



**GT CAPITAL**  
HOLDINGS INCORPORATED

# First Quarter 2021 Financial and Operating Results Briefing

Thursday, 20 May 2021  
2:30PM

For more information,  
Visit [gtcapital.com.ph/investor-relations](https://gtcapital.com.ph/investor-relations)  
or contact [IR@gtcapital.com.ph](mailto:IR@gtcapital.com.ph)

*Resilience  
Amidst  
Adversity*





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# Briefing Panelists



**Mr. Carmelo Maria  
Luza Bautista**  
President

**Mr. Vince S. Socco**  
Chairman  
GT Capital Auto Dealership  
Holdings

**Mr. Francisco H.  
Suarez, Jr.**  
Chief Finance Officer  
Executive Vice President

**Mr. Jose B. Crisol, Jr.**  
Senior Vice President  
Head of Investor Relations,  
Strategic Planning, and  
Corporate Communication



# Mr. Carmelo Maria Luza Bautista

**President  
GT Capital Holdings, Inc.**



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# First Quarter 2021

## Macroeconomic Overview



# Macroeconomic Overview

## GDP

Fifth consecutive quarterly decline

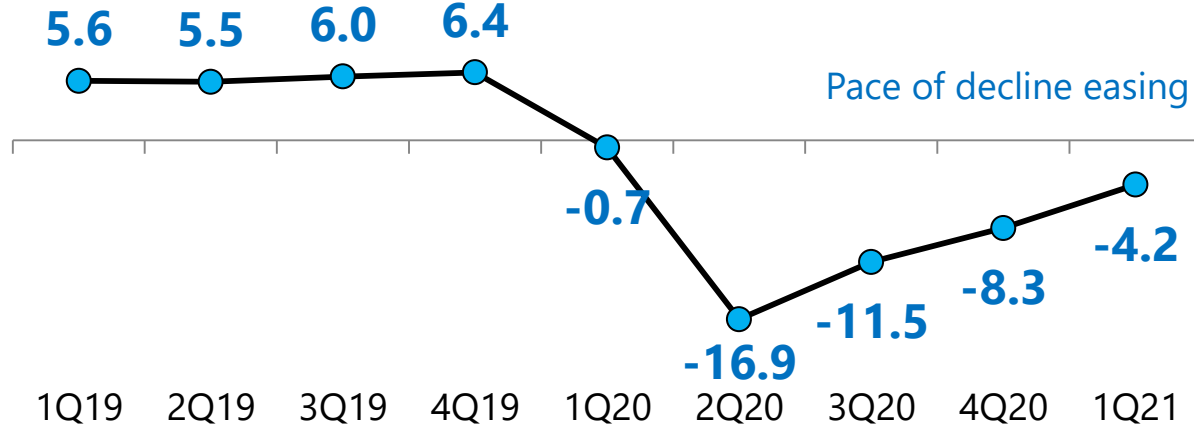
**-4.2%** Q1 2021

vs.

**-3.2%** Q1 2021 consensus

**-9.5%** FY 2020

### GDP (Quarterly %YoY)



GDP expected to rebound in 2H21

FY21 Est.	New	Prev.
Consensus	<b>5.5%</b> <sup>1</sup>	6.3%
MBT Research	<b>5.5%</b>	6.4%
FMIC-UA&P	<b>3.8%</b>	4.0%
DBCC <sup>2</sup>	<b>6.0% to 7.0%</b>	

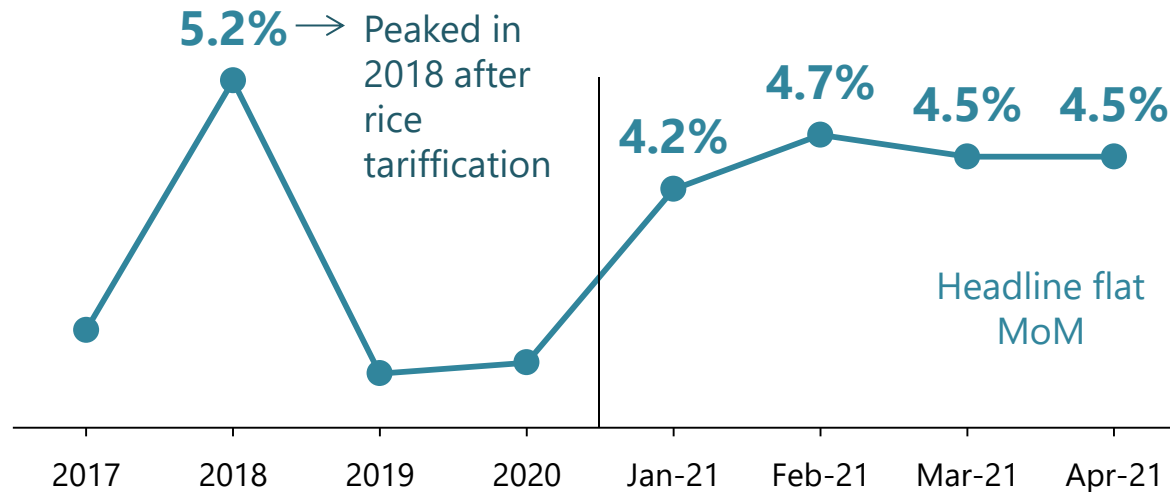
1. Forecasts after Q1 2021 GDP release on May 11  
2. Development Budget Coordination Committee

## Inflation

**4.5%**

April year-to-date

- Supply driven
- COVID-19 disruption in supply chains
- Increase in food prices



CPI expected stabilize in 2H21

FY21 Est.	New	Prev.
BSP	<b>3.9%</b>	4.2%
Consensus	<b>4.0%</b>	4.5%
MBT Research	<b>4.1%</b>	3.1%
FMIC-UA&P	<b>4.2%</b>	4.3%

- E.O.<sup>3</sup> 128: lowers tariffs on pork imports
- E.O. 133: raises minimum access volume for pork imports

3. E.O. - Executive order

# Macroeconomic Overview

## BSP Policy Rate

May 12, 2021 Meeting

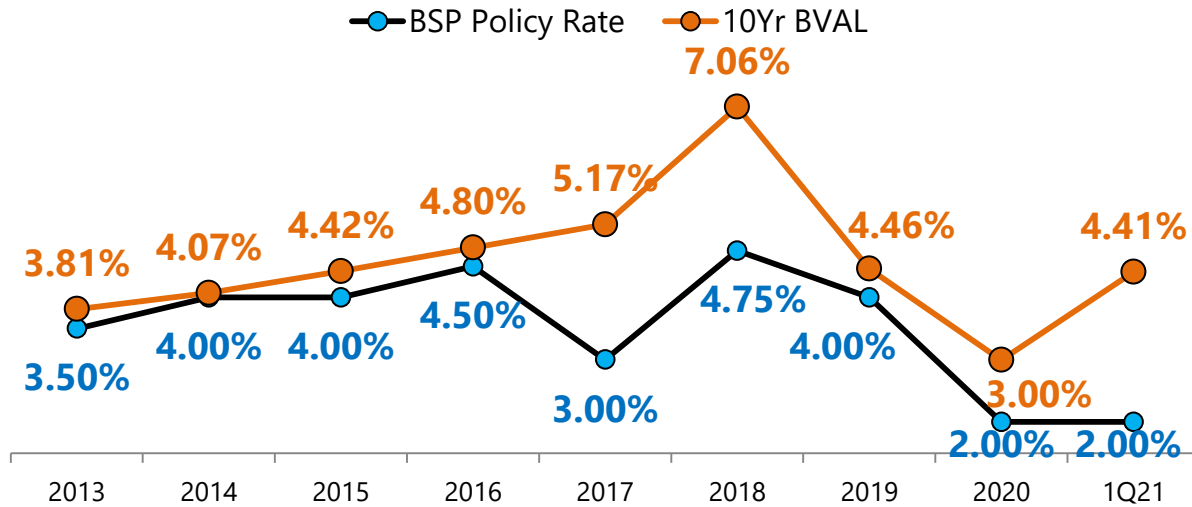
**2.00%**

Overnight Reverse  
Repurchase Rate  
**Unchanged**

## 10Yr BVAL

**4.41%**

as of March 31, 2021



BSP expected to maintain  
accommodative monetary policy

Policy Rate FY21 Est.	New	Prev.
Consensus	<b>2.0%</b>	2.0%
MBT Research	<b>2.0% to 2.5%</b>	2.5%

## OFW

### Remittances

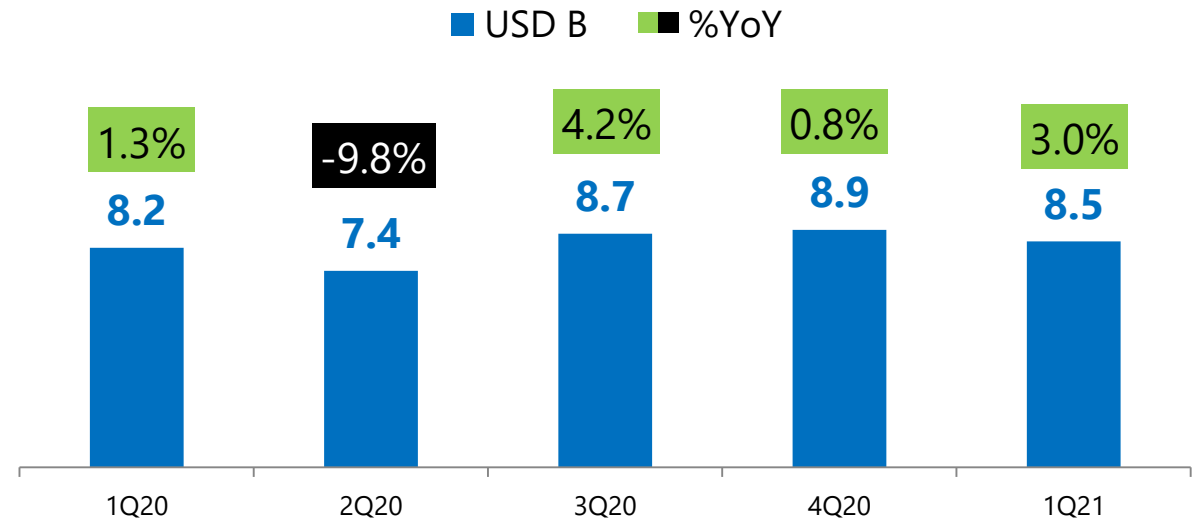
(In USD B)

**USD8.5B**

3M2021, **+3%YoY**

**USD33.2B**

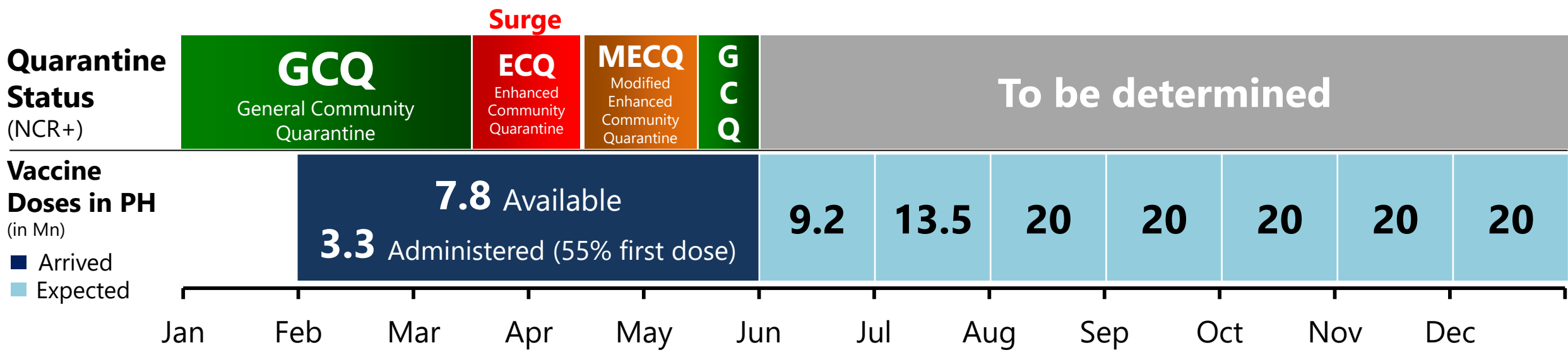
FY2020, **-0.8%YoY**



OFW remittance growth  
expected to accelerate in 2H21

FY21 Est.	USD	%YoY
BSP	<b>34.5B</b>	<b>+4%</b>
Consensus	<b>35.0B</b>	<b>+5%</b>

# 2021 Quarantine Status and Vaccine Arrivals



- NCR+ and other key areas (Cebu, Davao, and rest of Central Luzon) approximately **60%** of Philippine 2020 (**Regional GDP Report**)
- NCR+ and other key areas population **28.6 Million above 20 years only require 57 Million vaccines**
- NCR+ under **GCQ, return to ECQ highly unlikely**
- New cases down to **4,000** from peak of **15,000** per day during surge
- **3.3 Million** vaccine doses have been administered as of May 18
- **+9.2 Million** doses expected to arrive in **Q2**, **+53.5 Million** expected in **Q3**, **+60.0 Million** in **Q4**



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# Consolidated Financial Highlights





# GT Capital Financial Highlights Q1 2021



**Consolidated  
Net Income**

**Php4.1 Billion<sup>1</sup>**

Php2.5 Billion Q1 2020<sup>2</sup>

**60%**  
YoY

**Core  
Net Income**

**Php3.4 Billion**

Php2.8 Billion Q1 2020

**19%**  
YoY



## Revenues

**P2.4B** -26%

## Net Income

**P327M** -13%

- Booked sales **Php1.7B** -31% high base pre-pandemic. Q1 2020 peak level
- Reservation sales **Php3.5B** -56%. No new project launches
- QoQ RES sales **+20%**
- GPM **57%** vs. **44%** due to booking of high margin projects
- NPM **14%** vs. **12%**



## Gross Premium

**P12.5B** **+32%**

## Net Income

**P324M** -12%

- APE **Php1.8B +14%**
  - RP -8%
  - SP **+86%**
  - P&H at 20% of APE
- GWP **Php1.0B** -13% due to pruning of property portfolio
- Life NI **Php512M +44%**
- G.I. Net Loss **Php188M** due to losses from fire claims (warehouse, machinery)



## Reported N.I.

**P7.0B** **+272%**

## Core Net Income

**P2.5B** -26%

- Mobility restrictions resulting in reduced toll traffic, light rail services, and reduced demand for power and water
- Core NI per OpCo
  - Meralco -11%
  - GBPC **+19%**
  - MPTC -15%
  - Maynilad -24%
- Extraordinary gain on sale from GBP and DMT



## Operating Income

**P12.3B** -2%

## Net Income

**P7.8B** **+27%**

- NII **Php19.0B** -11% (**71%** of OI)
- Gross loans -17%
- Non Interest Income **Php7.9B +28%**
  - Trading/FX **Php2.9B +2.1x**
- Provisions **Php2.5B -50%**
- NPL ratio **2.4%**
- NPL Cover **166%**
- CAR **19.9%**

## TOYOTA

## Revenues

**P33.9B** **+18%**

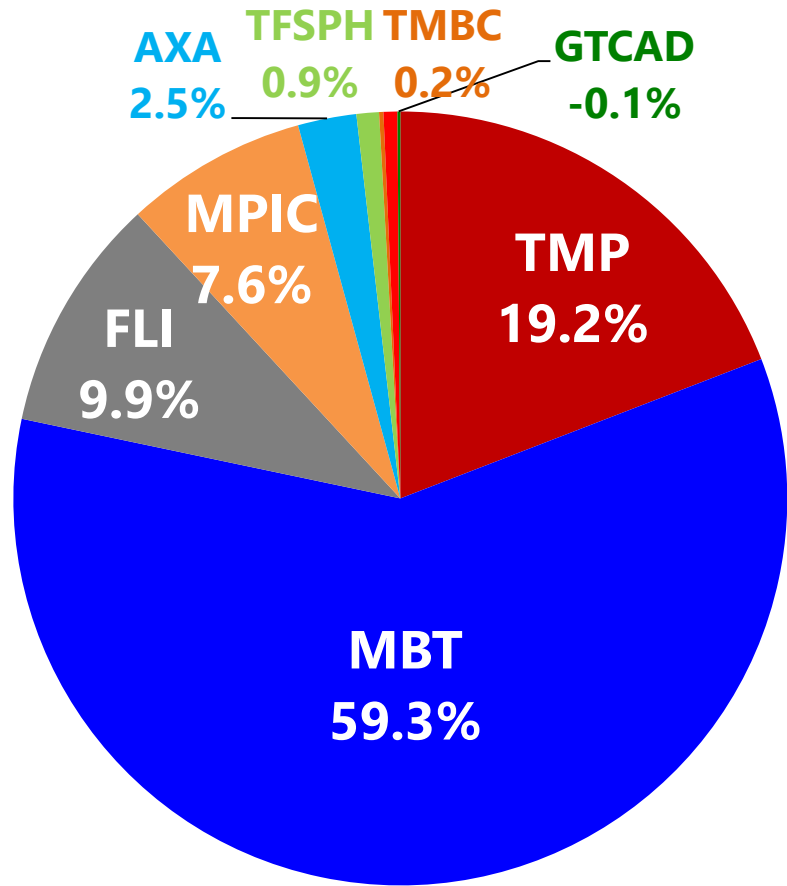
## Net Income

**P2.0B** **+39%**

- WSV **+31%** to **33,574**
- RSV **+29%** **33,095** units (vs. industry **+5%**)
- Market Share of **44.4%** vs **36.3%**
- GPM **12.4%** vs. **13.0%** due to models mix in favor of PCs
- NPM **6.0%** vs. **5.1%** due to TSR gain on sale (P0.3B)

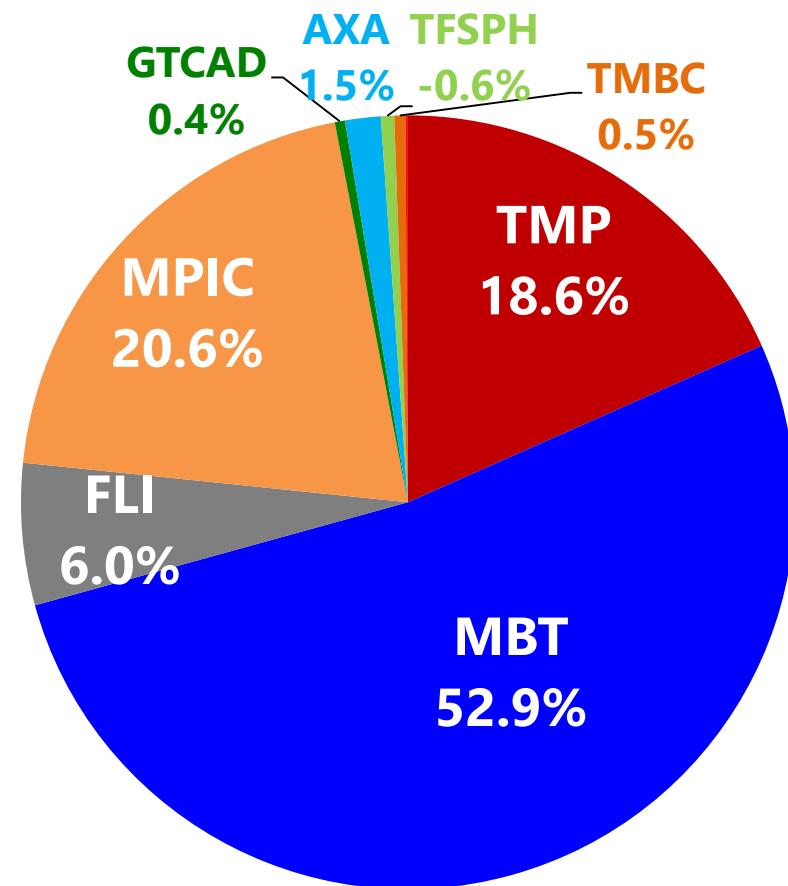
1. Includes P0.76B share in MPIC's nonrecurring gains. 2. Includes P0.24B share in MPIC's nonrecurring expenses

# GT Capital Net Income Contribution



**MBT + TMP = 78.5 %**

**Q1 2020**



**MBT + TMP = 71.5%**

**Q1 2021**



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# Component Company Highlights





# Property Industry Highlights

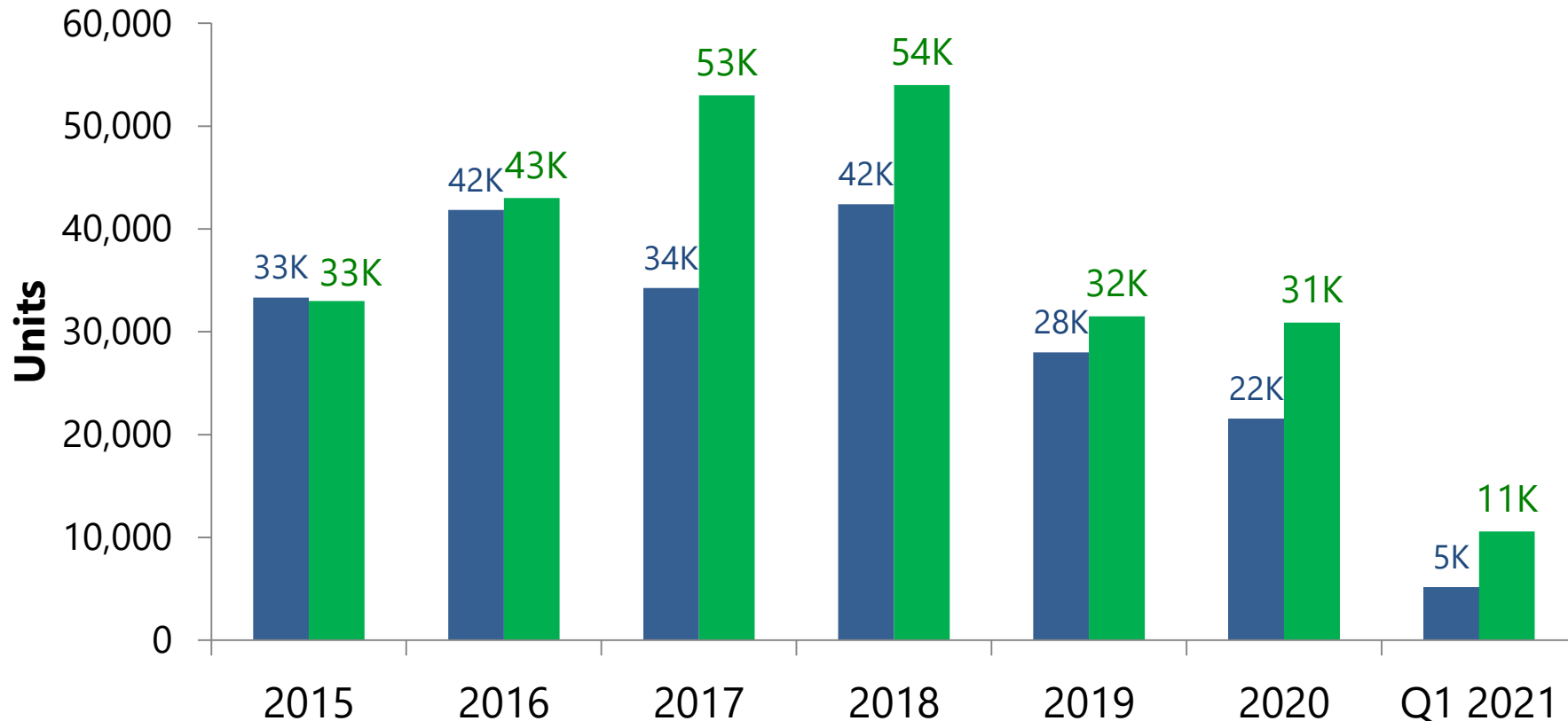


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# Residential Supply and Demand Q1 2021

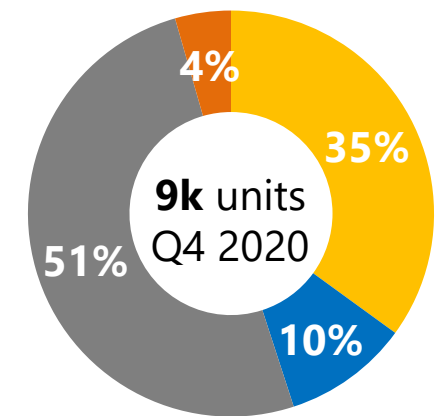
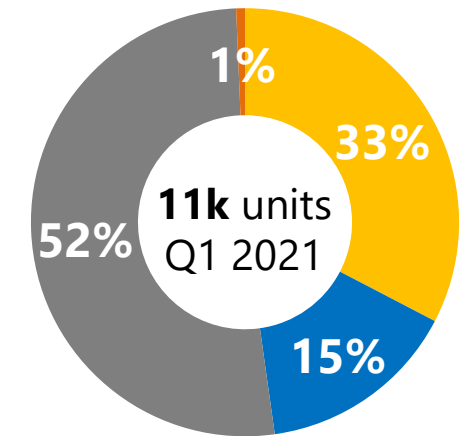
## Metro Manila Residential Condominium Supply and Demand

■ Launches (Supply) ■ Pre-sales (Demand)



## Residential Demand Mix

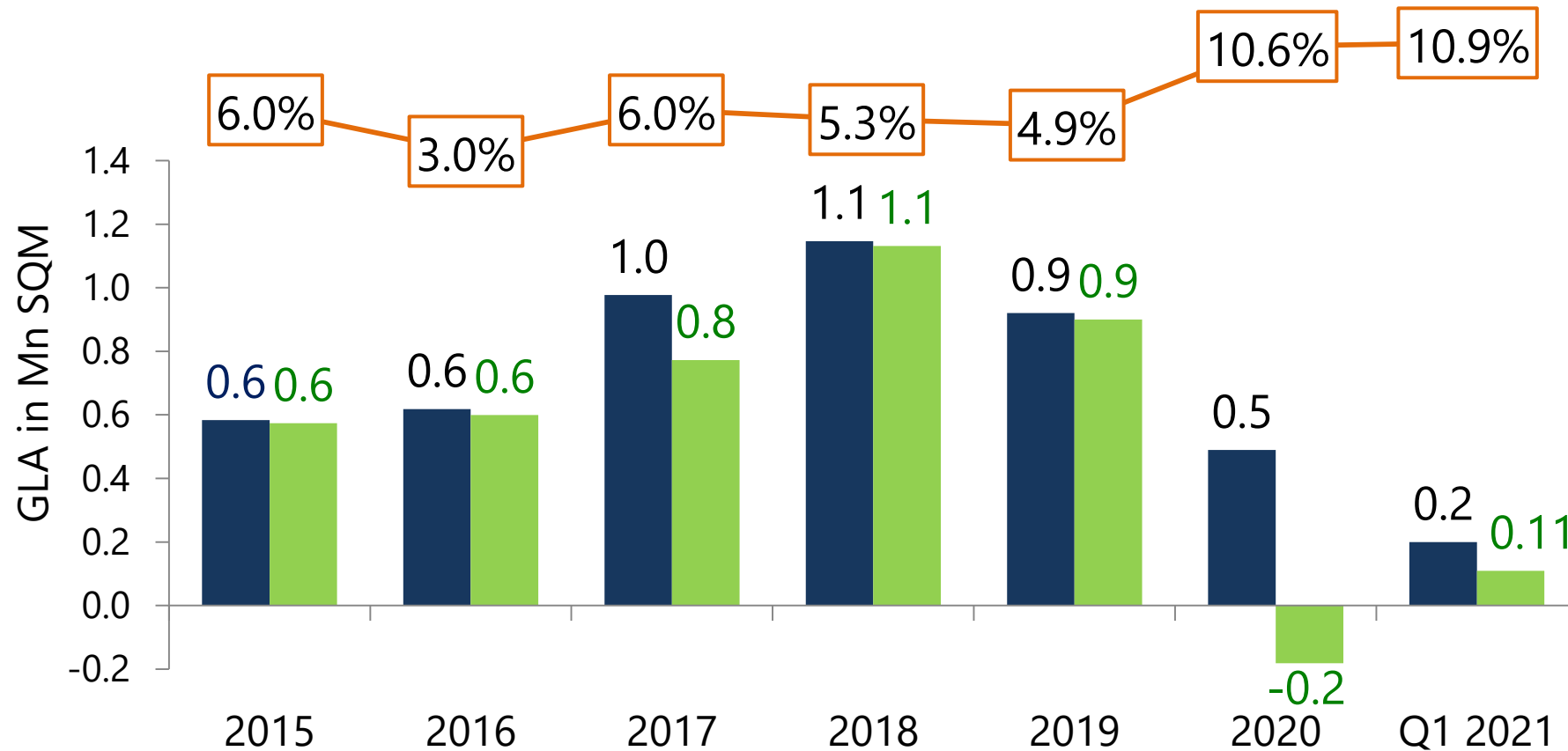
■ High End Luxury ■ Upscale  
■ Middle Income ■ Lower Middle



# Office Supply and Demand Q1 2021

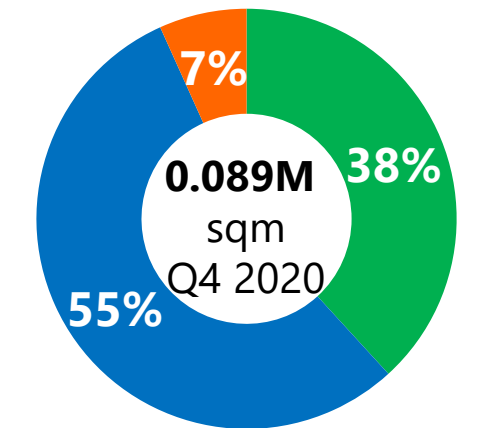
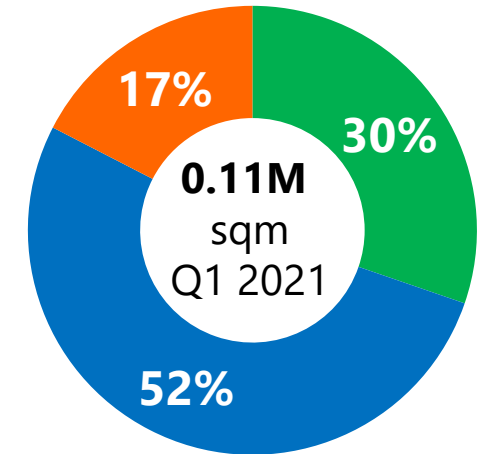
## Metro Manila Office Supply, Demand, Vacancy Rate

■ Office Supply (Incremental) ■ Office Take-up (Incremental) — Vacancy Rate (Cumulative)



## Office Demand Mix

■ BPO ■ Non-BPO ■ E-Commerce





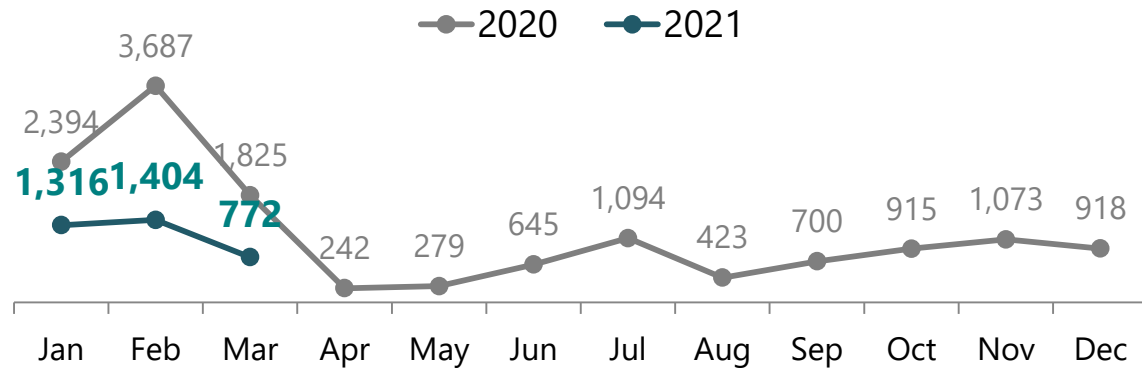
# Financial Highlights



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# Federal Land Financial Highlights Q1 2021

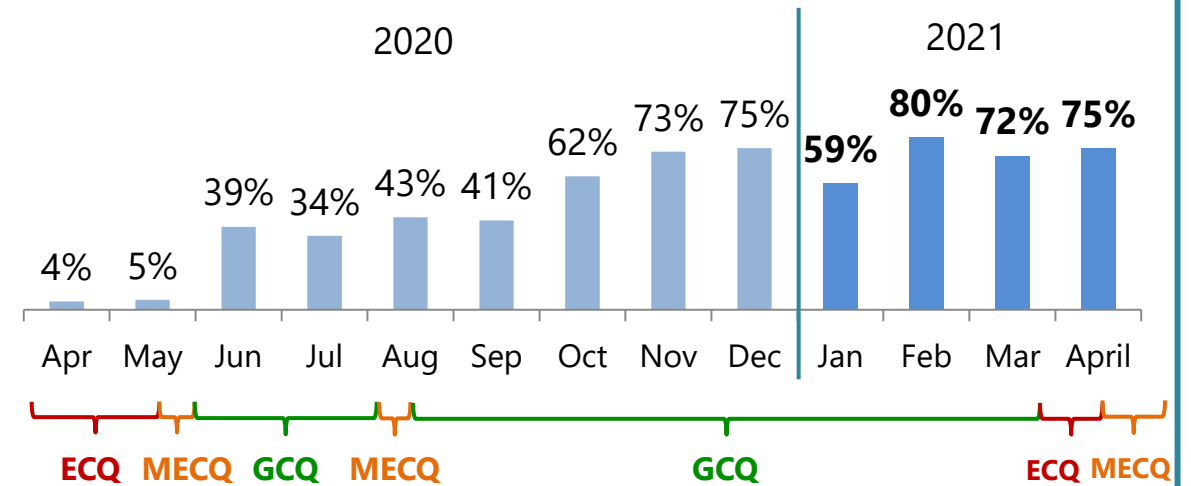
## Monthly Reservation Sales (Php M)



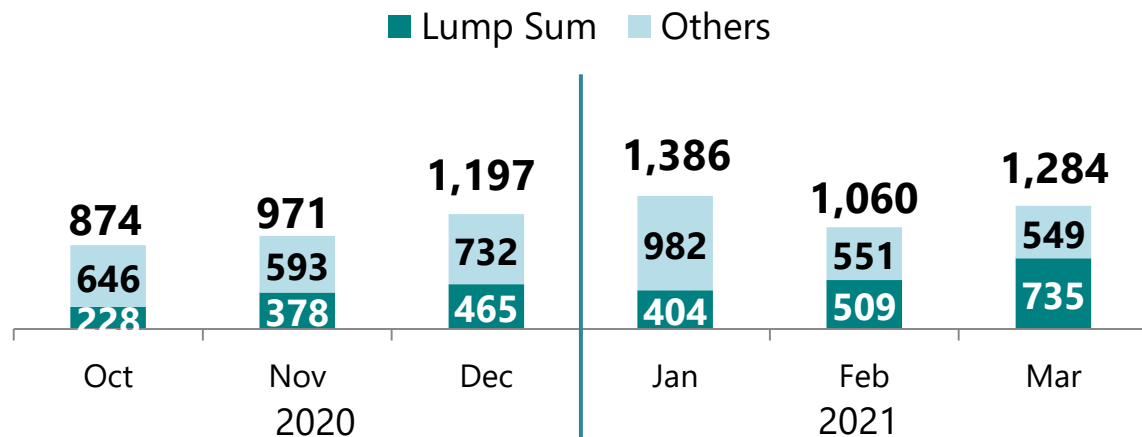
**Php3,492M**  
Q1 2021

-56%YoY vs. P7,986M Q1 2020  
+20%QoQ vs. Php2,907M Q4 2020

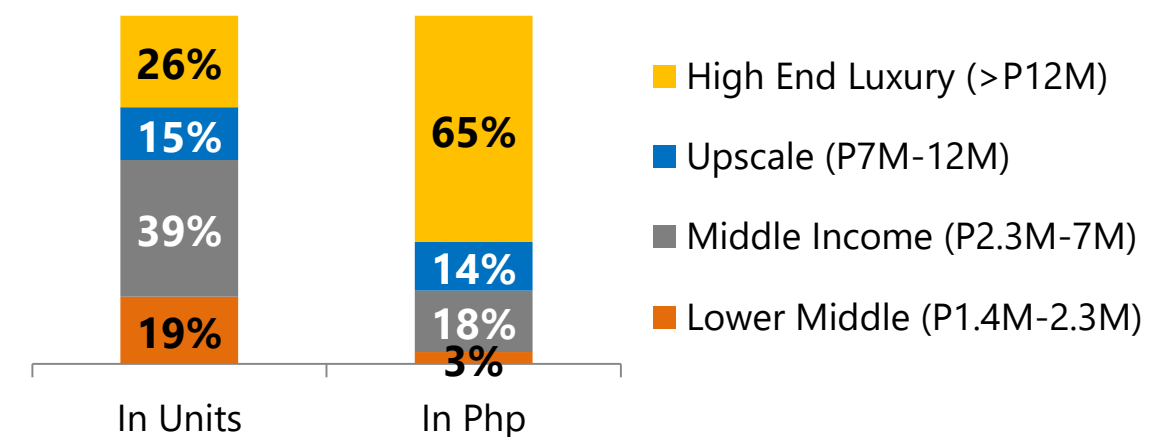
## Contractor Manpower Deployment (% of Pre-Quarantine)



## Monthly Collections (Php M)



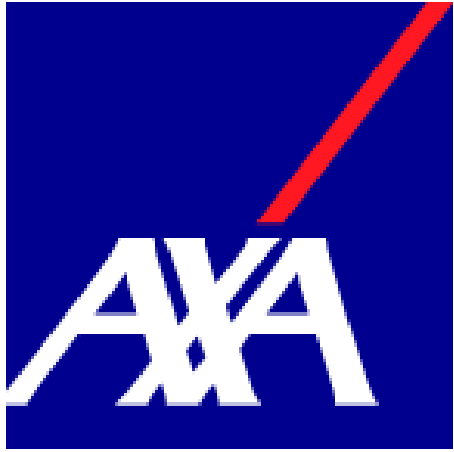
## 1Q21 Reservation Sales Mix





# Summary of Key Messages

- Negative numbers due to peak Q1 2020 pre-pandemic results, vs. Q4 2020 **+20%**
- Stable demand for Federal Land's key segments (middle income, upscale, and high-end)
- Monthly reservation sales affected by no new project launches
- Monthly collections still above Php1 Billion. Allows for realization of deferred lump sum payments because of unit turnover and normalized revenue recognition
- Contractor manpower deployment (vs. pre-quarantine) at 75% in April despite MECQ. Allocated vaccines earmarked for workforce
- Gross profit margin improved due to booking of high margin projects (BGC and Bay Area)
- New project launches under study for third and fourth quarter



# Financial Highlights

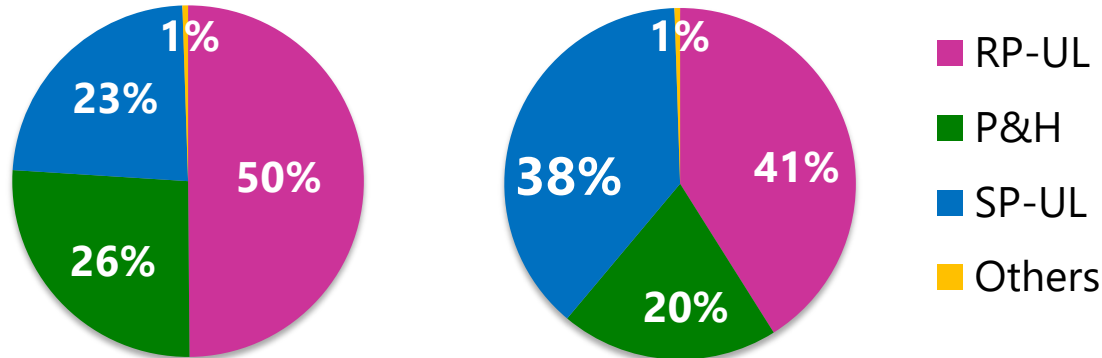


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# AXA Financial Highlights Q1 2021



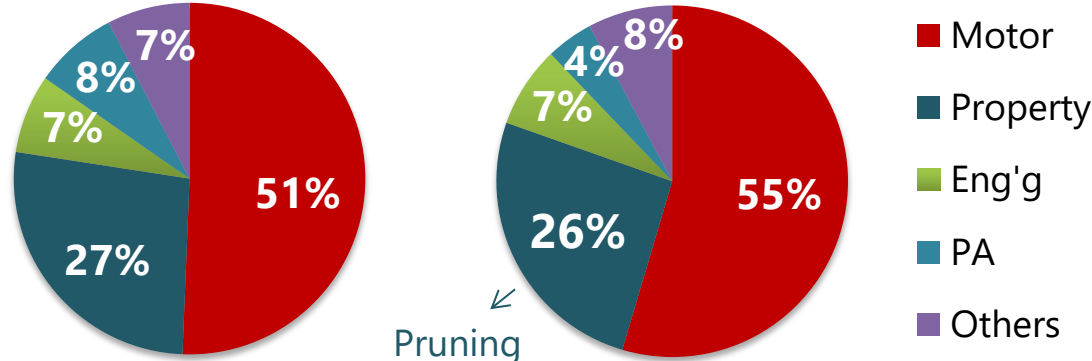
## Life APE Product Mix (In %)



Q1 2020: **Php1.54B**

Q1 2021: **Php1.76B**

## G.I. GWP Product Mix (In %)



Q1 2020: **Php1.09B**

Q1 2021: **Php0.95B**

## Key Messages

### Life

- Healthy performance in Life Insurance. APE **+14%**
- Single Premium Unit Linked (SP-UL) APE **+86%**, contribution to APE to **38%** in 1Q21 from **23%** in 1Q20
  - Clients bargain hunting soft Philippine capital markets
  - Clients also took advantage of good dollar funds\* performance

### General Insurance

- GWP declined -13% due to mobility restrictions on personal accident line and pruning of property portfolio
- Php186M claims on fire insurance

\*Funds: Equities, Fixed Income and Multi-Asset Funds invested in US, Europe, Asia, Emerging Markets, China, Hong Kong, India, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan, and Thailand

# Financial Highlights



# MPIC Financial Highlights Q1 2021

## Meralco

### Energy Sales

10,473 GWh -4%

### Core Income

P5.1B -11%

## GBPC

### Energy Sales

1,226 GWh -1%

### Core Income

P0.5B +19%

## Metro Pacific Tollways

### PH Average Daily Traffic

788k -7%

### Core Income

P0.8B -15%

## Maynilad

### Billed Volume

126.2 MCM -5%

### Core Income

P1.2B -24%

## Light Rail Manila

### Ave. Daily Riders

137k -68%

### Core Income

(P104M) -158%

## Hospitals

### Patient Census

776k -15%

### Core Income

P285M +6%

## MetroPac Movers

### Dispatch Volume

7.3k -37%

### Core Income

(P43M) +26%

## Key Messages

- Decline in Core Income driven by economic contraction and business cycle seasonality
- Q1 2021 negative growth numbers due to high base (i.e. Q1 2020 pre-pandemic levels)
- Mobility restrictions resulted in reduced toll road traffic, light rail services, and commercial and industrial demand for water and power
- Reported net income of Php7.0B due to gain on sale of GBP (Php4.6 billion) and DMT (Php1.1 billion)



**Metrobank**  
You're in good hands

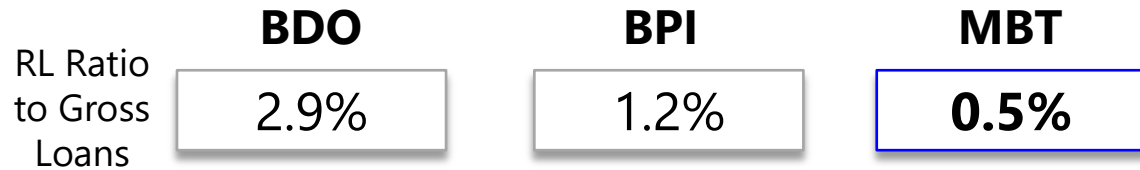
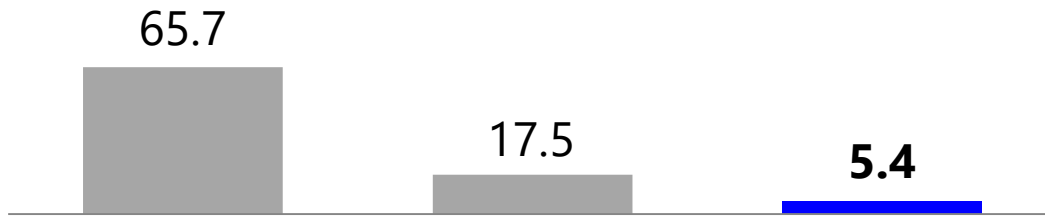
# Banking Industry Highlights



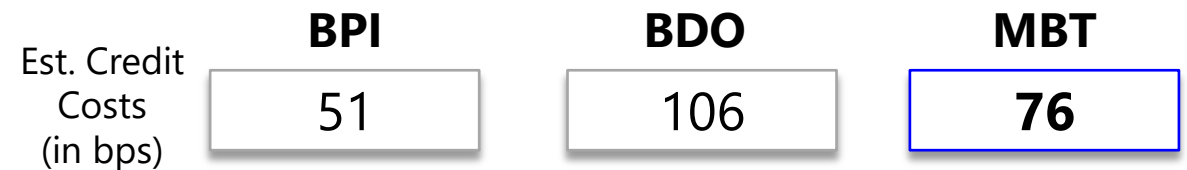
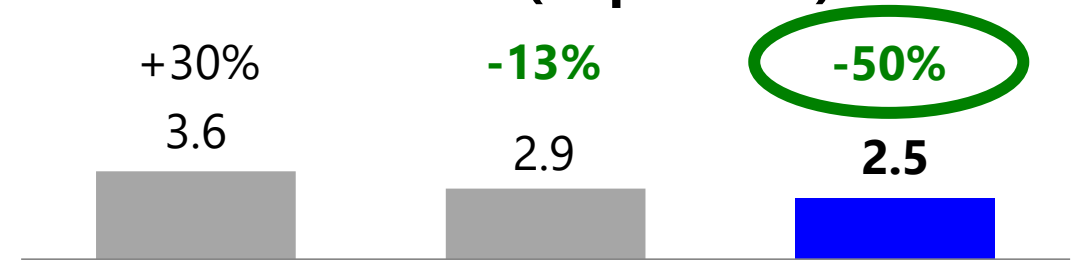
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# Peer Banks Highlights Q1 2021

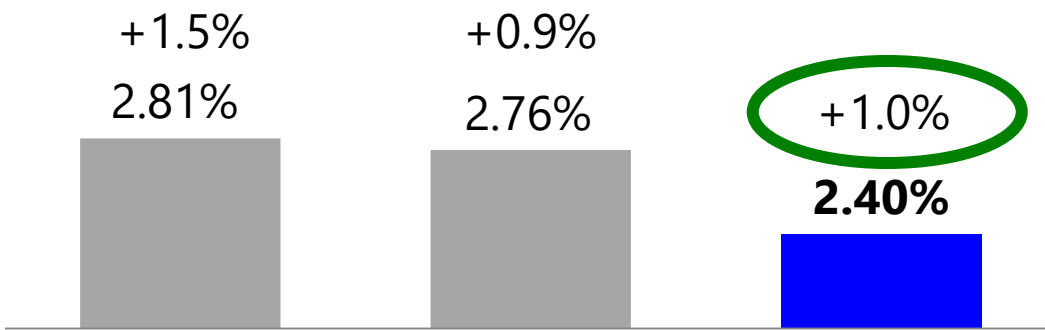
## Restructured Loans - RL (Php Billion)



## Provisions (Php Billion)

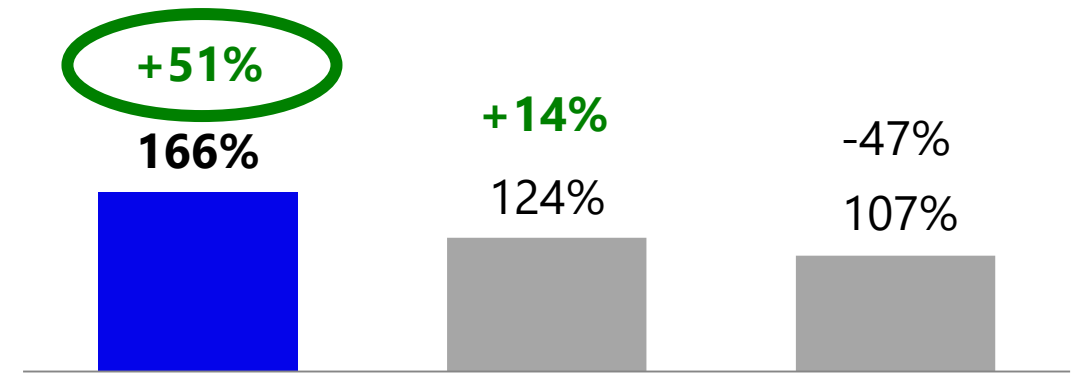


## NPL Ratio (%)



**BDO**                      **BPI**                      **MBT**

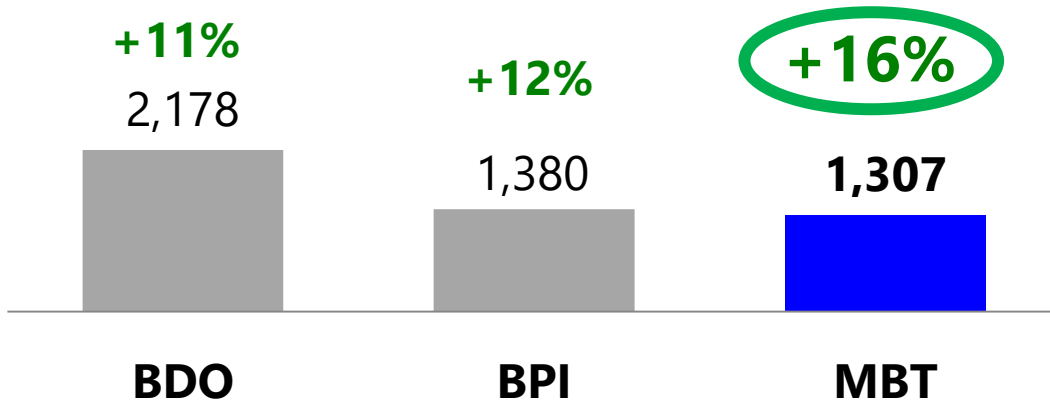
## NPL Coverage (%)



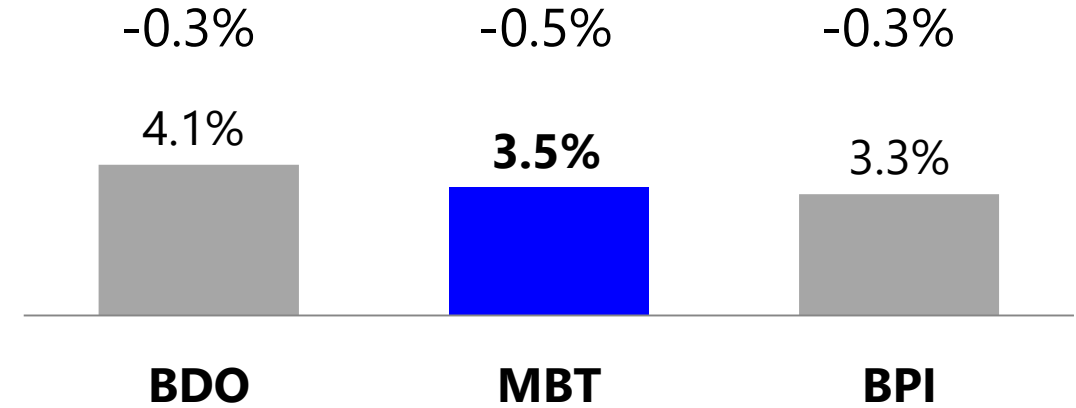
**MBT**                      **BPI**                      **BDO**

# Peer Banks Highlights Q1 2021

### CASA (Php Billion)

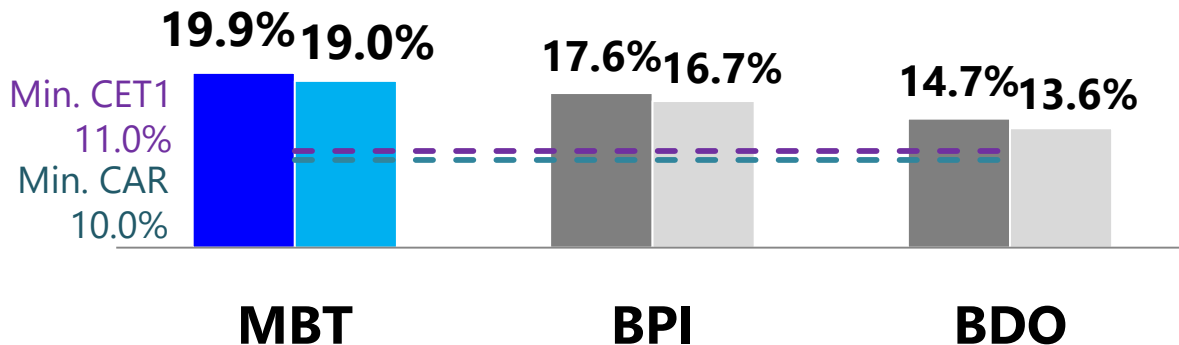


### Net Interest Margin – NIM (%)

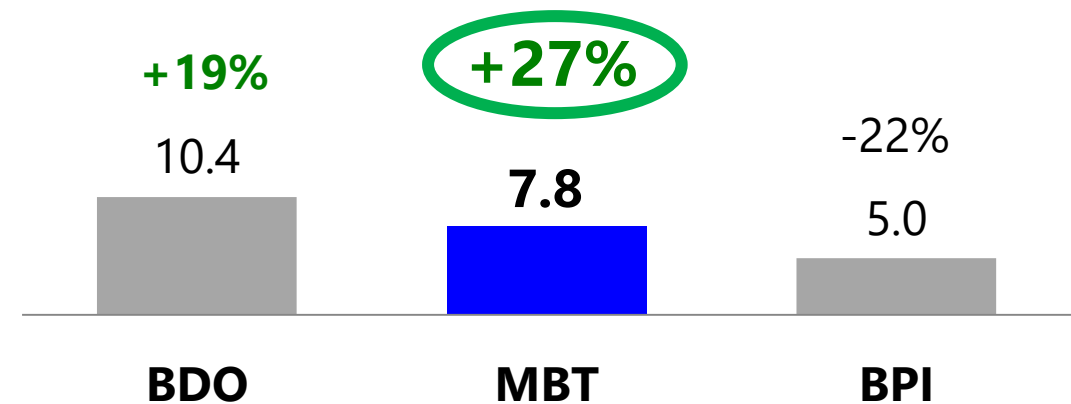


### CAR and CET1 Ratio (%)

■ CAR ■ CET1



### Net Income (Php Billion)





# Summary of Key Messages

- Metrobank expects modest loan recovery in 2H 2021 in line with GDP rebound, tempered by challenges related to persistence of pandemic
- Strong CET1 ratio of 19% puts Metrobank in a position to take advantage of market opportunities
- NPL ratio stable at 2.4%, providing flexibility to trim credit costs should NPL formation remain manageable
- Metrobank will continue its prudent risk management strategy as NPL risks are still elevated
- Industry-wide margin pressure as full impact of interest rate cuts take effect (e.g. interest rate cap on credit cards; full year policy rate cut impact)

# TOYOTA

## Automotive Industry Highlights



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# Automotive Industry Highlights Q1 2021

TOYOTA



## Industry

Retail Vehicle Sales

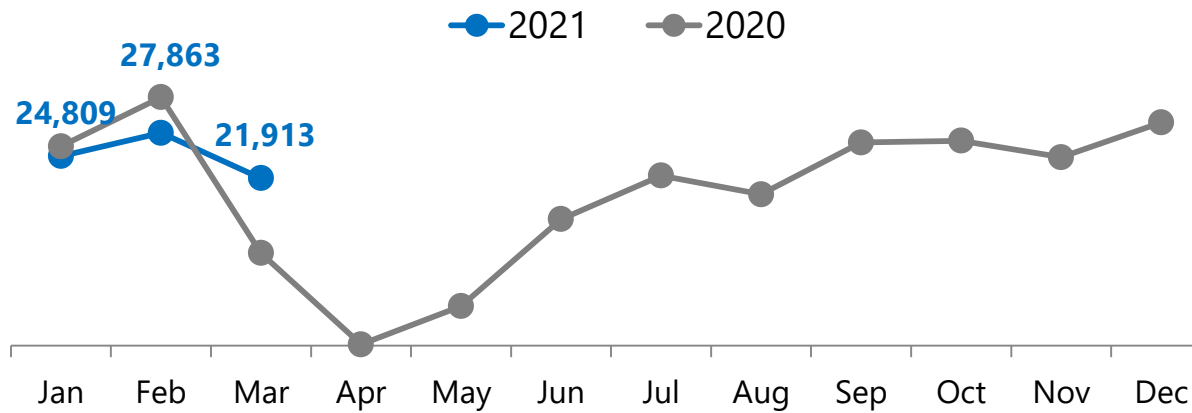
**74,585** Units

Q1 2021

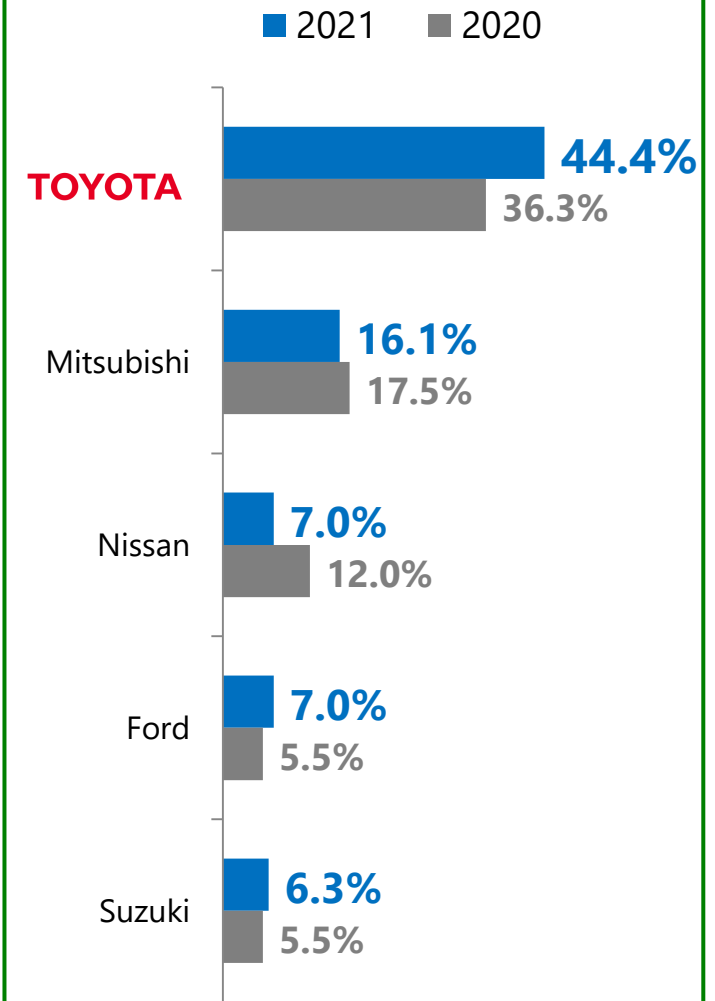
**+5.5%YoY**

vs. **70,730** Q1 2020

Monthly Retail Vehicle Sales (In Units)



## Market Share



## TOYOTA

Retail Vehicle Sales

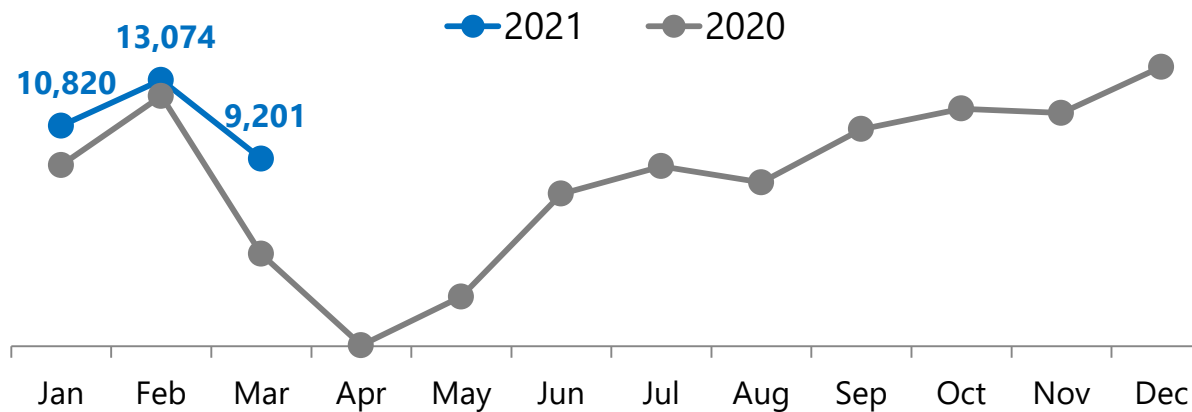
**33,095** Units

Q1 2021

**+28.8%YoY**

vs. **25,696** Q1 2020

Monthly Retail Vehicle Sales (In Units)

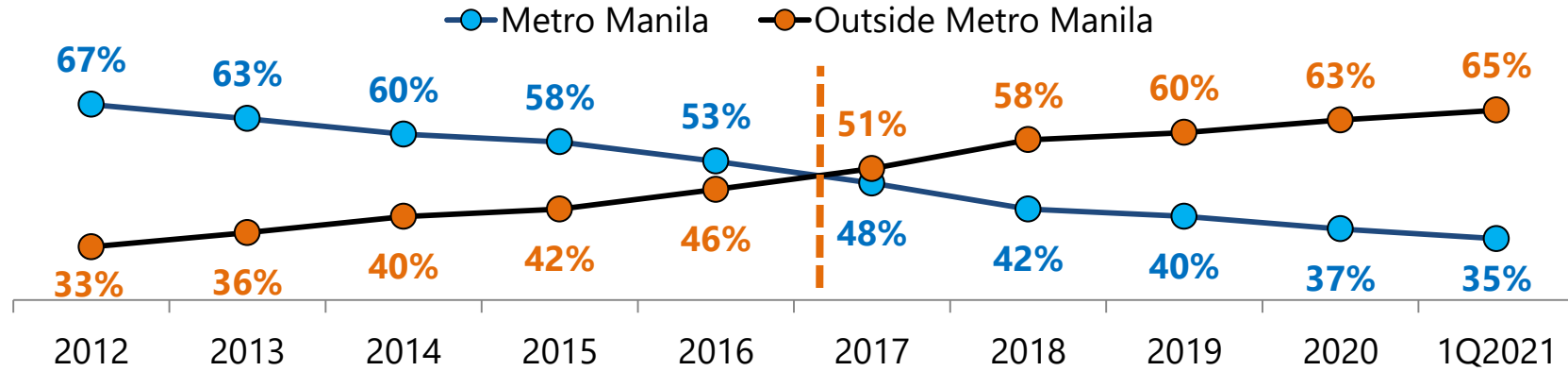


# Toyota Retail Sales Highlights Q1 2021

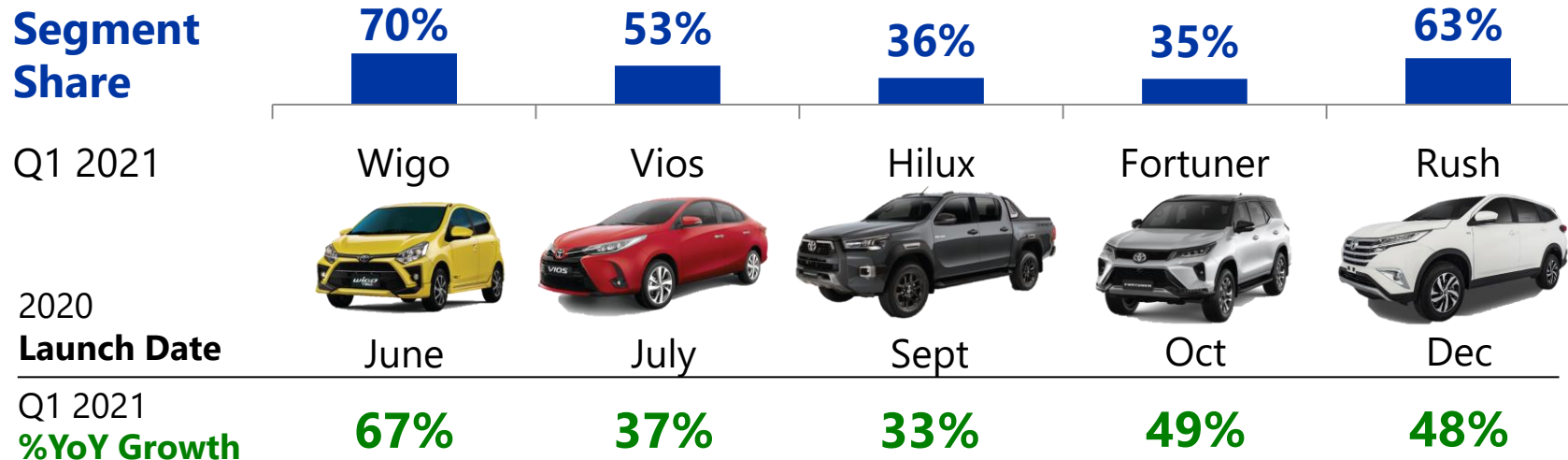
TOYOTA



TMP Sales in Metro Manila vs. Outside Metro Manila (% of total)

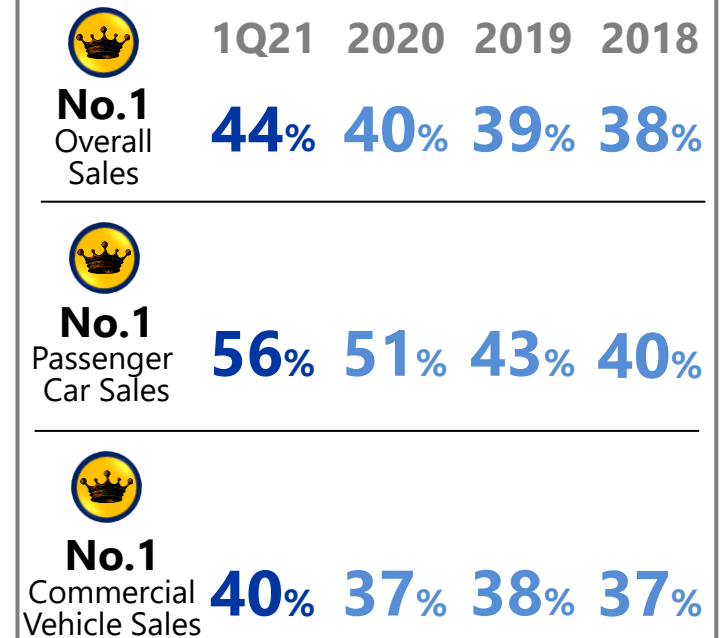


## Noteworthy performance of models launched in 2020



19<sup>th</sup>  
CONSECUTIVE TRIPLE CROWN

## Toyota Market Share



# Toyota Retail Sales Highlights Q1 2021

TOYOTA



## Virtual Model Launches in 1Q2021



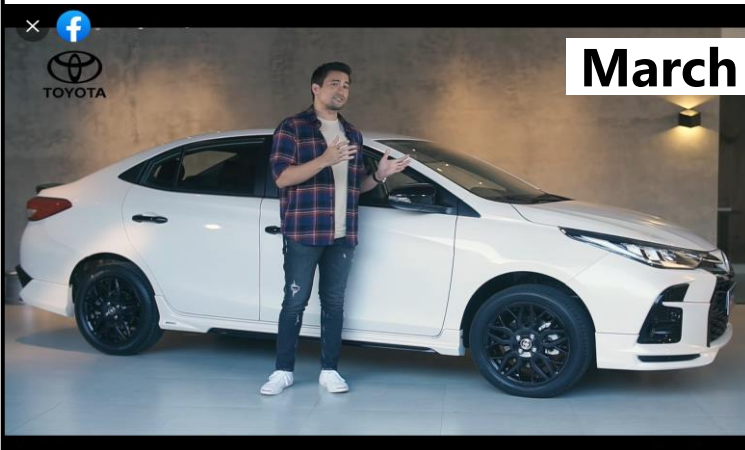
Feb

# INNOVA



# 23%

MPV  
Segment  
Share  
Q1 2021



March

# VIOS GR SPORT



# 53%

Small Car  
Segment  
Share  
Q1 2021

## Adequate Production Capacity

**60,000+** units  
Capacity at  
Sta. Rosa plant

**57.8%**  
Utilization Rate in  
FY 2020

**78.0%**  
Annualized Utilization  
Rate based on  
Q1 2021 CKD WSV

**74,657** retail  
units of Vios sold  
since Aug. 2018

# Automotive Industry Highlights Q1 2021

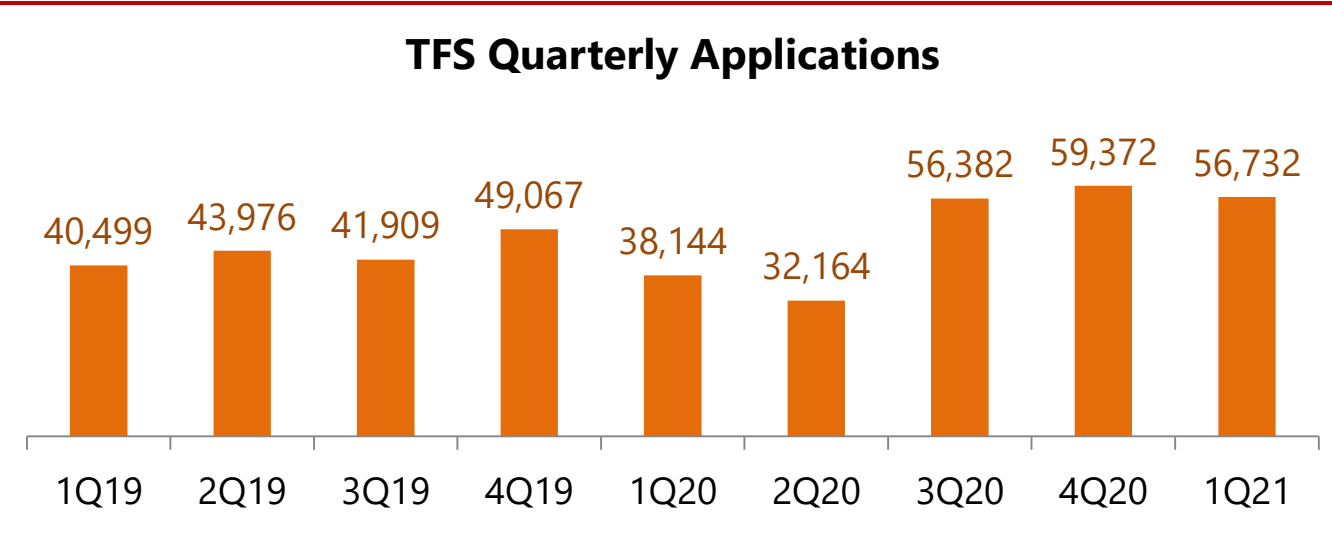
TOYOTA



**TOYOTA**  
FINANCIAL SERVICES

**Applications**  
**56,732**  
Q1 2021

**+49%YoY**  
vs. **38,144** Q1 2020

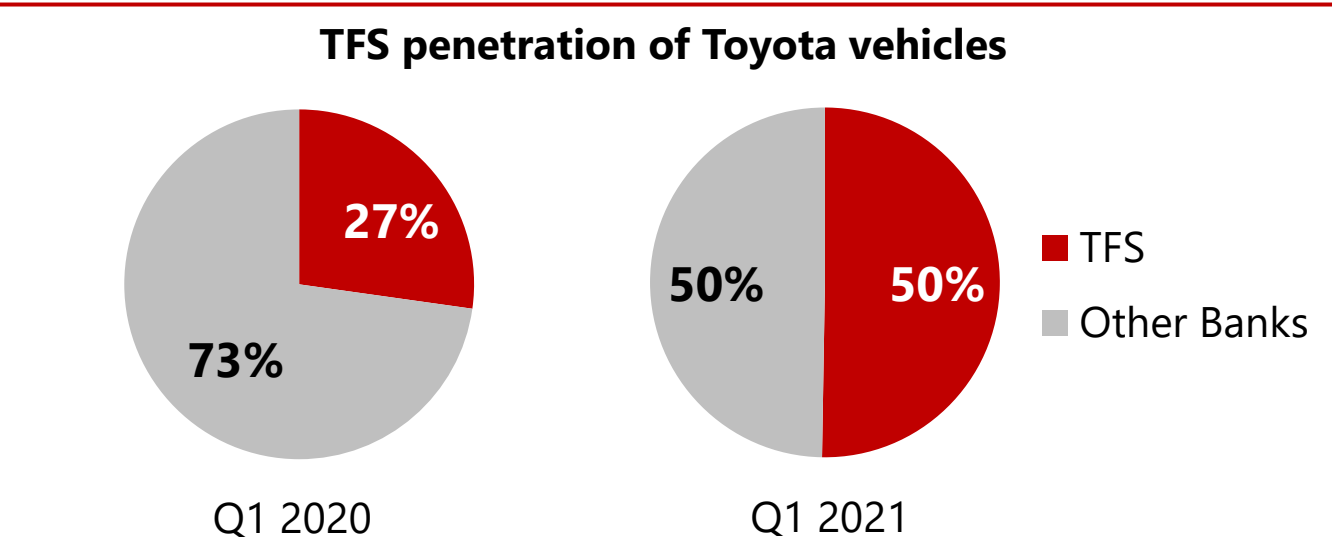


### TFS 2020 Product Launches

**Connected Auto Loan**

**Bookings**  
**16,635 units**  
Q1 2021

**+138%YoY**  
vs. **6,997 units** Q1 2020



# Summary of Key Messages

TOYOTA



- Despite the reimposition of ECQ and the uncertain impact of the safeguard duties on sales of imported vehicles, TMP delivered strong results in the first quarter of 2021
- Toyota outperformed the auto market in Q1 2021 with sales of 33,095 units and market share of 44.4%
- Sales outside Metro Manila at 65% in Q1 2021 provides a cushion to quarantine restrictions
- **Low base from Taal eruption**
- **Pull forward from safeguard duties**
- **Models launched in 2020** have maintained leadership in their respective segments
- The growth of **financing applications** and ready availability of auto consumer loans through Toyota Financial Services continues to be a strategic growth factor
- We are reasonably confident that this momentum will continue throughout the rest of the year. Transportation and mobility will be among the essential drivers of economic recovery as quarantine restrictions are lifted



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# Moving Forward





# Setting the Stage



# Group Vaccination Plan

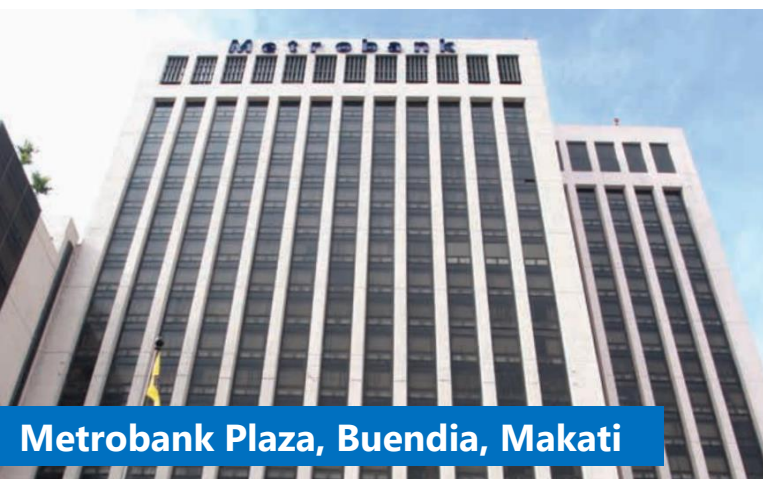
We pre-ordered  
**455,000**  
total doses

That will cover  
**100%**

of **all regular and agency GTCAP Group Employees** (including **all 71 Toyota dealerships**)

- Uploading Master List to pre-registration apps MedPass (ActiveOne) and Safify (MDH)
- Scheduling in place, depending on IATF regulations
- MDH capacity of 1,900 doses per day in Metro Manila
- Vaccine deliveries from Q3 to Q4 2021
- First batch of arrivals expected by mid-June

## Three Vaccination Sites



Metrobank Plaza, Buendia, Makati

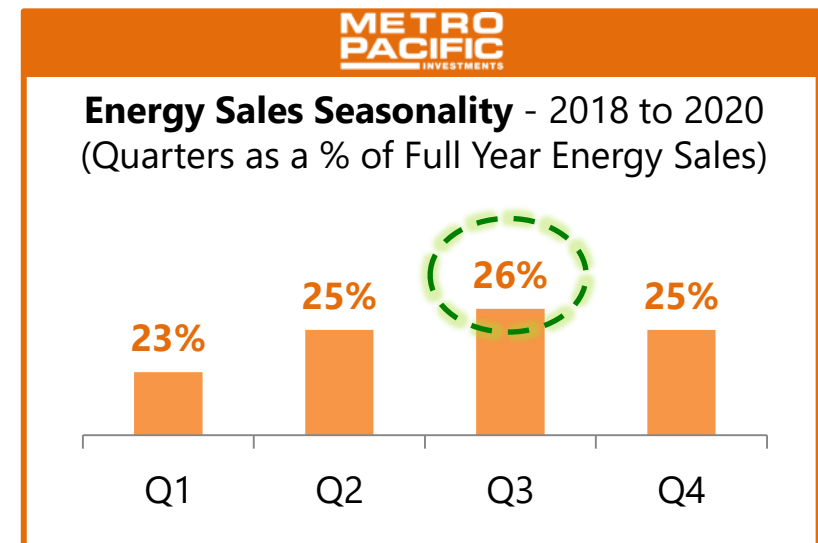
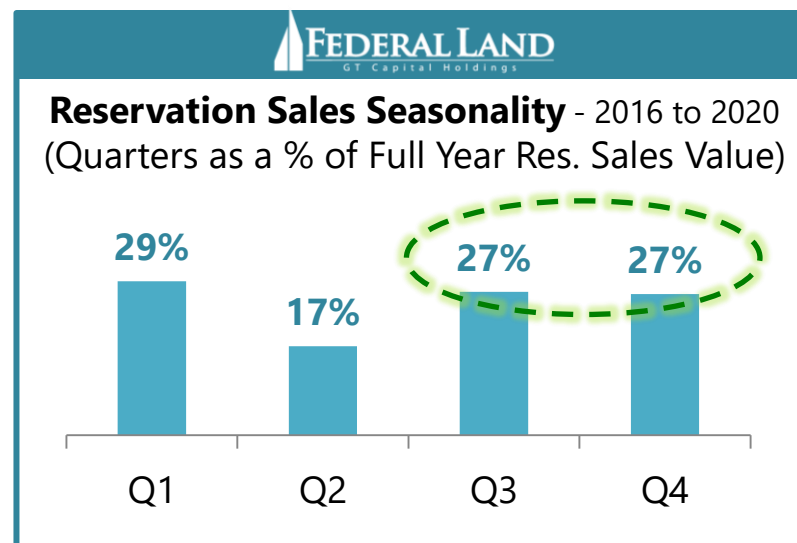
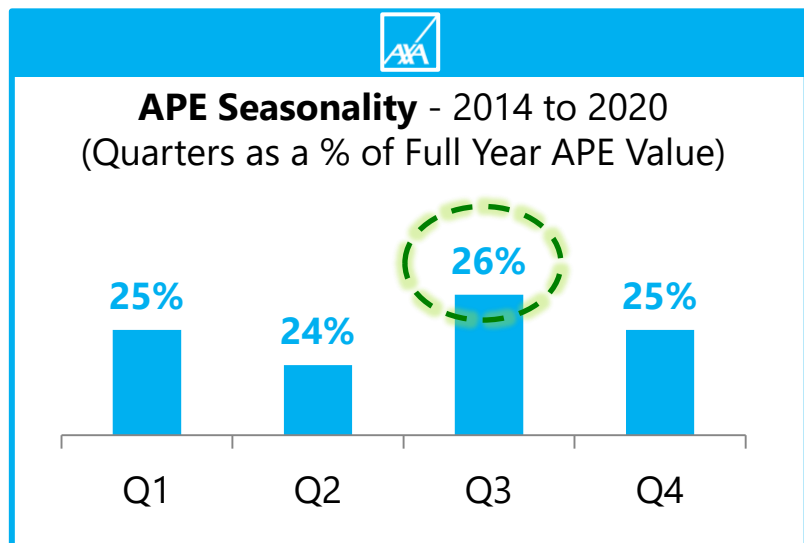
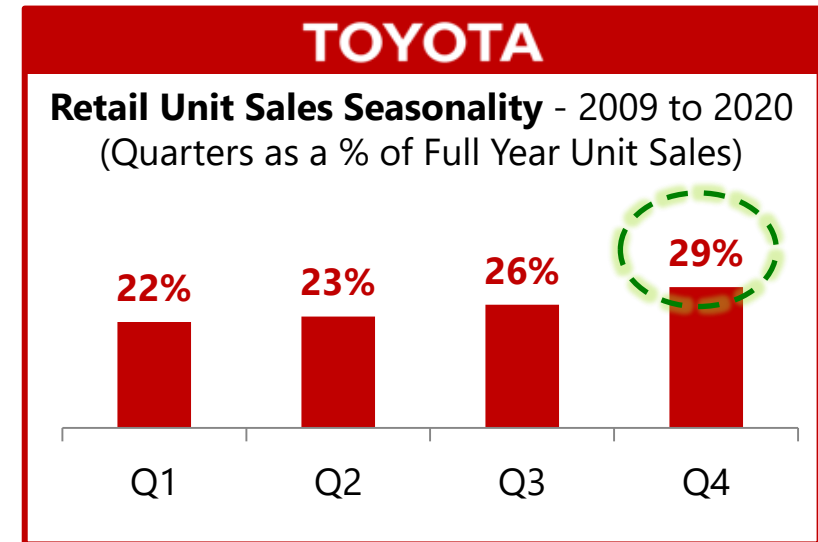
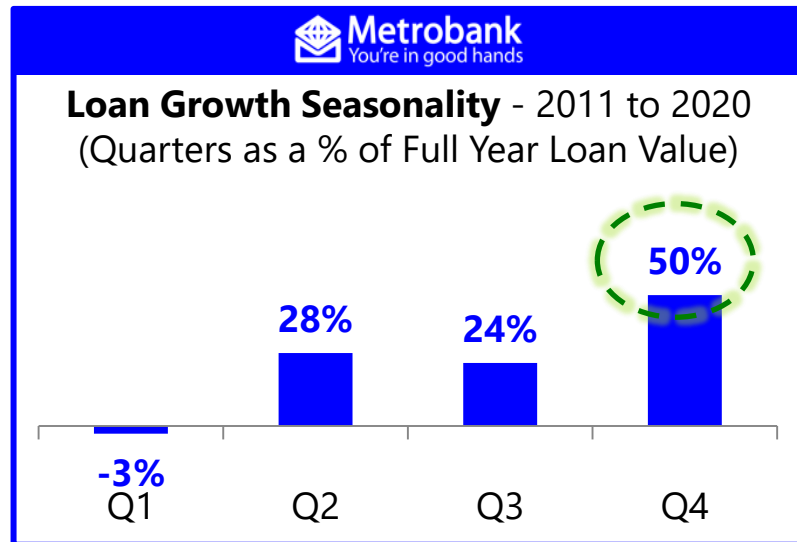
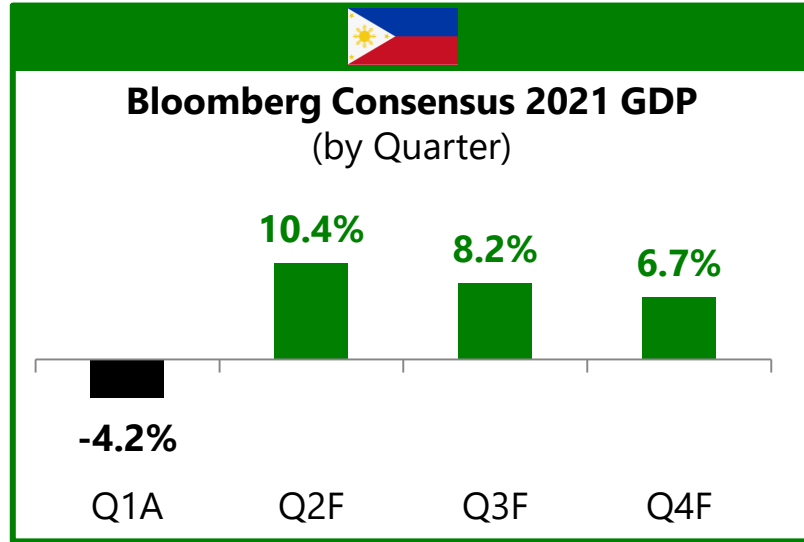


Toyota Plant, Santa Rosa, Laguna



Le Pavillon Metropolitan Park, Manila

# Consensus GDP and seasonality levels of business volumes support view of sustained momentum in 2H 2021



- Solid performance of **Metrobank** and **strong rebound** in the **auto business** led to significant earnings growth for GT Capital in Q1 2021
- We are confident in our Group's **capability to position** in this pandemic
- Notwithstanding the recent surge in Covid-19 cases and the **reimposition of the ECQ** in March, we remain **optimistic** for the rest of the year
- We look forward to the **escalated vaccine deliveries** by the second half, the **faster inoculation** of the general public, and the **re-opening** of more sectors of the economy
- Such **positive developments** will allow the Group to build on its **growth momentum** from the first quarter



**GT CAPITAL**  
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**First Quarter 2021**  
Financial and Operating  
Results Briefing

**Thank You!**

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or contact [IR@gtcapital.com.ph](mailto:IR@gtcapital.com.ph)

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Amidst  
Adversity*

