

May 2, 2011

THE PHILIPPINE STOCK EXCHANGE  
Tower One and Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

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

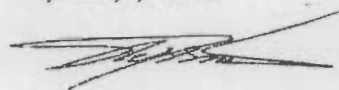
Gentlemen:

Please find enclosed a statement that will be released today to the press on the results of operations of Banco De Oro Unibank, Inc. for the first quarter of 2011.

Moreover, please be informed that the Board of Directors of Banco De Oro Unibank, Inc. (BDO Unibank), at its regular board meeting held last Saturday, April 30, 2011, accepted the retirement of Ms. Nenita Chipongian Indiongco, Senior Vice President for Institutional Banking Group – Corporate Banking, effective May 1, 2011.

Thank you.

Very truly yours,



ELMER B. SERRANO  
Corporate Information Officer <sup>1</sup>/<sub>2</sub>

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## **Press Release**

### **BDO's Q1 2011 net profit rises 18% to P2.44 billion**

Banco De Oro Unibank, Inc. (BDO) posted an unaudited net profit of P2.44 billion in the first quarter of 2011, up 18-percent from P2.07 billion in the same period last year.

The growth was a result of the Bank's diversified revenue stream and tempered growth in operating expenses and conservative provisioning.

Net interest income rose 2 percent year-on-year to P8.5 billion with the expansion in earning assets and lower funding costs. Gross customer loans grew 16 percent year-on-year to P542.3 billion across all customer segments. Total deposits were up 10 percent to P746.2 billion, driven mainly by low-cost deposits generated from an expanded branch network.

Non-interest income increased 25 percent to P5.4 billion. Fee-based service income grew 17 percent to P3 billion on strong results from trust, private banking, remittance, transaction banking, insurance, investment banking, and credit cards. Trading and foreign exchange gains from treasury activities expanded 44 percent to P1.8 billion as market conditions remained favorable.

BDO was able to effectively manage its cost base as operating expenses increased only moderately by 4 percent to P8.8 billion. It continued to boost provisions by 27 percent year-on-year to P2.1 billion, bringing its non-performing loan (NPL) coverage ratio to 100 percent from 92 percent in the prior quarter and 83 percent as of the first quarter of 2010, even as NPL levels remained stable.

Capital Adequacy Ratio (CAR), meanwhile, remained healthy at 14 percent while the annualized Return on average Common Equity settled at 11.4 percent in the first quarter of 2011.

### **About BDO**

BDO is a full-service universal bank that provides a complete array of industry-leading products and services to the retail and corporate markets including Lending (corporate, middle market, SME, and consumer), Deposit-taking, Foreign Exchange, Brokering, Trust and Investments, Credit Cards, Corporate Cash Management, and Remittances. Through its subsidiaries, the Bank offers Leasing and Financing, Investment Banking, Private Banking, Bancassurance, Insurance Brokerage, and Stock Brokerage services. BDO has one of the largest distribution networks, with over 700 operating branches and more than 1,400 ATMs, nationwide. As of December 31, 2010, BDO maintained its position as the country's largest bank in terms of total resources, customer loans, total deposits, and assets under management. For more information, please visit [www.bdo.com.ph](http://www.bdo.com.ph).