

February 18, 2019

PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

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: **Atty. Joseph B. Evangelista**
Head, Issuer Compliance and Disclosure Department

Ladies and Gentlemen:

We write in connection with the request of the Philippine Stock Exchange for clarification of the news article entitled “BDO unit to shell out P781 million for Bulacan rural bank” posted at philSTAR.com on February 15, 2019, the pertinent portion of which reads:

“Manila, Philippines – One Network Bank Inc. (ONB), the rural banking arm of BDO Unibank Inc., is initially spending P781 million to acquire a Bulacan-based rural bank to beef up its nationwide presence and cater to more small and medium enterprises (SMEs) particularly in Central Luzon.

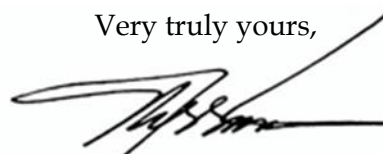
....”

We wish to clarify that the subject transaction is an acquisition of the banking business of the Rural Bank of Pandi (Bulacan) Inc. (**RBPI**). One Network Bank Inc. (**ONB**) will assume the deposit liabilities of RBPI presently estimated at ₱918 million in exchange for the loan assets of RBPI presently estimated at ₱781 million. Any difference in amounts between the deposit liabilities assumed by ONB and corresponding loan assets that ONB will receive, will be settled in cash by the relevant party.

These are indicative figures with the final amounts (which the parties expect to approximate aforementioned figures) to be fixed at completion date of the transaction, which the parties will agree on following receipt of regulatory approvals.

Thank you.

Very truly yours,



ELMER B. SERRANO
Corporate Information Officer