



Via ODiSy

February 28, 2011

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

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

Ms. Sheena Paula H. Pedrieta
Analyst
Disclosure Department

Re: Audited Net Income of BDO for 2010

Ladies:

We submit with this letter the press statement of Banco De Oro Unibank, Inc. regarding its audited net income for the year 2010.

We trust you will find the attached in order.

Thank you.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Elmer B. Serrano'.

ELMER B. SERRANO
Corporate Information Officer

BDO posts audited 2010 net income of P8.8 billion

BANCO De Oro Unibank, Inc. (BDO) ended 2010 with an audited net income of P8.8 billion, up 46 percent from the P6 billion it earned a year before, and exceeding its initial earnings guidance of P8.1 billion.

The Bank, prior to the income release, has reported that its consolidated resources hit the P1-trillion mark at the end of 2010, making it the first Philippine bank to achieve that milestone.

BDO's strong performance was a result of a more diversified and sustainable earnings stream from its core lending, deposit-taking and service businesses. Gross customer loans expanded 15 percent to P541.5 billion with firm growth across all business segments. Total deposits, meanwhile, rose 13 percent to P782.6 billion. A larger earning asset base coupled with lower funding costs resulted in the 12-percent increase in net interest income to P34.2 billion. The Bank's fee-based service income likewise grew to P10.4 billion on strong contributions from trust, private banking, remittance, transaction banking, insurance, investment banking, and credit cards.

BDO continued efforts to prudently manage the balance sheet to protect it through economic cycles. It boosted provisions to P6.7 billion and raised non-performing loan (NPL) coverage to 92 percent from 80 percent a year ago, despite the decline in the gross NPL ratio to 4.7 percent from the previous year's level of 5 percent. Capital Adequacy Ratio (CAR) remained sound at 14 percent, well above the current regulatory minimum of 10 percent.

Return on average Common Equity improved to 11.7 percent in 2010 compared to 10.4 percent in 2009. Following its solid financial performance in 2010, the Bank hopes to build on its gains to pursue further growth opportunities to enhance shareholder value.

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 branch licenses, 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.