

# COVER SHEET

P W - 1 2 1

S.E.C. Registration Number

B A N K O F T H E P H I L I P P I N E I S L A N D S

(Company's Full Name)

A Y A L A T R I A N G L E G A R D E N S T O W E R 2

P A S E O D E R O X A S C O R N E R M A K A T I

A V E N U E , B E L - A I R , M A K A T I C I T Y

Atty. Maria Lourdes P. Gatmaytan

Contact Person

(632) 8663-6525

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

1 7 - Q

FORM TYPE

0 4 2 0 <sup>2</sup>/<sub>6</sub>

Month Day

Annual Meeting

N/A

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

11,572

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

**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**  
(indicate if anything above is new and the date it was changed)

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

**PERIOD-ENDED MARCH 31, 2026**  
(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 **MARCH 31, 2026**
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
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<b>Common</b>	<b>5,283,794,223 (as of 31 March 2026)</b>
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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:

<b>Philippine Stock Exchange</b>	<b>Common</b>
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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**  
**MARCH 31, 2026 AND DECEMBER 31, 2025**  
(in Thousands of Pesos)

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>MARCH 31, 2026</b>	<b>DECEMBER 31, 2025</b>
<b><u>RESOURCES</u></b>		
Cash and Other Cash Items	40,323,109	53,017,678
Due from Bangko Sentral ng Pilipinas	154,109,219	106,343,956
Due from Other Banks	38,659,166	38,210,659
Interbank Loans Receivable and Securities		
Purchased under Agreements to Resell	51,236,423	35,480,096
Financial Assets at Fair Value through Profit or Loss	82,326,519	85,274,714
Financial Assets at Fair Value through OCI	304,139,423	285,366,832
Financial Assets at Amortized Cost	349,748,293	353,144,940
Loans and Advances, net	2,554,003,889	2,567,131,327
Assets Held for Sale, net	13,152,170	12,416,866
Bank Premises, Furniture, Fixtures and Equipment, net	25,358,895	25,088,277
Investments in Subsidiaries and Associates, net	13,065,680	13,046,927
Assets Attributable to Insurance Operations	22,777,108	22,648,634
Deferred Income Tax Assets, net	18,743,386	19,166,429
Goodwill	9,517,585	9,517,585
Other Resources, net	27,681,406	25,632,906
<b>TOTAL RESOURCES</b>	<b>3,704,842,271</b>	<b>3,651,487,826</b>
<b><u>LIABILITIES AND CAPITAL FUNDS</u></b>		
Deposit Liabilities		
Demand	432,335,011	431,962,158
Savings	1,282,076,840	1,291,009,347
Time	1,129,194,083	1,115,553,532
Sub-total	<b>2,843,605,934</b>	<b>2,838,525,037</b>
Derivative Financial Liabilities	6,784,895	3,697,523
Other Borrowed Funds	270,415,756	223,432,542
Due to Bangko Sentral ng Pilipinas and Other Banks	4,411,501	3,151,002
Manager's Checks and Demand Drafts Outstanding	10,062,261	10,460,323
Accrued Taxes, Interest and Other Expenses	20,680,519	20,680,177
Liabilities Attributable to Insurance Operations	18,028,530	17,837,444
Deferred Credits and Other Liabilities	49,048,934	54,833,494
<b>TOTAL LIABILITIES</b>	<b>3,223,038,330</b>	<b>3,172,617,542</b>
<b>CAPITAL FUNDS ATTRIBUTABLE TO THE EQUITY HOLDERS OF BPI</b>		
Share Capital	52,759,934	52,747,424
Share Premium	143,867,032	143,809,936
Reserves	16,516,240	16,510,617
Surplus	290,996,352	274,071,134
Accumulated Other Comprehensive Income/ (Loss)	(24,682,904)	(10,586,320)
	<b>479,456,654</b>	<b>476,552,791</b>
NON-CONTROLLING INTERESTS	2,347,287	2,317,493
<b>TOTAL CAPITAL FUNDS</b>	<b>481,803,941</b>	<b>478,870,284</b>
<b>TOTAL LIABILITIES AND CAPITAL FUNDS</b>	<b>3,704,842,271</b>	<b>3,651,487,826</b>

**BANK OF THE PHILIPPINE ISLANDS**  
**CONSOLIDATED STATEMENTS OF INCOME**  
For the Three Months Ended March 31, 2026 and 2025  
(In Thousands of Pesos)

	<u>Unaudited 2026</u>	<u>Unaudited 2025</u>
<b>INTEREST INCOME</b>		
On loans and advances	48,267,087	43,241,589
On FA at amortized cost	3,907,599	3,488,946
On FA at FV through OCI	3,974,523	3,177,890
On deposits with BSP and other banks	655,691	610,706
On FA at FV through profit or loss	248,507	294,759
	<u><b>57,053,407</b></u>	<u><b>50,813,890</b></u>
<b>INTEREST EXPENSE</b>		
On Deposits	14,605,605	14,057,766
On Bills Payable and other borrowings	3,301,999	2,339,911
	<u>17,907,604</u>	<u>16,397,677</u>
<b>NET INTEREST INCOME</b>	<u><b>39,145,803</b></u>	<u><b>34,416,213</b></u>
<b>IMPAIRMENT LOSSES</b>	<u><b>5,500,000</b></u>	<u><b>3,000,000</b></u>
<b>NET INTEREST INCOME AFTER IMPAIRMENT LOSSES</b>	<u><b>33,645,803</b></u>	<u><b>31,416,213</b></u>
<b>OTHER INCOME</b>		
Fees and commissions	4,371,059	3,931,595
Income from foreign exchange trading	812,861	606,259
Trading gain (loss) on securities	423,965	421,834
Income attributable to insurance operations	880,584	789,335
Other operating income	5,285,204	4,537,604
	<u><b>11,773,673</b></u>	<u><b>10,286,627</b></u>
<b>OTHER EXPENSES</b>		
Compensation and fringe benefits	8,149,340	7,528,702
Occupancy and equipment-related expenses	6,965,466	6,074,467
Other operating expenses	8,385,630	6,695,173
	<u><b>23,500,436</b></u>	<u><b>20,298,342</b></u>
<b>INCOME BEFORE INCOME TAX</b>	<u><b>21,919,040</b></u>	<u><b>21,404,498</b></u>
<b>PROVISION FOR INCOME TAX</b>		
Current	4,471,130	4,055,840
Deferred	431,376	627,822
	<u><b>4,902,506</b></u>	<u><b>4,683,662</b></u>
<b>NET INCOME FOR THE PERIOD</b>	<u><b>17,016,534</b></u>	<u><b>16,720,836</b></u>
Attributable to:		
Equity holders of BPI	<u><b>16,923,941</b></u>	<u><b>16,641,650</b></u>
Non-controlling interest	<u><b>92,593</b></u>	<u><b>79,186</b></u>
	<u><b>17,016,534</b></u>	<u><b>16,720,836</b></u>
Earnings per share:		
Based on 5,283,794,223 shares as of March 31, 2026	<b>P 3.20</b>	<b>P 3.16</b>
and 5,272,095,143 shares in 2025		

**BANK OF THE PHILIPPINE ISLANDS**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the Three Months Ended March 31, 2026 and 2025  
(In Thousands of Pesos)

	Unaudited 2026	Unaudited 2025
<b>NET INCOME BEFORE MINORITY INTEREST</b>	<b>17,016,534</b>	<b>16,720,836</b>
<b>Other Comprehensive Income</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Net change in fair value reserve on FVOCI securities, net of tax effect	(13,585,554)	1,718,647
Fair value reserve on investments of insurance subsidiaries, net of tax effect	(121,005)	44,006
Share in other comprehensive income of associates	(576,588)	(56,278)
Currency translation differences	300,984	(91,612)
<b>Items that will not be reclassified to profit or loss</b>		
Actuarial gains (losses) on defined benefit plan, net of tax effect	(22,033)	(41,832)
Share in other comprehensive gain (loss) of associates	(155,186)	44,061
<b>Total Other Comprehensive Income (Loss), net of tax effect</b>	<b>(14,159,382)</b>	<b>1,616,992</b>
<b>Total Comprehensive Income for the Year</b>	<b>2,857,152</b>	<b>18,337,828</b>
<b>Attributable to:</b>		
Equity holders of BPI	2,827,357	18,258,170
Non-Controlling Interest	29,795	79,658
	<b>2,857,152</b>	<b>18,337,828</b>

**BANK OF THE PHILIPPINE ISLANDS-UNIBANK**  
STATEMENT OF CHANGES IN CAPITAL FUNDS  
FOR THE PERIOD ENDED MARCH 31, 2026 & MARCH 31, 2025  
(in Thousands of Pesos)

	<b>Consolidated</b>							
	Attributable to equity holders of BPI							
	Share Capital	Share Premium	Reserves	Surplus	Accumulated Other Comprehensive Income (Loss)	Total	Non-controlling Interest	Total
<b>Balance, December 31, 2025</b>	<b>52,747,424</b>	<b>143,809,936</b>	<b>16,510,617</b>	<b>274,071,134</b>	<b>(10,586,320)</b>	<b>476,552,791</b>	<b>2,317,493</b>	<b>478,870,284</b>
<b>Comprehensive Income</b>								
Net Income for the year	-	-	-	16,923,941	-	16,923,941	92,593	17,016,534
Other Comprehensive Income for the year	-	-	-	-	(14,096,584)	(14,096,584)	(62,799)	(14,159,383)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,923,941</b>	<b>(14,096,584)</b>	<b>2,827,357</b>	<b>29,794</b>	<b>2,857,151</b>
<b>Transactions with owners</b>								
Executive Stock Plan amortization	12,510	57,096	3,775	-	-	73,381	-	73,381
<b>Total transactions with owners</b>	<b>12,510</b>	<b>57,096</b>	<b>3,775</b>	<b>-</b>	<b>-</b>	<b>73,381</b>	<b>-</b>	<b>73,381</b>
<b>Other movements</b>								
Others	-	-	1,848	1,277	-	3,125	(0)	3,125
<b>Total other movements</b>	<b>-</b>	<b>-</b>	<b>1,848</b>	<b>1,277</b>	<b>-</b>	<b>3,125</b>	<b>(0)</b>	<b>3,125</b>
<b>Balance, March 31, 2026</b>	<b>52,759,934</b>	<b>143,867,032</b>	<b>16,516,240</b>	<b>290,996,352</b>	<b>(24,682,904)</b>	<b>479,456,654</b>	<b>2,347,287</b>	<b>481,803,941</b>

	<b>Consolidated</b>							
	Attributable to equity holders of BPI							
	Share Capital	Share Premium	Reserves	Surplus	Accumulated Other Comprehensive Income (Loss)	Total	Non-controlling Interest	Total
<b>Balance, December 31, 2024</b>	<b>52,609,951</b>	<b>143,277,989</b>	<b>10,888,865</b>	<b>236,332,444</b>	<b>(12,639,978)</b>	<b>430,469,271</b>	<b>2,221,184</b>	<b>432,690,455</b>
<b>Comprehensive Income</b>								
Net Income for the year	-	-	-	16,641,650	-	16,641,650	79,186	16,720,836
Other Comprehensive Income for the year	-	-	-	-	1,616,520	1,616,520	472	1,616,992
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,641,650</b>	<b>1,616,520</b>	<b>18,258,170</b>	<b>79,658</b>	<b>18,337,828</b>
<b>Transactions with owners</b>								
Executive Stock Plan amortization	25,828	54,605	(9,182)	-	-	71,251	-	71,251
<b>Total transactions with owners</b>	<b>25,828</b>	<b>54,605</b>	<b>(9,182)</b>	<b>-</b>	<b>-</b>	<b>71,251</b>	<b>-</b>	<b>71,251</b>
<b>Other movements</b>								
Transfer from Surplus to Reserves	-	-	1,138,136	(1,138,136)	-	-	-	-
Others	-	-	(913)	(166,213)	-	(167,126)	(0)	(167,126)
<b>Total other movements</b>	<b>-</b>	<b>-</b>	<b>1,137,223</b>	<b>(1,304,349)</b>	<b>-</b>	<b>(167,126)</b>	<b>(0)</b>	<b>(167,126)</b>
<b>Balance, March 31, 2025</b>	<b>52,635,779</b>	<b>143,332,594</b>	<b>12,016,906</b>	<b>251,669,745</b>	<b>(11,023,458)</b>	<b>448,631,566</b>	<b>2,300,842</b>	<b>450,932,408</b>

**Bank of the Philippine Islands**  
**Consolidated Cash Flows Statement**  
**For The Three Months Ended March 31, 2026 and 2025**  
In Millions of PHP

	March 2026	March 2025
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Income before income tax	21,919	21,404
Adjustments for:		
Impairment losses	5,500	3,000
Depreciation and amortization	1,432	1,246
Share in net income of associates	(755)	(609)
Dividend and other Income	(4)	(6)
Share based compensation	3	(9)
Profit from asset sold	(4)	(217)
Realized gain or sale on investment securities	(368)	(47)
Interest income	(57,053)	(50,814)
Interest received	59,773	54,426
Interest expense	18,021	16,487
Interest paid	(18,302)	(17,450)
(Increase) decrease in:		
Interbank loans receivable and securities purchased under agreements to resell	19,772	1,300
Financial Assets at FVTPL	2,864	(16,543)
Loans and advances, net	5,835	(18,410)
Assets held for sale	(909)	(618)
Assets attributable to Insurance operations	(379)	392
Other assets	(2,320)	2,966
Increase (decrease) in:		
Deposit liabilities	5,080	(38,447)
Due to Bangko Sentral ng Pilipinas and other banks	100	(1,262)
Manager's checks demand drafts outstanding	(398)	(152)
Accrued taxes, interest and other expenses	(2,510)	(1,679)
Liabilities attributable to insurance operations	174	(243)
Derivative financial instruments	3,087	(2,087)
Deferred credits and other liabilities	(3,952)	1,911
Net cash from (used in) operations	56,606	(45,461)
Income taxes paid	(1,688)	(1,462)
Net cash from (used in) operating activities	54,918	(46,923)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to:		
Investment Securities, net	(124,111)	(7,452)
Bank premises, furniture, fixtures and equipment	(1,327)	(1,015)
Disposals of:		
Investment Securities, net	94,897	27,908
Bank premises, furniture, fixtures and equipment	59	294
(Increase) decrease in:		
Assets attributable to insurance operations	112	(120)
Dividends received	4	6
Net cash used in investing activities	(30,366)	19,621
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance	70	80
(Decrease) Increase in bills payable and other borrowed fun	46,983	(16,709)
Payments for principal portion of lease liabilities	(575)	(517)
Net cash used in financing activities	46,478	(17,146)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>71,030</b>	<b>(44,448)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
January 1	211,850	300,087
March 31	282,880	255,639

**BANK OF THE PHILIPPINE ISLANDS**  
**Financial Indicators**  
**As at March 31, 2026 and 2025**

Ratio	Formula	Current Year	Prior Year
		in percentage	
Liquidity ratio	Total current assets divided by total current liabilities	45.65	44.62
Debt-to-equity ratio	Total liabilities (Bills payable and Bonds payable) divided by total equity	56.40	32.65
Asset-to-equity ratio	Total assets divided by total equity	772.72	731.08
Interest rate coverage ratio	Earning before interest expense, income taxes, depreciation, and amortization	230.40	238.13
Return on equity	Net income divided by average equity	14.25	15.35
Return on assets	Net income divided by average assets	1.87	2.06
Net interest margin (NIM)	Net interest income divided by average net interest bearing assets	4.57	4.49
Average assets to average equity	Average assets divided by average equity	762.04	746.89
Net interest to average assets (NRFF)	Net interest income divided by average assets	4.33	4.25
Cost to income ratio	Total operating expense divided by total income (revenues)	46.15	45.41
Cost to asset ratio	Total operating expense divided by average asset	2.60	2.51
Capital to assets ratio	Total equity divided by total assets	12.94	13.68

**SEC REQUIRED DISCLOSURES**  
**BANK OF THE PHILIPPINE ISLANDS**  
**MARCH 31, 2026**

- 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, 2025 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.
  - On 5 January 2026, BPI announced its intention to offer and issue P5 Bn Peso-denominated fixed-rate BPI Supporting Individuals Grow, Lead, and Achieve Bonds due 2028 (the “BPI SIGLA Bonds”).

- On 26 January 2026, BPI has priced its “BPI SIGLA Bonds”, with option to upsize, marking the second tranche under BPI’s P200 Bn Bond and Commercial Paper Program, approved by its Board of Directors on 16 October 2024 (the “Offer”).
- On 13 February 2026, BPI listed on the Philippine Dealing & Exchange Corp. (PDEX) its “BPI SIGLA Bonds”).
- Dividends paid (aggregate per share) separately for ordinary shares and other shares.
  - Nothing to report
- 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 2.42% and sufficient NPL coverage ratio, which are consistent with the Bank's credit risk appetite and rebalanced credit portfolio

- strategy. The NPL ratio trend was primarily driven by credit risks of business banking, consumer loans (credit cards and auto loans), and borrower-specific business risks that affected the corporate loan portfolio. 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 first quarter of 2026, the Philippine Government Securities (GS)/PHP BVAL rates and US treasury rates were higher by an average of around 52 bps and 19 bps across the curve year-to-date. The first quarter of this year marked a sharp shift from start of the year optimism to risk aversion as geopolitical shocks reversed easing inflation trends and exposed markets' vulnerability to energy shocks. 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 first quarter of 2026.
  - 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 first quarter of 2026 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 first quarter of 2026, 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 first quarter of 2026, 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 February 2026. 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 the evolving cybercrime

- landscapes, emerging threats, industry trends, and the corresponding mitigation measures in place.
- 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, 2025.
  - 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
March 31, 2026 (unaudited)	349,748	344,278
December 31, 2025 (audited)	353,145	350,530

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 Three Months Ended March 31, 2026					
In P Mn	CONSUMER BANKING	CORPORATE BANKING	INVESTMENT BANKING / FINANCIAL MARKETS	CORP / ELIM	TOTAL
Net interest income	26,594	10,743	3,394	(1,585)	39,146
Impairment charge	5,958	(540)	81	1	5,500
Net interest income after impairment charge	20,636	11,283	3,313	(1,586)	33,646
Fees and commission	3,618	641	525	(99)	4,685
Other income	2,545	512	3,626	1,102	7,784
GRT	(477)	(77)	(160)	18	(696)
Other Income, net	5,685	1,077	3,991	1,021	11,774
Compensation and fringe benefits	5,913	1,045	623	568	8,149
Occupancy and equipment- related expenses	2,725	107	345	3,789	6,965
Other operating expenses	8,119	1,086	577	(1,396)	8,386
Total operating expenses	16,758	2,238	1,544	2,960	23,500
Provision for Income Tax					4,903
Operating Profit	9,564	10,121	5,760	(3,526)	21,919
Share in net income of associates					755
Total Assets	915,777	1,733,547	968,720	86,799	3,704,842
Total Liabilities	1,913,786	985,327	286,552	37,373	3,223,038

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

### Financial Condition as of March 31, 2026 versus as of December 31, 2025

- **Total resources** amounted to P3.70 trillion, increasing by P53.35 billion, or 1.5%, primarily driven by the rise in **Due from Bangko Sentral ng Pilipinas** to P154.11 billion, up P47.77 billion or 44.9%, on higher deposit balances maintained with BSP.

Other material increases are as follows:

- **Financial assets at Fair Value through OCI** amounted to P304.14 billion, up P18.77 billion, or 6.6%, driven by higher holdings of government securities.
- **Interbank Loans Receivable and Securities Purchased under Agreements to Resell** totaled P51.24 billion, increasing by P15.76 billion or 44.4%, reflecting higher reverse repurchase agreements and increased loan volumes extended to financial institutions.
- **Other resources, net** rose to P27.68 billion, up P2.05 billion or 8.0%, due to higher miscellaneous assets.
- **Assets held for sale, net** at P13.15 billion, up P735 million, or 5.9%, due to higher ROPA inflows.

These increases were partly offset by declines in the following:

- **Loans and Advances, net** fell to P2.55 trillion, down P13.13 billion or 0.5%, primarily due to lower corporate loan balances.
- **Cash and Other Cash Items** decreased to P40.32 billion, lower by P12.69 billion or 23.9%, reflecting reduced cash requirements for payroll.

**Total liabilities** amounted to P3.22 trillion, increasing by P50.42 billion, or 1.6%, primarily attributable to the increase in **Other borrowed funds** by P46.98 billion or 21.0%, to P270.42 billion. The movement was driven by the Bank's borrowings from the Bangko Sentral ng Pilipinas during this year, as well as higher bonds payable following bond issuances.

Other material movements are as follows:

- **Total deposits** at P2.84 trillion, up P5.08 billion or 0.2%, mainly due to higher time deposits.
- **Derivative financial liabilities** increased to P6.78 billion, up P3.09 billion or 83.5% owing to the unfavorable movements in the underlying market.
- **Due to Bangko Sentral ng Pilipinas (BSP) and other banks** increased to P4.41 billion, up P1.26 billion or 40.0%, primarily due to higher tax payments received by the Bank for the account of the Bureau of Internal Revenue. In addition, the liability for supervision and examination fees increased.
- **Deferred Credits and Other Liabilities** declined to P49.05 billion, down P5.78 billion or 10.5%, mostly due to lower accounts payable.

**Total capital** increased to P481.80 billion, up P2.93 billion or 0.6%, driven by the following movements:

- **Surplus** rose to P291.00 billion, increasing by P16.93 billion or 6.2%, primarily due to cumulative net income for the three-month period.
- **Accumulated Other comprehensive loss** increased to P24.68 billion, deteriorating by P14.10 billion from last year's P10.59 billion loss, primarily due to unrealized losses arising from changes in the fair value of FVOCI securities.

## RESULTS OF OPERATIONS

### For the Three Months ended March 31, 2026 and March 31, 2025

For the three-month period ended 2026, the Bank reported **net income** of P16.92 billion, up 1.7% year-on-year. The increase was primarily driven by higher **revenues**, partially offset by increased **provisions** and higher **operating expenses**.

**Net interest income** amounted to P39.15 billion, an increase of P4.73 billion or 13.7% compared with the same period last year. The increase was driven by 11.9% growth in average earning assets and a 7 basis points (bps) expansion in net interest margin (NIM).

**Interest income, net of gross receipts tax (GRT)**, rose to P57.05 billion, up P6.24 billion or 12.3% year-on-year, mainly due to:

- **Loans and advances:** P48.27 billion, up P5.03 billion or 11.6%, driven by higher average loan volumes, partially offset by yield movements.
- **Financial assets at fair value through other comprehensive income (FVOCI):** P3.97 billion, up P797 million or 25.1%, due to higher average balances and higher yields.
- **Financial assets at amortized cost:** P3.91 billion, up P419 million or 12.0%, on higher yields and higher average volumes.
- **Deposits with BSP and other banks:** P656 million, up P45 million or 7.4%, mainly due to higher yields.
- **Financial assets at fair value through profit or loss (FVTPL):** P249 million, down P46 million or 15.7%, mainly due to lower yields, despite higher average balances.

**Interest expense** increased to P17.91 billion, up P1.51 billion or 9.2% year-on-year, primarily due to:

- **Bills payable and other borrowings:** P3.30 billion, up P962 million or 41.1%, due to higher average borrowing levels.
- **Deposits:** 14.61 billion, up P548 million or 3.9%, primarily due to higher average deposit volumes.

**Other income, net of GRT** at P11.77 billion, was up P1.49 billion or 14.5% versus same period last year due to the following movements:

- **Other operating income**, at P5.29 billion, up P748 million or 16.5%, on higher credit card income, trust fee, and miscellaneous income.

- **Fees and commissions**, at P4.37 billion, up P439 million or 11.2%, on higher service charges, and underwriting fees.
- **Income from foreign exchange trading**, at P813 million, up P207 million or 34.1%, on higher sales volume and the USD appreciation.
- **Income attributable to insurance operations** at P881 million, up P91 million or 11.6%, on higher income from its non-life insurance subsidiary and life insurance associate.

**Other expenses** at P23.50 billion, up P3.20 billion or 15.8%, due to increases in the following:

- **Other operating expenses** at P8.39 billion, up P1.69 billion or 25.2% due to higher business volume-related expenses, marketing and support transaction servicing costs.
- **Occupancy and equipment-related expenses** at P6.97 billion, up P891 million or 14.7%, mostly due to increase in technology spend, depreciation and contractual services expenses.
- **Compensation and fringe benefits** at P8.15 billion, up P621 million or 8.2% attributable to increase in headcount, annual salary increases, and performance bonuses.

**Impairment losses** at P5.50 billion was up P2.50 billion, or 83.3%, coming from the P3.00 billion level in 2025.

**Provision for income tax** at P4.90 billion, up P219 million, or 4.7%, due to higher taxable income this year. This was partially offset by lower deferred income tax from increased loss provisioning.

**Income attributable to non-controlling interest** at 93 million, up P13 million or 16.9%, attributable to higher income contribution from the Bank's non-life insurance subsidiary.

**Total comprehensive income** amounted to P2.86 billion, down P15.48 billion or 84.4% year-on-year, primarily due to the recognition of **other comprehensive loss** of P14.16 billion compared with other comprehensive income of P1.62 billion in the same period last year. The movement was mainly driven by lower market valuations of investment securities, including FVOCI securities and investments held by associates and insurance subsidiaries, partially offset by positive currency translation differences.

**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 a loss of P13.59 billion deteriorated by P15.30 billion primarily due to lower market valuation of the Bank's investment securities.
- **Share in other comprehensive loss of associates** at P577 million further deteriorated from last year's P56 million loss, due to the lower 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 a loss of P121 million also weakened by P165 million or 375% from last year's income of P44 million, due to lower market valuation of investment funds of the Bank's insurance subsidiaries.

- **Currency translation differences** at P301 million, up P393 million or 428.5% from last year's P92 million loss on the weakening of the peso this year.

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

- **Share in other comprehensive loss of associates** at P155 million, worsened by P199 million or 452.2% from last year's income of P44 million, primarily due to changes in fair value of the insurance affiliate's investment portfolio during the period.
- **Actuarial losses on defined benefit plan, net of tax effect** at P22 million, slightly better from last year's loss of P42 million, due to lower losses from the retirement plan of the Bank's insurance subsidiaries.

**Income attributable to non-controlling interest** at P30 million, down P50 million or 62.6%, on lower 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:

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Return on Equity (%)	14.25	15.35
Return on Assets (%)	1.87	2.06
Net Interest Margin (%)	4.57	4.49
Operating Efficiency Ratio (%)	46.15	45.41
Capital Adequacy Ratio (%) - Basel III	14.94	15.48

**Return on equity (ROE)**, the ratio of net income to average equity at 14.25%, was 110 bps lower than last year's 15.35%, as the average equity grew faster than net income.

**Return on assets (ROA)**, the ratio of net income to average assets, was lower at 1.87%, compared to last year's 2.06%, as average assets expansion outpaced the growth in net income.

**Net interest margin (NIM)**, net interest income divided by average interest-bearing assets, higher at 4.57%, as net interest income growth outpaced the expansion in average earning assets.

**Operating efficiency (cost to income) ratio**, the ratio of operating expenses to income, was higher at 46.15%, as the increase in operating expenses exceeded the growth in revenue.

**Capital adequacy ratio (CAR)**, the ratio of total qualifying capital to total risk-weighted assets, was at 14.94%, lower versus prior year's 15.48%. The CET 1 ratio at 14.07%, was also lower than the 14.71% from the same period last year. The decline in capital ratios is due to the growth in risk-weighted assets which outpaced the growth in qualifying capital. Both of the Bank's capital ratios are above the BSP's minimum requirement.

in risk-weighted assets which outpaced the growth in qualifying capital. Both of the Bank's capital ratios are above the BSP's minimum requirement.

### **Subsequent Events**

1. On 15 April 2026, the Board of Directors (the "Board") of the Bank approved the 2026 employee stock purchase program pursuant to the Employee Stock Purchase Plan (the "Plan").

### **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: May 13, 2026

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

Date: May 13, 2026

**BPI UNIBANK**  
**CONSOLIDATED AGING OF ACCOUNTS RECEIVABLE**  
**MARCH 31, 2026**

No. of Days Outstanding	Amount (In Thousands)
0-90	P 1,845,653
91-180	538,990
181-360	80,425
Over 360	813,026
<b>Total</b>	<b>3,278,094</b>
<b>Less : Allow. For Probable Losses</b>	<b>1,631,454</b>
<b>Net of Allowance</b>	<b>P 1,646,640</b>