

SEC Number 17514
PSE Code
File Number

**RIZAL COMMERCIAL BANKING
CORPORATION AND SUBSIDIARIES**

(Company's Full Name)

**Yuchengco Tower, RCBC Plaza
6819 Ayala Ave. corner Sen G.J. Puyat Ave., Makati City**

(Company's Address)

894-9000

(Telephone Number)

September 30, 2009

(Fiscal Quarter Ending)

SEC FORM 17-Q

Form Type

Amendment Designation (if applicable)

Period Ended Date

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC
RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended September 30, 2009
2. Commission identification number 17514
3. BIR Tax Identification No. 000-599-760
4. Exact name of registrant as specified in its charter : RIZAL COMMERCIAL BANKING
CORP.

5. Philippines
Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only) Industry Classification Code

7. 6819 Ayala Ave. cor. Sen. Puyat Avenue, Makati City 1200
Address of principal office Postal Code

8. 632/ 894-9000
Registrant's telephone number, including area code

9. Not applicable
Former name, former address & former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Common Stock, P10 par value	913,530,649 (as of 09/30/09)

11. Are any or all of these securities listed on the Philippine Stock Exchange
Yes (x) No ()

12. Check whether the registrant:

(a) has filed all reports required to be filed by Section 11 of the Revised Securities Act (RSA) and RSA Rule 11(a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) :
(Note : Sec. 26 of the CCP deals with reporting of election of directors or officers to the SEC; Sec. 141 with the submission of financial statements to the SEC.)

Yes (x) No ()

(b) has been subject to such filing requirements for the past 90 days

Yes (x) No ()

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements ^{1/}

RIZAL COMMERCIAL BANKING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CONDITION

(Amounts in Thousand)

		(Unaudited) September 30 2009		(Audited) December 31, 2008
ASSETS				
Cash and Other Cash Items	P	4,749,229	P	6,807,939
Due From Bangko Sentral ng Pilipinas		15,222,415		16,390,973
Due From Other Banks		3,445,415		4,862,225
Investment Securities				
Financial Assets at Fair Value Through Profit or Loss		13,403,461		3,437,138
Held-to-Maturity Investments		20,128,288		20,673,614
Available for Sale Securities		38,195,473		22,700,044
Loans and Receivables, net		144,970,215		164,402,907
Investments in Associates, net		4,299,465		4,294,182
Bank Premises, Furniture, Fixtures & Equipment, net		5,047,092		4,029,769
Investment Property, net		6,242,384		7,387,613
Deferred Tax Assets		1,408,204		1,391,709
Other Resources, net		10,755,008		11,892,093
TOTAL RESOURCES	P	267,866,649	P	268,270,206
LIABILITIES AND CAPITAL FUNDS				
Deposit Liabilities				
Demand Deposits	P	10,772,394	P	11,125,069
Savings Deposits		86,297,134		75,738,446
Time Deposits		98,856,495		109,363,471
Total Deposit Liabilities	P	195,926,023	P	196,226,986
Bills Payable		15,369,678		21,452,609
Bonds Payable		5,986,400		6,002,821
Outstanding Acceptances Payable		222,408		318,908
Due to Other Banks		370,136		1,452
Accrued Taxes, Interest and Other Expenses Payable		2,810,093		2,787,456
Other Liabilities		6,130,781		6,901,351
Subordinated Debt		10,922,498		6,941,899
TOTAL LIABILITIES	P	237,738,017	P	240,633,482
Capital Funds				
Attributable to Parent Company Shareholders:				
Preferred Stock		207,085		859,335
Common Stock		9,905,488		9,628,430
Hybrid Perpetual Securities		4,883,139		4,883,139
Capital Paid in Excess of Par		6,039,767		5,571,906
Treasury Shares, at Cost		(952,709)		
Revaluation Reserves on Available- for-sale Securities		(46,708)		(1,568,758)
Revaluation Increment in Property of an Associate		28,840		28,243
Accumulated Translation Adjustment		91,167		83,889
Reserve for Trust Business		281,732		276,973
Other Reserves		(240,889)		(240,889)
Share in Additional Paid-in Capital of an Associate		532,583		532,583
Surplus		9,437,065		7,626,144
		30,166,561		27,680,995
Minority Interest		(37,929)		(44,271)
TOTAL CAPITAL FUNDS		30,128,632		27,636,724
TOTAL LIABILITIES & CAPITAL	P	267,866,649	P	268,270,206

^{1/} The consolidated financial statements have been prepared in conformity with Financial Reporting Standards in the Philippines for Banks (FRSPB) and reflect amounts that are based on the best estimates and informed judgment of management with appropriate consideration to materiality.

RIZAL COMMERCIAL BANKING CORPORATION

CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousand except for earnings per share)

	Jan. 1 to Sep. 30 2009	Jan. 1 to Sep. 30 2008	Jul. 1 to Sep. 30 2009	Jul. 1 to Sep. 30 2008
INTEREST INCOME ON				
Loans and receivables	P 8,649,010	P 7,734,862	P 2,694,448	P 2,933,829
Investment securities	3,344,504	3,072,020	1,190,522	767,681
Others	549,502	610,060	162,596	243,463
	<u>12,543,016</u>	<u>11,416,942</u>	<u>4,047,566</u>	<u>3,944,973</u>
INTEREST EXPENSE ON				
Deposit liabilities	3,609,897	3,561,879	1,014,172	1,314,891
Bills payable and other borrowings	1,382,699	1,530,936	423,923	358,386
	<u>4,992,596</u>	<u>5,092,815</u>	<u>1,438,094</u>	<u>1,673,277</u>
NET INTEREST INCOME	7,550,420	6,324,127	2,609,472	2,271,696
IMPAIRMENT LOSSES	1,652,025	1,096,068	732,941	651,992
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	5,898,395	5,228,059	1,876,531	1,619,704
OTHER OPERATING INCOME				
Trading and securities gain-net	1,660,188	373,138	896,547	436,741
Service fees	1,143,524	1,155,713	422,072	429,315
Trust fees	133,774	162,744	47,165	69,939
Foreign exchange gains (losses)-net	414,626	332,126	112,954	98,423
Commissions and other income	1,208,550	1,830,040	421,247	659,400
	<u>4,560,662</u>	<u>3,853,761</u>	<u>1,899,984</u>	<u>1,693,818</u>
OTHER OPERATING EXPENSES				
Employee benefits	2,031,872	1,929,189	704,899	688,936
Occupancy & equipment-related	1,273,717	1,099,114	432,851	392,236
Taxes & Licenses	889,548	853,277	288,362	284,618
Depreciation and amortization	368,015	282,165	127,479	108,081
Miscellaneous	2,454,546	2,380,296	881,803	1,238,966
	<u>7,017,698</u>	<u>6,544,041</u>	<u>2,435,394</u>	<u>2,712,837</u>
INCOME BEFORE TAX	3,441,359	2,537,779	1,341,121	600,685
TAX EXPENSE	618,593	598,256	213,134	205,332
NET INCOME	2,822,766	1,939,523	1,127,988	395,353
NET INCOME ATTRIBUTABLE TO MINORITY INTEREST	6,549	18,094	2,481	1,479
NET INCOME ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS	2,816,217	1,921,429	1,125,506	393,874
Earnings per Share (Annualized)				
Basic	3.52	2.14		
Diluted	3.50	2.07		

RIZAL COMMERCIAL BANKING CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousand)

	Unaudited Jan. 1 to Sep. 30 2009 (09.30.09 vs. 12.31.08)	Unaudited Jan. 1 to Sep. 30 2008 (09.30.08 vs. 12.31.07)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	P 3,441,359	P 2,617,116
Adjustments for:		
Impairment losses	1,652,025	1,096,068
Depreciation and amortization	368,015	282,165
Amortization of deferred charges	38,162	37,942
Equity in net earnings of associates	(77,676)	(263,307)
Operating income before working capital changes	5,421,885	3,769,984
Decrease (Increase) in financial assets at fair value through profit and loss	(9,966,323)	6,799,291
Decrease (Increase) in loans and receivables	17,780,667	(18,158,179)
Decrease (Increase) in investment property	1,145,229	259,949
Decrease (Increase) in other resources	873,772	256,837
Increase (Decrease) in deposit liabilities	(300,963)	3,785,186
Increase (Decrease) in outstanding acceptances payable	(96,500)	168,183
Increase (Decrease) in due to other banks	368,685	(769,379)
Increase (Decrease) in accrued taxes, interest and other expenses	(110,476)	(112,019)
Increase (Decrease) in other liabilities	(786,991)	336,083
Cash generated from (used in) operations	14,328,985	(3,664,064)
Cash paid for taxes	(485,480)	(428,479)
Net Cash From (Used in) Operating Activities	13,843,505	(4,092,543)
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in available-for-sale securities	(13,880,918)	4,493,597
Decrease (increase) in Held to Maturity Investments	545,326	-
Acquisitions of bank premises, furniture, fixtures and equipment (net)	(1,385,338)	(837,786)
Cash dividends received	277,221	198,586
Decrease (increase) in investments in subsidiaries and associates	(196,953)	264,362
Proceeds from disposals of bank premises, furniture, fixtures and equipment	-	-
Net Cash From (Used in) Investing Activities	(14,640,662)	4,118,759
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from (payments of) bills payable	(6,082,931)	3,922,334
Purchase of Treasury shares	(952,709)	-
Net proceeds from issuance of subordinated debt	3,980,598	1,510,841
Dividends paid	(791,879)	(762,100)
Redemption of bonds payable	-	-
Issuance of common shares	-	-
Net Cash From (Used in) Financing Activities	(3,846,921)	4,671,075
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,644,078)	4,697,291
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
Cash and other cash items	6,807,939	5,875,727
Due from Bangko Sentral ng Pilipinas	16,390,973	17,611,380
Due from other banks	4,862,225	4,744,925
	28,061,137	28,232,032
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and other cash items	4,749,229	4,791,706
Due from Bangko Sentral ng Pilipinas	15,222,415	24,054,439
Due from other banks	3,445,415	4,083,178
	P 23,417,059	P 32,929,323

RIZAL COMMERCIAL BANKING CORPORATION

STATEMENT OF CHANGES IN EQUITY

(Amounts in Thousands)

	Unaudited Jan. 1 to Sep. 30 2009	Unaudited Jan. 1 to Sep. 30 2008
ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		
PREFERRED STOCK		
Balance, beginning	P 859,335	P 859,335
Issuance (Conversion) of preferred stock	(652,250)	-
Balance, end	<u>207,085</u>	<u>859,335</u>
COMMON STOCK		
Balance, beginning	9,628,430	9,628,430
Conversion of preferred stock to common stock	277,058	-
Issuance of common stock	-	-
Balance, end	<u>9,905,488</u>	<u>9,628,430</u>
HYBRID PERPETUAL SECURITIES	<u>4,883,139</u>	<u>4,883,139</u>
CAPITAL PAID IN EXCESS OF PAR		
Balance, beginning	5,571,906	5,571,906
Conversion of preferred stock to common stock	467,860	-
Issuance of common stock	-	-
Balance, end	<u>6,039,766</u>	<u>5,571,906</u>
TEASURY SHARES, At Cost	<u>(952,709)</u>	<u>-</u>
REVALUATION RESERVE ON AVAILABLE-FOR-SALE SECURITIES		
Balance, beginning	(1,568,758)	(860,259)
Fair value gains (losses) on available-for-sale securities, net of tax	1,522,050	(237,355)
Balance, end	<u>(46,708)</u>	<u>(1,097,614)</u>
REVALUATION INCREMENT IN PROPERTY OF AN ASSOCIATE	<u>28,840</u>	<u>-</u>
ACCUMULATED TRANSLATION ADJUSTMENTS		
Balance, beginning	83,889	100,275
Translation adjustment during the period	7,278	5,625
Balance, end	<u>91,167</u>	<u>105,900</u>
RESERVE FOR TRUST BUSINESS		
Balance, beginning	276,973	258,348
Transfer from surplus free	4,759	11,438
Balance, end	<u>281,732</u>	<u>269,786</u>
OTHER RESERVES	<u>(240,889)</u>	<u>-</u>
SHARE IN ADDITIONAL PAID-IN CAPITAL OF AN ASSOCIATE	<u>532,583</u>	<u>532,583</u>
SURPLUS FREE		
Balance, beginning	7,626,144	6,495,022
Prior period adjustments	-	(227,150)
Net income	2,816,217	1,921,429
Cash dividends on common shares	(266,349)	(462,165)
Cash dividends on preferred shares	(48,173)	(92,363)
Stock dividend	-	-
Dividends on Hybrid Capital Securities	(477,358)	(207,573)
Amortization of deferred losses on SPV transactions	(208,657)	-
Transfer to reserves for trust business	(4,759)	(11,438)
Balance, end	<u>9,437,065</u>	<u>7,415,762</u>
ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	<u>30,166,561</u>	<u>28,169,227</u>
MINORITY INTEREST		
Balance, beginning	(44,271)	29,084
Fair value gains (losses) on available-for-sale securities, net of tax	(207)	10,161
Net Income (loss) for the year	6,549	18,094
Balance, end	<u>(37,929)</u>	<u>57,339</u>
TOTAL CAPITAL FUNDS	<u>P 30,128,632</u>	<u>P 28,226,566</u>

Additional Disclosures to Item I – Financial Statements

Accounting Policies and Methods of Computation. Amortization of deferred losses on SPV transactions for the interim period were directly charged to Equity under Retained Earnings. Other than this, there were no changes in the accounting policies and methods of computation followed in the interim financial statements as compared with the most recent annual financial statements.

Seasonality or Cyclicity of Interim Operations. Seasonal or cyclical events and/or conditions do not affect the year-round operations of the Bank.

Changes in Estimates of Amounts Reported. There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in estimates of amounts reported in prior financial years.

Issuances, Repurchases and Repayments of Debt and Equity Securities. The Bank successfully issued \$85M Negotiable Certificates of Time Deposit on 30 September 2009. The Dollar NCTDs carried a fixed annual interest rate of 3.75% payable quarterly until maturity in 2012 and were issued at par. The NCTDs are negotiable and transferable in the secondary market through a market maker and are covered by the Philippine Deposit Insurance Corporation up to specified limits.

On May 15, 2009, the Bank issued P4.0Bn Lower Tier 2 Unsecured Subordinated Notes bearing a coupon rate of 7.75%. The notes have a maturity of 10 years, with a call option at the end of the fifth year and subject to a step-up interest rate feature. The Bank may redeem the notes in whole, but not in part, at 100% of the principal plus accrued and unpaid interest at the end of the fifth year, subject to BSP approval. On October 27, 2009, the two series of Lower Tier 2 Unsecured Subordinated Notes worth a total of P11.0Bn were listed in the Philippine Dealing and Exchange Corporation.

Dividends Paid for Ordinary or Other Shares. In its meeting held on September 8, 2009, the Board of Directors approved the declaration and payment of cash dividends, subject to Bangko Sentral approval, amounting to P0.0579 per share or approximately P3.931 million payable to holders of convertible preferred shares. To date, the Bank has not yet received the approval of the aforementioned cash dividends from the Bangko Sentral.

In addition, in its meeting held on September 28, 2009, the Board of Directors approved the declaration and payment of cash dividends, subject to Bangko Sentral approval, amounting to approximately P235.272 million payable to holders of Hybrid Tier 1 securities. To date, the Bank has not yet received the approval of the aforementioned cash dividends from the Bangko Sentral.

The Bangko Sentral approved on September 1, 2009 the payment of cash dividends amounting to P232.038 million payable to holders of Hybrid Tier 1 securities as declared by the Board of Directors on September 29, 2008. The said dividends were paid on October 27, 2009.

The details of the first three quarters of 2009 cash dividend distributions are as follows:

Date Declared	Dividend		Date Approved By BSP	Date Paid	Nature of Securities
09.29.08	0.1331	P11.317	02.10.09	02.23.09	Preferred stock
09.29.08		239.123	04.16.09	04.24.09	Hybrid Tier 1 securities
01.26.09	0.0881	5.978	04.16.09	05.08.09	Preferred stock
03.30.09	0.0824	5.589	06.10.09	07.03.09	Preferred stock
03.30.09	0.3060	20.762	06.10.09	07.13.09	Preferred stock
03.30.09	0.3060	266.349	06.10.09	07.13.09	Common stock
06.29.09	0.0667	4.526	09.01.09	09.10.09	Preferred stock
09.28.09	0.0579	3.931	Pending	Pending	Preferred stock
09.29.08		232.038	09.01.09	10.27.09	Hybrid Tier 1 securities
09.28.09		235.272	Pending	Pending	Hybrid Tier 1 securities

Segment Information. The following table presents revenues and expenses of the Parent Company that are directly attributable to primary business segments for the quarter ended September 30, 2009 (in millions).

	Retail Banking Group	Corporate Banking Group	Treasury / Trust	Others	Total
Results of Operations					
Net interest income	3,025	1,326	760	(189)	4,922
Non-interest income	1,306	678	1,817	614	4,416
Total revenue	4,331	2,004	2,577	426	9,338
Non-interest expense	3,075	616	331	2,074	6,095
Income (loss) before Income tax	1,256	1,388	2,247	(1,648)	3,243
Income tax provision				426	426
Net income (loss)	1,256	1,388	2,247	(2,074)	2,816

Material Events Subsequent to the End of the Interim Period Not Reflected in the Financial Statements. There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

Changes in Composition of the Issuer During the Interim Period. On March 13, 2009, the Bank purchased 92,421,320 RCBC common shares and 18,082,311 convertible preferred shares of Spinnaker Group. Out of the total shares, 41,993,389 common shares were exchanged for a 5.64% equity stake in MICO Equities.

On 01 September 2009, the Bank received 725,923,568 votes in favor of the proposal for the re-issuance of 41,993,389 RCBC Treasury Shares in exchange for shares of stock in MICO Equities, Inc. The said votes represented 77.368% of the outstanding 870,421,715 common shares and

67,851,213 preferred shares entitled to vote as of record date 30 June 2009. The share swap was booked by the Bank on September 30, 2009.

RCBC acquired J.P. Laurel Rural Bank on February 13, 2009.

Changes in Contingent Liabilities or Contingent Assets. There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date.

Material Contingencies and Any Other Events or Transactions. There exists no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Financial Performance

	Consolidated		Parent	
	Unaudited	Audited	Unaudited	Audited
	September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
Return on Average Assets (ROA) ^{1/}	1.40% *	0.87%	1.30% *	0.56%
	1.06%		0.99%	
Return on Average Equity (ROE) ^{2/}	13.77% *	7.40%	12.02% *	3.56%
	10.44%		9.11%	
BIS Capital Adequacy Ratio ^{3/}	19.26%	17.30%	18.23%	16.28%

Non-Performing Loans (NPL) Ratio ^{4/}	4.26%	2.42%	3.12%	2.54%
Non-Performing Assets (NPA) Ratio ^{5/}	5.19%	4.83%	3.19%	3.32%
Earnings per share (EPS) ^{6/}				
Basic	3.52 *	1.72	2.58 *	0.70
Diluted	3.50 *	1.66	2.57 *	0.67

* Annualized

^{1/} Average assets for the consolidated and parent ratios were computed based on the 9-month average of end of month balances of total assets. Unaudited net income for the 9-month period ended September 30, 2009 in the amount of P2.816 billion and P2.163 billion represented the consolidated and parent net income, respectively.

^{2/} Average equity for the consolidated and parent ratios were, likewise, computed based on the 9-month average of end of month balances. Unaudited net income for the 9-month period ended September 30, 2009 in the amount of P2.816 billion and P2.163 billion represented the consolidated and parent net income, respectively. Ratio computed based on net income after HT1 dividends.

^{3/} Risk-based capital adequacy ratio was determined based on BSP Circular No. 538 and covers combined credit risk, market risk and operational risk.

^{4/} Non-performing loans (NPLs) were net of accounts fully provided with valuation reserves.

^{5/} NPLs net of accounts fully provided with allowance for losses plus gross ROPA.

^{6/} Total weighted average number of issued and outstanding common shares (diluted) as of September 30, 2009 – 918,665,930 shares; as of December 31, 2008 – 999,343,666 shares.

Performance Indicators for Wholly-Owned/Majority Owned Subsidiaries (All income-related ratios as of September 30, 2009 are annualized.)

RCBC SAVINGS BANK		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	1.73%	1.75%
Return on Average Equity (ROE)	13.24%	13.59%
BIS Capital Adequacy Ratio (CAR)	16.37%	14.80%
Non-Performing Loans (NPL) Ratio	8.02%	2.35%
Non-Performing Assets (NPA) Ratio	11.82%	14.59%
Earnings per share (EPS)	27.67	25.14

RCBC CAPITAL CORPORATION and Subsidiary		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	6.24%	17.43%
Return on Average Equity (ROE)	8.16%	22.72%
BIS Capital Adequacy Ratio (CAR)	55.44%	30.81%
Non-Performing Loans (NPL) Ratio	-	-
Non-Performing Assets (NPA) Ratio	-	-
Earnings per share (EPS)	3.75	9.91

RCBC FOREX BROKERS CORPORATION		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	17.10%	12.80%
Return on Average Equity (ROE)	35.82%	26.86%
Capital to Total Assets	47.10%	43.61%
Non-Performing Loans (NPL) Ratio	-	-
Non-Performing Assets (NPA) Ratio	-	-
Earnings per share (EPS)	152.23	118.99

RCBC INTERNATIONAL FINANCE LIMITED and Subsidiary		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	4.05%	-2.69%
Return on Average Equity (ROE)	4.22%	-2.87%
Capital to Total Assets	96.58%	92.22%
Non-Performing Loans (NPL) Ratio	-	-
Non-Performing Assets (NPA) Ratio	-	-
Earnings per share (EPS)	3.20	(2.05)

RCBC NORTH AMERICA		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	-31.19%	-16.33%
Return on Average Equity (ROE)	-142.13%	-62.86%
Capital to Total Assets	21.72%	16.15%
Non-Performing Loans (NPL) Ratio	-	-
Non-Performing Assets (NPA) Ratio	-	-
Earnings per share (EPS)	(54.93)	(35.46)

RCBC TELEMONEY EUROPE S.P.A.		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	3.98%	-11.77%
Return on Average Equity (ROE)	64.73%	-83.10%
Capital to Total Assets	18.27%	11.95%
Non-Performing Loans (NPL) Ratio	-	-
Non-Performing Assets (NPA) Ratio	-	-
Earnings per share (EPS)	14.61	(75.14)

BANKARD		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	15.71%	34.46%
Return on Average Equity (ROE)	18.07%	42.20%
Capital to Total Assets	87.75%	72.47%
Non-Performing Loans (NPL) Ratio	-	-
Non-Performing Assets (NPA) Ratio	-	-
Earnings per share (EPS)	52.45	138.03

MERCHANTS BANK		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	-0.29%	-23.58%
Return on Average Equity (ROE)	-0.29%	-32.66%
Capital to Total Assets	98.03%	97.10%
Non-Performing Loans (NPL) Ratio	0.85%	3.52%
Non-Performing Assets (NPA) Ratio	0.21%	0.37%
Earnings per share (EPS)	(0.12)	(16.85)

NIYOG PROPERTY HOLDINGS INC.		
in Php	Unaudited	Audited
	September 30, 2009	2008
Return on Average Assets (ROA)	-0.40%	-
Return on Average Equity (ROE)	-0.46%	-
Capital to Total Assets	87.60%	-
Non-Performing Loans (NPL) Ratio	-	-
Non-Performing Assets (NPA) Ratio	98.95%	-
Earnings per share (EPS)	(0.95)	-

30 September 2009 vs. 31 December 2008

Consolidated total resources for the period ended September 30, 2009 stood at P267.867 billion, P404 million lower than yearend's P268.270 billion.

Cash and other cash items declined by 30.24% from P6.808 billion to P4.749 billion as a result of a shift to interest earning assets and a more efficient management of CIV levels. Due from other banks declined by 29.14% from P4.862 billion to P3.445 billion resulting from the shift to higher yielding investments. Due from BSP stood at P15.222 billion and represented 5.68% of total assets.

Loans and receivables-net went down by 11.82%, from P164.403 billion to P144.970 billion largely due to the lower interbank loans outstanding during the period. Loans and receivables-net accounted for 54.12% of total resources.

Financial assets at fair value through profit or loss increased by 289.96%, from P3.437 billion to P13.403 billion due to better trading opportunities and in anticipation of further improvement in the market. Available for sale (AFS) securities posted a 68.26% growth from P22.700 billion to P38.195 billion as proceeds from the low-yielding interbank loans and due from other banks were reinvested to higher-yielding securities in light of better financial market conditions. Investment securities accounted for 26.78% of total resources. Of total investment securities, AFS and Held-to-Maturity securities accounted for 14.26% and 7.51%, respectively, of total assets.

Investment property-net decreased by 15.50% from P7.388 billion to P6.242 billion mainly due to the Bank's aggressive disposition and/or sale of acquired real estate properties.

Savings deposits, representing 32.22% of total resources, grew by 13.94% from P75.738 billion to P86.297 billion due to the increase in the number of branches and introduction of new products and services. Time deposits stood at P98.856 billion and represented 36.91% of total resources. Overall, total deposit liabilities reached P195.926 billion and accounted for 73.14% of total resources.

Bills payable contracted by 28.36% from P21.453 billion to P15.370 billion due to maturities during the period. Bills payable represented 5.74% of total resources. Outstanding acceptances payable decreased by 30.26% from P318.908 million to P222.408 million on account of lower volume of acceptances under usance that were negotiated during the period. Due to other banks grew significantly by 25,396.36% from P1.452 million to P370.136 million mainly due to overdrafts which are temporary in nature.

Other liabilities shrunk by 11.17% from P6.901 billion to P6.131 billion on account of decreases in accounts payable bills purchase. Subordinated debt increased by 57.34% from P6.942 billion to P10.922 billion on account of the P4.0 billion lower tier 2 issuance in May 2009.

Total liabilities reached P237.738 billion and accounted for 88.75% of total resources.

Preferred Stock declined by 75.90% from P859.335 million to P207.085 million due to conversion to Common Shares. Revaluation reserves on AFS securities went up by 97.02% from negative P1.569 billion to negative P47 million primarily due to the declining interest rates causing the appreciation of AFS securities.

Surplus account was 23.75% higher from P7.626 billion to P9.437 billion on account of the P2.816 billion net profits generated for the first three quarters and offset by the cash dividends paid to hybrid capital securities and holders of common and convertible preferred shares. Minority interest improved by 14.32% from negative P44 million to negative P38 million due to net income attributable to minority interest of P6.549 million.

The Bank's capital, excluding minority interest, stood at P30.167 billion and accounted for 11.26% of total resources.

There are no known trends, demands, and commitments, events, or uncertainties that will have a material impact on Bank's liquidity.

30 September 2009 vs. 30 September 2008

RCBC posted a net income of P2.816 billion for the first three quarters of 2009, P895 million or 46.57% higher than the P1.921 billion net income reported for the same period last year. Net income of P2.816 billion accounted for 16.47% of gross revenues during the period.

Net interest income, representing 44.15% of gross revenues, rose by 19.39% to P7.550 billion.

Interest income of P12.543 billion was 73.34% of gross income and mainly consisted of interest income from loans and receivables and investment securities that accounted for 50.57% and 19.55% of gross revenues, respectively. Interest income from loans went up by 11.82% to P8.649 billion mainly due to higher volume. Interest income from investment securities grew by 8.87% due to better yield and higher volume.

Total interest expense of P4.993 billion, making up 29.19% of total revenues, consisted of interest on deposit liabilities, and bills payable and other borrowings which accounted for 21.11% and 8.08% of gross revenues, respectively.

Provisioning for probable losses this period at P1.652 billion was 50.72% higher year on year and represented 9.66% of gross revenues.

Accounting for 26.66% of gross revenues, other operating income went up by 18.34% to P4.561 billion contributed by the following:

- Trading and securities gain-net, increased by 344.93% to P1.660 billion mainly due to improved trading opportunities and represented 9.71% of gross revenues
- Foreign exchange gains-net, rose by 24.84% to P415 million owing to increased volumes of trade transactions
- Service fees slightly declined by 1.05% to P1.144 billion but still accounted for 6.69% of gross revenues
- Trust fees went down by 17.80% to P134 million
- 33.96% decline in commissions and other income to P1.209 billion from P1.830 billion which included non-recurring profit of P434 million from the sale of investment property in the first quarter of 2008. Commissions and other income made up 7.07% of gross revenues.

Other operating expenses at P7.018 billion, representing 41.03% of gross revenues, increased by 7.24% due to the following:

- Depreciation and amortization went up by 30.43% to P368 million mainly due to the Bank's investments in information technology to support its thrust to provide new products and services as well as improve existing ones and the establishment of additional channels to service clients' needs
- Occupancy and equipment-related costs grew by 15.89% to P1.274 billion as a result of business expansion and computer equipment upgrade
- Manpower costs increased by 5.32% to P2.032 billion due to additional headcount for branch expansion and salary increases
- Miscellaneous expenses went up by 3.12% to P2.455 billion due to business expansion
- Taxes and licenses increased by 4.25% to P890 million

Minority interest in net income declined by 63.80% to P6.549 from P18.094 million primarily due to the one-time gain recorded in 2008.

There were no significant elements of income or loss that did not arise from the bank's continuing operations.

Commitments and Contingent Liabilities

For the year, the Bank has budgeted P1.393 billion for capital expenditures.

Likewise, in the normal course of operations of the Bank, there are various outstanding commitments and contingent liabilities that are not reflected in the accompanying financial statements. Management does not anticipate losses from these transactions that will adversely affect its operations.

Several suits and claims also remain unsettled. Management is of the opinion that even if these are decided adversely, it will not involve sums that would have material effect on its financial position or operating results.

The following is a summary of contingencies and commitments arising from off-balance sheet items at their equivalent peso contractual amounts as of September 30, 2009 and December 31, 2008:

(in 000s)	Consolidated		Parent	
	Unaudited September 30, 2009	Audited December 31, 2008	Unaudited September 30, 2009	Audited December 31, 2008
Trust department accounts	51,086,267	46,945,928	45,880,391	45,193,199
Derivatives	58,235,208	24,776,281	58,235,208	24,776,281
Unused commercial letters of credit	4,375,775	5,646,927	4,375,775	5,646,927
Spot exchange bought	2,505,913	3,520,890	2,505,913	3,520,890
Inward bills for collection	7,263,043	1,261,327	7,263,043	1,259,476
Spot exchange sold	2,949,918	3,310,091	2,949,918	3,310,091
Outward bills for collection	450,665	412,444	449,778	412,444
Late deposits/payments received	740,994	260,874	706,385	227,892
Minimum lease rentals under non-cancellable operating lease	-	222,291	-	-
Traveler's check unsold	1,229	21,577	1,229	21,577
Items held for safekeeping	1,396	3,587	1,381	3,561

To the knowledge and / or information of the Bank, there are no events that will trigger a direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

There are also no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.

There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period other than the ones shown in the tables above.

Similarly, there were no significant elements of income or loss that did not arise from the Bank's continuing operations.

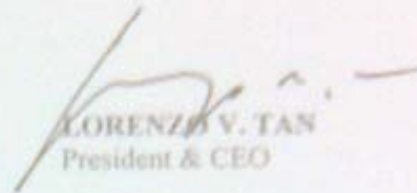
Lastly, there were no seasonal aspects that have a material effect on the financial condition or results of operation of the Bank.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer RIZAL COMMERCIAL BANKING CORPORATION

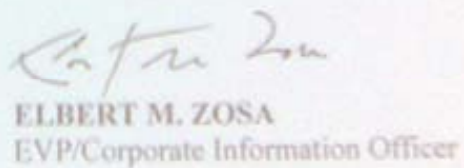
Date Nov 13, 2009



LORENZ V. TAN
President & CEO



MA. TERESITA A. NUÑEZ
EVP/Head - Controlling Group



ELBERT M. ZOSA
EVP/Corporate Information Officer

Date Nov 13, 2009

RIZAL COMMERCIAL BANKING CORPORATION

**Aging of Accounts Receivable
As of September 30, 2009**

	Total	1-90 days	91-180 days	181-1 year	more than 1 Year	Past Due accounts & Items in Litigation
a) Trade Receivables	14,099	1,838	93	2	12,166	-
Less: Allow For Doubtful Acct. Net Trade Receivable	-	-	-	-	-	-
	14,099	1,838	93	2	12,166	-
b) Non-Trade Receivables	1,285,625	351,636	26,065	32,560	499,319	376,045
Less: Allow For Doubtful Acct. Net Non-Trade Receivable	376,045	-	-	-	-	376,045
	909,580	351,636	26,065	32,560	499,319	-
Net Receivables (a + b)	923,679					

Notes : If the Company's collection period does not match with the above schedule and revision is necessary to make the schedule not misleading, the proposed collection in this schedule may be changed to appropriately reflect the Company's actual collection period.