

News Release

March 2018

PNB net income up 14% to P8.2B

The Philippine National Bank (PSE: PNB) posted consolidated net profits of P8.2 billion in 2017, 14% higher compared to P7.2 billion reported a year ago, on the back of growth in core operating income.

The Bank's net interest income increased by 13% from the previous year driven by mainly by the expansion in its loan portfolio to P502.1 billion, up by 17% or P73.9 billion from 2016. Total deposits, on the other hand, increased by 12% or P67.4 billion, to P637.9 billion. Net service fees and commission income was higher by 16%, fueled by growth in loan- and deposit-related services as well as improved investment banking fees.

The Bank also booked higher net gains on disposal of foreclosed properties, at P3.9 billion in 2017 versus P2.5 billion last year, in line with the Bank's continuing strategy of reducing its non-earning assets. Trading and foreign exchange gains were lower by 22%. Operating expenses, excluding provisions for impairment and credit losses, increased 7% over the same period last year.

As of end-2017, PNB's total consolidated resources stood at P836.2 billion, up by P82.2 billion or 11% from last year's level. In 2017, the Bank successfully raised P10.1 billion from the issuances of the second and third tranches of its P20 billion Long Term

Negotiable Certificates of Deposit program approved by the Bangko Sentral ng Pilipinas in 2016.

International financial research and credit rating agency Moody's upgraded PNB's Philippine peso currency and foreign currency deposit ratings in 2017, to Baa2/P-2 from Baa3/P-3 respectively, two notches above investment grade status.

About PNB

Philippine National Bank is one of the country's largest private universal banks in terms of assets and deposits. It provides a full range of banking and other financial services to its highly diverse clientele comprised of individual depositors, small and medium enterprise, domestic and international corporations, government institutions, and overseas Filipinos. Backed by over a century of stability and excellence, PNB looks forward to more years of serving its customers first.

As of end-2017, PNB has a total of 692 branches and 1,243 ATMs strategically located nationwide. Plus, PNB maintained its position as the Philippine bank with the most extensive international footprint with 72 overseas branches, representative offices, remittance centers and subsidiaries across Asia, Europe, the Middle East, and North America.

To know more about PNB, visit its official website: www.pnb.com.ph.