



SECURITY BANK

Security Bank Centre, 6776 Ayala Avenue, Makati City

Tel. Nos.: +(632) 867-6788 / 888-78 / 88-791-88 • Website: www.securitybank.com

BALANCE SHEET

(Head Office and Branches)
As of June 30, 2016

ASSETS			
	Current Quarter	Previous Quarter	
Cash and Cash Items	P 4,821,043,624.70	P 5,307,678,242.47	
Due from Bangko Sentral ng Pilipinas (BSP)	47,242,688,844.51	21,983,057,944.21	
Due from Other Banks	45,814,921,470.61	25,708,389,244.75	
Financial Assets at Fair Value through Profit or Loss	5,618,141,861.61	6,531,330,656.80	
Available-for-Sale Financial Assets-Net	-	-	
Held-to-Maturity Financial Assets-Net	222,208,956,800.07	206,268,367,370.87	
Unquoted Debt Securities Classified as Loans-Net	2,334,114,289.28	2,285,011,576.76	
Loans and Receivables-Net:	268,123,108,183.29	232,924,711,576.76	
Interbank Loans Receivable	864,528,317.14	973,352,259.52	
Loans and Receivables-Others	261,756,286,336.39	234,222,277,232.74	
Loans and Receivables Arising from RA/CA/PR/SLB	8,049,282,314.00	-	
General Loan Loss Provision	2,546,988,784.24	2,270,917,915.50	
Other Financial Assets	5,539,443,067.79	3,757,461,995.41	
Equity Investment in Subsidiaries, Associates, and	-	-	
Joint Ventures-Net	4,600,873,698.46	4,546,368,127.38	
Bank Premises, Furniture, Fixtures & Equipment-Net	2,774,168,686.94	2,630,625,575.78	
Real and Other Properties Acquired-Net	546,098,982.82	525,133,960.86	
Other Assets-Net	4,140,640,511.91	4,125,697,899.54	
TOTAL ASSETS	P 613,764,200,021.99	P 516,593,834,182.32	
LIABILITIES			
Financial Liabilities at Fair Value through Profit or Loss	P 2,200,155,188.06	P 2,035,813,737.71	
Deposit Liabilities	302,755,689,511.89	283,276,523,935.16	
Due to Other Banks	32,787,797.97	-	
Bills Payable:	177,668,709,995.14	139,502,232,608.23	
Interbank Loans Payable	34,320,458,797.74	17,049,782,121.73	
Other Deposit Substitute	143,348,251,197.40	122,452,450,486.50	
Bonds Payable-Net	14,068,196,610.01	13,769,533,012.37	
Unsecured Subordinated Debt-Net	9,941,779,097.74	9,940,352,435.24	
Due to Bangko Sentral ng Pilipinas	-	38,149,109.58	
Other Financial Liabilities	5,938,849,265.42	5,098,436,665.31	
Other Liabilities	7,225,729,254.99	6,914,116,613.67	
TOTAL LIABILITIES	P 519,831,896,721.22	P 460,575,158,117.27	
STOCKHOLDERS' EQUITY			
Capital Stock	P 46,144,813,199.23	P 9,325,499,129.01	
Other Capital Accounts	4,809,247,340.62	2,959,044,246.79	
Retained Earnings	42,978,242,760.92	43,734,132,689.25	
Minority Interest in Subsidiaries	-	-	
TOTAL STOCKHOLDERS' EQUITY	P 93,932,303,300.77	P 56,018,676,065.05	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P 613,764,200,021.99	P 516,593,834,182.32	
CONTINGENT ACCOUNTS			
Performance Standby Letters of Credit	P 40,572,183,487.37	P 23,627,345,205.99	
Commercial Letters of Credit	4,579,883,210.98	4,175,998,269.26	
Trade Related Guarantees	6,862,310,090.71	6,670,614,448.20	
Commitments	70,969,084,487.94	63,561,420,896.20	
Spot Foreign Exchange Contracts	17,754,111,990.66	40,446,785,020.53	
Trust Department Accounts:	57,957,205,554.12	52,420,523,131.79	
Trust and Other Fiduciary Accounts	49,317,157,062.97	44,552,105,664.73	
Agency Accounts	8,640,048,491.15	7,868,417,467.06	
Derivatives	307,323,686,269.00	345,954,154,590.34	
Others	1,973,741,008.39	1,133,816,577.05	
TOTAL CONTINGENT ACCOUNTS	P 507,992,206,099.17	P 537,990,658,139.36	

ADDITIONAL INFORMATION

1. Gross total loan portfolio (TLP)	P 271,558,834,315.40	P 236,254,591,544.01
2. Specific allowance for credit losses on the TLP	888,737,347.87	1,058,962,051.75
3. Non-Performing Loans (NPLs)		
a) Gross NPLs	1,601,550,101.28	1,739,821,626.09
b) Ratio of gross NPLs to gross TLP (%)	0.59	0.74
c) Net NPLs	712,812,753.41	680,859,574.34
d) Ratio of Net NPLs to gross TLP (%)	0.26	0.29
4. Classified Loans & Other Risk Assets, gross of allowance for credit losses	9,018,000,000.00	9,018,000,000.00
5. DOSRI Loans and receivables, gross of allowance for credit losses	1,235,876,224.70	880,991,271.60
6. Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (%)	0.46	0.37
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	0.59	0.58
b) 2% for Medium Enterprises	6.49	6.23
10. Return on Equity (ROE) (%)	13.53	22.08
11. Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations		
a) Total CAR (%)	20.46	14.14
b) Tier 1 Ratio (%)	17.84	11.29
c) Common Tier 1 Ratio (%)	17.84	11.29
12. Deferred Charges not yet Written Down	-	-
13. Unbooked Allowance for Credit Losses on Financial Instruments Received	-	-

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) ss

We, Alfonso L. Salcedo, Jr. and Josecito E. Mape 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.) JOSELCITO E. MAPE
Executive Vice President & CFO

(SGD.) ALFONSO L. SALCEDO, JR.
President & CEO

SUBSCRIBED AND SWORN TO BEFORE ME this 27th day of July, 2016 at City of Makati, affiants exhibiting their Passport No. EB9611845, issued at City of Manila on November 18, 2013 and Driver's License No. N04-76-070962, issued at City of Manila on November 14, 2014.

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Book No. LXXVII
Series of 2016

(SGD.) FELIPE I. ILEDAN, JR.
NOTARY PUBLIC
Until Dec. 31, 2016
PTR No. 4900183
12-11-2015; Manila

CONSOLIDATED BALANCE SHEET

(Bank and Financial Subsidiaries)
As of June 30, 2016

ASSETS			
	Current Quarter	Previous Quarter	
Cash and Cash Items	P 4,821,043,624.70	P 5,307,678,242.47	
Due from Bangko Sentral ng Pilipinas (BSP)	47,585,487,106.01	22,880,185,638.40	
Due from Other Banks	45,872,916,413.58	25,765,057,260.68	
Financial Assets at Fair Value through Profit or Loss	5,671,484,506.87	7,069,474,228.84	
Available-for-Sale Financial Assets-Net	47,070,144.00	50,778,700.80	
Held-to-Maturity Financial Assets-Net	222,208,956,800.07	206,268,367,370.87	
Unquoted Debt Securities Classified as Loans-Net	2,334,183,715.87	2,285,081,014.08	
Loans and Receivables-Net:	268,838,794,519.73	233,102,897,443.25	
Interbank Loans Receivable	864,528,317.14	973,352,259.52	
Loans and Receivables-Others	261,921,774,627.18	234,407,425,085.56	
Loans and Receivables Arising from RA/CA/PR/SLB	8,606,540,320.00	-	
General Loan Loss Provision	2,554,048,744.59	2,277,879,901.83	
Other Financial Assets	5,538,900,713.02	3,756,959,990.81	
Equity Investment in Subsidiaries, Associates, and	-	-	
Joint Ventures-Net	230,940,644.36	225,662,133.58	
Bank Premises, Furniture, Fixtures & Equipment-Net	3,142,519,385.47	2,946,476,501.84	
Real and Other Properties Acquired-Net	499,232,460.40	477,459,137.89	
Other Assets-Net	5,851,980,544.36	6,011,069,615.26	
TOTAL ASSETS	P 612,643,510,578.44	P 516,147,147,278.77	
LIABILITIES			
Financial Liabilities at Fair Value through Profit or Loss	P 2,200,155,188.06	P 2,035,813,737.71	
Deposit Liabilities	301,355,156,454.81	282,379,077,549.72	
Due to Other Banks	32,787,797.97	-	
Bills Payable:	177,668,709,995.14	139,502,232,608.23	
Interbank Loans Payable	34,320,458,797.74	17,049,782,121.73	
Other Deposit Substitute	143,348,251,197.40	122,452,450,486.50	
Bonds Payable-Net	14,068,196,610.01	13,769,533,012.37	
Unsecured Subordinated Debt-Net	9,941,779,097.74	9,940,352,435.24	
Due to Bangko Sentral ng Pilipinas	-	38,149,109.58	
Other Financial Liabilities	5,972,501,074.88	5,143,164,587.45	
Other Liabilities	7,636,507,154.39	7,469,895,044.27	
TOTAL LIABILITIES	P 518,875,793,373.00	P 460,278,218,084.57	
STOCKHOLDERS' EQUITY			
Capital Stock	P 46,112,936,232.47	P 9,293,622,162.25	
Other Capital Accounts	4,781,572,789.89	2,946,249,442.52	
Retained Earnings	42,863,001,229.22	43,618,891,157.55	
Minority Interest in Subsidiaries	10,206,953.86	10,166,431.88	
TOTAL STOCKHOLDERS' EQUITY	P 93,767,717,205.44	P 55,868,929,194.20	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P 612,643,510,578.44	P 516,147,147,278.77	
CONTINGENT ACCOUNTS			
Performance Standby Letters of Credit	P 40,572,183,487.37	P 23,627,345,205.99	
Commercial Letters of Credit	4,579,883,210.98	4,175,998,269.26	
Trade Related Guarantees	6,862,310,090.71	6,670,614,448.20	
Commitments	77,394,947,270.04	70,211,583,784.93	
Spot Foreign Exchange Contracts	17,754,111,990.66	40,446,785,020.53	
Trust Department Accounts:	57,957,205,554.12	52,420,523,131.79	
Trust and Other Fiduciary Accounts	49,317,157,062.97	44,552,105,664.73	
Agency Accounts	8,640,048,491.15	7,868,417,467.06	
Derivatives	307,323,686,269.00	345,954,154,590.34	
Others	1,973,741,008.39	1,133,816,577.05	
TOTAL CONTINGENT ACCOUNTS	P 514,418,068,881.27	P 544,640,821,028.09	

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 (%)	21.16	14.96
b) Tier 1 Ratio (%)	18.58	12.14
c) Common Equity Tier 1 Ratio (%)	18.58	12.14

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CITY OF MAKATI) ss

We, Alfonso L. Salcedo, Jr. and Josecito E. Mape 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.

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BOARD OF DIRECTORS

Chairman Emeritus
Frederick Y. Dy

Chairman
Alberto S. Villarosa

Vice Chairman
Paul Y. Ung

Members
Philip T. Ang

Anastasia Y. Dy

Takayoshi Futae

Joseph R. Higdon

James J. K. Hung

Takahiro Onishi

Alfonso L. Salcedo, Jr.

Rafael F. Simpa, Jr.

EXECUTIVE OFFICERS

President & CEO
Alfonso L. Salcedo, Jr.

Executive Director
Anastasia Y. Dy

Executive Vice Presidents

Leslie Y. Cham

Belen C. Lim

Joselito E. Mape

Eduardo M. Olbes

Takahiro Onishi

Raul Martin A. Pedro

Ma. Cristina A. Tingson

Senior Vice Presidents

Jason T. Ang

Melissa R. Aquino

Mariza E. Arcilla

Belen W. Au

Ronald I. Austria

Maria Concepcion P. Cruz

Gina S. Go

Orencio André P. Ibarra III

Jeanette S. Keh

Hiroshi Masaki

Maria Teresa C. Ogbinar

Jorge Lindley S. Ong

Cecilio Frederick M. Pusag

Carol P. Warner

Price Edward C. Yap

Daniel U. Yu

Member of the Philippine Deposit Insurance Corporation. Maximum Deposit Insurance for Each Depositor P500,000.00