

# COVER SHEET

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SEC Registration Number

UNION BANK OF THE PHILIPPINES

(Company's Full Name)

UNION BANK PLAZA MERALCO AVENUE

CORNER ONYX ST ORTIGAS CENTER

PASIG CITY

(Business Address: No. Street City/Town/Province)

**Atty. Joselito V. Banaag**

(Contact Person)

**(02) 8841-8600**

(Company Telephone Number)

1 2

Month

3 1

Day

(Fiscal Year)

1 7 - C

(Form Type)

0 4

Month

2 8

Day

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-C**

**CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2 (c) THEREUNDER**

1. January 26, 2024  
Date of Report (Date of earliest event reported)
2. 36073  
SEC Identification Number
3. 000-508-271-000  
BIR Tax Identification Number
4. UNION BANK OF THE PHILIPPINES  
Exact name of issuer as specified in its charter
5. METRO MANILA  
Province, country of other jurisdiction  
of incorporation
6. \_\_\_\_\_  
Industry Code (SEC Use Only)
7. UNIONBANK PLAZA, MERALCO AVE., COR. ONYX ST., 1605  
ORTIGAS CENTER, PASIG CITY Postal Code  
Address of principal office
8. (02) 8841-8600  
Issuer's telephone number, including area code
9. NOT APPLICABLE  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class

Number of Shares of Common Stock  
Outstanding and Amount of Debt Outstanding

Common

2,989,259,518

11. Indicate the item numbers reported herein: Item 9 - Other Events

Please refer to the attached letter dated January 26, 2024.

Signatures

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**UNION BANK OF THE PHILIPPINES**

Registrant

By:

Date : January 26, 2024

Name: **ATTY. JOSELITO V. BANAAG**

Title: *SVP/ Corporate Secretary*

A handwritten signature in blue ink, appearing to read "Joselito V. Banaag", is written over the printed name and title. The signature is fluid and cursive.

January 26, 2024

**SECURITIES AND EXCHANGE COMMISSION**

SEC Headquarters, 7907 Makati Avenue  
Salcedo Village, Brgy. Bel-Air, Makati City 1209

Attention: **DIRECTOR VICENTE GRACIANO P. FELIZMENIO, JR.**  
*Markets and Securities Regulation Department*

**THE PHILIPPINE STOCK EXCHANGE, INC.**

6<sup>th</sup> Floor, PSE Tower  
28<sup>th</sup> Street corner 5<sup>th</sup> Avenue  
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**  
*Officer-in-Charge, Disclosure Department*

**PHILIPPINE DEALING AND EXCHANGE CORP.**

29/F BDO Equitable Tower  
8751 Paseo de Roxas, Makati City

Attention: **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**  
*Head, Issuer Compliance and Disclosure Department*

**Gentlemen:**

Union Bank of the Philippines' net income for the year 2023 is at P9.2 billion. Topline revenues posted robust growth driven by a strong consumer business, higher margins, and customer transaction fees. The Bank's bottom line, however, was affected by integration costs related to the Citi consumer business acquisition.

Net revenues increased by 36% to P71 billion versus the same period last year. The Bank's net interest margin went up to 5.5% vs. 4.8% in the prior year. This resulted to net interest income reaching P52 billion or 34% higher year-on-year. The higher margin is attributable to the remarkable growth in consumer lending. The Bank's consumer loans now account for 58% of total loan portfolio, which is diversified across credit cards, mortgage loans, personal/salary loans, and vehicle loans. Non-interest income was up by 41% to P19 billion, with fee-based income higher by 54% to P10 billion. The growth in fees was a result of the growing customer transactions such as bills payments, funds transfers, interchange, and other card-related fees.

Operating expenses were up by 43% to P45 billion on account of the full-year impact of the acquired Citi consumer business and UnionDigital. These new businesses were only included as part of the banking group in the second half of 2022. At the same time, the Bank incurred one-time costs due to the integration of the acquired Citi consumer business.

Total assets as of December 2023 amounted to P1.1 trillion, reflecting a 5% increase from December 2022. Net loans and receivables grew by 10% reaching P527 billion, while total deposits remained stable at P713 billion.

Please refer to the attached Press Release dated January 26, 2024 entitled "UnionBank FY 2023 Net Income at P9.2 billion".

Thank you.

Very truly yours,



**ATTY. JOSELITO V. BANAAG**  
*Senior Vice-President,  
General Counsel &  
Corporate Secretary*



**UnionBank FY 2023 Net Income at P9.2 billion**

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"We have surpassed our customer growth targets. Our customer base is now close to 14 million. The strategic shift towards a more predictable, recurring income model has proven successful, reflected in our above-industry net interest margins and fees as a proportion of our balance sheet size. Our overall profitability, however, was affected by front-loaded costs incurred in the integration of new businesses. In a way, we are temporarily carrying the cost of running on two systems – we are paying Citi a fee to support the business on their platform while we develop and fully transition all ex-Citi retail customers to our own system. These investments are necessary to ensure the sustainability of our consumer business growth moving forward", said Manuel R. Lozano, Chief Financial Officer.

"Investments in our new businesses are yielding highly promising results. The acquired Citi consumer business has consistently surpassed expectations, while UnionDigital attained profitability throughout its first full year of operations. We are experiencing early returns on these strategic investments, with leading indicators pointing towards a sustained increase in transactions over time. This is evidenced by a growing individual depositor base, an uptick in new-to-bank credit cards, record-breaking downloads of our mobile app, and net promoter scores that surpass industry standards. Our commitment extends to completing the seamless integration of these new businesses this year. Immediately after, you will see a stronger and more profitable UnionBank", said Edwin R. Bautista, President & Chief Executive Officer.

*Union Bank of the Philippines (UnionBank) has always been among the first to embrace technological innovations to empower its customers. Undoubtedly the Philippines' pioneer in digital banking, UnionBank is committed to be the region's digital trailblazer and aspires to be a Great Retail Bank to best serve the growing needs of Filipinos everywhere.*

*It has consistently been recognized as one of Asia's leading companies, ranking among the country's top universal banks in terms of profitability and efficiency.*

*Over the years, UnionBank has garnered a record-breaking number of awards and recognition including the most recent "Marketing Company of the Year" at the 42nd Agora Awards; "Asia Trailblazer Institution of the Year" from Retail Banker International; "Best Retail Bank in Southeast Asia 2023" from Capital Finance International; 6-Time "Digital Bank of the Year (2018-2023)" from The Asset Triple A; "Most Recommended Bank in the Philippines 2023" and 4-time "Best Retail Bank in the Philippines" from The Asian Banker; "40 Years of Excellence in Retail Banking Philippines 2023" from Global Banking and Finance; "Best Bank in the Philippines" from Euromoney Real Estate Awards 2023; "Best Private Bank, Philippines 2023" from The Digital Banker; "Best Digital Bank in Southeast Asia 2022" from Capital Finance International; back-to-back "Best Bank for Customer Experience in Southeast Asia" from Global Brands Magazine; "Best Bank Transformation in South East Asia 2021" from Global Banking and Finance; "Most Recommended Retail Bank in Asia Pacific 2021" from BankQuality.com; "Fastest Growing Fintech Company, South East Asia 2021" for UBX from Global Banking and Finance; "Best Bank for ESG 2022" from Asiamoney; back-to-back "Best Bank for SMEs" (2020-2021) from Asiamoney; "SME Bank of the Year - Philippines 2021" from Asian Banking and Finance; back-to-back "#1 Best Service Domestic Bank in the Philippines 2020-2021" at the Asiamoney Cash Management Survey; "Asia's Best Bank Transformation" from Euromoney; "Asia-Pacific Retail Bank of the Year" from Retail Banker International; "Top 2 Most Helpful Banks in Asia Pacific during COVID-19" from BankQuality.com; 3-time "Best Digital Bank Philippines" from Asiamoney and International Finance Magazine; and "Employer of the Year" awards from Stevie Awards for Great Employers, Asian Banking and Finance, and HR Asia.*

*UnionBank is determined to be an enabler of the Philippines' bid to be a G20 country by 2050. It stands firm in its promise to power the future of banking while co-creating innovations for a better world.*