

**STANDARD DOCUMENT COVER SHEET
FOR SEC FILINGS**

All documents should be submitted under a cover page which clearly identifies the company and the specific document form as follows:

SEC Number PW-121

File Number

**BANK OF THE PHILIPPINE ISLANDS
22/F – 28/F AYALA TRIANGLE GARDENS TOWER 2
PASEO DE ROXAS CORNER MAKATI AVENUE,
BEL-AIR, MAKATI CITY
POSTAL CODE 1226
(632) 8663-6525
FISCAL YEAR ENDING DECEMBER 31**

**SEC FORM 17–Q QUARTERLY REPORT
AMENDMENT DESIGNATION (if applicable)**

PERIOD-ENDED JUNE 30, 2025
(if a report, financial statement, GIS, or related amendment or show-cause filing)

NONE
EACH ACTIVE SECONDARY LICENSE TYPE AND FILE NUMBER
(state “NONE” if that is the case)

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 **JUNE 30, 2025**
2. Commission identification number **PW-121**
3. BIR Tax Identification No. - **TIN: 000-438-366-000**
4. **BANK OF THE PHILIPPINE ISLANDS**
Exact name of registrant as specified in its chart
5. **Manila, Philippines**
Province, country or other jurisdiction of incorporation
6. Industry Classification Code: (SEC Use Only)
7. **22/F – 28/F Ayala Triangle Gardens Tower 2**
Paseo De Roxas corner Makati Avenue
Bel-Air, Makati City (current business address) **ZIP Code 1226**
Address of principal office Postal Code
8. **(632) 8663-6525 (Corpsec Off) / (632) 8663-6733 (IR)**
Registrant's telephone number, including area code
9. -
Former name, former address, and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code

Title of each class	Number of shares of common stock outstanding and amount of debt outstanding
---------------------	--

Common	5,283,794,223
---------------	----------------------

11. Are any or all of the securities listed on the Philippine Stock Exchange? Yes [x] No []
If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange	Common
----------------------------------	---------------

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 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 12 months (or for such shorter period the registrant was required to file such reports) Yes No

(b) Has been subject to such filing requirements for the last 90 days Yes No

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENT OF CONDITION
JUNE 30, 2025 AND DECEMBER 31, 2024
(in Thousands of Pesos)

	UNAUDITED	AUDITED
	JUNE 30, 2025	DECEMBER 31, 2024
<u>RESOURCES</u>		
Cash and Other Cash Items	40,595,970	49,761,561
Due from Bangko Sentral ng Pilipinas	126,401,644	164,570,712
Due from Other Banks	45,527,084	72,059,785
Interbank Loans Receivable and Securities		
Purchased under Agreements to Resell	29,135,276	16,714,634
Financial Assets at Fair Value through Profit or Loss	96,583,450	47,307,846
Financial Assets at Fair Value through OCI	283,429,628	268,202,074
Financial Assets at Amortized Cost	340,686,243	343,107,883
Loans and Advances, net	2,322,345,516	2,238,764,985
Assets Held for Sale, net	10,605,554	8,411,082
Bank Premises, Furniture, Fixtures and Equipment, net	22,549,190	21,209,228
Investments in Subsidiaries and Associates, net	12,057,916	10,904,046
Assets Attributable to Insurance Operations	20,081,355	20,994,701
Deferred Income Tax Assets, net	17,881,300	18,200,797
Goodwill	9,517,585	9,517,585
Other Resources, net	22,017,232	29,086,426
TOTAL RESOURCES	3,399,414,943	3,318,813,345
<u>LIABILITIES AND CAPITAL FUNDS</u>		
Deposit Liabilities		
Demand	421,343,212	426,788,616
Savings	1,209,570,697	1,225,451,321
Time	980,723,642	962,561,898
Sub-total	2,611,637,551	2,614,801,835
Derivative Financial Liabilities	3,763,837	4,976,180
Other Borrowed Funds	226,701,430	163,182,283
Due to Bangko Sentral ng Pilipinas and Other Banks	2,583,239	3,134,607
Manager's Checks and Demand Drafts Outstanding	9,314,685	9,941,073
Accrued Taxes, Interest and Other Expenses	19,208,728	17,327,428
Liabilities Attributable to Insurance Operations	15,472,661	16,540,651
Deferred Credits and Other Liabilities	55,005,016	56,218,834
TOTAL LIABILITIES	2,943,687,147	2,886,122,891
CAPITAL FUNDS ATTRIBUTABLE TO THE EQUITY HOLDERS OF BPI		
Share Capital	52,734,779	52,609,951
Share Premium	143,565,652	143,277,989
Reserves	14,799,147	10,888,864
Surplus	254,215,664	236,332,444
Accumulated Other Comprehensive Income/ (Loss)	(11,859,117)	(12,639,978)
	453,456,125	430,469,270
NON-CONTROLLING INTERESTS	2,271,671	2,221,184
TOTAL CAPITAL FUNDS	455,727,796	432,690,454
TOTAL LIABILITIES AND CAPITAL FUNDS	3,399,414,943	3,318,813,345

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENTS OF INCOME
For the Quarter Ended June 30, 2025 and 2024
(In Thousands of Pesos)

	<u>2025</u>	<u>2024</u>
INTEREST INCOME		
On loans and advances	44,916,865	38,847,719
On FA at amortized cost	3,483,164	3,625,672
On FA at FV through OCI	3,600,341	2,973,119
On deposits with BSP and other banks	416,881	795,024
On FA at FV through profit or loss	316,465	323,981
	<u>52,733,716</u>	<u>46,565,515</u>
INTEREST EXPENSE		
On Deposits	13,033,383	12,854,961
On Bills Payable and other borrowings	2,962,564	2,305,122
	<u>15,995,947</u>	<u>15,160,083</u>
NET INTEREST INCOME	<u>36,737,769</u>	<u>31,405,432</u>
IMPAIRMENT LOSSES	<u>4,250,000</u>	<u>1,500,000</u>
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	<u>32,487,769</u>	<u>29,905,432</u>
OTHER INCOME		
Fees and commissions	3,561,290	3,874,370
Income from foreign exchange trading	615,417	1,128,276
Trading gain (loss) on securities	1,181,972	111,831
Income attributable to insurance operations	1,036,050	701,003
Other operating income	4,718,475	4,429,482
	<u>11,113,204</u>	<u>10,244,962</u>
OTHER EXPENSES		
Compensation and fringe benefits	7,930,363	7,701,730
Occupancy and equipment-related expenses	6,668,618	6,096,547
Other operating expenses	7,850,979	6,462,468
	<u>22,449,960</u>	<u>20,260,745</u>
INCOME BEFORE INCOME TAX	<u>21,151,013</u>	<u>19,889,649</u>
PROVISION FOR INCOME TAX		
Current	5,031,671	4,567,930
Deferred	(320,735)	(39,342)
	<u>4,710,936</u>	<u>4,528,588</u>
NET INCOME FOR THE QUARTER	<u>16,440,077</u>	<u>15,361,061</u>
Attributable to:		
Equity holders of BPI	<u>16,316,433</u>	<u>15,301,721</u>
Non-controlling interest	<u>123,644</u>	<u>59,340</u>
	<u>16,440,077</u>	<u>15,361,061</u>

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
NET INCOME BEFORE MINORITY INTEREST	16,440,077	15,361,061
Other Comprehensive Income:		
Items that may be reclassified subsequently to profit or loss		
Net change in fair value reserve on FVOCI securities, net of tax effect	(648,431)	(2,280,611)
Fair value reserve on investments of insurance subsidiaries, net of tax effect	8,298	(14,368)
Share in other comprehensive income of associates	30,793	(181,979)
Currency translation differences	(111,837)	353,138
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit plan, net of tax effect	14,069	1,555
Share in other comprehensive gain (loss) of associates	(122,964)	66,874
Total Other Comprehensive Income (Loss), net of tax effect	(830,072)	(2,055,391)
Total Comprehensive Income for the Year	15,610,005	13,305,670
Attributable to:		
Equity holders of BPI	15,480,774	13,250,565
Non-Controlling Interest	129,231	55,105
	15,610,005	13,305,670

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENTS OF INCOME
For the Six Months Ended June 30, 2025 and 2024
(In Thousands of Pesos)

	<u>Unaudited 2025</u>	<u>Unaudited 2024</u>
INTEREST INCOME		
On loans and advances	88,158,454	76,171,353
On FA at amortized cost	6,972,110	7,329,607
On FA at FV through OCI	6,778,231	5,435,467
On deposits with BSP and other banks	1,027,587	1,654,544
On FA at FV through profit or loss	611,224	546,935
	<u>103,547,606</u>	<u>91,137,906</u>
INTEREST EXPENSE		
On Deposits	27,091,149	25,516,794
On Bills Payable and other borrowings	5,302,475	4,367,732
	<u>32,393,624</u>	<u>29,884,526</u>
NET INTEREST INCOME	<u>71,153,982</u>	<u>61,253,380</u>
IMPAIRMENT LOSSES	<u>7,250,000</u>	<u>3,000,000</u>
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	<u>63,903,982</u>	<u>58,253,380</u>
OTHER INCOME		
Fees and commissions	7,492,884	7,266,565
Income from foreign exchange trading	1,221,676	2,129,899
Trading gain (loss) on securities	1,603,806	744,094
Income attributable to insurance operations	1,825,385	1,503,197
Other operating income	9,256,080	8,278,006
	<u>21,399,831</u>	<u>19,921,761</u>
OTHER EXPENSES		
Compensation and fringe benefits	15,459,065	14,319,351
Occupancy and equipment-related expenses	12,743,085	11,081,262
Other operating expenses	14,546,152	12,871,663
	<u>42,748,302</u>	<u>38,272,276</u>
INCOME BEFORE INCOME TAX	<u>42,555,511</u>	<u>39,902,865</u>
PROVISION FOR INCOME TAX		
Current	9,087,511	8,634,050
Deferred	307,087	560,652
	<u>9,394,598</u>	<u>9,194,702</u>
NET INCOME FOR THE PERIOD	<u>33,160,913</u>	<u>30,708,163</u>
Attributable to:		
Equity holders of BPI	<u>32,958,083</u>	<u>30,564,776</u>
Non-controlling interest	<u>202,830</u>	<u>143,387</u>
Discontinued Operation	<u>0</u>	<u>0</u>
	<u>33,160,913</u>	<u>30,708,163</u>
Earnings per share:		
Based on 5,283,794,223 shares as of June 30, 2025 and 5,272,095,143 shares in 2024	P 6.24	P 5.80

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Six Months Ended June 30, 2025 and 2024
(In Thousands of Pesos)

	Unaudited 2025	Unaudited 2024
NET INCOME BEFORE MINORITY INTEREST	33,160,913	30,708,163
Other Comprehensive Income		
Items that may be reclassified subsequently to profit or loss		
Net change in fair value reserve on FVOCI securities, net of tax effect	1,070,216	(4,246,365)
Fair value reserve on investments of insurance subsidiaries, net of tax effect	52,304	(27,305)
Share in other comprehensive income of associates	(25,485)	(263,773)
Currency translation differences	(203,449)	479,692
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit plan, net of tax effect	(27,763)	16,784
Share in other comprehensive gain (loss) of associates	(78,903)	(3,055)
Total Other Comprehensive Income (Loss), net of tax effect	786,920	(4,044,022)
Total Comprehensive Income for the Year	33,947,833	26,664,141
Attributable to:		
Equity holders of BPI	33,738,944	26,523,704
Non-Controlling Interest	208,889	140,437
	33,947,833	26,664,141

BANK OF THE PHILIPPINE ISLANDS-UNIBANK
STATEMENT OF CHANGES IN CAPITAL FUNDS
FOR THE PERIOD ENDED JUNE 30, 2025 & JUNE 30, 2024
(In Thousand Pesos)

	Consolidated							
	Attributable to equity holders of BPI							
	Share Capital	Share Premium	Reserves	Surplus	Accumulated Other Comprehensive Income (Loss)	Total	Non-controlling Interest	Total
Balance, December 31, 2024	52,609,951	143,277,989	10,888,864	236,332,444	(12,639,978)	430,469,270	2,221,184	432,690,454
Comprehensive Income								
Net Income for the year	-	-	-	32,958,083	-	32,958,083	202,830	33,160,913
Other Comprehensive Income for the year	-	-	-	-	780,861	780,861	6,059	786,920
Total Comprehensive Income for the year	-	-	-	32,958,083	780,861	33,738,944	208,889	33,947,833
Transactions with owners								
Issuance of Shares as a consideration of the merger	-	-	-	-	-	-	-	-
Executive Stock Plan amortization	124,828	287,663	(5,318)	-	-	407,173	-	407,173
Dividends Declared	-	-	-	(10,990,292)	-	(10,990,292)	(158,402)	(11,148,694)
Total transactions with owners	124,828	287,663	(5,318)	(10,990,292)	-	(10,583,119)	(158,402)	(10,741,521)
Other movements								
Transfer from Reserve to Surplus	-	-	3,918,278	-	-	3,918,278	-	3,918,278
Transfer from Surplus to Reserves	-	-	-	(3,918,278)	-	(3,918,278)	-	(3,918,278)
Others	-	-	(2,677)	(166,293)	-	(168,970)	0	(168,970)
Total other movements	-	-	3,915,601	(4,084,571)	-	(168,970)	0	(168,970)
Balance, June 30, 2025	52,734,779	143,565,652	14,799,147	254,215,664	(11,859,117)	453,456,125	2,271,671	455,727,796

	Consolidated							
	Attributable to equity holders of BPI							
	Share Capital	Share Premium	Reserves	Surplus	Accumulated Other Comprehensive Income (Loss)	Total	Non-controlling Interest	Total
Balance, December 31, 2023	49,307,247	113,413,765	643,633	204,966,735	(11,127,367)	357,204,013	2,166,057	359,370,070
Comprehensive Income								
Net Income for the year	-	-	-	30,564,776	-	30,564,776	143,387	30,708,163
Other Comprehensive Income for the year	-	-	-	-	(4,041,072)	(4,041,072)	(2,950)	(4,044,022)
Total Comprehensive Income for the year	-	-	-	30,564,776	(4,041,072)	26,523,704	140,437	26,664,141
Transactions with owners								
Issuance of Shares - BPI & BFB Merger	3,140,040	29,453,574	-	-	-	32,593,614	-	32,593,614
Executive Stock Plan amortization	108,027	126,736	(58,687)	-	-	176,076	-	176,076
Dividends Declared	-	-	-	(10,438,748)	-	(10,438,748)	(156,888)	(10,595,636)
Total transactions with owners	3,248,067	29,580,310	(58,687)	(10,438,748)	-	22,330,942	(156,888)	22,174,054
Other movements								
Transfer from Reserve to Surplus	-	-	2,163,114	-	-	2,163,114	-	2,163,114
Transfer from Surplus to Reserves	-	-	-	(2,163,114)	-	(2,163,114)	-	(2,163,114)
Merger Reserves	-	-	-	-	-	-	-	-
Others	-	-	4,080	468,538	-	472,618	-	472,618
Total other movements	-	-	2,167,194	(1,694,576)	-	472,618	-	472,618
Balance, June 30, 2024	52,555,314	142,994,075	2,752,140	223,398,187	(15,168,439)	406,531,277	2,149,606	408,680,883

Bank of the Philippine Islands
Consolidated Cash Flows Statement
For the Quarter Ended June 30, 2025 And 2024
In Millions of PHP

	June 2025	June 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Income before income tax	21,152	19,890
Adjustments for:		
Impairment losses	4,250	1,500
Depreciation and amortization	1,421	1,384
Share in net income of associates	(801)	(611)
Dividend and other Income	(30)	(32)
Share based compensation	4	(5)
Profit from asset sold	(5)	(19)
Realized gain or sale on investment securities	(743)	(50)
Interest income	(52,734)	(46,566)
Interest received	49,605	45,155
Interest expense	16,106	15,247
Interest paid	(14,304)	(15,255)
(Increase) decrease in:		
Interbank loans receivable and securities purchased under agreements to resell	127	(1,280)
Financial Assets at FVTPL	(32,668)	(20,713)
Loans and advances, net	(73,328)	(48,271)
Assets held for sale	(1,620)	1,672
Assets attributable to Insurance operations	992	437
Other assets	3,238	2,906
Increase (decrease) in:		
Deposit liabilities	35,285	24,850
Due to Bangko Sentral ng Pilipinas and other banks	429	747
Manager's checks demand drafts outstanding	(474)	777
Accrued taxes, interest and other expenses	1,764	1,433
Liabilities attributable to insurance operations	(865)	(386)
Derivative financial instruments	875	2,297
Deferred credits and other liabilities	(3,176)	(783)
Net cash from (used in) operations	(45,500)	(15,676)
Income taxes paid	(6,656)	(6,569)
Net cash from (used in) operating activities	(52,156)	(22,245)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment Securities, net	(95,371)	(7,860)
Bank premises, furniture, fixtures and equipment	(1,565)	(1,136)
Proceeds from:		
Disposal of investment securities	64,646	10,162
Disposal of bank premises, furniture, fixtures and equipment	36	150
Disposal of investment properties	-	-
(Increase) decrease in:		
Investment in subsidiaries and associates, net	154	131
Assets attributable to insurance operations	(39)	(30)
Impact of merger	-	1,500
Dividends received	30	32
Net cash used in investing activities	(32,109)	2,949
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends and dividends issuance cost paid	(10,990)	(10,439)
Proceeds from issuance	333	189
(Decrease) Increase in bills payable and other borrowed funds	80,228	8,850
Payments for principal portion of lease liabilities	(583)	(479)
Net cash used in financing activities	68,988	(1,879)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(15,277)	(21,175)
CASH AND CASH EQUIVALENTS		
April 1	255,639	321,276
June 30	240,362	300,101

Bank of the Philippine Islands
Consolidated Cash Flows Statement
For The Six Months Ended June 30, 2025 and 2024
In Millions of PHP

	June 2025	June 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Income before income tax	42,556	39,903
Adjustments for:		
Impairment losses	7,250	3,000
Depreciation and amortization	2,667	2,632
Share in net income of associates	(1,410)	(1,203)
Dividend and other Income	(36)	(45)
Share based compensation	(5)	(59)
Profit from asset sold	(222)	(43)
Realized gain or sale on investment securities	(790)	(590)
Interest income	(103,548)	(91,138)
Interest received	104,031	86,561
Interest expense	32,593	30,047
Interest paid	(31,754)	(29,511)
(Increase) decrease in:		
Interbank loans receivable and securities purchased under agreements to resell	1,427	4,983
Financial Assets at FVTPL	(49,211)	(42,113)
Loans and advances, net	(91,738)	(34,586)
Assets held for sale	(2,238)	(799)
Assets attributable to Insurance operations	1,384	1,153
Other assets	6,204	1,925
Increase (decrease) in:		
Deposit liabilities	(3,162)	10,532
Due to Bangko Sentral ng Pilipinas and other banks	(833)	1,521
Manager's checks demand drafts outstanding	(626)	252
Accrued taxes, interest and other expenses	85	(1,871)
Liabilities attributable to insurance operations	(1,108)	(1,174)
Derivative financial instruments	(1,212)	2,409
Deferred credits and other liabilities	(1,263)	(6,831)
Net cash from (used in) operations	(90,959)	(25,045)
Income taxes paid	(8,118)	(7,133)
Net cash from (used in) operating activities	(99,077)	(32,178)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment Securities, net	(102,823)	(77,998)
Bank premises, furniture, fixtures and equipment	(2,580)	(1,425)
Disposals of:		
Investment Securities, net	92,554	113,293
Bank premises, furniture, fixtures and equipment	330	205
Investment properties, net	-	-
(Increase) decrease in:		
Investment in subsidiaries and associates, net	154	130
Assets attributable to insurance operations	(159)	(274)
Impact of merger	-	22,071
Dividends received	36	45
Net cash used in investing activities	(12,488)	56,047
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends and dividends issuance cost paid	(10,990)	(10,439)
Proceeds from issuance	413	235
(Decrease) Increase in bills payable and other borrowed funds	63,519	(1,155)
Payments for principal portion of lease liabilities	(1,100)	(890)
Net cash used in financing activities	51,842	(12,249)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(59,723)	11,620
CASH AND CASH EQUIVALENTS		
January 1	300,085	288,481
June 30	240,362	300,101

BANK OF THE PHILIPPINE ISLANDS
Financial Indicators
As at June 30, 2025 and 2024

Ratio	Formula	Current Year	Prior Year
		in percentage	
Liquidity ratio	Total current assets divided by total current liabilities	47.89	47.94
Debt-to-equity ratio	Total liabilities (Bills payable and Bonds payable) divided by total equity	49.99	37.12
Asset-to-equity ratio	Total assets divided by total equity	749.67	765.00
Interest rate coverage ratio	Earning before interest expense, income taxes, depreciation, and amortization	239.60	242.33
Return on equity	Net income divided by average equity	14.93	15.52
Return on assets	Net income divided by average assets	2.01	2.00
Net interest margin (NIM)	Net interest income (return on investment less interest expense) divided by average net interest bearing assets	4.58	4.26
Average assets to average equity	Average assets divided by average equity	743.16	774.61
Net interest to average assets (NRFF)	Net interest income divided by average assets	4.34	4.02
Cost to income ratio	Total operating expense divided by total income (revenues)	46.19	47.15
Cost to asset ratio	Total operating expense divided by average asset	2.61	2.51
Capital to assets ratio	Total equity divided by total assets	13.34	13.07

SEC REQUIRED DISCLOSURES
BANK OF THE PHILIPPINE ISLANDS
JUNE 30, 2025

- Disclosure that the issuer’s interim financial report is in compliance with generally accepted accounting principles.
 - The Bank’s interim financial statements have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) which includes applicable PFRS, Philippine Accounting Standards (PAS), and interpretations approved by the Financial Reporting Standards Council (FRSC).
- 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 Bank’s interim financial statements have been prepared consistent with its most recent annual financial statements as of December 31, 2024 which was in accordance with the PFRS adopted by the SEC.
- Explanatory comments about the seasonality or cyclicity of interim operations.
 - Nothing to report
- The nature and amount of items affecting assets, liability, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.
 - Nothing to report
- 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.
 - Nothing to report
- Issuances, repurchases and repayments of debt and equity securities.
 - In 28 April 2025, the Bank announced its upcoming BPI Supporting Inclusion, Nature, and Growth Bonds (the “BPI SINAG Bonds”) Issuance.
 - In 20 May 2025, the Bank priced its 1.5 year Peso-denominated fixed-rate BPI SINAG Bonds with an aggregate principal amount of Php 5 Billion with an option to upsize (the “Offer”).

As the first tranche under the Bank's Php 200 Billion Bond and Commercial Paper Program, the BPI SINAG Bonds bear an interest rate of 5.85% per annum and will be paid quarterly. The offer period began on 20 May 2025 until 30 May 2025.

- In 10 June 2025, the Bank listed its BPI SINAG Bonds in the aggregate principal amount of P40,000,000,000 (the "Offer") on the Philippine Dealing & Exchange Corp. (PDEX).
- Dividends paid (aggregate per share) separately for ordinary shares and other shares.
 - At the regular Board meeting of the Bank held in 21 May 2025, the Board approved the declaration of a cash dividend of Two Pesos and Eight Centavos (Php 2.08) per common share for all stockholders of record as of 10 June 2025. The payment date is set on 30 June 2025.
- 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).
 - Attached
- Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
 - Nothing to report
- The effect of changes in the composition of the issuer during the interim period, including business combinations, acquisitions or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.
 - Nothing to report
- Changes in contingent liabilities or contingent assets since the last annual balance sheet date.
 - Changes in contingent liabilities and contingent assets are in the normal course of business and are not anticipated to cause any material losses from those commitments/contingent liabilities.
- Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period.
 - Nothing to report

- Assess the financial risk exposures of the company and its subsidiaries particularly on currency, interest, credit, market and liquidity risks. If any change thereof would materially affect the financial condition and results of operation of the company, provide a discussion in the report on the qualitative and quantitative impact of such risks and include a description of any enhancement in the company's risk management policies to address the same.
 - The Bank manages risk exposures according to three major classifications: credit, market and liquidity, and operational risks. The Bank is exposed to these financial risks primarily through corporate and consumer lending activities, trading and investment in securities, currencies, financial derivatives, and structured investment products, and engaging in operating activities, infrastructure, and technology to support the Bank's day-to-day businesses. The risks associated with these activities are closely monitored through the various key risk indicators (KRIs), risk appetite, limits, and metrics defined and set by the Board through its Risk Management Committee (RMCom). The Chief Risk Officer of the BPI Group leads the Bank's Risk Management Office to support the RMCom in identifying, measuring, controlling, monitoring, and reporting the Bank's financial and non-financial risk exposures. The Bank has established risk management policies and standards ensuring that controls are generally in place and working effectively. These allow the Bank and its key subsidiaries to manage credit, market and liquidity, operational risks, as well as emerging risks such as environmental and social risks, within the RMCom-approved risk appetite (BPI subsidiary Board-level RMComs in the case of key BPI subsidiaries). Dedicated and skilled risk managers, including business risk and subsidiary risk officers, fully support the Bank's three lines-of-defense (3LoD) risk organization.
 - The Bank pro-actively manages risks inherent to its business activities given the uncertainties in both the global and local financial and business environments. Sensitivity analyses, forward-looking simulations and stress-testing exercises, regular risk monitoring and escalation procedures, risk MIS reporting and in-depth discussions involving business units, Senior Management, and the Board of Directors, are measures to strengthen the effectiveness of the Bank's enterprise risk management (ERM) framework. The Bank continues to implement a formal integrated risk and capital stress testing framework, with forward-looking assessment of risks to facilitate development of contingency plans and risk strategies, under given stressed scenarios crafted by the Bank's experts. Under the baseline projections, incorporating forward-looking macroeconomic assumptions and scenarios on economic landscape, particularly possible peso depreciation amid geopolitical events, borrowers' exposure to climate (hydrometeorological) and other natural risks (seismic and volcanic risks) based on location, corporate borrowers belonging to industries vulnerable to transition risk through a carbon tax scenario, operational loss scenarios, possible losses on rate-sensitive assets and liabilities, and scenario on unexpected deposit withdrawals, the Bank's capital position on both consolidated and solo bases remain strong and well within the regulatory minimum CAR and CET1 ratios. The levels of risk limits and exposures are regularly reviewed to reflect the Board's overall risk appetite and strategy.

- The Bank continues to manage overall credit risks and maintain asset quality for the period with non-performing loan (NPL) ratio of 2.25% and sufficient NPL coverage ratio, consistent with the Bank's credit risk appetite and strategy. The NPL ratio trend was primarily driven by credit risks of consumer loans (credit cards, housing, and auto loans) and borrower-specific credit risks that affected the corporate loan portfolios. Nonetheless, the Bank's NPL ratio is generally acceptable and is lower relative to the industry's NPL ratio, as published by BSP, and relative to the Bank's total loan portfolio, which is well diversified across key industries, with adequate loan loss provisioning, and in general compliance to BSP guidelines and regulatory ceilings on credit risks (including single borrower's limit and related party transactions). The Bank's credit risk management system is governed by stringent credit underwriting policies and risk rating parameters (e.g., internal credit risk rating systems and credit scorecards), as well as lending procedures and standards which are regularly reviewed and updated given regulatory requirements and market developments. Review of credit portfolios, products and programs, internal and regulatory credit stress tests, and risk reporting to Senior Management and the RMCom are regularly conducted to ensure that the Bank is aligned with sound credit risk management best practices. Since January 2018, the Bank adopted the accounting standards on classification and measurement under PFRS 9 guidelines. The Bank began recognizing credit losses upon initial recognition of its assets through the Expected Credit Loss (ECL) models. The Bank also complies with BSP's requirement of maintaining 1% general loan loss provisions for Stage 1 loans as prescribed by BSP 1011. In view of the continuing volatilities in the macroeconomic environment, the Bank regularly updates its macroeconomic forecasts and uses these forecasts to update the forward-looking, point-in-time probability of default and loss rate models used in ECL calculation. Industry risk assessments, proactive collection and loan restructuring measures, and disciplined loan loss provisioning are being strictly observed to mitigate credit risks and vulnerabilities due to persistent and heightened global and local market developments and industry risks on the Bank's borrowing accounts.
- The Bank closely monitors the risk exposures of both trading and non-trading portfolios. Assets in both on- and off-balance sheet trading portfolios are marked-to-market, and the resulting gains and losses are recognized through profit and loss. Market risk exposures are measured using the historical simulation Value-at-Risk (VaR) model complemented by several risk metrics such as Stop Loss and DV01. As of the second quarter of 2025, the Philippine Government Securities (GS)/PHP BVAL rates and US treasury rates were lower by an average of around 15 bps and 25 bps across the curve year-to-date. The global economic and financial market environment in the first half of 2025 is generally characterized by trade tensions, persistent geopolitical and policy uncertainties, inflation divergence leading to heightened market volatility. Despite the challenges, the Bank continues to prudently manage its trading positions and ensure that its activities are within its set risk appetite, with its trading VaR levels well within the RMCom-approved limits as of end of the second quarter of 2025.

- The Bank also conducts regular price stress tests that measure the potential impact of adverse movements in interest rates and other risk factors on the Bank's trading and banking books, and the corresponding impact to the Bank's CAR and CET1 ratios. The stress-testing activities are useful to help better assess how extreme, yet plausible conditions and external events may potentially affect the Bank's resilience and financial condition. The results of the second quarter of 2025 price stress test on both the trading and banking books showed that the Bank's post-shock CAR and CET1 levels are well above the minimum internal and regulatory requirement given adverse movements in risk factors.
- Interest rate risk exposures arising from core banking activities are measured through (a) Earnings-at-Risk (EaR), or the potential deterioration in net interest income over the short- to medium- term horizon (i.e., those occurring in the next one to three years) due to adverse movements in interest rates, and (b) Balance Sheet Value-at-Risk (BSVaR), or the impact on the economic value of future cash flows in the banking book due to changes in interest rates. As of the second quarter of 2025, BPI Group's BSVaR and EaR levels are well within the RMCom-approved limits.
- The Bank's liquidity profile is measured and monitored through its internal metric, the Minimum Cumulative Liquidity Gap (MCLG) supplemented by liquidity risk monitoring tools, as well as through regulatory metrics, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). MCLG measures the smallest net cumulative cash inflow (if positively gapped) or the largest net cumulative cash outflow (if negatively gapped) over the next three months. LCR promotes the short-term resilience of the Bank's liquidity risk profile and requires the Bank to hold an adequate level of high-quality liquid assets (HQLA) to cover net cash outflows in the next 30 days. NSFR, on the other hand, requires the Bank to maintain a stable funding profile to cover its assets over a horizon of one year. Both LCR and NSFR are designed to strengthen the resilience of the Bank against liquidity shocks. As of the second quarter of 2025, BPI Group's LCR and NSFR figures exceed the prescribed minimum requirement set by the BSP.
- The Bank regularly reviews its risk models and assumptions to assess performance, accuracy and/or effectiveness, from which recalibration or update is conducted, as necessary. Model validation is performed by a team independent of development, guided by an established framework and standards. Independent validation reports are presented to the Bank's RMCom and action items are subject to monitoring and review. Enterprise risk systems are continuously enhanced and/or upgraded considering increasing regulatory expectations and the Bank's risk data aggregation initiatives towards the completeness, accuracy, timeliness and quality of risk data, dashboards, and reporting. The Bank also utilizes data analytics to support risk and regulatory requirements and reporting.
- The Bank has maintained the operational-related risk losses to less than 1% of gross income as of May 2025. These losses are well within the Senior Management and

- Board/RMCom's conservative and prudent risk appetite and are generally attributed to inherent risks in executing the Bank's day-to-day business operations. The RMCom is regularly apprised of operational risks through comprehensive reporting and discussions during monthly meetings, and is continually briefed on current cybercrime landscapes, emerging risks, and industry trends, as well as mitigating measures implemented by the Bank.
- The acceleration of digitalization, use of cloud-based services, remote work, rapid adoption of AI, and the ever-evolving cyber threat landscape expose the Bank to increased risk of cyber-attacks (e.g., ransomware, supply chain attacks). Investment in technology-based defenses thus remains to be a core cyber security strategy. The 24/7 Cyber Security Operations Center enables the Bank to detect and respond to threats when these happen. Technical tools continue to be deployed and upgraded to protect against email, network, and cloud attacks. The Bank also relies on robust threat intelligence feeds that provide visibility into ongoing threats and emerging cyber-attacks and inform its defense posture accordingly. A Third-party and Vendor Risk Management Program addresses supply chain risk through a stringent vetting process of service providers and IT suppliers.
 - To build and maintain a cyber-aware organization, the Bank has invested in an Information Security Awareness Program to ensure that employees are adequately trained and equipped in protecting information. To validate the effectiveness of the Awareness Program, a quarterly simulation of social engineering attacks on employees is conducted with the results reported to Senior Management and the Board.
 - Similarly, awareness campaigns are conducted for clients to combat rising fraud due to the increased adoption of online services by the public. These have been intensified with sustained engagements in social media, BPI websites, press releases, e-mail bulletins, and media outings.
 - Considering the Bank's operational risk-related losses, both actual and hypothetical losses from the scenario analysis exercise, the Bank is sufficiently capitalized to cover both the expected and unexpected operational-related losses.
 - The significant judgments made in classifying a particular financial instrument in the fair value hierarchy.
 - The assumptions/judgments made in the Bank's interim financial statements are consistent with the most recent annual financial statements as of December 31, 2024.
 - A comparison of the fair values as of date of the recent interim financial report and as of date of the preceding interim period, and the amount of gain/loss recognized for each of the said periods.

- The BPI Group classifies its financial assets in the following measurement categories: at Fair Value through Profit and Loss (FVTPL), Fair Value through Other Comprehensive Income (FVOCI), and at Amortized Cost. The recognition of each category's fair values and gain(s)/loss(es) for the relevant periods are detailed below.
 - **FVTPL:** A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented in the statements of income within "Securities trading gain" in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately.
 - **FVOCI:** Movement in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in the statements of income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is classified from equity to profit or loss.
 - **Amortized Cost:** Carrying amount and Fair value are summarized in the following table.

In P Million	Carrying Amount	Fair Value
June 30, 2025 (unaudited)	340,686	337,316
December 31, 2024 (audited)	343,108	337,127

The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured.

BANK OF THE PHILIPPINE ISLANDS SEGMENT REPORT For the Quarter Ended June 30, 2025						
In P Mn	CONSUMER BANKING	CORPORATE BANKING	INVESTMENT BANKING / FINANCIAL MARKETS	CORP / ELIM	TOTAL	
Net interest income	24,287	9,853	4,143	(1,545)	36,738	
Impairment charge	4,912	(623)	58	(98)	4,250	
Net interest income after impairment charge	19,375	10,476	4,084	(1,447)	32,488	
Fees and commission income	2,957	577	306	(50)	3,791	
Other income	3,924	427	2,535	1,261	8,147	
GRT	(464)	(66)	(246)	(49)	(825)	
Other Income, net	6,417	939	2,595	1,163	11,113	
Compensation and fringe benefits	5,748	997	601	584	7,930	
Occupancy and equipment-related expenses	2,380	159	314	3,816	6,669	
Other operating expenses	8,977	1,240	601	(2,968)	7,851	
Total operating expenses	17,105	2,396	1,516	1,432	22,450	
Provision for Income Tax					4,711	
Income Before Impairment Losses, Income Tax and Minority Interest	13,599	8,395	5,222	(1,815)	25,401	
Operating Profit	8,687	9,018	5,163	(1,717)	21,151	
Share in net income of associates					801	
Net Income					15,639	
Total Assets	858,101	1,632,820	847,887	60,607	3,399,415	
Total Liabilities	1,847,081	822,694	237,451	36,462	2,943,687	

BANK OF THE PHILIPPINE ISLANDS SEGMENT REPORT For the Six Months Ended June 30, 2025					
In P Mn	CONSUMER BANKING	CORPORATE BANKING	INVESTMENT BANKING / FINANCIAL MARKETS	CORP / ELIM	TOTAL
Net interest income	47,644	18,673	7,887	(3,049)	71,154
Impairment charge	8,634	(1,348)	63	(98)	7,250
Net interest income after impairment charge	39,010	20,021	7,824	(2,951)	63,904
Fees and commission income	6,371	1,175	608	(124)	8,029
Other income	7,469	769	4,481	2,146	14,864
GRT	(935)	(129)	(353)	(77)	(1,494)
Other Income, net	12,905	1,814	4,736	1,945	21,400
Compensation and fringe benefits	11,238	1,927	1,168	1,126	15,459
Occupancy and equipment-related expenses	4,380	257	506	7,601	12,743
Other operating expenses	14,811	2,083	1,060	(3,408)	14,546
Total operating expenses	30,429	4,267	2,733	5,319	42,748
Provision for Income Tax					9,395
Income Before Impairment Losses, Income Tax and Minority Interest	30,120	16,220	9,889	(6,423)	49,805
Operating Profit	21,486	17,568	9,826	(6,325)	42,555
Share in net income of associates					1,410
Net Income					31,751
Total Assets	858,101	1,632,820	847,887	60,607	3,399,415
Total Liabilities	1,847,081	822,694	237,451	36,462	2,943,687

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations

Financial Condition as of June 30, 2025 versus as of December 31, 2024

Total resources at P3.40 trillion, up P80.60 billion, or 2.4%, led by the increase in **loans and advances, net** by P83.58 billion, or 3.7%, ending at P2.32 trillion, with growth across all segments.

Other material increases are as follows:

- **Financial assets at Fair Value through Profit or Loss** at P96.58 billion, up P49.28 billion or 104.2% on purchase of government securities.
- **Financial assets at Fair Value through OCI** at P283.43 billion, up P15.23 billion or 5.7% on purchase of local government securities.
- **Interbank Loans Receivable and Securities Purchased under Agreements to Resell** at P29.14 billion, up P12.42 billion or 74.3%, on higher placements with other banks.
- **Assets held for sale, net** at P10.61 billion, up P2.19 billion or 26.1%, due to the increase in foreclosed properties.
- **Bank Premises, Furniture, Fixtures and Equipment, net** at P22.55 billion, up P1.34 billion or 6.3% due to various construction and renovation projects.
- **Investments in subsidiaries and associates, net** at P12.06 billion, up P1.15 billion or 10.6%, mostly from higher net income from the Bank's life insurance associate.

The above increases were tempered by declines in the following accounts:

- **Due from Bangko Sentral ng Pilipinas** at P126.40 billion, down P38.17 billion or 23.2%, as the Bank's placement in BSP was offset by the higher inward checks presented by other banks for clearing.
- **Due from Other Banks** at P45.53 billion, down P26.53 billion or 36.8%, on lower balances maintained with foreign correspondent banks
- **Cash and Other Cash Items** at P40.60 billion, down P9.17 billion or 18.4%, on lower cash balance in the Bank's possession.
- **Other resources, net** at P22.02 billion, down P7.07 billion or 24.3%, on lower miscellaneous assets.

Total liabilities at P2.94 trillion, increased P57.56 billion, or 2.0%, primarily from the P63.52 billion or 38.9% increase in **other borrowed funds**, ending at P226.70 billion, on higher bonds and bills payable. **Accrued Taxes, Interest and Other Expenses** at P19.21 billion, was also up by P1.88 billion or 10.9% on higher accruals on income tax payable and on interest payable on bonds and bills payable, as well as on time certificate of deposits.

Above increases were offset by declines in the following:

- **Total Deposits** at P2.61 trillion, down P3.16 billion or 0.1% on decline in savings and demand deposits, partly offset by increase in time deposits.
- **Derivative financial liabilities** at P3.76 billion, down P1.21 billion or 24.4% owing to the decline in certain derivative positions and movement in underlying market.

- **Liabilities attributable to insurance operations** at P15.47 billion, down P1.07 billion or 6.5%, owing to lower reserves and other balances of the Bank's insurance subsidiaries.
- **Manager's Checks and Demand Drafts Outstanding** at P9.31 billion, down P626 million or 6.3%, on account of lower volume of manager's checks issued.
- **Due to Bangko Sentral ng Pilipinas (BSP) and other banks** at P2.58 billion, down P551 million or 17.6%, due to lower cash received from counterparties as collateral for certain transactions, and lower balance of foreign correspondent banks.

Total capital at P453.46 billion, increased P22.99 billion, or 5.3%.

- **Surplus** of P254.22 billion was up P17.88 billion or 7.6% on cumulative net income for six months tempered by the payment of cash dividends and transfer to reserves for general loan loss provision appropriation.
- **Reserves** of P14.80 billion was up P3.91 billion or 35.9% due to appropriation of general loan loss provision tempered by the Executive Stock Plan amortization.
- **Accumulated Other Comprehensive Loss** at P11.86 billion was P781 million lower than last year's loss of P12.64 billion on cumulative income from net changes in fair value of FVOCI securities.

RESULTS OF OPERATIONS

For the Quarters ended June 30, 2025 and June 30, 2024

Net income of P16.32 billion for the second quarter of 2025 up P1.01 billion or 6.6%, mainly on the growth from **net interest income** and **non-interest income**.

Net interest income at P36.74 billion, up P5.33 billion or 17.0%, as net interest margin (NIM) expanded 34 basis points (bps), driven by higher asset yields and lower cost of funds.

Interest income, net of GRT stood at P52.73 billion, up P6.17 billion, or 13.2%, on the back of the following increases in interest income:

- **On Loans and advances** at P44.92 billion, up P6.07 billion or 15.6%, on higher average volume coupled with higher yields;
- **On FA at FV through OCI** at P3.60 billion, up P627 million or 21.1%, also on higher average asset volume with higher yield;

Above increases were tempered by decline in income:

- **On Deposits with BSP and other banks** at P417 million, down P378 million or 47.6%, on lower average asset volume;
- **On FA at amortized cost** at P3.48 billion, down P143 million or 3.9%, on lower average asset volume partly offset by higher yields;
- **On FA at FV through profit or loss** at P316 million, down P7.52 million or 2.3%, on account of lower yield, partly offset by higher average asset volume.

Interest expense at P16.00 billion, up P836 million or 5.5%, due to the increase in interest expense:

- **On Bills payable and other borrowings** at P2.96 billion, up P657 million or 28.5% due to higher average volume mostly on new bond issuance.
- **On Deposits** at P13.03 billion, was also up P178 million or 1.4%, due to higher average volume.

Other income, net of GRT at P11.11 billion, up by P868 million or 8.5%, on movements in the following:

- **Trading gain on securities** at P1.18 billion, up P1.07 billion or 956.9%, mainly from higher volume of FVOCI sales.
- **Income attributable to insurance operations**, at P1.04 billion, up by P335 million, or 47.8%, on higher equity income of the Bank's insurance subsidiaries and affiliate.
- **Other operating income** at P4.72 billion, up P289 million or 6.5%, on higher credit card income, equity income from unconsolidated subsidiaries and trust fees.
- **Fees and commissions** at P3.56 billion, down P313 million, or 8.1%, on lower income from service charges.
- **Income from foreign exchange trading** at P615 million, down P513 million or 45.5%, on narrower spreads and market volatility this year.

Other expenses at P22.45 billion, up P2.19 billion, or 10.8%, due to increases in the following:

- **Other operating expenses** at P7.85 billion, up P1.39 billion, or 21.5%, on account of higher advertising expenses, transaction servicing costs and regulatory expenses.
- **Occupancy and equipment-related expenses** at P6.67 billion, up P572 million, or 9.4%, due to increase in technology spend, security services, premises depreciation and utilities expense.
- **Compensation and fringe benefits** at P7.93 billion, up P229 million, or 3.0%, attributable to annual salary increases and higher performance bonus accrual.

Impairment losses at P4.25 billion, up by P2.75 billion, or 183.3%, coming from the P1.50 billion level in 2024, to provide for Expected Credit Loss ("ECL") changes.

Provision for income tax at P4.71 billion, up by P182 million, or 4.0%, due to higher **current income tax** at P5.03 billion, up P464 million or 10.2%. **Deferred income tax** at negative P321 million was lower by P281 million or 715.2%, from last year's negative P39 million due to the higher write-off for the second quarter this year versus same period last year.

Income attributable to non-controlling interest at P123.64 million, up P64 million or 108.4%, attributable to higher income contribution from the Bank's non-life insurance subsidiary.

Total comprehensive income at P15.61 billion, up P2.30 billion or 17.3%, on higher **net income before minority interest** and lower **total other comprehensive loss**. **Total other comprehensive loss, net of tax effect** at P830 million, was lower by P1.23 billion or 59.6%, compared to same quarter last year's P2.06 billion loss. Material movements as follows:

For items that may be reclassified subsequently to profit and loss:

- **Net change in fair value reserve on FVOCI securities, net of tax effect** at P648 million loss, improved by P1.63 billion or 71.6% from last year's P2.28 billion loss on account of higher market valuation of the Bank's investment securities.
- **Share in other comprehensive income of associates** at P31 million, also improved by P213 million, from last year's P182 million loss, on account of the higher valuation of the Bank's life insurance associate's investment securities compared to same quarter last year.
- **Fair value reserve on investments of insurance subsidiaries, net of tax effect** at P8 million, improved by P23 million, or 157.8%, from last year P14 million loss, due to higher market valuation of investments of the Bank's insurance subsidiaries.
- **Currency translation differences** at P112 million loss, deteriorated by P465 million from last year's income of P353 million, due to the appreciation of the Philippine Peso versus the US Dollar.

For items that will not be reclassified to profit and loss:

- **Actuarial gains on defined benefit plan, net of tax effect** at P14 million, up P13 million, on higher (actuarial) gains on retirement plan of the Bank's subsidiaries.
- **Share in other comprehensive loss of associates** at P123 million, deteriorated by P190 million from same period last year's income of P67 million, on lower valuation of the life insurance associate's investments compared to last year's movement.

Income attributable to non-controlling interest at P129 million, up P74 million, on higher fair value reserve on investments of the Bank's non-life insurance subsidiary.

For the Six Months ended June 30, 2025 and June 30, 2024

Net income of P32.96 billion for the first semester of 2025, up P2.39 billion or 7.8%, driven by strong **revenue**.

Net interest income at P71.15 billion, up P9.90 billion or 16.2%, with the average earning asset base growing 8.3% and net interest margin (NIM) expanding by 32 basis points (bps).

Interest income, net of GRT stood at P103.55 billion, up P12.41 billion or 13.6%, on the back of the following movements in interest income:

- **On Loans and Advances** at P88.16 billion, up P11.99 billion or 15.7%, on higher average asset volume coupled with higher yields.
- **On FA at FV through OCI** at P6.78 billion, up P1.34 billion or 24.7%, also on higher average asset volume and higher yield.
- **On FA at FV through profit or loss** at P611 million, up P64 million or 11.8%, on higher average asset volume.
- **FA at FV at amortized cost** at P6.97 billion, down P357 million or 4.9%, on lower average asset volume despite higher yields.

- **Deposits with BSP and other banks** at P1.03 billion, down P627 million or 37.9%, on lower average asset volume and lower yields.

Interest expense at P32.39 billion, up P2.51 billion, or 8.4%, due to the increase in interest expense:

- **On Deposits** at P27.09 billion, up P1.57 billion or 6.2%, due to higher average volume.
- **On Bills Payable and other borrowings** at P5.30 billion, up by P935 million or 21.4%, also due to higher average volume, mostly on new bond issuance.

Other income, net of GRT at P21.40 billion, up P1.48 billion or 7.4% versus same period last year due to the following movements:

- **Other operating income**, at P9.26 billion, up P978 million or 11.8%, on higher credit card income, trust fees and equity income from unconsolidated subsidiaries.
- **Trading gain on securities** at P1.60 billion, up P860 million or 115.5%, due to higher volume of securities sold.
- **Income attributable to insurance operations**, at P1.83 billion, up P322 million, or 21.4%, on higher income of the Bank's insurance affiliate and subsidiaries.
- **Fees and commissions**, at P7.49 billion, up P226 million or 3.1%, on higher underwriting fees, bank commissions, and service charges.
- **Income from foreign exchange trading**, at P1.22 billion, down P908 million or 42.6% on narrower spreads and market volatility this year.

Other expenses at P42.75 billion, up P4.48 billion or 11.7%, due to increases in the following:

- **Other operating expenses** at P14.55 billion, up P1.67 billion or 13.0% on account of higher marketing expenses and transaction servicing cost.
- **Occupancy and equipment-related expenses** at P12.74 billion, up P1.66 billion or 15.0% due to increase in technology spend, security, janitorial and contractual services, as well as increase in utilities expense.
- **Compensation and fringe benefits** at P15.46 billion, up P1.14 billion or 8.0% attributable to increase in headcount, annual salary increases, and higher performance bonus accrual.

Impairment losses at P7.25 billion, up P4.25 billion, or 141.7%, coming from the P3.00 billion level in 2024, on higher ECL requirement.

Provision for income tax at P9.39 billion, up P200 million, or 2.2%, due to higher **current income tax** at P9.09 billion, up P453 million or 5.3%, on higher taxable revenue. **Deferred income tax** at P307 million was lower by P254 million or 45.2%, due to higher loss provisioning this year.

Income attributable to non-controlling interest at P202.83 million, up P59 million or 41.5%, attributable to higher income contribution from the Bank's non-life insurance subsidiary.

Total comprehensive income at P33.95 billion, up P7.28 billion or 27.3%, due to higher **net income before minority interest** at P33.16 billion, up P2.45 billion, or 8.0%, and higher **total other**

comprehensive income. Total other comprehensive income, net of tax effect at P787 million, up by P4.83 billion, compared to previous year's P4.04 billion loss. Material movements as follows:

For items that may be reclassified subsequently to profit and loss:

- **Net change in fair value reserve on FVOCI securities, net of tax effect** at P1.07 billion, up by P5.32 billion from last year's loss of P4.25 billion, on account of higher market valuation of the Bank's investment securities.
- **Share in other comprehensive loss of associates** at P25.49 million, improved by P238 million, from last year's loss of P264 million, on account of the higher valuation of the Bank's life insurance associate's investment securities compared to last year.
- **Fair value reserve on investments of insurance subsidiaries, net of tax effect** at P52 million, improved by P80 million, from last year's loss of P27 million, due to higher market valuation of investment funds of the Bank's insurance subsidiaries.
- **Currency translation differences** at P203 million loss, deteriorated by P683 million from last year's income of P480 million, due to the appreciation of the Philippine Peso versus the US Dollar.

For items that will not be reclassified to profit and loss:

- **Actuarial loss on defined benefit plan, net of tax effect** at P28 million, deteriorated by P45 million, on account of lower gains from the Bank's insurance subsidiaries' retirement plan.
- **Share in other comprehensive loss of associates** at P79 million, deteriorated by P76 million, from last year's loss of P3 million, on higher losses of the Bank's life insurance associate.

Income attributable to non-controlling interest at P209 million, up P68 million, on higher fair value reserve on investments of the Bank's non-life insurance subsidiary.

Key Performance Indicators

The following ratios, applied on a consolidated basis, are used to assess the performance of the Bank and its majority owned subsidiaries:

	June 30, 2025	June 30, 2024
Return on Equity (%)	14.93	15.52
Return on Assets (%)	2.01	2.00
Net Interest Margin (%)	4.58	4.26
Operating Efficiency Ratio (%)	46.19	47.15
Capital Adequacy Ratio (%) - Basel III	15.25	15.01

Return on equity (ROE), the ratio of net income to average equity at 14.93%, was 59 bps lower compared to last year's 15.52%, as the expansion in average equity outpaced the growth in net income.

Return on assets (ROA), the ratio of net income to average assets, was slightly higher at 2.01%, compared to last year's 2.00%, as the growth in net income is almost at the same pace as the expansion of average assets.

Net interest margin (NIM), net interest income divided by average interest-bearing assets, higher at 4.58%, as the growth in net interest income outpaced the expansion in average earning assets.

Operating efficiency (cost to income) ratio, the ratio of operating expenses to income, was lower at 46.19%, as the growth in revenues outpaced the growth in operating expenses.

Capital adequacy ratio (CAR), the ratio of total qualifying capital to total risk-weighted assets, at 15.25%, was higher versus prior year's 15.01%. The CET 1 ratio at 14.45%, was also higher than the 14.24% from the same period last year. The increase in capital ratios is due to the growth in qualifying capital, which outpaced the growth in risk-weighted assets, despite the increase in dividends paid. Both of the Bank's capital ratios are above the BSP's minimum requirement.

Material Events and Uncertainties

Other than the disclosures enumerated above, the Bank has nothing to report on the following:

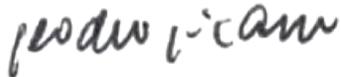
1. Any known trends, demands, commitments, events or uncertainties that will have a material impact on its liquidity.
2. Any event that will trigger direct or contingent financial obligation that is material to the Bank, including any default or acceleration of an obligation.
3. Other material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Bank with unconsolidated entities or other persons created during the reporting period.
4. Any material commitments for capital expenditures.
5. 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.
6. Any significant elements of income or loss that did not arise from the Bank's continuing operations.
7. Any seasonal aspects that had a material effect on the financial condition or results of operations.

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 hereunto duly authorized.

BANK OF THE PHILIPPINE ISLANDS

Issuer



JOSE TEODORO K. LIMCAOCO
President &
Chief Executive Officer

Date: August 11, 2025



ERIC ROBERTO M. LUCHANGCO
Executive Vice President &
Chief Finance Officer

Date: August 11, 2025

**BPI UNIBANK
CONSOLIDATED AGING OF ACCOUNTS RECEIVABLE
JUNE 30, 2025**

**BPI UNIBANK
CONSOLIDATED AGING OF ACCOUNTS RECEIVABLE
JUNE 30, 2025**

No. of Days Outstanding	Amount (In Thousands)
0-90	1,653,748
91-180	26,548
181-360	216,878
Over 360	1,167,949
Total	3,065,123
Less : Allow. For Probable Losses	1,706,613
Net of Allowance	1,358,510