



15 May 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 first quarter 2014.

PSBank's First Quarter Income Reaches P469 million

Philippine Savings Bank, the thrift bank arm of the Metrobank Group, posted a P469 million net income in the first quarter of 2014 supported by 16% growth in its loan portfolio and 24% increase in its deposits versus the same period last year.

The Bank's net interest income went up 23% year-on-year to P1.9 billion. The Bank's loan portfolio once again grew double digits to P89.6 billion. On the funding side, total deposits reached P112.7 billion with its low cost deposit funds increasing by almost 30%.

"PSBank's focus this year is on growing its core business. Our outlook on retail loan expansion is positive as we see consumer confidence driving demand for the bank's products." PSBank President Vicente R. Cuna Jr. said.

Even with the increase in loans, net NPL ratio remains low at 0.2%. The Bank has set aside additional loan provisions amounting to P446 million during the period thus keeping its NPL coverage at 107%.

Capital adequacy ratio stood at 16.4% which is well above the 10% minimum required level for local banks. Just last May 14, PSBank closed

the offer period for its P3.0 billion Basel 3 compliant Unsecured Subordinated Tier 2 notes 2 days earlier due to overwhelming demand. The notes were 3x oversubscribed. The Bank priced the subordinated notes at 5.5% per annum. The Notes were rated PRS Aaa by Philippine Ratings Corporation

PSBank distribution network now includes 224 branches and 558 onsite and offsite ATMs all over the country.

Thank you very much.

Very truly yours,

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

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