

**Defined by  
Excellence**

**Refined  
Through  
Partnership**



**GT CAPITAL**

**Annual Stockholders Meeting 2018**





# GT Capital President's Report



**GT CAPITAL**

Annual Stockholders Meeting **2018**





# Philippine Macroeconomic Developments in 2017



Annual Stockholders Meeting  
**2018**

# Full-Year 2017 GDP Growth

**Philippines**  
**6.7%**

Still the fastest growing  
economy among the  
ASEAN-5 nations

**Thailand** 3.9%

**Malaysia** 5.9%

**Singapore** 3.5%

**Indonesia** 5.1%

# Tax Reform for Acceleration and Inclusion (TRAIN) Law

Signed 19 Dec 2017

**Php92**  
**BILLION**  
additional tax  
revenue

# A Balanced Approach

taxes...

will deliver...

sugary drinks



VAT rationalization



autos



fuel



more disposable income



better infrastructure





# 75

infra projects

# Php 1.8 trillion

BUILD  
BUILD BUILD



# Key Drivers of the Philippine Economy

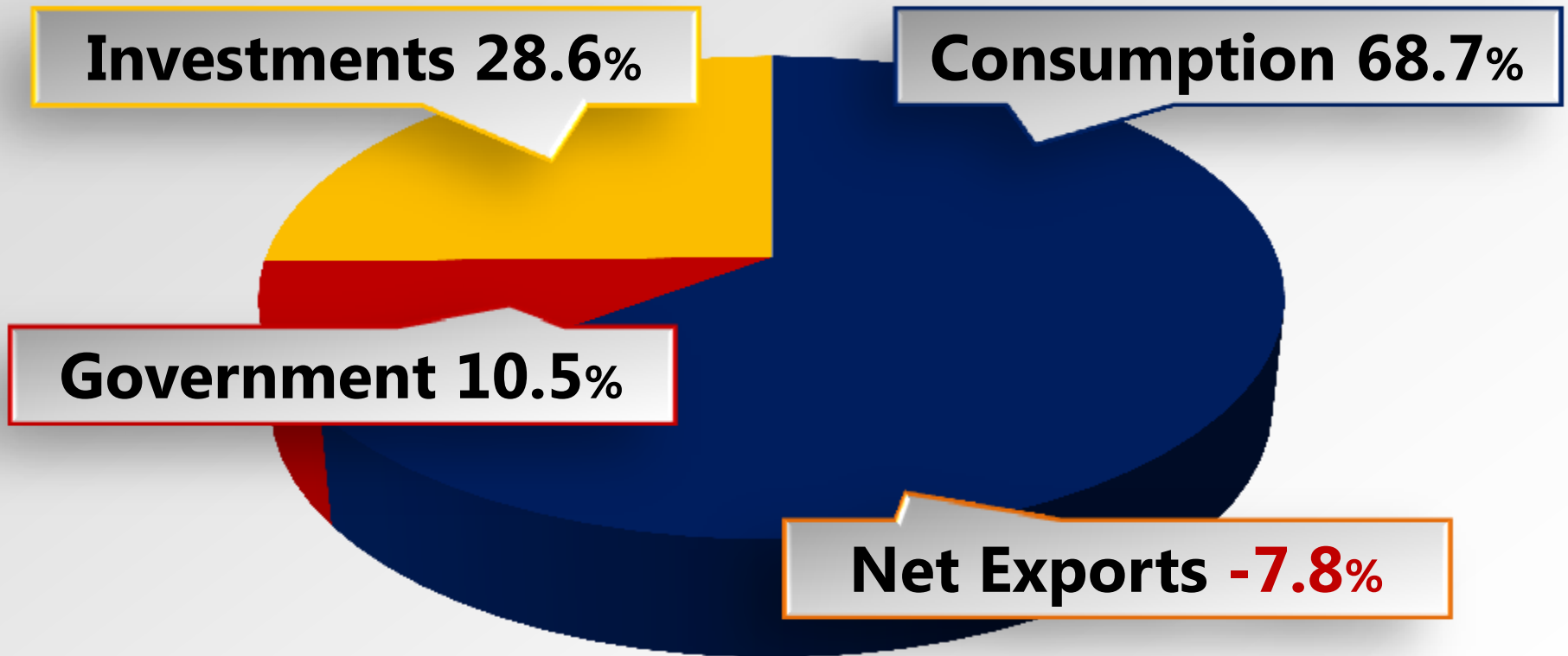


Annual Stockholders Meeting  
**2018**



# Components of Philippine GDP

Philippines, FY2017, in percentages



# Philippines: All systems go

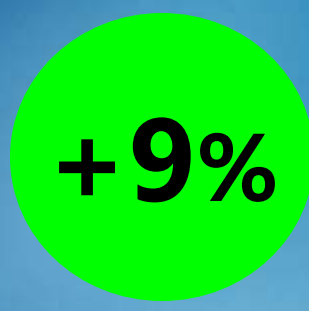
## Growth in consumption expenditure



Transport



Housing &  
utilities



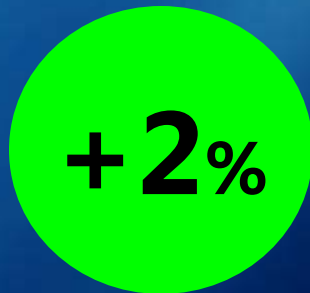
Food & drink



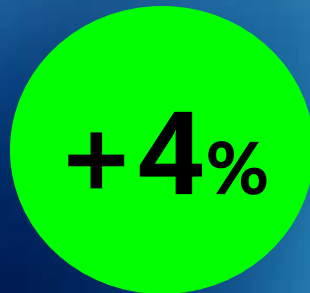
Household  
maintenance



Health



Alcohol &  
tobacco



Communication



Recreation &  
culture



Restaurants &  
hotels



Education

# Transport spending +8% | Php1.3 trillion in 2017



Source: Philippine Statistics Authority

# Hotels and restaurants +12%

## Php472.5 billion in 2017



Source: Philippine Statistics Authority

The Cellar at the  
Grand Hyatt Manila

Health  
**+7%**

Php326.1 billion

Education  
**+12%**

Php490.4 billion

MANILA TYTANA COLLEGES  
& Manila Doctors College  
Pasay City, Metro Manila

# Housing and utilities




Bangko Sentral ng Pilipinas

# +10% to Php1.4 trillion



Photo Source: Philippine Star



**11 million OFWs**  
remitted  
**USD 28.1 billion**  
▲ **4%** year-on-year

Thriving BPO sector  
**1.2 million** employees

**USD24.5 billion**

BPO revenues

▲ **7%** year-on-year




**i-Met** BPO Hub by Federal Land  
Macapagal Blvd., Bay Area





**PHP50.40** to USD1  
2017 full-year average

**PHP49.92** to USD1  
Year-end 2017



**Inflation, 2017**  
**3.2%**  
**▲ from 1.8% in 2016**

# Foreign direct investment, 2017 **USD 10.0 billion**

▲ **21%** from USD 8.2 billion in 2016





Gross international reserves  
**USD81.6 billion**

**External Debt-to-GDP**

**23.3% in 2017** ▼ from 24.5% in 2016

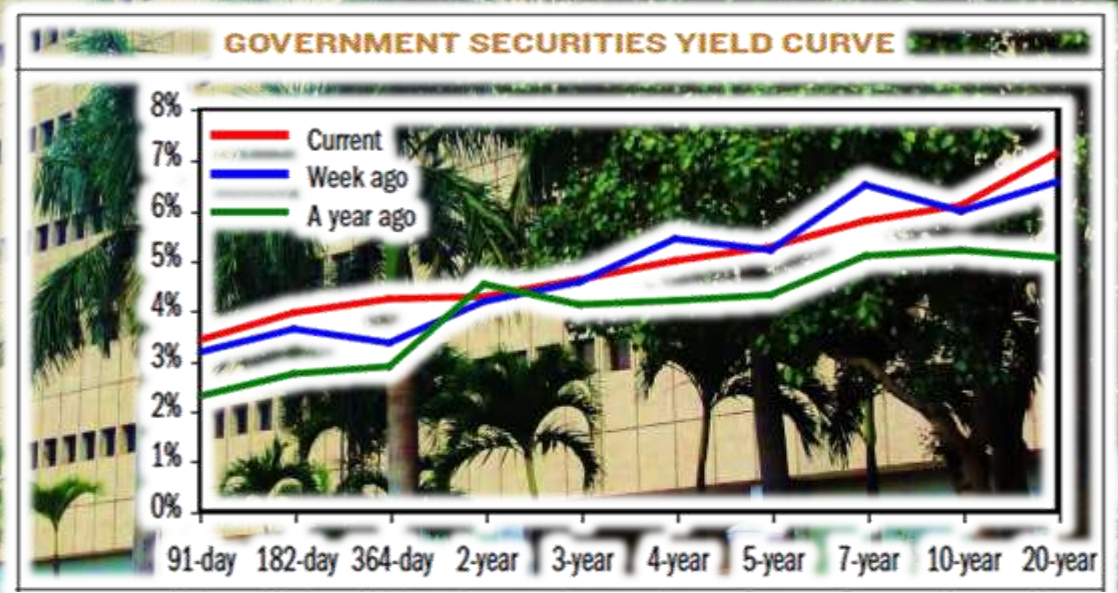


Domestic liquidity (M3), 2017  
**Php 10.6 trillion**  
▲ **12%** from **Php 9.5 trillion** in 2016

# Average bank lending rate

# 5.63%

All tenors and maturities

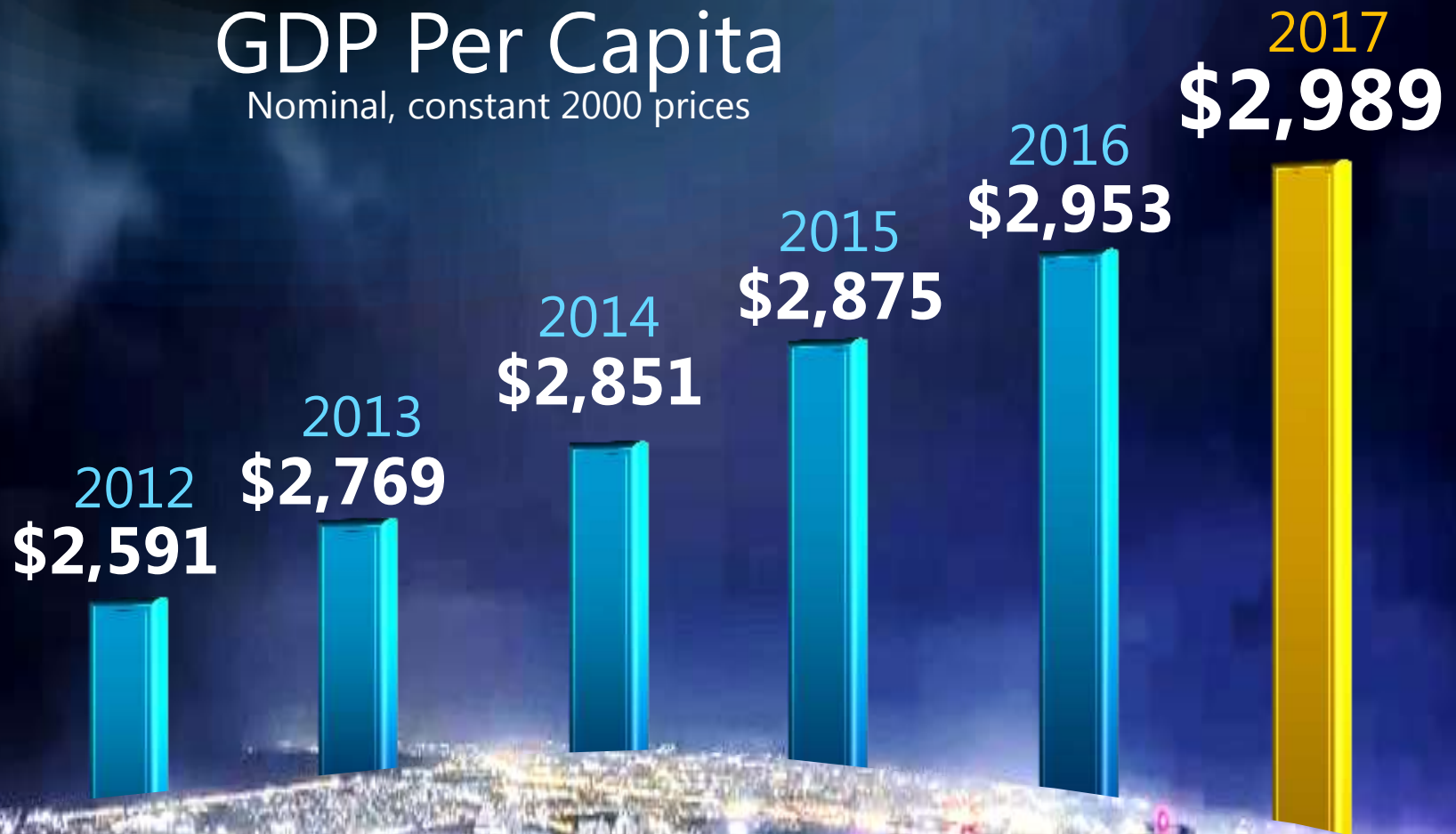


Source: Bangko Sentral ng Pilipinas

Photo credit: Wikimedia

# Philippines GDP Per Capita

Nominal, constant 2000 prices



# GT Capital Milestones in 2017



Annual Stockholders Meeting  
**2018**





Metrobank

April 2017

Strategic Increase of **Metrobank**  
Stake from 26% to 36%

May 2017

Federal Land & SMDC launched *The Estate Makati* by Sir Norman Foster



July 2017



Partnership for **Sunshine Fort**, Bonifacio



August 2017

Acquisition of 20% stake in  
motorcycle financing arm  
**Sumisho Motor Finance  
Corporation**

# Metrobank Card



December 2017

First tranche of **Metrobank's** acquisition of 40% stake in **Metrobank Card Corporation**



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**2018**

# Sector and Component Company Highlights





# Banking



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## PFRS 9

**Alignment w/ global standards**



## PESONet

**National electronic fund transfer system**



## Basel III

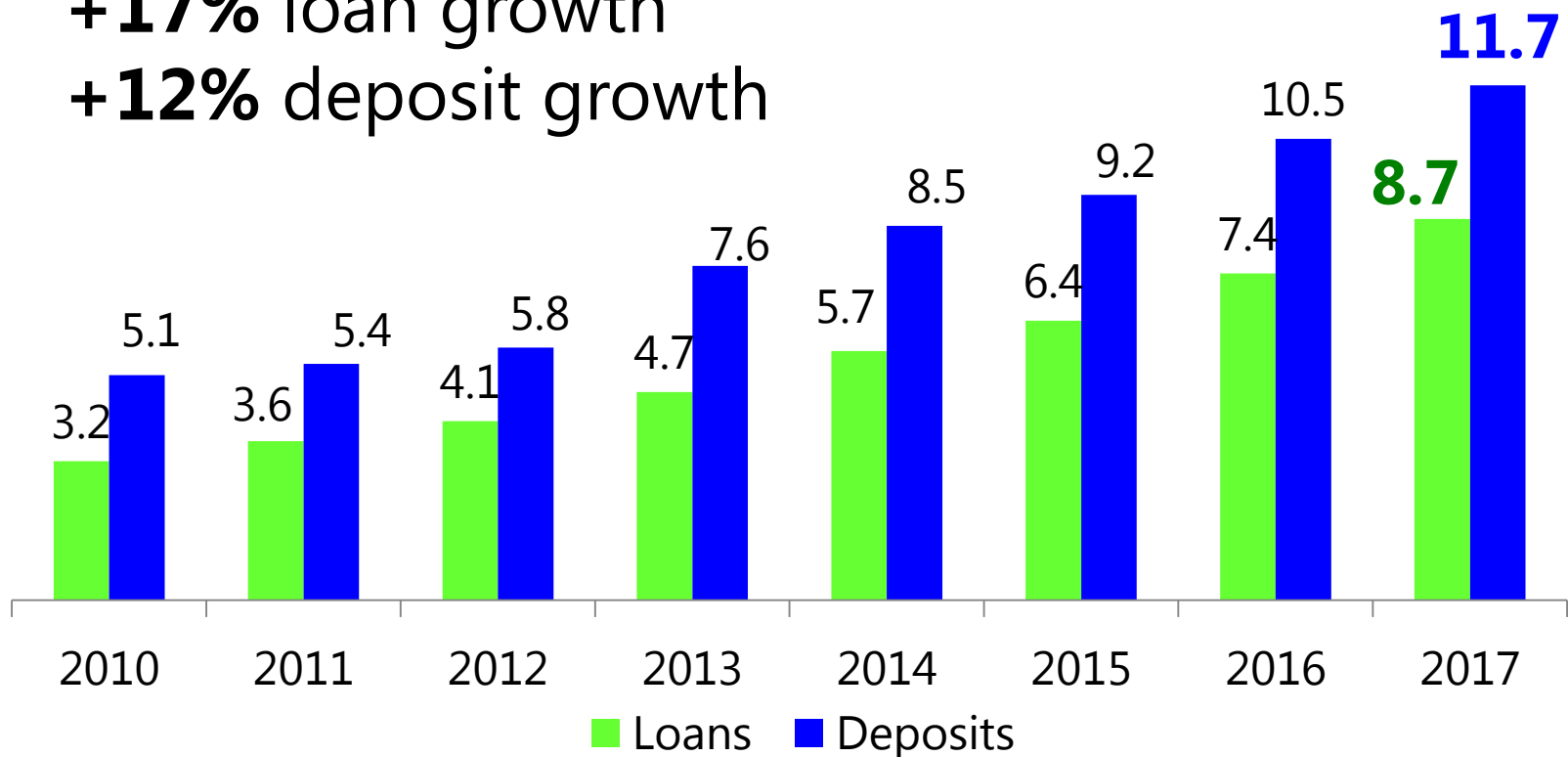
**Full implementation**





## Sector-Wide Loans and Deposits In trillion pesos, FY 2010-2017

**+17%** loan growth  
**+12%** deposit growth

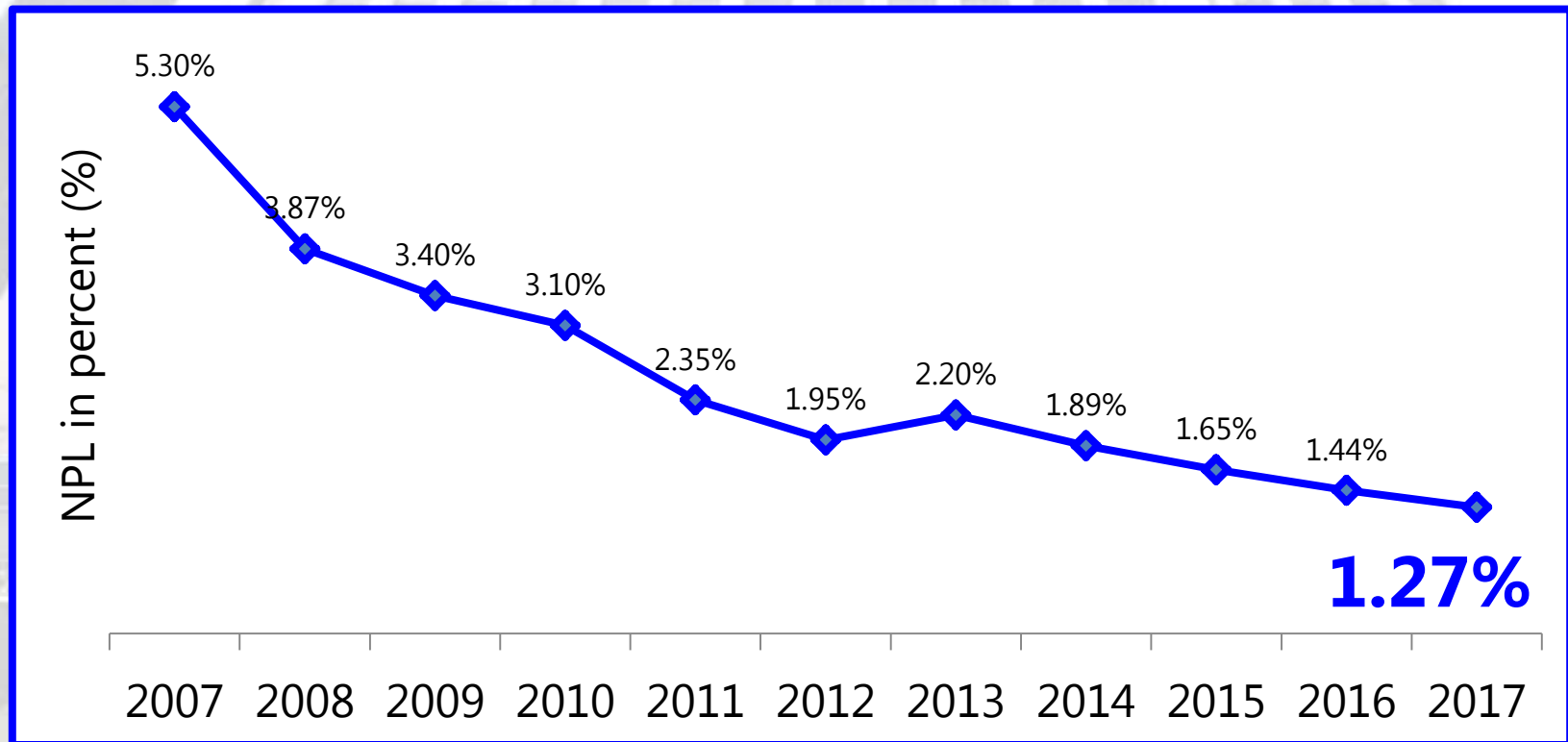


Philippine Banking System, Source: Bangko Sentral ng Pilipinas

## Downward trend in bad debts

### Industry-wide gross non-performing loans ratio (NPL)

In percentages (%), Philippines, year-end, 2007-2017

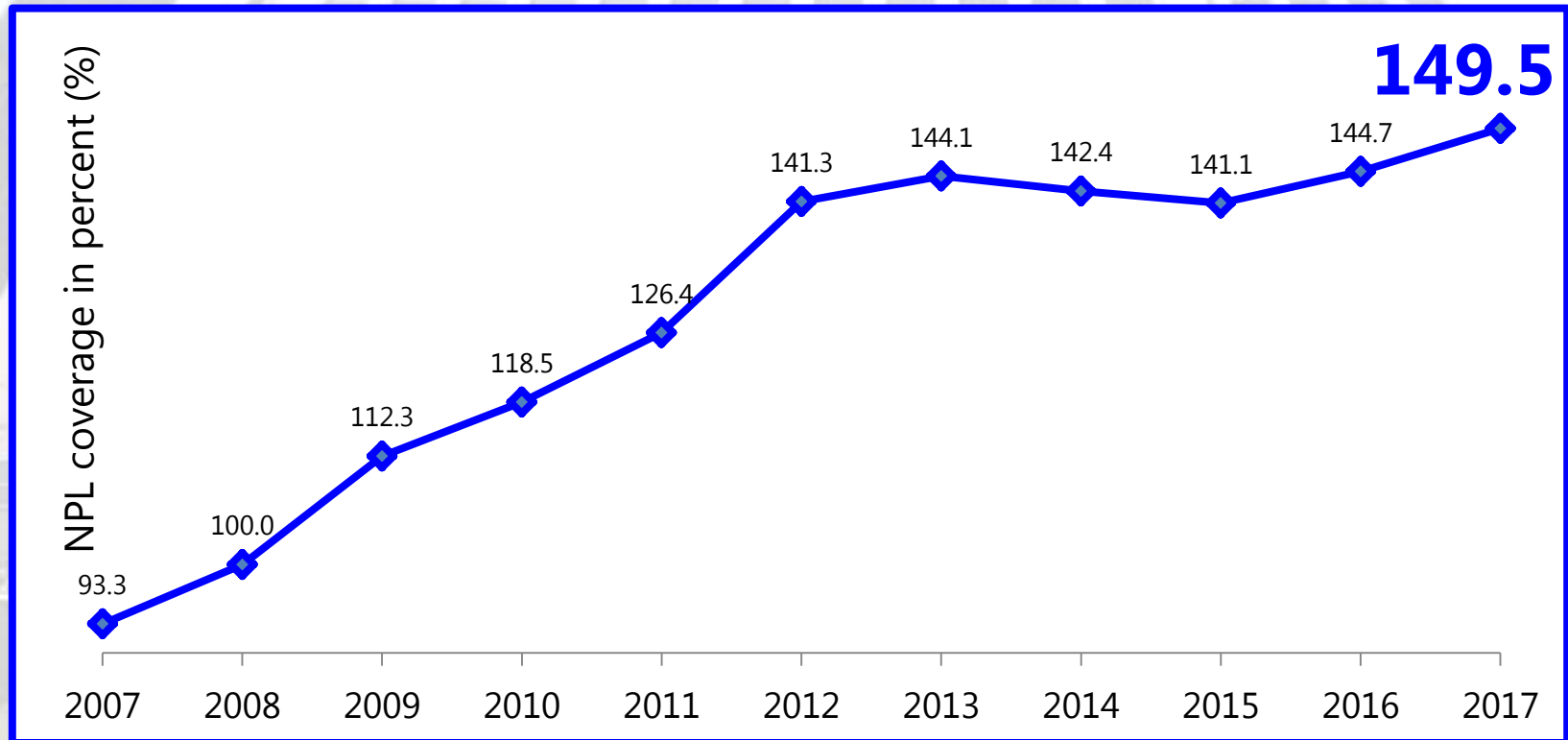


Universal & Commercial Banking (UKB) Group, Source: Bangko Sentral ng Pilipinas

## Banks remain well-equipped to take on strong loan growth

### Industry-wide NPL cover

In percentages (%), Philippines, year-end, 2012-2017

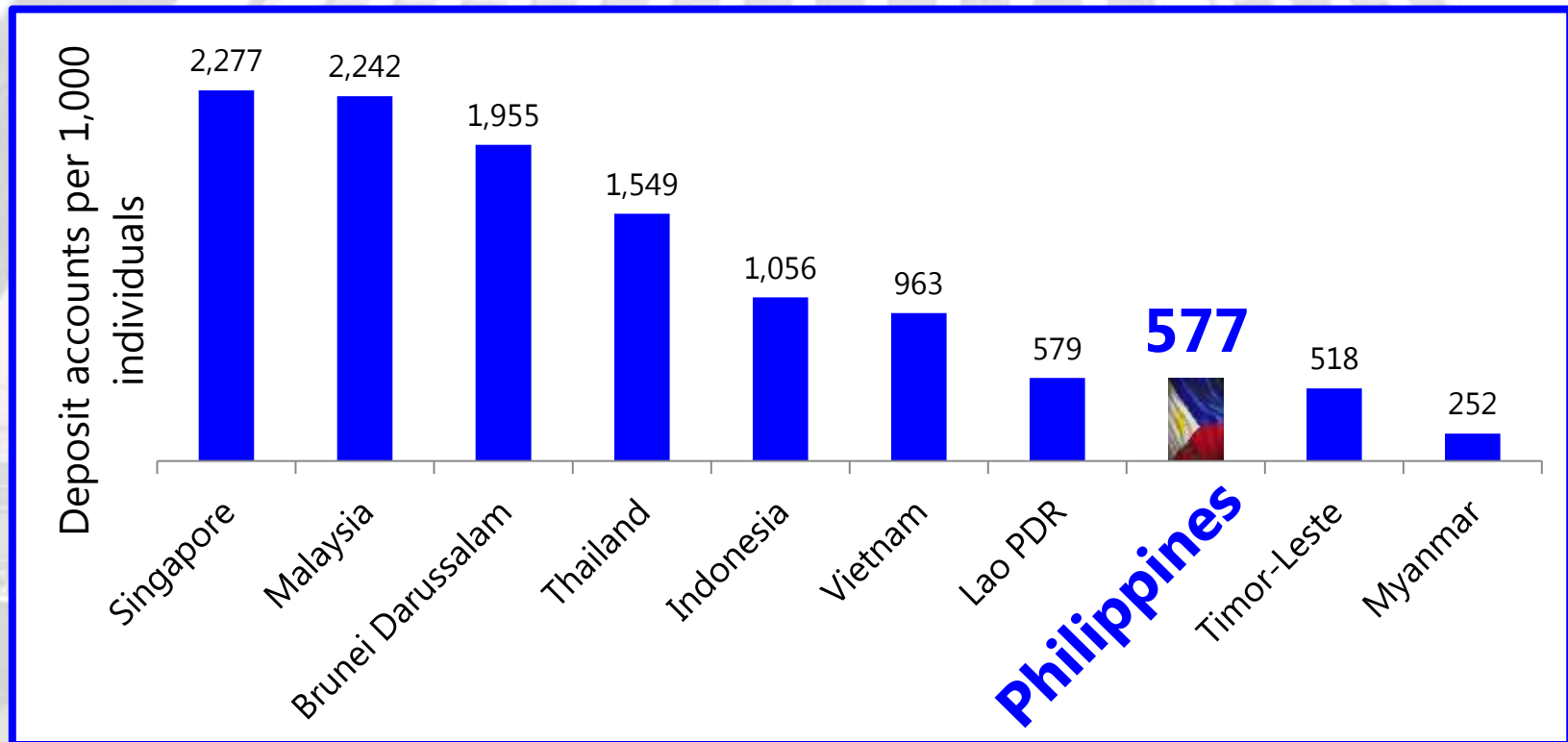


Universal & Commercial Banking (UKB) Group, Source: Bangko Sentral ng Pilipinas

## Banking still an underpenetrated sector

### Deposit accounts per 1,000 individuals

ASEAN Members and Observers, 2017



Source: International Monetary Fund Financial Access Survey, Tracking Access to Financial Services, 2017



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 **Metrobank**

## CASA Deposits

**+12%**

**846**



FY 2016

**950**



FY 2017

in Php Billion

## Net Interest Margins (NIMs)

**3.8%**



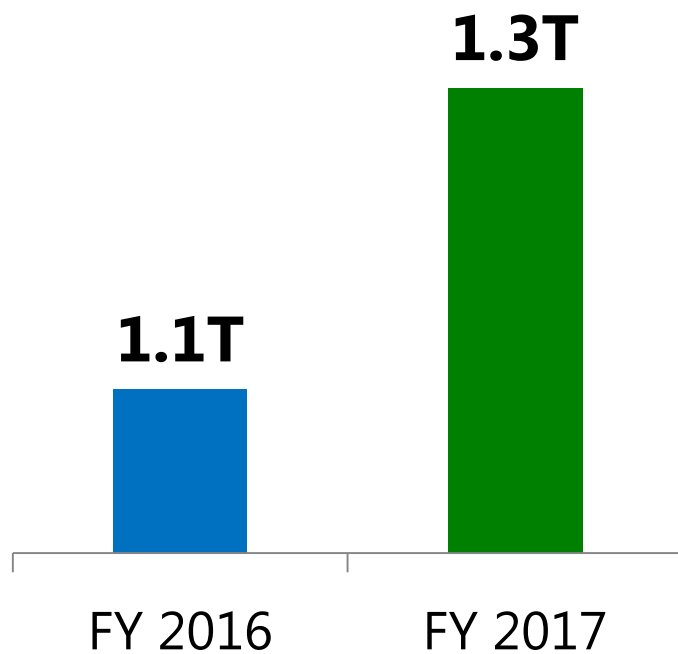
BPI



BDO

## Loans

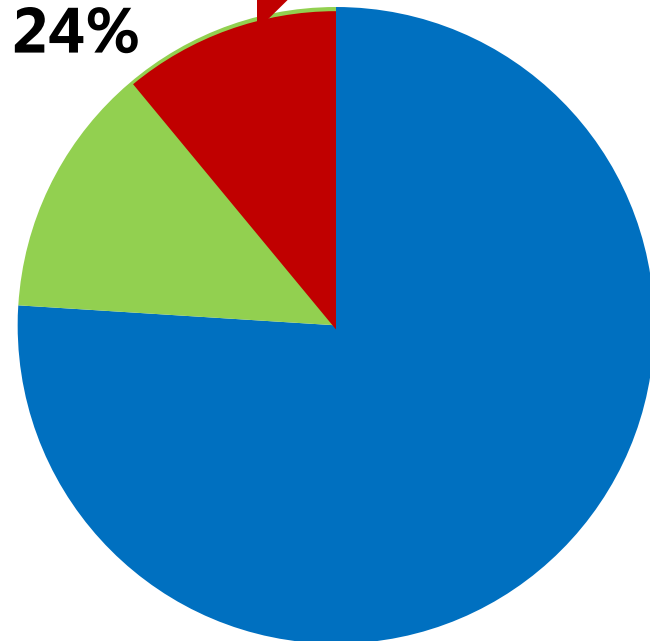
+19%



in Php Trillion

Consumer  
24%

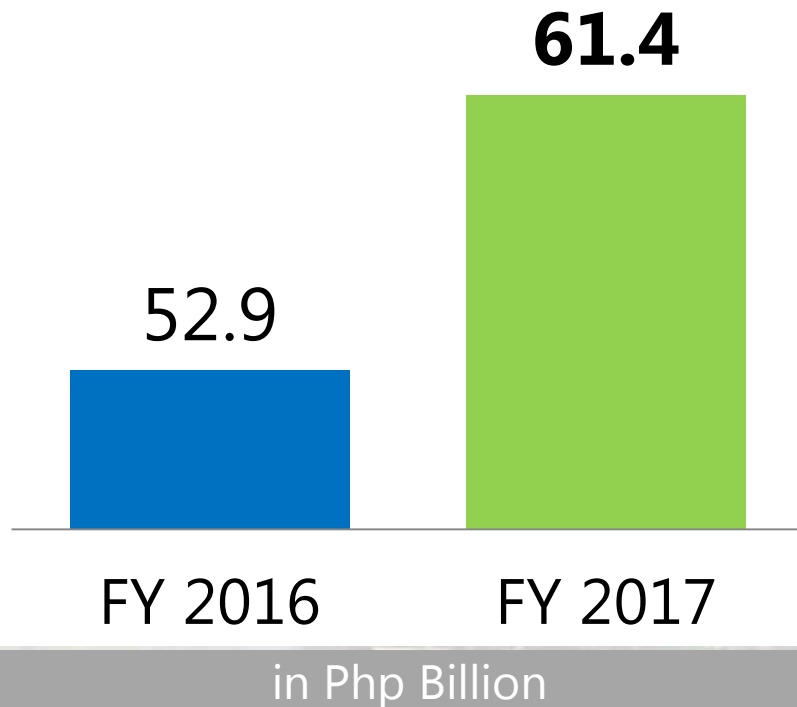
Auto  
46% of consumer book



Commercial  
76%

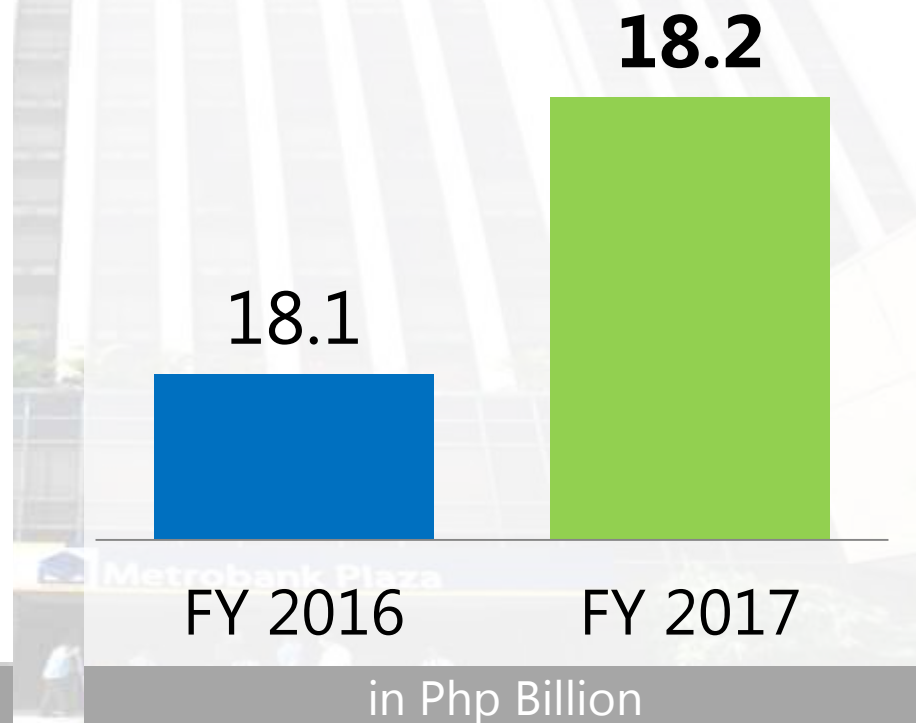
## Net Interest Income

73% of total revenue  
**+16%**



## Net Income

Core **+10%**



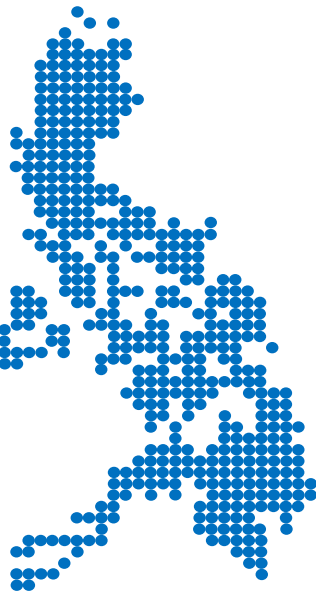


## Nationwide Reach

### Nationwide

**953**  
branches  
(consolidated)  
as of 2017

**2,352**  
ATMs



### Worldwide



**36**  
branches,  
subsidiaries,  
and offices

**202**  
remittance  
agents

## e-Channels



**Metrobank  
Direct**



**Mobile  
Application**



**Cardless  
Withdrawal**

An aerial photograph of a modern city. In the background, several skyscrapers are visible against a clear blue sky with scattered white clouds. The most prominent building is a tall, blue-glass skyscraper with a distinctive golden, pointed top. In the foreground, there is a large residential development with many houses arranged in a curved, organized pattern, interspersed with green spaces and roads.

# Property Development



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**BPO**



**OFW**



**Supply  
Shortage**



**Interest  
Rates**



# Annual Stockholders Meeting 2018

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# Launched in 2017



◀  
**Park Avenue**  
GRAND CENTRAL PARK, BONIFACIO NORTH  
Launched January 2017



▶  
**Siena Residences**  
MARIKINA  
Launched August 2017



## Launched in 2017



◀  
**Palm Beach  
West**  
BAY AREA

**Siargao Tower**  
Launched  
August 2017



**Coron Tower**  
Launched  
November 2017

# Launched in 2017



**SUNSHINE FORT**  
BONIFACIO NORTH

A joint venture of



**NOMURA  
REAL ESTATE**



**ISETAN  
MITSUKOSHI  
HOLDINGS**



## Delivered in 2017



i-Met

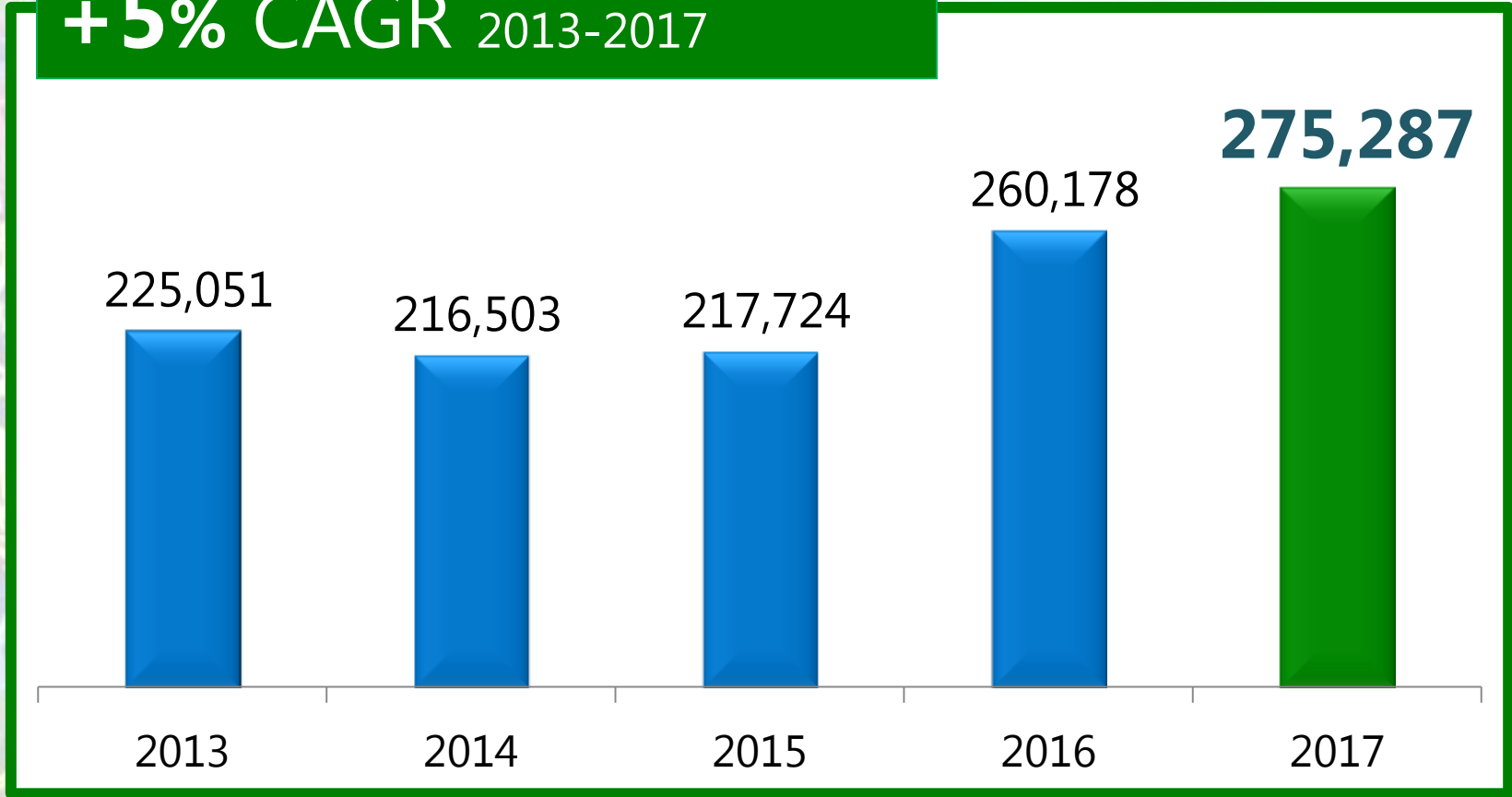
METRO PARK, BAY AREA

First PEZA-  
accredited BPO  
building at the  
Metro Park





## Residential Licenses to Sell +5% CAGR 2013-2017





# PRO • FRIENDS



**53**

Retail and commercial locators

**1,700**

Hectares of land bank

**15,000**

Homes built

**44,000**

Residents

## Now Open



Actual drone shot of Lancaster New City in Cavite



# Construction Updates

◀  
Kensington



Glenbrook

## Revenues

**+5%**

17.3



**18.2**



2016

2017

in Php Billion

## Net Income

**Php2.1 billion**

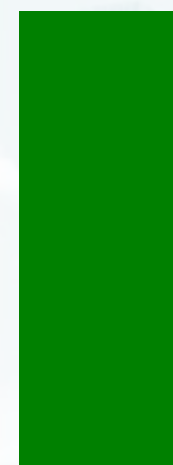
## Real Estate Sales

**+8%**

14.2



**15.4**



2016

2017

in Php Billion



# Automotive



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Vehicle ownership in the Philippines  
**3.8 million**  
privately-owned vehicles in 2004



Source: Philippine Statistics Authority

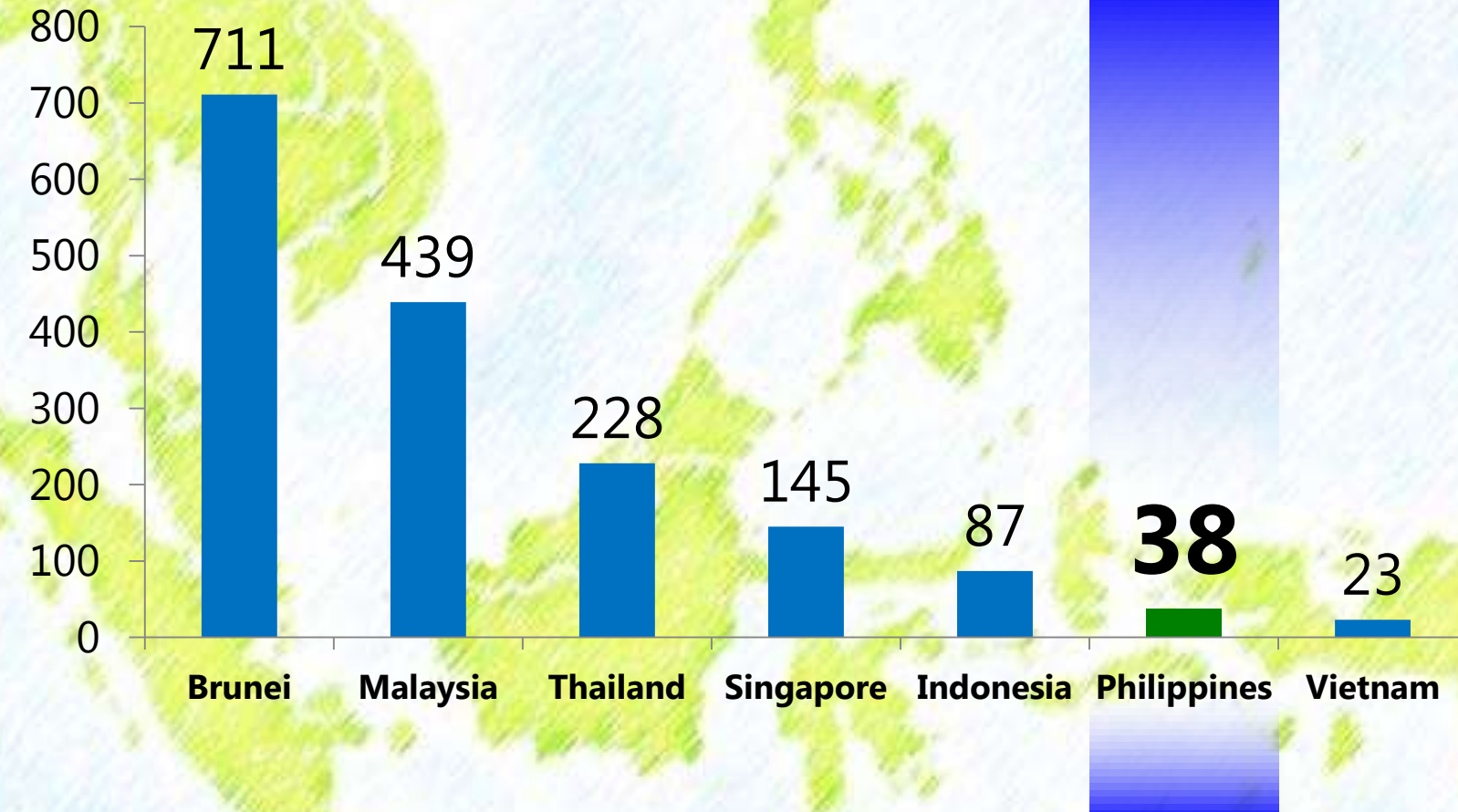
Vehicle ownership in the Philippines  
**9.3 million**  
privately-owned vehicles in 2017



## Motor vehicle penetration in ASEAN

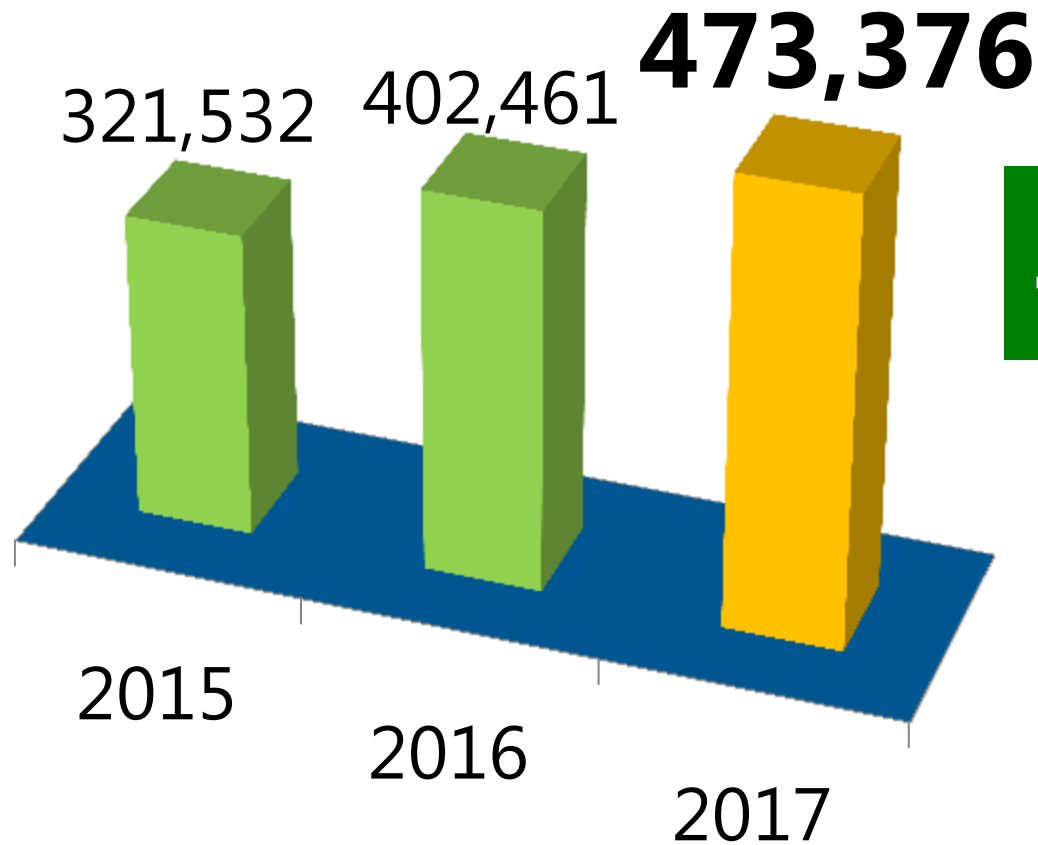
Vehicles per 1,000 individuals, 2017

Vehicles per 1000 individuals





## Industry Sales

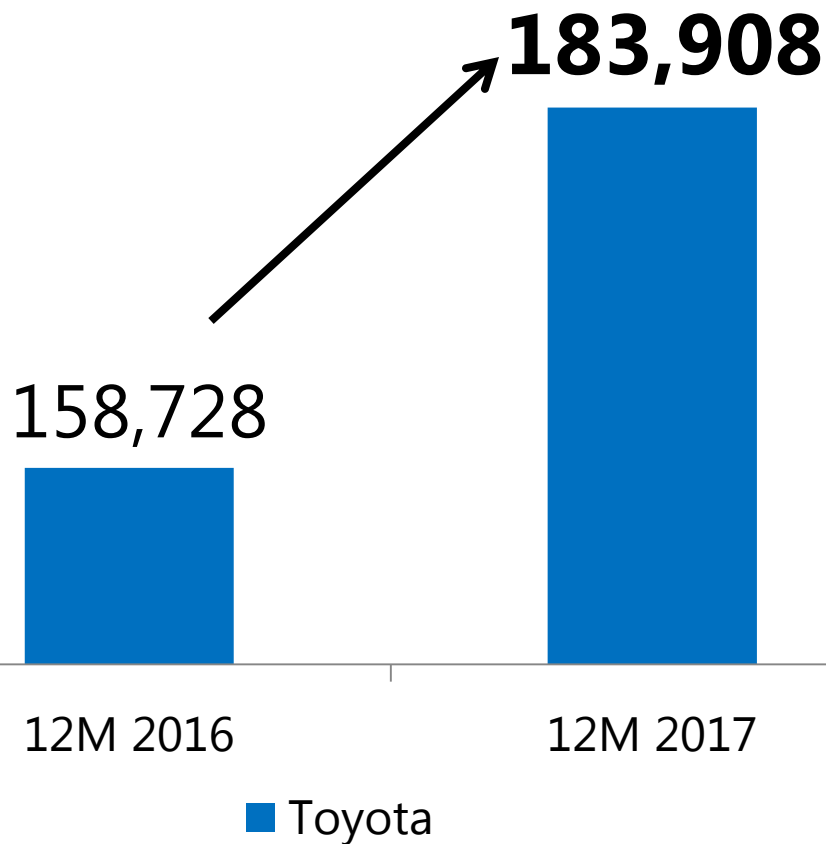


**+18%** Year-on-Year

# 2017 Auto Industry Market Share



## Toyota Motor Philippines Unit Sales



▲ **16%**  
Y-O-Y

# 2017 Toyota Global Unit Sales Rankings

1	United States	2,434,516
2	Japan	1,633,161
3	China	1,290,101
4	Indonesia	371,272
5	Thailand	240,137
6	Australia	225,266
7	Canada	224,547
8	Brazil	190,862

**#9** in the  
**WORLD**

**9 Philippines**

**183,908**

10	Saudi Arabia	178,768
11	India	140,561
12	Taiwan	128,256
13	U.K.	124,946
14	South Africa	124,441
15	Russia	118,747
16	Mexico	105,464
17	France	98,036

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Source: Toyota Motor Philippines data



**No.1**  
Passenger  
Car Sales



**No.1**  
Commercial  
Vehicle Sales



**No.1**  
Overall  
Sales



**TOYOTA**



# TOYOTA MANILA BAY CORP. **New Building**

THE DEALER OF CHOICE



- Inaugurated 19 Oct 2017
- **The Philippines' largest car dealership of any brand**
- 7-storey building, with full service bay



## Revenues

**+19%**

**185.3**

155.8

2016

2017

in Php Billion

## Net Income

**+11%**

**13.2**

11.9

2016

2017

in Php Billion

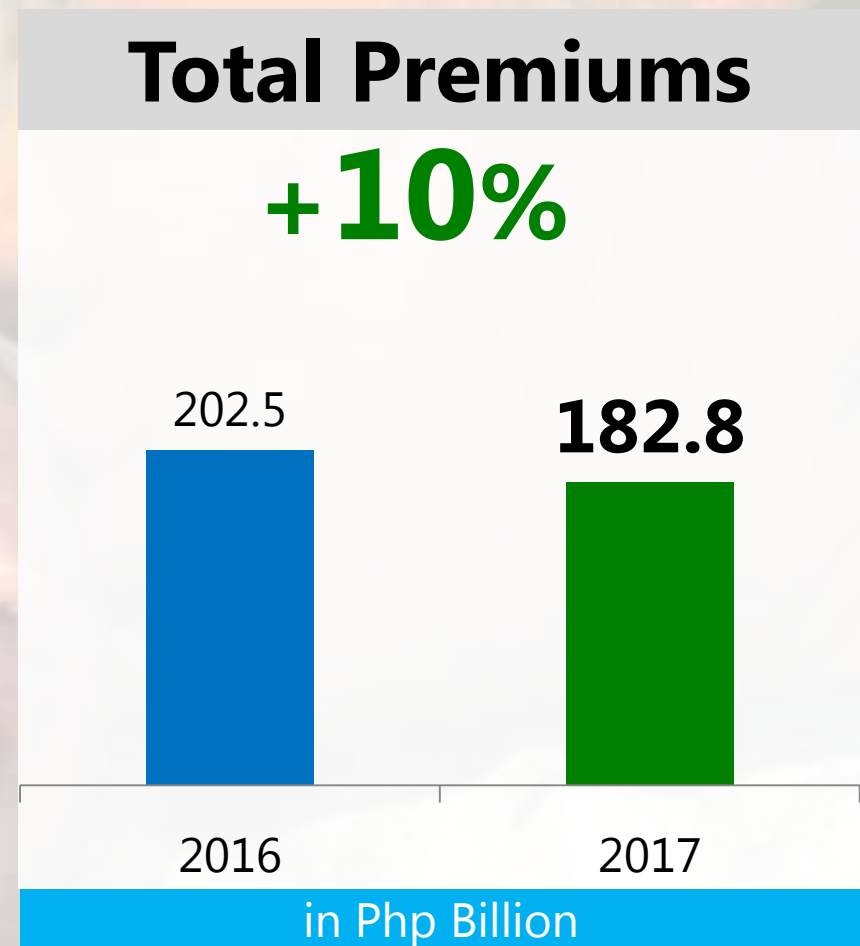
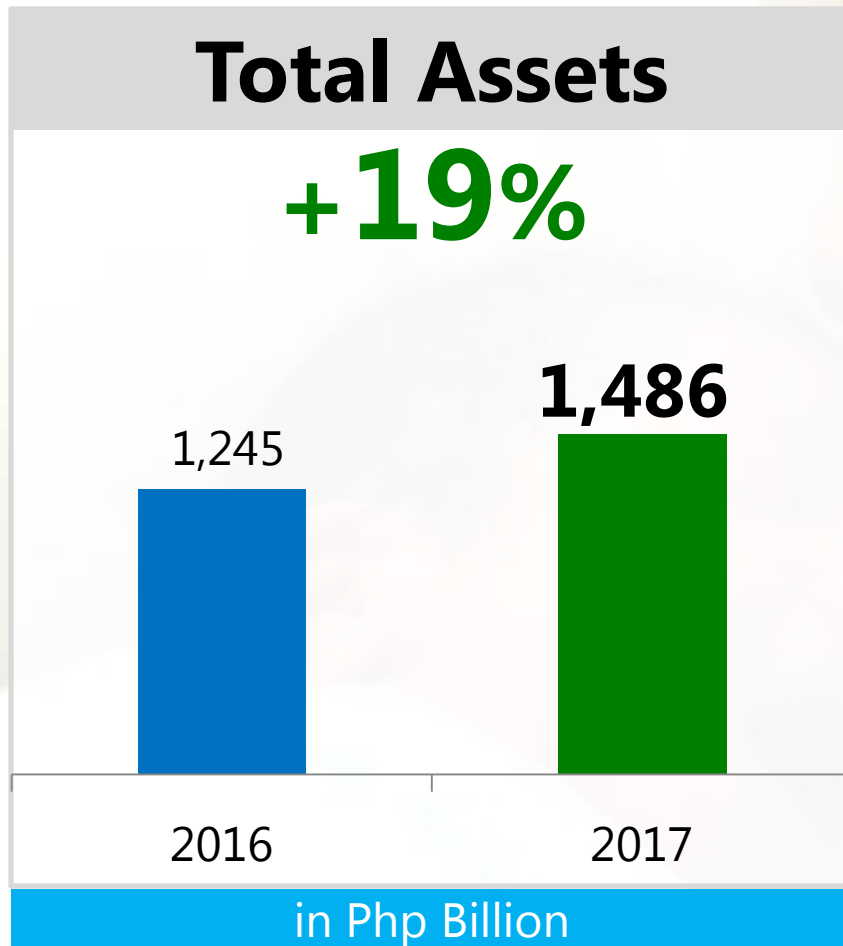
# Insurance



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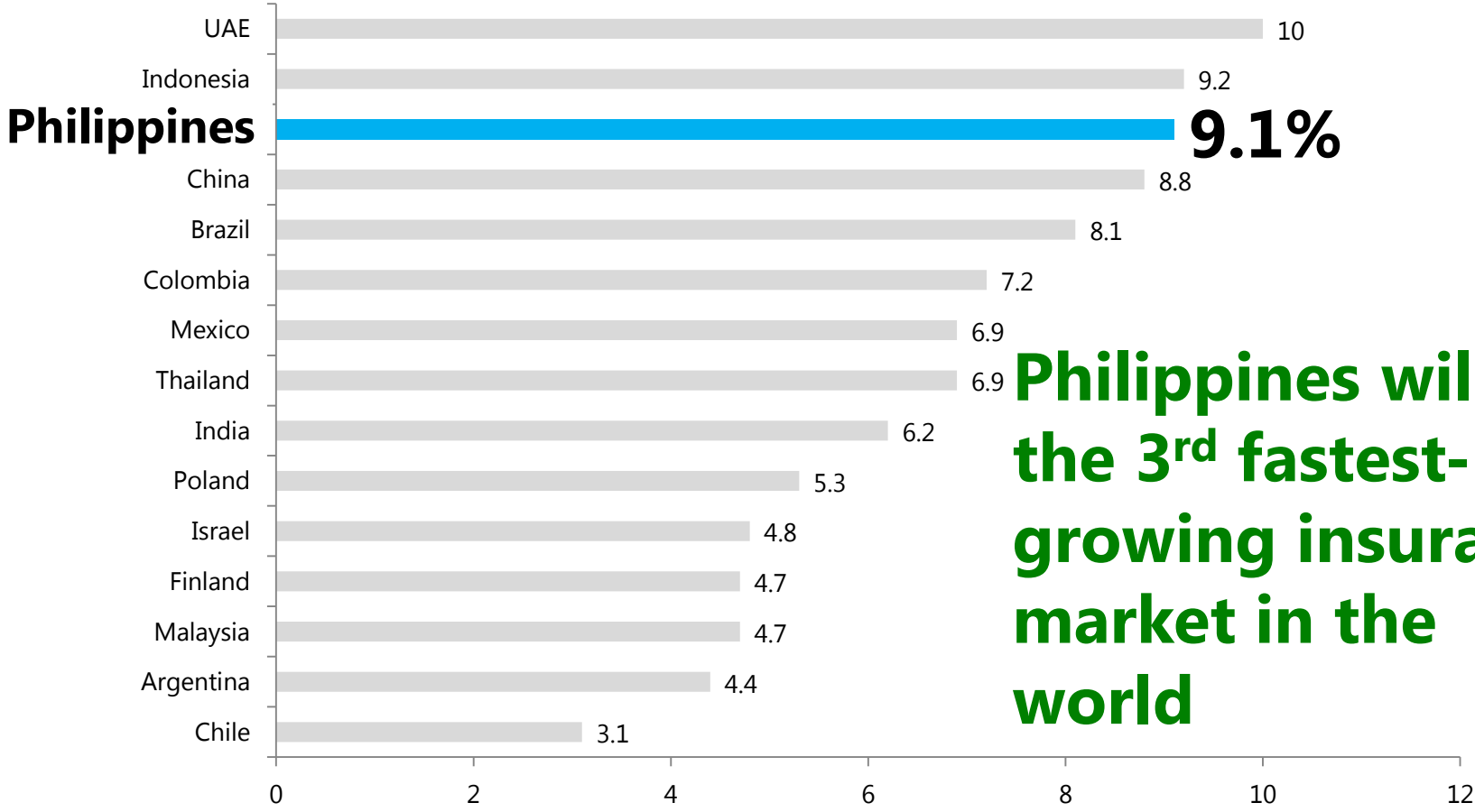
## PH Insurance Industry Performance As of 31 December 2017





## TOP 15 FASTEST-GROWING INSURANCE MARKETS

Projected 10-year CAGRs of industry-wide life insurance premiums by country



**Philippines will be the 3<sup>rd</sup> fastest-growing insurance market in the world**

Source: MunichRe, December 2017



# Annual Stockholders Meeting 2018

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**Persistence ratio**

**84.2%**

82.7% in 2016



**Exclusive financial advisors**

**3,665**

3,000 in 2016



**Total bancassurance branches**

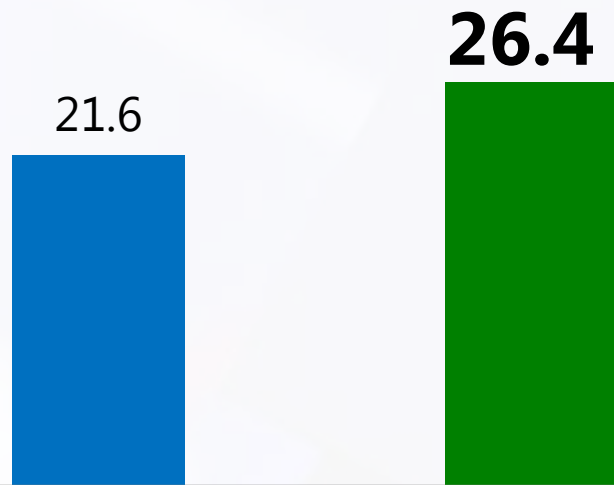
**953**

925 in 2016



## Gross Premiums

**+22%**



2016

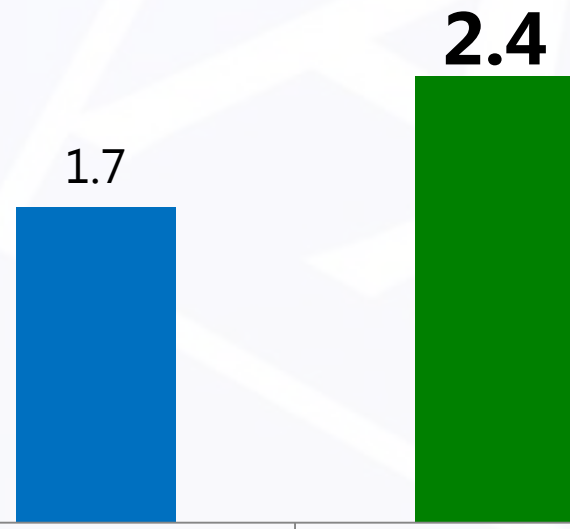
2017

2016 vs. 2017 standalone life

in Php Billion

## Net Income

**+42%**



2016

2017

2016 vs. 2017 standalone life

in Php Billion



# **AXA is No. 1 again** **Top Global Insurance Brand**

for the 9th consecutive year

**As of 2017; Interbrand**



# Infrastructure & Utilities



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## Cavite segment

Target completion  
in 2020

Ongoing  
right-of-way  
acquisition

Dedicated  
exit at



Laguna segment  
Target completion in  
2019





## LRT1 Extension project to Bacoor



## Cavitex-C5 Link Target 2020

Source: Metro Pacific company data



# Annual Stockholders Meeting 2018

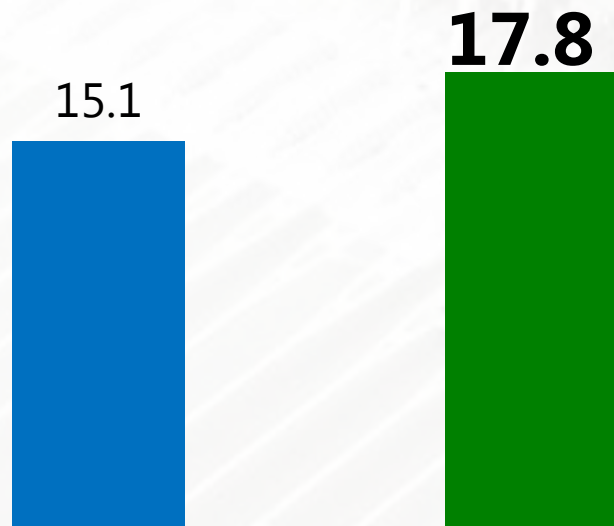
GT CAPITAL  
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**METRO  
PACIFIC**  
INVESTMENTS

## Operating Income

**+18%**



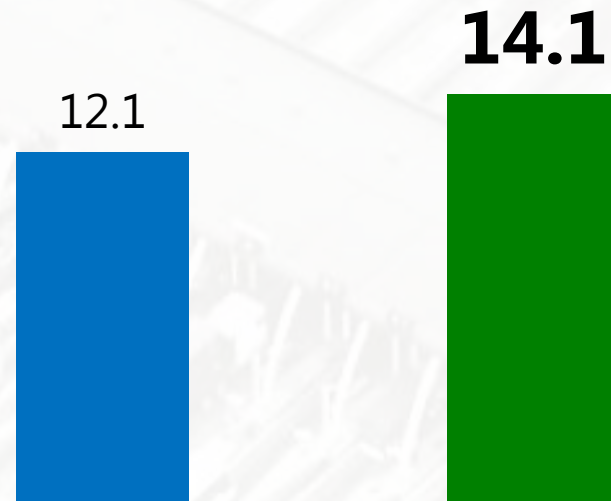
2016

2017

in Php Billion

## Core Net Income

**+17%**



12.1

14.1

2016

2017

in Php Billion



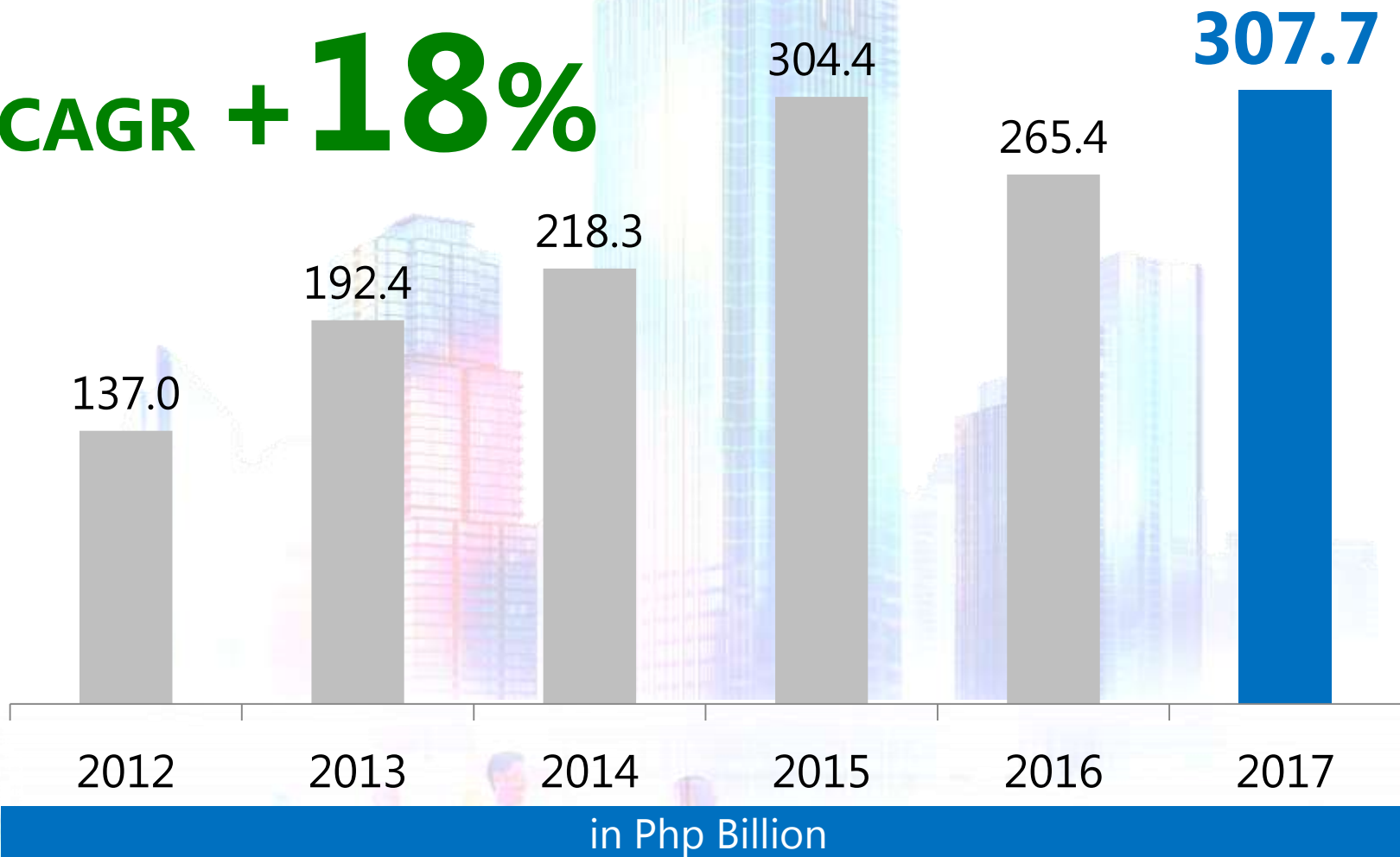
# GT Capital Holdings Consolidated 2017 Financial Highlights



Annual Stockholders Meeting  
**2018**

## Total Assets

CAGR + **18%**

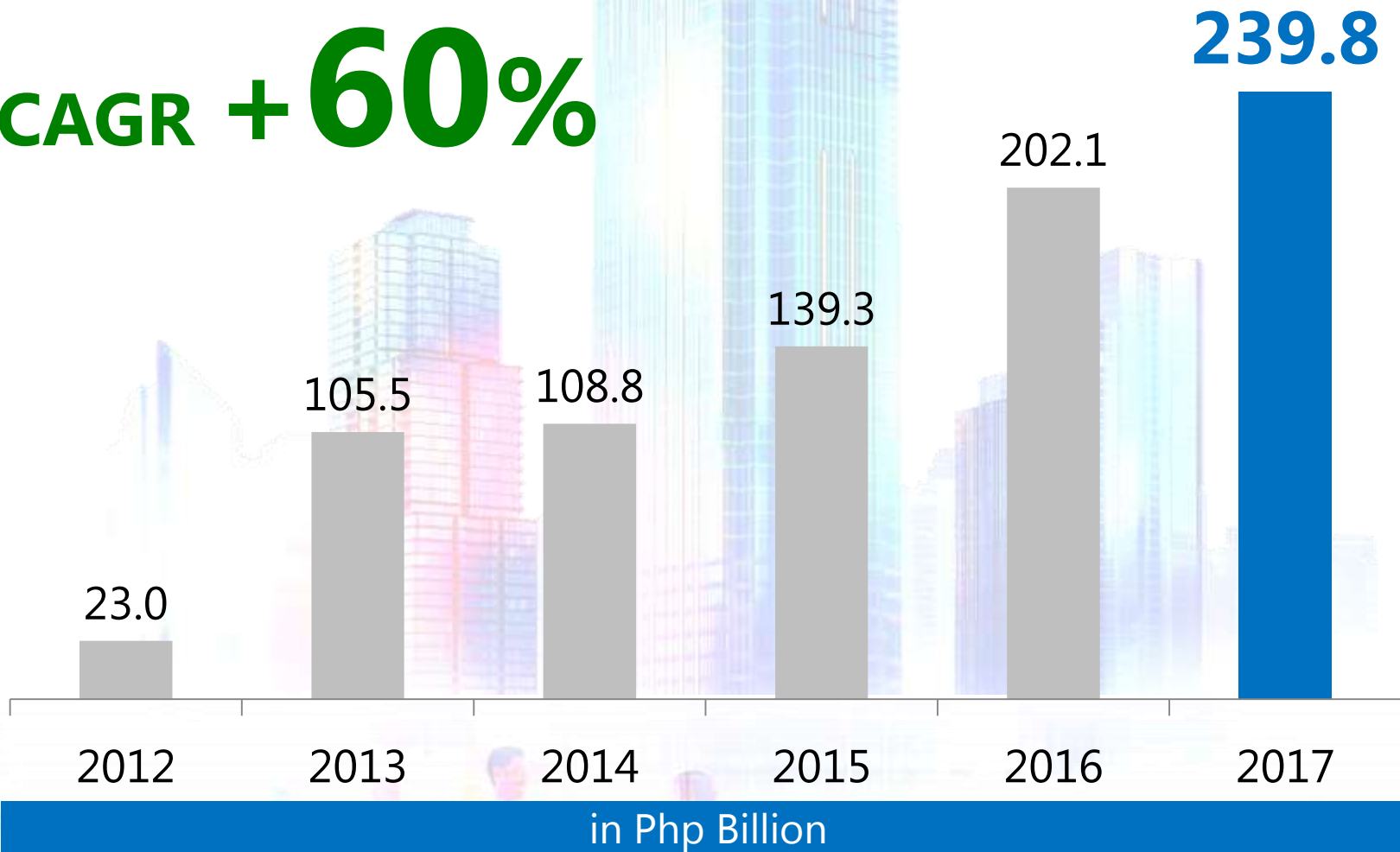


## Total Equity CAGR +22%



## Conso Revenues

CAGR + **60%**

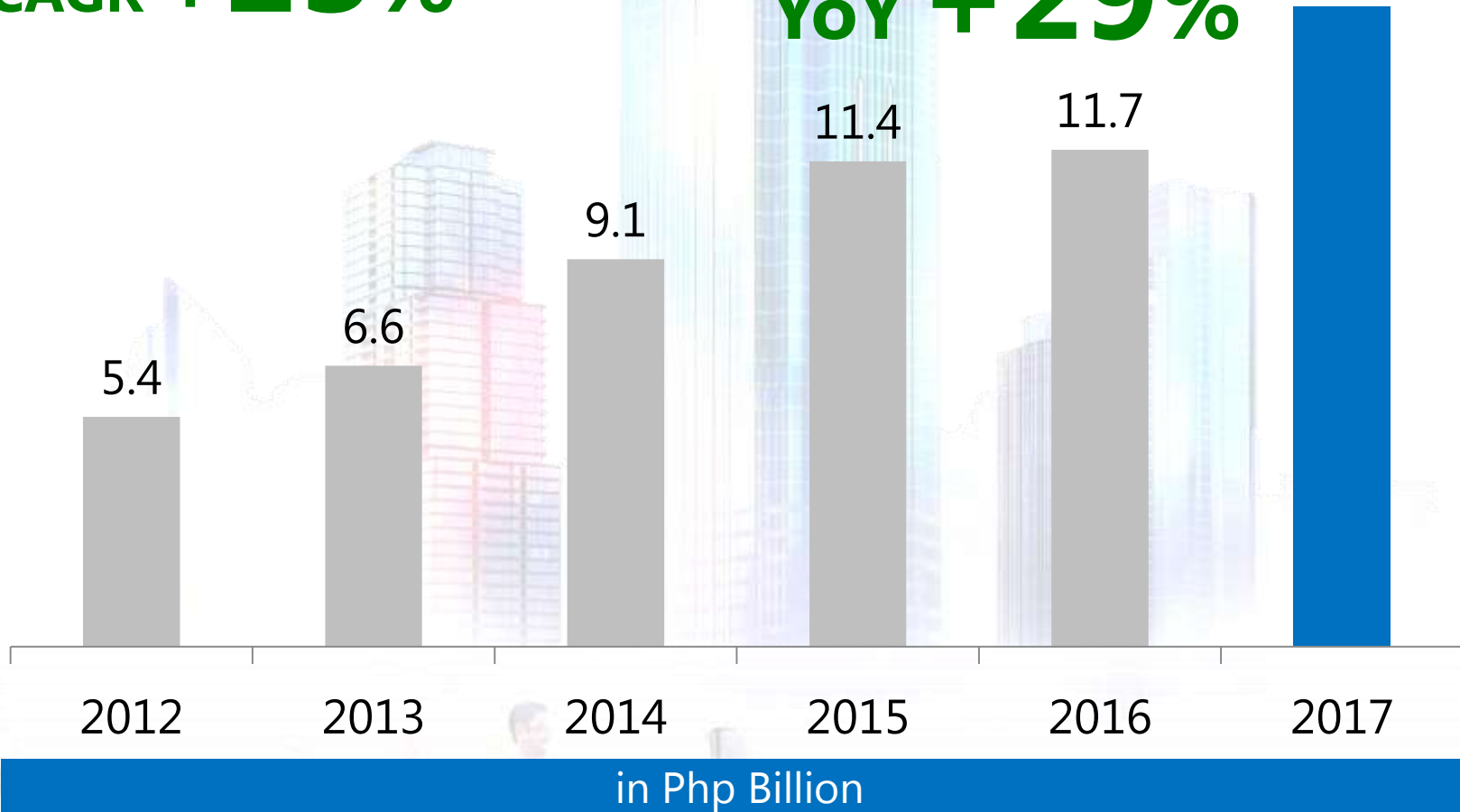




## Core Net Income

CAGR + **23%**

YoY + **29%** **15.0**



# The Road Ahead



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**2018**

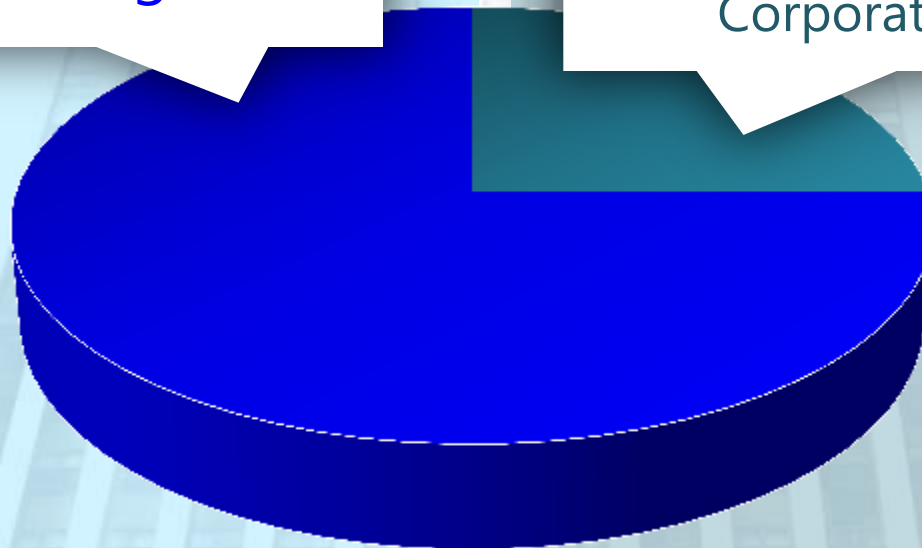
# **Php60 billion stock rights offering**

**Php45 billion**

To sustain above-  
industry loan growth

**Php15 billion**

To increase ownership in  
Metrobank Card  
Corporation to 100%





 **TOYOTA**

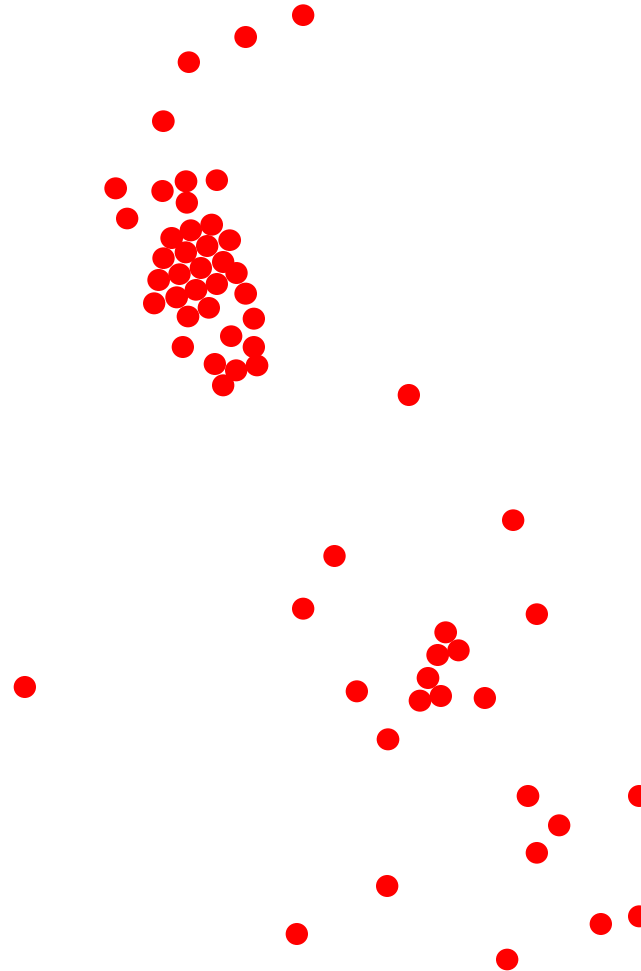
**30**

**YEARS**

ALWAYS BETTER CARS. ALWAYS BETTER LIVES.



## Dealership Expansion



**66**

Existing Toyota  
dealerships (May 2018)

**2018 Target**

**70**

**BREAKAWAY FROM THE EVERYDAY**



 **TOYOTA**  
**Rush**



Official participant to the government's  
**Comprehensive Auto Resurgence Strategy (CARS) Program**

**Php5.2 billion** total investment

# Soon to Rise Toyota General Trias, Cavite





2011	2012	2013	2014	2015	2016	2017
7	11	5	4	3	4	5

at least



in

# 2018



*Discover the allure of #LivingGrand.*

WELCOME TO **GRAND | HYATT** MANILA





# Shared Services Centre

at the GT Tower International, Makati, Manila



- home to **300** IT professionals
- global hub for AXA's IT needs



# Dividend Announcement



**₱3** cash dividend  
per share

**3.50%** stock  
dividend



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THE PHILIPPINE STOCK EXCHANGE  
**Most Active Issues**

STOCK	VALUE	PRICE	CHANGE	%CHANGE
MEG	888	200		
MEGW1	888	092		
MER	888	26020		
MHC	888	061		
MIC	888	477		
MIH	888	200		
MJC		53		
MMI		27		
PI		36		
MRC				



GT Capital celebrated its **10th anniversary** of incorporation and **5th year** as a **listed company** on the PSE



# Annual Stockholders Meeting 2018

## Awards & Recognitions





June 2017

Dr. George S.K. Ty received the  
**Ramon V. Del Rosario Award for  
Nation Building**





September 2017

**Finance Asia** recognized GT Capital as one of the Philippines' Top Ten **Best Managed Companies, Best in Corporate Governance, and Best in Investor Relations**



**GT CAPITAL**  
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November 2017

Dr. George S.K. Ty  
was awarded the  
**Order of the  
Rising Sun, Gold  
and Silver Star**



**TOYOTA**



**ORIX**



**Sumitomo  
Corporation**



**NOMURA REAL ESTATE**



**ISETAN  
MITSUKOSHI  
HOLDINGS**



**TOYOTA  
FINANCIAL SERVICES**



**mitsui & co.**

**market  
leadership**

**synergy**

**strategic  
partnerships**

**under-  
served  
sectors**



**Defined by Excellence.  
Refined Through Partnership.**





# GT Capital Board of Directors



**GT CAPITAL**

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**Regis V.  
Puno**



**Rene J.  
Buenaventura**  
Independent Director



**Pascual M.  
Garcia III**





**Renato C.  
Valencia**

Lead Independent Director



**Wilfredo A.  
Paras**

Independent Director



**Jaime Miguel  
G. Belmonte**  
Independent Director



**Dr. David T. Go**



President/Director  
**Carmelo Maria  
Luza Bautista**



Co-Vice Chairman  
**Alfred V. Ty**



Co-Vice Chairman  
**Francisco C.  
Sebastian**



Chairman  
**Arthur V. Ty**





Chairman Emeritus & Group Chairman  
**Dr. George S.K. Ty**

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