

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended
Sep 30, 2022
2. SEC Identification Number
34001
3. BIR Tax Identification No.
000-708-174-000
4. Exact name of issuer as specified in its charter
BDO Unibank, Inc.
5. Province, country or other jurisdiction of incorporation or organization
Metro Manila
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
BDO Corporate Center, 7899 Makati Ave., Makati City
Postal Code
0726
8. Issuer's telephone number, including area code
(632) 8840-7000 / 8702-6000
9. Former name or former address, and former fiscal year, if changed since last report
--
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	4,386,674,762
Preferred	515,000,000

11. Are any or all of registrant's securities listed on a Stock Exchange?
☒ Yes ☐ No
 If yes, state the name of such stock exchange and the classes of securities listed therein:
 Philippine Stock Exchange - Common Stock
12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

☒ Yes ☐ No

(b) has been subject to such filing requirements for the past ninety (90) days

☒ Yes ☐ No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



BDO Unibank, Inc.
BDO

PSE Disclosure Form 17-2 - Quarterly Report
References: SRC Rule 17 and
Sections 17.2 and 17.8 of the Revised Disclosure Rules

For the period ended	Sep 30, 2022
Currency (indicate units, if applicable)	Phil. Peso in Millions

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Sep 30, 2022	Dec 31, 2021
Current Assets	1,378,018	1,339,369
Total Assets	3,863,002	3,623,749
Current Liabilities	3,116,951	2,936,671
Total Liabilities	3,418,359	3,199,201
Retained Earnings/(Deficit)	279,492	249,743
Stockholders' Equity	444,643	424,548
Stockholders' Equity - Parent	442,647	422,934
Book Value per Share	99.73	95.26

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	62,283	51,336	172,859	152,389
Gross Expense	38,292	33,364	109,683	101,241
Non-Operating Income	-	-	-	-

Non-Operating Expense	3,938	3,659	12,163	10,440
Income/(Loss) Before Tax	20,053	14,313	51,013	40,708
Income Tax Expense	3,937	3,280	10,856	8,224
Net Income/(Loss) After Tax	16,116	11,033	40,157	32,484
Net Income Attributable to Parent Equity Holder	16,055	11,018	39,998	32,439
Earnings/(Loss) Per Share (Basic)	3.66	2.51	9.04	7.32
Earnings/(Loss) Per Share (Diluted)	3.62	2.49	9.02	7.32

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	11.4	9.97
Earnings/(Loss) Per Share (Diluted)	11.36	9.97

Other Relevant Information

Amounts in millions of Philippine Pesos except Earnings Per Share and Book Value Per Share.

For further reference, please see attachment.

Filed on behalf by:

Name	Elmer Serrano
Designation	Corporate Information Officer

COVER SHEET

3 4 0 0 1

S.E.C. Registration Number

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

(COMPANY'S FULL NAME)

B D O T O W E R S V A L E R O , 8 7 4 1 P A S E O

D E R O X A S S T R E E T , S A L C E D O

V I L L A G E , M A K A T I C I T Y

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

RHODA P. LAZARO

Contact Person

8878-4520/8840-7000 loc 34520

Company Telephone Number

0 9

Month

3 0

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

12,310

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be Accomplished by SEC Personnel concerned

File Number

LCU

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND BRC RULES 17 (2) (b) THEREUNDER

1. For the quarter ended September 30, 2022.

2. Commission identification number 34001.

3. BIR Tax Identification No. 000-708-174-000.

BDO UNIBANK, INC.

4. Exact name of issuer as specified in its charter

Makati City, Philippines

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code (For SEC Use Only)

BDO Corporate Center, 7899 Makati Avenue, Makati City

7. Address of issuer's principal office

0726

Postal Code

8878-4520/8840-7000 LOC 34520

8. Issuer's Telephone number, including area code

NA

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Section 8 and 12 of the Code of Section 4 and 8
of the RSA

Title of each class	Number of shares of common stock outstanding	Amount of Debt Outstanding
Common stock	4,386,642,196	

11. Are any or all of the securities listed on a stock exchange?

Yes ☒

No. ☐

If yes, state the name of such stock exchange and the class/es of securities listed
therein: Philippine Stock Exchange -Common Stock

12. Indicate by check mark whether the registrant:

a. has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17
thereunder or Section 11 of the RSA and RSA 11 (a)-1 thereunder, and Section 26
and 141 of the Corporations Code of the Philippines, during the preceding twelve (12)
months or such shorter period the registrant was required to file such reports.

Yes ☒

No. ☐

b. has been subject to such filing requirements for the last ninety (90) days

Yes ☒

No. ☐

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.....

BDO UNIBANK, INC.

Signature and Title.....


LUCY CO DY
EVP/COMPTROLLER 

Date.....

October 28, 2022

Principal Financial /Accounting
Officer/Comptroller.....

LUCY CO DY

Signature and Title.....


EVP/COMPTROLLER 

Date.....

October 28, 2022

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

	As of September 30, 2022	Audited as of December 31, 2021
<u>RESOURCES</u>		
CASH AND OTHER CASH ITEMS	P 52,236	P 69,105
DUE FROM BANGKO SENTRAL NG PILIPINAS	337,922	304,906
DUE FROM OTHER BANKS	76,452	70,092
TRADING AND INVESTMENT SECURITIES		
Financial Assets at FVTPL	60,658	47,934
Financial Assets at FVOCI	166,483	170,793
Investment Securities at Amortized Cost - Net	501,333	397,534
LOANS AND OTHER RECEIVABLES – Net	2,541,225	2,450,903
PREMISES, FURNITURE, FIXTURES AND EQUIPMENT – Net	45,919	44,807
INVESTMENT PROPERTIES	20,859	18,795
EQUITY INVESTMENTS – Net	5,436	5,194
DEFERRED TAX ASSETS	6,067	6,768
OTHER RESOURCES – Net	48,412	36,918
TOTAL RESOURCES	P 3,863,002	P 3,623,749
<u>LIABILITIES AND EQUITY</u>		
LIABILITIES		
DEPOSIT LIABILITIES		
Demand	P 451,818	P 404,568
Savings	2,047,838	2,000,245
Time	536,794	416,083
Total Deposit Liabilities	3,036,450	2,820,896
BILLS PAYABLE	183,067	204,431
INSURANCE CONTRACT LIABILITIES	60,161	65,328
OTHER LIABILITIES	138,681	108,546
Total Liabilities	3,418,359	3,199,201
EQUITY		
Attributable to:		
Shareholders of the Parent Bank	442,647	422,934
Non-controlling Interests	1,996	1,614
	444,643	424,548
TOTAL LIABILITIES AND EQUITY	P 3,863,002	P 3,623,749
<u>CONTINGENT</u>		
Trust department accounts	P 1,743,995	P 1,778,718
Unused commercial letters of credit	92,504	75,758
Outstanding guarantees issued	4,471	4,202
Export L/Cs Confirmed	3,885	4,644
Bills for collection	18,072	8,673
Late deposits/payments received	1,883	461
Spot Exchange Bought	24,300	9,233
Spot Exchange Sold	36,971	15,646
Forward Exchange Bought	235,574	177,434
Forward Exchange Sold	256,231	190,055
Interest Rate Futures Sold	1,682	1,661
Interest Rate Swap Receivable	6,093	6,993
Interest Rate Swap Payable	6,093	6,993
Other Contingent Accounts	459,844	444,771
	P 2,891,598	P 2,725,242

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

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

	For the nine-month period ending		For the quarter ending	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
INTEREST INCOME ON				
Loans and Other Receivables	P 100,001	P 93,043	P 35,859	P 31,192
Trading and Investment Securities	17,918	13,616	6,561	5,067
Due from BSP and Other Banks	1,693	1,225	923	285
Others	55	46	24	14
Total Interest Income	119,667	107,930	43,367	36,558
INTEREST EXPENSE ON				
Deposit Liabilities	6,327	5,358	3,108	1,786
Bills Payable and Other Borrowings	4,572	4,420	1,396	1,472
Finance Lease Liabilities	678	600	222	192
Total Interest Expense	11,577	10,378	4,726	3,450
NET INTEREST INCOME	108,090	97,552	38,641	33,108
IMPAIRMENT LOSSES (RECOVERY) - Net				
Financial Assets	12,369	10,359	4,069	3,648
Non-financial Assets	(210)	56	(120)	-
Others	4	25	(11)	11
	12,163	10,440	3,938	3,659
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	95,927	87,112	34,703	29,449
OTHER OPERATING INCOME				
Service Charges, Fees and Commissions	27,695	21,331	10,105	7,386
Trading Gain(Loss) - Net	(2,066)	(124)	(1,091)	(703)
Trust Fees	3,437	3,209	1,166	1,077
Foreign Exchange Gain	6,302	2,952	2,984	1,515
Insurance Premiums	14,594	13,678	4,687	4,446
Miscellaneous – net	3,230	3,413	1,065	1,057
Total Other Operating Income	53,192	44,459	18,916	14,778
OTHER OPERATING EXPENSES				
Compensation and Benefits	32,695	28,811	11,461	9,570
Occupancy	7,908	6,900	2,649	2,197
Taxes and licenses	9,193	8,299	3,235	2,652
Security, Clerical, Messengerial and Janitorial	3,082	2,865	1,091	950
Insurance	4,725	4,328	1,616	1,480
Advertising	1,811	2,034	638	628
Litigation on Assets Acquired	677	569	190	170
Policy Reserves	7,046	6,726	1,764	2,091
Insurance Benefits and Claims	4,025	4,914	1,393	1,661
Miscellaneous	26,944	25,417	9,529	8,515
Total Other Operating Expenses	98,106	90,863	33,566	29,914
PROFIT BEFORE TAX	51,013	40,708	20,053	14,313
TAX EXPENSE	10,856	8,224	3,937	3,280
NET PROFIT	P 40,157	P 32,484	P 16,116	P 11,033
Attributable to:				
Shareholders of the Parent Bank	P 39,998	P 32,439	P 16,055	P 11,018
Non-controlling Interests	159	45	61	15
	P 40,157	P 32,484	P 16,116	P 11,033
Earnings Per Share:				
Basic	9.04	7.32	3.66	2.51
Diluted	9.02	7.32	3.62	2.49

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

BDO UNIBANK, INC. & SUBSIDIARIES
BDO Towers Valero, 8741 Paseo de Roxas Street, Salcedo Village, Makati City

STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Millions of Pesos)

	For the nine-month period ending		For the quarter ending	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
NET PROFIT	P 40,157	P 32,484	P 16,116	P 11,033
OTHER COMPREHENSIVE INCOME(LOSS)				
Items that are or will be reclassified subsequently to profit or loss:				
Net unrealized gains (losses) on debt investments at fair value through other comprehensive income (FVOCI), net of tax	(19,262)	(4,014)	(4,128)	(1,693)
Transfer of realized losses (gains) on disposed debt investments at FVOCI to statements of income, net of tax	(26)	(334)	36	(30)
Impairment losses (recoveries) on debt investments at FVOCI	7	(79)	(3)	(3)
Net gains (losses) on FVOCI securities, net of tax	(19,281)	(4,427)	(4,095)	(1,726)
Translation adjustment related to foreign operations	87	82	96	35
	(19,194)	(4,345)	(3,999)	(1,691)
Items that will not be reclassified to profit or loss:				
Remeasurement on life insurance reserves	9,170	5,508	2,038	1,966
Actuarial gains (losses) on remeasurement of retirement benefit obligation, net of tax	11	(21)	0	0
Unrealized gains (losses) on equity investments at FVOCI, net of tax	(1,037)	86	(457)	(48)
	8,144	5,573	1,581	1,918
	(11,050)	1,228	(2,418)	227
Other Comprehensive Income (Loss), net of tax				
TOTAL COMPREHENSIVE INCOME	P 29,107	P 33,712	P 13,698	P 11,260
Attributable To:				
Shareholders of the Parent Bank	P 29,026	P 33,678	P 13,658	P 11,256
Non-controlling Interest	81	34	40	4
	P 29,107	P 33,712	P 13,698	P 11,260

BDO UNIBANK, INC. & SUBSIDIARIES
BDO Towers Valero, 8741 Paseo de Roxas Street, Salcedo Village, Makati City

STATEMENTS OF CHANGES IN EQUITY
COMPARATIVE PERIODS ENDED SEPTEMBER 30, 2022 AND 2021
(Amounts in Millions of Pesos)

	Common Stock	Preferred Stock	Additional Paid-in Capital	Surplus Reserves	Other Reserves	Surplus Free	Net Unrealized Fair Value Gain / (Losses) on FVOCI	Accumulated Actuarial Gains/ (Losses)	Revaluation Increment	Remeasurement on Life Insurance Reserves	Accumulated Translation Adjustment	Accumulated Share in Other Comprehensive Income/(Loss) of Associates	Total Attributable to Shareholders of the Parent Bank	Non-Controlling Interest	Total Equity
Balance at January 1, 2022	P 43,855	P 5,150	P 124,447	P 19,930	P -	P 249,743	P (1,630)	P -	P 1,010	P (3,173)	P 43	P (16)	P 422,934	P 1,614	P 424,548
Transactions with owners															
Issuance of primary shares	11		116	(838)									127		127
Options transferred during the year				72									(838)		(838)
Options exercised during the year													72		72
Cash Dividends	11	-	116	(786)	-	(8,673)	-	-	-	-	-	-	(8,673)	-	(8,673)
Total transactions with owners						(8,673)							(9,312)		(9,312)
Total comprehensive income (loss)						39,998	(20,240)			9,170	87	11	29,026	81	29,107
Transfer to/(from) Surplus Free															
Reversal of appropriation				(14)		14							-		-
Appropriation of excess GLIP over ECL				1,570		(1,570)							-		-
Other Reserves	-	-	-	36		(36)							-		-
	-	-	-	1,592	-	(1,592)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI						16	(16)						-		-
Other adjustments															
Additional capital contribution to a subsidiary	-	-	-	-	(1)	-	-	-	-	-	-	-	(1)	301	300
	-	-	-	-	(1)	-	-	-	-	-	-	-	(1)	301	300
Balance at September 30, 2022	P 43,866	P 5,150	P 124,563	P 20,756	P 28	P 279,492	P (21,866)	P (16,454)	P 1,010	P 5,997	P 130	P (5)	P 442,647	P 1,996	P 444,643
Balance at January 1, 2021	P 43,842	P 5,150	P 124,327	P 17,964	P 29	P 214,525	P 4,008	P (10,459)	P 955	P (8,859)	P (49)	P (10)	P 391,423	P 1,598	P 393,021
Transactions with owners															
Issuance of primary shares	10		86	30									96		96
Options transferred during the year				124									30		30
Options exercised during the year													124		124
Cash Dividends	10	-	86	154	-	(4,287)	-	-	-	-	-	-	(4,287)	(1)	(4,288)
Total transactions with owners						(4,287)							(4,037)	(1)	(4,038)
Total comprehensive income (loss)						32,439	(4,331)	(12)		5,508	81	(7)	33,678	34	33,712
Transfer to/(from) Surplus Free															
Appropriation of excess GLIP over ECL	-	-	-	632		(632)							-		-
Other Reserves	-	-	-	35		(35)							-		-
	-	-	-	667	-	(667)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI						(331)	(36)						(367)		(367)
Other Adjustments															
Change in ownership interest in subsidiaries	-	-	-	-	1	-	-	-	-	-	-	-	1	-	1
	-	-	-	-	1	-	-	-	-	-	-	-	1	-	1
Balance at September 30, 2021	P 43,852	P 5,150	P 124,413	P 18,785	P 30	P 241,679	P (359)	P (10,471)	P 955	P (3,351)	P 32	P (17)	P 420,698	P 1,631	P 422,329

BDO UNIBANK, INC. & SUBSIDIARIES
CASH FLOW STATEMENTS
FOR THE PERIODS ENDED SEPTEMBER 30, 2022 AND 2021
(Amounts in Millions of Pesos)

Page 5

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	P 51,013	P 40,708
Adjustments for:		
Interest income	(119,667)	(107,930)
Interest received	120,315	111,752
Interest paid	(11,505)	(10,163)
Interest expense	11,577	10,378
Gain from disposal of FVOCI	(44)	(336)
Gain from disposal of Investment securities at amortized cost	(18)	(155)
Impairment losses	12,163	10,440
Depreciation and amortization	7,441	6,750
Share in net profit of associates	(785)	(592)
Fair value losses (gains)	63	(318)
Foreign exchange losses (gains) unrealized	(22,094)	(7,956)
Operating profit before changes in operating resources and liabilities	48,459	52,578
Decrease (Increase) in:		
Financial assets at FVTPL	(12,992)	(8,007)
Loans and other receivables	(141,397)	(50,636)
Investment properties	(3,248)	(334)
Other resources	(17,717)	(7,881)
Increase (Decrease) in:		
Deposit liabilities	214,828	124,662
Insurance contract liabilities	4,003	8,999
Other liabilities	36,766	22,242
Cash generated from (used in) operations	128,702	141,623
Cash paid for income tax	(10,285)	(10,405)
Net Cash From (Used in) Operating Activities	<u>118,417</u>	<u>131,218</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment securities at amortized cost	(128,362)	(136,690)
Acquisitions of securities at FVOCI	(277,494)	(465,785)
Maturities of investment securities at amortized cost	49,589	48,103
Proceeds from disposals of securities at FVOCI	273,611	479,219
Acquisitions of premises, furniture, fixture and equipment	(2,450)	(2,630)
Proceeds from disposals of premises, furniture, fixture and equipment	147	144
Net Cash From (Used in) Investing Activities	<u>(84,959)</u>	<u>(77,639)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bills payable	106,728	93,347
Payments of bills payable	(142,523)	(101,024)
Dividends paid	(8,673)	(4,288)
Payments of lease liabilities	(3,136)	(2,353)
Proceeds from issuance of common stock	127	96
Net Cash From (Used in) Financing Activities	<u>(47,477)</u>	<u>(14,222)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	P <u>(14,019)</u>	P <u>39,357</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
Cash and other cash items	69,105	74,851
Due from Bangko Sentral ng Pilipinas	304,906	308,636
Due from other banks	70,092	65,289
Investment Securities at Amortized Cost	-	164
Reverse repurchase agreements	17,095	16,729
Interbank Loans Receivable	81,083	57,100
FCNC	5,597	8,578
	<u>547,878</u>	<u>531,347</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash and other cash items	52,236	54,821
Due from Bangko Sentral ng Pilipinas	337,922	340,467
Due from other banks	76,452	68,820
Investment Securities at Amortized Cost	-	563
Reverse repurchase agreements	19,226	22,092
Interbank Loans Receivable	40,746	79,196
FCNC	7,277	4,745
	P <u>533,859</u>	P <u>570,704</u>

CHECKLIST OF REQUIRED DISCLOSURES

BDO UNIBANK, INC.

For the nine months ended: September 30, 2022

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 Philippine Financial Reporting Standards.

- 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 significant accounting policies in the Bank's interim financial statements are consistent with those applied in its annual financial statements as of and for the year ended December 31, 2021.

- 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: See 7e

- 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 January 28, 2022, BDO issued P52.7 billion worth of Peso-denominated Fixed-Rate ASEAN Sustainability Bonds. The issue was intended to diversify the Bank's funding sources and finance/refinance eligible assets under the Bank's Sustainable Finance Framework.

On April 3, 2022, upon maturity, the Bank redeemed P36.0 billion in Peso Fixed Rate bonds.

On May 16, 2022 the Bank issued its maiden Blue Bond amounting to \$100 million. The issuance will expand financing for projects that help prevent marine pollution and preserve clean water resources, while supporting the country's climate goals.

On August 3, 2022, upon maturity, BDO redeemed P40.1 billion in peso Fixed Rate bonds.

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

On January 29, 2022, the Board of Directors of BDO approved the declaration of annual cash dividends on preferred shares at the rate of 6.5% per annum for a total dividend amount of P339 million. The dividends were paid on February 22, 2022.

On February 24, 2022, the Board of Directors approved the declaration of cash dividends for the first quarter of 2022, in the amount of P0.30 per common share for a total of P1.3 billion. The dividends were paid on March 31, 2022.

On April 22, 2022, the Board of Directors approved the declaration of a special cash dividend in the amount of P1.00 per common share for a total of P4.4 billion. The dividends were paid on May 31, 2022.

On May 28, 2022, the Board of Directors approved the declaration of cash dividends for the second quarter of 2022, in the amount of P0.30 per common share for a total of P1.3 billion. The dividends were paid on June 30, 2022.

On August, 26, 2022 the Board of Directors approved the declaration of cash dividends for the third quarter of 2022, in the amount of P0.30 per common share for a total of P1.3 billion. The dividends were paid on September 30, 2022.

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 March 26, 2022, the Board of Directors approved and endorsed for stockholders' approval the declaration of stock dividends equivalent to 20% of the Bank's outstanding capital stock, covering both common and preferred shares, as well as an increase in its authorized capital stock (common shares) from 5.5 billion to 8.5 billion shares, subject to regulatory approval.

On September 24, 2022, the Board of Directors approved an additional equity investment in BDO Network Bank, Inc. (BDONB) of up to P4.25 billion to be infused in tranches depending on the business needs of BDONB, subject to regulatory approval.

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.

Remarks: NONE



7.j Changes in contingent liabilities or contingent assets from December 31, 2021.

- Total Contingent Accounts increased 6% to P2.9 trillion with material movements from the following accounts:
 - Unused L/Cs and Outstanding Guarantees Issued increased 22% and 6% to P92.5 billion and P4.5 billion, respectively, owing to higher volume of trade transactions.
 - Export L/Cs Confirmed went down 16% to P3.9 billion due to lower outstanding transactions as of cut-off date.
 - Bills for Collection as well as Late Deposits and Payment Received soared 108% and 308% to P18.1 billion and P1.9 billion, respectively, as of September 30, 2022.
 - Treasury activities resulted in the following, consistent with the economic re-opening, increasing interest rates and the stronger US dollar:
 - Spot Exchange Bought and Sold surged 163% and 136% to P24.3 billion and P37.0 billion, respectively.
 - Forward Exchange Bought and Sold, likewise, jumped 33% and 35% to P235.6 billion and P256.2 billion, respectively.
 - Interest Rate Swap Receivable and Payable declined 13% to P6.1 billion apiece.



BDO Unibank, Inc. & Subsidiaries
Balances by Segment
As of September 30, 2022
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Leasing & Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 116,463	P 40	P 853	P 472	P 1,837	P 2	P 119,667
Interest expense	(11,380)	(1)	(38)	(103)	(54)	(1)	(11,577)
Net interest income	105,083	39	815	369	1,783	1	108,090
Intersegment revenue							
Interest income	81	1	1	-	3	-	86
Interest expense	(22)	(23)	(5)	(17)	(12)	(48)	(127)
Net interest income	59	(22)	(4)	(17)	(9)	(48)	(41)
Other operating income							
Investment banking fees	-	1,843	-	-	-	-	1,843
Others	39,816	164	1,313	487	16,128	398	58,306
	39,816	2,007	1,313	487	16,128	398	60,149
Total net revenues	144,958	2,024	2,124	839	17,902	351	168,198
Expenses							
Other operating expenses							
Depreciation and amortization	6,826	64	55	321	224	61	7,551
Impairment losses	12,152	-	-	10	1	-	12,163
Others	75,640	743	1,012	267	13,931	260	91,853
	94,618	807	1,067	598	14,156	321	111,567
Segment operating income	50,340	1,217	1,057	241	3,746	30	56,631
Tax expense	9,369	390	121	64	901	11	10,856
Segment net income	P 40,971	P 827	P 936	P 177	P 2,845	P 19	P 45,775
Statement of Financial Position							
Total resources							
Segment assets	P 3,755,939	P 6,866	P 39,666	P 7,656	P 86,053	P 10,413	P 3,906,593
Deferred tax assets (Liabilities) - net	6,155	(176)	14	16	64	(6)	6,067
Intangible assets	6,929	69	42	-	33	-	7,073
	3,769,023	6,759	39,722	7,672	86,150	10,407	3,919,733
Total liabilities	P 3,317,099	P 2,053	P 33,938	P 6,355	P 69,863	P 2,218	P 3,431,526
Other Segment Information							
Capital expenditures	P 4,960	P 5	P 5	P 218	P 1,144	P 29	P 6,361
Investment in associates under equity method	-	-	-	-	-	5,589	5,589
Share in the profit of associates	-	-	-	-	-	785	785

BDO Unibank, Inc. & Subsidiaries
Balances by Segment
As of September 30, 2021
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Leasing & Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 105,046	P 5	P 830	P 464	P 1,582	P 3	P 107,930
Interest expense	(10,077)	-	(57)	(192)	(50)	(2)	(10,378)
Net interest income	94,969	5	773	272	1,532	1	97,552
Intersegment revenue							
Interest income	94	1	-	-	2	-	97
Interest expense	(12)	(35)	(2)	(26)	(6)	(49)	(130)
Net interest income	82	(34)	(2)	(26)	(4)	(49)	(33)
Other operating income							
Investment banking fees	-	1,114	-	-	-	-	1,114
Others	30,563	220	1,101	569	15,252	458	48,163
	30,563	1,334	1,101	569	15,252	458	49,277
Total net revenues	125,614	1,305	1,872	815	16,780	410	146,796
Expenses							
Other operating expenses							
Depreciating and amortization	6,183	64	54	409	80	64	6,854
Impairment losses	10,487	12	(17)	(26)	(16)	-	10,440
Others	68,971	540	919	275	14,232	235	85,172
	85,641	616	956	658	14,296	299	102,466
Segment operating income	39,973	689	916	157	2,484	111	44,330
Tax expense	7,357	144	188	21	500	14	8,224
Segment net income	P 32,616	P 545	P 728	P 136	P 1,984	P 97	P 36,106
Statement of Financial Position							
Total resources							
Segment assets	P 3,429,753	P 8,801	P 38,096	P 10,583	P 78,599	P 10,249	P 3,576,081
Deferred tax assets (Liabilities) - net	7,259	(168)	7	8	32	(7)	7,131
Intangible assets	6,463	115	23	-	56	1	6,658
	P 3,443,475	P 8,748	P 38,126	P 10,591	P 78,687	P 10,243	P 3,589,870
Total liabilities							
	P 3,015,890	P 5,220	P 32,156	P 9,482	P 68,183	P 2,158	P 3,133,089
Other Segment Information							
Capital expenditures	P 3,306	P 24	P 8	P 163	P 33	P 2	P 3,536
Investment in associates under equity method	-	-	-	-	-	-	-
Share in the profit of associates	-	-	-	-	-	-	-
	P -	P -	P -	P -	P -	P 5124	P 5,124
	P -	P -	P -	P -	P -	P 592	P 592

BDO Unibank, Inc. and Subsidiaries
Reconciliation
As of September 30, 2022 and 2021
(Amounts in Millions of Pesos)

	<u>2022</u>	<u>2021</u>
Revenue		
Total segment net revenues	P 168,198	P 146,796
Elimination of intersegment revenues	<u>(6,916)</u>	<u>(4,785)</u>
Net revenues as reported in profit or loss	<u>P 161,282</u>	<u>P 142,011</u>
Profit or loss		
Total segment net income	P 45,775	P 36,106
Elimination of intersegment profit	<u>(5,618)</u>	<u>(3,622)</u>
Net profit as reported in profit or loss	<u>P 40,157</u>	<u>P 32,484</u>
Resources		
Total segment resources	P 3,919,733	P 3,589,870
Elimination of intersegment assets	<u>(56,731)</u>	<u>(45,737)</u>
Total resources	<u>P 3,863,002</u>	<u>P 3,544,133</u>
Liabilities		
Total segment liabilities	P 3,431,526	P 3,133,089
Elimination of intersegment liabilities	<u>(13,167)</u>	<u>(11,285)</u>
Total Liabilities	<u>P 3,418,359</u>	<u>P 3,121,804</u>

MANAGEMENT'S DISCUSSION & ANALYSIS

1. Comparable discussion that will enable the reader to assess material changes in financial condition results of operation since the end of the last fiscal year and for the comparable interim period in the preceding financial year.

1.a Balance Sheet – September 2022 vs. December 2021

- Cash and Other Cash Items slid 24% to P52.2 billion, from a high year-end 2021 level owing to deposits generated during the Christmas season.
- Due from BSP grew 11% to P337.9 billion on account of higher volume of placements in BSP's short-term facilities.
- Due from Other Banks increased 9% to P76.5 billion resulting from increased placements and working balances with correspondent banks.
- Investment Securities expanded 18% to P728.5 billion as excess funds were channeled to higher yielding government securities. Consequently, Financial Assets at Fair Value Through Profit or Loss (FVTPL) and Investment Securities at Amortized Cost increased by 27% and 26%, respectively.
- Net Loans and Other Receivables went up by 4% to P2.5 trillion, as gross customer loans grew by 5%. Securities Purchased Under Reverse Repurchase Agreements (SPURRA) and other receivables, likewise increased 12% apiece.
- Investment Properties rose 11% to P20.9 billion due to foreclosures and dacion payments.
- Deferred Tax Assets declined 10% to P6.1 billion, following loan write-offs and amortization of past service costs.
- Other Resources hiked 31% to P48.4 billion primarily from increases in prepaid expenses, margin deposits and Foreign Currency on Hand.
- Total Deposits expanded 8% to P3.0 trillion as Demand, Savings and Time deposits increased 12%, 2% and 29%, respectively.
- Bills Payable dropped 10% to P183.1 billion from the redemption of P40.1 billion peso fixed rate bonds.
- Insurance Contract Liabilities declined 8% to P60.2 billion from revaluation of insurance reserves.
- Other Liabilities climbed 28% to P138.7 billion mainly owing to higher levels of accrued expenses payable, outstanding acceptances from trade transactions, and bills purchased contra account.
- Total Equity increased 5% to P444.6 billion from profits for the nine months of the year.

1.b Balance Sheet – September 2022 vs. September 2021

- Total Resources increased 9% year-on-year to P3.9 trillion from growth in customer loans and Investment Securities funded mainly by deposits.
- Due from Other Banks went up 11% on higher level of placements and working balances with correspondent banks.
- Investment Securities hiked 21% as FVTPL and Investment Securities at Amortized Cost climbed by 33% and 30%, respectively. Excess funds were channeled to higher-yielding government securities as interest rates continue to rise.



- Net Loans and Other Receivables rose 7% from a year-on-year growth in gross customer loans of 10%. Meantime, Interbank Loans and SPURRA dropped 37%, and 13%, respectively, while other receivables went up by 14%
- Equity Investments increased 9% to P5.4 billion due to earnings from associates.
- Investment Properties soared 36% from an investment in prime real estate in Makati as well as foreclosures and dacion payments.
- Deferred Tax Assets declined 15% year-on-year primarily from loan write-offs.
- Other Resources jumped 21% mainly due to higher margin deposits, prepaid expenses, Foreign Currency on Hand and non-current assets held for sale as of the cut-off date.
- Deposit Liabilities expanded 11% year-on-year attributable to growth in Demand, Savings and Time deposits of 21%, 6% and 27%, respectively.
- Bills Payable went down 12% from the redemption of P40.1 billion peso fixed rate bonds.
- Other Liabilities rose 19% year-on-year mainly owing to increases in outstanding acceptances from trade transactions, and bills purchased contra account.
- Total Equity increased 5% from continued profitable operations.

1.c Income Statement – September 2022 vs. September 2021

- The Bank reported a Net Income attributable to Equity holders of the Parent Company of P40.0 billion for the three quarters of the year, an improvement of 23% from the P32.4 billion for the same period last year.
- Net Interest Income jumped 11% to P108.1 billion from an expansion in earning assets coupled with the impact of rising interest rates brought about by policy rate hikes by the BSP.
- The Bank set aside P12.2 billion as Provision for Impairment Losses, 17% higher than the previous year's P10.4 billion, improving NPL coverage ratio to 152%. NPL ratio registered at 2.23% down from 3.10% the previous year.
- Other income surged 20% to P53.2 billion on account of the following:
 - Trading Loss of P2.1 billion was recorded due to mark-to-market losses on BDO Life's equity portfolio and revaluation of certain derivatives contra foreign exchange gain.
 - Service Charges and Fees surged 30% to P27.7 billion on continued growth from the Bank's major service businesses.
 - Trust Fees rose 7% to P3.4 billion on higher volume of Assets Under Management.
 - Foreign Exchange (FX) Gain soared 113% to P6.3 billion as the Bank benefitted from continuing customer flows and revaluation of certain derivatives contra trading loss.
 - Insurance Premiums increased 7% to P14.6 billion owing to higher BDO Life business volumes.
 - Other Income went down 5% to P3.2 billion on lower gains from ROPA disposal.
- Operating Expenses grew 8% to P98.1 billion due to the following:
 - Compensation and Benefits increased 13% owing to salary increases and a higher manpower headcount.
 - Occupancy expenses hiked 15% from improvements in premises and investments in the Bank's various distribution channels.



- Taxes and Licenses climbed 11% due to increased Gross Receipt Tax on a higher income base as well as higher Documentary Stamp Tax on a larger Time Deposit base.
- Insurance expenses rose 9% following a higher deposit level.
- Advertising expenses declined 11% owing to lower marketing, promotional and advertising expenditures.
- Litigation/Assets Acquired expenses grew 19% due to higher costs relating to litigation and maintenance of acquired assets.
- Policy Reserves went up 5% on higher BDO Life business volumes while Insurance Benefits and Claims dropped 18% from maturities.
- Security, Clerical and Janitorial expenses as well as Other expenses hiked 8% and 6%, respectively, following increased business volumes and a wider distribution network.
- Tax Expense climbed 32% to P10.9 billion owing to higher taxable income as well as the lower tax rates in 2021 coming from the retroactive application of the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE).

1.d Comprehensive Income – September 2022 vs. September 2021

- From a Net Income of P40.2 billion, Total Comprehensive Income for the nine months of 2022 stood at P29.1 billion. This includes P19.3 billion in unrealized mark-to-market losses on fixed income investments at FVOCI as interest rates continue to rise, an P87 million translation adjustment related to foreign operations, a positive P9.2 billion re-measurement on life insurance reserves, an P11 million actuarial gain on re-measurement of retirement benefit obligation, and a P1.0 billion unrealized loss on equity investments at FVOCI.
- This represents a 14% decline from the Total Comprehensive Income of P33.7 billion for the same period last year, comprised of a P32.5 billion Net Income, P4.4 billion in unrealized mark-to-market losses on fixed income investments at FVOCI, an P82 million translation adjustment, a positive P5.5 billion re-measurement on life insurance reserves, a P21 million loss on re-measurement of retirement benefit obligation, and an P86 million unrealized gain on equity investments at FVOCI.

2. Discussion of the company's 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.

Indicator	9M 2022	9M 2021	12M 2021
Return on Average Common Equity (%)	12.39%	10.72%	10.51%
Return on Average Assets(%)	1.43%	1.26%	1.23%
Net Interest Margin	4.11%	4.06%	4.05%
Liquidity Ratio	32.87%	33.23%	32.24%
Debt to Equity	768.79%	739.19%	753.55%
Asset to Equity	868.79%	839.19%	853.55%
Interest Rate Coverage	540.64%	492.25%	512.04%
Profit Margin	23.23%	21.32%	20.78%
Capital Adequacy Ratio	14.41%	14.87%	14.63%
Basic Earnings per Share	9.04	7.32	9.68

- Return on Average Common Equity and Return on Average Assets improved to 12.39% and 1.43%, respectively, resulting from a higher Net Income.
 - Net Interest Margin went up to 4.11% following earning asset expansion in a rising interest rate environment.
 - Liquidity Ratio went down to 32.87% as total assets rose faster than liquid assets.
 - Debt to Equity and Assets to Equity went up to 768.79% and 868.79%, respectively, as the growth in liabilities and total assets outpaced the increase in total equity.
 - Interest Rate Coverage hiked to 540.64% as earnings before interest and taxes grew faster than interest expense.
 - Profit Margin improved to 23.23% from higher bottomline profits.
 - Capital Adequacy Ratio, covering credit, market and operations risk went down to 14.41% as growth in risk-weighted assets outpaced the increase in capital.
 - Basic earnings per share went up to P9.04 following a higher Net Income.
3. Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations of the following:
- 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 2022 vs. December 2021

Remarks: NONE

- II. Balance Sheet – September 2022 vs. September 2021

Remarks: NONE

- III. Income Statement – September 2022 vs. September 2021

- FX Gain as a percentage of Other Income increased 5.2% to 11.8%, owing to continuing customer flows and revaluation of certain derivatives contra trading loss.

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

Remarks: NONE



BDO UNIBANK, INC. & SUBSIDIARIES
BDO Towers Valero, 8741 Paseo de Roxas Street, Salcedo Village, Makati City

AGING OF LOANS AND ACCOUNTS RECEIVABLE
As of September 30, 2022
(Amounts in Millions of Pesos)

TYPE OF ACCOUNTS	CURRENT	90 DAYS OR LESS	91 - 120 DAYS	121 - 180 DAYS	181 DAYS AND OVER	TOTAL
A. INTERBANK LOANS RECEIVABLES	P 55,619 P	0 P	0 P	0 P	0 P	55,619
B. LOANS AND RECEIVABLES	P 2,489,039 P	14,567 P	1,578 P	2,553 P	46,056 P	2,553,793
Loans & Discounts	2,043,285	4,527	595	975	29,083	2,078,465
Agri - Agra Loans	96,134	1,617	5	1	1,729	99,486
Bills Purchased	13,518	0	0	4	30	13,552
Customers Liability on Draft under LC/TR	74,849	0	12	35	767	75,663
Customers Liability for this Bank's Acceptances	29,150	0	0	0	0	29,150
Credit Card Receivables	106,840	1,869	653	1,006	7,047	117,415
Restructured Loans	92,128	6,362	267	466	5,678	104,901
Reverse Repurchase Agreement	19,226	0	0	0	0	19,226
Other Loans & Receivables	13,909	192	46	66	1,722	15,935
C. ACCOUNTS RECEIVABLE	P 5,406 P	923 P	164 P	210 P	2,219 P	8,922
TOTAL	P 2,550,064 P	15,490 P	1,742 P	2,763 P	48,275 P	2,618,334