

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
Jun 30, 2022
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	4,386,623,003
Preferred	515,000,000

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	Jun 30, 2022
Currency (indicate units, if applicable)	Phil. Peso in Millions

Balance Sheet

	Period Ended		Fiscal Year Ended (Audited)	
	Jun 30, 2022		Dec 31, 2021	
Current Assets	1,402,636		1,339,369	
Total Assets	3,801,048		3,623,749	
Current Liabilities	3,072,208		2,936,671	
Total Liabilities	3,368,314		3,199,201	
Retained Earnings/(Deficit)	265,253		249,743	
Stockholders' Equity	432,734		424,548	
Stockholders' Equity - Parent	431,079		422,934	
Book Value per Share	97.11		95.26	

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	56,647	50,204	110,576	101,053
Gross Expense	36,206	33,350	71,391	67,877
Non-Operating Income	-	-	-	-

Non-Operating Expense	4,481	3,850	8,225	6,781
Income/(Loss) Before Tax	15,960	13,004	30,960	26,395
Income Tax Expense	3,688	1,961	6,919	4,944
Net Income/(Loss) After Tax	12,272	11,043	24,041	21,451
Net Income Attributable to Parent Equity Holder	12,205	11,031	23,943	21,421
Earnings/(Loss) Per Share (Basic)	2.78	2.52	5.38	4.81
Earnings/(Loss) Per Share (Diluted)	2.75	2.5	5.38	4.81

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	10.25	10.27
Earnings/(Loss) Per Share (Diluted)	10.22	10.27

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 6
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

12,347
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 BRC RULES 17 (2) (b) THEREUNDER

1. For the quarter ended June 30, 2022.
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	4,386,244,422	

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.

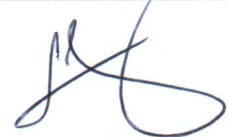
SIGNATURES

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 *apw*

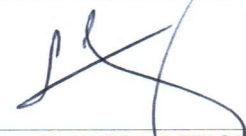
Date.....

August 1, 2022

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

LUCY CO DY

Signature and Title.....



LUCY CO DY
EVP/COMPTROLLER *apw*

Date.....

August 1, 2022

Table of Contents

Part 1. Financial Statements

Condensed Statements of Financial Position	Page 1
Condensed Statements of Income	Page 2
Statements of Comprehensive Income	Page 3
Statements of Changes in Equity	Page 4
Statements of Cash Flows	Page 5

Part 2. Disclosures

Notes to Interim Financial Statement	Page 6 - 11
Management Discussion and Analysis	Page 12 - 16
Aging of Loans and Accounts Receivables	Page 17

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

	As of June 30, 2022	Audited as of December 31, 2021
<u>RESOURCES</u>		
CASH AND OTHER CASH ITEMS	P 54,110	P 69,105
DUE FROM BANGKO SENTRAL NG PILIPINAS	378,463	304,906
DUE FROM OTHER BANKS	51,092	70,092
TRADING AND INVESTMENT SECURITIES		
Financial Assets at FVTPL	52,164	47,934
Financial Assets at FVOCI	162,918	170,793
Investment Securities at Amortized Cost - Net	457,954	397,534
LOANS AND OTHER RECEIVABLES – Net	2,522,065	2,450,903
PREMISES, FURNITURE, FIXTURES AND EQUIPMENT – Net	45,455	44,807
INVESTMENT PROPERTIES	19,996	18,795
EQUITY INVESTMENTS – Net	5,548	5,194
DEFERRED TAX ASSETS	6,571	6,768
OTHER RESOURCES – Net	44,712	36,918
	P 3,801,048	P 3,623,749
<u>LIABILITIES AND EQUITY</u>		
LIABILITIES		
DEPOSIT LIABILITIES		
Demand	P 446,858	P 404,568
Savings	2,072,700	2,000,245
Time	435,278	416,083
Total Deposit Liabilities	2,954,836	2,820,896
BILLS PAYABLE	213,256	204,431
INSURANCE CONTRACT LIABILITIES	61,150	65,328
OTHER LIABILITIES	139,072	108,546
Total Liabilities	3,368,314	3,199,201
EQUITY		
Attributable to:		
Shareholders of the Parent Bank	431,079	422,934
Non-controlling Interests	1,655	1,614
	432,734	424,548
TOTAL LIABILITIES AND EQUITY	P 3,801,048	P 3,623,749
<u>CONTINGENT</u>		
Trust department accounts	P 1,727,146	P 1,778,718
Unused commercial letters of credit	94,468	75,758
Outstanding guarantees issued	6,220	4,202
Export L/Cs Confirmed	3,455	4,644
Bills for collection	18,861	8,673
Late deposits/payments received	1,071	461
Spot Exchange Bought	16,154	9,233
Spot Exchange Sold	25,593	15,646
Forward Exchange Bought	234,479	177,434
Forward Exchange Sold	251,193	190,055
Interest Rate Futures Sold	1,782	1,661
Interest Rate Swap Receivable	6,393	6,993
Interest Rate Swap Payable	6,393	6,993
Other Contingent Accounts	448,695	444,771
	P 2,841,903	P 2,725,242

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, 2022	June 30, 2021	June 30, 2022	June 30, 2021
INTEREST INCOME ON				
Loans and Other Receivables	P 64,142	P 61,851	P 32,705	P 30,959
Trading and Investment Securities	11,357	8,549	5,883	4,459
Due from BSP and Other Banks	770	940	446	459
Others	31	32	17	16
Total Interest Income	76,300	71,372	39,051	35,893
INTEREST EXPENSE ON				
Deposit Liabilities	3,219	3,572	1,736	1,781
Bills Payable and Other Borrowings	3,176	2,948	1,538	1,469
Finance Lease Liabilities	456	408	240	220
Total Interest Expense	6,851	6,928	3,514	3,470
NET INTEREST INCOME	69,449	64,444	35,537	32,423
IMPAIRMENT LOSSES (RECOVERY) - Net				
Financial Assets	8,300	6,711	4,481	3,785
Non-financial Assets	(90)	56	(27)	27
Others	15	14	27	38
	8,225	6,781	4,481	3,850
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	61,224	57,663	31,056	28,573
OTHER OPERATING INCOME				
Service Charges, Fees and Commissions	17,590	13,945	9,294	6,931
Trading Gain(Loss) - Net	(975)	579	(1,172)	511
Trust Fees	2,271	2,132	1,158	1,034
Foreign Exchange Gain	3,318	1,437	2,321	736
Insurance Premiums	9,907	9,232	4,920	4,156
Miscellaneous – net	2,165	2,356	1,075	943
Total Other Operating Income	34,276	29,681	17,596	14,311
OTHER OPERATING EXPENSES				
Compensation and Benefits	21,234	19,241	12,676	11,031
Occupancy	5,259	4,703	2,677	2,263
Taxes and licenses	5,958	5,647	2,885	2,517
Security, Clerical, Messengerial and Janitorial	1,991	1,915	1,025	972
Insurance	3,109	2,848	1,551	1,429
Advertising	1,173	1,406	567	616
Litigation on Assets Acquired	487	399	291	194
Policy Reserves	5,282	4,635	2,473	1,637
Insurance Benefits and Claims	2,632	3,253	1,260	2,005
Miscellaneous	17,415	16,902	7,287	7,216
Total Other Operating Expenses	64,540	60,949	32,692	29,880
PROFIT BEFORE TAX	30,960	26,395	15,960	13,004
TAX EXPENSE	6,919	4,944	3,688	1,961
NET PROFIT	P 24,041	P 21,451	P 12,272	P 11,043
Attributable to:				
Shareholders of the Parent Bank	P 23,943	P 21,421	P 12,205	P 11,031
Non-controlling Interests	98	30	67	12
	P 24,041	P 21,451	P 12,272	P 11,043
Earnings Per Share:				
Basic	5.38	4.81	2.78	2.52
Diluted	5.38	4.81	2.75	2.50

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)

	For the six-month period ending		For the quarter ending	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
NET PROFIT	P 24,041	P 21,451	P 12,272	P 11,043
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	(15,134)	(2,321)	(7,401)	1,346
Transfer of realized losses (gains) on disposed debt investments at FVOCI to statements of income, net of tax	(62)	(304)	1	(29)
Impairment losses (recoveries) on debt investments at FVOCI	10	(76)	12	(70)
Net gains (losses) on FVOCI securities, net of tax	(15,186)	(2,701)	(7,388)	1,247
Translation adjustment related to foreign operations	(9)	47	76	(1)
	<u>(15,195)</u>	<u>(2,654)</u>	<u>(7,312)</u>	<u>1,246</u>
Items that will not be reclassified to profit or loss:				
Remeasurement on life insurance reserves	7,132	3,542	4,270	149
Actuarial gains (losses) on remeasurement of retirement benefit obligation, net of tax	11	(21)	0	(17)
Unrealized gains (losses) on equity investments at FVOCI, net of tax	(580)	134	(731)	574
	<u>6,563</u>	<u>3,655</u>	<u>3,539</u>	<u>706</u>
	<u>(8,632)</u>	<u>1,001</u>	<u>(3,773)</u>	<u>1,952</u>
Other Comprehensive Income (Loss), net of tax	P 15,409	P 22,452	P 8,499	P 12,995
TOTAL COMPREHENSIVE INCOME				
Attributable To:				
Shareholders of the Parent Bank	P 15,368	P 22,422	P 8,452	P 12,980
Non-controlling Interest	41	30	47	15
	<u>15,409</u>	<u>22,452</u>	<u>8,499</u>	<u>12,995</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, 2022 AND 2021
 (Amounts in Millions of Pesos)

	Common Stock	Preferred Stock	Additional Paid-in Capital	Surplus Reserves	Other Reserves	Surplus Free FVOCI	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, 2022	P 43,855	P 5,150	P 124,447	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 primary shares	7		70	9									77		77
Options transferred during the year				48									9		9
Options expensed during the year													48		48
Cash Dividends													(7,357)		(7,357)
Total transactions with owners	7		70	57									(7,223)		(7,223)
Total comprehensive income (loss)						23,943	(15,709)		7,132		(9)	11	15,368	41	15,409
Transfer to/(from) Surplus Free				1,068		(1,068)									
Appropriation of excess GLLP over ECL				24		(24)									
Other Reserves				1,092		(1,092)									
Disposals of equity securities classified as FVOCI						16	(16)								
Balance at June 30, 2022	P 43,862	P 5,150	P 124,517	P 21,079	P 29	P 265,253	P (17,355)	P (16,454)	P 1,010	P 3,959	P 34	P (5)	P 431,079	P 1,655	P 432,734
Balance at January 1, 2021	P 43,842	P 5,150	P 124,327	P 17,964	P 29	P 214,525	P 4,008	P (10,459)	P 955	P (8,859)	P (49)	P (10)	P 391,423	P 1,588	P 393,021
Transactions with owners															
Issuance of primary shares	6		55	26									61		61
Options transferred during the year				83									26		26
Options expensed during the year													83		83
Cash Dividends													(2,971)		(2,971)
Total transactions with owners	6		55	109									(2,801)		(2,801)
Total comprehensive income (loss)						21,421	(2,569)	(12)		3,542	46	(6)	22,422	30	22,452
Transfer to/(from) Surplus Free				129		(129)									
Appropriation of excess GLLP over ECL				24		(24)									
Other Reserves				153		(153)									
Disposals of equity securities classified as FVOCI						187	(190)						(3)		(3)
Other Adjustments															
Change in ownership interest in subsidiaries															
Balance at June 30, 2021	P 43,848	P 5,150	P 124,382	P 18,226	P 30	P 233,009	P 1,249	P (10,471)	P 955	P (5,317)	P (3)	P (16)	P 411,042	P 1,627	P 412,669

BDO UNIBANK, INC. & SUBSIDIARIES
CASH FLOW STATEMENTS
FOR THE PERIODS ENDED JUNE 30, 2022 AND 2021
(Amounts in Millions of Pesos)

		<u>2022</u>		<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	P	30,960	P	26,395
Adjustments for:				
Interest income		(76,300)		(71,372)
Interest received		76,617		74,481
Interest paid		(6,697)		6,928
Interest expense		6,851		(6,682)
Gain from disposal of FVOCI		(84)		(300)
Gain from disposal of Investment securities at amortized cost		(13)		(152)
Impairment losses		8,225		6,781
Depreciation and amortization		4,952		4,604
Share in net profit of associates		(581)		(338)
Fair value losses (gains)		1,156		(54)
Foreign exchange losses (gains) unrealized		(11,699)		(1,689)
Operating profit before changes in operating resources and liabilities		33,387		38,602
Decrease (Increase) in:				
Financial assets at FVTPL		(5,316)		(7,437)
Loans and other receivables		(61,880)		11,456
Investment properties		(1,612)		(137)
Other resources		(12,682)		(3,016)
Increase (Decrease) in:				
Deposit liabilities		133,879		71,118
Insurance contract liabilities		2,954		5,902
Other liabilities		34,759		6,739
Cash generated from (used in) operations		123,489		123,227
Cash paid for income tax		(6,417)		(7,188)
Net Cash From (Used in) Operating Activities		<u>117,072</u>		<u>116,039</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of investment securities at amortized cost		(74,155)		(105,194)
Acquisitions of securities at FVOCI		(188,797)		(326,278)
Maturities of investment securities at amortized cost		26,310		40,253
Proceeds from disposals of securities at FVOCI		187,268		329,724
Acquisitions of premises, furniture, fixture and equipment		(1,509)		(1,522)
Proceeds from disposals of premises, furniture, fixture and equipment		78		68
Net Cash From (Used) in Investing Activities		<u>(50,805)</u>		<u>(62,949)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from bills payable		89,452		73,241
Payments of bills payable		(87,812)		(80,771)
Dividends paid		(7,357)		(2,972)
Payments of lease liabilities		(2,113)		(1,560)
Proceeds from issuance of common stock		77		61
Net Cash From (Used in) Financing Activities		<u>(7,753)</u>		<u>(12,001)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
	P	<u>58,514</u>	P	<u>41,089</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR				
Cash and other cash items		69,105		74,851
Due from Bangko Sentral ng Pilipinas		304,906		308,636
Due from other banks		70,092		65,289
Investment Securities at Amortized Cost		-		164
Reverse repurchase agreements		17,095		16,729
Interbank Loans Receivable		81,083		57,100
FCNC		5,597		8,578
		<u>547,878</u>		<u>531,347</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD				
Cash and other cash items		54,110		55,608
Due from Bangko Sentral ng Pilipinas		378,463		363,414
Due from other banks		51,092		55,670
Investment Securities at Amortized Cost		4		127
Reverse repurchase agreements		25,784		16,918
Interbank Loans Receivable		90,375		76,350
FCNC		6,564		4,349
	P	<u>606,392</u>	P	<u>572,436</u>

CHECKLIST OF REQUIRED DISCLOSURES
BDO UNIBANK, INC.
For the six months ended: June 30, 2022

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, 2021.

- 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: See 7e

- 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, 2022, BDO issued P52.7 billion worth of Peso-denominated Fixed-Rate ASEAN Sustainability Bonds. The issue was intended to diversify the Bank's funding sources and finance/refinance eligible assets under the Bank's Sustainable Finance Framework.

On April 3, 2022, upon maturity, the Bank redeemed P36.0 billion in Peso Fixed Rate bonds.

On May 16, 2022 the Bank issued its maiden Blue Bond amounting to \$100 million. The issuance will expand financing for projects that help prevent marine pollution and preserve clean water resources, while supporting the country's climate goals.



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

On January 29, 2022, 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 P339 million. The dividends were paid on February 22, 2022.

On February 24, 2022, the Board of Directors approved the declaration of cash dividends for the first quarter of 2022, in the amount of P0.30 per common share for a total of P1.3 billion. The dividends were paid on March 31, 2022.

On April 22, 2022, the Board of Directors approved the declaration of a special cash dividend in the amount of P1.00 per common share for a total of P4.4 billion. The dividends were paid on May 31, 2022.

On May 28, 2022, the Board of Directors approved the declaration of cash dividends for the second quarter of 2022, in the amount of P0.30 per common share for a total of P1.3 billion. The dividends were paid on June 30, 2022.

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 March 26, 2022, the Board of Directors approved and endorsed for stockholders' approval the declaration of stock dividends equivalent to 20% of the Bank's outstanding capital stock, covering both common and preferred shares, as well as an increase in its authorized capital stock (common shares) from 5.5 billion to 8.5 billion shares, subject to regulatory approval.

On March 26, 2022, the Board of Directors approved the additional equity investment in BDO Network Bank, Inc. (BDONB) up to P1.7 billion involving the subscription of common shares to be issued out of BDONB's authorized and unissued capital stock. BSP approval was obtained on June 22, 2022.

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, 2021.

- Total Contingent Accounts increased 4% to P2.8 trillion with material movements from the following accounts:



- Unused L/Cs and Outstanding Guarantees Issued jumped 25% and 48% to P94.5 billion and P6.2 billion, respectively, following higher volume of trade transactions.
- Export L/Cs Confirmed dropped 26% to P3.5 billion due to lower outstanding transactions as of June 30, 2022.
- Bills for Collection as well as Late Deposits and Payment Received surged 117% and 132% to P18.9 billion and P1.1 billion, respectively, as of the cut-off date.
- Treasury activities resulted in the following, consistent with the economic re-opening, increasing interest rates and the weaker peso:
 - Spot Exchange Bought and Sold hiked 75% and 64% to P16.2 billion and P25.6 billion, respectively.
 - Forward Exchange Bought and Sold, likewise, grew 32% apiece to P234.5 billion and P251.2 billion, respectively.
 - Interest Rate Futures Sold went up 7% to P1.8 billion, while Interest Rate Swap Receivable and Payable declined 9% to P6.4 billion apiece.



BDO Unibank, Inc. & Subsidiaries
Balances by Segment
As of June 30, 2021
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Leasing & Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 69,483	P 5	P 559	P 297	P 1,026	P 2	P 71,372
Interest expense	(6,717)	-	(42)	(135)	(33)	(1)	(6,928)
Net interest income	62,766	5	517	162	993	1	64,444
Intersegment revenue							
Interest income	67	1	-	-	1	-	69
Interest expense	(8)	(24)	(2)	(21)	(4)	(33)	(92)
Net interest income	59	(23)	(2)	(21)	(3)	(33)	(23)
Other operating income							
Investment banking fees	-	725	-	-	-	-	725
Others	20,272	142	846	430	10,214	284	32,188
	20,272	867	846	430	10,214	284	32,913
Total net revenues	83,097	849	1,361	571	11,204	252	97,334
Expenses							
Other operating expenses							
Depreciation and amortization	4,218	44	36	280	53	43	4,674
Impairment losses	6,839	9	(16)	(28)	(23)	-	6,781
Others	46,085	349	622	188	9,650	147	57,041
	57,142	402	642	440	9,680	190	68,496
Segment operating income	25,955	447	719	131	1,524	62	28,838
Tax expense	4,422	88	109	5	309	11	4,944
Segment net income	21,533	359	610	126	1,215	51	23,894
Statement of Financial Position							
Total resources							
Segment assets	P 3,347,297	P 6,312	P 38,750	P 16,531	P 75,676	P 4,325	P 3,488,891
Deferred tax assets (Liabilities) - net	7,753	(169)	7	7	33	(7)	7,624
Intangible assets	6,273	118	16	1	44	1	6,453
	P 3,361,323	P 6,261	P 38,773	P 16,539	P 75,753	P 4,319	P 3,502,968
Total liabilities	P 2,943,390	P 2,928	P 32,097	P 9,444	P 67,361	P 2,233	P 3,057,453
Other Segment Information							
Capital expenditures	P 1,814	P 16	P 6	P 112	P 32	P 3	P 1,983
Investment in associates under equity method	-	-	-	-	-	-	-
Share in the profit of associates	P -	P -	P -	P -	P -	P 338	P 338

BDO Unibank, Inc. and Subsidiaries
Reconciliation
As of June 30, 2022 and 2021
(Amounts in Millions of Pesos)

	<u>2022</u>	<u>2021</u>
Revenue		
Total segment net revenues	P 107,646	P 97,334
Elimination of intersegment revenues	<u>(3,921)</u>	<u>(3,209)</u>
Net revenues as reported in profit or loss	<u>P 103,725</u>	<u>P 94,125</u>
Profit or loss		
Total segment net income	P 27,086	P 23,894
Elimination of intersegment profit	<u>(3,045)</u>	<u>(2,443)</u>
Net profit as reported in profit or loss	<u>P 24,041</u>	<u>P 21,451</u>
Resources		
Total segment resources	P 3,850,921	P 3,502,968
Elimination of intersegment assets	<u>(49,873)</u>	<u>(40,469)</u>
Total resources	<u>P 3,801,048</u>	<u>P 3,462,499</u>
Liabilities		
Total segment liabilities	P 3,378,852	P 3,057,453
Elimination of intersegment liabilities	<u>(10,538)</u>	<u>(7,623)</u>
Total Liabilities	<u>P 3,368,314</u>	<u>P 3,049,830</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 2022 vs. December 2021

- Cash and Other Cash Items dropped 22% to P54.1 billion, from a high year-end 2021 level owing to deposits generated during the Christmas season.
- Due from BSP expanded 24% to P378.5 billion following higher volume of placements in BSP's short-term facilities.
- Due from Other Banks contracted 27% to P51.1 billion as placements and working balances with correspondent banks were shifted to short-term BSP placements.
- Investment Securities went up 9% to P673.0 billion as excess funds were channeled to higher yielding government securities. As a result, Financial Assets at Fair Value Through Profit or Loss (FVTPL) and Investment Securities at Amortized Cost increased by 9% and 15%, respectively.
- Net Loans and Other Receivables went up by 3% to P2.5 trillion buoyed by increases in Interbank Loans and Securities Purchased Under Reverse Repurchase Agreements (SPURRA) of 12% and 51%, respectively.
- Equity Investments climbed 7% to P5.5 billion owing to earnings from associates.
- Investment Properties rose 6% to P20.0 billion due to foreclosures and dacion payments.
- Other Resources hiked 21% to P44.7 billion mainly on account of increases in prepaid expenses, margin deposits and Foreign Currency on Hand.
- Total Deposits grew 5% to P3.0 trillion as Demand, Savings and Time deposits went up 10%, 4% and 5%, respectively.
- Insurance Contract Liabilities went down 6% to P61.2 billion from revaluation of insurance reserves.
- Other Liabilities climbed 28% to P139.1 billion primarily due to higher levels of accounts payable, accrued expenses payable, outstanding acceptances from trade transactions, and bills purchased contra account.

1.b Balance Sheet – June 2022 vs. June 2021

- Total Resources expanded 10% year-on-year to P3.8 trillion from growth in customer loans and Investment Securities mainly funded by deposits.
- Due from Other Banks went down 8% on reduced placements and working balances with correspondent banks.
- Investment Securities rose 16% as FVTPL and Investment Securities at Amortized Cost increased by 17% and 29%, respectively. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI), on the other hand, went down 10% year-on-year. Excess funds were channeled to higher-yielding government securities as interest rates continue to rise.
- Net Loans and Other Receivables climbed 10% year-on-year as gross customer loans, Interbank Loans and SPURRA expanded 9%, 19% and 52%, respectively.
- Equity Investments hiked 12% due to earnings from associates.



- Investment Properties went up 31% primarily from an investment in prime real estate in Makati.
- Deferred Tax Assets slid 14% to P6.6 billion mainly due to loan write-offs in the latter half of 2021.
- Other Resources grew 21% primarily from higher margin deposits, intangible assets, Foreign Currency on Hand and outstanding credit card transactions as of the cut-off date.
- Deposit Liabilities expanded 10% year-on-year owing to growth in Demand, Savings and Time deposits of 23%, 9% and 5%, respectively.
- Other Liabilities rose 34%, year-on-year mainly due to increases in accounts payable, outstanding checks and outstanding acceptances from trade transactions.
- Total Equity increased 5% to P432.7 billion from continued profitable operations.

1.c Income Statement – June 2022 vs. June 2021

- The Bank reported a Net Income attributable to Equity holders of the Parent Company of P23.9 billion for the first half of the year, up 12% from the P21.4 billion for the same period last year.
- Net Interest Income climbed 8% to P69.4 billion from an expansion in earning assets and an improvement in funding cost.
- The Bank set aside P8.2 billion as Provision for Impairment Losses, 21% higher than the previous year's P6.8 billion, despite the decline in the NPL ratio from 3.12% to 2.39%. This conservative stance further improved NPL coverage ratio to 138%.
- Other income hiked 15% to P34.3 billion owing to the following:
 - Trading Loss of P975 million was recorded primarily due to mark-to-market losses on BDO Life's equity portfolio and revaluation of certain derivatives contra foreign exchange gain.
 - Service Charges and Fees surged 26% to P17.6 billion on continued growth from the Bank's major service businesses.
 - Trust Fees went up 7% to P2.3 billion on higher year-on-year volume of Assets Under Management.
 - Foreign Exchange (FX) Gain soared 131% to P3.3 billion as the Bank benefitted from continuing customer flows and revaluation of certain derivatives contra trading loss.
 - Insurance Premiums grew 7% to P9.9 billion owing to higher BDO Life business volumes.
 - Other Income declined 8% to P2.2 billion on lower gains from ROPA disposal.
- Operating Expenses increased 6% to P64.5 billion resulting from the following:
 - Employee Benefits went up 10% primarily owing to salary increases.
 - Occupancy expenses climbed 12% from improvements and investments in the Bank's various distribution channels.
 - Taxes and Licenses rose 6% due to increased Gross Receipt Tax from a higher income base.
 - Insurance Expenses hiked 9% following a higher deposit level.
 - Advertising expenses dropped 17% from lower marketing, promotional and advertising expenditures.
 - Litigation/Assets Acquired expenses grew 22% from higher costs relating to litigation and maintenance of acquired assets.



- Policy Reserves increased 14% on higher BDO Life business volumes while Insurance Benefits and Claims declined 19% from maturities in 2021.
- Tax Expense went up 40% to P6.9 billion owing to higher taxable income as well as the lower tax rates in the second quarter of 2021 from the retroactive application of the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE).

1.d Comprehensive Income – June 2022 vs. June 2021

- From a Net Income of P24.0 billion, Total Comprehensive Income for the first half of 2022 stood at P15.4 billion, inclusive of P15.2 billion in unrealized mark-to-market losses on fixed income investments at FVOCI as interest rates continue to rise, a negative P9 million translation adjustment related to foreign operations, a positive P7.1 billion re-measurement on life insurance reserves, an P11 million actuarial gain on re-measurement of retirement benefit obligation, and a P580 million decline in unrealized gain on equity investments at FVOCI.
- This represents a 31% drop from the Total Comprehensive Income of P22.5 billion for the same period last year, consisting of a P21.5 billion Net Income, P2.7 billion in unrealized mark-to-market losses on fixed income investments at FVOCI, a positive P47 million translation adjustment, a positive P3.5 billion re-measurement on life insurance reserves, a P21 million reduction in actuarial gain on re-measurement of retirement benefit obligation, and a P134 million increase in 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 2022	6M 2021	12M 2021
Return on Average Common Equity (%)	11.26%	10.75%	10.51%
Return on Average Assets(%)	1.30%	1.26%	1.23%
Net Interest Margin	4.04%	4.09%	4.05%
Liquidity Ratio	33.78%	33.41%	32.24%
Debt to Equity	778.38%	739.05%	753.55%
Asset to Equity	878.38%	839.05%	853.55%
Interest Rate Coverage	551.90%	480.99%	512.04%
Profit Margin	21.74%	21.23%	20.78%
Capital Adequacy Ratio	14.48%	14.99%	14.63%
Basic Earnings per Share	5.38	4.81	9.68

- Return on Average Common Equity and Return on Average Assets improved to 11.26% and 1.30%, respectively, from a higher Net Income.
- Net Interest Margin went down slightly to 4.04% owing to a year-on-year decline in lending rates amidst tepid loan growth and system liquidity.
- Liquidity Ratio went up to 33.78% as liquid assets increased faster than total assets.
- Debt to Equity and Assets to Equity grew to 778.38% and 878.38%, respectively, as the growth in liabilities and total assets outpaced the increase in total equity.
- Interest Rate Coverage surged to 551.90% from higher income and lower interest expense owing to an improved funding mix.
- Profit Margin rose to 21.74% from higher bottomline profits.

- Capital Adequacy Ratio, covering credit, market and operations risk went down to 14.48% as growth in risk-weighted assets outpaced the increase in capital.
- Basic earnings per share went up to P5.38 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 2022 vs. December 2021

Remarks: NONE

II. Balance Sheet – June 2022 vs. June 2021

Remarks: NONE

III. Income Statement – June 2022 vs. June 2021

Remarks: NONE

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 June 30, 2022
(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	P	P	P	P	P	P	P	P			
A. INTERBANK LOANS RECEIVABLES	P	101,519	P	0	P	0	P	0	P	0	P	101,519
B. LOANS AND RECEIVABLES	P	2,424,482	P	8,354	P	2,103	P	3,381	P	48,929	P	2,487,249
Loans & Discounts		1,953,661		4,403		985		1,333		31,450		1,991,832
Agri - Agra Loans		97,972		78		2		4		1,829		99,885
Bills Purchased		11,200		0		0		0		27		11,227
Customers Liability on Draft under LC/TR		71,758		48		0		61		706		72,573
Customers Liability for this Bank's Acceptances		29,590		0		0		0		0		29,590
Credit Card Receivables		102,153		1,895		687		925		7,824		113,484
Restructured Loans		118,427		1,820		370		989		5,379		126,985
Reverse Repurchase Agreement		25,784		0		0		0		0		25,784
Other Loans & Receivables		13,937		110		59		69		1,714		15,889
C. ACCOUNTS RECEIVABLE	P	4,339	P	823	P	188	P	227	P	1,967	P	7,544
TOTAL	P	2,530,340	P	9,177	P	2,291	P	3,608	P	50,896	P	2,596,312