



November 4, 2019

**MS. JANET A. ENCARNACION**

Head, Disclosure Department  
Philippine Stock Exchange, Inc.  
6F PSE Tower One Bonifacio High Street  
28th Street corner 5th Avenue Bonifacio Global City  
Taguig City

**ATTY. MARIE ROSE M. MAGALLEN-LIRIO**

Head, Issuer Compliance and Disclosure Department  
Philippine Dealing & Exchange Corp.  
29/F Equitable Tower  
8751 Paseo de Roxas  
Makati City

Mesdames,

We are pleased to furnish your good office with a copy of China Banking Corporation's Balance Sheets as of September 30, 2019.

Thank you.

Very truly yours,

**Alexander C. Escucha**  
*Senior Vice President*  
Corporate Information Officer

## CHINA BANKING CORPORATION

8745 Paseo de Roxas corner Villar St., Makati City

BALANCE SHEET  
(Head Office and Branches)  
As of September 30, 2019

| ASSETS   |          | Current Quarter           | Previous Quarter            |
|--|----------|---------------------------|-----------------------------|
| Cash and Cash Items  | P        | 11,286,737,785.85         | P 9,640,344,072.83          |
| Due from Bangko Sentral ng Pilipinas                                 |          | 96,686,554,893.72         | 93,941,194,616.45           |
| Due from Other Banks   |          | 9,797,899,431.17          | 9,399,482,096.49            |
| Financial Assets at Fair Value through Profit or Loss                |          | 11,493,993,990.52         | 10,607,947,854.68           |
| Available-for-Sale Financial Assets-Net                              |          | 16,054,686,352.09         | 10,505,072,829.18           |
| Held-to-Maturity (HTM) Financial Assets-Net                          |          | 187,649,344,107.84        | 180,539,595,106.06          |
| Unquoted Debt Securities Classified as Loans-Net                     |          | 0.00                      | 0.00                        |
| Investments in Non-Marketable Equity Security-Net                    |          | 0.00                      | 0.00                        |
| Loans and Receivables - Net  |          | 496,465,162,265.35        | 468,290,591,811.94          |
| Loans to Bangko Sentral ng Pilipinas                                 |          | 0.00                      | 0.00                        |
| Interbank Loans Receivable   |          | 3,373,175,977.71          | 0.00                        |
| Loans and Receivables - Others                                       |          | 489,305,776,348.35        | 464,691,141,550.74          |
| Loans and Receivables Arising from RA/CA/PR/SLB                      |          | 7,000,000,000.00          | 7,197,979,845.00            |
| General Loan Loss Provision  |          | 3,213,790,060.71          | 3,598,529,583.80            |
| Other Financial Assets   |          | 4,913,249,770.76          | 5,861,571,565.35            |
| Equity Investment in Subsidiaries, Associates and Joint Ventures-Net |          | 11,719,956,128.58         | 11,448,771,133.13           |
| Bank Premises, Furniture, Fixture and Equipment-Net                  |          | 3,592,403,024.44          | 3,484,931,745.46            |
| Real and Other Properties Acquired-Net                               |          | 347,074,202.20            | 357,618,109.55              |
| Non-Current Assets Held for Sale                                     |          | 0.00                      | 0.00                        |
| Other Assets-Net   |          | 8,270,329,330.28          | 8,762,199,367.33            |
| <b>TOTAL ASSETS</b>  | <b>P</b> | <b>858,277,391,282.80</b> | <b>P 812,839,320,308.25</b> |

| LIABILITIES  |          | Current Quarter           | Previous Quarter            |
|--|----------|---------------------------|-----------------------------|
| Financial Liabilities at Fair Value through Profit or Loss | P        | 1,153,011,074.57          | P 1,331,282,113.65          |
| Deposit Liabilities  |          | 693,459,916,419.07        | 665,451,334,679.22          |
| Due to Other Banks   |          | 3,124,081.93              | 2,968,342.04                |
| Bills Payable  |          | 26,518,142,311.98         | 40,285,573,283.89           |
| a) BSP (Rediscounting and Other Advances)                  |          | 0.00                      | 14,680,585,311.09           |
| b) Interbank Loans Payable                                 |          | 9,756,997,500.00          | 5,287,968,000.00            |
| c) Other Deposit Substitute                                |          | 16,761,144,811.98         | 20,317,019,972.80           |
| d) Others  |          | 0.00                      | 0.00                        |
| Bonds Payable-Net  |          | 37,535,939,025.20         | 7,686,000,000.00            |
| Unsecured Subordinated Debt-Net                            |          | 0.00                      | 0.00                        |
| Redeemable Preferred Shares                                |          | 0.00                      | 0.00                        |
| Special Time Deposit                                       |          | 0.00                      | 0.00                        |
| Due to Bangko Sentral ng Pilipinas                         |          | 0.00                      | 0.00                        |
| Other Financial Liabilities                                |          | 4,658,592,599.45          | 6,169,187,095.65            |
| Other Liabilities  |          | 8,845,729,321.72          | 8,359,586,191.54            |
| <b>TOTAL LIABILITIES</b>                                   | <b>P</b> | <b>772,174,454,833.92</b> | <b>P 729,285,931,705.99</b> |

| STOCKHOLDERS' EQUITY                              |          | Current Quarter           | Previous Quarter            |
|---|----------|---------------------------|-----------------------------|
| Capital Stock                                     | P        | 43,981,624,082.10         | P 43,981,624,082.10         |
| Other Capital Accounts                            |          | 6,443,457,642.62          | 3,893,789,096.49            |
| Retained Earnings                                 |          | 35,677,854,724.16         | 35,677,975,423.67           |
| Assigned Capital                                  |          | 0.00                      | 0.00                        |
| <b>TOTAL STOCKHOLDERS' EQUITY</b>                 |          | <b>86,102,936,448.88</b>  | <b>83,553,388,602.26</b>    |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b> | <b>P</b> | <b>858,277,391,282.80</b> | <b>P 812,839,320,308.25</b> |

| CONTINGENT ACCOUNTS                                |          | Current Quarter           | Previous Quarter            |
|--|----------|---------------------------|-----------------------------|
| Guarantees Issued                                  | P        | 0.00                      | P 0.00                      |
| Financial Standby Letters of Credit                |          | 0.00                      | 0.00                        |
| Performance Standby Letters of Credit              |          | 16,814,060,385.12         | 13,728,224,946.97           |
| Commercial Letters of Credit                       |          | 3,542,611,698.45          | 4,590,404,041.03            |
| Trade Related Guarantees                           |          | 895,276,635.65            | 751,430,927.53              |
| Commitments  |          | 13,762,043,977.28         | 13,370,275,821.47           |
| Spot Foreign Exchange Contracts                    |          | 35,936,660,565.98         | 17,860,291,162.03           |
| Securities Held Under Custodianship by Bank Proper |          | 0.00                      | 0.00                        |
| Trust Department Accounts                          |          | 171,218,994,722.14        | 147,854,195,075.81          |
| a) Trust and Other Fiduciary Accounts              |          | 74,006,923,669.81         | 63,029,085,721.70           |
| b) Agency Accounts                                 |          | 97,212,071,052.33         | 84,825,109,354.11           |
| c) Advisory/Consultancy                            |          | 0.00                      | 0.00                        |
| Derivatives  |          | 88,072,791,950.11         | 90,244,833,132.43           |
| Others   |          | 5,439,647,530.57          | 4,566,836,591.29            |
| <b>TOTAL CONTINGENT ACCOUNTS</b>                   | <b>P</b> | <b>335,682,087,465.30</b> | <b>P 292,966,491,698.56</b> |

| ADDITIONAL INFORMATION   |   | Current Quarter    | Previous Quarter     |
|--|---|--------------------|----------------------|
| Gross total loan portfolio (TLP)   | P | 501,546,332,419.17 | P 473,831,155,341.38 |
| Specific allowance for credit losses on the TLP  |   | 1,867,380,093.11   | 1,942,033,945.64     |
| Non-Performing Loans (NPLs)  |   |                    |                      |
| a. Gross NPLs  | P | 3,509,285,531.16   | P 3,200,023,055.18   |
| b. Ratio of gross NPLs to gross TLP (%)  |   | 0.70               | 0.68                 |
| c. Net NPLs  | P | 2,022,930,252.49   | P 1,647,745,801.28   |
| d. Ratio of Net NPLs to gross TLP (%)  |   | 0.40               | 0.35                 |
| e. Ratio of total allowance for credit losses to gross NPLs (%)                              |   | 212.59             | 254.02               |
| f. Ratio of specific allowance for credit losses on the gross TLP to gross NPLs (%)          |   | 53.21              | 60.69                |
| Classified Loans & Other Risk Assets, gross of allowance for credit losses                   | P | 15,660,557,154.26  | P 21,418,071,439.00  |
| DOSRI Loans and receivables, gross of allowance for credit losses                            |   | 4,516,650,269.66   | 4,535,972,776.34     |
| Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (%) |   | 0.90               | 0.96                 |
| Gross non-performing DOSRI loans and receivables   | P | 54,191.85          | P 0.00               |
| Ratio of gross non-performing DOSRI loans and receivables to TLP (%)                         |   | 0.00               | 0.00                 |
| Percent Compliance with Magna Carta (%)  |   |                    |                      |
| a. 8% for Micro and Small Enterprises  |   | 5.01               | 2.29                 |
| b. 2% for Medium Enterprises   |   | 5.72               | 7.07                 |
| Return on Equity (ROE) (%)   |   | 10.17              | 9.45                 |
| Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations         |   |                    |                      |
| a. Total CAR (%)   |   | 13.64              | 13.73                |
| b. Tier 1 Ratio (%)  |   | 12.73              | 12.82                |
| c. Common Equity Tier 1 Ratio (%) <sup>1/</sup>  |   | 12.73              | 12.82                |
| Deferred Charges not yet Written Down  |   | 0.00               | 0.00                 |
| Unbooked Allowance for Credit Losses on Financial Instruments Received                       |   | 0.00               | 0.00                 |

<sup>1/</sup> Common Equity Tier 1 is only applicable to all Universal and Commercial Banks and their subsidiary banks.Republic of the Philippines } S. S.  
City of Makati

We, Patrick D. Cheng and William C. Whang of the above-mentioned Bank, do solemnly swear that all matters set forth in the above Published Balance Sheet are true and correct to the best of our knowledge and belief.

(Sgd.) PATRICK D. CHENG  
Chief Finance Officer(Sgd.) WILLIAM C. WHANG  
PresidentSUBSCRIBED AND SWORN to before me this October 24, 2019 at City of Makati  
, respectively.Doc. No. 226  
Page No. 50  
Book No. 46  
Series of 2019(Sgd.) CHRISTINE L. ZERNA-BRIONES  
Notary Public for the City of Makati  
Appt. No. M-125 (2019-2020)  
4/F Philcom Building,  
8755 Paseo de Roxas, Makati City  
PTR No. 7341561; 01-07-19; Makati City  
IBP No. 059179; 01-07-19; Pampanga  
Roll of Attorney's No. 42549CONSOLIDATED BALANCE SHEET  
(Banks and Financial Subsidiaries)  
As of September 30, 2019

| ASSETS   |          | Current Quarter           | Previous Quarter            |
|--|----------|---------------------------|-----------------------------|
| Cash and Cash Items  | P        | 12,930,676,573.50         | P 11,985,081,309.56         |
| Due from Bangko Sentral ng Pilipinas                                 |          | 101,643,692,282.76        | 100,214,264,560.78          |
| Due from Other Banks   |          | 10,691,885,527.14         | 10,640,645,151.11           |
| Financial Assets at Fair Value through Profit or Loss                |          | 11,550,977,078.04         | 10,671,838,175.34           |
| Available-for-Sale Financial Assets-Net                              |          | 17,734,181,734.34         | 12,427,419,184.37           |
| Held-to-Maturity (HTM) Financial Assets-Net                          |          | 197,200,258,143.60        | 189,132,251,880.64          |
| Unquoted Debt Securities Classified as Loans-Net                     |          | 0.00                      | 0.00                        |
| Investments in Non-Marketable Equity Security-Net                    |          | 0.00                      | 0.00                        |
| Loans and Receivables - Net  |          | 565,347,454,232.33        | 536,266,108,839.27          |
| Loans to Bangko Sentral ng Pilipinas                                 |          | 0.00                      | 0.00                        |
| Interbank Loans Receivable   |          | 3,373,175,977.71          | 0.00                        |
| Loans and Receivables - Others                                       |          | 553,956,456,270.82        | 527,458,250,225.38          |
| Loans and Receivables Arising from RA/CA/PR/SLB                      |          | 11,450,000,000.00         | 12,596,484,729.00           |
| General Loan Loss Provision  |          | 3,432,178,016.20          | 3,788,606,115.11            |
| Other Financial Assets   |          | 6,187,386,885.28          | 7,158,742,198.63            |
| Equity Investment in Subsidiaries, Associates and Joint Ventures-Net |          | 739,346,863.17            | 709,446,681.76              |
| Bank Premises, Furniture, Fixture and Equipment-Net                  |          | 4,907,948,885.33          | 4,810,697,752.92            |
| Real and Other Properties Acquired-Net                               |          | 3,168,517,971.73          | 3,290,706,266.89            |
| Non-Current Assets Held for Sale                                     |          | 427,699,185.03            | 365,029,121.87              |
| Other Assets-Net   |          | 16,505,287,936.77         | 16,725,590,811.77           |
| <b>TOTAL ASSETS</b>  | <b>P</b> | <b>949,035,313,299.02</b> | <b>P 904,397,821,935.91</b> |

| LIABILITIES  |          | Current Quarter           | Previous Quarter            |
|--|----------|---------------------------|-----------------------------|
| Financial Liabilities at Fair Value through Profit or Loss | P        | 1,153,011,074.57          | P 1,331,282,113.65          |
| Deposit Liabilities  |          | 777,502,584,951.41        | 750,397,672,419.41          |
| Due to Other Banks   |          | 3,124,081.93              | 2,968,342.04                |
| Bills Payable  |          | 26,518,142,311.98         | 40,285,573,283.89           |
| a) BSP (Rediscounting and Other Advances)                  |          | 0.00                      | 14,680,585,311.09           |
| b) Interbank Loans Payable                                 |          | 9,756,997,500.00          | 5,287,968,000.00            |
| c) Other Deposit Substitute                                |          | 16,761,144,811.98         | 20,317,019,972.80           |
| d) Others  |          | 0.00                      | 0.00                        |
| Bonds Payable-Net  |          | 37,535,939,025.20         | 7,686,000,000.00            |
| Unsecured Subordinated Debt-Net                            |          | 0.00                      | 0.00                        |
| Redeemable Preferred Shares                                |          | 0.00                      | 0.00                        |
| Special Time Deposit                                       |          | 0.00                      | 0.00                        |
| Due to Bangko Sentral ng Pilipinas                         |          | 0.00                      | 0.00                        |
| Other Financial Liabilities                                |          | 5,309,103,854.44          | 6,729,394,705.33            |
| Other Liabilities  |          | 12,120,327,310.11         | 11,622,043,038.03           |
| <b>TOTAL LIABILITIES</b>                                   | <b>P</b> | <b>860,142,232,609.64</b> | <b>P 818,054,933,902.35</b> |

| STOCKHOLDERS' EQUITY                              |          | Current Quarter           | Previous Quarter            |
|---|----------|---------------------------|-----------------------------|
| Capital Stock                                     | P        | 43,981,624,082.10         | P 43,981,624,082.10         |
| Other Capital Accounts                            |          | 6,434,996,027.87          | 3,888,148,019.99            |
| Retained Earnings                                 |          | 38,340,124,721.42         | 38,340,197,152.13           |
| Assigned Capital                                  |          | 0.00                      | 0.00                        |
| Minority Interest in Subsidiaries                 |          | 136,335,857.99            | 132,918,779.34              |
| <b>TOTAL STOCKHOLDERS' EQUITY</b>                 |          | <b>88,893,080,689.38</b>  | <b>86,342,888,033.56</b>    |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b> | <b>P</b> | <b>949,035,313,299.02</b> | <b>P 904,397,821,935.91</b> |

| CONTINGENT ACCOUNTS                                |          | Current Quarter           | Previous Quarter            |
|--|----------|---------------------------|-----------------------------|
| Guarantees Issued                                  | P        | 0.00                      | P 0.00                      |
| Financial Standby Letters of Credit                |          | 0.00                      | 0.00                        |
| Performance Standby Letters of Credit              |          | 16,949,786,591.12         | 13,855,765,302.97           |
| Commercial Letters of Credit                       |          | 3,542,611,698.45          | 4,590,404,041.03            |
| Trade Related Guarantees                           |          | 895,276,635.65            | 751,430,927.53              |
| Commitments  |          | 14,110,207,432.89         | 13,815,561,693.87           |
| Spot Foreign Exchange Contracts                    |          | 35,936,660,565.98         | 17,860,291,162.03           |
| Securities Held Under Custodianship by Bank Proper |          | 0.00                      | 0.00                        |
| Trust Department Accounts                          |          | 171,218,994,722.14        | 147,854,195,075.81          |
| a) Trust and Other Fiduciary Accounts              |          | 74,006,923,669.81         | 63,029,085,721.70           |
| b) Agency Accounts                                 |          | 97,212,071,052.33         | 84,825,109,354.11           |
| c) Advisory/Consultancy                            |          | 0.00                      | 0.00                        |
| Derivatives  |          | 88,072,791,950.11         | 90,244,833,132.43           |
| Others   |          | 5,486,910,214.30          | 4,601,663,850.75            |
| <b>TOTAL CONTINGENT ACCOUNTS</b>                   | <b>P</b> | <b>336,213,239,810.64</b> | <b>P 293,574,145,186.42</b> |

| ADDITIONAL INFORMATION  |  | Current Quarter | Previous Quarter |
|---|--|-----------------|------------------|
| 1. List of Financial Allied Subsidiaries (excluding Subsidiary Insurance Companies)             |  |                 |                  |
| 1. China Bank Savings, Inc.   |  |                 |                  |
| 2. China Bank Capital Corporation   |  |                 |                  |
| 2. List of Subsidiary Insurance Companies   |  |                 |                  |
| 3. Capital Adequacy Ratio (CAR) on Consolidated Basis, as prescribed under existing regulations |  |                 |                  |
| a. Total CAR (%)  |  | 13.64           | 13.75            |
| b. Tier 1 Ratio (%)   |  | 12.73           | 12.85            |
| c. Common Equity Tier 1 Ratio (%) <sup>1/</sup>   |  | 12.73           | 12.85            |

<sup>1/</sup> Common Equity Tier 1 is only applicable to all Universal and Commercial Banks and their subsidiary banks.Republic of the Philippines } S. S.  
City of Makati

We, Patrick D. Cheng and William C. Whang of the above-mentioned Bank, do solemnly swear that all matters set forth in the above Published Balance Sheet are true and correct to the best of our knowledge and belief.

(Sgd.) PATRICK D. CHENG  
Chief Finance Officer(Sgd.) WILLIAM C. WHANG  
President

SUBSCRIBED AND SWORN to before me this October 24, 2019 at City of Makati

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Book No. 46  
Series of 2019(Sgd.) CHRISTINE L. ZERNA-BRIONES  
Notary Public for the City of Makati  
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Roll of Attorney's No. 42549