



Media Release

GT CAPITAL
HOLDINGS INCORPORATED

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GT Capital January to September 2019 Consolidated

Net Income Grows 40% to Php15.3 Billion

(14 November 2019. Makati City, Philippines.) **GT Capital Holdings, Inc.** (GT Capital / stock symbol: GTCAP) disclosed today a noteworthy 40% increase in its consolidated net income to Php15.3 billion for the first nine months of 2019 from Php10.9 billion in the previous year. As a result of **Metropolitan Bank & Trust Company (Metrobank)**'s net income growth of 29% to Php21.6 billion and **Toyota Motor Philippines (TMP)**'s net income growth of 13% to Php7.5 billion, the conglomerate's core net income rose 20% to Php12.4 billion in January to September 2019 from Php10.3 billion in the same period last year. GT Capital's consolidated revenues increased 3% to Php159.1 billion in the first nine months of 2019 from Php153.9 billion in 2018. Higher auto sales from **TMP**, gains on the redemption of shares from previously held assets, as well as higher contributions from net income of associates **Metrobank** and **Sumisho Motor Finance Corporation (Sumisho)**, all contributed to GT Capital's solid performance from January to September 2019.

"The resurgence of the domestic economy by the second half of this year gave rise to solid core earnings and business growth momentum for all of our sectors. The third quarter results show across-the-board positive outcomes, with our component companies firing at all cylinders. We are optimistic that we will end 2019 with a strong finish," GT Capital President Carmelo Maria Luza Bautista said.



Metrobank reported a consolidated net income of Php8.5 billion in the third quarter of 2019, a robust 49% increase from the Php5.7 billion in the same period last year, bringing the Bank's nine-month net income to Php21.6 billion. The strong growth was attributed to the solid performance of its core business as well as favorable market conditions, while the increase in operating expenses was kept at a manageable level. Net interest margin for the nine-month period further expanded to 3.91%, with CASA ratio improving to 64%. Asset quality metrics remained healthy and better than the industry average.

TMP achieved consolidated revenues of Php121.4 billion from January to September of 2019, 2% higher than Php119.3 billion in the same period last year. TMP's consolidated net income grew 13% to Php7.5 billion in the first nine months of this year, from Php6.6 billion in the previous year. Toyota attained retail vehicle sales of 114,117 units from January to September of 2019, a 4% increase from 109,402 units in the previous year. TMP unit sales reached 13,460 in the month of September. This is 3% higher month-on-month and a 6% increase from the previous year, setting the trend for the fourth quarter. In August, TMP added the Super Grandia grade in the all-new Hiace line-up. This was followed in September by the all-new Corolla Altis, which now also comes in a Hybrid Electric Vehicle (HEV) variant. These are in addition to the all-new RAV4 and Hiace, the newly improved Avanza, and the introduction of the GR Supra earlier in the year. Toyota remains the country's most dominant automotive brand with a 38.4% overall market share for the first nine months of the year.

"We ended the third quarter on a positive note, with sales in September seeing a resurgence from August. This augurs well for a more buoyant market and sustained Toyota sales in the final quarter of the year. Outside of the seasonally high demand for autos during the holiday season, a stronger economic outlook due to increased government spending, an expected rise in consumer confidence, and the usual surge in year-end OFW remittances all point to a solid finish for 2019," GT Capital Auto Dealership Holdings (GTCAD) Chairman Vince Socco said.

GT Capital's property developer **Federal Land, Inc. (Federal Land)** total revenues grew to Php9.2 billion in the first nine months of 2019, higher by 15% compared to 2018, after excluding Php2.7 billion non-core gains. Residential reservation net sales grew by 85% versus last year, further increasing its revenue base, which will be recognized as construction grows. Lease revenues grew by 22% over the same period in 2018, with 92% of all rentable spaces leased out. Rental revenues are likewise expected to grow, as more leased spaces become operational in the coming quarters. Federal Land reported a consolidated net income of Php1.0 billion from January to September 2019, up 8% from Php965 million in the first nine months of the previous year. This trend is expected to further increase as construction growth and sales base further improve.

Metro Pacific Investments Corporation (Metro Pacific) reported consolidated core net income of Php12.5 billion for the nine months ended 30th September 2019, up 3% from Php12.2 billion one year earlier. Earnings were lifted by improved financial and operating results of its constituent companies, which translated into a 6% increase in share in operating income: substantial core net income growth from Manila Electric Company (MERALCO), higher volumes and tariffs at Maynilad Water Services Inc. (Maynilad), continued traffic growth on company-run domestic toll roads, and strong patient numbers at Metro Pacific Hospitals — all of which combined to offset higher interest costs.

AXA Philippines' consolidated life and non-life gross premiums for the period reached Php23.4 billion from January to September of 2019 from Php28.0 billion in the previous year. The insurance company booked a consolidated net income of Php2.0 billion in the first nine months of 2019. Net income from AXA's life insurance business grew by a noteworthy 24% to Php2.6 billion in the first nine months of 2019 from Php2.1 billion in the same period last year. AXA Philippines reached life insurance sales in annualized premium equivalent of Php5.2 billion from Php5.6 billion in the same period last year, growing its regular premium sales by 7%.

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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).