

BDO posted earnings of ₱35.2 billion for the 1H 2023, driven by broad-based growth across its core businesses. This translated to a Return on Common Equity of 15.1% compared to 11.3% in the comparable period last year. Book Value Per Share increased 13% to ₱91.42. Asset quality continues to improve with NPL stable and coverage increasing to 174%. Capital strengthened further with CET1 ratio at 13.9%.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BDO Unibank, Inc.
Issuer

Date: July 29, 2023
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Handwritten signature of Edmundo L. Tan in black ink, consisting of stylized initials 'E-L' followed by a horizontal line and the name 'Tan'.

EDMUNDO L. TAN
Corporate Secretary



31 July 2023

BDO 1H 2023 net income reaches ₱35.2 billion

Highlights:

- Earnings momentum sustained on robust growth in core businesses
- Return on Common Equity at 15.1%; Book Value per share up 13%
- Asset quality continues to improve with NPL stable and coverage increasing to 174%
- Capital strengthened further with CET1 ratio at 13.9%

BDO Unibank, Inc. (BDO) posted earnings of ₱35.2 billion for the 1H 2023, driven by broad-based growth across its core businesses. This translated to a Return on Common Equity of 15.1% compared to 11.3% in the comparable period last year.

Net Interest Income rose to ₱89.5 billion as Gross Customer Loans expanded 8% year-on-year to ₱2.7 trillion while Deposit Liabilities broadened 12% to ₱3.3 trillion. Non-Interest Income grew 11% to ₱38.2 billion due to robust growth in various fee-based and treasury/FX businesses.

Pre-Provision Operating Profit settled at ₱52.4 billion, with revenues continuing to grow faster than operating expenses.

Non-Performing Loan (NPL) ratio dipped quarter-on-quarter to 1.95% from 1.98% while NPL coverage improved to 174% with prudent credit and provisioning policies.

Shareholders' Equity increased to ₱487.5 billion given profitable operations. Capital Adequacy Ratio and Common Equity Tier 1 (CET1) Ratio strengthened to 15% and 13.9%, respectively, and remain comfortably above regulatory minimum levels. Book Value Per Share increased 13% to ₱91.42.

With improving macro-economic trends exemplified by decelerating inflation, sustained GDP growth and stable foreign exchange and interest rates, the Bank remains poised to capitalize on emerging growth opportunities given its solid balance sheet, strong business franchise and diversified earnings streams.

About BDO

BDO is a full-service universal bank which provides a wide range of corporate and retail services such as traditional loan and deposit products, treasury, trust banking, investment banking, private banking, rural banking and microfinance, cash management, leasing and finance, remittance, insurance, cash cards, credit cards, and online and non-online brokerage services.

BDO has the country's largest distribution network, with over 1,600 consolidated operating branches and more than 4,700 ATMs nationwide. It also has 16 international offices (including full-service branches in Hong Kong and Singapore) in Asia, Europe, North America and the Middle East.

The Bank also offers digital banking solutions to make banking easier, faster, and more secure for its clients.

BDO ranked as the largest bank in terms of total assets, loans, deposits and trust funds under management based on published statements of condition as of March 31, 2023. For more information, please visit www.bdo.com.ph