



**April 26, 2019**

**Subject of the Disclosure** Clarification of News Article  
**Source** The Manila Times (Internet Edition) on April 26, 2019  
**Subject of News Report** BPI sets P6-B capex; profit hits P6.7B in Q1  
**Date of Publication** Apr 26, 2019

**Clarification of News Report**

We write in reply to your request for clarification on the news article entitled “BPI sets P6-B capex; profit hits P6.7B in Q1” posted in manilatimes.net on April 26, 2019. The article reported in part that:

“Listed Bank of the Philippine Islands (BPI) has set aside about P6 billion in capital expenditures (capex) for this year, with the bulk to be spent on improving its technological capabilities.

In a briefing in Makati City on Thursday, BPI Executive Vice President and Chief Financial Officer Maria Theresa Javier said the amount was ‘a combination of spending for technology and [for] the expansion [of] our branch footprint for both regular BPI branches and BanKO branches.’

One-third of the total amount, she added, would be spent on information technology (IT).

During the Ayala-led banking giant’s annual stockholders’ meeting also on Thursday, President and Chief Executive Officer Cezar Consing reported that the lender already completed the first phase of its digitalization journey.

With this journey now on its second phase, Consing said BPI would ramp up its investment in technology over the next three years.

‘A successful execution of Phase Two of our digitalization journey could contribute an additional 20-percent revenue uplift over and above our base case projections by 2023,’ he added.

....

On the rest of the capex, Javier said it would be used to establish 14 regular BPI branches and 100 BanKO branches.

....”

We confirmed that the news is fairly accurate. We have earmarked P6 billion for capital expenditures in 2019 consistent with our digitalization and financial inclusion strategy. About 33% of the capital expenditure budget is allocated for investments in technology. The balance is for additional 14 BPI branches and 100 BanKo branches and branch-lite units.

We hope this clarifies the matter.

**Filed on behalf by:**

**Name** Josenia Jessica Nemeno

**Designation** Assistant Corporate Secretary