



GT CAPITAL
HOLDINGS, INCORPORATED

November 11, 2022

Securities and Exchange Commission

SEC Headquarters
7907 Makati Avenue, Salcedo Village,
Barangay Bel-Air, Makati City, 1209

Attention: **Atty. Rachel Esther J. Gumtang-Remalante**
Director - Corporate Governance and Finance Department

Philippine Stock Exchange, Inc.

6/F PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Ms. Alexandra D. Tom Wong**
Officer-In-Charge - Disclosure Department

Subject: Submission of 17Q Report as of September 30, 2022

Gentlemen /Mesdames:

In line with the reportorial requirements of the Securities Regulation Code and the Revised Disclosure Rules, we hereby submit the attached 2022 Third Quarter Report on SEC Form 17-Q.

Very truly yours,


Francisco H. Suarez, Jr.
Chief Finance Officer 

COVER SHEET

C S 2 0 0 7 1 1 7 9 2

S.E.C. Registration Number

G T C A P I T A L H O L D I N G S , I N C . A N D

S U B S I D I A R I E S

(Company's Full Name)

G T T O W E R I N T E R N A T I O N A L , A Y A L A

A V E N U E C O R N E R H . V . D E L A C O S T A

S T R E E T , M A K A T I C I T Y

(Business Address: No. Street/City/Province)

FH Suarez, Jr. / RP Manon-og

Contact Person

8836-4500

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

1 7 - Q

FORM/TYPE

**2nd Wednesday in
May of each year**

Month Day

Annual Meeting

N A

Secondary License Type, If Applicable

SEC General Accountant &

M S R D

Dept. Requiring this Doc.

N A

Amended Articles Number/Section

As of September 30, 2022
90

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned.

File Number

Document I.D.

LCU

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended: **September 30, 2022**
2. Commission identification number: **CS200711792**
3. BIR Tax Identification No.: **006-806-867**
4. Exact name of issuer as specified in its charter: **GT CAPITAL HOLDINGS, INC.**
5. Province, country or other jurisdiction of incorporation or organization: **Metro Manila, Philippines**
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office: **43/F GT Tower International, Ayala Avenue corner H.V. de la Costa Street, Makati City
Postal Code: 1227**
8. Issuer's telephone number, including area code: **632 8836-4500; Fax No: 632 8836-4159**
9. Former name, former address and former fiscal year, if changed since last report: **Not applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

a) Shares of Stock

Title of Each Class	Number of Shares of Outstanding Common Stock
Common Stock -Php10.00 par value	215,284,587 shares
Series A Perpetual Preferred Shares (GTPPA)	4,839,240 shares
Series B Perpetual Preferred Shares (GTPPB)	7,160,760 shares

b) Debt Securities: Php10.1 Billion Bonds*

Title of Each Class	Amount of Debt Outstanding
Corporate Retail Bonds	Php10.1 billion

**amount represents only the debt of GT Capital Holdings, Inc. registered with Philippine SEC*

11. Are any or all of the securities listed on a Stock Exchange? Yes No

Type of Shares	Stock Exchange
Common Shares	Philippine Stock Exchange
GTPPA	Philippine Stock Exchange
GTPPB	Philippine Stock Exchange
Corporate Retail Bonds	Philippine Dealing and Exchange Corporation

The Corporation's Voting Preferred Shares are not listed in any stock exchange.

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports). Yes No

(b) has been subject to such filing requirements for the past ninety (90) days. Yes No

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please see attached Interim Condensed Consolidated Financial Statements and General Notes to Interim Condensed Consolidated Financial Statements (Refer to Annex A) and Financial Soundness Indicators (Refer to Annex B).

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Consolidated Results of Operations- For the Nine Months Ended September 30, 2022 and For the Nine Months Ended September 30, 2021

GT CAPITAL CONSOLIDATED STATEMENTS OF INCOME (In millions, except for Percentage)	UNAUDITED Nine Months Ended September		Increase(Decrease)	
	2022	2021	Amount	Percent
REVENUE				
Automotive operations	153,339	107,973	45,366	42%
Equity in net income of associates and joint ventures	12,685	8,638	4,047	47%
Real estate sales and interest income on real estate sales	4,744	5,366	(622)	(12%)
Rent income	1,008	960	48	5%
Sale of goods and services	690	397	293	74%
Commission income	465	222	243	109%
Interest income	96	114	(18)	(16%)
Other income	6,471	1,830	4,641	254%
	179,498	125,500	53,998	43%
COST AND EXPENSES				
Cost of goods and services sold	114,148	72,730	41,418	57%
Cost of goods manufactured	25,521	23,100	2,421	10%
General and administrative expenses	12,591	9,495	3,096	33%
Interest expense	5,017	4,598	419	9%
Cost of real estate sales	2,498	2,645	(147)	(6%)
Cost of rental	607	484	123	25%
	160,382	113,052	47,330	42%
INCOME BEFORE INCOME TAXES	19,116	12,448	6,668	54%
PROVISION FOR INCOME TAX	1,691	1,499	192	13%
NET INCOME	17,425	10,949	6,476	59%
ATTRIBUTABLE TO:				
Equity holders of the parent company	14,946	8,667	6,279	72%
Non-controlling interests	2,479	2,282	197	9%
	17,425	10,949	6,476	59%

Net income attributable to equity holders of the Parent Company grew by 72% from Php8.67 billion for the nine months ended September 30, 2021 to Php14.95 billion in the same period of 2022. The increase was principally due to the 43% growth in consolidated revenues with growth registered in equity in net income of associates and joint ventures (+47%), auto sales (+42%), sales and goods and services (+74%) and other income (+254%).

Core net income for the nine months ended September 30, 2022 amounted to Php11.34 billion, after deducting the Php3.74 billion non-recurring gains earned by the Group mainly from Federal Land Inc.'s ("Federal Land") gain on investment and Metro Pacific Investments Corporation's ("MPIC") reversal of impairment loss upon the consolidation of one of its investments, and adding back the Php0.13 billion amortization of fair value adjustments arising from various business combinations. Core net income for the nine months ended September 30, 2021 amounted to Php8.07 billion, after deducting the Php0.76 billion non-recurring gains earned by the Group mainly coming from the sale of investments by MPIC, and adding back the Php0.16 billion amortization of fair value adjustments arising from various business combinations.

The financial statements of Federal Land, Toyota Motor Philippines Corporation ("TMP"), Toyota Manila Bay Corporation ("TMBC") and GT Capital Auto and Mobility Holdings, Inc. ("GTCAM") are consolidated in the financial statements of the Group. The investments in other component companies Metropolitan Bank and Trust Company ("Metrobank"), Philippine AXA Life Insurance Corporation ("AXA Philippines"), Toyota Financial Services Philippines Corporation ("TFSPC"), MPIC and Sumisho Motor Finance Corporation ("SMFC") are reported through equity accounting.

Of the nine (9) component companies, Federal Land, TMBC, GTCAM, Metrobank, MPIC, TFSPC and SMFC posted growth in net income for the period in review, while TMP and AXA Philippines reported net income declines.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts grew by 42% from Php107.97 billion in the first nine months of 2021 to Php153.34 billion in the same period of 2022 due to a 37% increase in wholesale volume from 92,717 units to 126,661 units.

Equity in net income of associates and joint ventures increased by 47% from Php8.64 billion in the first nine months of 2021 to Php12.69 billion in the same period of 2022 primarily due to significant increases in the net income of the following associates:

1. Metrobank by 45% from Php16.12 billion to Php23.44 billion arising from the expansion in loans, better margins, stable operating expenses and lower provisions;
2. TFSPC by Php0.83 billion from Php0.35 billion to Php1.18 billion due to lower provisions for credit losses and ROPA losses; and
3. MPIC by 6% from Php12.38 billion to Php13.15 billion due to higher energy sales and tollways traffic and toll rate adjustments.

Real estate sales and interest income from real estate sales dropped by 12% from Php5.37 billion to Php4.74 billion (excluding the joint venture projects). Real estate sales and interest income from real estate sales from all projects, however, grew by 13% from Php7.31 billion to Php8.23 billion.

Rent income grew by 5% from Php0.96 billion to Php1.01 billion primarily due to the absence of rental concessions.

Sale of goods and services increased by 74% or Php0.29 billion due to higher fuel sales and sales of food franchises arising from the easing of quarantine restrictions and increase in fuel prices.

Commission income increased by Php0.24 billion from Php0.22 billion in the first nine months of 2021 to Php0.46 billion in the same period of 2022 due to an increase in booked sales of Federal Land joint venture companies and the easing of quarantine restrictions.

Interest income dropped by 16% from Php113.61 million in the first nine months of 2021 to Php95.47 million in the same period of 2022 due to the full payment of interest-bearing receivables in 2021.

Other income grew by Php4.64 billion mostly due to Federal Land's gain on investments and the tax incentives utilized by TMP in 2022 from its participation in the Comprehensive Automotive Resurgence Strategy (CARS) program of the government.

Consolidated costs and expenses increased by 42% from Php113.05 billion in the first nine months of 2021 to Php160.38 billion in the same period of 2022. TMP contributed Php128.50 billion comprising cost of goods sold for manufacturing and trading activities, general and administrative expenses and interest expenses. TMBC contributed Php15.71 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. Federal Land contributed Php7.79 billion consisting of cost of real estate sales, cost of goods and services sold, general and administrative expenses, cost of rental and interest expenses. GTCAM contributed Php4.32 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. GT Capital Parent Company accounted for the balance of Php4.06 billion consisting of interest expenses and general and administrative expenses.

Cost of goods and services sold grew by 57% from Php72.73 billion to Php114.15 billion relative to the increase in automotive sales and unfavorable foreign exchange differential from the depreciation of the peso versus the US dollar.

Cost of goods manufactured comprising cost of materials, labor and overhead incurred in the assembly of vehicles from TMP increased by Php2.42 billion from Php23.10 billion to Php25.52 billion due to an increase in sales volume of assembled vehicles cost of materials.

General and administrative expenses increased by 33% or Php3.10 billion mainly due to auto delivery and handling services, and advertising and promotional expenses.

Interest expense increased by 9% from Php4.60 billion to Php5.02 billion due to loan availments and higher lending rates in 2022.

Cost of real estate sales declined by 6% from Php2.65 billion to Php2.50 billion relative to the decline in real estate sales of Federal Land.

Cost of rental increased by 25% from Php0.48 billion to Php0.61 billion due to higher common use service area expenses from lower occupancy.

Provision for income tax increased by 13% from Php1.50 billion in the first nine months of 2021 to Php1.69 billion in the same period of 2022 mostly from higher taxable income of the Group as of the first nine months of 2022.

Net income attributable to non-controlling interest increased by Php0.20 billion from Php2.28 billion to Php2.48 billion due to an increase in net income of subsidiaries which are not wholly-owned.

Consolidated Results of Operations- For the Quarter Ended September 30, 2022 and For the Quarter Ended September 30, 2021

GT CAPITAL CONSOLIDATED STATEMENTS OF INCOME (In millions, except for Percentage)	UNAUDITED		Increase (Decrease)	
	July to September		Amount	Percent
	2022	2021		
REVENUE				
Automotive operations	55,568	34,859	20,709	59%
Equity in net income of associates and joint ventures	4,405	2,324	2,081	90%
Real estate sales and interest income on real estate sales	1,271	1,813	(542)	(30%)
Rent income	360	273	87	32%
Sale of goods and services	247	151	96	64%
Commission income	150	111	39	35%
Interest income	58	35	23	66%
Other income	4,653	276	4,377	1586%
	66,712	39,842	26,870	67%
COST AND EXPENSES				
Cost of goods and services sold	41,682	23,773	17,909	75%
Cost of goods manufactured	9,611	7,268	2,343	32%
General and administrative expenses	4,697	3,273	1,424	44%
Interest expense	1,716	1,598	118	7%
Cost of real estate sales	867	832	35	4%
Cost of rental	256	177	79	45%
	58,829	36,921	21,908	59%
INCOME BEFORE INCOME TAXES	7,883	2,921	4,962	170%
PROVISION FOR INCOME TAX	608	340	268	79%
NET INCOME	7,275	2,581	4,694	182%
ATTRIBUTABLE TO:				
Equity holders of the parent company	6,646	1,993	4,653	233%
Non-controlling interests	629	588	41	7%
	7,275	2,581	4,694	182%

Consolidated net income attributable to equity holders of the Parent Company grew by Php4.65 billion from Php1.99 billion in the third quarter of 2021 to Php6.65 billion in the third quarter of 2022. The increase was principally attributable to higher consolidated revenue reported in the third quarter 2022 versus lower revenue realized in the prior year caused by stricter quarantine measures due to the COVID-19 surge.

Core net income attributable to equity holders of the Parent Company increased by 45% from Php2.27 billion for the third quarter of 2021 to Php3.28 billion in the same period of 2022. Core net income for the third quarter of 2022 amounted to Php3.28 billion, after deducting the Php3.41 billion non-recurring gains earned by the Group mainly from Federal Land's gain on investment, and adding back the Php0.04 billion non-recurring expenses incurred by MPIC and amortization of fair value adjustments arising from various business combinations. Core net income for the third quarter of 2021 amounted to Php2.27 billion, after adding back the Php0.28 billion non-recurring expenses incurred by MPIC and amortization of fair value adjustments arising from various business combinations.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts increased by Php20.71 billion from Php34.86 billion in the third quarter of 2021 to Php55.57 billion in the third quarter of 2022 due to an increase in wholesale and retail sales volume.

Equity in net income of associates and joint ventures grew by 90% from Php2.32 billion in the third quarter of 2021 to Php4.41 billion in the third quarter of 2022 primarily due to increases in the:

- 1) net income of Metrobank from Php4.44 billion to Php7.85 billion primarily due to higher net interest income and lower provisions for credit and impairment losses; and
- 2) net income of MPIC from Php1.99 billion to Php3.66 billion due to increase in energy sales and higher toll traffic and toll rate adjustments.

Real estate sales and interest income on real estate sales dropped by Php0.54 billion from Php1.81 billion in the third quarter of 2021 to Php1.27 billion in the third quarter of 2022 (excluding the joint venture projects). Real estate sales and interest income from real estate sales from all projects, however, grew by 9% from Php2.47 billion to Php2.69 billion.

Rent income grew by 32% from Php0.27 billion to Php0.36 billion primarily due to the absence of concessions.

Sale of goods and services, consisting of the sale of petroleum products on a wholesale and retail basis, in the Blue Wave and Blue Bay Walk malls situated in Pasay City and Marikina City, grew from Php0.15 billion to Php0.25 billion arising from higher fuel sales and sales of food franchises due to the easing of quarantine restrictions and successive fuel price increases.

Commission income increased by 35% from Php0.11 billion in the third quarter of 2021 to Php0.15 billion in the third quarter of 2022 due to an increase in booked sales of the joint venture companies of Federal Land.

Interest income on deposits and investments increased by 66% or Php23.00 million due to higher placement rates.

Other income grew by Php4.38 billion from Php0.28 billion to Php4.65 billion with: (1) Federal Land contributing Php4.23 billion comprising gain on investment real estate forfeitures, and management fees; (2) TMP contributing Php0.26 billion consisting of ancillary income from financing and insurance, gain on sale of fixed assets and other income; (3) TMBC contributing Php0.12 billion consisting of ancillary income on financing and insurance commissions; and (4) GTCAM accounted for the balance of Php0.04 billion consisting of ancillary income on financing and insurance commissions and other income.

Cost of goods and services increased by 75% from Php23.77 billion to Php41.68 billion with TMP, TMBC and GTCAM completely built-up units and spare parts accounting for Php41.47 billion and the balance of Php0.21 billion coming from Federal Land's petroleum service station business.

Cost of goods manufactured comprising cost of materials, labor and overhead incurred in the assembly of vehicles from TMP increased by Php2.34 billion from Php7.27 billion in the third quarter of 2021 to Php9.61 billion in the third quarter of 2022 due to the rising cost of materials.

General and administrative expenses rose to Php4.70 billion from Php3.27 billion. TMP accounted for Php2.60 billion consisting of advertisements and promotional expenses, salaries and wages, taxes and licenses and delivery and handling expenses. Federal Land accounted for Php1.10 billion composed of salaries and wages, commission expenses, taxes and licenses and repairs and maintenance expenses. TMBC contributed Php0.52 billion representing salaries and wages, commission expenses and taxes and licenses and advertising and promotional expenses. GT Capital and GTCAM contributed the remaining balance of Php0.48 billion.

Interest expenses increased by 7% from Php1.60 billion in the third quarter of 2021 to Php1.72 billion in the third quarter of 2022 with GT Capital, Federal Land, TMP and TMBC accounting for Php1.15 billion, Php0.53 billion, Php0.02 billion, and Php0.02 billion, respectively.

Cost of rental increased by 45% from Php0.18 billion to Php0.26 billion due to higher common use service area charges from lower occupancy.

Provision for income tax increased from Php0.34 billion to Php0.61 billion in the third quarter of 2022 due to higher taxable income.

Consolidated Statements of Financial Position- As of September 30, 2022 and As of December 31, 2021

GT CAPITAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	Unaudited	Audited	Increase(Decrease)	
	September 2022	December 2021	Amount	Percent
(In Million Pesos, Except for Percentage)				
ASSETS				
Current Assets				
Cash and cash equivalents	17,174	17,404	(230)	(1%)
Financial assets at fair value through profit or loss	11,074	8,712	2,362	27%
Receivables	13,960	15,852	(1,892)	(12%)
Contract assets	4,888	6,157	(1,269)	(21%)
Inventories	71,855	78,817	(6,962)	(9%)
Due from related parties	110	155	(45)	(29%)
Prepayments and other current assets	15,187	14,070	1,117	8%
Total Current Assets	134,248	141,167	(6,919)	(5%)
Noncurrent Assets				
Financial assets at fair value through other comprehensive income	14,341	16,311	(1,970)	(12%)
Receivables- net of current portion	7,818	3,766	4,052	108%
Contract assets – net of current portion	5,733	7,114	(1,381)	(19%)
Investment properties	18,081	15,646	2,435	16%
Investments in associates and joint ventures	196,278	186,187	10,091	5%
Property and equipment	14,133	14,918	(785)	(5%)
Goodwill and intangible assets	10,028	9,938	90	1%
Deferred tax assets	1,119	1,174	(55)	(5%)
Other noncurrent assets	1,428	1,573	(145)	(9%)
Total Noncurrent Assets	268,959	256,627	12,332	5%
	403,207	397,794	5,413	1%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	37,597	34,203	3,394	10%
Contract liabilities	3,278	3,384	(106)	(3%)
Short-term debt	3,306	9,127	(5,821)	(64%)
Current portion of long-term debt	4,429	9,423	(4,994)	(53%)
Current portion of liabilities on purchased properties	332	304	28	9%
Current portion of bonds payable	6,094	-	6,094	100%
Customers' deposits	855	910	(55)	(6%)
Dividends payable	2,462	590	1,872	317%
Due to related parties	167	193	(26)	(13%)
Income tax payable	260	161	99	61%
Other current liabilities	956	1,316	(360)	(27%)
Total Current Liabilities	59,736	59,611	125	0%
Noncurrent Liabilities				
Long-term debt – net of current portion	118,887	112,755	6,132	5%
Bonds payable – net of current portion	3,993	10,077	(6,084)	(60%)
Liabilities on purchased properties - net of current portion	1,309	1,658	(349)	(21%)
Pension liabilities	1,776	1,629	147	9%
Deferred tax liabilities	4,053	3,232	821	25%
Other noncurrent liabilities	3,905	3,753	152	4%
Total Noncurrent Liabilities	133,923	133,104	819	1%
	193,659	192,715	944	0%

(forward)

GT CAPITAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	Unaudited	Audited	Increase(Decrease)	
	September 2022	December 2021	Amount	Percent
(In Million Pesos, Except for Percentage)				
EQUITY				
Equity attributable to equity holders of the Parent Company				
Capital stock	3,370	3,370	-	0%
Additional paid-in capital	98,827	98,827	-	0%
Retained earnings				
Unappropriated	103,281	88,982	14,299	16%
Appropriated	400	400	-	0%
Other comprehensive income (loss)	(9,092)	143	(9,235)	(6458%)
Other equity adjustments	2,322	2,322	-	0%
	199,108	194,044	5,064	3%
Non-controlling interest	10,440	11,035	(595)	(5%)
Total Equity	209,548	205,079	4,469	2%
	403,207	397,794	5,413	1%

The major changes in GT Capital's consolidated balance sheet from December 31, 2021 to September 30, 2022 are as follows:

Consolidated assets grew by Php5.41 billion from Php397.79 billion as of December 31, 2021 to Php403.21 billion as of September 30, 2022. Total liabilities rose by Php0.94 billion from Php192.72 billion to Php193.66 billion while total equity increased by Php4.47 billion from Php205.08 billion to Php209.55 billion.

ASSETS

Financial assets at fair value through profit or loss increased by Php2.36 billion from Php8.71 billion to Php11.07 billion due to additional investments in unit investment trust by the Parent Company.

Current portion of receivables dropped by 12% or Php1.89 billion due to a reclassification to noncurrent portion, offset by reclassification from contract assets.

Contract assets decreased by Php1.27 billion attributable to the reclassification to current portion of receivables during the year. Contract assets are the excess of progress of work (POC) over the right to an amount collectible from unit buyers.

Inventories decreased by Php6.96 billion from Php78.82 billion to Php71.86 billion primarily due to the infusion of assets by Federal Land to Federal Land NRE Global, Inc. ("FNG"), a joint venture company with Nomura Real Estate of Japan.

Due from related parties declined by 29% from the collection of management fees by Federal Land from its related parties.

Prepayments and other current assets grew by Php1.12 billion from Php14.07 billion to Php15.19 billion mainly input VAT, advances to contractors and suppliers, creditable withholding taxes, ad valorem taxes, prepaid expenses and other current assets.

Financial assets at fair value through other comprehensive income decreased by Php1.97 billion from Php16.31 billion to Php14.34 billion due to marked-to-market losses on investments.

Noncurrent portion of receivables grew by Php4.05 billion due to the reclassification from the current portion of receivables.

Noncurrent portion of contract assets decreased by 19% or Php1.38 billion attributable to the reclassification to current portion of receivables during the year.

Investment properties increased by 16% from Php15.65 billion to Php18.08 billion due to a reclassification from inventories.

Investments in associates and joint ventures grew by Php10.09 billion mainly due to Federal Land's Php10.77 billion infusion of assets in FNG.

Property and equipment decreased by 5% from Php14.92 billion to Php14.13 billion net of depreciation and amortization expenses incurred.

Other noncurrent assets dropped by 9% from Php1.57 billion to Php1.43 billion due to a decline in rental deposits, utilities, guarantee, and construction bonds.

LIABILITIES

Accounts and other payables increased to Php37.60 billion from Php34.20 billion primarily due to inventory purchases of TMP.

Short-term debt decreased by Php5.82 billion from Php9.13 billion to Php3.31 billion due to Php23.96 billion loan payments made during the period, offset by Php18.14 billion in new loan availments.

Current portion of long-term debt declined by 53% or Php4.99 billion due to the refinancing by GT Capital of its Japanese yen denominated loan due last July 2022.

Current portion of liabilities on purchased properties increased by 9% from Php0.30 billion to Php0.33 billion due to reclassification from noncurrent portion.

Current portion of bonds payable increased by Php6.09 billion due to the reclassification from noncurrent portion to current due on February 2023.

Customers' deposit declined by 6% from Php0.91 billion to Php0.86 billion with TMP, TMBC, and GTCAM accounting for Php0.45 billion, Php0.36 billion, Php0.05 billion, respectively.

Dividends payable grew by Php1.87 billion from Php0.59 billion to Php2.46 billion mainly due to dividends payable to minority shareholders, offset by the payment of cash dividends to perpetual preferred shareholders in January, April and July 2022.

Due to related parties declined by 13% mostly payments by Federal Land to its related parties.

Income tax payable increased by Php0.10 billion from Php0.16 billion to Php0.26 billion attributable to higher taxable income reported by the Group.

Other current liabilities decreased by 27% from Php1.32 billion to Php0.96 billion mostly payment of VAT payable.

Non-current portion of long-term debt grew by 5% or Php6.13 billion due to the refinancing by GT Capital of its Japanese yen denominated loan due on July 2022, and new term loans from Federal Land.

Non-current portion of bonds payable decreased by Php6.09 billion due to reclassification to current portion.

Non-current liabilities on purchased properties decreased by Php0.35 billion due to reclassification to current portion and amortization of deferred financing cost.

Pension liabilities increased by 9% from Php1.63 billion to Php1.78 billion due to the accrual of retirement expenses for the period September 30, 2022.

Deferred tax liabilities grew by 25% or Php0.82 billion due to GT Capital's deferred tax liabilities on the net unrealized gain on financial assets at fair value through other comprehensive income.

EQUITY

Unappropriated retained earnings increased by Php14.30 billion from Php88.98 billion to Php103.28 billion arising from the Php14.95 billion consolidated net income earned attributable to the Parent Company in the first nine months of 2022, net of Php0.65 billion cash dividends declared.

Other comprehensive loss amounted to Php9.09 billion versus other comprehensive income of Php142.75 million as of December 31, 2021 due to the marked-to-market losses on financial assets at FVOCI of the Group.

Non-controlling interest (NCI) decreased by 5% from Php11.04 billion to Php10.44 billion mainly due to the declaration of cash dividends by subsidiaries which are not wholly-owned.

Key Performance Indicators (In Million Pesos, except %)

Income Statement	September 30, 2021 (Unaudited)	September 30, 2022 (Unaudited)
Total Revenues	125,500	179,498
Net Income attributable to GT Capital Holdings	8,667	14,946
Balance Sheet	December 31, 2021 (Audited)	September 30, 2022 (Unaudited)
Total Assets	397,794	403,207
Total Liabilities	192,715	193,659
Equity attributable to GT Capital Holdings	194,044	199,108
Return on Equity	5.87%*	7.77%*

* Core net income attributable to GT Capital's common stockholders divided by the average equity, where average equity is the sum of equity attributable to GT Capital's common stockholders at the beginning and end of the period/year divided by 2. December 31, 2021 is full year while September 30, 2022 is annualized.

Automobile Assembly and Importation, Dealership and Financing

Toyota Motor Philippines (TMP)

	In Million Pesos, except for ratios		Inc (Dec)	%
	9M 2021	9M 2022		
Sales	94,346.2	133,414.2	39,067.9	41.4
Gross Profit	11,097.8	12,403.8	1,306.0	11.8
Operating Profit	5,478.5	5,758.6	280.1	5.1
Net income attributable to Parent	4,432.3	4,210.0	(222.4)	(5.0)
	FY 2021	9M 2022		%
Total Assets	44,936.6	45,910.8	974.2	2.2
Total Liabilities	32,083.9	34,607.9	2,524.1	7.9
Total Equity	12,852.7	11,302.9	(1,549.8)	(12.1)
Total Liabilities to Equity ratio*	2.5x	3.1x		

*Total Liabilities to Equity ratio is a measure of the company's financial leverage which is calculated by dividing total liabilities by total equity

TMP's consolidated sales increased from Php94.3 billion in the first nine months of 2021 to Php133.4 billion in the same period of 2022 as wholesales volume increased by 36.6% from 92,717 to 126,661 units. TMP's retail sales volume increased by 35.3% from 92,318 units to 124,884 units. Retail sales volume outperformed industry which increased by 21.9% from 201,489 to 245,656 units. As a result, TMP market share improved from 45.8% last year to 50.8% in 2022.

The year-on-year bookings grew as a result of looser quarantine restrictions and introduction of new models. In the first nine months of 2022, TMP introduced new models namely, Raize, Veloz,

Rav4 HEV, Avanza, Rush GR, and Lite Ace. The increased appetite of banks for auto loans helped sustain growth year-on-year.

Gross profit margin declined from 11.8% to 9.3% in the first nine months of 2022 due to weaker peso vs. the dollar, and rising cost of materials and importation cost. Such margin differential was cushioned by operating expense management which reduced the operating profit margin by 1.5% from 5.8% to 4.3%. Consolidated net income attributable to equity holders saw a 5.0% decline from Php4.4 billion to Php4.2 billion as volume growth was offset by the contraction in margins.

As of September 30, 2022, TMP directly owns six (6) dealer outlets namely Toyota Makati with one (1) branch Toyota Bicutan, Toyota San Fernando in Pampanga with two (2) branches in Toyota Plaridel, Bulacan and Toyota Tarlac in Tarlac City, and Lexus Manila, situated in Bonifacio Global City, Taguig City.

Toyota Manila Bay Corporation (TMBC)

	In Million Pesos, except for ratios		Inc (Dec)	%
	9M 2021	9M 2022		
Net Sales	10,710.8	16,095.8	5,384.9	50.3
Gross Profit	1,000.4	1,547.9	547.5	54.7
Net Income*	89.9	287.3	197.5	219.7
	FY 2021	9M 2022		
Total Assets	6,056.7	6,117.2	60.5	1.0
Total Liabilities	3,391.4	3,164.6	(226.9)	(6.7)
Total Equity	2,665.3	2,952.6	287.3	10.8

**Note: Includes booked commission income from insurance*

Consolidated sales increased by 50.3% from Php10.7 billion in the first nine months of 2021 to Php16.1 billion in the same period of 2022. The increase was driven by increased volume and improved models mix. Retail sales volume increased by 45.5% from 8,790 to 12,788 units. As a result, penetration rate grew from 9.5% in the first nine months of 2021 to 10.2% in the same period of 2022.

Revenue from after sales services which accounted for 8.2% of total revenues, also increased by 24.7%, in line with the increase in units serviced.

TMBC's consolidated net income grew 219.7% from Php89.9 million in the first nine months of 2021 to Php287.3 million in the first nine months of 2022 as volume and margins recovered, matched by managed operating expenses.

TMBC currently owns five (5) dealer outlets namely Toyota Manila Bay, Toyota Abad Santos, Toyota Cubao and Toyota Marikina, all situated within Metro Manila; and Toyota Dasmariñas in Cavite.

Toyota Financial Services Philippines Corporation (TFSPC)

	In Million Pesos, except for ratios			
	9M 2021	9M 2022	Inc (Dec)	%
Gross Interest Income	6,853.3	8,051.4	1,198.1	17.5
Net Interest Income	3,508.2	4,441.3	933.1	26.6
Net Income	347.8	1,175.8	828.0	238.1
	9M 2021	9M 2022	Inc (Dec)	%
Total Assets	117,796.4	131,691.7	13,895.4	11.8
Total Equity	11,689.1	14,753.3	3,064.2	26.2
Finance Receivable	106,934.0	119,074.7	12,140.8	11.4

TFSPC recorded a 17.5% growth in gross interest income from Php6.9 billion to Php8.1 billion, as finance receivables increased by 11.4% from Php106.9 billion to Php119.1 billion on a year-on-year basis. Such an increase was mainly driven by the high growth in prior year bookings, which consequently normalized in year 2022.

Booking volume declined by 7.1% from 43,478 units to 40,404 units attributable to the normalized penetration rate from 47.1% to 32.4% in 2022 as banks became active in providing auto financing. TFSPC generated a net profit of Php1.2 billion from Php347.8 million in the previous year, arising from higher interest income based on a growing loan base and improved asset quality which resulted in reduced provisions for credit and ROPA losses in the first nine months of 2022.

Sumisho Motor Finance Corporation (SMFC)

	In Million Pesos, except for ratios			
	9M 2021	9M 2022	Inc (Dec)	%
Gross Interest Income	1,285.8	1,175.6	(110.2)	(8.6)
Net Interest Income	1,118.3	1,067.5	(50.9)	(4.5)
Net Income	116.4	233.3	116.9	100.5
	FY 2021	9M 2022	Inc (Dec)	%
Total Assets	6,498.4	6,512.4	14.0	0.2
Total Equity	2,572.0	2,758.1	186.1	7.2
Finance Receivable	6,134.4	6,278.8	144.4	2.4

SMFC recorded an 8.6% decline in gross interest income from Php1.3 billion to Php1.2 billion. Bookings, on the other hand, already registered a growth of 6.4% as of the end of September 2022 from 27,825 to 29,617 units, while Finance receivable reached Php6.3 billion as of the first nine months of 2022.

SMFC booked lower provisions for credit losses on the first nine months of 2022 arising from the improvement in overdue levels. This resulted in a 100.0% net income growth from Php116.4 million to Php233.3 million in the first nine months of 2022.

Banking

In Billion Pesos, except for percentages and ratios				
	9M 2021	9M 2022	Inc (Dec)	%
Net income attributable to equity holders	16.1	23.4	7.3	45.4
Net interest margin on average earning assets	3.41%	3.52%		0.1
Operating efficiency ratio	59.0%	54.5%		(4.5)
Return on average assets	0.9%	1.2%		0.3
Return on average equity	6.7%	10.0%		3.3

	FY 2021	9M 2022	Inc (Dec)	%
Total assets	2,502.8	2,733.0	230.1	9.2
Total liabilities	2,175.1	2,414.6	239.5	11.0
Equity attributable to equity holders of the parent company	318.5	308.9	(9.6)	(3.0)
Tier 1 capital adequacy ratio	19.3%	16.3%		(2.9)
Total capital adequacy ratio	20.1%	17.2%		(2.9)
Non-performing loans ratio	2.2%	2.1%		(0.1)
Non-performing loans coverage ratio	174.7%	172.0%		(2.7)

Notes:

- (1) Operating efficiency ratio is the ratio of total operating expenses (excluding provisions for credit and impairment loss and income tax) to total operating income (excluding share in net income of associates and joint venture).
- (2) Return on average asset is the net income attributable to equity holders of the parent company divided by the average total assets
- (3) Return on average equity is the net income attributable to equity holders of the parent company divided by the average total equity attributable to equity holders of the parent company
- (4) Capital adequacy ratios as of December 31, 2021 and September 30, 2022 were computed based on Basel III standards.
- (5) Non-performing loans ratio is the ratio of net non-performing loans divided by total loans – excluding interbank loans.
- (6) Non-performing loans coverage ratio is the ratio of the total allowance for probable losses on loans divided by gross non-performing loans

Metrobank's consolidated net income increased by 45.4% from Php16.1 billion for the first nine months of 2021 to Php23.4 billion for the first nine months of 2022. Net interest income, likewise, grew by 10.2%, comprising 75.5% of total operating income. This was primarily driven by the higher interest income on investment securities which increased by 49.0%. Net interest margins improved from 3.41% to 3.52%. On the other hand, non-interest income continued to increase by 3.0% from Php19.6 billion for the first nine months of 2021 to Php20.1 billion for the first nine months of 2022 on account of the higher fee-based income and miscellaneous income, partially offset by the 42.9% decline in net trading securities and foreign exchange gain.

As a result, total operating income increased by 8.4% from Php75.9 billion for the first nine months of 2021 to Php82.2 billion for the first nine months of 2022. The Bank set aside Php5.7 billion in provisions for credit and impairment losses, 43.1% lower versus the Php10.0 billion booked in the same period last year.

Total assets went up from Php2.50 trillion as of December 31, 2021 to Php2.73 trillion as of the first nine months of 2022 due to the increases in loans and receivables, investment securities, due from other banks, investments in associates and a joint venture, investment properties, property and equipment, deferred tax assets and other assets, offset by the decline in cash and other cash items and due from Bangko Sentral ng Pilipinas.

Total liabilities also increased from Php2.18 trillion to Php2.41 trillion due to increases in deposit liabilities, bills payable and securities sold under repurchase agreements, derivative liabilities, manager's checks and demand drafts outstanding, and accrued interest and other expenses and other liabilities.

Equity attributable to equity holders of the parent company declined by 2.6% from Php318.5 billion as of December 31, 2021 to Php308.9 billion as of the first nine months of 2022 primarily due to the net unrealized loss on investments securities at FVOCI recognized during the period and cash dividends declared offset by the net income reported during the period.

Property Development

Federal Land Inc.

	In Million Pesos, except for percentages and ratios			
	9M 2021	9M 2022	Inc(Dec)	%
Real estate sales*	5,309.5	4,523.4	(786.2)	(14.8)
Revenues	7,688.3	12,433.5	4,745.2	61.7
Net income attributable to equity holders of the parent	904.3	4,208.7	3,304.4	365.4
	FY 2021	9M 2022	Inc(Dec)	%
Total assets	113,508.4	118,780.9	5,272.6	4.6
Total liabilities	76,268.7	77,299.4	1,030.7	1.4
Total equity attributable to equity holders of the parent	37,100.4	41,321.2	4,220.7	11.4
Current ratio ¹	3.4x	3.0x		
Debt to equity ratio ²	1.4x	1.3x		

* Includes interest income on real estate sales

Notes:

- (1) Current ratio is the ratio of total current assets divided by total current liabilities.
- (2) Debt to equity ratio is the ratio of total loans divided by total equity attributable to equity holders of the parent company

Federal Land's reservation sales increased by 74.0% to Php13.7 billion in the first nine months of 2022 due to higher demand for luxury projects. Together with Nomura Real Estate Development (Nomura) and Isetan Mitsukoshi Holdings Ltd. Federal Land launched the third residential tower of The Seasons Residences – Aki Tower in February 2022.

Real estate sales stood at Php4.5 billion, 14.8% lower than the same period of last year. Including real estate sales from joint venture, particularly from The Seasons Residences and Grand Hyatt Residences, Federal Land recorded 13% residential sales growth. This brought total revenues to Php12.4 billion, higher by 61.7%, including the increases in commission income, sales of goods and services, and gains on investments.

Net income attributable to equity holders of the parent was up by 365.4% to Php4.2 billion in the first nine months of 2022 as a result of the higher revenues from the main business and income from the company's investments.

Total assets of Federal Land ended at Php118.8 billion as of September 30, 2022 from Php113.5 billion as of December 31, 2021 arising from increased investments in associates and joint venture and investment properties particularly in Federal Land NRE Global, Inc. (FNG). FNG is a partnership between Federal Land and Japanese real estate developer, Nomura, which will develop projects in Metro Manila, Cavite, and Cebu. FNG commenced operations in April 20, 2022.

Life and Non-Life Insurance

Philippine AXA Life Insurance Corporation and Subsidiary (AXA Philippines)

In Million Pesos, except ratios	Consolidated			
	9M 2021	9M 2022	Inc (Dec)	%
Gross Premiums	32,769.1	22,453.4	(10,315.7)	(31.5)
Net income after tax	2,133.8	1,755.4	(378.4)	(17.7)
	FY 2021	9M 2022	Inc (Dec)	%
Total Assets	177,287.1	153,971.5	(23,315.6)	(13.2)
Total Liabilities	165,713.2	141,474.8	(24,238.4)	(14.6)
Total Equity	11,573.9	12,496.8	922.8	8.0
In Million Pesos, except ratios	Life (Stand-alone)			
	9M 2021	9M 2022	Inc (Dec)	%
Gross Premiums	29,821.2	19,957.4	(9,863.8)	(33.1)
Net income after tax	2,335.4	1,768.0	(567.4)	(24.3)
	FY 2021	9M 2022	Inc (Dec)	%
Total Assets	170,117.9	147,373.1	(22,744.8)	(13.4)
Total Liabilities	156,904.5	133,069.4	(23,835.2)	(15.2)
Total Equity	13,213.3	14,303.7	1,090.4	8.3
Solvency ratio ¹	181%	194%		

Notes:

1. Solvency ratio is calculated as the insurance company's net worth divided by the Risk-based Capital (RBC) requirement of the Insurance Commission based on Memorandum Circular (MC) No. 6-2006. Net worth shall include the company's paid-up capital, contributed and contingency surplus, and unassigned surplus.

New business from life insurance expressed in Annualized Premium Equivalent declined by 31.4% from Php4.7 billion in the first nine months of 2021 to Php3.2 billion in the first nine months of 2022. This came as a result of reduced mobility during the resumption of Alert Level 3 in January 2022 and lower investor confidence arising from uncertainties in the global market in the midst of Russia-Ukraine crisis. Consequently, premium revenue declined to Php20.0 billion in the first nine months of 2022, 33.1% lower year-on-year. The reported premium revenue mix of life insurance changed to 34%/66% (Single Premium vs. Regular Premium) in the first nine months of 2022 from 54%/46% last year. By distribution platform, bancassurance, sales agency and other channels accounted for 55%, 40% and 5% of premium revenues, respectively.

CPAIC reported Php2.3 billion in gross written premiums in the first nine months of 2022 from Php2.5 billion in the first nine months of 2021 due to limited distribution during the surge of Omicron in January 2022, property pruning initiatives and higher policy rates.

Consolidated net income declined by 17.7% to Php1.8 billion in the first nine months of 2022 due to lower premium margin and higher unrealized losses on equities of AXA Life, partially offset by lower attritional and property losses of CPAIC.

Infrastructure and Utilities

Metro Pacific Investments Corporation (MPIC)

	In Million Pesos, except for Percentage			
	9M 2021	9M 2022	Inc (Dec)	%
Core net income	9,477	11,830	2,353	25
Net income attributable to equity holders	12,380	13,137	757	6
	FY 2021	9M 2022	Inc (Dec)	%
Total assets	584,334	618,782	34,448	6
Total liabilities	347,469	370,475	23,006	7
Total equity attributable to owners of Parent Company	193,304	202,422	9,118	5

MPIC's share in the consolidated operating core income increased by 17% from Php13.1 billion for the first nine months of 2021 to Php15.3 billion for the first nine months of 2022 driven by the following:

- Higher energy sales and contribution from power generation business; Meralco's core net income contribution was at Php8.9 billion, up 6% year-on-year;
- Higher traffic on toll roads; Core net income contribution of Metro Pacific Tollways Corporation (MPTC) to MPIC was Php4.1 billion, up 52% year-on-year;
- Higher contribution from water business; Core net income contribution of Maynilad and Metro Pacific Water to MPIC was Php2.2 billion, up 2% year-on-year
- Reduced losses in Light Rail Manila Corporation (LRMC); Core net loss contribution of LRMC to MPIC was Php0.2 billion, down 24% year-on-year.

Reported net income attributable to equity holders is up by 6% from Php12.4 billion in the first nine months of 2021 to Php13.1 billion in the first nine months of 2022 due to higher contribution from operating companies, tempered by base effect from last year's gain on sale of Global Business Power Corporation (Php4.6 billion) and Don Muang Tollways (Php1.1 billion). Excluding non-recurring income or expenses, MPIC reported a core net income of Php11.8 billion in the first nine months of 2022, 25% growth from Php9.5 billion in the same period last year.

Except for (ii), (iv) and (vii), the Company does not know of:

- (i) Any known trends or any known demands, commitments, events, uncertainties that will result or that are reasonably likely in the Company's liquidity increasing or decreasing in any material way;
- (ii) Any events that would trigger direct or contingent financial obligation (including contingent obligation) that is material to the Company, including any default or acceleration of an obligation except those disclosed in the notes to the financial statements;
- (iii) Any material off balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons created during the reporting period;
- (iv) Any material commitments for capital expenditures, their purpose and sources of funds for such expenditures, except those discussed in the 2021 17A;
- (v) Any known trends, events or uncertainties that have had or are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations;
- (vi) Any significant elements of income or loss that did not arise from the Company's continuing operations;
- (vii) The causes of any material change from period to period including vertical and horizontal analysis of any material item, the causes of material changes are discussed in the Item 2, Management's Discussion & Analysis of Financial Condition and Results of operations under Part I - Financial Information ; and
- (viii) Any seasonal aspects that had a material effect on financial condition or results of operation of the Company

**GT CAPITAL HOLDINGS, INC.
AGING OF ACCOUNTS RECEIVABLE
IN MILLION PESOS
AS OF SEPTEMBER 30, 2022**

Number of Days	Amount
Less than 30 days	Php1,698
30 days to 60 days	663
61 days to 90 days	294
91 days to 120 days	123
Over 120 days	435
Current	10,747
Impaired	962
Noncurrent receivables	7,818
Total	Php22,740

PART II – OTHER INFORMATION

I. Control of Registrant

The following stockholders own more than 5% of the total issued and outstanding common shares of the Company as of September 30, 2022:

Name Of Stockholder	Total Number Of Shares Held	Percent To Total Number Of Shares Issued
Grand Titan Capital Holdings, Inc.	120,413,658	55.9323%
PCD Nominee-Filipino	52,695,442	24.4771%
PCD Nominee-Non-Filipino	41,272,971	19.1714 %

II. Board Resolutions

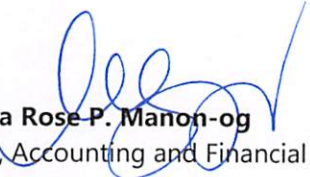
There is no material disclosure that have not been reported under SEC Form 17-C during the period covered by this report.

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 thereunto duly authorized.

Issuer: **GT Capital Holdings, Inc.**

Signature and Title:


Reyna Rose P. Manon-og
Head, Accounting and Financial Control


Francisco H. Suarez, Jr.
Chief Finance Officer

Date: November 11, 2022

GT Capital Holdings, Inc. and Subsidiaries

Interim Condensed Consolidated Financial Statements

As of September 30, 2022 (Unaudited) and December 31, 2021 (Audited) and for the nine-month periods September 30, 2022 and 2021 (Unaudited)

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(In Millions)

	Unaudited September 30, 2022	Audited December 31, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	P17,174	P17,404
Financial assets at fair value through profit or loss (FVTPL)	11,074	8,712
Receivables	13,960	15,852
Contract assets	4,888	6,157
Inventories	71,855	78,817
Due from related parties	110	155
Prepayments and other current assets	15,187	14,070
Total Current Assets	134,248	141,167
Noncurrent Assets		
Financial assets at fair value through other comprehensive income (FVOCI)	14,341	16,311
Receivables, net of current portion	7,818	3,766
Contract assets – net of current portion	5,733	7,114
Investment properties	18,081	15,646
Investments in associates and joint ventures	196,278	186,187
Property and equipment	14,133	14,918
Goodwill and intangible assets	10,028	9,938
Deferred tax assets	1,119	1,174
Other noncurrent assets	1,428	1,573
Total Noncurrent Assets	268,959	256,627
	P403,207	P397,794
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables	P37,597	P34,203
Contract liabilities	3,278	3,384
Short term debt	3,306	9,127
Current portion of long-term debt	4,429	9,423
Current portion of liabilities on purchased properties	332	304
Current portion of bonds payable	6,094	–
Customers' deposits	855	910
Dividends payable	2,462	590
Due to related parties	167	193
Income tax payable	260	161
Other current liabilities	956	1,316
Total Current Liabilities	59,736	59,611
Noncurrent Liabilities		
Long-term debt – net of current portion	118,887	112,755
Bonds payable	3,993	10,077
Liabilities on purchased properties - net of current portion	1,309	1,658
Pension liabilities	1,776	1,629
Deferred tax liabilities	4,053	3,232
Other noncurrent liabilities	3,905	3,753
Total Noncurrent Liabilities	133,923	133,104
	193,659	192,715

(forward)

	Unaudited September 30, 2022	Audited December 31, 2021
EQUITY		
Equity attributable to equity holders of the Parent Company		
Capital stock	₱3,370	₱3,370
Additional paid-in capital	98,827	98,827
Retained earnings		
Unappropriated	103,281	88,982
Appropriated	400	400
Other comprehensive income (loss)	(9,092)	143
Other equity adjustments	2,322	2,322
	199,108	194,044
Non-controlling interest	10,440	11,035
Total Equity	209,548	205,079
	₱403,207	₱397,794

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME****(In Millions, Except Earnings Per Share)**

	UNAUDITED			
	January to September		July to September	
	2022	2021	2022	2021
REVENUE				
Automotive operations	₱153,339	₱107,973	₱55,568	₱34,859
Equity in net income of associates and joint ventures	12,685	8,638	4,405	2,324
Real estate sales and interest income on real estate sales	4,744	5,366	1,271	1,813
Rent income	1,008	960	360	273
Sale of goods and services	690	397	247	151
Commission income	465	222	150	111
Interest income	96	114	58	35
Other income	6,471	1,830	4,653	276
	179,498	125,500	66,712	39,842
COST AND EXPENSES				
Cost of goods and services sold	114,148	72,730	41,682	23,773
Cost of goods manufactured	25,521	23,100	9,611	7,268
General and administrative expenses	12,591	9,495	4,697	3,273
Interest expense	5,017	4,598	1,716	1,598
Cost of real estate sales	2,498	2,645	867	832
Cost of rental	607	484	256	177
	160,382	113,052	58,829	36,921
INCOME BEFORE INCOME TAXES	19,116	12,448	7,883	2,921
PROVISION FOR INCOME TAX	1,691	1,499	608	340
NET INCOME	₱17,425	₱10,949	₱7,275	₱2,581
ATTRIBUTABLE TO:				
Equity holders of the Parent Company	₱14,946	₱8,667	₱6,646	₱1,993
Non-controlling interests	2,479	2,282	629	588
	₱17,425	₱10,949	₱7,275	₱2,581
Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company	₱67.37	₱38.21		

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(In Millions)

	UNAUDITED			
	January to September		July to September	
	2022	2021	2022	2021
NET INCOME	₱17,425	₱10,949	₱7,275	₱2,581
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>				
Changes in cumulative translation adjustments	57	19	30	15
Changes in cash flow hedge reserves	11	16	(5)	4
Equity in other comprehensive income (loss) of associates:				
Cash flow hedge reserves	(267)	36	(154)	41
Remeasurement on life insurance reserves	248	170	121	120
Translation adjustment	604	475	271	506
Other equity adjustments	-	(21)	-	-
	653	695	263	686
<i>Items that may not be reclassified to profit or loss in subsequent periods:</i>				
Changes in fair value of financial assets at FVOCI	(2,012)	2,874	(506)	285
Equity in changes in fair value of financial assets at FVOCI	(7,813)	(2,467)	(995)	(537)
Remeasurement of defined benefit plans	15	(87)	32	-
Equity in remeasurement of defined benefit plans of associates	(13)	(147)	(15)	(7)
Income tax effect	-	70	(4)	2
	(9,823)	243	(1,488)	(257)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	(9,170)	938	(1,225)	429
TOTAL COMPREHENSIVE INCOME	₱8,255	₱11,887	₱6,050	₱3,010
ATTRIBUTABLE TO:				
Equity holders of the Parent Company	₱5,711	₱9,608	₱5,378	₱2,405
Non-controlling interests	2,544	2,279	672	605
	₱8,255	₱11,887	₱6,050	₱3,010

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
AS OF SEPTEMBER 30, 2022 AND 2021 (UNAUDITED)**

(In Millions)

	Equity Attributable to Equity Holders of the Parent Company							Non-controlling Interests	Total
	Capital Stock	Additional Paid-in Capital	Unappropriated Retained Earnings	Appropriated Retained Earnings	Other Comprehensive Income (Loss)	Other Equity Adjustment	Total		
At January 1, 2022	P3,370	P98,827	P88,982	P400	P143	P2,322	P194,044	P11,035	P205,079
Total comprehensive income	-	-	14,946	-	(9,235)	-	5,711	2,544	8,255
Dividends declared	-	-	(647)	-	-	-	(647)	(3,139)	(3,786)
At September 30, 2022	P3,370	P98,827	P103,281	P400	(P9,092)	P2,322	P199,108	P10,440	P209,548

	Equity Attributable to Equity Holders of the Parent Company							Non-controlling Interests	Total
	Capital Stock	Additional Paid-in Capital	Unappropriated Retained Earnings	Appropriated Retained Earnings	Other Comprehensive Income (Loss)	Other Equity Adjustment	Total		
At January 1, 2021	P3,370	P98,827	P79,234	P400	(P853)	P2,322	P183,300	P8,885	P192,185
Total comprehensive income	-	-	8,667	-	941	-	9,608	2,279	11,887
Dividends declared	-	-	(647)	-	-	-	(647)	(1,756)	(2,403)
NCI share on acquisition of new subsidiaries	-	-	-	-	-	-	-	365	365
At September 30, 2021	P3,370	P98,827	P87,254	P400	P88	P2,322	P192,261	P9,773	P202,034

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

(In Millions)

	Unaudited	
	For the Nine Months Ended	
	September 30	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱19,116	₱12,448
Adjustments for:		
Interest expense	5,017	4,598
Depreciation and amortization	1,613	1,627
Pension expense	249	304
Provision for impairment losses	133	42
Gain on disposal of property and equipment	(52)	(22)
Unrealized gain on financial assets at FVTPL	(52)	(28)
Unrealized foreign exchange loss	939	79
Dividend income	(233)	(191)
Interest income	(535)	(1,289)
Equity in net income of associates and joint ventures	(12,685)	(8,638)
Operating income before changes in working capital	13,510	8,930
Decrease (increase) in:		
Receivables	(2,032)	5,149
Contract assets	2,650	504
Due from related parties	44	(408)
Inventories	4,865	138
Financial assets at FVTPL	(2,310)	(5,756)
Prepayments and other current assets	(1,117)	(1,327)
Increase (decrease) in:		
Accounts and other payables	3,479	1,028
Contract liabilities	(106)	(234)
Customers' deposits	(55)	298
Due to related parties	(26)	(310)
Other current liabilities	(307)	(70)
Cash provided by operations	18,595	7,942
Interest received	274	1,076
Interest paid	(4,810)	(4,330)
Contributions to pension plan and benefits paid	(106)	(81)
Dividends received	5,836	7,423
Dividends paid	(1,913)	(1,498)
Income taxes paid	(1,607)	(1,840)
Net cash provided by operating activities	16,269	8,692
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	115	34
Additions to:		
Property and equipment	(460)	(5,500)
Financial assets at FVOCI	-	(387)
Investments in associates and joint ventures	(10,776)	(209)
Intangible assets	(144)	(57)
Investment properties	(185)	(197)
Impact of business combination	-	50
Decrease (increase) in other noncurrent assets	147	(756)
Net cash provided by (used in) investing activities	(11,303)	(7,022)

	Unaudited	
	For the Nine Months Ended	
	September 30	
	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan availments	P28,978	P38,640
Payment of loans payable	(32,922)	(37,547)
Payment for bonds payable	-	(5,000)
Payment of liabilities on purchased properties	(322)	(554)
Documentary stamp tax on loan availments	-	(128)
Increase (decrease) in other noncurrent liabilities	9	(257)
Acquisition of noncontrolling interests	-	365
Net cash (used in) provided by financing activities	(4,257)	(4,481)
Effect of exchange rate changes on cash and cash equivalents	(939)	(79)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(230)	(2,890)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	17,404	17,114
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P17,174	P14,224

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

GENERAL NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

GT Capital Holdings, Inc. (GT Capital or the Parent Company) was organized and registered with the Philippine Securities and Exchange Commission (SEC) on July 26, 2007. The primary purpose of the Parent Company is to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop or otherwise dispose of real property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock so owned, and to secure and guarantee obligations of, and act as surety for its subsidiaries and affiliates.

On March 25, 2022 and May 11, 2022, respectively, at separate meetings, the Parent Company's Board of Directors, by a majority vote of its members, and the stockholders, by affirmative vote of more than two-thirds (2/3) of the outstanding capital stock of the Parent Company, approved the amendment of Article SECOND of the Parent Company's Amended Articles of Incorporation by amending the Parent Company's primary purpose, to include: to act as commission merchant, commercial agent or factor for, or assist in any legal manner, financially or otherwise, its subsidiaries, affiliates, associates or investee companies. The Amended Articles of Incorporation was approved by the SEC on July 8, 2022.

The common shares of the Parent Company were listed beginning April 20, 2012 and have since been traded in the Philippine Stock Exchange, Inc. (PSE).

Group Activities

The Parent Company, Federal Land, Inc. (Federal Land) and Subsidiaries (Federal Land Group), Toyota Motor Philippines Corporation (Toyota or TMPC) and Subsidiaries (Toyota Group), Toyota Manila Bay Corp. (TMBC) and Subsidiary (TMBC Group) and GT Capital Auto and Mobility Holdings, Inc. (GTCAM) and Subsidiaries (GTCAM Group) are collectively referred herein as the "Group". The Parent Company, which is the ultimate parent of the Group, the holding company of the Federal Land Group (real estate business), Toyota Group (automotive business), TMBC Group (automotive business) and GTCAM (automotive business) is engaged in investing, purchasing and holding shares of stock, notes and other securities and obligations, as well as buying, selling, and leasing of real estate properties.

The principal business interests of the Federal Land Group are real estate development and leasing and selling properties and acting as a marketing agent for and in behalf of any real estate development company or companies. The Federal Land Group is also engaged in the business of trading of goods such as petroleum, non-fuel products on wholesale or retail basis, maintaining a petroleum service station and food and restaurant service.

Toyota Group is engaged in the assembly, manufacture, importation, sale and distribution of all kinds of motor vehicles including vehicle parts, accessories and instruments.

TMBC Group is engaged in purchasing, trading, exchanging, distributing, marketing, repairing and servicing automobiles, trucks and all kinds of motor vehicles and automobile products of every kind and description, motor vehicle parts, accessories, tools and supplies and equipment items.

GTCAM was formerly known as GT Capital Auto Dealership Holdings, Inc. (GTCAD). GTCAM's BOD and the SEC approved the change in name from GTCAD to GTCAM on September 13, 2021 and November 29, 2021, respectively. The principal business interests of GTCAM are to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop, or otherwise dispose of real or personal property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any auto dealership or other corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock so owned. Its secondary purpose is to invest in, purchase, or otherwise acquire own shares of companies engaged in mobility-related services, including those that support the used car market which include auction services, auto portal, used car retail sales operations, inspection, warranty, financing, and parts and service.

The Parent Company also has significant shareholdings in Metropolitan Bank & Trust Company (MBTC or Metrobank), Metro Pacific Investments Corporation (MPIC), Philippine AXA Life Insurance Corporation (AXA Philippines or Phil AXA), Toyota Financial Services Philippines Corporation (TFSPC) and Sumisho Motor Finance Corporation (SMFC).

The registered office address of the Parent Company is at the 43rd Floor, GT Tower International, Ayala Avenue corner H.V. Dela Costa Street, 1227 Makati City.

2. Summary of Significant Accounting Policies

Basis of Preparation

The accompanying interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standards (PAS) 34 Interim Financial Reporting. Accordingly, the interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual audited financial statements and should be read in conjunction with the Group's annual audited financial statements as at December 31, 2021.

The interim condensed consolidated financial statements of the Group have been prepared using the historical cost basis except for financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI) and derivative financial instruments, which have been measured at fair value. The Group's interim condensed consolidated financial statements are presented in Philippine Peso (₱), the Parent Company's functional currency. All values are rounded to the nearest million pesos (₱000,000) unless otherwise indicated.

Statement of Compliance

The interim condensed consolidated financial statements have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS), as modified by the application of the financial reporting relief on the accounting for significant financing component as issued and approved by the SEC in response to the COVID-19 pandemic.

The Group has availed of the relief granted by the SEC under Memorandum Circular (MC) No. 34-2020 which further extended the deferral of PIC Q&A 2018-12-D, *Assessing if the transaction price includes a significant financing component* until December 31, 2023. This reporting relief is applicable to the Group's Real Estate Segment, specifically under the Federal Land Group. As of September 30, 2022, the Group is quantifying the impact of the adoption of PIC Q&A 2018-12-D.

PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).

Presentation of Financial Statements

Financial assets and financial liabilities are offset and the net amount reported in the interim condensed consolidated statements of financial position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. Income and expense are not offset in the interim condensed consolidated statements of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group.

Basis of Consolidation

The interim condensed consolidated financial statements of the Group comprise the financial statements of the Parent Company and the following domestic subsidiaries:

	Country of Incorporation	Percentages of Ownership	
		September 30, 2022	December 31, 2021
Federal Land and Subsidiaries	Philippines	100.00	100.00
Toyota and Subsidiaries	-do-	51.00	51.00
TMBC and Subsidiaries	-do-	58.10	58.10
GTCAM and Subsidiaries	-do-	100.00	100.00

Federal Land's Subsidiaries

	Percentages of Ownership	
	2022	2021
Horizon Land Property and Development Corp. (HLPDC)	100.00	100.00
Federal Property Management Corp. (FPMC)	100.00	100.00
Federal Land Orix Corporation (FLOC)	100.00	100.00
Topsphere Realty Development Company Inc. (TRDCI)	100.00	100.00
Bonifacio Landmark Hotel Management Corporation (BLHMC)	100.00	100.00
Fed South Dragon Corporation (FSDC)	100.00	100.00
Federal Retail Holdings, Inc. (FRHI)	100.00	100.00
Magnificat Resources Corp. (MRC)	100.00	100.00
Mirai Properties Inc. (MPI)*	100.00	100.00
Central Realty and Development Corp. (CRDC)	75.80	75.80
Federal Brent Retail, Inc. (FBRI)	51.66	51.66

*On November 9, 2021, MPI was incorporated and has not started its commercial operations.

Toyota's Subsidiaries

	Percentages of Ownership	
	2022	2021
Toyota Makati, Inc. (TMI)	100.00	100.00
Toyota Motor Philippines Logistics, Inc. (TLI)	100.00	100.00
Lexus Manila, Inc. (LMI)	75.00	75.00
Toyota San Fernando Pampanga, Inc. (TSFI)	55.00	55.00
Toyota Mobility Solutions Philippines, Inc. (TMSPH)*	100.00	-

*On June 8, 2022, TMSPH was incorporated and has started its commercial operations in August 2022.

TMBC's Subsidiaries

	Percentages of Ownership	
	2022	2021
Oxfordshire Holdings, Inc. (OHI)	100.00	100.00
TMBC Insurance Agency Corporation (TIAC)	100.00	100.00

GTCAM's Subsidiaries

	Percentages of Ownership	
	2022	2021
GT Mobility Ventures, Inc. (GTMV)	66.67	66.67
Toyota Sta. Rosa Laguna, Inc. (TSRLI)	60.00	60.00
Toyota Subic, Inc. (TSI)	55.00	55.00

TSRLI has investments in Toyota Santa Rosa, Laguna Insurance Agency, Inc. (TSRIA), a company incorporated in the Philippines on May 10, 2022, and primarily engaged in business as a non-life insurance agency, acting as general agents, managers or promoters for any insurance company in connection with the latter's non-life insurance business.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of subsidiaries ceases when control is transferred out of the Parent Company.

Specifically, the Parent Company controls an investee if, and only if, the Parent Company has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure or rights to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- i. the contractual arrangement with the other vote holders of the investee
- ii. rights arising from other contractual arrangements
- iii. the Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. All intragroup transactions, balances, income and expenses resulting from intragroup transactions and dividends are eliminated in full on consolidation.

Non-controlling interests (NCI) represent the portion of profit or loss and net assets in a subsidiary not attributed, directly or indirectly, to the Parent Company. The interest of non-controlling shareholders may be initially measured at fair value or share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, NCI consists of the amount attributed to such interests at initial recognition and the NCI's share of changes in equity since the date of combination.

NCI are presented separately in the interim condensed consolidated statements of income, interim condensed consolidated statements of comprehensive income, interim condensed consolidated statements of changes in equity and within equity in the interim condensed consolidated statements of financial position, separately from the Parent Company's equity. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the NCI, even if that results in the NCI having a deficit balance.

If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any NCI and the cumulative translation differences, recorded in equity;
- recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Business Combinations Involving Entities Under Common Control

A business combination involving entities under common control is accounted for using the uniting of interest method, except when the acquisition is deemed to have commercial substance for the Group, in which case the business combination is accounted for under the acquisition method. The combined entities accounted for by the uniting of interests method reports the results of operations for the period in which the combination occurs as though the entities had been combined as of the beginning of the period. Financial statements of the separate entities presented for prior years are also restated on a combined basis to provide comparative information. The effects of intercompany transactions on assets, liabilities, revenues, and expenses for the periods presented, and on retained earnings at the beginning of the periods presented are eliminated to the extent possible.

Under the uniting of interest method, the acquirer accounts for the combination as follows:

- the assets and liabilities of the acquiree are consolidated using the existing carrying values instead of fair values;
- intangible assets and contingent liabilities are recognized only to the extent that they were recognized by the acquiree in accordance with applicable PFRS;
- no amount is recognized as goodwill;
- any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities; and
- comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

The acquiree's equity are included in the opening balances of the equity as a restatement and are presented as 'Effect of uniting of interest' in the interim condensed consolidated statements of changes in equity. Cash considerations transferred on acquisition of a subsidiary under common control are deducted in the 'Retained earnings' at the time of business combination.

When evaluating whether an acquisition has commercial substance, the Group considers the following factors, among others:

- the purpose of the transaction;
- the involvement of outside parties in the transaction, such as NCI or other third parties; and
- whether or not the transaction is conducted at fair value.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer elects whether to measure the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the date of acquisition. Acquisition-related costs are expensed and included in the interim condensed consolidated statements of income.

When the Group acquires a business, it assesses the financial assets and liabilities of the acquiree for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. The Group also assesses whether assets or liabilities of the acquiree that are previously unrecognized in the books of the acquiree will require separate recognition in the interim condensed consolidated financial statements of the Group at the acquisition date.

In a business combination achieved in stages, the Group remeasures its previously-held equity interest in the acquiree at its acquisition-date fair value and recognizes the resulting gain or loss, if any, in the interim condensed consolidated statements of income. Any recognized changes in the value of its equity interest in the acquiree previously recognized in other comprehensive income are recognized by the Group in profit or loss, as if the previously-held equity interests are disposed of.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized either in the interim condensed consolidated statements of income or as changes to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as at the acquisition date that if known, would have affected the amounts recognized as at that date. The measurement period is the period from the date of acquisition to the date the Group receives complete information about facts and circumstances that existed as at the acquisition date and is subject to a maximum of one (1) year.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount recognized for any NCI in the acquiree and the fair value of the acquirer's previously-held interest, if any, over the fair value of the net assets acquired.

If after reassessment, the fair value of the net assets acquired exceeds the consideration transferred, the amount recognized for any NCI in the acquiree and the fair value of the acquirer's previously-held interest, if any, the difference is recognized immediately in the interim condensed consolidated statements of income as 'Gain on bargain purchase'.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Any impairment loss is recognized immediately in the interim condensed consolidated statements of income and is not subsequently reversed. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (CGU) that are expected to benefit from the combination from the acquisition date irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill is not amortized but is reviewed for impairment at least annually. Any impairment losses are recognized immediately in profit or loss and are not subsequently reversed.

Where goodwill forms part of a CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Change in Ownership without Loss of Control

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling interest and NCI are adjusted by the Group to reflect the changes in its relative interests in the subsidiary. Any difference between the amount by which the NCI is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the equity holders of the Parent Company.

Significant Accounting Policies / Changes in Accounting Policies

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual audited consolidated financial statements as of and for the year ended December 31, 2021, except for the adoption of the following amended standards, which became effective beginning January 1, 2022.

Unless otherwise indicated, the adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

Amendments to PFRS 3, Business Combinations, Reference to the conceptual framework

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, Provisions, Contingent Liabilities and Contingent Assets, or Philippine-IFRIC 21, Levies, if incurred separately. At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

Amendments to PAS 16, Plant and Equipment, Proceeds before intended use

The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in the statement of income.

Amendments to PAS 37, Provisions, Contingent Liabilities and Contingent Assets, Onerous contract – costs of fulfilling a contract

The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Annual Improvements to PFRSs 2018-2020 Cycle

Amendments to PFRS 1, First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent’s date of transition to PFRS. This amendment is also applied to an associate or JV that elects to apply paragraph D16(a) of PFRS 1.

Amendments to PFRS 9, Financial Instruments, Fees in the ‘10 percent’ test for derecognition financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

Amendments to PAS 41, Agriculture, Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

Significant Accounting Judgments and Estimates

The preparation of the financial statements in compliance with PAS 34 requires the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and contingent liabilities. Future events may occur which can cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant accounting judgments and estimates of the Group have been disclosed in the 2021 audited financial statements.

3. Cash and cash equivalents

This account consists of:

	September 30, 2022	September 30, 2021	December 31, 2021
Cash on hand	₱25	₱38	₱34
Cash in banks and other financial institution	4,340	3,732	4,469
Cash equivalents	12,809	10,454	12,901
	₱17,174	₱14,224	₱17,404

4. Investments

Financial assets at fair value through profit or loss (FVTPL)

This pertains to the Group's investments in Unit Investment Trust Fund (UITF) as of September 30, 2022.

Financial assets at fair value through other comprehensive income (FVOCI)

This pertains mainly to the Parent Company's investment in common shares of Toyota Motor Corporation (TMC) and Vivant Corporation (VVT).

5. Investments in subsidiaries, associates and joint ventures

Investment in MBTC

On various dates in 2020, the Parent Company acquired an aggregate of 22.11 million common shares of Metrobank for a total consideration of ₱1.24 billion. This increased the Parent Company's ownership interest in Metrobank from 36.65% to 37.15%.

The following table summarizes cash dividends declared and paid by the Group's associates and joint ventures (amount in millions, except for dividend per share):

	Declaration Date	Per Share	Total	Record Date	Payment Date
2022					
MBTC	February 23, 2022	₱0.80	₱3,598	March 17, 2022	March 31, 2022
MBTC	February 23, 2022	₱0.80	₱3,598	September 9, 2022	September 23, 2022
MBTC*	February 23, 2022	1.40	6,296	March 17, 2022	March 31, 2022
MPIC	March 9, 2022	0.0678	2,031	March 25, 2022	April 6, 2022
MPIC*	March 9, 2022	0.0082	246	March 25, 2022	April 6, 2022
SMFC	June 24, 2022	5.01	100.2	July 11, 2022	July 20, 2022
MPIC	August 3, 2022	0.0345	1,011	August 22, 2022	September 8, 2022
2021					
MBTC	February 17, 2021	1.00	4,497	March 5, 2021	March 18, 2021
MBTC*	February 17, 2021	3.00	13,492	March 5, 2021	March 18, 2021
MPIC	March 3, 2021	0.0481	1,475	March 18, 2021	March 31, 2021
MPIC*	March 3, 2021	0.0279	856	March 18, 2021	March 31, 2021
SMFC	June 25, 2021	1.93	38.6	July 12, 2021	July 21, 2021
MPIC	August 4, 2021	0.0345	1,057	August 18, 2021	September 2, 2021
Phil AXA	December 9, 2021	247.00	2,470	November 30, 2021	December 2021

*Special cash dividends

6. Loans Payable

This account consists of:

	September 30, 2022					
	Short-term debt	Long-term debt			Subtotal	Total
		Corporate notes	Loans payable			
Parent Company	P-	P-	P71,338	P71,338	P71,338	
Federal Land Group	2,039	955	50,700	51,655	53,694	
Toyota Group	402	-	246	246	648	
TMBC Group	825	-	589	589	1,414	
GTCAM Group	40	-	-	-	40	
	3,306	955	122,873	123,828	127,134	
Less: Deferred financing cost	-	-	512	512	512	
	3,306	955	122,361	123,316	126,622	
Less: Current portion of long-term debt	-	25	4,404	4,429	4,429	
	P3,306	P930	P117,957	P118,887	P122,193	

	December 31, 2021					
	Short-term debt	Long-term debt			Subtotal	Total
		Corporate notes	Loans payable			
Parent Company	P-	P-	P72,237	P72,237	P72,237	
Federal Land Group	2,372	960	48,528	49,488	51,860	
Toyota Group	5,460	-	246	246	5,706	
TMBC Group	1,150	-	707	707	1,857	
GTCAM Group	145	-	-	-	145	
	9,127	960	121,718	122,678	131,805	
Less: Deferred financing cost	-	-	500	500	500	
	9,127	960	121,218	122,178	131,305	
Less: Current portion of long-term debt	-	25	9,398	9,423	9,423	
	P9,127	P935	P111,820	P112,755	P121,882	

7. Bonds Payable

This account consists of the following Peso Bonds:

Maturity Dates	Interest rate	Par Value	Carrying Value	
			September 30, 2022	December 31, 2021
P10.0 billion Bonds				
February 27, 2023	5.0937%	6,100	P6,094	P6,090
P12.0 billion Bonds				
August 7, 2024	5.6250%	4,000	3,993	3,987
		10,100	P10,087	P10,077

Unamortized debt issuance costs on these bonds amounted to ₱13.00 million and ₱22.53 million as of September 30, 2022 and December 31, 2021, respectively.

10.0 billion GT Capital bonds due 2020, 2023

The ₱3.90 billion bonds with maturity date of February 27, 2020 were paid. This was refinanced in February 2020 with a long-term loan from a non-affiliated local bank.

12.0 billion GT Capital bonds due 2019, 2021, 2024

The ₱5.00 billion bonds with maturity date of August 7, 2021 were paid. This was refinanced in July 2021 with a long-term loan from a non-affiliated local bank.

The ₱3.00 billion bonds with maturity date of November 7, 2019 were paid. This was refinanced in November 2019 with a long-term loan from a non-affiliated local bank.

8. Equity

Retained earnings

Details of the Parent Company's dividend distributions to preferred shareholders out of the Parent Company's retained earnings as approved by the Parent Company's BOD follow:

Date of declaration	Per share	Total amount (in millions)	Record date	Payment date
<i>Voting preferred shares</i>				
March 25, 2022	₱0.00377	₱0.66	April 8, 2022	April 22, 2022
March 22, 2021	0.00377	0.66	April 7, 2021	April 21, 2021
May 21, 2020	0.00377	0.66	June 5, 2020	June 19, 2020
<i>Perpetual Preferred Shares</i>				
Series A				
December 17, 2021	11.57475	56.01	January 5, 2022	January 27, 2022
December 17, 2021	11.57475	56.01	April 5, 2022	April 27, 2022
December 17, 2021	11.57475	56.01	July 5, 2022	July 27, 2022
December 17, 2021	11.57475	56.01	October 5, 2022	October 27, 2022
December 15, 2020	11.57475	56.01	January 4, 2021	January 27, 2021
December 15, 2020	11.57475	56.01	April 5, 2021	April 27, 2021
December 15, 2020	11.57475	56.01	July 5, 2021	July 27, 2021
December 15, 2020	11.57475	56.01	October 4, 2021	October 27, 2021
Series B				
December 17, 2021	12.73725	91.21	January 5, 2022	January 27, 2022
December 17, 2021	12.73725	91.21	April 5, 2022	April 27, 2022
December 17, 2021	12.73725	91.21	July 5, 2022	July 27, 2022
December 17, 2021	12.73725	91.21	October 5, 2022	October 27, 2022
December 15, 2020	12.73725	91.21	January 4, 2021	January 27, 2021
December 15, 2020	12.73725	91.21	April 5, 2021	April 27, 2021
December 15, 2020	12.73725	91.21	July 5, 2021	July 27, 2021
December 15, 2020	12.73725	91.21	October 4, 2021	October 27, 2021

Details of the Parent Company's dividend distributions to common shareholders out of the Parent Company's retained earnings as approved by the Parent Company's BOD follow:

Date of declaration	Per share	Total amount	Record date	Payment date
March 25, 2022	₱3.00	₱645.85	April 8, 2022	April 22, 2022
March 22, 2021	3.00	645.85	April 7, 2021	April 21, 2021
May 21, 2020	3.00	645.85	June 5, 2020	June 19, 2020
May 21, 2020*	3.00	645.85	June 5, 2020	June 19, 2020

*Special cash dividends

Other Comprehensive Income (Loss)

Other comprehensive income (loss) consists of the following, net of applicable income taxes:

	September 30, 2022	September 30, 2021	December 31, 2021
Net unrealized gain on financial assets at FVOCI	₱2,887	₱4,214	₱4,927
Net unrealized loss on remeasurement of retirement plan	(211)	(479)	(215)
Cash flow hedge reserve	(21)	(35)	(32)
Cumulative translation adjustments	32	-	3
Equity in other comprehensive income (losses) of associates:			
Equity in net unrealized gain (loss) on financial assets at FVOCI	(8,154)	1,677	(340)
Equity in cumulative translation adjustments	(2,142)	(2,991)	(2,746)
Equity in net unrealized loss on remeasurement of retirement plan	(1,193)	(1,848)	(1,183)
Equity in cash flow hedge reserves	(433)	(279)	(166)
Equity in remeasurement on life insurance reserves	138	(176)	(110)
Equity in other equity adjustments	5	5	5
	(₱9,092)	₱88	₱143

The movements and analysis of the other comprehensive loss are presented in the interim condensed consolidated statements of comprehensive income.

9. Related Party Transactions

Parties are considered to be related if one party has the ability, directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. These related parties include subsidiaries, associates, joint venture, key management personnel, stockholders and other related parties which include affiliates.

An entity is considered an affiliate if such entity and the Parent Company have common shareholders. In effect, such entity is a sister company of the Parent Company by virtue of ownership and common control. It is neither a subsidiary nor associate of the Group.

The Group, in its regular conduct of its business, has entered into transactions with its associates, joint venture and other related parties principally consisting of cash advances for reimbursement of expenses, merger and acquisitions and capital infusion, leasing agreements, management agreements and dividends received from associates. Transactions with related parties are made at normal market prices.

As of September 30, 2022 and December 31, 2021, outstanding balances are unsecured and settlement occurs generally in cash, except otherwise indicated. There have been no guarantees provided or received for any related party receivables or payables. The Group does not provide any allowance relating to receivable from related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

10. Basic/Diluted Earnings Per Share

The basic/diluted earnings per share attributable to equity holders of the Parent Company for the periods indicated were computed as follows:

	September 30, 2022	September 30, 2021	December 31, 2021
a.) Net income attributable to equity holders of the Parent Company	P14,946	P8,667	P10,983
b.) Effect of dividends declared to voting and perpetual preferred shareholders of the Parent Company	(442)	(442)	(589)
c.) Net income attributable to common shareholders of the Parent Company	14,504	8,225	10,394
d.) Weighted average number of outstanding common shares of the Parent Company	215	215	215
e.) Basic/diluted earnings per share, (c / d)	P67.37	P38.21	P48.28

Basic earnings per share (EPS) is computed by dividing net income for the year attributable to common shareholders of the Parent Company by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock dividends declared and exercised during the year. Basic and diluted earnings per share are the same due to the absence of dilutive potential common shares.

11. Operating Segments

Segment Information

For management purposes, the Group is organized into business units based on their products and activities and has four reportable segments as follows:

- Real estate is engaged in real estate and leasing, development and selling of properties of every kind and description, as well as ancillary trading of goods such as petroleum, non-fuel products on wholesale or retail basis, maintenance of a petroleum service station, engaging in food and restaurant service and acting as a marketing agent for and in behalf of any real estate development company or companies;
- Financial institutions are engaged in the banking and insurance industry;

- Automotive operations is engaged in the assembly, manufacture, importation, sale and distribution of all kinds of automobiles including automobile parts, accessories, and instruments;
- Infrastructure is engaged in the water distribution, toll operation, power sector, hospitals and rail; and
- Others pertain to other corporate activities of the Group (i.e., capital raising activities, acquisitions and investments).

The chief operating decision maker (CODM) monitors the operating results of the Group for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue, earnings before interest, taxes and depreciation/amortization (EBITDA) and pretax income which are measured similarly under PFRS, except for EBITDA. EBITDA is computed by reconciling net interest income (expense) and provision for income taxes to the net income and adding back depreciation and amortization expenses for the period.

There were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers. Intragroup transactions were eliminated during consolidation.

Seasonality of Operations

The operations of the Group are not materially affected by seasonality, except for the mall leasing operations of the real estate segment which experiences higher revenues during the holiday seasons. This information is provided to allow for a proper appreciation of the results of the Group's operations. However, management concluded that the aforementioned discussions of seasonality do not constitute "highly seasonal" as considered in PAS 34.

Segment Assets

Segment assets are resources owned by each of the operating segments that are employed in its operating activities.

Segment Liabilities

Segment liabilities are obligations incurred by each of the operating segments from its operating activities.

The following tables present the financial information of the operating segments of the Group as of and for the nine months period ended September 30, 2022 and as of and for the year ended December 31, 2021:

	September 30, 2022 (Unaudited)					
	Real Estate	Financial Institution	Automotive Operations	Infra structure	Others	Total
Revenue	P4,136	P-	P153,345	P-	P169	P157,650
Other income	6,951	-	1,441	-	236	8,628
Equity in net income of associates and joint ventures	849	9,668	-	2,168	-	12,685
	11,936	9,668	154,786	2,168	405	178,963
Cost of goods and services sold	565	-	113,583	-	-	114,148
Cost of goods manufactured and sold	-	-	25,521	-	-	25,521
Cost of rental	597	-	-	-	10	607
Cost of real estate sales	2,436	-	-	-	62	2,498
General and administrative expenses	2,700	-	9,303	-	588	12,591
	6,298	-	148,407	-	660	155,365
Earnings before interest and taxes	5,638	9,668	6,379	2,168	(255)	23,598
Depreciation and amortization	529	-	1,092	-	(8)	1,613
EBITDA	6,167	9,668	7,471	2,168	(263)	25,211
Interest income	392	-	75	-	68	535
Interest expense	(1,509)	-	(128)	-	(3,380)	(5,017)
Depreciation and amortization	(529)	-	(1,092)	-	8	(1,613)
Pretax income	4,521	9,668	6,326	2,168	(3,567)	19,116
Provision for income tax	(218)	-	(1,464)	-	(9)	(1,691)
Income after tax	P4,303	P9,668	P4,862	P2,168	(3,576)	P17,425
Segment assets	P115,699	P131,856	P66,561	P40,279	P48,812	P403,207
Segment liabilities	P72,913	P-	P37,079	P-	P83,667	P193,659

	December 31, 2021 (Audited)					
	Real Estate	Financial Institution	Automotive Operations	Infra structure	Others	Total
Revenue	P5,607	P-	P150,964	P-	P10	P156,581
Other income	2,828	-	1,894	-	376	5,098
Equity in net income of associates and joint venture	97	9,443	-	1,525	-	11,065
	8,532	9,443	152,858	1,525	386	172,744
Cost of goods and services sold	467	-	102,492	-	-	102,959
Cost of goods manufactured and sold	-	-	32,111	-	-	32,111
Cost of rental	642	-	-	-	13	655
Cost of real estate sales	3,114	-	-	-	9	3,123
General and administrative expenses	3,304	-	9,651	-	500	13,455
	7,527	-	144,254	-	522	152,303
Earnings before interest and taxes	1,005	9,443	8,604	1,525	(136)	20,441
Depreciation and amortization	538	-	1,631	-	19	2,188
EBITDA	1,543	9,443	10,235	1,525	(117)	22,629
Interest income	1,587	-	229	-	83	1,899
Interest expense	(1,509)	-	(249)	-	(4,512)	(6,270)
Depreciation and amortization	(538)	-	(1,631)	-	(19)	(2,188)
Pretax income	1,083	9,443	8,584	1,525	(4,565)	16,070
Provision for income tax	(281)	-	(1,440)	-	(100)	(1,821)
Income after tax	P802	P9,443	P7,144	P1,525	(P4,665)	P14,249
Segment assets	P109,973	P135,453	P65,406	P38,194	P48,768	P397,794
Segment liabilities	P70,867	P-	P37,748	P-	P84,100	P192,715

Geographical Information

The following table shows the distribution of the Group's consolidated revenues to external customers by geographical market, regardless of where the goods were produced:

	September 30, 2022	September 30, 2021	December 31, 2021
Domestic	P172,691	P119,099	P165,662
Foreign	6,807	6,401	8,981
	P179,498	P125,500	P174,643

12. Financial Risk Management and Objectives

The Group's principal financial instruments are composed of cash and cash equivalents, short-term investments, receivables, due from related parties, financial assets at FVTPL, financial assets at FVOCI, accounts and other payables, due to related parties, loans payable and derivative liabilities.

Exposure to credit, liquidity, foreign currency and interest rate risks arise in the normal course of the Group's business activities. The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The use of financial derivative instruments (if any) is solely for the management of the Group's financial risk exposures. It is the Group's policy not to enter into derivative transactions for speculative purposes.

The Group's respective financing and treasury functions focus on managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Group.

Credit risk

The Group's credit risks are primarily attributable to its financial assets. To manage credit risks, the Group maintains defined credit policies and monitors on a continuous basis its exposure to credit risks. Given the Group's diverse base of counterparties, it is not exposed to large concentrations of credit risk.

Financial assets comprise of cash and cash equivalents, financial assets at FVTPL, receivables, due from related parties and financial assets at FVOCI. The Group adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations.

In respect of installment receivables from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Group also undertakes supplemental credit review procedures for certain installment payment structures. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements. Exposure to bad debts is not significant and the requirement for remedial procedures is minimal given the profile of buyers.

Maximum exposure to credit risk after taking into account collateral held or other credit enhancements

As of September 30, 2022 and December 31, 2021, the maximum exposure to credit risk of the Group's financial assets is equal to its carrying value except for installment contracts receivable with nil exposure to credit risk since the fair value of the related collateral is greater than the carrying value of the installment contracts receivable.

Liquidity risk

The Group monitors its cash flow position, debt maturity profile and overall liquidity position in assessing its exposure to liquidity risk. The Group maintains a level of cash and cash equivalents deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions.

Overall, the Group's funding arrangements are designed to keep an appropriate balance between equity and debt, to give financing flexibility while continuously enhancing the Group's businesses. To serve as back-up liquidity, management develops variable funding alternatives either by issuing debt or raising capital.

The table summarizes the maturity profile of the Group's financial assets and liabilities based on contractual undiscounted payments:

	September 30, 2022 (Unaudited)			Total
	< 1 year	> 1 to < 5 years	> 5 years	
Financial assets				
Cash and cash equivalents*	₱17,154	₱-	₱-	₱17,154
Receivables	14,991	9,233	-	24,224
Due from related parties	110	-	-	110
Financial assets at FVTPL				
Investments in UITF	11,074	-	-	11,074
Financial assets at FVOCI				
Equity securities				
Quoted	-	-	13,948	13,948
Unquoted	-	-	393	393
Total undiscounted financial assets	₱43,329	₱9,233	₱14,341	₱66,903
Other financial liabilities				
Accounts and other payables	₱33,420	₱1,450	₱-	₱34,870
Dividends payable	2,462	-	-	2,462
Loans payable	19,163	81,994	64,231	165,388
Bonds payable	6,452	4,192	-	10,644
Due to related parties	167	-	-	167
Liabilities on purchased properties	332	1,382	949	2,663
Derivative liabilities	-	21	-	21
Total undiscounted financial liabilities	₱61,996	₱89,039	₱65,180	₱216,215
Liquidity Gap	(₱18,667)	(₱79,806)	(₱50,839)	(₱149,312)

*Excludes cash on hand amounting to ₱25.19 million.

	December 31, 2021 (Audited)			Total
	< 1 year	> 1 to < 5 years	> 5 years	
Financial assets				
Cash and cash equivalents*	₱17,371	₱–	₱–	₱17,371
Receivables	16,648	4,479	–	21,127
Due from related parties	155	–	–	155
Financial assets at FVTPL				
Investments in UITF	8,712	–	–	8,712
Financial assets at FVOCI				
Equity securities				
Quoted	–	–	15,919	15,919
Unquoted	–	–	392	392
Total undiscounted financial assets	₱42,886	₱4,479	₱16,311	₱63,676
Other financial liabilities				
Accounts and other payables	₱29,790	₱1,384	₱–	₱31,174
Dividends payable	590	–	–	590
Loans payable	24,487	67,980	77,824	170,291
Bonds payable	536	10,510	–	11,046
Due to related parties	193	–	–	193
Liabilities on purchased properties	304	2,057	1,414	3,775
Derivative liabilities	–	32	–	32
Total undiscounted financial liabilities	₱55,900	₱81,963	₱79,238	₱217,101
Liquidity Gap	(₱13,014)	(₱77,484)	(₱62,927)	(₱153,425)

*Excludes cash on hand amounting to ₱34.02 million.

Foreign currency risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's foreign currency-denominated financial instruments primarily consist of cash and cash equivalents, accounts receivable, accounts payable and loans payable. The Group's policy is to maintain foreign currency exposure within acceptable limits.

Interest rate risk

The Group's interest rate exposure management policy centers on reducing the Group's overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Group manages its interest rate risk by leveraging on its premier credit rating and maintaining a debt portfolio mix of both fixed and floating interest rates. The portfolio mix is a function of historical, current trend and outlook of interest rates, volatility of short-term interest rates, the steepness of the yield curve and degree of variability of cash flows.

13. Fair Value Measurement

The methods and assumptions used by the Group in estimating the fair value of the financial instruments are as follows:

Cash and cash equivalents and short-term cash investments

The fair value of cash and cash equivalents approximate the carrying amounts at initial recognition due to the short-term maturities of these instruments.

Receivables

The fair value of receivables due within one year approximates its carrying amounts. The fair values of installment contracts receivable are based on the discounted value of future cash flows using the applicable rates for similar types of instruments. The discount rate used was 8.00% as of September 30, 2022 and December 31, 2021. For the long-term loan receivable, the Group used discounted cash flow analyses to measure the fair value of the loan and determined that the carrying amount of the loans receivable was not materially different from its calculated fair value.

Due from and to related parties

The carrying amounts approximate fair values due to its short term nature. Related party receivables and payables are due and demandable.

Financial assets at FVTPL

These pertain to the Group's investment in UITFs. UITFs are ready-made investments that allow pooling of funds from different investors with similar investments objectives. These UITFs are managed by professional fund managers and may be invested in various financial instruments such as money market securities, bonds and equities, which are normally available to large investors only. A UITF uses the mark-to-market method in valuing the fund's securities.

Financial assets at FVOCI – unquoted

The fair value of unquoted equity securities is estimated based on the market data approach that makes use of market multiples derived from a set of comparables. Multiples were determined that is most relevant to assessing the value of unquoted securities (e.g., earnings, book value). The selection of the appropriate multiple within the range is based on qualitative and quantitative factors specific to the measurement.

Financial assets at FVOCI – quoted

The fair value of quoted equity securities is based on the quoted market prices or binding dealer price quotations, without any deduction for transaction cost.

Derivative financial instruments

The fair values of interest rate swap transactions are derived using acceptable valuation method. The valuation assumptions are based on market conditions existing at the reporting dates.

Accounts and other payables

The fair values of accounts and other payables approximate the carrying amounts due to the short-term nature of these transactions.

Loans payable

Current portion of loans payable approximates its fair value due to its short-term maturity. Long-term portion of loans payable subjected to quarterly repricing is not discounted. Estimated fair value of long-term portion of loans payable with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using applicable interest rates for similar types of loans as of reporting date. The interest rates used ranged from 1.17% to 7.02% and 0.44% to 6.17% as of September 30, 2022 and December 31, 2021, respectively.

Bonds payable

Current portion of bonds payable approximates its fair value due to its short-term maturity. The fair value of the long-term portion of bonds payable is based on its quoted market price in the Philippine Dealing and Exchange Corporation.

Liabilities on purchased properties

Estimated fair value was based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date. Long-term payable was incurred in 2019, 2017 and 2012 with interest rates ranging from 3.00% to 3.25% per annum.

The following tables summarize the carrying amount and fair values of financial assets and liabilities, as well as nonfinancial assets, analyzed based on the fair value hierarchy (see accounting policy on Fair Value Measurement), except for assets and liabilities where the carrying values as reflected in the interim condensed consolidated statements of financial position and related notes approximate their respective fair values.

	September 30, 2022 (Unaudited)				
	Carrying Value	Level 1	Level 2	Level 3	Total
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	P11,074	P-	P11,074	P-	P11,074
Financial assets at FVOCI					
Quoted equity securities	13,948	13,948	-	-	13,948
Unquoted equity securities	393	-	393	-	393
	P25,415	P13,948	P11,467	P-	P25,415
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Installment contracts receivables	P263	P-	P-	P265	P265
Loans receivables	4,872	-	-	6,285	6,285
Non-financial Assets					
Investment in listed associates	161,562	97,342	-	-	97,342
Investment properties	18,081	-	-	42,034	42,034
	P184,778	P97,342	P-	P48,584	P145,926
Liabilities measured at fair value:					
Financial Liabilities					
Other noncurrent liabilities					
Derivative liability	P21	P-	P21	P-	P21
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Liabilities on purchased properties	P 1,309	P-	P-	P1,357	P1,357
Loans payable	118,887	-	-	117,334	117,334
Bonds payable	3,993	4,048	-	-	4,048
	P124,189	P4,048	P-	P118,691	P122,739

	December 31, 2021 (Audited)				
	Carrying Value	Level 1	Level 2	Level 3	Total
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	₱8,712	₱-	₱8,712	₱-	₱8,712
Financial assets at FVOCI					
Quoted equity securities	15,919	15,919	-	-	15,919
Unquoted equity securities	392	-	392	-	392
	₱25,023	₱15,919	₱9,104	₱-	₱25,023
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Installment contracts receivables	₱335	₱-	₱-	₱338	₱338
Loans receivables	1,324	-	-	1,994	1,994
Non-financial Assets					
Investment in listed associates	163,655	110,158	-	-	110,158
Investment properties	15,646	-	-	41,850	41,850
	₱180,960	₱110,158	₱-	₱44,182	₱154,340
Liabilities measured at fair value:					
Financial Liabilities					
Other noncurrent liabilities					
Derivative liability	₱32	₱-	₱32	₱-	₱32
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Liabilities on purchased properties	₱1,658	₱-	₱-	₱2,194	2,194
Loans payable	112,755	-	-	113,536	113,536
Bonds payable	10,077	10,448	-	-	10,448
	₱124,490	₱10,448	₱-	₱115,730	₱126,178

As of September 30, 2022 and December 31, 2021, no transfers were made among the three levels in the fair value hierarchy.

Inputs used in estimating fair values of financial instruments carried at cost and categorized under Level 3 include risk-free rates and applicable risk premium.

The fair value of the Group's investment properties has been determined based on valuations performed by third party valuers. The value of the land was estimated by using the Market Data Approach, a valuation approach that considers the sales, listings and other related market data within the vicinity of the subject properties and establishes a value estimate by processes involving comparison.

The table below summarizes the valuation techniques used and the significant unobservable inputs valuation for each type of investment properties held by the Group:

	Valuation Techniques	Significant Unobservable Inputs
Land	Market Data Approach	Price per square meter, size, location, shape, time element and corner influence
Building and Land Improvements	Cost Approach and Market Data Approach	Lineal and square meter, current cost of materials, labor and equipment, contractor's profits, overhead, taxes and fees

Description of the valuation techniques and significant unobservable inputs used in the valuation of the Group's investment properties are as follows:

Valuation Techniques

Market Data Approach A process of comparing the subject property being appraised to similar comparable properties recently sold or being offered for sale.

Cost Approach A process of determining the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation on physical wear and tear, and obsolescence.

Significant Unobservable Inputs

Reproduction Cost New The cost to create a virtual replica of the existing structure, employing the same design and similar building materials.

Size Size of lot in terms of area. Evaluate if the lot size of property or comparable conforms to the average cut of the lots in the area and estimate the impact of lot size differences on land value.

Shape Particular form or configuration of the lot. A highly irregular shape limits the usable area whereas an ideal lot configuration maximizes the usable area of the lot which is associated in designing an improvement which conforms with the highest and best use of the property.

Location Location of comparative properties whether on a Main Road, or secondary road. Road width could also be a consideration if data is available. As a rule, properties located along a Main Road are superior to properties located along a secondary road.

Time Element "An adjustment for market conditions is made if general property values have appreciated or depreciated since the transaction dates due to inflation or deflation or a change in investors' perceptions of the market over time". In which case, the current data is superior to historic data.

Discount Generally, asking prices in ads posted for sale are negotiable. Discount is the amount the seller or developer is willing to deduct from the posted selling price if the transaction will be in cash or equivalent.

Corner influence Bounded by two (2) roads.

14. Contingencies

In the ordinary course of the Group's operations, certain companies within the Group have pending tax assessments/claims which are in various stages of protest/appeal with the tax authorities, the amounts of which cannot be reasonably estimated. Management believes that the bases of said protest/appeal are legally valid such that the ultimate resolution of these assessments/claims would not have material effects on the Group's interim condensed consolidated financial position and results of operations.

In addition, in order to partially guarantee the completion of Federal Land's ongoing projects and in the ordinary course of the Group's business, the Parent Company issued Letters of Guarantee (LG) in favor of Department of Human Settlements and Urban Development (DHSUD; formerly *Housing and Land Use Regulatory Board*) for a total guarantee amount of ₱2.52 billion and ₱2.81 billion as of September 30, 2022 and December 31, 2021, respectively.

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS****AS OF AND FOR THE PERIODS ENDED SEPTEMBER 30, 2022 AND SEPTEMBER 30, 2021****(UNAUDITED)**

(Amounts in millions except ratio and %)	2022	2021
Liquidity Ratio		
Current ratio	2.25	2.32
Current assets	P134,248	P132,185
Current liabilities	59,736	56,988
Solvency Ratio		
Total liabilities to total equity ratio	0.92	0.94
Total liabilities	193,659	189,533
Total equity	209,548	202,034
Debt to equity ratio	0.66	0.70
Total debt	138,350	142,059
Total equity	209,548	202,034
Asset to Equity Ratio		
Asset to equity ratio	1.92	1.94
Total assets	403,207	391,567
Total Equity	209,548	202,034
Interest Rate Coverage Ratio*		
Interest rate coverage ratio	4.70	3.43
Earnings before interest and taxes (EBIT)	23,598	15,757
Interest expense	5,017	4,598
Profitability Ratio		
Return on average assets	3.73%	2.23%
Net income attributable to Parent Company	14,946	8,667
Total assets	403,207	391,567
Average assets	400,501	388,274
Return on Average Equity**	7.84%	4.67%
Net income attributable to Parent Company (Common)	14,504	8,224
Equity attributable to Parent Company (Common)	187,589	180,742
Average equity attributable to Parent Company	185,081	176,286

*computed as EBIT/Interest Expense

**based on actual year-to-date