

BPI Investor Presentation

Performance Highlights

2Q and 1H 2024 Performance Highlights



Profitability

- Record 1H net income of P30.6 Bn, up 22% YoY, driven by robust revenues and positive operating leverage
- 2Q net income of P15.30 Bn, slightly up 0.3% QoQ on higher opex from one-off expenses
- Further improved profitability with 1H ROE at 15.5% and ROA at 2.0%

Balance Sheet

- Strong loans and deposit growth at 17.4% and 14.4% YoY
- Excluding-RBC, loan and deposit YoY growth at 10.9% and 7.5%, respectively
- Robust capital position: indicative CET1 at 14.2%; CAR at 15.0%

Asset Quality

- Uptick in NPL ratio attributed to the expansion of consumer loans in line with strategy
- Despite the uptick in NPL ratio, asset quality remained strong with sufficient NPL cover
- NPL ratio at 2.20%, NPL cover at 127.59%

Growth

- Further strengthened customer franchise with 12.5 million client base
- Launched new products and functions in digital platforms to drive customer engagement and conversion rate
- Strengthened leadership in digitalization and sustainability

Profitability – 1H



In P bn

	1H 2023	1H 2024	YoY
Net Interest Income	50.11	61.25	22.2%
Non-Interest Income	15.48	19.92	28.7%
Trading Income	0.91	0.74	-18.3%
Forex Income	1.38	2.19	58.6%
Fee Income	13.19	16.99	28.8%
Net Revenues	65.59	81.18	23.8%
Opex	31.39	38.27	21.9%
PPOP	34.20	42.90	25.5%
Provisions	2.00	3.00	50.0%
NIBT	32.20	39.90	23.9%
Income Taxes	6.94	9.19	32.4%
Net Income	25.15	30.56	21.5%

- Record net income up 22% YoY, backed by solid performance in key businesses
- Revenues at P81.2 billion, up 23.8% YoY, boosted by the increase in net interest income to P61.3 billion, up 22% YoY
- Non-interest income at P19.9 billion, up 28.7%; increase in forex income and fee income offset the decline in trading income
- Growth in forex income driven by increase in client count and volume; trading income declined following a strong performance in 4Q23

Profitability – QoQ



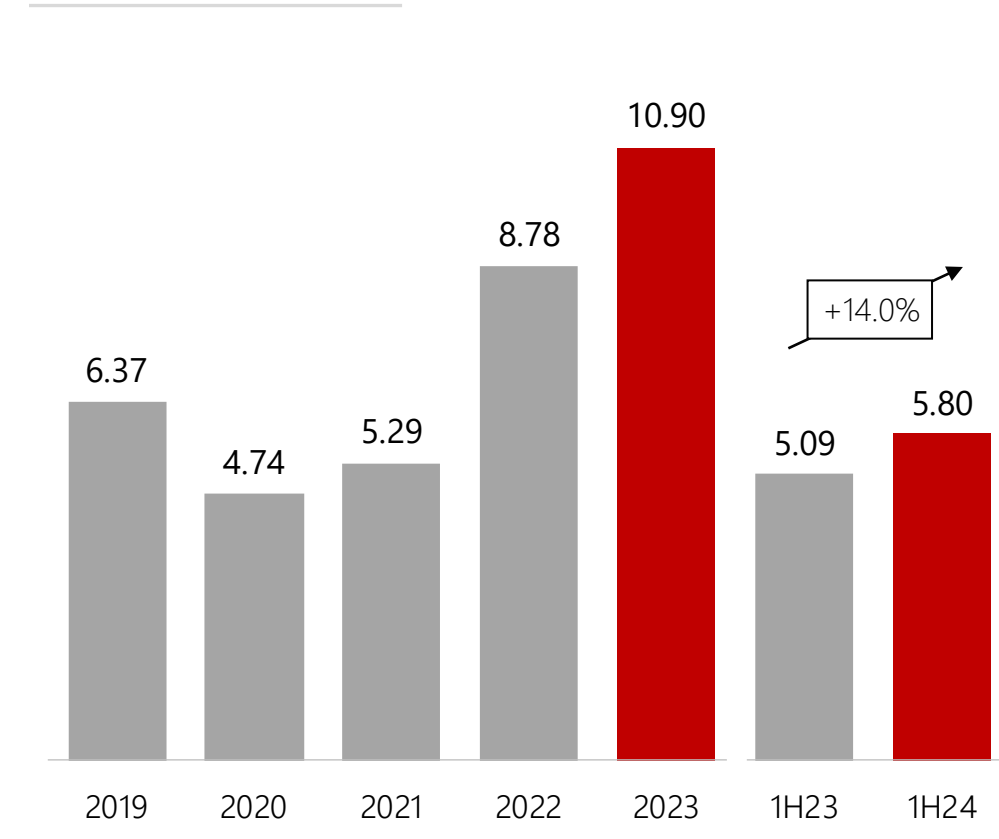
<i>In P bn</i>	1Q 2024	2Q 2024	QoQ
Net Interest Income	29.85	31.41	5.2%
Non-Interest Income	9.68	10.24	5.9%
Trading Income	1.68	1.26	-25.0%
Fee Income	8.00	8.99	12.3%
Net Revenues	39.52	41.65	5.4%
Opex	18.01	20.26	12.5%
PPOP	21.51	21.39	-0.6%
Provisions	1.50	1.50	0.0%
NIBT	20.01	19.89	-0.6%
Income Taxes	4.67	4.53	-2.9%
Net Income	15.26	15.30	0.3%

- Net income of P15.3 Bn, up 0.3% QoQ, following a strong 1Q24 performance
- Higher opex includes one-off expense from manpower and technology expense for 1Q
- Excluding these expenses, opex would be up 6%; PPOP up 5.1%, and net income, up 8.3%

Shareholder Returns

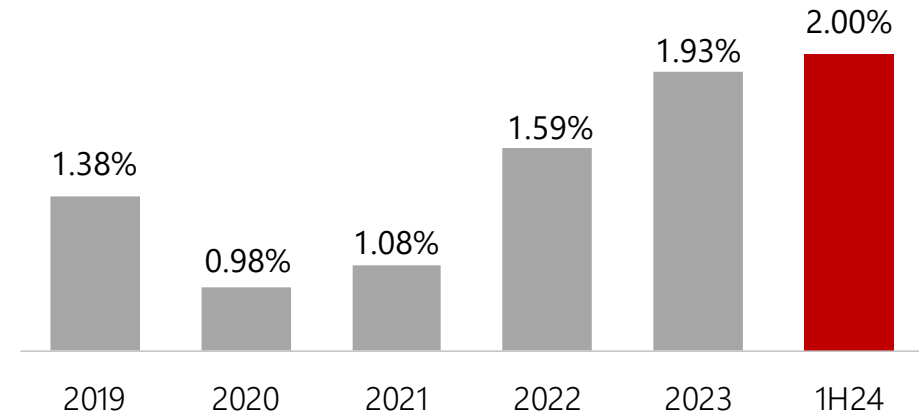


Earnings per Share

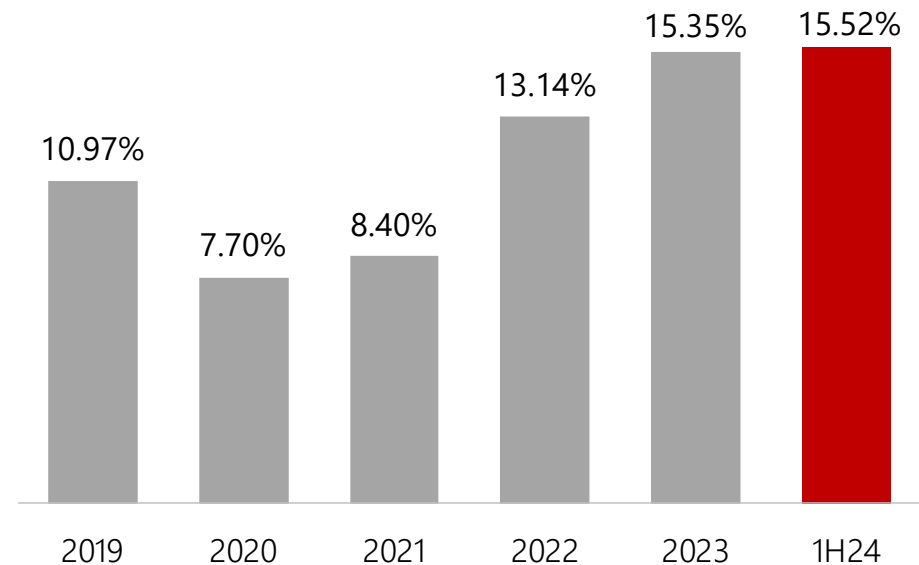


Note: 1H24 EPS computed using net income of P30.6bn and OS shares of 5,272 mn

Return on Assets



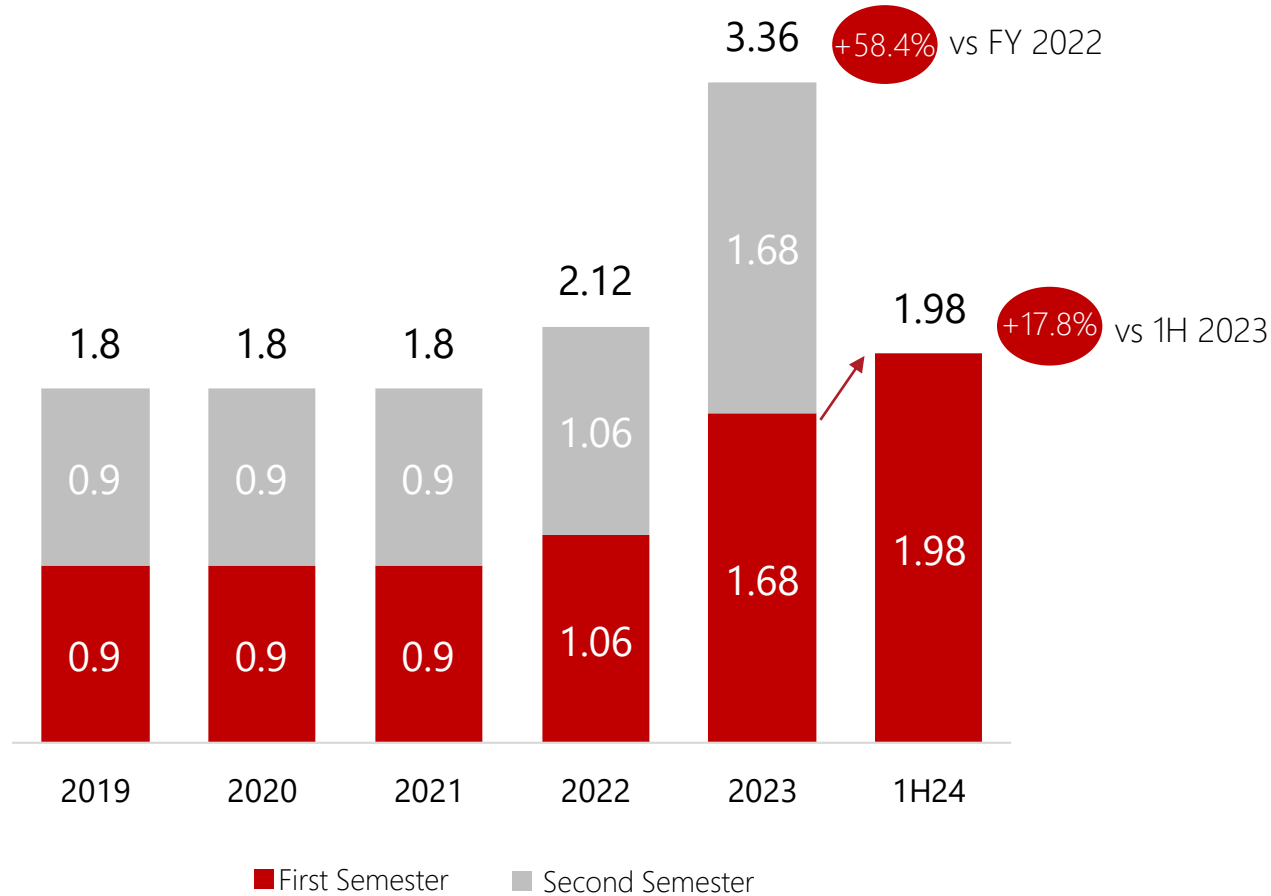
Return on Equity



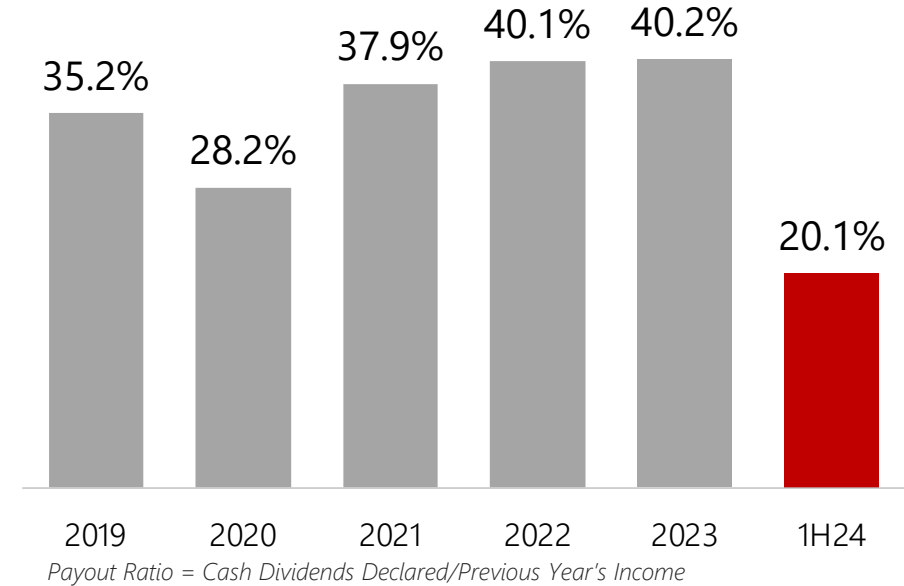
Capital Distribution

Strong and consistent dividend growth

Dividend per Share



Dividend Payout



Additional shares from RBC merger

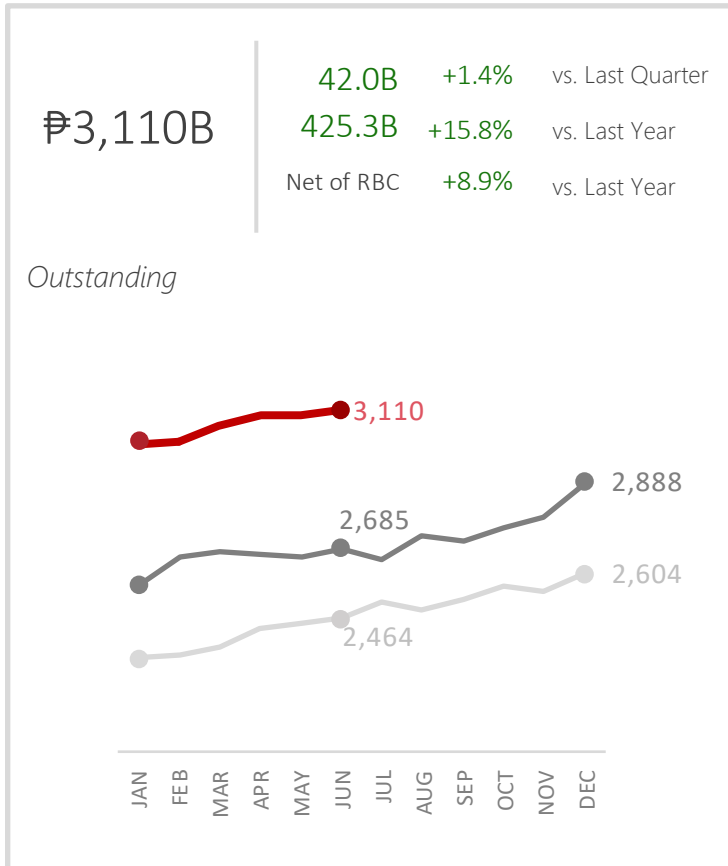
314,003,992 additional common shares issued pursuant to the BPI and RBC merger bringing total common shares to 5,259,201,283 as of January 1, 2024.

Balance Sheet



- Strong organic growth intact and further boosted by the merger
- Deposit and Loans growth ahead of industry averages
- Managed deposit growth stabilized CASA ratio while LDR continued to increase on persistent loan growth

ASSETS

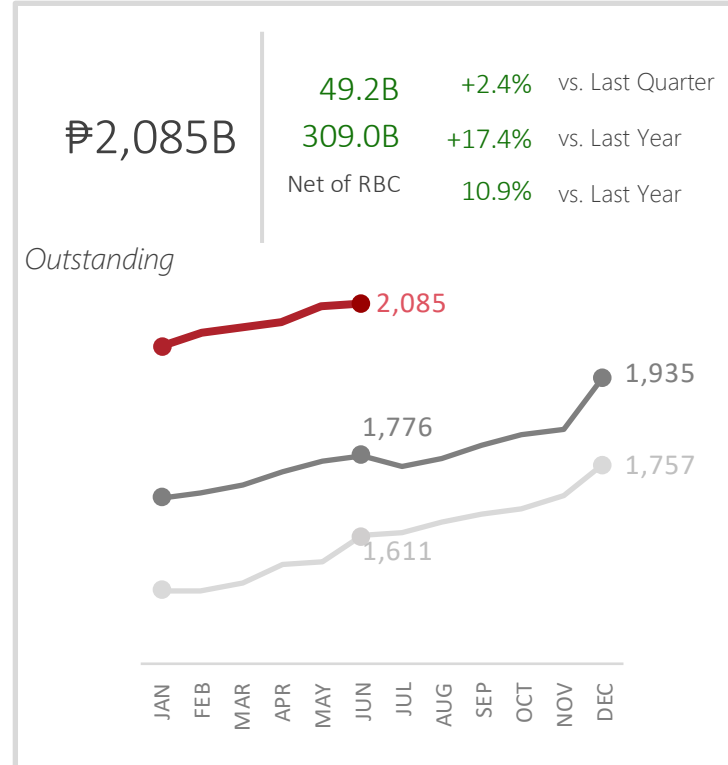


2022

2023

2024

GROSS LOANS

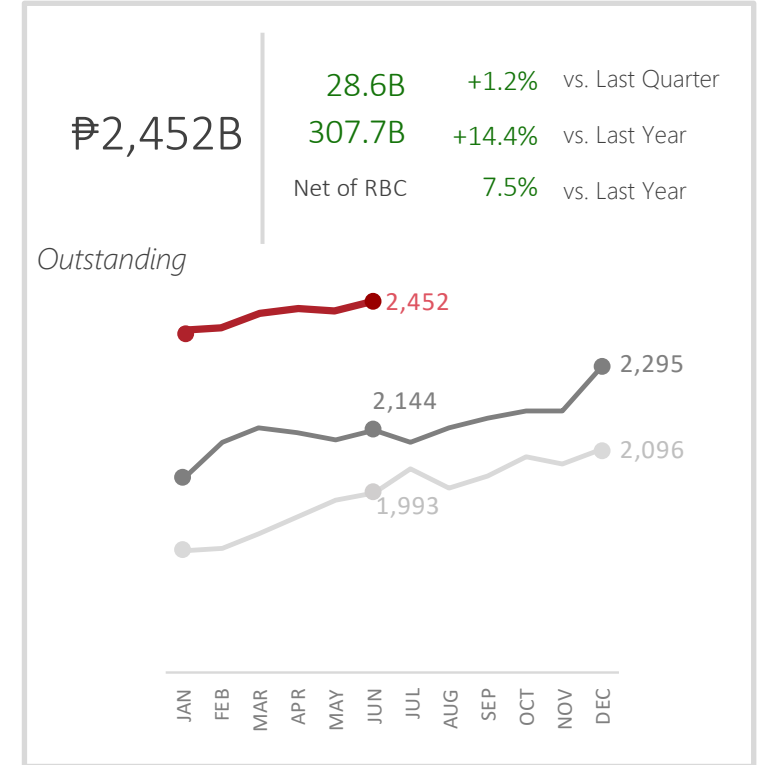


LOANS TO DEPOSIT

85.03%

103bps	vs. Last Quarter
221bps	vs. Last Year

DEPOSITS



CASA RATIO

64.72%

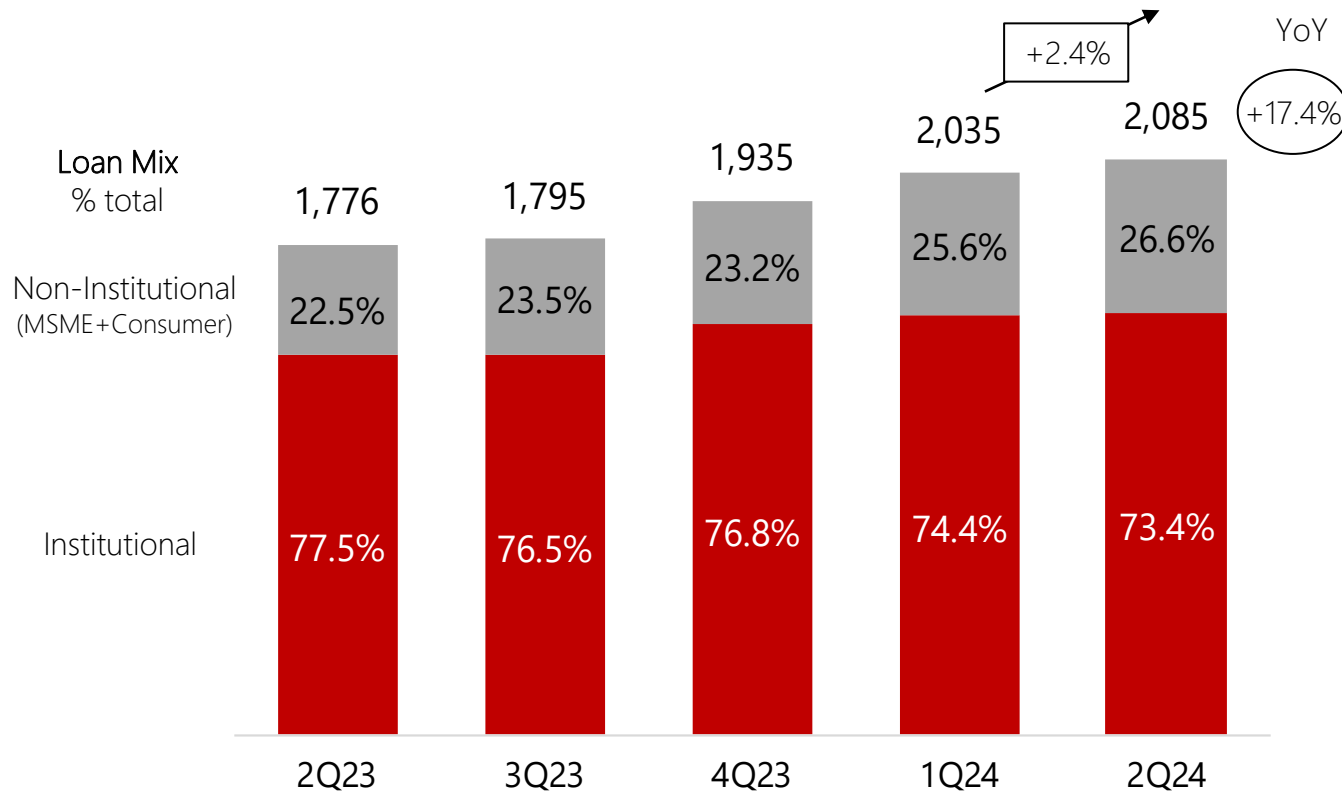
-6bps	vs. Last Quarter
-551bps	vs. Last Year

Loans and Quarter NIM

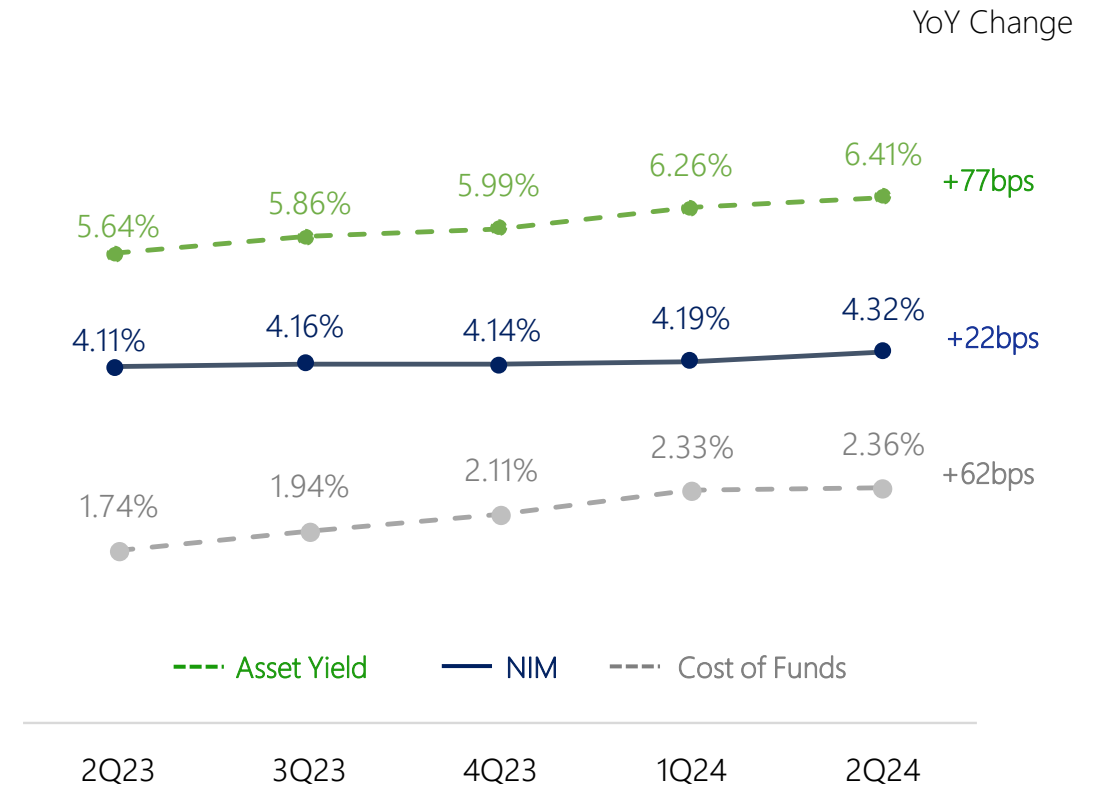


- Sustained loans growth, up 17.4% YoY with average daily balance up 18.4%; up 2.4% QoQ with ADB, up 17.9%
- Sustained improvement in NIM, up 13bps QoQ and 22 bps YoY
- Increase in quarter NIM driven by strong growth in high yield loans, managed deposit growth & increase in LDR

Gross Loans (in P bn)



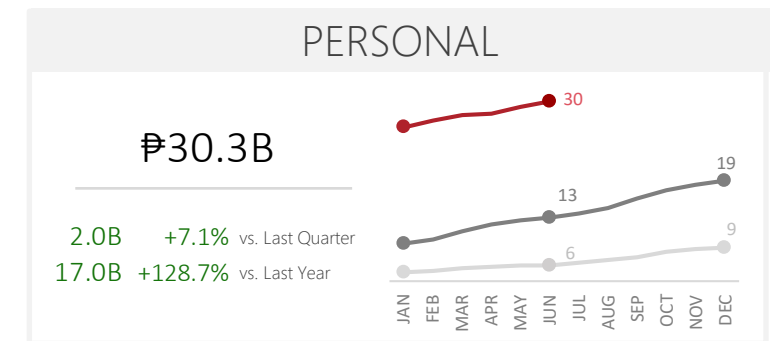
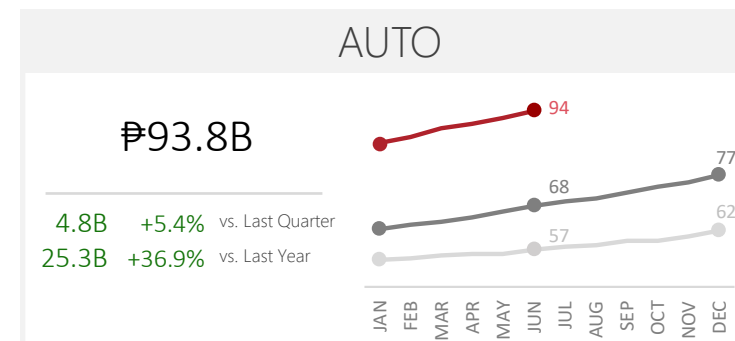
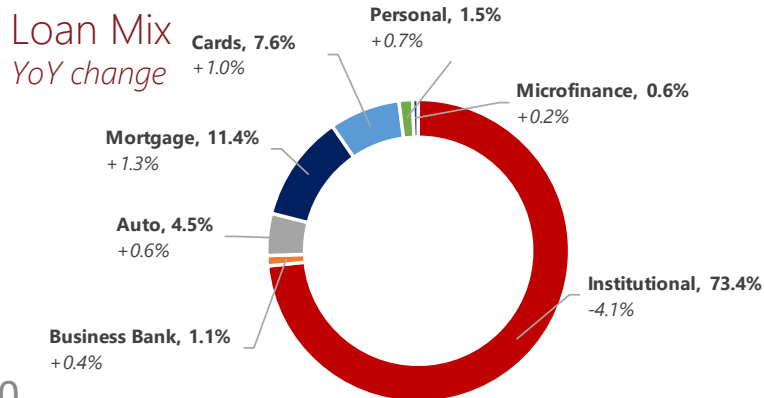
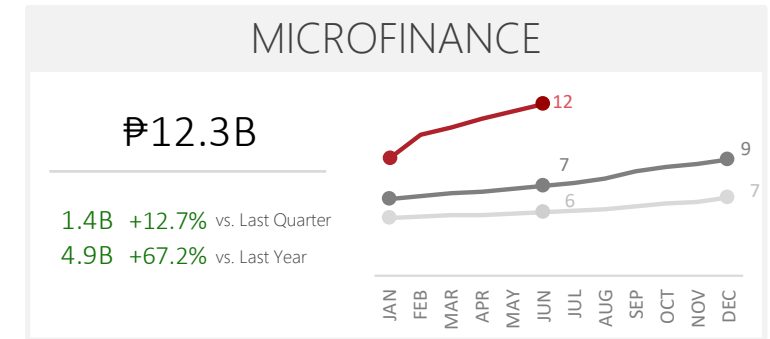
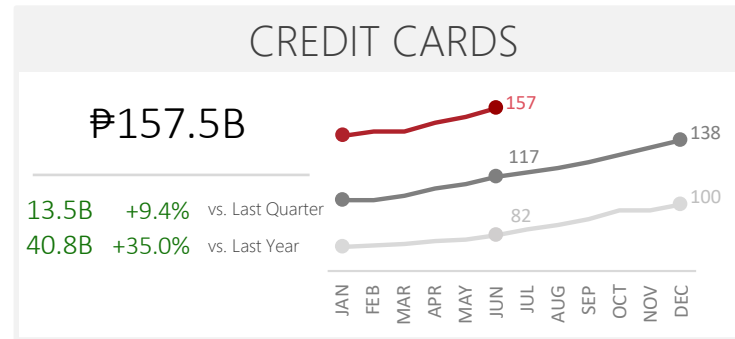
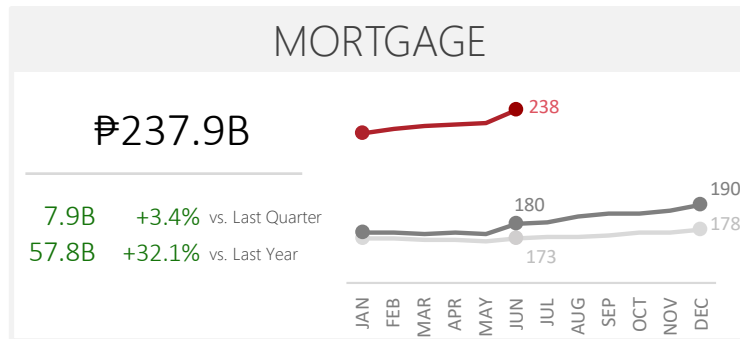
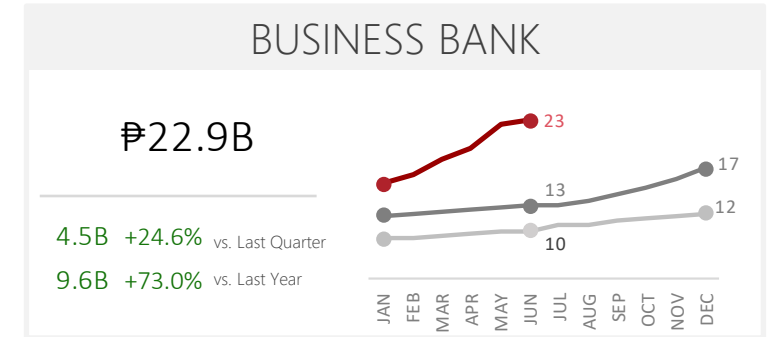
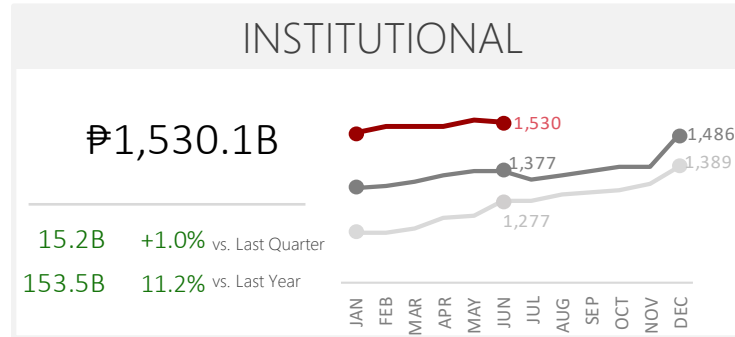
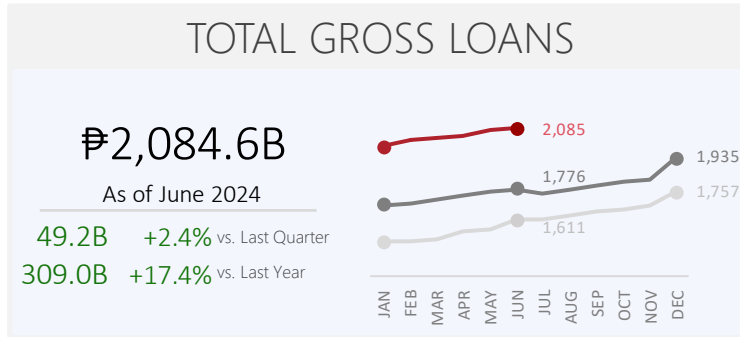
Quarter NIM



Loans by Segment



- Sharp increase in all loan portfolios year-on-year, led by high yield segment, up 39%
- Strong momentum intact led by the high yield segments, up 6.3% QoQ; accounts for 26.6% of the loan mix, up 413bps from last year



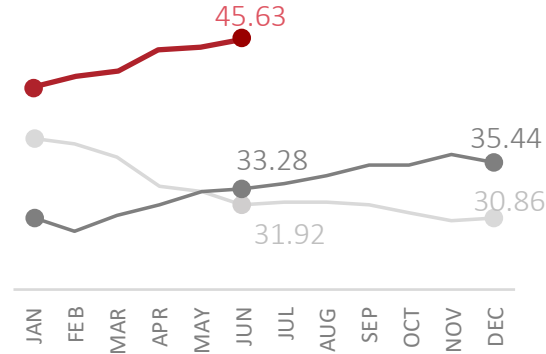
2022 2023 2024

Provisions and Asset Quality



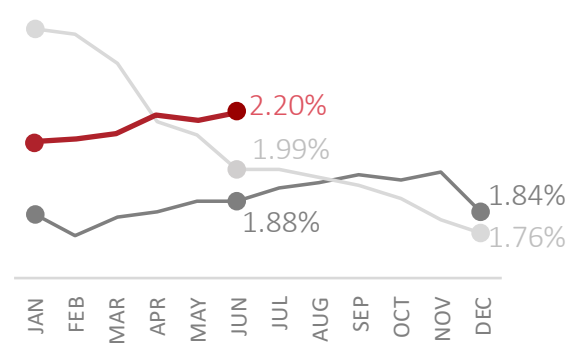
NPL LEVEL (in ₱ bn)

₱45.63B | **+6.3%** vs. Last Quarter
+37.1% vs. Last Year



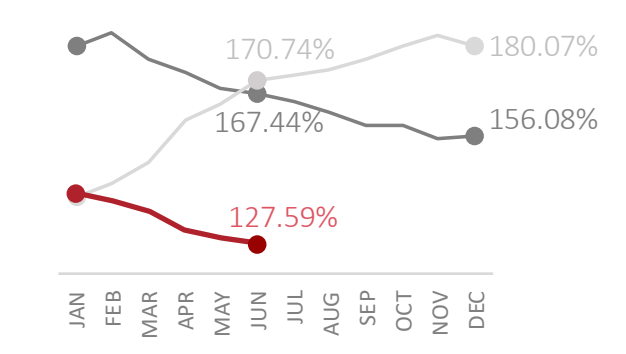
NPL RATIO

2.20% | **8bps** vs. Last Quarter
32bps vs. Last Year

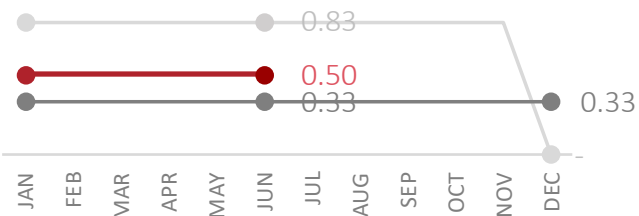


NPL COVER

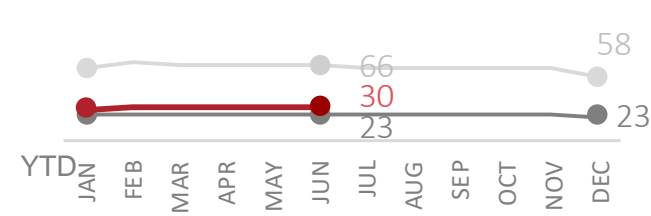
127.59% | **-9ppts** vs. Last Quarter
-39.9ppts vs. Last Year



PROVISIONS (in ₱ bn)



CREDIT COST (in bps)



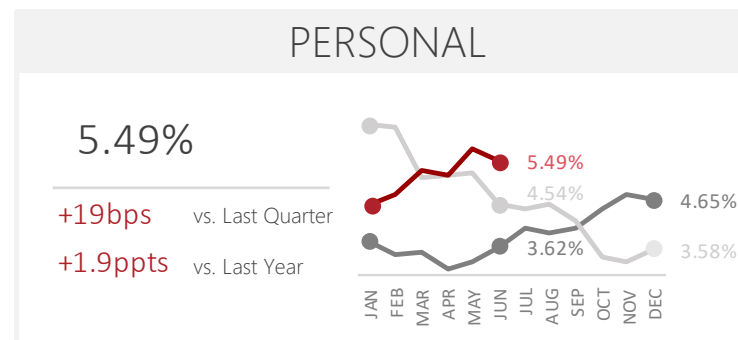
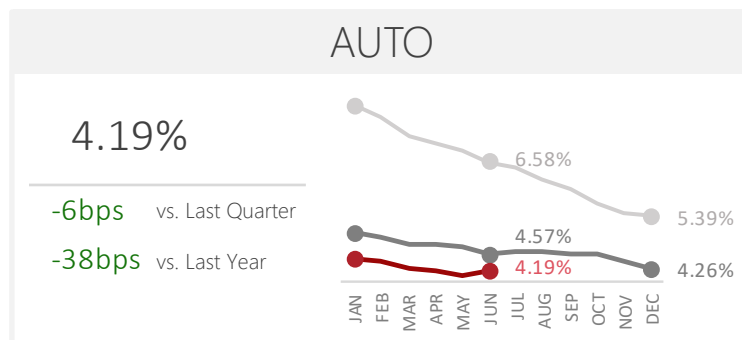
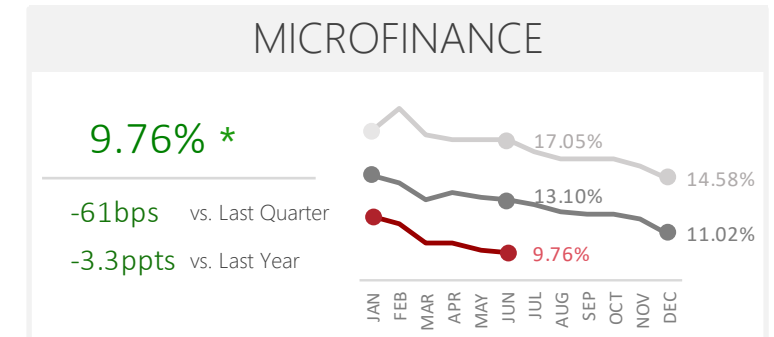
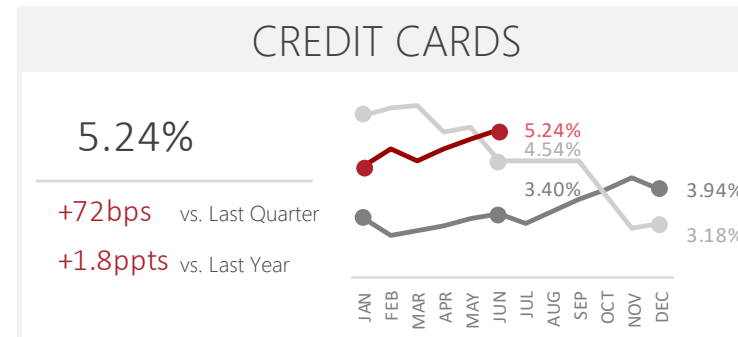
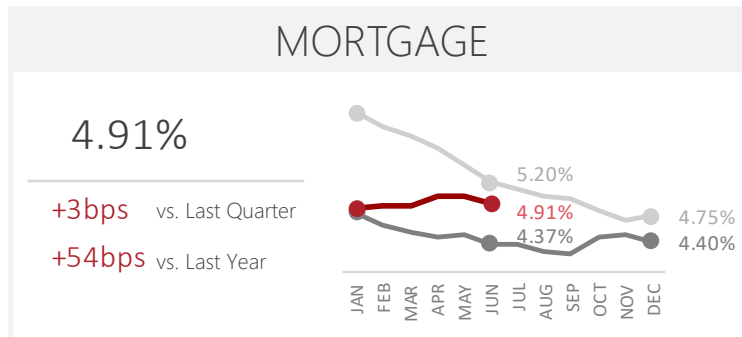
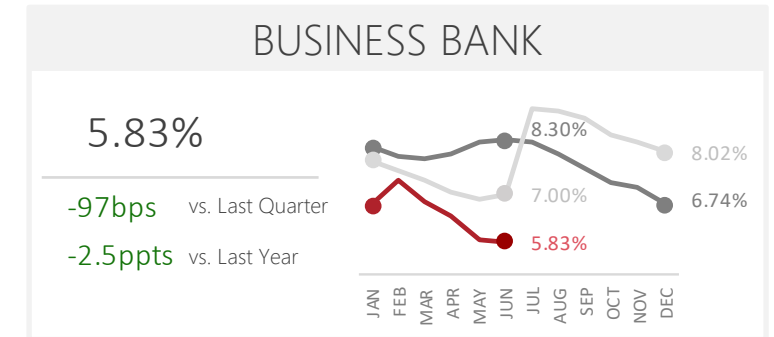
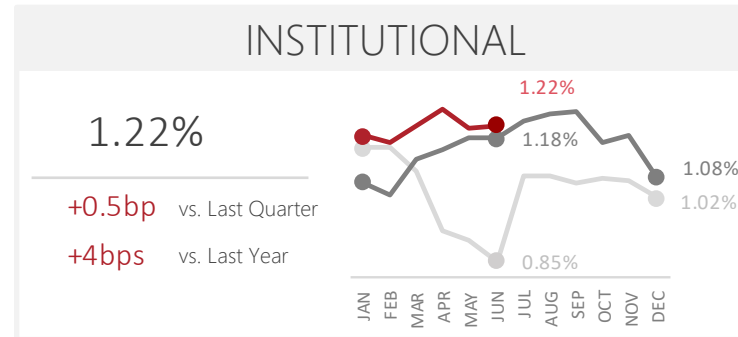
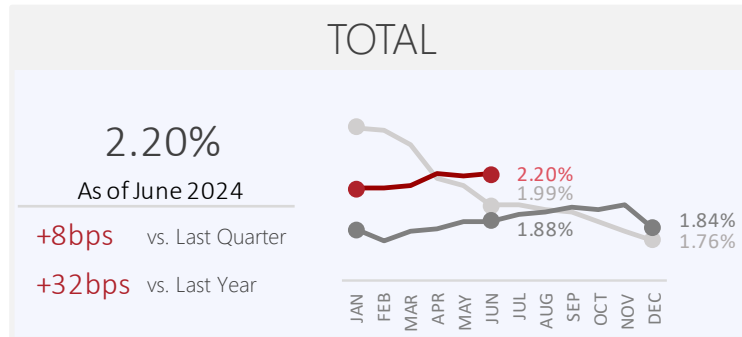
- Asset quality was consistent with our expectations
- Uptick in NPL ratio due to continued shift towards the high yield segment
- Credit cost remained low, in line with guidance; NPL cover declined but remained sufficient

2022 2023 2024

NPL Ratio per Segment



- Higher NPL ratio resulted from a deliberate strategy to grow the high yield segments of the loan book
- Increase in NPL ratio largely coming from the Credit Cards and Personal Loans
- Other segments showed lower or stable NPL ratios even with strong loans growth

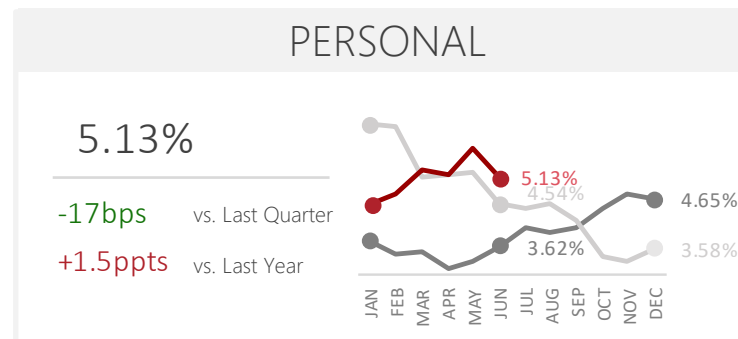
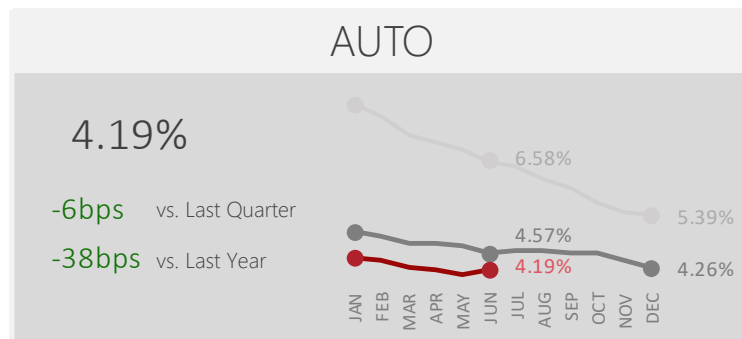
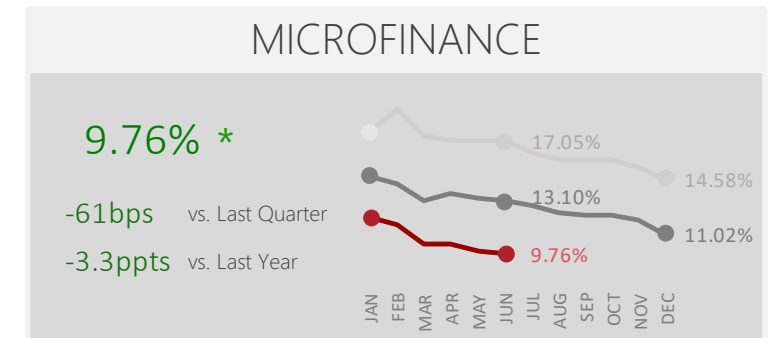
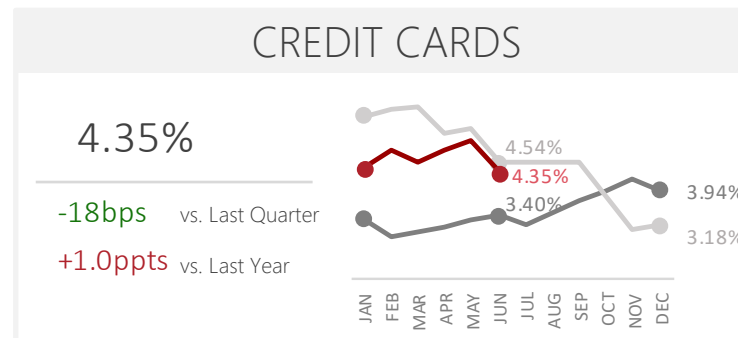
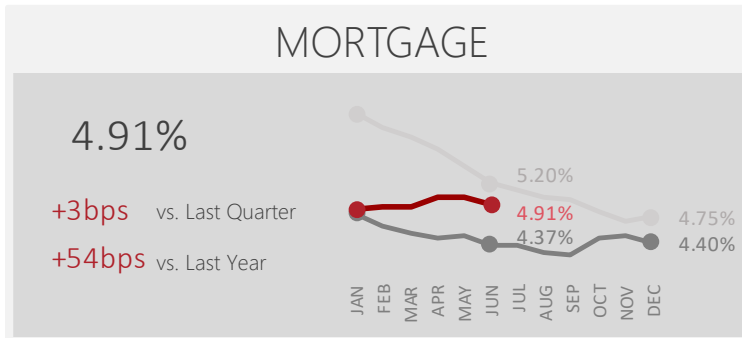
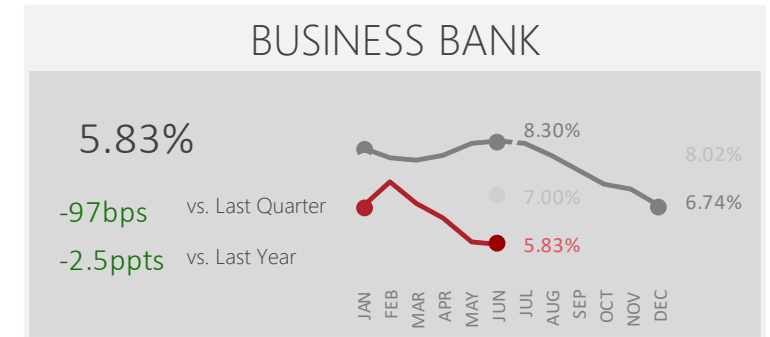
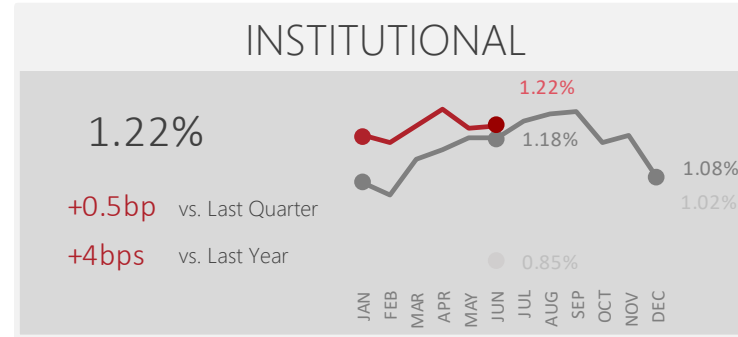
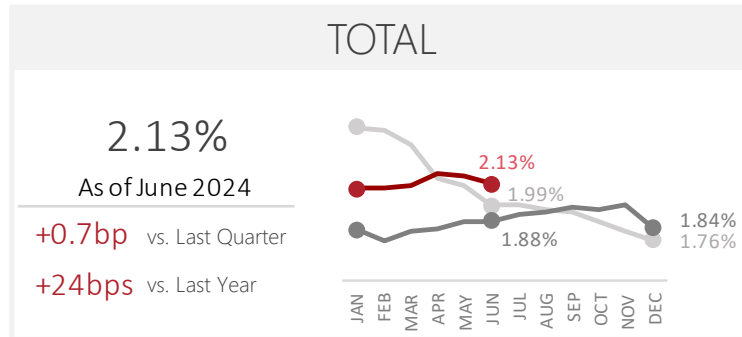


*9.76% is for 10-days; 91-day NPL ratio is 6.07%

NPL Ratio per Segment - Adjusted



- Adjusted to exclude impact of Credit Risk Prediction Score experiment and include write-offs booked in July instead of June
- Adjustments applied only in June covering Credit Cards and Personal loans portfolios
- NPL ratio for Credit cards and Personal loans improved QoQ, in line with other segments



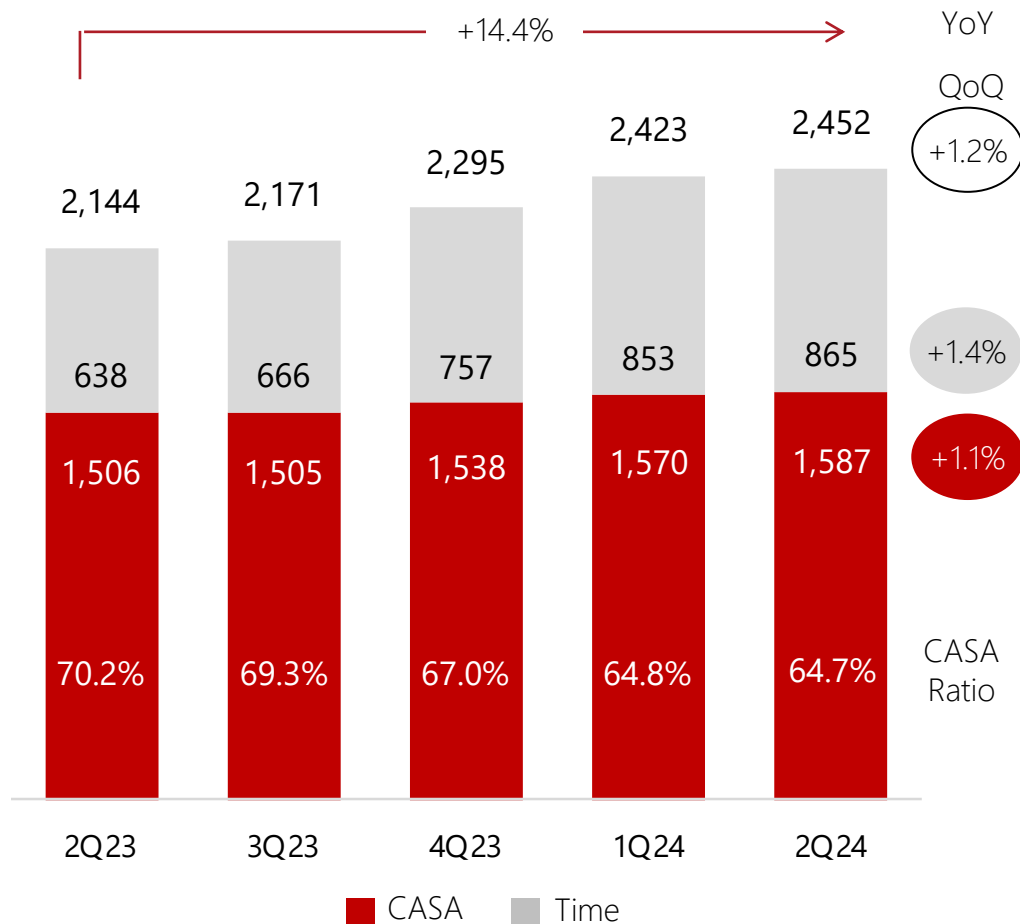
*9.76% is for 10-days; 91-day NPL ratio is 6.07%

Funding



- Strengthened deposit franchise – deposits from Mass Market up 190% YoY and 7% QoQ
- Decline in CASA ratio has tapered, with Institutional segment positing consistent increases in the past three months
- Additional funding sourced from bond issuances – oversubscription and spread reflective of BPI's capacity to tap other source of funding

Deposits (in P bn)



Bond Issuances

Issuer	CCY	Amount (in mn)	Interest Rate	Tenor (in years)	Maturity Date
FOR ISSUANCE					
BPI Sustainable, Environmental, and Equitable Development (SEED) Bond	PHP	5,000	6.20%	1.50	Feb 2026
OUTSTANDING BONDS					
Fixed Rate Senior Unsecured Bond	USD	400	5.25%	5.00	Mar 2029
Fixed Rate Bond, unconditional, unsecured and unsubordinated	PHP	36,660	6.4250%	1.50	May 2025
Fixed Rate Bond, unconditional, unsecured and unsubordinated	PHP	20,300	5.7500%	1.50	July 30, 2024
Fixed Rate Senior Unsecured Bond	USD	300	2.5000%	5.01	Sep 2024

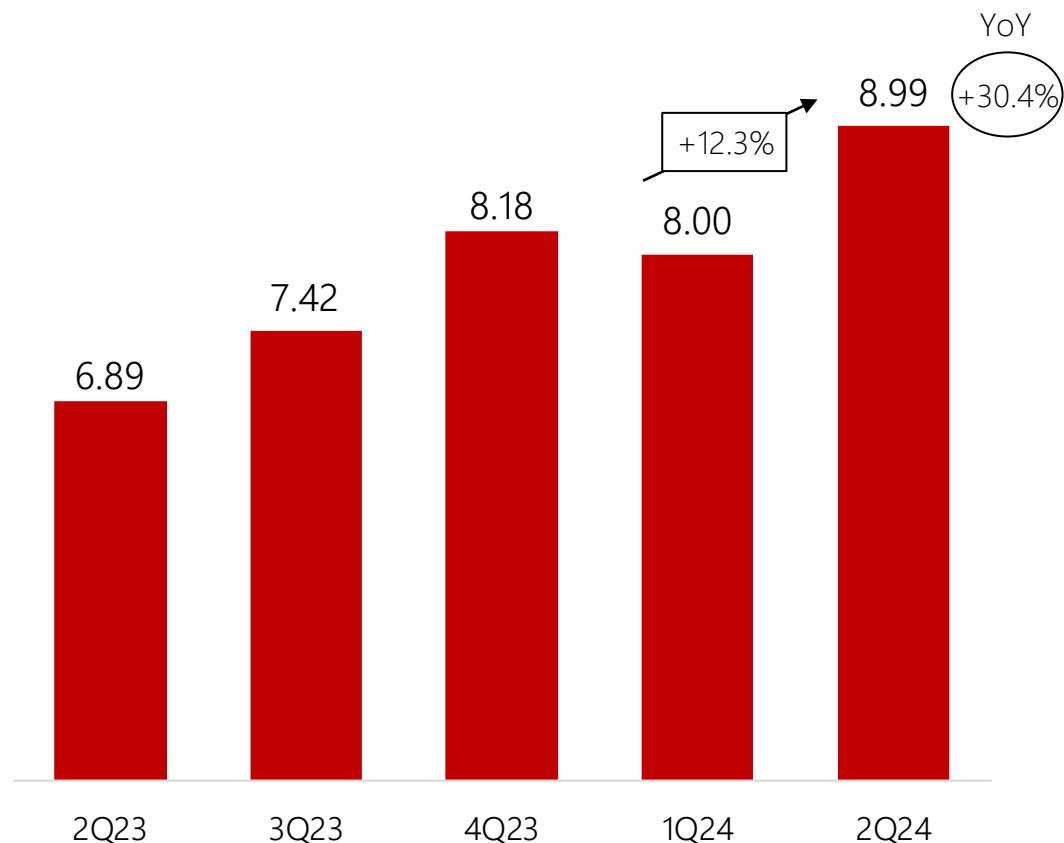
Note: Subscription for **SEED Bond** is until August 2; indicative issue size is P5 billion, with an option to upsize

Fee Income



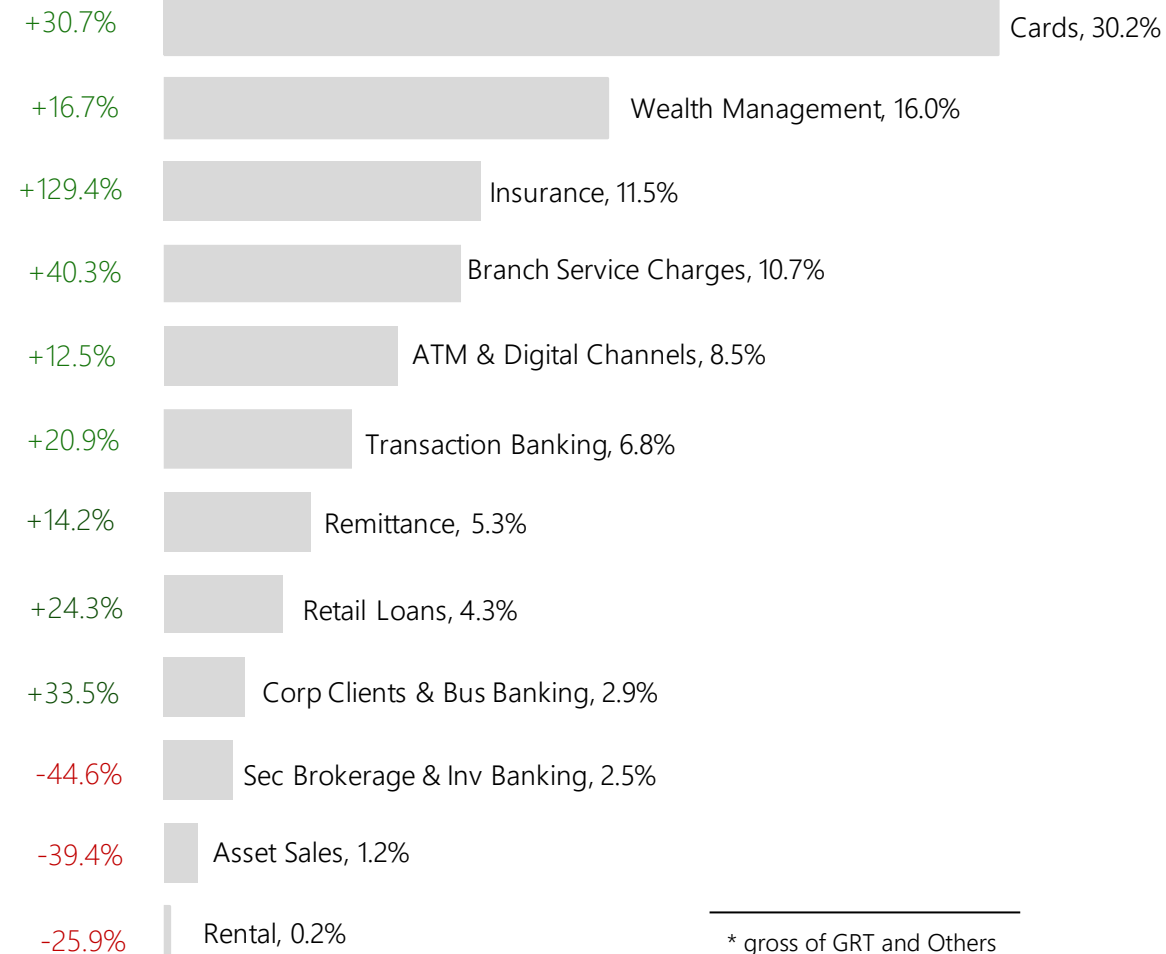
- Sustained strong broad-based growth across fee income segments
- Strong fee income performance was led by our biggest businesses: cards, wealth management and insurance

Amounts in P bn



YoY Growth

Ranked by Contribution to 1H2024 Fee Income*

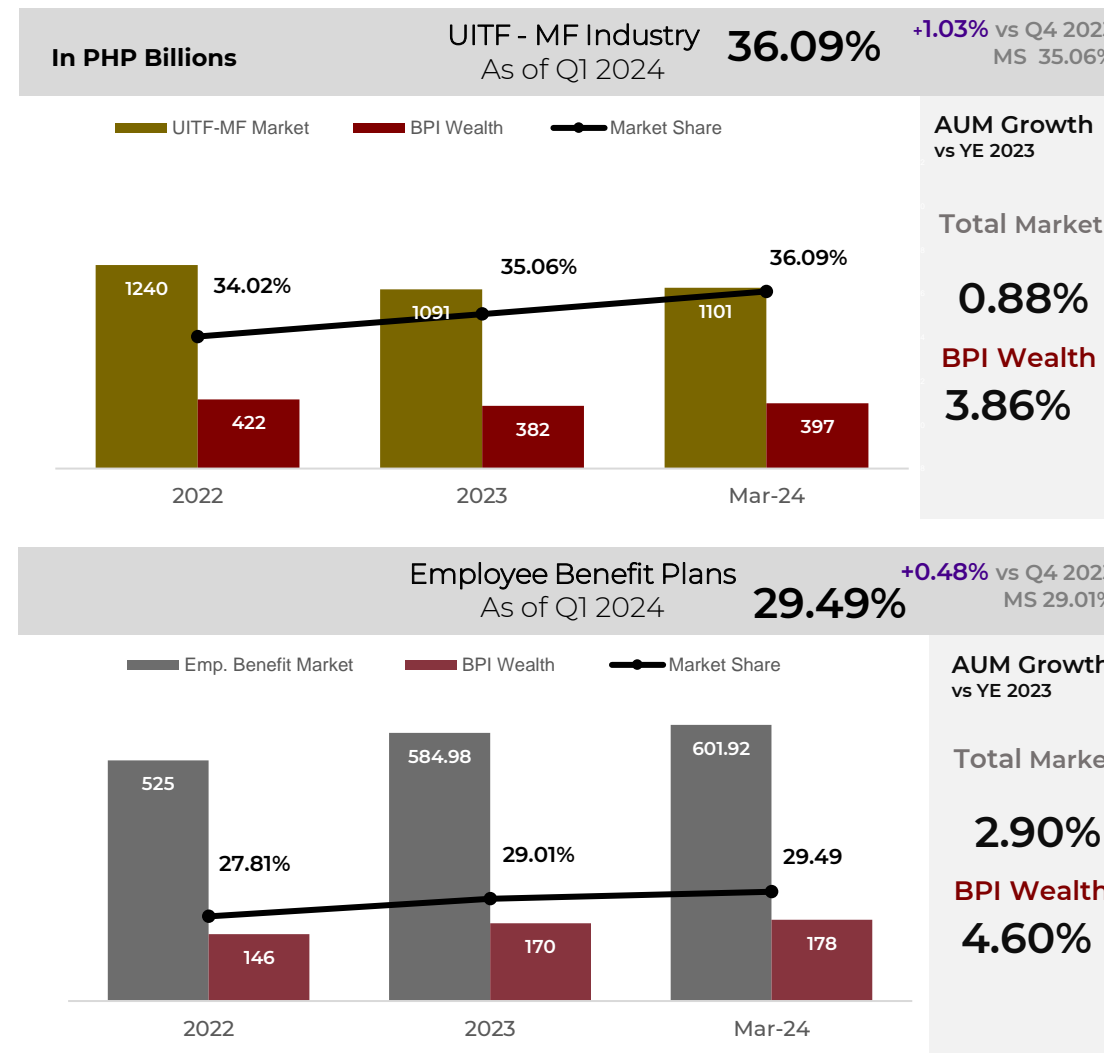
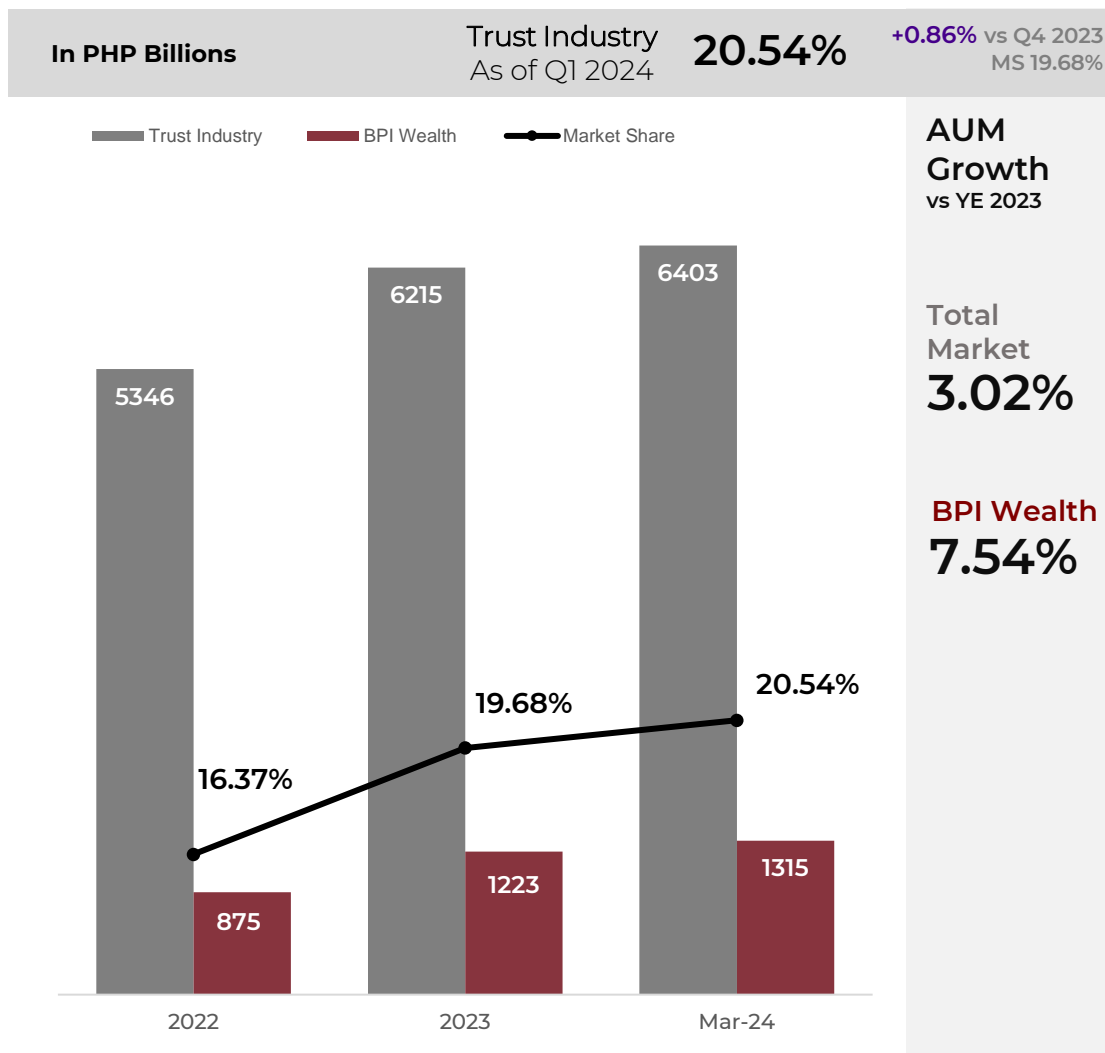


* gross of GRT and Others

BPI Wealth



- AUM at record P1.4 trillion, up 17% YoY, largely driven by fund inflows
- Gained market share in AUM under Trust, Investment Funds and Employee Benefit Plans
- Contributes 16% to the Bank's fee income, in a capital-light business

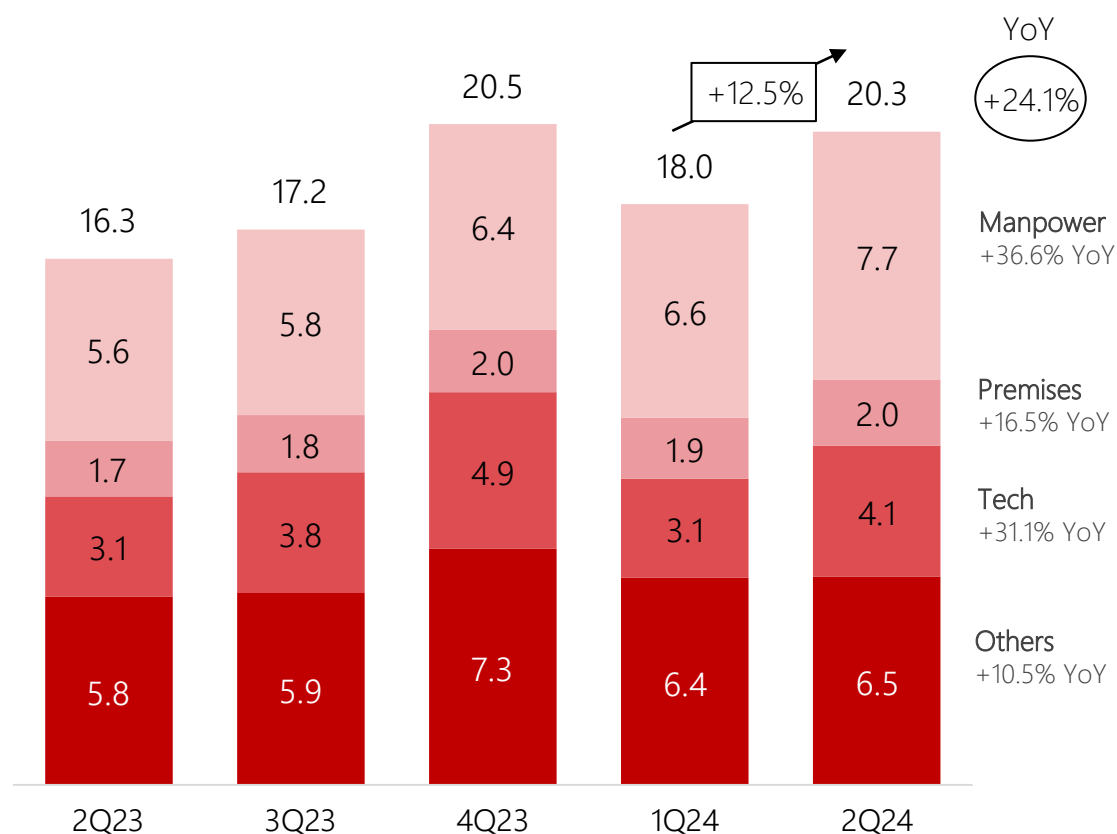


Operating Expenses - YoY



- 2Q opex at P20.3 Bn, up 24% YoY and 12.5% QoQ
- Increase in expenses driven by manpower, technology and marketing costs
- Increased efficiency with YTD cost-to-income ratio at 47% from last year's 48%

Amounts in P bn



	2019	2020	2021	2022	2023	1H 2024
Cost-to-Income	52.4%	47.3%	52.1%	48.9% ¹	50.0%	47.1%
Customer Count (in mn)	8.66	8.57	8.46	9.31	11.58	12.50
Headcount	21,429	19,952	19,181	18,201	19,522	22,147
Distribution Channels						
Total Branches	1167	1,170	1,120	1,069	1,057	1,255
BPI Physical Branches ²	867	866	813	752	709	865
BanKo Branches	300	304	307	317	348	350
LSB Branches						40
Agency Banking Partner Doors					5,344	5,794

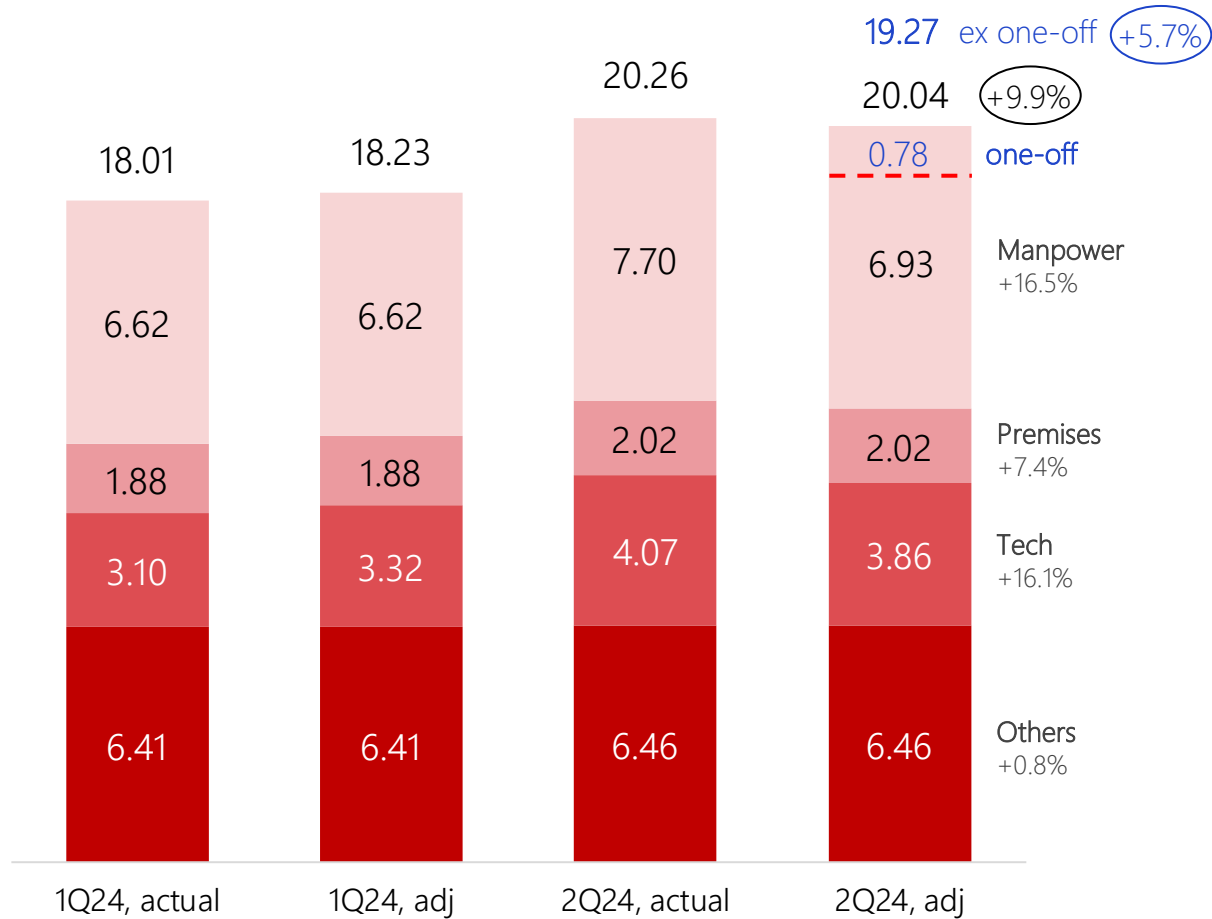
¹ CIR including impact of sale of property; 51.08% excluding revenue from sale of property
² 2020 and 2021 include BFB branches; 1H 2024 include RBC branches

Operating Expenses – QoQ adjusted



Adjusted for Manpower and Technology Expense

Amounts in P bn



- 2Q opex at P20.3 Bn, up 12.5% QoQ, driven by manpower and technology
- One-off manpower expenses in 2Q includes CBA related expenses and employee benefits and incentives amounting to P776 Mn
- Also included in 2Q are P219 Mn technology expenses for 1Q
- Excluding impact of these expenses
 - 2Q opex would be 19.27 Bn, up 5.7%
 - PPop up at P22.38 Bn, up 5.1%
 - 2Q Net income at P16.30 Bn, up 8.3%

Capital

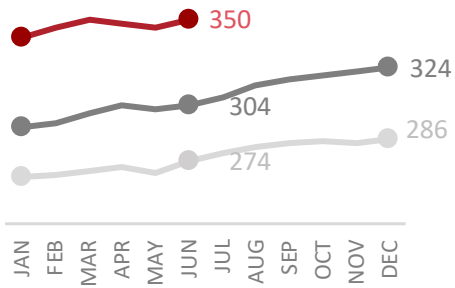


- CET1 capital increased on income accretion and additional shares issued for the merger
- Capital ratios remained robust notwithstanding increase in RWA and capital distribution
- Ratios comfortably well-above internal and regulatory thresholds

CET1

₱350.3B | 435M +0.1% vs. Last Quarter
46.6B +15.4% vs. Last Year

Year-to-date



2022

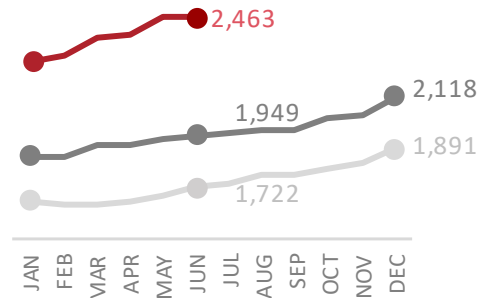
2023

2024

RWA

₱2,463.5B | 89.2B +3.8% vs. Last Quarter
514.2B +26.4% vs. Last Year

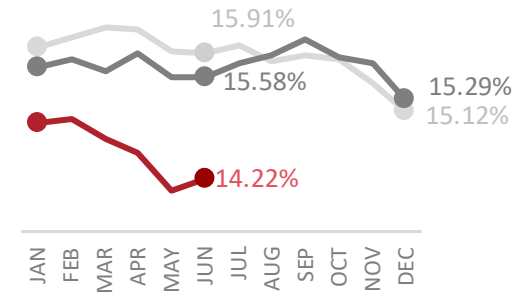
Year-to-date



CET1 RATIO

14.22% | -52bps vs. Last Quarter
-136bps vs. Last Year

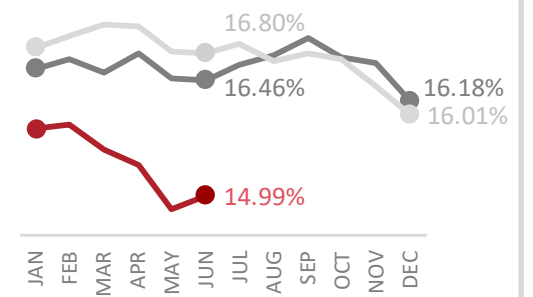
Year-to-date



CAR

14.99% | -58bps vs. Last Quarter
-147bps vs. Last Year

Year-to-date



Indicative – June 2024 CET1 and CAR

Note: Effective January 1, 2022, minimum regulatory CET1 requirement for BPI is lower at 10.125%

AWARDS and ACCOLADES

INSTITUTIONAL AWARDS

★★★★★
**WINNER, BEST BANK
(PHILIPPINES)**

FINANCEASIA AWARDS 2024

★★★★★
**WINNER, BEST CORPORATE
BANK – LARGE CORP & MNCS (PH)**

FOR INSTITUTIONAL BANKING

FINANCEASIA AWARDS 2024

★★★★★
**BEST SME BANK IN THE
PHILIPPINES**

ALPHA SOUTHEAST ASIA BEST FINANCIAL
INSTITUTION AWARDS 2024

★★★★★
**BEST M&A HOUSE IN THE
PHILIPPINES**

FOR BPI CAPITAL

ALPHA SOUTHEAST ASIA BEST FINANCIAL
INSTITUTION AWARDS 2024

★★★★★
**BEST EQUITY HOUSE IN THE
PHILIPPINES**

ALPHA SOUTHEAST ASIA BEST FINANCIAL
INSTITUTION AWARDS 2024

★★★★★
**BEST TRADE FINANCE BANK
IN THE PHILIPPINES**

FOR INSTITUTIONAL BANKING
FOR 10TH WIN

ALPHA SOUTHEAST ASIA BEST FINANCIAL
INSTITUTION AWARDS 2024

★★★★★
**OPENING BANKING INITIATIVE
OF THE YEAR**

ASIAN BANKING & FINANCE - RETAIL
BANKING AWARDS

★★★★★
**NEW SME LENDING
PRODUCT OF THE YEAR –
PHILIPPINES**

ASIAN BANKING & FINANCE - RETAIL
BANKING AWARDS

★★★★★
**DIGITAL CONSUMER
BANKING INITIATIVE –
PHILIPPINES**

ASIAN BANKING & FINANCE - RETAIL
BANKING AWARDS

★★★★★
**BEST OVERALL ASSET AND
FUND MANAGER**

FOR 8TH WIN IN 9 YEARS

EUROMONEY PRIVATE BANKING
AWARDS 2024

★★★★★
**BEST ASSET MANAGER (EQUITY,
FIXED INCOME, INDEX EQUITY, &
OPEN-ENDED FUNDS)**

EUROMONEY PRIVATE BANKING
AWARDS 2024

★★★★★
**BEST FUND WITH THE
OPTIMAL SHARE RATIO**

EUROMONEY PRIVATE BANKING
AWARDS 2024

AWARDS and ACCOLADES

INSTITUTIONAL AWARDS

★★★★★
BEST FX BANK FOR CORPORATES & FIS

FOR GLOBAL MARKETS
FOR 7TH CONSECUTIVE WIN

ALPHA SOUTHEAST ASIA 17TH ANNUAL
TREASURY AND FX AWARDS 2024

★★★★★
PHILIPPINES' BEST FOR NEXT GEN

FOR PRIVATE WEALTH

EUROMONEY PRIVATE BANKING
AWARDS 2024

★★★★★
PHILIPPINES' BEST FOR FAMILY OFFICE SERVICES

FOR PRIVATE WEALTH

EUROMONEY PRIVATE BANKING
AWARDS 2024

★★★★★
BEST CORPORATE TREASURY SALES AND STRUCTURING TEAM

ALPHA SOUTHEAST ASIA 17TH ANNUAL
TREASURY AND FX AWARDS 2024

★★★★★
BEST FX BANK FOR STRUCTURED PRODUCTS: COMMODITIES, CREDIT, EQUITY, FX AND MULTI-ASSETS

ALPHA SOUTHEAST ASIA 17TH ANNUAL
TREASURY AND FX AWARDS 2024

★★★★★
WINNER, BEST USE OF AI FOR CUSTOMER EXPERIENCE

THE DIGITAL BANKER DIGITAL CX
AWARDS 2024

★★★★★
WINNER, BEST DIGITAL CX – SOCIAL CHANNELS

THE DIGITAL BANKER DIGITAL CX
AWARDS 2024

★★★★★
AWARD OF EXCELLENCE, BEST USE OF SOCIAL MEDIA

2024 IABC ASIA-PACIFIC SILVER
QUILL AWARDS

★★★★★
CUSTOMER EXPERIENCE INITIATIVE OF THE YEAR – PHILIPPINES

ASIAN BANKING & FINANCE - RETAIL
BANKING AWARDS

ESG ACCOLADES

Record high of 11 ESG-focused awards and recognitions received YTD in 2024

FINANCE-RELATED AWARDS



MEDIA-RELATED AWARDS



* In 2023, BPI received a record high of 14 ESG-focused awards

2Q 2024



Sustainability Achievements

BPI LavLoans

Launch of LavLoans, a specialized financing service for cancer patients and their families (named after “lavender” symbolizing support for cancer patients)

Agri NegosyoKo Loan Program

Launch of the Agri NegosyoKo Loan Program in partnership with agri-tech company Agrilever, aimed to help farmers strengthen agricultural practices

New / Revamped Digital Platforms

Launch of the new BPI Wealth Platform for wealth management clients and revamp of the BPI Trade App for equities trading

RE Referral Program

Referral of renewable energy supply for BPI clients in partnership with ACEN, subject to their eligibility to the Green Energy Option Program (GEOP)

Sustainable Aviation Fuel (SAF)

FIRST Philippine bank to partner with DHL for the use of Sustainable Aviation Fuel (SAF) in the shipping of parcels and documents

Recycling of Old Uniforms

Launch of the recycling program of old BPI uniforms and “red shirts”



2024 Sustainability Awareness Month (SAM) themed “Beyond Green”, with over 33,000 participants from 29 events



ONLY bank participant and **LEADING** financial institution of the UN Global Compact Network Philippines (UN GCNP)

Summary



- 1 Profitability:** Solid operating performance with record income; positive momentum intact
- 2 Balance Sheet:** Strong organic growth, further boosted by merger; healthy liquidity and capital position
- 3 Asset Quality:** Uptick in NPL ratios from risk optimization; managed NPL growth, with ample allowance
- 4 Digital and Sustainability:** Further strengthened our leadership in digitalization and sustainability



For your comments and queries
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