



UNIONBANK

UnionBank Plaza
Meralco Avenue cor. Onyx &
Sapphire Roads, Ortigas Center
Pasig City 1605
Tel: (632) 667 6388 Fax: (632) 636 6289
www.unionbankph.com

November 21, 2012

The Philippine Stock Exchange, Inc.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
City of Makati

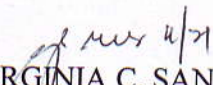
Attention: *MS. JANET A. ENCARNACION*
Head, Disclosure Department

Dear Ms. Encarnacion:

In compliance with your requirement, please find attached Union Bank of the Philippines Balance Sheets (Parent and Bank with Financial Subsidiaries) as of September 30, 2012.

We request your acknowledgement. Thank you.

Very truly yours,


VIRGINIA C. SAN PASCUAL
Senior Manager

UNIONBANK

UnionBank Plaza, Meralco Avenue corner Onyx & Sapphire Roads, Ortigas Center, Pasig City 1605

A full-service universal bank with 187 branches
A partnership among the Aboitiz Group, Insular Life Assurance Co. and Social Security System

BALANCE SHEET (Head Office and Branches) As of September 30, 2012

| <u>ASSETS</u> | |
|------------------------------------------------------------------------|-----------------------------|
| Cash and Cash Items | P 3,279,148,224.49 |
| Due from Bangko Sentral ng Pilipinas | 23,160,229,413.93 |
| Due from Other Banks | 5,031,082,826.40 |
| Financial Assets at Fair Value through Profit or Loss | 271,114,480.38 |
| Available-for-Sale Financial Assets (Net) | 67,761,270,559.26 |
| Loans and Receivables (Net) | 97,437,908,105.57 |
| Interbank Loans Receivable | 10,033,877,254.42 |
| Loans and Receivables (Others) | 83,281,551,652.45 |
| Loans and Receivables Arising from RA/CA/PR/SLB | 5,000,000,000.00 |
| General Loan Loss Provision | 877,520,801.30 |
| Other Financial Assets | 3,008,756,391.81 |
| Equity Investment in Subsidiaries, Associates and Joint Ventures (Net) | 848,025,858.48 |
| Bank Premises, Furniture, Fixture and Equipment (Net) | 4,836,891,359.93 |
| Real and Other Properties Acquired (Net) | 4,901,897,140.55 |
| Non-Current Assets Held for Sale | 318,044,218.88 |
| Other Assets (Net) | 14,756,950,868.90 |
| TOTAL ASSETS | P 225,611,319,448.58 |

LIABILITIES

| | |
|------------------------------------------------------------|-----------------------------|
| Financial Liabilities at Fair Value through Profit or Loss | P 983,475,687.38 |
| Deposit Liabilities | 159,736,233,762.37 |
| Bills Payable | 4,821,430,479.16 |
| BSP (Rediscounting and Other Advances) | 64,023,287.75 |
| Interbank Loans Payable | 4,519,000,000.00 |
| Other Deposit Substitute | 95,201,433.60 |
| Others | 143,205,757.81 |
| Unsecured Subordinated Debt (Net) | 3,750,000,000.00 |
| Other Financial Liabilities | 5,696,894,117.02 |
| Other Liabilities | 7,725,773,858.70 |
| TOTAL LIABILITIES | P 182,713,807,904.63 |

STOCKHOLDERS' EQUITY

| | |
|---------------------------------------------------|-----------------------------|
| Capital Stock | P 12,234,085,644.83 |
| Other Capital Accounts | 8,345,478,477.91 |
| Retained Earnings | 22,317,947,421.21 |
| TOTAL STOCKHOLDERS' EQUITY | P 42,897,511,543.95 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | P 225,611,319,448.58 |

CONTINGENT ACCOUNTS

| | |
|---------------------------------------|----------------------------|
| Guarantees Issued | P 241,238,076.64 |
| Financial Standby Letters of Credit | 202,082,203.20 |
| Performance Standby Letters of Credit | 1,681,379,203.19 |
| Commercial Letters of Credit | 1,282,300,492.44 |
| Trade Related Guarantees | 250,195,087.06 |
| Commitments | 13,195,495,571.58 |
| Spot Foreign Exchange Contracts | 11,934,676,841.30 |
| Trust Department Accounts | 42,087,427,976.24 |
| Trust and Other Fiduciary Accounts | 24,333,755,242.69 |
| Agency Accounts | 17,753,672,733.55 |
| Others | 6,540,899,507.15 |
| TOTAL CONTINGENT ACCOUNTS | P 77,415,694,958.80 |

Additional Information

| | |
|--------------------------------------------------------------------------------------------|-------------------|
| Non-Performing Loans (NPLs) | 2,914,428,869.79 |
| Ratio of Non-Performing Loans to Total Loan Portfolio (NPL to TLP) | 2.92 |
| Classified Loans & Other Risk Assets | 18,417,664,186.60 |
| Specific Provision for Loan Losses | 8,457,938,319.44 |
| Return on Equity (ROE) | 21.54 |
| DOSRI Loans and Receivables | 890,230,198.85 |
| Past due DOSRI loans and receivables | 0.00 |
| Ratio of Past due DOSRI loans and receivables to TLP | 0.00 |
| Compliance with Magna Carta - for Micro, Small and Medium Enterprises | |
| a. 8% for Micro and Small Enterprises | 5.96 |
| b. 2% for Medium Enterprises | 3.38 |
| Capital Adequacy Ratio (CAR) on Solo Basis under Cir No. 538 or Cir No. 280, as applicable | |
| a. Total CAR | 20.50 |
| b. Tier1 CAR | 17.70 |
| Deferred Charges not yet Written Down | 0.00 |
| Unbooked Allowance for Probable Losses on Financial Instruments Received | 0.00 |

REPUBLIC OF THE PHILIPPINES)

) S.S.

We, Cesar G. Ilagan and Victor B. Valdepeñas 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.) CESAR G. ILAGAN
Controller

(Sgd.) VICTOR B. VALDEPEÑAS
President

SUBSCRIBED AND SWORN to before me this 14th day of November 2012, affiants exhibiting to me their Community Tax No. 11143353 issued at Pasig City on January 16, 2012 and Community Tax No. 1469359 at Manila City on January 05, 2012, respectively.

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Book No. 1
Series of 2012

JIM ROY D. SO
Notary Public for Pasig, Taguig, San Juan and Pateros
Commission Expires December 31, 2013
IBP No. 884878 / 01-17-2012 / Pampanga
PTR No. 7959352 / 01-26-2012 / Pasig City
Roll of Attorney's No. 58197
Appointment No. 258 (2012-2013)

CONSOLIDATED BALANCE SHEET (Bank and Financial Subsidiaries) As of September 30, 2012

| <u>ASSETS</u> | |
|------------------------------------------------------------------------|-----------------------------|
| Cash and Cash Items | P 3,279,148,224.49 |
| Due from Bangko Sentral ng Pilipinas | 23,160,229,413.93 |
| Due from Other Banks | 5,031,082,826.40 |
| Financial Assets at Fair Value through Profit or Loss | 271,114,480.38 |
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| Loans and Receivables Arising from RA/CA/PR/SLB | 5,000,000,000.00 |
| General Loan Loss Provision | 877,520,801.30 |
| Other Financial Assets | 3,008,756,391.81 |
| Equity Investment in Subsidiaries, Associates and Joint Ventures (Net) | 846,137,843.14 |
| Bank Premises, Furniture, Fixture and Equipment (Net) | 4,836,891,359.93 |
| Real and Other Properties Acquired (Net) | 4,901,897,140.55 |
| Non-Current Assets Held for Sale | 318,044,218.88 |
| Other Assets (Net) | 14,744,695,432.81 |
| TOTAL ASSETS | P 225,597,535,591.67 |

LIABILITIES

| | |
|------------------------------------------------------------|-----------------------------|
| Financial Liabilities at Fair Value through Profit or Loss | P 983,475,687.38 |
| Deposit Liabilities | 159,733,040,763.90 |
| Bills Payable | 4,821,930,479.16 |
| BSP (Rediscounting and Other Advances) | 64,023,287.75 |
| Interbank Loans Payable | 4,519,000,000.00 |
| Other Deposit Substitute | 95,201,433.60 |
| Others | 143,705,757.81 |
| Unsecured Subordinated Debt (Net) | 3,750,000,000.00 |
| Other Financial Liabilities | 5,696,894,117.02 |
| Other Liabilities | 7,721,794,984.92 |
| TOTAL LIABILITIES | P 182,707,136,032.38 |

STOCKHOLDERS' EQUITY

| | |
|---------------------------------------------------|-----------------------------|
| Capital Stock | P 12,234,085,644.83 |
| Other Capital Accounts | 8,345,015,967.92 |
| Retained Earnings | 22,309,852,079.93 |
| Minority Interest in Subsidiaries | 1,445,866.61 |
| TOTAL STOCKHOLDERS' EQUITY | P 42,890,399,559.29 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | P 225,597,535,591.67 |

CONTINGENT ACCOUNTS

| | |
|---------------------------------------|----------------------------|
| Guarantees Issued | P 241,238,076.64 |
| Financial Standby Letters of Credit | 202,082,203.20 |
| Performance Standby Letters of Credit | 1,681,379,203.19 |
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| Agency Accounts | 17,753,672,733.55 |
| Others | 6,540,899,507.15 |
| TOTAL CONTINGENT ACCOUNTS | P 77,415,694,958.80 |

Additional Information

| | |
|------------------------------------------------------------------------------------|-------|
| List of Bank's Financial Allied Subsidiaries (Excluding Subsidiary Insurance Comp) | |
| a. UnionBank Currency Brokers Corporation | |
| b. UBP Securities, Inc. | |
| c. Interventure Capital Corporation | |
| Capital Adequacy Ratio (CAR) on Consolidated Basis, under Cir No. 536 | |
| a. Total CAR | 20.50 |
| b. Tier1 CAR | 17.69 |

REPUBLIC OF THE PHILIPPINES)

) S.S.

We, Cesar G. Ilagan and Victor B. Valdepeñas of the above-mentioned bank do solemnly swear that all matters set forth in the above Consolidated Balance Sheet are true and correct to the best of our knowledge and belief.

(Sgd.) CESAR G. ILAGAN
Controller

(Sgd.) VICTOR B. VALDEPEÑAS
President

SUBSCRIBED AND SWORN to before me this 14th day of November 2012, affiants exhibiting to me their Community Tax No. 11143353 issued at Pasig City on January 16, 2012 and Community Tax No. 1469359 at Manila City on January 05, 2012, respectively.

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