

17 July 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 settles US\$158M loan".

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

July 17, 2017

China Bank settles US\$158M loan

Makati City, Philippines – China Banking Corporation (China Bank), stock symbol CHIB, announced that it has paid off one year ahead of schedule the three-year US\$158 million Syndicated Loan that was originally scheduled to mature in June 2018.

“The strong growth in foreign currency deposit has enabled us to not only raise the balance earlier than expected”, said William C. Whang, EVP & China Bank Chief Operating Officer. The Bank likewise confirmed that it also took advantage of favorable changes in market conditions to be able to repay the loan sooner.

The loan was paid in two tranches: US\$60 million was paid in March of this year and the remaining balance on June 29, 2017. China Bank successfully returned to the capital markets in June 2015 with this facility since its US\$125 million floating rate certificates of deposit (FRCD) issue in 1996 and 1997. The proceeds of the loan were deployed into better yielding assets as well as funding for corporate borrowers and project financing deals.

Australia and New Zealand Banking Group Limited was the Mandated Lead Arranger and Book Runner. KDB Group (The Korea Development Bank - Seoul Head Office, KDB Asia Limited – Hong Kong) and Mizuho Bank, Ltd - Singapore Branch were the Mandated Lead Arrangers. Doha Bank Q.S.C. was the Lead Arranger. The Arrangers were Mega International Commercial Bank Co., Ltd., CTBC Bank Co., Ltd. Singapore, The Shanghai Commercial & Savings Bank, Ltd., Taiwan Cooperative Bank, and Taishin International Bank Co, Ltd.

Founded in 1920, China Bank is one of the largest private universal banks in the Philippines providing a full range of banking products and services to corporate, commercial, and retail customers through 561 branches to date. It also offers bancassurance and insurance brokerage services through its subsidiaries China Bank Manulife Life Assurance Corporation (MCBLife) and China Bank Capital Corp., respectively, and a range banking products and services for the retail and SME (small and medium enterprises) markets through China Bank Savings.

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