



# CIRCULAR FOR BROKERS No. 1842-2002

Philippine Stock Exchange, Inc.

<input checked="" type="checkbox"/>	Disclosures	<input type="checkbox"/>	Stockholders' Meeting	Others:	<input type="text"/>
<input type="checkbox"/>	Dividend Notice	<input type="checkbox"/>	SEC / Gov't. Issuance		<input type="text"/>
<input type="checkbox"/>	Stock Rights Notice	<input type="checkbox"/>	Transfer Agent's Notice		<input type="text"/>

Posted July 17, 2002

Date : **July 17, 2002**  
 Subject : **EQUITABLE PCI BANK, INC.**

This is with reference to the news article entitled "New setback for Benpres" published in the July 16, 2002 issue of The Manila Times. The article reported that "THE Bangko Sentral ng Pilipinas has asked Benpres Holdings Corp.'s creditor banks to provide additional loan loss buffers for their exposures in the financially troubled conglomerate to protect the banking system from further loan quality deterioration. x x x Benpres recently defaulted on interest payments to some \$189 million in loans owned to a combination of local and foreign banks, citing cash flow difficulties at some of its poorly performing subsidiaries. x x x Other banks that reportedly have large loan exposures to Benpres and its units include Equitable PCI Bank, the Rizal Commercial Banking Corp. x x x Security Banking Corp. x x x"

Equitable PCI Bank, Inc. ("EBC" or the "Bank"), in its letter dated July 16, 2002, explained that:


"x x x

Being one of the leading conglomerates in the country, Equitable PCI Bank has had long standing relationship with the Lopez Group of Companies. As one of its banks, Equitable PCI Bank provides the conglomerate a wide array of banking services, including grant of credit and loan accommodations. We wish to emphasize though that the significant majority of the Bank's loan exposure to the Benpres Company is secured by hard assets.

The Bank has not received any directive from BSP requiring additional loan loss buffers for its exposure to Benpres. x x x "

For your information.

  
**JOSE G. CERVANTES**  
 Senior Vice President

					
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