



7 August 2019

MS. JANET A. ENCARNACION
Head, Disclosure Department
THE PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 5th Avenue cor. 28th Street
Bonifacio Global City
Taguig City

Dear Ms. Encarnacion,

Please be advised that the following information would be made available to the major newspapers. It concerns RCBC's performance for the first half of 2019.

Thank you.

Very truly yours,

MA. CHRISTINA P. ALVAREZ
Senior Vice President and Corporate Information Officer
Rizal Commercial Banking Corporation

cc: Atty. Joseph B. Evangelista, Philippine Dealing and Exchange Corporation

RCBC closed-out 1H 2019 with strong 23% net income growth

Rizal Commercial Banking Corporation posted an unaudited consolidated Net Income of P2.7 billion for the first half of 2019, 23% higher than the P2.2 billion reported for the same period last year. The strong growth in net income resulted from sustained efforts in strengthening the Bank's core business with double digit growth in net interest income by 10% and fee-based income by 23%.

Net interest income reached P10.6 billion, 10% higher compared to the previous year, driven by the growth in the outstanding loan portfolio of key select markets. Loans to Small and Medium Enterprises (SME) grew by 20% to P60.5 billion. Rizal MicroBank grew its loans to micro and small business enterprises by 18% from a year ago to P1.2 billion.

Loans to consumers, which include mortgage loans, auto loans, and credit cards, increased by 18% to P120.6 billion. Gross outstanding credit card receivables accelerated by 37% to P25.0 billion for the period with an active card base of 788,000, higher by 26% vs. the same period last year.

Non-interest income for the first half increased significantly by 102% to P6.1 billion, coming from stronger contributions in treasury-related and fee-based income. The Bank booked P3.2 billion in trading gains, P2.1 billion in fee-based Income, which includes card related fees - both credit and debit cards, Trust fees, and fees on investment banking and loans.

Meanwhile, the Total Operating Expenses increased by 11% to P10.5 billion for the first half of 2019 which can be attributed mainly to the significant growth in volume of business as gross revenues jumped 32% year on year.

Total Resources expanded by 15% to P673.8 billion. The Bank's Capital funds stood at P83.4 billion and well above the minimum regulatory requirement with a CAR of 16.13% and CET1 Ratio of 13.29%. Total Deposits grew by P22.2 billion or 6% year-on-year to P418.6 billion.

Recently, the Bank pioneered the issuance of a Peso Sustainability Bond under its recently established sustainable finance network. The P8 billion peso issuance is the first sustainability Bond from the Philippines under the ASEAN Sustainability Bond Guidelines 2018.

"H1 2019 is a testament of how RCBC has re-established its presence and become stronger through the years. We are happy with the double digit growth in income, a result of our consistent focus on strengthening the bank's core business. However, I believe that there is more we can do and achieve. Moving forward, focusing on consumer loans and the SME sector will be key for us to fight our way back," said Eugene S. Acevedo, RCBC President and CEO.

Our commitment to service excellence has resulted to numerous awards from regulators, as well as respectable local and international award giving bodies. Asia's preeminent award-giving body for industry excellence, The Asset, has recently awarded noteworthy transactions financed and arranged by Rizal Commercial Banking Corporation (RCBC) and RCBC Capital Corporation (RCAP), respectively. The accolades recognized the participation of RCBC and RCAP in the financing of major infrastructure projects. Garnered awards include: Transport Deal of the Year (Philippines), Renewable Energy Deal of the Year (Vietnam), and PPP Deal of the Year (Philippines) under The Asset's Asia Infrastructure 2019 "Best Deals by Country" category. RCAP also received the Syndicated Loan of the Year – Philippines award for the CCLEX entry (RCBC as Lender and RCAP as Co-Lead Arranger) and Mergers and Acquisitions Deal of the Year - Philippines for the AC Education and iPeople Inc. Merger entry (RCAP as Financial Advisor) during the Asian Banking and Finance Corporate and Investment Banking Awards 2019.

About RCBC

RCBC is a leading financial services provider in the Philippines offering a wide range of banking and financial products and services. RCBC is engaged in all aspects of traditional banking, investment banking, microfinance, retail financing (auto, mortgage and housing loans, and credit cards), remittance, leasing, foreign exchange, and stock brokering. RCBC is a member of the Yuchengco Group of Companies (YGC), one of the oldest and largest conglomerates in South East Asia. For more information, please visit <https://www.rcbc.com>