



2 February, 2015

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 eyes 50 more branches" published in the February 1, 2015 issue of the Manila Standard Today (Internet Edition). The article reported in part that:

"Rizal Commercial Banking Corp., the ninth largest lender by assets, said it will spend around P1.75 billion to build 50 new branches in 'restricted areas' in Metro Manila. . .

Data obtained by Manila Standard showed the total licensing and processing fees for the 50 RCBC branches could cost P1 billion, on top of the P15 million cost for the establishment of each branch.

'The total licensing and processing fees will amount to P1 billion for 50 branches in restricted areas in Metro Manila. The physical cost per branch may reach P15 million per branch or P750 million for the 50 branches,' RCBC head of retail banking group Raul Tan said in an e-mailed message. . ."

The Bank confirms that it is planning to open new branches in "restricted areas" in Metro Manila. It will continue to seek opportunities to boost its customer franchise, extend its distribution capability, and expand its domestic distribution network in key strategic areas across the country. The amounts stated are based on initial estimates.

We hope we have sufficiently clarified the matter.

Sincerely yours,

Ma. Fe P. Salamatin
Ma. Fe P. Salamatin
First Vice President and
Compliance Officer

cc: Philippine Dealing and Exchange Corporation