

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 545

ADJUSTING THE DIVIDEND RATE OF DEVELOPMENT BANK OF THE PHILIPPINES (DBP) ON ITS 2003, 2004 AND 2005 NET EARNINGS PURSUANT TO SECTION 5 OF REPUBLIC ACT NO. 7656

WHEREAS, under Section 1 of Republic Act No. 7656, it is the declared policy of the state that in order for the National Government to realize additional revenues, government owned and/or controlled corporations, without impairing their viability and the purposes for which they have been established, shall share a substantial amount of their net earnings to the National Government;

WHEREAS, Section 5 of Republic Act No. 7656 provides that "in the interest of national economy and general welfare, the percentage of annual net earnings that shall be declared by a government owned and/or controlled corporations may be adjusted by the President of the Philippines upon recommendation by the Secretary of Finance";

WHEREAS, to support the viability and mandate of DBP, their liquidity capital position, retained earnings and medium term plans and programs were considered in the determination of reasonable dividend rates; and

WHEREAS, pursuant to Section 5 of the Republic Act No. 7656, the Secretary of Finance recommended the adjustment on the percentage of dividend rates for 2003, 2004 and 2005 net earnings that shall be declared by DBP to the national Government, in the interest of national economy and general welfare.

NOW, THEREFORE I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order;

Section 1. The percentage of dividend for year 2005 to be remitted by DBP to the National Government is adjusted to at least one billion six hundred six million pesos (P1.606 B) or equivalent to 40.69% of 2005 net earnings.



Section 2. The percentage of dividend for year 2004 to be remitted by DBP to the National Government is adjusted to at least one billion five hundred fifty seven million pesos (P1.557 B) or equivalent to 45% of 2004 net earnings.

Section 3. The percentage of dividend for year 2003 to be remitted by DBP to the National Government is adjusted to at least one billion eighteen million pesos (P1.018 B) or equivalent to 30% of 2003 net earnings.

Section 4. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 27th day of **July** in the year of our Lord, Two Thousand and Six.

Jose M. Lopez



By the President:

Eduardo R. Ermita

EDUARDO R. ERMITA
Executive Secretary



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