



Office of the President of the Philippines
GOVERNANCE COMMISSION
FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
3/F, BDO Towers Paseo, 8741 Paseo De Roxas, Makati City, Philippines 1226



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28 OCTOBER 2021

EDWARD JOHN T. REYES

EVP/Officer-in-Charge

LBP LEASING AND FINANCE CORPORATION (LBP-LFC)

15/F Sycip Law Center, 105 Paseo de Roxas,
Legaspi Village, Makati City

ACKNOWLEDGEMENT RECEIPT

LETTER **28 OCTOBER 2021**
DATE:

RE: **[E] LETTER FROM LBP-LFC TO GCG RE
SUBMISSION OF 3RD QUARTER MONITORING
REPORT FOR CY 2021 WITH SUPPORTING
DOCUMENTS**

The said document was officially received by the Governance Commission on 28 October 2021 and has been forwarded to the responsible GCG Officer for appropriate action.

To follow-up for further action on the document, you may contact us through telephone numbers (02) 5328-2030 or (02) 5318-1000. Please cite the GCG Document Management System (DMS) Barcode Number: **0-0800-28-10-2021-016722**.

THIS RECEIPT IS COMPUTER GENERATED AND DOES NOT REQUIRE SIGNATURE.

Received by:

Signature over Printed Name

Date and Time

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LBP LEASING AND FINANCE CORPORATION

(A LANDBANK SUBSIDIARY)

28 October 2021

Chairman Samuel G. Dagpin, Jr.
Governance Commission for GOCCs
3rd Flr., Citibank Plaza,
8741 Paseo de Roxas St.,
Makati City

RE: PES QUARTERLY MONITORING REPORT

Dear **Chairman Dagpin**:

As required, we are submitting herewith, LBP Leasing and Finance Corporation's Quarterly Monitoring Report for the 3rd Quarter of 2021. Also attached are the following supporting documents:

- 1. Accomplished PES Form 4 for the 3rd Quarter of 2021**
- 2. SM 1: Increase in Total Portfolio**
 - a. Schedule of Total Portfolio as of September 30, 2021
- 3. SM 2: Lower Net Past Due Rate**
 - a. Net Past Due Rate Computation as of September 30, 2021
 - b. Total Past Due Leases and Loans as of September 30, 2021
 - c. Schedule of Specific Loan Loss Provision as of September 30, 2021
 - d. Schedule of Total Portfolio as of September 30, 2021
- 4. SM 3: Increase in Asset Size and SM 4: Increase in Net Income After Tax**
 - a. Reported Results of Operations as of September 30, 2021
 - b. Balance Sheet as of September 30, 2021
 - c. Income Statement as of September 30, 2021
- 5. SM 5: Percentage of Total Portfolio allocated to Priority Sector**
 - a. Priority Sector Portfolio Computation as of September 30, 2021
 - b. List of Account Balances included in Priority Sector
- 6. SM 6: Average Processing Time of Credit Approvals**
 - a. Account Monitoring Sheets

We hope these submissions satisfactorily meet your requirements.

Thank you.

Very truly yours,


EDWARD JOHN T. REYES
EVP/ Officer-In-Charge 

COMPONENTS					2021 Approved Target	3RD QUARTER 2021		
	Objective/Measure	Formula	Weight	Rating System		Target	Actual	Over(Under)
SO1	Ensure Viability and Financial Growth							
SM 1	Increase Total Portfolio	Absolute amount of outstanding portfolio by end of December	15%	(Actual / Target) x Weight; 0% = If less than P3 Billion	P4.800 B	P4.700 B	P4.453 B	(P0.247 M)
SM 2	Lower Net Past Due Rate	Total Past Due at the end of the period - Deferred Leasing Income, Unearned Credits, & Specific Loan Loss Provision over Total Portfolio	15%	(1-[(Actual - Target) / Target]x Weight	8.00%	8.00%	4.98%	137.75%
SM 3	Increase Asset Size	Absolute amount of Total Assets by end of December	10%	(Actual / Target) x Weight	P5.400 B	P5.350 B	P4.869	(P0.481 M)
SO 2	Consistently Improve Profitability							
SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight	P25.0 M	P6.25 M	P9.42 M	P3.17 M
SO 3	Provide Affordable & Responsive Financial Products for Priority Sectors							
SM 5	Percentage of Portfolio Level allocated to priority sectors	Total amount of portfolio allocated to priority sector over Total portfolio at the end of the year	15%	Below 75% = 0%; 75% - 79.9% = 7.5%; 80% and above = 15%	80%	80%	83.40%	3.40%
SO 4	Improve Accessibility & Timeliness of Delivery of Leasing & Financing Solutions							
SM 6	Percentage of Satisfied Customers	Number of respondents who gave a rating of at least Satisfactory/Total number of respondents	5%	(Actual / Target) x Weight; 0% = If below 80%	95%	NA	NA	NA
SO 5	Streamline Credit Processing System							
SM 7	Percentage of Credit Approval Processed within the Applicable Time	Total Number of Credit Approval for existing and new clients Processed within Applicable Time / Total Number of Credit Approvals	10%	(Actual/Target) x Weight 0% = if less than 80%	100% of credit applications processed within the applicable processing time	100% of credit applications processed within the applicable processing time	95.70%	(4.3%)
SO 6	Continuous Improvement of Processes and Systems							
SM 8	Implement Quality Management System	Actual accomplishment	5%	All or nothing	Maintain ISO 9001:2015 Certification	NA	NA	NA

COMPONENTS					2021 Approved Target	3RD QUARTER 2021		
	Objective/Measure	Formula	Weight	Rating System		Target	Actual	Over(Under)
SO 7	Ensure Availability of Required Competencies for Critical Positions							
SM 9	Percentage of Employees Meeting Required Competencies	Competency Baseline 2021 - Competency Baseline 2020	5%	(Actual/Target) x Weight	Improvement on the Competency Level of the Organization based on the 2020 year-end assessment	NA	NA	NA
SO 8	Optimize Use of Information Technology							
SM 10	Implementation of IT Projects	Actual accomplishment	5%	All or nothing	100% completion of ISSP projects planned for 2021 including the Remaining Projects due for 2020	NA	NA	NA

Prepared by:


 IANTHE L. RAMO
 Management Services Specialist


Certified Correct:


 FIDELITO G. MAGNO
 VP/ Head - Account Management Group


 RAIZZA L. GONZALES
 VP/ Head - Corporate Services Group


 KENNETH S. STA. ROSA
 Head - Accounting Unit

Noted by:


 EDWARD JOHN T. REYES
 EVP/Officer-In-Charge