

October 27, 2017

THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention : **MR. JOSE VALERIANO B. ZUÑO III**
OIC- Head, Disclosure Department

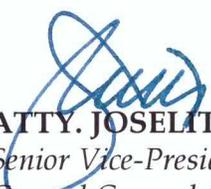
Gentlemen:

Please be informed that the Board of Directors of Union Bank of the Philippines ("UnionBank") at its regular meeting held today, approved the financial statements for the 3rd quarter of 2017.

Furthermore, UnionBank will be releasing the attached press release entitled "UnionBank Core Income Posts Double-Digit Growth".

For your information and guidance. Thank you.

Very truly yours,



ATTY. JOSELITO V. BANAAG
*Senior Vice-President,
General Counsel &
Corporate Secretary*

PRESS RELEASE

27 October 2017

UnionBank Core Income Posts Double-Digit Growth

UnionBank of the Philippines (PSE:UBP) recorded a net income of Php6.4 billion for the first nine months of 2017 versus the Php8.1 billion net income posted the same period last year. Excluding securities trading gains, the Bank's core income posted a year-on-year growth of 42.5% to Php6.1 billion from Php4.3 billion a year ago.

Overall, the earnings performance of the Bank translated to a Return on Equity (ROE) and Return on Assets (ROA) of 12.2% and 1.6%, respectively. UnionBank also continues to be one of the most cost-effective banks in the industry with cost-to-income ratio of 52.7%.

Total loans grew by 20.2% year-on-year to Php265.9 billion, propelling total assets to close the first nine months of the year to Php549.4 billion. The Bank's loan portfolio is well-diversified, with consumer loans to total loans at 36.3%. Total deposits similarly registered a 20.2% increase from a year ago to Php437.5 billion.

"We are on track towards achieving our FOCUS 2020 objective of becoming a Great Retail Bank. We continue to be among the most profitable banks in the industry even with the absence of trading, as reflected in our ROE and ROA. More importantly, more than half of our revenues are now coming from the retail segment, which underscores that customer businesses have successfully replaced our trading income of the past," said Edwin R. Bautista, UnionBank President and incoming CEO.

UnionBank of the Philippines distinguishes itself through superior technology, unique branch sales and service culture, and centralized backroom operations. It provides a wide range of retail, commercial, and corporate banking products and services, including loan and deposit products, cash management services, trust banking services, consumer finance, treasury, and electronic banking.

UnionBank has consistently been recognized as one of Asia's leading companies in banking and finance, ranking among the Philippines' top 10 universal banks in terms of key performance ratios in profitability, liquidity, solvency and efficiency. UnionBank garnered several awards and recognitions including "Best Universal Bank 2017" by London-based CFI.co; "Best Digital Bank - Philippines" at the Asiamoney Banking Awards 2017; "Gold Banking Employer of the Year" at The Stevie for Great Employers Awards 2017; "Best HR System Project", "Best Mobile Banking Project" and "Credit Card Product of the Year" at The Asian Banker Philippine Country Awards 2017; "Domestic Retail Bank of the Year – Philippines" and the "Debit Card Initiative of the Year" for 2017 by Asian Banking and Finance; "Best Investor Relations Company" for 2017 by Corporate Governance Asia; "Best Cash Management Bank in the Philippines" for 2016 from Global Banking and Finance Review; "Best Company to Work For" for 2016 at the Asia Corporate Excellence & Sustainability Awards (ACES); "Commercial Bank of the Year" and "Best Innovation in Retail Banking" for 2016 by the International Banker, affirming the Bank's leadership in the industry.