

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended
Sep 30, 2023
2. SEC Identification Number
34001
3. BIR Tax Identification No.
000-708-174-000
4. Exact name of issuer as specified in its charter
BDO Unibank, Inc.
5. Province, country or other jurisdiction of incorporation or organization
Metro Manila
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
BDO Corporate Center, 7899 Makati Ave., Makati City
Postal Code
0726
8. Issuer's telephone number, including area code
(632) 8840-7000 / 8702-6000
9. Former name or former address, and former fiscal year, 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	5,268,078,458
Preferred	618,000,000

11. Are any or all of registrant's securities listed on a Stock Exchange?

Yes No

If yes, state the name of such stock exchange and the classes 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 SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

Yes No

(b) has been subject to such filing requirements for the past ninety (90) days

Yes No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



BDO Unibank, Inc.

BDO

PSE Disclosure Form 17-2 - Quarterly Report
References: SRC Rule 17 and
Sections 17.2 and 17.8 of the Revised Disclosure Rules

For the period ended	Sep 30, 2023
Currency (indicate units, if applicable)	Phil. Peso in Millions

Balance Sheet

	Period Ended	
	Sep 30, 2023	Fiscal Year Ended (Audited) Dec 31, 2022
Current Assets	1,604,133	1,490,240
Total Assets	4,288,337	4,074,708
Current Liabilities	3,554,621	3,321,450
Total Liabilities	3,785,636	3,613,251
Retained Earnings/(Deficit)	219,070	178,537
Stockholders' Equity	502,701	461,457
Stockholders' Equity - Parent	500,468	459,332
Book Value per Share	93.83	86.08

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	81,898	62,283	232,997	172,859
Gross Expense	53,780	38,292	152,441	109,683
Non-Operating Income	-	-	-	-

Non-Operating Expense	3,862	3,938	10,679	12,163
Income/(Loss) Before Tax	24,256	20,053	69,877	51,013
Income Tax Expense	5,510	3,937	15,880	10,856
Net Income/(Loss) After Tax	18,746	16,116	53,997	40,157
Net Income Attributable to Parent Equity Holder	18,704	16,055	53,899	39,998
Earnings/(Loss) Per Share (Basic)	3.55	3.05	10.16	7.54
Earnings/(Loss) Per Share (Diluted)	3.52	3.02	10.15	7.52

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	13.4	9.5
Earnings/(Loss) Per Share (Diluted)	13.37	9.47

Other Relevant Information

Amounts in millions of Philippine Pesos except Earnings Per Share and Book Value Per Share.

For further reference, please see attachment.

Filed on behalf by:

Name	Elmer Serrano
Designation	Corporate Information Officer

COVER SHEET

3 4 0 0 1

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 9

Month

3 0

Day

S E C 1 7 - Q

Form Type

Every last Friday of the month of May

Annual Meeting

Secondary License type, if applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

12,279

Total No.of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be Accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

Stamps

Remarks: Pls. Use black ink of scanning purposes

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 September 30, 2023.

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

7. Address of issuer's principal office

0726

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	5,268,078,458	

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.

Signature and Title.....



LUCY CO DY
EVP/COMPTROLLER

Date.....

October 25, 2023

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

LUCY CO DY

Signature and Title.....



EVP/COMPTROLLER

Date.....

October 25, 2023

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

	As of	Audited as of
RESOURCES	September 30, 2023	December 31, 2022
CASH AND OTHER CASH ITEMS	P 57,812	P 82,944
DUE FROM BANGKO SENTRAL NG PILIPINAS	388,425	385,779
DUE FROM OTHER BANKS - Net	63,501	58,766
TRADING AND INVESTMENT SECURITIES		
Financial Assets at FVTPL	44,628	44,712
Financial Assets at FVOCI	321,389	166,069
Investment Securities at Amortized Cost - Net	548,195	512,049
LOANS AND OTHER RECEIVABLES – Net	2,738,277	2,696,901
PREMISES, FURNITURE, FIXTURES AND EQUIPMENT – Net	46,218	46,471
INVESTMENT PROPERTIES	21,094	21,158
EQUITY INVESTMENTS – Net	5,731	5,501
DEFERRED TAX ASSETS	4,396	5,355
OTHER RESOURCES – Net	48,671	49,003
	P 4,288,337	P 4,074,708
LIABILITIES AND EQUITY		
LIABILITIES		
DEPOSIT LIABILITIES		
Demand	P 476,783	P 459,511
Savings	1,987,101	2,077,360
Time	944,204	684,012
Total Deposit Liabilities	3,408,088	3,220,883
BILLS PAYABLE	182,333	198,891
INSURANCE CONTRACT LIABILITIES	72,160	64,363
OTHER LIABILITIES	123,055	129,114
Total Liabilities	3,785,636	3,613,251
EQUITY		
Attributable to:		
Shareholders of the Parent Bank	500,468	459,332
Non-controlling Interests	2,233	2,125
	502,701	461,457
TOTAL LIABILITIES AND EQUITY	P 4,288,337	P 4,074,708
CONTINGENT		
Trust department accounts	P 1,913,162	P 1,825,019
Unused commercial letters of credit	87,540	94,851
Outstanding guarantees issued	1,800	2,270
Export L/Cs Confirmed	13,638	14,757
Bills for collection	15,498	14,889
Late deposits/payments received	2,382	1,417
Spot Exchange Bought	12,930	5,038
Spot Exchange Sold	31,272	12,945
Forward Exchange Bought	259,972	164,713
Forward Exchange Sold	285,525	194,235
Interest Rate Futures Sold	-	1,417
Interest Rate Swap Receivable	3,810	4,660
Interest Rate Swap Payable	3,810	4,660
Other Contingent Accounts	493,401	455,630
	P 3,124,740	P 2,796,501

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)

	<u>For the nine-month period ending</u>		<u>For the quarter ending</u>	
	<u>September 30, 2023</u>	<u>September 30, 2022</u>	<u>September 30, 2023</u>	<u>September 30, 2022</u>
INTEREST INCOME ON				
Loans and Other Receivables	P 142,183	P 100,001	P 50,336	P 35,859
Trading and Investment Securities	26,906	17,918	10,083	6,561
Due from BSP and Other Banks	5,991	1,693	1,766	923
Others	67	55	26	24
Total Interest Income	<u>175,147</u>	<u>119,667</u>	<u>62,211</u>	<u>43,367</u>
INTEREST EXPENSE ON				
Deposit Liabilities	31,685	6,327	12,236	3,108
Bills Payable and Other Borrowings	5,382	4,572	1,817	1,396
Finance Lease Liabilities	649	678	221	222
Total Interest Expense	<u>37,716</u>	<u>11,577</u>	<u>14,274</u>	<u>4,726</u>
NET INTEREST INCOME	<u>137,431</u>	<u>108,090</u>	<u>47,937</u>	<u>38,641</u>
IMPAIRMENT LOSSES (RECOVERIES) - Net				
Financial Assets	10,704	12,369	3,867	4,069
Non-financial Assets	(45)	(210)	(5)	(120)
Others	20	4	-	(11)
	<u>10,679</u>	<u>12,163</u>	<u>3,862</u>	<u>3,938</u>
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	<u>126,752</u>	<u>95,927</u>	<u>44,075</u>	<u>34,703</u>
OTHER OPERATING INCOME				
Service Charges, Fees and Commissions	31,707	27,695	10,913	10,105
Trading Gain(Loss) - Net	290	(2,066)	(579)	(1,091)
Trust Fees	3,512	3,437	1,213	1,166
Foreign Exchange Gain	4,697	6,302	2,297	2,984
Insurance Premiums	13,872	14,594	4,485	4,687
Miscellaneous – net	3,772	3,230	1,358	1,065
Total Other Operating Income	<u>57,850</u>	<u>53,192</u>	<u>19,687</u>	<u>18,916</u>
OTHER OPERATING EXPENSES				
Compensation and Benefits	37,264	32,695	13,278	11,461
Occupancy	8,098	7,908	2,786	2,649
Taxes and licenses	13,946	9,193	4,867	3,235
Security, Clerical, Messengerial and Janitorial	3,601	3,082	1,247	1,091
Insurance	5,278	4,725	1,792	1,616
Advertising	2,690	1,811	912	638
Litigation/Assets Acquired	483	677	187	190
Policy Reserves	5,464	7,046	1,921	1,764
Insurance Benefits and Claims	4,904	4,025	1,565	1,393
Miscellaneous	32,997	26,944	10,951	9,529
Total Other Operating Expenses	<u>114,725</u>	<u>98,106</u>	<u>39,506</u>	<u>33,566</u>
PROFIT BEFORE TAX	<u>69,877</u>	<u>51,013</u>	<u>24,256</u>	<u>20,053</u>
TAX EXPENSE	<u>15,880</u>	<u>10,856</u>	<u>5,510</u>	<u>3,937</u>
NET PROFIT	<u>P 53,997</u>	<u>P 40,157</u>	<u>P 18,746</u>	<u>P 16,116</u>
Attributable to:				
Shareholders of the Parent Bank	P 53,899	P 39,998	P 18,704	P 16,055
Non-controlling Interests	98	159	42	61
	<u>P 53,997</u>	<u>P 40,157</u>	<u>P 18,746</u>	<u>P 16,116</u>
Earnings Per Share:				
Basic	10.16	7.54	3.55	3.05
Diluted	10.15	7.52	3.52	3.02

Note: This Financial Statement is in accordance with Philippine Financial Reporting Standards(PFRS)

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)

	<u>For the nine-month period ending</u>		<u>For the quarter ending</u>	
	<u>September 30, 2023</u>	<u>September 30, 2022</u>	<u>September 30, 2023</u>	<u>September 30, 2022</u>
NET PROFIT	P 53,997	P 40,157	P 18,746	P 16,116
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	596	(19,262)	(3,286)	(4,128)
Transfer of realized losses (gains) on disposed debt investments at FVOCI to statements of income, net of tax	(15)	(26)	27	36
Impairment losses (recoveries) on debt investments at FVOCI	109	7	16	(3)
Net gains (losses) on FVOCI securities, net of tax	690	(19,281)	(3,243)	(4,095)
Translation adjustment related to foreign operations	56	87	35	96
	<u>746</u>	<u>(19,194)</u>	<u>(3,208)</u>	<u>(3,999)</u>
Items that will not be reclassified to profit or loss:				
Remeasurement on life insurance reserves	(1,695)	9,170	1,227	2,038
Actuarial gains (losses) on remeasurement of retirement benefit obligation, net of tax	(5)	11	0	0
Unrealized gains (losses) on equity investments at FVOCI, net of tax	(51)	(1,037)	(137)	(457)
	<u>(1,751)</u>	<u>8,144</u>	<u>1,090</u>	<u>1,581</u>
Other Comprehensive Income (Loss), net of tax	<u>(1,005)</u>	<u>(11,050)</u>	<u>(2,118)</u>	<u>(2,418)</u>
TOTAL COMPREHENSIVE INCOME	<u>P 52,992</u>	<u>P 29,107</u>	<u>P 16,628</u>	<u>P 13,698</u>
Attributable To:				
Shareholders of the Parent Bank	P 52,884	P 29,026	P 16,594	P 13,658
Non-controlling Interest	108	81	34	40
	<u>P 52,992</u>	<u>P 29,107</u>	<u>P 16,628</u>	<u>P 13,698</u>

STATEMENTS OF CHANGES IN EQUITY
 COMPARATIVE PERIODS ENDED SEPTEMBER 30, 2023 AND 2022
 (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, 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	40		476											516		516
Options transferred during the year					(355)									(355)		(355)
Options expensed during the year					347									347		347
Cash Dividends							(12,256)							(12,256)		(12,256)
Total transactions with owners	40	-	476	-	(8)	-	(12,256)	-	-	-	-	-	-	(11,748)	-	(11,748)
Total comprehensive income (loss)							53,899	629			(1,695)	56	(5)	52,884	108	52,992
Transfer to/(from) Surplus Free																
Appropriation of excess GLLP over ECL					1,076		(1,076)							-		-
Other Reserves					40		(40)							-		-
	-	-	-	-	1,116	-	(1,116)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI							6	(6)								
Balance at September 30, 2023	P 52,681	P 6,180	P 230,422	P (1)	P 23,239	P (76)	P 219,070	P (19,327)	P (17,566)	P 1,010	P 4,752	P 94	P (10)	P 500,468	P 2,233	P 502,701
Balance at January 1, 2022	P 43,855	P 5,150	P 124,447	P -	P 19,930	P 29	P 249,743	P (1,630)	P (16,454)	P 1,010	P (3,173)	P 43	P (16)	P 422,934	P 1,614	P 424,548
Transactions with owners																
Issuance of shares during the year	11		116											127		127
Options transferred during the year					(838)									(838)		(838)
Options expensed during the year					72									72		72
Cash Dividends							(8,673)							(8,673)		(8,673)
Total transactions with owners	11	-	116	-	(766)	-	(8,673)	-	-	-	-	-	-	(9,312)	-	(9,312)
Total comprehensive income (loss)							39,998	(20,240)			9,170	87	11	29,026	81	29,107
Transfer to/(from) Surplus Free																
Reversal of appropriation					(14)		14							-		-
Appropriation of excess GLLP over ECL					1,570		(1,570)							-		-
Other Reserves					36		(36)							-		-
	-	-	-	-	1,592	-	(1,592)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI							16	(16)								
Other Adjustments																
Additional capital contribution to a subsidiary						(1)								(1)	301	300
	-	-	-	-	-	(1)	-	-	-	-	-	-	-	(1)	301	300
Balance at September 30, 2022	P 43,866	P 5,150	P 124,563	P -	P 20,756	P 28	P 279,492	P (21,886)	P (16,454)	P 1,010	P 5,997	P 130	P (5)	P 442,647	P 1,996	P 444,643

BDO UNIBANK, INC. & SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED SEPTEMBER 30, 2023 AND 2022
(Amounts in Millions of Pesos)

Page 5

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	P 69,877	P 51,013
Adjustments for:		
Interest income	(175,147)	(119,667)
Interest received	173,279	120,404
Interest paid	(34,578)	(11,505)
Interest expense	37,716	11,577
Gain from disposal of FVOCI	(8)	(44)
Gain from disposal of Investment securities at amortized cost	-	(18)
Impairment losses	10,679	12,163
Depreciation and amortization	7,736	7,441
Share in net profit of associates	(960)	(785)
Fair value losses (gains)	(31)	63
Foreign exchange losses (gains) unrealized	(3,770)	(22,157)
Operating profit before changes in operating resources and liabilities	84,793	48,485
Decrease (Increase) in:		
Financial assets at FVTPL	(362)	(12,992)
Loans and other receivables	(101,643)	(141,397)
Investment properties	(1,036)	(3,248)
Other resources	(12,705)	(12,863)
Increase (Decrease) in:		
Deposit liabilities	185,034	214,828
Insurance contract liabilities	6,102	4,003
Other liabilities	4,774	36,766
Cash generated from (used in) operations	164,957	133,582
Cash paid for income tax	(14,455)	(10,285)
Net Cash From (Used in) Operating Activities	150,502	123,297
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment securities at amortized cost	(73,176)	(128,362)
Acquisitions of securities at FVOCI	(634,711)	(277,494)
Maturities of investment securities at amortized cost	39,422	49,589
Proceeds from disposals of securities at FVOCI	481,375	273,526
Acquisitions of premises, furniture, fixture and equipment	(3,256)	(2,450)
Proceeds from disposals of premises, furniture, fixture and equipment	52	147
Net Cash From (Used) in Investing Activities	(190,294)	(85,044)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bills payable	131,815	106,738
Payments of bills payable	(150,305)	(142,533)
Dividends paid	(12,256)	(8,673)
Payments of lease liabilities	(3,186)	(3,136)
Proceeds from issuance of common stock	516	127
Net Cash From (Used in) Financing Activities	(33,416)	(47,477)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	P (73,208)	P (9,224)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
Cash and other cash items	82,944	69,105
Due from Bangko Sentral ng Pilipinas	385,779	304,906
Due from other banks	58,766	70,092
Reverse repurchase agreements	26,305	17,095
Interbank Loans Receivable	98,942	81,083
FCNC	10,582	5,597
	663,318	547,878
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash and other cash items	57,812	52,236
Due from Bangko Sentral ng Pilipinas	388,425	337,922
Due from other banks	63,501	81,247
Investment Securities at Amortized Cost	512	-
Reverse repurchase agreements	26,204	19,226
Interbank Loans Receivable	46,064	40,746
FCNC	7,592	7,277
	P 590,110	P 538,654

CHECKLIST OF REQUIRED DISCLOSURES
BDO UNIBANK, INC.
For the nine months ended September 30, 2023

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, 2022.

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

Remarks: There is no seasonality or cyclicity 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 February 18, 2023, the Bank repaid upon maturity its P11.8 billion Long-Term Negotiable Certificate of Deposit (LTNCD).

On March 3, 2023, the Bank redeemed \$644 million in Senior Notes.

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

On January 28, 2023, 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 20, 2023.



On February 24, 2023, the Board of Directors approved the declaration of cash dividends for the first quarter of 2023, in the amount of P0.75 per common share for a total of P3.9 billion. The dividends were paid on March 31, 2023.

On May 27, 2023, the Board of Directors approved the declaration of cash dividends for the second quarter of 2023, in the amount of P0.75 per common share for a total of P3.9 billion. The dividends were paid on June 30, 2023.

On August 25, 2023, the Board of Directors approved the declaration of cash dividends for the third quarter of 2023, in the amount of P0.75 per common share for a total of P4.0 billion. The dividends were paid on September 29, 2023.

- 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.

During its meeting held on March 25, 2023, the Board of Directors of BDO approved the purchase of the entire equity interests of Keppel Philippines Properties, Inc. and Opon-KE Properties, Inc. in SM Keppel Land, Inc. (SMKL) consisting of 217,910,000 common shares and 36,401,500 redeemable preferred shares equivalent to 50% of the outstanding capital stock of SMKL at adjusted net asset value at closing. By this acquisition, BDO will consolidate its ownership of the Podium Complex, presently 50% owned by SMKL, consisting of BDO's Corporate Center Ortigas, the West Tower and the Podium Mall. The Podium Complex currently houses BDO's offices in Ortigas and BDO already occupies approximately 63% of the office spaces in the Podium Complex.

On the same day, the parties signed the Share Purchase Agreement covering the transaction. Completion is subject to, among others, customary closing conditions applicable to transactions of this nature and regulatory approvals.

- 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.

Remarks: NONE

- 7.j Changes in contingent liabilities or contingent assets from December 31, 2022.

- Total Contingent Accounts went up 12% to P3.1 trillion owing to the following accounts:
 - Trust Department Accounts increased 5% to P1.9 trillion from a larger portfolio of assets managed.



- Unused L/Cs, Outstanding Guarantees Issued and Export L/Cs Confirmed went down 8%, 21% and 8% to P87.5 billion, P1.8 billion and P13.6 billion, respectively, on lower outstanding transactions as of the cut-off date.
- Late Deposits / Payments Received grew 68% to P2.4 billion, compared to P1.4 billion as of year-end 2022.
- Treasury activities resulted in the following:
 - Spot Exchange Bought and Sold soared 157% and 142% to P12.9 billion and P31.3 billion, respectively.
 - Forward Exchange Bought and Sold, likewise, jumped 58% and 47% to P260.0 billion and P285.5 billion, respectively.
 - Interest Rate Swap Receivable and Payable declined 18% to P3.8 billion apiece.
- Other Contingent Accounts went up 8% to P493.4 billion due to higher volume of committed credit lines.



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

	Commercial Banking	Investment Banking	Private Banking	Leasing & Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 170,511	P 45	P 951	P 501	P 2,947	P 192	P 175,147
Interest expense	(37,308)	(1)	(112)	(235)	(60)	0	(37,716)
Net interest income	<u>133,203</u>	<u>44</u>	<u>839</u>	<u>266</u>	<u>2,887</u>	<u>192</u>	<u>137,431</u>
Intersegment revenue							
Interest income	762	16	0	0	24	89	891
Interest expense	(218)	(37)	(10)	(9)	(553)	(91)	(918)
Net interest income	<u>544</u>	<u>(21)</u>	<u>(10)</u>	<u>(9)</u>	<u>(529)</u>	<u>(2)</u>	<u>(27)</u>
Other operating income							
Investment banking fees	0	1,296	0	0	0	0	1,296
Others	44,847	220	1,292	428	16,113	345	63,245
	<u>44,847</u>	<u>1,516</u>	<u>1,292</u>	<u>428</u>	<u>16,113</u>	<u>345</u>	<u>64,541</u>
Total net revenues	<u>178,594</u>	<u>1,539</u>	<u>2,121</u>	<u>685</u>	<u>18,471</u>	<u>535</u>	<u>201,945</u>
Expenses							
Other operating expenses							
Depreciation and amortization	7,111	68	77	304	213	61	7,834
Impairment losses	10,635	1	9	20	10	4	10,679
Others	92,147	790	1,198	239	13,642	240	108,256
	<u>109,893</u>	<u>859</u>	<u>1,284</u>	<u>563</u>	<u>13,865</u>	<u>305</u>	<u>126,769</u>
Segment operating income	68,701	680	837	122	4,606	230	75,176
Tax expense	14,158	216	261	37	1,151	57	15,880
Segment net income	<u>P 54,543</u>	<u>P 464</u>	<u>P 576</u>	<u>P 85</u>	<u>P 3,455</u>	<u>P 173</u>	<u>P 59,296</u>
Statement of Financial Position							
Total resources							
Segment assets	P 4,177,284	P 6,314	P 33,777	P 9,700	P 115,307	P 10,718	P 4,353,100
Deferred tax assets (Liabilities) - net	4,495	(169)	14	16	37	3	4,396
Intangible assets	9,248	55	148	1	61	0	9,513
	<u>P 4,191,027</u>	<u>P 6,200</u>	<u>P 33,939</u>	<u>P 9,717</u>	<u>P 115,405</u>	<u>P 10,721</u>	<u>P 4,367,009</u>
Total liabilities	<u>P 3,677,763</u>	<u>P 1,923</u>	<u>P 27,313</u>	<u>P 8,254</u>	<u>P 94,873</u>	<u>P 2,249</u>	<u>P 3,812,375</u>
Other Segment Information							
Capital expenditures	<u>P 4,242</u>	<u>P 8</u>	<u>P 5</u>	<u>P 416</u>	<u>P 251</u>	<u>P 22</u>	<u>P 4,944</u>
Investment in associates under equity method	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P 5,884</u>	<u>P 5,884</u>
Share in the profit of associates	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P 960</u>	<u>P 960</u>

BDO Unibank, Inc. & Subsidiaries
Balances by Segment
As of September 30, 2022
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Leasing & Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 116,463	P 40	P 853	P 472	P 1,837	P 2	P 119,667
Interest expense	(11,380)	(1)	(38)	(103)	(54)	(1)	(11,577)
Net interest income	<u>105,083</u>	<u>39</u>	<u>815</u>	<u>369</u>	<u>1,783</u>	<u>1</u>	<u>108,090</u>
Intersegment revenue							
Interest income	81	1	1	-	3	-	86
Interest expense	(22)	(23)	(5)	(17)	(12)	(48)	(127)
Net interest income	<u>59</u>	<u>(22)</u>	<u>(4)</u>	<u>(17)</u>	<u>(9)</u>	<u>(48)</u>	<u>(41)</u>
Other operating income							
Investment banking fees	-	1,843	-	-	-	-	1,843
Others	39,816	164	1,313	487	16,128	398	58,306
	<u>39,816</u>	<u>2,007</u>	<u>1,313</u>	<u>487</u>	<u>16,128</u>	<u>398</u>	<u>60,149</u>
Total net revenues	<u>144,958</u>	<u>2,024</u>	<u>2,124</u>	<u>839</u>	<u>17,902</u>	<u>351</u>	<u>168,198</u>
Expenses							
Other operating expenses							
Depreciation and amortization	6,826	64	55	321	224	61	7,551
Impairment losses	12,152	-	-	10	1	-	12,163
Others	75,640	743	1,012	267	13,931	260	91,853
	<u>94,618</u>	<u>807</u>	<u>1,067</u>	<u>598</u>	<u>14,156</u>	<u>321</u>	<u>111,567</u>
Segment operating income	50,340	1,217	1,057	241	3,746	30	56,631
Tax expense	9,369	390	121	64	901	11	10,856
Segment net income	<u>P 40,971</u>	<u>P 827</u>	<u>P 936</u>	<u>P 177</u>	<u>P 2,845</u>	<u>P 19</u>	<u>P 45,775</u>
Statement of Financial Position							
Total resources							
Segment assets	P 3,755,939	P 6,866	P 39,666	P 7,656	P 86,053	P 10,413	P 3,906,593
Deferred tax assets (Liabilities) - net	6,155	(176)	14	16	64	(6)	6,067
Intangible assets	6,929	69	42	-	33	-	7,073
	<u>P 3,769,023</u>	<u>P 6,759</u>	<u>P 39,722</u>	<u>P 7,672</u>	<u>P 86,150</u>	<u>P 10,407</u>	<u>P 3,919,733</u>
Total liabilities	<u>P 3,317,099</u>	<u>P 2,053</u>	<u>P 33,938</u>	<u>P 6,355</u>	<u>P 69,863</u>	<u>P 2,218</u>	<u>P 3,431,526</u>
Other Segment Information							
Capital expenditures	P 4,960	P 5	P 5	P 218	P 1,144	P 29	P 6,361
Investment in associates under equity method	P -	P -	P -	P -	P -	P 5,589	P 5,589
Share in the profit of associates	P -	P -	P -	P -	P -	P 785	P 785

BDO Unibank, Inc. and Subsidiaries
Reconciliation
As of September 30, 2023 and 2022
(Amounts in Millions of Pesos)

	<u>2023</u>	<u>2022</u>
Revenue		
Total segment net revenues	P 201,945	P 168,198
Elimination of intersegment revenues	<u>(6,664)</u>	<u>(6,916)</u>
Net revenues as reported in profit or loss	<u>P 195,281</u>	<u>P 161,282</u>
Profit or loss		
Total segment net income	P 59,296	P 45,775
Elimination of intersegment profit	<u>(5,299)</u>	<u>(5,618)</u>
Net profit as reported in profit or loss	<u>P 53,997</u>	<u>P 40,157</u>
Resources		
Total segment resources	P 4,367,009	P 3,919,733
Elimination of intersegment assets	<u>(78,672)</u>	<u>(56,731)</u>
Total resources	<u>P 4,288,337</u>	<u>P 3,863,002</u>
Liabilities		
Total segment liabilities	P 3,812,375	P 3,431,526
Elimination of intersegment liabilities	<u>(26,739)</u>	<u>(13,167)</u>
Total Liabilities	<u>P 3,785,636</u>	<u>P 3,418,359</u>

MANAGEMENT'S DISCUSSION & ANALYSIS

1. Comparable discussion that will enable the reader to assess material changes in financial condition and 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 – September 2023 vs. December 2022 (Audited)

- Cash and Other Cash Items dropped 30% to P57.8 billion, from a high year-end 2022 level coming from deposits generated during the Christmas season.
- Due from Other Banks increased 8% to P63.5 billion on higher level of placements and working balances with correspondent banks.
- Investment Securities climbed 26% to P914.2 billion as Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI) and Investment Securities at Amortized Cost rose 94% and 7%, respectively.
- Net Loans and Other Receivables inched up 2% to P2.7 trillion as growth in customer loans of 4% was partially offset by declines in Interbank Loans and Other Receivables of 48% and 13%, respectively.
- Deferred Tax Assets dropped 18% to P4.4 billion mainly from loan write-offs.
- Total Deposits increased 6% to P3.4 trillion owing to a 38% increase in Time Deposits.
- Bills Payable dropped 8% to P182.3 billion from the redemption of Senior Notes in March 2023.
- Insurance Contract Liabilities went up 12% to P72.2 billion on higher BDO Life business volumes.
- Total Equity rose 9% to P502.7 billion following the Bank's Net Income for the three quarters of the year.

- 1.b Balance Sheet – September 2023 vs. September 2022

- Total Resources expanded 11% year-on-year to P4.3 trillion coming from growth in customer loans and Investment Securities funded by deposits.
- Cash and Other Cash Items as well as Due from BSP climbed 11% and 15%, respectively, following an increase in total deposits.
- Due from Other Banks slid 22% following lower balances with correspondent banks, year-on-year.
- Investment Securities surged 25% on increases in FVOCI and Investment Securities at Amortized Cost, as the Bank deployed excess funds in government securities.
- Net Loans and Other Receivables hiked 8% year-on-year as gross customer loans, Interbank Loans, Reverse Repurchase Agreements and Other Receivables grew 7%, 8%, 36% and 41%, respectively.
- Equity Investments went up 5% to P5.7 billion due to earnings from associates.
- Deferred Tax Assets dropped 28% due to loan write-offs.
- Other Resources climbed 12% to P48.7 billion due to increases in retirement assets and prepaid expenses.
- Deposit Liabilities expanded 12% owing to year-on-year growth in Demand and Time Deposits of 6% and 76%, respectively.



- Insurance Contract Liabilities rose 20% on higher BDO Life business volumes.
- Other Liabilities declined 11% to P123.1 billion primarily owing to decreases in outstanding acceptances from trade transactions and bills purchased contra account.
- Total Equity went up 13% year-on-year from continued profitable operations.

1.c Income Statement – September 2023 vs. September 2022

- The Bank reported a Net Income attributable to Equity holders of the Parent Company of P53.9 billion for the three quarters of 2023, a 35% improvement over the P40.0 billion for the same period last year.
- Net Interest Income surged 27% to P137.4 billion brought about by an expansion in earning assets and an improvement in margins owing to higher interest rates resulting from policy rate hikes implemented by the BSP.
- The Bank continued its conservative provisioning stance, setting aside P10.7 billion as Provision for Impairment Losses. While year-to-date provisions are lower by 12% versus last year, the NPL coverage ratio improved further to 176%.
- Other Operating Income went up 9% to P57.9 billion owing to the following:
 - Trading Gain registered at P290 million coming from the previous year's P2.1 billion Trading Loss.
 - Foreign Exchange (FX) Gain dropped 25% to P4.7 billion, primarily from revaluation of certain derivatives contra trading gain.
 - Service Charges and Fees hiked 14% to P31.7 billion coming from continued growth in the Bank's major service businesses.
 - Other Income climbed 17% to P3.8 billion on higher ROPA and associates' income.
- Other Operating Expenses went up 17% to P114.7 billion from the following:
 - Employee Benefits increased 14% owing to salary increases and a higher manpower headcount.
 - Taxes and Licenses jumped 52% from Gross Receipt Taxes on a higher income base as well as higher Documentary Stamp Tax on increased Time Deposit levels.
 - Insurance expenses rose 12% mainly from deposit growth.
 - Advertising expenses jumped 49% coming from higher marketing, promotional and advertising expenditures.
 - Litigation/Assets Acquired expenses dropped 29% owing to lower costs relating to litigation and maintenance of acquired assets.
 - Insurance Benefits and Claims hiked 22% on higher BDO Life business volumes, while Policy Reserves declined 22% from lower Unit Linked premiums.
 - Security, Clerical, Messengerial and Janitorial expenses as well as Other expenses climbed 17% and 22%, respectively, following increased business volumes and an enhanced distribution network.
- Tax Expense went up 46% to P15.9 billion on higher taxable income.



1.d Comprehensive Income – September 2023 vs. September 2022

- From a Net Income of P54.0 billion, Total Comprehensive Income for the three quarters of 2023 registered at P53.0 billion, inclusive of P690 million net unrealized gains on debt investments at FVOCI, a positive P56 million translation adjustment related to foreign operations, a negative P1.7 billion re-measurement on life insurance reserves, a P5 million actuarial loss on re-measurement of retirement benefit obligation, and a P51 million decrease in net unrealized gain on equity investments at FVOCI.
- This represents an 82% improvement from the Total Comprehensive Income of P29.1 billion for the same period last year, comprised of a P40.2 billion Net Income, a P19.3 billion decline in net unrealized gains on debt investments at FVOCI, a positive P87 million translation adjustment related to foreign operations, a positive P9.2 billion re-measurement on life insurance reserves, an P11 million actuarial gain on re-measurement of retirement benefit obligation, and a P1.0 billion decrease 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	9M 2023	9M 2022	12M 2022
Return on Average Common Equity (%)	15.13%	12.39%	13.02%
Return on Average Assets(%)	1.73%	1.43%	1.49%
Net Interest Margin	4.65%	4.11%	4.14%
Liquidity Ratio	35.22%	32.99%	34.17%
Debt to Equity	753.06%	768.79%	783.01%
Asset to Equity	853.06%	868.79%	883.01%
Interest Rate Coverage	285.27%	540.64%	468.93%
Profit Margin	23.17%	23.23%	23.79%
Capital Adequacy Ratio	15.61%	14.41%	14.50%
Basic Earnings per Share	10.16	7.54	10.77

- Return on Average Common Equity and Return on Average Assets improved to 15.13% and 1.73%, respectively, from a higher Net Income.
- Net Interest Margin climbed to 4.65% owing to earning asset expansion in a higher interest rate environment.
- Liquidity Ratio rose to 35.22% as liquid assets grew at a faster pace than total assets.
- Debt to Equity and Assets to Equity went down to 753.06% and 853.06%, respectively, as the growth in total equity outpaced the increase in liabilities and total assets.
- Interest Rate Coverage dropped to 285.27% due to higher interest expense brought about by a higher interest rate environment.
- Profit Margin went down slightly to 23.17% from higher interest expense on Time Deposits.
- Capital Adequacy Ratio, covering credit, market and operations risk went up to 15.61% as the increase in capital outpaced the growth in risk-weighted assets.
- Basic earnings per share increased to P10.16 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 – September 2023 vs. December 2022

- Savings deposits as a percentage of Total Deposits went down from 64.5% to 58.3%, following an increase in Time deposits.
- Accordingly, Time Deposits to Total Deposits increased from 21.2% to 27.7%.



II. Balance Sheet – September 2023 vs. September 2022

- Savings deposits to Total Deposits went down by 9.1% from 67.4%, on account of a 76% year-on-year growth in Time Deposits.
- Consequently, Time Deposits as a percentage of Total Deposits increased by 10.0% from 17.7%.

III. Income Statement – September 2023 vs. September 2022

- Interest Expense on Deposit Liabilities jumped 29.4% to account for 84.0% of Total Interest Expense, following increased level of Time Deposits in a higher interest rate environment.
- Accordingly, the proportion of Interest Expense on Bills Payable to Total Interest Expense dropped from 39.5% to 14.3%.
- Trading Gain currently represents 0.5% of Other Income vis-à-vis the Trading Loss for the three quarters of 2022, which was at -3.9% of Other Income.

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

Remarks: NONE



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

AGING OF LOANS AND ACCOUNTS RECEIVABLE
As of September 30, 2023
(Amounts in Millions of Pesos)

TYPE OF ACCOUNTS	CURRENT	90 DAYS OR LESS	91 - 120 DAYS	121 - 180 DAYS	181 DAYS AND OVER	TOTAL
A. INTERBANK LOANS RECEIVABLES	P 60,201	P 0	P 0	P 0	P 0	P 60,201
B. LOANS AND RECEIVABLES	P 2,688,729	P 12,295	P 2,241	P 3,709	P 44,091	P 2,751,065
Loans & Discounts	2,315,117	6,342	759	1,376	27,411	2,351,005
Agri - Agra Loans	29,135	346	26	38	384	29,929
Bills Purchased	9,279	0	0	0	46	9,325
Customers Liability on Draft under LC/TR	64,417	34	0	47	796	65,294
Customers Liability for this Bank's Acceptances	17,833	0	0	0	0	17,833
Credit Card Receivables	134,547	2,967	1,066	1,458	7,149	147,187
Restructured Loans	72,928	2,473	346	742	6,398	82,887
Reverse Repurchase Agreement	26,204	0	0	0	0	26,204
Other Loans & Receivables	19,269	133	44	48	1,907	21,401
C. ACCOUNTS RECEIVABLE	P 6,649	P 1,131	P 201	P 2,424	P 2,178	P 12,583
TOTAL	P 2,755,579	P 13,426	P 2,442	P 6,133	P 46,269	P 2,823,849