



101132014001388



SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines
Tel: (632) 726-0931 to 39 Fax: (632) 725-5293 Email: mis@sec.gov.ph

Barcode Page

The following document has been received:

Receiving Officer/Encoder : Ma. Theresa D. Mabuyo
Receiving Branch : SEC Head Office
Receipt Date and Time : January 13, 2014 12:46:41 PM
Received From : Head Office

Company Representative

Doc Source

Company Information

SEC Registration No. AS96005555
Company Name PHIL. NATIONAL BANK
Industry Classification
Company Type Stock Corporation

Document Information

Document ID 101132014001388
Document Type 17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code 17-C
Period Covered January 10, 2014
No. of Days Late 0
Department CFD
Remarks

COVER SHEET

A S 0 9 6 - 0 0 5 5 5 5

S.E.C. Registration Number

P H I L I P P I N E N A T I O N A L B A N K

Company's Full Name)

9 t h F l o o r P N B F i n a n c i a l C e n t e r

M a c a p a g a l B l v d . , P a s a y C i t y

(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

Remarks = pls. use black ink for scanning purposes

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. January 10, 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	1,086,208,416 ¹

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

We are pleased to furnish the Commission a copy of our disclosures to the Philippine Stock Exchange regarding the final terms of PNB's Stock Rights Offering and the recent developments in the operations of the Bank in relation to its subsidiaries.

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 the Listing Application.

SIGNATURES

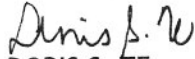
Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHILIPPINE NATIONAL BANK

Issuer

January 10, 2014

Date


DORIS S. TE

Corporate Secretary
Signature and Title*



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



PNB

Philippine National Bank

Authorized Depository of the Republic of the Philippines
Trunk Lines: (632)526-3131 to 70/891-6040 to 70
P.O. Box 1884 (Manila) • P.O. Box 410 (Pasay)

January 10, 2014

MS. JANET A. ENCARNACION

Head, Disclosure Department
The Philippine Stock Exchange, Inc.
3rd Flr., Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Dear Ms. Encarnacion:

We wish to inform the Exchange that Philippine National Bank (the "Bank") has fixed the final terms of its stock rights offering ("Offer") of 162,931,262 common shares (the "Rights Shares") to shareholders ("Eligible Shareholders") as of record date January 16, 2014 ("Record Date"). Each Eligible Shareholder is entitled to subscribe to 15 Rights Shares for every 100 common shares held as of Record Date at an offer price of PhP 71.00 per Rights Share. The offer price is based on a 17.9% discount to the 10-day volume-weighted average price ("VWAP") of the Bank's common shares listed on the PSE or a 13.3% discount to the Theoretical Ex Rights Price ("TERP") of PhP 81.87 per share as of January 9, 2014.

The Offer will commence at 9:00 am on January 27, 2014 and close at 12:00 pm on February 3, 2014. Please note that Eligible Shareholders may simultaneously apply to subscribe for any unsubscribed Rights Shares (the "Additional Rights Shares") by indicating their intention to do so in the Application to Purchase and tendering payment therefor.

The proceeds of the Offer will be used primarily to build and refocus the Bank's consumer lending business through capital infusions into Allied Savings Bank, a fully owned subsidiary of the Bank; to further strengthen the capital ratios of the Bank under the Basel III standards; to mitigate the reduction in the CAR of the Bank once certain Tier 2 capital instruments of the Bank become ineligible as capital by December 31, 2015 in accordance with BSP Circular No. 781; and to support the Bank's asset growth in 2014 and in subsequent years.

We trust you will take note accordingly.

Very truly yours,



DORIS S. TE


Corporate Secretary



15 for 100 Rights Issue of up to 162,931,262 shares

Issuer:	Philippine National Bank ("PNB" or the "Bank")
Major Shareholder:	LT Group, Inc., 59.8% shareholder to take up 97,477,427 rights shares
Bloomberg Ticker:	PNB PM
Joint International Lead Managers and International Lead Underwriters:	Credit Suisse, Deutsche Bank
Sole Domestic Underwriter:	PNB Capital and Investment Corporation
Type of Offering:	Non-renounceable Rights Issue
Offer Size:	PHP11,568m (US\$259m)
Shares Offered:	Up to 162,931,262 shares
Rights Ratio:	15 new for every 100 old shares
Rights Price:	PHP71.00 / share
Discount:	17.9% to 10D VWAP of PHP86.5288 as of 9 January 13.3% to TERP of PHP81.87 as of 9 January 15.0% to last close of PHP83.50 as of 9 January
Market Capitalisation (9 Jan):	PHP90.7 billion / US\$2.0 billion (FX : US\$1 = PHP44.670 as of 9 January 2014)
Common shares outstanding (30 Sept 2013):	1,086,208,416 (pre-offering) / 1,249,139,678 (post-offering)
Listing:	Philippine Stock Exchange ("PSE")
Lock-up:	90 days on Issuer (PNB)
Selling Restrictions:	Reg S / Section 4(2)
Use of Proceeds:	The proceeds of the Offer will be used primarily to build and refocus the Bank's consumer lending business through capital infusions into Allied Savings Bank, a fully owned subsidiary of the Bank; to further strengthen the capital ratios of the Bank under the Basel III standards; to mitigate the reduction in the CAR of the Bank once certain Tier 2 capital instruments of the Bank become ineligible as capital by December 31, 2015 in accordance with BSP Circular No. 781; and to support the Bank's asset growth in 2014 and in subsequent years
Anticipated Timetable	
Pricing Announcement:	10 January 2014
Ex-rights Date:	13 January 2014
Record Date:	16 January 2014
Rights Offer Period:	27 January – 3 February 2014
Listing and trading:	11 February 2014
Settlement Information	
ISIN: PHY7027H1583	SEDOL1: 6685694 PH

CREDIT SUISSE

Deutsche Bank 



Nothing in this material constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances, or otherwise constitutes a personal recommendation to you.

There is no offering document for the offer referred to herein. Neither the Joint International Lead Managers and Sole Domestic Underwriter nor their affiliates make any representation as to any information available about the company or the seller and accepts no liability for any loss arising from the use any information. You should make your own investment decision on the basis of information you deem relevant. The information contained in this notice is subject to change without notice.

The Joint International Lead Managers and Sole Domestic Underwriter will not treat recipients of this document as its customers by virtue of their receiving this. By accepting this document, each recipient agrees to be bound by the foregoing limitations.



PNB

Philippine National Bank

Authorized Depository of the Republic of the Philippines
Trunk Lines: (632)526-3131 to 70/891-6040 to 70
P.O. Box 1884 (Manila) • P.O. Box 410 (Pasay)

January 10, 2014

MS. JANET A. ENCARNACION

Head, Disclosure Department
The Philippine Stock Exchange, Inc.
3rd Flr., Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Dear Ms. Encarnacion:

We wish to report recent developments in the operations of the Bank in relation to its subsidiaries, as follows:

1. Increase in Equity Investment in Allied Commercial Bank (ACB)

As previously reported, in its meeting held last 22 November 2013, the Board of Directors of the Bank approved the increase in its equity investment in ACB by way of the purchase of the remaining equity holdings of natural person investors in said ACB amounting to USD14.1 million. The increase in equity investment in ACB relates to ACB's application for a Chinese Yuan (CNY) license with the Chinese Banking Regulatory Commission (CBRC). The CBRC requires foreign banks applying for CNY license to be wholly owned by financial institutions. The Bank will hereafter request approval of the Bangko Sentral ng Pilipinas (BSP) of the increased equity investment in ACB.

2. Transactions in Allied Savings Bank (ASB)

In its meeting held last 20 December 2013, the Bank's Board of Directors approved the following for ASB:

- (a) Infusion of additional ₱10.0 billion equity to build and refocus ASB's consumer lending business which will be subject to BSP approval.
- (b) Sale of consumer loans of the Bank with carrying value amounting to ₱6.0 billion to ASB on a "without recourse" basis.

The above was previously disclosed with the PSE.

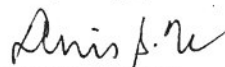
3. Closure of PNB ItalySpA (PISpA)

In its meeting held last 20 December 2013, the Bank's Board of Directors also approved the closure of PISpA and the shifting of the business to an agent-arrangement to continue remittance operations in Italy.

4. Impact of various catastrophic events

As a result of the typhoons Maring and Santi, the earthquake in Bohol and, in particular typhoon Yolanda (which caused significant damage in Central Visayas and certain parts of Southern Luzon), the Bank expects to incur losses from claims for property damage by clients of its wholly owned subsidiary, PNB General Insurers, Inc. (PNB Gen), a non-life insurance company. While the amount of these losses, particularly with respect to losses arising as a result of typhoon Yolanda, has not been fully assessed at this time, PNB Gen currently estimates that these losses will be between ₱700.0 million to ₱800.0 million. In addition, the Bank is in the process of assessing the impact of typhoon Yolanda on its owned and invested properties and loans and receivables.

Very truly yours,



DORIS S. TE
Corporate Secretary