

August 19, 2015

THE PHILIPPINE STOCK EXCHANGE  
3/F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines 1226

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

SUBJECT: **PRESS RELEASE**

Dear Ms. Encarnacion:

In compliance with Section 17.1 (b) and Section 17.3 of the Securities Regulation Code and the PSE Revised Disclosure Rules, we submit as attached herewith the attached press release entitled "**AUB hikes its net interest income by 17% but net income flattish**", which is based on the unaudited financial results of Asia United Bank Corporation and its subsidiaries for the first six months of 2014.

The attached press release will also be submitted to the Securities Exchange Commission today, August 19, 2015.

We hope that you will find everything in order.

Thank you.

Very truly yours,



**ELIZABETH T. MIRANDA**  
VP / Head - Corporate Planning and Investor Relations /  
SEC and PSE Compliance Officer and Corporate Information Officer





108192015000496



## SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines  
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SECURITIES AND EXCHANGE COMMISSION

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

1. Date of Report (Date of earliest event reported): August 19, 2015
2. SEC Identification Number A-1997-18963
3. BIR Tax Identification No. 005-011-651-000
4. Exact name of issuer as specified in its charter: ASIA UNITED BANK CORPORATION
5. Province, country or other jurisdiction of incorporation: Pasig City, Philippines
6. Industry Classification Code:  (SEC Use Only)
7. Address of principal office/ Postal Code:  
Joy-Nostalg Center No. 17 ADB Avenue, Ortigas Center, Pasig City 1600
8. Issuer's telephone number, including area code: (632) 631-3333 / (632) 638-6888
9. Former name or former address, if changed since last report: Not Applicable
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
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<u>Common Stock</u>	<u>323,540,360</u>
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11. Indicate the item numbers reported herein: Item 9

**Item 9. Other Events / Material Information:**

Asia United Bank Corporation will be issuing the attached press release entitled "AUB hikes its net interest income by 17% but net income flattish%", which is based on unaudited financial results for the first six months of 2015.

The attached press release was also submitted to the Philippine Securities Exchange (PSE) today, August 19, 2015. It will be released to media upon receipt of the approval from PSE.

**SIGNATURES**

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

**ASIA UNITED BANK CORPORATION**  
Issuer

**August 19, 2015**  
Date



By: **ELIZABETH T. MIRANDA**  
VP, Head - Corporate Planning and Investor Relations /  
SEC and PSE Compliance Officer and Corporate Information Officer

FOR IMMEDIATE RELEASE

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## **AUB hikes its net interest income by 17% but net income flattish**

Bucking the continuous decline in domestic interest rates and the squeeze on loan margins, publicly listed AUB (Asia United Bank) and its subsidiaries posted a net interest income of P2.2 billion in the first six months of the year, 17.3% higher than P1.9 billion a year ago, based on its latest unaudited financial results.

Despite the continuous decline in interest rates, which has been squeezing banks' lending margins, AUB posted a consolidated interest income from loans of P2.1 billion, a 45.8% growth from the first half of 2014. Propelling the growth were commercial loans and consumer loans, which grew in volume year-on-year by over 50% and 28% respectively. The robust loan portfolio led to a 16.6% expansion in total assets to P131.4 billion as of end-June 2015. "This is in line with the bank's goal of having a stronger presence in the consumer loan segment through its branches and online delivery channels," said AUB president Abraham T. Co.

Despite the increase in profit margin, the group's net income slightly dipped by 3.0% to P852.8 million during the period. This was primarily due to AUB's investment in opening 29 more branches after June 30, 2014 and higher loan provisioning, which nudged up the bank's total operating expenses by 27.6% to P2.1 billion. Its total deposit base grew 21.4% to P100.7 billion, of which more than half were demand and savings accounts.

As of end-June, AUB has a consolidated network of 224 branches, of which 15 belong to its subsidiaries Cavite United Rural Bank and the Pampanga-based Rural Bank of Angeles.

In addition to growing its branch network to reach out to more customers nationwide, AUB is also aggressively addressing the digital divide among customers by coming up with innovation-driven services.

As early as 2007, the bank has pioneered Preferred Online Banking, which has features and capabilities that offer a richer and more secure online banking experience. Preferred Online Banking allows for real-time fund transfer in any AUB account, as well as real-time viewing and printing of user's daily transaction history, monthly statement of account (SOA), and images of issued and returned checks. These financial transactions include telegraphic transfers and bills payment, including Meralco utility payments.

Last year, AUB became the only bank in the Philippines to offer a Chinese version option in online banking in a bid to be more customer-friendly to a growing Chinese clientele.

Another first-of-its-kind feature of AUB's Preferred Online Banking is its link with AUB's Virtual Teller Kiosk (VTK), which automatically queues user transaction in any bank branch in the Philippines. VTK eliminates the need for physical queuing and increases convenience with the next-generation iPad version. This feature offers greater accessibility that gives users "access online wherever, whenever."

"We are confident that our investments in our people, products, and processes will transform AUB into becoming a formidable player in the Philippine banking arena," said AUB Chief Transformation Officer Jacob Ng.

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