



26 October 2016

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

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

Attention: JOSE VALERIANO B. ZUNO III
OIC - Head, Disclosure Department

Dear Mr. Zuno,

In compliance with PSE regulations, we would like to disclose the following information regarding Philippine Savings Bank's (PSBank) financial results for the third quarter of 2016.

PSBank posts Php1.9 Billion Net Income as of Q3 2016

Philippine Savings Bank (PSBank), the thrift bank arm of the Metrobank Group, continued to make strides in the nine-months ending September as it registered Php 1.9 billion in net income, 7.7% higher than the net earnings recorded in the same period last year.

The Bank's financial results were mainly supported by its core income--composed of revenues from consumer loans and investments--which posted a double-digit growth of 10.7% year-on-year.

PSBank remained focused on strengthening its core businesses for long-term sustainability. Its consumer loan portfolio rose by 14.7% to Php 113.7 billion propelled by its Auto and Mortgage businesses. The Bank managed to keep non-performing loans (NPL) ratio in check at 1.1% with NPL coverage at 85%. Meanwhile, low-cost deposits jumped by 20.9% from a year ago.

By the end of September 2016, PSBank's total resources stood formidable at Php 183.8 billion, expanding by 15.3% year-on-year. Its total capital adequacy ratio—a measure of a bank's financial strength-- was at 15.0%, while Tier 1 was 12.0%. Both are well-above the Bangko Sentral ng Pilipinas' minimum required level.

“The consistent growth in our core business is a result of the Bank’s customer-centric culture. We recognize that customers want things done simpler, faster, and delivered by people who truly care. We focus our efforts in providing a positive customer experience to our clients, which entails being highly responsive and making banking an effortless experience,” said PSBank president Vicente R. Cuna Jr.

The Bank recently received the **BSP Pagtugon Award** for the second straight year for its excellence in responding and addressing clients’ concerns. It was also recognized for providing an exceptional end-to-end customer experience at the annual **Customer Experience Awards** in Singapore, winning 2nd runner up for the Best Customer Experience Award category and an Honorary Mention in the Best Customer Experience Team category. PSBank, along with Metrobank, was also awarded by **the Asian Banker** the Auto Loan Product of the Year in 2016 (Country Level) for being the market leader in auto loans business in the Philippines propelled by the synergy of the retail strategy of the two banks.

This month, PSBank launched **e-Trust**, a service that will allow clients to apply for and manage their trust accounts online as part of the Bank's ongoing efforts to make banking services more accessible and convenient for its clients, in line with its brand promise of “Simple Lang. Maaasahan.”

The bank currently has 255 branches and 611 ATMS nationwide.

Thank you very much.

Very truly yours,



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