



April 22, 2019

**THE PHILIPPINE STOCK EXCHANGE, INC.**

6/F PSE Tower, 5<sup>th</sup> Avenue corner 28<sup>th</sup> Street  
Bonifacio Global City, Taguig City

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

**PHILIPPINE DEALING AND EXCHANGE CORP.**

37/F, Tower 1, The Enterprise Center  
6766 Ayala Avenue cor. Paseo de Roxas, Makati City

Attention: **Atty. Joseph B. Evangelista**  
Head, Issuer Compliance and Disclosure Department

Ladies and Gentlemen:

Please be informed that the Board of Directors of BDO Unibank, Inc. (the “Bank”), at its regular meeting held today, April 22, 2019, approved the financial statements for the first quarter of 2019.

The Bank will be releasing to the press the attached statement.

At the same meeting, the Board approved the hiring of Ms. Gina Marie Chuakay Galita as Senior Vice President for Central Operations Group, effective May 2, 2019.

Ms. Galita has more than 25 years working experience, with 19 years in banking industry. She started her banking career with Citibank, N.A. as Citigold Service Representative in 1989 until she became an Assistant Vice President and Division Head of CitiPhone Banking in 1999. She also worked with ePLDT Ventus, SPi Global, Inc., and Accenture, Inc. and holding various positions from 2005 to 2011. Ms. Galita resumed her banking career with East West Banking Corporation as First Vice President and Head of Customer Service in 2011 to present. Ms. Galita obtained her Bachelor of Science degree in Applied Mathematics from De la Salle University.

Thank you.

Very truly yours,

**MA. CECILIA S. SANTOS**  
First Vice President and Alternate  
Corporate Information Officer

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**2019 Annual Stockholders' Meeting and 1Q19 Results Press Release**  
**22 April 2019**

## **BDO posts ₱32.7 Bn income in 2018** *1Q19 Core Earnings up 21%*

BDO Unibank, Inc. (BDO) reported at its stockholders meeting today its full year 2018 results, with net income hitting ₱32.7 billion, representing a 17 per cent growth, and beating the ₱31.0 billion full-year guidance. The Bank likewise capped another milestone as the first Philippine bank to surpass the ₱3 trillion mark in total assets.

The Bank attributed its solid performance to strong recurring earnings from its core businesses, with sustained loan and deposit expansion on the Bank's continued branch build out in key growth areas and new markets, particularly the underserved sectors.

### **1Q19 Results**

The Bank sustained its growth momentum through the first quarter of this year, with net income advancing to ₱9.8 billion. This achievement was due to the continued expansion of its core banking operations, recovery of trading gains to normal levels, and strong results from bank fees and life insurance premiums.

Net interest income was a major earnings driver, rising to ₱27.7 billion on the continued growth in customer loans and CASA expansion, resulting in higher net interest margins. Meanwhile, non-interest income went up to ₱14.9 billion, led by banking fees and insurance premiums. Trading and FX gains normalized to ₱2.2 billion from just ₱24 million a year-ago, given adverse market conditions during 1Q 2018 when the market declined by 7 per cent. Excluding the increase in trading gains, core net income would have risen by 21 per cent.

Operating expenses rose by 22 per cent to ₱28.3 billion. Exclusive of policy reserves and volume-related expenses, Opex growth would have been 13 per cent due primarily to continuing business and branch expansion as well as investments in IT upgrades implemented early this year. Meanwhile, the Bank set aside ₱1.3 billion in provisions, with gross non-performing loan (NPL) ratio steady at 1.2 per cent, and NPL cover higher at 163 per cent from 156 per cent in the 1Q 2018. Return on Common Equity (ROCE) however, stood at 11.8%, still below regional peers.

The Bank's capital base increased to ₱338.4 billion, with Capital Adequacy Ratio (CAR) and Common Equity Tier 1 (CET1) at 14.0 per cent and 12.4 per cent, respectively.



BDO set its earnings guidance at ₱38.5 billion for the full-year 2019, as the Bank leverages on its strong business franchise and extensive distribution network while executing its strategy to expand across high-growth areas and underserved segments.

## **About BDO**

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

BDO has one of the largest distribution networks, with more than 1,300 operating branches and over 4,000 ATMs nationwide. It also full-service branches in Hong Kong and Singapore as well as 22 overseas remittance and representative offices in Asia, Europe, North America and the Middle East.

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 December 31, 2018. For more information, please visit [www.bdo.com.ph](http://www.bdo.com.ph).