



PHILIPPINE
BUSINESSBANK
a savings bank

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that pursuant to Section 4, Article II of the Amended By-Laws, the Annual Stockholder's Meeting of **PHILIPPINE BUSINESS BANK ("PBB")** will be held on Friday, May 26, 2017 at 2:00 PM at the Diamond Hotel Philippines, Roxas Boulevard corner Dr. J. Quintos Street, Manila, Philippines, to confirm and ratify the following actions of the Board of Directors, to wit:

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the 2016 Annual Stockholder's Meeting
5. President's Report
6. Ratification of the Audited Financial Statements for the year ending 31st December 2016
7. Ratification of the Acts and Resolutions of the Board of Directors and Management for 2016
8. Election of the Members of the Board of Directors including two (2) Independent Directors to serve for 2017-2018
9. Appointment of External Auditor
10. Approval of the Dividend Declaration
11. Adjournment

Stockholders who will not, are unable to, or do not expect to attend the meeting in person may, at their option, designate their authorized representatives by means of Proxy. The Proxy instrument must be duly notarized and must be submitted to **Atty. Roberto S. Santos**, at the Office of the Corporate Secretary, located at 3/F PBB Corporate Center, 350 Rizal Avenue, corner 8th Ave., Grace Park, Caloocan City or **Stock Transfer Service, Inc.** at 34-D Rufino Pacific Tower 6784 Ayala Avenue, Makati City **not later than May 16, 2017.**

Only Stockholders of Record as of 5:30 p.m. of May 05, 2017 shall be entitled to vote at this meeting.

ATTY. ROBERTO S. SANTOS
Corporate Secretary

PLEASE NOTE THAT THE CORPORATION IS NOT SOLICITING PROXIES

The nomination and election of the members of the Board of Directors should be in accordance with the nomination forms, procedure and requirements adopted by the Board of Directors. Any Stockholder may obtain the required nomination form from and must submit their nominations to the Corporate Governance and Compliance Committee or the Corporate Secretary at the following address not later than May 05, 2017.

Corporate Governance and Compliance Committee
PHILIPPINE BUSINESS BANK CORPORATE CENTER
350 Rizal Ave., Corner 8th Ave.,
Grace Park, Caloocan City

Atty. Roberto S. Santos
Corporate Secretary
PHILIPPINE BUSINESS BANK CORPORATE CENTER
3rd Flr., Legal Services Center,
350 Rizal Ave., Corner 8th Ave.,
Grace Park, Caloocan City

All nominations shall be in writing duly signed by the nominating stockholders or their duly authorized (in writing) representatives, with the written acceptance and conformity of their nominees. The Nomination must indicate whether the nominees are intended to be independent directors and shall contain the nominee's age, educational attainment, full disclosure of work and/or business experience and/or affiliations. The Directors and Independent Directors shall be elected from among the Bank's stockholders. All nominees for Directors and Independent Directors must possess the minimum requirements/qualifications and none of the disqualifications prescribed by Article III of the By-laws, Bangko Sentral Ng Pilipinas, Securities and Exchange Commission and other regulatory agencies/offices of listed bank, which includes Sec 23 and 27 of the Corporation Code (B.P. Blg. 68), Sec 15 of The General Banking Law Rules and Regulation (RIRR) of the Securities Regulation Code, Sec X141 of the Manual of Regulations for Banks, and relevant circular or memorandum.

Please be guided accordingly.



ATTY. ROBERTO S. SANTOS
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
- [] Preliminary Information Statement
- [] Definitive Information Statement
2. Name of Registrant as specified in its charter PHILIPPINE BUSINESS BANK, INC.
3. Caloocan City, Philippines
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number A199701584
5. BIR Tax Identification Code 000-005-469-606
6. 350 Rizal Avenue corner 8th Avenue Gracepark, Caloocan City 1400
Address of principal office Postal Code
7. Registrant's telephone number, including area code (02) 363-33-33
8. May 26, 2017 @ 2:00 p.m. at the Diamond Hotel, Roxas Blvd. Corner Dr. J. Quintos Street, Manila.
Date, time and place of the special meeting of security holders
9. Approximate date on which the Information Statement is first to be sent or given to security holders on or before May 05, 2017.
10. In case of Proxy Solicitations:
- PHILIPPINE BUSINESS BANK IS NOT SOLICITING PROXIES.
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):
- | Title of Each Class | Number of Shares of Common Stock
Outstanding or Amount of Debt Outstanding |
|---------------------|---|
| <u>Common</u> | <u>536,458,423</u> |
12. Are any or all of registrant's securities listed in a Stock Exchange?
- Yes No
- If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
- PHILIPPINE STOCK EXCHANGE** **COMMON SHARES OF STOCK**

PHILIPPINE BUSINESS BANK, INC.

SEC FORM 20-IS

INFORMATION REQUIRED IN INFORMATION STATEMENT

GENERAL INFORMATION

Date, time and place of meeting of security holders.

Date : May 26, 2017
Time : 2:00 p.m.
Place : Diamond Hotel, Roxas Blvd. Corner Dr. J. Quintos Street, Manila

Mailing Address of Principal Office:

350 Rizal Avenue corner 8th Avenue,
Gracepark, Caloocan City

This information statement shall be first sent or given thru personal delivery and/or by registered mail to stockholders and/or security holders on or before May 05, 2017.

Record Date

The record date for the purpose of determining the stockholders entitled to notice of and to vote at the Annual Meeting is May 05, 2017. (the "Record Date").

Dissenters' Right of Appraisal

At the scheduled regular meeting, there are corporate matters or actions that will entitle dissenting stockholders to exercise their right of appraisal as provided in Sections 81 and 82, Title X of the Corporation Code of the Philippines which state that "Sec. 81. Instances of Appraisal of right. Any stockholder of the Bank shall have the right to dissent and demand payment of the fair value of his shares in the following instances: 1) amendment to the Articles of Incorporation which has the effect of changing or restricting the rights of stockholders or extending corporate life of the corporation; 2) sale, transfer or lease of all or substantially all of the corporate properties; and 3) in case of merger or consolidation. Section 82. How right is exercised. The appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares xxx."

Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- A) No current director or officer of PBB, or nominee for election as director of the Bank or any associate of any of the foregoing persons has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon in stockholders' meeting, other than election to office.
- B) No director has informed PBB in writing that he intends to oppose any action to be taken by the Bank at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

- A.) Class of Voting Securities : 536,458,423 Common Shares are entitled to vote on May 26, 2017 Annual Stockholders Meeting.

- B.) Record Date : Only the stockholders of record as of May 05, 2017 are entitled to notice of and to vote at the meeting.
- C.) Foreign Ownership : 7,824,684 shares as of March 31, 2017. 1.46% of the total outstanding shares.

Nomination and Election of Directors and Independent Directors and Manner of Voting

The method of counting the votes of the shareholders shall be in accordance with Sections 23 and 27 of the Corporation Code of the Philippines, Section 15 of the General Banking Law (R.A. No. 8791), Section 38 of The Securities Regulation Code, Section 38.1 of the Amended Implementing Rules and Regulations of the Securities Regulation Code and Section X141 of the Manual of Regulations for Banks, the Bank’s Nominations and Corporate Governance Committees adopted rules governing the nomination and election of directors.

All nomination forms shall be submitted to any of the members of the Nomination Committee or to the Corporate Secretary on or before May 05, 2017. The Nomination Committee shall pre-screen the qualifications of all the nominees and shall prepare a Final List of Candidates, which shall contain all the information about all the nominees for Independent Directors as required under existing rules and regulations.

As to the manner of voting, Article II, Section 7 of the Bank’s By-laws provides that during the annual meeting, a stockholder may vote in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact. For this purpose, the proxy instrument must be duly notarized and presented and validated by the Corporate Secretary. Counting will be done by tabulation of the votes by the Corporate Secretary, who acts as the election inspector, with the assistance of her staff and the stock and transfer agent.

Under Section 24 of The Corporation Code of the Philippines, a stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may also distribute them on the same principle among as many candidates as he shall see fit, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the corporation multiplied by the whole number of directors to be elected.

PBB is not soliciting proxy from any of its stockholders.

Security Ownership of Certain Record and Beneficial Owners

The following persons own at least five per cent (5%) of the Bank’s outstanding common shares as of March 31, 2017:

Title of Class	Name, Address of Record Owners and relationship with the issuer	Name of Beneficial Owner and relationship with record owner	Citizenship	No. of shares held	Per cent of class
Common	Alfredo M. Yao 84 Dapitan St. corner Banawe St. Sta. Mesa Heights, Quezon City Stockholder	The record owner is the beneficial owner of the shares indicated	Filipino	199,865,258	37.26%

Common	Zest-O Corporation 574 EDSA Caloocan City Stockholder (Represented by Carolyn S. Yao, authorized to vote the shares of Zest-O Corp.)	The record owner is the beneficial owner of the shares indicated	Filipino	135,044,102	25.17%
Total Common Shares				334,909,360	62.43%

Security Ownership of Management

The following directors and executive officers of the Company directly own approximately [4.12%] percent of the Company's issued and outstanding common stock as of March 31, 2017 as follows:

Title of Class	Name of Director / Nationality	Present Position	No. of Shares / Nature	%
Common	Francis T. Lee / Filipino	Chairman	22,087,500 / Direct	4.12%
Common	Jeffrey S. Yao / Filipino	Vice-Chairman/Director	1,350,446 / Direct	negligible
Common	Leticia M. Yao / Filipino	Director	1,400,446 / Direct	negligible
Common	Rolando R. Avante / Filipino	President & CEO	480,040 / Direct	negligible
Common	Amador T. Vallejos, Jr. / Filipino	Director	32,146 / Direct	negligible
Common	Benjamin R. Sta. Catalina, Jr. / Filipino	Independent Director	46,965 / Direct	negligible
Common	Paterno H. Dizon / Filipino	Independent Director	110,465 / Direct	negligible
Common	Honorio O. Reyes-Lao / Filipino	Director	70,312 / Direct 142,187 / Indirect	negligible
Common	Roberto A. Atendido / Filipino	Director	90,625 / Direct	negligible
Common	Danilo A. Alcosoba	Director	100 / Direct	negligible
Common	Joseph Edwin S. Cabalde / Filipino	Treasurer	12 / Direct	negligible
Common	Atty. Roberto S. Santos / Filipino	Internal Legal Counsel & Corp. Sec.	12,500 / Direct	negligible

The aggregate shareholdings of the Bank's Directors and Officers as a group is 4.12%.

Directors and Executive Officers

Directors and Executive Officers:

a. The following are the names of the incumbent Directors of the Bank:

Incumbent	Age	Nationality	Position with the Bank	Date of election
Amb. Alfredo M. Yao	72	Filipino	Chairman Emeritus	Jul 26, 2010
Francis T. Lee	68	Filipino	Chairman	May 27, 2016
Rolando R. Avante	58	Filipino	President & Chief Executive Officer	May 27, 2016
Jeffrey S. Yao	49	Filipino	Director	May 27, 2016
Amador T. Vallejos, Jr.	70	Filipino	Director	May 27, 2016
Honorio O. Reyes- Lao	73	Filipino	Director	May 27, 2016
Paterno H. Dizon	79	Filipino	Independent Director	May 27, 2016

Leticia M. Yao	64	Filipino	Director	May 27, 2016
Benjamin R. Sta. Catalina, Jr.	69	Filipino	Independent Director	May 27, 2016
Roberto A. Atendido	70	Filipino	Director	May 27, 2016
Danilo A. Alcoceba	65	Filipino	Director	May 27, 2016

BUSINESS EXPERIENCE

The following is a brief description of the business experience of each of the Directors of the Bank:

Alfredo M. Yao (Filipino, 72 years old)

Mr. Alfredo M. Yao is the Chairman Emeritus of the Board of PBB. He is also currently the Chairman of Zest-O Corporation, Semexco Marketing Corp., and Asiawide Refreshments Corp. He is currently serving as President of Solmac Marketing Inc., Harman Foods (Phil.) Inc., and Amchem Marketing, Inc. He is also a former director of Export and Industry Bank. He has had training in Corporate Governance, AML and Risk Management, one conducted by the Pacific Management Forum and PBB. He has had training on CISA - for the Credit Bureau, and on SME Related Issues and other CTB Related seminars. He also had attended several PCCI Business Forum, given by PCCI and the International Trade Organization under the umbrella of the PCCI and the DTI.

Francis T. Lee (Filipino, 68 years old)

Chairman Francis T. Lee, was appointed Chairman of the Board on 26 July 2010 and last re-elected as Director on 27 May 2016. He was appointed Chief Operating Officer (COO) on 01 September 2011 before he held the Chairman position. He is currently a member of the Asset & Liability, Bid, Credit, Executive, Management, Manpower, Compensation & Remuneration, Remedial & Special Assets, and Trust Committee.

Active in the community, he served as President of the AMY Foundation - the CSR of the Yao Group of Companies, from 08 December 2003 up to 08 December 2013.

A career banker for more than 30 years, Mr. Lee started his banking career with Pacific Bank where he gained much experience and knowledge. His career progressed as he held a number of executive positions from Senior Manager rising to Senior Vice President at the Metrobank Group from 1988 to 2000 before he joined PBB.

His expertise and trainings include Philippine Institute of Banking in 1969; Corporate Governance & Risk Management for Bank's Board of Directors at the Development Finance Institute in 2002; Team Building Workshop in 2004 at PBB; Risk Awareness Seminar in 2009 at the Pacific Management Forum; and the Anti Money Laundering Act Seminar at the Bangko Sentral ng Pilipinas in 2012 and in 2014; Corporate Governance Seminar for Board of Directors on December 10, 2015.

Mr. Lee studied Bachelor of Arts in Business Administration in Manuel L. Quezon University.

Jeffrey S. Yao (Filipino, 49 years old)

Mr. Jeffrey S. Yao, was appointed to the Board in 1999. On April 01, 2016, he assumed the position of Vice-Chairman and is currently a member of the Asset & Liability, Audit, Credit, Employee Discipline, Executive, IT Steering, Management, Manpower, Compensation & Remuneration, Remedial & Special Assets, and Risk Oversight Committee.

He currently holds directorship at Asiawide Refreshments Corp. He was also appointed the Chief Operating Officer (COO) of the Zest-O Corporation since 2005.

Mr. Yao started his career in the food and beverage industry when he was appointed as Plant Manager at Harman Food Philippines from 1990 to 1995.

He completed trainings in Basic of Trust at the Trust Institute of the Philippines in 2002, Corporate Governance & Risk Management for Bank's Board of Directors at the Development Finance Institute in 2002, and the Anti Money

Laundering Act Seminar at the Bangko Sentral ng Pilipinas in 2014; Distinguished Corporate Governance Speaker Series on August 24, 2015.

Mr. Yao graduated from the Ateneo De Manila University with the degree of Bachelor of Science in Management Engineering.

Rolando R. Avante (Filipino, 58 years old)

President & CEO Rolando R. Avante, was appointed to the Board on 02 November 2011 and currently a member of the Anti-Money Laundering, Asset & Liability, Credit, Employee Discipline, Executive, Management, Manpower, Compensation & Remuneration, Remedial & Special Assets, and Trust Committee. He held the position President and Chief Executive Officer since 02 November 2011.

Because of his strong background in treasury management, PBB has become one of the largest, fastest-growing and most respected savings banks. PBB was listed at The Philippine Stocks Exchange last February of 2013.

His banking career includes Vice President for Local Currency Desk at City Trust Banking Corp. from 1988 to 1994; Senior Vice President & Treasurer at Urban Bank from 1994 to 1995; First Vice President for Domestic Funds Management at Philippine Commercial International Bank from 1995 to 1999; Executive Vice President & Treasurer at China Trust (PHILS.) Commercial Bank Corp. from 1999 to 2009; Executive Vice President & Treasurer at Sterling Bank of Asia from 2009 to 2011.

He was elected President and Director at the Money Market Association of the Phil. (MART) in 1999 and elected the same position at ACI Philippines in 2011.

His training includes Money Market at the Inter Forex Corp. in 1983; Treasury Management in Times of Crisis in 1984, Bourse Game in 1987 both conducted by FINEX; Rate Risk Game in 1989, Investment Banking Fundamental in 1990, Managing People in 1991 at the Citibank APBI; Capital Market Instruments in Asia in 1992, Asset & Liability Management in 1995 both conducted by Euro money; Asian Bond Fund II Workshop in 2004 at the Asian Bank; Securitization Law in 2006 at FINEX & SEC; ACI World Congress in 2011 at ACI Phil.; Economic Outlook 2012 in 2012 at the ANZ Private Bank Exclusive; Annual Global Markets Outlook in 2012 at Deutsche Bank; Entrepreneurs Forum in 2012 conducted by Business World; AMLA Seminar in 2012 at the Bangko Sentral ng Pilipinas; CEO Business Forum in 2012 at Punong Bayan & Araullo; Cross-Border RMB Business in 2012 at Bank of China; Eco Forum in 2012 at Security Bank; Phil. Business Conference in 2012 at the Philippine Chamber of Commerce & Industry; Annual Investment Outlook 2013 in 2013 at ANZ Private Bank; Philippine Investment Summit 2013 in 2013 at the Investment Banking Group; IPO Annual Asia Pacific in 2013 at CIMB; Corporate Governance Seminar for Board of Directors on December 10, 2015.

Mr. Avante graduated from the De La Salle University with the degree of Bachelor of Science in Commerce major in Marketing Management and has taken MBA units, also from DLSU.

Amador T. Vallejos, Jr. (Filipino, 70 years old)

Mr. Amador T. Vallejos, Jr., was appointed to the Board on 27 May 1997 and last re-elected as Director on 27 May 2016. He is currently the chairman of the Risk Oversight Committee and member of the Audit, Corporate Governance, IT Steering, and Manpower, Compensation & Remuneration Committee.

Currently the General Manager of AMCHEM, he is also the Chairman of King of Travel and President of SMI Development Company.

He held directorships at the Philippine Association of Food Technology in 1988, Philippine Chamber of Food Manufacturer in 1989; and the Philippine Article Numbering Council in 1992.

He is also a member of the Professional Risk Managers International Association (PRMIA) since 2009.

From 1974 to 1976 he held the Marketing Manager position at Rockgas and transferred to Edward Keller Ltd. as the Department Manager from 1976 to 1984.

His expertise and trainings include BAI Conference and Seminars on Technology in Banking taken in 1998 and 1999 both in BAI, USA; Corporate Governance & Risk Management for Bank's Board of Directors at the Development Finance Institute in 2002, and the Anti Money Laundering Act Seminar at the Bangko Sentral ng Pilipinas in 2014; Corporate Governance Seminar for Board of Directors in November and in December, 2014; Updated Guidelines on Sound Credit Risk Management on August 07, 2015.

Mr. Vallejos graduated from the Ateneo De Manila University with the degree of Bachelor of Arts in Economics.

Honorio O. Reyes- Lao (Filipino, 73 years old)

Mr. Honorio O. Reyes-Lao, was appointed to the Board on 30 April 2010 and last re-elected as Director on 27 May 2016. He is currently the chairman of the Bank's Trust Committee and member of the Risk Oversight Committee.

A seasoned banker, he has more than 40 years of experience in corporate and investment banking, branch banking and credit management, where he started his banking career at China Banking Corporation in 1973 to 2004. He was appointed Senior Management Consultant in 2005 to 2006 at East West Banking Corporation.

His expertise was sought by Antel Group of Companies, as Consultant, in 2007 to 2009 and was appointed President at Gold Venture Lease and Management Services, Inc. from 2008 to 2009.

Currently, he is an independent and non-executive director at the DMCI Holding Corporation and a Member of the Society of Institute of Corporate Directors (ICD) Fellows since 2004.

His background and trainings include Overall Banking Operations at the Philippine Institute of Banking in 1971 to 1972; Director Certification Program at the Institute of Corporate Directors (ICD) in 2004; and the AMLA Seminar at the Bangko Sentral ng Pilipinas in 2014; ASEAN Corporate Governance Conferences and Awards 2016 on November 14, 2015; Distinguished Corporate Governance Speaker Series on August 24, 2015.

Mr. Lao holds a post-graduate degree, Masters in Business Management, from the Asian Institute of Management and he graduated with a double degree in Bachelor of Science in Business Administration major in Economics and Bachelor of Science in Commerce major in Accountancy from the De La Salle University.

Danilo A. Alcoseba (Filipino, 65 years old)

Mr. Danilo A. Alcoseba was the former President & CEO of PBB and was appointed to the Board on 27 May 2016. He is currently a member of the Audit, Corporate Governance, and Risk Oversight Committee. Mr. Alcoseba obtained his college degree, Bachelor of Science in Commerce, Major in Accounting, at the University of San Carlos. He is also a post-graduate in Industrial Economics at the University of the Philippines in 1976. His work experience include: Branch Head at Bancom Development Bank, Cebu Branch from 1977-1979, Assistant Vice-President of Traders Royal Bank from 1979-1983, First Vice-President/Treasury Division of Boston Bank of the Philippines from 1983-1998 and Consultant at SM Investments Corporation from 2005-2007. He also had various trainings and seminars in banking related fields notably in financial derivatives, fixed income trading, foreign exchange, investment banking, corporate governance, risk management and international trade.

Roberto A. Atendido (Filipino, 70 years old)

Mr. Roberto A. Atendido, was appointed to the Board on 26 May 2006 and last re-elected as Director on 27 May 2016. He is currently a member of the Audit, Risk Oversight and Corporate Governance Committee.

He is a seasoned investment banker and a recognized expert in the field with over 30 years of investment banking and consulting experience in the Philippines and in the ASEAN region. Mr. Atendido started his career in consulting with the management services group of Sycip, Gorres & Velayo, the largest accounting and consulting group in the Philippines. He began his investment banking career in Bancom Development Corporation, the leading investment house in the Philippines during the late 60's and 70's. He was later posted as Vice President of Bancom International Ltd in HK from 1980-1982. He then moved to PCI Capital Asia, Ltd. (HK) as Vice President from 1982-1983. The PCI Group posted him in Indonesia as Managing Director of PT Duta Perkasa Chandra Inti Leasing, a joint venture between the PCI Group of the Philippines and Bank Duta

and Gunung Agung Group of Indonesia, from 1983-1988. Mr. Atendido moved back to the Philippines in 1988 as President of Asian Oceanic Investment House, Inc., a fully owned subsidiary of the Asian Oceanic Group of HK. The company was later bought by the Insular Life Group and renamed Insular Investment & Trust Corporation. In 1996, Mr. Atendido together with several investors organized Asian Alliance Holdings & Development Corporation (AAHDC) and later established Asian Alliance Investment Corp. (AAIC) as a wholly owned investment banking subsidiary. He is currently President of AAHDC and Executive Vice Chairman of AAIC.

Currently, Mr. Atendido is a member of the Board of Directors of Paxys Inc., Philippine Business Bank, PICOP Resources, Inc., Pharmarex, Inc. Ardent Property Development Corp., First Ardent Property Corp., and GEM Communications & Holding Corp. He is also Vice Chairman and Director of Sinag Energy Philippines, Inc., (since 2008), Chairman and President of Myka Advisory and Consulting Services, Inc. (since 2010).

He has also held directorships in the past in the Philippine Stock Exchange (2005-2009), Securities Clearing Corporation (2006-2010), Export & Import Bank as an Independent Director (2006-2012), Marcventures Holdings, Inc. (2010-2013), Carac-An Development Corp. as Chairman from 2010-2013, Beneficial Life Insurance Corp. from 2008-2014.

He has equipped himself with trainings in Corporate Governance & Risk Management for the Bank's Board of Directors at the Development Finance Institute in 2003; Risk Management and Basel 2 Seminar at the Export & Industry Bank in 2007. Earlier this year, he attended the Anti-Money Laundering Act Seminar at the Bangko Sentral ng Pilipinas, Distinguished Corporate Governance Speaker Series on August 24, 2015, 2015 Distinguished Corporate Governance Speaker Series 2 on September 15, 2015 and 2015 Distinguished Corporate Governance Speaker Series 3 on November 06, 2015

Mr. Atendido is a graduate of the Asian Institute of Management with a Master's in Business Management Degree in 1973. He completed his Bachelor of Science in Management Engineering from the Ateneo de Manila University.

Apart from his business activities, Mr. Atendido is also active in the Brotherhood of Christian Businessmen and Professionals, a nation-wide Christian community where he served as Chairman from 2009-2011.

Leticia M. Yao (Filipino, 64 years old)

Leticia M. Yao was appointed to the Board in 2009 and last re-elected as Director on 27 May 2016. She is currently a member of the Trust Committee.

A well-respected figure in the healthcare industry, Yao was appointed at the United Doctors Medical Center (UDMC) as a Consultant at the Department of Medicine from 1991 to 2012.

She proceeded along trainings for Corporate Governance & Risk Management for Bank's Board of Directors at the Development Finance Institute in 2002 and further taken the Risk Awareness Seminar at the Pacific Management Forum in 2009. Earlier this year, she attended the AMLA Seminar at the Bangko Sentral ng Pilipinas, Distinguished Corporate Governance Speaker Series on August 24, 2015 and Corporate Governance Seminar for Board of Directors on December 10, 2015 to hone her skills as Director of PBB.

Yao graduated from the University of Sto. Tomas with a Bachelor of Science degree in Medical Technology then pursued her post graduate degree in Medicine also from the University of Sto. Tomas.

Paterno H. Dizon (Filipino, 79 years old)

Mr. Paterno H. Dizon, was appointed Independent Director to the Board on April 2006 and last re-elected as Independent Director on 27 May 2016. He is currently the chairman of the Corporate Governance Committee and member of the Audit and Risk Oversight Committee.

He had previously served as President to the following institutions: Science Park of the Phil. Inc., Cebu Light Industrial Park, Inc., and RFM Science Park of the Philippines from 1997 to 2003.

Mr. Dizon held directorships at Hermosa Ecozone Development Corp. from 1997 to 2003; Export & Industry Bank from 1994 to 2006; and EIB Securities from 2004 to 2006.

He served on the board of Phil. Export-Import Credit Agency from 2010 to 2012. He was elected as Chairman of the Phil. Exporters' Confederation Inc. since 1990 up to the present. He has been the President and CEO of Holy Cross College of Pampanga since 2012.

His expertise includes trainings in Financial Management at SGV in 1974, Money and Banking from the Ateneo De Manila University in 1959, Corporate Governance & Risk Management for Bank's Board of Directors at the Development Finance Institute in 2002, Risk Awareness Seminar at the Pacific Management Forum in 2009, and the Anti Money Laundering Act Seminar at the Bangko Sentral ng Pilipinas in 2014; ASEAN Corporate Governance Conferences and Awards 2016 on November 14, 2015; Distinguished Corporate Governance Speaker Series on August 24, 2015.

Mr. Dizon holds a Bachelor of Science in Economics from the Ateneo De Manila University and a Master in Business Administration from the University of the Philippines.

Benjamin R. Sta. Catalina, Jr. (Filipino, 69 years old)

Mr. Benjamin R. Sta. Catalina, Jr., was appointed Independent Director to the Board on July 2012 and last re-elected as Independent Director on 27 May 2016. He first assumed his independent directorship at PBB in 2003 to 2005. Mr. Catalina is also the chairman of the Audit Committee and member of the Risk Oversight and Corporate Governance Committee.

During his early professional years, Mr. Sta. Catalina was the Senior Vice President of the Asset Based Finance Group of FNCF Finance Co. from 1980 to 1981. He later joined Citibank N.A. from 1981 to 1995 where he has served as Asst. Vice President & Division Head for the Public Sector Division, then became the Vice President and Asst. Director of the Asia Pacific Training Center. He later handled the Middle East Africa Division Training Center as Vice President and Associate Director, and then handled the World Corporation Group for Middle East Africa, Division Training Center as Regional Administrator. He was appointed to General Manager and handled the Center for International Banking Studies. In 1993 to 1994, Mr. Sta. Catalina was appointed Vice President and Chief of Staff of the Global Finance Marketing, then rose to Group Head where he handled the Pan Asian Corporate Team in 1994 to 1995.

In the academic sphere, he was the Executive Director of the Center for Banking and Financial Management of the Asian Institute of Management in 1996.

In addition to holding a number of executive positions, he underwent trainings including Makati CAD in 1974, Philippine Core Credit in 1976, Intermediate Credit Seminar in 1977, Exceptional Sales Performance in 1978, Bourse Game in 1979, Asset Based Finance Seminar in 1980, Electronic Banking Seminar in 1981, Selling Skills Train the Trainer Program in 1982, Advanced Lending Strategy in 1982, Technology for Senior Management in 1983 from the Asia Pacific Training Center. He attended Multinational Business Course in 1980 at Citibank New York, Face to Face Selling Skills in 1986 at the Boston Consulting Group. In 1987 he has attended the MAC Approach Course and Alcar Valuation Seminar at MEAD Training Center in Greece. He attended the Corporate Finance II in 1988 at the Asia Pacific Banking Institute. At MEAD Training Center in London, he attended the Risk Management Seminar and the Risk Management III - Corporate Finance in 1991. From 1993 to 1995, Mr. Sta. Catalina attended the Strengthening Organizational Capabilities, Service Quality Management, Technology Solutions for the Business, Marketing Derivatives Ideas, Standards Workshop, Marketing Financing Ideas to Issuers at Citibank Training Center.

Most recent, he attended the Corporate Governance & Risk Management for Bank's Board of Directors at the Development Finance Institute in 2003, and the Anti Money Laundering Act Seminar in 2014, Distinguished Corporate Governance Speaker Series on August 24, 2015 and 2015 Distinguished Corporate Governance Speaker Series 2 on September 15, 2015.

Mr. Sta. Catalina is a graduate of the Asian Institute of Management with a post graduate degree of Masters in Business Management. He finished his Bachelor of Science in Management Engineering from the Ateneo De Manila University.

b. EXECUTIVE OFFICERS:

The following are the Executive Officers of the Bank, and their respective age, citizenship and position as of March 31, 2017:

Rolando R. Avante (Filipino, 58 years old)

President & CEO Rolando R. Avante was appointed to the Board on 02 November 2011 and currently a member of the Anti-Money Laundering, Asset & Liability, Credit, Employee Discipline, Executive, Management, Manpower, Compensation & Remuneration, Remedial & Special Assets, and Trust Committee. He held the position President and Chief Executive Officer since 02 November 2011.

Because of his strong background in treasury management, PBB has become one of the largest, fastest-growing and most respected savings banks. PBB was listed at The Philippine Stocks Exchange last February of 2013.

Mr. Avante, a banking industry veteran with more than three decades of experience, is guiding Philippine Business Bank through a brand resurgence.

His banking career includes Vice President for Local Currency Desk at City Trust Banking Corp. from 1988 to 1994; Senior Vice President & Treasurer at Urban Bank from 1994 to 1995; First Vice President for Domestic Funds Management at Philippine Commercial International Bank from 1995 to 1999; Executive Vice President & Treasurer at China Trust (PHILS.) Commercial Bank Corp. from 1999 to 2009; Executive Vice President & Treasurer at Sterling Bank of Asia from 2009 to 2011.

He was elected President and Director at the Money Market Association of the Phil. (MART) in 1999 and elected the same position at ACI Philippines in 2011.

His training includes Money Market at the Inter Forex Corp. in 1983; Treasury Management in Times of Crisis in 1984, Bourse Game in 1987 both conducted by FINEX; Rate Risk Game in 1989, Investment Banking Fundamental in 1990, Managing People in 1991 at the Citibank APBI; Capital Market Instruments in Asia in 1992, Asset & Liability Management in 1995 both conducted by Euro money; Asian Bond Fund II Workshop in 2004 at the Asian Bank; Securitization Law in 2006 at FINEX & SEC; ACI World Congress in 2011 at ACI Phil.; Economic Outlook 2012 in 2012 at the ANZ Private Bank Exclusive; Annual Global Markets Outlook in 2012 at Deutsche Bank; Entrepreneurs Forum in 2012 conducted by Business World; AMLA Seminar in 2012 at the Bangko Sentral ng Pilipinas; CEO Business Forum in 2012 at Punong Bayan & Arullo; Cross-Border RMB Business in 2012 at Bank of China; Eco Forum in 2012 at Security Bank; Phil. Business Conference in 2012 at the Philippine Chamber of Commerce & Industry; Annual Investment Outlook 2013 in 2013 at ANZ Private Bank; Philippine Investment Summit 2013 in 2013 at the Investment Banking Group; IPO Annual Asia Pacific in 2013 at CIMB; Corporate Governance Seminar for Board of Directors on December 10, 2015.

Mr. Avante graduated from the De La Salle University with the degree of Bachelor of Science in Commerce major in Marketing Management and has taken MBA units, also from DLSU.

Atty. Roberto S. Santos (Filipino, 67 years old)

Attorney Roberto S. Santos is the Corporate Secretary and holds the position of Vice-President and Head of the Legal Services Group. In his 40-year experience in banking and finance, he was a Manager with Traders Royal Bank since 1980 and subsequently held various executive positions with Security Bank from 1982 to 1999 and was also General Manager of Security Finance Company from 1997-2001. He was the Head of the Legal Department of Metrobank Card Corporation from 2002 to 2004 and joined PBB as Assistant Vice-President in 2008.

He is currently a member of the Anti-Money Laundering, Employee Discipline, Management, and Remedial & Special Assets Committee.

Joseph Edwin S. Cabalde (Filipino, 47 years old)

Mr. Joseph Edwin S. Cabalde is the Treasurer and holds the position of Senior Vice-President and Head of the Treasury Services Group. His work experience include: Accounting Assistant and Assistant Secretary Head of China Banking Corporation (1991 to 1993), Treasury Officer of Urban Bank Inc. (1993 to 1995), Manager and Chief Dealer of Bangkok Bank Manila, and of Bank of Tokyo Mitsubishi (1995 to 2004), Treasury Head of Oilink International (2004 to 2007), Assistant Vice-President and Treasurer of EEI Corporation (2007 to 2008). He also attended the Corporate Good Governance and AML Seminars sponsored by PBB.

Mr. Cabalde is a member of the Bank's Asset & Liability, IT Steering and Management Committee.

Teresita S. Sion (Filipino, 64 years old)

Ms. Teresita S. Sion is the Assistant Vice President and Trust Officer of PBB. She started as Per Pro of the Trust Services Group at Philippine Commercial International Bank from 1976 to 1991. She was the Officer-in-Charge of the Trust Banking Group of Metropolitan Bank and Trust Company from 1991 to 1995. In October 1995 she became the Senior Manager of the Trust and Investment Department, the position she held until September of 1998. From October 1998 to November 2006, she was the Vice President and Head of the Trust Banking Group of Export and Industry Bank, Inc. She was the Consultant on Financial Matters of MRC Allied, Inc from August 2008 to May 2009. She was also the Consultant for Trust Banking Sector of Asiatrust Development Bank from May 2009 to July 2009 and in July 2009 was appointed as Vice President and Trust Officer of the same bank until February 2012. She joined PBB in February 2012 as Marketing and Business Development Officer and became the Assistant Vice President and Trust Officer on November of the same year. Currently, she is a member of the Bank's Management and Trust Committee.

Efren P. Mercado (Filipino, 67 years old)

Mr. Efren P. Mercado is the Vice President / Head of the PBB's Commercial Banking Group - Centers 3&4 and member of the Asset & Liability and Management Committee. He started as Paymaster at Del Mar Carriers from 1968 to 1970. His banking career started at Philippine Banking Corporation from 1970 to 1988 with a variety of positions from Rank and File to Managerial. He joined China Banking Corporation in 1992 to 2005 and had held several Managerial and Executive positions including Branch Manager, Area Head and Senior Assistant Vice President. He joined PBB in March 2011.

Laurence R. Rapanut (Filipino, 54 years old)

Ms. Laurence R. Rapanut is the Assistant Vice President and Internal Auditor of PBB. She is currently a member of the Bid, Employee Discipline, and Management Committee. Her work experience include: Junior Examiner of Far East Bank and Trust Company (June 1985 to January 1988); Junior Examiner to Branch Controller of First Philippine International Bank (September 1988 to January 1995); Branch Accountant to Senior Assistant Manager of Westmont Bank (April 1996 to December 2000); Senior Assistant Manager to Manager of United Overseas Bank (January 2001 to January 2006). She joined PBB in March 2006 as Supervising Examiner of Internal Audit Center.

Felipe V. Friginal (Filipino, 62 years old)

Mr. Felipe V. Friginal is the First Vice-President / Group Head of the Branch Banking Group and member of the Bank's Anti-Money Laundering, Asset & Liability, Bid, Credit, Employee Discipline, IT Steering, and Management Committee. His work experience include: Cashier of United Coconut Planters Bank (UCPB) Head Office (1984-1986) Branch Accountant of UCPB, Northern Luzon Branches (1986-1989) Assistant Manager - Cashier of UCPB (1989-1991) Senior Assistant Manager - Cashier of UCPB (1991-1992) Senior Manager of UCPB (1992-1998) Assistant Vice-President - SMC Branch Head of UCPB (1998-1999) Assistant Vice-President GMA 6 Area Head (1999-2003).

Agustin E. Dingle, Jr. (Filipino, 60 years old)

Mr. Agustin E. Dingle is the First Vice-President / Chief Compliance Officer of PBB and member of the Anti-Money Laundering and Management Committee. His work experience include: Chief Compliance Officer of China Bank Savings (2010-2012), Head, Reports Section / Accounting Department (1997-1998), Senior Bank Examiner of

Central Bank of the Philippines (1985-1994), Reconciliation Analyst of Philippine National Bank (1979-1985) and Loans Bookkeeper of Banco Filipino (1977-1979). He is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants. He held various managerial and executive positions with PBB: Assistant BBG/BOCC head (1998-2001), Internal Auditor and Chief Compliance Officer (2002-2009).

Roselle M. Baltazar (Filipino, 42 years old)

Ms. Roselle M. Baltazar is the First Vice-President / Assistant Comptroller & Head of Central Operations Group of PBB and member of the Anti-Money Laundering, IT Steering, and Management Committee. In 1999, she joined PBB and held various managerial and executive positions including: Senior Manager / Head- central Operations Group (2004-2005), Senior Manager / Head- Branch Operations Control Center (2001-2004), Senior Manager / Head-General Services Group (2001-2003), Manager / Head- Systems and Methods Sector (2000-2001) and Assistant Manager / Senior Systems Analysts (1999-2000). She started her banking career at Westmont Bank (now United Overseas Bank) as: Accountant (1996-1999), Audit Examiner II (1995-1996), Loan Assistant (August-October 1995) and CASA Bookkeeper (June-August 1995). She is a Certified Public Accountant and a Civil Service (Professional & Sub-Professional) passer.

Eduardo R. Que (Filipino, 55 years old)

Mr. Eduardo R. Que is the Vice-President / Head of Corporate Banking Group and member of the Asset & Liability and Management Committee. His professional experience include: International Banking (Foreign/Domestic Trade Finance), SWIFT (Society for Worldwide Inter-bank Financial Telecommunication) Operations, Branch Operation Officer Training Program - (class "topnotcher") and Lecturer in the Officer Training Program (OD) for twenty (20) years. Before he joined PBB in 2012 he was the Vice-President/Senior Account Officer in Account Management Division of Allied Banking Corporation.

Clarissa S. Rivera (Filipino, 47 years old)

Ms. Clarissa S. Rivera is the Vice President / Head of Consumer Banking Group of PBB and member of the Asset & Liability and Management Committee. She graduated with the degree of BSBA-Accounting from Miriam College and is a Certified Public Accountant. Ms. Rivera also holds the degree of Doctor of Business Administration from Colegio de San Juan de Letran. She was previously connected with Planters Development Bank as Manager and Head of Credit and Customer Service (2004 to 2008); Assistant Manager/Account Officer of International Exchange Bank (2002 to 2004); Manager/Account Officer of Asiatrust Bank (2001 to 2002); and occupied various positions with Shopping Center Management Corporation, CIPI Leasing & Finance Corporation and Philippine National Bank. She joined PBB in June 2008.

Miami V. Torres (Filipino, 55 years old)

Ms. Miami V. Torres is the Vice-President / Head of the Credit Management Group and member of the Credit and Management Committee. She is a graduate of AB Behavioral Science and BSC Accounting from the University of Santo Tomas. She is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants. She has with her 29 years of banking experience. She started in 1984 as a junior bookkeeper in UCPB, handling SA, CA, CTD, Proofsheets, GL and remittances. She had 2 years experience as a Senior Analyst in the same Bank before she became an officer. As an officer, she was assigned as Branch Operations Officer and Branch Marketing Officer. Her last stint with UCPB was as Branch Head for Pasay Rotonda Branch. From 2002 to present she held various managerial and executive positions with PBB: Branch Head, Antipolo Branch (2002), Section Head, Remedial & Special Assets Management Group (RSAM) (2003), Head, Credit Services Group (2006-2008), Head, RSAM (2008-2010) and Head, Credit Services Group (2010-present).

Atty. Leonardo C. Bool (Filipino, 53 years old)

Atty. Leonardo C. Bool, is the Assistant Corporate Secretary holding the position of Assistant Vice President and member of the Management Committee. He obtained his college degree, Bachelor of Science in Commerce, Major in Accounting, at the University of Santo Tomas. Also, he obtained his Bachelor of Laws (LLB) at the same University. He is a Certified Public Accountant and a Lawyer at the same time. Prior to joining Philippine Business Bank, Atty. Bool was employed with Philippine Banking Corporation (later on merged with Global Business Bank)

for 13 years from 1987 to 2000. From 2000 to 2004, he was with Export & Industry Bank (EIB). After his resignation with EIB, starting 2005 to 2010, he engaged in a full time law practice handling civil, criminal, labor, corporate and administrative cases.

John David D. Sison (Filipino, 32 years old)

Dave Sison joined Philippine Business Bank in July 2014. He leads the Bank's Corporate Planning Group, which plays a key role in the bank's strategic management, investor relations functions, and M&A initiatives. He is also part of the MIS unit that leads the profit planning performance analysis of the Bank as well as assist senior management in the process of decision-making, develop accurate and clear presentation of financial and operational data, and stand as the foundation of the IT process for the core banking system. Mr. Sison is a member of the Bank's Asset & Liability and Management Committee.

Prior to PBB, he was a private equity analyst with KGL Investment Company Asia since 2008. Before joining KGL, Dave was an investment banking associate with PNB Capital & Investment Corporation, a boutique investment bank offering financial advisory, debt syndications, and corporate finance services. He began his career in finance as an investor relations analyst with ABS-CBN Corporation.

He graduated in 2006 with a Bachelor of Science degree in Management Engineering (an Honors Program) from the Ateneo de Manila University where he received training in traditional management disciplines (marketing, finance, operations management, organizational behavior, and strategic management), economics, and the social sciences in combination with skills development in qualitative and quantitative analysis, mathematics, statistics, and operations research.

Belinda C. Rodriguez (Filipino, 55 years old)

Belinda C. Rodriguez joined Philippine Business Bank on January 18, 2016 as Chief Risk Officer (CRO) and member of the Bank's Asset & Liability and Management Committee. As CRO, she is responsible for the supervision of the implementation of the risk management framework as part of corporate governance whereby policies and best practices are instituted.

She is a seasoned bank executive with 33 years of experience in the financial services industry and a strong background in enterprise risk management honed from exposure from employment both on the regulator (BSP) and regulated private and government banks. Most recently, she served as First Vice President for Asia United Bank, where she held various positions she held for fifteen years that included the CRO and head of the branch banking & treasury operations.

She held executive positions with Town Savings Bank, Dao Heng Bank, and Land Bank of the Phil. During her career, she has managed a number of activities, including treasury operations and compliance operations. Other areas of expertise include audit, compliance, remittance, and risk reduction through improved controls.

Ms. Rodriguez has participated in various banking industry forums on risk management, regulatory compliance, AMLA, and credit risk. She is a Certified Public Accountant (CPA) and has completed her MBA Degree from the Ateneo Graduate School of Business (AGSB). She is a graduate of Polytechnic University with a degree in Commerce major in Accounting.

Consuelo V. Dantes (Filipino, 54 years old)

Consuelo V. Dantes is appointed as the Human Resources Group Head with the rank of Senior Vice-President effective March 1, 2017. She brings with her 33 years of expertise in the field of Human Resources Management, Corporate Support Services Group and Business Unit Management. She was recently employed with EastWest Bank (EWB) as Human Resources Group Head from (May 16, 2013 to July 31, 2016). Apart from being the Head of HRG, she was also the Chief of Staff (May 16, 2012 to May 15, 2013) under the Office of the President where she worked with 12 units (Credit, Human Resources, Collection and Asset Recovery, Legal Services, Customer Service, Consumer Lending, Corporate Banking and Administrative Services).

Prior to her stint with EWB, she was with PlantersBank (now China Bank Savings) for 22 years (June 18, 1990 to March 31, 2012) where she held various lead positions in Human Resources, Corporate Communications, Corporate Planning, Collection and Asset Recovery. She was an international consultant for Human Resource Management under ShoreCap Exchange, the training arm of ShoreCap International, and worked as consultant with Cambodia Entrepreneur Building Co., Ltd. in Cambodia. She was also speaker/facilitator in seminar-workshops conducted by ShoreCap Exchange in Chennai, India and Luxembourg. Also, during her stint with PlantersBank (now ChinaBank Savings) she was at one point appointed as the President and Chief Operating Officer of PDB-FMO Development Center (PDCenter).

In addition, Ms. Dantes' other banking experiences also include stints with the following banks: Boston Bank of the Philippines (now Bank of Commerce - Branch Marketing and Development Group / Manager), Asiatrust Bank - Manager of Market Planning Group, (Security Bank Corporation - Branch Manager of Buendia Branch).

A Cum Laude graduate from University of the Philippine - Diliman with a degree in Bachelor of Arts in Economics, she took her MBA units with De La Salle University.

Rosendo G. Sia (Filipino, 61 years old)

Rudy Sia joined Philippine Business Bank in July 2016. He leads the bank's Business Development Group as Senior Vice President and Head of the Visayas and Mindanao Region to assist PBB in acquiring new customers and market additional products or services to existing clients.

He began his career as a bank examiner at the Central Bank of the Philippines from 1984 to 1988, then later joined Land Bank of the Philippines as a Branch Manager from 1988 to 1993 where he was assigned in Tuguegarao, Cebu and Dumaguete. He then transferred to the private sector when he joined Metropolitan Bank & Trust Company from 1993 to 2012 as Branch Head in Manila area where he rose from Senior Manager to Senior Vice President. Before joining PBB he was connected with Asia United Bank as the SVP and Branch Lending Group Head, then became the Region Head for the Visayas and Mindanao Areas from 2012 to 2016.

Mr. Sia is a Certified Public Accountant and a graduate of the De La Salle University in 1977 where he also finished his MBA degree from the same university.

Reynaldo T. Boringot (Filipino, 59 years old)

Rey Boringot joined Philippine Business Bank in July 2016. He leads the bank's Business Development Group as Senior Vice President and Head of the Luzon Region and is responsible for bringing in new business for the bank through a variety of sales techniques and market additional products or services to existing clients.

He began his career with Pacific Bank from 1980 to 1985 then proceeded as an Acting Manager at Metropolitan Bank & Trust Company from 1986 to 2003, then rose as a Senior Manager and Center Head where he was assigned in Malabon and Edsa-Caloocan. He then joined Asia United Bank from 2003 to 2016 as Vice President and Area Head in Edsa-Caloocan.

Mr. Boringot graduated from the University of the East in 1980 with a degree in Bachelor of Science in Commerce major in Management. He took his MBA units from the Phil. School of Business Administration.

Jacqueline A. Korionoff (Filipino, 39 years old)

Jacq is the Asst. Vice President and Center Head of the Commercial Banking I at Philippine Business Bank, a position she has held effective April 1, 2016, and member of the Asset & Liability Committee. Before she joined PBB, she already worked with the banking industry since 2002.

She first started as an executive secretary at the New City Toys Manufacturing from 1999 to 2000, then joined the banking industry as Document Analyst at the Jade Progressive Savings and Mortgage Bank in 2002. She started as a Marketing Assistant in PBB under the Account Management Group 1 from 2001 to 2002, then was promoted to Account Officer from 2002 to 2004. Under the same group, she became an Assistant Manager from 2004 to 2005,

then Senior Assistant Manager from 2005 to 2006. In 2006, she was promoted to Manager then to Senior Manager in 2008.

Jacq has participated in various banking seminars, particularly on credit and Corporate Governance. She is a graduate of the University of Santo Tomas with a degree in Bachelor of Arts major in Economics in 1999. She took her Masters in Business Administration in 2004, also from UST where she graduated Cum Laude. She took up a one-year course on Trust Operations and Investment Management from the Trust Institute Foundation of the Philippines of the Asian Institute of Management (AIM) where she passed the course with distinction.

Iris P. Almerino (Filipino, 37 years old)

Iris is the Asst. Vice President and Center Head of the Commercial Banking II at Philippine Business Bank, a position she has held effective April 1, 2016, and member of the Asset & Liability Committee. Before she joined the bank, she already worked with private companies under the accounting department from 2001 to 2006. She started as a Marketing Assistant in PBB in 2007 to 2009, and then was promoted to Manager and Account Officer from 2009 to 2015 under Account Management Group 1. On that same year Iris was promoted to Senior Manager and Market Head under the Branch Lending Unit 1 where she handled the Binondo and Caloocan accounts.

Iris has participated in various banking seminars, particularly on credit and AMLA. She is a graduate and an academic scholar of the New Era University with a degree in Business Administration major in Management, and is consistent in the dean's list program. She took her Masters in Business Administration degree from Rizal Technological University.

Election of Members of the Board

There will be election of the members of the Board during the annual stockholders' meeting. The Stockholders of PBB may nominate individuals to be members of the Board of Directors.

All nominations shall be in writing duly signed by the nominating stockholders or their duly authorized (in writing) representatives, with the written acceptance and conformity of their nominee. The nomination must indicate whether the nominees are intended to be independent directors and shall contain the nominees age, educational attainment, full disclosure of work and/or business experience and/or affiliations. The Directors and Independent Directors shall be elected from among the Bank's Stockholders. All nominees for Directors and Independent Directors must possess the minimum requirements/qualifications and none of the disqualifications prescribed by Article III of the By-Laws, Bangko Sentral ng Pilipinas, Securities and Exchange Commission, and other regulatory agencies/offices of listed banks, which include Sec. 23 and 27 of The Corporation Code (BP Blg. 68). Sec. 15 of The General Banking Law (RA No. 8791), Sec. 38 of The Securities Regulation Code, Sec. 38 of the Revised Implementing Rules and Regulations (RIRR) of the Securities Regulation Code. Sec. X141 of the Manual of Regulations for Banks, and other relevant circulars or memoranda.

After the nomination, the Nomination Committee shall prepare a Final List of Candidates, which shall contain all the information about all the nominees for Independent Directors as required under existing rules and regulations. The list shall be made available to the Securities and Exchange Commission and to all the stockholders through the filing and distribution of the Information Statement or in such other reports required by the Securities and Exchange Commission. The name of the person or group of persons who recommended the nomination of the Independent Directors shall be identified in such report including any relationship with the nominee.

The Nomination Committee consists of Paterno H. Dizon, Chairman, Amador T. Vallejos, Jr., Member, Benjamin R. Sta. Catalina, Jr., Member, Roberto A. Atendido, Member and Danilo A. Alcosoba, Member.

The nomination Committee created under PBB's Revised Manual on Corporate Governance endorsed the nominees for independent directors for re-election at the upcoming annual stockholders' meeting, in accordance with the qualification set forth in the Manual, as follows:

1. He is a holder of at least one (1) share of stock of PBB;
2. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;

3. He shall be at least twenty-one (21) years old;
4. He shall have proven to possess integrity and probity;
5. He should possess all the qualification required under pertinent regulation of the Bangko Sentral ng Pilipinas; and
6. He is not hostile to or antagonistic to, or engaged in any business, which competes with or is antagonistic to that of the Bank or any of its affiliates and subsidiaries.

Independent Directors

The Nomination committee has determined that the nominees for independent directors possess all the qualifications and have none of the disqualifications for independent directors as set forth in the Revised Manual on Corporate Governance.

Recommended Directors For 2017-2018

The Nomination Committee of the Board of Directors of PBB has determined that the following, all of whom are incumbent directors, possess all the qualifications and none of the disqualifications for directorship set out in PBB's Manual on Corporate Governance, duly adopted by the Board pursuant to SRC Rule 38.1. Below is the final list of candidates prepared by the Nomination Committee:

Francis T. Lee

Jeffrey S. Yao

Rolando R. Avante

Amador T. Vallejos, Jr.

Honorio O. Reyes-Lao

Roberto A. Atendido

Leticia M. Yao

Danilo A. Alcosoba

Paterno H. Dizon (Independent Director) - Nominated by Francis T. Lee. Not related to the nominee.

Benjamin R. Sta. Catalina, Jr. (Independent Director) - Nominated by Francis T. Lee. Not related to the nominee.

Involvement in Certain Legal Proceedings

None of the directors, nominees for election as director, executive officers or control persons of the Bank have been involved in any legal proceedings during the past five (5) years, including without limitation being the subject of any:

- i) bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior to that time;
- ii) conviction by a final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- iii) order, judgment or decree not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities commodities or banking activities;
- iv) order or judgment of a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization finding him/her to have violated a securities or commodities law or regulation.

Significant Employees

Although PBB has relied on and will continue to rely on, the individual and collective contributions of each of its executive officers, senior operational personnel and non-executive employees, PBB believes that it does not depend on the services of a particular employee and that there is no employee that the resignation or loss of whom would have a material adverse impact on its business.

Item 12. Related Party Transactions

The Bank's related parties include entities under common ownership, key management and others as described below.

	2016		2015	
	Transaction	Balance	Transaction	Balance
Entities Under Common Ownership				
Deposit Liabilities	6,891,205,514	6,471,966,695	6,783,959,179	6,579,213,030
Loans	1,217,879,975	1,212,117,019	1,278,906,663	1,257,883,137
Interest Income on Loans	44,013,008	2,832,634	48,498,573	3,406,592
Key Management Compensation	101,934,057	-	83,029,008	-
Retirement Fund				
Contribution	37,133,819	-	37,133,819	-
Plan Assets	83,356	42,457,190	37,164	1,997,083

i. DOSRI Deposits

The total balance of DOSRI deposits are inclusive of the corresponding related accrued interest included in the financial statements as of December 31, 2016 and 2015.

Deposit liabilities transactions with related parties have similar terms with other counterparties (see Note 18).

ii. DOSRI Loans

The Bank has loan transactions with its officers and employees. Under existing policies of the Bank, these loans are made substantially on the same terms as loans to other individuals and businesses of comparable risks.

The General Banking Act of the BSP provides that in aggregate, loans to DOSRI generally should not exceed the Bank's total equity or 15% of the Bank's total loan portfolio, whichever is lower. In addition, the amount of individual loans to DOSRI, of which 70% must be secured, should not exceed the amount of their deposits and the book value of their investments in the Bank. In aggregate, loans to DOSRI generally should not exceed the total equity or 15% of the total loan portfolio of the Bank, whichever is lower. However, non-risk loans are excluded in both individual and aggregate ceiling computation. As of December 31, 2016 and 2015, the Bank has satisfactorily complied with the BSP requirement on DOSRI limits.

The following table shows the other information relating to the loans, other credit accommodations and guarantees granted to DOSRI as of December 31 in accordance with BSP reporting guidelines:

	December 31, 2016	December 31, 2015
Total outstanding DOSRI loans	₱ 1,212,117,019	₱ 1,257,883,137
Unsecured DOSRI loans	9,856,451	11,312,547
Past due DOSRI loans	-	3,819,459
% to total loan portfolio	2.3%	3.0%
% of unsecured DOSRI loans	0.8%	0.9%
% of past due DOSRI loans	0.0%	0.3%

The details of total outstanding DOSRI Loans for the year ended December 31, 2016 and 2015 are shown below:

	<u>2016</u>	<u>2015</u>
Commercial loans	P 1,178,196,248	P 1,223,815,659
Key management personnel	33,920,770	34,067,478
	<u>P 1,212,117,018</u>	<u>P 1,257,883,137</u>

The Bank leases the following properties from affiliated parties:

Property	Owner
Banawe, Quezon City branch	Solmac Marketing Inc.
EDSA Caloocan branch	Solmac Marketing Inc.
Quintin Paredes, Binondo branch	Downtown Realty Corporation
PBB Support Center, Caloocan City	SMI Development Corporation
Yakal Makati branch	AMY Leasing Company

iii. Transactions with Retirement Fund

The retirement fund neither provides any guarantee or surety for any obligation of the Bank nor its investments by any restrictions or liens.

iv. Key Management Personnel Compensation

Salaries and short-term benefits received by key management personnel are summarized below.

	2016	2015	2014
Salaries and Wages	₱72,088,807	₱58,902,581	₱55,286,737
Bonuses	17,987,189	14,890,912	13,771,434
Post-Employment Defined Benefit	9,024,121	7,004,439	8,701,539
Other Short-term Benefits	1,325,223	1,052,380	683,000
Social Security Costs	1,508,717	1,178,696	1,168,208
Total	₱92,909,936	₱83,029,008	₱79,610,918

Family Relationships

Amb. Alfredo M. Yao and Leticia M. Yao are siblings.

Jeffrey S. Yao, married to Liza Jane T. Yao, FVP-Treasury Services Group, is the son of Amb. Yao.

Other than the foregoing, there are no family relationships either by consanguinity or affinity up to the fourth civil degree between and among directors and executive.

Item 6. Compensation of Directors and Executive Officers

The following table sets forth the aggregate compensation received by its key management officers:

In Php millions		Aggregate Compensation Paid as a Group		
NAME	POSITION	2015	2016	2017 (estimate)
CEO & the four (4) most highly compensated officers of the Bank namely: Rolando R. Avante Joseph Edwin S. Cabalde Agustin E. Dingle, Jr. Reynaldo T. Boringot Consuelo V. Dantes	President & CEO SVP/Treasurer FVP/Head - Compliance SVP/Business Development Officer SVP/Human Resources Group Head	21.95	23.81	28.79

Total Aggregate Compensation of the CEO and the Top 4 Most Highly Compensated Officers of the Bank:	Salary	Other Compensation	Bonus	Total
2015	10.87	6.68	4.40	21.95
2016	12.54	6.53	4.74	23.81
2017 (Estimate)	15.16	7.98	5.65	28.79

Compensation of Directors

Each director of the Bank receives a per diem allowance of Php20,000.00 determined by the Board of Directors for attendance in a Board meeting and a Php5,000.00 allowance for attendance in a committee meeting. The Directors are also entitled to a monthly gasoline allowance of Php5,000.00. Except as disclosed above, none of these Directors receive any additional compensation for any special assignments. Except for each of the individual Directors' participation in the Board, no Director of the Bank enjoys other arrangements such as consulting contracts or similar arrangements.

Item 7. Independent Public Accountants

Punongbayan & Araullo (P&A), a member firm of Grant Thornton International Limited, has been the bank's independent accountant for the last eight (8) years and is again recommended for appointment at the scheduled stockholders meeting.

None of the Bank's external auditors have resigned during the most recent fiscal years (2015 and 2016) or any interim period. In compliance with SEC Memorandum Circular No. 8, Series of 2003, and Amendments to the SRC Rule 68 on the rotation of external auditors or signing partners of a firm every after five (5) years of engagement, Mr. Leonardo D. Cuaresma, Jr. was assigned in 2014 as an independent reviewer and partner in charge for the bank replacing Mr. Benjamin P. Valdez. Representatives of P&A are expected to be present at the meeting to respond to matters relating to the Auditor's report on the 2016 financial statements of the bank that maybe pertinently raised during the meeting. Their representatives will be given opportunity to make a statement if they so desire.

The Bank has paid the following fees to P&A relative to the regular and special engagements rendered by the latter that are reasonably related to the performance of the audit review of the Bank's financial statement:

Audit Fees For	In ₱
Dec 31, 2011	721,412.31
Jun 30, 2012	752,640.00
Sep 30, 2012	978,432.00
Dec 31, 2012	824,320.00
Dec 31, 2013	2,609,152.00
Dec 31, 2014	2,475,405.61
Dec 31, 2015	2,324,278.38
Dec 31, 2016	2,599,735.16

No other services were rendered by P&A that were not related to the audit and review of the Bank's financial statements.

Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

There were no disagreements with P&A and Co. on accounting and financial disclosures.

Members of Audit Committee

The following are the members of the Audit Committee:

- 1.) Benjamin R. Sta. Catalina, Jr. - Chairman/Independent Director
- 2.) Paterno H. Dizon - Independent Director
- 3.) Amador T. Vallejos, Jr. - Director

- 4.) Jeffrey S. Yao - Director
- 5.) Roberto A. Atendido - Director
- 6.) Danilo A. Alcoseba - Director

The Audit Committee provides oversight of the Bank's financial reporting and control and internal and external audit functions. It monitors and evaluates the adequacy and effectiveness of the internal control system of the Bank. It assists the Board in fulfilling its statutory and fiduciary responsibilities with respect to internal controls, accounting policies, and auditing and financial reporting practices.

The committee conducts its meeting every second (2nd) Wednesday of the month and reports its activities to the Board on regular basis.

OTHER MATTERS.

Actions with respect to reports

The following matters will be submitted for approval of the stockholders at the Annual Stockholders Meeting on May 26, 2017.

- 1.) Approval of the Minutes of the Annual Stockholders Meeting held on May 27, 2016
- 2.) President & CEO's report on management operations for 2016
- 3.) Ratification of Past Actions of the Board and of Management
- 4.) Ratification/Confirmation of the appointment of external auditor by the Board of Directors
- 5.) Election of Directors for 2017-2018
- 6.) Approval of the Dividend Declaration

In the May 27, 2016 Annual Stockholder's Meeting the following matters were presented before the body:

- 1.) Approval of the Minutes of the Annual Stockholders Meeting held on May 29, 2015
- 2.) President & CEO's report on management operations for 2015
- 3.) Ratification of Past Actions of the Board and of Management
- 4.) Ratification/Confirmation of the appointment of external auditor by the Board of Directors
- 5.) Election of Directors for 2016-2017
- 6.) Approval of the Amendment of the Articles of Incorporation

Voting Procedures

Vote Requirement

- 1.) For election of Directors
Pursuant to Section 24 of the Corporation Code, the ten (10) nominees receiving the highest number of votes shall be declared elected.
- 2.) For other matters submitted to a vote, a majority vote of the shareholders present either in person or by a duly notarized proxy instrument is necessary for the approval of such matter.

The method of counting the votes of the shareholders shall be in accordance with Sections 23 and 27 of the Corporation Code of the Philippines, Section 15 of the General Banking Law (R.A. No. 8791), Section 38 of The Securities Regulation Code, Section 38.1 of the Amended Implementing Rules and Regulations of the Securities Regulation Code and Section X141 of the Manual of Regulations for Banks, the Bank's Nominations and Corporate Governance Committees adopted rules governing the nomination and election of directors. Counting will be done by tabulation of the votes by the Corporate Secretary, who acts as the election inspector, with the assistance of her staff and the stock and transfer agent.

The Bank undertakes to provide without charge to each person solicited, upon written request of such person, a copy of the Bank's annual report on SEC Form 17-A. Requests may be sent to Rolando G. Alvendia, 3/F PBB Corporate Center, 30 Rizal Avenue corner 8th Avenue, Gracepark, Caloocan City.

The Bank likewise undertakes to provide without charge to each person solicited, during the Annual Stockholder's Meeting, a copy of SEC Form 17Q containing PBB's Interim Financial Statements, Management Discussion and Analysis of Financial Condition and Results of Operation.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Caloocan City on day of

10 2 MAY 2017

By:



.....
(Signature)

ATTY. ROBERTO S. SANTOS
Corporate Secretary

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **PATERNO H. DIZON**, Filipino, of legal age and a resident of **66 Boston St., Cubao, Quezon City**, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Philippine Business Bank, Inc. (A Savings Bank)** and have been its independent director since **April 2006**.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
VC Securities Corporation	Independent Director	2016 – present
Holy Cross College	President and CEO	2012 – present
Phil. Exporters' Confederation, Inc.	Chairman	1990 - present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Philippine Business Bank, Inc. (A Savings Bank)**, as provided for in Section 38 of the Securities Regulation Code, its implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholders of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
N/A		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/ INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
N/A		

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of **Philippine Business Bank, Inc. (A Savings Bank)** of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this _____ day of _____ **20 APR 2017 CALOOCAN CITY**

Patino V. Ojeda
Affiant

SUBSCRIBED AND SWORN to before me this **20 APR 2017 CALOOCAN CITY** day of _____ at _____
affiant personally appeared before me and exhibited to me his TIN 118-192-518.

Doc. No. 426
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Series of 17

[Signature]
ATTY. NINO CHRISTOPHER R. PORA
Notary Public (NC-304 Valid Until Dec. 2017)
Roll of Attorney's No. 53988
PTR No. 8448318; 01.03. 17; Caloocan
IBP No. 1048892; 01.03. 17; Calmana
MCLE Cert No. V-0023535; 08. 16. 16
30 Rizal Ave. Cor-8th Ave., Grace Park, Caloocan

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **BENJAMIN R. STA. CATALINA, JR.**, Filipino, of legal age and a resident of **12 B. Amoroso East, #23 Amoroso Drive, Rockwell Center, Makati City**, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Philippine Business Bank, Inc. (A Savings Bank)** and have been its independent director since **July 16, 2012**.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
N/A		

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Philippine Business Bank, Inc. (A Savings Bank)**, as provided for in Section 38 of the Securities Regulation Code, its implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholders of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
N/A		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/ INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
N/A		

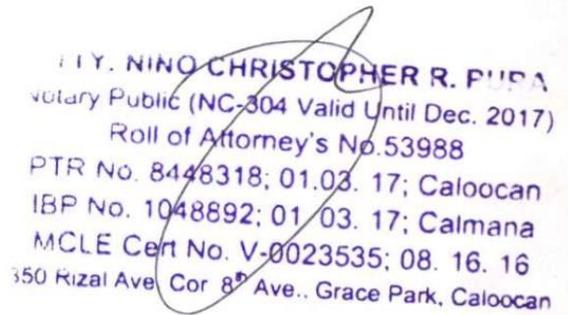
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of **Philippine Business Bank, Inc. (A Savings Bank)** of any changes in the abovementioned information within five (5) days from its occurrence.

Done, this _____ day of _____, at **CALOOCAN CITY**
20 APR 2017


 Affiant

SUBSCRIBED AND SWORN to before me this _____ day of **20 APR 2017** at **CALOOCAN CITY**
 affiant personally appeared before me and exhibited to me his TIN 106-906-404.

Doc. No. 427
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 NINO CHRISTOPHER R. PUSA
 Notary Public (NC-304 Valid Until Dec. 2017)
 Roll of Attorney's No. 53988
 PTR No. 8448318; 01.03. 17; Caloocan
 IBP No. 1048892; 01.03. 17; Calmana
 MCLE Cert No. V-0023535; 08. 16. 16
 350 Rizal Ave. Cor 8th Ave., Grace Park, Caloocan



PHILIPPINE
BUSINESS BANK
a savings bank

REPUBLIC OF THE PHILIPPINES)
 CITY OF CALOOCAN) S.S.

CERTIFICATION

This is to certify that at present, none of the incumbent directors and officers of Philippine Business Bank, Inc. ("PBB"), with principal office address at *No. 350 Rizal Avenue Extension corner 8th Avenue, Gracepark, Caloocan City*, works with the Philippine Government or any of its agency/ies.

This certification is being issued for whatever legal purposes it may serve.

Done this 11th day of April 2017 at Caloocan City, Philippines.

ATTY. ROBERTO S. SANTOS
 Corporate Secretary

SUBSCRIBED AND SWORN to before me this 12 APR 2017 day of _____, affiant personally appeared before me and exhibiting to me his TIN : 123-467-623, bearing his photograph and genuine signature as competent evidence of their identity in accordance with the 2004 Rules on Notarial Practice, and acknowledge to me that he is the same person who executed the foregoing affidavit.

NOTARY PUBLIC

ATTY. NIÑO CHRISTOPHER R. PUPA
 Notary Public (NC-304 Valid Until Dec. 2017)
 Roll of Attorney's No. 53988
 PTR No. 8448318; 01.03.17; Caloocan
 IBP No. 1048892; 01-03.17; Calmana
 MCLC Cert No. V-0023535; 08.10.16
 450 Rizal Ave. Cor 8th Ave., Grace Park, Caloocan

Doc. No. 367 :
 Page No. 75 :
 Book No. 9 :
 Series of 2017.

SUMMARY OF BOARD AGENDA FOR THE YEAR 2016**January 20, 2016**

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of December 31, 2015
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - **Information Technology Steering Committee**
 - Vendor Management Policy
 - Information Technology Steering Committee Charter Revised
 - ITG Service Level Agreement
 - **Branch Banking Group**
 - Confirmation of Various Domestic Bills Purchase of Main Office Branch
4. Loan Accounts for Board Approval

BLU II

- FTC Group – Quarterly Report
- Antonio Lim

BLU I

- Atkins Import & Export Resources Inc.
- PH Excellent Stainless Steel Corp.
- Targetline Marketing Corp.

AMG III

- Solar Philippines Commercial Rooftop Project Inc.

CBG

- Industrial & Transport Equipment Inc./ Ark Diversified Automotors Group, Inc
- B.M. Domingo Motor Sales, Inc.
- Southern Maligaya Taxi, Inc./ Southrans Services & Industries Inc. Festivalfleet Corp./ Coastalfleet Corp.
- JACG United Enterprises, Inc.
- Century Properties Group Inc. / Milano Development Corp./Century City Development Corp. / Century Medical Development Corp./ Century Limitless Corp.

AMG I

- Poly Steel Tube Mfg. Corp.
- Wilson Fenix
- Alpha Ace United Trading Corp.
- Charverson Wood Industry Corp.
- Lai Ting Ong Tsai
- Simbulan Industries Phils. Inc.
- Uno Dragon Metal Corp.

5. Minutes of Various Committees and Other Matters

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2015-12

➤ **Trust Committee**

- Minutes of the Trust Committee Meeting dated October 23, 2015 and December 18, 2015

➤ **Risk Oversight Committee**

- Minutes of the Risk Oversight Committee Meeting
- Risk Oversight Report for January 13, 2016

February 17, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of January 20, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - Additional Provision on Resignation and Clearance
 - **Branch Banking Group**
 - Confirmation of Various Domestic Bills Purchase of Main Office Branch
4. Loan Accounts for Board Approval

AMG II

- Jinyi Import and Export Trading Inc.

CBG

- Diamond Motor Corporation/ Caleb Motor Corporation
- Car-World, Inc., Carworld Subic , Inc. Traders Autocenter, Inc. Global Cars Phils., Inc. North Luzon Autocity, Inc., Michigan Motors, Inc. Pampanga Premier Cars, Inc.

BLU II

- Nuvoland Philippines, Inc.
- Southern Maligaya Taxi, Inc.
- Agan Land Corporation
- Sps. Antonio Lim & Lu Yuyin
- New Hope Flour Milling Corp.
- Southern Orga-Line Innovative Inc.

AMG I

- Jalminelle Realty Corporation / Fast Pace Tractor Corp.
- Powertrac Inc.
- Gammon Resources Inc.
- Tagum Unity Industry Corp.
- Moon House Marketing
- New Speedmaster Lumber
- Chaverson Wood Industry Corp.
- Pan-Ply Marketing Corp.
- Diamond Packaging Industrial Corp.
- Abacore Capital Holdings Inc.
- Alpha Ace United Trading Corp.

5. Minutes of Various Committees and Other Matters

➤ **Audit Committee**

- Minutes of the Audit Committee Meeting No. 2016-01

➤ **Corporate Governance / Nomination Committee**

- Minutes of the Corporate Governance / Nomination Committee Meeting No. 2015-06

March 16, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of February 29, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - Confirmation of Appointment of the following:
 - Mr. Melchor DG. Sapaula – Head of credit Evaluation/ AVP
 - Mr. Jesus Romeo A. Rivera – Account Officer / AVP
 - Mr. Reynaldo E. Ebanen- Deputy Chief Officer/ AVP
 - Mr. Layne Y. Arpon – Head Corporate Banking Group 1/ FVP
 - **Branch Banking Group**
 - Confirmation of Approval of Propose Relocation of Karuhatan Branch
4. Loan Accounts for Board Approval
 - AMG 3**

 - Expressions Stationery Shop, Inc.
 - CBG**

 - Toyota Alabang, Inc.
 - AMG 1**

 - MSY Seven Star Corporation
 - Hi-Purpose Corporation
 - Westpoint Energy Resources, Inc.
 - Westpoint Industrial Co., Inc.
 - Simbualn Industries Phils. Inc.
 - A.T.C. Healthcare International Corp.
 - Premiere Horizon Alliance corp.
 - AMG 2**

 - Asia Structural Developer Corp.
 - Phoenix Petroleum Philippines, Inc.
 - Waterfront Mactan Casino Hotel, Inc.
 - Ferex Agrochem Development Corp.
 - Sps. Dennis A. Uy and Cherylyn C. Uy.
 - BLU 1**

 - Vincent Lim
 - Homms Trading Corp.
 - SKK Mobile Industry Trading Inc.
 - East Central Pangasinan Lumber and Hardware corp.

BLU II

- Sps. Antonio Lim & Lu Yuyin
- Uraya Land Development Inc.
- Jefferson Ko
- New Hope Flour Milling Corp.
- Filipinas 168 Shopping Mall, Inc.

5. Minutes of Various Committees and Other Matters

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-02

➤ **Corporate Governance / Nomination Committee**

- Minutes of the Corporate Governance / Nomination Committee Meeting No. 2016-01

➤ **Risk Oversight Committee**

- Minutes of the Risk Oversight Committee Meeting
- Proposed Adoptions to Credit Risk Policies and Amendments to the ICRRs
- Risk Management Report for March 9, 2016

➤ **AMLA Committee**

- Minutes of the AMLA Committee Meeting
- Amendment on the Money Laundering and terrorist Financing Prevention Program

April 20, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of March 31, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Systems & Methods**
 - Alternate Signatory
 - Request for Write-Off –Antipolo Branch Case (Hillary Leonard)
 - Consumer Protection Program
 - Proposed Policy/ Guidelines Segregation of Broker, Dealer Transactions, Affiliations and Practices
 - **Human Resources Group**
 - Alternate Signatory
 - Request for Write-Off –Antipolo Branch Case (Hillary Leonard)
 - Consumer Protection Program
 - **CTS Project Team**
 - List of Shortlisted Vendors and Results of Final Evaluation of Their Respective Proposal
 - **Branch Banking Group**
 - Various Domestic Bills Purchase of Main Office Branch and Makati Branch
4. Loan Accounts for Board Approval
 - Commercial Banking Group - Center 3**
 - Caraga Filchin Corporation
 - FTC Group of Companies (Quarterly Report)
 - Commercial Banking Group - Center 1**
 - Cityrecycle Corp. / Philcycle Plastic Corp./ Robert Lee
 - Fiesta Philippines Shopping Center Corp.
 - Uno Dragon Metal Corporation
 - Danny C. Coral
 - Ataw Marketing
 - Dwightsteel Building Systems , Inc./ Sacoda Import & Export Inc.
 - Commercial Banking Group - Center 5**
 - Lion Commercial Corporation
 - Libertad Consumers Corporation
 - Shopmore Consumers Corp[oration
 - TCL Merchandise Brokerage, Inc.

- La Consumidores Corporation
- La Concepcion Corporation
- T.A. Central Metro Foods, Inc.
- Central Metro Trade Distributors, Inc.
- Limsa Commercial Corporation
- Lamver Consolidated Complex Development Corporation

Corporate Banking Group - 1

- Sps. Richard C. Yu & Jeselyn T. Yu
- E-Power Technologies Corp.
- Heavenly Products Inc.
- CF Sharp Management Inc.
- Solar Philippines Calatagan Corp.
- Solar Philippines Commercial Rooftop Projects, Inc.

5. Minutes of Various Committees and Other Matters

➤ **Corporate Governance / Nomination Committee**

- Corporate Governance Evaluation Forms - 2015
- Minutes of the Corporate Governance / Nomination Committee Meeting No. 2016-01

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-02

May 26, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of April 30, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources Group**
 - Approved Salary loan
 - **Treasury Services Group**
 - Nomura Singapore LTD – Opening of Account Money Market /FX Line/ Dealership Line
 - **CTS Project Team**
 - Acquisition of Check Truncation Solution
 - **Compliance Office**
 - Bank's reply to the ROE
 - **Branch Banking Group**
 - Various Domestic Bill Purchase Sheet Report of MOB & Makati Branch
 - **Credit Management Group**
 - Proposed Changes to the Credit Management Group Table of Organization
4. Loan Accounts for Board Approval
 - Commercial Banking Group Center 4**
 - Vibal Group Inc.
 - Commercial Banking Group - Center 3**
 - Sps. Michael A. Tan and Zheng Yuqin
 - DCLA Plaza Co., Inc.
 - Filipinas 168 Shopping Mall, Inc.
 - Agan Land Corporation
 - Sps. Antonio P. Chan & Anselma L. Chan
 - Jefferson Ko
 - Suntrust Properties Inc.
 - Oriental Assurance Corporation
 - RFK Holding Inc.
 - Commercial Banking Group - Center 2**
 - Great Earth Food Industrial Inc.
 - Atkins Import & Export Resources Inc.

- S & S Enterprises Inc.
- Veronica Jaime (Green Trust Medical Trading)
- East Asialand Properties, Inc.

Commercial Banking Group - Center 1

- Liwayway Marketing Corporation
- Unitop General Merchandise Inc.
- Ri-Rance Realty Corporation
- New Speedmaster Lumber
- Avanna Properties Inc.
- Doubleace Properties Inc.
- Diamond Packaging Industrial Corp.
- Gammon Resources Inc.
- Amvel Land Development Corp.
- Dorwins Group Phils. Inc.

Commercial Banking Group - Center 5

- Urdaneta Builders & Realty Corporation
- Magiclub, Inc.
- Highspring Incorporated

Consumer Banking Group

- Areza Motors Sales/ Lolita B. Areza
- Del Monte Land Transport Bus Company, Inc./ Del Monte Motor Works, Inc.
- Del Monte Motor Works, Inc.

Corporate Banking Group - 1

- CF Sharp Crew Management Inc.
- Sharp Travel Service (Phils) Inc.
- CF Sharp Shipping Agencies, Inc.
- Sps. Richard C. Yu & Jeselyn T. Yu
- Sarangani Energy Corp.
- Solar Philippines Commercial Rooftop Projects, Inc.
- Solar Power Calatagan Corp.
- E-Power Technologies Corp.
- Stotsenberg Leisure Park & Hotel

5. Minutes of Various Committees and Other Matters

➤ **Corporate Governance / Nomination Committee**

- Minutes of the Corporate Governnce / Nomination Committee Meeting No. 2016-02

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-04

➤ **Trust Committee**

- Minutes of the Trust Committee Meeting dated March 11, 2016

➤ **Enterprise Risk Management Committee**

- Revised Limits and Assumptions of MCO, EaR and Other Treasury Concerns
- Revision to the Scoring System for Consumer Loans
- Minutes of the Risk Oversight Committee April 13,2016
- Risk Oversight Report for May 2016

June 15, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of May 31, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - Confirmation of Appointment of the following:
 - Mr. Rosendo G. Sia – Business Development Officer / SVP
 - Reynaldo T. Boringot - Business Development Officer / SVP
 - Thaddeus Anthony L. Tan - Business Development Officer / VP
 - Edmund A. Reyes – IT Head/ VP
 - **Branch Banking Group**
 - Confirmation of Various Domestic Bills Purchase of Main Office Branch
 - **Compliance Office**
 - Revised Compliance Manual
4. Loan Accounts for Board Approval
 - Consumer Banking Group**
 - E.S. Transport Inc.
 - Commercial Banking Group - Center 3**
 - Four Seasons Fruits Corporation
 - Sps. Antonio M. Lim & Lu Yuyin
 - Corporate Banking Group - 1**
 - MIS Maritime Corp.
 - Starlite ferries Inc.
 - Jetti Petroleum Inc.
 - Subic Drydock Corporation
 - Malayan Towage & Salvage Corp.
 - Restored Energy Development Corp.
 - Commercial Banking Group - Center 2**
 - Sonic Steel Industries, Inc.
 - Somico Steel mill Corporation
 - United Steel Technology International Corporation

Commercial Banking Group - Center 1

- Hermano Oil Manufacturing & Sugar Corp. Or Erlinda H. Ong
- DES Financing Corp.
- J&F Department Store or J & F Department Store Corp.
- J.J. Mega Holdings Corporation
- CP Me Industrial Sales corp. or Uno Dragon Metal Corporation
- Manila Credit Corp
- Trans-Phil House Corp.
- Lucky Seven Star Superstore Corp.
- Valenzuela Solar Energy
- Redstone Construction & Dev't. Corp.
- Moonhouse Marketing
- Ri-Rance Realty Corp.
- Ong Lai Ting Tsai
- Premiere Horizon Alliance Corp.

5. Minutes of Various Committees and Other Matters

➤ **Corporate Governance / Nomination Committee**

- Minutes of the Corporate Governance / Nomination Committee Meeting No. 2016-02

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-05

+

➤ **Enterprise Risk Management Committee**

- Revised of MCO/ EaR Assumptions
- ICRRS Parameters
- Minutes of the Risk Oversight Committee May 11,2016
- Risk Oversight Report for June 2016

July 20, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of June 30, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - **Branch Banking Group**
 - Confirmation of Various Domestic Bills Purchase of Main Office Branch
4. Loan Accounts for Board Approval
 - Commercial Banking Group - Davao**
 - FTC Group
 - Jenson Land and Realty Dev't. Corp.
 - Golden Dynasty Motors, Inc.
 - Uraya Land Development
 - Four Seasons Fruits Corporation
 - Agan Land Corporation
 - Commercial Banking Group - Center 5**
 - Sunwest Construction & Dev't. Corp.
 - LCC Group of Companies
 - Urdaneta & Realty Corp.
 - Magiclub Inc.
 - Corporate Banking Group - 1**
 - Medilines Distributors Incorporated
 - PNX – Chelsea Shipping Corp.
 - Phoenix Petroleum Philippines Inc.
 - CF Sharp Crew Management Inc.
 - Expressions Stationery Shop Inc.
 - Commercial Banking Group - Center 2**
 - Wendy V. Weng and Kelvin Weng
 - Atkins Import & Export Resources
 - Commercial Banking Group - Center 1**
 - UCPB Leasing and Finance Corp.
 - Primeworld Construction & Development Corp.
 - Puzzlefit Furniture Corporation
 - Premium Plastic Group Mfg. Corp.
 - Garden Barn Inc.
 - Allan Ang Cruz
 - Hensan Plastic Scrap & Recycle Corp.

- Angkong Holdings Inc.
- High Steel Product Mfg. Co.
- Fiesta Philippines Shopping Center Corp.
- Hi-Purpose Corporation

Consumer Banking Group

- Hyundai Laguna, Inc.
- First united Finance & Leasing Corp.
- Esjay Auto Corp./ Manindra Auto Corp.

Commercial Banking Group – Center 3

- RFK Holdings, Inc.
- RDAK Transport Equipment Inc.
- Jefferson U. Ko
- 21th Construction and Development Corp.
- Unioil Petroleum Philippines, Inc.
- Medicus Cancer Institute

Commercial Banking Group - Center 4

- Aseana Summit Metal Corp
- PH excellent Stainless Steel Corporation
- Global Construct Inc.

5. Minutes of Various Committees and Other Matters

➤ **AML and FATCA Committee**

- Additional Members of AML and FATCA Committee
- Proposed AML Transaction Processing
- FATCA Reporting
- Minutes of the Anti-Money Laundering and FATCA Committee Meeting

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-06

➤ **IT Steering Committee**

- Minutes of the IT Steering Committee Meeting dated January 19, 2016; February 9, 2016; March 23, 2016 and May 24, 2016

➤ **Enterprise Risk Management Committee**

- Revised of Pre-Settlement Risk (PSR) Factor
- Information Security Access Matrix
- Minutes of the Risk Oversight Committee June 15, 2016
- Risk Oversight Report for July 2016

August 17, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of July 31, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - **Compliance Office**
 - Amendments to the Corporate Governance Manual
4. Loan Accounts for Board Approval

Commercial Banking Group - Center 5

- Sunwest Construction & Dev't. Corp.
- Urdaneta & Realty Corp.
- Magiclub Inc.
- Highspring Inc.

Commercial Banking Group - Center 2

- SKK Mobile Industry Trading Inc.
- Jefferson U Ko

Corporate Banking Group - 1

- Heavenly Products
- Summit Leasing and Finance Corporation
- Professional Services Inc. (The Medical City)
- San Miguel Yamamura Packaging Corp.
- Mindanao Corrugated Fibreboard Inc.
- Solar Philippines Commercial Rooftop Projects, Inc.
- Sarangani Cattle Co. Inc.
- Starlite Ferries Inc.
- Steelasia Manufacturing Corp.

Commercial Banking Group – Center 3

- Orlando S. Bongat Group of Companies
- Neuville Land Development Corp.
- Hi-Las Marketing Corp.
- RFK Holding Inc.

Commercial Banking Group - Center 1

- Sunworld Industrial Group Corp.
- Expedition Construction Corp.
- Simon Paz
- Futuristic Properties Inc.

- J.J. Mega Holdings Corporation
- Diamond Packaging Industrial Corp.
- R.G. Simbulan & Partners Corp.
- DES Financing Corp.
- Premiere Horizon Alliance Corp.
- Hi-Purpose Corporation

5. Minutes of Various Committees and Other Matters

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-07

➤ **Corporate Governance/ Nomination Committee**

- Minutes of the Corporate Governance / Nomination Committee No. 2016-03

➤ **AML and FATCA Committee**

- Minutes of the Special Meeting of Anti-Money Laundering and FATCA Committee No. 2016-17

September 21, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of August 31, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - **CTS Project Team**
 - Approval for the Vendor of Check Truncation System (CTS)
 - **Legal Services, Remedial and Special Assets Management Group**
 - Approval for the Legal Risk Management Manual and Legal Services Group (LSG) Procedural Manual
 - **Systems & Methods Ceter**
 - Related Party Transaction (RPT) Policy
4. Loan Accounts for Board Approval
 - Commercial Banking Group - Center 7**
 - C55 Realty Corporation
 - Jenson Land & Realty Development Corp.
 - Agan Land Development
 - Corporate Banking Group - 1**
 - Angat Hydro Power Corporation
 - Heavenly Products Inc
 - Asia Structural Developer Corp.
 - Sps. Dennis A. Uy and Cherylyn C. Uy
 - Phoenix Petroleum Philippines Inc.
 - Commercial Banking Group - Center 4**
 - WSC Woodbridge Synergy Corp
 - Extensive Wood Processing Corp.
 - Commercial Banking Group - Center 5**
 - Consolidated Wood Products Inc.
 - Unic Paper Phils., Inc.
 - Magiclub Inc.
 - Urdaneta & Realty Corp.
 - Commercial Banking Group – Center 2**
 - Elizabeth Go Siong Tan (Elison’s Steel Bars Marketing)
 - Mackay Industrial Corp.

- Northstar World Steel Corp.

Corporate Banking Group – Center 3

- Solar Entertainment Corporation
- Orlando S. Bongat Group of Companies
- Pharma-Rex Inc.
- Hi-Las Marketing Corp.
- Filinvest Development Corp.
- Rose Vinder R. Yao
- Alberto M. Peligrino
- Fabian R. Daz
- Alexander S. Maranon
- Marietta C. Binuya

Commercial Banking Group - Center 1

- R.G. Simbulan & Partners Corp.
- Formula Oil Corporation
- Platinum Petroleum Corporation
- Fasconstruct & Development Corp. or Fasconstruct Asia Construction Corp.
- Tao Commodity Trader Inc.
- New Marketlink Pharmaceutical Corporation
- Tridharma Marketing Corp. or Ecosystemal Food Corp.
- Healthsolutions Enterprises Inc. or Aeropro Meditech Inc.
- Altus Communications Inc. or Open Communications Inc.
- Total Nutrition Corporation
- Angkong Holdings Inc.
- Moon House Marketing
- Lionsjade Corporation
- JLU Holdings Inc.
- Vicente Ong Chua
- Asian Aerospace Corporation
- CP ME Industrial Corp or Uno Dragon Metal corporation

5. Minutes of Various Committees and Other Matters

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-08

➤ **Trust Committee**

- Minutes of the Trust Committee dated May 5, 2016

➤ **IT Steering Committee**

- Minutes of the IT Steering Committee Meeting dated June 21, 2016; July 26, 2016; and August 30, 2016

➤ **Risk Oversight Committee**

- Minutes of the Risk Oversight Committee Meeting dated August 10, 2016
- Risk Oversight Report for September 2016

October 19, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of September 30, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - **Branch Banking Group**
 - Proposed Establishment of OBO-PBB Visayas Business Office
 - Confirmation of Various Domestic Bills
4. Loan Accounts for Board Approval

Commercial Banking Group - Center 7

- FTC Group of Companies Corp.
- Sps. Antonio Lim and Lu Yuyin
- Sps. Adan Co and Jocelyn B. Co.
- Uraya Land Development Inc.

Commercial Banking Group - Center 5

- Happynest Poultry Farm Corporation
- Apolloplus Distribution , Inc.

Commercial Banking Group - Center 4

- Jamjle Properties (Subic) and Development Corp.
- Superb Catch Inc.

Commercial Banking Group - Center 1

- Autophil Zone Sales Corp.
- Antar Trading Comp. /Oppl Lighting Phils. Inc./ Opplights Corp.
- J.Poon and Sons Corp./ Ferdinand Y.Poon/ Frankl;in Y. Poon/ John Y. Poon
- Pappy 22, Inc.
- Moon House Marketing
- Wilson Fenix
- Ecopark Energy of Valenzuela Corp.
- Vanida Ltd. Co.

Commercial Banking Group – Center 2

- Unidragon Metal Corporation
- New Independence Corp.
- Manila Stellar Food Traders, Inc.
- Limech Manufacturing and Trading Corporation

- Northstar World Steel Corp.

-

Corporate Banking Group 3

- Pharma-Rex, Inc.
- Hi-Las Marketing Corp.
- Medicus Cancer Institute
- House of Investment, Inc.

Corporate Banking Group 1

- Solar Philippines Commercial Rooftop Projects, Inc.
- Equatorlink Trading Company Inc.
- Southwest Premier Ferries, Inc.
- Expressions Stationery Shop, Inc.
- Philippine School of Business Administration (PSBA)

5. Minutes of Various Committees and Other Matters

➤ **Corporate Governance /Nomination Committee**

- Minutes of the Corporate Governance /Nomination Committee Meeting No. 2016-04
- Minutes of the Special Corporate Governance /Nomination Committee Meeting No. 2016-04

➤ **Anti-Money Laundering and FATCA Committee Meeting**

- Minutes of the Anti-Money Laundering and FATCA Committee Meeting No. 2016-16
- Minutes of the Anti-Money Laundering and FATCA Committee Meeting No. 2016-17
- Digital Certificate for FATCA Reporting

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-09

November 23, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of October 31, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - **Compliance Office**
 - Quarterly Compliance Office Report
 - **Treasury Services Group**
 - Bank of China – Foreign Exchange Line
 - **Branch Banking Group**
 - Establishment of OBO- Taguig City
 - Policy on the Approval of Back-to-Back Loans vs. Assignment of Deposit
4. Loan Accounts for Board Approval
 - Commercial Banking Group - Center 7**
 - DCLA Plaza Co., Inc.
 - Kywayne Trading Corp.
 - Oro Coastal Realty Land Corporation
 - C55 Realty Corporation
 - Commercial Banking Group - Center 4**
 - Aseana Summit Metal Corporation
 - PH Excellent Stainless Steel Corporation
 - Fiesta Communities Inc.
 - Consumer Banking Group**
 - SM Development Corporation
 - Del Monte Motor Works, Inc.
 - Century Limitless Corp./ Milano Development Corp./ Century City Development Corp./ Centuria Medical Development Corp.
 - Commercial Banking Group - Center 5**
 - Lion Commercial Corporation
 - TCL Merchandise Brokerage Inc.
 - Libertad Consumers Corp.
 - Shopmore Commercial Corporation
 - Corporate Banking Group 1**
 - S-Ang Construction and general Trading Inc.
 - Somico Steel Mill Corporation

- Sarangani Energy Corporation
- Charter Land and Development Corporation
- Phoenix Petroleum Philippines
- Manila Electric Company/ Meralco Industrial Engineering Service Corp.
- Southwest Premier Ferries Inc.
- Malayan Bank and Mortgage Bank, Inc.
- Medilines Distributors Inc.

Commercial Banking Group - Center 1

- World Best Industrial Sales, Inc. & Luis de Jesus
- Unicorn Metal corporation
- New Marketlink Pharmaceutical Corp.
- RG Simbulan & Partners Corp.
- Graceline Products Inc.
- New Speedmaster Lumber
- CP Me Industrial Sales Corp. or Uno Dragon Metal corp.
- AB Leisure Exponent Inc.
- Zoraymee Holdings Inc.
- Grandshares Inc.
- Primeworld Land Holdings Inc.
- Powertrac Inc.
- Jalminelle Realty Corporation or Fast pace Tractor Corp.
- Amvel Land Development Corp.

Corporate Banking Group 3

- George S. Go Group
- Jerry T. Uy Group
- Alex Chua
- Alexander Maranon
- Marietta C. Binuya DBU: Megashare Enterprises
- Greenfield Development Corp.
- Hi-Las Marketing Corporation

5. Minutes of Various Committees and Other Matters

➤ **Audit Committee**

- Regular Audit
- Minutes of the Audit Committee Meeting No. 2016-10

➤ **IT Steering Committee**

- Minutes of the Audit Committee Meeting September 27, 2016 and October 25, 2016

December 21, 2016

1. Approval of Minutes of the Previous Board Meeting
2. Financial Report as of November 30, 2016
3. For Board Notation, Confirmation, and Approval:
 - **Human Resources**
 - Approved Salary Loan
 - **Branch Banking Group**
 - Confirmation of various Domestic Bills Purchase of MOB
4. Loan Accounts for Board Approval
 - Commercial Banking Group - Center 7**
 - Davao San Ei Trading, Inc.
 - Commercial Banking Group - Center 2**
 - Beredo Construction (Bcon) Gen Services Inc.
 - Corporate Banking Group 1**
 - Solar Philippines Commercial Rooftop Project Inc.
 - Limcaoco Group
 - San Miguel Yamamura Packaging Corp.
 - Corporate Banking Group 3**
 - TLC Manna Consulting Inc.
 - Orlando S. Bongat Group of Companies
 - D'Limitless Vehicle Ventures Corporation
 - Jerry T. Uy Group
 - Philippine Realty and Holdings Corp.
 - Highspring Inc.
 - Commercial Banking Group - Center 1**
 - Felimon Dexter Ng Chua
 - Cindy Caroline Chua Anggala
 - Ivey Lynn Chua Gatchalian
 - Ataw Marketing and Cai Yu Qing aka James Chua
 - Hi-Purpose Corporation
 - Hokki Trading
 - Simbulan Industries Phils. Inc.
 - A.T.C. Health Care International Corporation
5. Minutes of Various Committees and Other Matters

- **Audit Committee**
 - Regular Audit
 - Minutes of the Audit Committee Meeting No. 2016-11
 - Revised Audit Committee Charter

- **Corporate Governance / Nomination Committee**
 - Minutes of the Corporate Governance / Nomination Committee Meeting No. 2016-05

- **Related Party Transaction Committee**
 - Related Party Transaction Committee Meeting No. 2016-02

- **Risk Oversight Committee**
 - Minutes of the Risk Oversight Committee Meeting dated November 23, 2016
 - BSP Findings on Risk Management
 - Risk Oversight Report for December 2016

MANAGEMENT REPORT

MANAGEMENT REPORT

PART I - BUSINESS AND GENERAL INFORMATION

A. Business Overview

PBB was incorporated as a Philippine corporation and registered with the SEC on January 28, 1997 as “Total Savings Bank” and was granted the authority to operate as a thrift bank under the MB Resolution No. 29 dated January 8, 1997. The BSP issued a Certificate of Authority on February 6, 1997. On December 16, 1997, the SEC approved the change of corporate name of the Bank to “Philippine Business Bank (A Savings Bank)” which the shareholders believe better reflects the Bank’s business thrust and focus.

The Bank’s focus is to become the bank of choice of the SME market segment. The BSP defines small and medium enterprises to be any business concern with assets between ₱3 million to ₱100 million, excluding the land value on which the entity’s office, plant and equipment are situated.

This focus on the SME market is driven by the size and potential of this particular market. According to a recent data from the Department of Trade and Industry, SMEs account for 99.6 percent of total registered enterprises. The Bank believes that the SME segment is the major source of entrepreneurship and economic dynamism which provide trade, manufacturing and outsourcing and services and help contribute to community and local development. Lastly, the Bank believes that the SME segment is underserved with most financial institutions focusing on the banking requirements of large corporations.

To become the bank of choice of the SME market, PBB has increased its branch presence in several commercial and industrial centres of the country and recruited branch and account officers with extensive client networks in these specific communities. The Bank’s network grew from two (2) branches in 1997 to 139 branches as of December 31, 2016 with most branches located in areas with high concentration of small and medium businesses such as Caloocan, Malabon, Navotas, Valenzuela and Quezon City. PBB has also aggressively expanded its branch network in highly urbanized areas outside the Mega Manila such as Davao, General Santos, Bacolod, and Cebu. PBB believes that client proximity, understanding its targets’ banking requirements, the reputation of its branch and account management staff within their respective communities, and the overall reputation of PBB, are the key growth factors in the banking business.

Products and Services Offered

PBB is a thrift bank that offers a range of commercial and consumer or retail banking products, trust services, and other related financial services such as mail and telegraphic transfers, safety deposit facilities, payment services, among others.

Commercial banking services include term loans, working capital credit lines, bills purchase and discounting lines. PBB is the first thrift bank to be allowed by the BSP to issue foreign currency denominated letters of credit. The Bank also offers specialized loans for agriculture and special programs of the Development Bank of the Philippines, the Social Security System, and other agencies.

Consumer banking loans include auto financing, home financing, and salary or personal loans.

As part of its commercial and consumer banking activities, PBB offers various deposit products to both its commercial and individual clients. These products include Peso denominated current

and savings accounts, foreign currency denominated savings accounts and both Peso and foreign currency time deposits.

The Bank's treasury manages the liquidity of PBB and is a key component in revenue and income generation through its investment and trading activities.

Products and services offered by PBB's trust operations include PBB's "Diamond Fund", a unit investment trust fund, investment management arrangements for both individual and commercial clients, escrow agency, security, safekeeping and depository arrangements, a funds management of employee benefit and pre-need plans, among other typical trust products and services.

Distribution methods of the products or services

The Bank utilizes branches for the distribution of its deposit and loan products. The Bank has also established the Institutional Banking Group, working in partnership with the Branch Banking Group, to service the banking needs of its clients. In 2016, the Bank also established the Business Development Group to further enhance its marketing coverage and provide targeted services to its clients. The Bank's Trust products are handled by its Trust Department while Treasury products are marketed by its Treasury Marketing and Sales Department of the Treasury Group.

Employees

As of December 31, 2016, the Bank has a total of 1,373 employees broken down into the following categories:

Executives	70
Managers – Operations and Support	268
Managers – Branch / Marketing	174
Staff	861
Total	1,373

For the ensuing twelve (12) months, the Bank anticipates to hire an additional 318 employees broken down as follows:

Executives	2
Managers – Operations and Support	85
Managers – Branch / Marketing	58
Staff	173
Total	318

There is no collective bargaining agreement between the Bank and any of its employees. None of

Bank's employees are affiliated with any labor union.

Market Information

The common shares of PBB was listed last February 19, 2013. The high and low price of the Registrant's shares as of April 5, 2017 is ₱14.70.

	2015		2016		2017	
Quarter	High	Low	High	Low	High	Low
1Q	21.00	18.02	14.52	14.50	14.72	14.12
2Q	18.16	18.00	15.30	14.36		
3Q	16.70	16.50	15.00	13.90		
4Q	17.00	16.76	14.50	13.90		
Last Traded Price					14.70 as of April 17, 2017	

Holders

As of the April 30, 2017, PBB's public listing date, the Bank has a total of 64 shareholders. The following are the top 20 holders of record of the Bank's common shares as set forth in the following table:

Name	Citizenship	Holdings	Rank
Alfredo M. Yao	Filipino	199,865,258	37.26%
PCD Nominee Corporation - Filipino	Filipino	182,424,659	34.01%
Zest-O Corporation	Filipino	135,044,103	25.17%
PCD Nominee Corporation - Non Filipino	Foreign	7,630,146	1.42%
Armando M. Yao	Filipino	1,350,448	0.25%
Leticia M. Yao	Filipino	1,350,447	0.25%
Erlinda M. Yao	Filipino	1,350,447	0.25%
Jeffrey S. Yao	Filipino	1,350,447	0.25%
Carolyn S. Yao	Filipino	1,350,446	0.25%
Mary Grace S. Yao	Filipino	1,350,446	0.25%
Roberto L. Obiedo	Filipino	734,375	0.14%
James G. Dy	Filipino	390,625	0.07%
Siot Keng Go Dy	Filipino	312,500	0.06%
Peter Y. See	Filipino	312,500	0.06%
Johnny Chan	Filipino	156,250	0.03%
Antonio D. Tan &/or Caridad Tan	Filipino	156,250	0.03%
Jimmy Wai Piu Ng	Filipino	156,250	0.03%
Eusebio S. Go	Filipino	156,250	0.03%
Reynato Keh Lim &/or Susana Dy Lim	Filipino	156,250	0.03%
Xiaohan Wu	Chinese	148,281	0.03%
Others		712,045	0.13%
Total		536,458,423	100.00%

Dividends

PBB is authorized under Philippine laws to declare dividends, subject to certain requirements. The Board is authorized to declare dividends only from its unrestricted retained earnings and these dividends may be payable in cash, shares or property, or a combination thereof as may be determined by the Board. A cash dividend declaration does not require any further approval from shareholders. The declaration of stock dividends is subject to the approval of shareholders holding at least two-thirds of PBB's outstanding capital stock. The Board may not declare dividends which will impair its capital.

Pursuant to Republic Act 8791 and as provided for in the Manual of Regulations Banks, PBB cannot declare dividends greater than its accumulated net profits then on hand, deducting therefrom its losses and bad debts. PBB cannot likewise declare dividends, if at the time of its declaration it has not complied with the following:

- a) Its clearing account with BSP is not overdrawn;
- b) BSP's liquidity floor requirement for government funds;
- c) BSP's minimum capitalization requirement and risk-based capital ratio;
- d) Prescribed EFCDU/FCU cover consisting of 30 per cent liquidity cover and 100 percent asset cover
- e) Statutory and liquidity reserves requirement;
- f) It has no past due loans or accommodation with BSP or any institutions;
- g) It has no net losses from operations in any one or two fiscal years immediately preceding the date of dividend declaration;
- h) It has not committed any of the major violations enumerated in the Manual.

The Manual provides that banks whose shares are listed in the Philippine Stock Exchange may give immediate notice of such dividend declaration to SEC and PSE; provided that no record date shall be fixed for such dividend declaration pending verification by the appropriate department of the BSP.

As of this date the Bank has not adopted a specific dividend policy which defines a minimum percentage of net earnings to be distributed to its common shareholders.

On July 16, 2012, the Bank's shareholders and Board of Directors approved the declaration of stock dividends amounting to ₱2.0 billion from its unrestricted retained earnings. In the same meeting, the Board also approved the payment of cash dividends to the preferred shareholders in the total amount of ₱100.35 million. Payment of these dividends were approved by BSP and SEC. On November 16, 2012, the Bank obtained approval for the issuance of 200,000,000 new common shares each at a par value of ₱10.00, in relation to this stock dividend declaration and the payment of cash dividends to the preferred stockholders.

On May 5, 2014, the BOD approved the declaration of cash dividends amounting to ₱62.3 million for all issued and outstanding preferred shares and stock dividends totaling ₱85.8 million

common shares amounting to ₱858.3 million for all issued and outstanding common shares to stockholders on record for the year ended December 31, 2013. The dividend distribution was approved by the stockholders representing at least two-thirds of the issued and outstanding capital stock and the BSP on May 30, 2014 and June 26, 2014, respectively.

On August 19, 2015, the BOD approved the declaration stock dividends totaling ₱107.3 million common shares amounting to ₱1.1 billion for all issued and outstanding common shares to stockholders on record for the year ended December 31, 2014. The dividend distribution was approved by the stockholders representing at least two-thirds of the issued and outstanding capital stock and the BSP on May 29, 2015 and August 4, 2015, respectively.

On March 15, 2017, the BOD approved the declaration of 20% stock dividends amounting to ₱1.1 billion for the Bank's 536.5 million common shares subject to approval by BSP.

There has been no Stock Options offered by the Bank.

Corporate Governance

Philippine Business Bank, Inc. commits to the highest standards of good corporate governance in realizing its vision and mission. The Bank believes that sound corporate practices based on fairness, accountability and transparency is essential in achieving growth and stability as well as enhancing investor confidence.

The Bank aims to create and sustain value for its various stakeholders. To achieve this, the Bank's Board of Directors, senior management and employees understand that compliance with regulations and best practice standards is everybody's responsibility. The Bank accomplishes this by adopting measures designed to align the shareholders' and senior management's objectives with that of the employees.

The Board of Directors conducts its functions as a full Board and through its six (6) committees, namely: Executive, Trust, Corporate Governance and Nomination, Audit, Risk Management and Manpower, Compensation and Remuneration. Board-approved Corporate Governance policies are contained in the Manual of Corporate Governance which is based on the Corporate Code of the Philippines, Securities Regulations Code, SEC Revised Code of Corporate Governance and relevant provisions of the Bangko Sentral ng Pilipinas Manual of Regulations for Banks. Every member of the organization of Philippine Business Bank, Inc. is informed of these policies.

The Bank's Code of Ethics ensures that all employees adhere to the highest standards of quality, honesty, transparency and accountability. To further emphasize its commitment to integrity, the Philippine Business Bank, Inc., under its Whistle Blowing Policy, encourages employees to report, in good faith, to Senior Management any misconduct within their respective business units. The policy protects in confidence the identity of the employee who disclosed the suspected offence within the organization.

Philippine Business Bank, Inc. values the contribution of its employees in fostering a culture of good corporate governance. The Human Resource Group and the Personnel Committee ensure that interests and concerns of personnel are heard and addressed.

Going beyond adherence to regulatory framework, Philippine Business Bank, Inc. fosters a culture of partnership within its organization to ensure that long-term success and performance

of the Bank are achieved.

The Corporate Governance and Nomination Committee leads the Bank in defining corporate governance policies and attaining best practices. As one of its strategic governance roles, the Corporate Governance and Nomination Committee reviews and evaluates the qualification of individuals nominated to the Board as well as those nominated to other positions requiring appointment by the Board. The Committee is responsible for the periodic administration of performance evaluation of the Board and its committees. It conducts an annual evaluation of its performance in accordance with the criteria provided in the 2009 SEC Code of Corporate Governance and the Bangko Sentral ng Pilipinas Manual of Regulations for Banks. The Committee is assisted by the Compliance Office led by the Chief Compliance Officer in the implementation of its mandates.

The Committee, consisting of two (2) independent directors (one of whom acts as chairperson) and one (1) regular director meets every two months.

In 2012, PBB revised its Corporate Governance Manual in compliance with the revised Corporate Governance Framework mandated upon all banks by the Bangko Sentral ng Pilipinas through Circular Nos. 749 and 757. PBB submitted its Revised Corporate Governance Manual to the SEC on December 3, 2012.

There are no violations or deviations against the provisions of the Corporate Governance Manual noted in 2012.

Undertaking

The Bank will provide without charge its Annual Report on SEC Form 17-A to its stockholders upon receipt of a written request addressed by Atty. Roberto S. Santos, Corporate Secretary, 3/F PBB Corporate Center, 350 Rizal Avenue corner 8th Avenues, Grace Park, Caloocan City.

B. Management Discussion and Analysis

Overview

PBB is a savings bank whose principal banking activities are focused on the corporate and SME markets. Among the Bank's principal products are corporate and consumer loans, deposit products, treasury and trust products and trade financing, among others. The Bank was formed in 1997 and today, has a network of 139 branches and 142 ATMs located all over the country.

The Bank's capital as of year-end 2016 stood at ₱9.6 billion. Book value per share was ₱16.7.

As of December 31, 2016, the Bank's Tier 1 capital adequacy ratio and total capital adequacy ratio was 16.2% and 17.0%, respectively. Return on average assets and return on average equity were 1.0% and 7.5%, respectively.

Factors Affecting the Bank's Results of Operations

Set out below are the most significant factors which have affected the Bank's operating results in the past and which are expected to affect the Bank's results in the future. Factors other than

those set forth below may also have a significant impact on the Bank's results of operations and financial condition in the future.

Interest Rates

Fluctuations in the interest rates in the market can have a material impact on the Bank by affecting its interest income, cost of funding as well as the general performance of the Bank's loan portfolio and other assets. The profitability of the Bank depends on its ability to manage its assets and liabilities particularly during periods when interest rates are volatile. An increase in interest rates may adversely affect earnings as it results in a higher cost of funds for the Bank and portfolio value of its assets.

Regulatory Environment

The Philippine banking industry is a highly regulated sector whose operations are under the supervision of the BSP. The BSP formulates and implements regulatory policies and guidelines on capital adequacy, lending limits, anti-money laundering, management, loan loss provisioning and other aspects of a bank's operations and monitors compliance thereon through on-site and off-site examinations of banks.

Competition

The Philippine banking sector is highly competitive and the Bank is subject to significant levels of competition from domestic and foreign banks. These banks may have more capital and other financial resources, larger branch network or higher brand recognition, among others, than the Bank. Some financial institutions may be able to offer more products and services, have higher lending limits, offer lower lending rate or possess stronger balance sheets. Competition has affected and will continue to affect the Bank's funding costs as well as the ability of the Bank to market its products and services and implement its business plans and adversely impact PBB's results of operations and financial condition.

Philippine and Global economic environment

The Bank's business and operations and assets are based in the Philippines and hence, the results of operations and performance and quality and growth of PBB's assets depend, to a large extent, on the performance of the Philippine economy. The Philippine economy, in turn, has also been adversely affected by the downturn in the global financial markets as well as the slowdown in the U.S. economy. Monetary policies worldwide formulated in response to the financial crisis resulted in a decline in interest rates. Interest rates in the Philippines have recently declined which could affect the Bank's income and margins.

Financial Performance

For the calendar year ended December 31, 2016 and 2015:

	For the calendar period ended				
	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>Variance</u>	<u>%</u>	
Interest income	₱ 3,207,154,576	₱ 3,140,643,449	₱ 66,511,127	2.1	
Interest expense	(734,732,780)	(758,318,335)	23,585,555	(3.1)	
Net interest income	₱ 2,472,421,796	₱ 2,382,325,114	₱ 90,096,682	3.8	

Interest income grew by 2.1% from ₱3.1 billion in 2015 to ₱3.2 billion in 2016 as interest income from loans and other receivables and interest due from BSP and other banks increased by 4.0% and 53.1%, respectively. On the other hand, interest expense declined by 3.1% from ₱758.3 million to ₱734.7 million YoY as bills payable and other interest expenses declined by 99.6% and 64.4%.

As a result, net interest income grew by 3.8% or ₱90.1 million from ₱2.4 billion in 2015 to ₱2.5 billion in 2016.

	For the calendar period ended			
	12/31/2016	12/31/2015	Variance	%
Core income				
Net interest income	₱ 2,472,421,796	₱ 2,382,325,114	₱ 90,096,682	3.8
Service charges, fees and commissions	151,446,102	132,425,882	19,020,220	14.4
Miscellaneous	84,734,375	73,430,963	11,303,412	15.4
	2,708,602,273	2,588,181,959	120,420,314	4.7
Non-interest expenses	(2,012,479,487)	(1,780,166,990)	(232,312,497)	13.1
Core income	₱ 696,122,786	₱ 808,014,969	(₱ 111,892,183)	(13.8)

Service charges, fees and commissions increased by 14.4% from ₱132.4 million to ₱151.4 million YoY due to 76.6% and 16.0% growth in service charges for domestic bills and appraisal fees, respectively. Miscellaneous income expanded by 15.4%, or ₱11.3 million, as commitment, processing and handling fees in relation to services rendered by the Bank grew by 23.1%.

There was a ₱232.3 million increase in operating expense from ₱1.8 billion in 2015 to ₱2.0 billion in 2016. Significant increases of non-interest expenses above 10% are as follows: salaries and other employee benefits by 16.9%, depreciation and amortization by 11.3%, management and other professional fees by 34.2%, and miscellaneous expenses by 11.1%.

	For the calendar period ended			
	12/31/2016	12/31/2015	Variance	%
Core income	₱ 696,122,786	₱ 808,014,969	(₱ 111,892,183)	(13.8)
Trading gains (losses)	335,383,026	69,474,667	265,908,359	382.7
Pre-tax pre-provision profit	₱ 1,031,505,812	₱ 877,489,636	₱ 154,016,176	17.6
Loan loss provision	(157,043,157)	(172,050,358)	15,007,201	(8.7)
Taxes	(205,838,450)	(203,297,274)	(2,541,176)	1.2
Net income	₱ 668,624,205	₱ 502,142,004	₱ 166,482,201	33.2

Trading gains accelerated by 382.7% from ₱69.5 million last year to ₱335.4 million this year bringing pre-tax pre-provision profit to ₱1.0 billion in 2016, a 17.6% increase from ₱877.5 million in 2015. The Bank continues to set aside a certain portion of its income for impairment losses to cover its non-performing loans. Loan loss provision decreased from ₱172.1 million in 2015 to ₱157.0 million in 2016 as the NPL ratio declined from 2.9% to 2.5% in 2016.

Consequently, the Bank's net income grew from ₱502.1 million to ₱668.6 million, a 33.2% increase YoY.

For the calendar year ended December 31, 2015 and 2014:

	For the calendar period ended			
	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>Variance</u>	<u>%</u>
Interest income	₱ 3,140,643,449	₱ 2,835,896,095	₱ 304,747,354	10.7
Interest expense	(758,318,335)	(600,616,735)	(157,701,600)	26.3
Net interest income	₱ 2,382,325,114	₱ 2,235,279,360	₱ 147,045,754	6.6

Interest income grew by 10.7% from ₱2.8 billion to ₱3.1 billion this year due to higher loan volumes booked this year. Interest expense also increased by 26.3% as the volume of deposits increased from ₱46.6 billion in 2014 to ₱55.1 billion in 2015.

The Bank's net interest income increased from ₱2.2 billion in 2014 to ₱2.4 billion in 2015. The growth was a direct result of the increase in interest income from ₱2.8 billion in 2014 to ₱3.1 billion in 2015, 10.7% growth year-over-year (YoY) while interest expense grew by ₱157.7 million from ₱600.6 million in 2014 to ₱758.3 million in 2015.

As a result, PBB's net interest income totaled ₱2.4 billion for the year 2015.

Key Performance Indicators

CAR: Capital Adequacy Ratio is at 17.0%, higher than BSP's minimum requirement of 10.0%.

Asset Quality: The Bank's non-performing loans ratio improved, from 2.9% in 2015 to 2.5% this year.

Profitability: Return on Average Equity (ROAE) increased from 6.1% in 2015 to 7.5% this year.

Liquidity: The Bank's loans-to-deposits ratio (BSP formula) as of December 31, 2016 increased from 75.0% last year to 87.3% this year.

Asset efficiency: The Return on Average Assets (ROAA) increased, from 0.8% in December 2015 to 1.0% in December 2016.

Book value per share as of December 31, 2016 was at ₱16.7 from ₱14.6 in December 31, 2015.

The following table shows the key performance indicators for the past three (3) calendar years ending December 31, 2016 (in %):

Performance Indicator	2014	2015	2016
ROAE	6.9	6.1	7.5
ROAA	1.0	0.8	1.0
CAR	20.8	17.7	17.0
Loans – Deposit Ratio (BSP Formula)	86.0	75.9	87.3
NPL Ratio (BSP Formula)	1.6	2.9	2.5
Book value per share ¹	8.0	14.6	16.7

Critical Accounting Policies

For information on the Bank’s significant accounting judgments and estimates, please refer to notes 2 and 3 of the Bank’s financial statements included as attachment of SEC17-A.

Description of Comprehensive Statement of Income

Revenues

Interest Income. Interest income is interest generated from PBB’s loans and receivables. The Bank also generates interest income from amounts due from other banks, investment securities and securities purchased under resale agreements.

Interest Expense. Interest expense refers to interest paid or accrued on deposits, bills payable and other fund borrowings.

Net Interest Income. Net interest income is equal to interest income after deducting interest expense.

Impairment Losses. Impairment losses refer to estimated losses in the Bank’s loan portfolio, investment securities, investment properties and other risk assets.

Other Income

Other income is composed of the following:

Trading gains – net. This line item comprises results arising from trading activities which include gains and losses from changes in fair value of financial assets held for trading as well as gains from the sale of trading and investment securities.

Services charges, fees and commissions. The Bank earns service charges, fees and commissions from various financial services it provides to its customers. These fees include investment fund fees, custodian fees, commission income, credit related fees, asset management fees, portfolio and advisory fees.

Miscellaneous Income. Miscellaneous income also comprises foreign exchange gain, gain on asset foreclosures and dacion transactions, trust fees, gain on sale of assets and miscellaneous items.

Other Expenses

Other expenses are the Bank's general and administrative expenses composed primarily of salaries and employee benefits, taxes and licenses, rent and fees, depreciation and amortization and other operating costs.

Tax Expense

Tax expense relates mainly to the corporate income tax payable by the Bank which is composed of a two per cent (2%) minimum corporate income tax and a regular income tax of 30 per cent. The Bank is also subject to final taxes of 7.5 per cent (on the Bank's FCDU deposits with other institutions), 10 per cent (on onshore income from FCDU transactions), and 20 per cent (final withholding tax on tax-paid income).

A. Financial Performance

	For the calendar period ended			
	12/31/2015	12/31/2014	Variance	%
Core income				
Net interest income	₱ 2,382,325,114	₱ 2,235,279,360	₱ 147,045,754	6.6
Service charges, fees and commissions	132,425,882	127,487,177	4,938,705	3.9
Miscellaneous	73,430,963	144,153,797	(70,722,834)	(49.1)
	2,588,181,959	2,506,920,334	81,261,625	3.2
Non-interest expenses	(1,780,166,990)	(1,573,216,261)	(206,950,729)	13.2
Core income	808,014,969	933,704,073	(125,689,104)	(13.5)

Despite the increase in net interest income, its core income decreased by 13.5% from ₱933.7 million to ₱808.0 million. However, on a recurring basis core income would increase by 2.5% owing to a one time gain in miscellaneous income in 2014.

Service charges, fees and commissions expanded to ₱132.4 million, or a 3.9% growth YoY, while Miscellaneous income decreased by ₱70.7 million resulting in ₱73.4 million.

Non-interest expenses grew by 13.2% YoY as the Bank continued its expansion of its branch network and added manpower to handle its expanding business volume.

	For the calendar period ended			
	12/31/2015	12/31/2014	Variance	%
Core income	₱ 808,014,969	₱ 933,704,073	(₱ 125,689,104)	(13.5)
Trading gains (losses)	69,474,667	34,827,391	34,647,276	99.5
Pre-tax pre-provision profit	₱ 877,489,636	₱ 968,531,464	(₱ 91,041,828)	(9.4)
Loan loss provision	(172,050,358)	(189,887,127)	17,836,769	(9.4)
Taxes	(203,297,274)	(242,439,233)	39,141,959	(16.1)
Net income	₱ 502,142,004	₱ 536,205,104	(₱ 34,063,100)	(6.4)

The Bank's trading gains totaled ₱69.5 million, higher than last year's gain of ₱34.8 million, a

99.5% increase. As a result pre-tax pre-provision income rose to ₱887.9 million. PBB continues to set aside a certain portion of its income for impairment losses to cover its non-performing loans. The Bank decreased its provision by ₱17.8 million from ₱189.9 million in 2014 to ₱172.1 million in 2015.

Net income amounted to ₱502.1 million, which is 6.4% lower YoY from ₱536.2 million.

For the calendar year ended December 31, 2014 and 2013:

	For the calendar period ended			
	12/31/2014	12/31/2013	Variance	%
Interest income	₱ 2,835,896,095	₱ 2,231,764,242	₱ 604,131,853	27.1
Interest expense	(600,616,735)	(499,607,169)	101,009,566	20.2
Net interest income	₱ 2,235,279,360	₱ 1,732,157,073	₱ 503,122,287	29.0

Interest income grew by 27.1% from ₱2.2 billion to ₱2.8 billion this year due to the increase in loan volume booked during the period which increased by 26.9% YoY. Interest expense also increased by 20.2% as the volume of deposits increased from ₱37.9 billion in 2013 to ₱46.6 billion in 2014, a 23.1% increase.

Consequently, net interest income for the year also improved by 29.0% from ₱1.7 billion the previous year to ₱2.2 billion.

	For the calendar periods ended:			
	12/31/2014	12/31/2013	Variance	%
Core income				
Net interest income	₱ 2,235,279,360	₱ 1,732,157,073	₱ 503,122,287	29.0
Service charges, fees and commissions	127,487,177	73,829,527	53,657,650	72.7
Miscellaneous	144,153,797	38,228,379	105,925,418	277.1
	2,506,920,334	1,844,214,979	662,705,355	35.9
Non-interest expenses	(1,573,216,261)	(1,355,020,586)	218,195,675	16.1
Core income	₱ 933,704,073	₱ 489,194,393	₱ 444,509,680	90.9

The Bank's core business continued to perform well on the back of a robust lending business as core income for the year totaled to ₱933.7 million, a 90.9% growth from last year's core income of ₱489.2 million.

Net interest income for the period is at ₱2.2 billion, or an increase of 29.0% as interest income on loans and receivables grew by ₱551.4 million, a 30.4 % growth year-over-year (YoY), while interest expense on deposit liabilities increased by ₱107.6 million, a 21.9% growth YoY. Non-interest expenses increased by ₱216.4 million or 16.0%.

Service charges, fees and commissions increased to ₱127.5 million, or a 72.7% growth YoY, while Miscellaneous income grew to ₱144.1 million or 277.1%.

Meanwhile, non-interest expenses grew by 16.1% YoY as the Bank continued its expansion of its branch network and added manpower to handle its expanding business volume.

As a result, core income net of operating expenses increased by 90.9% amounting to ₱933.7 million YoY.

	For the calendar period ended			
	12/31/2014	12/31/2013	Variance	%
Core income	₱ 933,704,073	₱ 489,194,393	₱ 444,509,680	90.9
Trading gains (losses)	34,827,391	816,773,032	(781,945,641)	(95.7)
Pre-tax pre-provision profit	₱ 968,531,464	₱ 1,305,967,425	(₱ 337,435,961)	(25.8)
Loan loss provision	(189,887,127)	(178,193,789)	(11,693,338)	6.6
Taxes	(242,439,233)	(123,727,024)	(118,712,209)	95.9
Net income	₱ 536,205,104	₱ 1,004,046,612	(₱ 467,841,508)	(46.6)

On the other hand, the Bank's trading gains amounted to ₱34.8 million which is lower than last year's gain of ₱816.8 million, a 95.7% decrease. Thus, pre-tax pre-provision income dropped by 25.7% YoY from ₱1.305 billion last year to ₱970.3 million in 2014. The Bank increased its provisioning by 6.6% from ₱178.2 million to ₱189.9 million

Net income amounted to ₱536.2 million, which is 46.6% lower YoY from ₱1.004 billion in 2013, because of the decrease in the income from trading activities. However, it is worthy to note that as the core income for the period increased, total comprehensive income also increased by 180.6%, from last year's loss of ₱370 million to this year's profit of ₱1.040 billion.

Financial position

December 31, 2016 vs December 31, 2015

As of December 31, 2016, the Bank's total resources stood at ₱70.3 billion from ₱65.6 billion last year, a 7.1% increase as loans and other receivables expanded by 23.2% from ₱41.7 billion to ₱51.4 billion YoY.

Cash and other cash items declined by 14.1% from ₱1.3 billion to ₱1.1 billion YoY as the Bank paid out its bills payable in 2016.

Mandatory reserves were up by 12.2% while other than mandatory reserves declined by 49.4% making the total for due from Bangko Sentral ng Pilipinas as of full year 2016 down to ₱6.2 billion. Due from other banks also decreased by 42.2% as deposits from local and foreign banks decreased by 51.3% and 18.7%, respectively.

Trading and other investment securities decreased by 22.3% as the Bank unloaded its HTM securities amounting to ₱5.9 billion as of end 2016.

As of year-end 2016, the Bank's premises, furniture, fixtures, and equipment was reduced to ₱536.0 million from ₱562.6 million, a 4.7% decrease. This is due to the increase in disposals of furniture and fixtures, transportation equipment, and leasehold improvement from ₱6.2 million

to ₱33.7 million YoY.

Investment properties also dropped by 33.6% to ₱448.4 million subsequent to the ₱390.4 million land disposal in 2016.

Other resources increased by 5.4%, or ₱91.8 million higher than last year's ₱1.7 billion as goodwill expanded by 119.3% following BSP's approval of the acquisition of Rural Bank of Kawit as the Bank recognized assets and liabilities at their fair values amounting to ₱59.5 million.

Due to the Bank's aggressive branch expansion project, deposit liabilities grew by 7.1% or ₱3.9 billion from ₱55.0 billion to ₱58.9 billion YoY. Both low cost funds and time deposits increased by 11.8% and 4.0%, respectively.

Accrued expenses and other liabilities decreased by 14.7% from ₱2.1 billion in December 31, 2015 to ₱1.8 billion as of December 31, 2016. This is primarily due to the 37.1% decline in bills purchased and paid out 100% of post-employee benefit obligation amounting to ₱23.4 million and ₱1.9 million derivative liabilities.

Shareholder's equity strengthened by 13.0% to ₱9.6 billion versus last year's ₱8.5 billion. Book value per share as of December 31, 2016 was at ₱16.7 versus last year's ₱14.6.

December 31, 2015 vs December 31, 2014

The Bank's assets reached ₱65.6 billion, a 13.4% increase compared to ₱57.9 billion last year. A major source came from loans and receivables which grew by ₱1.6 billion or 4.1% from ₱40.1 billion in December 31, 2014 to ₱41.7 billion in December 31, 2015 as a result of deployment of funds to borrowing clients.

Cash and Other Cash items improved by ₱105.3 million or 9.0% from ₱1.2 billion in December 31, 2014 to ₱1.3 billion in December 2015 due to significant increase in the number of branches.

Due from BSP grew by ₱3.1 billion or 68.46% from ₱4.6 billion in December 31, 2014 to ₱7.7 billion in December 31, 2015.

Due from other banks increased by ₱794.4 million or 39.1% from ₱2.0 billion in December 31, 2014 to ₱2.8 billion in December 31, 2015 this is an increase in excess cash in vault of branches deposited to our depository bank for transfer to BSP.

Bank Premises grew by ₱46.9 million or 9.1% from ₱515.8 million in December 31, 2014 to ₱562.6 million in December 31, 2015 due to branch expansion.

Investment Properties declined by 4.2% or ₱30.0 million from ₱705.7 million in December 31, 2014 to ₱675.8 million in December 31, 2015.

Other resources increased by 87.34% or ₱796.7 million from ₱912.1 million in December 31, 2015 to ₱1.7 billion in December 31, 2014.

Liabilities amounted to ₱57.1 billion as of December 31, 2015. This is ₱87.3 million or 14.6%

higher compared to December 31, 2014 level of ₱49.8 billion. This is due to increase in the number of branches and aggressive deposit campaign.

Bills Payable decreased by ₱308.6 million or 99.7% from ₱309.5 million in December 2014 to ₱956.3 thousand in December 2015. Accrued expenses and other liabilities decreased by 27.82% or ₱807.9 million from ₱2.9 billion in December 31, 2015 to ₱2.1 billion in December 31, 2014.

December 31, 2014 vs. December 31, 2013:

As of December 31, 2014, the Bank's assets reached ₱57.8 billion, a 22.7% increase compared to ₱47.2 billion last year.

Loans and receivables increased by 26.9% from ₱31.6 billion to ₱40.1 billion this year as funds were deployed to borrowing clients. NPL ratio improved significantly from 2.37% last year to this year's ratio of 1.57%.

Deposit liabilities grew by 23.1% due to an aggressive deposit campaign while total equity increased by 14.2% from ₱ 7.0 billion to ₱8.0 billion in December 2014.

C. Discussions on Key Variable and Other Qualitative and Quantitative Factors

Vertical and Horizontal Analysis

Financial Condition as of December 2016 vs December 2015:

As mentioned, the Bank's total resources increased to ₱70.3 billion as of year-end 2016, a 7.1% increase from ₱65.6 billion in 2015. Significant changes (more than 5%) in assets were registered in the following accounts.

- Loans and other receivables expanded by 23.2% from ₱41.7 billion in 2015 to ₱51.4 billion in 2016 due to the reorganization of the Bank's lending unit to streamline its account management process.
- Other resources grew by 5.4% from ₱1.7 billion to ₱1.8 billion YoY.

On the other hand, deposit liabilities grew to ₱58.9 billion compared to last year's ₱55.0 billion, a 7.1% increase.

- CASA increased by 11.8% from ₱21.7 billion in 2015 to ₱24.2 billion in 2016.
- Time deposits as of end December 31, 2016 to ₱34.7 billion, a 4.0% growth versus last year's ₱33.4 billion.
- The Bank paid out all of its bills payable amounting to ₱956.3 thousand as of December 31, 2016.
- Accrued expenses and other liabilities dropped by 14.7% YoY from ₱2.1 billion to ₱1.8 billion.

As of year-end 2016, the Bank's capital stood at ₱9.6 billion versus ₱8.5 billion in 2015. Book value per share was at ₱16.7 from ₱14.6 last year.

Financial Condition as of December 2015 vs December 2014:

As mentioned, PBB's assets grew to ₱65.3 billion as of December 31, 2015. This is 13.4% higher as compared to ₱57.9 billion as of December 31, 2014. Significant changes (more than 5%) in assets were registered in the following accounts.

- Cash and Other Cash items improved by ₱105.3 million or 9.0% from ₱1.2 billion in December 31, 2014 to ₱1.3 billion in December 2015 due to significant increase in the number of branches.
- Due from BSP grew by ₱3.1 billion or 68.5% from ₱4.6 billion in December 31, 2014 to ₱7.7 billion in December 31, 2015 due to increased deposits to BSP as a result of very liquid position during the year 2015.
- Due from other banks increased by ₱794.4 million or 39.1% from ₱2.0 billion in December 31, 2014 to ₱2.8 billion in December 31, 2015 this is an increase in excess cash in vault of branches deposited to our depository bank for transfer to BSP.
- Loans and Receivables grew by ₱1.6 billion or 4.1% from ₱40.1 billion in December 31, 2014 to ₱41.7 billion in December 31, 2015 as a result of deployment of funds to borrowing clients.
- Bank Premises grew by ₱46.9 million or 9.1% from ₱515.8 million in December 31, 2014 to ₱562.6 million in December 31, 2015 due to branch expansion.
- Investment Properties declined by 4.2% or ₱30.0 million from ₱705.7 million in December 31, 2014 to ₱675.8 m in December 31, 2015
- Other resources increased by 87.3% or ₱796.7 million from ₱912.1 million in December 31, 2015 to ₱1.7 billion in December 31, 2014.

On the other hand, PBB's liabilities amounted to ₱57.1 billion as of December 31, 2015. This is ₱87.3 million or 14.6% higher compared to December 31, 2014 level of ₱49.8 billion. This is due to increase in the number of branches and aggressive deposit campaign.

- Bills Payable decreased by ₱308.6 million or 99.7% from ₱309.5 million in December 2014 to ₱956,250 in December 2015.
- Accrued expenses and other liabilities decreased by 27.8% or ₱807.9 million from P2.9 billion in December 31, 2015 to ₱2.1 billion in December 31, 2014.

Shareholder's equity stood at ₱8.5 billion compared to ₱8.0 billion in 2014, a 5.6% increase.

Financial Condition as of December 2014 vs December 2013:

As mentioned, the Bank's assets reached ₱57.6 billion as of December 31, 2014 or an increase of 22.7% compared to ₱47.2 billion in 2013. Significant changes (more than 5%) in assets were registered in the following accounts:

- Cash and Other Cash items increased by 59.6% from ₱735.7 million in December 31, 2013 to ₱1.2 billion this year as the Bank continued with the expansion of its branch network.
- Due from BSP grew by 26.6% from ₱3.6 billion last year to ₱4.6 billion in December 31, 2014 due to the increase in deposits to BSP as a consequence of a very liquid standing during the year.
- Loans and receivables increased by 26.9% from ₱31.6 billion to ₱40.1 billion this year due to the aggressive generation of deposits.
- Due from other banks increased by 202.6% from ₱671.5 million to ₱2.0 billion, as a result of the increase in excess cash in the vaults of the branches deposited to our depository bank for transfer to BSP.
- Bank Premises grew by ₱38.9 million, a 8.2% from ₱476.8 million in 2013 to ₱515.8 million as of December 31, 2014 as a result of the continued branch expansion.
- Investment Properties increased by 58.4% from ₱445.6 million last year to ₱705.7 million this year as past due accounts were foreclosed during the year.
- Other resources increased by 12.6% ₱796.5 million in December 31, 2013 to ₱912.1 million as of December 31, 2014.

On the other hand, the Bank's liabilities amounted to ₱46.6 billion as of December 31, 2014. This is ₱737.4 million or 23.1% higher compared to 2013's liabilities amounting to ₱37.9 billion. This is still due to the increase in the number of branches and an aggressive deposit campaign.

- Bills Payable increased by 59.6% from ₱193.9 million in December 2013 to ₱309.5 million this year.
- Accrued expenses and other liabilities also increased by 60.1% from ₱2.0 billion to ₱2.9 billion in 2014.

Results of Operations

For the year ended December 31, 2016 vs. December 31, 2015

- As of year-end 2016, the Bank's interest income grew by 2.1% from ₱3.1 billion to ₱3.2 billion YoY due to the 53.1% increase in interest income from BSP and other banks and

the 4.0% growth of interest income from loans and other receivables.

- Overall interest expense declined by 3.1% from ₱758.3 million in 2015 to ₱734.7 million in 2016 largely due to the 99.6% decrease in interest expense on bills payable in 2016 from ₱3.3 billion to ₱12.8 thousand.
- Service charges, fees, and commissions grew by ₱19.0 million or 14.4% YoY and miscellaneous income by 15.4% from ₱73.4 million in 2015 to ₱84.7 million in 2016.
- Trading gains expanded by 382.7%, bringing the total for full year 2016 ₱335.4 million compared to last year's ₱69.5 million.
- Non-interest expenses increased by 13.1%, or ₱232.3 million, from ₱1.8 billion in 2015 to ₱2.0 billion in 2016 as a result of the Bank's initiative to expand its branch network.
- Pre-tax pre-provision profit expanded by 17.6% or ₱154.0 million from ₱877.5 million in 2015 to ₱1.0 billion in 2016 largely due to the ₱265.9 million increase in trading gains.
- As a result, net income as of December 31, 2016 strengthened by 33.2% from ₱502.1 million as of year-end 2015 to ₱668.6 million, a ₱166.5 million increase.

For the year ended December 31, 2015 vs. December 31, 2014

- PBB's interest income increased from ₱2.8 billion in 2014 to ₱3.1 billion in 2015 largely due to the increase in loan volume to ₱41.7 billion in 2015 from ₱40.1 billion in 2014. Another factor is the increase of securities purchased under reverse repurchase agreements from ₱545.8 thousand in 2014 to ₱1.9 million in 2015. Interest due from BSP increased from ₱37.2 million in 2014 to ₱69.7 million due to the increase in volume of Deposit from BSP to cover deposit liability reserves.
- Overall interest expense expanded from ₱600.6 million in 2014 to ₱758.3 million in 2015, up 26.3% or ₱ 157.7 million generally because of the significant boost in the general deposit of 18.01%. Volume of deposit expanded from ₱46.6 billion in 2014 to ₱55.0 billion in 2015.
- Service charges, fees and commissions increased by 3.9% YoY, while Miscellaneous income declined by ₱70.7 million or 49.1%.
- Trading gains increased by ₱34.6 million resulting in ₱69.5 million for this year.
- Service charges, fees and commissions expanded to ₱132.4 million, or a 3.9% growth YoY, while Miscellaneous income decreased by ₱70.7 million resulting in ₱73.4 million. This decrease in miscellaneous income caused the 13.5% decrease in the core income.
- Non-interest expenses grew by 13.2% YoY as the Bank continued its expansion of its branch network and added manpower to handle its expanding business volume.
- Net income amounted to ₱502.1 million, which is 6.4% lower YoY from last year's

₱536.2 million.

For the year ended December 31, 2014 vs. December 31, 2013

- This year, the Bank's core income, which is composed of the Bank's net interest income, service charges, fees and commissions, and miscellaneous income amounted to ₱935.5 million. This is an increase of ₱503.1 million from last year's core income. Net income amounted to ₱536.2 million, which is 46.6% lower from ₱1.0 billion in 2013 due to the decrease in the income from trading activities, total comprehensive income improved by 180.6% from a loss last year to a total gain of ₱1.0 billion.
- Interest income grew by 27.1% from ₱2.2 billion in December 2013 to ₱2.8 billion in 2014 due to the increase in loan volume booked during the period which increased by 26.9% YoY.
- Service charges, fees and commissions by 72.7% YoY, while Miscellaneous income grew to ₱144.1 million or 277.1%.
- Trading gains amounted to ₱34.8 million, lower than last year's gain of ₱816.8 million, a 95.7% decrease.
- Manpower costs increased by 22.1% from ₱392.7 million in 2013 to ₱479.6 million in 2014 as a result of continued business expansion.

Cash Flows

The following table sets forth selected information from PBB's statements of cash flows for the periods indicated:

	For period ended December 31		
	2014 (audited)	2015 (audited)	2016 (audited)
Cash and cash equivalents, beginning of the year	5,004.36	7,760.03	11,777.92
Net cash provided by (used in) operating activities	1,630.53	5,878.80	(9,737.40)
Net cash provided by (used in) investing activities	1,071.87	(1,552.36)	7,258.77
Net cash provided by (used in) financing activities	53.27	(308.57)	(956.25)
Net increase (decrease) in cash and cash equivalents	2,755.67	4,017.89	(2,479.59)
Cash and cash equivalents, end of the year	7,760.03	11,777.92	9,362.20

Net Cash Flow Provided By (Used In) Operating Activities

Net cash flow provided by operating activities is composed of deposits generated and loans and receivables. As of December 31, 2016, net cash used in operating activities amounted to a negative ₱9.7 billion. During this time, the Bank expanded its loans and receivables by ₱9.7

billion while its deposits grew by ₱3.9 billion. Impairment losses for the year decreased by 8.7% to ₱157.0 million. As of the years ended December 31, 2015 and 2014, cash flow from operating activities was ₱5.9 billion and ₱1.6 billion respectively.

Net Cash Flow Provided By (Used In) Investing Activities

Net cash flow provided by or used in investing activities involves the purchase and sale of available for sale securities and held-to-maturity investments and capital expenditure and proceeds from the disposal of investment and other properties. As of December 31, 2016 net cash used in investing activities amounted to ₱7.3 billion, with funds generated mainly from the proceeds from sale of investments and other property amounting to ₱9.0 billion less net acquisition of bank premises and FFE and net acquisitions of available for sale securities. Net cash used in investing activities for 2014 and 2015 were ₱1.1 and negative ₱1.6 billion.

Net Cash Flow Provided By (Used In) Financing Activities

Net cash flow provided by financing activities is mainly composed of availments of the Bank's credit lines and stockholders' equity infusion. As of December 31, 2016, PBB recorded a use of cash flow from financing activities of ₱308.6 million to payoff remaining bills payable. Last year, the Bank also noted ₱308.6 million for the payment of its bills payable. As of December 31, 2014 PBB recorded net cash provided by financing activities of ₱53.3 million arising from net borrowings of ₱115.6 million net of cash dividend payment of ₱62.3 million.

Capital Resources

The Bank is required to comply with the capital adequacy requirements based on the requirements for stand-alone thrift banks under BSP's Circular No. 688 issued in May 26, 2010.

The following table sets out details of the Bank's capital resources and capital adequacy ratios (as reported to the BSP).

₱ millions	As of the years ended December 31		
	2014	2015	2016
Tier 1 capital	8,275	8,709	9,241
Tier 2 capital	383	376	470
Gross qualifying capital	8,656	9,085	9,711
Less: required deductions	-	-	-
Total qualifying capital	8,656	9,085	9,711
Risk weighted assets	41,667	51,340	57,154
Tier 1 capital ratio	19.9	17.0	16.2
Total capital ratio	20.8	17.7	17.0

Known trends, demands, commitments, events or uncertainties

There are no known demands, commitments, events or uncertainties that will have a material impact on the Bank's liquidity within the next twelve (12) months.

Events that will trigger direct or contingent financial obligation

There are no events that will trigger direct or contingent financial obligation that is material to the Bank, including any default or acceleration of an obligation.

Material off-balance sheet transactions, arrangements or obligations

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Bank with unsolicited entities or other persons created during the reporting period other than those disclosed in the financial statements.

Significant Elements of Income or Loss

Significant elements of the consolidated net income for the period ended December 31, 2016 and 2015 came from its continuing operations.

Seasonal Aspects

There are no seasonal aspects that had a material effect on the Bank's financial position and results of operations.