



9 March 2015

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 yearend 2014.

**PSBank Posted P 2.3 Billion Net Income in 2014;
Core Business up 15% YOY**

Philippine Savings Bank, the thrift-bank arm of the Metrobank Group, reported a net income of P2.3 billion for 2014, lower than the previous year by 21%. Unlike in 2014, the Bank's 2013 net income had one-off extraordinary income from the sale of investment portfolio which took advantage of market opportunities at that time. However, the Bank's core margins grew by 15% year-on-year owing largely to the continued aggressive growth in its consumer loan portfolio, mostly coming from Auto and Mortgage loans.

"Our continuing focus on core asset expansion is giving us good results. The increase in our net interest income and fee-based revenues are very solid indicators of sustainability and quality growth. Our retail lending business led by auto and mortgage loans, supported by an increasing deposit customer base, provides a good foundation for core-growth in the coming years," PSBank President Vicente R. Cuna Jr. said.

PSBank's 2014 capital base stood at P17.7 billion with a Total Capital Adequacy Ratio and Tier 1 ratio of 19.6% and 13.3%, respectively. Return on capital was at 13.6%. Asset quality indicators improved with Net Non-Performing Loan (NPL) ratio at 0.5% and NPL coverage of 98.2%. The improvement in delinquency is attributable to a combination of enhancements in the bank's lending processes, collections and credit risk management tools. PSBank's total resources further expanded to close strong by end-2014 at P 145.6 Billion.

In 2014, PSBank launched the PSBank Money Market Fund product, the Online Mobile App for the tech-savvy customers and the PSBank Live Chat, the first real-time chat service in the Philippine banking industry. PSBank was also recognized by The Asian Banker magazine as one of the Top Ten Strongest Banks in the Philippines for the fourth consecutive year. The Bank ranked the 5th strongest bank and is the only thrift bank in the top 5 list.

PSBank has 245 branches and 595 ATMs nationwide.

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 and title.

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