



PRESS RELEASE

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UnionBank Maiden Peso Bond Issue More Than 2x Oversubscribed at PHP10.5 Billion

The maiden bond issue of UnionBank of the Philippines has received overwhelming investor demand. With this, the bank has now more than doubled its issue size from the originally announced PHP5.0 billion to PHP10.5 billion.

The 2-year fixed rate bonds, which have a coupon rate of 7.061% per annum to be paid quarterly, were priced at 30 basis points over the 2 year BVAL government benchmark rate on November 21, 2018. This is at the lowest end of UnionBank's indicative pricing guidance of 30 to 50 basis points that the Bank communicated during a multi-city roadshow in Manila, Cebu and Davao last November 13-15, 2018.

With the issue size already over twice covered, UnionBank also opted to shorten the public offer period almost a week earlier than expected.

"We are encouraged by the results of our maiden Peso bond offering. The proceeds of the bonds will help support our strategic business expansion plans, while providing a new shorter dated investment instrument to our institutional and retail clients. We thank our investors for their unwavering confidence in UnionBank." said Mr. Jose Emmanuel U. Hilado, Senior Executive Vice-President, Chief Financial Officer and Treasurer.

The bonds, which will be issued and listed on PDEX on December 7, 2018, are the first issuance under a PHP20 billion multi-tranche bond and commercial paper program approved by UnionBank's Board of Directors last August 31, 2018.

HSBC and Standard Chartered Bank are the Joint Lead Arrangers and Bookrunners on the transaction. They are also the Selling Agents for the offering together with UnionBank.

Union Bank of the Philippines (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 has garnered several awards and recognitions including "Asia's Best Bank Transformation" in the 2018 Euromoney Awards for Excellence; "Digital Banking Initiative of the Year - Philippines" and "Online Banking Initiative of the Year - Philippines" at the Asian Banking and Finance - 2018 Retail Banking Awards; "Best Customer Experience - Branch (Winner)", "Best Omni-Channel Customer Experience (Highly Commended)", "Best Technology Implementation - Back Office (Highly Commended)", and "Best Technology Implementation - Front End (Highly Commended)" from Retail Banker International - 4th Customer Experience in Financial Services Awards; "Asia's Leader in Omnichannel Engagement" by IDC's 2018 Financial Insights Innovation Awards; "Best App for Mobile Banking" and "Excellence in Mobile Banking - Over-all" from Retail Banker International - Asia Trailblazer Awards 2018; "Best Investor Relations Company" and "Asia's Best CFO" from Corporate Governance Asia; "Most Innovative Bank of the Year 2018" from The European - Global Banking and Finance Awards; "Digital Bank of the Year in the Philippines 2017" in The Asset Triple A Digital Awards; "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, affirming the Bank's leadership in the industry. UnionBank's President and CEO was also recognized as "Best Banking CEO for 2018" by The European Magazine's Global Banking and Finance Awards and "Best Banking CEO of the Year - Asia 2018" by International Banker.