

RCBC's Profit Soared 33% in 9M 2021

Rizal Commercial Banking Corporation posted an unaudited consolidated net income of PhP5.3 billion for the first nine months of 2021, 33% higher from the same period last year. Business momentum continued to accelerate with strong double-digit growth of 13% in customer loans and 30% in low-cost CASA deposits, both metrics performing better than the industry. Investment Securities jumped 2.9x, and fee income increased by 39% reflecting stable recovery in investments and retail transactions.

RCBC saw significant expansion in its loan book across segments, led by the corporate loan portfolio growing by 17% and the SME portfolio by 18%. The bank supported working capital requirements and continued to participate in project finance transactions for renewable energy projects in the country and the South East Asian Region. Higher volume of loan and treasury assets, coupled with lower funding costs, propelled net interest income to reach PhP21.2 billion, higher by 8% year on year. Fee income was boosted by a combination of investment banking fees and retail transactions related to payments and loans. Core business is leading the uplift in gross income which increased by 13% year on year to PhP26.0 billion, net of trading and FX gains.

The Bank's ongoing digital transformation across several business lines has accelerated customer acquisition and improved cost efficiency. Data analytics helped drive growth for the credit card business with a 68% increase in new cards issued, bringing the total cards-in-force to nearly 910,000 as of end-September. The most recent service offering on the digital platform is the unit investment trust fund (UITF), including the new RCBC US Equity Index Feeder Fund, which boosted trust assets under management to reach a record high of PhP134 billion. As the Bank continued to make more banking services available in the mobile app, RCBC saw more and more customers take up this digital channel with gross transaction value increasing by 2.2x year on year. *"We are excited to further bring fintech innovation across all product lines, as we see a rapid shift in the trajectory of financial services even beyond the pandemic,"* RCBC President and CEO Eugene S. Acevedo said.

RCBC's total assets increased by 19% to PhP873.0 billion, with Loans and Receivables and Investment Securities comprising 60% and 22% of the total, respectively. This growth was supported by the 26% jump in total deposits, and the 10% expansion in capital funds with solid capital ratios--CAR of 15.2% and CET1 ratio of 12.1%. In July of this year, Sumitomo Mitsui Banking Corporation infused capital and acquired a 4.99% stake in RCBC. Annualized Return on Equity stood at 6.8% and annualized Return on Assets at 0.9%.

"We continue to harness our digital capabilities and leverage emerging technologies to build resilience and adapt to future disruptions while sharpening our focus to deliver innovative customer solutions and prime the organization for further growth in the years ahead," Acevedo added.

RCBC gained international citations from prestigious award-giving bodies in 2021. RCBC received four awards as the Best Digital Bank in the Philippines in 2021 and 30 other awards in different categories, including the two "Best Retail Bank in the Philippines" awards from Global Banking & Finance Review Awards, and Retail Banker International Trailblazer Awards.

As of September 2021, RCBC had a total consolidated network of 434 branches, 1,254 automated teller machines, and 1,555 ATM Go terminals strategically located nationwide.

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>