



I. INTRODUCTION

LBP Leasing Corporation (LBP Lease), a wholly owned subsidiary of Land Bank of the Philippines (LANDBANK) was created in 1983 to complement the product lines being offered by the Bank.

LBP Lease's leasing facilities make it easier for enterprises to expand, upgrade, or modernize their operations. Among others leasing enables enterprises to:

- Match financing terms with the earning potential of the capital asset;
- Preserve working capital and credit lines;
- Address existing or current budget limitations; and
- Obtain financing with no collateral

II. HISTORY

A. HISTORICAL BACKGROUND

The creation of LBP Leasing Corporation (LBP Lease) was in line with Section 21-A of Republic Act 337 or the General Banking Act which allows Banks such as **LANDBANK** to invest in equities of companies with allied undertaking such as leasing activities.

The Corporation was created by LANDBANK to provide support to the Bank and its clients in the form of financial, lease purchase, and operating leases. Particularly, LBP Lease extends timely and adequate financial support to Agrarian Reform by allowing farmer beneficiaries to acquire farm equipment and post harvest facilities that they must need through a leasing facility.

LBP Lease was organized as a fully owned subsidiary of Land Bank of the Philippines (LBP) with an initial paid-up capital of Two Million Nine Hundred Pesos (P2,000,900.00).

B. LEGAL BASIS

The LBP Leasing Corporation (LBP Lease) was registered with the Securities and Exchange Commission on March 17, 1983. It was incorporated under the provision of Batas Pambansa Bldg. 68, otherwise known as the "Corporation Code of the Philippines".

LBP Lease's Certificate of Authority to operate as a financing company in accordance with the provision of R.A. 5980 and to undertake leasing activities both financial and operational was approved by SEC on March 18, 1983.



III. PRIMARY PURPOSE

Based on the Articles of Incorporation, LBP Leasing Corporation's primary purpose is as follows:

- Engage in leasing of all kinds of equipment
- Extend credit to industrial, commercial, agricultural and other enterprises
- Engage in financing of merchandise in all their various forms