



20 February 2020

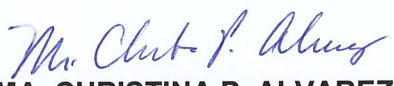
MS. JANET A. ENCARNACION
Head, Disclosure Department
THE PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 5th Avenue cor. 28th Street
Bonifacio Global City
Taguig City

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 FY2019 Net Income Up 25% to P5.4Bn

Rizal Commercial Banking Corporation produced strong results with a net income of P5.4 billion in 2019. The 25% growth in net income was driven by the expansion in the Bank's core business, complemented by high margin, strong trading gains, and higher fee-based income.

The Bank's gross revenues grew 35% to P35.9 billion as interest income from loans and receivables expanded by 21% driven by the solid volume growth and sustained margins across all customer segments. Likewise, non-interest income increased significantly by 125% coming from stronger contributions in treasury-related and fee-based income, which includes deposit and branch fees, trust fees, and card related fees - both credit and debit cards.

"RCBC's strong performance in 2019 sets the stage for the kind of growth we want to see in the future: produced by well positioned businesses in the key market segments we operate in through innovative products and quality service," RCBC President and CEO Eugene S. Acevedo said.

The Bank's small and medium enterprises (SME) and consumer loan segments saw solid double-digit growth of 29% and 18%, respectively. Credit cards also saw a robust growth with card receivables accelerating by 44%, and a card base of almost 877,000 growing by 26% year-on-year. Cardholder spending likewise rose by 30%, making RCBC Bankard the fifth largest credit card company in the Philippines based on that metric.

"The SME and consumer segments have been the center of much of our expansion. Our continued investments in digital technology and efforts in process improvement are focused on servicing these customers better. We are all set to unlock the potential of these markets," Acevedo added.

Total assets of the Bank expanded by 18% to reach P771.3 billion as of end-2019 with investment securities and regular loans (net of interbank loans) driving the growth at 36% and 11%, respectively. The Bank's capital funds stood at P83.2 billion and well above the minimum

regulatory requirement with a CAR of 13.8% and CET1 Ratio of 12.9%. Return on Equity (ROE) recorded an improvement of 69 basis points to 6.5%.

In a bid to consolidate its strengths and solidify market position in the consumer finance market, RCBC and its thrift bank RCBC Savings Bank (RSB) merged in July 2019, boosting its consumer lending business that currently accounts for at least 30% of the bank's total loan portfolio. The integration has made it possible to achieve more efficient capital deployment, more efficient compliance with Basel 3 liquidity ratios, optimal coordination between the branch banking network established with the existing networks of RCBC and RSB, medium-term improvement in the funding economics, and operational cost efficiencies.

Pioneering the Pursuit of Sustainability and Financial Inclusion

RCBC is at the forefront of promoting sustainable practices in the industry in line with the Sustainable Development Goals, as can be seen in its first Sustainable Impact Report (See: <https://www.rcbc.com/Others/Sustainability>). The Bank also recognizes the role of financial inclusion in sustainable development among its partners. Through its subsidiary, Rizal Microbank (RMB), over P1.8 billion in loans were disbursed in 2019 to microenterprises, small business operators, and selected high value crops farmers to help them jumpstart or expand their businesses. Total number of RMB depositors also posted a 45% jump from last year. RMB is expected to fully embrace digital financial inclusion this year after it became the first thrift bank to successfully migrate to a cloud-based core banking system in October 2019.

The Bank has become a pioneer with its Green and Sustainability Bonds issued in 2019, recognized by the Asset ESG Corporate Awards, gaining RCBC the Titanium Award for Best ESG practices. The Bank was also given recognition in the Asset Asian Awards 2019 as the Best Sustainability Bond – Philippines and Best Issuer of Sustainable Finance – Financial Institution Philippines.

Steadfast Commitment to Service Excellence

In 2019, 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>