



06 November 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,

This is to advise the Exchange that the following information will be made available to the major newspapers.

Thank you.

Very truly yours,

MA. CHRISTINA P. ALVAREZ

First Senior Vice President and Corporate Information Officer
Rizal Commercial Banking Corporation

cc: Atty. Marie Rose M. Magallen-Lirio, Philippine Dealing and Exchange Corporation

RCBC's Net Income Surges 41% in 9M 2019

Rizal Commercial Banking Corporation posted an unaudited consolidated Net Income of P4.5 billion for the first nine months of 2019, 41% higher than the P3.2 billion reported for the same period last year. The robust growth was driven by the Bank's focus in strengthening its core business, consistently generating double-digit growth in net interest income.

Interest income from loans and receivables expanded by 24% to P24.1 billion on account of higher average loan volume of key select markets. Loans to consumers, which include mortgage loans, automobile loans, and credit cards, increased by 18% to P126.3 billion. Gross outstanding credit card receivables accelerated by 43% to P27.9 billion as of September 2019 with an active card base of 836,000, higher by 26% than last year. Moreover, loans to small and medium enterprises (SME) continued to grow year on year by 20% to P64.8 billion.

"We see more potential in the fast-growing consumer and SME sectors. We expect them to be 50% of our customer base by next year," President and CEO Eugene Acevedo said.

Trading opportunities boosted the Bank's profitability as it generated P7.1 billion in Trading and FX gains in the nine months ended September 2019. Likewise, fee-based income increased by 12% to P3.1 billion, driven by higher revenues from deposit and branch fees, card-related fees, and trust fees.

"Our double-digit income growth is a reflection of the bank's prudence in tapping the right prospects in the market, while expanding capacity and enhancing customer experience in the core business," Acevedo added.

Meanwhile, the Bank's operating expenses inched up to P16.3 billion for the first nine months of 2019 which can be mainly attributed to the significant growth in business volume as gross revenues jumped 43% year on year.

Total assets of the Bank reached P670.7 billion as of end-September 2019, representing a 9% year-on-year growth compared with the P614.4 billion as of same period last year. Total deposits increased by P14.0 billion to P424.2 billion with CASA deposits reaching Php240.9

billion. The Bank's capital funds stood at P84.7 billion and well above the minimum regulatory requirement with a CAR of 14.07% and CET1 Ratio of 13.20%.

As part of the Bank's strategic liquidity management initiatives, RCBC recently announced that it would issue a 3-year Peso Fixed Rate Bond offering, which was the third drawdown off the Bank's Php100 billion Bond and Commercial Paper Program. The public offer period commenced on 28 October 2019 and is set to be listed on the Philippine Dealing and Exchange Corporation on 13 November 2019.

The Bank also issued a USD Sustainability Bond on 4 September 2019 under its Sustainable Finance Framework to capitalize on the favorable market backdrop. The USD300 million 5-year Senior Unsecured Fixed Rate issuance was 5x oversubscribed as it received strong interest from a large and well diversified investor base from Asia and Europe. The proceeds from this issuance will be used to support and finance eligible environmental and social projects, in line with the sustainability standards by the International Capital Markets Association, and the ASEAN Capital Markets Forum.

Early this year, RCBC received industry recognition for taking the lead in financing some of the country's major infrastructure projects and noteworthy transactions from international award-giving bodies such as the Asset Triple A and Benchmark Awards, and the Asian Banking and Finance (ABF) Corporate and Investment Banking Awards. These 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. RCBC Capital (RCAP) 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).

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>