

GT Capital Full-Year 2020 Core Net Income Reaches Php7.4 Billion

(26 March 2021. Makati City, Philippines.) **GT Capital Holdings, Inc.** (GT Capital / stock symbol: GTCAP) disclosed today a core net income of Php7.4 billion in full-year 2020, a 53% decline from Php15.8 billion during the previous year. Consolidated net income reached Php6.5 billion last year, 68% lower from Php20.3 billion in 2019. Contributing to GT Capital's results were **Metropolitan Bank & Trust Company (Metrobank)**, with a net income of Php13.8 billion, as well as **Toyota Motor Philippines (TMP)**, which realized a net income of Php3.4 billion. The conglomerate's consolidated revenues reached Php134.4 billion in 2020, decreasing 40% from Php222.9 billion in the previous year.

"Our year-end 2020 results show the full impact of the pandemic and the consequent lockdown that hampered the group to effectively only seven months of operations. However, the strong performance posted during the last quarter under GCQ demonstrates the group's resiliency to rebound on the path to normalcy. We are optimistic that despite the recent surge in Covid-19 cases, while alarming, will be mitigated once the pre-ordered vaccines are delivered by June and September. We have taken the necessary steps to procure the vaccines to protect all our employees and contractual staff. We anticipate that 2021 will be less disruptive than the previous year," GT Capital President Carmelo Maria Luza Bautista said.

Metrobank's income before provisions increased by 26% to Php61.8 billion in 2020. Net interest margin (NIM) expanded to 3.98%, driven by a 22% increase in CASA deposits. Trading and FX gains of Php19.2 billion lifted revenues, while the Bank's cost-to-income ratio improved to 50%. In line with its strategy to better prepare for future risks from the pandemic, the Bank booked provisions of Php40.8 billion, resulting in a

full-year 2020 net income of Php13.8 billion. Non-performing loans have been manageable, with an NPL ratio of 2.41% from 1.30% in 2019. Nonetheless, the Bank's early provision build-up resulted in an ample 163.0% NPL cover from 103.0% in 2019, strengthening the Bank's capacity to withstand potential bad loans. With a Common Equity Tier 1 (CET1) of 19.3%, Metrobank's substantial capital prompted its Board of Directors to declare a special cash dividend of Php3 per share, in addition to the regular dividend of Php1 per share. Metrobank's core business remains solid and the Bank looks forward to being a key partner in economic recovery. The Bank will continue monitoring economic conditions and considering strategies that will maintain a balance between strong capital and optimal returns.

Toyota Motor Philippines (TMP) booked consolidated revenues of Php99.8 billion in 2020, from Php168.6 billion in the previous year. TMP's consolidated net income reached Php3.4 billion last year, from Php9.3 billion in 2019. Toyota retail sales of 100,019 units exceeded initial estimates of 90,000 units for 2020. Actual annual sales declined 38%, versus 162,011 units in 2019, outperforming an auto market that dropped by 41%. Sales have steadily recovered quarter-on-quarter. In the last quarter of 2020, sales came to within 85% of the same quarter in 2019, peaking at 13,716 units in December. Market share increased 1.8 percentage points to 41.3%—the highest in its 32-year history—due to a strategic pivot in marketing and sales activities. Dealers nationwide fully reopened in August, assuring the public that strict health protocols were put in place throughout the whole dealership network. Digital and contactless initiatives such as online showrooms and Toyota-owner apps were aggressively launched to reach customers. After-sales service operations were stepped up by appointment. Also, five new models were launched virtually, one for each month from June to October. This helped to significantly stimulate interest and demand for new vehicles. TMP achieved its 19th consecutive Triple Crown Award, reaffirming its

dominance in the passenger car and commercial vehicle segments as well as the overall market.

“As jobs, consumer confidence, and general economic activity in the country return, demand for motor vehicles is expected to rise. Despite the potential dampening effects that provisional safeguard duties on imported vehicles may bring, the market—which includes Toyota sales—is expected to grow from 2020 levels. A significant upside is that Toyota produces two of its key volume models locally, which are not impacted by the safeguard measures. Local production capacity at Toyota’s Santa Rosa factory has been fully restored since September 2020, assuring a stable supply to meet increased demand, especially for the Vios and Innova. We will benefit from a full 12-months of sales, compared to only 10 last year. Likewise, Toyota is expected to reap the full-year benefit of the new models launched in the second half of 2020. Digital initiatives are being further enhanced and logistics operations will be reinforced with the expected start of operations of a vehicle inspection hub in Batangas later this year. Toyota is positioning itself for a resurgence of mobility requirements this year, including in the pre-owned 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)** booked total revenues of Php9.3 billion in 2020, from Php13.2 billion in the previous year. Reservation sales for the year reached Php14.2 billion, from Php24.2 billion in 2019. Lease revenues rose by 17% to Php1.8 billion during the period, driven by new tenants in the developer’s commercial properties. Federal Land reported a consolidated net income of Php624 million in 2020, from Php1.6 billion in the year before, due to restrictions in construction and sales activities during the quarantine periods.

Metro Pacific Investments Corporation (MPIC) reported consolidated core income of Php10.2 billion for 2020, down 34% from Php15.6 billion in 2019, owing largely to the economic contraction stemming from the Philippine government's response to Covid-19. The various quarantine measures implemented throughout the year reduced toll road traffic, mandated the suspension and subsequent reduction in ridership capacity for light rail services, and decreased commercial and industrial demand for water and power, resulting in a 26% decline in contribution from operations. Power accounted for Php10.5 billion or 69% of operating income; water contributed Php3.1 billion or 20%; toll roads contributed Php2.4 billion or 16%. MPIC's other businesses, mainly hospitals, light rail, and logistics, incurred an overall loss of Php709 million.

AXA Philippines' consolidated life and general insurance gross premiums increased 13% to Php36.3 billion in 2020, from Php32.1 billion previously, driven by the life segment, which rose 19% year-on-year. The insurer's consolidated net income rose a significant 22% to Php2.9 billion for the year, from Php2.4 billion in 2019. AXA's performance was driven by higher single premium sales, which grew a noteworthy 55% year-on-year. AXA Philippines attained life insurance sales in annualized premium equivalent of Php5.2 billion in 2020 from Php6.8 billion in the previous year, due to limited agent mobility and bank branch foot traffic resulting from community quarantines.

Throughout 2020, GT Capital maintained a strong balance sheet, with consolidated assets of Php385 billion, shareholders' equity of Php192 billion, and a robust consolidated cash level of Php20.8 billion.

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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), Federal Land, Inc. (Federal Land), Philippine AXA Life Insurance Corporation (AXA Philippines), Toyota Manila Bay Corporation (TMBC), Toyota Financial Services Philippines Corporation (TFSPH), Sumisho Motor Finance Corporation (Sumisho), GT Capital Auto Dealership Holdings, Inc. (GTCAD), and Metro Pacific Investments Corporation (MPIC).