

October 19, 2022

BPI Reports 9M 2022 Net Income of P30.5 Billion

MAKATI CITY, Philippines --- Bank of the Philippine Islands (“BPI”) generated net income of P30.5 billion for the first nine months of 2022 on higher revenues and lower provisions. Return on Equity stood at 13.73% and Return on Assets at 1.66%. Excluding the impact of the one-off gain from sale of property in the second quarter and adjustments due to the CREATE Law, net income would have been P26.8 billion for an ROE of 12.05% and ROA of 1.46%.

Total revenues reached P87.5 billion, up 22.1% year-on-year, boosted by the 20.5% growth in net interest income to P61.6 billion on the back of continued loan growth and sustained expansion in average net interest margin for the year by 23 bps to 3.53%. Non-interest income grew 26.2% to P25.8 billion driven by the one-off gain in asset sale, gains in foreign exchange transactions and fees from the credit cards business.

Total operating expenses stood at P40.1 billion, up 9.9% compared to the previous year, on higher regulatory, technology and transaction-related costs. Cost-to-income (“CIR”) ratio was 45.8%. Excluding the impact of the asset sale, CIR was at 48.6%.

The Bank booked provisions of P7.5 billion, a 26.8% reduction from last year. Asset quality continued to improve with NPL ratio at 1.94% and NPL coverage ratio at 176.9% as of September 2022. Taxes paid and accrued rose to P17.2 billion.

For the third quarter of the year, the Bank generated net income of P10.1 billion driven by higher revenue growth to P29.8 billion, up 26.8% on double-digit growth from net interest income and non-interest income, and growth in the customer base to over 9 million.

As of 30 September 2022, total loans stood at P1.6 trillion, up 15.4% year-on-year, led by growth in the credit card, corporate/SME and auto portfolios of 29.1%, 16.4%, and 12.1%, respectively. Total deposits expanded to P2.0 trillion, up 13.2% year-on-year, while CASA increased 7.5%. CASA Ratio stood at 76.1% and Loan-to-Deposit Ratio at 78.7% as of end September 2022.

Total assets reached P2.5 trillion, reflecting an 11.8% growth year-on-year. Total equity stood at P313.4 billion, with an indicative Common Equity Tier 1 Ratio of 15.9% and a Capital Adequacy Ratio of 16.8%, both above regulatory requirements.

On 30 September 2022, BPI announced merger plans with Robinsons Bank Corporation with BPI emerging as the surviving entity, subject to shareholders and regulatory approvals. The merger, which the parties hope to complete before the end of 2023, will unlock various synergies across several products and service platforms and expand the customer and deposit base of both banks through the merged entity.

ABOUT BPI

The 171-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).

Contact Us: Media: corporateaffairs@bpi.com.ph | Investor Relations: investorrelations@bpi.com.ph | Bank of the Philippine Islands, Ayala North Exchange Tower 1, Ayala Avenue corner Salcedo St., Legaspi Village, Makati City 1229 PH | +632 8246 6364