



08 August 2017

Philippine Stock Exchange

3/F Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1226

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

Philippine Dealing & Exchange Corp.

37/F, Tower 1, The Enterprise Center
6766 Ayala Ave. cor. Paseo de Roxas, Makati City

Attention: MS. VINA VANESSA S. SALONGA
Head, Issuer Compliance & Disclosure Department (ICDD)

Dear Mr. Zuño and Ms. Salonga,

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

PSBank recorded PhP1.18 Billion Net Income as of 1H 2017
Propelled by double-digit core income growth

Philippine Savings Bank (PSBank), the thrift bank arm of the Metrobank Group, saw its net income increase by 2% to PhP1.18 billion in the first half of the year from PhP1.16 billion posted a year ago, mainly driven by an 18% annual growth to PhP6.06 billion in core income.

Stable demand for consumer loans continued to fuel the expansion of the Bank's total lending portfolio, which grew to PhP137.01 billion from PhP121.35 billion. Auto loans further solidified the bank's market position, recording a 20% growth in the first half of 2017.

On the funding side, total deposits rose 32% to PhP183.61 billion from PhP139.34 billion with low cost CASA increasing by 16%.

“Our first half results validate our core banking strategy anchored on customer experience and digitalization. We continue to post a strong financial performance with our retail business growing organically by double-digits, without increasing our brick and mortar branch network. We continue to innovate products and services and develop operational efficiencies while observing prudence. All these things, we do for our customers and stakeholders,” said PSBank President Vicente R. Cuna Jr.

The Bank’s total capital adequacy ratio stood at 14.2% and Tier 1 ratio at 11.3%, above the Bangko Sentral ng Pilipinas’ benchmark of 10.0% and 9.3%, respectively. Non-performing loans ratio remains in check at 1.1% as of end-June.

PSBank currently has 250 branches and 613 ATMs strategically located nationwide.

This year, the Bank launched the fully loaded PSBank Mobile App that is simpler, intuitive, and more powerful, which provides a hassle-free banking experience for mobile banking clients. The new features include Pay Me, Touch ID or fingerprint recognition, In-app one-time password, quick view of balances and viewing of issued checks.

PSBank was recognized by the World HRD Congress and the Employer Branding Institute for its Human Resources Group’s exemplary initiatives and practices, naming it as one of Asia’s Best Employer Brand at the 8th Asia’s Best Employer Brand Awards held at Le Meridien Singapore, Sentosa. The Bank also recently received an Award of Merit at the 15th Philippine Quill Awards for its entry: PSBank 2015 Annual Report – Engaging Our Customers. The Bank was also named as the Best Performing Bank in the BSP’s Clean Note Policy campaign during the 2016 Awards Ceremony and Appreciation lunch for Stakeholders. This is the second time the Bank was recognized as an Outstanding Partner in this campaign. PSBank was also conferred two Silver Anvils for its 2015 Annual Report and Be Aware! Campaign—a consumer protection program that provides clients necessary information to help protect them and their hard-earned savings against scams.

Thank you very much.

Very truly yours,



Vicente R. Cuna, Jr.
President