



11 November, 2014

MS. JANET A. ENCARNACION

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

Attached for information of the Exchange is RCBC's statement with regard to the Verotel press release.

Thank you.

Sincerely yours,

A handwritten signature in blue ink, which appears to read 'MA. CHRISTINA P. ALVAREZ', is written over the typed name.

MA. CHRISTINA P. ALVAREZ
First Vice President and
Corporate Information Officer



STATEMENT

RCBC and Bankard categorically deny the claims made by Verotel and believe the lawsuit is wholly without merit. The case is more than three years old, and it involves common commercial internet transactions that occurred over a decade ago. RCBC and Bankard have filed appropriate defenses, including the fact that the contract at issue was with a Filipino corporation, not a Netherlands company.

The inflammatory language in Verotel's press release, as well as the fact that it was issued on the eve of trial more than three years after the case was commenced, demonstrate that it is an extortive attempt by Verotel to secure a settlement. It is disappointing that Verotel is resorting to trying to litigate this matter in the media. In fact, the statement in Verotel's press release that the damages award in this case could reach US\$30 Million is devoid of any factual or legal basis.

Because this is a pending litigation, RCBC and Bankard cannot comment further on the case; however, they look forward to defending this matter in court and are confident they will prevail at trial.