



10 May 2016

**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 of 2016.

PSBank registers a 12% jump in net income in Q1

Philippine Savings Bank, the thrift bank arm of the Metrobank group, recorded a 12% increase in net income to Php434.8 million with the continued expansion of its core businesses as of end-March 2016. This was up from the Php387.1 million posted in the same period last year.

"As early as the first quarter of the year, we provided the necessary boost in growing our core retail businesses. And we plan to further grow by offering new products that cater to our customers' banking needs through targeted cross-selling campaigns throughout the year," said PSBank President Vicente R. Cuna Jr.

"The Bank also remained steadfast in providing excellent customer experience to our clients because we believe that banking entails more than just lending and deposit-taking. We know that understanding our clients well has a long-term positive effect to the Bank," Mr. Cuna added.

The Bank's total loan portfolio posted a double-digit growth in the first quarter mainly driven by auto and mortgage loans. Total loans amounted to Php118.0 billion, 14% higher than the Php103.6 billion recorded a year ago. On the funding side, the Bank's deposit base rose by 24% to Php136.6 billion from Php110.6 billion a year ago, with low cost funds increasing by 21%. Meanwhile, core revenues, composed of net interest margin and fee income, went up by 11% year-on-year.

Despite the recorded expansion in the Bank's loan book, its non-performing loans (NPL) remained in check, with NPL ratio at 1.1%. PSBank's capital adequacy ratio--a measure of a bank's financial strength--stood at 15.0%, well-above the Bangko Sentral ng Pilipinas' 10.0% minimum requirement. Its Tier 1 ratio was at 11.9%.

As of end-March, the Bank's total assets grew by 25% to Php175.1 billion from Php139.7 billion. The Bank has 255 branches and 625 ATMs nationwide.

PSBank recently launched the PSBank Online Auto Loan Application which can be accessed via the PSBank website (www.psbank.com.ph). This new customer touch-point features a user-friendly interface that allows clients to conveniently apply for a car loan anytime and anywhere using a PC or mobile device, completely eliminating the need for time-consuming paperwork. Clients who will apply for an Auto Loan online will get a credit decision within 24 hours from the time of application via SMS.

Thank you very much.

Very truly yours,



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