

**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 17-C**

**CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER**



1. 25 July 2020  
Date of Report (Date of earliest event reported)

2. SEC Identification Number 34001      3. BIR Tax Identification No. 000-708-174-000

4. BDO UNIBANK, INC.  
Exact name of issuer as specified in its charter

5. Metro Manila      6.  (SEC Use Only)  
Province, country or other jurisdiction of incorporation      Industry Classification Code:

7. BDO Corporate Center, 7899 Makati Avenue, Makati City, Philippines      0726  
Address of principal office      Postal Code

8. (632) 702-6000/840-7000  
Issuer's telephone number, including area code

9. N.A.  
Former name or former address, 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	4,383,834,553
Preferred	515,000,000

11. Indicate the item numbers reported herein:      Item 9 Other Events

**Item 9. Other Events –**

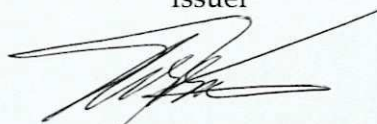
Please be informed that BDO Unibank, Inc. (BDO) released to the press the attached statement entitled “BDO posts ₱4.3billion Net Income due to ₱22.4 billion in Upfront Provisions”.

**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.

Date 25 July 2020  
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**BDO Unibank, Inc.**  
Issuer



**ELMER B. SERRANO**  
Corporate Information Officer

25 July 2020



## **BDO posts ₱4.3 billion in Net Income due to ₱22.4 billion in Upfront Provisions**

BDO Unibank, Inc. (BDO) recorded ₱4.3 billion in profits in the 1H 2020 vs. ₱20.1 billion in the comparable period last year, as the Bank booked total provisions of ₱22.4 billion in anticipation of potential delinquencies due to the Covid 19 pandemic. The provisions are anticipatory in nature, and meant to safeguard the balance sheet. By recognizing the provisions upfront, the Bank can now focus on growing its business as restrictions under ECQ/GCQ are gradually relaxed. Core businesses held up well amid the COVID-19 pandemic, with Pre-Provision Operating Income (PPOP) up 17 per cent.

Net Interest Income (NII) likewise went up by 17 per cent. Customer loans rose by 11 per cent to ₱2.3 trillion, while total deposits went up by nine (9) per cent to ₱2.6 trillion, driven by the 19 per cent expansion in Current Account/Savings Account (CASA) deposits which now account for 77 per cent of total deposits. As of end-June 2020, branch operations have been fully restored from only 45 per cent at the start of the ECQ in mid-March 2020. Non-interest income settled at ₱24.8 billion, led by fee-based income with ₱13.4 billion and insurance premiums with ₱7.0 billion.

Operating expenses dipped by one (1) per cent to ₱56.0 billion on lower volume-related expenses, and despite the additional costs and operational adjustments to adapt to the “new normal” to ensure the security, health, and safety of BDO employees and clients.

Gross non-performing loan (NPL) ratio increased to 1.95 per cent while NPL cover settled at 139.4 per cent.

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Total capital base settled at P367.5 billion, with Capital Adequacy Ratio (CAR) and Common Equity Tier 1 (CET1) ratio at 13.8 per cent and 12.7 per cent, respectively, despite the upfront provisions. These ratios are well above regulatory minimum and deemed sufficient to support the Bank's anticipated asset growth as well as regular quarterly dividends.

Going forward, BDO believes that its solid balance sheet, sustained business growth, and dedicated team effort will allow the Bank to weather the COVID-19 crisis and sustain its long-term performance post-pandemic.

### **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 the country's largest distribution network, with over 1,400 consolidated operating branches and more than 4,400 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.

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, 2020. For more information, please visit [www.bdo.com.ph](http://www.bdo.com.ph).