



January 30, 2017

JOSE VALERIANO B. ZUÑO III
OIC - HEAD, DISCLOSURE DEPARTMENT
3F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1226

Dear Sir:

We would like to disclose the information below regarding Philippine Savings Bank's (PSBank) first issuance of its Long-term Negotiable Certificates of Time Deposits (LTNCTDs).

PSBank's first LTNCTD issuance was well-received by investors

Philippine Savings Bank's (PSBank) long-term negotiable certificates of time deposits (LTNCTDs) attracted good demand from clients, reflecting their confidence with the Bank.

The thrift bank arm of the Metrobank Group raised PhP3.375 billion from its first ever LTNCTD issuance.

"Our LTNCTDs, which were priced at 3.5%, gathered a respectable response from our clients resulting in additional funds raised from our initial target of PhP3 billion," said PSBank President Vicente R. Cuna Jr.

Proceeds of the LTNCTD sale will support PSBank's business expansion and diversify its funding sources.

Retail investors were able to invest through 200 PSBank branches nationwide and through its selling agents, Metropolitan Bank & Trust Co. and First Metro Investment Corp and ING Bank. ING Bank also served as the bank's arranger. PSBank also partnered with Philippine Dealing and Trust Corp. to serve as the registry and paying agent of the issuance; and Picazo Buyco Tan Fider and Santos as the transaction counsel.

“This offering reflects our depositors’ confidence as we improve our business to provide the best banking experience to our clients,” Mr. Cuna said.

The certificates of time deposit due in April 2022 were listed at the Philippine Dealing & Exchange Corp. on 30 January 2017, allowing investors to trade the securities at the secondary market.

LTNCTDs, like regular time deposits, offer higher interest rates and have relatively longer maturities. The Certificates of Time Deposit are also covered by the Philippine Deposit Insurance Corp. for up to PHP 500,000 per depositor, subject to PDIC rules.

PSBank posted a net income PhP1.9 billion as of September 2016, 7.7% higher than the net earnings booked in the same period last year.

Thank you very much.

Very truly yours,

A handwritten signature in black ink, appearing to be 'Perfecto Ramon Z. Dimayuga Jr.', written over a light gray rectangular background.

Perfecto Ramon Z. Dimayuga Jr.
Senior Vice President