

GT Capital First Half 2023**Core Net Income Rises 106% to Php16.6 Billion**

(14 August 2023. Makati City, Philippines.) **GT Capital Holdings, Inc.** (GT Capital/GTCAP) disclosed today a 106% growth in its core net income to Php16.61 billion for the first half of 2023 from Php8.1 billion in the previous year. The conglomerate's consolidated net income increased 100% to Php16.58 billion in the first six months of 2023 from Php8.3 billion in 2022. Earnings were driven by **Metropolitan Bank & Trust Company (Metrobank)**, the net income of which increased by 34% to Php20.9 billion, and **Toyota Motor Philippines (TMP)**, which realized a significant net income growth of 147% to Php8.0 billion. **Federal Land (Federal Land)** likewise recorded a noteworthy net income improvement of 101% to Php1.46 billion for the period, due in part to a net gain on lot sales realized by GT Capital and Federal Land from **Federal Land NRE Global (FNG)**. Furthermore, **AXA Philippines** attained a higher net income of Php1.3 billion. GT Capital associate **Metro Pacific Investments Corporation (Metro Pacific)** delivered a positive performance for the period with a core net income of Php9.9 billion, representing a 33% increase.

"Our financial results for the first half of the year reached new record levels with a 106% growth in core net income. Our key businesses in banking, financial services, automobile, and property development delivered unprecedented gains on the back of tempered inflation, resilient consumer spending, and political stability. In comparison, our current mid-year earnings have far exceeded 2019 pre-pandemic levels by 130%. Despite lingering threats of rate hikes, foreign exchange volatility, and global recession, we are optimistic that our domestic economy remains somewhat insulated and that the growth momentum will help carry us forward for the rest of the year." GT Capital President Carmelo Maria Luza Bautista said.

Metropolitan Bank & Trust Co.'s (Metrobank) net income rose by 34.1% to Php20.9 billion in the first semester of 2023 from a year ago supported by asset expansion, higher margins, and healthy fee income growth. This translated to a 12.9% return on equity, higher than the 10.0% recorded in first half 2023. In the second quarter alone, earnings grew by 37.1% to Php10.4 billion from the same period last year. Net interest income in the first six months of 2023 surged by 27.0% to Php50.6 billion on the back of a 50-basis point increase in net interest margin to 3.9% and 8.6% rise in gross loans. Cost to Income ratio improved to 51.8% from 53.8% last year as revenue expansion outpaced cost growth. Non-performing loans (NPLs) ratio eased to 1.8% while NPL cover is at a high of 184.4%, providing a substantial buffer against any portfolio risks. Capital ratios are still among the highest in the industry, with capital adequacy ratio at 17.9% and Common Equity Tier 1 ratio at 17.1%.

"Our core businesses continued to grow and benefit from our strong balance sheet," said Metrobank President Fabian S. Dee. "As the economy further expands, we see more market opportunities that will keep our upward momentum and sustain our efforts to better serve our customers," he added.

Toyota Motor Philippines (TMP) continued to strengthen its growth trajectory in the first six months of the year on the back of a more stable economic recovery, rising consumer spending, the stabilization of supply chains, and the revival of consumer lending by banks. Toyota reported retail vehicle sales of 93,575 units in the first half of 2023 from 80,090 units in the same period last year, representing a 17% increase. The automotive market, on the other hand, grew by 26% to 197,018 units from 155,930 units in the previous year. While TMP already returned to pre-COVID sales levels last year, the overall market finally recovered to 2019 levels this year as reflected in the market's faster growth rate due to the rise in vehicle supply from

all other auto brands. In fact, TMP remains the country's number one automotive brand with a 47.5% overall market share in the first half of 2023. The company also further enhanced its model line-up by launching three new models to date, the all-new Zenix and Yaris Cross, which are available in Hybrid and petrol variants, and the full model change Wigo.

As a result, TMP booked consolidated revenues of Php106.4 billion in the first half of 2023, from Php85.0 billion in the previous year, representing a 25% growth. TMP's consolidated net income increased significantly by 147% to Php8.0 billion during the period, from Php3.2 billion in the first six months of 2022.

"The first semester of the year reflects very encouraging top line and bottom line results for TMP. The return to a more stable economic environment, especially the stabilization of exchange rates, lowering of interest rates, and the taming of inflation, has reduced cost-push pressures that affected financial outcomes last year. What is most exciting, however, are the return of motorization and the resultant expansion of the market. Despite the levelling off of Toyota's market share, the growth prospects augur well for a continuing rise in sales, revenues, and profits. Having said this, we are very encouraged by the significant inroads made by Lexus this year. From January to June, Lexus has become the number one brand in the luxury market with a share of 40%, displacing traditional market leaders. Lexus is leading the charge towards electrification with 60% of its sales accounted for by hybrid electric variants and its first-ever battery electric model, the RZ," GT Capital Auto and Mobility Holdings, Inc. (GTCAM) Chairman Vince S. Socco said.

GT Capital's wholly-owned property subsidiary **Federal Land, Inc. (Federal Land)** posted total revenues of Php11.8 billion in the first half of 2023, representing a 77% increase from Php6.7 billion in the same period last year. Furthermore, the property

developer recorded a substantial 87% growth in real estate sales to Php10.4 billion during the half, from Php5.5 billion in the same period last year. Reservation sales and lease-to-own increased by 16% to Php9.8 billion during the period from Php8.4 billion last year mainly driven by projects located in Bonifacio Global City. The company reported a consolidated net income of Php1.5 billion in the first six months of this year from Php727 million during the same period in 2022, for a 101% growth.

Federal Land launched two new projects in the second quarter of 2023, namely Quantum Residences – Tower 3 in April and Siena Towers - Tower Two in June. Siena Towers is a residential condominium project in Marikina City while Quantum Residences is in Pasay City. Both are developed by **Horizon Land Property Development Corp. (Horizon Land)**, a subsidiary of Federal Land. Federal Land also launched The Grand Midori – Tower 2 in Ortigas, Pasig in March and The Seasons Residences Fuyu Tower in Grand Central Park in Bonifacio Global City last July. Also, MITSUKOSHI BGC, the first Japanese-inspired mall in the Philippines, which had its soft opening last November 2022, held its grand opening in July 2023.

Federal Land in July also launched **Federal Land Communities**, a collection of master-planned, multi-use developments for the new era. Ten townships located in Metro Manila, Southern Luzon, and the Visayas region will lay the groundwork for achieving Federal Land’s mission to create dynamic communities for generations to enjoy. Riverpark, “The Next Gen City of the South” located in General Trias, Cavite, is the first to launch, marking Federal Land Communities’ first major development in 2023. This dynamic 600-hectare township is poised to provide smart living and lifestyle-enhancing developments in a landscape that integrates both river and park-side experiences.

Metro Pacific Investments Corporation (Metro Pacific) reported a consolidated core net income of Php9.9 billion for the first half of 2023, up 33% from Php7.5 billion a year earlier. Improved financial and operating results at MPIC's holdings delivered a 27% increase in contribution from operations, mainly driven by the strong performance of the power generation business and higher water tariff for the water concession. Among the company's core businesses, power had the largest share at Php9.0 billion or 72% of net operating income while toll roads and water contributed Php2.7 billion and Php2.3 billion, respectively. Net interest costs declined 3% due to the strategic rerating and refinancing of expensive debt facilities over the past two years, notwithstanding a rising interest rate environment.

AXA Philippines' consolidated life and general insurance gross premiums reached Php12.9 billion in the first six months of 2023 from Php15.1 billion in the same period last year, as investors remained cautious over market uncertainties. The insurer's consolidated net income grew by 18% to Php1.3 billion in January to June 2023, from Php1.1 billion in the previous year. AXA Philippines attained life insurance sales in annualized premium equivalent of Php1.9 billion in the first half of 2023 from Php2.1 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.

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).