

08 May 2017

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Tower 1
PSE Plaza, Ayala Triangle
Ayala Avenue, Makati City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Re: **Response to Letter on Delayed Disclosure on Transactions of
Directors and Principal Officers in the Issuer's Securities dated
05 May 2017**

Gentlemen:

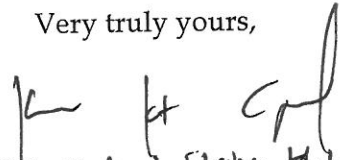
We refer to your letter dated 05 May 2017, requiring the Philippine Bank Of Communications (the "Bank") to explain the delay in disclosure of the changes in shareholdings of its Vice-Chairman, Mr. Leonardo B. Dayao which occurred on 11 April 2017 (the "Transaction").

We sadly acknowledge our oversight on this matter which resulted in the late disclosure of the Transaction. The person-in-charge of these submissions was on leave at the time and did not prepare a proper turnover, leaving us to think that the necessary submission to Securities and Exchange Commission (SEC) and disclosure to Philippine Stock Exchange (PSE) have been made.

The Bank was able to report the Transaction to SEC upon resumption of trading after holy week (13 April to 16 April 2017) and within the five (5)-trading day period for disclosure, i.e., on 20 April 2017. Unfortunately, only after some time did we realize that the disclosure to PSE had been overlooked. There was never any intention on our part to disregard the disclosure requirements under your Revised Disclosure Rules.

In this regard, the Bank profusely apologizes for the inadvertence cited above and respectfully requests that the Exchange not consider the delay as a violation of the Revised Disclosure Rules since it is the first time that the Bank has been cited for a delayed disclosure, and the Bank was in good faith in promptly reporting the transaction upon knowledge of the oversight in disclosure. Rest assured that we will more strictly adhere to your guidelines to ensure our timely submissions in the future.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael Stephen H. Lao". The signature is stylized with a large initial "M" and a long, sweeping tail.

FSL: Michael Stephen H. Lao

Michael Stephen H. Lao
Corporate Information Officer