



Via ODiSy

11 November 2010

PHILIPPINE STOCK EXCHANGE, INC.

Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention : **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

We submit with this letter SEC Form 17-Q of Banco De Oro Unibank, Inc. (BDO) for the 3rd quarter of 2010 submitted to the Securities and Exchange Commission.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elmer B. Serrano', written over a horizontal line.

ELMER B. SERRANO
Corporate Information Officer

COVER SHEET

3 4 0 0 1
S.E.C. Registration Number

B A N C O D E O R O U N I B A N K , I N C .

(COMPANY'S FULL NAME)

B D O C O R P O R A T E C E N T E R , 7 8 9 9

M A K A T I A V E N U E , M A K A T I C I T Y

(BUSINESS ADDRESS: NO. STREET CITY/TOWN/PROVINCE)

ALBERTO D. REYES/RUBY A. CRUZ
Contact Person

856-7434/840-7000 loc 4575
Company Telephone Number

0 9 3 0
Month Day

S E C 1 7 - Q
Form Type

Every last Friday of the month of May

Annual Meeting

Secondary License type, if applicable

C F D
Dept. Requiring this Doc.

Amended Articles Number/Section

13,941
Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be Accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier


Stamps

Remarks: Pls. Use black ink of scanning purposes

SIGNATURES

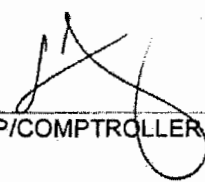
Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer..... BANCO DE ORO UNIBANK, INC.

Signature and Title..... 
LUCY CO DY
EVP/COMPTROLLER *af* *mc* *gh* *my*

Date..... November 4, 2010


Principal Financial /Accounting Officer/Comptroller..... LUCY CO DY

Signature and Title..... 
EVP/COMPTROLLER

Date..... November 4, 2010

SEC FORM 17-Q

I hereby certify that all the information set forth in the above report are true and correct of my own knowledge.



LUCY CO DY (EVP Comptroller)
Authorized Signatory
(PRINTED NAME & DESIGNATION) *Shu* *HW*
rec

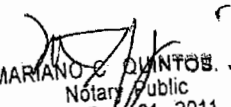
REPUBLIC OF THE PHILIPPINES }
CITY OF MAKATI } S.S.

SUBSCRIBED AND SWORN TO before me this NOV 10 2010 day of November,

2010, the above affiant exhibiting to me his/her described Competent Evidence of Identity ("CEI"):

Name	CEI	Date & Place Issued
Lucy Co Dy	Passport - TT0770339	09.07.2006/Manila

Notary Public


MARIANO C. DUINTOS, JR.
Notary Public
Until Dec 31 2011
PTR No. 0676048/Jan 4, 2010
IBP No. 802732/Dec. 14, 2009

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Book No. XIX
Series of 2010

* To be signed by any of the following officers pursuant to a Board Resolution filed with the Commission

1. Chief Operating Officer
2. Chief Financial Officer
3. Comptroller or Treasurer

BANCO DE ORO UNIBANK, INC. & SUBSIDIARIES
BDO Corporate Center, 7899 Makati Avenue, Makati City

CONDENSED STATEMENT OF FINANCIAL POSITION
(Amounts in Millions of Pesos)

		As of Sep 30, 2010		Audited As of Dec 31, 2009
<u>RESOURCES</u>				
CASH AND OTHER CASH ITEMS	P	15,614	P	30,544
DUE FROM BANGKO SENTRAL NG PILIPINAS		92,129		64,833
DUE FROM OTHER BANKS		10,278		16,732
INVESTMENT SECURITIES				
At Fair Value Through Profit or Loss		9,744		8,502
Available-for-Sale – net		69,430		47,033
Held-to-Maturity – net		103,051		116,177
LOANS AND OTHER RECEIVABLES–net		542,782		524,901
BANK PREMISES, FURNITURE, FIXTURES AND EQUIPMENT – net		14,740		14,732
INVESTMENT PROPERTIES		12,786		13,834
EQUITY INVESTMENTS – net		1,712		1,710
DEFERRED TAX ASSETS		5,609		5,686
OTHER RESOURCES - net		<u>14,673</u>		<u>17,365</u>
TOTAL RESOURCES	P	<u>892,548</u>	P	<u>862,049</u>
<u>LIABILITIES AND CAPITAL FUNDS</u>				
DEPOSIT LIABILITIES	P		P	
Demand		36,446		42,692
Savings		380,094		354,407
Time		294,388		297,579
Total Deposit Liabilities		<u>710,928</u>		<u>694,678</u>
BILLS PAYABLE		31,102		31,415
SUBORDINATED NOTES PAYABLE		23,325		23,152
OTHER LIABILITIES		41,773		44,917
Total Liabilities		<u>807,128</u>		<u>794,162</u>
<u>EQUITY</u>				
Attributable to Shareholders of the Parent Company		84,739		67,252
Minority Interest		681		635
Total Equity		<u>85,420</u>		<u>67,887</u>
TOTAL LIABILITIES AND EQUITY	P	<u>892,548</u>	P	<u>862,049</u>
<u>CONTINGENT</u>				
Trust department accounts	P	540,528	P	457,028
Unused commercial letters of credit		29,676		26,492
Outstanding guarantees issued		910		1,248
Export L/Cs Confirmed		96		44
Bills for collection		5,548		4,209
Late deposits/payment received		1,520		1,655
Spot Exchange Bought		7,212		3,410
Spot Exchange Sold		8,983		4,037
Forward Exchange Bought		165,106		132,504
Forward Exchange Sold		196,754		165,030
Interest Rate Swap Receivable		23,734		24,986
Interest Rate Swap Payable		23,687		25,016
Committed Credit Card Lines		88,637		71,273
Others		<u>23,483</u>		<u>25,346</u>
TOTAL CONTINGENT ACCOUNTS	P	<u>1,115,874</u>	P	<u>942,278</u>

Note: This Financial Statement is in accordance with Philippine Financial Reporting Standards(PFRS)

BANCO DE ORO UNIBANK, INC. & SUBSIDIARIES
BDO Corporate Center, 7899 Makati Avenue, Makati City

CONDENSED STATEMENT OF INCOME
(Amounts in Millions of Pesos Except Per Share Data)

	For the nine-month Period ended Sept 30, 2010	For the nine-month Period ended Sept 30, 2009	For the Quarter ending Sept 30, 2010	For the Quarter ending Sept 30, 2009
INTEREST INCOME ON				
Loans and Receivables	P 26,841	P 25,704	P 9,105	P 8,477
Investment Securities	7,526	7,652	2,566	2,598
Due from Other Banks	1,956	1,859	648	569
Others	851	1,022	199	351
Total Interest Income	37,174	36,237	12,518	11,995
INTEREST EXPENSE ON				
Deposit liabilities	9,516	11,359	3,123	3,231
Bills Payable and Others	2,308	2,701	749	863
Total Interest Expense	11,824	14,060	3,872	4,094
NET INTEREST INCOME	25,350	22,177	8,646	7,901
IMPAIRMENT LOSSES	5,092	4,498	1,835	1,880
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	20,258	17,679	6,811	6,021
OTHER INCOME				
Service Charges, Fees and Commissions	6,482	6,023	2,035	2,089
Trading Gain – net	4,616	2,256	3,063	1,200
Trust Fees	1,084	903	364	322
Foreign Exchange Gain/(Loss) – net	-232	888	-1,256	32
Miscellaneous – net	1,175	1,190	395	528
Total Other Income	13,125	11,260	4,601	4,171
OTHER EXPENSES				
Employee Benefits	9,056	8,174	2,883	2,537
Occupancy	3,267	3,215	1,097	1,074
Taxes and licenses	2,472	2,561	857	761
Security, Clerical, Messengerial and Janitorial	1,406	1,401	481	514
Insurance	1,122	1,020	380	336
Advertising	1,343	782	423	304
Litigation/Assets Acquired	452	396	153	126
Miscellaneous	6,662	6,210	2,476	2,262
Total Other Expenses	25,780	23,759	8,750	7,914
INCOME BEFORE TAX	7,603	5,180	2,662	2,278
TAX EXPENSE (INCOME)	1,187	1,098	417	352
NET INCOME AFTER TAX	P 6,416	P 4,082	P 2,245	P 1,926
ATTRIBUTABLE TO:				
Equity holders of the parent	P 6,372	P 4,041	P 2,230	P 1,909
Minority Interest	44	41	15	17
	P 6,416	P 4,082	P 2,245	P 1,926
AVERAGE COMMON STOCK	2,496	2,340	2,607	2,340
INCOME PER SHARE (See annex A)				
Basic	2.42	1.72	0.89	0.83
Diluted	2.49	1.67	0.87	0.79

Note: This Financial Statement is in accordance with Philippine Financial Reporting Standards(PFRS)

BANCO DE ORO UNIBANK, INC. & SUBSIDIARIES
 BDO Corporate Center, 7899 Makati Avenue, Makati City

STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Millions of Pesos)

	For the nine-month period Sept 30, 2010	For the nine-month period Sept 30, 2009
NET PROFIT	6,416	4,082
OTHER COMPREHENSIVE INCOME(LOSS)		
Net unrealized fair value gains(losses) on available-for-sale securities	2,539	3,473
Translation adjustment related to foreign operations	(6)	1
Other Comprehensive Income, net of tax	2,533	3,474
TOTAL COMPREHENSIVE INCOME(LOSS)	8,949	7,556
Attributable To:		
Shareholders of the Parent Bank	8,903	7,512
Non-controlling Interest	46	44
	8,949	7,556

Note: This Financial Statement is in accordance with Philippine Financial Reporting Standards(PFRS)

BANCO DE ORO UNIBANK, INC. & SUBSIDIARIES
BDO Corporate Center, 7899 Makati Avenue, Makati City
STATEMENT OF CHANGES IN EQUITY
COMPARATIVE PERIODS ENDED September 30, 2010 AND 2009
(Amounts in Millions of Pesos)

	Common Stock	Preferred Stock	Common Stock Options	Treasury Shares at Cost	Additional Paid-in Capital	Surplus Reserves	Surplus Free	Net Unrealized Fair Value Gain(Losses) on Available-for-sale Securities	Revaluation Increment	Accumulated Translation Adjustment	Total Attributable to Shareholders of the Parent Bank	Non-Controlling Interest	Total Equity
Balance at January, 2010	P23,397	P5,000	P7	P-	P16,858	P1,532	P19,377	(P92)	P1,179	(P6)	P67,252	P635	P67,887
Transactions with owners													
Issuance of additional shares	2,677										2,677		2,677
Contribution to stock options, net of recognition			(7)								(7)		(7)
Premium on issuance of new shares, net of listing fees					8,330						8,330		8,330
Cash Dividends							(2,421)				(2,421)		(2,421)
Audit Adjustments							19				19		19
Total transactions with owners	2,677	0	(7)	0	8,330	0	(2,402)	0	0	0	8,598	0	8,598
Total comprehensive income							6,372	2,537		(6)	8,903	46	8,949
Transfer to/(from) Surplus Free													
Additional appropriation						112	(112)				0		0
Trust reserve											0		0
Revaluation increment on land and building sold									(14)		(14)		(14)
	0	0	0	0	0	112	(112)	0	(14)	0	(14)	0	(14)
Balance at Sept 30, 2010	P26,074	P5,000	P-	P-	P25,188	P1,644	P23,235	P2,445	P1,165	(P12)	P84,739	P681	P85,420
Balance at January, 2009	P23,020	P5,000	P76	P-	P15,937	P1,329	P14,049	(P3,505)	P1,311	(P5)	P57,212	P562	P57,774
Transactions with owners													
Issuance of additional shares	377										377		377
Contribution to stock options, net of recognition			(69)								(69)		(69)
Premium on issuance of new shares, net of listing fees					921						921		921
Cash Dividends							(710)				(710)		(710)
Audit Adjustments						4	1				5		5
Effects of merger							95				95	7	102
Total transactions with owners	377	0	(69)	0	921	4	(614)	0	0	0	619	7	626
Total comprehensive income							4,041	3,470		1	7,512	44	7,556
Transfer to/(from) Surplus Free													
Additional appropriation						119	(119)				0		0
Trust reserve											0		0
Revaluation increment on land and building sold									(111)		(111)		(111)
	0	0	0	0	0	119	(119)	0	(111)	0	(111)	0	(111)
Balance at Sept 30, 2009	P23,397	P5,000	P7	P-	P16,858	P1,452	P17,357	(P35)	P1,200	(P4)	P65,232	P613	P65,845

BANCO DE ORO UNIBANK, INC. & SUBSIDIARIES
 CASH FLOW STATEMENTS
 FOR THE PERIODS ENDED SEPTEMBER 30, 2010 AND 2009
 (Amounts in Millions of Pesos)

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	7,603	5,180
Adjustments for:		
Interest income	(37,174)	(36,237)
Interest received	38,564	36,583
Interest expense	11,824	14,060
Interest paid	(12,651)	(14,907)
Impairment losses	5,092	4,498
Depreciation and amortization	3,026	3,248
Fair value loss (gain)	2,482	(1,814)
Operating loss before changes in operating resources and liabilities	18,766	10,611
Decrease (increase) in financial assets at fair value through profit or loss	(3,641)	1,649
Decrease (increase) in loans and other receivables	(31,982)	(12,206)
Decrease (increase) in investment properties	(394)	(558)
Decrease (increase) in other resources	14,335	1,701
Increase (decrease) in deposit liabilities	19,385	10,615
Increase (decrease) in other liabilities	(4,304)	23
Cash generated from (used in) operations	12,165	11,835
Cash paid for income tax	(1,195)	(1,301)
Net Cash From (Used in) Operating Activities	10,970	10,534
CASH FLOWS FROM INVESTING ACTIVITIES		
Net acquisitions of bank premises, furniture, fixtures and equipment	(1,656)	(2,073)
Net decrease (increase) in equity investment	(2)	(7)
Net decrease (increase) in held-to-maturity investments	18,544	(264)
Net decrease (increase) in available-for-sale financial assets	(18,236)	(5,917)
Net Cash From (Used in) Investing Activities	(1,350)	(8,261)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common shares	0	0
Net proceeds from (payments of) bills payable	(1,287)	(12,451)
Sale (acquisition) of treasury stock	0	0
Dividends paid	(2,421)	(710)
Net Cash From (Used in) Financing Activities	(3,708)	(13,161)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	5,912	(10,888)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
Cash and other cash items	30,544	21,770
Due from Bangko Sentral ng Pilipinas	64,833	62,669
Due from other banks	16,732	17,102
	112,109	101,541
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and other cash items	15,614	18,815
Due from Bangko Sentral ng Pilipinas	92,129	61,773
Due from other banks	10,278	10,065
	118,021	90,653

BANCO DE ORO UNIBANK, INC. & SUBSIDIARIES
 BDO Corporate Center, 7899 Makati Avenue, Makati City

AGING OF LOANS AND ACCOUNTS RECEIVABLE
 As of September 30, 2010
 (Amounts in Millions of Pesos)

TYPE OF ACCOUNTS	CURRENT	61 – 180 DAYS	181 - 360 DAYS	OVER 360 DAYS	ITEMS IN LITIGATION	TOTAL
A. INTERBANK TERM LOANS RECEIVABLES	P 25,037	P	P	P	P	P 25,037
B. LOANS AND RECEIVABLES	P 520,767	P 3,994	P 3,983	P 11,228	P 3,905	P 543,877
Loans & Discounts	373,613	2,313	1,820	360	3,015	381,121
Agra-Agri Loans	44,580	279	39	1,012	76	45,986
Development Incentive Loans	463	2	6	7	2	480
Bills Purchases	10,951	0	0	30	2	10,983
Customers Liability on draft under LC/TR	30,707	3	39	2,491	190	33,430
Customers Liability for this bank's acceptances	2,047	0	0	0	0	2,047
Credit Card Receivables	18,607	1,298	843	3,797	114	24,659
Restructured Loans	122	11	1,131	3,168	449	4,881
Other Loan & Receivables	5,407	88	105	363	57	6,020
Reverse Repurchase Agreement	19,225	0	0	0	0	19,225
Unquoted Debt Securities Classified as Loans	15,045	0	0	0	0	15,045
C. ACCOUNTS RECEIVABLE	P 1,708	P 300	P 2,179	P 1,626	P 4	P 5,817
TOTAL	P 547,512	P 4,294	P 6,162	P 12,854	P 3,909	P 574,731

Annex A

BANCO DE ORO UNIBANK, INC. & SUBSIDIARIES
7899, BDO Corporate Center, Makati Avenue, Makati City

COMPUTATION OF WEIGHTED NUMBER OF COMMON SHARES
(Amounts in Millions of Pesos Except Per Share Data)

NO. OF SHARES – COMMON As of September	2010		2009	
	Outstanding Balance of Common Shares	Average Number of Common Shares	Outstanding Balance of Common Shares	Average Number of Common Shares
January	2,340		2,302	
February	2,340		2,302	
March	2,340	771	2,302	
April	2,607	264	2,302	
May	2,607	296	2,302	
June	2,607	286	2,302	
July	2,607	296	2,302	1,788
August	2,607	296	2,340	262
September	2,607	286	2,340	257
Weighted Average		<u>2,496</u>		<u>2,307</u>
Basic Earnings per share				
Net profit attributable to shareholders of the Parent Bank		6,372		4,041
Dividends on preferred shares		-330		-84
Net profit available to common shares		<u>6,042</u>		<u>3,957</u>
Divided by the weighted average number of outstanding common shares		<u>2,496</u>		<u>2,307</u>
Basic Earnings per share		<u>2.42</u>		<u>1.72</u>
Diluted Earnings Per Share				
Net profit attributable to shareholders of the Parent Bank		6,372		4,041
Divided by the weighted average number of outstanding common shares:				
Outstanding common shares		2,496		2,307
Potential common shares from assumed conversion of preferred shares		62		109
Potential common shares from assumed conversion of stock option plan		3		1
Total weighted average number of common shares after assumed conversion of convertible preferred shares		<u>2,561</u>		<u>2,416</u>
Diluted Earnings Per Share		<u>2.49</u>		<u>1.67</u>

CHECKLIST OF REQUIRED DISCLOSURES
BANCO DE ORO UNIBANK, INC.
For the nine months ended: September 30, 2010

FINANCIAL INFORMATION

6. Disclosure that the issuer's interim financial report is in compliance with generally accepted accounting principles.

The Bank's interim financial statements are in compliance with the Financial Reporting Standards in the Philippines (FRSP) for banks. FRSP and Philippine Financial Reporting Standards (PFRS) are similar except for the reclassification of certain financial assets, which was done in accordance with the guidelines set in Bangko Sentral ng Pilipinas' (BSP) Circular No. 626, Series of 2008. The full details of the reclassification are discussed in Section 4 of this report.

- 7.a A statement that the same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements or, if those policies or methods have been changed, a description of the nature and effect of the change.

The Bank used the same accounting policies and methods of computation for the interim and latest annual financial statements.

- 7.b Explanatory comments about the seasonality or cyclicity of interim operations.

Remarks: There is no seasonality or cyclicity in the Bank's operations.

- 7.c The nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidents.

Remarks: Please see 7.e below.

- 7.d The nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, if those changes have a material effect in the current interim period.

Remarks: NONE

- 7.e Issuances, repurchases, and repayments of debt and equity securities.

On April 26, 2010, the Bank completed a US\$250 million capital raising program covering the issuance of 267,669,397 common shares through private placement. The IFC (International Finance Corporation) and the IFC Capitalization (Equity) Fund, L.P. subscribed to US\$150 million worth of shares, while foreign institutional investors took up

the balance through a top-up offering. Each subscription share was issued at an offer price of P41.50 per share, for an aggregate amount of over P11.1 billion. BDO is using the P11.1 billion of new capital to support its medium-term growth objectives and further reinforce its position in the Philippine banking industry.

7.f Dividends paid (aggregate or per share) separately for ordinary shares and other shares

On May 28, 2010, the Bank's Board of Directors declared a cash dividend of P0.80 per common share. The cash dividend declaration was subsequently approved by the BSP on July 1, 2010. Record and payment dates were set on August 17 and 27, 2010, respectively.

On January 9, 2010, the Board of Directors approved the declaration of annual dividends on peso denominated preferred shares at the rate of 6.5% per annum for a total dividend of P330 million payable within 60 banking days from the dividend declaration date. The declaration was approved by the BSP on February 19, 2010, and paid on March 19, 2010.

7.g Segment revenue and segment result for business segments or geographical segments whichever is the issuer's primary basis of segment reporting. (This shall be provided only if the issuer is required to disclose segment information in its annual financial statements).

The Bank's comparative revenues and expenses by business segment are included as an attachment to this report.

7.h Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

On October 15, 2010, the Bank completed a US\$300 million Senior Note Issue. The notes represent direct, unsecured obligations of BDO and have a coupon of 3.875% and a yield of 3.95% p.a. Proceeds of the Senior Notes are intended to support the Bank's business expansion plans and for general banking and re-lending purposes.

7.i 7.i The effect of changes in the composition of the issuer during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

The branches and banking operations of GE Money Bank Philippines, Inc. (GEMB) have been transferred to the parent bank, BDO, as part of its business consolidation and branching strategy. On May 15, 2010, six (6) GEMB branches were converted into BDO and 14 branches were consolidated with BDO branches. The GEMB branch licenses are currently being redeployed. On August 12, 2010, GEMB was renamed BDO Elite Savings Bank, Inc.

7.j Changes in contingent liabilities or contingent assets from December 31, 2009.

Total Contingent Accounts increased 18% to P1.1 trillion

Trust Department Accounts went up by 18% to P540.5 billion due to a higher volume of funds managed from new and existing accounts.

Unused L/Cs were 12% higher at P29.7 billion, but Outstanding Guarantees Issued were 27% lower at P910 million. Meanwhile, Export L/Cs Confirmed went up 118% to P96 million on account of the higher volume of unutilized export L/Cs as of the cut-off date.

Due to increased Treasury activities, spot and forward exchange volumes went up. Spot Exchange Bought climbed 112% to P7.2 billion, while Spot Exchange Sold rose 123% to P9.0 billion. Forward Exchange Sold were 19% higher at P196.8 billion, while Forward Exchange Bought went up 25% to P165.1 billion. Interest Rate Swap Payable and Interest Rate Swap Receivables were both 5% lower at P23.7 billion.

Committed Credit Card Lines increased 24% to P88.6 billion from an expansion of the Bank's credit cardholder base.

Bills for Collection increased by 32% to P5.5 billion from higher levels of bills, drafts and checks sent for collection.

MANAGEMENT'S DISCUSSION & ANALYSIS

I. Balance Sheet – September 2010 vs. December 2009

Cash and Other Cash Items declined by 49% to P15.6 billion as the Bank normalized its liquidity levels. The year-end 2009 level was particularly high because of the holiday season.

Due from BSP account went up by 42% to P92.1 billion with funds coming from the Bank's cash account, while Due from Other Banks decreased by 39% to P10.3 billion from lower levels of placements and working balances with correspondent banks.

The aggregate Investment Securities grew by 6% to P182.2 billion mainly from a 48% increase in Available for Sale Securities (ASS) to P69.4 billion. Financial Assets at Fair Value through Profit or Loss (FVTPL) went up 15% to P9.7 billion, while Held-to-Maturity (HTM) securities declined 11% to P103.1 billion.

Net Loans and Other Receivables rose 3% to P542.8 billion as Securities Purchased Under Reverse Repurchase Agreements (SPURRA) went up by 70%. Interbank loans were 21% lower. Unquoted Debt Securities Classified as Loans (UDSCL), and Other Receivables-net also both declined by 26% and 28%, respectively. Gross customer loans were 6% higher from end-2009.

Other Resources declined by 16% to P14.7 billion on account of lower levels of clearing items, inter-office accounts and miscellaneous assets.

Total Deposits were 2% higher at P710.9 billion from end-2009. Savings deposits grew 7% to P380.1 billion, offsetting the decline in demand and time deposit levels of 15% and 1%, respectively.

Other Liabilities decreased 7% to P41.8 billion on lower volume of accounts payables and miscellaneous liabilities.

Total Equity went up 26% to P85.4 billion as a result of the recent capital raising and net income from operations. The Bank raised additional capital of \$250 million equivalent to P11.1 billion in April.

II. Balance Sheet – September 2010 vs. September 2009

Total Resources increased by 11% to P892.5 billion mainly from the continued expansion in the Bank's loan portfolio.

Cash and Other Cash Items declined 17% to P15.6 billion as the bank deployed funds to earning assets.

Due from BSP went up 49% to P92.1 billion with funds coming from cash accounts and deposits, while Due from Other Banks rose 2% to P10.3 billion on account of higher levels of placements and deposits with correspondent banks.

The total Investment Securities portfolio grew by 6% to P182.2 billion mainly from a 54% growth in AFS and a 37% increase in FVTPL. HTM securities were 14% lower YoY.

Net Loans and Other Receivables grew 10% to P542.8 billion mainly from an 18% growth in gross customer loans. Inter-bank loans and UDSCS declined 37% and 27%, respectively. SPURRA and Other Receivables were also 2% and 6% lower, respectively.

Investment Properties went down by 11% to P12.8 billion from the continued ROPA disposal programs of the Bank.

Total Deposit Liabilities climbed 10% from the Bank's deposit marketing efforts and increased market coverage with the redeployment of existing branch licenses. Demand and Savings Deposits rose by 12% and 16%, respectively, while the more expensive Time Deposits grew by only 4%.

Bills Payable went down 23% due to a reduction in short-term borrowings as deposit growth and the additional equity raised by the Bank provided the funding requirements.

Other Liabilities increased 23% primarily due to a higher volume of derivative liabilities and increased Bills Purchased availments from branches.

Total Equity increased by 30% from profitable operations, improvement in market value of Available-for-Sale securities and the issuance of additional shares. The Bank raised additional capital of \$250 million equivalent to P11.1 billion in April.

III. Income Statement – YTD September 2010 vs. YTD September 2009

Net Income attributable to Equity holders of the Parent Company increased 58% to P6.4 billion, from higher net interest income, trading gains and fee-based income.

Net Interest Income grew 14% to P25.4 billion from the expansion in the Bank's loan portfolio, and the improvement in the Bank's funding mix, which resulted in a 16% decline in interest expense.

Provision for Impairment Loss was 13% higher at P5.1 billion as the Bank continued its prudent approach on asset provisioning.

Total Other Income rose by 17% to P13.1 billion from higher trading and fee income. Fee-based income totaled P7.6 billion, 9% higher YoY. Service Charges and Fees grew 8% YoY to P6.5 billion owing to higher business volume from the Bank's major business lines, while Trust fees rose by 20% to P1.1 billion on higher levels of funds managed.

The combined Trading and Foreign Exchange Gains rose 39% to P4.4 billion for the first nine months of 2010 from P3.1 billion in the same period last year as the Bank was able to capitalize on market opportunities.

Meanwhile, Operating Expenses increased by 9% to P25.8 billion. Employee Benefits increased 11% from higher compensation and retirement fund contribution. Advertising expenses went up by 72% from continued marketing and advertising campaigns. Insurance expenses went up 10% from higher deposit and property insurance premiums from the increase in deposits and branches. Litigation/Assets Acquired expenses rose 14% due to ROPA-related maintenance and disposal expenditures.

IV. Comprehensive Income – YTD September 2010 vs. YTD September 2009

Total Comprehensive Income for the first nine months of 2010 reached P8.9 billion, 19% or P1.4 billion more than the P7.5 billion in the same period last year. The improvement was mainly due to the P2.3 billion or 57% increase in the Net Income after Tax to P6.4 billion.

Other Comprehensive Income was P941 million or 27% lower at P2.5 billion due to the drop in Unrealized Gain on AFS to P2.5 billion from P3.5 billion in the first nine months of 2009 attributed to mark-to-market valuation of the Bank's AFS inventory. Translation Adjustments Related to Foreign Operations were also P7 million lower than last year due to the strengthening of the peso against major foreign currencies during the period.

1. Key performance indicators

Indicator	9M10	9M09	Inc/(Dec.)
Return on Average Equity	11.16%	8.81%	235bps
Return on Average Assets	0.98%	0.68%	30 bps
Net Interest Margin	4.25%	4.13%	12 bps
Capital Adequacy Ratio	14.24%	12.75%	149 bps
Basic Earnings per Share	P2.42	P1.72	P0.70

2. Discussion of the company's five (5) key performance indicators. It shall include a discussion of the manner by which the company calculates or identifies the indicators presented on a comparable basis.

Annualized return on average equity (ROE), net income divided by average equity, increased by 235 bps to 11.16% from higher net income for the first nine months of 2010

Annualized return on average assets (ROA), net income divided by average assets, also improved by 30 bps to 0.98% as the growth in net income outpaced the increase in asset base.

Annualized Net Interest Margin, net interest income divided by average interest bearing assets, went up by 12 bps to 4.25% from continued growth in the loan portfolio and reduced funding cost.

Capital Adequacy Ratio (CAR), total qualifying capital divided by total risk-weighted assets, rose by 149 bps to 14.24% from 12.75% a year ago due to additional capital raised in April and improved operating results.

Basic Earnings per Share, net income available to common shares divided by average number of outstanding common shares, was higher by P0.70 at P2.42 due to the higher net income available to common shareholders.

- 3.a Any known trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity.

Remarks: NONE

- 3.b Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

Remarks: NONE

- 3.c Any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

Remarks: NONE

- 3.d Any material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.

Remarks: NONE

- 3.e Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.

Remarks: NONE

3.f Any significant elements of income or loss that did not arise from the issuer's continuing operations.

Remarks: NONE

3.g The causes for any material change from period to period which shall include vertical and horizontal analyses of any material item;

The term "material" in this section shall refer to changes of items amounting to five percent (5%) of the relevant accounts or such lower amount, which the registrant deems material on the basis of other factors.

Vertical Analysis-Material Changes

I. Balance Sheet – September 2010 vs. December 2009

None to report

II. Balance Sheet – September 2010 vs. September 2009

None to report

III. Income Statement – September 2010 vs. September 2009.

Trading gain went up to 35% of Other income from 20% due to improved market conditions.

FX gain dropped from 8% of Other Income to -2% from the currency appreciation.

The income tax rate dropped from 21% to 16% despite bigger profits as a bigger portion of revenue was accounted for by FCDU operations.

3.h Any seasonal aspects that had a material effect on the financial condition or results of operations.

Remarks: NONE

4. The details of reclassification of financial assets are stated below:

a. The financial assets reclassified into and from each category

As of September 30, 2008, the Bank reclassified certain FVTPL, AFS and credit-linked transactions booked in Due from Other Banks to HTM and UDSC.

b. For each reporting period until de-recognition, the carrying amounts and fair values of all financial assets reclassified in the current reporting period.

The reclassified accounts have the following balances as of June 30, 2010:

in US\$ mil	Carrying Amount	Fair Value
HTM	533.5	632.1
UDSCL	336.3	364.3
Total	869.8	996.4

c. In the reporting period to which financial assets are reclassified, the fair value of the gains or losses of those assets as recognized either in profit or loss, or in equity (other comprehensive income) in that reporting period and previous reporting periods.

in US\$ mil	P&L Impact	Equity Impact
HTM	2.1	17.2
UDSCL	11.6	27.5
Adjustment of BV	(3.1)	(18.0)
Total	10.6	26.7

d. For the remainder of the instruments' lives, the gains or losses that would have been recognized in profit or loss, or equity had they not been reclassified, together with the gains, losses, income and expenses now recognized.

in US\$ mil	Conso Impact
HTM	54.9
UDSCL	10.6
Total	65.5

e. As at that date of reclassification, the effective interest rates and estimated amounts of cash flows the company expects to recover.

The effective interest rates of the reclassified securities range from 3.82% to 12.54%.
The Bank expects cashflows amounting to US\$1.5 billion from these financial assets.

Banco De Oro Unibank, Inc. & Subsidiaries
Balances by Segment
As of September 30, 2010
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Others	Total	Eliminations	Group
Statement of Income							
Total Interest Income							
External	34,743	17	950	1,464	37,174	0	37,174
Inter-Segment	1	9	0	14	24	(24)	0
	<u>34,744</u>	<u>26</u>	<u>950</u>	<u>1,478</u>	<u>37,198</u>	<u>(24)</u>	<u>37,174</u>
Total Interest Expense							
External	11,249	0	357	218	11,824	0	11,824
Inter-Segment	22	1	1	0	24	(24)	0
	<u>11,271</u>	<u>1</u>	<u>358</u>	<u>218</u>	<u>11,848</u>	<u>(24)</u>	<u>11,824</u>
Net Interest Income	<u>23,473</u>	<u>25</u>	<u>592</u>	<u>1,260</u>	<u>25,350</u>	<u>0</u>	<u>25,350</u>
Other Operating Income							
Investment Banking Fees	0	279	0	0	279	0	279
Others	11,585	72	537	810	13,004	(158)	12,846
	<u>11,585</u>	<u>351</u>	<u>537</u>	<u>810</u>	<u>13,283</u>	<u>(158)</u>	<u>13,125</u>
Other Operating Expenses							
Depreciation and Amortization	1,248	3	14	711	1,976	0	1,976
Impairment Losses	4,851	0	57	236	5,144	(52)	5,092
Others	22,426	168	486	779	23,859	(55)	23,804
	<u>28,525</u>	<u>171</u>	<u>557</u>	<u>1,726</u>	<u>30,979</u>	<u>(107)</u>	<u>30,872</u>
Profit before Tax	<u>6,533</u>	<u>205</u>	<u>572</u>	<u>344</u>	<u>7,654</u>	<u>(51)</u>	<u>7,603</u>
Tax Expense	953	57	57	120	1,187	0	1,187
Net Profit	<u>5,580</u>	<u>148</u>	<u>515</u>	<u>224</u>	<u>6,467</u>	<u>(51)</u>	<u>6,416</u>
Statements of Financial Position							
Total Resources							
Segment Assets	852,235	1,761	24,156	22,062	900,214	(14,214)	886,000
Intangible Assets	927	9	3	0	939	0	939
Deferred Tax Assets	5,710	(32)	27	(96)	5,609	0	5,609
	<u>858,872</u>	<u>1,738</u>	<u>24,186</u>	<u>21,966</u>	<u>906,762</u>	<u>(14,214)</u>	<u>892,548</u>
Total Liabilities	<u>778,228</u>	<u>256</u>	<u>19,808</u>	<u>15,470</u>	<u>813,762</u>	<u>(6,634)</u>	<u>807,128</u>
Other Segment Information							
Capital expenditures	1,842	1	7	9	1,859	0	1,859
Investment in associate under equity method	2,183	68	0	0	2,251	0	2,251
Share in the Profit of associates	15	0	0	0	15	0	15

Banco De Oro Unibank, Inc. & Subsidiaries
Balances by Segment
As of September 30, 2009
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Others	Total	Eliminations	Group
Statement of Income							
Total Interest Income							
External	33,573	15	1,178	1,471	36,237	0	36,237
Inter-Segment	15	11	0	43	69	(69)	0
	<u>33,588</u>	<u>26</u>	<u>1,178</u>	<u>1,514</u>	<u>36,306</u>	<u>(69)</u>	<u>36,237</u>
Total Interest Expense							
External	13,222	0	689	149	14,060		14,060
Inter-Segment	53	1	1	14	69	(69)	0
	<u>13,275</u>	<u>1</u>	<u>690</u>	<u>163</u>	<u>14,129</u>	<u>(69)</u>	<u>14,060</u>
Net Interest Income	<u>20,313</u>	<u>25</u>	<u>488</u>	<u>1,351</u>	<u>22,177</u>	<u>0</u>	<u>22,177</u>
Other Operating Income							
Investment Banking Fees	0	277	0	0	277	(24)	253
Others	9,817	27	507	765	11,116	(109)	11,007
	<u>9,817</u>	<u>304</u>	<u>507</u>	<u>765</u>	<u>11,393</u>	<u>(133)</u>	<u>11,260</u>
Other Operating Expenses							
Depreciation and Amortization	1,210	3	13	809	2,035	0	2,035
Impairment Losses	4,261	0	192	45	4,498	0	4,498
Others	20,386	141	440	796	21,763	(39)	21,724
	<u>25,857</u>	<u>144</u>	<u>645</u>	<u>1,650</u>	<u>28,296</u>	<u>(39)</u>	<u>28,257</u>
Profit before Tax	<u>4,273</u>	<u>185</u>	<u>350</u>	<u>466</u>	<u>5,274</u>	<u>(94)</u>	<u>5,180</u>
Tax Expense	855	51	72	120	1,098	0	1,098
Net Profit	<u>3,418</u>	<u>134</u>	<u>278</u>	<u>346</u>	<u>4,176</u>	<u>(94)</u>	<u>4,082</u>
Statements of Financial Position							
Total Resources							
Segment Assets	770,692	1,519	25,310	18,369	815,890	(15,506)	800,384
Intangible Assets	1,186	10	0	0	1,196	0	1,196
Deferred Tax Assets	5,790	(8)	18	(71)	5,729	0	5,729
	<u>777,668</u>	<u>1,521</u>	<u>25,328</u>	<u>18,298</u>	<u>822,815</u>	<u>(15,506)</u>	<u>807,309</u>
Total Liabilities	<u>716,434</u>	<u>177</u>	<u>21,405</u>	<u>11,178</u>	<u>749,194</u>	<u>(7,730)</u>	<u>741,464</u>
Other Segment Information							
Capital expenditures	1,283	0	3	9	1,295	0	1,295
Investment in associate under equity method	2,163	68	0	0	2,231	0	2,231
Share in the Profit of associates	22	0	0	0	22	0	22