



RCBC Net Income at P3.4 billion for the first nine months of 2017

Net Income for the 3rd Quarter of 2017 up 19% vs. same period last year

Rizal Commercial Banking Corporation posted a consolidated Net Income of P3.4 billion for the nine months ended September 2017.

Net income for the third quarter of 2017 grew by 19% to P1.1 billion compared to P893 million in the same period last year coming from stronger core business led by 19% growth in Net Interest Income and 14% growth in Fee-based income.

Annualized Net Interest Margin (NIM) remained strong at 4.30%, 24 basis points improvement from the 4.06% recorded in full year 2016. Annualized Return on Equity and Return on Assets stood at 7.16% and 0.87%, respectively.

In the first nine months of 2017, Net Interest Income reached P13.1 billion with 11% growth year-on-year. This was driven by the Bank's vibrant lending business with Total Customer Loan portfolio expanding by 17% to P338 billion. All market segments sustained their growth with 15% growth in corporate loans, 34% growth in SME Loans, 13% growth in Consumer Loans and 28% growth in Credit Card Receivables. Rizal MicroBank (RMB), the Microfinance arm of the Bank that provides financing requirements for micro and small enterprises, increased its outstanding loan portfolio by 42% year on year, through continuous efforts to enhance its current loan products responsive to the needs of its mandated market segments.

Total Gross Income reached P18.6 billion with total Other Operating Income reaching P 5.4 billion or 29% of gross income. Fees and Commissions Income, which includes card related fees - both credit and debit cards, Trust fees, and Fees on investment banking and loans, accounted for 14% of total Gross Income.

Total Operating Expenses were flat year-on-year at P13 billion. The Bank pursued the expansion of its distribution network by selectively opening 26 branches and deploying 64 ATMs mainly in support of its on-going strategy to broaden customer reach and enhance banking convenience. This brought the consolidated network to 503 Branches and 1,539 ATMs, resulting to a 3.06 branch-to-ATM ratio, one of the highest in the industry.

Total Consolidated Resources expanded to P524.4 billion. Total Deposits grew by 13% or P41.6 billion year-on-year to P374.6 billion. CASA deposits reached P219.2 billion with an increase of 10% or P20.4 billion year-on-year.

The Bank's Capital funds stood at P65.1 billion and well above the minimum regulatory requirement with a CAR of 15.51% and CET1 Ratio of 12.43%. The Bank's Asset quality remained stable with NPL Ratio at 1.41% and NPL Cover at 77.39%.

The Bank's other businesses continued to grow, addressing the various needs of its customers. *RCBC Bankard* has a strong and active card base of 562,000, higher by 7.3% vs. last year. The bank has built a strong portfolio under its Private Banking business with Total Assets under Management (AUM) expanded by 15% to P98 billion.

"The results of the last nine months this year have been encouraging. The increase in CASA deposits and growth in the Bank's total Loan portfolio has helped fuel the responsiveness of our products to the market demand. We are also encouraged by the response to the new corporate branding campaign that has provided the bank a vehicle to be heard by customers above the clutter of today's evolving digital landscape", said Gil A. Buenaventura, RCBC President and CEO.

The Bank received various awards in Credit Cards, among which, in 2017, Highly Commended Best Card Offering-Southeast Asia for its YourCash Loan Feature, 4th Annual Cards & Electronic Payments International Asia Awards 2017, Best Card Design featuring its 4wave vector card layout, 4th Annual Cards & Electronic Payments International Asia Awards 2017, and Best Loyalty and Rewards Program for its Diamond Platinum Mastercard's Diamond Cares Program, The Mastercard Innovation Forum Awards 2017. The bank was also awarded Infra Deal of the Year 2016 from Project Finance International, Best Project Finance Deal of the Year 2016 from Alpha South East Asia and Investment House Association of the Philippines, Top 5 Corporate Issue Manager/Arranger from PDEX, and Best in Private Banking from AI Global Awards.

RCBC is rated Baa3 (or investment grade) with a Stable outlook by Moody's and BB+ with a Stable outlook by Fitch.

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> or email investor_relations@rcbc.com