



FY 2020 Net Income Results

**Media Briefing
23 February 2021
9:30 AM – 10:30 AM**

Agenda

1 Introduction and Reminders

2 FY 2020 Net Income Results Presentation

Horacio “Ricky” Cebrero

RCBC Treasurer and
Head of Treasury Group

Ma. Christina “Chrissy” Alvarez

RCBC Corporate Information Officer and
Head of Corporate Planning Group

3 Question and Answer



FY 2020 Net Income Presentation

RCBC is a leading financial services provider in the Philippines



Incorporated in 1960, RCBC is the **6th largest private domestic bank** in the Philippines by assets, with a market capitalization of Php36.55bn (USD0.76bn)¹ and share price of Php18.88².

Member of the Yuchengco Group of Companies (YGC).

Main Business Lines

Corporate Banking

Retail Banking

Bancassurance

SME Banking

Consumer Loans
(Auto, Housing, Salary)

Trust and Investments

Investment Banking

Credit Cards

Foreign Exchange

Extensive Branch Network

447 Branches
1,426 ATMs
6,103 Employees

Key Financial Metrics (FY 2020)

Figures in PHP

771B
Assets

+0.5%

449B
Loans³

+4%

536B
Deposits

+17%

37.9B
Revenues

+6%

5.0B
Net Income

-7%

[1] Exchange Rate – US\$ 1 = PHP48.02 as of end-2020
[2] Market Capitalization and Share Price as of end-2020
[3] Loans and receivables net of allowances and interbank loans

RCBC Posts FY2020 Net Income of P5 Billion

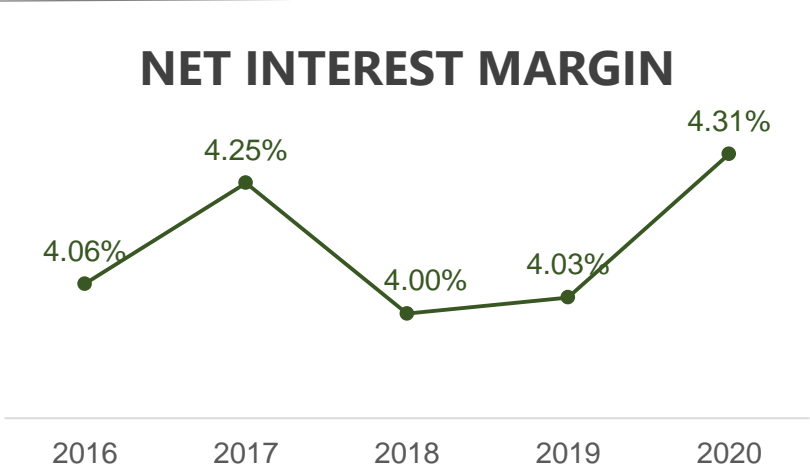
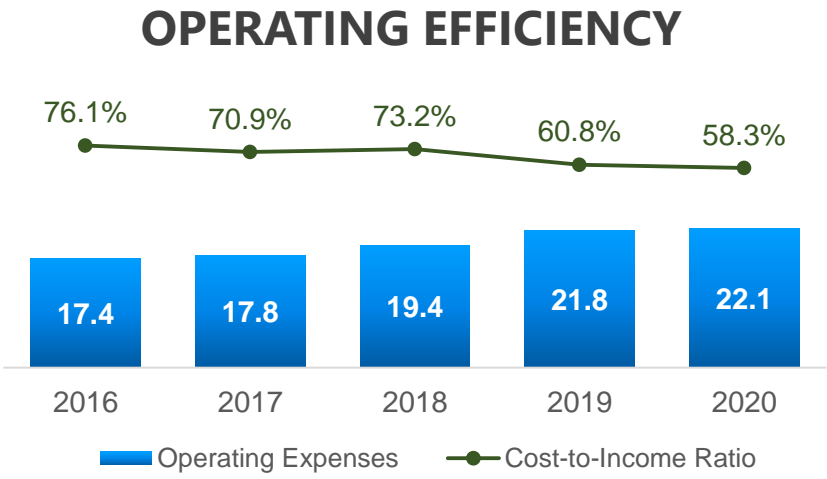
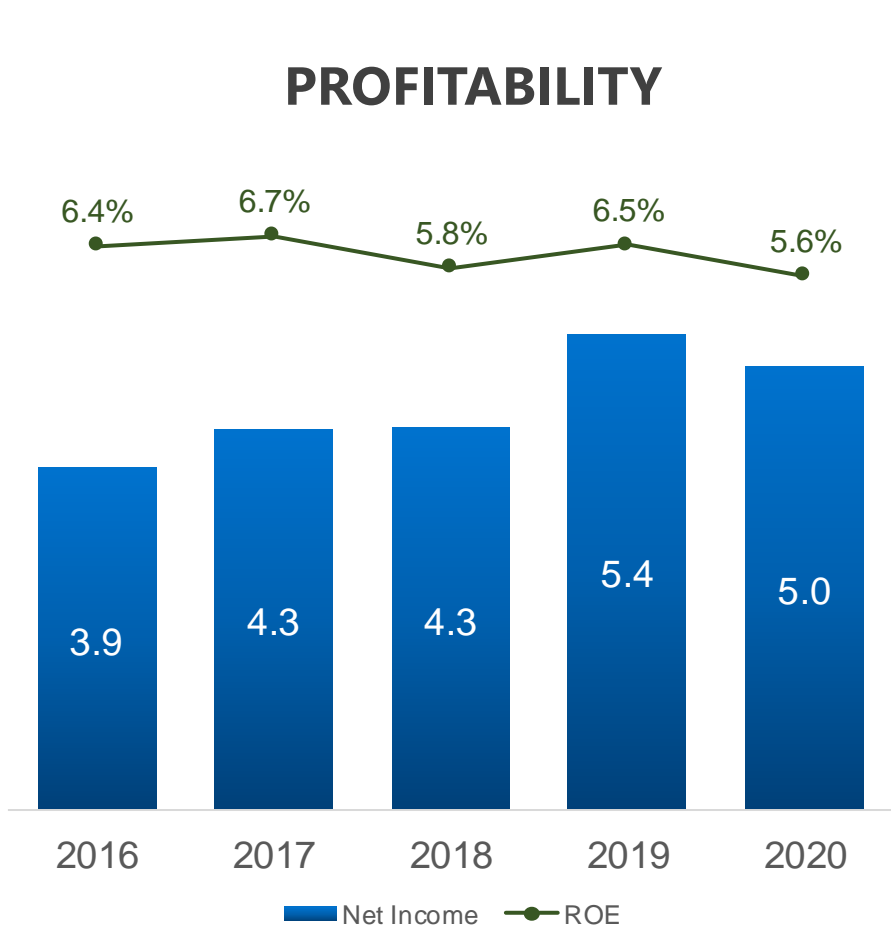
Amounts in PHP Millions

	2020	2019	Change	% Change
SELECT INCOME STATEMENT DATA				
Net Interest Income	26,289	22,368	3,921	17.5%
Non-Interest Income	11,608	13,490	(1,882)	-14.0%
Operating Expenses	22,094	21,797	297	1.4%
Impairment Losses	9,330	7,397	1,933	26.1%
Net Income	5,018	5,388	(370)	-6.9%
SELECT BALANCE SHEET DATA				
Assets	770,770	767,078	3,692	0.5%
Loans¹	449,323	430,416	18,907	4.4%
Deposits	535,788	456,581	79,207	17.3%
Capital	101,469	82,850	18,619	22.5%

[1] Loans and receivables net of allowances and interbank loans

Historical Financial Performance

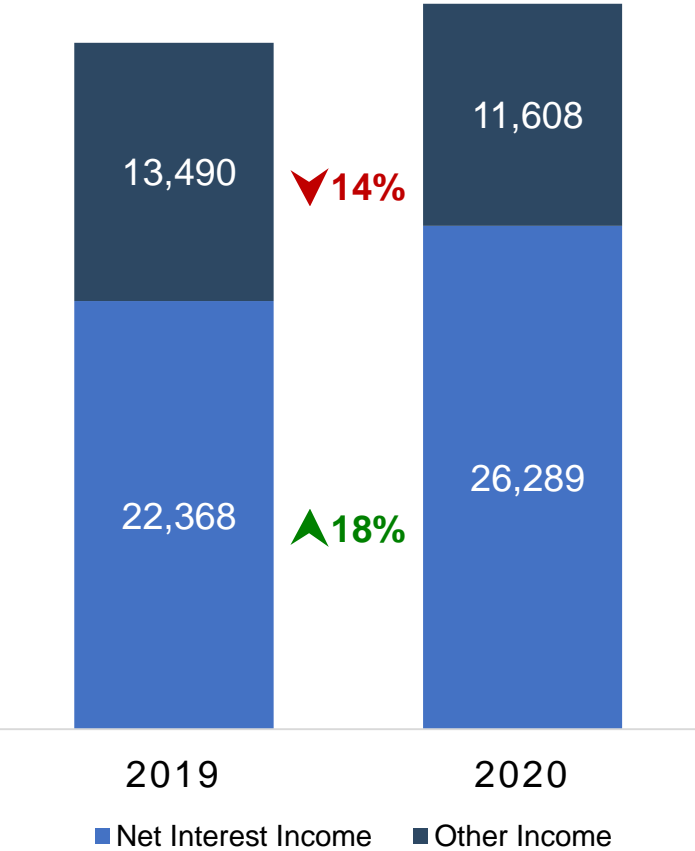
Amounts in PHP Billions



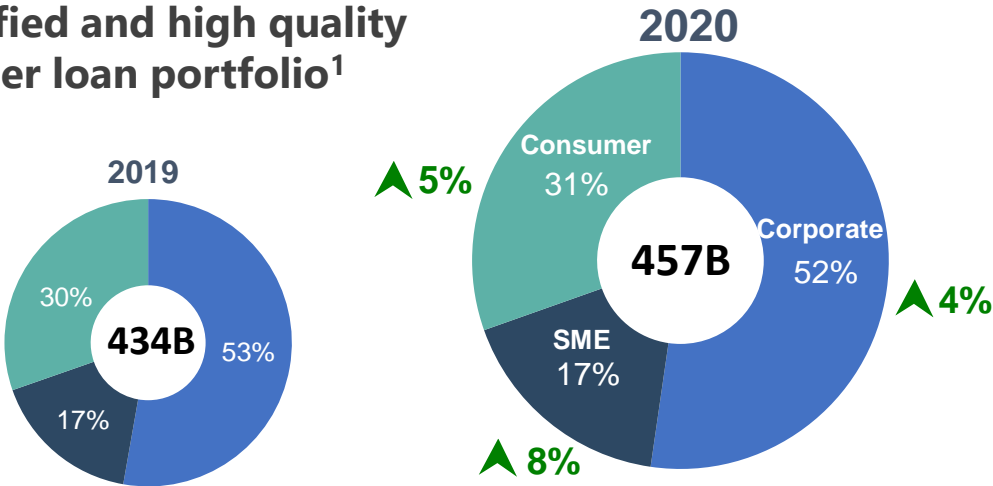
Core business remained strong with Gross Income growing by 6%

Amounts in PHP Millions

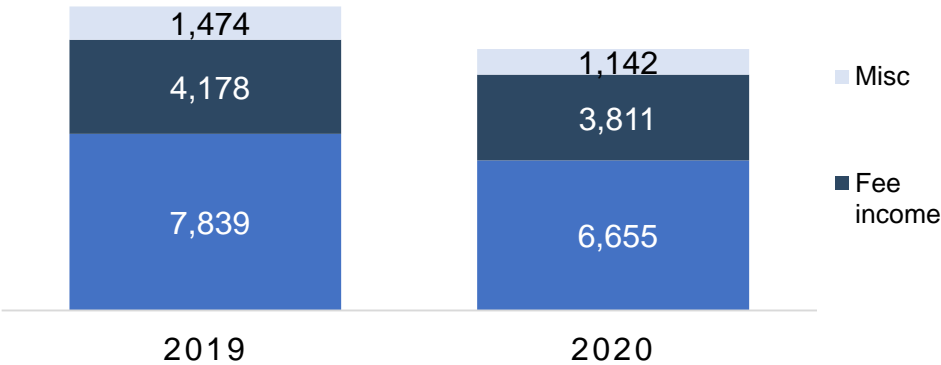
GROSS INCOME



Diversified and high quality customer loan portfolio¹



Other Income



[1] Loans net of interbank loans

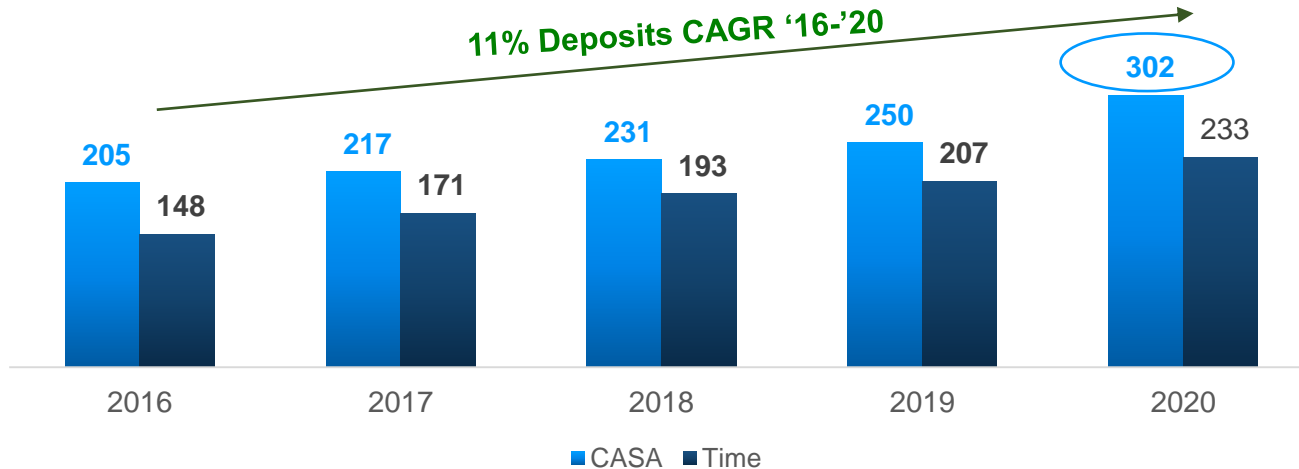
Strong deposit base with a 56% CASA Mix

Amounts in PHP Millions

	2020	2019	Change	% Change
Deposit Liabilities	535,788	456,581	79,207	17.3%
Demand	107,172	70,523	36,649	52.0%
Savings	195,164	179,247	15,917	8.9%
Time	233,452	206,811	26,641	12.9%

HISTORICAL DEPOSITS BREAKDOWN

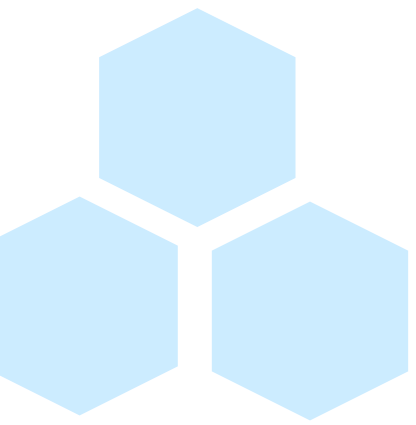
Amounts in PHP Billions



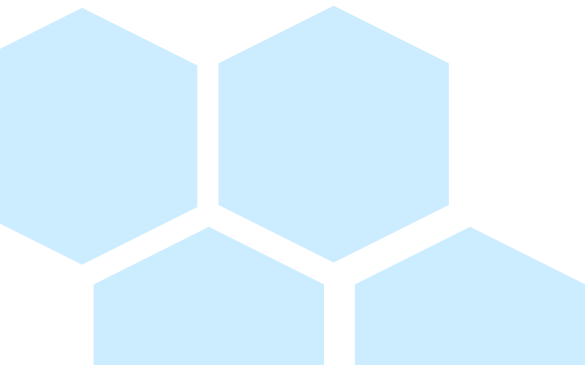
Consolidated Key Financial Indicators

Amounts in PHP Millions

	2020	2019	Change
PROFITABILITY			
Return on Equity	5.6%	6.5%	-0.9%
Return on Assets	0.7%	0.8%	-0.1%
Net Interest Margin	4.3%	4.0%	0.3%
COST EFFICIENCY			
Cost-to-Income Ratio	58.3%	60.8%	-2.5%
ASSET QUALITY			
Net NPL Ratio	2.9%	2.2%	0.8%
NPL Coverage Ratio	79.2%	79.0%	0.2%
CAPITAL			
Capital Adequacy Ratio	16.1%	13.8%	2.4%
CET1	12.6%	12.9%	-0.3%



Highlights



Distribution Channels

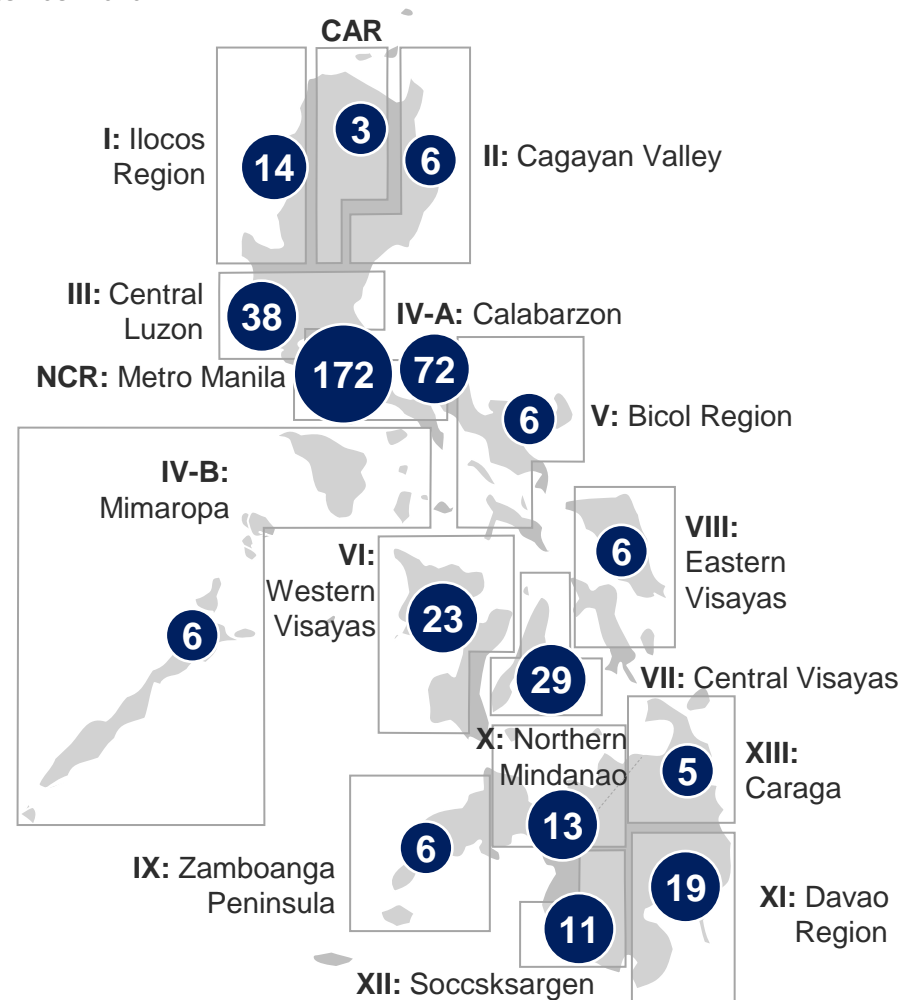


Branches and Extension Offices	447
ATMs	1,426
ATM to Branch Ratio	3.2
ATM Go	1,800

Note: Branch total includes the 16 branches and 2 extension offices of Rizal Microbank, RCBC's Microfinance Thrift Bank subsidiary

RCBC's Branch distribution by Region

December 2020



Record growth in RCBC's digital transactions



Digital Banking Enrollment

↑ **288%**
2020 vs 2019

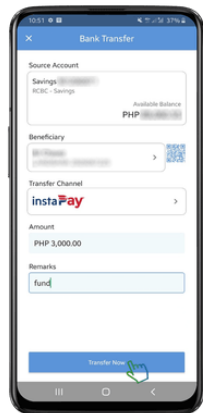
↑ **55%**
Active Users

Cardless ATM Withdrawal



↑ **2790%**
Average daily transaction count

↑ **4619%**
Average daily transaction amount



InstaPay Transactions

↑ **695%**
Pre-CQ vs CQ*

↑ **1269%**
2020 vs 2019



ATM Go & Diskartech

↑ **127%**
ATM Go average daily transaction amount, Pre-CQ vs CQ*

↑ **3.5 M**
Diskartech downloads

*Growth figures Pre-CQ vs CQ (Community Quarantine)
Pre-CQ - January 01, 2020 to March 16, 2020
CQ (ECQ/MECQ/GCQ) - March 17, 2020 to end-2020

Strategies

Protect Lives



- Workplace Safety
- Clustering the organization

Defend against Loan Defaults



- COVID-19 Assistance and Recovery (CARE) Program

Digital Transformation



- Mobile app redesign
- Financial Inclusion: *Diskartech and ATM Go*
- Data Science

Streamline Operations



- Business process re-engineering
- Branch rationalization

Training



- Digital product mastery
- Strengthened refinancing and collection roles

BEST CUSTOMER EXPERIENCE AND OPERATIONAL EFFICIENCY

Digital transformation recognized by the industry



2020 BEST DIGITAL BANK in the Philippines



**BEST DIGITAL BANK
IN THE PHILIPPINES**

2020 Alpha Southeast Asia
Best Financial Institution Awards



**2020 MOST INSPIRATIONAL
BRAND-FINANCIAL
SERVICES INDUSTRY**

Asia Pacific Enterprise Award



**2020 ENTERPRISE
INNOVATION**

Asia IOT Business Platform Award



**BEST DIGITAL BANK
IN THE PHILIPPINES**

2020 Asiameoney Best
Bank Awards



**BEST DIGITAL
INCLUSION INITIATIVE**

International Innovations
Awards



**2020 MOST INNOVATIVE
INTERNET BANKING
SERVICES PROVIDER**

The Global Economics Award



Thank you.