

**MINUTES OF THE
ANNUAL MEETING OF STOCKHOLDERS**

BDO LEASING AND FINANCE, INC.

**HELD ON FRIDAY, APRIL 13, 2018, AT 10:10 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	-	1,840,392,635
Percentage of the Total Shares Represented By Proxies & In-Person	-	85.11%
Absent	-	322,082,677

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. Vicente S. Pérez, Jr.	Independent Director
Mr. Luis S. Reyes, Jr.	Director & Treasurer
Mr. Nestor V. Tan	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. Agerico Melecio S. Verzola	First Vice President/Marketing Head
Ms. Angelita C. Tad-y	First Vice President/Chief Risk & Compliance Officer
Ms. Rosalisa B. Kapuno	Vice President/Comptrollership
Mr. Leonardo D. Cuaresma, Jr.	Engagement Partner, P&A Grant Thornton
Mr. Renato P. David, Jr.	Engagement Manager, P&A Grant Thornton
Ms. Khriselle Anne Recella	Lead Engagement In-Charge, P&A Grant Thornton

I. Call to Order

Ms. Teresita T. Sy, Chairperson, called the Annual Stockholders' meeting to order at 10:10 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 19, 2018 to the stockholders of record as of February 28, 2018, 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 1,840,392,635 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 for which it was called. He recorded the minutes of the proceedings

The Corporate Secretary likewise manifested that Punongbayan & Araullo, Grant Thornton (P&A), represented by Mr. Leonardo D. Cuaresma, Jr., 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 7, 2017

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 7, 2017. 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.

Upon motion duly made and seconded, the minutes of the annual stockholders' meeting held on April 7, 2017 had been approved and the following resolution had been passed and adopted:

Stockholders' Resolution No. 2018-01

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 7, 2017.

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 7, 2017:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,840,392,635	1,840,392,635 (100%)	0	0

Accordingly, shareholders owning 1,840,392,635 voting shares or 100% of the total number of voting shares represented at the meeting, approved the Minutes of the Annual Stockholders' Meeting held on April 7, 2017, 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, 2017

The Chairman of the meeting then gave the floor to the Vice Chairman & President, Mr. Roberto E. Lapid, to present his report on the Corporation's results of operations for the year 2017, and the programs and prospects for 2018.

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

In 2017, the Corporation's total assets grew by 10% to P42.8 Billion. This was led by the 9% growth in net lease and loan portfolio to P34.3 Billion. The growth in the lease and loan portfolio was driven by the Corporation's strategically-located branch network which benefited from the broad-based economic growth experience last year.

Over the past five (5) years, the net portfolio of the Corporation grew from P21 Billion in 2013, to P34.3 Billion by end of 2017, registering a compounded annual growth rate of 13%.

Mr. Lapid also presented the other Key Financial and Operating Highlights of BDOLF for the year 2017, as follows:

- Total revenues of P3.16 Billion represented an increase of 11% Year-on-Year. This was driven mainly by a 9% growth in interest income from lease/loan portfolio. Rental income also grew in 2017 albeit at a lower rate of 4%;
- The Corporation's greatest challenges during the year were rising funding costs which increased by 26% in 2017 due to higher borrowing rates, and the share in the losses of the Corporation's affiliate, the MMPC Auto Financial Services Corp. (MAFS), which incurred some growing pains as a start-up venture;
- Net income of P570.5 million, which is at par with 2016 results.

Other significant accomplishments in 2017 were as follows:

- The Corporation maintained its higher issuer credit rating of "PRS AA" from the Philippine Ratings Services Corp., further recognizing the Corporation's financial strength and stability in meeting existing and future financial obligations;
- From its 2015 rating of 93% in the ASEAN Corporate Governance Scorecard, the Corporation further improved its score to 97% for the year 2016. This score positions BDOLF as having the highest rating among the top publicly listed companies with capitalization below P50 Billion. BDOLF was also among the top publicly listed companies under the Financial Institutions Sector.

Programs and Prospects for 2018

Mr. Lapid next presented to the shareholders the following goals of the Corporation for 2018:

- Targeting a 10% growth in the Corporation's ADB lease/loan portfolio. This projection would be driven largely by the continuing leverage on BDO Unibank's extensive market reach and intensify its provincial thrust to tap fast-growing and rapidly urbanizing areas outside Metro Manila;
- With a GDP growth expectations of 6.8% to 7.0%, the Corporation shall capitalize on the government's infrastructure development program by providing stakeholders access to financial services;
- The Corporation 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
- The Corporation made a dividend payout totaling P216.2 Million, or P0.10 per share to the Corporation's 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 the Corporation, or related matters.

Mr. Arlo C. Atentar, proxy holder, inquired on what the opportunities are for the Corporation under the "Build, Build, Build" Thrust of the Duterte Administration. Mr. Lapid replied that program of the Duterte Administration aims to expedite, facilitate and sustain the economic growth of the Philippines by way of building more roads, highways, railways, bridges, airports, seaports to bolster and improve the turnaround time of trade and industries. BDO Leasing's loans and leasing products would be able to address the capital expenditure requirements of construction companies and contractors for the purchase of additional heavy and construction equipment, trucks and similar facilities.

Another proxy holder, Mr. Manolo O. Diaz, inquired how BDOLF was able to triple its portfolio for the past ten (10) years despite not expanding its branch network. He also asked if there are plans to increase the BDOLF branches in the next few years.

Mr. Lapid explained that the majority of the branches of BDO Leasing are located in the major BDO business centers in the country. The increased demand for leasing facilities and loan products in the provincial areas has been the primary driver for the growth of the marketing plantilla to handle the demand; BDOLF hired more marketing officers instead of increasing the number of branches. Mr. Lapid added that the Corporation's thrust was to concentrate on the corporate accounts of BDO Unibank and this resulted to the substantial growth in BDOLF's lease/loan portfolio in the past 10 years. As earlier reported, the compounded annual growth rate (CAGR) of the portfolio was 13% for the past 5years.

Mr. Russel S. Yu, proxy holder, inquired on how the Corporation could ride on the digitalization trend. Mr. Lapid explained that digitalization has evolved tremendously and has affected all aspects of life not only in business. This is one growth area of opportunity for loans/leases to help the acquisition by clients of data storage, security, medical/hospital equipment, manufacturing, biometrics and similar equipment/facilities since almost all industries have been shifting from analog to digital. Internally, the Corporation would need to adopt digital IT infrastructure to be able to address the complex needs of the clients. As a start, BDOLF would need to make its website more user-friendly and install interactive features.

Ms. Melanie Ann C. Cuevas, proxy holder, inquired how BDOLF, given the focus on provincial expansion, plans to meet competition such as Orix which has a strong presence outside Metro Manila, and which reportedly could process approvals much faster?

Mr. Lapid replied that the thrust of BDO Leasing is on corporate and commercial accounts particularly existing clients of BDO Unibank while Orix's niche market are the retail borrowers located in their provincial branches which accounts for almost 80% of its business. Internally, regular coordination meetings between marketing and operating units were being held to continuously achieve streamlining of BDOLF's processes and procedures to improve turnaround time in obtaining approvals on lease/loan applications, as well as, in the documentation and release of proceeds.

Mr. Guillermo F. Gili, Jr., stockholder, inquired about the change of stock transfer agent of BDO Leasing. Mr. Lapid replied that there was indeed a change in the stock transfer agent of BDO Leasing from Securities Transfer Services, Inc. (STSI) to BDO Trust and Investment Group. The change took effect on January 1, 2018. The change was brought about by the notice of termination of STSI due to its business rationalization/reorganization.

After the discussions were concluded, there being no other questions from the floor, Mr. Randy P. Borbe, 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, 2017, and the Audited Financial Statements for the same period.

Ms. Zarah Katrina A. Lacaya, proxy holder, seconded the motion. There being no objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2018-02

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, 2017, and the Audited Financial Statements as of December 31, 2017.

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, 2017, 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, 2017, 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	1,840,392,635	1,840,392,635 (100%)	0	0

Accordingly, shareholders owning 1,840,392,635 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, 2017, 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 2017 until the date of the 2018 Annual Stockholders' Meeting.

Mr. Eugene O. Arintok, 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 2018 Annual Stockholders' Meeting be, in all respects, confirmed, ratified and approved.

Thereafter, Ms. Juliene E. Teodoro, proxy holder, seconded the motion. There being no further questions or objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2018-03

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 13, 2018), 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 the 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 13, 2018).

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	1,840,392,635	1,840,392,635 (100%)	0	0

Accordingly, shareholders owning 1,840,392,635 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. Mannelle D. Vicente, 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. 2018-04

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	1,840,392,635	0	0
Roberto E. Lapid	2,162,475,312	1,840,392,635	0	0
Jesse H. T. Andres	2,162,475,312	1,840,392,635	0	0
Antonio N. Cotoco	2,162,475,312	1,840,392,635	0	0
Ma. Leonora V. De Jesus	2,162,475,312	1,840,392,635	0	0
Jeci A. Lapus	2,162,475,312	1,840,392,635	0	0
Vicente S. Pérez, Jr.	2,162,475,312	1,840,392,635	0	0
Luis S. Reyes, Jr.	2,162,475,312	1,840,392,635	0	0
Nestor V. Tan	2,162,475,312	1,840,392,635	0	0
Exequiel P. Villacorta, Jr.	2,162,475,312	1,840,392,635	0	0
Walter C. Wassmer	2,162,475,312	1,840,392,635	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 2018.

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 2018.

Ms. Rethel Anne L. Uy, 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 the year 2018, and that the Board of Directors be authorized to determine the terms of said external auditor's professional engagement.

Ms. Vanessa C. Benavidez, proxy holder, seconded the motion. There being no objection, the Stockholders adopted the following resolution:

Stockholders' Resolution No. 2018-05

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 2018;

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 2018, 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 2018.

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 2018:

Total Outstanding Shares	Total Votes Cast	Votes in favor	Votes against	Abstentions
2,162,475,312	1,840,392,635	1,840,392,635 (100%)	0	0

Accordingly, shareholders owning 1,840,392,635 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. Eugene O. Arintok, proxy holder, moved to adjourn the meeting.

Ms. Julienel E. Teodoro, proxy holder, seconded the motion.

There having been no objection to the motion, the meeting was thereupon adjourned at 10:40 in the morning.

CERTIFIED CORRECT:


JOSEPH JASON M. NATIVIDAD
 CORPORATE SECRETARY

ATTESTED:


TERESITA T. SY
 CHAIRPERSON