

COVER SHEET

					3	4	0	0	1
--	--	--	--	--	---	---	---	---	---

S.E.C. Registration Number

[illegible][illegible]

(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	3
---	---

Month

3	1
---	---

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

12,258

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

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 March 31, 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	5,268,716,015	

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.....

April 18, 2024

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

LUCY CO DY

Signature and Title.....


EVP/COMPTROLLER

Date.....

April 18, 2024

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 - 10
Management's Discussion & Analysis	Page 11 - 15
Aging of Loans and Accounts Receivable	Page 16

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

	As of		Audited as of
	March 31, 2024		December 31, 2023
<u>RESOURCES</u>			
CASH AND OTHER CASH ITEMS	P 76,314	P	94,278
DUE FROM BANGKO SENTRAL NG PILIPINAS	378,936		335,076
DUE FROM OTHER BANKS - Net	70,384		85,974
TRADING AND INVESTMENT SECURITIES			
Financial Assets at FVTPL	49,469		47,220
Financial Assets at FVOCI	314,678		308,680
Investment Securities at Amortized Cost - Net	578,837		575,985
LOANS AND OTHER RECEIVABLES – Net	2,957,035		2,886,028
PREMISES, FURNITURE, FIXTURES AND EQUIPMENT – Net	49,483		48,085
INVESTMENT PROPERTIES	46,626		46,810
EQUITY INVESTMENTS – Net	3,881		3,879
OTHER RESOURCES – Net	47,764		45,646
TOTAL RESOURCES	P 4,573,407	P	4,477,661
<u>LIABILITIES AND EQUITY</u>			
<u>LIABILITIES</u>			
DEPOSIT LIABILITIES			
Demand	P 523,680	P	504,763
Savings	2,034,555		2,050,709
Time	1,073,419		1,012,078
Total Deposit Liabilities	3,631,654		3,567,550
BILLS PAYABLE	199,222		189,582
INSURANCE CONTRACT LIABILITIES	80,618		77,210
OTHER LIABILITIES	130,229		124,765
Total Liabilities	4,041,723		3,959,107
<u>EQUITY</u>			
Attributable to:			
Shareholders of the Parent Bank	529,012		515,916
Non-controlling Interests	2,672		2,638
	531,684		518,554
TOTAL LIABILITIES AND EQUITY	P 4,573,407	P	4,477,661
<u>CONTINGENT</u>			
Trust department accounts	P 1,998,345	P	1,990,505
Unused commercial letters of credit	103,635		95,526
Outstanding guarantees issued	1,245		1,682
Export L/Cs Confirmed	13,488		13,578
Bills for collection	17,103		14,442
Late deposits/payments received	1,752		2,342
Spot Exchange Bought	20,166		5,652
Spot Exchange Sold	41,140		30,435
Forward Exchange Bought	341,697		202,389
Forward Exchange Sold	350,016		230,468
Interest Rate Futures Bought	166		-
Interest Rate Swap Receivable	1,941		3,027
Interest Rate Swap Payable	1,941		3,027
Other Contingent Accounts	540,376		536,062
	P 3,433,011	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 three-month period ending	
	March 31, 2024	March 31, 2023
INTEREST INCOME ON		
Loans and Other Receivables	P 53,885	P 43,729
Trading and Investment Securities	10,966	8,081
Due from BSP and Other Banks	1,938	2,097
Others	19	22
Total Interest Income	66,808	53,929
INTEREST EXPENSE ON		
Deposit Liabilities	15,221	8,610
Bills Payable and Other Borrowings	2,397	1,725
Finance Lease Liabilities	237	203
Total Interest Expense	17,855	10,538
NET INTEREST INCOME	48,953	43,391
IMPAIRMENT LOSSES (RECOVERY) - Net		
Financial Assets	3,344	3,222
Non-financial Assets	7	(23)
Others	15	(5)
	3,366	3,194
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	45,587	40,197
OTHER OPERATING INCOME		
Service Charges, Fees and Commissions	10,624	10,111
Trading Gain(Loss) - Net	9	1,042
Trust Fees	1,225	1,141
Foreign Exchange Gain	1,971	448
Insurance Premiums	5,102	4,956
Miscellaneous – net	1,977	1,221
Total Other Operating Income	20,908	18,919
OTHER OPERATING EXPENSES		
Compensation and Benefits	13,503	11,963
Occupancy	2,975	2,642
Taxes and licenses	5,904	4,637
Security, Clerical, Messengerial and Janitorial	1,256	1,150
Insurance	1,910	1,765
Advertising	1,505	802
Litigation/Assets Acquired	261	127
Policy Reserves	2,156	2,158
Insurance Benefits and Claims	1,942	1,464
Miscellaneous	11,579	10,712
Total Other Operating Expenses	42,991	37,420
PROFIT BEFORE TAX	23,504	21,696
TAX EXPENSE	4,967	5,168
NET PROFIT	P 18,537	P 16,528
Attributable to:		
Shareholders of the Parent Bank	P 18,498	P 16,499
Non-controlling Interests	39	29
	P 18,537	P 16,528
Earnings Per Share:		
Basic	3.43	3.06
Diluted	3.43	3.06

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 three-month period ending	
	March 31, 2024	March 31, 2023
NET PROFIT	P 18,537	P 16,528
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	(2,415)	4,030
Transfer of realized losses (gains) on disposed debt investments at FVOCI to statements of income, net of tax	156	(20)
Impairment losses (recoveries) on debt investments at FVOCI	(7)	(4)
Net gains (losses) on FVOCI securities, net of tax	(2,266)	4,006
Translation adjustment related to foreign operations	(84)	12
	<u>(2,350)</u>	<u>4,018</u>
Items that will not be reclassified to profit or loss:		
Remeasurement on life insurance reserves	833	(1,945)
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	264	76
	<u>1,096</u>	<u>(1,874)</u>
Other Comprehensive Income (Loss), net of tax	<u>(1,254)</u>	<u>2,144</u>
TOTAL COMPREHENSIVE INCOME	P 17,283	P 18,672
Attributable To:		
Shareholders of the Parent Bank	P 17,248	P 18,629
Non-controlling Interest	35	43
	<u>P 17,283</u>	<u>P 18,672</u>

STATEMENTS OF CHANGES IN EQUITY
COMPARATIVE PERIODS ENDED MARCH 31, 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	3		36											39		39
Options transferred during the year					(60)									(60)		(60)
Options expensed during the year					228									228		228
Cash Dividends							(4,359)							(4,359)	(1)	(4,360)
Total transactions with owners	3	-	36	-	168	-	(4,359)	-	-	-	-	-	-	(4,152)	(1)	(4,153)
Total comprehensive income (loss)							18,498	(1,998)			833	(84)	(1)	17,248	35	17,283
Transfer to/(from) Surplus Free																
Appropriation of excess GLLP over ECL					624		(624)							-		-
Other Reserves					15		(15)							-		-
	-	-	-	-	639	-	(639)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI														-		-
Balance at March 31, 2024	P 52,687	P 6,180	P 230,488	P (1)	P 25,861	P 7	P 246,869	P (14,208)	P (23,048)	P 1,010	P 3,208	P (30)	P (11)	P 529,012	P 2,672	P 531,684
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	4		34											38		38
Options transferred during the year					(45)									(45)		(45)
Options expensed during the year					115									115		115
Cash Dividends							(4,356)							(4,356)		(4,356)
Total transactions with owners	4	-	34	-	70	-	(4,356)	-	-	-	-	-	-	(4,248)	-	(4,248)
Total comprehensive income (loss)							16,499	4,068			(1,945)	12	(5)	18,629	43	18,672
Transfer to/(from) Surplus Free																
Appropriation of excess GLLP over ECL					36		(36)							-		-
Other Reserves					13		(13)							-		-
	-	-	-	-	49	-	(49)	-	-	-	-	-	-	-	-	-
Disposals of equity securities classified as FVOCI							6	(6)						-		-
Balance at March 31, 2023	P 52,645	P 6,180	P 229,980	P (1)	P 22,250	P (76)	P 190,637	P (15,888)	P (17,566)	P 1,010	P 4,502	P 50	P (10)	P 473,713	P 2,168	P 475,881

BDO UNIBANK, INC. & SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED MARCH 31, 2024 AND 2023
(Amounts in Millions of Pesos)

Page 5

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	P 23,504	P 21,696
Adjustments for:		
Interest income	(66,808)	(53,929)
Interest received	64,675	55,244
Interest paid	(17,395)	(10,241)
Interest expense	17,855	10,538
Gain from disposal of FVOCI	(114)	(13)
Gain from disposal of Investment securities at amortized cost	-	(6)
Impairment losses	3,366	3,194
Depreciation and amortization	3,014	2,453
Share in net profit of associates	(330)	(362)
Fair value losses (gains)	194	(206)
Foreign exchange losses (gains) unrealized	(3,599)	3,774
Operating profit before changes in operating resources and liabilities	24,362	32,142
Decrease (Increase) in:		
Financial assets at FVTPL	(2,802)	(1,080)
Loans and other receivables	(70,308)	39,343
Investment properties	(378)	(291)
Other resources	(8,007)	(10,392)
Increase (Decrease) in:		
Deposit liabilities	64,071	374
Insurance contract liabilities	4,241	2,516
Other liabilities	5,762	11,271
Cash generated from (used in) operations	16,941	73,883
Cash paid for income tax	(2,231)	(1,646)
Net Cash From (Used in) Operating Activities	<u>14,710</u>	<u>72,237</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment securities at amortized cost	(45,073)	(38,238)
Acquisitions of securities at FVOCI	(278,690)	(149,411)
Maturities of investment securities at amortized cost	45,586	16,425
Proceeds from disposals of securities at FVOCI	272,526	93,761
Acquisitions of premises, furniture, fixture and equipment	(1,797)	(851)
Proceeds from disposals of premises, furniture, fixture and equipment	16	31
Dividends received from Investment in Associates	327	153
Net Cash From (Used) in Investing Activities	<u>(7,105)</u>	<u>(78,130)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bills payable	95,450	59,019
Payments of bills payable	(88,021)	(74,023)
Dividends paid	(4,360)	(4,356)
Payments of lease liabilities	(1,086)	(1,028)
Proceeds from issuance of common stock	39	38
Net Cash From (Used in) Financing Activities	<u>2,022</u>	<u>(20,350)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	P <u>9,627</u>	P <u>(26,243)</u>
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	8,986	10,582
	<u>598,471</u>	<u>663,318</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash and other cash items	76,314	61,686
Due from Bangko Sentral ng Pilipinas	378,936	398,907
Due from other banks	68,830	54,340
Investment Securities at Amortized Cost	415	1,012
Reverse repurchase agreements	20,412	29,709
Interbank Loans Receivable	56,226	83,953
FCNC	6,965	7,468
	P <u>608,098</u>	P <u>637,075</u>

CHECKLIST OF REQUIRED DISCLOSURES
BDO UNIBANK, INC.
For the three months ended: March 31, 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 cyclical nature of interim operations.

Remarks: There is no seasonality or cyclical nature 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.

- 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.

Remarks: NONE

- 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 SM Keppel Land, Inc. (SMKL), after the Bank completed the buyout of the interests of Keppel Philippines Properties, Inc. and Opon-KE Properties, Inc. in SMKL in 2023. The Merger, with BDO as the surviving entity, will be subject to stockholders' and regulatory approvals. The Board likewise delegated to the President the authority to fix the final terms of the Merger.

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

- Total Contingent Accounts grew 10% to P3.4 trillion with material movements from the following accounts:
 - Unused L/Cs rose 8% to P103.6 billion from higher volume of trade transactions.
 - Outstanding Guarantees Issued as well as Late Deposits and Payments Received went down 26% and 25% to P1.2 billion and P1.8 billion, respectively, on lower outstanding transactions as of quarter end.
 - Bills for Collection hiked 18% to P17.1 billion as of the cut-off date.
 - Treasury activities resulted in the following:
 - Spot Exchange Bought and Sold expanded 257% and 35% to P20.2 billion and P41.1 billion, respectively.
 - Forward Exchange Bought and Sold, likewise, jumped 69% and 52% to P341.7 billion and P350.0 billion, respectively.
 - Interest Rate Swap Receivable and Payable dropped 36% to P1.9 billion apiece.
 - The Bank also reported P166 million in Interest Rate Futures Bought.

BDO Unibank, Inc. & Subsidiaries
Balances by Segment
As of March 31, 2024
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Leasing & Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 65,056	P 23	P 303	P 194	P 1,131	P 101	P 66,808
Interest expense	(17,700)	0	(29)	(106)	(19)	(1)	(17,855)
Net interest income	47,356	23	274	88	1,112	100	48,953
Intersegment revenue							
Interest income	381	2	0	1	11	6	401
Interest expense	(32)	(12)	(4)	(139)	(200)	(30)	(417)
Net interest income	349	(10)	(4)	(138)	(189)	(24)	(16)
Other operating income							
Investment banking fees	0	382	0	0	0	0	382
Others	15,601	91	454	689	5,970	122	22,927
	15,601	473	454	689	5,970	122	23,309
Total net revenues	63,306	486	724	639	6,893	198	72,246
Expenses							
Other operating expenses							
Depreciation and amortization	2,684	21	30	250	78	21	3,084
Impairment losses	3,370	0	(4)	3	(2)	0	3,367
Others	34,113	210	464	333	5,235	79	40,434
	40,167	231	490	586	5,311	100	46,885
Segment operating income	23,139	255	234	53	1,582	98	25,361
Tax expense	4,433	74	95	25	318	22	4,967
Segment net income	P 18,706	P 181	P 139	P 28	P 1,264	P 76	P 20,394
Statement of Financial Position							
Total resources							
Segment assets	P 4,453,895	P 5,539	P 30,100	P 37,565	P 119,475	P 10,863	P 4,657,437
Deferred tax assets (Liabilities) - net	1,697	(155)	11	(1,596)	83	(3)	37
Intangible assets	8,205	62	136	0	54	0	8,457
	P 4,463,797	P 5,446	P 30,247	P 35,969	P 119,612	P 10,860	P 4,665,931
Total liabilities	P 3,927,495	P 1,512	P 23,169	P 17,838	P 97,442	P 2,369	P 4,069,825
Other Segment Information							
Capital expenditures	P 2,278	P 10	P 10	P 147	P 15	P 1	P 2,461
Investment in associates under equity method	P -	P -	P -	P -	P -	P 4,034	P 4,034
Share in the profit of associates	P -	P -	P -	P -	P -	P 330	P 330

BDO Unibank, Inc. & Subsidiaries
Balances by Segment
As of March 31, 2023
(Amounts in Millions of Pesos)

	Commercial Banking	Investment Banking	Private Banking	Leasing & Financing	Insurance	Others	Total
Revenues							
From external customer							
Interest income	P 52,599	P 12	P 318	P 157	P 841	P 2	P 53,929
Interest expense	(10,415)	0	(36)	(68)	(19)	0	(10,538)
Net interest income	42,184	12	282	89	822	2	43,391
Intersegment revenue							
Interest income	163	5	0	0	7	81	256
Interest expense	(134)	(11)	(2)	(3)	(85)	(30)	(265)
Net interest income	29	(6)	(2)	(3)	(78)	51	(9)
Other operating income							
Investment banking fees	0	199	0	0	0	0	199
Others	14,465	78	474	131	5,571	112	20,831
	14,465	277	474	131	5,571	112	21,030
Total net revenues	56,678	283	754	217	6,315	165	64,412
Expenses							
Other operating expenses							
Depreciation and amortization	2,245	23	26	102	69	20	2,485
Impairment losses	3,188	(1)	5	3	0	0	3,195
Others	29,881	241	404	80	4,666	78	35,350
	35,314	263	435	185	4,735	98	41,030
Segment operating income	21,364	20	319	32	1,580	67	23,382
Tax expense	4,633	4	106	9	385	31	5,168
Segment net income	P 16,731	P 16	P 213	P 23	P 1,195	P 36	P 18,214
Statement of Financial Position							
Total resources							
Segment assets	P 3,988,440	P 6,288	P 32,904	P 8,858	P 106,479	P 10,431	P 4,153,400
Deferred tax assets (Liabilities) - net	5,099	(164)	15	17	43	(5)	5,005
Intangible assets	7,589	61	165	1	28	0	7,844
	P 4,001,128	P 6,185	P 33,084	P 8,876	P 106,550	P 10,426	P 4,166,249
Total liabilities	P 3,515,000	P 2,316	P 26,786	P 7,475	P 86,555	P 2,118	P 3,640,250
Other Segment Information							
Capital expenditures	P 1,131	P 3	P 1	P 113	P 20	P 5	P 1,273
Investment in associates under equity method	P -	P -	P -	P -	P -	P 5,858	P 5,858
Share in the profit of associates	P -	P -	P -	P -	P -	P 362	P 362

BDO Unibank, Inc. and Subsidiaries
Reconciliation
As of March 31, 2024 and 2023
(Amounts in Millions of Pesos)

	<u>2024</u>	<u>2023</u>
Revenue		
Total segment net revenues	P 72,246	P 64,412
Elimination of intersegment revenues	<u>(2,385)</u>	<u>(2,102)</u>
Net revenues as reported in profit or loss	<u>P 69,861</u>	<u>P 62,310</u>
Profit or loss		
Total segment net income	P 20,394	P 18,214
Elimination of intersegment profit	<u>(1,857)</u>	<u>(1,686)</u>
Net profit as reported in profit or loss	<u>P 18,537</u>	<u>P 16,528</u>
Resources		
Total segment resources	P 4,665,931	P 4,166,249
Elimination of intersegment assets	<u>(92,524)</u>	<u>(79,462)</u>
Total resources	<u>P 4,573,407</u>	<u>P 4,086,787</u>
Liabilities		
Total segment liabilities	P 4,069,825	P 3,640,250
Elimination of intersegment liabilities	<u>(28,102)</u>	<u>(29,344)</u>
Total Liabilities	<u>P 4,041,723</u>	<u>P 3,610,906</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 – March 31, 2024 vs. December 31, 2023

- Cash and Other Cash Items dropped 19% to P76.3 billion, due to a high year-end 2023 level coming from deposits generated during the Christmas season.
- Consequently, Due from BSP rose 13% to P378.9 billion.
- Due from Other Banks went down 18% to P70.4 billion from reduced working balances with correspondent banks.
- Net Loans and Other Receivables inched up 2% to P3.0 trillion as gross customer loans and Interbank Loans increased by 2% and 12%, respectively, while Securities Purchased Under Reverse Repurchase Agreements (SPURRA) and Other Receivables decreased by 20% and 8%, respectively.
- Total Deposits slightly grew 2% to P3.6 trillion as Demand and Time deposits rose 4% and 6%, respectively.
- Bills Payable increased 5% to P199.2 billion from the issuance of the Sustainability Bond in January.

- 1.b Balance Sheet – March 31, 2024 vs. March 31, 2023

- Total Resources expanded 12% year-on-year to P4.6 trillion from growth in customer loans and Investment Securities primarily funded by deposits.
- Cash and Other Cash Items increased 24%, following an increase in total deposits.
- Due from BSP went down 5% as excess liquidity was placed in higher yielding investments.
- Due from Other Banks jumped 26% on higher levels of placements and working balances with correspondent banks.
- Investment Securities climbed 18% to P943.0 billion as FVTPL, FVOCI and Investment Securities at Amortized Cost grew 8%, 41% and 9%, respectively.
- Net Loans and Other Receivables grew 12% year-on-year as gross customer loans, and Other Receivables grew 13% and 99%, respectively, while Interbank Loans and SPURRA dropped 22% and 31%, respectively.
- Equity Investments slid 32% to P3.9 billion as SM Keppel Land, Inc. (SMKL) is now a wholly-owned subsidiary, consolidated on a line-by-line basis.
- Accordingly, Investment Properties increased 121% to P46.6 billion.
- Other Resources dropped 15% to P47.8 billion primarily from lower levels of deferred tax assets, non-current assets held for sale, foreign currency notes and coins and miscellaneous assets.
- Deposit Liabilities expanded 13% year-on-year owing to growth in Demand and Time deposits of 14% and 41%, respectively.
- Bills Payable rose 10% from the issuance of the Sustainability Bond in January.
- Insurance Contract Liabilities surged 17% to P80.6 billion on higher BDO Life business volumes.
- Other Liabilities went down 7% to P130.2 billion due to lower outstanding acceptances from trade transactions.



- Total Equity climbed 12% to P531.7 billion from continued profitable operations.

1.c Income Statement – For the Period Ended March 31, 2024 vs. March 31, 2023


- The Bank reported a Net Income attributable to Equity holders of the Parent Company of P18.5 billion for the first quarter, a 12% improvement from the P16.5 billion for the same period last year.
- Net Interest Income grew 13% to P49.0 billion from an expansion in earning assets coupled with an improvement in margins from higher interest rates brought about by policy rate hikes implemented by the BSP.
- The Bank continued its conservative provisioning stance, setting aside P3.4 billion as Provision for Impairment Losses.
- Other operating income increased 11% to P20.9 billion due to the following:
 - Trading Gain went down to P9 million from the previous year's P1.0 billion primarily from revaluation of certain derivatives contra Foreign Exchange (FX) Gain.
 - Consequently, FX Gain surged 340% to P2.0 billion.
 - Service Charges and Fees went up 5% to P10.6 billion resulting from continued growth from the Bank's major service businesses.
 - Trust Fees rose 7% to P1.2 billion owing to an improved portfolio mix of funds managed.
 - Other Income jumped 62% to P2.0 billion primarily from rental income of SMKL consolidated on a line-by-line basis.
- Other operating expenses climbed 15% to P43.0 billion due to the following:
 - Employee Benefits increased 13% from salary increases and a higher manpower headcount.
 - Occupancy Costs, likewise, hiked 13% from improvements and investments in the Bank's various distribution channels.
 - Taxes and Licenses jumped 27% from Gross Receipt Taxes on a higher income base as well as higher Documentary Stamp Tax on increased Time Deposit levels.
 - Insurance expenses went up 8% following deposit growth.
 - Advertising expenses soared 88% on account of higher marketing, promotional and advertising expenditures.
 - Litigation/Assets Acquired increased to P261 million owing to higher costs relating to litigation and maintenance of acquired assets.
 - Insurance Benefits and Claims surged 33% on higher BDO Life business volumes.
 - Security, Clerical and Janitorial expenses as well as Other expenses rose 9% and 8%, respectively, coming from increased business volumes and a wider distribution network.



1.d Comprehensive Income – For the period ended March 31, 2024 vs. March 31, 2023

- From a Net Income of P18.5 billion, Total Comprehensive Income for the first quarter of 2024 registered at P17.3 billion inclusive of a P2.3 billion decline in net unrealized gains on debt investments at FVOCI, a negative P84 million translation adjustment related to foreign operations, a positive P833 million re-measurement on life insurance reserves, a P1 million actuarial loss on re-measurement of retirement benefit obligation, and a P264 million increase in net unrealized gain on equity investments at FVOCI.
 - This represents a 7% decline from the Total Comprehensive Income of P18.7 billion in March 2023, comprised of a P16.5 billion Net Income, a P4.0 billion increase in net unrealized gains on debt investments at FVOCI, a positive P12 million translation adjustment related to foreign operations, a negative P1.9 billion re-measurement on life insurance reserves, a P5 million actuarial loss on re-measurement of retirement benefit obligation, and a P76 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	3M 2024	3M 2023	12M 2023
Return on Average Common Equity (%)	14.33%	14.45%	15.16%
Return on Average Assets(%)	1.65%	1.64%	1.72%
Net Interest Margin	4.63%	4.57%	4.65%
Liquidity Ratio	34.25%	35.33%	34.43%
Debt to Equity	760.17%	758.78%	763.49%
Asset to Equity	860.17%	858.78%	863.49%
Interest Rate Coverage	231.64%	305.88%	280.60%
Profit Margin	21.13%	22.69%	22.69%
Capital Adequacy Ratio	14.78%	14.81%	14.91%
Basic Earnings per Share	3.43	3.06	13.86

- Return on Average Common Equity went down to 14.33% as Net Income increased at a slower pace vis-a-vis average common equity.
 - Return on Average Assets inched up to 1.65% from a higher Net Income.
 - Net Interest Margin improved year-on-year to 4.63% following earning asset expansion in a higher interest rate environment.
 - Liquidity Ratio went down to 34.25% as loan assets grew faster pace.
 - Debt to Equity and Assets to Equity rose year-on-year to 760.17% and 860.17%, respectively, as the growth in liabilities and total assets outpaced the increase in total equity.
 - Interest Rate Coverage and Profit Margin dropped to 231.64% and 21.13%, respectively, from higher interest expense brought about by faster time deposit growth.
 - Capital Adequacy Ratio, covering credit, market and operations risk went down to 14.78% as the growth in risk-weighted assets capital outpaced the increase in capital.
 - Basic earnings per share increased to P3.43 following 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 – March 31, 2024 vs. December 31, 2023

Remarks: NONE

II. Balance Sheet – March 31, 2024 vs. March 31, 2023

- Savings deposits as a percentage of Total Deposits went down from 62.0% to 56.0%, resulting from a 41% growth in Time deposits.
- Consequently, Time deposits to Total Deposits increased to 29.6% from 23.7%.

III. Income Statement – For the period ended March 31, 2024 vs. March 31, 2023

- FX Gain as a percentage of Other Income rose from 2.4% to 9.4% on revaluation of certain derivatives contra Trading Gain, which dropped 5.5% year-on-year.

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 March 31, 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
A. INTERBANK LOANS RECEIVABLES	P 77,655	P 0	P 0	P 0	P 0	P 77,655
B. LOANS AND RECEIVABLES	P 2,880,997	P 14,705	P 3,821	P 5,066	P 43,530	P 2,948,119
Loans & Discounts	2,457,179	7,535	1,552	1,503	27,195	2,494,964
Agri - Agra Loans	68,844	258	11	31	1	69,145
Bills Purchased	11,904	0	0	0	38	11,942
Customers Liability on Draft under LC/TR	77,748	1	0	7	789	78,545
Customers Liability for this Bank's Acceptances	15,428	0	0	0	0	15,428
Credit Card Receivables	149,854	3,427	1,490	2,144	6,722	163,637
Restructured Loans	57,587	3,170	636	1,198	6,745	69,336
Reverse Repurchase Agreement	20,412	0	0	0	0	20,412
Other Loans & Receivables	22,041	314	132	183	2,040	24,710
C. ACCOUNTS RECEIVABLE	P 15,590	P 1,067	P 119	P 219	P 3,283	P 20,278
TOTAL	P 2,974,242	P 15,772	P 3,940	P 5,285	P 46,813	P 3,046,052