



13 August, 2014

MS. JANET A. ENCARNACION  
Head, Disclosure Department  
THE PHILIPPINE STOCK EXCHANGE, INC.  
3F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Dear Ms. Encarnacion,

This refers to your letter with respect to the news article entitled "RCBC targets stock-rights sale by Q4" posted in the *Business Mirror (Internet Edition)* on August 12, 2014. The article reported in part that:

*"Rizal Commercial Banking Corp. (RCBC) expects to hold stock-rights offer (SRO) to raise P4.5 billion by the fourth quarter this year.*

*RCBC President and CEO Lorenzo V. Tan said they are just getting approval from regulators to conduct the rights offer.*

*The RCBC board of directors approved the planned SRO aimed at strengthening its capital under the Basel 3 standards and to support asset growth. 'If our private placement does not happen then we will do a stock rights offer by the last quarter,' he said.*

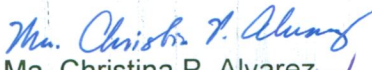
*The rights offer will be conducted by way of offering common shares from the unissued portion of its authorized capital stock to all eligible shareholders of the bank. . . ."*

The Bank's capital plans include a rights issue. The amount stated in the article is based on an initial outlook, and the timing of the issuance will depend on market conditions.

The Bank confirms that there are ongoing discussions for a private placement which are not yet final. A confidentiality agreement prevents RCBC from disclosing at this point in time the specific details until such time the negotiations are finalized. We will advise the Exchange as soon as there are more specific developments.

We hope we have sufficiently clarified the matter.

Sincerely yours,

  
Ma. Christina P. Alvarez  
First Vice President and  
Corporate Information Officer