



FINAL PRICING SUPPLEMENT DATED OCTOBER 24, 2019

**OFFER OF SERIES "B" BONDS
BY METROPOLITAN BANK & TRUST COMPANY
IN THE AMOUNT OF PHP13,750,000,000**

Under its PHP54.5 Billion Programme

This document constitutes the Pricing Supplement relating to Series "B" Bonds being offered and described herein (the "Offer"). Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "General Terms and Conditions") set forth in the Trust Indenture and the Offering Circular dated May 3, 2019 (the "Offering Circular"). This Pricing Supplement contains the final terms of this Offer and the Series "B" Bonds and must be read in conjunction with the Offering Circular. Full information on the Bank and the Offer is contained in the Offering Circular and in this Pricing Supplement. All information contained in the Offering Circular are deemed incorporated by reference in this Pricing Supplement.

Issuer	Metropolitan Bank & Trust Company (the "Bank")
Issue	Bonds constituting the direct, unconditional, unsecured and unsubordinated obligations of the Bank
Specified Currency or Currencies	Philippine Peso
The Offer Size	₱13,750,000,000
Issue Price	At par (or 100% of face value)
Form and Denomination of the Bonds	The Series "B" Bonds shall be issued in scripless form in minimum denominations of ₱500,000 each, and in multiples of ₱100,000 thereafter, and traded in denominations of ₱100,000 in the secondary market
Offer Period	The offer of the Bonds shall commence at 10:00 am on October 3, 2019 and end at 5:00 pm on October 16, 2019, or any other date as may be determined by the Issuer and the Arrangers
Issue Date	October 24, 2019
Interest:	
Interest Date	Commencement October 24, 2019
Interest Payment Date (s)	January 24, April 24, July 24 and October of each year
Interest Rate	4.50% per annum
Day Count Fraction	30/360 day count basis
Maturity Date	3 years and 6 months from Issue Date or April 24, 2023

Rating	Unrated
Payment Account Name	Metropolitan Bank & Trust Company Branch: Head Office Account Number: 066-373-423-4045
Listing	The Series "B" Bonds will be listed at the Philippine Dealing & Exchange Corp.
Governing Law	Philippine Law

PROVISIONS RELATING TO REDEMPTION

Issuer Redemption Option	N/A
Final Redemption Amount	N/A
Early Redemption Date	N/A
Early Redemption Amount	N/A

PARTIES

Trustee	Development Bank of the Philippines - Trust Banking Group
Registrar & Paying Agent	Philippine Depository & Trust Corp.
Arrangers	ING Bank N.V., Manila Branch Standard Chartered Bank
Selling Agents	ING Bank N.V., Manila Branch Standard Chartered Bank Metropolitan Bank & Trust Company First Metro Investment Corporation
Market Maker	ING Bank N.V., Manila Branch Standard Chartered Bank

ADDITIONAL INFORMATION

Amendment or Supplement to the Offering Circular

I. Recent Developments

On September 6, 2019, the Board of Directors of ORIX Metro approved the issuance of PHP Bond / Debt Securities Program amounting up to ₱10.0 billion in one or more tranches, with tenors of at least 1.5 years.

On September 18, 2019, the Board of Directors of the Bank approved the issuance of PHP Long Term Negotiable Certificates of Deposit of up to ₱25.0 billion in one or more tranches of at least ₱2.0 billion per tranche, and tenors of 5.5 up to 10 years, subject to regulatory approval and market conditions.

II. Summary Consolidated Financial Information and Operating Data

The unaudited interim condensed consolidated financial statements of the Group as of June 30, 2019 and for the six months ended June 30, 2018 and 2019 were based on the unaudited interim condensed consolidated financial statements of the Group as of June 30, 2019 and for the six months ended June 30, 2018 and 2019. The information below is not necessarily indicative of the results of future operations. The selected financial information set out below does not purport to project the consolidated results of operations or financial position of the Group for any future period or date.

CONSOLIDATED STATEMENTS OF INCOME

	For the six months ended June 30	
	2018	2019
	(unaudited)	(unaudited)
	(₱ millions, except for earnings per share)	
Interest income on		
Loans and receivables	37,406	48,459
Trading and investment securities	7,792	9,170
Deposits with banks and others	247	387
	<u>45,445</u>	<u>58,016</u>
Interest and finance charges		
Deposit liabilities	8,080	13,382
Bills payable and securities sold under repurchase agreements, bonds payable, subordinated debt and others	4,044	8,112
	<u>12,124</u>	<u>21,494</u>
Net interest income	<u>33,321</u>	<u>36,522</u>
Provision for credit and impairment losses	<u>3,468</u>	<u>4,598</u>
Net interest income after provision for credit and impairment losses	<u>29,853</u>	<u>31,924</u>
Other income		
Service charges, fees and commissions	6,068	6,563
Trading and securities and foreign exchange gains - net	1,406	3,609
Miscellaneous	4,318	3,546
	<u>11,792</u>	<u>13,718</u>
Other expenses		
Compensation and fringe benefits	10,451	11,329
Occupancy and equipment-related cost	1,554	1,005
Miscellaneous	13,959	15,418
	<u>25,964</u>	<u>27,752</u>
Income before income tax	<u>15,681</u>	<u>17,890</u>
Provision for income tax	<u>3,755</u>	<u>4,481</u>
Net income	<u>11,926</u>	<u>13,409</u>
Attributable to:		
Equity holders of the Bank	11,006	13,030
Non-controlling Interest	920	379
	<u>11,926</u>	<u>13,409</u>
Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Bank	<u>3.08</u>	<u>3.27</u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As of December 31, 2018 (audited)	As of June 30, 2019 (unaudited)
	(P millions)	
Assets		
Cash and Other Cash Items.....	33,091	24,300
Due from <i>Bangko Sentral ng Pilipinas</i>	240,134	210,931
Due from Other Banks	45,802	46,434
Interbank Loans Receivable and Securities Purchased Under Resale Agreements.....	50,719	49,319
Investment Securities at:		
Fair Value Through Profit or Loss.....	39,689	58,417
Fair Value Through Other Comprehensive Income.....	111,288	154,771
Amortized Cost	265,376	264,033
Loans and Receivables.....	1,391,034	1,397,586
Property and Equipment	21,954	25,401
Investments in Associates and a Joint Venture	5,947	6,618
Goodwill.....	5,200	5,200
Investment Properties.....	7,500	7,427
Deferred Tax Assets	10,238	9,905
Other Assets.....	15,721	17,820
Total Assets	2,243,693	2,278,162
Liabilities and Equity		
Liabilities		
Deposit Liabilities		
Demand	355,473	357,919
Savings	609,471	628,370
Time.....	548,019	593,532
Long Term Negotiable Certificates	43,790	43,733
	1,556,753	1,623,554
Bills Payable and Securities Sold Under Repurchase Agreements.....	259,607	209,598
Derivative Liabilities	6,537	6,910
Manager's Checks and Demand Drafts Outstanding	7,565	5,763
Income Taxes Payable.....	2,830	2,015
Accrued Interest and Other Expenses.....	9,619	9,841
Bonds Payable.....	30,743	48,147
Subordinated Debts	26,618	10,637
Deferred Tax Liabilities	357	319
Non-equity Non-controlling Interest	6,747	6,659
Other Liabilities	45,613	49,530
	1,952,989	1,972,973
Equity		
Attributable to Equity Holders of the Bank	282,960	296,504
Non-controlling Interest	7,744	8,685
	290,704	305,189
Total Liabilities and Equity	2,243,693	2,278,162

SELECTED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the six months ended June 30,	
	2018 (unaudited)	2019 (unaudited)
	(P millions)	
Net cash provided by (used in) operating activities.....	(67,695)	53,560
Net cash used in investing activities.....	(11,938)	(34,431)
Net cash provided by (used in) financing activities	72,441	(55,058)
Cash and cash equivalents at beginning of the period.....	353,617	358,413
Cash and cash equivalents at end of the period.....	346,425	322,484

SELECTED FINANCIAL RATIOS

	As of June 30,	
	2018	2019
Return on average assets ^{*(1)}	1.04%	1.15%
Return on average equity ^{*(2)}	9.18%	8.99%
Net interest margin ⁽³⁾	3.77%	3.83%
Other Operating Expenses	25,964	27,752
Total Operating Income	44,792	49,806
Net Interest Income	33,321	36,522
Other Operating Income ⁽⁴⁾	11,471	13,284
Cost-income ratio ⁽⁵⁾	57.97%	55.72%
Total Gross Loans	1,327,944	1,399,679
Total Deposits	1,556,753	1,623,554
Loans to deposit ratio ⁽⁶⁾	85.30%	86.21%
Common Equity Tier 1 capital ratio ⁽⁷⁾	15.32%	15.67%
Capital conservation buffer ⁽⁷⁾	9.32%	9.67%
Tier 1 capital ratio ⁽⁷⁾	15.32%	15.67%
Total capital ratio ⁽⁷⁾	17.84%	17.14%
Total non-performing loans to total loans – excluding interbank loans	1.14%	1.50%
Total non-performing loans to total loans – including interbank loans	1.10%	1.45%
Allowance for credit losses – loans	16,677	18,294
Total Gross Loans	1,327,944	1,399,679
Allowance for credit losses to total loans	1.26%	1.31%
Allowance for credit losses – loans	16,677	18,294
Total NPLs	15,033	20,965
Allowance for credit loan losses to total non- performing loans	110.94%	87.26%

Notes:

* Average is current balance plus previous year's balance divided by two

(1) Net income divided by average total assets

(2) Net income divided by average total equity

(3) Net interest income divided by average interest-earning assets (including due from the BSP, due from other banks, interbank loans receivable and securities purchased under repurchased agreements (SPURA), investment securities, current gross receivables from customers, sales contract receivable, unquoted debt instruments and bills purchased).

(4) Other income excluding share in net income of associates and a joint venture

(5) Other operating expenses (excluding provisions for credit and impairment losses and for income tax) divided by total operating income (computed as sum of net interest income and other operating income)

(6) Total gross loans divided by total deposits. Total gross loans comprise of receivables from customers before deducting unearned discount and capitalized interest and allowance for credit losses

(7) Computed based on Basel III standards.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF CONSOLIDATED FINANCIAL POSITION AND RESULTS OF OPERATIONS

Key Performance Indicators

Financial Ratios

The following ratios measure the financial performance of the Group, the Bank, and significant subsidiaries:

	For the Period Ended June 30, 2019 (Unaudited)				
	Group	Metrobank	FMIC	PSBank	MCC
Earnings per share	P3.27	P3.27	P1.28	P3.67	P2.25
Return on equity	8.99%	8.69%	4.73%	9.37%	28.46%
Return on assets	1.15%	1.38%	1.53%	1.16%	5.39%
Operating efficiency ratio	55.72%	59.44%	67.92%	61.98%	31.24%
Non-performing loans ratio	1.50%	1.09%	Nil	2.82%	1.65%

	For the Period Ended June 30, 2018 (Unaudited)				
	Group	Metrobank	FMIC	PSBank	MCC
Earnings per share	P3.08	P3.08	P0.58	P5.34*	P2.32
Return on equity	9.18%	9.00%	3.37%	11.83%	36.20%
Return on assets	1.04%	1.26%	0.99%	1.18%	6.21%
Operating efficiency ratio	57.97%	63.08%	110.91%	63.12%	43.06%
Non-performing loans ratio	1.14%	0.72%	Nil	2.13%	1.64%

*Restated to show the effect of stock rights issued in 2019 for PSBank

Earnings Per Share

Basic earnings per share (EPS) is computed by dividing the net income by the weighted average number of common shares outstanding after giving retroactive effect to stock dividends declared, stock rights exercised and stock splits made during the period, if any. As of June 30, 2019 and 2018, the Bank had no shares of stock that had a dilutive effect on its basic earnings per share.

The increase in the Group's EPS from P3.08 to P3.27 was due to the 18.39% improvement in net income attributable to the equity holders of the Parent Company from P11.01 billion for the period ended June 30, 2018 to P13.03 billion for the same period in 2019.

Return on Equity

Return on equity (ROE) or the ratio of annualized net income to average capital funds (equity attributable to equity holders of the Parent Company) measures the return on capital provided by the stockholders.

ROE of the Group for the period ended June 30, 2019 was lower at 8.99% compared with 9.18% for the same period in 2018 due to the net effect of the 18.39% increase in the net income attributable to equity holders of the Parent Company and the 20.83% increase in the average equity.

Return on Assets

Return on assets (ROA) or the ratio of annualized net income to average total assets, measures the return on money provided by both stockholders and creditors, as well as how efficiently all assets are managed.

ROA went up to 1.15% for the period ended June 30, 2019 from 1.04% for the same period in 2018 as a result of the 18.39% increase in net income attributable to the equity holders of the Parent Company and the 6.33% increase in the average total assets.

Operating Efficiency Ratio

Operating efficiency ratio represents the ratio of total operating expenses (excluding provisions for credit and impairment losses and income tax) to total operating income (excluding share in net income of associates and a joint venture).

For the period ended June 30, 2019, the Group's operating efficiency ratio went down to 55.72% from 57.97% for the same period in 2018 resulting from higher operating income by 11.19% compared with the 6.89% increase in operating expenses.

Non-Performing Loans Ratio

Non-performing loans (NPL) ratio represents the ratio of NPLs to gross loan portfolio, excluding interbank loans receivable.

As of June 30, 2019 and 2018, NPL ratio of the Group was at 1.50% and 1.14%.

Liquidity

To ensure that funds are more than adequate to meet its obligations, the Bank proactively monitors its liquidity position daily. Based on this system of monitoring, the Bank does not anticipate having any cash flow or liquidity problem within the next twelve months. As of June 30, 2019, the contractual maturity profile shows that the Bank has at its disposal about ₱935.31 billion of cash inflows in the next twelve months from its portfolio of cash, placements with banks, debt securities and receivable from customers. This will cover 67.66% of the ₱1.38 trillion total deposits maturing during the same period. These cash inflows exclude securities in FVTPL and FVOCI with maturities beyond one year but may easily be liquidated in an active secondary market. Inclusive of these securities, the total financial assets will cover 76.70% of the total deposits maturing during the same period. On the other hand, historical balances of deposits showed that no substantial portion has been withdrawn in one year.

Events That Will Trigger Material Direct or Contingent Financial Obligation

These events are discussed in Note 12 - Commitments and Contingent Liabilities of the General Notes to the Interim Condensed Consolidated Financial Statements as attached in Annex A of this Pricing Supplement.

Material Off-Balance Sheet Transactions, Arrangements or Obligations

The summary of contingencies and commitments at their peso-equivalent contractual amounts arising from off-balance sheet items are discussed in Note 12 - Commitments and Contingent Liabilities of the General Notes to the Interim Condensed Consolidated Financial Statements as attached in Annex A of this Pricing Supplement. Likewise, the summary of obligations are discussed in Note 6 - LTNCD; Note 8 - Bonds Payable; Note 9 - Subordinated Debts and Note 10 - Capital Stock.

Material Commitments for Capital Expenditures

For the year 2019, the Bank estimates to incur capital expenditures of about ₱2.0 billion to ₱4.0 billion, of which 50% is estimated to be incurred for information technology.

Material Events or Uncertainties

The Bank has nothing to report on the following for the period ended June 30, 2019:

1. Any known trends or demands, commitments, events or uncertainties that will have a material impact on liquidity or that have had or that are reasonably expected to have a material

favorable or unfavorable impact on net sales or revenues or income from continuing operations, except as disclosed in Note 14 - Other Matters; and Note 15 - Subsequent Events of the General Notes to the Interim Condensed Consolidated Financial Statements as attached in Annex A of this Pricing Supplement;

2. Any seasonal aspects that had a material effect on the financial condition or results of operations; and
3. Any significant element of income or loss that did not arise from continuing operations.

Material Changes in Financial Statements Accounts

Financial Condition

June 30, 2019 (Unaudited) vs. December 31, 2018 (Audited)

The Metrobank Group posted unaudited consolidated total assets of ₱2.28 trillion and consolidated total liabilities of ₱1.97 trillion as of June 30, 2019. Compared with the audited figures as of December 31, 2018, total assets and total liabilities went up by ₱34.47 billion or 1.54% and by ₱19.98 billion or 1.02%, respectively. Moreover, equity attributable to equity holders of the Parent Company was higher by ₱13.54 billion or 4.79% from ₱282.96 billion to ₱296.50 billion.

Cash and Other Cash Items decreased by ₱8.79 billion or 26.57% due to the lower level of cash requirements of the Bank and PSBank compared with that of year-end due to the holiday seasons. Due from BSP which represents 9.26% of the Group's total assets went down by ₱29.20 billion or 12.16% due to the reserve cuts by the BSP in May 31, 2019 and June 28, 2019.

Total investment securities which consisted of FVTPL, FVOCI and securities at amortized cost and which represents 20.95% and 18.56% of the Group's total assets as of June 30, 2019 and December 31, 2018, respectively, went up by ₱60.87 billion or 14.62%. FVTPL securities consist of HFT securities and derivative assets amounting to ₱49.51 billion and ₱8.91 billion, respectively, as of June 30, 2019 and ₱29.04 billion and ₱10.65 billion, respectively, as of December 31, 2018. The ₱43.48 billion increase in FVOCI securities was mainly due to the net effect of the increases in investments in government bonds (₱15.57 billion) and treasury notes and bonds (₱28.53 billion). On the other hand, the ₱1.34 billion decrease in investment securities at amortized cost was due to various maturities.

Loans and Receivables representing 61.35% and 62.00% of the Group's total assets as of June 30, 2019 and December 31, 2018, respectively, went up by ₱6.55 billion due to higher demand on commercial and consumer loans. Investments in Associates and a Joint Venture went up by ₱0.67 billion or 11.28% due to take up of share in net income and other comprehensive income of the associates of FMIC.

Property and equipment increased by ₱3.45 billion or 15.70% from ₱21.95 billion to ₱25.40 billion due to the adoption of PFRS 16 which requires recognition by lessees of the assets and related liabilities for most leases on their balance sheets and subsequently depreciates the lease assets and recognizes interest on the lease liabilities in their profit or loss. As of January 1, 2019, the adoption of PFRS 16 resulted in the initial recognition of right-of-use asset classified under "Property and Equipment" and lease liability classified under "Other Liabilities" amounting to ₱4.2 billion. As of June 30, 2019, outstanding balances of these accounts amounted to ₱3.54 billion and ₱3.98 billion, respectively.

Other Assets increased by ₱2.10 billion or 13.35% from ₱15.72 billion to ₱17.82 billion primarily due to the net effect of the increases in miscellaneous assets (which include the funding for retirement) and prepaid expenses and decreases in inter-office float items and creditable withholding tax.

Deposit liabilities represent 82.29% and 79.71% of the consolidated total liabilities as of June 30, 2019 and December 31, 2018, respectively, wherein low cost deposits represent 60.75% and 61.98% of the Group's total deposits, respectively. The Group's deposit level, sourced mainly by the Bank, PSBank and MBCL reached ₱1.62 trillion as of June 30, 2019, an increase of ₱66.80 billion or 4.29% from the December 31, 2018 level.

Bills Payable and SSURA representing 10.62% and 13.29% of the Group's total liabilities as of June 30, 2019 and December 31, 2018, respectively, went down by ₱50.01 billion or 19.26% due to settlement of borrowings with the BSP and other local and foreign banks and maturities of SSURA offset by the increase in deposit substitutes. Derivative Liabilities representing the mark-to-market of foreign currency forwards and swaps, interest rate swaps, cross currency swaps and foreign currency options with negative fair value increased by ₱0.37 billion or 5.71%. The decrease of ₱1.80 billion or 23.82% in Manager's Checks and Demand Drafts Outstanding resulted from normal banking operations of the Bank and PSBank. Income taxes payable decreased by ₱0.82 billion or 28.80% due to settlement of the 2018 income tax liabilities in April 2019 net of accrual for 2019.

On April 11, 2019, the Bank issued ₱17.50 billion fixed rate bonds with an issue price at 100% face value, at a rate of 6.30% per annum, payable quarterly, with a tenor of three years maturing on April 11, 2022. The Bank also redeemed its 2024 Peso Notes amounting to ₱16.0 billion on June 27, 2019, ahead of its maturity, which caused the decline in Subordinated Debt. Deferred Tax Liabilities decreased by ₱0.04 billion or 10.64%. Other Liabilities increased by ₱3.92 billion or 8.59% primarily due to the recognition of lease liability as a result of the adoption of PFRS 16 and increases in miscellaneous liabilities (₱0.47 billion) and marginal deposits (₱1.85 billion) net of the decrease in bills purchased contra (₱2.77 billion).

The ₱0.94 billion or 12.15% increase in equity of non-controlling interest was attributed to the net income generated by the majority-owned subsidiaries for the period ended June 30, 2019 and the increase in additional paid-in capital due to the stock right issuance of PSBank. Equity attributable to equity holders of the Parent Company increased by ₱13.54 billion or 4.79% mainly due to the net effect of the net income reported during the period, improvement in net unrealized gain on FVOCI and the ₱3.98 billion cash dividends declared and paid during the period.

Results of Operations

Period Ended June 2019 vs. Period Ended June 2018 (Unaudited)

Unaudited net income attributable to equity holders of the Parent Company for the period ended June 30, 2019 improved by 18.39% to ₱13.03 billion from the ₱11.01 billion net income reported in the same period in 2018.

Interest income went up by ₱12.57 billion or 27.66% from ₱45.45 billion to ₱58.02 billion resulting from the higher interest income on loans and receivable by ₱11.05 billion and increases in interest income on trading and investment securities by ₱1.38 billion and on deposit with banks and others by ₱0.14 billion. On the other hand, interest expense increased by ₱9.37 billion or 77.28% from ₱12.12 billion to ₱21.49 billion coming from higher interest expenses on deposit liabilities by ₱5.30 billion or 65.62% and on bills payable and other borrowings by ₱4.07 billion or 100.59%. These resulted in a 9.61% or ₱3.20 billion growth in net interest income.

Other operating income of ₱13.72 billion was higher by ₱1.93 billion or 16.33% compared with ₱11.79 billion for the same period last year due to the increases in net trading and securities and foreign exchange gains by ₱2.20 billion or 156.69% and fee-based income by ₱0.50 billion or 8.16% while miscellaneous income was lower by ₱0.77 billion.

Total operating expenses increased by ₱1.79 billion or 6.89% from ₱25.96 billion to ₱27.75 billion with higher compensation and fringe benefits by ₱0.88 billion or 8.40% and miscellaneous expenses by ₱1.46 billion or 10.45% while occupancy and equipment-related expenses decreased by ₱0.55 billion or 35.33%. Provision for credit and impairment losses increased by ₱1.13 billion from ₱3.47 billion to ₱4.60 billion while provision for income tax was higher by ₱0.73 billion from ₱3.76 billion to ₱4.48 billion due to net movements in corporate, final and deferred income taxes.

Income attributable to non-controlling interests went down to ₱0.38 billion from ₱0.92 billion or by ₱0.54 billion or 58.80% due to decrease in ownership of minority particularly on MCC and PSBank.

Total comprehensive income went up by ₱7.79 billion from ₱10.72 billion to ₱18.51 billion for the period ended June 30, 2018 and 2019, respectively, due to the net effect of the increase in net income; the net unrealized gain recognized this year on FVOCI investments compared with the net unrealized loss recognized in previous year; and the loss recognized this year in translation adjustments and others compared with the gain booked last year. Total comprehensive income attributable to equity holders of the Parent Company for the period ended June 30, 2019, went up to ₱17.51 billion or by ₱7.86 billion from ₱9.64 billion for the same period in 2018.

CAPITALIZATION

The following table sets forth the indebtedness and capitalization of the Group as at 30 June 2019. This table should be read in conjunction with the Group's financial statements as at 30 June 2019 and the notes presented elsewhere herein.

	As at 30 June 2019 (Unaudited) (₱ millions)
Short-term liabilities	
Deposit liabilities.....	1,563,309
Bills Payable, Securities Sold Under Repurchase Agreements and other liabilities.....	247,895
Long-Term Negotiable Certificates of Time Deposit due 2020 (MBT)	8,000
Bonds Payable due 2019 (FMIC)	2,919
Total short-term liabilities	1,822,123
Long-term liabilities	
Deposit liabilities.....	16,512
Bills Payable, Securities Sold Under Repurchase Agreements and other liabilities.....	42,740
Bonds Payable ⁽¹⁾	45,228
Long-Term Negotiable Certificates of Time Deposit.....	35,733
Subordinated Notes due 2023 (MCC)	1,165
Subordinated Notes due 2024 (PSBank).....	2,983
Subordinated Notes due 2025 (MBT)	6,489
Total long-term liabilities	150,850
Total liabilities	1,972,973
Capital Funds	
Issued share capital.....	79,600
Capital paid in excess of par value	85,252
Treasury stocks	(68)
Surplus reserves.....	2,011
Surplus	139,564
Other equity adjustments.....	(9,855)
Non-controlling interest.....	8,685
Total capital funds.....	305,189
Total capitalization and indebtedness	2,278,162
Capital Ratios⁽²⁾	
Common Equity Tier 1 ratio	15.67%
Tier 1 capital ratio	15.67%
Total capital ratio.....	17.14%

(1) On 3 July 2019, the Bank issued ₱11.25 billion fixed rate bonds with an issue price at 100% face value, at a rate of 5.50% per annum, payable quarterly, with a tenor of three years maturing on 3 July 2021. In addition, on July 5, 2019, PSBank raised ₱6.3 billion 2-year Peso Fixed Rate Bond priced at 5.60% per annum with quarterly interest payments.

(2) Common Equity Tier 1, Tier 1 and total capital ratios are calculated based on Basel III rules.

ANNEX A

Interim Condensed Consolidated Financial Statements as of June 30, 2019 (Unaudited) and December 31, 2018 (Audited) and For the Six Months Ended June 30, 2019 and 2018 (Unaudited)

The Bank confirms the information contained in this Pricing Supplement and accepts responsibility therefor.

METROPOLITAN BANK & TRUST COMPANY

Issuer and Selling Agent



Name: JOSHUA E. NAING
Position: Head, Financial and Control Sector



Name: FERNAND ANTONIO A. TANSINGCO
Position: Head, Financial Markets Sector