

BPI Investor Presentation

4Q and FY 2024

Performance Highlights



Profitability

- Record full year net income of P62.05 Bn, up 20.0%, driven by record revenues and improved efficiency
- 4Q income of P14.06 Bn, down 19.3% on the sequential quarter, largely from higher expenses and reduced trading income
- Sustained strong profitability with full year ROE at 15.07% and ROA at 2.0%

Balance Sheet

- Accelerated loan and deposit growth at 18.2% and 13.9% YoY; 7.2% and 5.2% QoQ
- Strong balance sheet with liquidity and capital ratios are well above regulatory requirement
- Indicative LCR at 162.1%; NSFR at 143.0%; indicative CET1 ratio at 13.8%; CAR at 14.5%

Asset Quality

- Overall asset quality remained robust with sufficient cover
- NPL ratio at 2.13%, up 29bps YoY and down 17bps QoQ
- NPL cover at 106.22%

Growth

- Strengthened customer franchise: added 5.0 Mn clients and maintained #1 NPS rank among banks and financial institutions
- Record volume and gained market share in several businesses
- Further strengthened leadership in digitalization and sustainability

Profitability – Quarter



<i>In P bn</i>	4Q 2023	3Q 2024	4Q 2024	QoQ	YoY
Net Interest Income	27.57	32.59	33.74	3.5%	22.4%
Non-Interest Income	9.87	11.99	10.64	-11.2%	7.8%
Trading Income	0.84	2.23	0.32	-85.7%	-61.8%
Forex Income	0.85	0.37	0.98	167.3%	14.6%
Fee Income	8.18	9.39	9.34	-0.5%	14.2%
Net Revenues	37.45	44.58	44.38	-0.4%	18.5%
Opex	20.49	21.08	24.44	15.9%	19.3%
PPOP	16.96	23.50	19.94	-15.1%	17.6%
Provisions	1.00	1.80	1.80	0.0%	80.0%
NIBT	15.96	21.70	18.14	-16.4%	13.7%
Income Taxes	2.82	4.20	4.11	-2.0%	46.0%
Net Income	13.07	17.42	14.06	-19.3%	7.6%

Quarter-on-Quarter

4Q24 net income at P14.06 Bn, down 19.3% QoQ, on an increase in operating expenses.

- Revenues were relatively flat - decline in trading income following a strong 3Q offset the increase in forex income and net interest income

Year-on-Year

4Q24 net income was up 7.6% YoY on strong revenue growth which offset increase in operating expenses and provisions

- net interest income up 22.4%, loans up 18.2%, and NIMs up 22 bps
- non-interest income up 7.8%
- PPOP up P3.0 Bn or 17.6%
- Provisions up P0.8Bn or 80%

Profitability – Full Year



<i>In P bn</i>	2022	2023	2024	YoY
Net Interest Income	85.07	104.35	127.59	22.3%
Non-Interest Income	33.46	33.97	42.55	25.3%
Trading Income	1.07	1.92	3.30	71.8%
Forex Income	2.71	3.26	3.53	8.3%
Fee Income	29.68	28.79	35.72	24.1%
Net Revenues	118.52	138.32	170.14	23.0%
Opex	57.99	69.11	83.80	21.3%
PPOP	60.54	69.21	86.34	24.8%
Provisions	9.17	4.00	6.60	65.0%
NIBT	51.37	65.21	79.74	22.3%
Income Taxes	11.53	13.30	17.50	31.6%
Net Income	39.60	51.69	62.05	20.0%

Third consecutive year of strong income growth driven by revenues

Record net income of P62.05 Bn, up 20%, largely due to revenue growth, which more than offset the increase in operating expenses and provisions

Record revenues at P170.14, up 23.0% YoY, driven by:

- Record net interest income from the strongest loan growth since 2016, and higher NIMs
- Record forex and fee income from higher customer count and customer activities

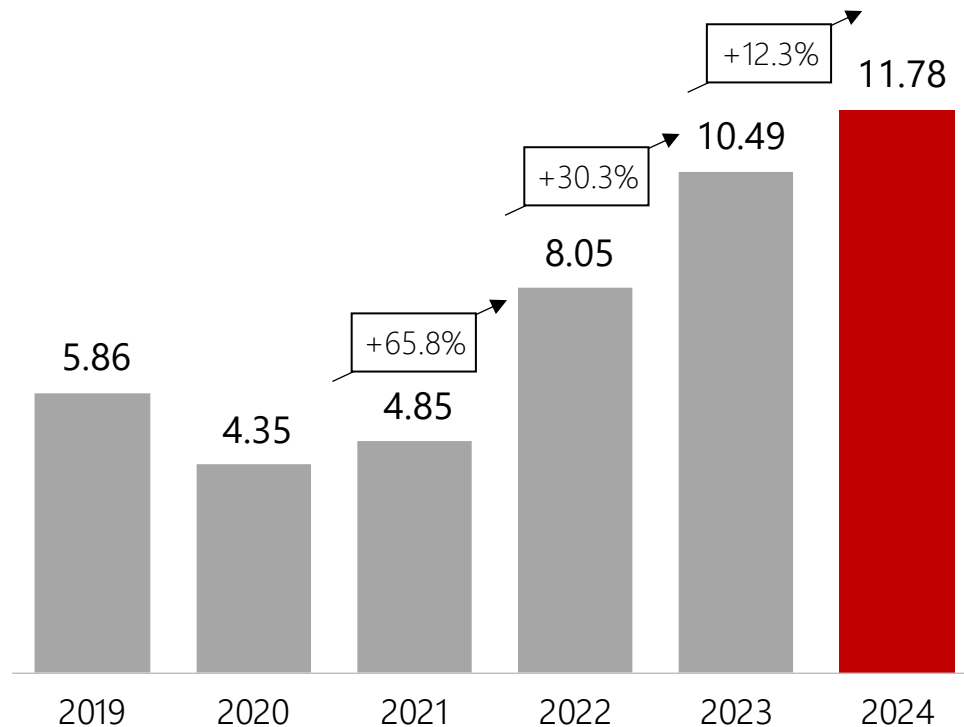
Operating expenses at P84.80 Bn, up 21.3% from volume growth and continued investment

PPOP at P86.34Bn, up 24.8%

Shareholder Returns



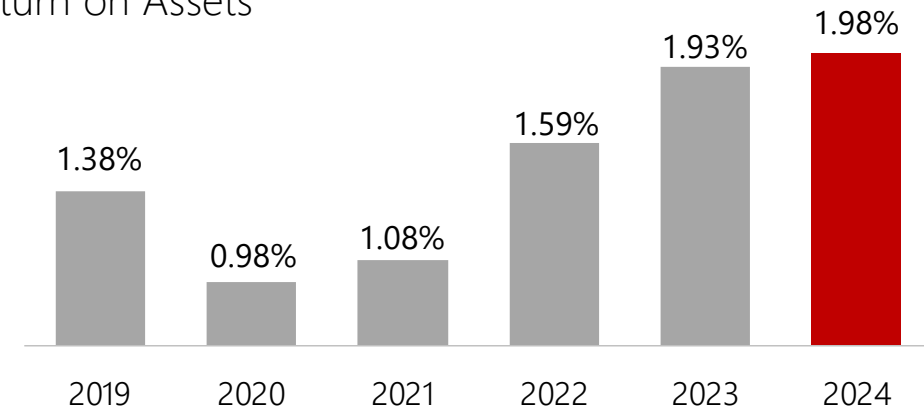
Earnings per Share*



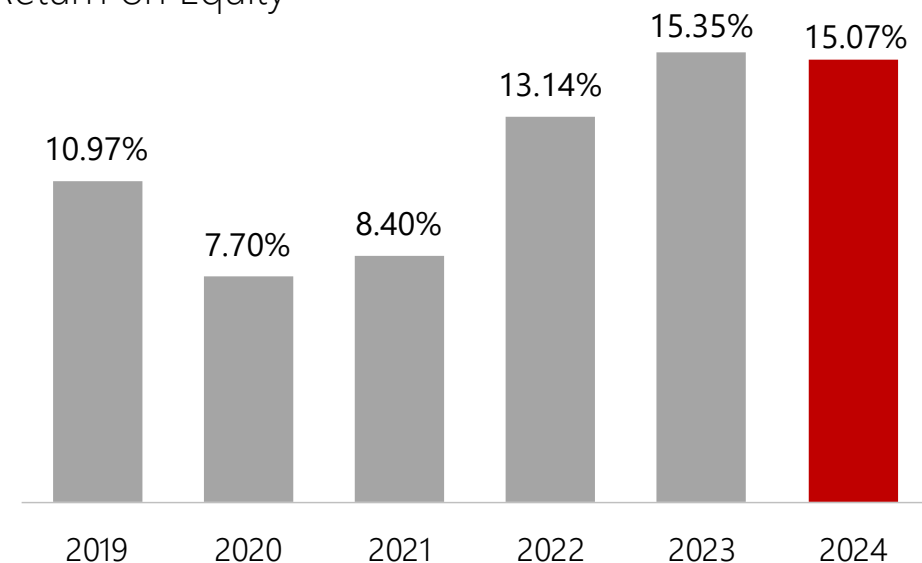
*(1) weighted number of shares used in the calculations are net of property dividends of 406,179,276 common shares issued from treasury shares

(2) 2022 EPS includes impact of one-off sale of asset; net of one-off, 2022 EPS growth was 50.2%

Return on Assets



Return on Equity

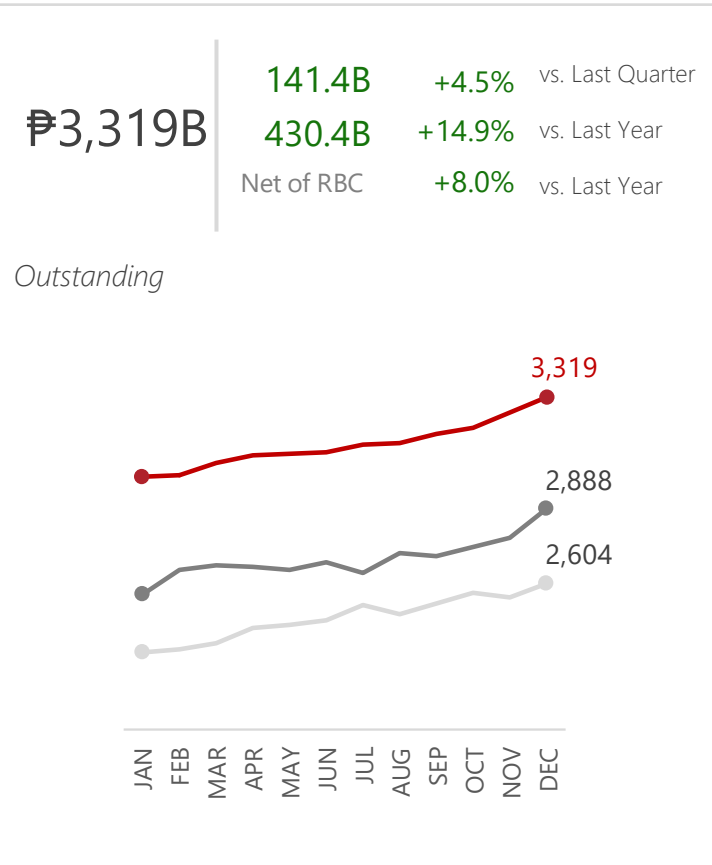


Balance Sheet



- Strongest loan growth since 2016; organic loan growth trending ahead of industry average
- Managed deposit growth as borrowings increasingly become an efficient source of funding; 86% of deposits growth from retail & SME/Microfinance
- Decline in CASA ratio in line with industry; LDR continued to increase on strong loans growth and managed deposit growth

ASSETS

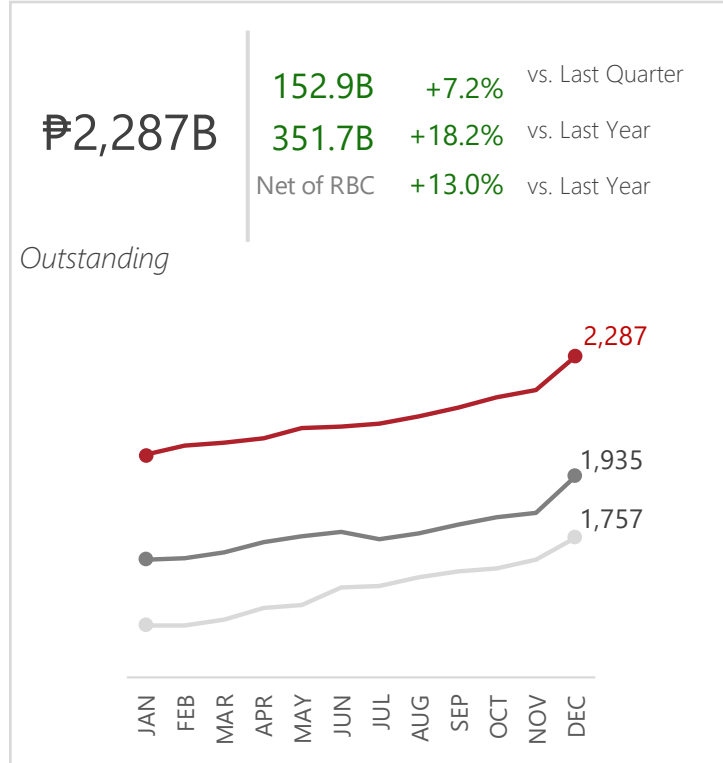


2022

2023

2024

GROSS LOANS

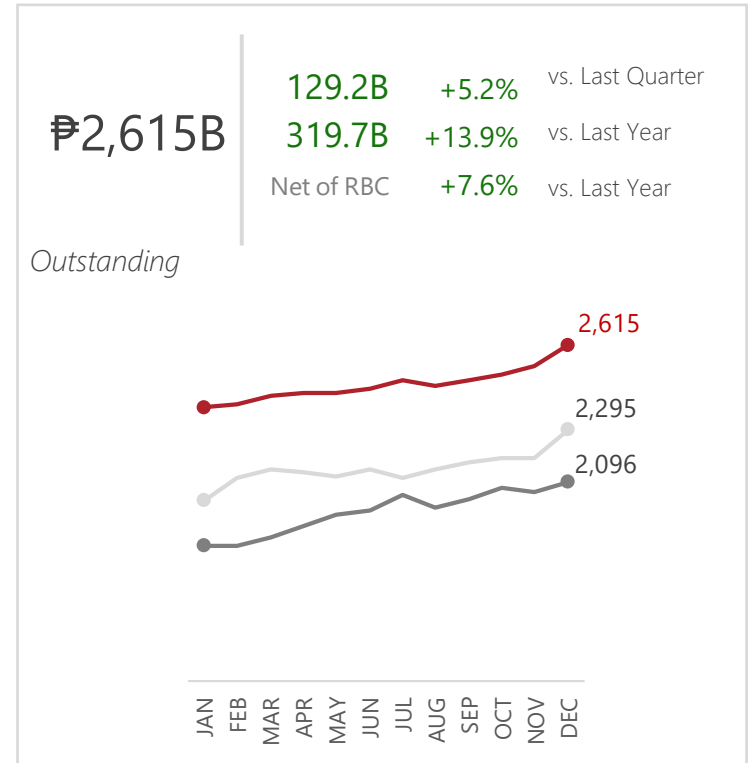


87.47%

161bps vs. Last Quarter

314bps vs. Last Year

DEPOSITS



CASA RATIO

63.19%

23bps vs. Last Quarter

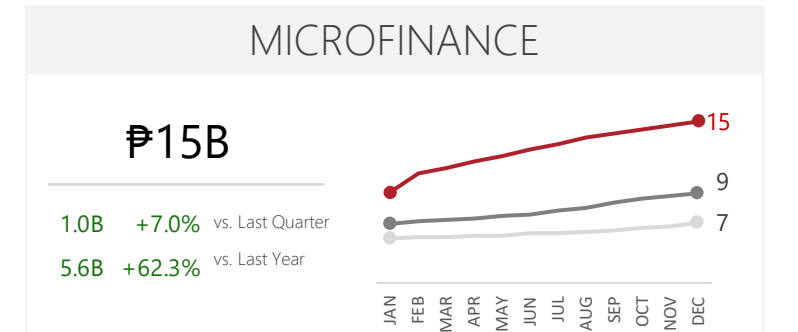
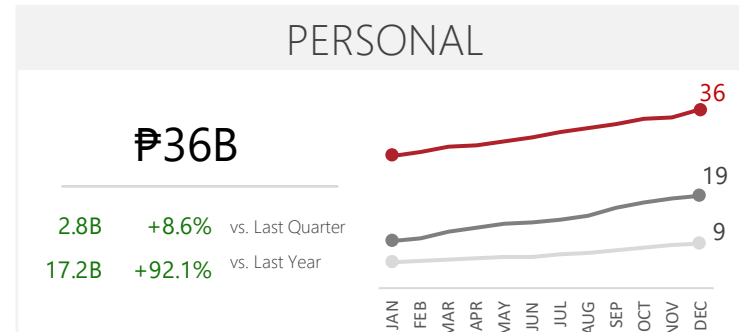
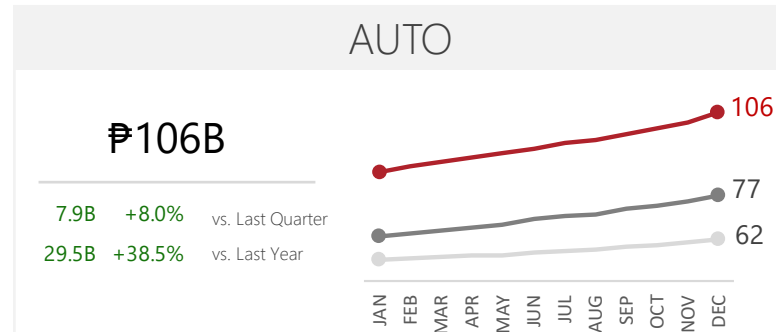
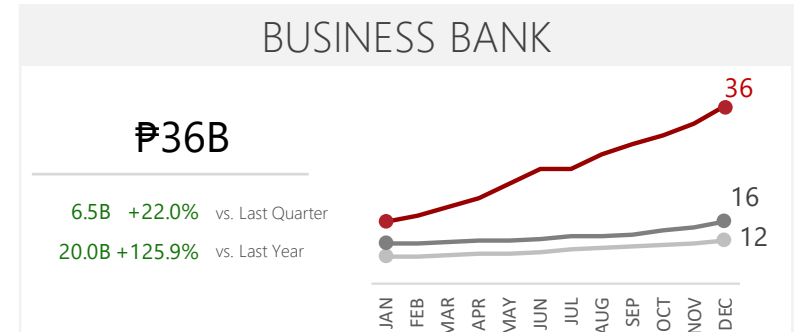
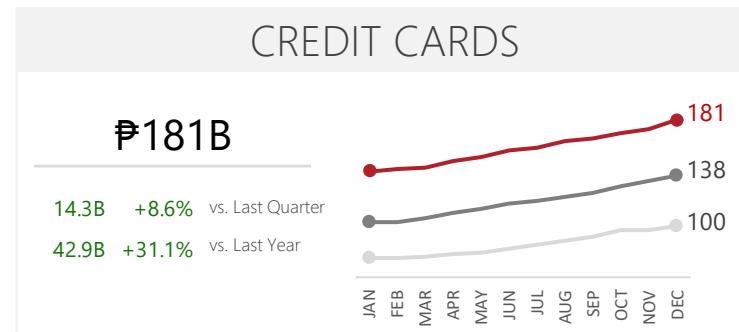
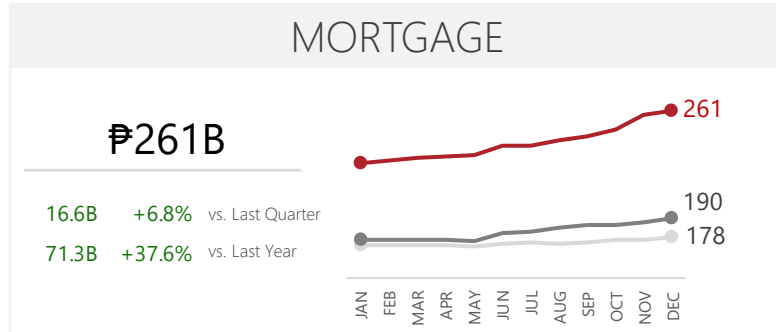
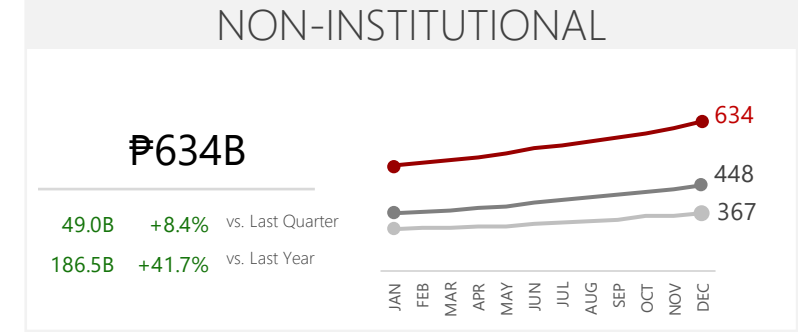
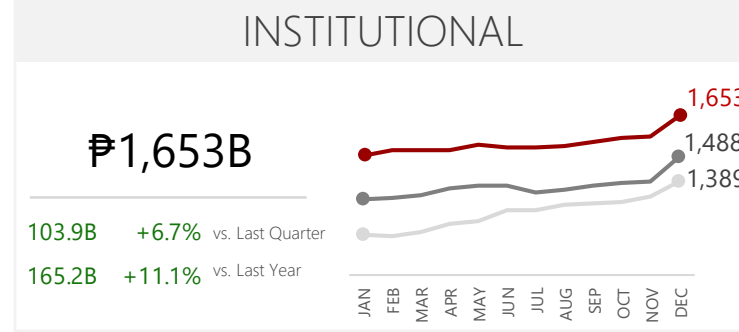
-381bps vs. Last Year

LOANS TO DEPOSIT

Loans by Segment



- Sharp growth in all segments, led by non-institutional portfolios which collectively increased 42%
- Non-institutional portfolio accounts for 27.7% of the loan mix, up 460 bps from last year

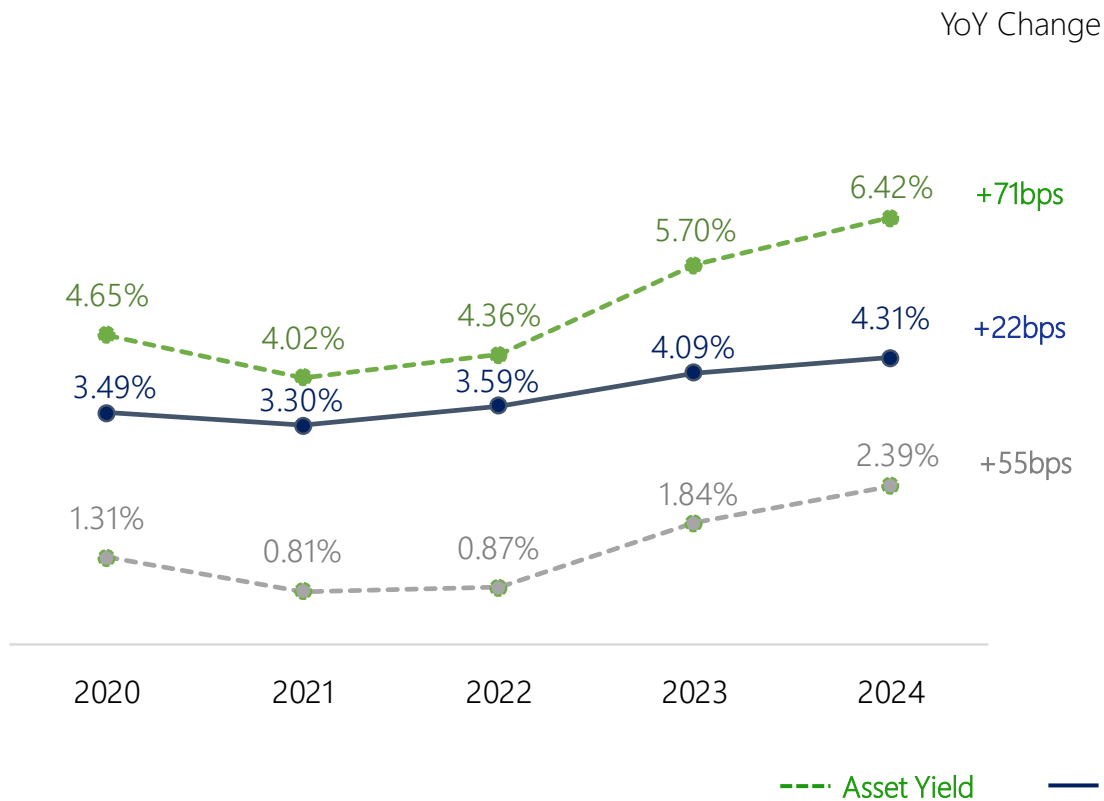


2022 2023 2024

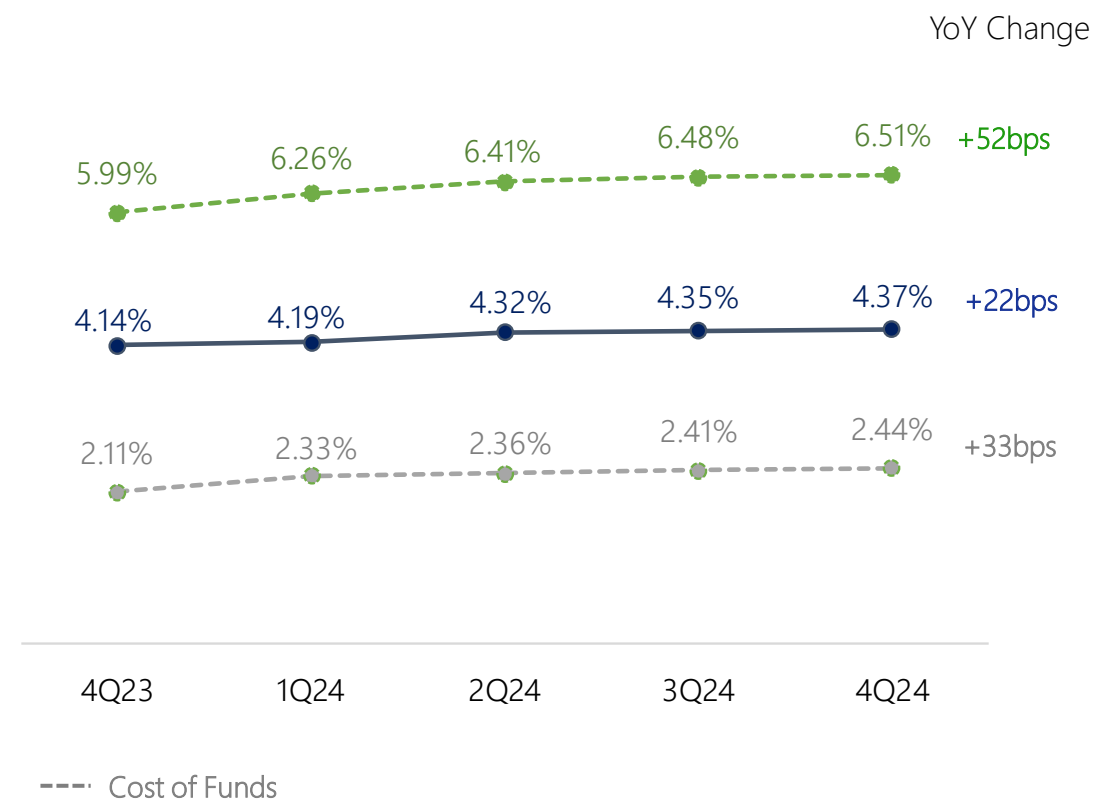
Improvement in NIM from

- Sustained shift in loan mix towards non-institutional segments
- Managed deposit growth
- Moderate shift in funding source to borrowings from time deposits
- Improvement in loan to deposit ratio and loan to total funding ratio
- RRR reductions

Annual NIM



Quarter NIM

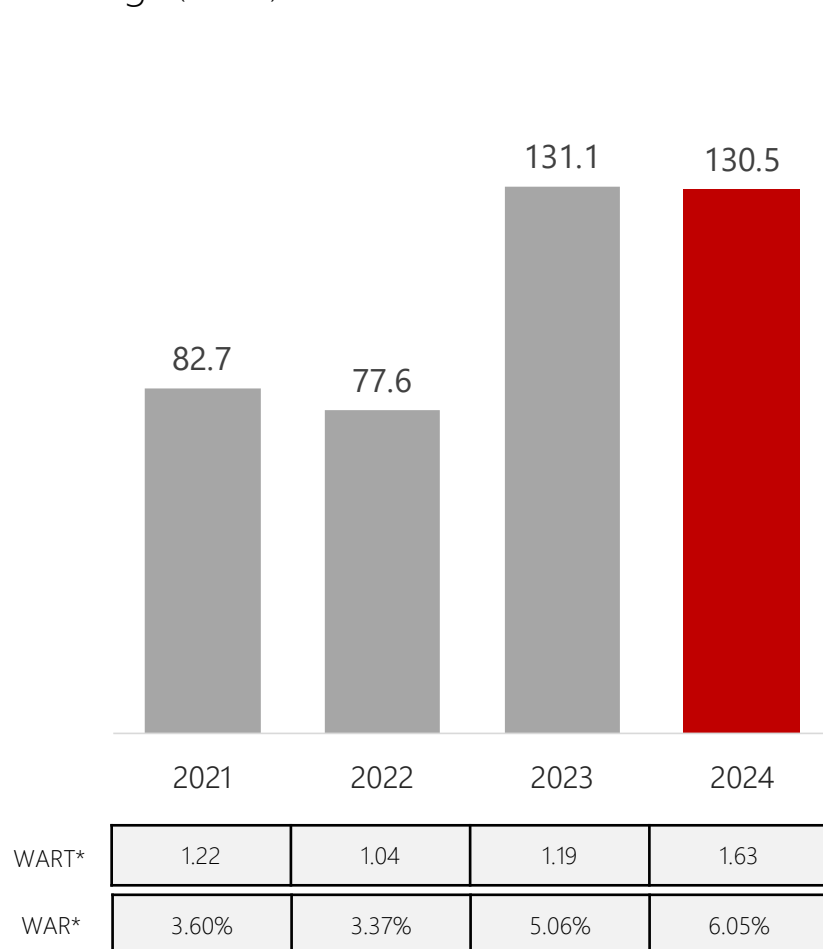


Funding



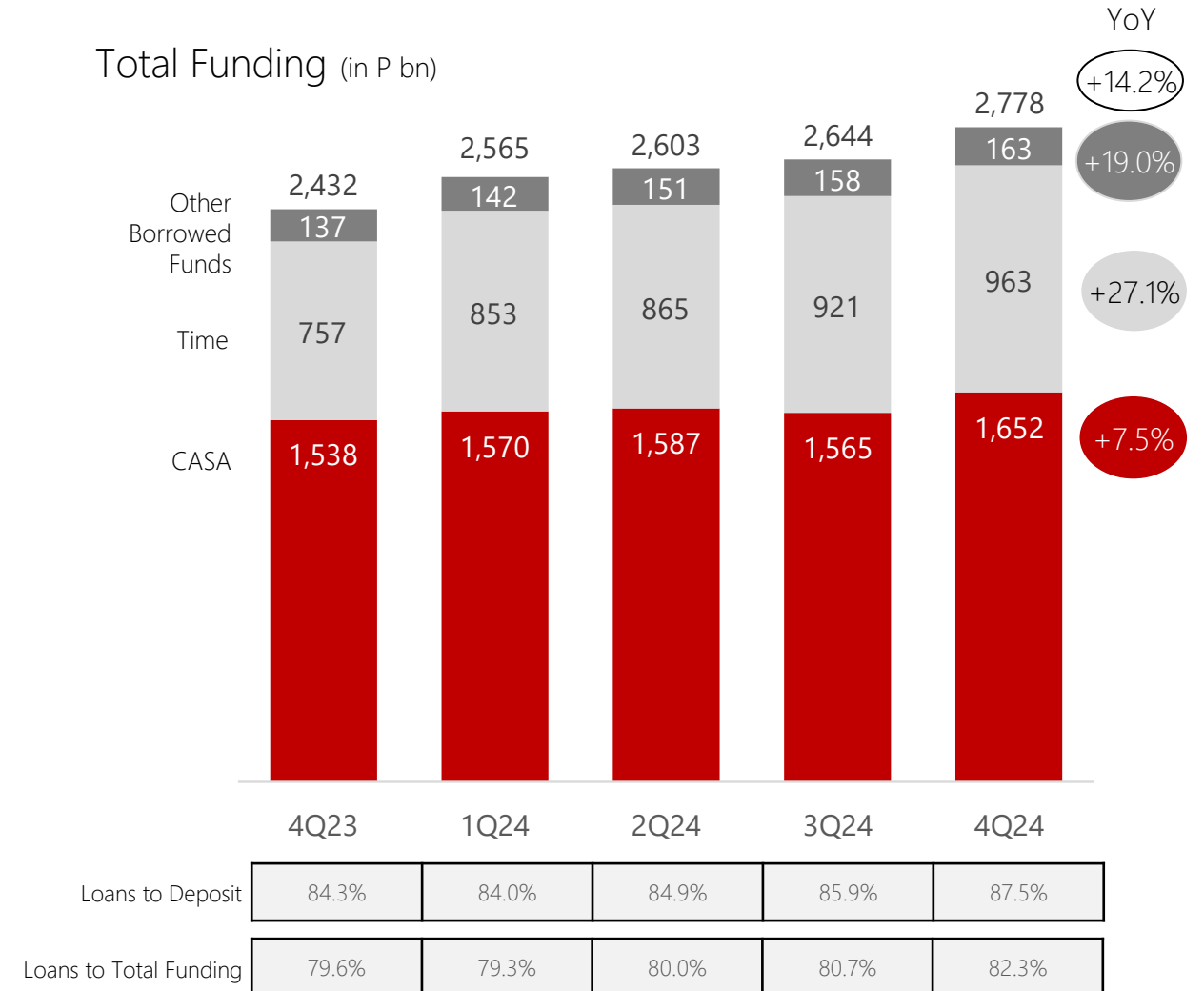
- Pivoted to borrowings as a source of funding, leveraging on the strength of the BPI's credit rating and on incentives for sustainable financing
- Oversubscription and spread of recent bond issuances reflective of strength of BPI's balance sheet
- Refinancing of upcoming maturity bodes well for NIM

Borrowings (in P bn)



*WART – weighted average remaining term (in years); WAR – weighted average rate
 Note: Borrowings include bond issuances, bilateral loans, and promissory notes

Total Funding (in P bn)



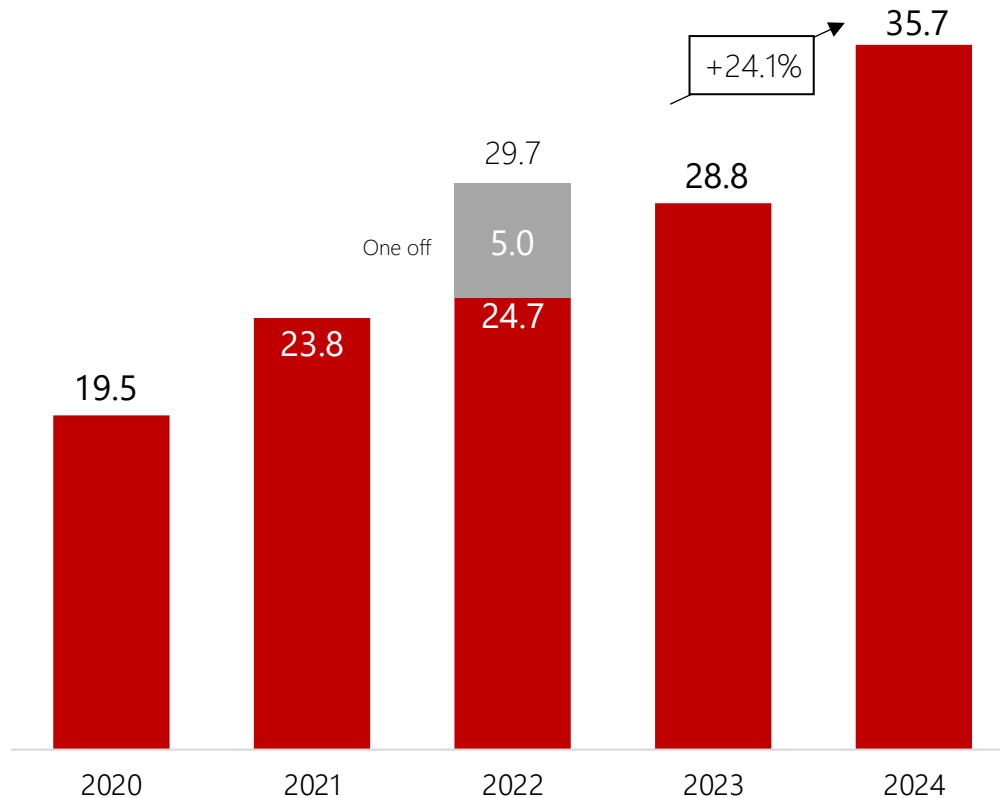
Note: Other Borrowed Funds include borrowings, repurchase agreements, and O/N interbank loans

Fee Income



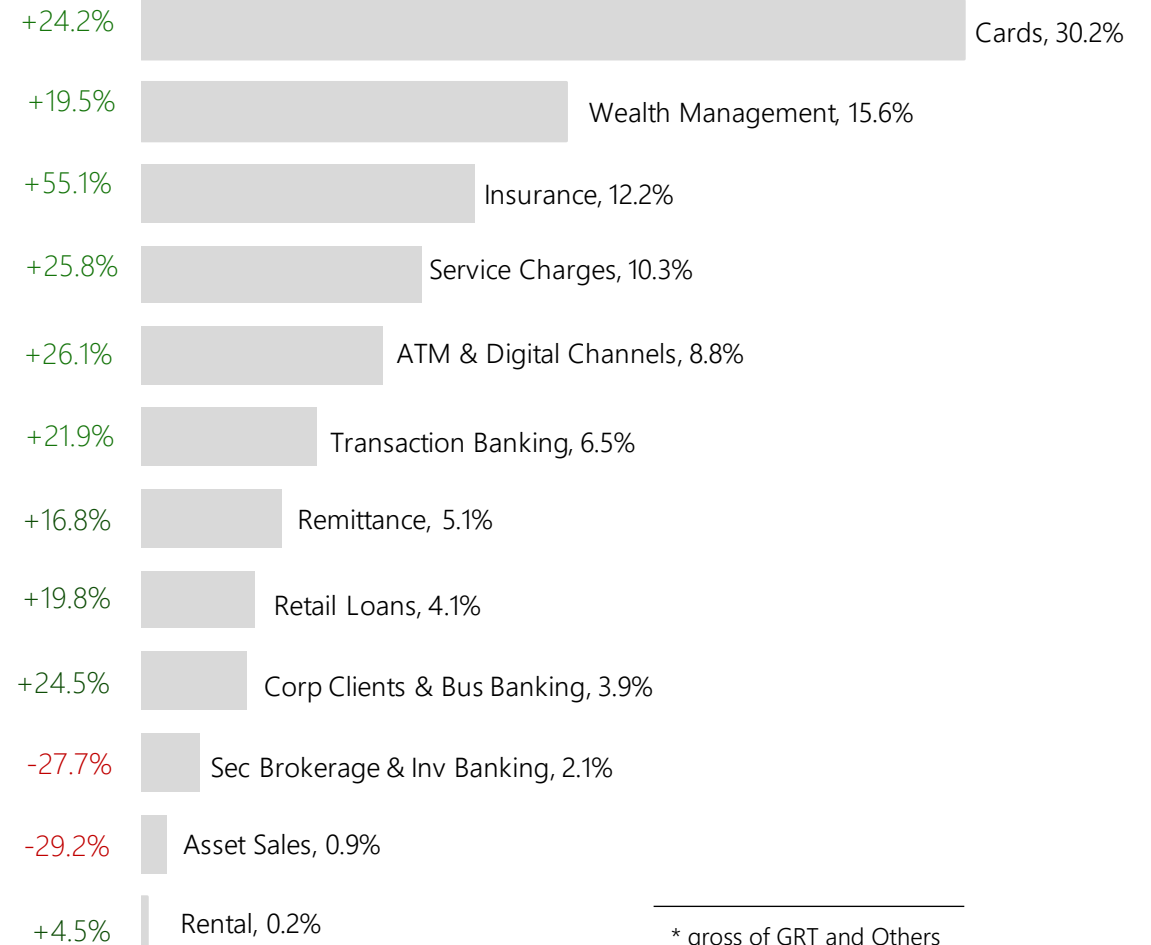
- Fee income growing consistently year-on-year
- Sustained strong broad-based growth across fee income segments
- Fee income performance was led by our biggest businesses: cards, wealth management, and insurance

Amounts in P bn



YoY Growth

Ranked by Contribution to FY 2024 Fee Income*



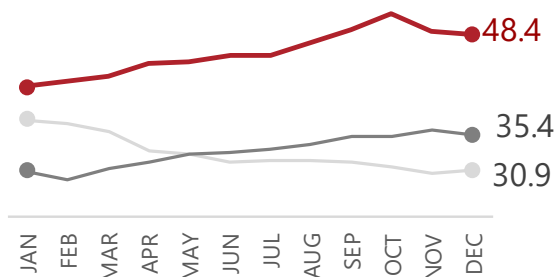
* gross of GRT and Others

NPL and Credit Coverage Ratios



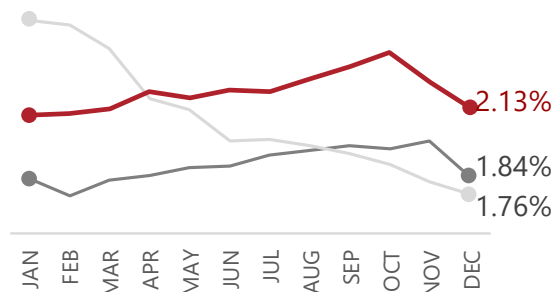
NPL LEVEL (in ₱ Bn)

₱48.4B | **-0.4B** -0.9% vs. Last Quarter
12.9B +36.5% vs. Last Year



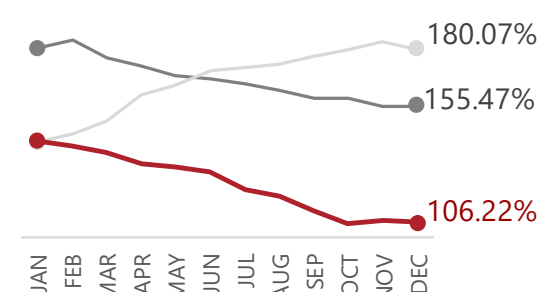
NPL RATIO

2.13% | **-17bps** vs. Last Quarter
29bps vs. Last Year

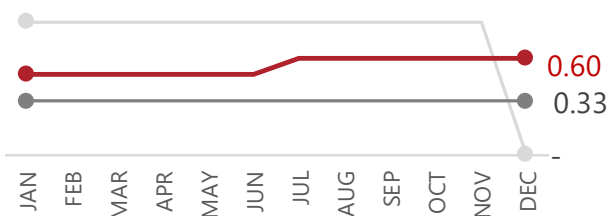


NPL COVER

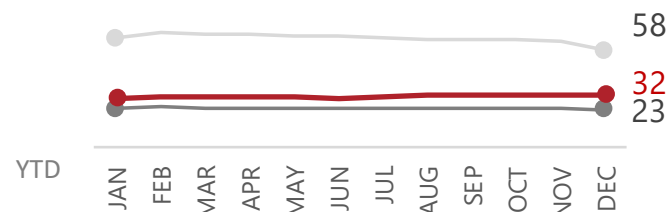
106.22% | **-495bps** vs. Last Quarter
-50ppts vs. Last Year



PROVISIONS (in ₱ bn)



CREDIT COST (in bps)



- Asset quality slightly weakened YoY on sustained shift in the loan mix towards non-institutional segment
- Asset quality strengthened QoQ on lower NPL amount and NPL ratio from paydowns and accounts reverting to current status
- NPL cover remains sufficient

2022

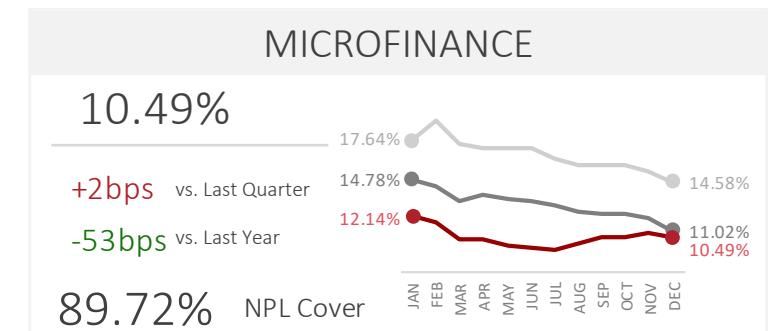
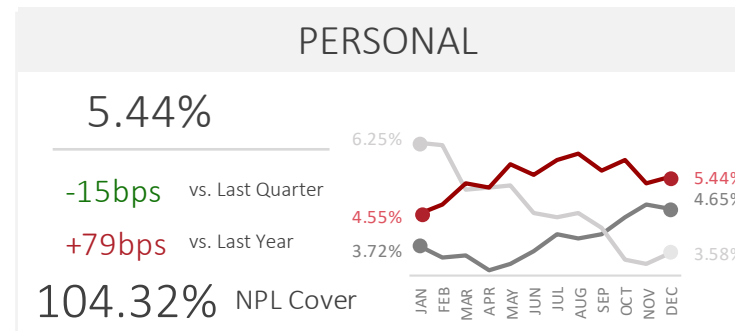
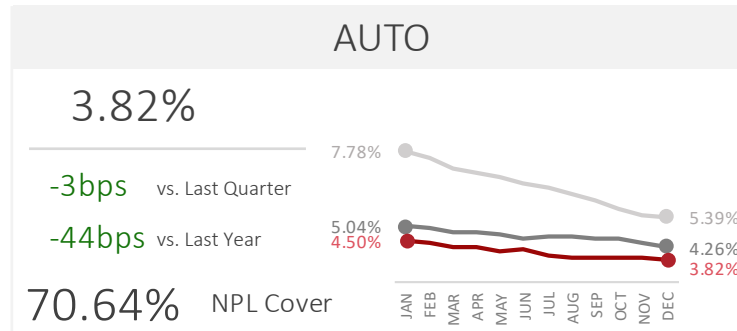
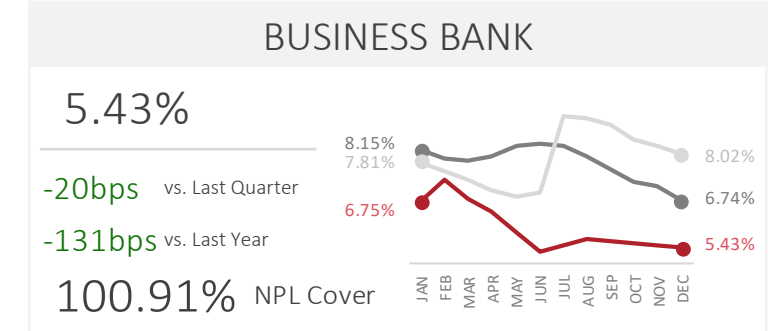
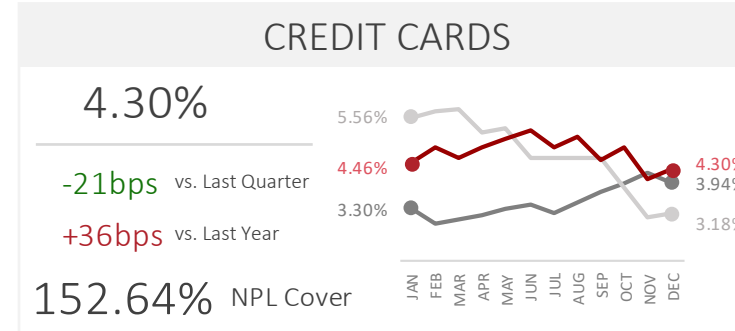
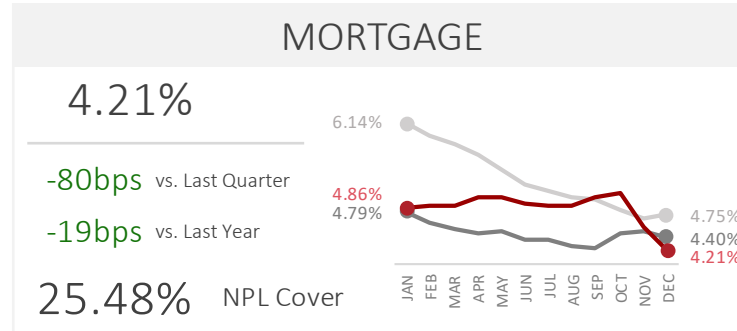
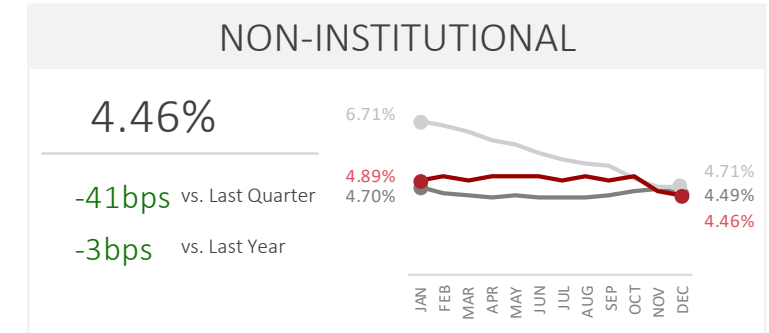
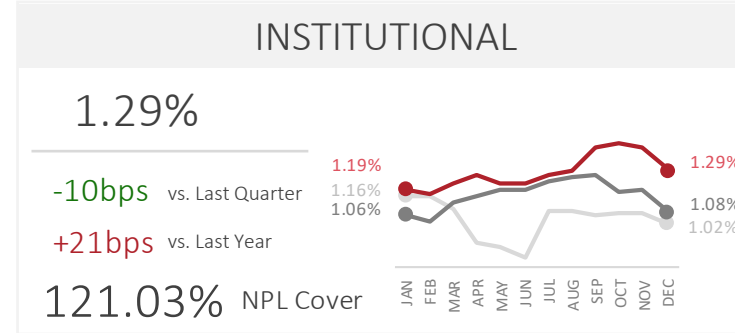
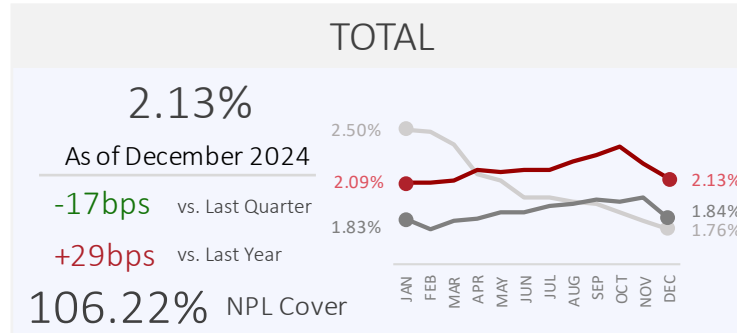
2023

2024

NPL Ratio and Cover per Segment



- NPL ratio for Mortgage, Auto, Business Bank and Microfinance portfolios at lowest in three years despite the 50% to 250% volume growth

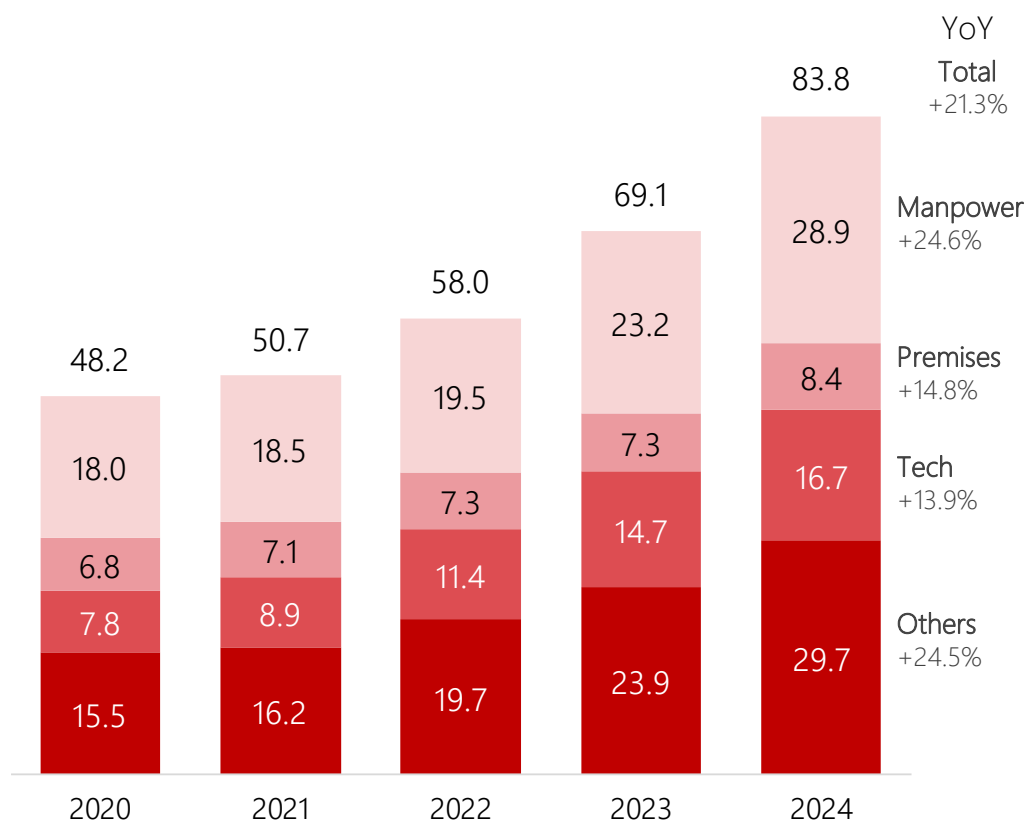


2022 2023 2024

Operating Expenses



Amounts in P bn



	2019	2020	2021	2022	2023	2024
Cost-to-Income	52.4%	47.3%	52.1%	48.9% ¹	50.0%	49.3%
Customer Count (in mn)	8.66	8.57	8.46	9.31	11.58	16.0
Headcount	21,429	19,952	19,181	18,201	19,522	22,602
Distribution Channels						
Total Branches	1,169	1,170	1,120	1,069	1,215	1,252
BPI ²	869	866	813	752	867	857
BanKo	300	304	307	317	317	368
LSB					31	27
Agency Banking Partner Stores					5,344	6,434

1/ CIR including impact of sale of property; 51.08% excluding revenue from sale of property

2/ Include RBC physical branches; 144 in 2024 and 158 in 2023

- Strong growth in operating expense, in line with strong revenue growth
- Manpower: higher headcount from the merger and HR initiatives that resulted in lower attrition, better employee engagement and employee development, and positive culture change
- Technology: volume-related expenses; continued investments in platforms and infrastructure
- Others: marketing campaigns, rewards programs, and volume-related card transaction charges

Capital



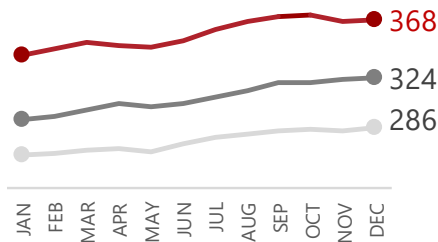
- CET1 capital increased from income accretion and additional shares issued for the merger, partly offset by capital distribution
- CET1 capital ratio declined largely from increase in credit RWA, reflecting strong loans growth and change in loan mix
- Ratios comfortably above internal and regulatory thresholds

CET1

₱368B

-3B -0.7% vs. Last Quarter
44B -13.5% vs. Last Year

Year-to-date

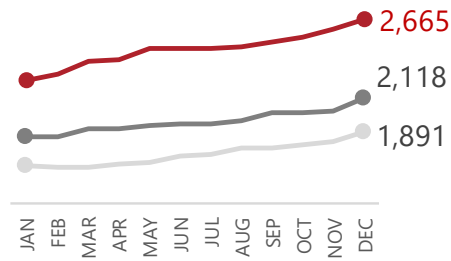


RWA

₱2,665B

155B +6.2% vs. Last Quarter
547B -25.8% vs. Last Year

Year-to-date

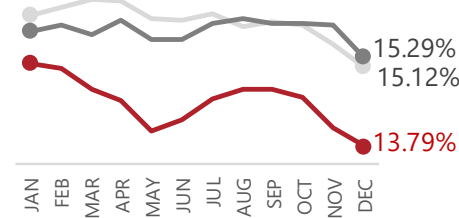


CET1 RATIO

13.79%

-96bps vs. Last Quarter
-150bps vs. Last Year

Year-to-date

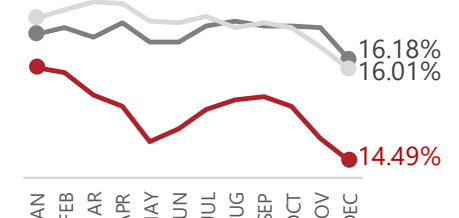


CAR

14.49%

-106bps vs. Last Quarter
-169bps vs. Last Year

Year-to-date



2022

2023

2024

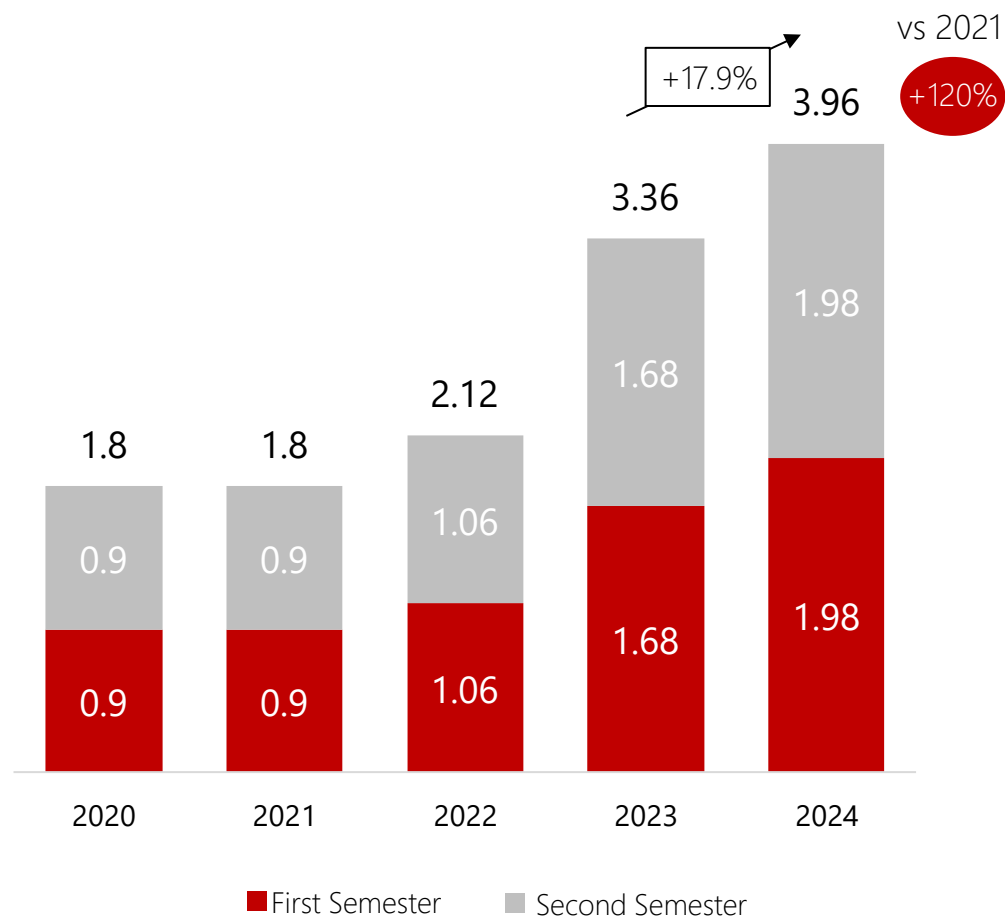
Note: Effective January 1, 2022, minimum regulatory CET1 requirement for BPI is lower at 10.125%

Indicative – December 2024 CET1 and CAR

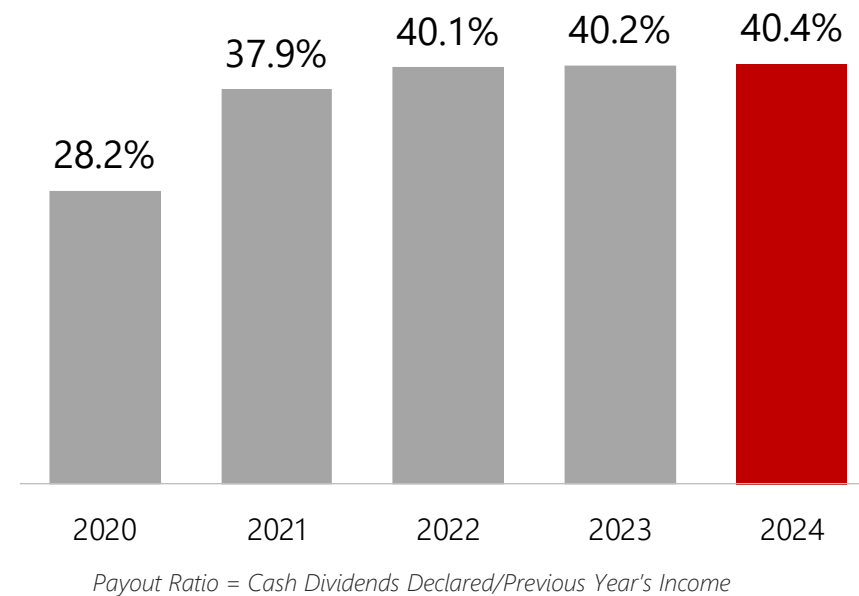
Capital Distribution



Dividend per Share



Dividend Payout



2024 INSTITUTIONAL AWARDS



★★★★★
BEST SME BANK IN THE PHILIPPINES
FOR 11TH TIME IN 18 YEARS

18TH ANNUAL ALPHA SOUTHEAST
ASIA BEST FINANCIAL INSTITUTION
AWARDS 2024

★★★★★
BEST BANK IN THE PHILIPPINES

FINANCEASIA AWARDS 2024

★★★★★
BEST DCM HOUSE

FINANCEASIA AWARDS 2024

★★★★★
GOLD AWARD FOR BEST CUSTOMER EXPERIENCE

CX ASIA EXCELLENCE AWARDS 2024

★★★★★
BEST CORPORATE BANK – LARGE CORPORATE AND MNC

FINANCEASIA AWARDS 2024

★★★★★
BEST INVESTMENT BANK

FINANCEASIA AWARDS 2024

★★★★★
BEST DOMESTIC INVESTMENT BANK IN THE PHILIPPINES
FOR BPI CAPITAL

THE EUROMONEY SECURITY
HOUSES AWARDS

★★★★★
BEST SECURITIES HOUSE IN THE PHILIPPINES
FOR BPI CAPITAL

THE EUROMONEY SECURITY
HOUSES AWARDS

★★★★★
BEST IN DIGITAL GOODS

LAZADA AWARDS 2024

★★★★★
GOLD AWARD FOR EXCELLENCE IN EMPLOYER BRANDING

HR EXCELLENCE 2024

★★★★★
DIGITAL CONSUMER BANKING INITIATIVE – PH
FOR LOANS MARKETPLACE

ASIAN BANKING & FINANCE –
RETAIL BANKING AWARDS

★★★★★
OPEN BANKING INITIATIVE OF THE YEAR

ASIAN BANKING & FINANCE –
RETAIL BANKING AWARDS

★★★★★
BEST FOR FIXED INCOME IN THE PHILIPPINES
FOR BPI CAPITAL

GLOBAL FINANCE SUSTAINABLE
FINANCE AWARDS 2024

★★★★★
PUBLIC RELATIONS TOOLS SPECIAL EVENTS

THE EUROMONEY SECURITY
HOUSES AWARDS

★★★★★
CUSTOMER EXPERIENCE INITIATIVE OF THE YEAR – PH
FOR “MAY BPI DITO”

ASIAN BANKING & FINANCE –
RETAIL BANKING AWARDS

★★★★★
NEW SME LENDING PRODUCT OF THE YEAR – PH
FOR “BANKO NEGOSYOKO LOAN”

ASIAN BANKING & FINANCE –
RETAIL BANKING AWARDS

2024 INSTITUTIONAL AWARDS



2024 ESG AWARDS

Record high of 18 ESG-focused awards and recognitions received in 2024

FINANCE-RELATED AWARDS

BEST SUSTAINABLE BANK IN THE PHILIPPINES

FOR 5 CONSECUTIVE YEARS

FINANCE ASIA AWARDS 2024

BIGGEST ESG IMPACT IN THE PHILIPPINES

FOR 2 CONSECUTIVE YEARS

FINANCE ASIA AWARDS 2024

BEST BANK FOR SUSTAINING COMMUNITIES IN THE ASIA PACIFIC

GLOBAL FINANCE SUSTAINABLE FINANCE AWARDS 2024

SUSTAINABLE FINANCE AWARDS WINNER FOR THE PHILIPPINES

FOR 3 CONSECUTIVE YEARS

GLOBAL FINANCE SUSTAINABLE FINANCE AWARDS 2024

EXCELLENCE AWARD

FOR THE SUSTAINABLE DEVELOPMENT FINANCE (SDF) PROGRAM

ESG BUSINESS AWARDS 2024

BEST SOCIAL BOND

FOR THE BPI RISE BONDS

THE ASSET TRIPLE A SUSTAINABLE FINANCE AWARDS

BEST SUSTAINABLE BANK IN THE PHILIPPINES

FOR 2 CONSECUTIVE YEARS

THE ASSET TRIPLE A SUSTAINABLE FINANCE AWARDS

PHILIPPINES DOMESTIC SUSTAINABLE FINANCE INITIATIVE OF THE YEAR

ASIAN BANKING & FINANCE WHOLESALE BANKING AWARDS

ESG PROGRAM OF THE YEAR SILVER

FOR 2 CONSECUTIVE YEARS

ASIAN BANKING & FINANCE RETAIL BANKING AWARDS

TOP SUSTAINABILITY ADVOCATES IN ASIA

FOR 3 CONSECUTIVE YEARS

ACES AWARDS 2024

BEST SUSTAINABLE BANK IN THE PHILIPPINES

FOR 3 CONSECUTIVE YEARS

INTERNATIONAL BUSINESS MAGAZINE AWARDS 2024

SUSTAINABILITY COMPANY OF THE YEAR

PART OF THE CIRCLE OF EXCELLENCE FOR 3 CONSECUTIVE YEARS

ASIA CEO AWARDS 2024

HIGHEST ESTIMATED GREEN HOUSE GAS EMISSIONS MITIGATED

INTERNATIONAL FINANCE CORPORATION (IFC): CLIMATE ASSESSMENT FOR FINANCIAL INSTITUTIONS (CAFI) AWARD 2024

MARKET LEADER IN ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

FOR 3 CONSECUTIVE YEARS

EUROMONEY MARKET LEADERS

BEST ESG INITIATIVE

CORPORATE TREASURER AWARDS 2024

MEDIA-RELATED AWARDS

SUSTAINABILITY CHAMPION HONOREE

MANILA BULLETIN SUSTAINABILITY FORUM 2024

PUBLIC RELATIONS TOOLS SPECIAL EVENTS

FOR THE SUSTAINABILITY AWARENESS MONTH

59th ANVIL AWARDS

BEST PR CAMPAIGN: BANKING / FINANCIAL SERVICES

FOR THE SUSTAINABILITY AWARENESS MONTH

MARKETING-INTERACTIVE PR AWARDS 2024

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

Summary

- 1 Profitability:** Improved profitability with record income led by revenue
- 2 Balance Sheet:** Strong loan growth across all segments; liquidity and capital positions remain above regulatory thresholds
- 3 Asset Quality:** Strong asset quality with sufficient allowance
- 4 Shareholder Returns:** Sustained profitability and on track to sustain higher dividends



For your comments and queries
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