

Press Release
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The Asian Banker Excellence in Retail Financial Services Awards 2009

Bank of the Philippine Islands wins the award for Best Retail Bank in the Philippines, 2008

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- *Bank of the Philippine Islands delivered an outstanding performance amidst the financial crisis and won the prestigious award for the eighth time.*
- *Over 120 banks and financial institutions from 22 countries across the Asia Pacific, Gulf and Central Asian regions were evaluated as part of the Excellence in Retail Financial Services Programme.*

Singapore, 20 March 2009 – Bank of the Philippine Islands has been named the Best Retail Bank in the Philippines in the eighth Asian Banker Excellence in Retail Financial Services Awards Programme. The bank received the award at The Asian Banker Excellence in Retail Financial Services Awards 2009 ceremony, held in conjunction with the region's foremost retail banking event, the Excellence in Retail Financial Services Convention. The ceremony was held at the Grand Hyatt in Singapore on the evening of March 19th, 2009.

About 120 senior bankers from award winning banks in 22 countries across the Asia Pacific, the Gulf and Central Asian regions attended the formal gala dinner, the industry's celebration of the region's best retail bankers that recognizes their efforts in bringing superior products and services to their customers.

The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants and academics, is the most prestigious of its kind.

A stringent three month-long evaluation process, based on a balanced and transparent scorecard, determined the winners and the position of the different retail banks in the region. A full list of winners is attached.

Bank of the Philippine Islands wins the award for Best Retail Bank in the Philippines, 2008

Bank of the Philippine Islands was awarded the Best Retail Bank in the Philippines for 2008 for the eighth time, gaining higher scores than the other banks surveyed in the programme, including HSBC (Philippines), Banco de Oro, Metrobank, UnionBank of the Philippines and Citibank (Philippines).

For seven years the Bank has been dominating the Philippines banking sector and therefore displays its unique role in the history of the Excellence for the Retail Financial Services Awards.

Unlike its peers, BPI was able to grow the profits of their consumer banking business with extraordinary 320% year on year in 2008 and operating revenues improved by 19%. BPI was particularly very strong in remittances, housing loans and auto loans. In several key indicators such as return on equity, BPI showed stable performance with 18%, which is significantly better than the market average. Main reason for the extraordinary profit growth is effective cost management with the lower operating expenses and also lower impairment losses in 2008. BPI's risk management can take credit for slightly lower non-performing loans of 3.2% and the bank assured that it had no exposure to Lehman Brothers, AIG and the subprime mortgage industry.

“Good cross-selling abilities and high sales growth in the newly launched branches proved the bank's strategy to be one of the most successful in the Philippines,” said Mr. Chris Kapfer, head of Excellence in Retail Financial Services Awards Programme at The Asian Banker.

In 2008, the bank was successful in improving its online banking proposition, where it generated strong growth throughout the year. The bank's success in using the internet as a sales channel was also pronounced. In general, sales was successful considering the banks retail liabilities grew 5% as did the retail assets with 7% year-on-year in 2008.

The bank also introduced various process improvements, such as the implementation of the Six Sigma Programme and the Tatham approach to the sales management process. In addition, the technology upgrades with a high degree of automation for loan processing, deposit savings and the remittance operating system enhanced the efficiency and turnaround time.

Bank of the Philippine Islands delivered an outstanding performance amidst the financial crisis and won the prestigious award for the eighth time

Bank of the Philippine Islands displayed stable growth in 2008. It managed to avoid the pitfalls of the financial crises and even grew profits while managing its expenses.

BPI offers products, which are unique in the Philippine market such as the Step Up Housing Loan of BPI Family Savings Bank. It is the only housing loan in the market that adjusts the borrower's monthly amortization to his earning capacity.

After all, the bank launched it revitalised brand with the new slogan “Expect More.” “Customer focus is what defines the revitalised brand BPI. We are doing a number of initiatives to make the BPI customer experience a consistently delightful one. We are also ensuring that our products and services are relevant to achieving their financial aspirations, so that they can expect more in life,” said SVP Natividad Alejo, BPI's head of consumer banking.

Over 120 banks and financial institutions from 22 countries across the Asia Pacific, Gulf and Central Asian regions were evaluated as part of the Excellence in Retail Financial Services Programme

“This year over 120 banks and financial institutions in 22 countries across the region were evaluated as part of the Excellence in Retail Financial Services Programme. It has become the single most prestigious, comprehensive and anticipated awards programme that recognises the pursuit of excellence amongst retail financial institutions available almost anywhere in the world today,” said Philip Strause, Chairman of The Asian Banker Excellence in Retail Financial Services Programme.

The transparent award evaluation process uses a balanced scorecard approach and a comprehensive methodology to evaluate the strength of individual banks’ retail banking businesses that involves extensive research and probing interviews, and taps on the combined experience of a team of experienced researchers.

Strause, who has over 30 years experience as a principal consultant to leading financial institutions in North America and the Asia Pacific, added: “The Asian Banker Excellence Programme was instituted in 2001 on the premise that an outstanding player in the retail financial services industry should build business franchises that are sustainable, competitive and profitable over a period of time.”

About The Asian Banker

The Asian Banker is the foremost provider of strategic business intelligence on the financial services industry in the Asia Pacific and Middle East regions. The organization has offices in Singapore, Kuala Lumpur, Beijing and Dubai as well as representatives in Shanghai, London and New York. With a business that revolves around publications, research services, training and forums, the organization is highly regarded in the financial services community for its incisive and independent commentaries on developments in the industry. The company’s website is www.theasianbanker.com.

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