



GT Capital January to September 2021

Consolidated Net Income Grows 168% to Php8.7 Billion

(12 November 2021. Makati City, Philippines.) **GT Capital Holdings, Inc.** (GT Capital/GTCAP) disclosed today a consolidated net income of Php8.7 billion in the first nine months of 2021 from Php3.2 billion in the previous year, a significant 168% growth. The conglomerate's core net income increased 115% to Php8.1 billion in January to September 2021 from Php3.7 billion during the same period last year. This was driven by **Metropolitan Bank & Trust Company (Metrobank)**, the net income of which amounted to Php16.1 billion, and **Toyota Motor Philippines (TMP)**, which realized a net income of Php4.6 billion. Stronger real estate sales from **Federal Land, Inc. (Federal Land)**, as well as a higher net income contribution from associate **Metro Pacific Investments Corporation (Metro Pacific)**, likewise contributed to GT Capital's positive performance in the first nine months of 2021.

"Despite the stringent lockdown imposed during the month of August, GT Capital's consolidated nine months results rebounded strongly across all sectors, with a 168% growth versus last year. Noteworthy growth rates were realized in our auto, property and financial services subsidiaries. The more recent decline in reported Covid-19 cases, the lifting of mobility restrictions, and the increased number of fully vaccinated individuals in key cities have resulted in a noticeable resurgence of consumer confidence. This gradual return to pre-pandemic conditions will result in positive momentum for the last quarter of the year, paving the way for an even more robust recovery in the coming year. With our Group having achieved close to 100% vaccination of all GT Capital Group employees and agency staff, we are well

positioned to resume our path to full recovery.” GT Capital President Carmelo Maria Luza Bautista said.

Metropolitan Bank & Trust Company (Metrobank)’s reported net income grew by 46% to Php16.1 billion in the first nine months of 2021. Earnings surged 131% to Php4.4 billion in the third quarter of 2021, with proactive non-performing loans (NPL) management resulting in lower provisions. Net interest income continues to improve from the previous quarter as net interest margin stabilized at 3.4%, while sustaining a sequential quarterly pick-up in corporate and credit card loans. Funding costs were also stable, supported by a 13% growth in low-cost current account and savings account (CASA) deposits. Fees and other non-interest income rose by 20% to Php15.2 billion in the first nine months, reflecting higher transaction volumes and cross-selling initiatives. This mitigated the impact of weak trading income. On the other hand, operating costs only increased by 1% at Php44.4 billion. Provision expenses declined by 72% to Php10.0 billion as the Bank’s NPL ratio further eased to 2.1%, well below the industry average 4.5% level. Metrobank’s strong balance sheet with Common Equity Tier One ratio (CET1) at 19.8% enables the Bank to withstand prolonged risks and implement strategies to optimize operating performance in the medium term. The Bank’s strength and resilience amidst the global economic uncertainty have been recognized by both *The Asian Banker* and *Asiamoney*, hailing Metrobank as the Strongest Bank in the Philippines and the Best Domestic Bank in the Philippines, respectively.

Toyota Motor Philippines (TMP) booked consolidated revenues of Php94.3 billion in the first nine months of 2021, from Php63.3 billion in the previous year, representing a 49% growth. TMP’s consolidated net income reached Php4.6 billion during the period, from Php2.2 billion in the first nine months of 2020, registering a hefty 112% growth. Toyota attained retail vehicle sales of 92,318 units in January to

September 2021 from 63,182 units in the same period last year, for a 46% increase. The automotive sector's unit sales on the other hand, grew by 25% to 201,489 units from 161,212 units in the previous year. TMP continued to expand its GR performance line by launching the Fortuner GR Sport and Hilux GR Sport models in October. TMP has remained the country's number one automotive brand with a dominant 45.8% overall market share in the first nine months of 2021, continuing its strong leadership position in the market.

In September, **Premium Warranty Services Philippines, Inc. (Premium)** commenced operations, a joint venture between Premium Group of Japan and **GT Mobility Ventures** that in turn is a joint venture between **GT Capital Auto Dealership Holdings, Inc. (GTCAD)** and **Mitsui & Co., Ltd. (Japan)**. The company offers an extensive 188-point inspection, as well as warranty coverage for eligible pre-owned vehicles.

"We ended the third quarter on a positive note, with Toyota new vehicle sales in September recovering from August. TMP significantly outpaced the industry in terms of growth this year, resulting in a dominant market share of 45.8%. The recent launches of GR models have led to increased customer interest. In addition to strides in the new car market, we launched our maiden venture in the pre-owned vehicle segment through Premium Warranty Services. Our goal at Premium is to help create a more transparent selling, buying, and ownership experience in the pre-owned car market. To complement this business, we will soon commence operations of JBA Philippines, our used-car auction platform that will further enhance our penetration of the used car market." **GT Capital Auto Dealership Holdings, Inc. (GTCAD)** Chairman Vince S. Socco said.

GT Capital's wholly-owned property subsidiary **Federal Land, Inc. (Federal Land)** reported a consolidated net income of Php904 million in the first three quarters of this year, a 425% increase from Php172 million during the same period last year, driven by stable construction activities and stronger project sales. The company posted total revenues of Php7.7 billion in the first nine months of 2021, representing a 24% increase from Php6.2 billion in 2020. Booked real estate sales amounted to Php5.3 billion during the period, up from Php4.3 billion in the first nine months of 2020. Furthermore, the property developer recorded a 29% growth in average monthly sales during the second and third quarters of this year, as against the same period in 2020. Meanwhile, office occupancy remains healthy at 90%, which is higher than the industry average. Given the higher vaccination rates and lowered quarantine alert level status, the company expects to begin its recovery phase, especially in Metro Manila, where most of its projects are located. Federal Land is optimistic about the improving market conditions, as the economy reopens and consumer confidence and spending increase.

Metro Pacific Investments Corporation (Metro Pacific) reported a consolidated core net income of Php9.5 billion for the first nine months of 2021, up 23% from Php7.7 billion in the same period last year. This substantial improvement from the 13% growth in the first half of the year was largely driven by improved traffic on its toll roads and higher volume of electricity sold by **Manila Electric Company (Meralco)**. Core net income for the third quarter rose 44% to Php3.5 billion compared to the same period in 2020 and is at par with the second quarter of 2021. This acceleration of growth reflects an improvement in performance notwithstanding the continued imposition of varying levels of quarantine across the country to contain the Covid-19 pandemic and was partially augmented by the impact of the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Law, which lowered corporate income tax rates from 30% to 25%. Consolidated reported net income

attributable to owners of the parent company rose 147% to Php12.4 billion following the gain recognized from the sale of **Global Business Power** and **Don Muang Tollways**. These asset sales underscore Metro Pacific's commitment to optimizing its portfolio and realizing value for its stakeholders.

AXA Philippines' consolidated life and general insurance gross premiums increased by 28% to Php32.8 billion in the first nine months of 2021, from Php25.7 billion in the same period last year, driven by the life segment, which rose 35% year-on-year. The insurer's consolidated net income reached Php2.2 billion for January to September 2021, from Php2.3 billion in the previous year. AXA's performance was driven by higher single premium sales, which grew a noteworthy 80% year-on-year. AXA Philippines attained life insurance sales in annualized premium equivalent of Php4.7 billion in the first nine months of 2021 from Php3.7 billion in the same period last year, as single premium product sales increased significantly.

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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.

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 Dealership Holdings, Inc. (GTCAD), 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).