



PRESS RELEASE

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UnionBank Net Income at Php8.4 Billion; Core Earnings surged 30% YoY

UnionBank of the Philippines (PSE:UBP) posted a net income of Php8.4 billion in 2017 compared to the Php10.1 billion recorded last year. Excluding last year's one-time gains from securities trading, core income was up by a robust 30.4% to Php8.2 billion from Php6.3 billion a year ago.

In terms of other profitability indicators, the Bank delivered a Return on Equity and Return on Average Assets of 12.4% and 1.5%, respectively. UnionBank also continues to be one of the most cost-effective banks in the industry with cost-to-income ratio of 53.9%.

Total assets reached a new high of Php622.1 billion representing an 18.6% annual growth, with total loans growing by 19.4% year-on-year to Php281.0 billion. The Bank's loan portfolio is well-diversified, with consumer loans accounting to more than one-third of total loans. Total deposits similarly registered an 18.9% increase from a year ago to Php447.6 billion.

"We are pleased to continue making major headway on both our business and digital transformation strategies. Financial results were driven by recurring income across all customer business segments. Simultaneously, we were able to attain milestones on the user experience front: 1) EON Digital Bank as the first with selfie-banking feature in Asia; 2) the UnionBank mobile app and web versions with enhanced transactional capabilities; and 3) the launch of our concept branch, "The Ark", that introduced the "future of branch banking" in the country. Amid investments in various digital initiatives, the Bank continues to sustain very solid profitability results," said Edwin R. Bautista, UnionBank President and 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.