

COVER SHEET

P W - 1 2 1

S.E.C. Registration Number

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

(Company's Full Name)

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

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

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

Atty. Maria Lourdes P. Gatmaytan

Contact Person

(632) 8663-6525

Company Telephone Number

0 9 3 0

Month Day

Fiscal Year

1 7 - Q

FORM TYPE

0 4 2 3 ²/₄

Month Day

Annual Meeting

N/A

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

11,663

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

**STANDARD DOCUMENT COVER SHEET
FOR SEC FILINGS**

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

SEC Number PW-121

File Number

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

FISCAL YEAR ENDING DECEMBER 31

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

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

PERIOD-ENDED SEPTEMBER 30, 2024

(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 **SEPTEMBER 30, 2024**
2. Commission identification number **PW-121**
3. BIR Tax Identification No. - **TIN: 000-438-366-000**
4. **BANK OF THE PHILIPPINE ISLANDS**
Exact name of registrant as specified in its chart
5. **Manila, Philippines**
Province, country or other jurisdiction of incorporation
6. Industry Classification Code: (SEC Use Only)
7. **22/F – 28/F Ayala Triangle Gardens Tower 2**
Paseo De Roxas corner Makati Avenue
Bel-Air, Makati City (current business address) **ZIP Code 1226**
Address of principal office Postal Code
8. **(632) 8663-6525 (Corpsec Off) / (632) 8663-6733 (IR)**
Registrant's telephone number, including area code
9. -
Former name, former address, and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code

Title of each class	Number of shares of common stock outstanding and amount of debt outstanding
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Common	5,272,095,143
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11. Are any or all of the securities listed on the Philippine Stock Exchange? Yes 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
SEPTEMBER 30, 2024 AND DECEMBER 31, 2023
(in Thousands of Pesos)

	UNAUDITED	AUDITED
	SEPTEMBER 30, 2024	DECEMBER 31, 2023
<u>RESOURCES</u>		
Cash and Other Cash Items	33,924,190	34,842,725
Due from Bangko Sentral ng Pilipinas	216,837,075	199,619,139
Due from Other Banks	52,705,192	36,291,808
Interbank Loans Receivable and Securities		
Purchased under Agreements to Resell	28,093,241	20,643,125
Financial Assets at Fair Value through Profit or Loss	63,713,818	23,653,877
Financial Assets at Fair Value through OCI	241,418,962	218,654,129
Financial Assets at Amortized Cost	351,686,739	382,710,546
Loans and Advances, net	2,080,721,163	1,882,006,940
Assets Held for Sale, net	8,615,854	4,743,292
Bank Premises, Furniture, Fixtures and Equipment, net	20,031,443	19,750,646
Investments in Subsidiaries and Associates, net	10,625,501	8,286,713
Assets Attributable to Insurance Operations	18,819,404	19,067,211
Deferred Income Tax Assets, net	18,568,562	18,184,693
Goodwill	9,721,401	-
Other Resources, net	21,891,214	19,916,686
TOTAL RESOURCES	3,177,373,758	2,888,371,529
<u>LIABILITIES AND CAPITAL FUNDS</u>		
Deposit Liabilities		
Demand	401,135,178	379,076,296
Savings	1,163,694,646	1,158,547,312
Time	920,779,781	757,482,246
Sub-total	2,485,609,605	2,295,105,855
Derivative Financial Liabilities	4,721,447	2,820,985
Other Borrowed Funds	158,257,585	137,103,801
Due to Bangko Sentral ng Pilipinas and Other Banks	1,751,571	1,881,648
Manager's Checks and Demand Drafts Outstanding	8,437,503	8,462,651
Accrued Taxes, Interest and Other Expenses	16,728,699	14,972,737
Liabilities Attributable to Insurance Operations	14,275,775	15,202,372
Deferred Credits and Other Liabilities	51,970,870	53,451,409
TOTAL LIABILITIES	2,741,753,055	2,529,001,459
CAPITAL FUNDS ATTRIBUTABLE TO THE EQUITY HOLDERS OF BPI		
Share Capital	52,582,194	49,307,247
Share Premium	143,034,422	113,413,765
Reserves	5,140,230	643,633
Surplus	238,462,157	204,966,735
Accumulated Other Comprehensive Income/ (Loss)	(5,877,761)	(11,127,367)
	433,341,242	357,204,012
NON-CONTROLLING INTERESTS	2,279,461	2,166,058
TOTAL CAPITAL FUNDS	435,620,703	359,370,070
TOTAL LIABILITIES AND CAPITAL FUNDS	3,177,373,758	2,888,371,529

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENTS OF INCOME
For the Quarter Ended September 30, 2024 and 2023
(In Thousands of Pesos)

	<u>2024</u>	<u>2023</u>
INTEREST INCOME		
On loans and advances	40,989,481	31,377,104
On FA at amortized cost	3,575,029	3,633,201
On FA at FV through OCI	3,039,321	1,652,187
On deposits with BSP and other banks	556,718	746,550
On FA at FV through profit or loss	380,229	224,512
	<u>48,540,777</u>	<u>37,633,552</u>
INTEREST EXPENSE		
On Deposits	13,638,786	9,693,539
On Bills Payable and other borrowings	2,310,290	1,271,736
	<u>15,949,077</u>	<u>10,965,274</u>
NET INTEREST INCOME	32,591,701	26,668,278
IMPAIRMENT LOSSES	1,800,000	1,000,000
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	30,791,701	25,668,278
OTHER INCOME		
Fees and commissions	3,908,250	3,218,086
Income from foreign exchange trading	365,723	1,028,390
Trading gain (loss) on securities	2,233,959	171,004
Income attributable to insurance operations	1,067,323	790,749
Other operating income	4,413,516	3,409,027
	<u>11,988,772</u>	<u>8,617,258</u>
OTHER EXPENSES		
Compensation and fringe benefits	7,176,770	5,770,360
Occupancy and equipment-related expenses	6,584,030	5,526,164
Other operating expenses	7,324,043	5,935,715
	<u>21,084,843</u>	<u>17,232,239</u>
INCOME BEFORE INCOME TAX	21,695,630	17,053,297
PROVISION FOR INCOME TAX		
Current	4,300,810	3,806,473
Deferred	(104,705)	(266,079)
	<u>4,196,105</u>	<u>3,540,394</u>
NET INCOME FOR THE QUARTER	17,499,525	13,512,903
Attributable to:		
Equity holders of BPI	17,420,661	13,465,812
Non-controlling interest	78,864	47,091
	<u>17,499,525</u>	<u>13,512,903</u>

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
NET INCOME BEFORE MINORITY INTEREST	17,499,525	13,512,903
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	9,087,475	(316,367)
Fair value reserve on investments of insurance subsidiaries, net of tax effect	118,175	(8,742)
Share in other comprehensive income of associates	462,953	(128,275)
Currency translation differences	(362,974)	207,471
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit plan, net of tax effect	(1,605)	0
Share in other comprehensive gain (loss) of associates	37,645	(48,006)
Total Other Comprehensive Income (Loss), net of tax effect	9,341,670	(293,920)
Total Comprehensive Income for the Year	26,841,195	13,218,982
Attributable to:		
Equity holders of BPI	26,711,340	13,174,015
Non-Controlling Interest	129,855	44,968
	26,841,195	13,218,982

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENTS OF INCOME
For the Nine Months Ended September 30, 2024 and 2023
(In Thousands of Pesos)

	<u>Unaudited 2024</u>	<u>Unaudited 2023</u>
INTEREST INCOME		
On loans and advances	117,160,834	87,676,029
On FA at amortized cost	10,904,636	11,102,701
On FA at FV through OCI	8,474,787	4,078,092
On deposits with BSP and other banks	2,211,263	2,208,775
On FA at FV through profit or loss	927,163	642,193
	<u>139,678,683</u>	<u>105,707,790</u>
INTEREST EXPENSE		
On Deposits	39,155,580	25,344,612
On Bills Payable and other borrowings	6,678,022	3,586,853
	<u>45,833,602</u>	<u>28,931,466</u>
NET INTEREST INCOME	<u>93,845,081</u>	<u>76,776,324</u>
IMPAIRMENT LOSSES	<u>4,800,000</u>	<u>3,000,000</u>
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	<u>89,045,081</u>	<u>73,776,324</u>
OTHER INCOME		
Fees and commissions	11,174,815	9,381,759
Income from foreign exchange trading	2,495,622	2,372,691
Trading gain (loss) on securities	2,978,053	1,081,705
Income attributable to insurance operations	2,570,521	1,244,591
Other operating income	12,691,522	10,016,235
	<u>31,910,533</u>	<u>24,096,981</u>
OTHER EXPENSES		
Compensation and fringe benefits	21,496,121	16,868,827
Occupancy and equipment-related expenses	17,665,292	15,192,890
Other operating expenses	20,195,705	16,562,207
	<u>59,357,119</u>	<u>48,623,923</u>
INCOME BEFORE INCOME TAX	<u>61,598,495</u>	<u>49,249,383</u>
PROVISION FOR INCOME TAX		
Current	12,934,860	10,880,318
Deferred	455,947	(397,212)
	<u>13,390,808</u>	<u>10,483,105</u>
NET INCOME FOR THE PERIOD	<u>48,207,688</u>	<u>38,766,277</u>
Attributable to:		
Equity holders of BPI	47,985,437	38,620,033
Non-controlling interest	222,251	146,244
	<u>48,207,688</u>	<u>38,766,277</u>
Earnings per share:		
Based on 5,272,095,143 shares as of September 30, 2024 and 4,945,197,291 shares in 2023	P 9.10	P 7.81

BANK OF THE PHILIPPINE ISLANDS
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Nine Months Ended September 30, 2024 and 2023
(In Thousands of Pesos)

	Unaudited 2024	Unaudited 2023
NET INCOME BEFORE MINORITY INTEREST	48,207,688	38,766,277
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	4,841,110	222,644
Fair value reserve on investments of insurance subsidiaries, net of tax effect	90,870	24,127
Share in other comprehensive income of associates	199,180	138,146
Currency translation differences	116,719	121,666
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit plan, net of tax effect	15,178	31,865
Share in other comprehensive gain (loss) of associates	34,590	88,804
Total Other Comprehensive Income (Loss), net of tax effect	5,297,647	627,252
Total Comprehensive Income for the Year	53,505,335	39,393,529
Attributable to:		
Equity holders of BPI	53,235,043	39,226,332
Non-Controlling Interest	270,292	167,197
	53,505,335	39,393,529

BANK OF THE PHILIPPINE ISLANDS-UNIBANK
STATEMENT OF CHANGES IN CAPITAL FUNDS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024 & SEPTEMBER 30, 2023
(In Thousand Pesos)

Consolidated									
Attributable to equity holders of BPI									
	Share Capital	Share Premium	Reserves	Surplus	Accumulated Other Comprehensive Income (Loss)	Treasury Shares	Total	Non-controlling Interest	Total
Balance, December 31, 2023	49,307,247	113,413,765	643,633	204,966,735	(11,127,367)	-	357,204,012	2,166,058	359,370,070
Comprehensive Income									
Net Income for the year	-	-	-	47,985,437	-	-	47,985,437	222,251	48,207,688
Other Comprehensive Income for the year	-	-	-	-	5,249,607	-	5,249,607	48,041	5,297,647
Total Comprehensive Income for the year	-	-	-	47,985,437	5,249,607	-	53,235,043	270,292	53,505,335
Transactions with owners									
Issuance of Share - BPI & RBC Merger	3,140,040	29,453,574	-	-	-	-	32,593,614	-	32,593,614
Executive Stock Plan amortization	134,907	167,083	(24,133)	-	-	-	277,858	-	277,858
Dividends Declared	-	-	-	(10,438,748)	-	-	(10,438,748)	(156,888)	(10,595,637)
Total transactions with owners	3,274,947	29,620,658	(24,133)	(10,438,748)	-	-	22,432,724	(156,888)	22,275,835
Other movements									
Transfer from Reserve to Surplus	-	-	4,519,536	-	-	-	4,519,536	-	4,519,536
Transfer from Surplus to Reserves	-	-	-	(4,519,536)	-	-	(4,519,536)	-	(4,519,536)
Others	-	-	1,194	468,269	-	-	469,463	(0)	469,463
Total other movements	-	-	4,520,730	(4,051,267)	-	-	469,463	(0)	469,463
Balance, SEPTEMBER 30, 2024	52,582,194	143,034,422	5,140,230	238,462,157	(5,877,761)	-	433,341,242	2,279,461	435,620,703

Consolidated									
Attributable to equity holders of BPI									
	Share Capital	Share Premium	Reserves	Surplus	Accumulated Other Comprehensive Income (Loss)	Treasury Shares	Total	Non-controlling Interest	Total
Balance, December 31, 2022	49,193,075	104,122,939	643,848	211,060,930	(14,256,290)	(33,042,684)	317,721,818	2,081,952	319,803,770
Comprehensive Income									
Net Income for the year	-	-	-	38,620,033	-	-	38,620,033	146,244	38,766,277
Other Comprehensive Income for the year	-	-	-	-	606,299	-	606,299	20,953	627,252
Total Comprehensive Income for the year	-	-	-	38,620,033	606,299	-	39,226,332	167,197	39,393,529
Transactions with owners									
Executive Stock Plan amortization	109,548	99,511	(77,286)	-	-	-	131,772	-	131,772
Dividends Declared	-	8,949,187	-	(49,990,049)	-	33,042,684	(7,998,177)	(191,242)	(8,189,419)
Total transactions with owners	109,548	9,048,698	(77,286)	(49,990,049)	-	33,042,684	(7,866,405)	(191,242)	(8,057,647)
Other movements									
Transfer from Reserve to Surplus	-	-	-	-	-	-	-	-	-
Transfer from Surplus to Reserves	-	-	13,251	(13,251)	-	-	-	-	-
Others	-	-	53.33	531,456	-	-	531,509	-	531,509
Total other movements	-	-	13,304	518,205	-	-	531,509	-	531,509
Balance, SEPTEMBER 30, 2023	49,302,623	113,171,637	579,866	200,209,119	(13,649,992)	-	349,613,253	2,057,907	351,671,160

Bank of the Philippine Islands
Consolidated Cash Flows Statement
For the Quarter Ended September 30, 2024 And September 30, 2023
In Million Pesos

	September 2024	September 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Income before income tax	21,696	17,053
Adjustments for:		
Impairment losses	1,800	1,000
Depreciation and amortization	1,257	1,747
Share in net income of associates	(796)	(740)
Dividend and other Income	(11)	(2)
Share based compensation	35	(59)
Profit from asset sold	(86)	(18)
Realized gain or sale on investment securities	(985)	(42)
Interest income	(48,541)	(37,634)
Interest received	51,300	35,278
Interest expense	16,030	11,047
Interest paid	(17,014)	(10,547)
(Increase) decrease in:		
Interbank loans receivable and securities purchased under agreements to resell	1,013	471
Financial Assets at FVTPL	2,229	14,103
Loans and advances, net	(54,109)	(19,765)
Assets held for sale	(589)	(43)
Assets attributable to Insurance operations	(383)	510
Other assets	7,198	(3,039)
Increase (decrease) in:		
Deposit liabilities	33,813	27,099
Due to Bangko Sentral ng Pilipinas and other banks	(2,170)	(203)
Manager's checks demand drafts outstanding	(1,398)	69
Accrued taxes, interest and other expenses	1,433	991
Liabilities attributable to insurance operations	256	(515)
Derivative financial instruments	(509)	(897)
Deferred credits and other liabilities	3,378	(9,769)
Net cash from (used in) operations	14,845	26,093
Income taxes paid	(4,656)	(3,771)
Net cash from (used in) operating activities	10,189	22,322
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment Securities, net	(56,948)	(66,005)
Bank premises, furniture, fixtures and equipment	(812)	(1,171)
Proceeds from:		
Disposal of investment securities	69,731	39,561
Disposal of bank premises, furniture, fixtures and equipment	129	591
Disposal of investment properties	-	-
(Increase) decrease in:		
Investment in subsidiaries and associates, net	(80)	847
Assets attributable to insurance operations	(101)	178
Impact of merger	0	-
Dividends received	11	2
Net cash used in investing activities	11,930	(25,996)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends and dividends issuance cost paid	(157)	(191)
Proceeds from issuance	67	31
(Decrease) Increase in bills payable and other borrowed funds	7,357	(4,910)
Payments for principal portion of lease liabilities	(518)	(379)
Net cash used in financing activities	6,748	(5,449)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	28,867	(9,123)
CASH AND CASH EQUIVALENTS		
July 1	300,101	294,380
September 30	328,968	285,257

Bank of the Philippine Islands
Consolidated Cash Flows Statement
For The Nine Months Ended September 30, 2024 and September 30, 2023
In Million Pesos

	September 2024	September 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Income before income tax	61,598	49,249
Adjustments for:		
Impairment losses	4,800	3,000
Depreciation and amortization	3,889	4,591
Share in net income of associates	(1,999)	(978)
Dividend and other Income	(57)	(54)
Share based compensation	(24)	(77)
Profit from asset sold	(128)	(70)
Realized gain or sale on investment securities	(1,575)	(793)
Interest income	(139,679)	(105,708)
Interest received	137,861	103,483
Interest expense	46,077	29,168
Interest paid	(46,525)	(27,273)
(Increase) decrease in:		
Interbank loans receivable and securities purchased under agreements to resell	5,996	6,451
Financial Assets at FVTPL	(39,884)	(24,938)
Loans and advances, net	(88,694)	(39,871)
Assets held for sale	(1,387)	(434)
Assets attributable to Insurance operations	770	1,871
Other assets	9,123	(1,356)
Increase (decrease) in:		
Deposit liabilities	44,345	75,162
Due to Bangko Sentral ng Pilipinas and other banks	(649)	(11)
Manager's checks demand drafts outstanding	(1,146)	782
Accrued taxes, interest and other expenses	(439)	660
Liabilities attributable to insurance operations	(919)	(1,677)
Derivative financial instruments	1,900	(549)
Deferred credits and other liabilities	(3,455)	(6,701)
Net cash from (used in) operations	(10,200)	63,928
Income taxes paid	(11,789)	(9,034)
Net cash from (used in) operating activities	(21,989)	54,894
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment Securities, net	(134,946)	(171,153)
Bank premises, furniture, fixtures and equipment	(2,237)	(3,483)
Disposals of:		
Investment Securities, net	183,024	134,848
Bank premises, furniture, fixtures and equipment	334	1,613
Investment properties, net	-	-
(Increase) decrease in:		
Investment in subsidiaries and associates, net	50	839
Assets attributable to insurance operations	(376)	(169)
Impact of merger	22,071	-
Dividends received	57	54
Net cash used in investing activities	67,976	(37,451)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends and dividends issuance cost paid	(10,596)	(8,189)
Proceeds from issuance	302	209
(Decrease) Increase in bills payable and other borrowed funds	6,202	4,100
Payments for principal portion of lease liabilities	(1,409)	(1,424)
Net cash used in financing activities	(5,500)	(5,305)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	40,487	12,138
CASH AND CASH EQUIVALENTS		
January 1	288,481	273,119
September 30	328,968	285,257

BANK OF THE PHILIPPINE ISLANDS
Financial Indicators
As at September 30, 2024 and 2023

Ratio	Formula	Current Year	Prior Year
		in percentage	
Liquidity ratio	Total current assets divided by total current liabilities	50.86	46.91
Debt-to-equity ratio	Total liabilities (Bills payable and Bonds payable) divided by total equity	36.52	29.06
Asset-to-equity ratio	Total assets divided by total equity	733.23	775.12
Interest rate coverage ratio	Earning before interest expense, income taxes, depreciation, and amortization	242.88	286.10
Return on equity	Net income divided by average equity	15.88	15.59
Return on assets	Net income divided by average assets	2.07	1.95
Net interest margin (NIM)	Net interest income (return on investment less interest expense) divided by average net interest bearing assets	4.29	4.07
Average assets to average equity	Average assets divided by average equity	766.59	801.21
Net interest to average assets (NRFF)	Net interest income divided by average assets	4.05	3.87
Cost to income ratio	Total operating expense divided by total income (revenues)	47.20	48.20
Cost to asset ratio	Total operating expense divided by average asset	2.56	2.45
Capital to assets ratio	Total equity divided by total assets	13.64	12.90

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
<ul style="list-style-type: none"> Disclosure that the issuer's interim financial report is in compliance with generally accepted accounting principles 	<ul style="list-style-type: none"> 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).
<ul style="list-style-type: none"> The following information, as a minimum, should be disclosed in the notes to financial statements, if material and if not disclosed elsewhere in the interim financial report: 	
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Bank's interim financial statements have been prepared consistent with its most recent annual financial statements as of December 31, 2023 which was in accordance with the PFRS adopted by the SEC.
<ul style="list-style-type: none"> Explanatory comments about the seasonality or cyclicity of interim operations 	<ul style="list-style-type: none"> Nothing to report
<ul style="list-style-type: none"> The nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents 	<ul style="list-style-type: none"> Nothing to report
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Nothing to report

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
<ul style="list-style-type: none"> • Issuances, repurchases, and repayments of debt and equity securities 	<ul style="list-style-type: none"> • On 9 August 2024, the Bank issued and listed 1.5-year P33.70 Billion Peso-denominated bond called BPI Sustainable, Environmental, and Equitable Development Bonds (“BPI SEED Bonds”), comprising the third tranche of its P100 Bn Bond Program. The BPI SEED Bonds were issued at par value, bearing an interest rate of 6.2% per annum, paid quarterly. Applications to purchase the Bonds required a minimum investment amount of P500,000 and additional increments of P100,000. The offer period originally set to run from July 19, 2024 to August 2, 2024, closed early on August 1, 2024.
<ul style="list-style-type: none"> • Dividends paid (aggregate per share) separately for ordinary shares and other shares 	<ul style="list-style-type: none"> • Nothing to report
<ul style="list-style-type: none"> • 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). 	<ul style="list-style-type: none"> • Attached
<ul style="list-style-type: none"> • Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period 	<ul style="list-style-type: none"> • Nothing to report
<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Nothing to report

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
<ul style="list-style-type: none"> Changes in contingent liabilities or contingent assets since the last annual balance sheet date 	<ul style="list-style-type: none"> 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.
<ul style="list-style-type: none"> Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period. 	<ul style="list-style-type: none"> Nothing to report
<ul style="list-style-type: none"> 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; 	<ul style="list-style-type: none"> 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

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
	<p>subsidiary risk officers, fully support the Bank's three lines-of-defense (3LoD) risk organization.</p> <ul style="list-style-type: none"> • 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 rising interest and inflation rates, peso depreciation, geopolitical events, borrowers' exposure to climate (hydrometeorological) and other natural risks (seismic and volcanic risks) based on location, 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 is able to manage overall credit risks and maintain asset quality for the period with

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
	<p>sufficient non-performing loan (NPL) cover at 111% and the Bank's NPL ratio at 2.30% as of September 2024. The increase in the NPL ratio is primarily driven by consumer loans (credit cards and housing loans) and borrower-specific credit risks that affected the corporate loan portfolio. Nonetheless, the slight increase is generally acceptable relative to the industry's NPL ratio, as published by the BSP, and relative to the Bank's total loan portfolio, which is 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 adheres to 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 volatility in the macroeconomic environment, the Bank regularly updates its</p>

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
	<p>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 vulnerabilities due to recent macroeconomic developments and industry risks on the Bank's borrowing accounts.</p> <ul style="list-style-type: none"> • 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 or 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. For the third quarter of 2024, the Philippine Government Securities (GS)/PHP BVAL rates and US treasury rates were lower by an average of around 23 bps and 36 bps across the curve year-to-date driven by policy rate cuts made by the US Federal Reserve and the BSP of 50 bps year-to-date, respectively. While market consensus is for interest rates to further decline, continued geopolitical risks as well as mixed global economic performance may continue to give rise to market uncertainties and volatility which could potentially impact the Bank's trading and securities/investment portfolios. With such uncertainties, 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 third quarter of 2024.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
	<ul style="list-style-type: none"> • 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 third quarter 2024 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 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 third quarter of 2024, BPI Group's BSVaR and EaR levels are well within the RCom-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

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
	<p>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 third quarter of 2024, BPI Group's MCLG is well above the RMCom-approved minimum while its LCR and NSFR figures exceed the prescribed minimum requirement set by the BSP.</p> <ul style="list-style-type: none"> • 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 September 2024. These losses are

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
	<p>well within the Senior Management and Board/RMCom's conservative and prudent risk appetite and are generally attributed to inherent risks in executing the Bank's day-to-day business operations. The RMCom is regularly apprised of operational risks through comprehensive reporting and discussions during monthly meetings, and is continually briefed on current cybercrime landscapes, emerging risks, and industry trends, as well as mitigating measures implemented by the Bank.</p> <ul style="list-style-type: none"> • The acceleration of digitalization, use of cloud-based services, remote work, 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 phishing

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE
	<p>attacks on employees is conducted with the results reported to Senior Management and the Board.</p> <ul style="list-style-type: none"> • Similarly, awareness campaigns are conducted for clients to combat rising fraud due to the increased adoption of online services by the public. These have been intensified with sustained engagements in social media, BPI websites, press releases, e-mail bulletins, and media outings. • Considering the Bank's operational risk-related losses, both actual and hypothetical losses from the scenario analysis exercise, the Bank is sufficiently capitalized to cover both the expected and unexpected operational-related losses.
<ul style="list-style-type: none"> • The significant judgments made in classifying a particular financial instrument in the fair value hierarchy. 	<ul style="list-style-type: none"> • The assumptions/judgments made in the Bank's interim financial statements are consistent with the most recent annual financial statements as of December 31, 2023.
<ul style="list-style-type: none"> • 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 	<p>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.</p> <ul style="list-style-type: none"> • 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

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

SEC REQUIREMENT	DISCLOSURE									
	<p>which are not held for trading, in which case they are presented separately.</p> <ul style="list-style-type: none"> • 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 reclassified from equity to profit or loss. • Amortized Cost: carrying amount and fair value are summarized in the following table. <table border="1" data-bbox="821 978 1490 1213"> <thead> <tr> <th data-bbox="821 978 1081 1058">In P Million</th> <th data-bbox="1081 978 1308 1058">Carrying Amount</th> <th data-bbox="1308 978 1490 1058">Fair Value</th> </tr> </thead> <tbody> <tr> <td data-bbox="821 1058 1081 1138">Sept 30, 2024 (unaudited)</td> <td data-bbox="1081 1058 1308 1138">351,687</td> <td data-bbox="1308 1058 1490 1138">347,934</td> </tr> <tr> <td data-bbox="821 1138 1081 1213">Dec 31, 2023 (audited)</td> <td data-bbox="1081 1138 1308 1213">382,711</td> <td data-bbox="1308 1138 1490 1213">364,286</td> </tr> </tbody> </table> <p>The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured.</p>	In P Million	Carrying Amount	Fair Value	Sept 30, 2024 (unaudited)	351,687	347,934	Dec 31, 2023 (audited)	382,711	364,286
In P Million	Carrying Amount	Fair Value								
Sept 30, 2024 (unaudited)	351,687	347,934								
Dec 31, 2023 (audited)	382,711	364,286								

BANK OF THE PHILIPPINE ISLANDS					
SEGMENT REPORT					
For the Quarter Ended September 30, 2024					
In P Mn	CONSUMER BANKING	CORPORATE BANKING	INVESTMENT BANKING / FINANCIAL MARKETS	CORP / ELIM	TOTAL
Net interest income	21,241	8,219	4,598	(1,467)	32,591
Impairment charge	1,423	321	56	(0)	1,800
Net interest income after impairment charge	19,819	7,898	4,542	(1,467)	30,792
Fees and commission income	3,493	532	239	(59)	4,205
Other income	3,425	353	3,561	1,326	8,664
GRT	(475)	(63)	(306)	(38)	(881)
Other Income, net	6,443	822	3,494	1,229	11,988
Compensation and fringe benefits	5,268	874	521	513	7,176
Occupancy and equipment-related expenses	2,434	122	377	3,652	6,585
Other operating expenses	7,995	1,131	563	(2,365)	7,324
Total operating expenses	15,697	2,127	1,461	1,800	21,085
Operating Profit	10,565	6,593	6,575	(2,038)	21,695
Provision for Income Tax					4,196
Share in net income of associates					796
<i>Total Assets</i>	<i>783,542</i>	<i>1,589,039</i>	<i>742,560</i>	<i>62,233</i>	<i>3,177,374</i>
<i>Total Liabilities</i>	<i>1,824,154</i>	<i>718,618</i>	<i>167,242</i>	<i>31,739</i>	<i>2,741,753</i>

BANK OF THE PHILIPPINE ISLANDS					
SEGMENT REPORT					
For the Nine Months Ended September 30, 2024					
In P Mn	CONSUMER BANKING	CORPORATE BANKING	INVESTMENT BANKING / FINANCIAL MARKETS	CORP / ELIM	TOTAL
Net interest income	60,814	24,755	12,455	(4,179)	93,845
Impairment charge	7,743	(2,925)	9	(27)	4,800
Net interest income after impairment charge	53,071	27,680	12,446	(4,152)	89,045
Fees and commission income	9,893	1,518	786	(182)	12,015
Other income	9,501	1,122	7,989	3,251	21,863
GRT	(1,316)	(174)	(380)	(97)	(1,967)
Other Income, net	18,078	2,466	8,395	2,972	31,911
Compensation and fringe benefits	15,251	2,632	1,566	2,047	21,496
Occupancy and equipment-related expenses	6,490	362	730	10,083	17,665
Other operating expenses	22,009	3,131	1,541	(6,485)	20,196
Total operating expenses	43,750	6,125	3,837	5,645	59,357
Operating Profit	27,399	24,021	17,004	(6,825)	61,599
Provision for Income Tax					13,391
Share in net income of associates					1,999
<i>Total Assets</i>	<i>783,542</i>	<i>1,589,039</i>	<i>742,560</i>	<i>62,233</i>	<i>3,177,374</i>
<i>Total Liabilities</i>	<i>1,824,154</i>	<i>718,618</i>	<i>167,242</i>	<i>31,739</i>	<i>2,741,753</i>

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

Financial Condition as of September 30, 2024 versus as of December 31, 2023

Total resources at P3.18 trillion, up P289.00 billion, or 10.0%, led by the increase in **loans and advances, net** by P198.71 billion, or 10.6%, ending at P2.08 trillion, with growth across all segments.

Other material increases are as follows:

- **Financial assets at Fair Value through Profit or Loss** at P63.71 billion, up P40.06 billion, or 169.4% on the purchase of government securities.
- **Financial assets at Fair Value through OCI** at P241.42 billion, up P22.76 billion, or 10.4% on the purchase of debt securities, and higher fair market valuation of these securities.
- **Due from Bangko Sentral ng Pilipinas** at P216.84 billion, up P17.22 billion, or 8.6%, on higher placements with the BSP.
- **Due from Other Banks** at P52.71 billion, up P16.41 billion, or 45.2%, on higher balances maintained with foreign correspondent banks.
- **Goodwill** at P9.72 billion, is the difference between the fair value of the net assets acquired, including intangible assets, and the purchase consideration from the merger with RBC.
- **Interbank Loans Receivable and Securities Purchased under Agreements to Resell** at P28.09 billion, up P7.45 billion or 36.1%, due to the higher volume of loans granted to financial institutions.
- **Assets held for sale, net** at P8.62 billion, up P3.87 billion, or 81.6%, due to the increase in foreclosed properties.
- **Investments in subsidiaries and associates, net** at P10.63 billion, up P2.34 billion, or 28.2%, mostly from higher equity income from the Bank's life insurance associates.
- **Other resources, net** at P21.89 billion, up P1.97 billion or 9.9%, on higher other intangible assets.

The above increases were tempered by a decline in:

- **Financial assets at fair value at amortized cost** at P351.69 billion, down P31.02 billion, or 8.1%, due to maturities.

Total liabilities at P2.74 trillion, increased P212.75 billion, or 8.4%, primarily from the P190.50 billion or 8.3% increase in **total deposits**, ending at P2.49 trillion, on account of increases in all deposit products, with the highest increase coming from Time deposits.

Other material increases are as follows:

- **Other borrowed funds** at P158.26 billion, up P21.15 billion or 15.4%, on higher borrowings.
- **Derivative financial liabilities** at P4.72 billion, up P1.90 billion or 67.4% owing to the increase in certain derivative positions and movement in the underlying market.
- **Accrued taxes, interest and other expenses** at P16.73 billion, up P1.76 billion or 11.7%, on higher income tax payable accruals.

The above increases were partly tempered by declines in:

- **Liabilities attributable to insurance operations** at P14.28 billion, down P926.60 million or 6.1%, owing to lower reserves and other balances of the Bank's insurance subsidiaries.
- **Due to Bangko Sentral ng Pilipinas (BSP) and other banks** at P1.75 billion, down P130 million or 6.9%, due to higher cash received from counterparties as collateral for certain transactions, as well as higher balances maintained by foreign correspondent banks.

Total capital at P433.34 billion, increased by P76.14 billion, or 21.3%.

- **Surplus** of P238.46 billion was up P33.50 billion or 16.3% on cumulative net income for nine months tempered by the payment of cash dividends.
- **Share premium** at P143.03 billion was up P29.62 billion or 26.1% due to the issuance of new shares to owners of Robinsons Bank.
- **Accumulated Other Comprehensive Loss** at P5.88 billion was lower versus last year's loss of P11.13 billion on cumulative gains from net changes in fair value of FVOCI securities.
- **Reserves** of P5.14 billion was up P4.50 billion or 698.6% due to the appropriation of general loan loss provisions.
- **Share capital** at P52.58 billion was up P3.27 billion or 6.6% due to the issuance of new shares to owners of Robinsons Bank.

RESULTS OF OPERATIONS

For the Quarters ended September 30, 2024 and September 30, 2023

Net income of P17.42 billion for the third quarter of 2024 was up P3.95 billion or 29.4%, mainly on the back of double-digit growth from **net interest income** and **non-interest income**.

Net interest income at P32.59 billion, was up P5.92 billion or 22.2%, as net interest margin (NIM) expanded 20 basis points (bps), driven by higher asset yields, partly offset by higher cost of funds.

Interest income, net of GRT stood at P48.54 billion, up P10.91 billion, or 29.0%, on the back of the following increases in interest income on:

- **Loans and advances** at P40.99 billion, up P9.61 billion or 30.6%, on higher average volume coupled with higher yields;
- **FA at FV through OCI** at P3.04 billion, up P1.39 billion or 84.0%, on higher average asset volume with higher yield;
- **FA at FV through profit or loss** at P380.23 million, up P155.72 million or 69.4%, on account of higher yield and average volume.

Above increases were partly offset by decline in income on:

- **Deposits with BSP and other banks** at P556.72 million, down P189.83 million or 25.4%, on lower yield;
- **FA at amortized cost** at P3.58 billion, down P58.17 million or 1.6%, on lower average volume.

Interest expense at P15.94 billion, up P4.98 billion or 45.5%, due to the increase in interest expense **on deposits** at P13.64 billion, up P3.95 billion or 40.7%, due to higher average volume with higher cost. Interest expense **on bills payable and other borrowings** at P2.31 billion, was up by P1.04 billion or 81.7%, also due to higher average volume with higher cost, mostly on a new bond issuance and repurchase agreement.

Other income, net of GRT at P11.99 billion, up by P3.37 billion or 39.1%, on movements in the following:

- **Trading gain on securities** at P2.23 billion, up P2.06 billion, due to higher gains for the quarter this year versus the quarter from last year on sale of securities.
- **Other operating income** at P4.41 billion, up P1.00 billion or 29.5%, on higher credit card fees, trust fees and miscellaneous income.
- **Fees and commissions** at P3.91 billion, up P690.16 million or 21.4%, on higher income from service charges, bank commissions, underwriting and stockbrokerage fees.
- **Income attributable to insurance operations**, at P1.07 billion, up by P276.57 million or 35.0%, on higher equity income of the Bank's insurance affiliates.
- **Income from foreign exchange trading** at P365.72 million, down P662.67 million or 64.4%, due to currency revaluation.

Other expenses at P21.08 billion, up P3.85 billion, or 22.4%, due to increases in the following:

- **Compensation and fringe benefits** at P7.18 billion, up P1.41 billion, or 24.4%, attributable to higher headcount, CBA cost, annual salary increases and performance bonuses.
- **Other operating expenses** at P7.32 billion, up P1.39 billion, or 23.4%, on account of higher consultancy fees, transaction servicing cost, marketing, product insurance and regulatory expenses.
- **Occupancy and equipment-related expenses** at P6.58 billion, up P1.06 billion, or 19.1%, due to increase in technology spend, banking house and office equipment rent, premises depreciation, utilities and contractual services.

Impairment losses at P1.80 billion, up by P800.00 million, or 80.0%, coming from the P1.00 billion level in the third quarter of 2023.

Provision for income tax at P4.20 billion, up by P656 million, or 18.5%, due to higher **current income tax** at P4.30 billion, up P494 million or 13.0%. **Deferred income tax** at negative P105 million was lower by P161 million or 60.6%, from last year's negative P266 million due to the higher write-off for the third quarter this year versus the same period last year.

Income attributable to non-controlling interest at P78.86 million, up P31.77 million or 67.5%, attributable to higher income contribution from the Bank's non-life insurance entities.

Total comprehensive income at P26.84 billion, up P13.62 billion or 103.1%, on higher **net income before minority interest**, up P3.99 billion or 29.5%, and increase in **total other comprehensive income**. **Total other comprehensive income, net of tax effect** at P9.34 billion, was higher by P9.64

billion, compared to the same quarter last year's P293.92 million loss. Material movements are as follows:

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

- **Net change in fair value reserve on FVOCI securities, net of tax effect** at P9.09 billion, increased by P9.40 billion from last year's P316.37 million loss on account of higher market valuation of the Bank's investment securities.
- **Share in other comprehensive income of associates** at P462.95 million, up by P591.23 million or 460.9% from last year's P128.28 million loss, on account of the higher valuation of the Bank's life insurance associate's investment securities compared to the same quarter last year.
- **Fair value reserve on investments of insurance subsidiaries, net of tax effect** at P118.18 million, improved by P126.92 million, from last year P8.74 million loss, from higher market valuation of investment of the Bank's insurance subsidiary.
- **Currency translation differences** at negative P362.97 million, deteriorated by P570.44 million from last year's P207.47 million, due to the deterioration of the US dollar.

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

- **Share in other comprehensive gain of associates** at P37.65 million, up P85.65 million from same period last year's loss of P48.01 million, on higher valuation of the life insurance associate's investments compared to last year's movement.
- **Actuarial loss on defined benefit plan, net of tax effect** at P1.61 million, due to loss on retirement plan of the Bank's subsidiaries.

Income attributable to non-controlling interest at P129.86 million, up P84.89 million, on higher fair value reserve on investments of the Bank's non-life insurance entities.

For the Nine Months ended September 30, 2024 and September 30, 2023

Net income of P47.99 billion for the nine months of 2024 was up 24.3%, driven by strong revenue growth.

Net interest income at P93.85 billion, was up P17.07 billion, or 22.2%, with the average earning asset base growing 15.8% and net interest margin (NIM) expanding by 22 basis points (bps).

Interest income, net of GRT stood at P139.68 billion, up P33.97 billion or 32.1%, on the back of the following movements in interest income on:

- **Loans and advances** at P117.16 billion, up P29.48 billion or 33.6%, on higher average asset volume coupled with higher yields;
- **FA at FV through OCI** at P8.47 billion, up P4.40 billion or 107.8%, on higher average asset volume and higher yield;
- **FA at FV through profit or loss** at P927.16 million, up P284.97 million or 44.4%, on higher yields and average asset volume.

Interest expense at P45.83 billion, up P16.90 billion, or 58.4%, due to the increase in interest expense **on deposits** at P39.16 billion, up P13.81 billion or 54.5%, due to higher average volume and higher cost. Interest expense **on bills payable and other borrowings** at P6.68 billion, increased by P3.09 billion or 86.2%, also due to higher cost and average volume, mostly on new bond issuance, repurchase agreements and promissory notes from the RBC merger.

Other income, net of GRT at P31.91 billion, up P7.81 billion or 32.4% versus same period last year due to the following movements:

- **Other operating income**, at P12.69 billion, up P2.68 billion or 26.7%, on higher credit card fees, trust fees and miscellaneous income.
- **Trading gain on securities** at P2.98 billion, up P1.90 billion or 175.3%, on higher gains this year.
- **Fees and commissions**, at P11.17 billion, up P1.80 billion or 19.1%, on higher service charges and bank commissions.
- **Income attributable to insurance operations**, at P2.57 billion, up P1.33 billion, or 106.5%, on higher income of the Bank's insurance affiliate and subsidiaries.
- **Income from foreign exchange trading**, at P2.50 billion, up P122.93 million or 5.2% on higher foreign exchange transactions.

Other expenses at P59.36 billion, up P10.73 billion or 22.1%, due to increases in the following:

- **Compensation and fringe benefits** at P21.50 billion, up P4.63 billion or 27.4% attributable to the increase in headcount from the merger with Robinsons Bank, annual salary increases, performance bonuses and CBA cost;
- **Other operating expenses** at P20.20 billion, up P3.63 billion or 21.9% on account of higher professional fees, transaction servicing cost, marketing and product insurance expenses;
- **Occupancy and equipment-related expenses** at P17.67 billion, up P2.47 billion or 16.3% due to increase in technology spend, premises and equipment rent and depreciation, and contractual services.

Impairment losses at P4.80 billion, up P1.80 billion, or 60.0%, coming from the P3.00 billion level in the first nine months of 2023.

Provision for income tax at P13.39 billion, up P2.91 billion, or 27.7%, due to higher **current income tax** at P12.93 billion, up P2.05 billion or 18.9%, on higher taxable revenue. **Deferred income tax** at P455.95 million was also higher by P853.16 million or 214.8%, due to higher write-offs this year.

Income attributable to non-controlling interest at P222.25 million, up P76.01 million or 52.0%, attributable to higher income contribution from the Bank's non-life insurance subsidiary.

Total comprehensive income at P53.51 billion, up P14.11 billion or 35.8%, due to higher **net income before minority interest** at P48.21 billion, up P9.44 billion, or 24.4%. **Total other**

comprehensive income, net of tax effect at P5.30 billion, was also up P4.67 billion or 744.6%. Material movements are as follows:

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

- **Net change in fair value reserve on FVOCI securities, net of tax effect** at P4.84 billion was up P4.62 billion on account of higher market valuation of the Bank's investment securities.
- **Fair value reserve on investments of insurance subsidiaries, net of tax effect** at P90.87 million was up P66.74 million or 276.6%, due to higher market valuation of investment funds of the Bank's insurance subsidiaries.
- **Share in other comprehensive income of associates** at P199.18 million was up P61.03 million or 44.2%, on account of the higher valuation of the Bank's life insurance associate's investment securities compared to last year.

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

- **Share in other comprehensive gain of associates** at P34.59 million, was down P54.21 million or 61.0%, on lower remeasurement of liabilities.
- **Actuarial gains on defined benefit plan, net of tax effect** at P15.18 million, down P16.69 million or 52.4%, on account of lower gains from the Bank's insurance subsidiaries' retirement plan.

Income attributable to non-controlling interest at P270.29 million, up P103.09 million, on higher fair value reserve on investments of the Bank's non-life insurance associate.

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:

	September 30, 2024	September 30, 2023
Return on Equity (%)	15.88	15.59
Return on Assets (%)	2.07	1.95
Net Interest Margin (%)	4.29	4.07
Operating Efficiency Ratio	47.20	48.20
Capital Adequacy Ratio (%) - Basel III	15.54%	* 16.98%

* indicative

Return on equity (ROE), the ratio of net income to average equity at 15.88%, was 29 bps higher than last year's 15.59%, as the growth in net income outpaced the growth in average equity.

Return on assets (ROA), the ratio of net income to average assets, was higher at 2.07%, compared to last year's 1.95%, as the growth in net income outpaced the expansion of average assets.

Net interest margin (NIM), net interest income divided by average interest-bearing assets, higher at 4.29%, as the growth in net interest income outpaced the expansion in average earning assets.

Operating efficiency (cost to income) ratio, the ratio of operating expenses to income, lower at 47.20%, as the growth in revenues outpaced the growth in operating expenses.

Capital adequacy ratio (CAR), the ratio of total qualifying capital to total risk-weighted assets, was at 15.54% (indicative), lower versus the prior year's 16.98%. The CET 1 ratio at 14.83%, was also lower than the 16.09% from the same period last year. The decline in capital ratios is due to the growth in risk-weighted assets which outpaced the growth in qualifying capital, and the increase in dividends paid. Both of the Bank's capital ratios are above the BSP's minimum requirement.

Material Events and Uncertainties

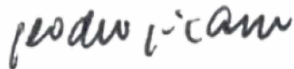
Other than the disclosures enumerated above, the Bank has nothing to report on the following:

1. Any known trends, demands, commitments, events or uncertainties that will have a material impact on its liquidity.
2. Any events 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: November 7, 2024



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

Date: November 7, 2024

**BPI UNIBANK
CONSOLIDATED AGING OF ACCOUNTS RECEIVABLE
SEPTEMBER 30, 2024**

**BPI UNIBANK
CONSOLIDATED AGING OF ACCOUNTS RECEIVABLE
SEPTEMBER 30, 2024**

No. of Days Outstanding		Amount (In Thousands)	
	0-90	P	1,522,783
	91-180		215,179
	181-360		185,275
	Over 360		763,056
Total			2,686,292
Less : Allow. For Probable Losses			1,039,000
Net of Allowance		P	1,647,293