

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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Atty. Maria Lourdes P. Gatmaytan

Contact Person

(632) 8663-6525

Company Telephone Number

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Month Day
Fiscal Year

1	7	-	Q	
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FORM TYPE

0	4	2	0	² ₆
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Month Day
Annual Meeting

N/A

Secondary License Type, If Applicable

C	F	D
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Dept. Requiring this Doc.

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Amended Articles Number/Section

11,570

Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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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**

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

PERIOD-ENDED JUNE 30, 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 **JUNE 30, 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 charter
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	5,296,362,773
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
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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
JUNE 30, 2026 AND DECEMBER 31, 2025
(in Thousands of Pesos)

	UNAUDITED	AUDITED
	JUNE 30, 2026	DECEMBER 31, 2025
<u>RESOURCES</u>		
Cash and Other Cash Items	44,357,623	53,017,678
Due from Bangko Sentral ng Pilipinas	144,699,745	106,343,956
Due from Other Banks	40,599,743	38,210,659
Interbank Loans Receivable and Securities		
Purchased under Agreements to Resell	31,208,601	35,480,096
Financial Assets at Fair Value through Profit or Loss	85,042,839	85,274,714
Financial Assets at Fair Value through OCI	295,492,727	285,366,832
Financial Assets at Amortized Cost	340,587,122	353,144,940
Loans and Advances, net	2,604,568,369	2,567,131,327
Assets Held for Sale, net	13,557,914	12,416,866
Bank Premises, Furniture, Fixtures and Equipment, net	26,036,107	25,088,277
Investments in Subsidiaries and Associates, net	12,817,543	13,046,927
Assets Attributable to Insurance Operations	23,942,786	22,648,634
Deferred Income Tax Assets, net	20,317,622	19,166,429
Goodwill	9,517,585	9,517,585
Other Resources, net	34,662,018	25,632,906
TOTAL RESOURCES	3,727,408,344	3,651,487,826
<u>LIABILITIES AND CAPITAL FUNDS</u>		
Deposit Liabilities		
Demand	441,838,750	431,962,158
Savings	1,284,065,805	1,291,009,347
Time	1,125,081,619	1,115,553,532
Sub-total	2,850,986,174	2,838,525,037
Derivative Financial Liabilities	4,652,522	3,697,523
Other Borrowed Funds	282,820,292	223,432,542
Due to Bangko Sentral ng Pilipinas and Other Banks	3,492,947	3,151,002
Manager's Checks and Demand Drafts Outstanding	8,834,255	10,460,323
Accrued Taxes, Interest and Other Expenses	21,188,593	20,680,177
Liabilities Attributable to Insurance Operations	19,323,102	17,837,444
Deferred Credits and Other Liabilities	51,323,900	54,833,494
TOTAL LIABILITIES	3,242,621,785	3,172,617,542
CAPITAL FUNDS ATTRIBUTABLE TO THE EQUITY HOLDERS OF BPI		
Share Capital	52,816,456	52,747,424
Share Premium	144,169,067	143,809,936
Reserves	15,292,375	16,510,617
Surplus	294,454,078	274,071,134
Accumulated Other Comprehensive Income/ (Loss)	(24,178,271)	(10,586,320)
	482,553,705	476,552,791
NON-CONTROLLING INTERESTS	2,232,854	2,317,493
TOTAL CAPITAL FUNDS	484,786,559	478,870,284
TOTAL LIABILITIES AND CAPITAL FUNDS	3,727,408,344	3,651,487,826

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENTS OF INCOME
For the Quarter Ended June 30, 2026 and 2025
(In Thousands of Pesos)

	<u>2026</u>	<u>2025</u>
INTEREST INCOME		
On loans and advances	49,812,412	44,916,865
On FA at amortized cost	3,861,878	3,483,164
On FA at FV through OCI	4,132,427	3,600,341
On deposits with BSP and other banks	514,293	416,881
On FA at FV through profit or loss	177,828	316,465
	<u>58,498,838</u>	<u>52,733,716</u>
INTEREST EXPENSE		
On Deposits	13,894,462	13,033,383
On Bills Payable and other borrowings	3,718,184	2,962,564
	<u>17,612,646</u>	<u>15,995,947</u>
NET INTEREST INCOME	<u>40,886,192</u>	<u>36,737,769</u>
IMPAIRMENT LOSSES	<u>7,837,001</u>	<u>4,250,000</u>
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	<u>33,049,191</u>	<u>32,487,769</u>
OTHER INCOME		
Fees and commissions	4,533,437	3,561,290
Income from foreign exchange trading	666,382	615,417
Trading gain (loss) on securities	207,570	1,181,972
Income attributable to insurance operations	1,143,810	1,036,050
Other operating income	5,657,997	4,718,475
	<u>12,209,196</u>	<u>11,113,204</u>
OTHER EXPENSES		
Compensation and fringe benefits	8,802,894	7,930,363
Occupancy and equipment-related expenses	7,365,425	6,668,618
Other operating expenses	8,965,149	7,850,979
	<u>25,133,468</u>	<u>22,449,960</u>
INCOME BEFORE INCOME TAX	<u>20,124,919</u>	<u>21,151,013</u>
PROVISION FOR INCOME TAX		
Current	5,743,053	5,031,671
Deferred	(1,608,814)	(320,735)
	<u>4,134,239</u>	<u>4,710,936</u>
NET INCOME FOR THE QUARTER	<u>15,990,680</u>	<u>16,440,077</u>
Attributable to:		
Equity holders of BPI	<u>15,908,793</u>	<u>16,316,433</u>
Non-controlling interest	<u>81,887</u>	<u>123,644</u>
	<u>15,990,680</u>	<u>16,440,077</u>

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended June 30, 2026 and 2025

	<u>2026</u>	<u>2025</u>
NET INCOME BEFORE MINORITY INTEREST	15,990,680	16,440,077
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	146,568	(648,431)
Fair value reserve on investments of insurance subsidiaries, net of tax effect	(13,843)	8,298
Share in other comprehensive income of associates	81,659	30,794
Currency translation differences	88,739	(111,837)
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit plan, net of tax effect	(15,223)	14,069
Share in other comprehensive gain (loss) of associates	209,745	(122,964)
Total Other Comprehensive Income (Loss), net of tax effect	497,645	(830,071)
Total Comprehensive Income for the Year	16,488,325	15,610,006
Attributable to:		
Equity holders of BPI	16,413,425	15,480,774
Non-Controlling Interest	74,900	129,232
	16,488,325	15,610,006

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENTS OF INCOME
For the Six Months Ended June 30, 2026 and 2025
(In Thousands of Pesos)

	Unaudited 2026	Unaudited 2025
INTEREST INCOME		
On loans and advances	98,079,499	88,158,454
On FA at amortized cost	7,769,477	6,972,110
On FA at FV through OCI	8,106,950	6,778,231
On deposits with BSP and other banks	1,169,984	1,027,587
On FA at FV through profit or loss	426,335	611,224
	115,552,245	103,547,606
INTEREST EXPENSE		
On Deposits	28,500,067	27,091,149
On Bills Payable and other borrowings	7,020,183	5,302,475
	35,520,250	32,393,624
NET INTEREST INCOME	80,031,995	71,153,982
IMPAIRMENT LOSSES	13,337,001	7,250,000
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	66,694,994	63,903,982
OTHER INCOME		
Fees and commissions	8,904,495	7,492,884
Income from foreign exchange trading	1,479,243	1,221,676
Trading gain (loss) on securities	631,535	1,603,806
Income attributable to insurance operations	2,024,394	1,825,385
Other operating income	10,943,202	9,256,080
	23,982,869	21,399,831
OTHER EXPENSES		
Compensation and fringe benefits	16,952,234	15,459,065
Occupancy and equipment-related expenses	14,330,891	12,743,086
Other operating expenses	17,350,779	14,546,151
	48,633,904	42,748,302
INCOME BEFORE INCOME TAX	42,043,959	42,555,511
PROVISION FOR INCOME TAX		
Current	10,214,182	9,087,511
Deferred	(1,177,437)	307,087
	9,036,745	9,394,598
NET INCOME FOR THE PERIOD	33,007,214	33,160,913
Attributable to:		
Equity holders of BPI	32,832,734	32,958,083
Non-controlling interest	174,480	202,830
	33,007,214	33,160,913
 Earnings per share:		
Based on 5,296,362,773 shares as of June 30, 2026 and 5,283,794,223 shares in 2025	P 6.20	P 6.24

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Six Months Ended June 30, 2026 and 2025
(In Thousands of Pesos)

	Unaudited 2026	Unaudited 2025
NET INCOME BEFORE MINORITY INTEREST	33,007,214	33,160,913
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	(13,438,986)	1,070,216
Fair value reserve on investments of insurance subsidiaries, net of tax effect	(134,848)	52,304
Share in other comprehensive income of associates	(494,928)	(25,486)
Currency translation differences	389,722	(203,449)
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit plan, net of tax effect	(37,256)	(27,763)
Share in other comprehensive gain (loss) of associates	54,559	(78,902)
Total Other Comprehensive Income (Loss), net of tax effect	(13,661,737)	786,920
Total Comprehensive Income for the Year	19,345,477	33,947,833
Attributable to:		
Equity holders of BPI	19,240,783	33,738,944
Non-Controlling Interest	104,694	208,889
	19,345,477	33,947,833

BANK OF THE PHILIPPINE ISLANDS-UNIBANK
STATEMENT OF CHANGES IN CAPITAL FUNDS
FOR THE PERIOD ENDED JUNE 30, 2026 & JUNE 30, 2025
(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, 2025	52,747,424	143,809,936	16,510,617	274,071,134	(10,586,320)	476,552,791	2,317,493	478,870,284
Comprehensive Income								
Net Income for the year	-	-	-	32,832,734	-	32,832,734	174,480	33,007,214
Other Comprehensive Income for the year	-	-	-	-	(13,591,951)	(13,591,951)	(69,786)	(13,661,737)
Total Comprehensive Income for the year	-	-	-	32,832,734	(13,591,951)	19,240,783	104,694	19,345,477
Transactions with owners								
Executive Stock Plan amortization	69,032	359,131	(7,345)	-	-	420,818	-	420,818
Dividends Declared	-	-	-	(13,664,616)	-	(13,664,616)	(189,333)	(13,853,949)
Total transactions with owners	69,032	359,131	(7,345)	(13,664,616)	-	(13,243,798)	(189,333)	(13,433,131)
Other movements								
Appropriated for General Loans Loss Provision	-	-	(1,213,487)	1,213,487	-	-	-	-
Others	-	-	2,590	1,339	-	3,929	(0)	3,929
Total other movements	-	-	(1,210,897)	1,214,826	-	3,929	(0)	3,929
Balance, June 30, 2026	52,816,456	144,169,067	15,292,375	294,454,078	(24,178,271)	482,553,705	2,232,854	484,786,559

	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	10,888,865	236,332,444	(12,639,978)	430,469,271	2,221,184	432,690,455
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								
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								
Appropriated for General Loans Loss Provision	-	-	3,918,278	(3,918,278)	-	-	-	-
Others	-	-	(2,678)	(166,293)	-	(168,971)	0	(168,971)
Total other movements	-	-	3,915,600	(4,084,571)	-	(168,971)	0	(168,971)
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

Bank of the Philippine Islands
Consolidated Cash Flows Statement
For the Quarter Ended June 30, 2026 And 2025
In Millions of PHP

	June 2026	June 2025
CASH FLOW FROM OPERATING ACTIVITIES		
Income before income tax	20,125	21,152
Adjustments for:		
Impairment losses	7,837	4,250
Depreciation and amortization	1,418	1,421
Share in net income of associates	(798)	(801)
Dividend and other Income	(38)	(30)
Share based compensation	(11)	4
Profit from asset sold	(53)	(5)
Realized gain or sale on investment securities	(2)	(743)
Interest income	(58,499)	(52,734)
Interest received	55,461	49,605
Interest expense	17,723	16,106
Interest paid	(17,781)	(14,304)
(Increase) decrease in:		
Interbank loans receivable and securities purchased under a	(17)	127
Financial Assets at FVTPL	(2,584)	(32,668)
Loans and advances, net	(57,719)	(73,328)
Assets held for sale	(438)	(1,620)
Assets attributable to Insurance operations	(648)	992
Other assets	(6,455)	3,238
Increase (decrease) in:		
Deposit liabilities	7,381	35,285
Due to Bangko Sentral ng Pilipinas and other banks	(710)	429
Manager's checks demand drafts outstanding	(1,228)	(474)
Accrued taxes, interest and other expenses	2,349	1,764
Liabilities attributable to insurance operations	1,295	(865)
Derivative financial instruments	(2,132)	875
Deferred credits and other liabilities	2,323	(3,176)
Net cash from (used in) operations	(33,201)	(45,500)
Income taxes paid	(7,492)	(6,656)
Net cash from (used in) operating activities	(40,693)	(52,156)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment Securities, net	17,537	(95,371)
Bank premises, furniture, fixtures and equipment	(1,762)	(1,565)
Proceeds from:		
Disposal of investment securities	1,944	64,646
Disposal of bank premises, furniture, fixtures and equipment	138	36
Disposal of investment properties	-	-
(Increase) decrease in:		
Investment in subsidiaries and associates, net	1,338	154
Assets attributable to insurance operations	(522)	(39)
Impact of merger	-	-
Dividends received	38	30
Net cash used in investing activities	18,711	(32,109)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends and dividends issuance cost paid	(13,665)	(10,990)
Proceeds from issuance	358	333
(Decrease) Increase in bills payable and other borrowed funds	12,405	80,228
Payments for principal portion of lease liabilities	(579)	(583)
Net cash used in financing activities	(1,481)	68,988
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(23,463)	(15,277)
CASH AND CASH EQUIVALENTS		
April 1	282,877	255,639
June 30	259,414	240,362

Bank of the Philippine Islands
Consolidated Cash Flows Statement
For The Six Months Ended June 30, 2026 and 2025
In Millions of PHP

	June 2026	June 2025
CASH FLOW FROM OPERATING ACTIVITIES		
Income before income tax	42,044	42,556
Adjustments for:		
Impairment losses	13,337	7,250
Depreciation and amortization	2,850	2,667
Share in net income of associates	(1,553)	(1,410)
Dividend and other Income	(42)	(36)
Share based compensation	(8)	(5)
Profit from asset sold	(57)	(222)
Realized gain or sale on investment securities	(370)	(790)
Interest income	(115,552)	(103,548)
Interest received	115,234	104,031
Interest expense	35,744	32,593
Interest paid	(36,083)	(31,754)
(Increase) decrease in:		
Interbank loans receivable and securities purchased under agreements to resell	19,755	1,427
Financial Assets at FVTPL	280	(49,211)
Loans and advances, net	(51,884)	(91,738)
Assets held for sale	(1,347)	(2,238)
Assets attributable to Insurance operations	(1,027)	1,384
Other assets	(8,775)	6,204
Increase (decrease) in:		
Deposit liabilities	12,461	(3,162)
Due to Bangko Sentral ng Pilipinas and other banks	(610)	(833)
Manager's checks demand drafts outstanding	(1,626)	(626)
Accrued taxes, interest and other expenses	(161)	85
Liabilities attributable to insurance operations	1,469	(1,108)
Derivative financial instruments	955	(1,212)
Deferred credits and other liabilities	(1,629)	(1,263)
Net cash from (used in) operations	23,405	(90,959)
Income taxes paid	(9,180)	(8,118)
Net cash from (used in) operating activities	14,225	(99,077)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment Securities, net	(106,574)	(102,823)
Bank premises, furniture, fixtures and equipment	(3,089)	(2,580)
Disposals of:		
Investment Securities, net	96,841	92,554
Bank premises, furniture, fixtures and equipment	197	330
(Increase) decrease in:		
Assets attributable to insurance operations	(410)	(159)
Dividends received	42	36
Net cash used in investing activities	(11,655)	(12,488)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance	428	413
(Decrease) Increase in bills payable and other borrowed fun	59,388	63,519
Payments for principal portion of lease liabilities	(1,154)	(1,100)
Net cash used in financing activities	44,997	51,842
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	47,567	(59,723)
CASH AND CASH EQUIVALENTS		
January 1	211,847	300,085
June 30	259,414	240,362

BANK OF THE PHILIPPINE ISLANDS
Financial Indicators
As at June 30, 2026 and 2025

Ratio	Formula	Current Year	Prior Year
		in percentage	
Liquidity ratio	Total current assets divided by total current liabilities	47.61	47.89
Debt-to-equity ratio	Total liabilities (Bills payable and Bonds payable) divided by total equity	58.61	49.99
Asset-to-equity ratio	Total assets divided by total equity	772.43	749.67
Interest rate coverage ratio	Earning before interest expense, income taxes, depreciation, and amortization (EBITDA) divided by Total Interest Expense	226.39	239.60
Return on equity	Net income divided by average equity	13.78	14.93
Return on assets	Net income divided by average assets	1.80	2.01
Net interest margin (NIM)	Net interest income (return on investment less interest expense) divided by average net interest bearing assets	4.63	4.58
Average assets to average equity	Average assets divided by average equity	765.63	742.91
Net interest to average assets (NRFF)	Net interest income divided by average assets	4.39	4.34
Cost to income ratio	Total operating expense divided by total income (revenues)	46.76	46.19
Cost to asset ratio	Total operating expense divided by average asset	2.67	2.61
Capital to assets ratio	Total equity divided by total assets	12.95	13.34

SEC REQUIRED DISCLOSURES
BANK OF THE PHILIPPINE ISLANDS
JUNE 30, 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 April 15, 2026, at the regular Board meeting of the Bank, the Board of Directors approved the 2026 Employee Stock Purchase Program pursuant to the Employee Stock Purchase Plan (the "Plan") under Article Seventh of the Bank's Articles of Incorporation.

- On April 22, 2026, the Bank announced an increase in its total issued and outstanding common shares from 5,283,794,223 to 5,284,119,273 shares, representing the issuance of 325,050 additional common shares pursuant to the Bank's stock incentive program.
- On May 25, 2026, the Bank announced an increase in its total issued and outstanding common shares from 5,284,119,273 shares to 5,296,362,773 shares, reflecting the issuance of 12,243,500 additional BPI common shares under the 2026 BPI Executive Stock Purchase Plan.
- Dividends paid (aggregate per share) separately for ordinary shares and other shares.
 - At the regular meeting of the Board of Directors held on May 20, 2026, the Board approved the declaration of a cash dividend of Two Pesos and Fifty-Eight Centavos (Php 2.58) per common share to stockholders of record as of June 4, 2026. The payment date is set on June 18, 2026.
- 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 proactively 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 second quarter of 2026, the Philippine Government Securities (GS)/PHP BVAL rates and US treasury rates were higher for the quarter by an average of around 18 bps and 16 bps across the curve. The local financial market in the second quarter of this year was characterized by slower economic growth, elevated inflation and Peso volatility brought about by the continued Middle East geopolitical tensions and energy-price 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 second 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 second 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 second 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 second 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 May 2026. These losses remain well within the conservative and prudent risk appetite established by Senior Management and the Board/RMCom, and primarily arise from the inherent risks associated 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. In addition, the RMCom is continuously informed about the evolving cybercrime landscape, emerging threats, industry developments, and the corresponding mitigation strategies 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, including both actual losses incurred and hypothetical losses identified through scenario analysis exercises, the Bank remains adequately capitalized to absorb both expected and unexpected operational risk losses. This demonstrates the Bank's financial resilience and its capacity to withstand potential operational risk events while maintaining business continuity and stability.
- 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:** Movements 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, 2026 (unaudited)	340,587	335,058
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 Quarter Ended June 30, 2026					
In P Mn	CONSUMER BANKING	CORPORATE BANKING	INVESTMENT BANKING / FINANCIAL MARKETS	CORP / ELIM	TOTAL
Net interest income	27,542	11,046	4,158	(1,859)	40,886
Impairment charge	6,947	988	(97)	(0)	7,837
Net interest income after impairment	20,595	10,058	4,254	(1,859)	33,049
Fees and commission	3,680	740	551	(111)	4,859
Other income	4,042	607	1,905	1,596	8,149
GRT	(493)	(78)	(136)	(92)	(799)
Other Income, net	7,229	1,268	2,319	1,393	12,209
Compensation and fringe	6,433	1,084	654	632	8,803
Occupancy and equipment- related expenses	2,613	117	368	4,268	7,365
Other operating expenses	9,679	1,412	578	(2,704)	8,965
Total operating expenses	18,725	2,612	1,600	2,196	25,133
Provision for Income Tax					4,134
Income Before Impairment Losses, Income Tax and Minority	16,046	9,702	4,877	(2,663)	27,962
Operating Profit	9,099	8,714	4,974	(2,662)	20,125
Share in net income of associates					798
Total Assets	936,146	1,762,462	926,068	102,732	3,727,408
Total Liabilities	1,935,912	967,834	297,947	40,929	3,242,622

BANK OF THE PHILIPPINE ISLANDS SEGMENT REPORT For the Six Months Ended June 30, 2026					
In P Mn	CONSUMER BANKING	CORPORATE BANKING	INVESTMENT BANKING / FINANCIAL MARKETS	CORP / ELIM	TOTAL
Net interest income	54,135	21,789	7,552	(3,444)	80,032
Impairment charge	12,904	448	(16)	1	13,337
Net interest income after impairment	41,231	21,342	7,568	(3,445)	66,695
Fees and commission	7,298	1,381	1,076	(210)	9,544
Other income	6,587	1,119	5,530	2,698	15,934
GRT	(970)	(155)	(296)	(74)	(1,495)
Other Income, net	12,914	2,345	6,310	2,414	23,983
Compensation and fringe	12,343	2,130	1,277	1,203	16,952
Occupancy and equipment- related expenses	5,338	224	713	8,056	14,331
Other operating expenses	17,678	2,617	1,155	(4,100)	17,351
Total operating expenses	35,359	4,971	3,144	5,159	48,634
Provision for Income Tax					9,037
Operating Profit	18,786	18,715	10,733	(6,191)	42,044
Share in net income of associates					1,553
Total Assets	936,146	1,762,462	926,068	102,732	3,727,408
Total Liabilities	1,935,912	967,834	297,947	40,929	3,242,622

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

Financial Condition as of June 30, 2026, versus as of December 31, 2025

Total resources reached P3.73 trillion, increasing P75.92 billion, or 2.1%, mostly driven by a P38.36 billion, or 36.1%, increase in **Due from Bangko Sentral ng Pilipinas** to P144.70 billion, attributable to higher demand deposit reserves maintained with the Bangko Sentral ng Pilipinas (BSP).

Other material increases are as follows:

- **Loans and advances, net**, grew by P37.44 billion, or 1.5%, to P2.60 trillion, driven primarily by growth in the non-institutional segment.
- **Financial Assets at Fair Value through OCI (FVOCI)** increased by P10.13 billion, or 3.5%, to P295.49 billion, mainly due to additional securities purchases, partly offset by lower fair value valuations.
- **Other Resources, net**, rose by P9.03 billion, or 35.2%, to P34.66 billion, largely due to higher miscellaneous assets and deferred charges.
- **Due from Other Banks** increased by P2.39 billion, or 6.3%, to P40.60 billion, reflecting higher balances maintained with local banks, partly offset by lower placements with foreign banks.
- **Assets Attributable to Insurance Operations** grew by P1.29 billion, or 5.7%, to P23.94 billion, mainly due to higher insurance receivables of the Bank's non-life insurance subsidiary.
- **Deferred Income Tax Assets, net**, increased by P1.15 billion, or 6.0%, to P20.32 billion, primarily due to higher allowance for impairment losses.
- **Assets Held for Sale, net**, rose by P1.14 billion, or 9.2%, to P13.56 billion, following an increase in foreclosed properties.

These increases were partially offset by declines in the following accounts:

- **Financial Assets at Amortized Cost** decreased by P12.56 billion, or 3.6%, to P340.59 billion, mainly due to higher maturities of investments.
- **Cash and Other Cash Items** declined by P8.66 billion, or 16.3%, to P44.36 billion, reflecting lower cash balance on hand.
- **Interbank Loans Receivable and Securities Purchased under Agreements to Resell** decreased by P4.27 billion, or 12.0%, to P31.21 billion, primarily due to a reduction in loans extended to foreign institutions.

Total liabilities amounted to P3.24 trillion, up P70.00 billion, or 2.2%, primarily attributable to the P59.39 billion or 26.6% increase in **Other Borrowed Funds** to P282.82 billion, driven by availment under the BSP's Discount Facility and bond issuances.

Other notable increases include:

- **Total Deposits** increased by P12.46 billion, or 0.4%, to P2.85 trillion, supported by growth in demand and time deposits, partly offset by a decline in savings deposits.

- **Liabilities Attributable to Insurance Operations** rose by P1.49 billion, or 8.3%, to P19.32 billion, due to higher liabilities of the Bank's non-life insurance subsidiary.
- **Derivative Financial Liabilities** increased by P955 million, or 25.8%, to P4.65 billion, reflecting unfavorable movements in the underlying market.
- **Due to Bangko Sentral ng Pilipinas (BSP) and other banks** grew by P342 million, or 10.9%, to P3.49 billion, primarily due to higher tax collections received on behalf of the Bureau of Internal Revenue.

These increases were partly offset by declines in:

- **Deferred Credits and Other Liabilities**, which decreased by P3.51 billion, or 6.4%, to P51.32 billion, mainly due to lower accounts payable.
- **Manager's Checks and Demand Drafts Outstanding**, which declined by P1.63 billion, or 15.5%, to P8.83 billion, reflecting lower volumes of manager's checks issued and lower foreign remittances pending payment or disposition.

Total capital stood at P484.79 billion, an increase of P5.92 billion, or 1.2%.

- **Surplus** increased by P20.38 billion, or 7.4%, to P294.45 billion, driven by cumulative net income for the first six months and the transfer of reserves appropriated for general loan loss provisions, partly offset by cash dividend payments.

The increase in capital was tempered by the following declines:

- **Accumulated Other Comprehensive Loss** widened to P24.18 billion, from P10.59 billion year-end last year, primarily due to cumulative unrealized losses from changes in fair value of FVOCI securities.
- **Reserves** decreased by P1.22 billion, or 7.4%, to P15.29 billion, mainly due to the transfer of reserves appropriated for general loan loss provisions to surplus, as well as the Executive Stock Plan amortization.

RESULTS OF OPERATIONS

For the Quarters ended June 30, 2026, and June 30, 2025

Net income for the second quarter of 2026 amounted to P15.91 billion, down P408 million, or 2.5%, from the same period last year, primarily due to higher **impairment losses** and **operating expenses**.

Net interest income increased to P40.89 billion, up P4.15 billion, or 11.3%, driven by the 10.7% growth in average earning assets and a slightly higher net interest margin (NIM).

Interest income, net of GRT, reached P58.50 billion, up P5.77 billion, or 10.9%, supported by the following increases:

- **Loans and advances** generated P49.81 billion, up P4.90 billion or 10.9%, largely due to higher average volume, partially offset by lower yields.

- **Financial assets at FVOCI** contributed P4.13 billion, up P532 million, or 14.8%, on higher yields and increased average asset balances.
- **Financial assets at Amortized Cost** generated P3.86 billion, up P379 million or 10.9%, likewise driven by higher yields and larger average asset balances.
- **Deposits with BSP and other banks** earned P514 million, up P97 million or 23.4%, primarily due to higher average placements.

These increases were partially offset by a decline in:

- **Financial assets at FVTPL**, which contributed P178 million, down P139 million, or 43.8%, mainly due to lower yields, partly mitigated by higher average asset volumes.

Interest expense increased to P17.61 billion, up P1.62 billion, or 10.1%, attributable to:

- **Deposits**, which incurred interest expense of P13.89 billion, up P861 million, or 6.6%, driven by higher average deposit volumes, partly offset by lower funding costs.
- **Bills payable and other borrowings**, which increased by P756 million or 25.5%, to P3.72 billion, primarily due to higher average borrowings, partially offset by lower funding costs.

Other income, net of GRT, amounted to P12.21 billion, up P1.10 billion, or 9.9%, reflecting the following movements:

- **Fees and commissions** rose to P4.53 billion, up P972 million, or 27.3%, driven by higher service charges, underwriting fees and domestic bank commissions;
- **Other operating income** increased to P5.66 billion, up P940 million, or 19.9%, largely due to higher credit card income, trust fees and miscellaneous income;
- **Income attributable to insurance operations** reached P1.14 billion, up P108 million, or 10.4%, on higher equity income of the Bank's insurance subsidiaries and affiliates.
- **Foreign exchange trading income** increased to P666 million, up P51 million, or 8.3%, supported by favorable trading opportunities arising from market volatility and a weaker Philippine Peso.
- **Trading gain on securities** declined to P208 million, down P974 million or 82.4%, mainly attributable to mark-to-market losses, lower realized gains, and realized losses from securities transactions.

Other expenses rose to P25.13 billion, up P2.68 billion, or 12.0%, mainly due to increases in:

- **Other operating expenses**, which reached P8.97 billion, up P1.11 billion, or 14.2%, driven by higher operations, rewards and selling, insurance, regulatory and litigation-related expenses.
- **Compensation and fringe benefits**, which increased to P8.80 billion, up P873 million, or 11.0%, due to annual salary adjustments and higher performance bonus accruals.
- **Occupancy and equipment-related expenses**, which rose to P7.37 billion, up P697 million, or 10.4%, primarily reflecting higher technology-related spending.

Impairment losses increased significantly to P7.84 billion, up P3.59 billion, or 84.4%, from P4.25 billion during the same period last year, mainly to provide for Expected Credit Losses (ECL) changes.

Provision for income tax decreased to P4.13 billion, down P577 million, or 12.2%.

- **Deferred income tax**, down P1.29 billion, from a benefit of P321 million to a benefit of P1.61 billion, primarily due to higher loss provisioning this quarter.
- Meanwhile, **current income tax** increased by P711 million, or 14.1%, to P5.74 billion, primarily due to higher taxable income.

Income attributable to non-controlling interest amounted to P82 million, down P42 million, or 33.8%, reflecting lower earnings contribution from the Bank's non-life insurance subsidiary.

Total comprehensive income rose to P16.41 billion, up P933 million, or 6.0%, driven by the recognition of **total other comprehensive income (OCI)** in the current period, compared with an OCI loss in the same quarter last year. **Total other comprehensive income, net of tax**, amounted to P498 million, representing an improvement of P1.33 billion from the P830 million loss recorded in the same period last year. Key movements were 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** registered a gain of P147 million, improving by P795 million, or 122.6%, from the P648 million loss recorded last year, mainly due to higher market valuation of the Bank's investment securities.
- **Currency translation differences** recorded a gain of P89 million, improving by P201 million from last year's P112 million loss, largely due to the global strengthening of the US Dollar.
- **Share in other comprehensive income of associates** increased to P82 million, up P51 million, reflecting improved valuation of investment securities held by the Bank's life insurance associate.
- **Fair value reserve on investments of insurance subsidiaries, net of tax**, recorded a P14 million loss, a deterioration of P22 million from the prior year's P8 million gain, due to lower market valuations of investments held by the Bank's insurance subsidiaries.

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

- **Share in other comprehensive income of associates** amounted to P210 million, improving by P333 million from the P123 million loss recorded in the same period in the prior year, mainly to favorable valuation movements in the investments of the Bank's life insurance associate.
- **Actuarial loss on defined benefit plan, net of tax**, amounted to P15 million, increasing by P29 million, primarily due to the recognition of remeasurement loss on the fair value of retirement plan assets of the Bank's thrift subsidiary.

Income attributable to non-controlling interest within other comprehensive income, declined to P75 million, down P54 million, mainly due to lower fair value reserves on investments held by the Bank's insurance subsidiary.

For the Six Months ended June 30, 2026, and June 30, 2025

Net income for the first half of 2026 amounted to P32.83 billion, down P125 million or 0.4%, from the same period last year, primarily due to higher **impairment losses** and **operating expenses**.

Net interest income increased to P80.03 billion, up P8.88 billion or 12.5%, driven by an 11.3% growth in average earning assets and a 5-basis-point expansion in net interest margin (NIM).

Interest income, net of GRT, reached P115.55 billion, up P12.00 billion or 11.6%, supported by the following:

- **Loans and advances** totaled P98.08 billion, up P9.92 billion or 11.3%, driven by higher average asset volume.
- **Financial assets at FVOCI** contributed P8.11 billion, an increase of P1.33 billion or 19.6%, due to higher average asset volume and improved yields.
- **Financial assets at amortized cost** generated P7.77 billion, up P797 million or 11.4%, on higher yields and increased average asset volume.
- **Deposits with BSP and other banks** amounted to P1.17 billion, up P142 million or 13.9%, driven by improved yields and higher average balances.
- **Financial assets at FVTPL** contributed P426 million, down P185 million or 30.2%, as lower yields offset the impact of higher average asset volume.

Interest expense rose to P35.52 billion, an increase of P3.13 billion, or 9.7%, mainly due to:

- **Bills Payable and other borrowings** at P7.02 billion, up by P1.72 billion or 32.4%, driven by higher average volume.
- **Deposits** at P28.50 billion, up P1.41 billion or 5.2%, likewise due to higher average volume.

Other income, net of GRT increased to P23.98 billion, up P2.58 billion or 12.1%, attributable to the following:

- **Other operating income** of P10.94 billion, up P1.69 billion or 18.2%, driven by higher credit card income, trust fees and miscellaneous income.
- **Fees and commissions** of P8.90 billion, up P1.41 billion or 18.8%, reflecting higher service charges, underwriting fees and domestic bank commissions.
- **Foreign exchange trading income** of P1.48 billion, up P258 million or 21.1%, driven by wider average spreads from sales.
- **Income attributable to insurance operations** of P2.02 billion, up P199 million, or 10.9%, supported by stronger earnings contributions from the Bank's insurance affiliate and subsidiaries.
- **Trading gain on securities** of P632 million, down P972 million or 60.6%, primarily due to mark-to-market losses resulting from the continued rise in yields.

Other expenses rose to P48.63 billion, up P5.89 billion or 13.8%, mainly due to increases in:

- **Other operating expenses** of P17.35 billion, up P2.80 billion or 19.3%, primarily driven by higher marketing expenses, transaction servicing costs, and increased regulatory and miscellaneous expenses.
- **Occupancy and equipment-related expenses** of P14.33 billion, up P1.59 billion or 12.5%, mainly due to higher spending on technology, depreciation, security, and janitorial services.
- **Compensation and fringe benefits** of P16.95 billion, up P1.49 billion or 9.7%, reflecting increased headcount, annual salary adjustments, and higher performance bonus accruals.

Impairment losses increased significantly to P13.34 billion, up P6.09 billion, or 84.0%, from P7.25 billion in 2025, due to higher expected credit losses (ECL) requirements.

Provision for income tax amounted to P9.04 billion, down P358 million, or 3.8%.

- **Deferred income tax** declined by P1.49 billion as it shifted from an expense of P307 million to a benefit of P1.18 billion, primarily due to higher loss provisioning, net of write-offs.
- **Current income tax**, meanwhile, was up P1.13 billion as it increased to P10.21 billion, driven by higher taxable revenues.

Income attributable to non-controlling interest declined to P174 million, down P28 million or 14.0%, reflecting earnings contribution from the Bank's non-life insurance subsidiary.

Total comprehensive income amounted to P19.24 billion, down P14.50 billion or 43.0%. This was driven by lower **net income before minority interest** of P33.01 billion, down P154 million, or 0.5%, as well as a substantial decline in **other comprehensive income**.

Total other comprehensive loss, net of tax, amounted to P13.66 billion, a deterioration of P14.45 billion from the P787 million gain recorded in the same period last year.

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**, recorded a P13.44 billion loss, a deterioration of P14.51 billion from last year's P1.07 billion gain, due to lower market valuations of the Bank's investment securities.
- **Share in other comprehensive loss of associates** amounted to P495 million, worsening by P469 million, from last year's P25 million loss, mainly due to lower valuation of the life insurance associate's investment securities.
- **Fair value reserve on investments of insurance subsidiaries, net of tax**, recorded a P135 million loss, compared with P52 million income last year, reflecting lower market valuations of investment funds held by the Bank's insurance subsidiaries.
- **Currency translation differences** amounted to P390 million, improving by P593 million from last year's P203 million loss, due to the strengthening of the US dollar.

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

- **Actuarial loss on defined benefit plan, net of tax effect**, amounted to P37 million, deteriorating by P9 million, primarily due to the recognition of remeasurement loss on the fair value of retirement plan assets of the Bank's thrift subsidiary.
- **Share in other comprehensive income of associates** totaled P55 million, improving by P133 million, from last year's P79 million loss, driven by improved valuations of the life insurance associate's investment portfolio.

Income attributable to non-controlling interest within other comprehensive income amounted to P105 million, down P104 million, mainly due to higher fair value reserves recognized on the investment portfolio 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, 2026	June 30, 2025
Return on Equity (%)	13.78	14.93
Return on Assets (%)	1.80	2.01
Net Interest Margin (%)	4.63	4.58
Operating Efficiency Ratio (%)	46.76	46.19
Capital Adequacy Ratio (%) - Basel III	14.78 *	15.25

** indicative*

Return on equity (ROE), the ratio of net income to average equity, stood at 13.78%, 115 bps lower than last year's 14.93%, due to lower net income coupled with the expansion in average equity.

Return on assets (ROA), the ratio of net income to average assets declined to 1.80% from 2.01% last year, as net income decreased while average assets continued to expand.

Net interest margin (NIM), measured as net interest income divided by average interest-bearing assets, improved slightly to 4.63%, as growth in net interest income outpaced the expansion in average earning assets.

Operating efficiency (cost to income) ratio, which measures operating expenses relative to income, increased to 46.76%, as growth in operating expenses outpaced the growth in revenues.

Capital adequacy ratio (CAR), the ratio of total qualifying capital to total risk-weighted assets, at an indicative 14.78%, lower than 15.25% in the prior year. Similarly, the Common Equity Tier 1 (CET1) ratio declined to 13.97% from 14.45% from the same period last year. The decrease in capital ratios was primarily driven by the growth in risk-weighted assets, which outpaced the increase in qualifying capital. Despite the decline, both capital ratios remained comfortably above the BSP minimum regulatory requirements.

Subsequent Events

- On 17 December 2025, the Board of Directors (the “Board”) of the Bank authorized Management to pursue the merger of BPI Direct Banko, Inc., A Savings Bank (Banko) and Legazpi Savings Bank, Inc. (LSB), with Banko as the surviving entity, subject to the approval of their respective boards and stockholders.

The Bangko Sentral ng Pilipinas, through Monetary Board Resolution No. 604 dated 02 July 2026, approved the merger. Completion remains subject to the fulfillment of conditions precedent, including approval by the Securities and Exchange Commission.

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 6, 2026


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

Date: August 6, 2026

BPI UNIBANK
CONSOLIDATED AGING OF ACCOUNTS RECEIVABLE
JUNE 30, 2026

No. of Days Outstanding		Amount (In Thousands)	
	0-90	P	3,197,471
	91-180		208,087
	181-360		202,706
	Over 360		891,136
	Total		4,499,400
	Less : Allow. For Probable Losses		1,245,796
	Net of Allowance	P	3,253,604

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended
Jun 30, 2026
2. SEC Identification Number
PW-121
3. BIR Tax Identification No.
000-438-366-00
4. Exact name of issuer as specified in its charter
BANK OF THE PHILIPPINE ISLANDS
5. Province, country or other jurisdiction of incorporation or organization
Manila, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
22/F – 28/F Ayala Triangle Gardens Tower 2 Paseo De Roxas corner Makati Avenue Bel-Air, Makati City
Postal Code
1226
8. Issuer's telephone number, including area code
(632) 8663-6525 (Corpsec Off)/(632) 8663-6733 (IR)
9. Former name or former address, and former fiscal year, if changed since last report
-
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	5,296,362,773

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

☒ Yes ☐ No

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange Common

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the

Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

☒ Yes ☐ No

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

☒ Yes ☐ No

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



Bank of the Philippine Islands BPI

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

For the period ended	Jun 30, 2026
Currency (indicate units, if applicable)	PHP Thousands

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Jun 30, 2026	Dec 31, 2025
Current Assets	-	-
Total Assets	3,727,408,344	3,651,487,826
Current Liabilities	-	-
Total Liabilities	3,242,621,785	3,172,617,542
Retained Earnings/(Deficit)	294,454,078	274,071,134
Stockholders' Equity	484,786,559	478,870,284
Stockholders' Equity - Parent	482,553,705	476,552,791
Book Value per Share	91.11	90.19

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	53,095,388	47,850,973	104,014,864	92,553,813

Gross Expense	32,970,469	26,699,960	61,970,905	49,998,302
Non-Operating Income	-	-	-	-
Non-Operating Expense	-	-	-	-
Income/(Loss) Before Tax	20,124,919	21,151,013	42,043,959	42,555,511
Income Tax Expense	4,134,239	4,710,936	9,036,745	9,394,598
Net Income/(Loss) After Tax	15,990,680	16,440,077	33,007,214	33,160,913
Net Income Attributable to Parent Equity Holder	15,908,793	16,316,433	32,832,734	32,958,083
Earnings/(Loss) Per Share (Basic)	-	-	6.2	6.24
Earnings/(Loss) Per Share (Diluted)	-	-	-	-

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	12.55	12.2
Earnings/(Loss) Per Share (Diluted)	-	-

Other Relevant Information
-

Filed on behalf by:

Name	Maria Lourdes Gatmaytan
Designation	Corporate Secretary