



# SECURITY BANK

Security Bank Centre, 6776 Ayala Avenue, Makati City  
Tel. Nos.: +(632) 867-6788 / 888-78 / 88-791-78 • Website: www.securitybank.com

## BALANCE SHEET

(Head Office and Branches)  
As of March 31, 2015

| ASSETS                                                                |                             |                             |  |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------|--|
|                                                                       | Current Quarter             | Previous Quarter            |  |
| Cash and Cash Items                                                   | P 4,937,596,888.45          | P 5,347,436,279.53          |  |
| Due from Bangko Sentral ng Pilipinas                                  | 33,481,347,744.90           | 34,630,260,657.59           |  |
| Due from Other Banks                                                  | 25,271,805,300.89           | 39,047,041,566.16           |  |
| Financial Assets at Fair Value through Profit or Loss                 | 7,119,890,638.14            | 10,919,600,232.43           |  |
| Available-for-Sale Financial Assets-Net                               | -                           | -                           |  |
| Held-to-Maturity Financial Assets-Net                                 | 126,138,394,276.35          | 101,033,143,833.44          |  |
| Unquoted Debt Securities Classified as Loans-Net                      | 2,217,737,162.17            | 2,219,067,478.58            |  |
| Loans and Receivables-Net                                             | 192,367,335,000.38          | 179,289,004,365.34          |  |
| Interbank Loans Receivable                                            | 1,173,412,758.54            | 898,584,268.39              |  |
| Loans and Receivables-Others                                          | 193,236,556,957.65          | 180,588,576,979.72          |  |
| General Loan Loss Provision                                           | 2,042,634,715.81            | 2,198,156,882.77            |  |
| Other Financial Assets                                                | 3,224,999,277.00            | 3,716,065,955.39            |  |
| Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net | 5,626,465,427.17            | 5,501,762,828.15            |  |
| Bank Premises, Furniture, Fixture & Equipment-Net                     | 2,439,953,907.89            | 2,154,621,473.54            |  |
| Real and Other Properties Acquired-Net                                | 452,976,658.82              | 222,816,222.02              |  |
| Non-Current Assets Held for Sale                                      | 47,093,555.74               | 47,093,555.74               |  |
| Other Assets-Net                                                      | 13,504,245,665.38           | 3,301,430,229.57            |  |
| <b>TOTAL ASSETS</b>                                                   | <b>P 416,829,841,503.28</b> | <b>P 387,429,344,677.48</b> |  |
| LIABILITIES                                                           |                             |                             |  |
| Financial Liabilities at Fair Value through Profit or Loss            | P 1,258,658,749.71          | P 582,866,681.44            |  |
| Deposit Liabilities                                                   | 249,883,541,548.68          | 239,329,877,692.88          |  |
| Due to Other Banks                                                    | -                           | 23,451,300.00               |  |
| Bills Payable:                                                        | 71,955,556,613.80           | 79,497,621,850.31           |  |
| Interbank Loans Payable                                               | 19,591,351,446.72           | 37,763,015,666.77           |  |
| Other Deposit Substitute                                              | 52,364,205,167.08           | 41,734,606,183.54           |  |
| Others                                                                | -                           | -                           |  |
| Bonds Payable-Net                                                     | 13,349,734,349.20           | -                           |  |
| Unsecured Subordinated Debt-Net                                       | 9,934,808,224.99            | 9,933,491,015.90            |  |
| Due to Bangko Sentral ng Pilipinas                                    | 28,384,340.37               | -                           |  |
| Other Financial Liabilities                                           | 5,056,823,743.67            | 3,880,745,715.22            |  |
| Other Liabilities                                                     | 15,253,954,248.79           | 7,429,236,047.94            |  |
| <b>TOTAL LIABILITIES</b>                                              | <b>P 366,721,461,819.21</b> | <b>P 340,677,290,303.69</b> |  |
| STOCKHOLDERS' EQUITY                                                  |                             |                             |  |
| Capital Stock                                                         | P 9,325,499,129.01          | P 9,325,499,129.01          |  |
| Other Capital Accounts                                                | 3,437,511,198.55            | 7,264,823,309.71            |  |
| Retained Earnings                                                     | 37,345,369,356.51           | 30,161,731,935.07           |  |
| Minority Interest in Subsidiaries                                     | -                           | -                           |  |
| <b>TOTAL STOCKHOLDERS' EQUITY</b>                                     | <b>P 50,108,379,684.07</b>  | <b>P 46,752,054,373.79</b>  |  |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>                     | <b>P 416,829,841,503.28</b> | <b>P 387,429,344,677.48</b> |  |
| CONTINGENT ACCOUNTS                                                   |                             |                             |  |
| Performance Standby Letters of Credit                                 | P 12,217,568,923.38         | P 14,652,207,925.99         |  |
| Commercial Letters of Credit                                          | 4,141,782,141.30            | 5,692,147,069.99            |  |
| Trade Related Guarantees                                              | 7,317,321,154.83            | 6,762,592,973.42            |  |
| Commitments                                                           | 35,384,118,984.49           | 34,658,681,337.94           |  |
| Spot Foreign Exchange Contracts                                       | 112,912,309,303.26          | 2,887,465,917.98            |  |
| Trust Department Accounts:                                            | 39,239,356,260.90           | 35,706,262,572.34           |  |
| Trust and Other Fiduciary Accounts                                    | 30,995,679,073.94           | 28,753,166,179.13           |  |
| Agency Accounts                                                       | 8,243,677,186.96            | 6,953,096,393.21            |  |
| Derivatives                                                           | 310,306,039,538.66          | 241,617,233,074.27          |  |
| Others                                                                | 2,535,438,519.27            | 2,057,714,796.90            |  |
| <b>TOTAL CONTINGENT ACCOUNTS</b>                                      | <b>P 524,053,934,826.09</b> | <b>P 344,034,305,668.83</b> |  |

### ADDITIONAL INFORMATION

|                                                                                                 |                      |                      |
|-------------------------------------------------------------------------------------------------|----------------------|----------------------|
| 1. Gross total loan portfolio (TLP)                                                             | P 195,674,523,780.33 | P 182,343,370,944.22 |
| 2. Specific allowance for credit losses on the TLP                                              | 1,264,554,064.14     | 856,209,696.11       |
| 3. Non-Performing Loans (NPLs)                                                                  |                      |                      |
| a) Gross NPLs                                                                                   | 1,408,759,419.03     | 1,180,934,434.60     |
| b) Ratio of gross NPLs to gross TLP (%)                                                         | 0.72                 | 0.65                 |
| c) Net NPLs                                                                                     | 144,205,354.89       | 324,724,738.49       |
| d) Ratio of Net NPLs to gross TLP (%)                                                           | 0.07                 | 0.18                 |
| 4. Classified Loans & Other Risk Assets, gross of allowance for credit losses                   | 10,099,000,000.00    | 7,002,000,000.00     |
| 5. DOSRI Loans and receivables, gross of allowance for credit losses                            | 831,875,588.62       | 514,211,789.84       |
| 6. Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (%) | 0.43                 | 0.28                 |
| 7. Gross non-performing DOSRI loans and receivables                                             | -                    | -                    |
| 8. Ratio of gross non-performing DOSRI loans and receivables to TLP (%)                         | -                    | -                    |
| 9. Percent Compliance with Magna Carta (%)                                                      |                      |                      |
| a) 8% for Micro and Small Enterprises                                                           | 1.55                 | 1.66                 |
| b) 2% for Medium Enterprises                                                                    | 9.80                 | 10.06                |
| 10. Return on Equity (ROE) (%)                                                                  | 28.25                | 16.38                |
| 11. Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations        |                      |                      |
| a) Total CAR (%)                                                                                | 16.19                | 17.69                |
| b) Tier 1 Ratio (%)                                                                             | 12.53                | 13.47                |
| c) Common Equity Tier 1 Ratio (%)                                                               | 12.53                | 13.47                |
| 12. Deferred Charges not yet Written Down                                                       | -                    | -                    |
| 13. Unbooked Allowance for Credit Losses on Financial Instruments Received                      | -                    | -                    |

REPUBLIC OF THE PHILIPPINES)  
CITY OF MAKATI ) s.s

We, Eduardo M. Olbes and Joseito E. Maape 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.) JOSEITO E. MAPE  
Senior Vice President & CFO

(SGD.) EDUARDO M. OLBE  
Executive Vice President

SUBSCRIBED AND SWORN TO BEFORE ME this 27<sup>th</sup> day of April, 2015 at City of Makati, affiants exhibiting their Passport No. EB9611845, issued at City of Manila on November 18, 2013 and Passport No. EC0874505, issued at City of Manila on April 21, 2014.

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Series of 2015

(SGD.) FELIPE I. ILEDAN, JR.  
NOTARY PUBLIC  
Until Dec. 31, 2016  
PTR No. 3798094  
12-11-2014; Manila

## CONSOLIDATED BALANCE SHEET

(Bank and Financial Subsidiaries)  
As of March 31, 2015

| ASSETS                                                                |                             |                             |  |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------|--|
|                                                                       | Current Quarter             | Previous Quarter            |  |
| Cash and Cash Items                                                   | P 4,937,596,888.45          | P 5,659,892,351.66          |  |
| Due from Bangko Sentral ng Pilipinas                                  | 35,099,059,036.34           | 35,802,707,463.25           |  |
| Due from Other Banks                                                  | 25,334,148,632.98           | 39,129,595,024.51           |  |
| Financial Assets at Fair Value through Profit or Loss                 | 7,041,042,727.83            | 10,921,822,328.26           |  |
| Available-for-Sale Financial Assets-Net                               | 56,341,536.00               | 70,929,848.80               |  |
| Held-to-Maturity Financial Assets-Net                                 | 126,239,398,291.09          | 101,484,842,538.67          |  |
| Unquoted Debt Securities Classified as Loans-Net                      | 2,217,841,302.08            | 2,219,171,618.49            |  |
| Loans and Receivables-Net                                             | 192,927,114,846.05          | 187,534,709,239.90          |  |
| Interbank Loans Receivable                                            | 1,173,412,758.54            | 898,584,268.39              |  |
| Loans and Receivables-Others                                          | 193,803,601,177.30          | 189,012,929,247.49          |  |
| General Loan Loss Provision                                           | 2,049,899,089.79            | 2,376,804,275.98            |  |
| Other Financial Assets                                                | 3,225,005,349.43            | 3,858,642,481.41            |  |
| Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net | 1,366,470,924.22            | 1,347,658,206.07            |  |
| Bank Premises, Furniture, Fixture & Equipment-Net                     | 2,494,098,119.31            | 2,421,711,294.46            |  |
| Real and Other Properties Acquired-Net                                | 421,222,328.74              | 226,196,158.15              |  |
| Non-Current Assets Held for Sale                                      | 47,093,555.74               | 189,512,426.56              |  |
| Other Assets-Net                                                      | 7,178,601,721.68            | 5,484,895,327.78            |  |
| <b>TOTAL ASSETS</b>                                                   | <b>P 408,585,035,259.94</b> | <b>P 396,352,286,307.97</b> |  |
| LIABILITIES                                                           |                             |                             |  |
| Financial Liabilities at Fair Value through Profit or Loss            | P 1,258,658,749.71          | P 582,866,681.44            |  |
| Deposit Liabilities                                                   | 247,842,605,510.78          | 247,194,292,904.41          |  |
| Due to Other Banks                                                    | -                           | 23,451,300.00               |  |
| Bills Payable:                                                        | 72,043,556,613.80           | 79,615,621,850.31           |  |
| Interbank Loans Payable                                               | 19,591,351,446.72           | 37,763,015,666.77           |  |
| Other Deposit Substitute                                              | 52,364,205,167.08           | 41,734,606,183.54           |  |
| Others                                                                | 88,000,000.00               | 118,000,000.00              |  |
| Bonds Payable-Net                                                     | 13,349,734,349.20           | -                           |  |
| Unsecured Subordinated Debt-Net                                       | 9,934,808,224.99            | 9,933,491,015.90            |  |
| Due to Bangko Sentral ng Pilipinas                                    | 28,384,340.37               | -                           |  |
| Other Financial Liabilities                                           | 5,117,865,296.29            | 3,988,019,231.58            |  |
| Other Liabilities                                                     | 8,920,663,809.27            | 8,266,324,631.92            |  |
| <b>TOTAL LIABILITIES</b>                                              | <b>P 358,496,276,894.41</b> | <b>P 349,624,067,615.56</b> |  |
| STOCKHOLDERS' EQUITY                                                  |                             |                             |  |
| Capital Stock                                                         | P 9,293,622,162.25          | P 9,293,622,162.25          |  |
| Other Capital Accounts                                                | 3,457,049,473.07            | 7,264,823,309.71            |  |
| Retained Earnings                                                     | 37,327,836,232.46           | 30,159,836,895.07           |  |
| Minority Interest in Subsidiaries                                     | 10,250,497.75               | 9,936,325.38                |  |
| <b>TOTAL STOCKHOLDERS' EQUITY</b>                                     | <b>P 50,088,758,365.53</b>  | <b>P 46,728,218,692.41</b>  |  |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>                     | <b>P 408,585,035,259.94</b> | <b>P 396,352,286,307.97</b> |  |
| CONTINGENT ACCOUNTS                                                   |                             |                             |  |
| Performance Standby Letters of Credit                                 | P 12,217,568,923.38         | P 14,652,207,925.99         |  |
| Commercial Letters of Credit                                          | 4,141,782,141.30            | 5,692,147,069.99            |  |
| Trade Related Guarantees                                              | 7,317,321,154.83            | 6,762,592,973.42            |  |
| Commitments                                                           | 41,580,579,625.86           | 40,611,556,021.27           |  |
| Spot Foreign Exchange Contracts                                       | 112,912,309,303.26          | 2,887,465,917.98            |  |
| Trust Department Accounts:                                            | 39,239,356,260.90           | 35,706,262,572.34           |  |
| Trust and Other Fiduciary Accounts                                    | 30,995,679,073.94           | 28,753,166,179.13           |  |
| Agency Accounts                                                       | 8,243,677,186.96            | 6,953,096,393.21            |  |
| Derivatives                                                           | 310,306,039,538.66          | 241,617,233,074.27          |  |
| Others                                                                | 2,535,438,519.27            | 2,068,605,616.43            |  |
| <b>TOTAL CONTINGENT ACCOUNTS</b>                                      | <b>P 530,250,395,467.46</b> | <b>P 349,998,071,171.69</b> |  |

### ADDITIONAL INFORMATION

|                                                                                                 |       |       |
|-------------------------------------------------------------------------------------------------|-------|-------|
| 1. List of Bank's Financial Subsidiaries:                                                       |       |       |
| a) SB Cards Corporation                                                                         |       |       |
| b) SB Forex, Incorporated                                                                       |       |       |
| c) SB Capital Investment Corporation                                                            |       |       |
| d) Landlink Property Investments (SPV-AMC), Inc.                                                |       |       |
| e) Security Bank Savings Corporation                                                            |       |       |
| 2. Capital Adequacy Ratio (CAR) on Consolidated Basis, as prescribed under existing regulations |       |       |
| a) Total CAR (%)                                                                                | 17.47 | 18.38 |
| b) Tier 1 Ratio (%)                                                                             | 13.76 | 14.26 |
| c) Common Equity Tier 1 Ratio (%)                                                               | 13.76 | 14.26 |

REPUBLIC OF THE PHILIPPINES)  
CITY OF MAKATI ) s.s

We, Eduardo M. Olbes and Joseito E. Maape 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.) JOSEITO E. MAPE  
Senior Vice President & CFO

(SGD.) EDUARDO M. OLBE  
Executive Vice President

SUBSCRIBED AND SWORN TO BEFORE ME this 27<sup>th</sup> day of April, 2015 at City of Makati, affiants exhibiting their Passport No. EB9611845, issued at City of Manila on November 18, 2013 and Passport No. EC0874505, issued at City of Manila on April 21, 2014.

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