



November 13, 2020

Philippine Stock Exchange

9/F PSE Tower, 28th St. cor. 5th Ave.
Bonifacio Global City (BGC)
Taguig City, Philippines

Attention: MS. JANET A. ENCARNACION
HEAD - Disclosure Department

Philippine Dealing & Exchange Corp.

29F, BDO Equitable Tower
8751 Paseo de Roxas
Makati City 1226

Attention: ATTY. MARIE ROSE M. MAGALLEN-LIRIO
HEAD - Issuer Compliance & Disclosure Department (ICDD)

Dear Ms. Encarnacion and Atty. Lirio,

In compliance with PSE and PDEX regulations, we would like to disclose the following information:

PSBank Posted PhP1.33 Billion Net Income for the First 9 Months of 2020

Philippine Savings Bank (PSBank), the thrift-banking arm of the Metrobank Group, registered a net income of PhP1.33 Billion for the first 9 months of 2020. Gross revenues improved to PhP13.3 billion, higher by 23.9% year-on-year, with net interest income increasing by 27.6% to PhP10.4 billion. Other operating income, inclusive of net service fees and commission income, was up 11.9% to PhP2.8 Billion versus the same period last year on the back of higher trading and securities gains.

As of September 2020, total assets closed at PhP214.7 billion. Net non-performing loans ratio was at 4.0% with total loans and receivables at PhP150.4 billion. To cushion the potential impact of the pandemic, PSBank boosted its loan provisioning to PhP5.3 billion which is 3x higher versus the same period last year. The Bank's capital position remained strong at PhP 34.9 billion with Total Capital Adequacy Ratio and Common Equity Tier 1 Ratio (CET1) at 18.6% and 17.7% respectively. Both are above the minimum required level set by the Bangko Sentral ng Pilipinas.

"PSBank continues to take a conservative stance on credit provisioning amid the present business landscape while leveraging on operating efficiencies and focusing on our digital transformation roadmap. We are proud to be rated PRS Aaa (corp.) by PhilRatings which signifies a strong and continuous confidence in our institution even during this challenging times." PSBank President Jose Vicente Alde said.

Recently, Philippine Rating Services Corporation (PhilRatings) assigned PSBank the highest Issuer Credit Rating of PRS Aaa (corp.), with a Stable Outlook, citing on the Bank's highly-experienced management team, its strong market position, and its sound capitalization and aggressive provisioning which are seen to temper the pandemic's impact on the loan portfolio. A company rated PRS Aaa (corp.) has a very strong capacity to meet its financial commitments relative to that of other Philippine corporates, while a Stable Outlook is assigned when a rating is likely to remain unchanged in the next 12 months.

PSBank has seen an exponential rise in the use of its digital banking services, and is committed to improve on them given the fast adoption of consumers to non-contact platforms brought about by the pandemic. The Bank continues to waive its fees on interbank fund transfers via InstaPay and PesoNet in support of the industry's shift to digital payments.

Thank you very much.

Very truly yours,



JOSE VICENTE L. ALDE
President