



**Office of the Corporate Secretary**

Direct Line: 536-0540  
Trunk Lines: 891-6040 to 70  
Local: 4782

May 15, 2015

**PHILIPPINE DEALING & EXCHANGE CORPORATION**

37<sup>th</sup> Floor, Tower 1, The Enterprise Center  
6766 Ayala Avenue corner Paseo de Roxas  
Makati City

Attention: **Ms. Vina Vanessa S. Salonga**  
Head - Issuer Compliance and Disclosure Department

Dear Ms. Salonga:

We are pleased to furnish the Philippine Dealing and Exchange Corporation (PDEX) a copy of our disclosure to the Philippine Stock Exchange regarding the press release of the Bank entitled "PNB Posts P1.2 Billion Net Income in First Quarter of 2015".

We trust you will take note accordingly. Thank you.

Very truly yours,

  
**DORIS S. TE**  
Corporate Secretary  


Philippine National Bank  
PNB Financial Center  
Pres. Diosdado Macapagal Blvd.,  
Pasay City, Metro Manila 1300, Philippines

T. (632) 526-3131 to 70/891-6040 to 70  
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Authorized Depository of the Republic of the Philippines  
Member: PDIC

C02614-2015

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 17-C**

**CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported)

May 14, 2015

2. SEC Identification Number

AS096-005555

3. BIR Tax Identification No.

000-188-209-000

4. Exact name of issuer as specified in its charter

Philippine National Bank

5. Province, country or other jurisdiction of incorporation

Metro Manila, Philippines

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

PNB Financial Center, President Diosdado Macapagal Blvd., Pasay City

Postal Code

1300

8. Issuer's telephone number, including area code

(632) 8916040 to 70/(632) 5263131 to 70

9. Former name or former address, if changed since last report

Not Applicable

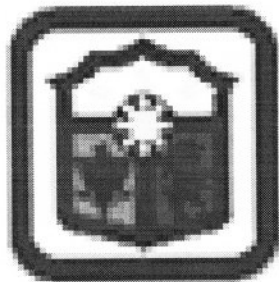
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	1,249,139,678

11. Indicate the item numbers reported herein

Item 9

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*



**PNB**

**Philippine National Bank**

**PNB**

**PSE Disclosure Form 4-31 - Press Release**  
**References: SRC Rule 17 (SEC Form 17-C)**  
**Section 4.4 of the Revised Disclosure Rules**

**Subject of the Disclosure**

PNB Posts P1.2 Billion Net Income in First Quarter of 2015

**Background/Description of the Disclosure**

We are pleased to furnish the Exchange a copy of the press release of the Bank re: PNB Posts P1.2 Billion Net Income in First Quarter of 2015.

We trust you will take note accordingly. Thank you.

**Other Relevant Information**

None.

**Filed on behalf by:**

**Name**

Doris Te

**Designation**

Corporate Secretary



## News Release

Marketing Group

### **PNB Posts P1.2 Billion Net Income in First Quarter of 2015**

The Philippine National Bank (PNB) sustained its profitability in the first quarter of 2015 with consolidated net income reaching P1.2 billion.

During the quarter, the Bank's net interest income stood at P4.25 billion, slightly down by 4.4% from the year-ago level which included one-time gains from the redemption of non-performing assets. Excluding these gains, the Bank's net interest income actually grew by 11.4%. This growth was fueled by the strong performance of PNB's core lending business. Loans grew by 17% year-on-year to P302 billion in the first quarter of 2015 with substantial contributions coming from corporate and commercial/SME loans which posted double-digit increases. Likewise, the Bank's loans-to-deposits ratio significantly improved to 69% from 57% a year ago, reflecting the Bank's continued focus on generating a more stable stream of income.

On the other hand, fee-based and other income which comprised 32% of the Bank's total operating income increased by 9.1% to P1.96 billion compared to the same period last year. Reduction in treasury-related income was compensated by a strong growth in the Bank's insurance business, the sale of foreclosed assets and service fees which collectively grew by 31.5%.

Meanwhile, PNB's initiatives to streamline operations enabled the Bank to keep the growth of overhead expenses to a moderate 5% to reach P4.4 billion.

By end-March 2015, PNB's consolidated total assets stood at P620.6 billion. The Bank continued to improve its asset quality as non-performing loans (NPL) decreased to P9.3 billion from end-



2014 level of P9.9 billion. Gross NPL ratio and net NPL ratio went down to 3.24% and 0.64% from 3.42% and 0.92%, respectively in December 2014. NPL coverage is now at 108.4%.

The Group's consolidated capital position remained strong with a Capital Adequacy Ratio (CAR) of 21.32% and a CET 1 ratio of 18.09% against 20.61% and 17.43%, respectively in December 2014.

As a partner in countryside development, PNB also entered into a loan agreement of up to Php 1.2 billion with Misamis Oriental 1 Rural Electric Service Cooperative, Inc. (MORESCO I). The 10-year term loan facility will be used to finance the construction of transmission lines, rehabilitation and upgrading of existing distribution lines and system loss reduction projects. MORESCO I services the electricity needs of 10 Municipalities in Misamis Oriental.

#### **About PNB**

Philippine National Bank is the country's fourth largest private commercial bank in terms of assets and deposits. It is a universal bank providing a full range of banking and other financial services to large corporate, middle market, small and medium enterprises, and retail customers.

As of March 31, 2015, PNB had a total of 660 branches and 853 ATMs strategically located nationwide. In addition, PNB boasts of having the most extensive international footprint across Asia, Europe, Middle East, and North America with 74 overseas branches and offices among Philippine banks.