

PRESS RELEASE

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UnionBank posted record-high net income in 2016

UnionBank of the Philippines (PSE: UBP) posted an all-time high of Php10.1 billion consolidated net income in 2016, 67% higher compared to the Php6.0 billion posted last year. The earnings performance translates to a Return on Equity of 16.9%.

Total loans went up by 31% to Php235.4 billion, resulting in total assets breaching the half-trillion mark, to close the year at Php524.4 billion. Total deposits grew 21% to Php376.5 billion, with low-cost CASA increasing by 18%.

The combined growth in customer loans and deposits resulted in recurring revenues increasing by 21% to Php19.2 billion. Net interest income expanded by 22% to Php14.8 billion, while fees grew 19% to Php4.4 billion. Full year performance was also enhanced by tax-exempt profits from securities sold in the second half of the year to support the Bank's loan growth strategy.

"We are very pleased with our collective results. All of our major business segments contributed significantly to the bottom-line. More importantly, we were able to scale up our recurring revenue base, while making substantial headway in our journey towards digital transformation", said Edwin R. Bautista, UnionBank President and Chief Operating Officer.

Union Bank of the Philippines is a publicly-listed universal bank that distinguishes itself through superior technology, unique branch sales and service culture, and centralized backroom operations. It is consistently recognized as one of Asia's leading companies in banking and finance, ranking among the country's top 10 universal banks in terms of key performance ratios in profitability, liquidity, solvency and efficiency.

The Bank recently garnered the awards of Best Innovation in Retail Banking and Best Commercial Bank of the Year in the Philippines from the International Banker, one of the world's leading publications of authoritative analysis on finance, international banking, and world affairs. The Bank was also voted as one of the Best Local Cash Management Banks in the Philippines in the 2016 polls conducted by Asiamoney for financial institutions. The Bank also received the Best Cash Management Bank in the Philippines Award at the recent Global Banking and Finance Review 2016 Awards. Moreover, UnionBank was recognized as the Best Company to Work For at the Asia Corporate and Sustainability Awards.