



January 31, 2017

PHILIPPINE STOCK EXCHANGE, INC.

Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Mr. Jose Valeriano B. Zuño III**
OIC - Head, Disclosure Department

Ms. Dianne Eileen A. Cenidoza
Analyst, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave., cor. Paseo de Roxas, Makati City

Attention: **Ms. Vina Vanessa S. Salonga**
Head, Issuer Compliance and Disclosure Department (ICDD)

Re: **Press Release - BDO Successfully Concludes P60 Bn Common
Stock Rights Offering**

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Ladies and Gentlemen:

Please be informed that BDO Unibank, Inc. (BDO) is releasing to the press the attached statement regarding the successfully conclusion of BDO's P60 Bn common stock rights offering.

Thank you.

Very truly yours,

ELMER B. SERRANO
Corporate Information Officer



BDO Press Release
31 January 2017

NOT FOR DISTRIBUTION IN THE UNITED STATES

**BDO Successfully Concludes
P60 Bn Common Stock Rights Offering**
Rights Shares listed today

BDO Unibank, Inc. (BDO) has successfully completed its previously announced rights offering (the "Offer") of common shares (the "Rights Shares") following the close of the offering period on January 24th. With total proceeds of PHP60 billion (US\$1.2 billion), the Offer represents a key milestone not only for BDO but also for the Philippines as the largest ever common equity capital raise from the Philippine market; and executed amid challenging global market conditions.

The Offer increases BDO's Common Equity Tier 1 Capital, making the Bank better positioned to fulfill its medium-term growth objectives and take advantage of the positive outlook on the Philippine economy. This issue will likewise provide a comfortable buffer over higher capital requirements with the imposition of the Domestic Systemically Important Bank (DSIB) surcharge.

The Offer was fully subscribed and led by major shareholder SM Group. The Offer also saw strong participation from the Bank's domestic and international investors.

The 716,402,886 Rights Shares were issued pursuant to the Offer at a price of PHP83.75 each and will be listed on the Philippine Stock Exchange (PSE) today, 31 January 2017. BDO's total issued and outstanding common shares after the Stock Rights Offering will be 4.37 million.

Credit Suisse, UBS and BDO Capital served as Joint Global Coordinators and together with the Joint Global Coordinators, Citigroup, Goldman Sachs and HSBC acted as Joint Bookrunners. BDO Capital & Investment Corporation served as Issue Manager and Domestic Underwriter.

About BDO

BDO is a full-service universal bank which provides a wide range of corporate and retail banking services. These services include traditional loan and deposit products, as well as treasury, trust banking, investment banking, private banking, rural banking, cash management, leasing and finance, remittance, insurance, retail cash cards and credit card services.

BDO has one of the largest distribution networks, with more than 1,100 operating branches and over 3,600 ATMs nationwide. It also has 26 overseas remittance and representative offices (including one full service branch in Hong Kong) in Asia, Europe, North America and the Middle East.

BDO ranked as the largest bank in terms of total assets, loans, deposits and trust funds under management based on published statements of condition as of 30 September 2016. For more information, please visit www.bdo.com.ph.

This information does not constitute an offer of securities for sale in the United States or elsewhere. The shares of BDO, including the Rights Shares, have not and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold, directly or indirectly, in the United States unless registered under the Securities Act or pursuant to an exemption from such registration or in a transaction not subject to the registration requirements of the Securities Act and in accordance with any applicable securities laws of any state of the United States and all other jurisdictions outside of the Republic of the Philippines. There will be no public offer of the shares of BDO, including the Rights Shares, in the United States.