



**Corporate Secretary's Office**

Direct Line/Telefax No.: 8834-07-80

Trunk Lines: 8891-6040 to 70

Local: 4106/4582

**CERTIFICATION**

I, **RUTH PAMELA E. TANGHAL**, Corporate Secretary of the Philippine National Bank ("PNB"), a universal banking corporation organized and existing under the laws of the Republic of the Philippines under SEC Registration No. ASO96-005555, with principal office address at the PNB Financial Center, Pres. Diosdado Macapagal Blvd., Pasay City, Metro Manila, on oath state that:

1. On behalf of PNB, I have caused this SEC Form 17-C to be prepared;
2. I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
3. PNB will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
4. I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of the filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand on March 17, 2021 in Pasay City, Metro Manila, Philippines.

  
**RUTH PAMELA E. TANGHAL**  
Corporate Secretary

SUBSCRIBED AND SWORN to before me on MAR 17 2021 in Pasay City, Metro Manila, Philippines, affiant exhibited to me her TIN 216-805-132.

Doc. No. 42  
Page No. 97  
Book No. 24  
Series of 2021.

  
**ATTY. CLARITO E. DE ALDAY**

Notary Public for Pasay City  
Until Dec. 31, 2022  
Commission No. 21-02  
2nd Floor PNB Financial Center  
Macapagal Blvd, Pasay City  
Roll No. 52308

IBP No. 131778 / Nov. 3, 2020 / RSM  
PTR No. 7353062 / Jan. 05, 2021 / Pasay  
MCLE Compliance No. VI-0017867; Feb. 14, 2019

# COVER SHEET

A S C 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

M e t r o M a n i l a

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

**RUTH PAMELA E. TANGHAL**  
Corporate Secretary

Contact Person

**8834-0780**

Company Telephone Number

1 2

Month Day  
Fiscal Year

3 1

**SEC Form 17-C**

FORM TYPE

**June 23**

Month Day  
Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Dept. Requiring this Doc.

Amended Articles Number/Section

Amended Articles Number/Section

Total No. of Stockholders

Total No. of Stockholders

Total amount of Borrowings

Domestic

Domestic

Foreign

Foreign

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To be accomplished by SEC Personnel concerned

File Number

File Number

LCU

LCU

Document I.D.

Document I.D.

Cashier

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. March 17, 2021  
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) 8526-3131 to 70/(632) 8891-6040 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	1,525,764,850

11. Indicate the item numbers reported herein: Item 9

We are pleased to furnish the Commission a copy of the press release of the Bank entitled "PNB Sustains its Profitability in 2020 Amid the Pandemic".

We trust you will take note accordingly. Thank you.

**SGNATURES**

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

**March 17, 2021**

Date

  
**RUTH PAMELA E. TANGHAL**

Corporate Secretary  
Signature and Title\*

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

SEC Form 17-C  
December 2003

## **PRESS RELEASE**

*March 2021*

### **PNB Sustains its Profitability in 2020 Amid the Pandemic**

Philippine National Bank (PSE: PNB) closed the year 2020 with net profit before provisions for impairment and taxes of P17.6 billion, an increase of 17% year on year, driven by continued improvement on net interest income and robust trading gains amid the economic downturn due to the pandemic.

PNB's net interest income, comprising 79% of the total operating income, increased by 11% to P35.8 billion, supported by lower funding cost which cushioned the drop in yield rates of earning assets. Interest expense on deposits declined by almost half its year-ago level despite an 8% growth in deposits to P890.3 billion as the bulk of these incremental deposits continued to be in low-cost funds, combined with the reduction in high-cost deposits, partly due to the maturity of P7.0 billion worth of Long-Term Negotiable Certificates of Time Deposit (LTNCDs). On the other hand, interest income on loans and receivables decreased by 6% as the Bank's loan portfolio declined by 9% year-on-year to P600.0 billion. This reflected the weak demand for loans owing to economic uncertainties as well as PNB's strategy to focus on strengthening its liquidity position by investing most of the available funds in short-term and more liquid placements to remain resilient during the pandemic.

The Bank took advantage of favorable market opportunities during most part of the year, resulting in more than three-fold increase in net trading securities gains to reach P3.3 billion from year-ago level. These gains more than compensated for the decrease in net service fees and commission income which was significantly reduced by the general decline in corporate banking transactions. In addition, the Bank waived fees on local interbank transfers and overseas remittances as an affirmation of its commitment to be an institution that can be relied on not only in terms of sustained delivery of financial services but also in easing the financial burdens of its customers in times of crisis.

Growth in operating expenses, excluding provisions for impairment and credit losses, was kept moderate at 8% as the Bank adjusted its expenditure priorities and supported pandemic-related expenses such as supplemental costs for frontline employees supporting the Bank's operations during the quarantine period.

During this pandemic year, the Bank booked P16.9 billion in provisions for credit losses, more than 5x the year-ago level, as a pro-active approach in addressing potential delinquencies that may arise from the impact of the prolonged pandemic. Specifically, the Bank set aside loan loss reserves for severely impacted essential industries such as real estate, transportation, wholesale and retail trade as an anticipatory measure to manage its risk exposures. As a result of the loan loss provisions, net income of the Bank stood at P2.6 billion as of December 31, 2020, 73% lower against previous year.

"The economic fallout from the COVID-19 pandemic made it necessary for PNB to adopt a more prudent approach in asset deployment and recognize substantial credit provisioning which adversely impacted its bottom line in order to protect the balance sheet. However, we remain confident that these strategies, along with our planned tactical moves will ensure that the Bank will emerge from the crisis stronger in the long-run. We remain hopeful that the arrival of the COVID-19 vaccine will further open the economy enabling these challenged industries to begin the road to recovery. This will allow us to claw back our provisions in the future", PNB President and CEO Wick Veloso said. "As the pandemic inevitably reshaped how businesses are conducted and transformed customer behavior, we are focused on exploring new opportunities, particularly in the digital space, that will translate to new revenue streams for the Bank, while at the same time mitigating the risks arising from operating in the new normal," he added.

As of end-December 2020, PNB's consolidated resources aggregated P1.2 trillion, up by 8% from year-ago level. The Bank's Capital Adequacy Ratio of 15.14% and Common Equity Tier 1 Ratio of 14.47% remained well above the minimum regulatory requirement of 10%.

In September 2020, the Bank's Board of Directors (BOD) approved the plan to realize the market value of certain real estate properties. The said plan is part of the Bank's ongoing strategy to reduce its low-earning assets to strengthen its financial position.

Meanwhile, PNB's achievements in the area of corporate governance did not go unnoticed as the Bank was recognized as one of the Golden Arrow Awardees by the Institute of Corporate Directors last February 19, 2021. This symbolized the continuing efforts of PNB to raise the level of compliance with the ASEAN corporate governance principles.

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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](http://www.pnb.com.ph).*