



CIRCULAR FOR BROKERS

The Philippine Stock Exchange, Inc.

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

Date : **April 24, 2006**
 Company : **EXPORT AND INDUSTRY BANK, INC.**

This is in reference to the news article entitled "Exportbank capital hike okayed" published in the April 24, 2006 issue of the BusinessWorld. The article reported in part that:

"Export and Industry Bank, Inc. (Exportbank) has obtained the nod of the Securities and Exchange Commission (SEC) to increase its capital stock following the infusion of fresh funds from existing shareholders. In an en banc meeting last week, the commission approved the bank's application to increase its authorized capital stock to ₱7.5 billion from almost ₱2.2 billion. The additional funds will be paid in cash and advances. x x x Meanwhile, the commission also approved the reclassification of ExportBank's shares to boost its capital. With the reclassification, the bank will now have common B shares worth more than ₱5.31 billion. ExportBank has common A shares worth more than ₱688.31 million. Both shares carry a par value of ₱0.25 per share."

In relation thereto, the Bank, in its letter dated April 24, 2006, informed the Exchange that:

"x x x the Securities and Exchange Commission initially approved the amendment to the Bank's Articles decreasing its authorized capital stock from ₱7,500,000,000.00 divided into 6,000,000,000 common shares and 1,500,000,000 preferred shares both with a par value of ₱1.00 per share, to ₱2,188,312,189.00 divided into 2,753,248,756 common shares with a par value of ₱0.25 per share, and 1,500,000,000 preferred shares with a par value of ₱1.00 per share. A copy of the Certificate of Decrease of Capital Stock dated 10 April 2006 is attached for your reference.

Last week, the Commission approved the amendments to the Bank's Articles on the reclassification of the Bank's common shares into Common 'A' and Common 'B', and the increase of its authorized capital stock of ₱7,500,000,000.00 divided into ₱6,000,000,000.00 of common shares consisting of 24,000,000,000 common shares with a par value of ₱0.25 per share, and ₱1,500,000,000.00 of preferred shares with a par value of ₱1.00 per share. We have not received to date a copy of the Certificate of Increase of Capital Stock but we shall furnish the Exchange a copy as soon as we have obtained the same. x x x"

Please note that the above amendments to the Bank's Articles of Incorporation have been previously approved by its Board of Directors on December 29, 2005 and by the stockholders on January 25, 2006, as previously disclosed in Circular for Brokers Nos. 0003-2006 dated January 2, 2006 and 0421-2006 January 26, 2006, respectively.

Finance / Admin / Membership Tel. No. 688-7560/7440/7460	Compliance & Surveillance Grp. Tel. No. 688-7559	Listing & Disclosures Grp. Tel. No. 688-7501/7510	COO / Automated Trading Grp. Tel. No. 688-7405/819-4400	Business Dev't & Info. Group Tel. No. 688-7590	CEO / Legal Tel. No. 688-7400/819-4408



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As previously announced in Circular for Brokers No. 0857-2006 dated February 21, 2006, the reduction in the par value of EIB shares will not involve an adjustment in the number of outstanding shares of the Bank, as follows:

	Current	After Capital Structuring (Decrease)	Increase in Authorized Capital	After Capital Structuring
Authorized Capital Stock	₱7,500,000,000.00	₱2,188,312,189.00	₱5,311,687,811.00	₱7,500,000,000.00
Common	6,000,000,000.00	688,312,189.00	5,311,687,811.00	6,000,000,000.00
Class "A"	-0-	-0-	-0-	688,312,189.00
Class "B"	-0-	-0-	5,311,687,811.00	5,311,687,811.00
Preferred	1,500,000,000.00	1,500,000,000.00		1,500,000,000
Issued & Outstanding Shares				
Common	2,753,248,756	2,753,248,756		
Class "A"	-0-			2,753,248,756
Class "B"	-0-			16,846,481,404
Preferred	1,046,140,351	1,046,140,351		
Listed Shares				
Common	2,753,248,756	2,753,248,756		
Class "A"	-0-	-0-		2,753,248,756
Class "B"	-0-	-0-		*
Preferred	-0-	-0-		
Par Value				
Common	₱1.00	₱0.25		
Class "A"			₱0.25	₱0.25
Class "B"			₱0.25	₱0.25
Preferred	₱1.00	₱1.00	₱1.00	₱1.00

In view thereof, please be informed that the change in the par value of EIB shares from ₱1.00 per share to ₱0.25 per share will be reflected in the Exchange's computer system effective Thursday, April 27, 2006.

For your information and guidance.

(Original Signed)
JANET A. ENCARNACION
OIC, Disclosure Department

Noted by:

(Original Signed)
JURISITA M. QUINTOS
Senior Vice President

Finance / Admin / Membership	Compliance & Surveillance Grp.	Listing & Disclosures Grp.	COO / Automated Trading Grp.	Business Dev't & Info. Group	CEO / Legal
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REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

Company Reg. No. 93830

CERTIFICATE OF DECREASE OF CAPITAL STOCK

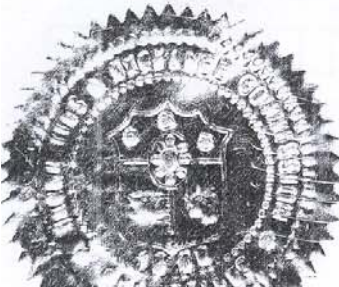
KNOW ALL PERSONS BY THESE PRESENTS:


This is to certify that the certificate of decrease of capital stock of the

EXPORT AND INDUSTRY BANK, INC.

copy annexed, from P7,500,000,000.00 divided into 6,000,000,000 common; 1,500,000,000 preferred shares both with the par value of P1.00 each to P2,188,312,189.00 divided into 2,753,248,756 common shares with the par value of P0.25 each; 1,500,000,000 preferred shares with the par value of P1.00 each, approved by majority of the Board of Directors on December 29, 2005 and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock at a meeting held on January 25, 2006 certified to by the Chairman and the Secretary of the stockholders' meeting and a majority of the Board of Directors of the corporation, was approved by the Commission on the date indicated hereunder in accordance with the provision of Section 38 of the Corporation Code of the Philippines (Batas Pambansa Blg. 68), approved on May 1, 1980, Section 14 of R.A No. 8791 and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 10th day of April, Two Thousand Six.




BENITO A. CATARAN
Director
Company Registration and Monitoring Department

