have to be directed prudently, in order to keep inflation at bay and boost the domestic economy.

Dr. Mapa, however, cautions: "The idea is to help shape an environment that is stable and supportive for household and business. Confidence, after all, is the watershed for private sector support to the government's policy initiatives and for the cranking of more economic levers. It would help relieve the country of any lingering consequences of policy adjustments to the sharp deterioration in the foreign exchange rate last year. It would also help uplift industries to more internationally competitive levels, especially as major markets are expected to remain weak.

"Clearly, there is still much to be done. While many countries around us are said to be slowing down, we—the private sector and government—have to work doubly hard to create the possibilities for greater prosperity. And so we

THE ECONOMY AND THE BANKING INDUSTRY



must aspire, for as we grapple to turn from a difficult past, we would certainly not want to be at the bottom-end of the possible."

Economics and politics: the year's tragic compound

The story was no different for the entire industry.

The year 2000 was met with hopes, if only owing to the natural cycle in which economics works. But, as it happened, this cycle would be a painfully slow one - it was yet another down year.

As Metrobank vice chairman Deogracias Vistan notes: "Loan demand continued to be soft and, as one would expect, competition heightened on the good borrowers. Market liquidity was generally high but towards the fourth quarter, political uncertainty prevailed and created havoc on the interest rate and foreign exchange rate levels. The government's fiscal deficit became a bigger economic burden."

At any rate, the top players tried to avoid any risks of further swelling their souring loans, which all the same grew to 15.1% of all commercial bank loans from the previous year's 12.7%. They tried instead to keep the quality of their portfolios and settle for little growth, no matter if it turned insufficient to cover those non-performing loans. Naturally as well, provisions for loan losses cut into profits. The industry coverage may have decreased from 46.6% to 43.6%, but the ₱876-million increase in

these provisions still hurt the bottom line.

On the other hand, heavy capital outlays, for technology in particular, could not be escaped, given the ever-rising industry standards and the ever-growing competition.

The close interaction between the economic and political scenario was very evident last year. The impeachment process consumed the entire nation; almost everything else was secondary. It put the country on the world stage as everyone watched a significant transition, one that we all hope is not limited to a change in national leadership but a new, inspired level of awareness in the importance of moral and effective governance. Also in the limelight was the banking industry and the need for reforms – banking regulations that balance the sensitivity of depositor information and the transparency needed to discourage money laundering and similar activities of a criminal nature.

"And with all that coming to resolution, hope is alive again," adds Mr. Vistan.



A year of integration and consolidation

The crises of the year 2000 were so extraordinary – indeed, wholly unexpected – that businesses had been left largely groping, able to do little more than hope and wait for a providential turnaround. For Metrobank, the priority was clear. Having finally completed all the formalities of its takeover of Solidbank, your Bank proceeded to work feverishly at integration and consolidation, not only to meet the challenges of economic recovery after the crises but also to seize opportunities over the longer term.

Early in the year, Metrobank acquired all the banking and other financial assets and liabilities of Solidbank and merged its non-banking assets with wholly owned subsidiary First Metro Investment Corporation. Lest the deal be misread as simply one instance in a number during a season of merger fever, our objectives were clear: to expand Metrobank's geographic and demographic reach and capacities, to achieve economies of scale in operations, information technology, marketing, and staffing, and to harmonize its allied and non-allied undertakings. In fact, some gains were immediate, like quicker and better service and savings of at least P760 million in annual operating and capital expenses. Specifically, these savings were realized by:

- terminating Solidbank's IT vendor contracts;
- eliminating Solidbank's clearing-house fees;
- ending some subscriptions to Bloomberg, Reuters, and Bridge;
- pre-terminating branch leases;
- terminating service/agency contracts;
- eliminating some ATM transaction fees following the shift of Solidbank accounts to BancNet;

Having finally completed all the formalities of its takeover of Solidbank, your Bank proceeded to work feverishly at integration and consolidation, not only to meet the challenges of economic recovery after the crises but also to seize opportunities over the longer term.

- re-adapting (by upgrading) 53 Solidbank ATMs and trading in 45 more;
- shedding excess assets; and
- building a leaner workforce.

In fact, savings from the integration of systems and technologies were realized as soon as the Metrobank head office units began phasing out unsuitable Solidbank models.

An expanded range of products and services to offer and a wider reach are by themselves no small advantage, not to mention an increase in resources that also necessarily increases capacities for future growth in anticipation of better times ahead.

The integration process was completed before the end of the year. However, the effort at ensuring that the intended mutual benefits between bank and client are achieved goes on.

Amid a lingering crisis

Despite the economic slowdown that had lingered since nearly all of Asia was plunged in

PRESIDENT'S REPORT



The acquisition of Solidbank was completed in May after Metrobank paid P3.9 billion in cash for Scotiabank's 40% stake in the bank.

financial crisis in 1997 and domestic political uncertainties, your Bank and its subsidiaries managed a 9.45% (P38.16 billion) increase in consolidated resources, from P403.85 billion to P442.01 billion.

Accounting chiefly for this was a P41.86 billion growth that brought consolidated deposits to P347.51 billion. Investment securities also increased – by 51.53%, from P61.17 billion to P92.69 billion – and, although comparatively slightly at 5.41%, so did capital funds – from P45.01 billion to P47.45 billion.

Net income dropped, however, from P3.13 billion to P1.50 billion. Net interest income dropped slightly by P122.62 million while other income improved by P4.27 billion. On the other hand, other expenses grew from P10.11 billion to P14.88 billion. Loan loss reserves of P3.08 billion were provided, up from P1.80 billion.*

Metrobank and its subsidiaries remitted a total of P15.56 billion in taxes. This covers taxes paid as a regular corporate citizen and those remitted as withholding or collecting agent for the Bureau of Internal Revenue.

Treasury served well by caution and foresight

A liquidity hedge from Y2K, the acquisition of Solidbank, and the weak loan demand on the one hand and prospects of a decline in interest rates on the other hand prompted Metrobank to increase its government securities portfolio. True and early enough, the rates fell in the first quarter, bringing progressive trading gains in the first semester.

Later in the year, however, the Mindanao conflict and Juetengate, the big gambling-protection scandal that would in the end prove the undoing of President Estrada, broke out and pushed the rates up, eroding earlier gains. Amid uncertainties, your Bank stayed

liquid. At the same time, it ventured actively into the government securities and foreign exchange market, where its performance brought itself recognition as the number two government securities dealer and as one of the top 12 banks that traded the highest volume at the Philippine Dealing System.

On the FCDO side, Metrobank participated as one of the underwriters of the Republic for a syndicated loan of US\$400 million.

Trade and remittance in a slow economy

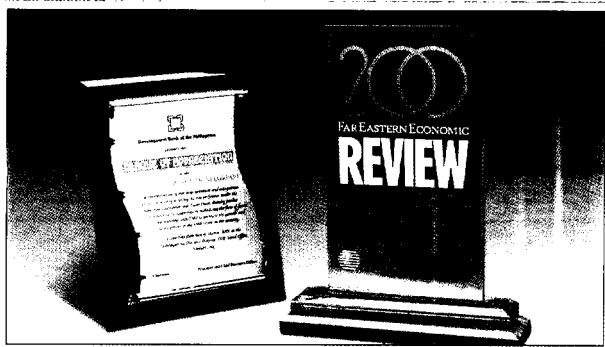
The economic uncertainties slowed trade. Letters of Credit opened for the year represented 14,158 transactions, down 6%. At US\$818 million, their value showed a minimal 2% decline. Non-L/C transactions, however, rose by 64% to 3,620 from the previous year's 2,205, for a corresponding value increase of 32% – from US\$146 million to US\$192 million. Export transactions decreased by 16% to 17,131, but their value increased, though by only 1%, to US\$760 million.

The volume of inward remittances, an item whose value to the national economy cannot be overemphasized, swelled by 25.47%. Its value amounted to US\$2.36 billion, up by 16.15%. The *Super Bilis Padala Super Negosyo ang Dala*, a sales promotion which was launched in 2000, along with the long-standing door-to-door delivery service, and new remittance arrangements with partners abroad added significantly to the remittances received from the Bank's foreign branches, subsidiaries, and affiliates, which by themselves accounted for the greater part of the increment.

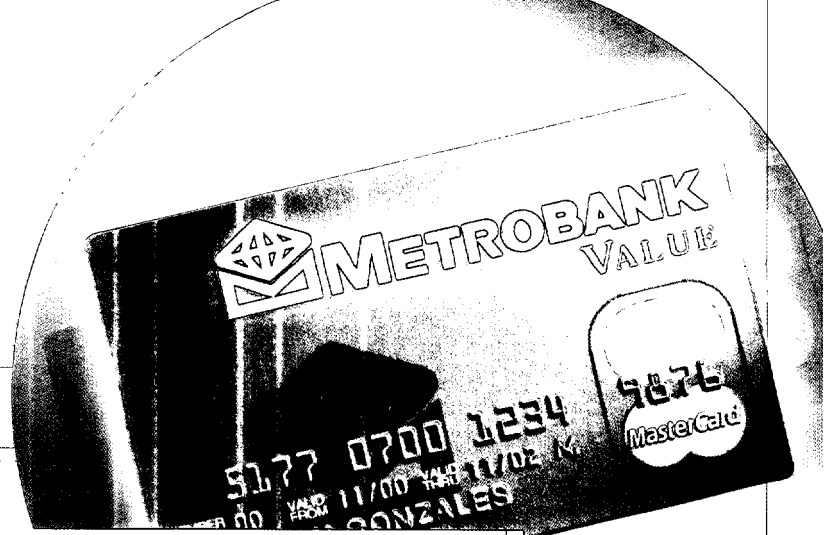
New products

True to its innovative spirit, your Bank launched a range of products and promotional

*See Note 19 to consolidated financial statements



As in previous years, Metrobank won several awards in 2000, two of which were given by the Development Bank of the Philippines and the Far Eastern Economic Review.



Tagged as the "easy-to-get, value-loaded credit card," the Metrobank Value MasterCard was launched before the end of 2000.

undertakings. Most notable among the first were:

- Metrobank Power Club, a packaged account featuring a combination of banking and non-banking privileges.
- MetroDollar Trust Fund, a U.S. dollar-denominated pool of funds from individual, corporate or institutional customers invested in high-yielding dollar bonds.
- 6-for-a-Million, a time deposit with interest amounting to 2/3 of the principal at the end of five years, and
- X2-in-6 Time Deposit, a placement that doubles in six years.

Among the promotions:

- A campaign aimed at raising remittance value and transactions.
- Pay Anywhere and Be a Lucky Winner, aimed at increasing the use of Metrophone and the Metrobank E.T. facilities and account enrolment in Metrophone Banking.
- A campaign aimed at increasing awareness of the availability of prepaid mobile phone PINs through the Metrobank E.T and encouraging their purchase through the ATM.

To enhance its products and services, Metrobank tied up with its subsidiaries. Features like personal accident insurance and credit card services were made a part of certain product packages such as the Metrobank Power Club.

Robust trust business

Trust banking at Metrobank not only bucked the trend but also led all competitors. In the face of the economic slowdown and a P38-billion contraction in the trust industry, total trust assets grew by P7.3 billion to P62.1 billion.

In a way, that was not wholly unexpected, given the attention your Bank gives to the business as it continuously invents, develops and innovates. For instance, less than a year from its mid-2000 launch, the MetroDollar Trust Fund,

an investment vehicle that gives an investor access to the dollar bond market, easily exceeded its target volume and already comprised nearly 20% of your Bank's total common trust funds.

Your Bank undertook a massive buildup of its trust organization, and its integration with Solidbank hastened the transformation of its trust business into a customer- and market-oriented operation. Going chiefly for big clients requiring individual management, your Bank increased its corporate and personal trust accounts by more than 50%. In handling retirement and pre-need funds, Metrobank has been chosen by several of its corporate clients as one of their best fund managers for the year.

Institutionalizing risk management

Risk was the operative word of the delicate year, and risk it was that your Bank focused its initiatives on the three principal areas for banking – credit, market, and operations. The Risk Management Unit was mandated to devise an integrated system. Its job consisted in:

- identifying, measuring, and controlling risks inherent in the Bank's activities;
- disseminating its philosophies and policies in this regard;
- helping other units in appreciating risk/return profiles; and
- developing risk-control infrastructure.

Metrobank acquired a system for credit-risk management known as Default Filter from Bankers Trust IQFS, a leading risk-solution provider from Singapore. The Default Filter can quantify the probability of risks of the Bank's exposures at both transaction and portfolio levels. It helps the Bank to price its loans most reasonably and warns it of risk concentrations and sensitivities.

Another device, installed at Treasury, monitors

PRESIDENT'S REPORT



The privilege-laden Metrobank PowerClub was launched in mid-2000.

the Bank's exposure to changes in the values of financial instruments, which in turn change with market prices and rates (interest rates, FX rates, equity prices).

Yet another set of control systems provides senior management and the Risk Management Committee with the up-to-date information they require for measuring operations risks. An electronic ledger of cases that expose the bank to those risks signals a review of policies and procedures.

With this risk management infrastructure slowly being put in place, your Bank is equipped with a virtual risk road map that will enable it to optimize risk-return profiles as it gears itself for the new framework that the Bangko Sentral ng Pilipinas and the Bank for International Settlements (BIS) require in measuring risk-based capital adequacy ratios.

Rationalizing branching

Enlarged by the acquisition of Solidbank but at the same time its branches necessarily made redundant in some cases, Metrobank opened new branches (using the licenses of redundant former Solidbank branches), renovated existing ones, and relocated others.

In Metro Manila it opened two, both in October – one in Tanay, Rizal, and the other at the corner of Tayuman and Felix Huertas streets, in Sta. Cruz, Manila. It relocated seven and renovated 78.

Elsewhere, it put up four branches, all toward the end of the year – in Bangued, Abra; in Siniloan, Laguna; along Session Road, in Baguio City; and in Concepcion, Tarlac. It relocated four provincial branches and renovated 25. The number of Metrobank branches nationwide totaled 471 by yearend.

Overseas, Metrobank was chosen by the government of the People's Republic of China

as the lone Philippine bank to be given approval to open a branch there as part of a reciprocity agreement. With regard to this, your Bank will be converting its Shanghai representative office into a full-fledged branch in 2001.

Meantime, your Bank's automated teller machine network numbered 418 units by yearend. Some 41 new ATMs were acquired in 2000 and of these, 34 were installed. Moreover, by yearend, your Bank had the largest ATM cardholder base in the Philippines.

Re-engineering for Solidbank integration

Through the year from May, further re-engineering initiatives were undertaken to integrate the newly acquired Solidbank into the Metrobank network. The effort consisted in assisting head office units to ensure a smoother integration; as well as streamlining, retooling, retraining (for rehired Solidbank staff), and converting or altogether replacing systems.

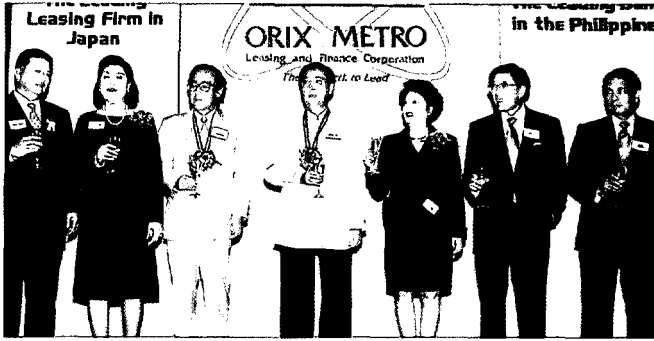
For the most part, it required integrating the new acquisition into Metrobank's tellering platform - Mosaic. The initial rollout of Mosaic's latest enhancement (Mosaic 3) during the year covered the converted Solidbank branches and 114 other Metrobank branches.

Consolidation and the people factor

During the consolidation process, your Bank worked with the former Solidbank management for a smooth transition.

Some 64% of the total employees of Solidbank were retained. A new orientation program called O.N.E. (Orientation for Newly Engaged Employees) was developed and implemented for all retained personnel. With this, a better understanding and appreciation of Metrobank's culture, policies, and people,

*See Note 19 to consolidated financial statements



ORIX Metro Leasing and Finance Corporation, launched in October, is Metrobank's partnership with Japanese leasing leader ORIX Corporation.

among other things, were achieved.

Training requirements for branch operations were fast-tracked. Former Solidbank branch officers and staff underwent extensive training in operations and the Mosaic system to prepare them for the conversion and consolidation of their branches.

The Collective Bargaining Agreement for 2001-2003 was also signed during the year. Manifesting the exemplary and harmonious relationship between management and the labor union, the negotiations were completed in a record three months, which is half the usual time.

Awards

As in past years, Metrobank received its share of awards and recognition in 2000, among them,

- Asian Banking Award for Total Quality and Operational Efficiency, given by the Asian Bankers Association and the Association of Development Financing Institutions in Asia and the Pacific. In the previous year, Metrobank won the award for social responsibility.
- Special Recognition, from the Development Bank of the Philippines for your Bank's consistent sterling performance in lending to small- and medium-scale enterprises under the Industrial Guarantee Loan Fund (IGLF). Metrobank has already been elevated to the IGLF Hall of Fame and has already been awarded as the Most Outstanding Commercial Bank of the Decade for the same program.
- Best Collecting Commercial Bank, given by the Social Security System after evaluating the performance of the 34 accredited commercial domestic banks, for the third year in a row.
- Most Outstanding Commercial Bank, given by the Consumers Union of the Philippines.
- One of Asia's Leading Companies, given by the Far Eastern Economic Review based on



a survey of respondents from 11 Asian countries and which assessed the companies' products and services, management's long-term vision, innovativeness in responding to customer needs, financial soundness, and emulation by other companies.

Geared for the turnaround

Full economic recovery may be unlikely in the near term, but hopefully, with the installation of a national leadership that inspires greater investor confidence, business would be revived and with it domestic consumption.

As always, Metrobank will do its share in spurring the resurgence of Philippine business. For one thing, your Bank has begun its foray into the virtual marketplace by building the infrastructure for Internet banking and mobile banking, which are to be launched in 2001.

These and other investments in technology are expected to serve your Bank well in preparing for the much-awaited economic rebound. Also, with the integration of Solidbank complete and certain other initiatives in place, Metrobank should be well positioned and ready for the turnaround.

We thank you - our stockholders, clients and friends - for your role in Metrobank's success in 2000. We are confident that with your continued support, we will be able to face whatever challenges lie ahead. For our part, we will do our best to keep your interests in mind as we pursue our profit and growth objectives for 2001 and beyond.

Metrobank's Re-engineering Initiatives project won as the Best Total Quality and Operational Efficiency Program in the Asian Banking Awards 2000.

Antonio S. Abacan, Jr.
ANTONIO S. ABACAN, JR.
 President

DEVELOPMENTS IN THE PRICE AND RETURNS OF THE METROBANK STOCKS

Political Drama

On the first trading day of 2000, the stock market pushed to a high of 2148.71 and closed at 2141.77, bringing fresh hope at the dawn of a new millennium for a better year. Alas, the first day would be the best day.

A rate hike in the US and the BW scandal in February and March sent the Phisix down to 1595.97. And just as the Phisix began to recover, war broke out in Mindanao in May. As if this was not enough, the Abu Sayyaf crossed into the neighboring Sipadan resort in Malaysia and kidnapped a group of mainly foreign holiday-makers. By May 23, the Phisix had dropped to 1377.66. From late May to September, it managed to linger between 1400 and 1600 as a mixed bag of news reached the market. The passage of reform bills - notable among them was one liberalizing retail trade - and a second-quarter GDP of 4.5% buoyed the market, but the ballooning budget deficit, the continuing war in Mindanao and the unresolved Abu Sayyaf kidnappings kept pulling it down.

Then came Juetengate in October, the ultimate test of Joseph Ejercito Estrada's 28-month-old presidency. Ilocos Governor Luis "Chavit" Singson, a close friend and political ally, accused him of taking more than P200 million in bribes from operators of the illegal numbers game *jueteng*. Having by this time lost 900 points or 42% for the year, the Phisix fell to 1243.08, a 25-month low.

On November 6, the market's fortunes turned with a 212-point surge, the biggest single-day gain in history. This followed waves of street protests that began to force key officials to withdraw their support for the President, who by now had more scandals to deal with than just Juetengate.

Finally, the Lower House of Congress impeached him and sent his case to the Senate for trial, a fate singular for a Chief Executive in Asia.

Both local and foreign investors found reason to be optimistic, albeit cautiously, and gradually put their money back into the market; they were anticipating Estrada's removal from office. This pushed the Phisix up to end the year at 1,494.50, still down 648.47 points, or 30.26%, from the previous year's close though.

Banking Sector Drops Further

If 1999 had been the year of mergermania, 2000 was the year of integration. But it all proceeded not without distractions. April saw the closure of a mid-sized commercial bank, while later in the year another bank became embroiled in the impeachment proceedings, having been perceived, rather ironically, as a crony bank and a violator of bank secrecy laws at the same time.

The financial sector index, following the Phisix, fell 310.66 points - from 874.04 to

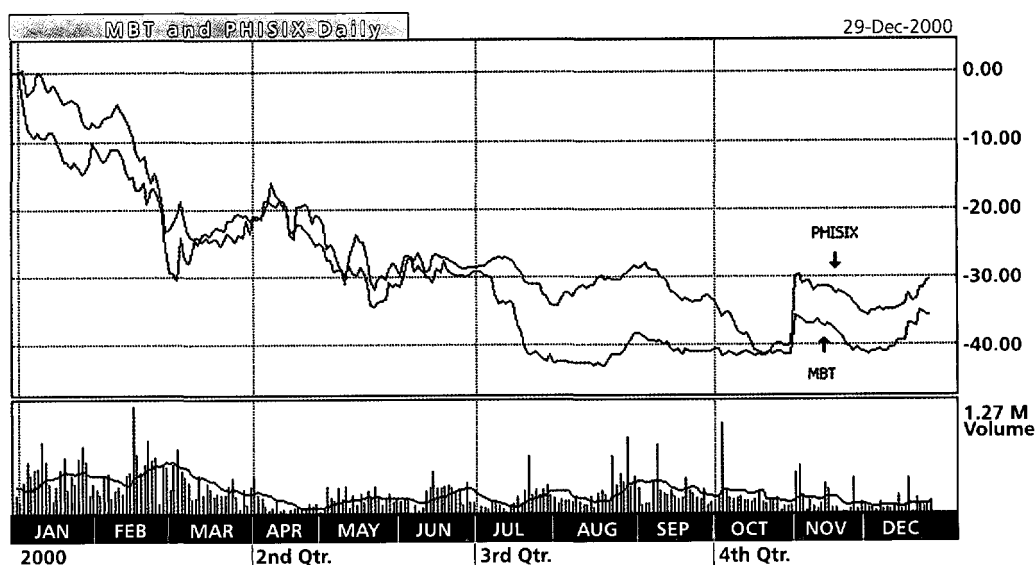
554.08. The banking sector was severely affected by the political uncertainties.

How Metrobank Performed

Metrobank itself survived another test of strength: it withstood the crisis and responded to the challenge by consolidating its leadership in the banking industry. Unspared by a market hostile to banks, the Bank saw its share price drop to as low as ₱161 in August 2000, the height of the Abu Sayyaf hostage-taking crisis. At the end of the year, Metrobank lost 36.9% of its value to close at ₱183 per share, again, following the Phisix and the Financial Services sector.

Earnings and Rights Offer

With the unfavorable political and economic environment and the heavy merger costs, Metrobank only managed a ₱1.50-billion net income, down 51.88%. Earnings per share dropped to ₱4.82 from ₱10.52.* All these notwithstanding, your Bank was able to raise ₱4.75 billion in fresh capital via a 1-for-10 rights offering at ₱160 per share. Book value per share improved from ₱135.70** to ₱145.22.



*See Note 19 to consolidated financial statements on page 30.

**Amount of Capital Funds used in the computation is net of ₱4.7 billion deposits for future stock subscription.

THE METROBANK FOUNDATION



Maria Taniguchi (right) is the first woman grand prize winner in the Young Painters' Annual. With her is National Artist Napoleon Abueva (left).

Breaking new ground in corporate social responsibility

To affirm, and strengthen, Metrobank's commitment to social responsibility, the Metrobank Foundation continued to honor individuals and organizations that have made significant efforts toward nation-building and establishing a culture of excellence. And it was gratifying to see increased interest and participation in the Foundation's programs.

Education

In the Search for Outstanding Teachers, nominations for the year numbered 344, up more than a third from those for the year before. The geographic field of selection consequently widened, the cities of Angeles (Pampanga) and Oroquieta (Misamis Occ.) had their first winners. Other results were fairly unsurprising: the top three Philippine universities (by *Asiaweek* ratings) – University of the Philippines, De La Salle University, and Ateneo de Manila University – had a winner each from among the total 14. Each winner received ₱110,000 cash, a trophy and a gold medalion, and the school ₱25,000 for faculty development.

The year also saw a prestigious validation of the Search – it got the coveted Anvil Award of Excellence for Public Affairs from the Public Relations Society of the Philippines, the same organization that had voted the same search as an Outstanding Institutional P.R. Program in 1986.

The Foundation expanded the Metrobank-MTAP Math Challenge at the elementary level to cover all 16 regions, while maintaining the high school competition in the National Capital Region. As a result, it attracted half a million contestants from at least 100,000 elementary public and private schools nationwide. The Challenge, four years running now, is intended to sharpen the mathematical skills of the young in order to provide them with the competitive strength suitable in their time.

But perhaps the starkest result from the Foundation's educational program was the 80 scholars it contributed to the professions for the year. Sixteen of them have been government-certified as public accountants, 12 as teachers, and five as engineers.

Visual arts

Similarly, efforts in the visual arts have been rewarding. The 17th Young Painters Annual attracted a record 888 contestants, more than half of them from the provinces and mostly first-timers.

The year produced the first female grand-prize winner among the 32 awardees. The winners in either of the categories (oil on canvas and water-based media on paper) received a first prize of ₱100,000, a second prize of ₱80,000, and a third prize of ₱60,000; and the six honorable-mention awardees, ₱40,000 each; and the 20 finalists ₱20,000 each.



The Search for Outstanding Teachers won the Anvil Award as an "Outstanding Institutional PR Program" from the Public Relations Society of the Philippines.



Metrobank Foundation participated in the Department of Education, Culture and Sports' Adopt-a-School Project held during the very first Corporate Social Responsibility Week.

Other excellence awards

The Metrobank Foundation continued with its excellence awards program, which began two years ago. In its second year of partnership with the Philippine Jaycees, the Metrobank Foundation continued to support The Outstanding Policemen of the Philippines awards. Nine policemen were recognized for their professionalism and integrity at ceremonies in Malacañang. Each received P100,000 cash, a trophy, and a medallion.

Earlier in the year, in June, seven enlisted men were honored as Outstanding Philippine Soldiers under a program in partnership this time with the Rotary Club of Makati-Metro. The seven received P50,000 cash each and a trophy. A few days later, eight members of the judiciary received equal prize and honor from the Metrobank Foundation and its partner, the Foundation for Judicial Excellence.

A similar new program, meanwhile, was launched – the Search for Outstanding Journalists – in partnership with the Asian Institute of Journalism and Communications. An outstanding practitioner each in print and in broadcast journalism will be awarded P75,000. In addition, a senior media practitioner will be given a Distinguished Leadership Award, and with it P100,000 cash.

Health care

Heartening progress was achieved in the New Manila Doctors Hospital project. Hospi-

talia International, the German consultants commissioned on turnkey terms, presented its Expanded Project Strategy Report, the basic plan itself, to the Metrobank and Manila Doctors executives. Subsequently, a memorandum of understanding was signed for a joint venture, objectives were set, and physical planning was begun.

The Foundation, meanwhile, continued to support the hospital's social-service efforts, in addition to subsidizing in-house charity patients. It also sponsored a weeklong mission to Maramag, Bukidnon, where hospital volunteers performed more than 200 surgeries.

Grants

On the occasion of Metrobank's 38th anniversary, the Foundation donated P10 million to over 100 organizations for their service, socio-civic and charity programs.

Socio-civic networking

Aside from its leadership in the League of Corporate Foundations, the Metrobank Foundation inaugurated its own website to provide a channel for constant networking. The website came as the Foundation entered its third decade, lending technological vigor to its commitment to help bring out the best in the Filipino, thereby improving his quality of life.

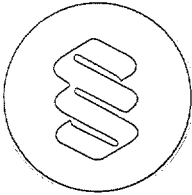
The Metrobank Group of Companies

Domestic



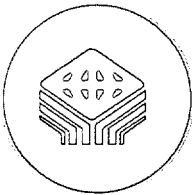
GLOBAL BUSINESS BANK, INC.

Having fully completed its merger with Philbank and Asianbank in 2000, Globalbank emerged as the largest regular commercial bank in the country in terms of total resources, capital and branch network (143 branches). By yearend, Globalbank's consolidated resources stood at ₱57.8 billion, 312% higher than in the previous year. Capital funds grew to ₱7.3 billion as a result of a ₱2-billion equity infusion. Capitalizing on the synergy brought about by the three-way merger, Globalbank was able to generate gross revenues of ₱5.1 billion and net income of ₱192.5 million. Deposits grew by 272% to ₱45 billion while total gross loan portfolio increased by 386% to ₱32 billion.



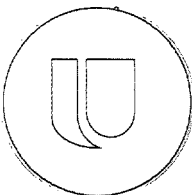
PHILIPPINE SAVINGS BANK

PSBank ended the year 2000 with total resources of ₱17.9 billion and a net income of ₱120.8 million. Return on equity of 3.19%, return on average assets of 0.72% and net interest margin of 6.56% all exceeded industry ratios. The Bank's non-accruing-loans-to-total-loans ratio of 9.14% favorably compares with the industry average of 12%. Its loan loss reserve of ₱698 million is 58% of non-accruing loans and 5.32% of total loans. Loans and deposits significantly improved; net loan portfolio increased by ₱1.5 billion and deposits increased by ₱177.3 million to ₱13.2 billion.



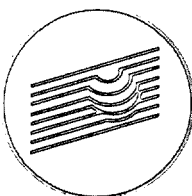
FIRST METRO INVESTMENT CORPORATION

First Metro achieved significant milestones in 2000. With its merger with Solidbank Corporation (Solidbank), the company became the only publicly listed investment house. The company also transferred to its new corporate headquarters at GT Tower International in Makati City and adopted new Vision, Mission and Values Statements. For the year ended December 31, 2000, First Metro, as a merged company, made a net income of ₱1.5 billion. However, at the time of the merger on September 22, 2000, First Metro suffered a net loss of ₱1.1 billion. Such loss was closed to the capital accounts and considered in the swap ratio used in the exchange of the former First Metro and Solidbank. Such exercise provided the former stockholders of First Metro a share in the net income of about ₱440 million. Pursuant to the Plan of Merger between the former First Metro and Solidbank, Solidbank surrendered its banking license to the Bangko Sentral ng Pilipinas. The merger of the former First Metro with Solidbank also resulted in increased capital funds of the new First Metro of ₱7.7 billion as of December 31, 2000.



THE UNIBANCARD CORPORATION

The year 2000 was an exceptionally busy year for The Unibancard Corporation as it completed the acquisition of the AB Card Corporation, integrated the credit card operations of Solidcard Products Corporation, and launched its secured credit card product, the Metrobank Value Mastercard, both in the Philippines and in Hong Kong. Unibancard now has six credit card products. The company posted gross revenues of ₱378 million for the year. Operational efficiencies led to an improved income margin of 8.2% and a net income of ₱41 million.



ORIX METRO LEASING AND FINANCE CORPORATION

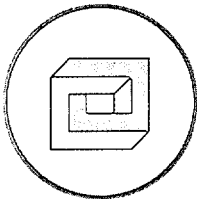
Launched on October 26, 2000, ORIX METRO Leasing and Finance Corporation is the Metrobank Group's joint venture company with ORIX Corporation, the leading leasing company in Japan with assets of over US\$50 billion and presence in twenty-three countries worldwide. ORIX METRO Leasing is the result of the merger of three leasing companies under the Metrobank Group: the former First Metro Leasing and Finance Corporation, the former PBC Leasing and Finance Corporation and Consolidated ORIX Leasing and Finance Corporation, which became the surviving company. ORIX METRO Leasing is aggressively pursuing product cross-selling with the more than 800 branches of Metrobank, Globalbank, and PSBank.

M.D. TRUC



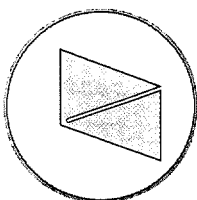
PHILIPPINE AXA LIFE INSURANCE CORPORATION

The year 2000 was the second year of the joint venture between Metrobank and the global AXA Group. The transformation process initiated in 1999 continued into 2000 and started to produce tangible results, particularly on the sales front. Premium income grew by 19 percent. Highlights of the year included the successful launch of a personal financial planning service and the development of several new and innovative products. These initiatives were complemented by an improved focus on customer service and the implementation of new administration systems.



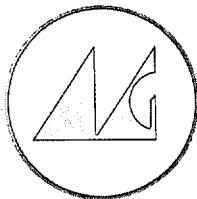
SMBC METRO INVESTMENT CORPORATION*

Despite the difficulties in the economic environment, SMBC Metro's overall performance improved in 2000. The company registered a net income of P52 million, representing a 34% growth over the previous year's level. Moreover, the arrangership business continued to show good performance. The company, however, took a more cautious stance in its underwriting and lending activities in order to safeguard the quality of its portfolio. As of end-2000, gross loan portfolio was at P225 million while total resources reached P801 million.



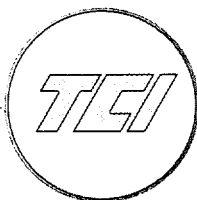
PHILIPPINE CHARTER INSURANCE CORPORATION

PhilCharter has been a major player in the insurance industry for the past 40 years and currently ranks 9th in terms of gross premiums written among 112 Philippine non-life insurance companies. In 2000, despite the economic and political instability, gross premiums written increased by P43 million from P629 million for a 6.84% increment. Net premiums written increased by 13% from P290 million to P326 million. Gross underwriting income was at P102 million while net investment income was at P67.6 million. Net income after tax amounted to P46.2 million. It is also noteworthy that all product lines, except marine hull, were profitable during the year.



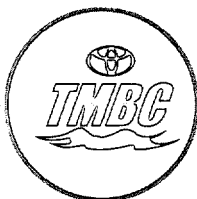
MULTI-GRADE SECURITIES CORPORATION

Multi-Grade Securities earned consolidated gross revenues of P56.13 million in 2000. Consolidated net earnings were pegged at P19.40 million while the company's stockmarket value turnover was P9 billion. Multi-Grade's rank climbed to 24th from 38th place the previous year among 166 active member-brokers in the Philippine Stock Exchange. Multi-Grade continues to concentrate on increasing revenue sources by further expanding its stockbrokerage services to retail customers, while maintaining close links with institutional clientele.



TOYOTA CUBAO, INC.

Toyota Cubao, Inc., complemented by its service station – Toyota Marikina Service Station, remains a premier dealer in the Toyota network. Despite the economic and political uncertainty of 2000, Toyota Cubao sold 2,389 vehicles valued at P1.55 billion. It also managed to post a profit in all areas of operations and increase its overall net income from P3.1 to P13.7 million. Total resources reached P371.75 million, representing a huge increase of 341.20% from the previous year and contributing substantially to the bottom-line.

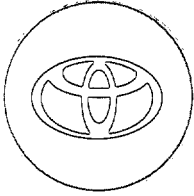


TOYOTA MANILA BAY CORPORATION

Toyota Manila Bay Corporation, in its first full year of operations, realized its potential of becoming a premier automotive dealer. TMBC landed second among all Metro Manila dealers and third among the 18 dealers in the 2000 Dealer of the Year Awards. It also achieved the distinction of being "No. 1 in Customer Satisfaction for Parts and Service" for 2000. TMBC exceeded expectations for the year by running very near the top of dealer rankings, selling 2,473 units and registering a total peso sales volume of P1.5 billion. Net income reached P23.73 million.

*Formerly Sumigin Metro Investment Corporation

The Metrobank Group of Companies



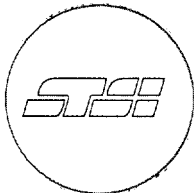
TOYOTA MOTOR PHILIPPINES CORPORATION

Toyota Motor Philippines Corporation is still the undisputed automotive industry leader. For the year 2000, its tenth year of market leadership, TMP sold a total of 24,006 units capturing a 28.6% market share and registering a sales growth of 11%. Despite the steep depreciation of the peso during the year which adversely affected TMP's profitability, the company was able to generate a net income of P159.4 million as a result of strategic pricing policy and continuous efforts at improving its operational cost efficiency.



THOMAS COOK (PHILIPPINES), INC.

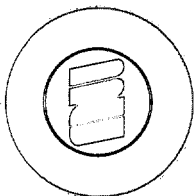
Amid an environment of economic and political uncertainty in 2000, Thomas Cook (Philippines), Inc. experienced a 26.6% increase in gross sales. Total revenues went up by 19% while expenses grew by 11%. Compared to 1999, income after tax improved by 83%, due mainly to currency exchange variations. Total assets rose by 11% while liabilities increased by 20%. The company declared P20 million in cash and stock dividends.



SYSTEMATICS TECHNOLOGY SERVICES, INC.

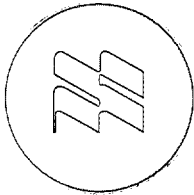
STSI was able to provide IT expertise to the Solidbank integration efforts and ensure that the integration was successfully completed in a record time of 6 months. In addition to this, STSI implemented new systems such as Relationship Management, began the development of the Data Warehouse solution and provided implementation support of the new version of the On-Line Teller System. Additionally, STSI provided IT services to Unibancard Corporation to support the integration of Asian BankCard and Solid BankCard.

International



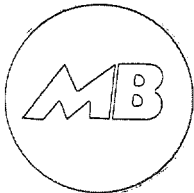
INTERNATIONAL BANK OF CALIFORNIA

After a major management reorganization, the International Bank of California achieved a net profit of US\$2.21 million or a 16.59% ROE in 2000. The improved profitability was attributed to a significant growth in IBC's loan portfolio of 20% and in peso remittance business of 33%. Now lean, healthy and having satisfactorily met regulatory requirements in all areas, IBC is ready to meet the challenges of the U.S. economy in 2001.



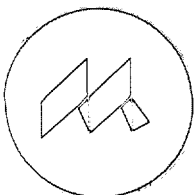
FIRST METRO INTERNATIONAL INVESTMENT CO., LTD.

First Metro-Hong Kong ended year 2000 with a net income of HK\$18.60 million, total resources of HK\$503.26 million, and capital accounts of HK\$22.39 million. Despite increased competition, First Metro-Hong Kong strengthened its presence in the Hong Kong remittance market by registering impressive growth in volume and US\$ value equivalent to 28% and 23%, respectively.



MB REMITTANCE CENTRE, LTD.

MB Remittance Centre in 2000 maintained its solid contribution to the remittance share of Metrobank in Hong Kong. It ended the year with a 30% and 25% share of the remittance volume and value, respectively, generated by the entire Metrobank remittance network in Hong Kong. During the early part of 2000, MB Remittance Centre opened its Quarry Bay Branch, bringing to five its total number of branches in the Special Administrative Region.



ASIA MONEY LINK CORPORATION

The year 2000 saw Asia Money Link reaching out to remittance clients in New York State; Las Vegas and Reno, Nevada State; Washington D.C.; and establishing relationships with new correspondent banks in Houston and Dallas, Texas; New Jersey State; and Philadelphia. This expansion resulted in a 28% increase in remittance volume, a 9% increase in remittance value (in US\$), and a hefty 235% increase in income.

CONSOLIDATED STATEMENTS OF CONDITION

(In Thousand Pesos)

| | December 31 | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| | 2000 | 1999 |
| RESOURCES | | |
| Cash and Other Cash Items | P 5,837,826 | P 9,335,373 |
| Due from Bangko Sentral ng Pilipinas | 12,854,304 | 12,769,543 |
| Due from Other Banks | 14,723,185 | 38,389,016 |
| Interbank Loans Receivable and Securities Purchased | | |
| Under Resale Agreement - net of allowance for probable losses of P24,993 in 2000 (Note 7) | 17,695,835 | 15,860,796 |
| Investment Securities - net (Notes 2, 7, 16 and 17) | 92,686,979 | 61,167,528 |
| Receivables from Customers - net (Notes 3, 7 and 17) | 217,298,388 | 200,964,232 |
| Property and Equipment - net (Note 4) | 12,491,872 | 13,034,285 |
| Equity Investments - net (Notes 5 and 7) | 6,008,721 | 4,473,262 |
| Real and Other Properties Owned or Acquired - net of allowance for probable losses of P1,046,467 in 2000 and P1,070,184 in 1999 (Note 7) | 23,568,192 | 16,690,655 |
| Other Resources - net (Notes 6, 7 and 10) | 38,846,155 | 31,166,177 |
| | P 442,011,457 | P 403,850,867 |
| LIABILITIES AND CAPITAL FUNDS | | |
| Deposit Liabilities | | |
| Demand | P 16,189,797 | P 14,344,503 |
| Savings | 219,175,386 | 195,661,422 |
| Time | 112,140,808 | 95,644,504 |
| | 347,505,991 | 305,650,429 |
| Interbank Loans Payable | 1,390,580 | 2,454,738 |
| Bills Payable (Note 3) | 20,685,330 | 24,645,258 |
| Notes Payable (Note 8) | - | 1,308,960 |
| Due to Other Banks | 17,534 | 6,143 |
| Manager's Checks and Demand Drafts Outstanding | 1,589,886 | 1,747,389 |
| Accrued Taxes, Interest and Other Expenses | 5,308,633 | 3,557,301 |
| Deferred Credits and Other Liabilities (Note 9) | 13,370,397 | 13,663,767 |
| | 389,868,351 | 353,033,985 |
| Minority Interest in Subsidiaries | 4,694,513 | 5,802,008 |
| Capital Funds (Notes 4, 13, 14 and 15) | 47,448,593 | 45,014,874 |
| | P 442,011,457 | P 403,850,867 |

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF INCOME

(In Thousand Pesos)

Years Ended December 31

| | 2000 | 1999 | 1998 |
|----------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|
| INTEREST INCOME ON | | | |
| Receivables from customers | ₱ 23,773,429 | ₱ 19,227,005 | ₱ 25,482,172 |
| Investment securities, interbank loans receivable, deposits with banks and others | 10,210,183 | 6,271,263 | 5,970,430 |
| | 33,983,612 | 25,498,268 | 31,452,602 |
| INTEREST EXPENSE ON | | | |
| Deposit liabilities, interbank loans and bills payable, and others | 23,590,915 | 14,982,950 | 18,993,808 |
| | 10,392,697 | 10,515,318 | 12,458,794 |
| NET INTEREST INCOME | 10,392,697 | 10,515,318 | 12,458,794 |
| PROVISION FOR PROBABLE LOSSES (Note 7) | 3,075,150 | 1,801,865 | 2,691,917 |
| NET INTEREST INCOME AFTER PROVISION FOR PROBABLE LOSSES | 7,317,547 | 8,713,453 | 9,766,877 |
| OTHER INCOME | | | |
| Exchange profit, commissions, trading and investment securities gains and others (Note 5) | 9,609,462 | 5,334,524 | 5,460,196 |
| OTHER EXPENSES | | | |
| Compensation and fringe benefits (Note 12) | 5,786,359 | 3,856,300 | 3,340,392 |
| Occupancy (Notes 4, 11 and 17) | 2,189,304 | 1,328,871 | 1,087,419 |
| Taxes and licenses | 1,769,591 | 1,320,334 | 1,327,882 |
| Miscellaneous | 5,130,791 | 3,602,737 | 2,954,149 |
| | 14,876,045 | 10,108,242 | 8,709,842 |
| INCOME BEFORE INCOME TAX | 2,050,964 | 3,939,735 | 6,517,231 |
| PROVISION FOR INCOME TAX (Note 10) | 493,885 | 658,456 | 1,686,452 |
| INCOME BEFORE MINORITY INTEREST IN NET INCOME OF SUBSIDIARIES | 1,557,079 | 3,281,279 | 4,830,779 |
| MINORITY INTEREST IN NET INCOME OF SUBSIDIARIES | 53,011 | 155,555 | 127,252 |
| NET INCOME | ₱ 1,504,068 | ₱ 3,125,724 | ₱ 4,703,527 |
| Earnings Per Share (Note 19) | ₱ 4.82 | ₱ 10.52 | ₱ 15.84* |
| SUPPLEMENTAL DISCLOSURES FOR ALL TAXES INCURRED DURING THE YEAR | | | |
| Taxes and licenses | ₱ 1,769,591 | ₱ 1,320,334 | ₱ 1,327,882 |
| Income taxes (Note 10) | 1,368,445 | 1,245,090 | 2,295,513 |
| | ₱ 3,138,036 | ₱ 2,565,424 | ₱ 3,623,395 |

* After retroactive adjustment for stock dividends declared in 1999.

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN CAPITAL FUNDS

(In Thousand Pesos)

| | Years Ended December 31 | | |
|---------------------------------------------------------------------------------------------------------|-------------------------|--------------|--------------|
| | 2000 | 1999 | 1998 |
| COMMON STOCK (Note 13) | | | |
| Balance at beginning of year | P 29,702,745 | P 27,002,495 | P 22,502,079 |
| Collections on subscriptions | 2,970,274 | - | - |
| Stock dividends | - | 2,700,250 | 4,500,416 |
| Balance at end of year | 32,673,019 | 29,702,745 | 27,002,495 |
| CAPITAL PAID IN EXCESS OF PAR VALUE | | | |
| Balance at beginning of year | 5,940,549 | - | 961,963 |
| Collections on subscriptions (Note 13) | 1,734,640 | - | - |
| Stock dividends (Notes 13 and 14) | - | 5,940,549 | (961,963) |
| Balance at end of year | 7,675,189 | 5,940,549 | - |
| DEPOSITS FOR FUTURE STOCK SUBSCRIPTION (Note 13) | - | 4,708,940 | - |
| SURPLUS RESERVES | | | |
| Balance at beginning of year | 208,561 | 199,432 | 187,189 |
| Transfer from surplus | 5,618 | 9,129 | 12,243 |
| Balance at end of year | 214,179 | 208,561 | 199,432 |
| SURPLUS (Note 15) | | | |
| Balance at beginning of year | 5,153,724 | 14,146,517 | 13,533,736 |
| Net income | 1,504,068 | 3,125,724 | 4,703,527 |
| Provision for probable losses, net of deferred income tax, directly charged to surplus (Notes 7 and 19) | - | (2,928,539) | - |
| Transfer to surplus reserves | (5,618) | (9,129) | (12,243) |
| Cash dividends (Note 13) | - | (540,050) | (540,050) |
| Stock dividends (Note 13) | - | (8,640,799) | (3,538,453) |
| Balance at end of year | 6,652,174 | 5,153,724 | 14,146,517 |
| REVALUATION INCREMENT IN LAND (Note 4) | 520,305 | 520,305 | 520,305 |
| NET UNREALIZED LOSS ON AVAILABLE-FOR-SALE SECURITIES | | | |
| | (1,558,699) | (2,188,565) | - |
| EQUITY IN REVALUATION OF PROPERTIES OF SUBSIDIARIES | | | |
| | 693,544 | 684,374 | 684,374 |
| EQUITY IN NET UNREALIZED LOSS ON INVESTMENTS OF SUBSIDIARIES AND AFFILIATES | | | |
| | (437,695) | (302,155) | (235,622) |
| EQUITY ADJUSTMENT FROM TRANSLATION | | | |
| | 1,016,577 | 586,396 | 542,879 |
| | P 47,448,593 | P 45,014,874 | P 42,860,380 |

See accompanying Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASHFLOWS

(In Thousand Pesos)

| | Years Ended December 31 | | |
|---------------------------------------------------------------------------------------------|-------------------------|--------------|--------------|
| | 2000 | 1999 | 1998 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | P 1,504,068 | P 3,125,724 | P 4,703,527 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | | |
| Provision for probable losses | 3,075,150 | 1,801,865 | 2,691,917 |
| Depreciation and amortization | 1,378,530 | 744,588 | 633,554 |
| Cash dividends from affiliates | 96,527 | - | - |
| Benefit from deferred income tax | (874,560) | (586,634) | (609,061) |
| Equity in net income of affiliates | (67,355) | (45,751) | (54,100) |
| Unrealized market valuation gain on trading account securities | (24,563) | (4,809) | (677,377) |
| Changes in operating resources and liabilities: | | | |
| Decrease (increase) in: | | | |
| Trading account securities | 8,539,644 | (4,592,279) | 12,459,033 |
| Other resources | (6,972,714) | (12,737,653) | 2,501,137 |
| Increase (decrease) in: | | | |
| Manager's checks and demand drafts outstanding | (157,503) | 790,417 | (19,541) |
| Accrued taxes, interest and other expenses | 1,751,332 | 313,737 | (307,299) |
| Deferred credits and other liabilities | (1,464,489) | 7,037,449 | 949,183 |
| Net cash provided by (used in) operating activities | 6,784,067 | (4,153,346) | 22,270,973 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisitions of property and equipment - net | (668,821) | (4,860,484) | (1,404,313) |
| Decrease (increase) in: | | | |
| Interbank loans receivable and securities purchased under resale agreement | - | 3,925,429 | (1,106,109) |
| Available-for-sale securities | (5,060,042) | (22,469,826) | - |
| Underwriting accounts | (8,215) | 9,871 | (15,099) |
| Investments in bonds and other debt instruments | (34,097,728) | 11,439,093 | (23,632,781) |
| Receivables from customers | (26,286,843) | (50,669,742) | (11,778,770) |
| Equity investments | (1,499,501) | 548,144 | 232,223 |
| Net cash used in investing activities | (67,621,150) | (62,077,515) | (37,704,849) |

(Forward)

| | Years Ended December 31 | | |
|----------------------------------------------------------------------------|-------------------------|---------------------|---------------------|
| | 2000 | 1999 | 1998 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash dividends paid | P - | P (540,050) | P - |
| Deposits for (refund of) future stock subscription | (4,026) | 4,708,940 | - |
| Increase (decrease) in: | | | |
| Deposit liabilities | 41,855,562 | 97,433,482 | 24,533,337 |
| Interbank loans payable | (1,064,158) | (3,825,850) | 659,888 |
| Bills payable | (3,959,928) | 9,599,624 | (12,036,777) |
| Outstanding acceptances | (210,016) | (45,072) | (912,120) |
| Notes payable | (1,308,960) | 37,452 | (171,946) |
| Due to other banks | 11,391 | (34,302) | 22,746 |
| Marginal deposits | 273,640 | 70,515 | (91,799) |
| Net cash provided by financing activities | 35,593,505 | 107,404,739 | 12,003,329 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (25,243,578) | 41,173,878 | (3,430,547) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | | | |
| Cash and other cash items | 9,335,373 | 4,836,806 | 4,494,076 |
| Due from Bangko Sentral ng Pilipinas | 12,769,543 | 8,371,880 | 11,410,465 |
| Due from other banks | 38,389,016 | 11,643,644 | 13,284,407 |
| Interbank loans receivable and securities purchased under resale agreement | 15,860,796 | 10,328,520 | 9,422,449 |
| | 76,354,728 | 35,180,850 | 38,611,397 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | | |
| Cash and other cash items | 5,837,826 | 9,335,373 | 4,836,806 |
| Due from Bangko Sentral ng Pilipinas | 12,854,304 | 12,769,543 | 8,371,880 |
| Due from other banks | 14,723,185 | 38,389,016 | 11,643,644 |
| Interbank loans receivable and securities purchased under resale agreement | 17,695,835 | 15,860,796 | 10,328,520 |
| | P 51,111,150 | P 76,354,728 | P 35,180,850 |
| SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION | | | |
| Cash paid during the year for: | | | |
| Interest | P 21,769,066 | P 14,572,552 | P 19,323,065 |
| Taxes, licenses and income taxes | 2,864,777 | 3,496,307 | 3,330,836 |

See accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The Bank and its financing subsidiaries follow the generally accepted accounting principles (GAAP) applicable to the banking and financial services industry. A summary of the more significant accounting policies and practices follows:

Principles of Consolidation

The consolidated financial statements include the accounts of Metropolitan Bank and Trust Company (the Bank), its wholly owned subsidiaries, The Unibancard Corporation, Metropolitan Bank (Bahamas) Ltd., First Metro International Investment Company Ltd., Data Serv, Inc., MB Remittance Centre, Ltd., Asia Money Link Corporation, MBTC International Finance Limited, Systematics Technology Services, Inc., Solidcard Products Corporation and Circa 2000 Homes, Inc., and its majority owned subsidiaries, First Metro Investment Corporation (FMIC), Philippine Savings Bank, MBTC Venture Capital Corporation, Global Business Bank, Inc. (GBB) and ORIX METRO Leasing and Finance Corporation (ORIX METRO) (formerly Consolidated ORIX Leasing and Finance Corporation) (in 2000 only).

In July 1999, the Bank and former FMIC acquired majority ownership of The Philippine Banking Corporation (PhilBank) common shares to be merged with the former GBB. The Plan of Merger (the Plan I) was approved by the stockholders of both PhilBank and the former GBB on February 22, 2000 with PhilBank as the surviving entity. On same date, the Board of Directors (BOD) and the stockholders of both banks approved the change in the bank's name from The Philippine Banking Corporation to Global Business Bank, Inc. (new GBB).

The Articles of Merger of the former GBB and PhilBank were approved by the Bangko Sentral ng Pilipinas (BSP) and Securities and Exchange Commission (SEC) on March 24, 2000 and May 2, 2000, respectively. On the same date, SEC also approved the amended Articles of Incorporation for the change in the corporate name.

Pursuant to Plan I, PhilBank issued 1 common share for every 0.5596 fraction of former GBB common share or 38,531,981 common shares, of which 14,426,230 shares became treasury shares and were reissued upon conversion of the P2.2 billion deposits for future stock subscription, also on the same date.

On February 9, 2000, the Monetary Board (MB), in its Resolution No. 200, approved the acquisition of 100% of the common shares of AsianBank Corporation (AsianBank) under certain terms and conditions. However, on May 30, 2000, the new GBB requested the BSP that it be allowed to implement the consolidation of AsianBank in two phases.

Pursuant to Phase I, the Deed of Assignment of Assets and Assumption of Liabilities was executed on May 23, 2000 whereby AsianBank assigned and transferred to the new GBB all its resources and liabilities except for its real estate properties and equity investments. The resources and liabilities transferred amounted to about P23.3 billion and P23.4 billion, respectively.

The Articles of Merger of the new GBB and AsianBank were approved by BSP and SEC on August 11, 2000 and October 23, 2000, respectively.

In December 1999 and March 2000, the Bank and the former FMIC jointly acquired 91% ownership of Solidbank for the merger of former FMIC and Solidbank. The stockholders and the BOD of both former FMIC and Solidbank approved their plan of merger (the Plan II) on July 7, 2000 and May 31, 2000, respectively, with Solidbank as the surviving entity. On the same dates, the Company's stockholders and BOD approved the following, among others:

- a. change in the corporate name from Solidbank Corporation to First Metro Investment Corporation (new FMIC);
- b. change in the primary purpose of the corporation from that of an expanded commercial bank to that of an investment house with quasi-banking functions; and
- c. increase in the authorized capital stock from P3.2 billion divided into 19.2 million Class A common shares, 10.8 million Class B common shares and 2.0 million Class A and B preferred shares, all with par value of P100 per share to P8.0 billion divided into 78.0 million common shares and 2.0 million preferred shares, all with par value of P100 per share.

On July 28, 2000, the MB approved the following: (1) request of the Bank to acquire all or substantially all of the existing non-real estate assets, in consideration for all or substantially all of the existing liabilities, and to integrate the banking operations of Solidbank, including the servicing of deposits with the Bank; (2) merger of former FMIC and Solidbank; and (3) conversion of all existing branch licenses of Solidbank to branch licenses of the Bank.

In August 2000, Solidbank assigned to the Bank the following banking assets and liabilities, fixed assets and equity investments outstanding as of April 30, 2000:

| Assets | |
|--------------------------------------------|--------------------|
| Cash and cash equivalents | P609,230 |
| Due from BSP | 1,478,652 |
| Due from other banks | 2,888,935 |
| Interbank receivables | 502,015 |
| Investment securities | 6,367,361 |
| Loans - net | 30,085,068 |
| Property and equipment - net | 830,843 |
| Equity investments | 581,522 |
| Other resources | 1,771,090 |
| | <u>P45,114,716</u> |
| Liabilities | |
| Deposit liabilities | P33,819,872 |
| Bills payable | 5,953,594 |
| Outstanding acceptances | 262,550 |
| Manager's checks | 85,892 |
| Marginal deposits | 82,011 |
| Accrued taxes, interest and other expenses | 609,808 |
| Other liabilities | 1,427,012 |
| | <u>P42,240,739</u> |

The excess of the assets over liabilities assumed by the Bank was paid in cash.

Also, the outstanding contingent assets and liabilities of Solidbank including the trust department accounts and forward exchange contracts were assumed by the Bank at approximately their carrying values.

The Articles of Merger and the Amended Articles of Incorporation were approved by the Securities and Exchange Commission (SEC) and BSP on September 22, 2000 and November 8, 2000, respectively.

Pursuant to Plan II, Solidbank issued one (1) common share for every seventeen and one half (17 1/2) former FMIC common shares. Also, Solidbank's banking license was surrendered to BSP.

In 2000, ORIX METRO purchased the entire outstanding capital stock of PBC Leasing and Finance Corporation (PBC Finance) and First Metro Leasing and Finance Corporation (FMLFC) for about P169 million in cash.

On July 31, 2000, ORIX METRO's BOD, after determining that it is in their best interest to merge into one Corporation, approved the plan of merger among Consolidated ORIX Leasing and Finance Corporation (ORIX), PBC Finance and FMLFC. The plan of merger, approved by the stockholders on August 24, 2000 and the SEC on September 28, 2000, provides for, among others, the assumption by ORIX METRO of all assets and liabilities of the absorbed corporations.

On July 31, 2000, the ORIX METRO's BOD also approved the merged articles of incorporation of the newly merged Company, which includes, among others, the change in the merged Company's name to ORIX METRO Leasing and Finance Corporation (OMLFC). The amended articles were approved by the stockholders and SEC on August 24, 2000 and September 28, 2000, respectively.

In 2000, the Bank's equity in OMLFC increased from 50% to 50% plus 1 share. Accordingly, the financial statements of ORIX METRO as of and for the year ended December 31, 2000 has been included in the accompanying consolidated financial statements.

Material intercompany balances and transactions have been eliminated in consolidation.

Equity investments in other companies where the Bank exercises significant influence are accounted for under the equity method. Under this method, the Bank recognizes in its consolidated statements of income its share in the income or losses, in the revaluation of properties and in the unrealized gain or loss on investment securities of the investees. The cost of the investments is increased or decreased by the Bank's equity in net income or losses of the investees since dates of acquisition. Dividends received are treated as a reduction in the carrying values of the investments. Equity in net income is adjusted for the straight-line amortization, over a period not exceeding forty years, of the difference between the Bank's cost of such investments and the proportionate share in the underlying net assets at the date of acquisition. Equity in revaluation of properties and in unrealized gain or loss on investment securities of subsidiaries and affiliates are shown as separate components of capital funds in the consolidated statements of condition.

Other equity investments where the Bank has no significant influence are carried at cost less allowance for permanent decline in value, if any.

Cash Equivalents

For purposes of reporting cash flows, cash equivalents include amounts due from BSP and other banks and interbank loans receivable, with maturities of three months or less from dates of placement. When actual cash flows are not determinable, the reported cash flows are determined based on samples and other estimating procedures.

Investment Securities

Trading Account Securities consisting of government and private debt securities are purchased and held principally with the intention of selling them in the near term. These securities are carried at fair market value; realized and unrealized gains and losses on these instruments are recognized in trading and investment securities gains under other income in the consolidated statements of income. Interest earned on debt instruments is reported as interest income.

Securities are classified as Available-for-Sale (ASS) when purchased and held indefinitely, i.e. neither held to maturity nor for trading purposes, where the investor anticipates to sell in response to liquidity requirements or in anticipation of changes in interest rates or other factors.

Underwriting Accounts (UA) are available-for-sale underwritten debt securities and equity securities purchased and held principally with the intention of selling them within a defined short-term period. ASS and UA are carried at fair market value; unrealized gains and losses are excluded from the reported income and are reported as a separate component of capital funds.

Investments in Bonds and Other Debt Instruments (IBODI) are debt securities where the Bank and certain subsidiaries have the positive intent and ability to hold to maturity. These securities are carried at amortized cost; realized gains and losses are included in trading and investment securities gains under other income in the consolidated statements of income. The allowance for probable losses is established by a charge to income (included in trading and investment securities gains) to reflect other-than-temporary impairments in value. Under current bank regulations, IBODI shall not exceed 50% of adjusted statutory net worth plus 40% of total deposit liabilities.

Receivables from Customers and Allowance for Probable Losses

Receivables from customers are stated at the outstanding principal balance, reduced by unearned discount and other deferred income and allowance for probable losses.

Interest income on receivables from customers are recognized based on the accrual method of accounting, except in the case of nonaccruing receivables in accordance with existing BSP regulations. Interest income on these nonaccruing receivables is recognized only upon actual collection. Unearned discount is amortized to income over the terms of the receivables.

Under existing BSP regulations, nonaccruing receivables are those that have been defined as being past due and items in litigation, or those which in the opinion of management, collection of interest or principal is doubtful. Any uncollected interest which has been defined as past due for more than six months are reversed against income or provided with allowance for probable losses. Receivables are not reclassified as accruing until interest and principal payments are brought current or the receivables are restructured in accordance with existing BSP regulations, and future payments appear assured. BSP Circular No. 143, as amended, redefined the classification of past due loans as follows:

- a. loans payable monthly with three installments in arrears or with total amount of arrearages equal to 20% or more of the outstanding loan balance;
- b. loans payable quarterly, half-yearly and annually with one installment in arrear or with total amount of arrearages equal to 20% or more of the outstanding loan balance; and
- c. loans payable daily, weekly or semi-monthly with total amount of arrearages equal to 10% or more of the outstanding loan balance.

Allowance for probable losses is comprised of a specific and general reserve and is maintained at a level considered adequate to provide for potential losses on receivables from customers and other resources. The allowance for probable losses is increased by provisions charged to expense and reduced by net charge-offs and reversals except in 1999, as discussed in Note 7. The level of the allowance for probable losses is set up at the higher of the estimated loan losses based on management's evaluation of potential losses after consideration of prevailing and anticipated economic conditions, collection and credit experience with specific accounts and on an estimate based on BSP guidelines. Such guidelines require banks to categorize loans

into five categories subject to different levels of provisioning. In addition, a general reserve calculated at 2% of the March 31, 1999 loan portfolio level is set aside to supplement the specific reserve.

Furthermore, existing guidelines of the BSP establish new policies on the classification of nonperforming loans, prerequisites to the restructuring of loans, and maximum collateral valuation limits for the purpose of calculating the allowance for probable losses. Under BSP Circular No. 202, nonperforming loans refer to: (a) loans payable in monthly installments when three or more installments are in arrears; and (b) loans payable in lumpsum, quarterly, semi-annual or annual installments when principal and/or interest is unpaid thirty days or more after due date or after they have been past due.

Loan Fees and Service Charges

Loan commitment fees are recognized as earned over the terms of the credit lines granted to each borrower.

Loan syndication fees are recognized upon completion of all syndication activities and where the Bank does not have further obligations to perform under the syndication agreement.

Service charges and penalties are recognized only upon collection or accrued where there is reasonable degree of certainty as to its collectibility.

Discounts Earned

Discounts are taken up into income upon receipt from member establishments of charges arising from credit availments by the credit cardholders. These discounts are computed based on certain agreed rates and are deducted from amounts remitted to the member establishments. Purchases by the credit cardholders which are collected on installment are recorded at the cost of the items purchased plus a certain percentage of cost. The excess is credited to deferred income account and is shown as a deduction from receivables from customers in the consolidated statements of condition. The deferred income is amortized using the interest method over the installment term.

Income on Direct Financing Leases and Receivables Financed

The excess of aggregate lease rentals plus the estimated residual value over the cost of the leased equipment constitutes the unearned lease income. The unearned lease income is amortized over the term of the lease, commencing on the month the lease is executed using the effective interest method. Residual values represent estimated proceeds from the disposition of equipment at the time the lease is terminated.

Finance charges are included in the face value of the notes receivable financed and with a corresponding credit to the unearned finance income account. This is amortized to income over the term of the financing agreement using the effective interest method.

Property and Equipment

Two parcels of land with substantial acreage and located in areas where land has appreciated materially are reflected in the accompanying consolidated statements of condition at appraised values as determined by an independent firm of appraisers as of July 10, 1992. All the remaining bank premises, including leasehold improvements, furniture and equipment are carried at cost less accumulated depreciation and amortization. The net appraisal increment resulting from the revaluation in 1992 was credited to revaluation increment in land shown under capital funds in the consolidated statements of condition.

Depreciation is computed on the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are amortized over the shorter of the terms of the covering leases or the estimated useful lives of the improvements.

Costs of minor repairs and maintenance are charged to expense as incurred; significant renewals and betterments are capitalized. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to current operations.

Real and Other Properties Owned or Acquired (ROPOA)

These properties are stated at the total outstanding exposure at the time of acquisition or bid price, whichever is lower, less allowance for probable losses. Nonrefundable taxes such as capital gains tax and documentary stamp taxes which were paid by the Bank and its subsidiaries are capitalized provided that the adjusted value of the foreclosed asset does not exceed replacement cost. Security, maintenance and other foreclosure-related expenses are charged to operations as incurred. Allowance for probable

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

losses is set up based on BSP provisioning requirements and for any anticipated significant shortfalls from the recorded values based on appraisal reports and current negotiations and programs to dispose of these properties to other interested parties.

Deferred Income Tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to: (a) differences between the financial reporting bases of assets and liabilities and their related tax bases; (b) minimum corporate income tax (MCIT); and (c) net operating loss carryover (NOLCO), if any. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled and MCIT and NOLCO are expected to be applied. A valuation allowance is provided for the portion of deferred tax assets not expected to be realized in the future.

Repurchase and Resale Agreements

Repurchase agreements are contracts under which a party sells securities and simultaneously agrees to repurchase the same securities at a specified future date at a fixed price. Resale agreements are contracts under which a party purchases securities and simultaneously agrees to resell the same securities at a specified future date at a fixed price. Securities sold under repurchase agreements and securities purchased under resale agreements are valued at cost on the basis that cost approximates market. The future obligation to repurchase or resell such securities are recorded as a liability or an asset as the case may be.

Foreign Exchange Translation and Transactions

Resources and liabilities denominated in foreign currencies are translated to Philippine pesos at prevailing Philippine Dealing System weighted average rates (PDSWAR) at the end of the year. Income and expense items are translated at rates at transaction dates. Foreign exchange differentials arising from foreign currency transactions and restatements of foreign currency denominated resources and liabilities are credited or charged to operations in the year in which the rates change.

Equity Adjustment from Translation

Accounts of foreign subsidiaries are maintained in the currencies of the countries in which they operate. Adjustments resulting from the translation of foreign currency financial statements into Philippine pesos are shown as a separate component of capital funds.

Derivative Instruments

The Bank and some of its subsidiaries are counterparties to foreign exchange contracts. These contracts are entered into as a service to customers and as a means of reducing and managing foreign exchange exposure as well as for trading purposes.

For a forward contract designated as a hedge, the exchange difference between the contracted forward rate and the spot rate at contract date is deferred and recognized as income or expense over the lives of the hedged instrument while gain or loss in the revaluation of the forward contract is recognized simultaneous with the underlying hedged transactions in the consolidated statements of income. For a forward contract not designated as a hedge, the difference between the contracted forward rate and the forward rate available for the remaining maturity of the contract is recognized currently in the consolidated statements of income.

Retirement Plan

The Bank and some of its subsidiaries' retirement expense is determined using the entry age actuarial cost method. This method reflects service rendered by employees to the date of valuation and spreads the cost evenly over all other periods of service making up the working life of each participating employee. Past service costs are amortized over the expected remaining working life of each participating employee, in compliance with SFAS No. 24, "Retirement Benefit Costs".

Use of Estimates

The preparation of the consolidated financial statements in accordance with GAAP requires the Bank and its Subsidiaries to make estimates and assumptions that affect the reported amounts of income, expenses, resources and liabilities and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Earnings Per Share

Basic earnings per share is computed based on the weighted average number of common shares outstanding after giving retroactive effect to stock dividends declared during the year.

2. Investment Securities

This account consists of:

| | 2000 | 1999 |
|----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------|
| | (In Thousand Pesos) | |
| Trading account securities - at market | P 5,042,285 | P 13,557,366 |
| Available-for-sale securities - net of accumulated market losses of P1,781,413 in 2000 and P2,420,984 in 1999 | 25,977,431 | 20,048,842 |
| Underwriting accounts - net of unrealized losses of P1,724 in 2000 and P26,348 in 1999 | 48,276 | 40,061 |
| Investments in bonds and other debt instruments - net of allowance for probable losses of P48,466 in 2000 and P57,883 in 1999 (see Notes 7 and 16) | 61,618,987 | 27,521,259 |
| | P 92,686,979 | P 61,167,528 |

As of December 31, 2000 and 1999, the aggregate market value of the IBODI amounted to about P58.82 billion and P26.52 billion, respectively.

3. Receivables from Customers

This account consists of:

| | 2000 | 1999 |
|---------------------------------------------------------------|---------------------|---------------|
| | (In Thousand Pesos) | |
| Loans and discounts | P 205,022,900 | P 189,524,470 |
| Customers' liabilities under letters of credit/trust receipts | 24,084,663 | 21,254,541 |
| Bills purchased | 5,218,198 | 4,965,517 |
| | 234,325,761 | 215,744,528 |
| Unearned discount and other deferred income | (1,166,285) | (895,906) |
| Allowance for probable losses (see Note 7) | (15,861,088) | (13,884,390) |
| | P 217,298,388 | P 200,964,232 |

The following table shows information relating to loans by collateral (in thousand pesos) as of December 31, 2000 and 1999:

| | 2000 | | 1999 | |
|-----------------------------------------------|--------------|--------|--------------|--------|
| | Amount | % | Amount | % |
| Secured: | | | | |
| Real estate | P117,095,093 | 50.14 | P94,769,047 | 43.93 |
| Securities | 5,104,235 | 2.19 | 4,106,937 | 1.90 |
| Deposit hold-out | 4,881,998 | 2.09 | 2,756,758 | 1.28 |
| Chattel | 4,867,320 | 2.08 | 5,088,854 | 2.36 |
| Standby letters of credit | 2,173,925 | 0.93 | 4,512,432 | 2.09 |
| Assignment of receivables | 204,865 | 0.09 | 1,623,963 | 0.75 |
| Guaranteed by the Republic of the Philippines | - | - | 844,023 | 0.39 |
| Others | 817,556 | 0.35 | 10,473,270 | 4.86 |
| | 135,144,992 | 57.87 | 124,175,284 | 57.56 |
| Unsecured | 99,180,769 | 42.13 | 91,569,244 | 42.44 |
| | P234,325,761 | 100.00 | P215,744,528 | 100.00 |

Nonperforming loans, as defined under BSP Circular No. 202 issued in May 1999, amounted to about P38.60 billion and P30.95 billion as of December 31, 2000 and 1999, respectively.

Certain receivables from customers amounting to P1.21 billion and P1.68 billion as of December 31, 2000 and 1999, respectively, are rediscounted with the BSP and a local bank (included under Bills Payable) under the Bank's and certain subsidiaries' rediscounting privileges.

As of December 31, 2000 and 1999, information on the concentration of credit (in thousand pesos) as to industry follows:

| | 2000 | | 1999 | |
|-------------------------------------------------|---------------------|---------------|---------------------|---------------|
| | Amount | % | Amount | % |
| Manufacturing (various industries) | P62,459,591 | 26.66 | P56,991,991 | 26.42 |
| Real estate, renting and business activities | 44,399,423 | 18.95 | 32,046,031 | 14.85 |
| Wholesale and retail trade | 42,188,397 | 18.00 | 43,153,582 | 20.00 |
| Other community, social and personal activities | 20,458,643 | 8.73 | 21,140,795 | 9.80 |
| Construction | 11,761,099 | 5.02 | 13,637,904 | 6.32 |
| Transportation, storage and communication | 11,216,346 | 4.79 | 12,481,956 | 5.79 |
| Electricity, gas and water | 8,137,752 | 3.47 | 6,649,505 | 3.08 |
| Financial intermediations | 6,824,277 | 2.91 | 11,752,659 | 5.45 |
| Agricultural, hunting and forestry | 6,485,636 | 2.77 | 6,259,755 | 2.90 |
| Hotel and restaurants | 3,926,231 | 1.68 | 2,708,180 | 1.26 |
| Services | 3,395,265 | 1.45 | 2,987,032 | 1.38 |
| Mining and quarrying | 3,202,976 | 1.37 | 1,351,887 | 0.63 |
| Private households with employed | 1,013,657 | 0.43 | 2,318,242 | 1.07 |
| Public utilities | 352,369 | 0.15 | 591,426 | 0.27 |
| Others | 8,504,099 | 3.63 | 1,673,583 | 0.78 |
| | P234,325,761 | 100.00 | P215,744,528 | 100.00 |

The BSP considers that loan concentration exists when the total loan exposure to a particular industry exceeds 30% of the total loan portfolio.

4. Property and Equipment

This account consists of:

| | 2000 | | 1999 | |
|---------------------------------------------------------------------|---------------------|--|---------------------|--|
| | (In Thousand Pesos) | | | |
| At cost: | | | | |
| Land | P 3,688,268 | | P 3,726,483 | |
| Building | 5,246,920 | | 6,123,666 | |
| Furniture, fixtures and equipment | 7,122,443 | | 6,486,139 | |
| Leasehold rights and improvements - net of accumulated amortization | 1,031,043 | | 877,951 | |
| | 17,088,674 | | 17,214,239 | |
| Less accumulated depreciation | 5,402,363 | | 4,896,469 | |
| | 11,686,311 | | 12,317,770 | |
| Building under construction | 285,256 | | 196,210 | |
| Appraisal increment on land | 520,305 | | 520,305 | |
| | P 12,491,872 | | P 13,034,285 | |

As discussed in Note 1, two parcels of land costing P17 million with an appraised value of P537 million as determined by a firm of independent appraisers as of July 10, 1992 are reflected in the consolidated statements of condition at appraised values. The appraisal increment of such land of P520 million is shown under capital funds as revaluation increment in land.

Depreciation and amortization expense amounted to about P1,211 million in 2000, P709 million in 1999 and P602 million in 1998.

5. Equity Investments

This account consists of investments in shares of stocks as follows:

| | 2000 | | 1999 | |
|----------------------------------------------------------------------|---------------------|--|-------------------|--|
| | (In Thousand Pesos) | | | |
| At equity: | | | | |
| Acquisition cost - common stocks of significantly owned affiliates: | | | | |
| Toyota Motor Philippines Corporation (TMPC) (30% owned) | P 672,984 | | P 672,984 | |
| Jardine Land, Inc. (20% owned) | 232,000 | | 232,000 | |
| Sumigin Metro Investment Corporation (30% owned) | 180,000 | | 180,000 | |
| International Bank of California (41.11% owned) | 51,621 | | 51,621 | |
| Other investee companies | 693,324 | | 1,096,748 | |
| | 1,829,929 | | 2,233,353 | |
| Accumulated equity in net income: | | | | |
| Balance at beginning of year | 615,713 | | 789,155 | |
| Equity in net income for the year | 67,355 | | 45,751 | |
| Cash dividends | (96,527) | | - | |
| Effect of change in ownership in GBB | - | | (168,912) | |
| Reduction in ownership in TMPC | - | | (50,281) | |
| Balance at end of year | 586,541 | | 615,713 | |
| Equity in revaluation of properties of subsidiaries | 56,706 | | 47,536 | |
| Equity in net unrealized loss on investment securities of affiliates | (45,733) | | (46,296) | |
| Equity adjustment from translation | 246,915 | | 167,927 | |
| | 2,674,358 | | 3,018,233 | |
| Other investments - at cost | 3,337,403 | | 1,455,029 | |
| | 6,011,761 | | 4,473,262 | |
| Allowance for decline in value (see Note 7) | (3,040) | | - | |
| | P 6,008,721 | | P4,473,262 | |

The equity in net income of about P67.4 million in 2000, P45.8 million in 1999, and P54.1 million in 1998 are included under Exchange Profit, Commissions, Trading and Investment Securities Gains and Others in the consolidated statements of income.

As of December 31, 2000, other investments include investments in shares of stock of a local bank carried at its cost of P2 billion.

Under BSP regulations, the use of the equity method of accounting for investments in shares of stock is allowable only where ownership is more than 50%. The use of the equity method of accounting for equity interest of 20% or more is being made for financial reporting purposes to comply with the provisions of SFAS No. 11 issued by the ASC and is not intended for BSP reporting purposes.

Under existing BSP rules, the Bank's equity investments in its foreign subsidiaries are considered nonmonetary; hence, these are not revalued for fluctuations in exchange rates and remain valued at historical costs but are translated to local currency for consolidation purposes. The resulting accumulated equity adjustment from translation is presented as a separate component of capital funds in the consolidated statements of condition. The equity adjustment from translation is presented only for financial statement purposes to conform with SFAS No. 8 and is not intended for BSP reporting purposes.

6. Other Resources

This account consists of:

| | 2000 | | 1999 | |
|-------------------------------------------------|---------------------|--|---------------------|--|
| | (In Thousand Pesos) | | | |
| Goodwill - net | P 8,598,157 | | P 6,501,130 | |
| Accounts receivable (Note 17) | 7,246,136 | | 4,610,982 | |
| Deferred tax assets - net (see Note 10) | 6,429,096 | | 5,625,418 | |
| Accrued interest receivable | 5,037,842 | | 4,749,688 | |
| Sales contract receivable | 3,487,672 | | 754,261 | |
| Foreign currency notes and checks on hand | 2,955,582 | | 1,809,059 | |
| Interoffice float items - net | 1,830,293 | | 1,650,151 | |
| Returned checks and other cash items | 418,211 | | 593,972 | |
| Miscellaneous | 5,554,137 | | 7,713,726 | |
| | 41,557,126 | | 34,008,387 | |
| Less allowance for probable losses (see Note 7) | 2,710,971 | | 2,842,210 | |
| | P 38,846,155 | | P 31,166,177 | |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Miscellaneous assets include investment in a real estate company which is intended for sale.

7. Allowance for Probable Losses

Changes in the allowance for probable losses are as follows:

| | 2000 | 1999 |
|----------------------------------------------------------------------------|---------------------|---------------------|
| | (In Thousand Pesos) | |
| Balance at beginning of year: | | |
| IBODI (see Note 2) | P 57,883 | P - |
| Receivables from customers | 13,884,390 | 5,645,374 |
| Equity investments | - | 185,606 |
| ROPOA | 1,070,184 | 313,000 |
| Other resources | 2,842,210 | 107,087 |
| | 17,854,667 | 6,251,067 |
| Allowance for probable losses of (see Note 1): | | |
| Former AsianBank (as of December 31, 1999) | - | 2,769,580 |
| Former Solidbank (as of December 31, 1999) | - | 2,523,254 |
| Former Philbank (as of August 1, 1999) | - | 1,023,262 |
| Former GBB (as of January 1, 1999) | - | 61,040 |
| | - | 6,377,136 |
| Provisions for the year charged to: | | |
| Current operations | 3,075,150 | 1,801,865 |
| Surplus | - | 4,306,675 |
| Accounts charged-off and others | (1,234,792) | (882,076) |
| | 1,840,358 | 5,226,464 |
| Balance at end of year: | | |
| Interbank loans receivable and securities purchased under resale agreement | 24,993 | - |
| IBODI | 48,466 | 57,883 |
| Receivables from customers | 15,861,088 | 13,884,390 |
| Equity investments | 3,040 | - |
| ROPOA | 1,046,467 | 1,070,184 |
| Other resources | 2,710,971 | 2,842,210 |
| | P 19,695,025 | P 17,854,667 |

In recognition of the provisioning requirements of BSP Circular No. 143, as amended, the Bank and its Subsidiaries set up provision for probable losses amounting to P6.11 billion in 1999. Of the provision for probable losses set up, P2.93 billion, net of deferred income tax, was directly charged to surplus. GAAP require that provision for probable losses, and the related deferred income tax, be reflected in current operations. In 2000, further provisions of P3.08 billion were set up by a charge to current operations of that year.

With the foregoing level of allowance for probable losses, management believes that the Bank and its Subsidiaries have sufficient allowance to take care of any losses that the Bank and its Subsidiaries may incur from the noncollection or nonrealizability of their receivables from customers and other risk assets.

8. Notes Payable

In 1999, this account represents the outstanding balance of the US\$100 million Convertible Notes which became due in 2000 with interest rate at 2 3/4 percent per annum payable annually in arrears commencing on August 10, 1996.

9. Deferred Credits and Other Liabilities

This account consists of:

| | 2000 | 1999 |
|-------------------------|---------------------|---------------------|
| | (In Thousand Pesos) | |
| Accounts payable | P 2,152,298 | P 3,699,433 |
| Outstanding acceptances | 1,735,573 | 1,945,589 |
| Marginal deposits | 1,310,488 | 1,036,848 |
| Deferred credits | 1,197,388 | 772,214 |
| Due to BSP | 142,915 | 288,700 |
| Miscellaneous | 6,831,735 | 5,920,983 |
| | P13,370,397 | P 13,663,767 |

Miscellaneous liabilities include bills purchased - contra amounting to about P4.31 billion and P3.73 billion in 2000 and 1999, respectively.

10. Income Taxes

Under Philippine tax laws, the Regular Banking Unit (RBU) of the Bank and its domestic subsidiaries are subject to percentage and other taxes (presented as taxes and licenses in the statements of income) as well as income taxes. Percentage and other taxes paid consist principally of gross receipts tax and documentary stamps taxes. Income taxes are paid at the rates of 20%, which is a final withholding tax on gross interest from government securities and other deposit substitutes, and a graduated income tax rate, as discussed below, on net taxable income. These income taxes, as well as the deferred tax benefit, are presented as Provision for Income Tax in the statements of income.

Under Republic Act (RA) No. 8424, "An Act Amending the National Internal Revenue Code, As Amended, and for Other Purposes" (the Act), the corporate income tax rates applicable in 2000 and onwards and 1999 are 32% and 33%, respectively. Interest allowed as a deductible expense is reduced by an amount equivalent to 38% in 2000 and onwards and 39% in 1999 of interest income subjected to final tax. The Act also imposed MCIT of 2% on gross income, as defined, and introduced a three-year NOLCO.

Under the Act, foreign currency deposit unit (FCDU) offshore income (income from non residents) continues to be tax-exempt while gross onshore income (income from residents) is subject to 10% gross income tax. In addition, interest income on deposit placements with other FCDUs and resident offshore banking units is subject to 7.5% final tax.

The provision for income tax consists of:

| | 2000 | 1999 | 1998 |
|-------------------------------|---------------------|------------------|--------------------|
| | (In Thousand Pesos) | | |
| Current: | | | |
| Final tax | P 832,889 | P 759,448 | P 909,578 |
| Regular corporate income tax* | 430,213 | 483,577 | 1,385,935 |
| MCIT | 105,343 | 2,065 | - |
| | 1,368,445 | 1,245,090 | 2,295,513 |
| Deferred | (874,560) | (586,634) | (609,061) |
| | P 493,885 | P 658,456 | P 1,686,452 |

* Includes income taxes of foreign subsidiaries.

Components of deferred tax assets - net (included in Other Resources) are as follows:

| | 2000 | 1999 |
|------------------------------------------------------------------------|---------------------|--------------------|
| | (In Thousand Pesos) | |
| Deferred tax assets on: | | |
| Allowance for probable losses | P 6,094,281 | P 5,522,541 |
| NOLCO | 689,479 | 178,104 |
| Unamortized deferred charges | 32,131 | 7,978 |
| Unamortized past service cost | 22,410 | 31,636 |
| Unearned rental income | 5,662 | 5,400 |
| Deferred gain | - | 20,529 |
| Provision of year-end expenses and others | 52,908 | 34,774 |
| | 6,896,871 | 5,800,962 |
| Less valuation allowance | 512,110 | 133,577 |
| | 6,384,761 | 5,667,385 |
| Deferred tax liability on unrealized foreign exchange gain | (36,802) | (58,711) |
| Leasing income differential between finance and operating lease method | (48,089) | - |
| MCIT | 129,226 | 16,744 |
| | P 6,429,096 | P 5,625,418 |

The management of a subsidiary believes that a portion of its deferred tax assets may not be realized in the future. Valuation allowance to cover for possible nonrealizability of the deferred tax assets amounted to P512.11 million and P133.58 million as of December 31, 2000 and 1999, respectively.

A reconciliation of the statutory income tax rate to effective income tax rate follows:

| | 2000 | 1999 | 1998 |
|--------------------------------------------|---------------------|---------|--------|
| | (in Thousand Pesos) | | |
| Statutory income tax rate | 32.00% | 33.00% | 34.00% |
| Tax effect of: | | | |
| Tax - paid and tax - exempt income | (13.40) | (12.77) | (8.46) |
| FCDU income before tax | (8.99) | (1.21) | 1.12 |
| Valuation allowance on deferred tax assets | 19.18 | 0.31 | 0.88 |
| Others - net | 4.71 | (2.62) | (1.66) |
| Effective income tax rate | 24.08% | 16.71% | 25.88% |

11. Long-term Leases

The Bank leases the premises occupied by some of its branches (over 50% of the branch sites are Bank-owned). Some of its Subsidiaries also lease the premises occupied by their Head Offices and most of their branches. The lease contracts are for periods ranging from 1 to 25 years and are renewable at the Bank and its Subsidiaries' option under certain terms and conditions. Annual rentals from these lease contracts amounted to about ₱701 million in 2000, ₱444 million in 1999 and ₱326 million in 1998.

12. Retirement Plan

The Bank and some of its subsidiaries have noncontributory retirement plans covering all their permanent and full-time officers and employees. Retirement expense amounted to about ₱261 million in 2000, ₱244 million in 1999 and ₱232 million in 1998.

As of December 31, 2000, the fair value of the plan assets of the Bank amounted to about ₱698.4 million. The unfunded actuarial liability of about ₱722 million as of the latest valuation date is amortized over the estimated average remaining working life of each of the participating employees. Other principal actuarial assumptions used to determine retirement benefits were an investment earning rate of 12% and a salary increase of 10% per annum, compounded annually.

13. Common Stock

This account consists of:

| | 2000 | 1999 | 1998 |
|--------------------------------------|----------------------|-------------|-------------|
| | (in Thousand Pesos)* | | |
| Common stock - P100 par value | | | |
| Authorized - 500,000,000 shares | | | |
| Issued - 326,730,190 shares in 2000, | | | |
| 297,027,445 shares in 1999 | | | |
| and 270,024,950 shares in 1998 | ₱32,673,019 | ₱29,702,745 | ₱27,002,495 |

* Except par value

On April 22, 1998, the Bank's BOD approved a stock dividend of 20% of outstanding capital stock or 45,004,158 common shares to be paid to all stockholders of record as of August 28, 1998. The BSP approved such dividend declaration on May 15, 1998.

On September 23, 1998, the Bank's BOD declared a cash dividend of 2% based on the outstanding capital stock payable to all stockholders of record as of January 6, 1999. The BSP approved such dividend declaration on December 15, 1998.

On February 24, 1999, the Bank's BOD declared a 2% cash dividend and a 10% stock dividend or 27,002,495 common shares based on the outstanding capital stock payable to all stockholders of record as of October 8, 1999 and October 11, 1999, respectively. The BSP approved such dividend declarations on September 6, 1999.

On December 9, 1999, the Bank's BOD approved the issuance of additional common shares out of the unsubscribed portion of the authorized capital stock of the Bank, subject to pre-emptive rights of the stockholders of

record as of a date to be fixed after the necessary approval of the listing of the shares by the PSE and/or SEC are obtained. In December 1999, the Bank received about ₱4.7 billion deposits for future stock subscription relative to the pre-emptive right offering discussed above. In July 2000, the shares of stocks were issued at an actual subscription price of ₱160 per share.

On March 17, 2000, the Bank's BOD approved the purchase of additional 9,339,143 class "B" common shares of Solidbank representing 39.97% of its outstanding shares for an average of ₱416.66/share or about ₱3.89 billion. The BSP approved such acquisition in May 2000.

Under existing banking regulations, the combined capital accounts of each commercial bank should not be less than an amount equal to ten percent (10%) of its risk assets. The unimpaired capital of the Bank for purposes of determining the capital-to-risk assets ratio is capital funds excluding (a) the unbooked valuation reserves and other capital adjustments as may be required by the BSP, (b) total outstanding unsecured credit accommodations to related interests (see Note 17), (c) deferred income tax asset or liability, (d) accumulated equity in net income of investees where the Bank holds 50% equity or less but where the equity method of accounting has been applied and (e) appraisal increment on property and equipment other than those allowed to be recognized in connection with a merger and acquisition. 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 Monetary Board. As of December 31, 2000 and 1999, the Bank is in compliance with such provision. The capital-to-risk assets ratio of the Bank as of December 31, 2000 and 1999 was 12.96% and 16.36%, respectively.

14. Capital Paid in Excess of Par Value

A portion of the stock dividend declarations in 1998 amounting to ₱962 million was made out of the Bank's capital paid in excess of par value.

With respect to the 10% stock dividends declared on February 24, 1999, the Bank recorded the excess of the fair market value over the par value of the Bank's common share.

15. Surplus

A portion of surplus corresponding to the undistributed equity in net income of subsidiaries totaling about ₱4.80 billion, ₱5.99 billion and ₱5.41 billion, as of December 31, 2000, 1999 and 1998, respectively, and the portion corresponding to the net deferred tax assets amounting to about ₱4.73 billion, ₱3.28 billion and ₱1.43 billion as of December 31, 2000, 1999 and 1998, respectively, are not currently available for distribution as dividends.

16. Trust Operations

Properties held by the Bank and certain subsidiaries in fiduciary or agency capacity for their customers are not included in the accompanying consolidated statements of condition since these items are not resources of the Bank and its subsidiaries.

In compliance with the requirements of the General Banking Law relative to the Bank and certain subsidiaries' trust functions, government securities with a total face value of about ₱628.4 million and ₱390 million as of December 31, 2000 and 1999, respectively, are deposited with the BSP.

17. Related Party Transactions

In the ordinary course of business, the Bank and its Subsidiaries have loan transactions with affiliates and with certain directors, officers, stockholders and related interests (DOSRI). Under the consolidated companies' policies, these loans are made on substantially the same terms as loans to other individuals and businesses of comparable risks.

Existing banking regulations limit the amount of individual loans to DOSRI, of which 70% must be secured, to the total of their deposits and book value of their investments in the Bank. In the aggregate, loans to DOSRI

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

generally should not exceed the Bank's total capital funds or 15% of the Bank's total loan portfolio, whichever is lower. The Bank is in compliance with such regulations as of December 31, 2000 and 1999.

The following table shows information relating to the Bank and its Subsidiaries' DOSRI loans (amounts in thousand pesos) as of December 31, 2000 and 1999:

| | 2000 | 1999 |
|------------------------------------------------------------|---------------------|-------------|
| | (In Thousand Pesos) | |
| Total outstanding DOSRI loans | P 9,520,604 | P 9,101,713 |
| Percent of DOSRI loans to total loans | 4.06% | 4.22% |
| Percent of unsecured DOSRI loans to total DOSRI loans | 24.65 | 10.42 |
| Percent of past due DOSRI loans to total DOSRI loans | 0.03 | 1.12 |
| Percent of non-performing DOSRI loans to total DOSRI loans | 0.03 | 1.09 |

Other related party transactions conducted in the normal course of business include the availment of computer services of a wholly-owned subsidiary to meet the Bank's reporting requirements.

The consolidated companies also lease the premises occupied by some of their Head Offices and many of their branches from certain affiliates which own such premises. Other transactions with affiliates consist mainly of outright purchases and sales of trading account securities, and securing insurance coverages on loans and property risks and intercompany advances.

18. Commitments and Contingent Liabilities

In the normal course of the operations of the Bank and its Subsidiaries, there are various outstanding commitments and contingent liabilities, such as guarantees, commitments to extend credit, forward exchange contracts and similar arrangements which are not reflected in the accompanying consolidated financial statements. No material losses are anticipated as a result of these transactions.

The following is a summary of contingencies and commitments at their contractual amounts (in thousand pesos) arising from off-balance sheet items as of December 31, 2000 and 1999:

| | 2000 | 1999 |
|--------------------------------------|--------------------|-------------|
| Trust Banking Group accounts | P63,799,102 | P60,668,815 |
| Unused commercial letters of credit | 11,672,987 | 18,266,662 |
| Spot/Future exchange bought | 9,175,076 | 16,705,359 |
| Spot/Future exchange sold | 9,099,021 | 7,971,007 |
| Outstanding guarantees | 4,311,967 | 2,048,491 |
| Deficiency claims receivables | 2,236,479 | 654,180 |
| Outward bills for collection | 1,589,073 | 1,422,194 |
| Late deposits/payments received | 1,206,628 | 1,250,597 |
| Inward bills for collection | 798,413 | 941,472 |
| Confirmed exports letters of credits | 616,958 | 267,294 |
| Traveller's check unsold | 465,467 | 468,800 |
| Others | 677,930 | 2,319,133 |

In 2000 and 1999, certain assets held under custodianship/safekeeping and mortgage trust indenture - collateral assets included under Trust Banking Group accounts are shown at fair market value and registered loan value, respectively. The BSP prescribes that these assets shall be assigned a nominal value of P1.00 per item/certificate/title/document of ownership. Had such assets been booked at nominal value, Trust Banking Group accounts shown under contingent accounts would have reduced by about P37.08 billion and P36.95 billion as of December 31, 2000 and 1999, respectively.

There are several pending claims against the Bank and its Subsidiaries. In the opinion of management, liabilities arising from these claims, if any, would not have any material effect on the financial position of the Bank and its Subsidiaries.

19. Financial Performance

The basis for earnings per share calculation follows:

| | 2000 | 1999 | 1998 |
|---------------------------------------------------------|--------------------|-------------|--------------|
| a. Net income (in thousand pesos) | P 1,504,063 | P 3,125,724 | P 4,703,527 |
| b. Weighted average number of outstanding common shares | 311,878,817 | 297,027,445 | 297,027,445* |
| c. Basic earnings per share (a/b) | P 4.82 | P 10.52 | P 15.84* |

* After retroactive adjustment for stock dividends declared in 1999.

As of December 31, 2000, 1999 and 1998, there are no shares of stock that have dilutive effect on the basic earnings per share of the Bank.

The following basic ratios measure the financial performance of the Bank:

| | 2000 | 1999 |
|---------------------------------------|--------------|-------|
| Return on average capital funds (ROE) | 3.40% | 7.28% |
| Return on average assets (ROA) | 0.49 | 1.20 |
| Net interest margin | 3.16 | 3.88 |

As discussed in Note 7, in 1999, the Bank and its Subsidiaries directly charged P2.93 billion provision for probable losses, net of deferred income tax, to surplus. Had the provision for probable losses, and the related deferred income tax been reflected in current operations, net income for 1999 would have been reduced by that amount with corresponding effects on the earnings per share, ROE and ROA indicated above.

The Stockholders and the Board of Directors
Metropolitan Bank and Trust Company

We have audited the accompanying consolidated statements of condition of Metropolitan Bank and Trust Company and Subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of income, changes in capital funds and cash flows for each of the three years in the period ended December 31, 2000. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the Philippines. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 7 to the consolidated financial statements, for 1999, the Bank and its Subsidiaries had set up provision for probable losses of ₱2.93 billion, net of deferred income tax, through a direct charge to surplus. Generally accepted accounting principles require that provision for probable losses, and the related deferred income tax, be reflected in current operations.

In our opinion, except for the effects on the 1999 consolidated statements of income, changes in capital funds and cash flows of the matter discussed as explained in the preceding paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Metropolitan Bank and Trust Company and Subsidiaries as of December 31, 2000 and 1999, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2000 in conformity with accounting principles generally accepted in the Philippines.

SyCip, Gorres, Velayo & Co.
Manila City, Philippines

March 23, 2001

Securities and Exchange Commission
SEC Building, EDSA, Greenhills
San Juan, Metro Manila

March 23, 2001

The management of Metropolitan Bank and Trust Company is responsible for all information and representations contained in the consolidated financial statements as of December 31, 2000 and 1999 and for each of the three years in the period ended December 31, 2000. The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the Philippines and reflect amounts that are based on recorded transactions 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 Board of Directors reviews the consolidated financial statements before such statements are approved and submitted to the Stockholders of the Bank. SyCip, Gorres, Velayo & Co., CPAs, the independent auditors appointed by the Board of Directors, have audited the consolidated financial statements of the Bank and its Subsidiaries in accordance with auditing standards generally accepted in the Philippines and have expressed their opinion on the fairness of presentation upon completion of such audits, in the preceding report to the Stockholders and the Board of Directors.

Antonio S. Abacan, Jr.
ANTONIO S. ABACAN, JR.
President

Alfredo P. Javellana II
ALFREDO P. JAVELLANA II
Executive Vice President/Controller

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Corporate Secretary
President, Philippine Savings Bank

ANTONIO S. ABACAN, JR.



* - resigned effective January 22, 2001

** - elected January 22, 2001



DR. JESUS P. ESTANISLAO



DR. CIELITO F. HABITO



JAMES GO



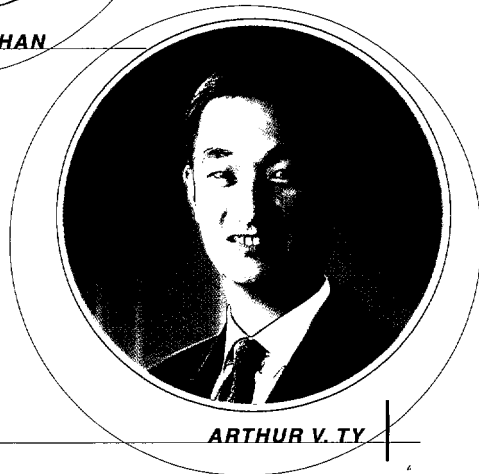
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Washington Sycip,
Chi Chuan Hung



From left: Paul Cuyegkeng,
Rep. Jesli Lopus, Francis Sebastian

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ALFREDO P. JAVELLANA II
ARTHUR V. TY

Senior Vice Presidents
CARMELITA R. ARANETA
MELINDA C. CHING
FABIAN S. DEE
ELIGIO C. LABOG, JR.
BERNARDITO M. LAPUZ
REYNALDO H. LIAO
HIGINIO O. MACADAEG, JR.
EDGARDO C. MARQUEZ
ANICETO M. SOBREPEÑA
JOSEFINA E. SULIT
WILFREDO S. TIONGSON
ANTONIO V. VIRAY
VY TONNE SO

First Vice Presidents
MARIQUITA L. AGENA
JOSE M. CHAN, JR.
FERMIN T. CHIO
MAURICIO M. CHIONG
ANTONIO P. CHUA
JAIME T. DEE
DIANA D. ENRIQUE
PANTALEON P. FRANCISCO
DOMINGO C. GO
EDGARDO M. HERRERA
ANGELITA T. JAO
KATIE KUO-HWA KAO
ALFREDO D. LIM
REYNALDO V. LIM
CESAR L.F. LUGTU
ALFRED V. MADRID
YUJI MIKOSHIBA
JOSHUA E. NAING
DENNIS C. QUA
WILLIAM Y. RASINES
TEODOSIO C. SANGIL, JR.
DENNIS G. SUICO
LUCIA C. TIU
JOSEFINA T. TUPLANO
GLORIA T. UY
DUNCAN WANG
AMELIN S. YAO



From left: **Angelito M. Villanueva,**
Samuel S. Yap, Henry M. Sun



From left: **Patricio O. Go,**
Alfredo P. Javellana II,
Arthur V. Ty, Edmund A. Go

PRINCIPAL OFFICERS

Vice Presidents

**MILAGROS S. ALEGRE
 RAINELDA A. ANDREWS
 REYNANTE S. BANICO
 MA. JASMIN L. BUÑAG
 JOSEFINA G. CHAN
 RICARDO T. CHAN
 ROSALIE W. CHU
 LORENZO G. DE VERA, JR.
 PETER C. DOMINGUEZ
 PROTACIO I. DOMINGUEZ, JR.
 HELEN U. FARGAS
 OSCAR MANUEL C. GUERRERO, JR.
 DANIEL HSU
 AVA MARIE T. IGNACIO
 JEANETTE S. JAVELLANA
 ALEX C. LIM
 ALBERTO P. MAGLAQUE
 ROY Y. MARTELINO
 MORIJI MATSUDA
 FRANCISCO N. NOBLE, JR.
 AVMIR D. PANGILINAN
 FERNANDO P. PORRAS
 WILFREDO S. RIVERA
 CARMEN S. SANTOS
 HERMINIO O. TIMBOL
 ROGELIO T. UY
 PHILIP H. WONG**



Standing from left:
 Bernardito M. Lapuz,
 Fabian S. Dee,
 Higinio O. Macadaeg, Jr.,
 Wilfredo S. Tiongson
 Seated from left: Melinda C. Ching,
 Reynaldo H. Liao

Assistant Vice Presidents

**NILDA A. ANG
 ROBERT Y. ANG
 VICTORINO M. AREJOLA
 ALEX F. ARNALDO
 ABNER N. ARRIETA
 EDITHA N. BAUTISTA
 LUZ I. BLANCO
 JOSE A. CAMELLO
 JOVENCIO R. CAPULONG
 VALENTINO C. CHANG
 CORAZON C. CONG
 AGNES S. CRUZ
 CRISOSTOMO P. DE GUZMAN
 MA. PAMELA C. DE GUZMAN
 RENATO MA. G. DE JESUS
 RODOLFO B. DOLINO
 MARY BECK C. DY
 MA. LOURDES T. FABIE
 VIOLETA L. FERNANDEZ
 ANTONIO T. GIANAN
 REYNALDO S. JOSE
 JOCELYN L. KHO**

**HENRY L. KO
 MA. LORNA T. LABITAN
 IRENE L. LIM
 KEN CHIEN RHE LAI
 JUANITO C. LIWANAG
 MILNA L. MADLANGBAYAN
 MAXIMIANO D. MARFA, JR.
 QUINTIN T. MEDRANO, JR.
 RUPERTO E. MERCADO
 IDA L. MESIA
 ROMULO P. NEY
 ANGEL O. PAGASPAS
 FRANCISCO D. RIVERA
 ROSENDO G. SIA
 MARY W. SY
 PRISCILLA G. TAN
 YONG TONG
 LEOPOLDO M. UBALDO
 ELISA T. UY
 RICARDO F. VILLANUEVA
 ALEX M. YU
 ALLAN S. YU**



Standing from left:
 Eligio C. Labog, Jr., Aniceto
 M. Sobrepeña, Edgardo C.
 Marquez, Antonio V. Viray
 Seated from left: Josefina E. Sulit,
 Vy Tonne So, Carmelita R. Araneta

Metro Manila

ACROPOLIS
E. Rodriguez Ave., Acropolis, QC
Tel. Nos. 636-00-91; 636-00-95

ADB EXTENSION OFFICE
6 ADB Ave. Ext., Ortigas Comm'l.
Complex, Mandaluyong City
Tel. Nos. 632-41-45; 632-42-00

ADDITION HILLS
204 Wilson St., San Juan
Tel. Nos. 725-33-89; 727-47-73

ADRIATICO
Rothman Inn Hotel Building
1633 Adriatico St.
Malate, Manila
Tel. Nos. 526-02-02; 526-02-23

AGUIRRE-SORIA
CJVC Bldg., 108 Aguirre St.
Legaspi Village, Makati City
Tel. Nos. 813-34-93; 813-35-15

ALABANG
Montillano St., Alabang
Muntinlupa
Tel. Nos. 842-21-57; 842-37-45

ALFARO
ALPAP-I Building, Alfaro St.
Salcedo Village, Makati City
Tel. Nos. 892-67-08; 892-52-24

ALMANZA, LAS PIÑAS
Alabang-Zapote Road
Bgy. Almanza, Las Piñas
Tel. Nos. 806-04-67; 806-04-72

A. MABINI-ERMITA
1337 A. Mabini Street
Ermita, Manila
Tel. Nos. 526-04-92; 526-04-25

A. MACEDA
1371 A. Maceda St.
Sampaloc, Manila
Tel. Nos. 742-56-89; 749-34-59

ANDA CIRCLE-PORT AREA
Champ Bldg., Anda Circle
Bonifacio Drive, Port Area, Manila
Tel. Nos. 527-68-12; 527-68-13

ANONAS-AURORA BLVD.
Aurora Blvd. near corner
Anonas St., Quezon City
Tel. Nos. 913-64-67; 913-78-19

ANNAPOLIS-GREENHILLS
Mercedes Condominium I Bldg.
39 Annapolis St., Greenhills
San Juan
Tel. Nos. 722-60-04; 722-19-46

ARANETA CENTER
P. Tuazon St. corner 12th Ave.
Cubao, Quezon City
Tel. Nos. 911-58-13; 911-58-15

ARRANQUE CENTER
1359 Soler St., Sta. Cruz, Manila
Tel. Nos. 733-85-01 to 08

ASUNCION
Chinatown Steel Tower
Asuncion St., Binondo, Manila
Tel. Nos. 242-21-37; 242-21-38

AURORA BOULEVARD
Aurora Tower, Aurora Blvd.
corner Aguinaldo St., Cubao
Quezon City
Tel. Nos. 911-08-80; 911-08-43

AURORA BLVD.-SAN JUAN
Aurora Blvd. corner J. Ruiz St.
San Juan
Tel. No. 727-52-98; 727-47-91

AYALA AVENUE CENTER
GT Tower, Ayala Ave.
Makati City
Tel. Nos. 810-33-55; 810-15-10

AYALA ALABANG
Doña Marta Building
Alabang-Zapote Road
Alabang, Muntinlupa City
Tel. Nos. 805-74-91; 807-04-08

B.F. HOMES
22 A. Aguirre Ave.
B.F. Homes, Parañaque City
Tel. Nos. 842-53-07; 842-47-06

BACLARAN
Quirino Ave. corner
Cuatro de Julio St., Parañaque
Tel. Nos. 832-04-87; 832-58-95

BAESA
154 Quirino Highway
Baesa, Quezon City
Tel. Nos. 330-71-48; 330-71-49

BAGBAGUIN-VALENZUELA
Gen. Luis St. corner G. Molina St.
Bgy. Bagbaguin, Valenzuela City
Tel. Nos. 443-59-04; 983-78-56

BAGTIKAN-PASONG TAMO
Ground Flr. BM Lou-Bel Plaza
Bagtikan corner Pasong Tamo St.
Makati City
Tel. Nos. 896-96-91; 896-97-08

BALINTAWAK
936 A. Bonifacio Ave., Quezon City
Tel. Nos. 362-49-92; 362-44-38

BAMBANG
1411-1413 G. Masangkay St.
Sta. Cruz, Manila
Tel. Nos. 254-76-74; 254-75-04

BANAUE
Banaue St. corner Cadiz St.
Quezon City
Tel. Nos. 712-12-98; 712-13-17

BARANGKA-RIVERBANKS
Benhel Mansion, 79 A. Bonifacio St.
Bgy. Barangka, Marikina City
Tel. Nos. 997-59-57; 997-66-34

BAYVIEW
Bayview International Tower II
Roxas Blvd., Parañaque City
Tel. Nos. 855-70-24 to 26

BEL AIR-KALAYAAN
Makati Prime Tower
Kalayaan St., Bel-Air
Makati City
Tel. Nos. 750-31-43; 750-31-42

BENAVIDES
Benavides St.
Sta. Cruz, Manila
Tel. Nos. 244-80-86; 244-01-52

BLUE RIDGE
172 Katipunan Road, Blue Ridge
Quezon City
Tel. Nos. 647-10-18; 647-10-19

BLUMENTRITT-STA. CRUZ
Rizal Ave. cor. Cavite St.
Sta. Cruz, Manila
Tel. Nos. 732-21-34; 743-83-24

BONI AVENUE
Bik. 39, Boni Ave.
Mandaluyong City
Tel. Nos. 532-48-76; 533-27-79

BONI SERRANO
Corporate House Building
239 Boni Serrano Ave. corner
C. Benitez St., Crame
Quezon City
Tel. Nos. 724-00-61; 721-48-89

BRIXTON HILL
118 G. Araneta Ave. corner
Palanca St., Quezon City
Tel. Nos. 716-06-74; 715-64-10

BUENDIA-DIAN
Sen. Gil Puyat Ave. corner Dian St.
Makati City
Tel. Nos. 892-96-03; 844-18-91

BUSTILLOS-SAMPALOC
443 J. Figueras St.
Sampaloc, Manila
Tel. Nos. 734-64-01 to 03

CALOOCAN
315 Rizal Avenue Ext.
Grace Park, Caloocan City
Tel. Nos. 366-73-03; 361-12-90

CALUMPANG-MARIKINA
J.P. Rizal St., Calumpang, Marikina
Tel. Nos. 681-66-12; 681-71-86

CAMARIN ROAD-CALOOCAN
Camarin Rd. corner
Susano Rd., Caloocan City
Tel. Nos.: 951-51-08; 951-51-09

CHINA PLAZA
China Plaza Twin Towers
Ongpin St., Sta. Cruz, Manila
Tel. Nos. 733-96-40; 530-00-05

C.M. RECTO AVENUE
2046-2050 C.M. Recto Ave.
Sampaloc, Manila
Tel. Nos. 735-55-67; 735-55-69

COMERCIO
New Divisoria Market
Comercio, Manila
Tel. Nos. 242-34-12; 242-34-21

COMMONWEALTH AVENUE
Don Enrique Heights
Commonwealth Ave.
Capitol Hills, Quezon City
Tel. Nos. 931-33-11; 931-33-65

CONCEPCION-MALABON
Gen. Luna St. corner Luna II St.
Malabon
Tel. Nos. 281-07-41; 281-17-44

CONCEPCION-MARIKINA
15 Bayan-Bayanan Ave.
Concepcion, Marikina City
Tel. Nos. 942-06-68; 941-81-68

CONGRESSIONAL AVENUE
Congressional Avenue, QC
Tel. Nos.: 951-50-20; 951-50-18

CORINTHIAN PLAZA-MAKATI
Corinthian Plaza
Paseo de Roxas, Makati City
Tel. Nos. 892-16-61; 811-31-70

CUBAO
Aurora Blvd., Cubao Quezon City
Tel. Nos. 911-04-34; 911-04-30

DAPITAN-BANAUE
Dapitan St. corner Banaue St.
Quezon City
Tel. Nos. 743-75-10; 743-75-11

DART ST.-PACO
1633 Dart Street
Paco, Manila
Tel. Nos. 525-07-20; 525-07-26

DEL MONTE
295 Del Monte Ave. corner
G. Roxas St., Bgy. Manresa
Sta. Mesa Heights
Quezon City
Tel. Nos. 364-43-50; 364-44-86

DEL MONTE-MATUTUM
63 Del Monte Avenue
Manresa, Quezon City
Tel. Nos. 411-91-05; 363-11-03

DIVISORIA CENTER
760 Ilaya St., Binondo
Manila
Tel. Nos. 242-74-13; 242-91-86

DON ANTONIO AVENUE
Holy Spirit Drive
Don Antonio Heights
Diliman, Quezon City
Tel. Nos. 932-99-34; 932-99-36

DOÑA SOLEDAD AVE.-BICUTAN
65 Doña Soledad Avenue
Better Living Subd.
Parañaque City
Tel. Nos. 823-92-01; 824-07-57

DOWNTOWN CENTER
Tytana Plaza, Plaza Lorenzo Ruiz
Binondo, Manila
Tel. Nos. 241-03-77; 241-01-49

EAST SERVICE ROAD-BICUTAN
East Service Road, South Superhighway
Bicutan, Parañaque City
Tel. Nos. 837-13-15 to 17

EDSA-CALOOCAN CENTER
Epifanio delos Santos Ave. near corner
A. de Jesus St.
Caloocan City
Tel. Nos. 361-98-75; 361-98-76

EDSA-CORINTHIAN
CLMC Bldg.
Epifanio delos Santos Ave.
Mandaluyong City
Tel. Nos. 721-16-45; 722-48-94

EDSA-CUBAO AURORA
493-495 Aurora Blvd. corner
Epifanio delos Santos Ave.
Cubao, Quezon City
Tel. Nos. 727-12-11; 727-12-02

EDSA-MAGALLANES
19 Epifanio delos Santos Ave.
Bangkal, Makati City
Tel. Nos. 831-68-87; 831-68-88

EDSA-MUÑOZ
1194 Epifanio delos Santos Ave.
Muñoz, Quezon City
Tel. Nos. 920-48-71; 929-65-17

EDSA-SHAW
Beside Shangri-la Shopping Plaza
Shaw Blvd., Mandaluyong City
Tel. Nos. 632-75-96; 632-75-97

EDSA-TRAMO
Highway Master Building
453 Epifanio de los Santos Ave.
corner Tramo St., Pasay City
Tel. Nos. 831-63-91; 831-63-59

ELCANO
706 Elcano Street
Binondo, Manila
Tel. Nos. 242-45-89; 242-36-81

EMERALD AVE.-ORTIGAS
Wynsum Corporate Plaza
Emerald Ave., Ortigas Center
Pasig City
Tel. Nos. 689-97-50 to 52

ERMITA
1149 A. Mabini St. corner
A. Flores St., Ermita, Manila
Tel. Nos. 525-86-07; 524-79-58

E. RODRIGUEZ
1661 E. Rodriguez Sr. Blvd.
Quezon City
Tel. Nos. 727-16-97; 727-16-98

E. RODRIGUEZ-CORDILLERA
E. Rodriguez Sr., Avenue corner
Cordillera St., Quezon City
Tel. Nos. 413-56-89; 743-82-37

ESCOLTA TOWER
Pampisco Building
248 Escolta St., Manila
Tel. Nos. 241-54-57; 241-54-64

ESPAÑA
1717 España St. corner Pepin St.
Sampaloc, Manila
Tel. Nos. 731-37-84; 731-37-85

EVANGELISTA
675-B Evangelista St.
Quiapo, Manila
Tel. Nos. 733-22-54; 733-23-45

FAIRVIEW
Commonwealth Ave. corner
Winston St., Quezon City
Tel. Nos. 937-92-21; 938-03-94

LEGASPI-MABINI
Rizal St. corner Mabini St.
Legaspi City
Tel. Nos. (052) 214-38-07
214-38-08

LEMERY-BATANGAS
Independencia and Ilustre Sts.
Lemery, Batangas
Tel. Nos. (043) 214-16-22
214-26-18

LIPA
B. Morayda Ave., Lipa City
Tel. No. (043) 756-14-12

LIPA-AYALA
ATDRMAM Bldg
Ayala Highway, Lipa City
Tel. Nos. (043) 756-63-69
756-31-10

LOS BAÑOS
129 National Highway
Batong Malake
Los Baños, Laguna
Tel. Nos. (049) 536-01-42
249-22-44

LUCENA
Enriquez St. corner Magallanes St.
Lucena City
Tel. Nos. (042) 373-61-72
660-38-92

LUCENA-EVANGELISTA
211 Quezon Ave. corner
Evangelista St., Lucena City
Tel. Nos. (042) 710-37-73
710-44-01

LUCENA-QUEZON
Enriquez St. corner
San Fernando St., Lucena City
Tel. Nos. (042) 373-46-63
373-46-64

**MACARIA COMMERCIAL CENTER-
CARMONA**
Lot 4, Block 2
Macaria Business Center
Governor's Drive, Carmona, Cavite
Tel. Nos. (046) 430-27-51
430-27-52

MALOLOS
Paseo del Congreso
Bo. Catmon, Malolos, Bulacan
Tel. Nos. (044) 791-50-30
791-50-10

MARILAO
National Road, Bo. Abangan
Marilao, Bulacan
Tel. Nos. (044) 711-15-10
711-24-87

MASBATE
Tara St., Masbate, Masbate
Tel. Nos. (056) 333-45-45
333-45-37

MEYCAUAYAN
MacArthur Highway, Bo. Calvario
Meycauayan, Bulacan
Tel. Nos. (044) 840-73-79
840-96-45

MOLINO-BACCOOR
Molino Road, Bacoor, Cavite City
Tel. Nos. (046) 477-18-51 to 53

MUÑOZ, NUEVA ECJIA
D. Delos Santos St., Muñoz, Nueva Ecija
Tel. Nos. (044) 945-02-11
945-02-12

NAGA
Caceres St. corner G. dela Rosa St.
Naga City
Tel. Nos. (054) 473-78-55

NAGA-GEN. LUNA
Gen. Luna St., Naga City
Tel. Nos. (054) 811-21-78
473-82-54

NAGA CITY-PEÑAFRANCIA
Peñafrancia Ave. corner Arana St.
Naga City
Tel. No. (054) 473-25-26

NAIC
Governor's Drive Bgy. Ibayo
Silang, Naic, Cavite
Tel. Nos. (046) 412-11-40
412-11-41

NATIONAL HIGHWAY-BIÑAN
CM Mall, National Highway
Bgy. San Antonio, Biñan, Laguna
Tel. Nos. (049) 411-4652
411-7214

OCCIDENTAL MINDORO
C. Liboro St. corner Rajah Soliman St.,
San Jose, Occidental Mindoro
Tel. No. (043) 491-13-52

OLONGAPO
Rizal Ave., West Bajac-Bajac
Olongapo City, Zambales
Tel. No. (047) 222-29-71

PALAWAN
Rizal Ave. corner Valencia St.
Puerto Princesa, Palawan
Tel. Nos. (048) 433-22-38
433-22-39

PALICO-IMUS
PRD Bldg., Emilio Aguinaldo Imus, Cavite
Tel. Nos. (046) 970-23-51
970-23-52

PANIQUI-TARLAC
M.H. Del Pilar St., Paniqui, Tarlac
Tel. No. (045) 931-00-06

PARIAN-CALAMBA
728 South National Highway
Bgy. Parian, Calamba, Laguna
Tel. No. (049) 545-71-53

PLARIDEL-BULACAN
Gov. Padilla Rd., Bgy. Banga
Plaridel, Bulacan
Tel. Nos. (044) 795-14-22
795-14-23

REAL-CALAMBA
PJM Bldg., National Highway
Bgy. Real, Calamba, Laguna
Tel. Nos. (049) 545-70-92
545-70-93

ROSARIO-BATANGAS
Gualberto Ave., Poblacion
Rosario, Batangas City
Tel. Nos. (043) 321-25-04
321-25-05

ROSARIO-CAVITE
Gen. Trias Drive, Rosario, Cavite
Tel. No. (046) 438-36-29
438-36-30

SAN FERNANDO - B. MENDOZA
B. Mendoza St.
San Fernando, Pampanga
Tel. Nos. (045) 963-53-60
963-53-61

SAN FERNANDO-SINDALAN
MacArthur Highway, Sindalan
San Fernando, Pampanga
Tel. Nos. (045) 860-10-75
961-23-86

SAN FERNANDO, PAMPANGA
V. Tiomico St., Poblacion
San Fernando, Pampanga
Tel. Nos. (045) 961-28-56
961-31-08

SAN FERNANDO-DOLORES
MacArthur Highway, Dolores
San Fernando, Pampanga
Tel. Nos. (045) 963-31-73

**SAN FERNANDO-MACARTHUR
HIGHWAY**
MacArthur Highway, Dolores
San Fernando, Pampanga
Tel. Nos. (045) 961-28-86
961-21-23

SAN JOSE, NUEVA ECJIA
Ramar Village, Phase I
Maharlika Road, San Jose
Nueva Ecija
Tel. No. (044) 511-15-07

SAN MATEO
22 Gen. Luna St.
San Mateo, Rizal
Tel. Nos. 942-32-08; 942-12-91

SAN PABLO
M. Paulino St.
cor. A.M. Regidor St.
San Pablo City
Tel. Nos. (049) 562-39-39
562-04-43

SAN PABLO-BURGOS
P. Burgos St. corner A. Flores St.
San Pablo City
Tel. Nos. (049) 562-00-80
562-38-48

SAN PABLO-COLOGA
Rizal Avenue, San Pablo City
Tel. No. (049) 561-13-59

SAN PEDRO-LAGUNA
National Highway
San Pedro, Laguna
Tel. Nos. 808-49-31; 847-60-30

SANTIAGO
Daang Maharlika corner
Camacam St., Santiago, Isabela
Tel. No. (078) 682-88-30

SANTIAGO-BONIFACIO AVE.
Edna's Bldg., Bonifacio Avenue
Victory Norte, Santiago City
Tel. Nos. (078) 682-73-54
682-77-05

SILANG-CAVITE
J. P. Rizal St., Silang, Cavite
Tel. No. (046) 414-04-05

SINILOAN, LAGUNA
Redor St., Bgy. P. Burgos
Siniloan, Laguna
Tel. No. (049) 813-08-61

SOLANO
National Highway
corner Mabini St. Solano
Nueva Vizcaya
Tel. Nos. (078) 326-50-33
326-55-27

SORSOGON
Magsaysay St.,
Sorsogon, Sorsogon
Tel. Nos. (056) 211-18-33
211-16-67

STA. CRUZ-LAGUNA
P. Burgos St., Sta. Cruz, Laguna
Tel. Nos. (049) 808-13-61
808-13-25

STA. MARIA
Gen. Luna St., Poblacion
Sta. Maria, Bulacan
Tel. No. (044) 641-16-87

STA. MARIA-POBLACION MARKET
J.P. Rizal St., Poblacion
Sta. Maria, Bulacan
Tel. Nos. (044) 641-10-70
641-13-24

STA. ROSA-BALIBAGO
National Highway, Balibago
Sta. Rosa, Laguna
Tel. No. (049) 534-29-62

SUBIC BAY
Sampson St., Subic Bay Freeport Zone,
Olongapo City
Tel. Nos. (047) 252-62-78
252-33-56

SUBIC-BARACA
Lot 101, National Rd.
Baraca, Camachili, Subic, Zambales
Tel. No. (047) 232-33-79

SUMULONG
Kingsville Arcade
Marcos Highway
Mayamot, Antipolo, Rizal
Tel. Nos. 645-46-55; 646-08-83

TABACO
Gen. Luna St. corner Lorente St.
Tabaco, Albay
Tel. Nos. (052) 487-53-31

TAGAYTAY
Foggy Heights Subdivision
Aguinaldo Highway
Tagaytay City
Tel. Nos. (046) 413-14-04
860-12-60

TANAUAN
J.P. Laurel Highway
Tanauan, Batangas
Tel. Nos. (043) 778-07-03
778-07-04

TANAY
Felix Catapusan St.
Plaza Aldea, Tanay, Rizal
Tel. Nos. 654-29-90 to 92

TARLAC
F. Tañedo St., Tarlac, Tarlac
Tel. No. (045) 982-00-57
Fax No. 982-01-34

TARLAC-MACARTHUR HIGHWAY
Sto. Cristo, MacArthur Highway
Tarlac, Tarlac
Tel. No. (0452) 982-70-45

TARLAC-SAN NICOLAS
F. Tañedo St., Tarlac, Tarlac
Tel. Nos. (045) 982-29-33
982-29-98

TAYTAY
East Road Ave., Taytay, Rizal
Tel. Nos. 658-11-80; 679-53-29

TRECE MARTIRES
Governor's Drive, Bo. Quintana
Trece Martires, Cavite
Tel. Nos. (046) 419-22-14 to 17

TUGUEGARAO
Luna St. corner Blumentritt
Tuguegarao, Cagayan
Tel. Nos. (078) 844-14-61
844-19-56

TUNGKONG MANGGA
Quirino Highway
Bo. Tungkong Mangga
San Jose del Monte, Bulacan
Tel. Nos. 951-52-34 to 36

URDANETA, PANGASINAN
Alexander St., Urdaneta, Pangasinan
Tel. Nos. (075) 568-29-12
568-29-13

VIGAN
30 M.L. Quezon Ave.
Vigan, Ilocos Sur
Tel. No. (077) 722-25-83

VISAYAS

ANTIQUE
V. Jimenez St. cor. T. Fornier St.
San Jose, Antique
Tel. Nos. (036) 540-86-60
540-86-61

BACOLOD-6TH STREET
6th St. corner Kamagong St.
Bacolod City
Tel. Nos. (034) 433-20-32
433-59-94

BACOLOD-ARANETA
Araneta St., Bacolod City
Tel. Nos. (034) 434-85-47
434-94-35

DOMESTIC BRANCH NETWORK

BACOLOD-CAPITOL
Capitol Shopping Center, Hilado St.
corner Yakal St., Bacolod City
Tel. Nos. (034) 434-23-65
434-23-66

CEBU-CORTES
MC Nerita Building 1
AC Cortes Ave., Mandaue City
Tel. Nos. (032) 345-28-42
345-28-44

CEBU-OPON
G.Y. dela Serna St., Poblacion
Lapu Lapu City
Tel. Nos. (032) 340-10-50
340-10-40

ILOILO-GUANCO
Guanco St., Iloilo City
Tel. Nos. (033) 336-21-53
336-21-54

TACLOBAN-P. BURGOS
P. Burgos St. corner del Pilar St.
Tacloban City
Tel. Nos. (053) 325-23-32
321-42-12

BACOLOD-GATUSLAO
175-177 Gov. Gatuslao St., Bacolod City
Tel. Nos. (034) 435-05-57
434-12-80

CEBU-DOWNTOWN CENTER
191 Plaridel St., Cebu City
Tel. Nos. (032) 253-67-65;
253-45-51

CEBU-PLAZA INDEPENDENCIA
44-50 M.J. Cuenco Ave., Cebu City
Tel. Nos. (032) 412-12-99
412-1300

ILOILO-IZNART
Iznart St., Iloilo City
Tel. Nos. (033) 335-04-77
335-08-57

TACLOBAN-RIZAL AVENUE
109 Rizal Ave., Tacloban City
Tel. Nos. (053) 325-93-11
321-21-88

BACOLOD-GONZAGA
MGL Bldg., Gonzaga St., Bacolod City
Tel. Nos. (034) 434-24-81 to 83
434-12-80

CEBU-FUENTE OSMEÑA
Fuente Osmeña, Cebu City
Tel. Nos. (032) 253-13-69
253-26-44

CEBU-RAMOS
F. Ramos St. corner
Junquera Ext., Cebu City
Tel. Nos. (032) 255-10-47
255-10-48

ILOILO-MABINI
39-AD Valiant Building 39-AD,
Mabini Street, Iloilo City
Tel. No. (033) 337-86-36
338-06-30

TAGBILARAN
Carlos P. Garcia Ave.
Tagbilaran City
Tel. No. (038) 441-33-51
441-33-52

BACOLOD-LIBERTAD
San Lorenzo Ruiz Bldg.
Lopez Jaena St., Bacolod City
Tel. Nos. (034) 433-52-09;
433-96-40

CEBU-GORORDO
Astron Gestus Bldg., Gorordo Ave.
Lahug, Cebu City
Tel. Nos. (032) 231-07-12
231-07-13

CEBU-SUBANGDAKU
North National Highway
Tipolo, Mandaue City
Tel. Nos. (032) 346-43-11
346-89-54

ILOILO-MAIN
48 Iznart St., Iloilo City
Tel. Nos. (033) 336-82-33
337-73-70

BAYBAY
A. Bonifacio St., Baybay, Leyte
Tel. Nos. (053) 335-24-72
335-24-73

CEBU-GUADALUPE
M. Velez St., Cebu City
Tel. Nos. (032) 253-34-48
253-37-28

CEBU-TABOAN
B. Aranas St., Bgy. Taboan, Cebu City
Tel. Nos. (032) 261-14-16
261-14-19

ILOILO-YULO
Iznart St. corner Yulo St.
Iloilo City
Tel. Nos. (033) 335-00-31
337-33-42

AGUSAN DEL SUR
Bonifacio St., San Francisco
Agusan del Sur
Tel. No. (085) 839-04-43

BORONGAN-SAMAR
Gregorio Abogado St.
Borongan, Eastern Samar
Tel. Nos. (055) 261-29-27
261-29-28

CEBU-LAHUG
Gorordo Ave. corner Archbishop
Reyes Ave., Cebu City
Tel. Nos. (032) 231-44-96
231-46-17

CEBU-TABUNOK
South National Road
Bulacao Tabunok, Talisay, Cebu
Tel. Nos. (032) 272-04-25
272-04-62

JARO
Simon Ledesma St., Jaro, Iloilo
Tel. No. (033) 329-26-31

BASILAN
J.S. Alano St. corner L. Magno St.
Isabela, Basilan City
Tel. Nos. (062) 200-36-24
200-36-25

CALBAYOG
Ground Flr., City Fair Bldg. corner
Pajarito St. and Rosales Blvd.
Calbayog City
Tel. No. (055) 209-19-51
209-19-52

CEBU-LAPU-LAPU
Quezon National Highway
Bo. Pusok, Lapu-Lapu City
Tel. Nos. (032) 340-00-75
340-11-81

CEBU-TALAMBAN
PNF Commercial Bldg.
Talamban, Cebu City
Tel. Nos. (032) 346-69-31
346-69-42

KALIBO
Roxas Ave., Kalibo, Aklan
Tel. Nos. (036) 262-48-52
262-30-28

BUTUAN
San Francisco St. corner
P. Burgos St., Butuan City
Tel. Nos. (085) 341-52-12
341-52-13

CATARMAN
Bonifacio St. corner P. Garcia St.
Bgy. Maboloc, Catarman
Northern Samar
Tel. Nos. (055) 354-11-09
354-14-33

CEBU-LEON KILAT
RFDC Bldg., Sanciangco St. corner
Leon Kilat St., Cebu City
Tel. Nos. (032) 256-03-95
256-03-96

CEBU-UPDOWN
F. Ramos St. corner Gen.
Maxilom Ave., Cebu City
Tel. Nos. (032) 253-78-72
253-78-82

MAASIN-LEYTE
R. Garcia corner P. Enages St.
Maasin, Southern Leyte
Tel. Nos. (053) 381-25-80
381-25-79

CAGAYAN DE ORO
A. Velez St. corner Yacapin St.
Cagayan de Oro City
Tel. Nos. (08822) 72-69-35
72-60-54

CATBALOGAN
Lot 116, Rizal Ave., Calayaan
Catbalogan, Western Samar
Tel. No. (055) 251-20-06

CEBU-MABOLO
1956 M.J. Cuenco Ave., Cebu City
Tel. No. (032) 231-23-92

CEBU-WATERFRONT
Waterfront Cebu City Hotel
No. 1 Waterfront Drive,
Lahug, Cebu City
Tel. Nos. (032) 232-79-99
232-77-70

MANDAUE CENTER
National Highway corner Jayme St.
Mandaue City
Tel. Nos. (032) 346-13-02
346-35-93

CAGAYAN DE ORO-CARMEN
Max Suniel St. corner Ipil St.
Carmen Market
Cagayan de Oro City
Tel. No. (088) 858-17-22

CEBU-BANILAD
Gov. Cuenca Avenue
Banilad, Cebu City
Tel. No. (032) 346-55-19

CEBU-MAGALLANES
Magallanes St., Bgy. Ermita, Cebu City
Tel. Nos. (032) 254-13-40
254-13-49

DUMAGUETE
Dr. Vicente Locsin St.
Dumaguete City,
Tel. No. (035) 225-47-55

ORMOC
Real St. corner Lopez Jaena St.
Ormoc City
Tel. Nos. (053) 255-31-97
255-23-58

CAGAYAN DE ORO-COGON
Osmeña St., Cogon
Cagayan de Oro City
Tel. Nos. (08822) 72-62-00
72-30-06

CEBU-BORROMEIO
Borromeo St. corner P. Lopez St.
Cebu City
Tel. Nos. (032) 253-75-65
253-77-50

CEBU-MAMBALING
CLC Building F. Llamas St.
Mambaling, Cebu City
Tel. Nos. (032) 261-90-51
261-90-52

DUMAGUETE-REAL
131 Real St., Dumaguete City
Tel. Nos. (035) 422-69-81
422-70-57

ROXAS
Roxas Ave., Roxas City
Tel. No. (036) 621-08-16
621-27-44

CAGAYAN DE ORO-DIVISORIA
CFCCC II Bldg., Tiano Bros. St. corner
T. Chavez St., Cagayan de Oro City
Tel. Nos. (08822) 725-846
728-731

CEBU-CAPITOL CENTER
Jose Avila St. corner Ramos Ext.
Cebu City
Tel. Nos. (032) 255-62-82
255-69-44

CEBU-MANALILI
144 V. Gullas St., Brgy.
Sto. Niño, Cebu City
Tel. Nos. (032) 255-10-30
255-10-37

ILOILO-DELGADO
Delgado St., Iloilo City
Tel. Nos. (033) 335-10-90
335-57-77

ROXAS-BURGOS
Burgos St. corner Taft St.
Roxas City
Tel. No. (036) 621-45-55
621-45-75

CAGAYAN DE ORO-DIVISORIA PARK
R.N. Abejuela Payaboy St.
Cagayan de Oro City
Tel. Nos. (088) 857-89-99
857-59-99

CEBU-CARBON
M.C. Briones St. corner
Plaridel St. Cebu City
Tel. Nos. (032) 256-12-30
256-12-21

CEBU-MANGO AVENUE
Adela Bldg., Gen. Maxilom Ave.
Cebu City
Tel. Nos. (032) 253-17-73
253-95-64

ILOILO-GAISANO
Unit G #1 Gaisano St., La Paz
Iloilo City
Tel. Nos. (033) 329-68-13
329-68-14

SAN CARLOS
Carmona St., San Carlos City
Tel. Nos. (034) 312-51-18
312-51-19

CAGAYAN DE ORO-J.R. BORJA
J.R. Borja St., Cagayan de Oro City
Tel. Nos. (088) 857-29-99
857-19-99

CEBU-COLON
0251 Pelaez St., Cebu City
Tel. Nos. (032) 254-82-88
256-32-81

CEBU-NORTH ROAD
North National Road
Bgy. Tabok, Mandaue City
Tel. No. (032) 346-60-15

ILOILO-GEN. LUNA
Gen. Luna St., Iloilo City
Tel. Nos. (033) 336-82-33
551-73-70

SILAY-NEGROS OCCIDENTAL
Rizal St., Silay City
Tel. Nos. (034) 495-30-65
495-13-21

TACLOBAN
P. Zamora St., Tacloban City
Tel. No. (053) 325-51-22

Mindanao

International

CAGAYAN DE ORO-LAPASAN
National Highway corner Agora Road
Lapasan District, Misamis Oriental
Tel. Nos. (08822) 726-595
724-461

COTABATO
Makakua St., Cotabato City
Tel. Nos. (064) 421-23-71
421-26-92

COTABATO-QUEZON AVE.
Quezon Ave, Cotabato City
Tel. Nos. (064) 421-98-22

COTABATO-RUFINO ALONZO
51-53 Magallanes St.
Cotabato City
Tel. Nos. (064) 421-37-63
421-21-34

DAVAO-AGDAO
J.P. Cabaguio Ave. Agdao
Davao City
Tel. Nos. (082) 7-15-71
221-61-75

DAVAO-BAJADA
J.P. Laurel Ave., Bajada
Davao City
Tel. Nos. (082) 221-66-14
221-66-15

DAVAO-BANKEROHAN
Quirino Ave. corner Pichon St.
Davao City
Tel. Nos. (082) 221-47-80
221-47-82

DAVAO-BUHANGIN
Krn. 5, Buhangin Road, Davao City
Tel. No. (082) 222-37-52
222-37-54

DAVAO CENTER
Ramon Magsaysay Ave. corner
Juan de la Cruz St., Davao City
Tel. Nos. (082) 221-06-13 to 15

DAVAO-MATINA
11 GSIS Heights, Venepals Bldg.
MacArthur Highway, Matina
Davao City
Tel. Nos. (082) 297-08-62
297-08-65

DAVAO-MONTEVERDE
Monteverde St. corner Lizada St.
Davao City
Tel. Nos. (082) 222-32-93
226-42-73

DAVAO-PANABO
National Highway
Bgy. Sto. Niño, Panabo
Davao del Norte
Tel. Nos. (084) 628-60-28 to 30

DAVAO-RIZAL
J. Rizal St. corner Iñigo St.
Davao City
Tel. Nos. (082) 226-46-60
221-37-75

DAVAO-SAN PEDRO
253 San Pedro St., Davao City
Tel. Nos. (082) 227-12-29
227-12-92

DAVAO-STA. ANA
Monteverde Ave. corner Lizada St.
Sta Ana District, Davao City
Tel. Nos. (082) 221-02-01 to 04

DAVAO-TORIL
61 Saavedra St. corner D. Agaton St.
Toril, Davao City
Tel. Nos. (082) 291-07-72 to 75

DIGOS
Estrada St. corner Cabrillo St.
Digos, Davao del Sur
Tel. Nos. (082) 553-22-71
553-22-61

DIPOLOG
Gen. Luna St., Dipolog City
Tel. Nos. (065) 212-22-27
212-22-28

GENERAL SANTOS
Pioneer Ave., Gen. Santos City
Tel. No. (083) 553-45-21

GEN. SANTOS-P. ACHARON
29 Pedro Acharon Blvd.
Gen. Santos City
Tel. Nos. (083) 552-29-81
552-24-41

GEN SANTOS-SANTIAGO BLVD.
1. Santiago Blvd., Gen Santos City
Tel. No. (083) 552-45-81

ILIGAN-LANAO
0055 Gen. Aguinaldo St.
Iligan City
Tel. Nos. (063) 221-31-48
221-53-34

ILIGAN-ROXAS AVE.
Roxas Ave. corner Zamora St.
Iligan City
Tel. Nos. (063) 221-22-84
2221-22-85

JOLO
Gen. Arolas St., Jolo, Sulu

KIDAPAWAN
National Highway
Kidapawan, North Cotabato
Tel. Nos. (064) 238-13-2
238-51-17

MAKAR-GENERAL SANTOS
Veres Building, National Highway
Makar, Gen. Santos City
Tel. Nos. (083) 553-65-49
553-56-66

MIDSAYAP
Sto. Niño Street
Midsayap, Cotabato
Tel. Nos. (064) 229-87-04
229-87-05

MARBEL
Gen. Santos Drive, National Highway
Marbel, South Cotabato
Tel. Nos. (083) 228-33-68
228-33-69

OZAMIS
38-C Rizal Ave., Ozamis City
Tel. No. (088) 521-00-17
521-00-16

OZAMIS-BURGOS
602-604 Burgos St., Ozamis City
Tel. Nos. (088) 521-16-10
521-03-18

PAGADIAN
Rizal Ave. corner J.S. Alano St.
Pagadian City
Tel. No. (062) 214-16-31

PAGADIAN-ARIOOSA
Bonifacio St., Pagadian City
Tel. Nos. (062) 215-31-64
214-27-18

SURIGAO
Borromeo St., Surigao City
Tel. Nos. (086) 231-72-96
231-72-97

TACURONG
National Highway
Tacurong, Sultan Kudarat
Tel. Nos. (064) 200-33-25
200-33-26

TAGUM
Tagum Commercial Bldg., Pioneer
Ave., Tagum, Davao del Norte
Tel. Nos. (084) 217-38-56
217-38-57

VALENCIA-BUKIDNON
Apolinario Mabini St.
Valencia, Bukidnon
Tel. Nos. (088) 828-03-94
828-03-18

ZAMBOANGA
Governor Lim Ave.
Zamboanga City
Tel. Nos. (062) 991-64-32
991-14-37

ZAMBOANGA-BRILLANTES
P. Brillantes St., Zamboanga City
Tel. Nos. (062) 991-37-60
991-37-61

ZAMBOANGA-GALLERIA
Gov. Lim Ave. corner Almonte St.
Zamboanga City
Tel. Nos. (062) 991-15-47
991-15-48

**ZAMBOANGA-VETERANS
AVENUE**
Veterans Ave. corner Gov. Alvarez Ave.
Zamboanga City
Tel. Nos. (062) 991-37-63
991-37-64

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10 East 53rd St.,
New York, New York 10022 U.S.A.
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HONG KONG
15th Floor, United Centre Bldg.
95 Queensway Road
Central Hong Kong
Tel.No. (852) 2527-5019

TAIPEI
No. 107 Chung Hsiao East Road
Section 4, Taipei (10646), Taiwan
Tel.No. (022) 2776-63-55

BEIJING OFFICE
14th Floor, Room 10
Office Tower One
Henderson Center
18 Jian Guo Men Nei St.
Beijing, PRC
Tel.No. (10) 6518-3359

SHANGHAI
1203 Marine Tower
1 Pudong Avenue
Shanghai, 200120
PRC
Tel. No (8621) 6886-0899

KAOHSIUNG
146 Su-wei, Second Road
Lingya District
Kaohsiung, Taiwan
Tel.No. (7) 330-63-89

TAICHUNG
476 Chung Cheng Road
Taichung, Taiwan
Tel.No. (04) 2202-93-89

TAINAN
No. 246 Cheng Kung Road
North District, Tainan City
Tainan, Taiwan
Tel.No. (06) 220-12-89

GUAM
655 South Marine Drive
Tamuning, Guam 96911
Tel.No. (671) 649-95-55 to 57

FLUSHING OFFICE
3rd Floor, 41-60 Main St.
Flushing, New York 11355
U.S.A.
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TOKYO
1st Floor, Taiheyo Cement Bldg.
3-8-1 Nishi-kanda, Chiyoda-ku
Tokyo, Japan 101-0065
Tel. No. (03) 3237-1403

OSAKA
1st Floor, Kintetsu Honmachi Bldg.
4-2-5 Honmachi, Chuo-ku
Osaka, Japan 541-0029
Tel. No. (06) 6252-1333

SEOUL
Room 203, Int'l Insurance Bldg.
120-5 Ka Namdaemoon-Ro
Chung-Ku, Seoul 100-709, Korea
Tel.No. (822) 779-27-51

PUSAN
8th Floor, Samsung Fire Insurance
Bldg., 1203-22 Choryang 1 dong,
Dong-gu, Pusan, Korea
Tel. Nos., (8251) 462-1091
462-1093

LONDON OFFICE
26 Seymour St.
London, W1H 5WD
Tel.No. (44-171) 723-56-57

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INTERNATIONAL BANK OF CALIFORNIA

International Tower
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Los Angeles, California 90017
U.S.A.
Tel.No. (1) (213) 683-3000
ALBERT Y. LIU
President

Alhambra Branch

711 W. Valley Blvd.
Alhambra, California 91803 U.S.A.
Tel.No. (1) (818) 300-0880

Arcadia Branch

848 West Duarte Road
Arcadia, California 91007 U.S.A.
Tel.No. (1) (818) 821-9818

Artesia/Cerritos Branch

17100 Pioneer Blvd.
Artesia, California 90701 U.S.A.
Tel.No. (1) (562) 860-8118

Beverly Branch

2323 Beverly Blvd.
Los Angeles, California 90057
U.S.A.
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Rowland Heights, California 91748
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Tel.No. (1) (818) 854-9861

San Francisco Branch

538 Montgomery St.
San Francisco, California 94111
U.S.A.
Tel.No. (1) (415) 421-6888

ASIA MONEY LINK CORPORATION

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135-20 39th Ave., Unit HL 212
Flushing, New York 11359 U.S.A.
ALFRED V. MADRID
President/General Manager

FIRST METRO INT'L INVESTMENT COMPANY, LTD.

15th Floor, Unit D,
United Centre Bldg.
95 Queensway Rd., Central
Hong Kong
Tel.No. (852) 2527-5019
DENNIS G. SUICO
Managing Director

Worldwide House Branch

Shop 205-206, 2nd Floor
Worldwide House Bldg.
Des Voeux Rd., Central Hong Kong
Tel.No. (852) 2877-9121

Worldwide House Extension House

Shop 139, 1st Floor
Worldwide House Bldg.
Des Voeux Rd., Central Hong Kong
Tel.No. (852) 2810-6632

MB REMITTANCE CENTRE, LTD.

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Worldwide Plaza
Des Voeux Rd., Central Hong Kong
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2522-4593

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Shatin, New Territories, Hong Kong
Tel.No. (852) 2698-4809

Tsuen Wan Branch

Shop 121-122, 1st Floor
Lik Sang Plaza 269
Castle Peak Road, Tsuen Wan
New Territories, Hong Kong
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Tuen Mun Branch

Shop 1B1, Ground Floor
Richland Garden
138 Wu Chui Road, Tuen Mun
New Territories, Hong Kong
Tel.No. (852) 2613-2130;
2613-2180

Quarry Bay Branch

Shop A7, Ground Floor
Commercial Centre Park Vale
Greig Road corner 1060 King's Road
Quarry Bay, Hong Kong

Domestic

GLOBAL BUSINESS BANK

Globalbank Center
777 Paseo de Roxas
corner Sedeño St, Makati City
Tel.No. 894-8888
ROBIN A. KING
President

PHILIPPINE SAVINGS BANK

PSBank Tower
Sen. Gil J. Puyat Ave., Makati City
Tel.No. 843-20-38
ARTHUR V. TY
President

FIRST METRO INVESTMENT CORPORATION

2nd Floor, GT Tower International
Ayala Avenue corner
H.V. dela Costa St., Makati City
Tel. Nos. 840-57-51 to 56
FRANCIS SEBASTIAN
President

THE UNIBANCARD CORPORATION

16th & 17th Floors, PSBank Tower
Sen. Gil J. Puyat Ave., Makati City
Tel.Nos. 845-01-01 to 16
CYNTHIA VALENZUELA
Executive Vice President

ORIX METRO LEASING & FINANCE CORPORATION

19th Floor, Globalbank Center
777 Paseo de Roxas
corner Sedeño St., Makati City
Tel.Nos. 892-04-81 to 96
EDUARDO R. ALVAREZ
President

SMBC METRO INVESTMENT CORPORATION

20th Floor, Ruffino Tower
Ayala Ave. corner Herrera St.
Makati City
Tel.Nos. 811-08-45 to 50
YOSHIHITO YAMAMOTO
President

MULTI-GRADE SECURITIES CORPORATION

Unit 1515, 15th Floor, Tower One,
Ayala Triangle, Ayala Ave. cor.
Paseo de Roxas, Makati City
Tel.Nos. 759-41-33 to 34
ROBERT YU
President

PHILIPPINE AXA LIFE INSURANCE CORPORATION

Philippine AXA Life Center
Skyland Plaza
Sen. Gil J. Puyat Ave., Makati City
Tel.Nos. 810-15-73; 810-13-94
CHEE CHEONG
President

PHILIPPINE CHARTER INSURANCE CORPORATION

Skyland Plaza
Sen. Gil J. Puyat Ave., Makati City
Tel.Nos. 844-70-44 to 54
AUGUSTO Z. FAJARDO
President

TOYOTA MOTOR PHILIPPINES CORPORATION

Km. 15, South Superhighway
Parañaque 1700
Tel.Nos. 824-47-01 to 34
TAKESHI FUKUDA
President

TOYOTA CUBAO, INC.

926 Aurora Blvd., Cubao, Quezon City
Tel.Nos. 911-06-51 to 64
LEO J. FERRERIA
President/General Manager

TOYOTA MANILA BAY CORPORATION

Metropolitan Park
Roxas Blvd. corner EDSA Extension
Boulevard 2000, Pasay City
Tel. Nos. 832-34-08 to 10
LEO J. FERRERIA
President

THOMAS COOK (PHILS.) INC.

Ground Floor, Skyland Plaza
Sen. Gil J. Puyat Ave., Makati City
Tel.Nos. 816-37-01 to 10
LUCILLE M. CHABELDIN
Exec. Vice Pres./General Manager

SYSTEMATICS TECHNOLOGY SERVICES, INC.

11th and 14th Floors,
Globalbank Center
777 Paseo de Roxas
corner Sedeño St., Makati City
Tel.No. 811-48-55
JIM MOORE
General Manager

DEPOSIT SERVICES

Savings Account
Universal Savings Account (UNISA)
Demand Deposit Account
MetroChecking Extra
Time Deposit
Time Deposit-Extra

ELECTRONIC BANKING FACILITIES

Metrobank E.T. (ATM)
E.T. Payroll Account
Metrophone Banking
Metrobank Direct
Metrobank Mobile Banking

PAYMENT COLLECTION SERVICES

One-way Deposit Arrangement
Deposit Collection Arrangement
SSS Premiums
Tax Payments>Returns
PhilHealth Premiums
U.S. Direct Deposit Pension Payment

CUSTODIAL SERVICES

Safety Deposit Boxes
Deposit Pick-up
Quick Check Deposit

MISCELLANEOUS OVER-THE-COUNTER SERVICES

Gift Checks
Cashier's Checks

FOREIGN CURRENCY DEPOSIT SERVICES

Savings Account
Checking Account
Time Deposit

FUND TRANSFER AND RELATED SERVICES

Foreign and Domestic Telegraphic Transfer
Foreign and Domestic Demand Draft
Travelers Checks
Purchase and Sale of Foreign Currency Notes

TREASURY SERVICES

Purchase and Sale of Government Securities
Foreign Exchange Trading
Forward Exchange
Currency Swap

CREDIT AND LENDING SERVICES

Business Loans
Real Estate Maximizer
MetroCar Maximizer
MetroHome Financing
Metrobank Credit Cards

SPECIALIZED LENDING FACILITIES

Industrial Guarantee and Loan Fund (IGLF)
Overseas Economic Cooperation Fund - Industrial Support Services Economic Program (OECF-ISSEP)
Countryside Loan Fund
SSS-GSIS Special Financing Program
SSS Financing Program for Tourism Projects
SSS Dormitory/Apartment Program
SSS Hospital Financing Program
SSS Program for Educational Institutions

MERCHANT BANKING SERVICES

Syndicated Term Loan
Structured Finance
Financial Advisory
LTCP/Bond Issuance and Underwriting
Equity Issuance

IMPORT TRADE SERVICES

Letters of Credit (LC)
Import Financing
Remittance of Non-LC Trade Services
Shipping Guarantee/Shipside Bond
Trust Receipt
Collection of Import Advance and Final Duties

EXPORT TRADE SERVICES

Red Clause Advances
Green Clause Advances
Export Bills Purchased
Letter of Credit Advising
Letter of Credit Confirmation
Transferable Letter of Credit
Discounting Usance Letter of Credit
Export Bills for Collection
Export Packing Credit
Dollar, Yen and Peso Rediscounting

TRUST SERVICES

MetroFund
MetroFund Extra
MetroDollar Trust Fund
MetroCapital Fund
MetroValue Fund
Metro Investment Portfolio
Employee Benefit Trusts
Pre-need Funds
Corporate Funds
Personal Funds
Estate Planning
Collateral/Mortgage Trust
Loan/Credit Agency
Escrow
Custodianship
Special Purpose Trust (for asset-backed Securities)
Receiving Agency
Transfer Agency
Court Trusts

STOCK TRANSFER AGENT

Philippine Savings Bank
Trust and Investment Division
Eighth Floor, Metrobank Plaza
Sen. Gil J. Puyat Ave. Makati City
Tel. No. (632) 898-89-65



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