



PRESS RELEASE
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UnionBank Raises PHP5.8 billion Senior Bonds

UnionBank of the Philippines (“UnionBank”) successfully raised PHP5.8 billion worth of new 3 year bonds to supplement its funding base, support business expansion plans and for other general corporate purposes. This is the second bond issuance by UnionBank, following an PHP11.0 billion bond issue last December 7, 2018.

The bank announced an initial PHP3 billion size, and ended up increasing the offer to almost twice after receiving strong demand from institutional and retail clients – allowing UnionBank to also price at the lower end of its guidance, eventually printing a coupon rate of 6.00%. The bonds will be issued on June 3, 2019 and listed on the Philippine Dealing Exchange (PDEX) on the same day.

“Our Peso bond issuance is part of our on-going efforts to diversify our funding sources and lengthen the maturity profile of our liabilities. This instrument allows us to comply with the new liquidity and funding ratios (LCR/NFSR) at a lower intermediation cost.” Said UnionBank SEVP, CFO and Treasurer, Jose Emmanuel Hilado.

This also brings UnionBank’s total issuance to PHP16.8 billion, of which P5.8 billion was drawn from the newly established PHP39 billion bond and commercial paper program. To further expedite issuances moving forward, UnionBank was also the first bank to issue under a programme style documentation patterned after international medium term note programmes. By aligning documentation for issuers that frequently tap the bond markets, UnionBank can shorten its execution timetable and capture funding opportunities more efficiently and effectively.

The Hongkong and Shanghai Banking Corporation Limited (HSBC) and ING Bank N.V. Manila Branch (ING) acted as Joint Lead Managers and Bookrunners for the transaction. HSBC and ING were also Selling Agents alongside 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.