



Deutsche Bank Group in the Philippines

www.db.com/philippines

January 2009

Deutsche Bank first established a presence in the Philippines in 1975 when the European Asian Bank, of which it was a shareholder, opened a representative office. In 1995, the Bank obtained its full commercial banking license when the entry of foreign banks was liberalised.

Over the years, Deutsche Bank has grown and acquired significant capital market and investment banking expertise, and invested in technology to become one of the leading transaction banks in the Philippines. It has also invested significantly in the Philippines through the establishment of a fully owned subsidiary – Deutsche Knowledge Services (DKS) – which acts as a finance hub for the Bank. Reflecting this continued investment in the Philippines, in March 2008 DKS moved its offices to the new Net Cube centre in Taguig City as the largest tenant.

In Manila, Deutsche Bank group now employs over 1,500 people and has established a leading presence across every business area in which it competes. The Bank offers local markets advice and execution across debt and equity financing; interest

rate, credit, equity, foreign exchange and derivative trading; advice on mergers and acquisitions, as well as transaction banking products and services for cash management, domestic custody and trade finance.

In offshore debt markets, the Bank is a leading arranger of Philippine debt and has participated in multiple sovereign transactions for the Republic of Philippines (ROP). This work saw Deutsche Bank awarded Best Debt House in the Philippines in the 2006 & 2007 Euromoney Awards for Excellence; and ranked second for Philippine Peso Bonds (Government Bonds Market) in the 2008 Asset Asian Currency Bond Benchmark Survey. The USD1.5bn ROP bond in January 2009 was Deutsche Bank's most recent ROP mandate and the first G3 debt transaction out of Asia in 2009.

Deutsche Bank is also working closely with the government to further develop the local bond market and, in late 2007, was named by the Bureau of Treasury as one of the top four Eligible Government Securities Dealers for the primary market.

A Passion to Perform.



Deutsche Bank's equities business, Deutsche Regis - a joint venture formed with leading local equities professionals - has also enjoyed significant success. Founded in 1999, Deutsche Regis has been the country's number one equity broker for the past five years, capturing 15.73% of all equity trading volumes in 2008 with PHP240bn worth of business according to the Philippine Stock Exchange (PSE). Deutsche Regis had also received numerous accolades, including Best Broker in the Philippines by Finance Asia, and top broker awards from Asiamoney, Euromoney and the Fund Managers Association of the Philippines. The Bank has also executed significant public equity capital market transactions involving companies such as Ayala Corporation, Bank of the Philippine Islands and GMA Network over the last few years.

Recent debt and equity market deals include:

- January 2009 – USD1.5bn 8.375% Global Bonds due June 2019 for Republic of the Philippines
- December 2008 - PHP3.0 Bio 8.625% Unsecured Subordinated Notes due 2018, callable with step-up in 2013 for Security Bank
- September 2008 - PHP6.5 billion 7.75% Unsecured Subordinated Notes due 2018 for Development Bank of the Philippines

- July 2008 - PHP5.0bn 8.25% Long-Term Negotiable Certificates of Time Deposits Due 2013 for China Banking Corporation
- June 2008 - PHP6.0bn 8.5% Lower Tier 2 Sub Notes due 2018 Callable with Step Up in 2013 for Philippine National Bank
- February 2008 – USD500mn bond for Republic of the Philippines
- February 2008 - PHP8.0 Billion Republic of the Philippines Guaranteed Notes for National Food Authority

Deutsche Bank is also among the top three foreign banks managing fiduciary assets in the country, and is the only foreign bank appointed by the PSE as cash settlement bank for listed equities. Deutsche Bank was named Top Rated Domestic Custodian Bank in the 2008 Annual Survey of Agent Banks in Emerging Markets by the Global Custodian Magazine.

In cash management and trade services, Deutsche Bank partners with many of the leading organizations in the Philippines – tailoring international technology to the local market place. Deutsche Bank was named Best Foreign Cash Management Bank for Small and Large Corporations in the Philippines by Asiamoney, and voted Best Trade Bank in the Philippines by Trade Finance Magazine in 2006.

Deutsche Bank is also active in a number of niche areas. In particular, the Bank has been an active participant in the resolution of non-performing assets of the Philippine banking sector.

In terms of corporate social responsibility, Deutsche Bank is active in local philanthropic activities through the Deutsche Bank Asia Foundation. Charitable projects are focused on alleviating the impact of urban poverty and promoting education to underprivileged children. Over the past five years the Bank has financed the construction of five multi-classroom buildings within and outside of metropolitan Manila.

In January 2009, DKS Manila initiated its support for the Cancer Treatment and Support Foundation, Inc. "You Can Hug Me" campaign, to draw compassion and understanding on the emotional needs of children undergoing cancer treatment. In 2008, DKS Manila partnered with ABS-CBN Foundation's Bantay-Kalikasan (Environmental Watch) on an initiative to plant more than 14,000 trees within 56 hectares of land in the La Mesa Dam Watershed Reservoir.

The community programme forms a vital part of Deutsche Bank's overall commitment to the Philippines as the Bank continues to replicate its global franchise - helping to support and further develop the local financial system and economy.