

July 21, 2021

BPI posts 2Q2021 net income of P6.8 billion

MAKATI CITY, Philippines --- Bank of the Philippine Islands posted Net Income of P6.8 billion for the second quarter of 2021, up 28.8%, from the same period last year and up 36.3% from the first quarter of 2021, due to lower provisions recognized. It is the Bank's highest quarterly income since the start of the pandemic. Net income for the first half of 2021 was P11.8 billion, up 1.2% year-on-year.

Total Revenues for the first six months of the year declined by 6.7% to P48.1 billion. Net Interest Income dropped by 6.6% to P33.9 billion, as NIM contracted by 24 bps from 3.56% to 3.32% as earning asset yields declined by 85 basis points. While Non-Interest Income was down by 7.1% to P14.3 billion largely due to lower trading income, Fees & Commissions showed a growth of 37.2% across fee-based businesses.

Total Operating Expenses for the first semester at P24.1 billion was up 3.0%. Cost-to-Income Ratio stood at 50.1%, a 4.75 ppt increase from the 45.3% recorded in the prior year. The Bank booked Provisions of P6.5 billion, lower by 55.7% than the P14.7 billion booked over the same period last year. NPL ratio was 2.94%, with NPL Coverage ratio at 120.3%.

Total Loans as of June 30, 2021 was P1.4 trillion, a 4.5% drop year-on-year, due to softer demand in corporate, SME, and auto loans. Total Deposits was down by 4.5% year-on-year at P1.7 trillion. Notably, CASA grew 10.7%, offsetting a 43.1% decrease in time deposits. The Bank's CASA Ratio was 83.2%, while the Loan-to-Deposit Ratio was 80.8%.

Total Assets stood at P2.2 trillion, down 3.0% year-on-year. Total Equity increased to P285.8 billion, with an indicative Common Equity Tier 1 Ratio of 16.95% and a Capital Adequacy Ratio of 17.82%, both above regulatory requirements. Return on Equity was 8.4%, while Return on Assets was 1.1%.

BPI was named as the Best Sustainable Bank in the country by FinanceAsia for its forward-looking sustainability initiatives. "This award is a welcome validation of what we are determined to achieve. BPI's sustainability formula is distinct because we go beyond environmental, social and governance goals by adding economic targets to our green and social endeavors", said Tere Marcial, BPI Chief Finance Officer and Chief Sustainability Officer.

Also in the FinanceAsia Country Awards 2021, BPI Capital was recognized for its excellence in investment banking, garnering the Best Investment Bank, Best Equity Capital Market House, and Best Debt Capital Market House awards.

Alpha Southeast Asia has recognized BPI Family Savings Bank as the Best SME Bank in the Philippines for the 8th consecutive year, BPI as the Best Trade Finance Bank in the Philippines for the 7th consecutive year, and BPI Capital as the Best Investment Bank in the Philippines for the 3rd consecutive year.

ABOUT BPI

The 169-year-old Bank of the Philippine Islands is the first bank in the Philippines and Southeast Asia. We are licensed as a universal bank by the Bangko Sentral ng Pilipinas to provide a diverse range of financial services: deposit taking and cash management, payments, lending and leasing, asset management, bancassurance, investment banking, securities brokerage, foreign exchange and treasury. BPI has investment-grade ratings of BBB+ (S&P), Baa2 (Moody's), BBB (Capital Intelligence), and BBB- (Fitch).

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