

04 May 2017

MR. JOSE VALERIANO B. ZUÑO III

OIC - Disclosure Department
Philippine Stock Exchange, Inc.
3/F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

MS. VINA VANESSA S. SALONGA

Head, Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.
37/F Tower 1, The Enterprise Center
6766 Ayala Avenue cor Paseo de Roxas
Makati City

Gentlemen,

We are pleased to furnish your good office with a copy of China Bank's latest news release, "China Bank declares P1.99B cash dividends; 8% stock dividends".

Thank you.

Very truly yours,



ALEXANDER C. ESCUCHA

Senior Vice President & Head
Investor & Corporate Relations Group

CHINA BANKING CORPORATION

8745 Paseo de Roxas corner Villar Street, Makati City, Philippines

Tel. No. 885-5555 • Fax No. 815-3169 • www.chinabank.

NEWS RELEASE
May 4, 2017

China Bank declares P1.99B cash dividends; 8% stock dividends

Makati City, Philippines — China Banking Corporation (China Bank, stock symbol CHIB) held today its annual stockholders' meeting where it announced cash dividends of P0.80 per share for a total of P1.99 billion and 8% stock dividend. The stockholders also approved the increase in the Bank's authorized capital stock from P25 billion to P33 billion or from 2.5 billion shares to 3.3 billion shares, with par value of P10.00 per share. The stock dividend and authorized capital increase are subject to approval by the Bangko Sentral ng Pilipinas (BSP), the Securities and Exchange Commission, and the Philippine Stock Exchange.

The cash dividend represents 31% of the 2016 Net income of P6.46 billion. Based on China Bank's current share price of P35.35, it translates to a cash yield of 2.26%. The Board also approved to set and recommend May 18, 2017 as the record date and June 2, 2017 as the payment /issuance date of the cash dividends.

At the same stockholders' meeting, China Bank's incumbent directors were reelected: Hans T. Sy, Gilbert U. Dee, and Ricardo R. Chua were reelected Chairman, Vice Chairman of the Board, and Chief Executive Officer, respectively. The other members of the Board are Peter S. Dee, Joaquin T. Dee, Harley T. Sy, Herbert T. Sy and Jose T. Sio. Robert F. Kuan was appointed / designated as lead independent director. The other independent directors were Alberto S. Yao and Margarita L. San Juan. Ms. San Juan is presently an independent director of China Bank Savings and was previously Senior Vice President and Group Head of the Bank's Account Management Group until her retirement in February 2012. Henry Sy, Sr. remained Honorary Chairman and Advisor to the Board.

China Bank is raising P15 billion via a stock rights offering priced at P31.00 per share to support its business growth. Offer period ends May 5. The proceeds will be used to grow its loan portfolio, expand its branch network, and support its other strategic business initiatives.

China Bank Capital Corporation, the investment arm of China Bank, acquired ATC Securities as its securities broker-dealer subsidiary company. As a wholly-owned subsidiary of China Bank Capital and a part of the China Bank group, ATC Securities will be renamed China Bank Securities Corporation. China Bank Capital was also awarded by the Philippine Dealing System Group as Top 5 Corporate Issue Manager/ Arranger on the heels of its solid performance in the past year in the debt capital markets.

On the organizational front, China Bank recently announced the appointment of EVP William C. Whang as Chief Operating Officer of China Bank effective February 1. Mr. Whang joined the Bank in 2011 as Head of the Institutional Banking Group, bringing with him more than 30 years of banking experience. His mandate is to oversee the Bank's confirmed growth and expanded business strategies.

China Bank also announced the appointment of Lilian Yu as Deputy Group Head of the Lending Business Segment under the Institutional Banking Group. Before her appointment, she was serving as a managing director of China Bank Capital.

About China Bank

Founded in 1920, China Bank is the country's first privately owned local commercial bank and currently the sixth largest privately owned universal bank in terms of assets. It serves the banking needs of the corporate, commercial, and retail markets. The China Bank Group now has 556 branches to date (399 China Bank, 157 CBS branches). This wide branch network is complemented by electronic banking channels—ATM, online, mobile, and phone banking—that provide secure and reliable 24/7 banking service.

Contact:

ALEXANDER C. ESCUCHA

Senior Vice President

Investor & Corporate Relations Group Head

Tel.: 885-5601; Fax: 892-0238; Mobile: 0918-8855601

email: acescucha@chinabank.ph