

75 Years of Banking for the Country



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Message from the President



My warmest greetings to the Development Bank of the Philippines (DBP) as it celebrates its 75th Founding Anniversary.

Throughout the years, the DBP has remained one of the nation's premiere development financing institutions. Its programs for the environment, infrastructure and social services as well as for micro, small and medium enterprises have helped bring inclusive and meaningful development in our country.

As you mark this milestone, I encourage you to uphold excellence, integrity and accountability in all your pursuits. May your efforts also inspire meaningful transformation in the finance sector and help uplift the lives of our people.

I wish you a happy anniversary and more success in the years ahead.

RODRIGO ROA DUTERTE

Message from the Secretary of Finance



The Development Bank of the Philippines (DBP) is now in its 75th year, moving from strength to strength as the institution powers the country's development.

Originally intended to finance the rehabilitation of the Philippine economy after World War II, the DBP has grown into a universal bank providing invaluable support for our infrastructure modernization, the growth of our manufacturing base, and the emergence of our pioneering industries. The DBP credits its evolution into what it is now to visionary leadership, close government support, and the gift of competent professional staff.

Today, the DBP is summoned to help rebuild the national economy after the ravages wrought by the COVID-19 pandemic. Over the past year, the Bank has been a strong asset in the comprehensive effort to save lives, rebuild enterprises, and realize our country's strong economic recovery. With additional capital infusion from the government, the DBP can further expand its investment banking activities and support the government's policy initiatives.

I am confident that the DBP will help us build a more inclusive financial sector, a more robust industrial base, and an infrastructure backbone that will ensure the competitiveness of the Philippines in this new economy.

The dedication, professionalism, and patriotism of the men and women of the DBP will surely drive this institution to greater achievement.

CARLOS G. DOMINGUEZ

Message from the DBP Chairman



Today, DBP stands proud as it marks its 75th anniversary - a momentous milestone that only a select few institutions achieve.

Over the years, DBP has proven its commitment to its clients and stakeholders, making an indelible mark in the banking industry as the premiere development financial institution of the country.

I am privileged to be celebrating alongside the hardworking men and women who have helped propel DBP to great heights. We will continue delivering on our mandate to support responsible entrepreneurship, efficient social services, protection of the environment, and infrastructure development. Our success these past few years and all that we have achieved is the result of hard work and dedication to the Bank and to the country.

As we reflect on the long and honorable history of the DBP, let us look to the future with hope and continue to pave the way for growth, with our sights locked on building better possibilities for our beloved nation.

Happy anniversary and Mabuhay!

ALBERTO G. ROMULO

Message from the DBP President & CEO



Happy 75th Anniversary to DBP!

I find this milestone year truly remarkable and nostalgic, for DBP has not only achieved decades of providing sustainable financing for the country, its distinct calling as a development institution remains relevant and significant for all generations. Looking back at the Bank's rich history, and its unique role in spearheading progress, DBP has certainly endeavored to master the fulfillment of its mandate to further foster inclusive growth, especially in unserved and underserved areas.

During this milestone year and moving forward, DBP will remain true to its mission and continue to implement essential programs and services for its four priority sectors - infrastructure and logistics; MSMEs; the environment; and social services and community development. Despite any and all challenges -- from a world war to a pandemic -- DBP will remain resilient and a reliable partner for the empowerment of the Filipino family and the nation.

EMMANUEL G. HERBOSA

State-owned Development Bank of the Philippines (DBP) marks its historic 75th anniversary firmly positioned as the nation's catalyst for sustainable growth. The bank has been a steadfast ally of the Filipino people in their quest for a comfortable life enriched by financial security, work-life balance, orderly communities, and an empowered government.

DBP remains primed to channel resources to key sectors including infrastructure and logistics, social services, entrepreneurship, and the environment to drive growth in the face of shifting global challenges.

Key Programs

In 2021, the Rehabilitation Support Program on Severe Events (DBP RESPONSE) encouraged private business and public institutions to resume operations and boost the government's national recovery program in the face of the COVID-19 pandemic. DBP granted P8.5-billion in funding support to 90 public and private institutions. Thirty borrowers were granted new loans totaling almost P4.8-billion. Under the DBP RESPONSE - MSME RECOVERY sub-program, P3.7-billion in funding assistance was granted to 60 borrowers.

Designated as the country's "Infrastructure Bank," DBP approved P39.5-billion in loans to 440 borrowers under its Infrastructure Contractors Support (ICONS) program.

Under its Assistance for Economic and Social Development (ASENSO) for LGUs program, on the other hand, DBP approved P38.28-billion in funding support for 110 local government units, and extended interest subsidies totaling P330-million to 80 borrowers on loan interest payments on new and existing loans.

Responding to the global public health emergency, DBP approved P25.44-billion in credit to 108 borrowers under its Strategic Healthcare Investment for Enhanced Lending & Development (SHIELD) program.

Key Activities

DBP joined the select roster of 113 Accredited Entities (AE) of the Green Climate Fund (GCF) which supports climate mitigation and adaptation initiatives in developing countries. The bank is poised to channel support of up to US\$250-million per project as it envisions GCF to be another source of highly-concessional loans or even grants for climate-related advocacies.

To help develop the capital markets, DBP kicked off its fund-raising activities in 2021 with a US\$300-million 10-year offshore bond offering, with total orderbook peaking at over US\$1-billion in mid-morning London time before settling at US\$500-million, or 3.6 times oversubscribed. The brisk demand for the bonds reflected the overall positive sentiment of the international market on the bank as a strong government financial institution.

DBP joined the ranks of trillion-peso banks as total assets reached P1.04-trillion at end-2020, a 37 percent hike from the P761.24-billion recorded in 2019. This was driven by increases in deposits which grew 47.6 percent to P817.9-billion, and the double-digit hike in investments which recorded a 26 percent increase to P260.1-billion in end-2020.

Awards

In 2021, DBP was a three-time winner in the Association of Development Financing Institutions in Asia and the Pacific Development Awards. DBP's programs to strengthen organizational capability was adjudged Outstanding Development Project in human capital development, while its



DBP ADIFIAP Awards trophies

Expanded Rice Credit Assistance program under the Rice Competitiveness Enhancement Fund was awarded a Plaque of Merit for advancing financial inclusion. DBP President and Chief Executive Officer Emmanuel G. Herbosa was likewise bestowed the Outstanding CEO Award for his admirable stewardship of the bank, including advancing DBP's development mandate for the underserved and unbanked, especially in conflict-stricken areas in Mindanao.



DBP continues to expand its network across the country to fulfill the bank's mission for financial inclusion.



Expanding its customer touchpoints, DBP continues to install ATMs in rural communities including this one in Kallangan, a municipality in Bukidnon Province.

DBP was among the recipient organizations in the 22nd and 23rd Philippine Quality Award (PQA) Assessment Cycles. The bank's PQA Level 2 Recognition for Proficiency in Quality Management affirmed DBP's commitment to performance excellence through the consistent efforts of employees to institutionalize improvements and innovation in all aspects of the bank's operations.



Philippine Quality Award Level 2 trophy awarded to DBP

Up Ahead

Now the fifth largest bank in the country in terms of assets, with a growing network of 131 branches, 12 branch-lite offices, and 30 lending units located mostly in poorer areas of the country, DBP is ready to expand its growth initiatives to further ease access to funds, generate economic opportunities, and escalate development intervention in hard-to-reach segments.

As it leverages technology and a network of development partners, the bank will amplify digital opportunities to expand customer touchpoints and ensure the accessibility of its vital financial services nationwide.

Continuing a 75-year-old tradition, and with the same firm resolve, DBP remains committed to man the frontlines of public service, mobilizing resources, and providing purposive support as the National Government carves the path to sustainable development for the country.

1947

DBP's predecessor, the Rehabilitation Finance Corporation (RFC), is created to fund rebuilding efforts after World War II. RFC lends substantial amounts to rebuild damaged homes and offices, and to construct new housing projects.

1950s

To boost export earnings, RFC finances agriculture products. In 1951, it lends P28-million in industrial loans and P18.45-million in agricultural loans. To spur the growth of local industry, RFC lends P300-million over 10 years, nearly a third of its capital. In 1958, Republic Act No. 2081 converts RFC into the Development Bank of the Philippines, with the main goal of spurring the change from an agricultural to a more industrialized economy.

1960s

In 1961, 70% of the P220-million lent out is allocated to industrial loans. In 1963, Congress broadens DBP's powers, increasing its capitalization to P2-billion and borrowing capacity to 10 times its paid-in capital and surplus. In 1966, DBP marks its debut as an investment bank.

1970s

DBP shifts focus towards countryside development, with agricultural lending directed towards food production. DBP loans granted to agriculture and industry reach nearly the same levels. On its 30th year, DBP is recognized as Southeast Asia's largest development bank. It lends P11.9-million, with industrial loans taking up 65.9% of new loans.

The highlights of DBP's story show the character of the times, the spirit of change, and the dramatic turning points that have marked the life of our nation.

1980s

DBP extends a \$20-million foreign guarantee for oil exploration. Industrial loans are granted to construct electric and hydroelectric plants and new energy sources. In 1981, so-called "behest loans" divert capital from productive investments. DBP suspends lending activities until 1986. The 1986 Revised Charter of DBP calls for a clean-up of the bank's books, staff reorganization, and infusion of initial operating budget. DBP resumes full development banking operations in 1988. In 1989, net income grows to P1.07-billion, marking DBP's return to financial health. Loan volume jumps to P4.621-billion. For the first time, DBP pays out cash dividends to the National Government.

1990s

In 1992, DBP is named one of the World's Top Ten Banks by *The Banker*. Net income rises to P1.528-billion. DBP extends assistance to power generating ventures to offset the power shortage. In 1995, DBP's net income rises to P1.9-billion and the bank declares half its net income as cash dividend. New loans rise to P22-billion. In 1997, DBP floats a 20 Billion Asian Yen Bond (US\$169-million), the first of its kind in the region. The bank marks its 50th year by turning over a One Billion Peso dividend check. In 1998, Republic Act No. 8523 is signed, amending DBP's 1986 Charter. DBP's authorized capital stock is increased from P5-billion to P35-billion.

2000s

Towards the efficient movement of commodities, DBP launches the Sustainable Logistics Development Program. In 2003, *The Asian Banker* ranks DBP as the Strongest Bank in the Philippines. In 2005, net income reaches P3.2-billion. DBP remits P1.606-billion in dividends. A 67% increase in income is attained -- from P3.6-billion in 2008 to P6-billion in 2009 -- the highest in 62 years. P94.99-billion in total loans is released.

2010s

DBP is first GOCC under the Aquino administration to undertake an overseas fund-raising initiative, with its US\$300-million global dollar notes to help fund government's Public-Private Partnership program. In 2012, P112.61-billion finances infrastructure and logistics, environment, social services, MSMEs, and other key sectors. In 2015, DBP's total assets cross the half-trillion mark at P504-billion. Branch banking operations intensify. In 2017, named as the country's "Infrastructure Bank," DBP beeps up lending to infrastructure and logistics projects, with loan portfolio reaching more than P70-billion. DBP is named "SME Bank of the Year" in *The Asian Banker-Philippine Country Awards*. By end-2020, DBP's total assets reach P1.04-trillion.



We Build Possibilities.



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