

**MINUTES OF THE
ANNUAL MEETING OF STOCKHOLDERS**

BDO LEASING AND FINANCE, INC.

**HELD ON FRIDAY, APRIL 15, 2016, AT 10:05 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	-	1,840,515,470
Percentage of the Total Shares Represented By Proxies & In-Person	-	85.11%
Absent	-	321,959,842

DIRECTORS PRESENT:

Ms. Teresita T. Sy	Chairperson
Mr. Roberto E. Lapid	Vice Chairman & President
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. Jesus G. Tirona	Independent Director
Mr. Exequiel P. Villacorta, Jr.	Non-Executive Director
Mr. Walter C. Wassmer	Director

ALSO PRESENT:

Atty. Edmundo L. Tan	Adviser to the Board
Atty. Joseph Jason M. Natividad	Corporate Secretary
Atty. Ma. Cecilia S. Santos	Assistant Corporate Secretary
Mr. Gerard M. Aguirre	First Vice President/Team Head
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

ABSENT DIRECTOR:

Atty. Jesse H. T. Andres	Independent Director
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I. Call to Order

Ms. Teresita T. Sy, Chairperson, called the Annual Stockholders' meeting to order at 10:05 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 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 23, 2016 to the stockholders of record as of March 2, 2016, 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 1,840,515,470 shares, equivalent to 85.11% 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, CPA (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 22, 2015

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 22, 2015. He manifested that copies of the Minutes were included in the Definitive Information Statement 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 22, 2015 had been approved and the following resolution had been passed and adopted:

Stockholders' Resolution No. 2016-01

RESOLVED, That the Stockholders of BDO Leasing and Finance, Inc. approve, as they hereby approve, the Minutes of the Annual Stockholder's Meeting held on April 22, 2015.

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 22, 2015:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,840,515,470	1,840,505,470 (99.99%)	0	10,000 (0.00054%)

Accordingly, shareholders owning 1,840,505,470 voting shares or 99.99% of the total number of voting shares represented at the meeting approved the Minutes of the annual shareholders' meeting held on April 22, 2015, no shareholder voted against the approval, while shareholders owning 10,000 or .00054% of the total votes cast abstained.

IV. President's Report and Approval of the Audited Financial Statements of the Corporation as of December 31, 2015

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

The Corporation's total assets expanded by 18% to P34.5 billion in 2015. This was mainly accounted for by the total loan and leasing portfolio which had reached P27.5 Billion as of December 31, 2015. The portfolio growth was driven by the increased marketing efforts to acquire corporate accounts through judicious loan underwriting.

Over the past five (5) years, the net portfolio of BDOLF almost doubled from P14.6 Billion in 2011, to P27.5 Billion by the end of 2015, with a compounded annual growth rate of 17%.

Mr. Lapid also presented the other Key Financial and Operating Highlights of BDOLF for the year 2015, as follows:

- Total Revenues of P2.61 Billion represented an increase of 15% Year-on-Year. This was mainly driven by a 16% growth in lease/loan portfolio. Rental income expanded by 23% to P2.5 Billion by the end of 2015.
- Net income registered a 10% increase to P555.6 Million.
- The Corporation continued to set aside loan loss provisions to protect further its assets from any market or economic shocks that may negatively affect its portfolio.

Other significant accomplishments in 2015 are as follows:

- Implementation of SunGuard's Ambit Asset Finance System or AAF in January 2015. The AAF is a front-to-back-office solution that provides a consolidated system approach so that businesses can effectively manage their products, partners and applications. The new system will allow the Corporation to accommodate the increase in business volume;
- The Securities and Exchange Commission renewed the Corporation's Short Term Commercial Paper (STCP) license amounting to an aggregate amount of P25 Billion with the Corporation retaining its PRS2 rating from PhilRatings. The rating is a notch below the top grade of PRS1. This is a reflection of the above-average capability of BDOLF to pay all commercial paper issuances on both interest and principal;
- The Corporation was also able to qualify in the second of the three-level screening of the Philippine Stock Exchange (PSE) Bell Awards for Corporate Governance; and
- Improved rating in the ASEAN Corporate Governance Scorecard from 67% in 2014 to 84% in 2015. The scoring was benchmarked by the Institute of Corporate Directors (ICD) and applied to 176 publicly-listed companies in the Philippines. The Corporation's current score placed it among the top 20 Publicly Listed Companies. This marked improvement showed BDOLF's commitment and adherence to established Corporate Governance principles and best practices.

Programs and Prospects for 2016

2016: Mr. Lapid next presented to the shareholders the following goals of BDOLF for the year

- Target growth of 12% in lease/loan portfolio with a projected net income of P575 million;
- Entering into a corporate partnership with Mitsubishi Motors Philippines Corp., Sojitz Corp., and JACCS Co., Ltd., to establish MMPC Auto Financial Services Corporation. This joint venture company would endeavor to get a share of the growing local automotive financing business which, as of end March 2016, was growing at the rate of 22%. Mitsubishi Motors Philippines through its nationwide dealer network has 18% market share; and

- Transfer to BDO Corporate Center Ortigas by the 3rd Quarter of 2016, to accommodate clients and stakeholders better. The new office would be able to house the projected increase in manpower necessary to service the growing requirements of the business.

First Quarter 2016 Performance

Mr. Lapid likewise presented BDOLF's performance during the First Quarter of 2016.

As of end March 2016, the Corporation posted double-digit growth in net loan lease portfolio, resulting in a 14% increase in revenues and an 11% increase in net profit year-on-year. On March 30, 2016, the Corporation also declared dividends of P0.20 centavos per share and made dividend pay-outs totaling P432 Million to shareholders.

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.

There being no questions from the floor, Mr. Manolo O. Diaz, proxy holder, moved for the notation and approval of the Report on the result of the operations of the Corporation for the year ended December 31, 2015, and the First Quarter of 2016, and the audited financial statements for the Fiscal Year ended December 31, 2015.

Ms. Maria Arvida F. Pinga, proxy holder, seconded the motion. There being no objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2016-02

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, 2015, the Audited Financial Statements as of December 31, 2015, and the Report of BDOLF's Financial Performance at the First Quarter of 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, 2015, the Audited Financial Statements for the same period, and the Report on financial performance during the First Quarter of 2016, 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, 2015, the Audited Financial Statements for the same period, and the Report on the Financial Performance during the First Quarter of 2016:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,840,515,470	1,840,505,470 (99.99%)	0	10,000 (0.00054%)

Accordingly, shareholders owning 1,840,505,470 voting shares or 99.99% 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, 2015, no shareholder voted against the approval, while shareholders owning 10,000 or .00054% of the total votes cast abstained.

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 2015 until the date of the 2016 Annual Stockholders' Meeting.

Mr. Vernie C. Dela Cruz, 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 2016 Annual Stockholders' Meeting be, in all respects, confirmed, ratified and approved.

Thereafter, Ms. Dawn C. Valles, proxy holder, seconded the motion. There being no further questions or objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2016-03

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, 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 15, 2016).

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	1,840,515,470	1,840,505,470 (99.99%)	0	10,000 (0.00054%)

Accordingly, shareholders owning 1,840,505,470 voting shares or 99.99% 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 the approval, while shareholders owning 10,000 or .00054% of the total votes cast abstained.

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.

Ms. Ma. Leonora V. De Jesus, Independent Director and Member 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. Jesus G. Tirona

BDO Unibank, Inc. nominated the regular directors, while Atty. Jessie A. Matibag, a stockholder of the Corporation, nominated the three (3) Independent Directors.

Mr. Randy P. Borbe, 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.

Ms. Zarah Katrina A. Lacaya, proxy holder, seconded the motion. Thereafter, there being no further question or objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2016-04

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. Jesus G. Tirona

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.

Nominees	Total Outstanding Shares	Votes in favor	Voted against	Abstentions
Teresita T. Sy	2,162,475,312	1,840,505,470	0	10,000
Roberto E. Lapid	2,162,475,312	1,840,505,470	0	10,000
Jesse H. T. Andres	2,162,475,312	1,840,505,470	0	10,000
Antonio N. Cotoco	2,162,475,312	1,840,505,470	0	10,000
Ma. Leonora V. De Jesus	2,162,475,312	1,840,505,470	0	10,000
Jeci A. Lapus	2,162,475,312	1,840,505,470	0	10,000
Luis S. Reyes, Jr.	2,162,475,312	1,840,505,470	0	10,000
Nestor V. Tan	2,162,475,312	1,840,505,470	0	10,000
Jesus G. Tirona	2,162,475,312	1,840,505,470	0	10,000
Exequiel P. Villacorta, Jr.	2,162,475,312	1,840,505,470	0	10,000
Walter C. Wassmer	2,162,475,312	1,840,505,470	0	10,000

VIII. Appointment of External Auditor

The next item in the agenda was the appointment of the external auditor of BDOLF for the year 2016.

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, CPA (P&A) as external auditor of BDOLF for the year 2016.

Ms. Vanessa Joyce C. Benavidez, proxy holder, moved that the Accountancy and Auditing Firm of Punongbayan and Araullo, CPA (P&A) be appointed as the external auditor of BDOLF for 2016, and that the Board of Directors be authorized to determine the terms of said external auditor's professional engagement.

Mr. Frederick Allan R. Labog, proxy holder, seconded the motion. There being no objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2016-05

RESOLVED, That the Accountancy and Auditing Firm of Punongbayan & Araullo, CPA (P&A), a member firm of Grant Thornton International Ltd, be, as it is hereby appointed as the external auditor of BDOLF for 2016;

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, CPA (P&A), as external auditor of BDOLF for the year 2016, 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 2016.

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 2016:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,840,515,470	1,840,515,470 (100%)	0	0

Accordingly, shareholders owning 1,840,515,470 voting shares or 100% of the total number of voting shares represented at the meeting approved the appointment of Punongbayan & Araullo (P&A) as the Corporation's external auditor for 2016, no shareholder voted against the approval.

IX. Adjournment

There being no further business to transact, Ms. Virginia P. Fugoso, proxy holder, moved to adjourn the meeting.

Ms. Anne Marie C. Zapata, proxy holder, seconded the motion.

There having been no objection to the motion, the meeting was thereupon adjourned at 10:35 in the morning.

CERTIFIED CORRECT:

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

ATTESTED:

Teresita T. Sy
TERESITA T. SY
 CHAIRPERSON