

GT Capital First Quarter 2020 Core Net Income Reaches Php2.8 Billion

(15 May 2020. Makati City, Philippines.) **GT Capital Holdings, Inc.** (GT Capital / stock symbol: GTCAP) disclosed today that it attained a core net income of Php2.8 billion in January to March 2020, from Php3.3 billion during the same period last year. The conglomerate's consolidated net income reached Php2.5 billion from Php3.4 billion in the first quarter of 2019. This was driven by **Metropolitan Bank & Trust Company (Metrobank)**, whose net income amounted to Php6.1 billion, as well as **Toyota Motor Philippines (TMP)**, which booked a net income of Php1.5 billion. GT Capital's consolidated revenues reached Php39.0 billion during the period from Php44.9 billion in 2019. Healthy booked real estate sales from **Federal Land, Inc. (Federal Land)**, as well as higher contributions from net income of associate **Sumisho Motor Finance Corporation (Sumisho)**, supported GT Capital's performance in the first quarter of 2020.

"Amidst the global disturbance caused by the Covid-19 pandemic, the GT Capital Group of Companies remains steadfast in our commitment of first, to the safety and well-being of all our employees and staff, and second, to the uninterrupted delivery of our products and services to all our customers during these challenging times. Given the diversity of our investment portfolio, the strong position we hold in the sectors we are in, our solid financial position, and our strategic partnerships, we believe that our Group will be more resilient in coping with today's difficult environment. We are confident that we can bounce back from the current worldwide disruptions and adapt our strategies to the 'new normal' conditions of the marketplace," GT Capital President Carmelo Maria Luza Bautista said.

Metrobank posted Php6.1 billion in net income for the first quarter of 2020. The Bank's core business grew strongly with sustained 13% gross revenue growth, driven by 6% growth in loans, 8% growth in deposits, and non-interest income reaching Php6.2 billion. Recognizing the potential impact of the Covid-19 pandemic, the Bank proactively doubled provisions to Php5.0 billion, which tempered this quarter's net income to Php6.1 vs. Php6.8 billion in the same period last year. For the quarter ending March, the Bank recorded an 8% increase in total deposits to Php1.7 trillion. This was achieved with the 18% growth in CASA deposits, resulting in an improved CASA ratio of 66% from 61% last year. Metrobank continued to support customers' business requirements across all segments from corporates, middle market, SMEs, and retail. This is reflected in the 6% growth in net loans and receivables to Php1.4 trillion. Gross operating revenues for the period rose 13% to Php27.6 billion, while operating cost grew 8% to Php14.5 billion. As a result, cost-to-income ratio improved to 53% from 56% in the same period last year. For the first quarter, the Bank's non-performing loans (NPL) ratio was relatively stable at 1.4% and the NPL cover substantially improved to 114%. Metrobank is one of the largest and most stable banks in the country, with a strong balance sheet and asset base of Php2.4 trillion.

TMP achieved consolidated revenues of Php28.8 billion in the first quarter of 2020, from Php33.8 billion in the previous year. TMP's consolidated net income reached Php1.5 billion during the period, from Php1.8 billion in the first quarter of 2019. Toyota attained retail vehicle sales of 25,686 units in January to March 2020 from 33,546 units in the same period last year. By the last two weeks of March, however, most of TMP's dealers nationwide were closed, in compliance with the government's implementation of the Enhanced Community Quarantine (ECQ) due to the Covid-19 coronavirus. Despite the challenges in March, Toyota has remained the country's number one automotive brand with a 36.3% overall market share in the first quarter of 2020, continuing its strong leadership position in the market.

"As we saw in TMP's first quarter results, 2020 was off to a respectable start. The prospects for the rest of 2020, however, face very significant headwinds brought about by the Taal eruption and, of course, the Covid-19 pandemic. We are confident, though, that when the Enhanced Community Quarantine is lifted, transportation and mobility will be among the essential drivers of economic recovery. Given the resilience of the Philippine economy and the robust capabilities of TMP we believe that we can emerge from this crisis on solid footing," GT Capital Auto Dealership Holdings (GTCAD) Chairman Vince S. Socco said.

GT Capital's wholly-owned property subsidiary **Federal Land's** total revenues grew to Php3.3 billion in the first quarter of 2020, higher by 33% compared to the same period last year. Reservation sales grew by a noteworthy 86% from January to March 2020. Lease revenues rose by 40% in the first three months of 2020. Federal Land reported a consolidated net income of Php375 million in the first three months of 2020, up 98% from the Php190 million in the previous year.

Metro Pacific Investments Corporation (Metro Pacific) reported consolidated Core Net Income of Php3.4 billion in the first three months of 2020, down by 6% from Php3.7 billion in the first three months of 2019, owing largely to the economic contraction stemming from the Philippine Government's work to contain the spread of the Covid-19 pandemic through an ECQ launched late in the first quarter. The ECQ reduced toll road traffic, suspended rail services and decreased commercial and industrial demand for water and power, resulting in a decrease in contribution from operations of 5%.

AXA Philippines' consolidated life and non-life gross premiums for the period rose 27% to Php9.5 billion in the first quarter of 2020, from Php7.4 billion in the same period last year. The insurance company booked a consolidated net income of Php367 million in the first three months of 2020. Net income from AXA's life insurance business reached Php355 million for January to March 2020, from Php945 million in the previous year. This is a result of the 30% market value decline in the company's equities portfolio, due to the ECQ period

brought about by the Covid-19 crisis. AXA Philippines reported life insurance sales in annualized premium equivalent of Php1.5 billion from Php1.8 billion in the same period last year, despite growing its protection and health portfolio by 22%.

The GT Capital Group of Companies stands with all Filipinos in facing the challenges brought about by the Covid-19 pandemic. The Group continues to support its nearly 26,000 employees, even as many of them work from home or are displaced by the crisis. For the Group's front-liners, additional compensation and other valuable support have been extended. All these amount to approximately Php1.0 billion for the duration of the extended ECQ. Aside from the assistance already extended to affected customers and displaced employees, a Php200 million fund has been allocated for initiatives that directly support the fight against Covid-19. These are managed by the Metrobank Foundation and the GT Foundation, including Php25.4 million in personal protective equipment (PPE) donated to 21 hospitals, Php18.0 million for a Philippine Red Cross molecular laboratory, and Php10.0 million in antibody rapid test kits from Project ARK of the Office of the Presidential Adviser for Entrepreneurship.

For questions and other concerns, please contact GT Capital's Investor Relations Department at **IR@gtcapital.com.ph**. Given the circumstances, the office landline at +632 8836 4500 will not be available. Thank you very much for your understanding.

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GT Capital is a listed major Philippine conglomerate with interests in market-leading businesses across banking, automotive assembly, importation, dealership, and financing, property development, life and non-life insurance, and infrastructure. Its component companies comprise of Metropolitan Bank & Trust Company (Metrobank), Toyota Motor Philippines Corporation (TMP), Toyota Manila Bay Corporation (TMBC), Toyota Financial Services Philippines Corporation (TFSPH), Sumisho Motor Finance Corporation (Sumisho), GT Capital Auto Dealership Holdings, Inc. (GTCAD), Federal Land, Inc. (Federal Land), Philippine AXA Life Insurance Corporation (AXA Philippines), and Metro Pacific Investments Corporation (Metro Pacific).