



MEDCO HOLDINGS, INC.

September 21, 2010

PHILIPPINE STOCK EXCHANGE, INC.

PSE Center, Exchange Road
Ortigas Center, Pasig City

Attention: **Ms. Janet A. Encarnacion**
Head- Disclosure Department

Re: **Medco Holdings, Inc. (MED)**

Gentlemen:

On 30 July 2010, Export and Industry Bank (“EIB” or the “Bank”) disclosed with the Exchange that, in view of the approval-in-principle granted by the Bangko Sentral ng Pilipinas on 16 July 2010, the board of directors of the Bank approved the sale of all of the Bank’s assets in favor of Banco de Oro Unibank, Inc. in consideration of the latter’s assumption of all of the Bank’s liabilities, including all of its deposit liabilities, subject to the execution of appropriate documentation and the fulfillment of certain closing conditions which the Bank will comply with within the period prescribed (the “Transaction”). The Bank also disclosed that it will convene a stockholders’ meeting on 20 September 2010 to secure its stockholders’ approval of the Transaction.

Based on the foregoing, in our letter to the Exchange dated 2 August 2010, we requested for, and the Exchange subsequently approved, a voluntary trading suspension of MED shares from 3 August 2010 until 21 September 2010. We made such request on the premise that all regulatory approvals for the said EIB sale transaction will already be in place by then.

As you will recall, we disclosed in the aforementioned letter that our company’s investment in EIB shares through its majority-owned subsidiary Medco Asia Investment Corporation comprised, as of 30 June 2010, 81% of our company’s total consolidated assets.

Then, in a disclosure circular dated yesterday, 20 September 2010, the Exchange advised that EIB had submitted a disclosure dated September 20, 2010 in which the Bank disclosed that, during its Special Stockholders’ Meeting held on the same day, stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Bank approved and confirmed the Transaction. The Bank also requested for an extension of the suspension of the trading of EIB shares until such time as the Bank gets final BSP and PDIC approvals of the Transaction which the Bank hopes to receive well before the end of the year.

In response to the EIB request, the Exchange also advised that it “will extend the suspension of trading of the Bank’s shares until Friday, September 24, 2010. However, in the absence of sufficient justification from the Bank to extend indefinitely the suspension of trading of its shares, the suspension of trading shall be lifted on Monday, September 27, 2010.”

In view of the foregoing, we would like to request for the extension of the voluntary trading suspension of MED shares until Monday, September 27, 2010.

Very truly yours,

MEDCO HOLDINGS, INC.

A handwritten signature in black ink, appearing to read "MeBathan", is centered below the company name. The signature is written in a cursive, flowing style.

MA. LOURDES B. BATHAN
Corporate Information Officer