



13 August 2014

**DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE INC.**

3/F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City 1226

Attention: JANET A. ENCARNACION
Head, Disclosure Department

Dear Ms. Encarnacion,

In compliance with PSE regulations, we would like to disclose the following information regarding Philippine Savings Bank's (PSBank) financial results for the second quarter 2014.

PSBank's First Half Net Income Reaches P1.1 Billion

Philippine Savings Bank, the thrift bank arm of the Metrobank Group, posted a P1.1 billion net income in the first half of 2014. Net interest income rose by 21% to P3.8 billion from P3.2 billion the same period last year.

The Bank's loan portfolio recorded a double-digit growth of 14% from P81.0 billion to P92.5 billion as of June 30, 2014. Total assets were also higher by 20% at P141.0 billion.

Deposits increased by 22% to P113.1 billion with its low cost deposits rising by 25%. PSBank issued P3.0 billion Basel III-compliant Unsecured Subordinated Tier 2 notes last May 23. The Tier 2 Notes, which were rated PRS Aaa by Philippine Ratings Corporation (Philratings), were met with overwhelming demand and were more than 3X oversubscribed. With this issuance, PSBank's total Capital Adequacy Ratio further improved to 19.0%, well above the 10% minimum required level for local banks.

"After our recent capital-raising activity, PSBank is well-positioned to meet the market's aggressive demand for consumer loans. We, however,

remain vigilant in our credit processes to ensure we maintain the high quality of our loan portfolio.” PSBank President Vicente R. Cuna Jr. said.

Net NPL ratio is kept low at 0.3% despite the increase in loans. The Bank has remained prudent in its provisioning and has kept NPL coverage at 107%.

PSBank’s distribution network now includes 226 branches and 569 onsite and offsite ATMs all over the country. The Bank recently launched its Mobile Banking facility which allows customers to access products and services using their mobile phones and tablets. The PSBank Mobile App is now available on Apple’s Appstore and Android’s Google Play and will be available soon for Blackberry and Windows-based smartphones.

Thank you very much.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Perfecto Ramon Z. Dimayuga Jr.', is positioned above the typed name. The signature is fluid and cursive, with a prominent loop at the end.

PERFECTO RAMON Z. DIMAYUGA JR.
SVP and Chief Finance Officer