



BANGKO SENTRAL NG PILIPINAS

CENTRAL APPLICATIONS AND LICENSING GROUP

CERTIFIED PHOTOCOPY

[Signature]
MARILEN G. BAYLON
Manager

26 June 2014

Mr. Rolando R. Avante
President & CEO
Philippine Business Bank
350 Rizal Ave. Ext. cor. 8th Ave.
Grace Park
1406 Caloocan City

Received by CASG:

1. Office copy of letter to Bank dated __ Jun 2014
2. Office copy of memo to MD dated 25 Jun 2014
3. Office copy of letter to bank dated 9 Jun 2014

Reference Codes to be closed:

1. CASG-FSAD Ref. No. 201406-1007

Received by: _____

Date Received: _____

Dear Mr. Avante:

Subject: Approval of Request for Cash and Stock Dividends Declaration

Please be informed that the Bangko Sentral ng Pilipinas (BSP) has approved on 26 June 2014 the request of the Philippine Business Bank (PBB) for cash and stock dividends declaration to its common and preferred stockholders, the record and payment dates of which shall be fixed by the Bank's Board of Directors upon BSP approval, as follows:

Shares Entitled to Dividends			Dividends Declared		
Class or Description	Number of Shares	Peso Value	Rate	Peso Value	
Stock	Common	343,333,400	25%	₱ 858,333,500.00	
Cash	Preferred	62,000,000	10.05%	62,325,000.00	
Total				₱920,658,500.00	

subject to the following conditions:

1. The liability for dividends declared shall be taken up in the books of PBB upon receipt of the BSP approval;
2. The dividends shall not be treated as interest expense;
3. Stock dividends due on delinquent stock, if any, shall be withheld from the delinquent stockholder until the delinquent subscription is fully paid pursuant to Section 43 of the Corporation Code of the Philippines; and
4. Payment of cash dividends shall not be made if the same will adversely affect the liquidity position of PBB.

Further, we would like to inform PBB that the BSP acted on its request on the assumption that the Bank is compliant with the requirements of the Securities and Exchange Commission relative to its dividend declaration as a listed company.

Very truly yours,

rasantos
ROWENA A. SANTOS
Deputy Director and Head *rp*
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