



RCBC 1Q 2025 Analyst Briefing

May 14, 2025

Disclaimer: We may make forward-looking statements and refer to non-GAAP financial measures during the briefing. Forward-looking statements are based on management's current expectations and assumptions that are subject to risks and uncertainties. Factors that may cause our actual results to materially differ from expectations are detailed in our earnings materials as well as our SEC filings available on the website. Information about non-GAAP financial measures, including reconciliations to U.S. GAAP can also be found in our earnings materials on the website.



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Macroeconomic Outlook

Michael Ricafort

Chief Economist

Market forecasts and catalysts for 2025

Key Market Catalysts:



Fed uncertainty keeps rates elevated

10-year US Treasury yield at 4.31% with markets pricing in fewer rate cuts in 2025 due to inflation risks from Trump's policies.



BSP easing to support growth

Local monetary authorities signaled -0.50 rate cuts (similar to the Fed dot plot's -0.50 for 2025), potential RRR cut in the coming years aiming to boost liquidity, lending, and economic expansion.



Peso stabilizes amid benign inflation

USD/PHP at 55.57, still similar to slightly stronger vs. other major ASEAN currencies while inflation remains within BSP's 2%-4% target as lower oil prices ease cost pressures.



PSEi at 4-month highs

PSEi higher at 6,411.86, near 4-month highs (erased all of the losses since Trump's inauguration on Jan. 20, 2025).

Philippine GDP Growth Estimates (2025-2026)

Multilateral Institutions	2025 Forecast	2026 Forecast
IMF	5.5% (from 6.1%)	5.8% (from 6.3%)
ADB	6% (maintained)	6.1% (from 6.2%)
World Bank	5.3% (from 6.1%)	5.4% (from 6.0%)
AMRO	6.3% (from 6.5%)	6.3%
S&P Global Ratings	6.2% (from 6.1%)	
Moody's	5.8% (from 5.9%)	5.8% (from 6.0%)
Fitch Ratings	5.6% (from 5.9%)	6.2%
PH Government	6.0%-8.0%	6.0%-8.0% (2026- 2028)

As of April 29, 2025

Market forecasts and catalysts for 2025

Philippine Economic Outlook

Economic Indicators	2023 Actual	2024 Actual	2025 Forecast
GDP Growth	5.5%	5.6%	5.5%-6.0%
USD/PhP (Year-End)	55.37	57.845	55.50-56.50
USD/PhP (Average)	55.63	57.29	56.50-57.50
Inflation (Average)	6.0%	3.2%	2.0%-2.5%
BSP Policy Rate	6.50%	5.75%	5.00%-5.25%
Fed Funds Rate	5.50%	4.50%	3.75%-4.25%
PSEi	6,450.04	6,528.79	7,000-7,500

US & Philippine Policy Rate Outlook

Economic Indicators	3-Month Forecast	6-Month Forecast	1-Year Forecast
BSP Policy Rate (now at 5.75%)	5.50%-5.75%	5.00%-5.25%	5.00%-5.25%
Fed Funds Rate (now at 4.50%)	4.25%-4.50%%	3.75%-4.25%	3.75%-4.25%



1Q 2025 Performance

Chrissy P. Alvarez
Corporate Planning Head

1Q 2025 Key Highlights

₱2.4B

net income

₱715B

in loans; +13% vs
1Q24

Sustained profit momentum backed by core business

- Delivered ₱2.4Bn net income, fueled by strong net interest and fee income growth
- Boosted net interest margin to 4.2% through solid performance in consumer lending
- Achieved 26% growth in service fees, driven by increased credit card spend and loan activity

₱1.3T

Total Assets

13.5%

CET1 Ratio

Robust capital position with steady asset growth

- Stable asset portfolio with total assets amounting to ₱1.3Tn
- Strong capital standing: CET at 13.5% and CAR at 16.0%
- Total capital ₱160Bn, reflecting a 6% increase compared to 1Q 2024

8.8M

gross transaction
volume in digital
platforms

851M

in digital loan volume
as of 1Q 2025

Best-in-class digital leadership & AI innovation

- Multiple digital platforms offering unique, best-in-class user experiences
- Scaling profitability by being a digital lending enabler, with digital loans representing 65% of total
- AI-to-Action initiative featuring 59 machine learning models to enhance CX



469

Branches

7,323



ATM¹

6,899



Employees

¹Includes ATM Go terminals--RCBC's handheld ATM facility that enables banking transactions outside branches and ATMs, and through partner merchants

Consolidated Financial Overview

Income Statement	1Q25	1Q24	Change	YoY
Amounts in PhP Millions, except YoY				
Gross Income	14,660	12,237	2,243	19.8%
Net Interest Income	12,308	9,560	2,748	28.7%
Fee Income	2,572	2,046	527	25.8%
Operating Expenses	8,612	7,765	847	10.9%
Impairment Losses	2,898	1,672	1,226	73.3%
Net Income	2,428	2,202	226	10.2%

Balance Sheet	1Q25	1Q24	Change	YoY
Amounts in PhP Millions, except YoY				
Assets	1,345,554	1,230,944	114,610	9.3%
Loans ¹	714,975	631,995	82,980	13.1%
Investment Securities	441,517	398,821	42,696	10.7%
Deposits	971,793	959,360	12,433	1.3%
Capital	159,942	150,838	9,104	6.0%

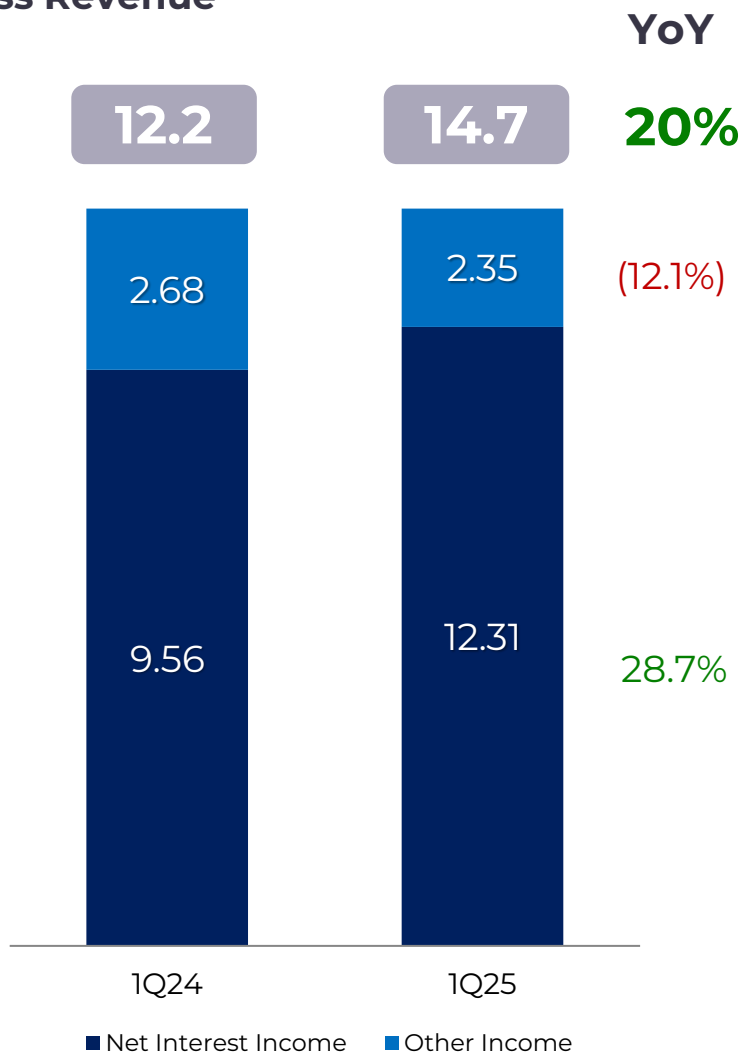
Financial Ratios	1Q25	1Q24	YoY
PROFITABILITY			
ROE	6.0%	5.6%	0.4%
ROA	0.7%	0.7%	0.0%
NIM	4.2%	3.6%	0.6%
COST EFFICIENCY			
CIR	58.7%	63.5%	-4.7%
ASSET QUALITY			
Net NPL Ratio	2.5%	1.7%	0.8%
NPL Coverage Ratio ²	73.8%	89.0%	-15.2%
CAPITAL			
CAR	16.0%	16.3%	-0.3%
CET1	13.5%	13.7%	-0.2%

[1] Loans and Receivables net of Allowances and Interbank Loans

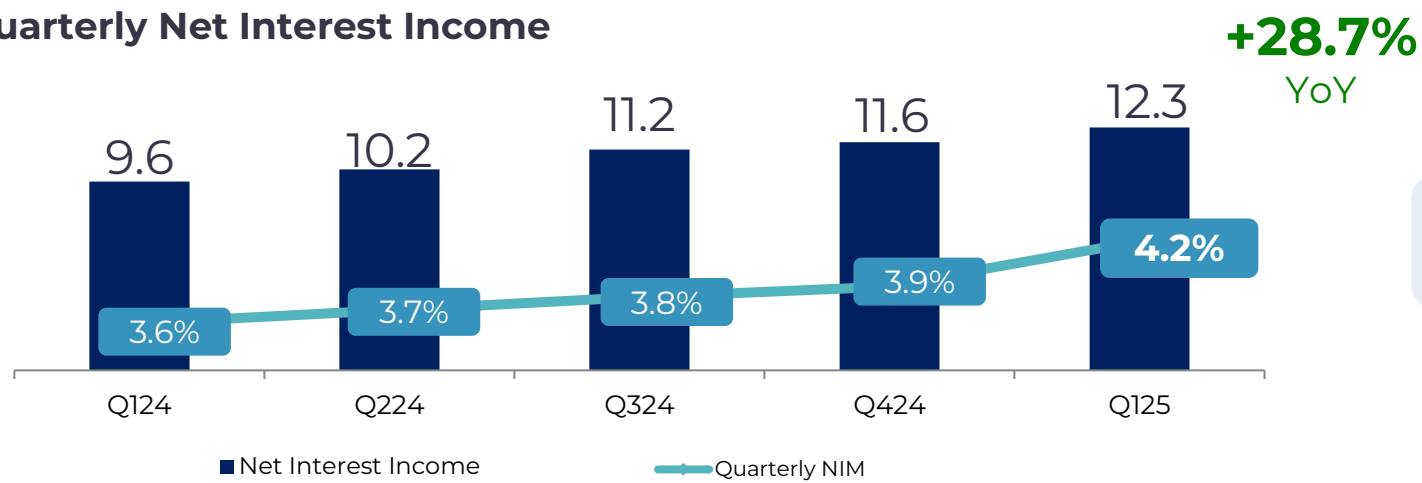
[2] NPL cover includes P6.1Bn of General Loan Loss provisions booked in Retained Earnings

Strong revenue growth fueled by core business

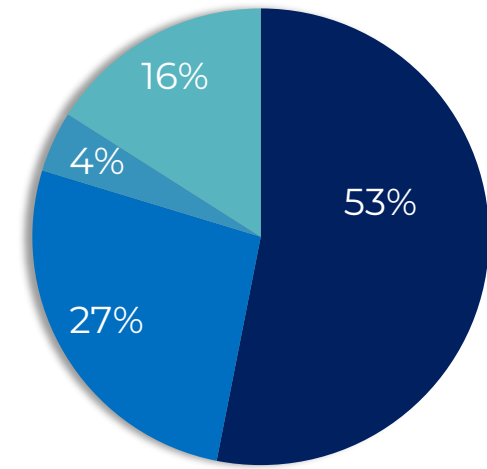
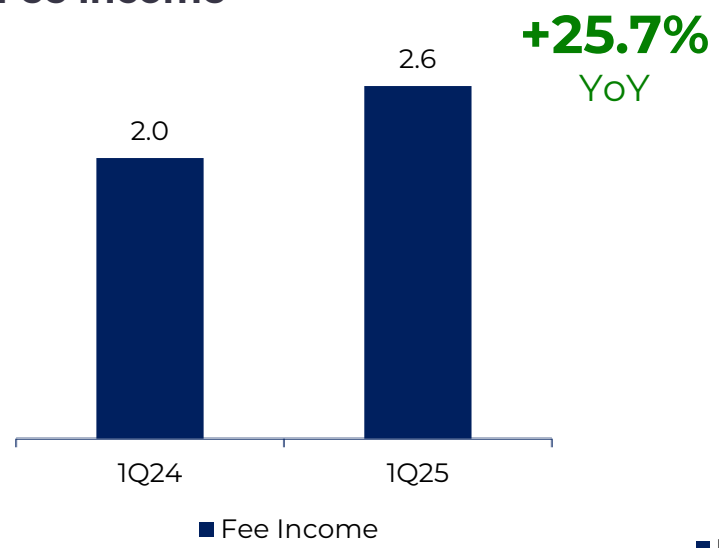
Gross Revenue



Quarterly Net Interest Income



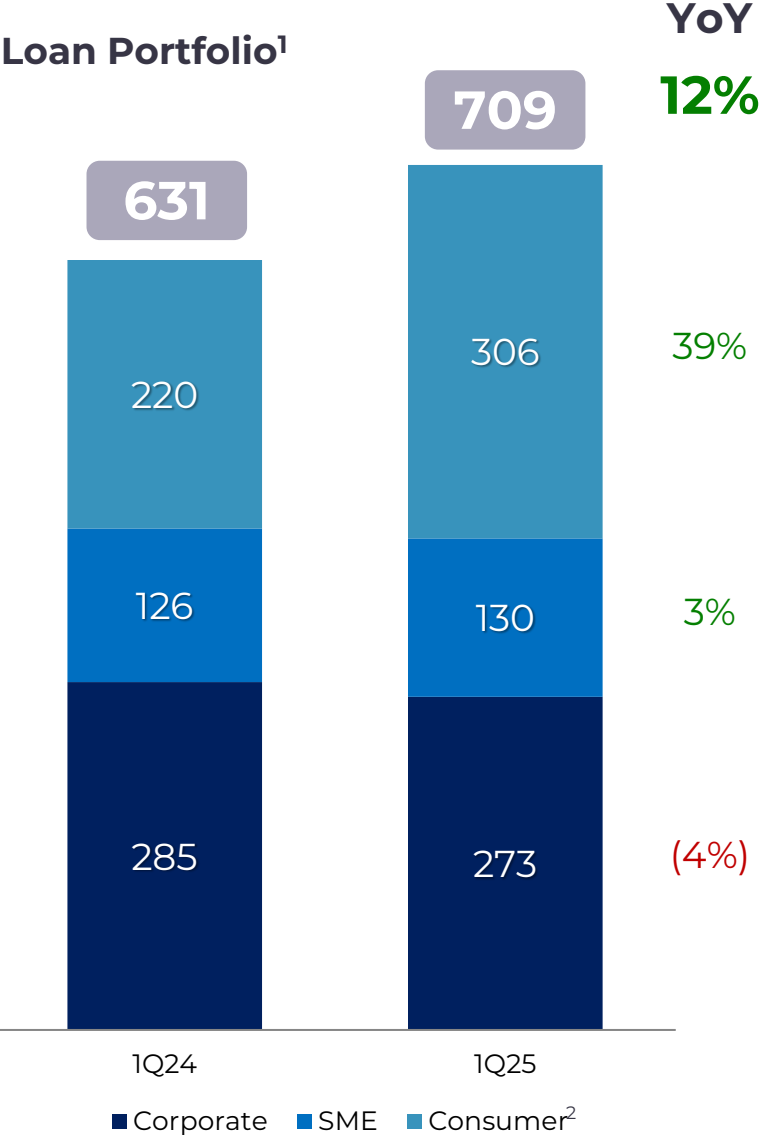
Fee Income



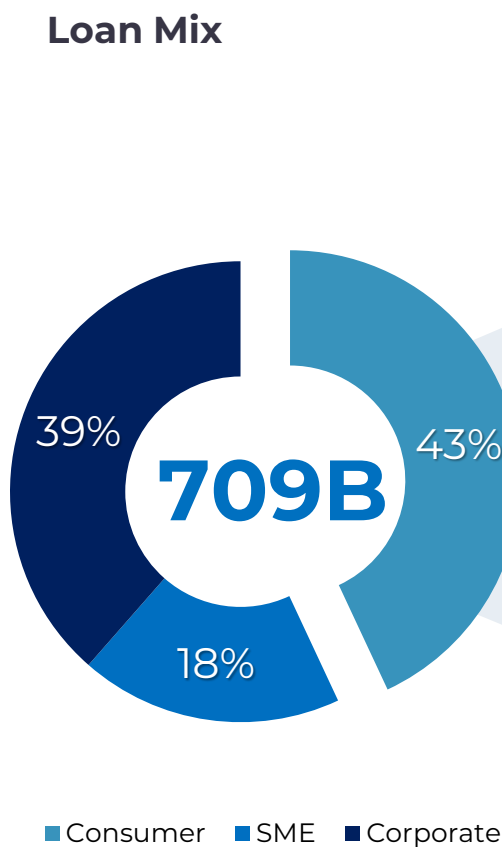
*Figures in Php Billions, except %
As of March 31, 2025

- Debit & Credit Cards
- Loans
- Investment Banking
- Other retail transactions

Consumer loans continue to drive total loan portfolio

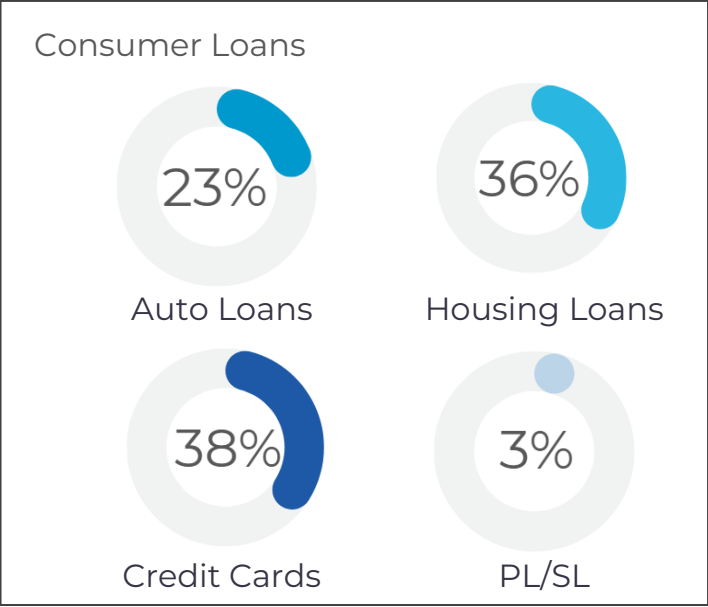


*Figures in Php Billions, except %
As of March 31, 2025



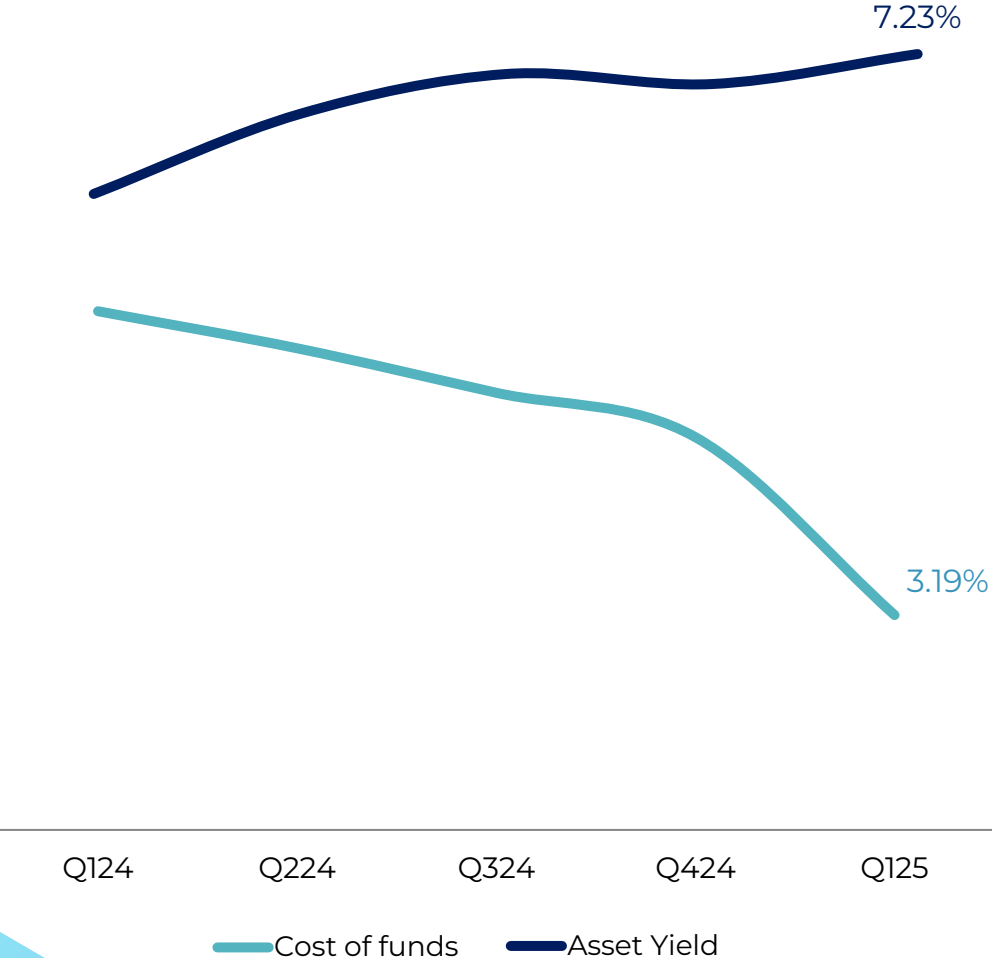
¹Total Gross Loan to Customer

²Consumer refers to Auto, Mortgage, Credit Card and Personal/Salary Loans

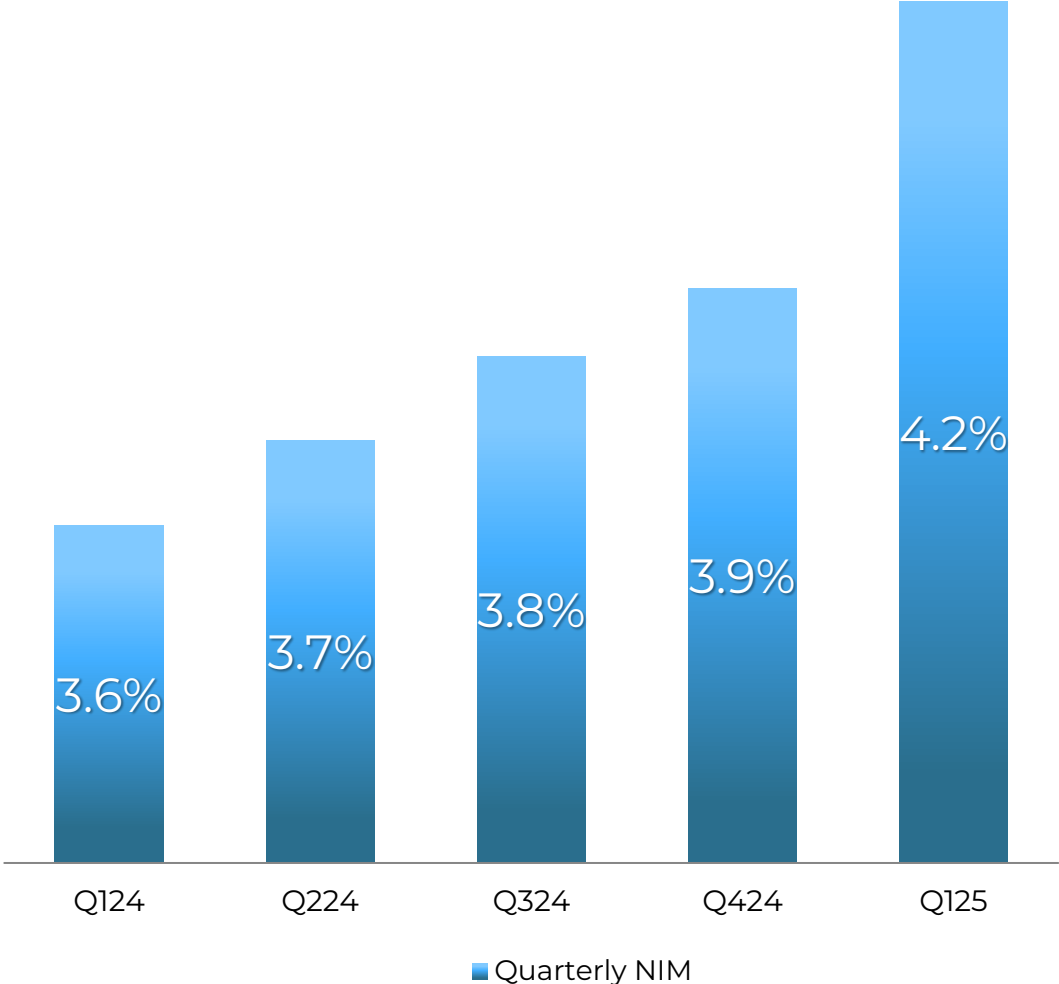


Improving NIM from higher yields and better cost of funds

Historical Cost of Funds and Asset Yield
in %

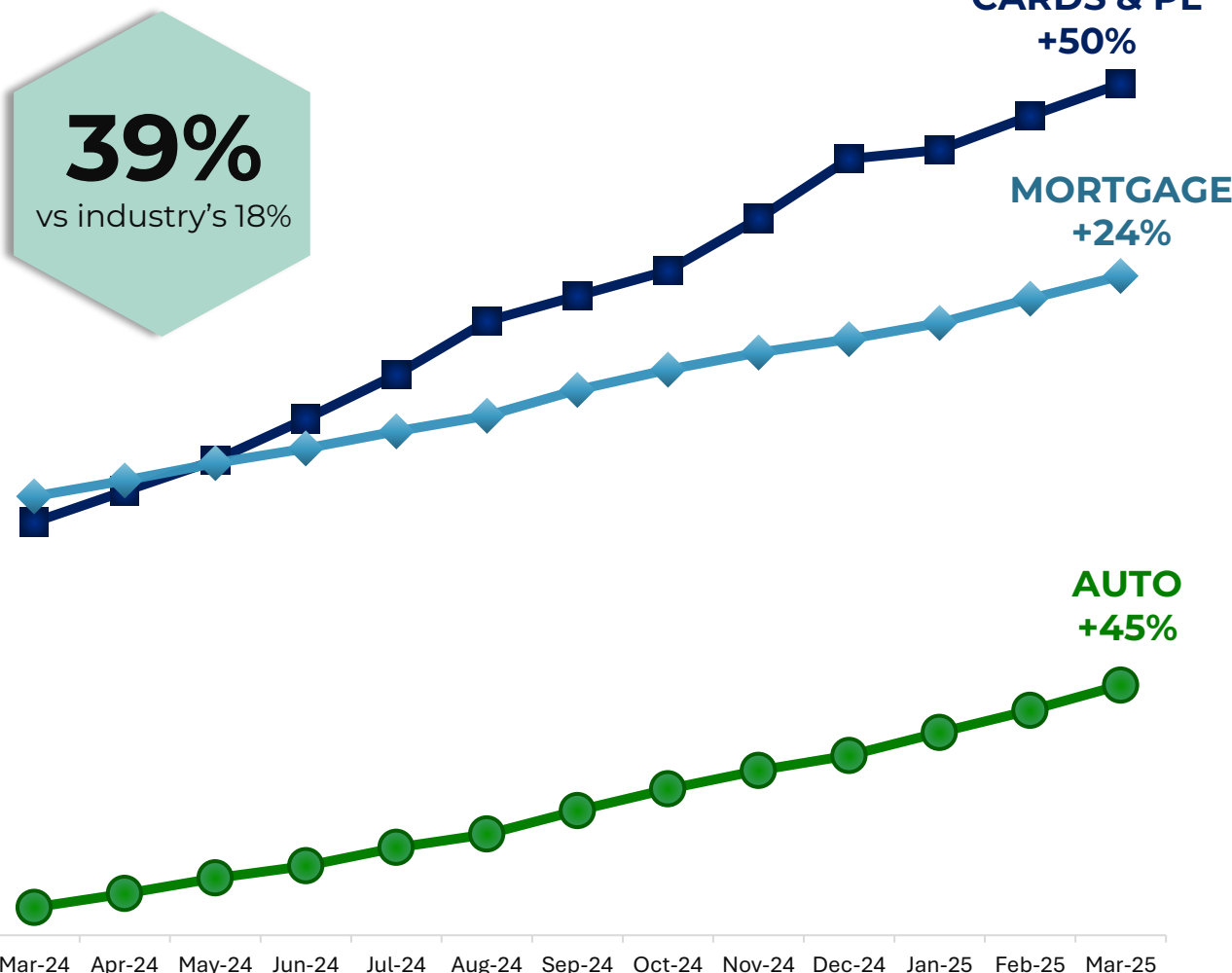


Quarterly Net Interest Margin Trend
in %



Consistent double-digit gains in consumer loans

Consumer Loans & Credit Cards portfolio
in PHP billions, % growth year-on-year



₱59B

in issuing billing; 42% higher compared to year ago levels



+48%

in auto loan bookings for MTD March 2025 vs. previous year, boosted by dealership programs

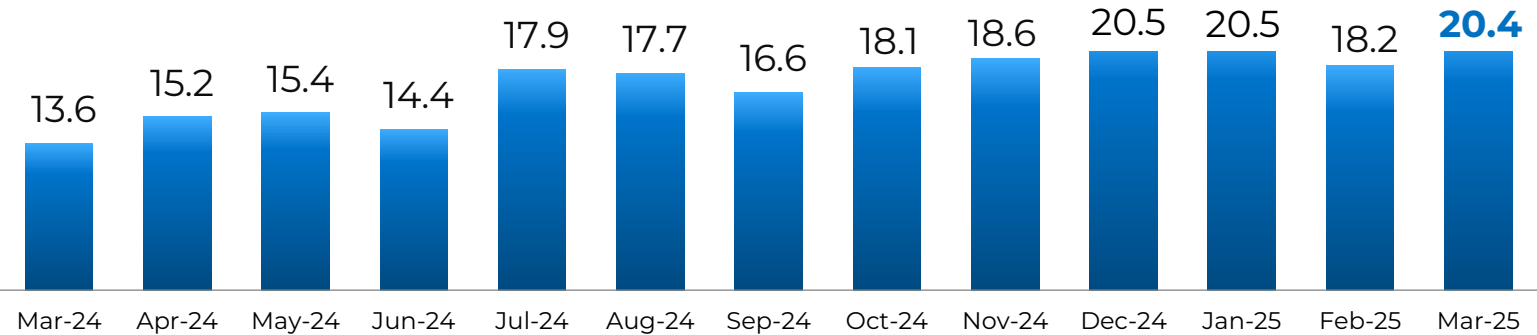


+27%

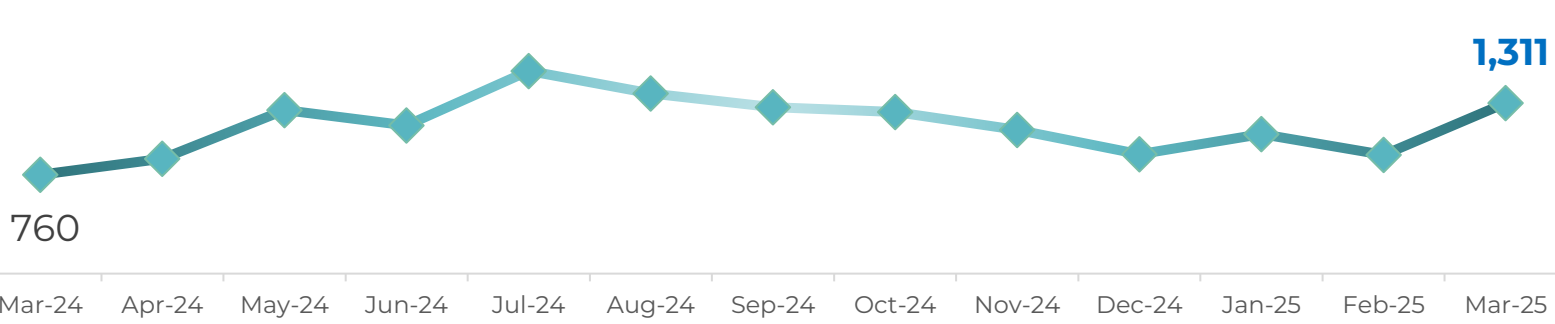
in mortgage loan bookings vs. LY, supported internal sales and partnerships with developers

Sustained consumer loan activity fuels expansion

Credit Card Issuing Billings
In Php Billions



Gross Personal Loan Bookings
In Php Billions



1.33M
cards in force; 22%
higher than last year



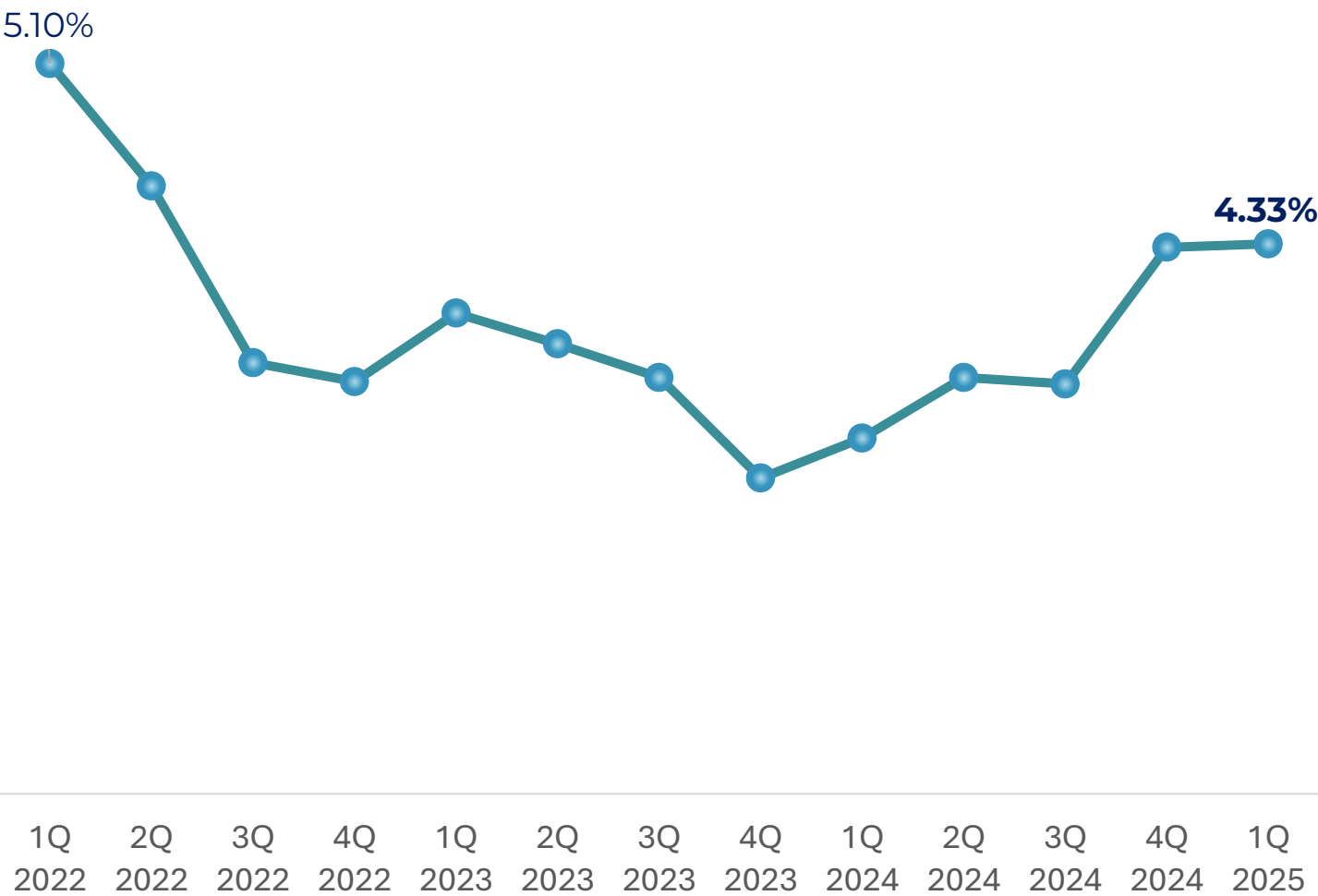
₱117B
in balances; up by
44% from last year's
level



₱2.2B
salary loans receivables
as of YTD March 2025,
soared 2x vs. same
period LY

Managed NPL levels with strategic risk controls

Gross NPL Ratio



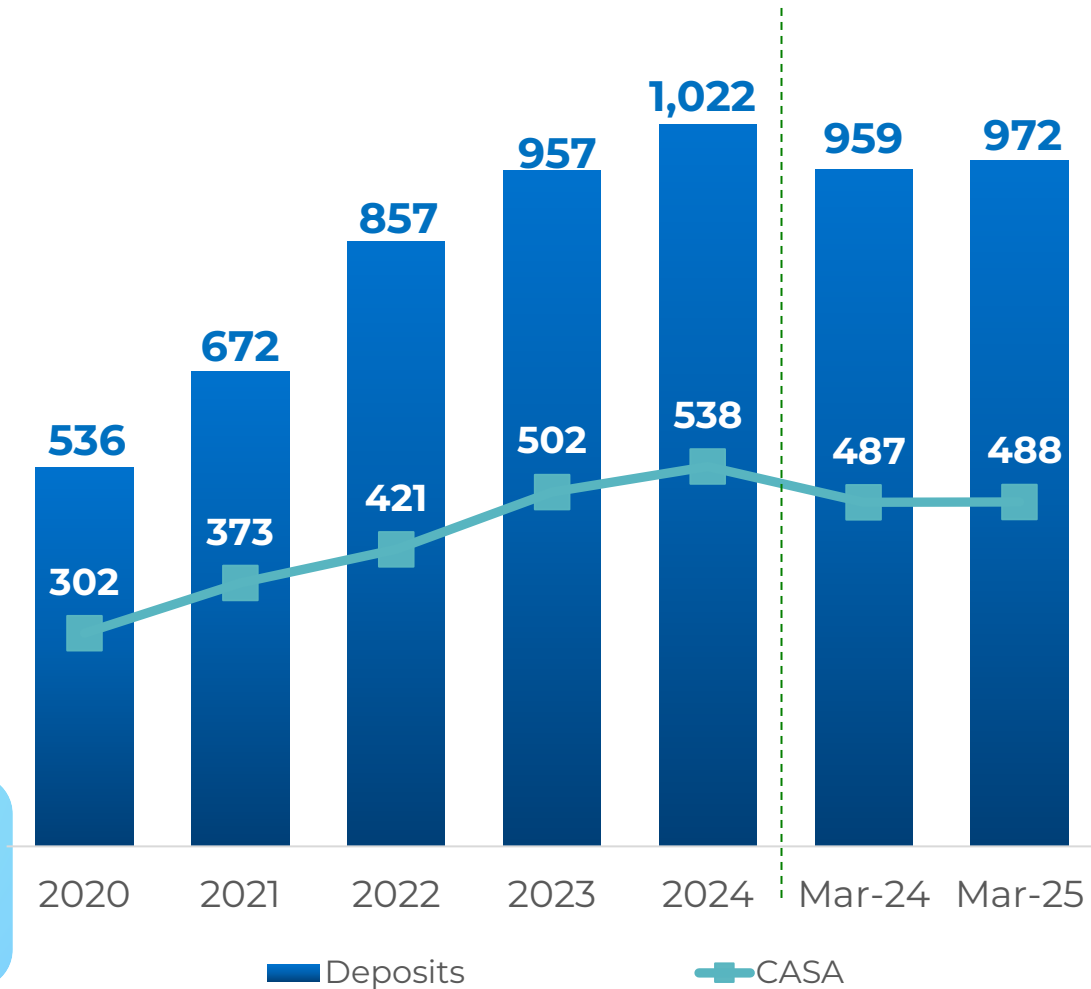
Gross NPL ratio per segment
As of March 31, 2025

Corporate	1.6%
SME	6.7%
Consumer	4.8%
Credit Card & PL/SL	4.3%

A combination of digital innovation, tightened credit, and proactive management kept loan segment NPLs well-contained.

Cash management solutions to drive deposit strategy

Historical Deposits & CASA
in Php Billions



CheckScan transaction values up by 74%, pushing transactions up to PHP 20 B



Double-digit jump in CashCube business at 32% vs previous year



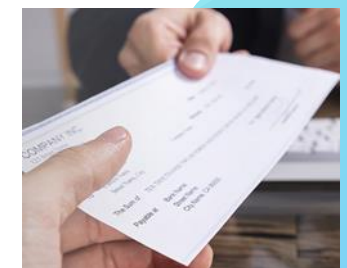
Bills collection brought PHP 15B increase in transactions value YoY



EFT and auto-credit contributed 47% of increase in values



Payroll up PHP 4B YoY, bringing total value to PHP 33B



Double digit jump in checks, up by PHP 5B

Next-level digital tools focused on intuitive UX

AI-powered digital loan enabler for smarter business strategies:

- ✓ Optimized loan approvals
- ✓ Real-time loan disbursements
- ✓ Available 24/7



All-in-One Lifestyle App

2.0B

digital loan bookings

₱60.5B

Transaction Value

6.1M

Transaction Volume



App for Lifehacks and Digital Credit

1.3M

Transaction Volume

₱42M

Transaction Value

276M

Basic Deposit Volume



ATMGo

PH's 1st neighborhood & last mile ATM network

5,855

Terminals

3,494

ATM Go merchants

₱5.4B

in Transaction Value



RCBC's Sustainability Impacts at a Glance



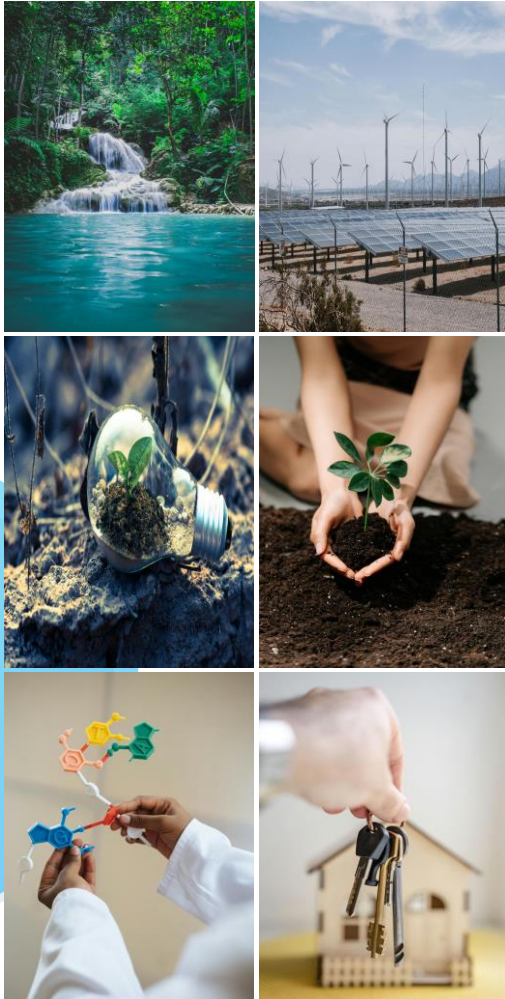
Our framework is aligned with internationally recognized guidelines



Green Loan Principles



Social Loan Principles



*Data as of end March 2025



₱127B

Total Eligible Sustainable Portfolio



23

Renewable Energy Projects Funded



4.6x

Higher Sustainable Portfolio vs. Coal Exposure



67%

Sustainability Bonds Allocated to Green Projects

MW total RE capacities of projects with availments and/or operational as of December 2024



1,794 MW

Solar Energy Projects



187 MW

Wind Energy Projects



25 MW

Hydro Energy Projects

Over 100 global and regional awards in 5 years!

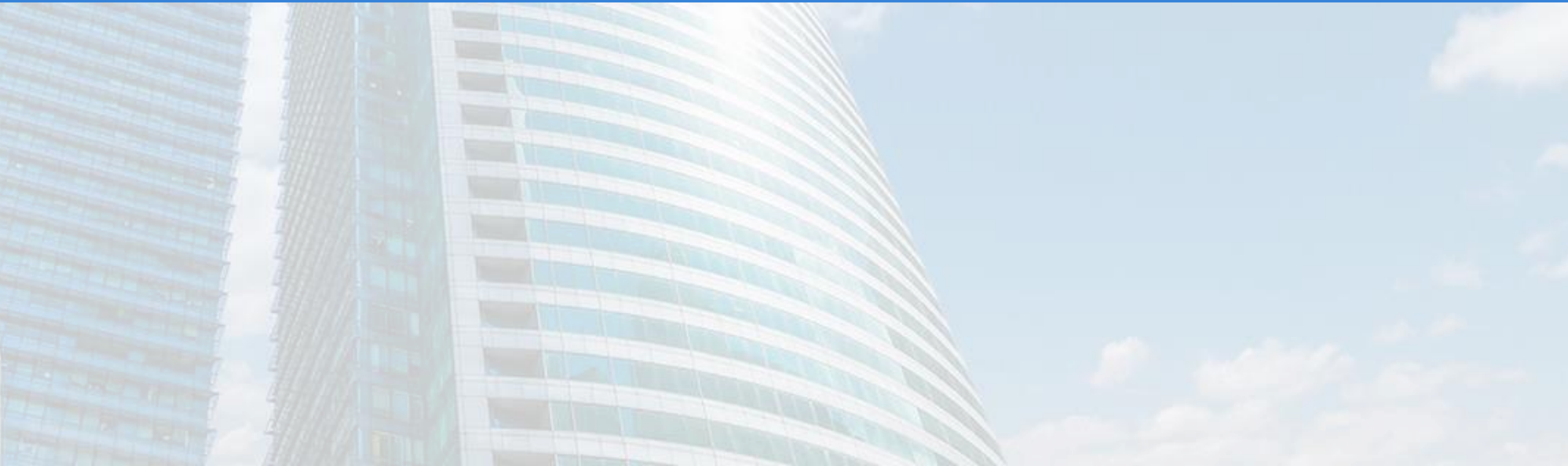


The slide features a background image of modern skyscrapers with glass facades under a clear blue sky. The title "Question & Answer" is centered in a large, bold, blue font. The bottom half of the slide is a solid blue bar.

Question & Answer



For more information about RCBC,
please contact
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Partners through
generations