



November 5, 2021

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 posts Php1.26 billion in net income as of 3Q2021

Philippines Savings Bank (PSBank), the thrift banking arm of the Metrobank Group, registered a net income of Php1.26 billion for the first nine months of 2021, driven by increase in non-interest income, prudent management of expenses, and improvement in loan loss provisions.

Total assets expanded by 21% to Php258.75 billion as the Bank continued to grow its deposit base by 32% to Php213.51 billion. Low-cost CASA increased by 10%. As consumer loan demand remains slow, net interest income decreased by 11% compared to the same period last year. This was offset by an increase in non-interest income net of trading gains by 71% and reduction in operating expenses by 3%. The Bank booked credit provisions of Php2.77 billion, aligned with the industry-wide reduction in loan losses, as net non-performing loans improved to 3.9% from 5.2% as of end-2020.

PSBank's capital remained formidable at Php34.88 billion as of end-September 2021. Capital ratios were more than double the regulatory minimum with Capital Adequacy Ratio of 23.2% and Common Equity Tier1 Ratio (CET1) of 22.1%.

"With less COVID-19 cases registered daily and the speed at which vaccination is rolled-out, we should see more businesses opening up and consumer demand improving. In the past year, we have seen how the operating environment changed. PSBank is taking steps ahead. We have been recalibrating our infrastructure and business models to ensure that we are more than equipped to take on the opportunities of a new business environment," PSBank President Jose Vicente L. Alde said.

In September 2021, the Bank launched its Online Account Onboarding facility which allows customers to open a savings and prepaid account without the need to go to the branch. The process of account opening is completed seamlessly end-to-end via the PSBank Mobile App. Clients who prefer to have ATM cards can have them delivered at their doorstep. The new feature was launched in social media under the "*Stay Safe: Tap, Tap, Tapos Agad*" campaign.

"While we are one with the industry in strengthening digital banking capabilities, the priority has always been the safety of our customers and employees. We have pursued making our Mobile and Online Banking platforms robust and packed with relevant functionalities to enable customers to do most if not all of their banking transactions without going to a branch," Pres. Alde added.

Thank you very much.

Very truly yours,


JOSE VICENTE L. ALDE
President