

**MINUTES OF THE
ANNUAL MEETING OF STOCKHOLDERS**

BDO LEASING AND FINANCE, INC.

**HELD ON FRIDAY, APRIL 7, 2017, AT 10:00 A.M.
AT THE FRANCISCO SANTIAGO HALL, MEZZANINE FLOOR, SOUTH TOWER
BDO CORPORATE CENTER, 7899 MAKATI AVENUE, MAKATI CITY**

NUMBER OF SHARES HELD BY SHAREHOLDERS:

Number of Total Outstanding Shares	-	2,162,475,312
Present In Person or Represented By Proxy, and Participant Brokers	-	1,844,156,069
Percentage of the Total Shares Represented By Proxies & In-Person	-	85.28%
Absent	-	318,319,243

DIRECTORS PRESENT:

Ms. Teresita T. Sy	Chairperson
Mr. Roberto E. Lapid	Vice Chairman & President
Atty. Jesse H. T. Andres	Independent Director
Mr. Antonio N. Cotoco	Director
Ms. Ma. Leonora V. De Jesus	Independent Director
Mr. Jeci A. Lapus	Non-Executive Director
Mr. Luis S. Reyes, Jr.	Director & Treasurer
Mr. Nestor V. Tan	Director
Mr. Exequiel P. Villacorta, Jr.	Non-Executive Director

ALSO PRESENT:

Mr. Vicente S. Pérez, Jr.	Independent Adviser to the Board, BDO
Atty. Edmundo L. Tan	Adviser to the Board
Atty. Joseph Jason M. Natividad	Corporate Secretary
Atty. Ma. Cecilia S. Santos	Assistant Corporate Secretary
Mr. Agerico Melecio S. Verzola	First Vice President/Marketing Head
Mr. Peter Blair S. Agustin	Vice President/Chief Risk & Compliance Officer
Ms. Rosalisa B. Kapuno	Vice President/Comptrollership
Mr. Romualdo V. Murcia III	Engagement Partner, P&A Grant Thornton
Mr. Renato P. David, Jr.	Engagement Manager, P&A Grant Thornton

ABSENT DIRECTOR:

Mr. Jesus G. Tirona	Independent Director (on medical leave)
Mr. Walter C. Wassmer	Director (with prior commitment abroad)

I. Call to Order

Ms. Teresita T. Sy, Chairperson, called the Annual Stockholders' meeting to order at 10:00 in the morning. On behalf of BDO Leasing and Finance, Inc. (the "Corporation") and Management, she expressed her gratitude to the stockholders for their continued support to

the Corporation. The Chairperson then requested Mr. Nestor V. Tan to act as Chairman of the Meeting and to preside over the same.

Atty. Joseph Jason M. Natividad, Corporate Secretary, recorded the minutes of the meeting.

II. Certification of Notice and Quorum

The Chairman of the meeting verified with the Corporate Secretary whether notices of the annual meeting of the stockholders had been sent to the Corporation's stockholders. Atty. Joseph Jason M. Natividad, Corporate Secretary, replied that notices of the meeting, together with the agenda and the Definitive Information Statement were sent by mail or courier beginning March 17, 2017 to the stockholders of record as of February 22, 2017, in accordance with Article II, Section 2 of the By-Laws in relation to Paragraphs 3 and 11 of SRC Rule 20 of the Amended Implementing Rules and Regulations of the Securities Regulation Code.

The Corporate Secretary certified that based on the record of attendance, present for the meeting were stockholders, in person or by proxy, and participant brokers, holding a total of 1,844,156,069 shares, equivalent to 85.28% of the total 2,162,475,312 outstanding shares of the Corporation, and that one common share carries one vote. The Corporate Secretary therefore certified that there was a quorum present and that the meeting was regularly and lawfully convened for the transaction of business. He recorded the minutes of the proceedings

The Corporate Secretary likewise manifested that Punongbayan & Araullo, Grant Thornton (P&A), represented by Mr. Romualdo V. Murcia III, Partner, had been appointed to count and validate the votes cast at the meeting, in accordance with the voting procedures disclosed in the Definitive Information Statement provided to the stockholders as of record date.

III. Approval of the Minutes of the Annual Stockholders' Meeting held on April 15, 2016

The Chairman of the meeting stated that the next item in the agenda was the reading and approval of the minutes of the annual meeting of shareholders held on April 15, 2016. He manifested that copies of the Minutes were included in the Definitive Information Statement (DIS) distributed to all stockholders of record, and have been made available for examination during office hours at the Office of the Corporate Secretary and at the Corporation's website [www.bdo.com.ph/subsidiaries/leasing/company disclosures](http://www.bdo.com.ph/subsidiaries/leasing/company%20disclosures).

Upon motion duly made and seconded, the minutes of the annual stockholders' meeting held on April 15, 2016 had been approved and the following resolution had been passed and adopted:

Stockholders' Resolution No. 2017-01

RESOLVED, That the Stockholders of BDO Leasing and Finance, Inc. approve, as they hereby approve, the Minutes of the Annual Stockholders' Meeting held on April 15, 2016.

The Chairman of the meeting then instructed the Corporate Secretary to have the minutes of the meeting reflect the tabulation of all votes cast, including proxies that have cast their votes in favor of the approval of the minutes of the last annual stockholders' meeting, and to note the stockholders that have chosen to abstain on voting for, or have chosen to vote against, the approval of the said minutes.

Based on P&A's tabulation, the following were the results of the voting by poll, showing the number of votes cast and received on the approval of the Minutes of the annual stockholders' meeting held on April 15, 2016:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,844,156,069	1,844,156,069 (100%)	0	0

Accordingly, shareholders owning 1,844,156,069 voting shares or 100% of the total number of voting shares represented at the meeting, approved the Minutes of the annual shareholders' meeting held on April 15, 2016, no shareholder voted against or abstained in the approval.

IV. President's Report and Approval of the Audited Financial Statements of the Corporation as of December 31, 2016

The Chairman of the meeting then gave the floor to the Vice Chairman & President, Mr. Roberto E. Lapid, to present his report on BDO Leasing's results of operations for 2016, and the programs and prospects for 2017.

Mr. Roberto E. Lapid, Vice Chairman & President, rendered his report to the Stockholders.

In 2016, the Corporation's total assets grew by 13% to P38.9 billion. This was led by the 14% growth in net lease and loan portfolio, which had exceeded the P30 Billion mark by registering at P31.4 Billion by end 2016. The portfolio growth was the result of continuing marketing efforts on acquiring corporate accounts and increased business in growth areas outside Metro Manila.

Over the past five (5) years, the net portfolio of BDOLF nearly doubled from P17.2 Billion in 2012, to P31.4 Billion by the end of 2016, with a compounded annual growth rate of 16%.

Mr. Lapid also presented the other Key Financial and Operating Highlights of BDOLF for the year 2016, as follows:

- Total Revenues of P2.85 Billion represented an increase of 10% Year-on-Year. This was driven mainly by a 12% growth in interest income from the lease/loan portfolio. Rental income expanded by 10% to P890.2 Million by the end of 2016.
- Net income of P570.0 Million.

Other significant accomplishments in 2016 were as follows:

- On September 2016, formal launching of MMPC Auto Financial Services Corporation (MAFS) together with Japanese corporate partners Mitsubishi Motors Philippines Corp., Sojitz Corp., and JACCS Co., Ltd. MAFS exclusively caters to the financing requirements of all Mitsubishi dealer clients;
- The Securities and Exchange Commission renewed the Corporation's Short Term Commercial Paper (STCP) license amounting to an aggregate amount of P25 Billion. BDO Leasing obtained a high issuer credit rating of "PRS Aa" from the Philippine Ratings Services Corp., confirming BDOLF's financial strength and stability to meet existing and future financial obligations;
- Improved rating in the ASEAN Corporate Governance Scorecard to 93% from 84% in 2015. The score positions BDOLF as the top publicly listed company with capitalization below P50 billion; and
- Moved to new office at BDO Corporate Center Ortigas in October 2016.

Programs and Prospects for 2017

Mr. Lapid next presented to the shareholders the following goals of BDOLF for 2017:

- Target growth of 20% in ADB lease/loan portfolio. This projection will be driven largely by the continued increase in business from the existing and new corporate accounts of BDO Unibank, our Parent Company. With a GDP growth expectations of 6.5% to 7.0%, BDOLF looks forward to an improved business climate and stronger demand for financing activities from the transport, construction, manufacturing, and local tourism sectors. BDOLF will continue to embark on an awareness campaign to promote the value proposition of leasing as an alternative means of medium-term financing of equipment, and explore additional vendor tie-ups; and
- Cash dividend payout of P0.20 per share totaling P432 Million was paid out on March 29, 2017

The report is hereto attached as Annex "A" and made an integral part hereof.

V. Open Forum

After the Vice Chairman & President's presentation, the Chairman of the meeting opened the floor to give the stockholders the opportunity to ask questions or give comments regarding Mr. Lapid's Report, the Financial Statements of BDOLF, or related matters.

Mr. Randy P. Borbe, proxy holder, inquired if Management has any plan to expand the Corporation's branch network. Mr. Lapid replied that BDO Leasing has plans to expand its market reach not by increasing the Corporation's branches but by increasing its marketing complement both in Metro Manila and in the provincial branches. The Corporation would take advantage of the double-digit growth of its provincial portfolio for the past 3 years.

Mr. Borbe further asked Mr. Lapid which industry has been foreseen to contribute to the Corporation's growth in 2017. Mr. Lapid answered that the industries expected to contribute to the Corporation's portfolio growth in 2017 would still be construction, transportation & logistics and service-related industries. In addition, President Rodrigo Duterte's administration had already approved for bidding over 70 Public Private Partnership projects (PPP). These major projects would need heavy capital expenditure such as additional construction and heavy equipment, trucks and the like which could be potential market for BDOLF.

Another proxy holder, Ms. Merlyn C. Mangoba, sought clarification if the joint venture of BDDOLF with Mitsubishi Motors would compete directly with the business of BDOLF. Mr. Lapid explained that BDOLF had partnered with the Mitsubishi Group taking into consideration its industry market share. The Mitsubishi brand is the second largest vehicle assembler/distributor in the Philippines. MMPC Auto Financial Services Corporation (MAFS) would like to benefit from the fast-growing vehicle sales the last three (3) years so that this JV company could service the financing requirements of all Mitsubishi dealer clients. To date, Mitsubishi Motors has at least 50 dealers nationwide.

Ms. Rethel Anne L. Uy, proxy holder, inquired on how the Corporation would address the competition in the industry without a foreign partner. Mr. Lapid explained that BDOLF is the only Filipino leasing and financing company among the Top 5 in the industry. BDOLF is affiliated with the largest bank in the country, BDO Unibank, and that there is so much business volume that the Corporation could generate from this relationship. BDO has over 1,000 branches strategically located in Luzon, Visayas and Mindanao, as well as, thousands of credit-worthy clients.

On the changes in accounting standards affecting leases, Ms. Anne Marie Therese C. Zapata, proxy holder, inquired if the Corporation would be prepared for the effects of said accounting standard. Mr. Lapid replied that Ms. Zapata could be referring to IFRS 16 which

would take effect in January 2019. The direct impact of the new accounting standard would be on the lessees/clients and not the lessors like BDO Leasing. Lessees would have to reflect all types of leases in their balance sheet upon implementation of IFRS 16. The recording of leases for leasing companies would remain the same. So, it would be "business as usual" for BDO Leasing.

Relative to the joint venture with Mitsubishi Motors Phils. Corp., Sojitz Corporation and JACCS Co. Ltd., Mr. Wellington Chua, a stockholder, inquired if BDOLF has plans to make it a public company. Mr. Lapid replied that this could be an option if opportunity would be presented but not in the immediate future. Furthermore, Mr. Chua inquired if the minimum public float would affect the Corporation given the monitoring of the public float by the Securities and Exchange Commission (SEC). Mr. Nestor V. Tan replied in the negative and assured the shareholders that the Corporation would continue monitoring its public float to ensure compliance with applicable regulations.

After the discussions were concluded, there being no other questions from the floor, Ms. Julienel E. Teodoro, proxy holder, moved for the notation and approval of the Report on the results of the operations of the Corporation for the year ended December 31, 2016, and the audited financial statements for the same period.

Mr. Russel Vernon S. Yu, proxy holder, seconded the motion. There being no objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2017-02

RESOLVED, That the Stockholders do hereby note and approve the Report on the Results of the Operations of BDO Leasing and Finance, Inc. (BDOLF) for the year ended December 31, 2016, and the Audited Financial Statements as of December 31, 2016.

The Chairman of the meeting directed the Corporate Secretary to have the minutes reflect the tabulation of all votes cast, including proxies that have cast their vote in favor of the approval of the Report on the Results of Operations of BDOLF for the fiscal year ended December 31, 2016, and the Audited Financial Statements for the same period, to note the stockholders that have chosen to abstain on voting for, or have voted against, the approval of the aforesaid Reports and the Audited Financial Statements.

Based on P&A's tabulation, the following were the results of the voting by poll, showing the number of votes cast and received on the approval of the Report on the Results of Operations of BDOLF for the fiscal year ended December 31, 2016, and the Audited Financial Statements for the same period:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,844,156,069	1,844,156,069 (100%)	0	0

Accordingly, shareholders owning 1,844,156,069 voting shares or 100% of the total number of voting shares represented at the meeting noted and approved the President's Reports and the Audited Financial Statements of the Corporation for the fiscal year ending December 31, 2016, no shareholder voted against or abstained in the approval.

VI. Approval and Ratification of All Acts and Proceedings of the Board of Directors, the Board Committees and Management during their Respective Terms of Office

The next item in the agenda was the approval and ratification of all acts and proceedings of the Board of Directors, the Board Committees and Management, including significant related party transactions, for the year 2016 until the date of the 2017 Annual Stockholders' Meeting.

Mr. Rethel Anne L. Uy, proxy holder, moved that all the acts, including approvals of significant related parties' transactions, proceedings of the Board of Directors, the acts of the duly constituted committees, the acts of the Management and the acts of the officers of the Corporation, up to the date of the 2017 Annual Stockholders' Meeting be, in all respects, confirmed, ratified and approved.

Thereafter, Ms. Anne Marie Therese C. Zapata, proxy holder, seconded the motion. There being no further questions or objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2017-03

RESOLVED, That all the acts, including approvals of significant related parties' transactions, and proceedings of the Board of Directors, the acts of the duly constituted committees, the acts of the Management and the officers of BDO Leasing and Finance, Inc. (the "Corporation") in carrying out and promoting the purposes, objects, and interests of the Corporation, up to the date of the Annual Stockholders' Meeting (April 7, 2017), are confirmed, ratified and approved and hereby made the acts and deeds of the Corporation.

The Chairman of the meeting directed the Corporate Secretary to have the minutes reflect the tabulation of all votes cast, including proxies that have cast their votes in favor of the ratification and confirmation of all the acts and proceedings of the Board of Directors, its duly constituted committees, the acts of Management and officers of BDOLF, including approvals of significant related parties' transactions, up to the date of this Annual Stockholders' Meeting, and to note the proxies that have chosen to abstain on voting for, or have voted against, the ratification and confirmation of all the acts and proceedings of the Board of Directors, its duly constituted committees, the acts of Management and officers of BDOLF, including approvals of significant related party transactions, up to the date of the Annual Stockholders' Meeting (April 7, 2017).

Based on P&A's tabulation, the following were the results of the voting by poll, showing the number of votes cast and received on the ratification and confirmation of all the acts, including approvals of significant related parties' transactions, and proceedings of the Board of Directors, its duly constituted committees, the acts of Management and officers of BDOLF up to the date of the Annual Stockholders' Meeting:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,844,156,069	1,844,156,069 (100%)	0	0

Accordingly, shareholders owning 1,844,156,069 voting shares or 100% of the total number of voting shares represented at the meeting approved and ratified all the acts of the Board of Directors, its duly constituted committees, and Management, including approvals of significant related party transactions, during their respective terms of office, no shareholder voted against or abstained in the approval.

VII. Election of the Board of Directors

The Chairman of the meeting then announced that the next item on the agenda was the election of the regular and independent members of the Board of Directors for the ensuing year and until the next succeeding annual stockholders meeting of the Corporation. The Chairman of the meeting also informed all the stockholders in attendance of the mandatory requirement of electing independent directors.

Atty. Jesse H. T. Andres, Independent Director and Chairman of the Nominations Committee (the "Committee") of the Corporation, informed the stockholders that the

following nominations have been received and passed upon by the Committee during the prescribed nomination period, and that the Committee found the following nominees to possess all the qualifications and none of the disqualifications for election as regular and independent directors, respectively, of BDOLF:

Nominees for Regular Directors

1. Antonio N. Cotoco
2. Roberto E. Lapid
3. Jeci A. Lapus
4. Luis S. Reyes, Jr.
5. Teresita T. Sy
6. Nestor V. Tan
7. Exequiel P. Villacorta, Jr.
8. Walter C. Wassmer

Nominees for Independent Directors:

9. Jesse H. T. Andres
10. Ma. Leonora V. De Jesus
11. Vicente S. Pérez, Jr.

BDO Unibank, Inc. nominated the regular directors, while Ms. Mannelte D. Vicente, a stockholder of the Corporation, nominated the three (3) Independent Directors.

Ms. Julienel E. Teodoro,, proxy holder, manifested that since the nomination period had expired and closed, and there were eleven (11) nominees for the eleven (11) seats in the corporation's Board of Directors, he moved that the Corporate Secretary be directed to cast all unqualified votes in favor of the foregoing individuals respectively nominated as regular and independent directors.

Mr. Russel Vernon S. Yu, proxy holder, seconded the motion. Thereafter, there being no further question or objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2017-04

RESOLVED, That the following be, as they are hereby elected directors of BDO Leasing and Finance, Inc. for a period of one (1) year, and to act as such until their successors are duly elected and qualified:

Regular Directors:

1. Antonio N. Cotoco
2. Roberto E. Lapid
3. Jeci A. Lapus
4. Luis S. Reyes, Jr.
5. Teresita T. Sy
6. Nestor V. Tan
7. Exequiel P. Villacorta, Jr.
8. Walter C. Wassmer

Independent Directors:

9. Jesse H. T. Andres
10. Ma. Leonora V. De Jesus
11. Vicente S. Pérez, Jr.

The Chairman of the meeting congratulated all the elected Directors and directed the Corporate Secretary that the minutes reflect a tabulation of all votes cast, including the votes of the stockholders who have chosen to vote for, or abstain on voting for, or have chosen to vote against, the above-named nominees as regular and independent directors, respectively, of the Corporation.

Based on the tally made by P&A, the following were the results of the voting by poll, showing the number of the votes cast and received by the nominees:

Nominees	Total Outstanding Shares	Votes in favor	Voted against	Abstentions
Teresita T. Sy	2,162,475,312	1,844,156,069	0	0
Roberto E. Lapid	2,162,475,312	1,844,156,069	0	0
Jesse H. T. Andres	2,162,475,312	1,844,156,069	0	0
Antonio N. Cotoco	2,162,475,312	1,844,156,069	0	0
Ma. Leonora V. De Jesus	2,162,475,312	1,844,156,069	0	0
Jeci A. Lapus	2,162,475,312	1,844,156,069	0	0
Vicente S. Pérez, Jr.	2,162,475,312	1,844,156,069	0	0
Luis S. Reyes, Jr.	2,162,475,312	1,844,156,069	0	0
Nestor V. Tan	2,162,475,312	1,844,156,069	0	0
Exequiel P. Villacorta, Jr.	2,162,475,312	1,844,156,069	0	0
Walter C. Wassmer	2,162,475,312	1,844,156,069	0	0

VIII. Appointment of External Auditor

The next item in the agenda was the appointment of the external auditor of BDOLF for the year 2017.

The Chairman of the meeting informed the stockholders that the Board Audit Committee of BDOLF, had recommended the re-appointment of the Accountancy and Auditing Firm of Punongbayan & Araullo, Grant Thornton (P&A) as external auditor of BDOLF for the year 2017.

Ms. Zarah Katrina A. Lacaya, proxy holder, moved that the Accountancy and Auditing Firm of Punongbayan and Araullo, Grant Thornton (P&A) be appointed as the external auditor of BDOLF for 2017, and that the Board of Directors be authorized to determine the terms of said external auditor's professional engagement.

Ms. Melanie Ann C. Cuevas, proxy holder, seconded the motion. There being no objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2017-05

RESOLVED, That the Accountancy and Auditing Firm of Punongbayan & Araullo, Grant Thornton (P&A), be, as it is hereby appointed as the external auditor of BDOLF for 2017;

RESOLVED FURTHER, That the Board of Directors of BDOLF or such person or persons duly authorized by the Board, be, as it/he is hereby authorized to determine the terms of engagement of the external auditor, to sign, execute and deliver the agreement and other documents pertaining to such engagement, and generally, to perform all acts necessary or appropriate to carry out the foregoing resolution and the intent hereof.

The Chairman of the meeting then directed the Corporate Secretary to have the minutes reflect the tabulation of votes cast, including proxies that have cast their votes in favor of the appointment of Punongbayan & Araullo, Grant Thornton (P&A), as external auditor of BDOLF for the year 2017, and to note the stockholders that have chosen to abstain on voting for, or have voted against, the appointment of Punongbayan & Araullo, CPA (P&A), as external auditor of BDOLF for the year 2017.

Based on P&A's tabulation, the following were the results of the voting by poll, showing the number of votes cast and received on the appointment of Punongbayan & Araullo, CPA (P&A), as external auditor of BDOLF for the year 2017:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,844,156,069	1,844,156,069 (100%)	0	0

Accordingly, shareholders owning 1,844,156,069 voting shares or 100% of the total number of voting shares represented at the meeting approved the appointment of Punongbayan & Araullo, Grant Thornton (P&A) as the Corporation's external auditor for 2017, no shareholder voted against the approval.

IX. Adjournment

There being no further business to transact, Mr. Arlo C. Atentar, proxy holder, moved to adjourn the meeting.

Mr. Randy P. Borbe, proxy holder, seconded the motion.

There having been no objection to the motion, the meeting was thereupon adjourned at 10:25 in the morning.

CERTIFIED CORRECT:

Joseph Jason M. Natividad
JOSEPH JASON M. NATIVIDAD
 CORPORATE SECRETARY

ATTESTED:

Teresita T. Sy
TERESITA T. SY
 CHAIRPERSON