



## GT Capital Core Net Income Up 18% in First Quarter 2022

(17 May 2022. Makati City, Philippines.) **GT Capital Holdings, Inc.** (GT Capital/GTCAP) disclosed today a core net income of Php4.0 billion in the first quarter of 2022, an 18% growth from Php3.4 billion during the same period last year. The conglomerate further reported a 7% increase in its consolidated net income to Php4.4 billion in January to March 2022 from Php4.1 billion in the previous year. This was driven by **Metropolitan Bank & Trust Company (Metrobank)**, whose net income amounted to Php8.0 billion, as well as **Toyota Motor Philippines (TMP)**, which realized a net income of Php2.1 billion. Higher earnings contributions from **AXA Philippines** and from GT Capital associate **Metro Pacific Investments Corporation (Metro Pacific)** also supported the conglomerate's positive performance during the period.

"Our financial results show the growth momentum from last year carried over into the first three months of 2022. At these levels, we have already surpassed our first quarter 2019 pre-Covid core income by 18%. This is a very encouraging indicator. Despite the headwinds of inflation, higher interest rates, market disruptions caused by the pandemic, and the more recent geopolitical events, we are confident that our recovery momentum is sustainable," GT Capital President Carmelo Maria Luza Bautista said.

**Metropolitan Bank & Trust Company (Metrobank)** posted net income of Php8.0 billion in the first quarter of 2022, improving the Bank's average return on equity (ROE) to 10.3%. Gross loans rose by 5% year-on-year to Php1.3 trillion, led by a robust 10% expansion in corporate lending and an 8% increase in credit card receivables. The Bank's asset quality remains strong, prompting further decline in

provisions. Metrobank's non-performing loans (NPL) dropped by 5% to Php27.0 billion, reducing its NPL ratio to 2.2% from 2.4% last year. NPL cover remained at a very conservative 179%. Non-interest income went up by 5% year-on-year, as service fees and commissions jumped by 7%, while trading and FX gains reached Php2.3 billion despite market volatility. Operating costs remained under control, inching up by just 1% to Php14.9 billion, hence, cost-to-income ratio improved to 54.1% from 54.6% in the same period last year. "We are encouraged by the sustained pick-up in economic activities as Metrobank stands ready to support our clients in their funding plans and investment needs," said Metrobank President Fabian S. Dee. "The strategies that we have put in place should enable the Bank to achieve sustainable growth, along with the expanding domestic economy," Mr. Dee added.

**Toyota Motor Philippines (TMP)** reported consolidated revenues of Php42.1 billion in the first three months of 2022, from Php33.9 billion in the previous year, representing a 24% growth. TMP's consolidated net income reached Php2.1 billion during the period, from Php2.0 billion in the first quarter of 2021, registering a 5% growth. The company's net income growth was tempered by the weakening Philippine Peso during the period. Toyota outpaced the market with retail vehicle sales of 37,230 units in January to March 2022 from 33,095 units in the same period last year, a 12% increase. The Philippine automotive market, on the other hand, grew by 1% to 75,194 units from 74,585 units in the previous year. TMP continued to expand its model lineup in the first quarter by launching three new model variants, the Rav4 HEV and the all-new Raize in February, and the Avanza in March. TMP has remained the country's number one automotive brand with a dominant 49.5% overall market share in the first three months of 2022, continuing its strong leadership position in the market. In February, TMP achieved a significant milestone of selling over two million vehicles in the Philippines since it started operations in 1988.

“The first quarter of 2022 saw a sustained rise in vehicle sales for both the industry and Toyota. Without the drop in deliveries in January due to the Omicron variant surge, the recovery would have been much further along. Toyota recorded exceptional results for February and March, with sales peaking at over 15,000 units in March, the highest monthly sales since the pandemic started in 2020. In addition to the economic drivers, TMP was able to further stimulate demand through sustained new model offerings in the mass market segments. This contributed to a spike in market interest. As well, the industry is feeling the return of corporate demand on the heels of the resumption in business activity. Renewal of company fleets is reflected in the rise of planned capital expenditures. With the peaceful conclusion of the elections, the continued reopening of the economy and the expected continuation of government infrastructure programs, 2022 is expected to return to pre-Covid sales levels,” GTCAM Chairman Vince S. Socco said.

GT Capital’s wholly-owned property subsidiary **Federal Land, Inc. (Federal Land)** posted total revenues of Php2.8 billion in the first quarter of 2022, representing a 17% increase from Php2.4 billion in the same period last year. Booked real estate sales amounted to Php1.8 billion during the period, up 10% from Php1.7 billion in the first three months of 2021. Furthermore, the property developer recorded a noteworthy 15% growth in reservation sales to Php4.2 billion during the quarter from Php3.6 billion in the same period last year. The company reported consolidated net income of Php311 million in the first three months of this year from Php327 million during the same period in 2021, due to higher operating expenses.

To further sustain the momentum, Federal Land launched Aki Tower, the third residential tower of The Seasons Residences located in the 10-hectare master-planned community, Grand Central Park in Bonifacio Global City. The company is expected to launch more projects to capture the pent-up demand and opportunities

in the post-pandemic times. This includes the launch of Siena Tower 2, located in Marikina City and Quantum Residences – Amber Tower located along Taft Ave., Pasay City, both under the Horizon Land brand.

In a significant move, Federal Land forged a strategic partnership with Japanese real estate developer **Nomura Real Estate Development Co., Ltd. (Nomura)** to form a new company, **Federal Land NRE Global, Inc. (FNG)**. This company is expected to bring milestone developments that mix Japanese inspiration with Filipino sensibility. FNG plans to develop projects in Metro Manila, Cavite, and Cebu. This will include an initial pipeline of residential and commercial properties, as well as office spaces. Nomura will be investing USD324 million (approximately Php16 billion), representing 34% of the total capital investment of FNG at Php48 billion.

**Metro Pacific Investments Corporation (Metro Pacific)** reported a consolidated core net income of Php3.1 billion for the first quarter of 2022, up 23% from Php2.5 billion a year earlier. Metro Pacific benefitted from continued economic recovery and intensified election-related activities in the country. Toll road traffic is now close to pre-pandemic levels, and power consumption has considerably increased as more industries ramp up operating capacity. Following a series of debt refinancing and re-rating activities that were strategically implemented in 2021, the company is now enjoying the benefits of a significant reduction in its average interest rates, evidenced by the 11% decline in net interest costs for the first quarter. Reported net income attributable to the parent company of Php5.7 billion for the first quarter of 2022 was lower by 19% compared to the same period last year as a result of the sale of Global Business Power and Don Muang Tollways (“DMT”) in the first quarter of 2021. Total comprehensive income rose 8% to Php7.5 billion due to the translation adjustment gain of foreign investments and disposal of DMT in 2021. Metro Pacific’s 8.9-km Cebu-Cordova Link Expressway (CCLEX), the longest and tallest bridge in the country,

was inaugurated on April 27, 2022 and began commercial operations on April 30, 2022. CCLEX is expected to accommodate approximately 50,000 vehicles per day. In addition, the company's 45-km Cavite-Laguna Expressway (CALAX) is progressing well and is expected to be fully completed in 2023.

**AXA Philippines'** consolidated life and general insurance gross premiums reached Php8.2 billion in the first three months of 2022 from Php12.5 billion in the same period last year, due to limited bancassurance distribution during the Omicron variant surge in January and the volatility in the capital markets amid geopolitical uncertainties. The insurer's consolidated net income increased by 32% to Php427 million in January to March 2022, from Php324 million in the previous year, due to lower claims for natural calamity losses. AXA Philippines attained life insurance sales in annualized premium equivalent of Php1.1 billion in the first quarter of 2022 from Php1.8 billion in the same period last year.

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For questions and other concerns, please contact GT Capital's Investor Relations Department at [IR@gtcapital.com.ph](mailto:IR@gtcapital.com.ph).

**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 general 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 and Mobility Holdings, Inc. (GTCAM), JBA Philippines, Inc. (JBA-P), Premium Warranty Services Philippines, Inc. (Premium Warranty), Federal Land, Inc. (Federal Land), Philippine AXA Life Insurance Corporation (AXA Philippines), and Metro Pacific Investments Corporation (MPIC).