



Philam Life and BPI announce the formation of strategic life assurance joint venture

Makati City, January 5, 2010 - The Philippine American Life and General Insurance Company (Philam Life) and Bank of the Philippine Islands (BPI) announce the formation of the strategic life assurance joint venture through the completion of the sale of BPI's 51% stake in Ayala Life Assurance Inc. (Ayala Life) to Philam Life, the largest life insurance company in the country. The transaction was completed on November 27, 2009.

Ayala Life, which will serve as the bancassurance platform for the joint venture between Philam Life and BPI, has been renamed BPI-Philam Life Assurance Corp. (BPI-Philam). All Ayala Life insurance policies will remain in force and will continue to be serviced by BPI-Philam.

Elected to BPI-Philam's Board of Directors are Jose Cuisia Jr., BPI-Philam Chairman of the Board and Philam Life Vice-Chairman; Stephen Clark, President and CEO of BPI-Philam; Jaime Augusto Zobel de Ayala, Chairman and CEO of Ayala Corporation; Trevor Bull, President and CEO of Philam Life; Aurelio Luis Montinola III, President of BPI; Reynaldo Centeno, SEVP and COO of Philam Life; Natividad Alejo, SVP of BPI; Romeo Bernardo, President and Managing Director of Lazaro Bernardo Tiu & Associates, Inc.; and Jesus Tambunting, Chairman and CEO of Planters Development Bank.

The joint venture will benefit from Philam Life's significant expertise in product development and innovation, particularly in the area of bancassurance. It will also allow Philam Life to gain exclusive access to BPI's extensive branch network of more than 800 branches and 1,500 ATMs serving over 3 million customers nationwide.

Philam Life is part of the AIA Group. The AIA Group is a leading pan-Asian life insurance organization that traces its roots in the Asia Pacific region back more than 90 years. It provides consumers and businesses with products and services for life insurance, retirement planning, accident and health insurance as well as wealth management solutions. Through an extensive network of 250,000 agents and 20,000 employees across 15 geographical markets, the AIA Group serves over 20 million customers in the region.

###

About Philam Life

The Philippine American Life and General Insurance Company is the largest life insurance company in the Philippines and the market leader for 60 years. Philam Life offers a comprehensive line of products that provide solutions to various financial needs including income protection, retirement, education, investment, health, personal accident, group life and credit life. Philam Life has the widest network of offices and sales agencies nationwide.

Philam Life is part of the AIA Group, a leading pan-Asian life insurance organization that traces its roots in the Asia Pacific region back more than 90 years.

About BPI

Founded in 1851, Bank of the Philippine Islands (BPI) is the oldest bank in the Philippines. BPI is the third largest commercial bank in the country in terms of total assets with significant market share in deposits, corporate and consumer lending, and asset management and trust business. The Bank also leads in the overseas Filipinos' remittance business, finance and operating lease business, government securities dealership, securities distribution, and foreign exchange business. BPI is the recognized leader

in electronic banking, having introduced most of the firsts in the industry such as the automated teller machines (ATMs), a point-of-sale debit system, kiosk banking, phone banking, Internet banking, and mobile banking. It has the largest distribution network of over 800 branches and 1,500 ATMs.

BPI has the largest market capitalization in the industry and the highest credit ratings from international rating agencies.

About Ayala Life

Founded on April 27, 1933, Ayala Life Assurance, Inc. is a subsidiary of Bank of the Philippine Islands. Ayala Life is a full-service life insurance company, offering a wide-range of life insurance plans for individuals and corporate clients. Ayala Life offers financial solutions to address the different needs of the Filipinos, with its portfolio of products for basic protection, saving for college education, building capital for entrepreneurial venture, or accumulating funds for retirement.

Aside from its head office in the financial district of the Makati City, Ayala Life maintains more than 50 Business Development Offices & Satellite Offices nationwide with about 1,500 well-trained agency leaders and agents.