



# PNB

**Office of the Corporate Secretary**

Direct Line: 536-0540  
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December 22, 2015

**PHILIPPINE DEALING & EXCHANGE CORPORATION**

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

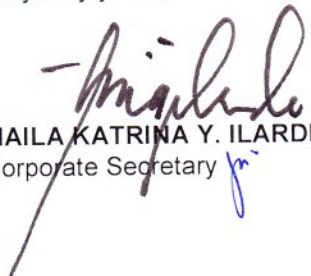
Attention: **Ms. Vina Vanessa S. Salonga**  
Head - Issuer Compliance and Disclosure Department

Dear Ms. Salonga:

We are pleased to furnish the Philippine Dealing & Exchange Corporation (PDEX a copy of our disclosure to the Philippine Stock Exchange regarding the Press Release of the Bank entitled "Allianz enters into a long-term partnership with Philippine National Bank and acquires 51 percent of PNB Life Insurance, Inc."

We trust you will take note accordingly.

Very truly yours,

  
**MAILA KATRINA Y. ILARDE**  
Corporate Secretary

C06759-2015

**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)  
Dec 22, 2015
2. SEC Identification Number  
ASO96-0055555
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 Boulevard, Pasay City, Metro  
Manila  
Postal Code  
1300
8. Issuer's telephone number, including area code  
(632) 5263131 to 70/ (632) 8916040 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 - Allianz enters into a long-term partnership with Philippine National Bank and acquires 51 percent of PNB Life Insurance, Inc.

**Background/Description of the Disclosure**

We are pleased to provide the Exchange a copy of the Press Release of the Bank entitled "Allianz enters into a long-term partnership with Philippine National Bank and acquires 51 percent of PNB Life Insurance, Inc."

We trust you will take note accordingly. Thank you.

**Other Relevant Information**

None.

**Filed on behalf by:**

**Name**

Maila Katrina Ilarde

**Designation**

Corporate Secretary



## **Allianz enters into a long-term partnership with Philippine National Bank and acquires 51 percent of PNB Life Insurance Inc.**

**Allianz and Philippine National Bank (PNB)** have reached an agreement to enter into a 15-year exclusive distribution partnership and for Allianz to acquire 51 percent of PNB Life Insurance Inc., the life insurance subsidiary of Philippine National Bank. The joint venture company will operate under the name of “Allianz PNB Life Insurance, Inc.”.

Philippine National Bank is the country’s 4<sup>th</sup> largest private local 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 (SMEs) and retail customers. PNB Life Insurance (PNB Life) is the 10<sup>th</sup> largest life insurance company in the Philippines, with new business premiums of PHP 3,745 million (72 million euro) in 2014.

An important part of the joint venture between Allianz and PNB is a 15-year bancassurance agreement, which will provide Allianz exclusive access to more than 660 branches located nationwide, and four million customers. Under the terms of the agreed transaction, Allianz will acquire 51 percent and management control of PNB Life.

“The Philippines is a very fast-growing insurance market supported by a healthy economic outlook and a large, young population of over 100 million people”, said George Sartorel, CEO Allianz Asia-Pacific. “The transaction with PNB is a unique opportunity to enter into the market with an established distribution network, and it is part of building our strategic business platforms.”

“PNB has always provided innovative care to the Filipinos. Allianz will bring in a lot of experience, technology and new ideas that will benefit our customers and the Philippine market”, said Reynaldo A. Maclang, PNB President. “This venture will allow us to offer world-class protection products and services that cater to the diverse needs of our customers.”

“The strong interest we drew from Allianz and other candidates was a welcome validation of the successful turnaround of PNB Life that we started six years ago,” said PNB Life President Esther C. Tan, who took on the role in October 2009. “We have grown from borderline relevance to a top ten player, and a major profit engine for PNB and the Lucio Tan Group as a whole. This transaction is the next big step towards our vision to be a leading provider of financial security to Filipinos worldwide.”

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The Philippines market offers significant growth potential for insurance due to low penetration, with premiums at just 1.7 percent of GDP in the Philippines compared to 7.4 percent for Western Europe, 7.6 percent for Singapore or 14.3 percent for Hong Kong. In the last five years (2010-2015) annual premium growth has averaged 19.8 percent in life insurance. In recent years bank distribution has become a dominant channel for insurance products, with banks representing 37 percent of premiums written in 2014 in the Philippines.

The closing of the transaction is subject to regulatory approvals.

These assessments are, as always, subject to the disclaimer provided below.

#### **About Allianz in Asia**

Asia is one of our three major growth regions. It is characterized by a rich diversity of cultures, languages and customs. Allianz has been present in the region since 1910, providing fire and marine insurance in the coastal cities of China. Today, Allianz is active in 14 markets in the region, offering its core businesses of property and casualty insurance, life and health insurance and asset management. With its more than 32,000 staff, Allianz serves the needs of over 18 million customers in the region. Allianz has multiple distribution channels in this region and an agency force of over 50,000 agents. Allianz's ability to adapt quickly to local needs has been the key to its success.

#### **About Allianz**

Together with its customers and sales partners, Allianz is one of the strongest financial communities. About 85 million private and corporate customers insured by Allianz rely on its knowledge, global reach, capital strength and solidity to help them make the most of financial opportunities and to avoid and safeguard themselves against risks. In 2014, around 147,000 employees in over 70 countries achieved total revenues of 122.3 billion euros and an operating profit of 10.4 billion euros. Benefits for our customers reached 104.6 billion euros.

This business success with insurance, asset management and assistance services is based increasingly on customer demand for crisis-proof financial solutions for an aging society and the challenges of climate change. Transparency and integrity are key components of sustainable corporate governance at Allianz SE.

#### **About Philippine National Bank**

Philippine National Bank (PNB) is a universal bank providing a full range of banking and other financial services to large corporate, middle market, small and medium enterprises (SMEs) and retail customers. The Bank is a publicly listed company with a broad shareholder base. In February 2013, PNB merged with Allied Banking Corporation to create the fourth largest private commercial bank in terms of assets and deposits.

To date, PNB has 662 branches and 923 ATMs strategically located nationwide. It has the most extensive international presence among Philippine banks with 75 overseas branches, representative offices, remittance centers, and subsidiaries in key cities in the United States, Canada, Europe, the Middle East, and Asia.

As PNB celebrates its centennial year in 2016, the Bank is poised to move forward in the industry by becoming a more dynamic, innovative, and customer-centric, providing service excellence to Filipinos all over the world.

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#### **About PNB Life Insurance Inc.**

PNB Life Insurance Inc. (PNB Life) commenced operations in August 2001 as New York Life Insurance Philippines (NYLIP) and started bancassurance operations with Allied Banking Corporation in February 2003. After the divestment of New York Life International in June 2007 and with the anticipated merger of Allied Bank and Philippine National Bank (completed in February 2013), NYLIP was renamed to PNB Life Insurance, Inc in May 2008.

PNB Life has ranked among the Top 10 life insurance companies by new business each of the last four years (2011-2014) and is a leading provider of investment-linked insurance plans, complemented by a full line of individual and group protection products. To date, PNB Life has 120 employees and 400 financial advisors and sales managers with 10 regional sales offices nationwide.

#### **Cautionary Note Regarding Forward-Looking Statements**

The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in PNB, PNB Life & Allianz Group's core business and core markets, (ii) performance of financial markets, including emerging markets, and including market volatility, liquidity and credit events (iii) the frequency and severity of insured loss events, including from natural catastrophes and including the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changing levels of competition, (x) changes in laws and regulations, including monetary convergence and the European Monetary Union, (xi) changes in the policies of central banks and/or foreign governments, (xii) the impact of acquisitions, including related integration issues, (xiii) reorganization measures, and (xiv) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences. The company assumes no obligation to update any forward-looking statement.

**No duty to update:** The company assumes no obligation to update any information contained herein.

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