



OFFICE OF THE CORPORATE SECRETARY

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May 13, 2020

PHILIPPINE DEALING & EXCHANGE CORPORATION

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas
Makati City

Attention: **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**
Head - Issuer Compliance and Disclosure Department (ICCD)

Dear Atty. Magallen-Lirio:

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 reports 33% rise in Q1 revenues, build up loan reserves due to COVID 19".

We trust you will take note accordingly. Thank you.

Very truly yours,

MAILA KATRINA Y. ILARDE
Corporate Secretary

Philippine National Bank
PNB Financial Center
Pres. Diosdado Macapagal Blvd.,
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Authorized Depository of the Republic of the Philippines
Member: PDIC

C03366-2020

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 12, 2020
2. SEC Identification Number
ASO96-005555
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) 8526-3131 to 70/(632) 8891-6040 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	1,525,764,850
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

Press Release - PNB reports 33% rise in Q1 revenues, build up loan reserves due to COVID 19

Background/Description of the Disclosure

We are pleased to furnish the Exchange a copy of the press release of the Bank entitled "PNB reports 33% rise in Q1 revenues, build up loan reserves due to COVID 19".

We trust you will take note accordingly. Thank you.

Other Relevant Information

None.

Filed on behalf by:

Name	Maila Katrina Ilarde
Designation	Corporate Secretary

PRESS RELEASE

May 2020

PNB reports 33% rise in Q1 revenues, builds up loan reserves due to COVID 19

For the first quarter of 2020, Philippine National Bank (PSE: PNB) recorded total revenues of P12.4 billion, an increase of 33 percent compared to its performance in the same quarter last year, on back of solid growth in net interest income as well as non-interest income primarily gains from securities trading. Net profit before taxes and provisions for impairment improved by 77 percent year on year.

PNB's net interest income increased by 25 percent to P8.8 billion on account of improved earnings from loans to corporate, commercial and small and medium enterprises, and other interest-earning assets. Loan receivables continued to register double-digit growth, which now stand at P651 billion as of end-March 2020, up by 10 percent from prior year. Deposit liabilities on the other hand increased by 6 percent to P791 billion versus March 2019 levels.

Non-interest income expanded by 58 percent resulting mainly from strong trading income spurred by favorable opportunities in the market.

Operating expenses, excluding provisions for impairment, were up by 13 percent from over the same period last year as robust revenue streams translated to higher business taxes and other business-related expenses.

After provisions, net income for the quarter declined by 29.7 percent to P1.3 billion from P1.9 billion for the same quarter last year. Mindful of the unprecedented uncertainties surrounding the economic impact of COVID-19, the bank decided to take a proactive approach in its provisioning. As a result, loan provisions reached P3.4 billion during the

period, higher by P3.0 billion compared to the P346 million during the same period last year.

“PNB delivered a remarkable performance during the period. However, it was necessary to exercise extraordinary prudence during these uncertain times and aggressively build up the bank’s loan provisions due to the potential economic downturn which will adversely affect local businesses,” PNB President and CEO Wick Veloso said. “As we navigate through an extremely challenging business environment, the Bank’s focus for the rest of the year is to ensure uninterrupted service to its customers and make meaningful contributions on initiatives to revive the economy. This will require striking a balance between exploring business opportunities and effectively managing programs intended to relieve financial pressure on our customers while mitigating the increasing credit risk,” he added

Total consolidated assets stood at P1.1 trillion as of March 2020, higher by 6 percent from year-ago level driven by sustained momentum in its core lending and deposit-taking activities. As of end of March 2020, PNB's total equity increased by P19 billion to P152 billion from last year’s levels, partly attributed to the Stock Rights Offering in July 2019. Common Equity Tier 1 Ratio was 13.80 percent and Capital Adequacy Ratio stood at 14.72 percent.

Bank On Wheels (BOW) brings banking to those most in need and in areas where accessibility to cash is limited. Since the start of the Enhanced Community Quarantine, PNB has deployed a number of BOWs serving many communities in Metro Manila, Rizal, Cavite, Pampanga, and Laguna. Everyday from 7:00 am to 6:00 pm, BOWs are stationed in various locations to serve those who experience difficulty in getting access to ATMs.

The Bank fully supported the *Bayanihan To Heal As One* law, providing its customers with payment extension for loans with payment due dates during the ECQ without incurring penalty fees and interest charges. For loans with auto-debit arrangements (ADA), payments will be implemented once the Enhanced Community Quarantine (ECQ) period is lifted. For loans covered by post-dated checks (PDCs), these PDCs were pulled out on its corresponding due dates to be processed after the ECQ.

Veloso said "it has been heartening to witness the dedication of my colleagues in PNB as financial first responders, keeping bank operations running, providing access to critical banking services through our branch network including our Bank On Wheels, reassuring customers during these difficult times, while supporting their own families and each other."

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About PNB

Philippine National Bank is one of the country's largest private universal banks in terms of assets and deposits. It provides a full range of banking and other financial services to its highly diverse clientele comprised of individual depositors, small and medium enterprises, domestic and international corporations, government institutions, and overseas Filipinos. Backed by over a century of stability and excellence, PNB looks forward to more years of serving its customers first. To know more about PNB, visit its official website: www.pnb.com.ph.