

C01425-2016

**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)
Mar 17, 2016
- 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
Philippines
- 6. Industry Classification Code(SEC Use Only)
- 7. Address of principal office
PNB Financial Center, Pres. Diosdado Macapagal Blvd., Pasay City, Metro Manila
Postal Code
1300
- 8. Issuer's telephone number, including area code
(632) 526-3131 to 70/(632) 891-6040 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.



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

Press Release - PNB Savings Bank 2015 Operating Results

Background/Description of the Disclosure

We are pleased to furnish the Exchange a copy of the press release entitled "PNB Savings Bank 2015 Operating Results".

We trust you will take note accordingly. Thank you.

Other Relevant Information

None.

Filed on behalf by:

Name

Maila Katrina Ilarde

Designation

Corporate Secretary

News Release

Marketing Group

PNB Savings Bank 2015 Operating Results

In 2015, **PNB Savings Bank (PNBSB)** as consumer arm of the parent bank, PNB, further entrenched itself as a major market player in consumer loans. Housing loans accounted for 66% of new consumer business, auto loans generated 33% while multi-purpose and salary loan contributed 1%.

Of the new housing loans, more than half is accounted for by referrals from the Bank's partner developers and dealers while 39% was referred by the branch network. PNB and PNBSB branches remain to be a steady source of consumer loan referrals. This channel also makes housing and auto loans easily available to customers even in far-flung areas. In 2015, PNBSB forged 27 partnerships with real estate organizations, bringing the bank's total developer network to 138 and further augmenting the Bank's presence in the real estate industry.

PNB Savings Bank traces its roots from First Malayan Development Bank which Allied Banking Corporation (ABC) bought in 1986 to reinforce its presence in the countryside. In January 17, 1996, it was renamed First Allied Savings Bank following the grant of license to operate as a savings bank. It was in the same year that the Monetary Board of the BSP granted a foreign currency deposit license. In 1998, First Allied Savings Bank changed its name to Allied Savings Bank to further establish its association with the parent ABC. With the merger of PNB and ABC in 2013, Allied Savings Bank became a wholly owned subsidiary of PNB. In November 2014, Securities and Exchange Commission approved the change of name of Allied Savings Bank to PNB Savings Bank.

PNBSB closed the year 2015 with total resources of ₱22.7 billion, up 8% from the previous year. Total deposits closed the year with ₱ 11.1 billion increased by 15% for the year which is primarily fuelled by short term and long term deposits that matches the long term assets of the bank. Deposit products offered are Power Earner 5+1, Angat Savings, Regular Savings, Demand deposit, Checks Plus, Time deposit and NOW accounts. Cash Card was positioned for those segments of the market demanding a no maintaining balance account required for payroll, transfer of funds for allowances, and even remittances.

Total loan portfolio registered ₱ 19.1 billion by the end of 2015 was more than doubled the ₱ 9.0 billion level in 2014. Of the total loan portfolio, 93% comprised of consumer loans which is the thrust of the bank as the lending arms of PNB, parent bank, for the consumer loans.

PNBSB posted a net income of ₱167.0 million in 2015, higher by ₱57.0 million than ₱110.0 million net income in 2014. Its net interest income of ₱1.0 billion was up year-on-year by 54% while pre-tax profits improved by 43% to close at ₱ 253.2 million. Return-on-equity stood at 1.5% lower than previous year due to capital infusion of P10.0 billion. A well capitalized PNB Savings Bank's capital adequacy ratio (CAR) reached 56% and is well above the minimum required by the BSP. PNBSB ended the year with a network of 36 branches strategically located across Metro Manila, Southern & Northern Tagalog Regions, Bicol, Western Visayas and Northern Mindanao. PNBSB plans to expand its network of branches to 60 in 2016 to cater to more clients nationwide.

In the last quarter of 2015, PNB and PNB Savings Bank introduced new payment options for both home and auto loan products to the market. Smart home loan offers the borrower with very affordable monthly amortizations and very competitive rates. While smart auto loans, a payment scheme which decreases the amortization as the value of auto depreciate allowing the customers for set aside for maintenance and for the acquisition of new unit. In addition, the bank launches it multi-purpose SSS loan for the pensioners which can be processed and released in the branch in two hours.

PNBSB also aligned its consumer loan products: Home Loan, Home-Flexi Loan, Motor Vehicle, CTS Financing, and Multi-Purpose Loans. To further propel consumer loans growth, a number of marketing campaigns, aimed at generating business and increasing product awareness, were initiated. Among them were: the *Smart Home Loan*, *Smart Auto Loan*, *SSS Loan*, *Party on Us*, a referral program, the *Book-A-Loan*, *Bag-A-Gift*, which is geared towards maximizing the cross-selling potential of the Bank's network.