

FILE

COVER SHEET

AS096-005555

S.E.C. Registration Number

PHILIPPINE NATIONAL BANK

Company's Full Name)

9th Floor PNB Financial Center

Macapagal Blvd., Pasay City

(Business Address: No. Street City/Town/ Province)

DORIS S. TE
Corporate Secretary
Contact Person

834-0780
Company Telephone Number

1 2 3 1
Month Day
Fiscal Year

SEC 17-C
FORM TYPE

May 29
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

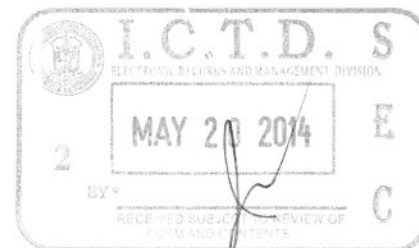
STAMPS

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SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C

FILE

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



1. May 19, 2014
Date of Report (Date of earliest event reported)
2. SEC Identification Number ASO96-005555 3. BIR Tax Identification No. 000-188-209-000
4. PHILIPPINE NATIONAL BANK
Exact name of registrant as specified in its charter
5. PHILIPPINES 6. Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. PNB Financial Center, Pres. Diosdado Macapagal Blvd., Pasay City, Metro Manila
1300
Address of principal office
Postal Code
8. (632)/ 526-3131 to 70/ (632) 891-6040 to 70
Issuer's telephone number, including area code
9. Not Applicable
Former name or former address, if changed since last report
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	1,119,426,764 ¹

11. Indicate the item numbers reported herein: Item 9 - Other Events.

We are pleased to furnish the Commission a copy of the press release of the Philippine National Bank re: PNB Posts P1.3B Income for the First Quarter.

We trust you will take note accordingly.

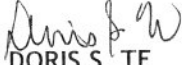

¹ This number includes the 423,962,500 common shares (the "Shares") deemed issued to the stockholders of Allied Banking Corporation (ABC) relative to the merger of PNB and ABC as approved by the Securities and Exchange Commission (SEC) on January 17, 2013. The shares are the subject of the Registration Statement filed with SEC and for listing with the Philippine Stock Exchange. This also includes a portion of its Stock Rights Offering (Offer) of 162,931,262 common shares (Rights Shares), particularly 33,218,348 Right Shares, which was sourced from the existing authorized but unissued capital stock. The remaining 129,712,914 Rights Shares subject of the Offer will be sourced from an increase in authorized capital stock of the Bank and have therefore not yet been issued.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHILIPPINE NATIONAL BANK
Issuer

May 19, 2014
Date


DORIS S. TE
Corporate Secretary
Signature and Title 

* Print name and title of the signing officer under the signature.

PNB posts 1.3B Income for the First Quarter

The Philippine National Bank posted a Net Income of Php 1.3 billion for the first quarter of 2014. Last year's first quarter performance was 53% higher, which was mainly brought about by substantial gains in trading and investment securities. The Bank's Net Interest Income, which accounted for 68% of the Bank's total operating income, rose by 70% to Php 4.5 billion. This was a result of a 31% increase in interest income, coupled with a 38% decline in interest expense. During the quarter, the Bank's loan portfolio increased by P4.3 billion across all customer segments despite the squeeze in margins amidst a low interest rate environment. With the redemption of the Bank's P4.5 billion unsecured subordinated debt with an interest rate of 7.13%, the Bank's interest expense was substantially reduced.

The Bank's consolidated assets reached Php 611.9 billion for the first quarter of 2014. Two years after the sale of a significant amount of Held to Maturity (HTM) securities in October 2011, the Bank reclassified P18.3 billion of its Available for Sale Investments to HTM investments to mitigate the marked-to-market impact on the Bank's investment securities due to market volatilities.

The Bank's gross non-performing loans (NPL) decreased to Php 10.3 Billion as of March 31, 2014. The Bank's net NPL ratio was 1.3% while the gross NPL coverage was 93%.

The Bank beefed up its capital through a Stock Rights Offering in February 2014. The Bank has successfully completed its Stock Rights Offering of 162,931,262 common shares with a par value of Php 40.00 per share, at a price of Php 71.00 each. The Offer was oversubscribed and raised gross proceeds of Php 11.6 billion. As a result, the Bank's consolidated equity stood at Php 87.9 billion, up by 4.8% from the year-ago level. Consequently, its consolidated risk-based capital adequacy ratio (CAR), computed based on BSP Circular 781 (BASEL III guidelines), was at 19.5%, exceeding the regulatory 10% CAR. Likewise, the consolidated Common Equity Tier 1 (CET 1) ratio was at 16.1%, surpassing the BSP's minimum threshold of 8.5% with conservation buffer.

In recognition of the Bank's business excellence, two of its products and services recently garnered accolades from industry peers. *ATM Safe* won the Best in Innovation Award in the 2013 Philippine Insurers and Reinsurance Association, Inc. (PIRA) Awards while the *Healthy Ka Pinoy* (HKP) Emergency Card won the award for Excellence in Business Model Innovation in the 2013 Asian Trailblazer Awards of Retail Banker International.