



12 May 2017

DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE INC.
3/F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City 1226

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

Dear Mr. Zuño:

In compliance with PSE regulations, we would like to disclose the following information regarding Philippine Savings Bank's (PSBank) financial results for 1Q 2017.

PSBank posts 18% Net Income growth for Q1 2017

Philippine Savings Bank (PSBank), the thrift bank arm of the Metrobank Group, saw its net income increase by nearly a fifth as of the first quarter from the same period last year buoyed by the growth of its core revenues, composed of net interest income and fee based earnings, combined with operational efficiency.

The Bank grew its bottom-line by 18% to PhP511 million in the first quarter of the year from a year ago. PSBank's total loan portfolio jumped by 13% year-on-year to PhP134 billion from PhP118 billion propelled by a strong demand in the consumer lending segment, particularly Auto and Mortgage loans. The Bank's asset quality remained healthy and in check with net non-performing loans (NPL) ratio steady at 1.1% and NPL coverage ratio increasing to 86% from 84% a year ago.

Deposits, meanwhile, rose by 25% annually to PhP170 billion as of end-March from PhP137 billion last year with low cost funds growing by 18% year-on-year.

The Bank's total resources expanded by 17% to PhP205 billion. The Bank's Tier 1 and total capital adequacy ratios stood at 11.1% and 14.0%, respectively. Both are above the minimum required level set by the Bangko Sentral ng Pilipinas.

“We managed to maintain our momentum in pursuing our strategy of expanding our core businesses by making our products available online, making our channels more accessible, and processes more efficient to achieve customer satisfaction and offer the best customer experience to our clients,” said PSBank President Vicente R. Cuna Jr.

“This was clearly evident in the first quarter year-on-year growth of our Auto loans, which outpaced the industry’s performance during the same period,” he added.

Mr. Cuna noted that PSBank also geared up for business expansion this year through its recent issuance of long-term negotiable certificates of time deposits last January.

PSBank recently received two Silver Anvils in the recently concluded 52nd annual Anvil Awards last March 2017 for the 2015 PSBank Annual Report “Engaging our Customers” and the Bank’s Information Security Awareness Campaign “Be Aware!”. The annual Anvil Awards, organized by the Public Relations Society of the Philippines recognizes the best programs and tools in the country that meet the highest PR standards.

PSBank currently has 255 branches and 618 ATMs strategically located nationwide.

Thank you very much.

Very truly yours,



LEAH M. ZAMORA
FVP and Controller