



2 August 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 second quarter of 2016.

PSBank Posted Php1.2 Billion Net Income as of 1H2016

Philippine Savings Bank (PSBank), the thrift bank arm of the Metrobank Group, grew its net income by 2.2% to Php1.2 billion in the first half of the year from Php1.1 billion in the same period last year. Higher net earnings was supported by a 10% increase in core income, composed of revenues from consumer loans, investments and fee-based income.

The Bank's total loan portfolio grew 13.2% to Php121.3 billion fueled by auto and mortgage loans. Notwithstanding the double-digit growth of its loan portfolio, the Bank kept its non-performing loans (NPL) ratio at 1.2% with NPL coverage at 82%. Total resources rose by 18.4% to Php176.5 billion as of June 2016.

On the funding side, deposit liabilities posted a double digit growth, increasing by 17.0% to Php139.3 billion. This is anchored on a 21.7% rise in CASA. The Bank's capital base stood at Php20.2 billion with a Tier 1 and Total Capital Adequacy Ratio of ratio of 11.7% and 14.8%, respectively.

"The 'customer-centric' mindset continues to give us positive financial results through prudent lending and increased stable funding. The Bank also received local and international recognitions as a testament to its efforts to introduce

innovation and for being the market standout in delivering top-quality customer service. Understanding the needs of our clients remains our priority,” said PSBank President Vicente R. Cuna Jr.

PSBank was recently conferred with the **BSP Pagtugon Award** for the second straight year for its excellence in responding and addressing clients’ concerns. It was also named as a **Gold Stevie Awardee** in the third annual Asia-Pacific Stevie Awards for the *PSBank LiveChat*—one of its latest innovative services and the first and only real-time chat platform in the Philippine banking industry for addressing clients’ inquiries and concerns.

The *PSBank ATM Lock* also won the title **Mobile Banking Initiative of the Year** at the 2016 Asian Banking and Finance Retail Banking Awards.

The Bank has a total of 255 branches and 626 ATMs nationwide.

Thank you very much.

Very truly yours,



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