



February 18, 2019

Atty. Joseph B. Evangelista
Head, Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.
37F Tower 1, The Enterprise Center
Ayala Avenue Cor. Paseo de Roxas
Makati City

Dear Atty. Evangelista:

In compliance with the Exchange's Continuing Listing Requirements, we are submitting herewith a copy of the Bank's Balance Sheet (Consolidated and Bank Proper) as of December 31, 2018 as received by the Bangko Sentral ng Pilipinas on February 8, 2019. These financial reports will be published on Tuesday, February 19, 2019 in Business Mirror.

We hope we have sufficiently complied with your requirements.

Very truly yours,


JOSELITO E. MAPE
Executive Vice President & CFO



SECURITY BANK CORPORATION

Security Bank Centre, 6776 Ayala Avenue, Makati City, Philippines 0719

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Security Bank Centre, 6776 Ayala Avenue, Makati City
Tel. Nos.: +(632) 867-6788 / 888-78 / 88-791-88 • Website: www.securitybank.com

BALANCE SHEET
(Head Office and Branches)
As of December 31, 2018

ASSETS

	Current Quarter	Previous Quarter
Cash and Cash Items	11,922,889,641.07	8,329,377,125.37
Due from Bangko Sentral ng Pilipinas (BSP)	63,605,385,664.45	62,042,701,021.26
Due from Other Banks	8,886,541,887.41	7,091,479,886.42
Financial Assets at Fair Value through Profit or Loss	5,090,231,021.51	3,483,950,904.20
Available-for-Sale Financial Assets-Net	34,034,015,914.47	19,424,321,615.89
Held-to-Maturity (HTM) Financial Assets-Net	210,655,393,044.33	215,315,365,643.47
Loans and Receivables-Net:	412,187,778,364.67	399,545,083,221.72
Interbank Loans Receivable	2,581,484,064.45	4,882,753,278.60
Loans and Receivables-Others	410,600,098,051.54	395,312,386,793.35
General Loan Loss Provision	993,803,751.32	650,056,850.23
Other Financial Assets	8,160,879,606.17	5,306,207,176.20
Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net	4,784,829,573.94	4,687,373,764.09
Bank Premises, Furniture, Fixture & Equipment-Net	2,876,694,670.27	2,919,480,073.87
Real and Other Properties Acquired-Net	821,876,750.26	784,230,939.49
Other Assets-Net	6,993,355,011.40	7,089,752,712.18
TOTAL ASSETS	770,019,871,149.95	736,019,324,084.16

LIABILITIES

Financial Liabilities at Fair Value through Profit or Loss	1,776,909,120.33	2,116,055,900.19
Deposit Liabilities	490,719,326,787.98	469,573,072,102.01
Due to Other Banks	122,860,383.59	52,676,746.29
Bills Payable:	103,556,769,416.74	93,510,992,340.46
BSP (Rediscounting and Other Advances)	16,041,490,973.35	-
Interbank Loans Payable	19,644,181,509.42	15,497,634,181.82
Other Deposit Substitute	60,026,582,821.17	69,958,113,337.15
Others	7,844,514,112.80	8,055,244,821.49
Bonds Payable-Net	31,408,759,954.89	32,266,669,326.31
Unsecured Subordinated Debt-Net	9,957,247,632.23	9,955,592,485.63
Other Financial Liabilities	10,372,185,090.57	8,266,534,597.92
Other Liabilities	10,811,782,093.62	10,254,609,480.01
TOTAL LIABILITIES	658,725,840,479.95	625,996,202,978.82

STOCKHOLDERS' EQUITY

Capital Stock	46,186,416,799.90	46,186,416,799.90
Other Capital Accounts	7,966,522,135.86	5,568,966,391.22
Retained Earnings	57,141,091,734.24	58,267,737,914.22
Minority Interest in Subsidiaries	-	-
TOTAL STOCKHOLDERS' EQUITY	111,294,030,670.00	110,023,121,105.34
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	770,019,871,149.95	736,019,324,084.16

CONTINGENT ACCOUNTS

Performance Standby Letters of Credit	20,148,970,722.38	19,906,930,272.80
Commercial Letters of Credit	6,907,062,605.48	9,071,579,977.76
Trade Related Guarantees	2,734,035,225.73	2,215,345,331.54
Commitments	72,649,799,646.80	70,042,882,069.70
Spot Foreign Exchange Contracts	1,917,025,612.51	14,761,125,841.78
Trust Department Accounts:	49,015,309,998.75	46,075,678,525.41
Trust and Other Fiduciary Accounts	35,430,510,744.39	35,321,642,193.34
Agency Accounts	13,584,799,254.36	10,754,036,332.07
Derivatives	603,142,097,636.90	616,554,948,592.21
Others	1,786,805,021.93	1,644,867,083.84
TOTAL CONTINGENT ACCOUNTS	758,301,106,470.48	780,273,357,695.04

ADDITIONAL INFORMATION

1. Gross total loan portfolio (TLP)	415,348,789,053.12	402,730,418,354.29
2. Specific allowance for credit losses on the TLP	2,167,206,937.13	2,535,278,282.34
3. Non-Performing Loans (NPLs)		
a) Gross NPLs	2,796,885,255.23	2,617,722,711.70
b) Ratio of gross NPLs to gross TLP (%)	0.67	0.65
c) Net NPLs	1,679,507,639.11	1,427,892,984.01
d) Ratio of Net NPLs to gross TLP (%)	0.40	0.35
e) Ratio of total allowance for credit losses to gross NPLs (%)	113.02	121.68
f) Ratio of specific allowance for credit losses on the gross TLP to gross NPLs (%)	77.49	96.85
4. Classified Loans & Other Risk Assets, gross of allowance for credit losses	16,537,000,000.00	16,537,000,000.00
5. DOSRI Loans and receivables, gross allowance of credit losses	4,034,259,644.11	2,969,820,984.12
6. Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (%)	0.97	0.74
7. Gross non-performing DOSRI loans and receivables	-	-
8. Ratio of gross non-performing DOSRI loans and receivables to TLP (%)	-	-
9. Percent Compliance with Magna Carta (%)		
a) 8% for Micro and Small Enterprises	0.27	0.26
b) 2% for Medium Enterprises	3.71	3.75
10. Return on Equity (ROE) (%)	8.08	7.92
11. Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations		
a) Total CAR (%)	17.89	17.84
b) Tier 1 Ratio (%)	15.57	15.58
c) Common Tier 1 Ratio (%)	15.57	15.58
12. Deferred Charges not yet Written Down	-	-
13. Unbooked Allowance for Credit Losses on Financial Instruments Received	-	-

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) s.s

We, Eduardo M. Olbes and Milarey M. Wee of the above mentioned bank do solemnly swear that all matters set forth in the above balance sheet are true and correct to the best of our knowledge and belief.

(SGD.) MILAREY M. WEE
First Vice President / Comptroller

(SGD.) EDUARDO M. OLBES
Executive Vice President

SUBSCRIBED AND SWORN TO BEFORE ME this 8th day of February, 2019 at City of Makati, affiants exhibiting their Passport No. EC2552074, issued at City of Manila on October 27, 2014 and Passport No. P8116670A, issued at City of Manila on July 27, 2018.

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(SGD.) HENSON M. MONTALVO
NOTARY PUBLIC
Until Dec. 31, 2019
PTR No. 7341748
01/08/2019; Makati City



Member: PDIC
Maximum Deposit Insurance for Each Depositor: ₱500,000.00

CONSOLIDATED BALANCE SHEET
(Bank and Financial Subsidiaries)
As of December 31, 2018

ASSETS

	Current Quarter	Previous Quarter
Cash and Cash Items	11,922,889,641.07	8,329,377,125.37
Due from Bangko Sentral ng Pilipinas (BSP)	63,605,385,664.45	62,042,701,021.26
Due from Other Banks	9,020,999,816.79	7,209,693,966.80
Financial Assets at Fair Value through Profit or Loss	5,090,257,531.89	3,484,142,236.95
Available-for-Sale Financial Assets-Net	34,066,109,194.47	19,457,930,411.89
Held-to-Maturity (HTM) Financial Assets-Net	210,655,393,044.33	215,315,365,643.47
Loans and Receivables-Net:	412,807,788,541.55	399,879,044,681.59
Interbank Loans Receivable	2,581,484,064.45	4,882,753,278.60
Loans and Receivables-Others	411,226,703,523.14	395,673,282,849.46
General Loan Loss Provision	1,000,399,046.04	676,991,446.47
Other Financial Assets	8,209,940,956.12	5,344,800,104.07
Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net	286,635,662.44	279,776,946.90
Bank Premises, Furniture, Fixture & Equipment-Net	4,118,013,061.84	4,053,570,314.17
Real and Other Properties Acquired-Net	785,918,998.18	747,009,676.16
Other Assets-Net	9,209,479,962.38	8,867,229,729.40
TOTAL ASSETS	769,778,812,075.51	735,010,641,858.03

LIABILITIES

Financial Liabilities at Fair Value through Profit or Loss	1,776,909,120.33	2,116,055,900.19
Deposit Liabilities	488,990,046,972.72	467,732,378,102.72
Due to Other Banks	122,860,383.59	52,676,746.29
Bills Payable:	103,881,769,416.73	93,735,992,340.46
BSP (Rediscounting and Other Advances)	16,041,490,973.35	-
Interbank Loans Payable	19,644,181,509.42	15,497,634,181.82
Other Deposit Substitute	60,026,582,821.17	69,958,113,337.15
Others	8,169,514,112.80	8,280,244,821.49
Bonds Payable-Net	31,408,759,954.89	32,266,669,326.31
Unsecured Subordinated Debt-Net	9,957,247,632.23	9,955,592,485.63
Other Financial Liabilities	10,390,233,157.62	8,284,669,546.55
Other Liabilities	12,082,000,226.97	10,959,824,243.81
TOTAL LIABILITIES	658,609,826,865.08	625,103,858,691.96

STOCKHOLDERS' EQUITY

Capital Stock	46,154,539,833.13	46,154,539,833.13
Other Capital Accounts	7,926,427,498.27	5,537,980,288.86
Retained Earnings	57,076,348,502.86	58,202,994,682.84
Minority Interest in Subsidiaries	11,669,376.17	11,268,361.24
TOTAL STOCKHOLDERS' EQUITY	111,168,985,210.43	109,906,783,166.07
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	769,778,812,075.51	735,010,641,858.03

CONTINGENT ACCOUNTS

Performance Standby Letters of Credit	20,148,970,722.38	19,906,930,272.80
Commercial Letters of Credit	6,907,062,605.48	9,071,579,977.76
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Commitments	72,649,799,646.80	70,042,882,069.70
Spot Foreign Exchange Contracts	1,917,025,612.51	14,761,125,841.78
Trust Department Accounts:	49,015,309,998.75	46,075,678,525.41
Trust and Other Fiduciary Accounts	35,430,510,744.39	35,321,642,193.34
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Derivatives	603,142,097,636.90	616,554,948,592.21
Others	1,786,805,021.93	1,644,867,083.84
TOTAL CONTINGENT ACCOUNTS	758,301,106,470.48	780,273,357,695.04

ADDITIONAL INFORMATION

1. List of Financial Allied Subsidiaries:		
a) SB Cards Corporation		
b) SB Forex, Incorporated		
c) SB Capital Investment Corporation		
d) Landlink Property Investments (SPV-AMC), Inc.		
e) SB Finance Company, Inc.		
2. Capital Adequacy Ratio (CAR) on Consolidated Basis, as prescribed under existing regulations		
a) Total CAR (%)	18.70	18.58
b) Tier 1 Ratio (%)	16.40	16.33
c) Common Equity Tier 1 Ratio (%)	16.40	16.33

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) s.s

We, Eduardo M. Olbes and Milarey M. Wee of the above mentioned bank do solemnly swear that all matters set forth in the above balance sheet are true and correct to the best of our knowledge and belief.

(SGD.) MILAREY M. WEE
First Vice President / Comptroller

(SGD.) EDUARDO M. OLBES
Executive Vice President

SUBSCRIBED AND SWORN TO BEFORE ME this 8th day of February, 2019 at City of Makati, affiants exhibiting their Passport No. EC2552074, issued at City of Manila on October 27, 2014 and Passport No. P8116670A, issued at City of Manila on July 27, 2018.

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Regulated by the Bangko Sentral ng Pilipinas (02) 708 7087
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