

2 February 2017

PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, Tower 1
PSE Plaza, Ayala Triangle
Ayala Avenue, Makati City

Attention: **Mr. J.V. B. Zuño III**
OIC - Head, Disclosure Department

Gentlemen:

The Philippine Bank of Communications (the "Bank") writes in reply to your request for clarification on the news article entitled "PBCom expects stronger 2016 performance as core businesses remain strong" posted in BusinessWorld Online on February 2, 2017, the pertinent portion of which reads:

"PHILIPPINE BANK of Communications (PBCom) expects its overall performance for 2016 to have ended better on the back of its robust core business, according to the bank's chief, with the firm keeping a bullish stance for this year.

The bank's top executive said she was confident that the bank's overall growth last year was positive compared to previous figures.

'Generally we did better in 2016,' PBCom President and CEO Patricia May T. Siy told BusinessWorld in an interview when asked on how the bank performed last year.

She noted that expectations of a relatively better growth for the bank are backed by the continued expansion of its core business. 'Definitely better [last year... due to] core banking growth.'

...."

In line with our previous disclosures, the Bank confirms its general assessment that the 2016 overall performance will fare better than the previous year. This is based on available financial data on the Bank's performance as of September 2016. Rest assured that the Bank shall timely disclose its full 2016 financials once finalized.

We trust we have adequately addressed your request for clarification/confirmation. Thank you.

Very truly yours,



Michael Stephen H. Lao
Assistant Corporate Secretary