

October 15, 2014

THE PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention : ***MS. JANET A. ENCARNACION***
Head-Disclosure Department

Gentlemen:

This refers to the news article entitled "Union Bank moves closer to a decision on EIB's fate" posted in Inquirer.net on October 15, 2014. Please be informed that the news article as reproduced herein below is accurate:

"MANILA, Philippines—Aboitiz-led Union Bank of the Philippines expects to complete within this month its due diligence audit on defunct Export and Industry Bank (EIB), for which it had submitted a proposal to come in as a 'white knight.'

Speaking to reporters late Monday during the launch of a P5-billion offering of debt notes qualifying as tier 2 or supplementary capital, Union Bank president Victor Valdepeñas said the bank was considering a 'different' model for EIB rehabilitation.

Instead of the traditional method of taking over company shares or assuming assets and liabilities, he said UnionBank was considering a new framework.

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Apart from EIB, Valdepeñas reiterated his bank's interest to bid for United Coconut Planters Bank.

On earnings prospects for this year, Valdepeñas said indications for the first nine months of the year showed that the bank was on track to meet its full-year guidance of P7 billion, lower than last year's P9 billion due to the decline in trading gains.

Partly offsetting the sharp decline this year in treasury earnings is the consolidation of thrift bank City Savings, which is expected to contribute as much as P2 billion in net profit.

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For your information and guidance. Thank you.

Very truly yours,



FE B. MACALINO
*Senior Vice-President,
General Counsel &
Corporate Secretary*