



January 15, 2019

PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

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

PHILIPPINE DEALING & EXCHANGE CORP.
37/F, Tower 1, The Enterprise Center
6766 Ayala Ave., cor. Paseo de Roxas, Makati City

Attention: **Ms. Paula Beatrice A. Bueno**
OIC, Issuer Compliance and Disclosure Department

Ladies:

We write in connection with our reply to the request by the Philippine Stock Exchange for clarification on the news article entitled "Banks' Hanjin exposure credit negative - Moody's" posted on The Manila Times (Internet Edition) on January 15, 2019, the pertinent portion of which reads:

"Five of the country's biggest banks could see their credit ratings fall given their exposure to a bankrupt Korean-owned shipbuilder, Moody's Investors Service indicated on Monday.

....

BDO Unibank, Inc., Rizal Commercial Banking Corp. (RCBC), Metropolitan Bank & Trust Co. (Metrobank) and Bank of the Philippine Islands (BPI) around \$412 million in addition to another \$900 million to South Korean creditors.

....

Moody's noted that the other banks' exposures were smaller at about \$60 million for both BDO and BPI, round \$80 million for LandBank and about \$72 million for Metrobank.

...."

BDO Unibank, Inc. (the **Bank**) do not expect the above-cited exposure to have a material effect on the Bank's business, operations and/or financial condition. The Hanjin exposure represents only 0.15% of the Bank's total loan portfolio and as such is not considered a material amount.

Thank you.

Very truly yours,

ELMER B. SERRANO
Corporate Information Officer