

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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TERESA JILL L. MUNIZ

Contact Person

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Company Telephone Number

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Month Day Fiscal Year

1	7	Q
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FORM TYPE

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Month Day Annual Meeting

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Secondary License Type, If Applicable

S	E	C
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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

SEC Number	<u>17514</u>
PSE Code	<u> </u>
File Number	<u> </u>

**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, 2015

(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 fiscal year ended September 30, 2015
2. SEC Identification Number 17514
4. BIR Tax Identification No. 000-599-760-000
3. Exact name of registrant as specified in its charter: RIZAL COMMERCIAL BANKING CORPORATION
5. Philippines
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. RCBC Plaza Yuchengco Tower 6819 Ayala Ave. cor. Sen. Puyat Avenue, Makati City 0727
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	1,399,908,746 (as of 30 September 2015)

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 17 of the SRC thereunder or Section 11 of the 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);

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

RIZAL COMMERCIAL BANKING CORPORATION

Item 1. Financial Statements ^{1/}

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Millions)

	(Unaudited)	(Audited)
	September 30	December 31,
	2015	2014
ASSETS		
Cash and Other Cash Items P	10,939 P	13,085
Due From Bangko Sentral ng Pilipinas	49,782	46,099
Due From Other Banks	13,450	16,600
Investment Securities		
Financial Assets at Fair Value Through Profit or Loss	17,007	16,458
Financial Assets at Fair Value Through Other Comprehensive Income	4,085	4,537
Investment Securities At Amortized Cost	92,582	79,795
Loans and Receivables, net	281,553	261,574
Investments in Associates, net	319	321
Bank Premises, Furniture, Fixtures & Equipment, net	7,383	7,031
Investment Properties, net	4,669	5,355
Deferred Tax Assets, net	71	86
Other Resources, net	7,704	6,964
TOTAL RESOURCES P	<u>489,544</u> P	<u>457,905</u>
LIABILITIES AND CAPITAL FUNDS		
Deposit Liabilities		
Demand Deposits P	43,062	32,197
Savings Deposits	171,567	164,269
Time Deposits	117,475	119,295
Total Deposit Liabilities	332,105	315,761
Bills Payable	51,324	39,799
Bonds Payable	24,178	23,486
Accrued Taxes, Interest and Other Expenses Payable	3,971	4,671
Other Liabilities	10,409	11,136
Subordinated Debt	9,932	9,921
TOTAL LIABILITIES	<u>431,919</u>	<u>404,774</u>
Capital Funds		
Attributable to Parent Company Shareholders:		
Preferred Stock	3	3
Common Stock	13,999	12,757
Hybrid Perpetual Securities	-	4,883
Capital Paid in Excess of Par	22,635	16,148
Net Unrealized Gains/(Losses) on Financial Assets At Fair Value Through Other Comprehensive Income	672	835
Remeasurement of Net Defined Benefits	(225)	(224)
Cumulative Translation Adjustment	81	71
Other Reserves	(97)	(97)
Reserve for Trust Business	371	366
Surplus	20,163	18,367
	57,603	53,109
Non-controlling Interest	22	22
TOTAL CAPITAL FUNDS	<u>57,625</u>	<u>53,131</u>
TOTAL LIABILITIES & CAPITAL P	<u>489,544</u> P	<u>457,905</u>

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

RIZAL COMMERCIAL BANKING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Millions except for earnings per share)

	(Unaudited) Jan. 1 to Sept. 30 2015	(Unaudited - Restated) * Jan. 1 to Sept. 30 2014	(Unaudited) Jul. 1 to Sept. 30 2015	(Unaudited - Restated) * Jul. 1 to Sept. 30 2014
INTEREST INCOME ON				
Loans and Receivables	12,877	11,822	4,405	3,947
Investment securities	2,721	3,078	1,039	968
Others	139	182	53	43
	<u>15,737</u>	<u>15,082</u>	<u>5,496</u>	<u>4,958</u>
INTEREST EXPENSE ON				
Deposit liabilities	2,261	1,902	766	650
Bills payable and other borrowings	2,013	1,944	719	659
	<u>4,274</u>	<u>3,846</u>	<u>1,485</u>	<u>1,309</u>
NET INTEREST INCOME	<u>11,463</u>	<u>11,236</u>	<u>4,011</u>	<u>3,649</u>
IMPAIRMENT LOSSES	<u>1,637</u>	<u>1,627</u>	<u>196</u>	<u>410</u>
NET INTEREST INCOME AFTER IMPAIRMENT LOSSES	<u>9,825</u>	<u>9,609</u>	<u>3,815</u>	<u>3,239</u>
OTHER OPERATING INCOME				
Trading and securities gain-net	1,443	1,840	(275)	624
Service fees & commissions	2,092	1,683	837	591
Trust fees	215	215	73	46
Foreign exchange gains (losses)-net	121	189	64	9
Miscellaneous	1,593	1,232	463	416
	<u>5,464</u>	<u>5,159</u>	<u>1,162</u>	<u>1,686</u>
OTHER OPERATING EXPENSES				
Employee benefits	3,522	3,029	1,156	1,034
Occupancy & equipment-related	1,936	1,843	643	583
Taxes & Licenses	1,114	1,061	354	334
Depreciation and amortization	1,164	1,121	392	431
Miscellaneous	3,370	3,316	1,125	1,195
	<u>11,105</u>	<u>10,371</u>	<u>3,671</u>	<u>3,577</u>
INCOME BEFORE TAX	<u>4,184</u>	<u>4,397</u>	<u>1,307</u>	<u>1,347</u>
TAX EXPENSE	<u>550</u>	<u>633</u>	<u>198</u>	<u>207</u>
NET INCOME	<u>3,634</u>	<u>3,765</u>	<u>1,109</u>	<u>1,140</u>
NET INCOME ATTRIBUTABLE TO NON- CONTROLLING INTEREST	<u>(1)</u>	<u>(1)</u>	<u>-</u>	<u>(0)</u>
NET INCOME ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS	<u>P 3,635</u>	<u>P 3,766</u>	<u>1,109</u>	<u>1,140</u>
Earnings per Share (Annualized)				
Basic	<u>P 3.68</u>	<u>P 3.60</u>		
Diluted	<u>P 3.68</u>	<u>P 3.60</u>		

* Restated to reflect the impact of PFRS 9 as required by PAS 34 Interim Financial Reporting

RIZAL COMMERCIAL BANKING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASHFLOWS

(Amounts in Millions)

	(Unaudited) 2015 (09.30.15 vs. 12.31.14)	(Unaudited - Restated) * 2014 (09.30.14 vs. 12.31.13)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	P 4,184	P 3,643
Adjustments for:		
Interest income	(15,737)	(15,082)
Interest expense	4,274	3,846
Impairment losses	1,637	1,627
Depreciation and amortization	1,359	1,316
Dividend income	(118)	(88)
Equity in net earnings of associates	(51)	(28)
Operating income before working capital changes	(4,453)	(4,767)
Decrease (Increase) in financial assets at fair value through profit and loss	(549)	(16)
Decrease (Increase) in loans and receivables	(21,682)	(11,285)
Decrease (Increase) in investment property	686	635
Decrease (Increase) in other resources	(1,032)	1,235
Increase (Decrease) in deposit liabilities	16,344	3,999
Increase (Decrease) in accrued taxes, interest and other expenses	(359)	(329)
Increase (Decrease) in other liabilities	(728)	(630)
Cash generated from (used in) operations	(11,773)	(11,159)
Interest received	15,803	15,659
Interest paid	(4,576)	(4,333)
Cash paid for taxes	(590)	(573)
Net Cash From (Used in) Operating Activities	(1,135)	(406)
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in Financial Assets at FVOCI	289	9,012
Decrease (increase) in investment securities at amortized cost	(12,787)	-
Acquisitions of bank premises, furniture, fixtures and equipment (net)	(1,515)	(1,143)
Cash dividends received	195	(1,486)
Decrease (increase) in investments in subsidiaries and associates	(131)	1,612
Acquisitions of software	(244)	(167)
Net Cash From (Used in) Investing Activities	(14,193)	7,829
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (payments of) bills payable	11,525	(5,696)
Redemption of Hybrid Capital Securities	(5,173)	-
Dividends paid	(1,059)	(1,496)
Net proceeds from (Redemption of) bonds payable	692	-
Issuance of subordinated debt	-	9,917
Net proceeds from issuance of common shares	7,730	(0)
Net Cash From (Used in) Financing Activities	13,715	2,725
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,614)	10,148
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
Cash and other cash items	13,085	9,826
Due from Bangko Sentral ng Pilipinas	46,099	52,491
Due from other banks	16,600	7,537
	75,784	69,854
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and other cash items	10,939	9,453
Due from Bangko Sentral ng Pilipinas	49,782	47,501
Due from other banks	13,450	23,047
	P 74,171	P 80,001

* Restated to reflect the balances under PFRS 9 as required by PAS 34 Interim Financial Reporting.

RIZAL COMMERCIAL BANKING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN CAPITAL FUNDS
(Amounts in Millions)

	(Unaudited) Jan. 1 to Sept. 30 2015	(Unaudited - Restated) * Jan. 1 to Sept. 30 2014
ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		
PREFERRED STOCK		
Balance, beginning	3	3
Issuance (Conversion) of preferred stock	(0)	(0)
Balance, end	<u>3</u>	<u>3</u>
COMMON STOCK		
Balance, beginning	12,757	12,757
Conversion of preferred stock to common stock	-	-
Issuance of common stock	1,242	-
Balance, end	<u>13,999</u>	<u>12,757</u>
HYBRID PERPETUAL SECURITIES		
Balance, beginning	4,883	4,883
Redemption	(4,883)	-
Balance, end	<u>-</u>	<u>4,883</u>
CAPITAL PAID IN EXCESS OF PAR		
Balance, beginning	16,148	16,148
Conversion of preferred stock to common stock	-	-
Excess of consideration given over cost of common shares issued	6,487	-
Balance, end	<u>22,635</u>	<u>16,148</u>
REVALUATION RESERVE ON FINANCIAL ASSETS AT FVOCI		
Balance, beginning as previously reported	835	(5,005)
Effect of adoption of PFRS 9	-	5,694
Balance, beginning as restated	835	689
Fair value gains (losses) during the period	(163)	126
Balance, end	<u>672</u>	<u>815</u>
ACCUMULATED TRANSLATION ADJUSTMENTS		
Balance, beginning	71	76
Translation adjustment during the period	10	1
Balance, end	<u>81</u>	<u>77</u>
OTHER COMPREHENSIVE INCOME - RETIREMENT PLAN		
Balance, beginning	(224)	(225)
Remeasurement of the defined benefits during the period	(1)	(34)
Balance, end	<u>(225)</u>	<u>(259)</u>
RESERVE FOR TRUST BUSINESS		
Balance, beginning	366	348
Transfer from surplus free	5	7
Balance, end	<u>371</u>	<u>355</u>
OTHER RESERVES	<u>(97)</u>	<u>(282)</u>
SURPLUS FREE		
Beginning balance, as previously reported	18,367	16,082
Effect of adoption of PFRS 9	-	(177)
Beginning balance, as restated	18,367	15,905
Net income	3,635	3,766
Cash dividends on common shares	(840)	(1,276)
Cash dividends on preferred shares	(0)	(0)
Dividends on Hybrid Capital Securities	(219)	(220)
Redemption of Hybrid Capital Securities	(723)	-
Transfer of fair value reserves on FVOCI	(53)	-
Transfer to reserves for trust business	(5)	(7)
Balance, end	<u>20,162</u>	<u>18,167</u>
ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	<u>57,603</u>	<u>52,664</u>
NON-CONTROLLING INTEREST		
Balance, beginning	22	23
Prior period adjustments	-	-
Fair value gains (losses) on available-for-sale securities, net of tax	1	1
Net Income (loss) for the year	(1)	(1)
Balance, end	<u>22</u>	<u>23</u>
TOTAL CAPITAL FUNDS	<u>P 57,625</u>	<u>52,687</u>

* Restated to reflect the balances under PFRS 9 as required by PAS 34 Interim Financial Reporting.

RIZAL COMMERCIAL BANKING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Millions of Philippine Pesos)

	Nine Months Ended September 30		Quarter Ended September 30	
	2015	2014	2015	2014
	(Unaudited)	(Unaudited - Restated)*	(Unaudited)	(Unaudited - Restated)*
NET PROFIT FOR THE PERIOD	P 3,634	P 3,765	P 1,109	P 1,140
OTHER COMPREHENSIVE INCOME (LOSSES)				
Fair value gains (losses) on Financial assets at Other Comprehensive Income	(163)	126	(284)	91
Retirement plan	(1)	(34)	(2)	(67)
Translation adjustment during the year	<u>10</u>	<u>1</u>	<u>3</u>	<u>(0)</u>
Other Comprehensive Income (Loss) for the period, net of tax	<u>(154)</u>	<u>93</u>	<u>(283)</u>	<u>93</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,480	3,858	826	1,233
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO NON-CONTROLLING INTEREST	<u>1</u>	<u>1</u>	<u>(0)</u>	<u>(0)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	<u>P 3,479</u>	<u>P 3,858</u>	<u>P 826</u>	<u>P 1,233</u>

* Restated to reflect the impact of PFRS 9 as required by PAS 34 Interim Financial Reporting

Additional Disclosures to Item I – Financial Statements

Statement of Compliance with Generally Accepted Accounting Principles. The interim financial statements of the Bank have been prepared in accordance with the Financial Reporting Standards in the Philippines for Banks (FRSPB).

Early Adoption of PFRS 9. On July 28, 2014, RCBC's Board of Directors (BOD) approved the early adoption of PFRS 9 *Financial Instruments* (2009, 2010 and 2013 versions) subject to favorable outcome of an in-depth analysis. After completion of such analysis, the BOD, in its meeting held last October 27, 2014, gave its approval to finally proceed with the early adoption of PFRS 9. The BOD also approved the Business Models developed by the Bank to document the strategies in managing its portfolio of financial instruments.

The Bank's subsidiaries aligned their policies with the Parent Bank and also early adopted PFRS 9. The Bank and its subsidiaries (the Group) chose January 1, 2014 as the date of initial application.

The actual entries on PFRS 9 adoption were reflected in December 2014 as required by BSP Circular No. 708 and amended by BSP Circular Nos. 733 and 761. As required by PAS 34 *Interim Financial Reporting*, the comparative 2014 financial statements have been restated to reflect the balances under PFRS 9.

In February 2015, the Bank sold certain dollar-denominated bonds classified as investment securities at amortized cost with an aggregate carrying amount of Php 35.04 billion. The sale was made in order to fund capital expenditures related to the Bank's purchase of branch licenses this year and to immediately replenish regulatory capital as the purchase will result to a reduction in the Bank's capital position. The disposal resulted in a gain of Php1.48 billion, which is included under Trading and securities gains-net in the statement of profit or loss.

The Bank also sold certain dollar-denominated bonds classified as investment securities at amortized cost with an aggregate carrying amount of Php 1.12 billion due to credit deterioration. This disposal resulted in a loss of Php 208.59 million, which is included under Trading and securities gains-net in the statement of profit or loss.

In both instances, the Bank concluded that the sale is permitted by PFRS 9 and BSP Circular 708 and that there are no changes in its business models for managing financial assets to collect contractual cash flows.

Accounting Policies and Methods of Computation. 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 materially 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. As disclosed on September 21, 2015, Rizal Commercial Banking Corporation has closed and signed a USD280 million three (3)-year syndicated term loan facility with a diverse group of international banks.

The facility generated strong interest during general syndication and was oversubscribed prompting RCBC to upsize the Facility to USD 280 million from the initial size of USD 200 million. Lending commitments were received from 18 international lenders distributed across the Asia, Europe, and the Middle East, including many first-time participants in RCBC's syndicated loans. RCBC intends to utilize the facility for general banking and corporate purposes.

On July 24, 2015 the bank redeemed its USD 100 Million 9.875% Non-Cumulative Step-up Perpetual Securities (“the Hybrid Tier 1 Notes”) as approved by the Board of Directors and by the Bangko Sentral ng Pilipinas last March 30, 2015 and May 27, 2015, respectively. The Hybrid Tier 1 Notes were redeemed for a total price of USD 113.93 million.

Rizal Commercial Banking Corporation and Cathay Life Insurance Corp, a wholly owned subsidiary of Cathay Financial Holding Co., Ltd. closed the equity investment deal for a 20% stake in RCBC last April 20, 2015.

The key terms of the transaction involves the subscription of primary shares (124,242,272) and the purchase of shares from CVC (119,033,590 shares) and IFC (36,724,138 shares) all at Php 64.00 per share.

The strategic investment by Cathay Life, raises Php 7.95 billion of new Core Equity Tier 1 (“CET 1”) capital for the Bank, is part of RCBC’s current capital raising strategy in order to comply with the more stringent capital adequacy rules under the new Basel III framework and is expected to enable RCBC to be comfortably above the minimum CET1 requirements of the BSP. In addition, the proceeds from the investment will continue to support the continued growth of RCBC’s loan book and increased expansion into the SME and Consumer segments to improve margins and risk diversification/actuarialization. The transaction is also in-line with Cathay’s strategy to expand its business in ASEAN.

On January 21, 2015, the Bank successfully raised \$200 million worth of 5-year senior unsecured fixed-rate notes off its \$1.0 billion EMTN Programme. The notes carried a coupon and yield of 4.25% and maturity of January 22, 2020. On February 10, 2015, the Bank issued another \$43 million with a coupon and yield of 4.25% under the same EMTN Programme.

Dividends Paid for Ordinary or Other Shares. In its meeting held on November 4, 2015, the Board of Directors approved the declaration and payment of cash dividends amounting to P0.05928 per share, or a total of approximately P18 thousand payable to holders subject to the approval of Bangko Sentral ng Pilipinas.

In its meeting held on July 27, 2015, the Board of Directors approved the declaration and payment of cash dividends amounting to P0.05830 per share, or a total of approximately P18 thousand payable to holders of Preferred Class shares, which was approved by the Bangko Sentral ng Pilipinas on September 11, 2015 and paid on September 24, 2015.

In its meeting held on April 27, 2015, the Board of Directors approved the declaration and payment of cash dividends amounting to P0.05667 per share, or a total of approximately P18 thousand payable to holders of Preferred Class shares, which was approved by the Bangko Sentral ng Pilipinas on September 11, 2015 and paid on September 22, 2015.

In its meeting held on March 30, 2015, the Board of Directors approved the declaration and payment of cash dividends amounting to P0.60 per share, or a total of approximately P839.945 million payable to holders of Common Class shares, and a total of approximately P186 thousand payable to holders of Preferred Class shares, which was approved by the Bangko Sentral on May 13, 2015 and paid on June 8, 2015.

In its meeting held on January 26, 2015, the Board of Directors approved the declaration and payment of cash dividends amounting to P0.05630 per share, or a total of approximately P19 thousand payable to holders of Preferred Class shares, which was approved by the Bangko Sentral on March 20, 2015 and paid on March 27, 2015.

In its meeting held on October 27, 2014, the Board of Directors approved the declaration and payment of cash dividends, which was approved by Bangko Sentral on March 20, 2014, amounting to P218.608 million to holders of Hybrid Tier 1 securities and paid on April 27, 2015. The Board also approved the declaration and payment of cash dividends to holders of Preferred Class shares amounting to P0.05496 per share or

P19 thousand which was approved by the Bangko Sentral on December 19, 2014 and paid on January 28, 2015.

The details of the 2015 cash dividend approvals and distributions for the first 3 quarters of 2015 are as follows (amounts in Thousand Php except per share figures):

Date Declared	Dividend Per Share	Total Amount	Date BSP Approved	Date Paid / Payable	Nature of Securities
27-Oct-14	P 0.05640	P 19	19-Dec-14	28-Jan-15	Convertible Preferred stock
27-Oct-14	-	P 218,608	20-Mar-15	27-Apr-15	Hybrid Tier 1
26-Jan-15	P 0.05630	P 18	20-Mar-15	27-Mar-15	Convertible Preferred stock
30-Mar-15	P 0.60000	P 839,945	13-May-15	08-Jun-15	Common Stock
30-Mar-15	P 0.60000	P 186	13-May-15	08-Jun-15	Preferred Stock
27-Apr-15	P 0.05667	P 18	11-Sep-15	22-Sep-15	Convertible Preferred stock
27-Jul-15	P 0.05830	P 18	11-Sep-15	24-Sep-15	Convertible Preferred stock
04-Nov-15	P 0.05928	P 18	Pending	Pending	Convertible Preferred stock

Segment Information. The following table presents revenues and expenses of the Parent Company that are directly attributable to primary business segments for the period ended September 30, 2015 (in millions).

RESULTS OF OPERATIONS					
	Retail Banking Group	Corporate Banking Group	Treasury / Trust	Others	Total
Net interest income	3,897	4,885	(94)	(1,231)	7,457
Non-interest income	2,008	1,150	1,618	(166)	4,610
Total revenue	5,905	6,034	1,525	(1,398)	12,067
Non-interest expense	4,451	1,151	295	2,209	8,105
Income (loss) before Income tax	1,455	4,883	1,230	(3,606)	3,962
Income tax provision	-	-	-	327	327
Net income (loss)	1,455	4,883	1,230	(3,933)	3,635

Material Events Subsequent to the End of the Interim Period Not Reflected in the Financial Statements.

On October 26, 2015, the bank successfully raised \$320 million worth of senior unsecured bonds due 2021 out of its Medium Term Note Programme. The bonds carried a coupon of 3.45%.

Changes in Composition of the Issuer During the Interim Period. During the interim period, there were no changes in the composition of the issuer including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations.

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

Material Contingencies and Any Other Events or Transactions. During the interim period, there were no changes in material contingencies and any other events or transactions.

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

Financial Performance

RIZAL COMMERCIAL BANKING CORPORATION AND SUBSIDIARIES								
	Consolidated				Parent			
	Unaudited		Audited		Unaudited		Audited	
	30-Sep-15		31-Dec-14		30-Sep-15		31-Dec-14	
Return on Average Assets (ROA)* ^{1/}	1.05%		1.04%		1.20%		1.27%	
Return on Average Equity (ROE) * ^{2/}	9.00%		9.23%		9.54%		10.80%	
BIS Capital Adequacy Ratio	16.45%		15.37%		16.42%		14.93%	
Non-Performing Loans (NPL) Ratio ^{3/}	0.90%		0.90%		0.27%		0.24%	
Non-Performing Assets (NPA) Ratio ^{4/}	1.55%		1.72%		0.39%		0.47%	
Net Interest Margin (NIM)*	4.16%		4.30%		3.61%		3.71%	
Cost-to-Income Ratio	65.61%		64.51%		62.53%		59.70%	
Loans-to-Deposit Ratio	84.57%		82.19%		83.80%		82.09%	
Current Ratio	0.38		0.49		0.39		0.48	
Liquid Assets -to-Total Assets Ratio	0.19		0.21		0.20		0.21	
Debt-to-Equity Ratio	7.50		7.62		6.91		7.07	
Asset-to- Equity Ratio	8.50		8.62		7.91		8.07	
Asset -to- Liability Ratio	1.13		1.13		1.15		1.14	
Interest Rate Coverage Ratio	1.98		2.02		2.07		2.16	
Earnings per share (EPS)* ^{5/}								
Basic and Diluted	PHP	3.68	PHP	3.11	PHP	3.42	PHP	3.17

* Annualized

^{1/} Average assets for the consolidated and parent ratios were computed based on the 10-month average of end of month balances of total assets. Unaudited net income for the 9-month period ended September 30, 2015 in the amount of P3.635 billion and P3.382 billion represented the consolidated and parent, respectively.

^{2/} Average equity for the consolidated and parent ratios were, likewise, computed based on the 10-month average of end of month balances. Unaudited net income for the 9-month period ended September 30, 2015 in the amount of P3.635 billion and P3.382 billion represented the consolidated and parent, respectively.

^{3/} Non-performing loans (NPLs) were net of total specific allowance for probable losses per BSP Circular No. 772 of 2012.

^{4/} NPAs were net of total specific allowance for probable losses.

^{5/} Total weighted average number of issued and outstanding common shares (diluted) as of September 30, 2015 – 1,321,012,690 shares; as of December 31, 2014 – 1,275,740,796 shares.

Performance Indicators for Wholly-Owned/Majority Owned Subsidiaries

RCBC SAVINGS BANK	Unaudited		Audited
In Php 000s	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	601,228	Php 1,040,096
Return on Average Assets (ROA)*		0.98%	1.42%
Return on Average Equity (ROE)*		9.11%	13.80%
BIS Capital Adequacy Ratio (CAR)		14.00%	14.73%
Non-Performing Loans (NPL) Ratio		2.33%	2.57%
Non-Performing Assets (NPA) Ratio		6.15%	6.35%
Earnings per Share (EPS)*	PHP	26.04	Php 33.69

RIZAL MICROBANK	Unaudited		Audited
In Php 000s	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	(49,710)	Php (74,772)
Return on Average Assets (ROA)*		-8.08%	-9.12%
Return on Average Equity (ROE)*		-16.46%	-16.47%
BIS Capital Adequacy Ratio (CAR)		58.10%	56.99%
Non-Performing Loans (NPL) Ratio		3.54%	-0.61%
Non-Performing Assets (NPA) Ratio		3.05%	1.19%
Loss per Share (EPS)*	PHP	(7.58)	Php (8.53)

RCBC CAPITAL CORPORATION and Subsidiaries	Unaudited		Audited
In Php 000s	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	133,454	Php 464,604
Return on Average Assets (ROA)*		3.99%	9.78%
Return on Average Equity (ROE)*		4.68%	11.79%
BIS Capital Adequacy Ratio (CAR)		25.73%	41.41%
Non-Performing Loans (NPL) Ratio		-	-
Non-Performing Assets (NPA) Ratio		0.02%	0.05%
Earnings per Share (EPS)*	PHP	1.51	Php 3.93

RCBC FOREX BROKERS CORPORATION	Unaudited		Audited
In Php 000s	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	56,079	Php 76,149
Return on Average Assets (ROA)*		15.74%	16.15%
Return on Average Equity (ROE)*		33.86%	33.94%
Capital to Total Assets Ratio		46.18%	62.32%
Non-Performing Loans (NPL) Ratio		-	-
Non-Performing Assets (NPA) Ratio		-	-
Earnings per Share (EPS)*	PHP	149.95	Php 152.30

**Annualized*

RCBC INTERNATIONAL FINANCE, LTD. and Subsidiary	Unaudited		Audited
In Php 000s	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	(530)	Php (4,367)
Return on Average Assets (ROA)*		-0.55%	-3.25%
Return on Average Equity (ROE)*		-0.57%	-3.35%
Capital to Total Assets Ratio		95.67%	97.24%
Non-Performing Loans (NPL) Ratio		-	-
Non-Performing Assets (NPA) Ratio		-	-
Loss per Share (EPS)*	PHP	(0.28)	Php (1.75)

RCBC NORTH AMERICA, INC.	Unaudited		Audited
In Php 000s	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	(3,035)	Php (13,697)
Return on Average Assets (ROA)*		-73.63%	-29.56%
Return on Average Equity (ROE)*		-264.76%	-133.52%
Capital to Total Assets Ratio		86.93%	-0.75%
Non-Performing Loans (NPL) Ratio		-	-
Non-Performing Assets (NPA) Ratio		-	-
Loss per Share (EPS)*	PHP	(92.79)	Php (313.24)

RCBC TELEMONEY EUROPE S.P.A	Unaudited		Audited
In Php 000s	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	2,324	Php 15,513
Return on Average Assets (ROA)*		1.15%	4.84%
Return on Average Equity (ROE)*		-29.56%	500.92%
Capital to Total Assets Ratio		-5.12%	-1.09%
Non-Performing Loans (NPL) Ratio		-	-
Non-Performing Assets (NPA) Ratio		-	-
Loss per Share (EPS)*	PHP	31.07	Php 155.13

RCBC-JPL HOLDING COMPANY, INC. (Formerly JP Laurel Bank, Inc.)	Unaudited		Audited
In Php 000s	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	(6,857)	Php 1,332
Return on Average Assets (ROA)*		-4.01%	0.54%
Return on Average Equity (ROE)*		-8.13%	-1.19%
Capital to Total Assets Ratio		-53.46%	-45.73%
Non-Performing Loans (NPL) Ratio		0.00%	42.56%
Non-Performing Assets (NPA) Ratio		0.00%	58.02%
Earnings per Share (EPS)*	PHP	(0.05)	Php 0.01

**Annualized*

NIYOG PROPERTY HOLDINGS, INC. In Php 000s	Unaudited		Audited
	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	85,045	Php 27,309
Return on Average Assets (ROA)*		13.83%	3.36%
Return on Average Equity (ROE)*		14.70%	3.45%
Capital to Total Assets Ratio		93.74%	94.63%
Non-Performing Loans (NPL) Ratio		-	-
Non-Performing Assets (NPA) Ratio		-	-
Earnings per Share (EPS)*	PHP	81.75	Php 19.63

RCBC LEASING AND FINANCE CORP. and Subsidiary In Php 000s	Unaudited		Audited
	September 30, 2015		December 31, 2014
Net Income (Loss)	PHP	26,854	Php 24,456
Return on Average Assets (ROA)*		0.88%	0.63%
Return on Average Equity (ROE)*		6.66%	4.65%
Capital to Total Assets Ratio		12.62%	14.05%
Non-Performing Loans (NPL) Ratio		16.99%	19.70%
Non-Performing Assets (NPA) Ratio		16.67%	16.77%
Earnings per Share (EPS)*	PHP	0.08	Php 0.05

**Annualized*

30 June 2015 vs 31 December 2014

Consolidated Total Resources of the Bank for the period ended September 30, 2015 was recorded at ₱489.544 billion, 6.91% up or ₱31.639 billion higher than ₱457.905 billion as of end-December 31, 2014.

Cash and other cash items decreased by 16.40% or ₱2.146 billion from ₱13.085 billion to ₱10.939 billion. Due from Bangko Sentral recorded at ₱49.782 billion, 7.99% higher from ₱46.099 billion and accounted for 10.17% of the Total Resources. Due from other Banks decreased by 18.97% or ₱3.150 billion, from ₱16.600 billion to ₱13.450 billion.

Loans and receivables, net grew by 7.64% or ₱19.979 billion from ₱261.574 billion to ₱281.553 billion and accounted 57.51% of the Banks's Total Resources.

Total Investment Securities accounted for 23.22% of Total Resources and totaled ₱113.68 billion.

Investment Properties, Net decreased by 12.80% or ₱686 million from ₱5.355 billion to ₱4.669 billion mainly due to reclassification of certain investment properties to assets held for sale classified under other resources.

Bank Premises, Furniture, Fixtures and Equipment, net grew by 5.01% or ₱352 million from ₱7.031 billion to ₱7.383 billion.

Deferred Tax assets (DTA), net, decreased by 17.54% or ₱15 million from ₱86 million to ₱71 million mainly due to the utilization of the DTA by subsidiaries. Other resources increased by 10.62% or ₱740 million from ₱6.964 billion to ₱7.704 billion mainly due to the acquisition of branch licenses and increases in assets held-for-sale which are offset by the decline in inter-office float items.

Total deposit liabilities, which accounted for 67.84% of total resources, reached ₱332.105 billion. Savings deposits stood at ₱171.567 billion and accounted for 35.05% of total resources. Demand deposits accounted for 8.80% of total resources and stood at ₱43.062 billion while higher-costing time deposits reached ₱117.475 billion and accounted for 24% of total resources. CASA-to-deposit ratio stood at 64.63% as of end-September 2015 compared to 62.22% as of end-December 2014.

Bills payable increased by 28.96% or ₱11.525 billion from ₱39.799 billion to ₱51.324 mainly due to the \$280 million syndicated loan closed by the Bank in September 2015. Accrued Taxes, Interest and Other Expenses Payable declined by 14.98% or ₱ 700 million. Other liabilities, on the other hand, decreased by 6.53% or ₱ 727 million from ₱11.136 billion down to ₱10.409 billion.

Total Liabilities increased by ₱27.145 billion from ₱404.774 billion to ₱437.919 billion mainly due to increase in Deposit Liabilities and Bills Payable, and accounted for 88.23% of Total Resources.

Common stock increased by 9.74% or ₱1.242 billion from ₱12.757 billion to ₱13.999 billion arising from the strategic investment of Cathay Life on April 20, 2015 totaling 280 million common shares at ₱64 per share, of which 124.24 million shares were new issuance. This resulted in fresh capital amounting to ₱7.957 billion. Consequently, Capital paid in excess of Par also increased by 40.17% or ₱6.487 billion from ₱16.148 billion to ₱22.635 billion. Net unrealized gain on financial assets at fair value through other comprehensive income decreased by 19.57% or ₱163 million from ₱835 million to ₱671 million due to price depreciation.

Retained Earnings of ₱20.163 billion represented 35% of Total Capital Funds. The Bank's Capital, excluding non-controlling interest grew to ₱57.603 billion and accounted for 11.77% of Total Resources.

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

30 June 2015 vs. 30 June 2014

RCBC posted a Net Income of ₱3.634 billion for the three quarters of 2015, ₱131 million or 3.48% lower than the ₱3.765 billion restated income for the same period last year. As required by PAS 34 Interim Financial Reporting, the comparative 2014 financial statements have been restated to reflect the balances under PFRS 9. Without such restatement, net income for the period would have registered an increase of 20.72%.

Net Interest income, representing 67.72% of total operating income, improved by 2.01% or up by ₱226 million from ₱11.236 billion to ₱11.463 billion. Interest Income from loans and receivables grew by 8.92% or ₱1.054 billion from ₱11.822 billion to ₱12.877 billion and accounted for 76.07% of the total operating income. Income from investment securities which accounted for 16.08% of total operating income, declined by 11.59% or ₱357 million driven by the disposal of ₱35 billion HTC securities last February 2015.

Total interest expense, accounted for 25.25% of total operating income, was made up of interest on deposit liabilities and interest on bills payable and other borrowings which are 13.36% and 11.89% of the total operating income, respectively. Total interest expense increased by 11.13% or ₱428 million from ₱3.846 billion to ₱4.274 billion mainly due to increase in expense from deposit liabilities by 18.88% or ₱359 million from ₱1.902 billion to ₱2.261 billion.

Provisioning for impairment losses this period, which accounted for 9.67% of the total operating income reached ₱1.637 billion.

Other income grew by 5.91% or ₱305 million from ₱5.159 billion to ₱5.464 billion and accounted for 32.28% of total operating income. Items under operating income posted the following results:

- Service fees and commissions grew by ₱409 million or 24.33% from ₱1.683 billion to ₱2.092 billion.
- Trading and securities gain-net declined by 21.59% or ₱397-million from ₱1.840 billion to ₱1.443 billion.
- Trust fees stood at ₱215 million.
- Foreign exchange gains stood at ₱121 million.
- Miscellaneous Income went up by 29.35% or ₱361 million from ₱1.232 billion to ₱1.593 billion.

Representing 65.61% of total income, other operating expenses increased by 7.09% or ₱735 million from ₱10.371 billion to ₱11.105 billion due to the following:

- Manpower costs up by 16.27% or ₱493 million from ₱3.029 billion to ₱3.522 billion mainly due to the additional headcount as a result of branch expansion, annual increase in employee salaries, and an enhanced compensation and rewards system in order to provide competitive pay.
- Occupancy & equipment related expenses increased by 5.05% or ₱93 million from ₱1.843 billion to ₱1.936 billion.
- Taxes and licenses increased by 4.98% or ₱53 million from ₱1.061 billion to ₱1.114 billion.
- Depreciation and amortization increased by 3.78% or ₱42 million from ₱1.121 billion to ₱1.164 billion as a result of the Bank's investments in technology and software and setting up of additional banking channels and renovation of existing branches
- Miscellaneous expenses reached ₱3.370 billion.

Tax expense was lower by 13.03% or ₱82 million from ₱633 million to ₱550 million as a result of lower taxable income.

Non-controlling interest realized loss of ₱0.665 million, 2.30% lower or ₱0.022 million from ₱0.673 million.

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 P1.333 billion for capital expenditures.

In the normal course of operations of the Bank, there are various outstanding commitments and contingent liabilities such as guarantees, commitments to extend credit, tax assessments, etc., which are not reflected in the accompanying financial statements. Management does not anticipate losses from these transactions that will adversely affect results of operations.

In the opinion of Management, the suits and claims arising from the normal course of operations of the Bank that remain unsettled, if decided adversely, will not involve sums that would have a material effect on Bank's financial position or operating results.

In October 2008, Global Steel Philippines (SPV-AMC), Inc. (GSPI) and Global Ispat Holdings (SPV-AMC), Inc. (GIHI), which purchased the Iligan Plant assets of the NSC from the Liquidator in 2004, filed a Notice of Arbitration with the Singapore International Arbitration Centre (SIAC) seeking damages arising from the failure of Liquidator and the secured creditors, including the Bank and RCBC Capital, to deliver the Plant assets free and clear from liens and encumbrance; purportedly depriving them of the opportunity to use the assets in securing additional loans to fund the operations of the Plant and upgrade the same. On May 9, 2012, the SIAC Arbitral Tribunal rendered a Partial Award in favor of GSPI and GIHI in the total amount of (a) US\$80,000,000.00, as and by way of lost opportunity to make profits and (b) P1,403,000,000.00, representing the value of the Lost Land Claim. A petition to set aside the Partial Award was filed with the Singapore High Court, and said petition was granted. GSPI and GIHI filed an appeal on 1 September 2014. In the meantime, the secured creditors' application for the issuance of consequential orders relating to the discharge of the injunction, costs and other matters, the purpose of which is to allow the secured creditors to obtain complete relief from the SIAC Partial Award, was heard and granted by the Singapore High Court on 17 November 2014. In particular, the Singapore High Court confirmed that the injunctions issued in 2008 and that embodied in the Partial Award have been discharged, so that the secured creditors may now compel GSPI and GIHI to comply with their obligations under the Omnibus Agreement/Asset Purchase Agreement and take legal action upon GSPI's and GIHI's failure to do so. The Singapore High Court likewise granted the secured creditors' claim for the payment of legal costs, the amount of which shall be subject to further submissions. As a result of the ruling of the Singapore High Court that the injunctions previously issued have been discharged, the secured creditors, applying the principle of legal set-off, directed the release of GSPI and GIHI's installment payment by the Facility Agent. Accordingly, the Bank and RCBC Capital received their respective share in the funds previously held in escrow.

The Singapore Court of Appeals heard GSPI and GIHI's appeal on January 26, 2015. On March 31, 2015, the Singapore Court of Appeals rendered a decision which affirmed the earlier decision of the Singapore High Court insofar as it set aside (a) the monetary award of US\$80 million and P1,403 million representing lost opportunity to make profit and the value of the Lost Land Claim in favor of GSPI and GIHI, and (b) the deferment of GSPI and GIHI's obligation to pay the purchase price of the Plant Assets. The Singapore Court of Appeals ruled that (a) the issue of lost opportunity to make profit was not properly brought before the SIAC Arbitral Tribunal, and the award in issue is unsupported by evidence; (b) the SIAC Arbitral Tribunal erred in putting a value on the Lost Land, since the secured creditors did not, at any point, concede that they will be unable to deliver the same to GSPI and GIHI by 15 October 2012; and (c) the dispute relating to GSPI and GIHI's payment obligation is an obligation under the Omnibus Agreement, which is beyond the ambit of arbitration, so that the SIAC Arbitral Tribunal could not properly order the Bank, RCBC Capital and the other secured creditors to defer holding GSPI and GIHI in default. However, the Singapore Court of Appeals held that the NSC Liquidator and Secured Creditors are still required to deliver to GSPI and GIHI clean title to the NSC Plant Assets. On 12 August 2015, the Singapore Court of Appeals heard the oral arguments of the parties on the following issues: (a) the remand of the case back to the Arbitral Tribunal or a new Arbitral Tribunal, as prayed for by GSPI and GIHI, so it can present evidence on their lost opportunity to make profit, and (b) the costs to be awarded to the NSC Liquidator and the Secured Creditors, which

have been the subject of the submissions of the parties. The aforementioned issues are now submitted for resolution.

The Bank's exposure is approximately P245.8 million in terms of estimated property taxes and transfer costs due on the Iligan Plant assets, while it has a receivable from Global Steel of P485.5 million, taking into consideration the P49.3 million installment payment it had received from the funds previously in escrow. The Bank has fully provisioned the receivable, which is classified in the books of the Bank as UDSCL with zero net book value. The Bank's exposure, however, may be varied depending on (a) the disposition of Iligan City's Motion for Reconsideration on the dismissal of its Petition for Review of the Amended Decision which held that all pre-closing taxes on the NSC assets sold to GSPI and GIHI have already been paid, and (b) should Iligan City agree to enter into another tax agreement with NSC on its outstanding tax obligation.

In 2011, Verotel Merchant Services B.V. ("VMS"), a Netherlands corporation, and Verotel International Industries, Inc. ("VII"), a Philippine corporation civilly sued the Bank, Bankard, Grupo Mercarse Corp., CNP Worldwide, Inc. ("CNP") and several individuals before the Los Angeles Superior Court for various causes of action including fraud, breach of contract and accounting, claiming that VII and its alleged parent company, VMS, failed to receive the total amount of US\$1.5 million, which the defendants allegedly misappropriated. VMS is an Internet merchant providing on-line adult entertainment and on-line gambling, in addition to the sale of pharmaceuticals over the Internet.

While the court ruled that jurisdiction was obtained over the Bank and Bankard despite the fact that none of the Bank, Bankard or any of the plaintiffs do business in California, the Bank and Bankard believe that the case is without merit and will be ruled in their favor since:

1. Plaintiffs have no legal standing to sue. VII ended its corporate existence in 2008 and had no capacity to sue in 2011 when the case was filed. There is also no evidence that VMS is the parent company of VII, neither does VMS have any contract with Bankard.
2. All the monies due to VII have been remitted by Bankard to Mercarse PA, the agent designated by VII to receive its monies. VII never gave notice to Bankard that it was not receiving payments from their agent.
3. There is no accounting of the claim of US\$1.5 million, and no basis for the same. Based on Bankard's records of this claim (which was remitted to Mercarse), only US\$ 500 thousand belonged to VII and US \$1 million belonged to another merchant.
4. Even under the worst possible scenario, the Bank/Bankard's US counsel opined that the ruling against the Bank/Bankard would not be material since there is no basis to find the Bank/Bankard liable for fraud.

On 4 December 2014, Judge Bruguera of the Los Angeles Superior Court declared a mistrial and recused herself from hearing the case after one of the plaintiffs' counsel unilaterally set a mandatory settlement conference with another judge of the Los Angeles Superior Court without any directive/clearance from her court. The aforementioned plaintiffs' counsel likewise did not confer with the Bank's US counsel for the said setting. Consequently, the court issued an Order to Show Cause upon the plaintiffs' counsel as to why the matter should not be referred to the California State Bar for misconduct, especially after the counsel issued a declaration casting aspersions on the court and her staff and the veracity of the Minute Order denying that the court ordered the parties to proceed to mandatory settlement conference. The matter was heard on March 30, 2015, at which occasion Judge Bruguera immediately discharged the Order to Show Cause after the plaintiff's counsel admitted to using inappropriate language in his explanation.

The case was subsequently raffled to Judge Mitchell Beckloff, who heard and denied the Bank and Bankard's Motion to Vacate the orders of Judge Bruguera, who had earlier denied the Bank and Bankard's

motions for summary judgment. Judge Beckloff ruled that there are material facts in dispute which will require a full-blown trial. The case is scheduled to proceed to trial in January 2016 but before a new judge, Judge Michael J. Raphael, who has been assigned to Department 51 of the Los Angeles Superior Court, vice Judge Beckloff, who was reassigned to another court county effective 14 September 2015.

In December 2011, RCBC Securities initiated the filing of a criminal case for falsification against a former agent who carried out certain questionable transactions with her own personal clients. Since then, RCBC Securities has filed additional criminal and civil cases, including charges of BP 22, against the aforesaid former agent. These cases are now pending with the Regional Trial Court and Metropolitan Trial Court of Makati City. There is also an investigation before the Capital Markets Integrity Corporation ("CMIC") of the Philippine Stock Exchange initiated in May 2012 requesting for an investigation on the operations of RSEC in relation to the accounts handled by the former agent and requesting the CMIC to take appropriate action. The CMIC, in its letter dated 4 December 2014, dismissed the complaint on the ground of prescription and res judicata. The complainants' motion for reconsideration of the CMIC decision remains pending to date. There is also a complaint filed in December 2013 before the Securities and Exchange Commission ("SEC") for alleged violations by RSEC of the Securities Regulation Code for improperly accounting for shares handled by the former agent. The complaints sought for penalties against RSEC, including the suspension or revocation of RSEC's license. The complaint is still pending before the SEC.

In October 2011, the Bank filed a case before the Court of Tax Appeals questioning the 20% final withholding tax on PEACe Bonds by the BIR. The Bank subsequently withdrew its petition and joined various banks in their petition before the Supreme Court on the same matter. Notwithstanding the pendency of the case and the issuance of a Temporary Restraining Order by the Supreme Court, the Bureau of Treasury withheld P199 million in October 2011 from the Bank on the interest on its PEACe bonds holdings. The amount was recognized as part of Loans and Receivables account in the statements of financial position.

On 13 January 2015, the Supreme Court nullified the 2011 BIR Rulings classifying all bonds as deposit substitutes and ordered the Bureau of Treasury to return the 20% final withholding tax it withheld on the PEACe Bonds on 18 October 2011. On 16 March 2015, RCBC filed a Motion for Clarification and/or Partial Reconsideration, seeking clarification to exclude from the definition "deposit substitutes" the PEACe Bonds since there was only one lender at the primary market, and subsequent sales in the secondary market pertain to a sale or assignment of credit, which is not subject to withholding tax. RCBC also sought partial reconsideration to the ruling that should the PEACe Bonds be considered as deposit substitutes, the BIR should collect the unpaid final withholding tax directly from RCBC Capital / Code NGO, or any lender or investor, as withholding agents, since there was no interest earned and collection of the withholding tax, if at all, has already prescribed. RCBC also reiterated its arguments that the tax constitutes double taxation, violates the non-impairment clause of the Constitution, and is a breach of the obligations by the Bureau of Treasury when it issued the PEACe Bonds. The Office of the Solicitor General also filed a Motion for Reconsideration and Clarification, reiterating the BIR's right to withhold 20% as Final Withholding Tax and asking for clarification on the effect of the ruling on other government securities.

Except for the above-mentioned proceedings, the Bank is not aware of any suits and claims by or against it or its subsidiaries, which if decided adversely would have a 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, 2015 and December 31, 2014:

In Million Php	Consolidated		Parent	
	Unaudited	Audited	Unaudited	Audited
	30-Sep-2015	31-Dec-2014	30-Sep-2015	31-Dec-2015
Derivative liabilities	25,370	22,154	25,370	22,154
Derivative assets	21,024	23,432	21,024	23,432
Trust department accounts	86,897	82,552	65,539	66,156
Outstanding guarantees issued	29,055	25,328	29,055	25,328
Spot foreign exchange bought	14,217	6,055	14,217	6,055
Spot foreign exchange sold	14,287	6,514	14,194	6,062
Unused commercial letters of credit	10,832	12,095	10,759	12,038
Inward bills for collection	1,428	724	1,428	724
Late deposits/payments received	744	630	684	581
Outward bills for collection	93	147	93	146

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.

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

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 November 13, 2015


LORENZO V. TAN
President & CEO


FLORENTINO M. MADONZA
SVP, Head - Controllershship Group


MA. CHRISTINA P. ALVAREZ
SVP, Head - Corporate Planning

RIZAL COMMERCIAL BANKING CORPORATION**Aging of Other Receivables****30-Sep-15****(Amounts in PHP)**

		1-90 days	91-180 days	181-1 year	Over one year	Total	Allow	Net
	Accounts Receivable	508,667,726.31	341,101,510.03	20,749,213.91	207,471,365.23	1,077,989,815.48	503,871,820.46	574,117,995.02