



August 10, 2018

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.
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 Ms. Encarnacion and Ms. Salonga,

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

PSBank raises over Php5 Billion worth of LTNCTDs amid strong investor confidence

Philippine Savings Bank (PSBank), the consumer banking arm of the Metrobank Group, raised Php5.0845 billion worth of Long Term Negotiable Certificates of Time Deposits (LTNCTDs) versus planned initial offer of Php3 billion amid strong investor confidence in the bank.

The total amount raised represents an oversubscription of 70% from the initial offer of Php3 billion. The long-term high-yielding notes, with a tenor of five years and six months, were priced to yield 5.0% a year to be paid on a quarterly basis.

“We are overwhelmed with the strong demand for our LTNCTD offer. The total amount raised by the bank exceeded the initial offer as the issue was met by strong demand, reflecting the investing community’s confidence in the bank. Proceeds of the note issuance will help underpin expansion of our consumer banking business,” PSBank President Jose Vicente Alde said.

PSBank earlier said it secured approval from the Bangko Sentral ng Pilipinas to issue up to Php15 billion worth of LTNCTDs. The offerings will be conducted over a year in two or more tranches, the bank said. The first tranche of LTNCTD issuance was offered in the primary market from July 24 to August 2.

Keeping its growth momentum, PSBank's net profit stood at PhP1.35 billion in the first half of 2018, up 14.7% from PhP1.18 billion in the same period last year. The Bank's strong financial performance is on the back of robust revenues driven by net interest income and service fees. Total operating income reached PhP7.31 billion, up 9.6% from PhP6.67 billion while net interest income reached PhP5.85 billion, up 8.8% from PhP5.38 billion from a year earlier.

PSBank's total loan portfolio in the first half of the year showed double digit growth of 10.7% to PhP151.62 billion from PhP137.01 billion a year earlier. Resources totaled PhP234.76 billion, up 7.4% from the same period last year while deposits rose to 9.0% to PhP200.09 billion. The Bank's earnings translated to a return on equity of 11.8%.

Thank you very much.

Very truly yours,

A handwritten signature in black ink, appearing to be 'JL Alde', written over a light blue horizontal line.

Jose Vicente L. Alde
President