

COVER SHEET

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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 6

3 0

Month

Day

S E C 1 7 - Q

Form Type

Any day in April of each year, or if not practicable, on such date as may be fixed by the Board of Directors

Annual Meeting

Secondary License type, if applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

12,442

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 SRC RULES 17 (2) (b) THEREUNDER**

1. For the quarter ended June 30, 2024.
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

0726

7. Address of issuer's principal office 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	5,270,444,919	

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.



LUCY CODY

EVP/COMPTROLLER

Signature and Title.....

Date.....

July 29, 2024

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

LUCY CO DY



EVP/COMPTROLLER

Signature and Title.....

Date.....

July 29, 2024

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

		As of June 30, 2024	Audited as of December 31, 2023
RESOURCES			
CASH AND OTHER CASH ITEMS	P	67,279	P 94,278
DUE FROM BANGKO SENTRAL NG PILIPINAS		370,948	335,076
DUE FROM OTHER BANKS - Net		77,122	85,974
TRADING AND INVESTMENT SECURITIES			
Financial Assets at FVTPL		52,900	47,220
Financial Assets at FVOCI		372,983	308,680
Investment Securities at Amortized Cost - Net		591,399	575,985
LOANS AND OTHER RECEIVABLES – Net		3,027,245	2,886,028
PREMISES, FURNITURE, FIXTURES AND EQUIPMENT – Net		51,927	48,085
INVESTMENT PROPERTIES		46,830	46,810
EQUITY INVESTMENTS – Net		4,080	3,879
OTHER RESOURCES – Net		49,742	45,646
TOTAL RESOURCES	P	4,712,455	P 4,477,661
LIABILITIES AND EQUITY			
LIABILITIES			
DEPOSIT LIABILITIES			
Demand	P	535,574	P 504,763
Savings		2,061,486	2,050,709
Time		1,140,213	1,012,078
Total Deposit Liabilities		3,737,273	3,567,550
BILLS PAYABLE		214,572	189,582
INSURANCE CONTRACT LIABILITIES		78,444	77,210
OTHER LIABILITIES		134,836	124,765
Total Liabilities		4,165,125	3,959,107
EQUITY			
Attributable to:			
Shareholders of the Parent Bank		544,921	515,916
Non-controlling Interests		2,409	2,638
		547,330	518,554
TOTAL LIABILITIES AND EQUITY	P	4,712,455	P 4,477,661
CONTINGENT			
Trust department accounts	P	2,025,607	P 1,990,505
Unused commercial letters of credit		121,763	95,526
Outstanding guarantees issued		2,784	1,682
Export L/Cs Confirmed		13,679	13,578
Bills for collection		14,665	14,442
Late deposits/payments received		2,362	2,342
Spot Exchange Bought		13,933	5,652
Spot Exchange Sold		39,512	30,435
Forward Exchange Bought		323,169	202,389
Forward Exchange Sold		337,471	230,468
Interest Rate Swap Receivable		1,591	3,027
Interest Rate Swap Payable		1,591	3,027
Other Contingent Accounts		636,217	536,062
	P	3,534,344	P 3,129,135

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 six-month period ending		For the quarter ending	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
INTEREST INCOME ON				
Loans and Other Receivables	P 110,620	P 91,847	P 56,735	P 48,118
Trading and Investment Securities	22,549	16,823	11,583	8,742
Due from BSP and Other Banks	3,845	4,225	1,907	2,128
Others	47	41	28	19
Total Interest Income	137,061	112,936	70,253	59,007
INTEREST EXPENSE ON				
Deposit Liabilities	31,877	19,449	16,656	10,839
Bills Payable and Other Borrowings	5,116	3,565	2,719	1,840
Finance Lease Liabilities	502	428	265	225
Total Interest Expense	37,495	23,442	19,640	12,904
NET INTEREST INCOME	99,566	89,494	50,613	46,103
IMPAIRMENT LOSSES (RECOVERY) - Net				
Financial Assets	6,366	6,837	3,022	3,615
Non-financial Assets	15	(40)	8	(17)
Others	37	20	22	25
	6,418	6,817	3,052	3,623
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	93,148	82,677	47,561	42,480
OTHER OPERATING INCOME				
Service Charges, Fees and Commissions	23,114	20,794	12,490	10,683
Trading Gain(Loss) - Net	(1,355)	869	(1,364)	(173)
Trust Fees	2,482	2,299	1,257	1,158
Foreign Exchange Gain	5,083	2,400	3,112	1,952
Insurance Premiums	9,857	9,387	4,755	4,431
Miscellaneous – Net	4,072	2,414	2,095	1,193
Total Other Operating Income	43,253	38,163	22,345	19,244
OTHER OPERATING EXPENSES				
Compensation and Benefits	27,114	23,986	13,611	12,023
Occupancy	6,031	5,312	3,056	2,670
Taxes and licenses	11,554	9,079	5,650	4,442
Security, Clerical, Messengerial and Janitorial	2,529	2,354	1,273	1,204
Insurance	3,803	3,486	1,893	1,721
Advertising	2,516	1,778	1,011	976
Policy Reserves	3,792	3,543	1,636	1,385
Insurance Benefits and Claims	3,735	3,339	1,793	1,875
Miscellaneous	25,405	22,342	13,565	11,503
Total Other Operating Expenses	86,479	75,219	43,488	37,799
PROFIT BEFORE TAX	49,922	45,621	26,418	23,925
TAX EXPENSE	10,400	10,370	5,433	5,202
NET PROFIT	P 39,522	P 35,251	P 20,985	P 18,723
Attributable to:				
Shareholders of the Parent Bank	P 39,440	P 35,195	P 20,942	P 18,696
Non-controlling Interests	82	56	43	27
	P 39,522	P 35,251	P 20,985	P 18,723
Earnings Per Share:				
Basic	7.41	6.61	3.97	3.55
Diluted	7.41	6.61	3.94	3.52

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 six-month period ending		For the quarter ending	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	P	P	P	P
NET PROFIT	P 39,522	P 35,251	P 20,985	P 18,723
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	(5,053)	3,882	(2,638)	(148)
Transfer of realized losses (gains) on disposed debt investments at FVOCI to statements of income, net of tax	223	(42)	67	(22)
Impairment losses (recoveries) on debt investments at FVOCI	(25)	93	(18)	97
Net gains (losses) on FVOCI securities, net of tax	(4,855)	3,933	(2,589)	(73)
Translation adjustment related to foreign operations	(54)	21	30	9
	<u>(4,909)</u>	<u>3,954</u>	<u>(2,559)</u>	<u>(64)</u>
Items that will not be reclassified to profit or loss:				
Remeasurement on life insurance reserves	3,550	(2,922)	2,717	(977)
Actuarial gains (losses) on remeasurement of retirement benefit obligation, net of tax	(1)	(5)	-	-
Unrealized gains (losses) on equity investments at FVOCI, net of tax	282	86	18	10
	<u>3,831</u>	<u>(2,841)</u>	<u>2,735</u>	<u>(967)</u>
Other Comprehensive Income (Loss), net of tax	(1,078)	1,113	176	(1,031)
TOTAL COMPREHENSIVE INCOME	P 38,444	P 36,364	P 21,161	P 17,692
Attributable To:				
Shareholders of the Parent Bank	P 38,369	P 36,290	P 21,121	P 17,661
Non-controlling Interest	75	74	40	31
	<u>P 38,444</u>	<u>P 36,364</u>	<u>P 21,161</u>	<u>P 17,692</u>

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

STATEMENTS OF CHANGES IN EQUITY
COMPARATIVE PERIODS ENDED JUNE 30, 2024 AND 2023
(Amounts in Millions of Pesos)

	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Shares at cost	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, 2024	P 52,684	P 6,180	P 230,452	P (1)	P 25,054	P 7	P 233,369	P (12,210)	P (23,048)	P 1,010	P 2,375	P 54	P (10)	P 515,916	P 2,638	P 518,554			
Transactions with owners																			
Issuance of shares during the year	21			251										272	272				
Options transferred during the year								(396)						(396)	(396)				
Options expensed during the year								456						456	456				
Cash Dividends														(9,628)	(372)	(10,000)			
Total transactions with owners	21	-	251	-	60	-	(9,628)							(9,628)	(372)	(9,668)			
Total comprehensive income (loss)								39,440	(4,566)				3,550	(54)	(1)	38,369	75	38,444	
Transfer to/(from) Surplus Free								1,760						-	-	-	-		
Appropriation of excess GLLP over ECL								29						-	-	-	-		
Other Reserves								1,789						(1,789)					
Other adjustments																			
Additional capital contribution to a subsidiary								(68)						(68)	68	-	-		
								(68)						(68)	68	-	-		
Balance at June 30, 2024	P 52,705	P 6,180	P 230,703	P (1)	P 26,903	P (61)	P 261,392	P (16,776)	P (23,048)	P 1,010	P 5,925	P -	P (11)	P 544,921	P 2,409	P 547,330			
Balance at January 1, 2023	P 52,641	P 6,180	P 229,946	P (1)	P 22,131	P (76)	P 178,537	P (19,950)	P (17,566)	P 1,010	P 6,447	P 38	P (5)	P 459,332	P 2,125	P 461,457			
Transactions with owners																			
Issuance of shares during the year	12			147										159	159				
Options transferred during the year								(161)						(161)	(161)				
Options expensed during the year								231						231	231				
Cash Dividends														(8,304)	(8,304)				
Total transactions with owners	12	-	147	-	70	-	(8,304)							(8,075)	(8,075)	(8,075)			
Total comprehensive income (loss)								35,195	4,001					(2,922)	21	(5)	36,290	74	36,364
Transfer to/(from) Surplus Free								737						-	-	-	-		
Appropriation of excess GLLP over ECL								35						-	-	-	-		
Other Reserves								772						(772)					
Disposals of equity securities classified as FVOCI								6						-	-	-	-		
Balance at June 30, 2023	P 52,653	P 6,180	P 230,093	P (1)	P 22,973	P (76)	P 204,662	P (15,955)	P (17,566)	P 1,010	P 3,525	P 59	P (10)	P 487,547	P 2,199	P 489,746			

BDO UNIBANK, INC. & SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED JUNE 30, 2024 AND 2023
(Amounts in Millions of Pesos)

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	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	P 49,922	P 45,621
Adjustments for:		
Interest income	(137,061)	(112,936)
Interest received	137,681	112,817
Interest paid	(34,818)	(21,206)
Interest expense	37,495	23,442
Gain from disposal of FVOCI	(48)	(11)
Gain from disposal of Investment securities at amortized cost	-	(6)
Impairment losses	6,418	6,817
Depreciation and amortization	5,970	5,045
Share in net profit of associates	(653)	(645)
Fair value losses (gains)	(174)	(531)
Foreign exchange losses (gains) unrealized	<u>(11,966)</u>	<u>1,443</u>
Operating profit before changes in operating resources and liabilities	52,766	59,850
Decrease (Increase) in:		
Financial assets at FVTPL	(5,554)	(4,096)
Loans and other receivables	(159,659)	(49,336)
Investment properties	(1,004)	(572)
Other resources	(16,228)	(12,170)
Increase (Decrease) in:		
Deposit liabilities	168,630	73,216
Insurance contract liabilities	4,784	4,380
Other liabilities	<u>14,110</u>	<u>561</u>
Cash generated from (used in) operations	<u>57,845</u>	<u>71,833</u>
Cash paid for income tax	<u>(8,180)</u>	<u>(9,334)</u>
Net Cash From (Used in) Operating Activities	<u>49,665</u>	<u>62,499</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment securities at amortized cost	(72,223)	(48,898)
Acquisitions of securities at FVOCI	(637,280)	(342,171)
Maturities of investment securities at amortized cost	67,830	26,192
Proceeds from disposals of securities at FVOCI	574,894	240,762
Acquisitions of premises, furniture, fixture and equipment	(5,383)	(2,292)
Proceeds from disposals of premises, furniture, fixture and equipment	33	40
Dividends received from Investment in Associates	<u>451</u>	<u>316</u>
Net Cash From (Used) in Investing Activities	<u>(71,678)</u>	<u>(126,051)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bills payable	148,195	98,617
Payments of bills payable	(130,176)	(118,269)
Dividends paid	(10,000)	(8,304)
Payments of lease liabilities	(2,179)	(2,120)
Proceeds from issuance of common stock	<u>272</u>	<u>159</u>
Net Cash From (Used in) Financing Activities	<u>6,112</u>	<u>(29,917)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	P (15,901)	P (93,469)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
Cash and other cash items	94,278	82,944
Due from Bangko Sentral ng Pilipinas	335,076	385,779
Due from other banks	84,678	58,766
Investment Securities at Amortized Cost	1,163	-
Reverse repurchase agreements	25,370	26,305
Interbank Loans Receivable	48,920	98,942
FCNC	<u>8,986</u>	<u>10,582</u>
	598,471	663,318
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash and other cash items	67,279	62,839
Due from Bangko Sentral ng Pilipinas	370,948	347,673
Due from other banks	74,104	56,009
Investment Securities at Amortized Cost	3,009	597
Reverse repurchase agreements	13,004	43,782
Interbank Loans Receivable	48,057	51,532
FCNC	<u>6,169</u>	<u>7,417</u>
	P 582,570	P 569,849

CHECKLIST OF REQUIRED DISCLOSURES
BDO UNIBANK, INC.
For the six months ended: June 30, 2024

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, 2023.

- 7.b Explanatory comments about the seasonality or cyclicality of interim operations.

Remarks: There is no seasonality or cyclicality 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: NONE

- 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, 2024, upon maturity, the Bank redeemed P52.7 billion worth of fixed rate peso bonds.

On January 29, 2024, the Bank raised P63.3 billion in its second ASEAN Sustainability Bond issue. The proceeds were used to finance/refinance eligible assets as defined in the Bank's Sustainable Finance Framework.

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

On January 27, 2024, 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 P407 million. The dividends were paid on February 19, 2024.



On February 24, 2024, the Board of Directors approved the declaration of cash dividends for the first quarter of 2024, in the amount of P0.75 per common share for a total of P4.0 billion. The dividends were paid on March 27, 2024.

On May 25, 2024, the Board of Directors approved the declaration of cash dividends for the second quarter of 2024, in the amount of P1.00 per common share for a total of P5.3 billion. The dividends were paid on June 28, 2024.

- 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 July 24, 2024, the Bank raised P55.7 billion from its third Peso-denominated ASEAN Sustainability Bond issue. Proceeds of the issuance will finance/refinance eligible assets as defined in the Bank's Sustainable Finance Framework and diversify the Bank's funding sources.

- 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.

On January 27, 2024, the Board of Directors approved the merger of BDO and its wholly-owned subsidiary The Podium Complex, Inc. (formerly SM Keppel Land, Inc.), after the Bank completed the buyout of the interests of Keppel Philippines Properties, Inc. and Opon-KE Properties, Inc. in SM Keppel Land, Inc. in 2023. The Merger, with BDO as the surviving entity, was likewise approved at the Bank's stockholders' meeting last April 19, 2024, and is currently undergoing the requisite regulatory approvals.

- 7.j Changes in contingent liabilities or contingent assets from December 31, 2023.

- Total Contingent Accounts grew 13% to P3.5 trillion with material movements from the following accounts:
 - Unused L/Cs and Outstanding Guarantees Issued jumped 27% and 66% to P121.8 billion and P2.8 billion, respectively from higher volume of trade transactions.
 - Treasury activities resulted in the following:
 - Spot Exchange Bought and Sold rose 147% and 30% to P13.9 billion and P39.5 billion, respectively.
 - Forward Exchange Bought and Sold, likewise, went up 60% and 46% to P323.2 billion and P337.5 billion, respectively.
 - Interest Rate Swap Receivable and Payable slid 47% to P1.6 billion apiece.
 - Other Contingent Accounts increased 19% to P636.2 billion owing to higher committed credit card lines.



BDO Unibank, Inc. & Subsidiaries
Balances by Segment
As of June 30, 2024
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Leasing and Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 133,592	P 44	P 604	P 410	P 2,256	P 155	P 137,061
Interest expense	(37,212)	(2)	(59)	(221)	-	(1)	(37,495)
Net interest income	<u>96,380</u>	<u>42</u>	<u>545</u>	<u>189</u>	<u>2,256</u>	<u>154</u>	<u>99,566</u>
Intersegment revenue							
Interest income	768	4	-	7	11	30	820
Interest expense	(105)	(43)	(14)	(283)	(343)	(63)	(851)
Net interest income (expense)	<u>663</u>	<u>(39)</u>	<u>(14)</u>	<u>(276)</u>	<u>(332)</u>	<u>(33)</u>	<u>(31)</u>
Other operating income							
Investment banking fees		870	-	-	-	-	870
Others	33,258	259	886	1,369	11,155	246	47,173
	<u>33,258</u>	<u>1,129</u>	<u>886</u>	<u>1,369</u>	<u>11,155</u>	<u>246</u>	<u>48,043</u>
Total net revenues	130,301	1,132	1,417	1,282	13,079	367	147,578
Expenses							
Other operating expenses							
Depreciation and amortization	5,303	42	59	501	161	42	6,108
Impairment losses	6,433	-	(8)	7	(7)	(7)	6,418
Others	69,332	442	1,000	681	9,864	161	81,480
	<u>81,068</u>	<u>484</u>	<u>1,051</u>	<u>1,189</u>	<u>10,018</u>	<u>196</u>	<u>94,006</u>
Segment operating income	49,233	648	366	93	3,061	171	53,572
Tax expense	9,284	163	134	55	722	42	10,400
Segment net income	P 39,949	P 485	P 232	P 38	P 2,339	P 129	P 43,172
Statement of Financial Position							
Total resources							
Segment assets	P 4,592,752	P 9,974	P 34,612	P 38,149	P 118,759	P 7,726	P 4,801,972
Deferred tax assets (Liabilities) - net	1,806	(160)	11	(1,610)	83	(2)	128
Intangible assets	8,014	79	129	-	42	-	8,264
	<u>P 4,602,572</u>	<u>P 9,893</u>	<u>P 34,752</u>	<u>P 36,539</u>	<u>P 118,884</u>	<u>P 7,724</u>	<u>P 4,810,364</u>
Total liabilities	P 4,048,497	P 5,638	P 27,653	P 18,398	P 94,970	P 2,424	P 4,197,580
Other Segment Information							
Capital expenditures	P 6,552	P 10	P 15	P 314	P 26	P 4	P 6,921
Investment in associates under equity method	P -	P -	P -	P -	P -	P 4,233	P 4,233
Share in the profit of associates	P -	P -	P -	P -	P -	P 653	P 653

BDO Unibank, Inc. & Subsidiaries
Balances by Segment
As of June 30, 2023
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Leasing and Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 110,044	P 28	P 639	P 321	P 1,849	P 55	P 112,936
Interest expense	(23,177)	(1)	(76)	(148)	(39)	(1)	(23,442)
Net interest income	<u>86,867</u>	<u>27</u>	<u>563</u>	<u>173</u>	<u>1,810</u>	<u>54</u>	<u>89,494</u>
Intersegment revenue							
Interest income	440	8	-	-	18	86	552
Interest expense	(175)	(23)	(4)	(7)	(301)	(60)	(570)
Net interest income (expense)	<u>265</u>	<u>(15)</u>	<u>(4)</u>	<u>(7)</u>	<u>(283)</u>	<u>26</u>	<u>(18)</u>
Other operating income							
Investment banking fees		946	-	-	-	-	946
Others	29,377	156	872	272	10,780	227	41,684
	<u>29,377</u>	<u>1,102</u>	<u>872</u>	<u>272</u>	<u>10,780</u>	<u>227</u>	<u>42,630</u>
Total net revenues	116,509	1,114	1,431	438	12,307	307	132,106
Expenses							
Other operating expenses							
Depreciation and amortization	4,629	46	52	202	140	41	5,110
Impairment losses	6,776	2	11	9	13	7	6,818
Others	60,315	515	803	154	9,057	157	71,001
	<u>71,720</u>	<u>563</u>	<u>866</u>	<u>365</u>	<u>9,210</u>	<u>205</u>	<u>82,929</u>
Segment operating income	44,789	551	565	73	3,097	102	49,177
Tax expense	9,186	158	201	21	760	44	10,370
Segment net income	P 35,603	P 393	P 364	P 52	P 2,337	P 58	P 38,807
Statement of Financial Position							
Total resources							
Segment assets	P 4,046,083	P 7,769	P 32,222	P 9,224	P 114,024	P 10,614	P 4,219,936
Deferred tax assets (Liabilities) - net	4,656 (165)	14	16	38	(25)	4,534	9,070
Intangible assets	8,796	58	155	-	61	-	9,070
	<u>P 4,059,535</u>	<u>P 7,662</u>	<u>P 32,391</u>	<u>P 9,240</u>	<u>P 114,123</u>	<u>P 10,589</u>	<u>P 4,233,540</u>
Total liabilities	P 3,559,408	P 3,440	P 25,961	P 7,810	P 94,395	P 2,187	P 3,693,201
Other Segment Information							
Capital expenditures	P 2,664	P 7	P 4	P 313	P 243	P 7	P 3,238
Investment in associates under equity method	P -	P -	P -	P -	P -	P 5,978	P 5,978
Share in the profit of associates	P -	P -	P -	P -	P -	P 645	P 645

BDO Unibank, Inc. and Subsidiaries
Reconciliation
As of June 30, 2024 and 2023
(Amounts in Millions of Pesos)

	2024	2023
Revenue		
Total segment net revenues	P 147,578	P 132,106
Elimination of intersegment revenues	<u>(4,759)</u>	<u>(4,449)</u>
Net revenues as reported in profit or loss	<u>P 142,819</u>	<u>P 127,657</u>
Profit or loss		
Total segment net income	P 43,172	P 38,807
Elimination of intersegment profit	<u>(3,650)</u>	<u>(3,556)</u>
Net profit as reported in profit or loss	<u>P 39,522</u>	<u>P 35,251</u>
Resources		
Total segment resources	P 4,810,364	P 4,233,540
Elimination of intersegment assets	<u>(97,909)</u>	<u>(75,288)</u>
Total resources	<u>P 4,712,455</u>	<u>P 4,158,252</u>
Liabilities		
Total segment liabilities	P 4,197,580	P 3,693,201
Elimination of intersegment liabilities	<u>(32,455)</u>	<u>(24,695)</u>
Total Liabilities	<u>P 4,165,125</u>	<u>P 3,668,506</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 – June 30, 2024 vs. December 31, 2023

- Cash and Other Cash Items contracted 29% to P67.3 billion, due to a high year-end 2023 levels coming from deposits generated during the Christmas season.
- Due from BSP rose 11% to P370.9 billion on a higher deposit base.
- Due from Other Banks went down 10% to P77.1 billion due to lower placements and working balances with correspondent banks.
- Investment Securities hiked 9% to P1.0 trillion primarily from growth in FVTPL and FVOCI of 12% and 21%, respectively.
- Net Loans and Other Receivables went up 5% to P3.0 trillion as gross customer loans climbed 6% on recovering corporate loan demand.
- Premises, Furniture, Fixtures and Equipment increased 8% to P51.9 billion as a result of investments in information technology (IT) systems and in the Bank's various distribution channels.
- Equity Investments rose 5% to P4.1 trillion owing to earnings from associates.
- Other Resources grew 9% to P49.7 billion coming from growth in retirement assets and prepaid expenses.
- Total Deposits climbed 5% to P3.7 trillion as Demand and Time deposits went up 6% and 13%, respectively.
- Bills Payable increased 13% to P214.6 billion as a result of higher interbank borrowings and the issuance of the Sustainability Bond in January.
- Other Liabilities rose 8% to P134.8 billion primarily due to increases in outstanding acceptances from trade transactions as well as accrued income tax and expenses payables.
- Total Equity went up 6% to P547.3 billion from the first half net income.

1.b Balance Sheet – June 30, 2024 vs. June 30, 2023

- Total Resources expanded 13% year-on-year to P4.7 trillion owing to growth in customer loans and Investment Securities, mainly funded by deposits.
- Cash and Other Cash Items as well as Due from BSP increased 7% apiece, as liquid assets and reserve assets increased from higher deposit levels.
- Due from Other Banks hiked 34% year-on-year on account of higher levels of placements and working balances with correspondent banks.
- Investment Securities jumped 19% as FVTPL, FVOCI and Investment Securities at Amortized Cost grew 7%, 38% and 11%, respectively.
- Net Loans and Other Receivables expanded 12% year-on-year as gross customer loans, and Other Receivables grew 13% and 70%, respectively, while SPURRA dropped 70%.
- Premises, Furniture, Fixtures and Equipment went up 11% due to investments in IT systems and in the Bank's various distribution channels
- Equity Investments slid 30% year-on-year since The Podium Complex, Inc. is now a wholly-owned subsidiary, and consolidated on a line-by-line basis.

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- Accordingly, Investment Properties soared 122% to P46.8 billion.
- Deposit Liabilities went up 13% year-on-year due to growth in Demand and Time deposits of 15% and 41%, respectively.
- Bills Payable surged 20% from increased interbank borrowings and the issuance of the Sustainability Bond in January.
- Insurance Contract Liabilities climbed 9% to P78.4 billion following higher BDO Life business volumes.
- Other Liabilities rose 10% to P134.8 billion primarily due to increase in accounts payable.
- Total Equity hiked 12% from continued profitable operations.

1.c Income Statement – For the Period Ended June 30, 2024 vs. June 30, 2023

- The Bank reported a Net Income attributable to Equity holders of the Parent Company of P39.4 billion for the first half of the year, a 12% improvement from the P35.2 billion for the same period last year.
- Net Interest Income increased 11% to P99.6 billion coming from an expansion in earning assets.
- The Bank's conservative provisioning stance continued, with P6.4 billion booked as Provision for Impairment Losses.
- Other operating income grew 13% to P43.3 billion on account of the following:
 - FX Gain soared 112% to P5.1 billion primarily from revaluation of certain derivatives contra Trading Loss, recorded at P1.4 billion vis-a-vis a Trading Gain of P869 million as of the first half of 2023.
 - Service Charges and Fees hiked 11% to P23.1 billion on account of continued growth from the Bank's major service businesses.
 - Trust Fees went up 8% to P2.5 billion as a result of an improved portfolio mix of funds managed.
 - Insurance Premiums went up by 5% owing to increased BDO Life business volumes.
 - Other Income surged 69% to P4.1 billion mainly from rental income of The Podium Complex, inc. now consolidated on a line-by-line basis.
- Other operating expenses rose 15% to P86.5 billion from the following:
 - Employee Benefits grew 13% from salary increases and a higher manpower headcount.
 - Occupancy Costs, likewise, climbed 14% mainly from the depreciation of investment properties of The Podium Complex, Inc.
 - Taxes and Licenses went up 27% coming from Gross Receipt Taxes on a higher income base as well as Documentary Stamp Tax on higher Time Deposit levels.
 - Insurance expenses rose 9% following deposit growth.
 - Advertising expenses jumped 42% on owing to increased marketing, promotional and advertising expenditures.
 - Policy Reserves as well as Insurance Benefits and Claims grew 7% and 12%, respectively, on higher BDO Life business volumes.
 - Security, Clerical and Janitorial expenses as well as Other expenses climbed 7% and 14%, respectively, owing to increased business volumes and a wider distribution network.

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1.d Comprehensive Income – For the period ended June 30, 2024 vs. June 30, 2023

- From a Net Income of P39.5 billion, Total Comprehensive Income for the first half of 2024 stood at P38.4 billion inclusive of a P4.9 billion decline in net unrealized gains on debt investments at FVOCI, a negative P54 million translation adjustment related to foreign operations, a positive P3.6 billion re-measurement on life insurance reserves, a P1 million actuarial loss on re-measurement of retirement benefit obligation, and a P282 million increase in net unrealized gain on equity investments at FVOCI.
 - This represents a 6% improvement from the Total Comprehensive Income of P36.4 billion in June 2023, comprised of a P35.3 billion Net Income, a P3.9 billion increase in net unrealized gains on debt investments at FVOCI, a positive P21 million translation adjustment related to foreign operations, a negative P2.9 billion re-measurement on life insurance reserves, a P5 million actuarial loss on re-measurement of retirement benefit obligation, and an P86 million increase in net 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	6M 2024	6M 2023	12M 2023
Return on Average Common Equity (%)	15.05%	15.10%	15.16%
Return on Average Assets(%)	1.73%	1.73%	1.72%
Net Interest Margin	4.64%	4.65%	4.65%
Liquidity Ratio	34.28%	34.41%	34.43%
Debt to Equity	760.99%	749.06%	763.49%
Asset to Equity	860.99%	849.06%	863.49%
Interest Rate Coverage	233.14%	294.61%	280.60%
Profit Margin	21.92%	23.33%	22.69%
Capital Adequacy Ratio	14.81%	14.97%	14.91%
Basic Earnings per Share	7.41	6.61	13.86

- Return on Average Common Equity was slightly lower at 15.05% as Net Income increased at a slower pace vis-a-vis average common equity.
- Return on Average Assets was steady at 1.73%.
- Net Interest Margin declined slightly to 4.64% on increased funding cost from higher time deposit levels.
- Liquidity Ratio was slightly down to 34.28% as customer loans grew at a faster pace.
- Debt to Equity and Assets to Equity went up year-on-year to 760.99% and 860.99%, respectively, as the growth in liabilities and total assets outpaced the increase in total equity.
- Interest Rate Coverage and Profit Margin dropped to 233.14% and 21.92%, respectively, from higher interest expense brought about by faster time deposit growth.
- Capital Adequacy Ratio, covering credit, market and operations risk went down to 14.81% as the growth in risk-weighted assets capital outpaced the increase in capital.
- Basic earnings per share increased to P7.41 resulting from 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 – June 30, 2024 vs. December 31, 2023

Remarks: NONE

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II. Balance Sheet – June 30, 2024 vs. June 30, 2023

- Savings deposits as a percentage of Total Deposits went down from 61.3% to 55.2%, resulting from the faster growth in Time deposits.
- Consequently, Time deposits to Total Deposits increased to 30.5% from 24.6%.

III. Income Statement – For the period ended June 30, 2024 vs. June 30, 2023

- FX Gain as a percentage of Other Income rose from 6.3% to 11.8% on revaluation of certain derivatives contra Trading Gain, which dropped to -3.1% of Other Income from 2.3% the previous year.

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

Remarks: NONE

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

AGING OF LOANS AND ACCOUNTS RECEIVABLE
As of June 30, 2024
(Amounts in Millions of Pesos)

TYPE OF ACCOUNTS	CURRENT		90 DAYS OR LESS		91 - 120 DAYS		121 - 180 DAYS		181 DAYS AND OVER		TOTAL	
	P	69,702	P	-	P	-	P	-	P	-	P	
A. INTERBANK LOANS RECEIVABLES	P	69,702	P	-	P	-	P	-	P	-	P	69,702
B. LOANS AND RECEIVABLES	P	2,948,445	P	23,612	P	4,569	P	5,897	P	47,124	P	3,029,647
Loans & Discounts		2,518,091		10,875		1,750		2,216		27,449		2,560,381
Agri - Agra Loans		71,082		772		46		53		191		72,144
Bills Purchased		11,203		-		-		-		38		11,241
Customers Liability on Draft under LC/TR		84,531		1		-		-		795		85,327
Customers Liability for this Bank's Acceptances		14,511		-		-		-		-		14,511
Credit Card Receivables		164,179		3,920		1,691		2,446		8,991		181,227
Restructured Loans		50,518		7,718		981		1,105		7,442		67,764
Reverse Repurchase Agreement		13,004		-		-		-		-		13,004
Other Loans & Receivables		21,326		326		101		77		2,218		24,048
C. ACCOUNTS RECEIVABLE	P	15,354	P	1,081	P	156	P	309	P	3,386	P	20,286
TOTAL	P	3,033,501	P	24,693	P	4,725	P	6,206	P	50,510	P	3,119,635