



**GT CAPITAL**  
HOLDINGS, INCORPORATED

November 12, 2014

**Securities and Exchange Commission**

SEC Building, EDSA,  
Greenhills, Mandaluyong City

Attention: **Mr. Vicente Graciano P. Felizmenio, Jr.**  
Director – Markets and Securities Regulation Department

**Philippine Stock Exchange, Inc.**

Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Attention: **Ms. Janet A. Encarnacion**  
Head – Disclosure Department

**Mr. Norberto T. Moreno**  
Assistant Head – Disclosure Department

Subject: **Submission of 17Q Report as of September 30, 2014**

Gentlemen / Mesdames:

In line with the reportorial requirements of the Securities Regulation Code and the Revised Disclosure Rules, we hereby submit the attached 2014 Third Quarter Report on SEC Form 17-Q.

Very truly yours,

**Francisco H. Suarez, Jr.**  
Chief Finance Officer

# COVER SHEET

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S.E.C. Registration Number

G T C A P I T A L H O L D I N G S , I N C .

(Company's Full Name)

G T T O W E R I N T E R N A T I O N A L , A Y A L A

A V E N U E C O R N E R H . V . D E L A C O S T A

S T R E E T , M A K A T I C I T Y

(Business Address: No. Street/City/Province)

FH Suarez, Jr. / RP Manon-og

Contact Person

836-4500

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

Third Quarter Report

FORM/TYPE

Second Monday of  
May of each year

Month Day

Annual Meeting

N A

Secondary License Type, If Applicable

SEC General Accountant &

C F D

Dept. Requiring this Doc.

N A

Amended Articles Number/Section

As of 9.30.14

72

Total No. of Stockholders

Total Amount of Borrowings)

Domestic

Foreign

To be accomplished by SEC Personnel concerned.

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning

SEC Number CS200711792  
File Number \_\_\_\_\_

**GT CAPITAL HOLDINGS, INC.**

\_\_\_\_\_  
(Company's Full Name)

**43<sup>rd</sup> Floor, GT Tower International, Ayala Avenue cor H.V. De la Costa St., Makati City**

\_\_\_\_\_  
(Company's Address)

**836-4500**

\_\_\_\_\_  
(Telephone Number)

**December 31**

\_\_\_\_\_  
(Fiscal year ending)

**17-Q**

\_\_\_\_\_  
(Form Type)

\_\_\_\_\_  
(Amendment Designation, if applicable)

**September 30, 2014**

\_\_\_\_\_  
(Period Ended Date)

**None**

\_\_\_\_\_  
(Secondary License Type and File Number)

**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES  
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended: **September 30, 2014**
2. Commission identification number: **CS200711792**
3. BIR Tax Identification No.: **006-806-867**
4. Exact name of issuer as specified in its charter: **GT CAPITAL HOLDINGS, INC.**
5. Province, country or other jurisdiction of incorporation or organization: **Metro Manila, Philippines**
6. Industry Classification Code:  (SEC Use Only)
7. Address of issuer's principal office: **43/F GT Tower International, Ayala Avenue  
corner H.V. de la Costa Street, Makati City  
Postal Code: 1227**
8. Issuer's telephone number, including area code: **632 836-4500; Fax No: 632 836-4159**
9. Former name, former address and former fiscal year, if changed since last report: **Not applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Outstanding Common Stock	Amount of Debt (Unpaid Subscriptions)
<b>Common Stock -Php10.00 par value</b>	<b>174,300,000 shares</b>	<b>None</b>

11. Are any or all of the securities listed on a Stock Exchange? Yes  No

Stock Exchange: **THE PHILIPPINE STOCK EXCHANGE, INC.**  
Class of Securities: **Common Shares**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes  No

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes  No

## PART I--FINANCIAL INFORMATION

### Item 1. Financial Statements.

Please see attached the Interim Condensed Consolidated Financial Statements and General Notes to Interim Condensed Consolidated Financial Statements (Refer to Annex "A"), Financial Soundness Indicators (Refer to Annex "B") and Details of the Use of Proceeds of the Company's Bond Offering (Refer to Annex "C")

### Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

*Consolidated Results of Operations--For the Nine Months Ended September 30, 2014 and For the Nine Months Ended September 30, 2013*

(In Million Pesos, Except for Percentage)	Unaudited Nine Months Ended September		Increase (Decrease)	
	2014	2013	Amount	Percentage
<b>REVENUE</b>				
Automotive operations	79,193	52,759	26,434	50%
Net fees	14,316	12,508	1,808	14%
Real estate sales	4,457	3,699	758	20%
Interest income on real estate sales	899	515	384	75%
Equity in net income of associates and joint ventures	2,755	4,044	(1,289)	(32%)
Net premium earned	1,306	-	1,306	100%
Sale of goods and services	457	541	(84)	(16%)
Rent income	439	476	(37)	(8%)
Interest income on deposits and investments	295	315	(20)	(6%)
Commission income	142	153	(11)	(7%)
Gain from previously held interest	-	1,260	(1,260)	(100%)
Other income	663	518	145	28%
	<b>104,922</b>	<b>76,788</b>	<b>28,134</b>	<b>37%</b>
<b>COSTS AND EXPENSES</b>				
Cost of goods and services sold	50,062	32,514	17,548	54%
Cost of goods manufactured	18,283	13,932	4,351	31%
General and administrative expenses	9,633	6,412	3,221	50%
Power plant operation and maintenance expenses	7,791	6,485	1,306	20%
Cost of real estate sales	3,324	2,843	481	17%
Interest expense	2,441	2,510	(69)	(3%)
Net insurance benefits and claims	577	-	577	100%
	<b>92,111</b>	<b>64,696</b>	<b>27,415</b>	<b>42%</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>12,811</b>	<b>12,092</b>	<b>719</b>	<b>6%</b>
<b>PROVISION FOR INCOME TAX</b>	<b>2,216</b>	<b>1,474</b>	<b>742</b>	<b>50%</b>
<b>NET INCOME</b>	<b>10,595</b>	<b>10,618</b>	<b>(23)</b>	<b>0%</b>
Attributable to:				
<b>Equity holders of the Parent Company</b>	<b>6,346</b>	<b>7,688</b>	<b>(1,342)</b>	<b>(17%)</b>
Non-controlling interest	4,249	2,930	1,319	45%
	<b>10,595</b>	<b>10,618</b>	<b>(23)</b>	<b>0%</b>

GT Capital Holdings, Inc. ("GT Capital" or the "Company") reported a consolidated net income attributable to equity holders of the Parent Company amounting to Php6.3 billion for the nine months ended September 30, 2014, representing a 17% decline from the Php7.7 billion recorded in the same period last year. Consolidated revenues, however, increased by 37% from Php76.8 billion in the first nine months of 2013 to Php104.9 billion in the first nine months of 2014.

The revenue growth came from the following component companies: (1) automotive operations from Toyota Motor Philippines Corporation ("TMP") and Toyota Cubao, Inc. ("TCI") as combined sales increased from Php52.8 billion to Php79.2 billion accounting for 75% of total revenue; (2) net fees from Global Business Power Corporation ("GBPC") which increased from Php12.5 billion to Php14.3 billion accounting for 14% of total revenue; (3) higher real estate sales and interest income on real estate sales from Federal Land, Inc. ("Fed Land") which grew from Php4.2 billion to Php5.4 billion; and (4) net premium earned from Charter Ping An Insurance Corporation (CPAIC) which reached Php1.3 billion.

Core net income attributable to equity holders of the Parent Company decreased by 1% from Php6.4 billion to Php6.3 billion after excluding the Php1.3 billion non-recurring income realized from the remeasurement of GT Capital's 36% previously-held interest in TMP following GT Capital's acquisition of control over TMP in 2013.

Fed Land, GBPC, TMP, CPAIC and TCI are consolidated in the financial statements of the Company. The other component companies Metropolitan Bank and Trust Company ("Metrobank" or "MBTC"), Philippine AXA Life Insurance Corporation ("AXA Philippines"), Toyota Manila Bay Corporation ("TMBC"), and Toyota Financial Services Philippines Corporation ("TFSPC") are accounted for through equity accounting.

Of the nine (9) component companies, CPAIC, Metrobank, AXA Philippines and TFSPC reported declines in its respective net income for the period in review. On the other hand, Fed Land, TMP, TCI and TMBC posted double digit growths in their respective net income, while GBPC reported a single digit growth in net income for the period in review.

Automotive operations grew by 50% or Php26.4 billion from Php52.8 billion to Php79.2 billion due to the continued strong demand for the all new Vios, new models mix – Corolla Altis, Wigo, and Yaris and minor improvements in the Innova and Hi-Lux, sales volume increments across all other models, aggressive sales and promotions, and continued expansion in dealer outlets from 42 to 44.

Net fees increased by 14% from Php12.5 billion to Php14.3 billion primarily due to interim power purchase contracts with bilateral customers and additional Wholesale Electricity and Spot Market (WESM) compensation collected.

Real estate sales and interest income on real estate sales rose by 27% year-on-year from Php4.2 billion to Php5.4 billion driven by sales contributions from ongoing high-end and middle market development projects situated in Pasay City, Quezon City, Escolta, Manila, Cebu, Bonifacio Global City, and Marikina City.

Equity in net income of associates and joint ventures was 32% lower from Php4.0 billion to Php2.8 billion as the net income from Metrobank and AXA Philippines declined for the period. The decrease in Metrobank's net income was chiefly due to a decrease in trading, security and foreign exchange gains; (2) exclusion of one-time gains from the sale of acquired properties to Fed Land in January 2014; (3) sale of First Metro Investment Corporation's direct equity stakes in CPAIC, TMBC, and TCI; and (5) sale of Metrobank's and PSBank's direct equity stakes in TFSPC as the aforementioned sale(s) constituted intercompany sale(s) within the GT Capital Group which is eliminated in the consolidation. AXA Philippines' net income also declined from Php1.0 billion in 2013 to Php845 million in 2014 primarily due to a decrease in premium revenue, reduction in the investment income from non-linked investments, higher corporate support expenses, and higher business and income taxes.

Net premium earned from CPAIC comprising gross earned premiums on non-life insurance contracts, net of reinsurer's share, contributed Php1.3 billion in revenues.

Sale of goods and services, consisting of the sale of petroleum products on a wholesale and retail basis, at the Blue Wave malls situated in Pasay City and Marikina City decreased by 16% from Php541 million to Php457 million due to lower fuel sales arising from fuel price increases and rollbacks implemented during the period in review.

Rent income mainly from the GT Tower International office building, the Blue Wave malls, Blue Bay Walk and other Fed Land projects reached Php439 million.

Interest income on deposits and investments declined by 6% from Php315 million to Php295 million largely due to a decline in placement rates earned in money market placements.

Commission income realized from the sale of the Grand Hyatt and Grand Midori residential condominium units declined by 7% from Php153 million to Php142 million as the Grand Midori residential project was fully sold.

Other income grew by 28% from Php518 million to Php663 million with Fed Land contributing Php410 million comprising forfeitures, management fees and other income and TMP contributing Php160 million consisting of gain on sale of fixed assets, dividend income and other income. The remaining balance of Php91 million came from GBPC (Php59 million), CPAIC (Php31 million) and TCI (Php1 million).

Consolidated costs and expenses increased by 42% from Php64.7 billion as of the first nine months of 2013 to Php92.1 billion in the first nine months of 2014. TMP contributed Php70.1 billion comprising cost of goods sold for manufacturing and trading activities and general and administrative expenses. GBPC contributed Php11.8 billion comprising power plant operations and maintenance, general and administrative expenses and interest expenses. Fed Land contributed Php5.6 billion consisting of cost of real estate sales, cost of goods sold, general and administrative expenses and interest expenses. TCI contributed Php2.6 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. CPAIC accounted for Php1.4 billion, which consisted of general and administrative expenses and net insurance benefits and claims. GT Capital Parent Company accounted for Php688 million representing interest expenses and general and administrative expenses.

Cost of goods and services sold increased by 54% from Php32.5 billion to Php50.1 billion with TMP's and TCI's completely built-up units and spare parts accounting for Php49.6 billion and the balance from Fed Land's petroleum service station business.

Cost of goods manufactured comprising cost of materials, labor and overhead incurred in the assembly of vehicles from TMP grew by 31% from Php13.9 billion in the first nine months of 2013 to Php18.3 billion in the first nine months of 2014.

General and administrative expenses rose by 50% from Php6.4 billion to Php9.6 billion. TMP accounted for Php4.6 billion comprising advertising and sales promotion expenses, salaries, taxes and licenses and delivery and handling. GBPC contributed Php2.5 billion representing salaries, taxes and licenses, repairs and maintenance, administration and management expenses, outside services and insurance expenses. Fed Land contributed Php1.4 billion comprising salaries, commissions, depreciation and taxes and licenses. CPAIC accounted for Php781 million consisting of commissions and salaries. GT Capital contributed Php170 million principally salaries, taxes and licenses, and donations. The remaining balance of Php152 million pertain to TCI's salaries, advertising and promotions, commission and utilities expenses.

Power plant operations and maintenance expenses consisting of purchased power and repairs and maintenance from the power generation companies of GBPC increased by 20% from Php6.5 billion to Php7.8 billion mainly due to an increase in energy sales and purchased power expenses.

Cost of real estate sales increased by 17% from Php2.8 billion to Php3.3 billion arising from increase in real estate sales.

Net insurance benefits and claims amounted to Php577 million, representing benefits and claims paid to policyholders, including changes in the valuation of the insurance contract liabilities and internal and external claim handling costs directly related to the processing and settlement of claims.

Provision for income tax increased by 50% from Php1.5 billion to Php2.2 billion with TMP, Fed Land, CPAIC and GBPC contributing Php1.9 billion, Php281 million, Php36 million and Php26 million, respectively.

Consolidated net income attributable to equity holders of the Parent Company declined by 17% from Php7.7 billion in the first nine months of 2013 to Php6.3 billion in the first nine months of 2014.



GT Capital Consolidated Results of Operations  
Third Quarter ended September 30, 2014 versus Third Quarter ended September 30, 2013

(In millions, except for percentage)	Unaudited		Increase (Decrease)	
	July to September 2014	2013	Amount	Percentage
<b>REVENUE</b>				
Automotive operations	29,472	20,709	8,763	42%
Net fees	5,118	3,852	1,266	33%
Real estate sales	1,647	1,445	202	14%
Interest income on real estate sales	394	219	175	80%
Equity in net income of associates and joint ventures	1,000	780	220	28%
Net premium earned	420	-	420	100%
Sale of goods and services	142	202	(60)	(30%)
Rent income	129	176	(47)	(27%)
Interest income on deposits and investments	116	77	39	51%
Commission income	49	62	(13)	(21%)
Other income	263	215	48	22%
	<b>38,750</b>	<b>27,737</b>	<b>11,013</b>	<b>40%</b>
<b>COSTS AND EXPENSES</b>				
Cost of goods and services sold	18,639	12,058	6,581	55%
Cost of goods manufactured	6,402	6,434	(32)	0%
General and administrative expenses	3,733	2,276	1,457	64%
Power plant operation and maintenance	2,655	2,079	576	28%
Cost of real estate sales	1,317	1,109	208	19%
Interest expense	841	818	23	3%
Net insurance benefits and claims	227	-	227	100%
	<b>33,814</b>	<b>24,774</b>	<b>9,040</b>	<b>36%</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>4,936</b>	<b>2,963</b>	<b>1,973</b>	<b>67%</b>
<b>PROVISION FOR INCOME TAX</b>	<b>844</b>	<b>472</b>	<b>372</b>	<b>79%</b>
<b>NET INCOME</b>	<b>4,092</b>	<b>2,491</b>	<b>1,601</b>	<b>64%</b>
Attributable to:				
<b>Equity holders of the GT Capital Holdings, Inc.</b>	<b>2,381</b>	<b>1,636</b>	<b>745</b>	<b>46%</b>
Non-controlling interest	1,711	855	856	100%
	<b>4,092</b>	<b>2,491</b>	<b>1,601</b>	<b>64%</b>

Net income attributable to equity holders of the Parent Company increased by 46% from Php1.6 billion in the third quarter of 2013 to Php2.4 billion in the third quarter of 2014. The improvement in net income came from 40% growth in consolidated revenues from Php27.7 billion to Php38.8 billion.

Automotive operations increased by 42% or Php8.8 billion from Php20.7 billion to Php29.5 billion owing to the strong demand for the all new Vios, new models mix – Corolla Altis, Wigo, and Yaris, minor improvements in the Innova and Hi-Lux, sales volume increments across all other models, aggressive sales and promotions, and continued expansion in dealer outlets from 42 to 44.

Net fees rose by 33% from Php3.9 billion to Php5.1 billion due to the interim power purchase contract with bilateral customers and the additional WESM compensation collected.

Real estate sales and interest income on real estate sales rose by 23% quarter-on-quarter from Php1.7 billion to Php2.0 billion driven by booked revenue contributions from the ongoing high-end and middle-market residential condominium projects of Fed Land.

Equity in net income of associates and joint ventures increased by 28% from Php780 million to Php1.0 billion largely due to the improvement in net income of Metrobank and AXA Philippines.

CPAIC contributed Php420 million of revenues from net premium earned for the quarter.

Sales of goods and services consisting of the sale of petroleum products, on a wholesale and retail basis, dropped by 30% from Php202 million to Php142 million due to lower fuel sales arising from successive price increases and rollbacks implemented in the quarter.

Rent income decreased from Php176 million to Php129 million with the GT Tower office tower as major contributor.

Interest income on deposits and investments increased by 51% from Php77 million to Php116 million due to increase in available funds for short term placement.

Commission income earned from the selling of units in the Grand Midori project in Makati City and the Metrobank Center/Grand Hyatt project in Bonifacio Global City dropped by 21% from Php62 million to Php49 million as the Grand Midori project has been fully sold.

Other income increased by 22% from Php215 million to Php263 million with Fed Land contributing Php169 million comprising real estate forfeitures, management fees and other income and TMP contributing Php50 million consisting of gain on sale of fixed assets and dividend income. The remaining balance of Php44 million came from GBPC (Php38 million); and CPAIC (Php6 million).

Consolidated costs and expenses grew by 36% from Php24.8 billion to Php33.8 billion. TMP contributed Php25.6 billion comprising cost of goods sold for manufacturing and trading activities and general and administrative expenses. GBPC accounted for Php4.0 billion comprising power plant operations and maintenance, general and administrative expenses and interest expense. Fed Land contributed Php2.1 billion from cost of real estate sales, cost of goods and services, general and administrative expenses and interest expense. TCI contributed Php1.4 billion composed of cost of goods and services sold, general and administrative expenses and interest expenses. CPAIC contributed Php489 million while the remaining balance of Php258 million came from GT Capital.

Cost of goods and services sold grew by 55% from Php12.1 billion to Php18.6 billion with TMP's and TCI's completely built-up units and spare parts accounting for Php17.2 billion and Php1.3 billion, respectively and the balance of Php132 million from Fed Land's petroleum service station business.

General and administrative expenses grew by 64% from Php2.3 billion to Php3.7 billion with TMP, GBPC, Fed Land, CPAIC, TCI and GT Capital contributing Php2.0 billion, Php0.8 billion, Php0.5 billion, Php261 million, Php77 million and Php27 million, respectively.

Power plant operation and maintenance expenses from GBPC increased by 28% from Php2.1 billion to Php2.7 billion principally due to the increase in net fees.

Cost of real estate sales increased by 19% from Php1.1 billion to Php1.3 billion due to the increase in booked real estate sales.

Net insurance benefits and claims amounted to Php227 million for the quarter.

Provision for income tax reached Php844 million subdivided among TMP (Php695 million); Fed Land (Php99 million); GBPC (Php45 million); TCI (Php5 million), GT Capital (Php3 million) and CPAIC (negative Php3 million).

Net income attributable to equity holders of the Parent Company increased by 46% from Php1.6 billion to Php2.4 billion.

**Consolidated Statements of Financial Position**

(In Million Pesos, Except for Percentage)

	Unaudited	Audited	Increase (Decrease)	
	September 2014	December 2013	Amount	Percentage
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	29,115	27,167	1,948	7%
Short-term investments	1,297	1,467	(170)	(12%)
Receivables	15,198	12,855	2,343	18%
Reinsurance assets	5,379	4,966	413	8%
Inventories	25,895	20,813	5,082	24%
Due from related parties	194	445	(251)	(56%)
Prepayments and other current assets	5,470	5,969	(499)	(8%)
<b>Total Current Assets</b>	<b>82,548</b>	<b>73,682</b>	<b>8,866</b>	<b>12%</b>
<b>Noncurrent Assets</b>				
Receivables	8,220	4,929	3,291	67%
Available-for-sale investments	4,074	3,111	963	31%
Investments in associates and joint ventures	44,881	40,559	4,322	11%
Investment properties	8,435	8,329	106	1%
Property and equipment	43,138	41,163	1,975	5%
Goodwill and intangible assets	18,073	18,275	(202)	(1%)
Deferred tax assets	1,277	1,109	168	15%
Other noncurrent assets	8,469	1,203	7,266	604%
<b>Total Noncurrent Assets</b>	<b>136,567</b>	<b>118,678</b>	<b>17,889</b>	<b>15%</b>
	<b>219,115</b>	<b>192,360</b>	<b>26,755</b>	<b>14%</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Accounts and other payables	23,324	19,129	4,195	22%
Insurance contract liabilities	7,257	6,684	573	9%
Short-term debt	2,197	1,744	453	26%
Current portion of long-term debt	2,943	3,364	(421)	(13%)
Current portion of liabilities on purchased properties	815	783	32	4%
Customers' deposits	1,510	1,844	(334)	(18%)
Income tax payable	637	876	(239)	(27%)
Due to related parties	182	188	(6)	(3%)
Dividends payable	-	1,966	(1,966)	(100%)
Other current liabilities	2,968	2,615	353	13%
<b>Total Current Liabilities</b>	<b>41,833</b>	<b>39,193</b>	<b>2,640</b>	<b>7%</b>
<b>Noncurrent Liabilities</b>				
Long-term debt – net of current portion	42,409	40,584	1,825	4%
Bonds payable	21,770	9,883	11,887	120%
Liabilities on purchased properties – net of current portion	3,035	3,537	(502)	(14%)
Pension liability	1,882	1,704	178	10%
Deferred tax liabilities	3,290	3,252	38	1%
Other noncurrent liabilities	1,507	1,643	(136)	(8%)
<b>Total Noncurrent Liabilities</b>	<b>73,893</b>	<b>60,603</b>	<b>13,290</b>	<b>22%</b>
	<b>115,726</b>	<b>99,796</b>	<b>15,930</b>	<b>16%</b>

(Forward)

	Unaudited	Audited	Increase (Decrease)	
	September 2014	December 2013	Amount	Percentage
<b>Equity</b>				
Equity attributable to equity holders of the Parent Company				
Capital stock	1,743	1,743	-	0%
Additional paid-in capital	46,695	46,695	-	0%
Treasury shares	(6)	(6)	-	0%
Retained earnings				
Unappropriated	24,625	21,802	2,823	13%
Appropriated	3,000	-	3,000	100%
Other equity adjustments	583	729	(146)	(20%)
Other comprehensive income	(87)	(437)	350	80%
	<b>76,553</b>	<b>70,526</b>	<b>6,027</b>	<b>9%</b>
Non-controlling interest	<b>26,836</b>	<b>22,038</b>	<b>4,798</b>	<b>22%</b>
<b>Total equity</b>	<b>103,389</b>	<b>92,564</b>	<b>10,825</b>	<b>12%</b>
	<b>219,115</b>	<b>192,360</b>	<b>26,755</b>	<b>14%</b>

The major changes in the balance sheet items of the Company from December 31, 2013 to September 30, 2014 are as follows:

Total assets of the Group increased by 14% or Php26.8 billion from Php192.4 billion as of December 31, 2013 to Php219.1 billion as of September 30, 2014. Total liabilities increased by 16% or Php15.9 billion from Php99.8 billion to Php115.7 billion while total equity grew by 12% or Php10.8 billion from Php92.6 billion to Php103.4 billion.

Cash and cash equivalents increased by 7% or Php1.9 billion to Php29.1 billion with GBPC, TMP, Fed Land, GT Capital, CPAIC and TCI accounting for Php14.7 billion, Php10.5 billion, Php2.7 billion, Php766 million, Php403 million and Php43 million, respectively.

Short-term investments decreased by 12% or Php170 million from Php1.5 billion to Php1.3 billion from TMP.

Receivables increased by 18% to Php15.2 billion with TMP contributing Php4.8 billion consisting of trade receivables with credit terms ranging from one (1) to thirty (30) days; GBPC contributing Php3.9 billion representing outstanding billings for energy fees and passed-through fuel costs arising from the delivery of power; Fed Land contributing Php3.3 billion, a majority of which were installment contract receivables, trade receivables and other receivables; CPAIC accounted for Php2.5 billion primarily insurance receivables; and TCI accounting for Php639 million representing trade receivables from the sale of automobiles and after-sales services.

Reinsurance assets representing balances due from reinsurance companies as a result of ceding CPAIC's insurance risk in the normal course of business reached Php5.4 billion.

Inventories increased by 24% or Php5.1 billion to Php25.9 billion with Fed Land comprising condominium units for sale and land for development and TMP mostly finished goods accounting for Php18.5 billion and Php6.2 billion, respectively. The balance of Php1.2 billion came from GBPC representing coal and spare parts and supplies (Php955 million) and TCI representing automobiles and spare parts (Php300 million).

Due from related parties decreased by 56% or Php251 million to Php194 million due to collections received from the various subsidiaries of Fed Land.

Prepayments and other current assets declined by 8% or Php499 million to Php5.5 billion primarily due to the application of creditable withholdings taxes against income tax due and the application of input tax against output tax.

Noncurrent receivables from Fed Land unit buyers who opted for long term payment arrangements (Php7.5 billion) and from various electric cooperatives of GBPC (Php757 million) rose by 67% or Php3.3 billion to Php8.2 billion.

Available-for-sale investments mainly from GBPC (Php2.1 billion), CPAIC (Php1.5 billion) and TMP (Php128 million) increased by 31% to Php4.1 billion from Php3.1 billion.

Investments in associates and joint ventures increased by 11% or Php4.3 billion to Php44.9 billion due to acquisition of 40% of TFSPC and equity call amounting to Php2.2 billion, acquisition of additional 19.25% of TMBC for a total purchase price of Php0.2 billion, share in net income and other comprehensive income of associates and joint ventures for the first nine months of 2014 amounting to Php2.6 billion and reduction from cost of investment representing the dividends received from associates and joint ventures amounting to Php0.7 billion.

Property and equipment grew by 5% or Php2.0 billion to Php43.1 billion mainly due to the GBPC's construction work-in-progress for the Toledo Plant Expansion TPC1A.

Deferred tax assets mostly from TMP comprising deferred tax assets on accrued retirement benefits, provision for claims and assessments and warranty payable (Php861 million) and GBPC representing deferred tax assets on provision for retirement benefits and unrealized foreign exchange losses (Php340 million) reached Php1.3 billion.

Other noncurrent assets grew by Php7.3 billion to Php8.5 billion principally due to Fed Land's deposit for purchase of properties amounting to Php6.3 billion and advances to contractors and suppliers relating to the engineering, procurement and construction contract for the Panay Energy Development Corporation (PEDC) Unit 3 Plant Expansion Project amounting to Php1.0 billion.

Accounts and other payables increased by 22% from Php19.1 billion to Php23.3 billion with TMP, Fed Land, GBPC, CPAIC, TCI and GT Capital accounting for Php14.0 billion, Php3.9 billion, Php3.6 billion, Php1.3 billion, Php360 million and Php148 million, respectively.

Insurance contract liabilities representing provisions for claims reported and loss adjustments incurred but not yet reported, and unearned premiums reached Php7.3 billion.

Short-term debt increased by Php0.5 billion from Php1.7 billion to Php2.2 billion due to inclusion of TCI short term loans (P632M), additional loan availments of TMP subsidiaries for working capital requirements (P410M) and additional loan availments of Fed Land subsidiaries (P280M) offset by loan payments made by GT Capital and GBPC amounting to Php800 million and Php69 million respectively.

Current portion of long-term debt decreased by 13% or Php0.4 billion due to loan principal payments made by GBPC.

Customers' deposits decreased by 18% or Php334 million to Php1.5 billion due to a reclassification to installment contracts receivable.

Income tax payable declined by 27% to Php637 million due to income tax payments paid in April by GT Capital's subsidiaries.

Dividends payable declined by Php2.0 billion due to full payment of cash dividends by GBPC in April 2014.

Other current liabilities increased by 13% or Php353 million to Php3.0 billion mainly due to recognition of deferred output from Fed Land's real estate sales.

Bonds payable increased by Php11.9 billion to Php21.8 billion due to issuance of bonds by GT Capital in August 2014 amounting to Php12.0 billion, net of Php123 million financing expenses.

Liabilities on purchased properties, net of current portion, declined by 14% to Php3.0 billion due to a reclassification from non-current to current portion triggered by principal amortization.

Pension liability amounted to Php1.9 billion, of which TMP, GBPC, CPAIC, Fed Land, TCI, and GT Capital accounted for Php1.1 billion, Php489 million, Php102 million, Php101 million, Php95 million and Php0.1 million, respectively.

Other noncurrent liabilities decreased by 8% or Php136 million to Php1.5 billion mainly due to the reversal of provisions relating to TMP's Corporate Social Responsibility activities.

Unappropriated retained earnings increased by 13% or Php2.8 billion from Php21.8 billion to Php24.6 billion due to the Php6.3 billion net income earned for the period less the (1) Php0.5 billion dividends declared and paid during the period and (1) Php3.0 billion appropriation of retained earnings.

Appropriated retained earnings reached Php3.0 billion earmarked for the equity call for GBPC to partially finance the PEDC Unit 3 Plant Expansion Project.

Other equity adjustments decreased by 20% from Php729 million to Php583 million as a result of the following transactions: (1) GT Capital's acquisition of an additional 33.33% direct equity stake in CPAIC (negative Php375.67 million); (2) the sale by GT Capital of a 40% equity stake of TCI to Mitsui (Php193.95 million); (3) acquisition of an additional 0.26% of TCI by GT Capital (negative Php0.42 million); (4) change in direct ownership in GBPC after FMIC waiver and GT Capital's partial waiver of pre-emptive rights on the subscription (Php60.52 million); and (5) change in direct ownership over TCI after subscription (negative Php24.80 million). Acquisitions or sales of non-controlling interest are changes in ownership in a subsidiary without loss of control which are treated as equity transactions. The difference between the consideration for the purchase or sale and the value of the non-controlling interest acquired or sold is recognized as negative or positive other equity adjustments.

Other comprehensive income increased by 80% or Php350 million to (negative Php87 million) due to mark-to-market gains recognized on AFS investments of subsidiaries and associates.

Equity before non-controlling interests grew by 9% or Php6.0 billion to Php76.6 billion coming from the Php6.3 billion net income realized for the period less Php523 million cash dividends declared and paid, Php350 million increase in other comprehensive income and partially offset by the decrease in other equity adjustments (Php146 million).

Non-controlling interests increased by Php4.8 billion to Php26.8 billion representing the net effect of: (1) Php4.2 billion net income attributable to non-controlling interest for the period; (2) Php2.2 billion increase in non-controlling interest in GBPC arising from the equity call contribution to the PEDC Unit 3 Plant Expansion Project; (3) Php532 million increase in non-controlling interest in Panay Power Holdings Corporation arising from the equity call contribution to the PEDC Unit 3 Plant Expansion Project; (4) Php378 million other comprehensive income attributable to non-controlling interest; (5) Php105 million additional non-controlling interest relating to the sale of 40% of TCI to Mitsui; (6) Php2.3 billion representing reversal of non-controlling interest relating to the cash dividends declared by TMP; and (7) Php336 million representing reversal of non-controlling interest arising from GT Capital's acquisition of the remaining 33.33% of CPAIC.

*GT Capital Holdings Inc. and Subsidiaries*  
*Key Performance Indicators (In Million Pesos, except %)*

<b>Consolidated Statements of Income</b>	<b>September 30, 2014</b>	<b>September 30, 2013</b>
Total Revenues	104,922	76,788
Net Income attributable to Equity Holders of the Parent Company	6,346	7,688
<b>Consolidated Statements of Financial Position</b>	<b>September 30, 2014</b>	<b>December 31, 2013</b>
Total Assets	219,115	192,360
Total Liabilities	115,726	99,796
Equity attributable to Equity Holders of the Parent Company	76,553	70,526
Return on Equity (%) *	11.5%	13.9%

- Annualized net income attributable to GT Capital Holdings divided by the average equity; where average equity is the sum of equity attributable to GT Capital Holdings at the beginning and end of the period/year divided by 2.

*Component Companies Financial Performance*

**Metrobank**

Metrobank recorded a consolidated net income attributable to equity holders of Php13.1 billion in the first nine months of 2014 from Php20.7 billion realized in the same period of the previous year wherein the Bank registered non-recurring trading, securities and foreign exchange gains and gain on sale of non-core assets. For the third quarter, however, net income grew by 57% from Php2.5 billion in 2013 to Php4 billion in 2014.

Net interest income grew by 23% from Php27.6 billion in the first nine months of 2013 to Php34 billion in the first nine months of 2014 chiefly due to the 21% growth in loans and receivables reaching Php697.3 billion for the period driven by strong loan demand from middle market and SME clients. Non-interest income, on the other hand, amounted to Php19 billion. Major components of non-interest income are services charges, fees and commissions, (Php1.5 billion); trading securities and foreign exchange gains, (Php1.5 billion); and miscellaneous income, (Php10.9 billion).

Miscellaneous income included gains realized from a property sale and continued disposal of non-core assets.

Total resources reached Php1.5 trillion representing a 20.3% increase from Php1.25 trillion as of September 30, 2013. The improvement in resources came from the 23% expansion in total deposits from Php896.9 billion to Php1.1 trillion.

**Federal Land**

Fed Land total revenue rose by 16.2% from Php6 billion in the first nine months of 2013 to Php7 billion in the first nine months of 2014. The revenue improvement came from real estate sales, interest income on real estate sales, and equity in net earnings of an associate and a joint venture. Real estate sales including interest income on real estate sales grew by 27.1% from Php4.2 billion to Php5.4 billion mainly from ongoing high-end-and-middle-market development projects situated in Pasay City, Bonifacio Global City, Quezon City, Escolta, Manila, Paco, Manila, Cebu, and Marikina City. Equity in net earnings from an associate and a joint venture, likewise, grew by 5% from Php283.9 million to Php298.1 million mainly earnings from the Grand Hyatt project situated in Bonifacio Global City. As a result of the strong revenue growth, net income attributable to equity holders grew by 26.5% from Php847.7 million in 2013 to Php1.1 billion in 2014.

## Global Business Power

GBPC's net fees, comprising energy fees for electricity supplied by its operating companies to its customers, net of adjustments, increased by 14.5% from Php12.5 billion in the first nine months of 2013 to Php14.3 billion in the first nine months of 2014 owing to the increase in net fees from Panay Power Corporation (PPC), Toledo Power Corporation (TPC), Panay Energy Development Corporation (PEDC) and Cebu Energy Development Corporation (CEDC). For PPC and TPC, the increase in net fees came from the interim power purchase contracts with bilateral customers amounting to Php654.8million and additional Wholesale Electricity Spot Market compensation collected amounting to Php87.7 million.

Power plant operations and maintenance expenses, however, increased by 20.5% from Php7.2 billion to Php8.6 billion arising from an increase in purchased power. As a result, net income attributable to equity holders increased by 8.1% from Php1.5 billion in the first nine months of 2013 to Php1.7 billion in the first nine months of 2014.

TPC recently inaugurated an 82 megawatt expansion project in Toledo, Cebu. About 55 megawatts of electricity will be supplied to Carmen Copper Corporation effective December 26, 2014 and 17 megawatts will supply the requirements of Cebu III Electric Cooperative beginning February 26, 2015.

## Toyota Motor Philippines

TMP's consolidated sales, including the three (3) auto dealer outlets - Lexus Manila, Toyota Makati and Toyota San Fernando, Pampanga, registered 32.8% growth from Php58.1 billion in the first nine months of 2013 to Php77.2 billion in the first nine months of 2014 as sales from completely built-up units and completely knocked-down parts grew by 63% and 24%, respectively, driven by the continued strong demand for the all new Vios, new models mix – Corolla Altis (January), Wigo (February), and Yaris (March) and minor improvements in the Innova (February) and Hi Lux (March), sales volume increments across all other models, aggressive sales and promotions and continued expansion in dealer outlets from 42 to 44.

The sales improvement and favorable movements in the foreign exchange rate resulted in an improvement in gross and operating profit margins from 12.9% to 14.5% and 7.6% to 8.6%, respectively. As a result, net income attributable to equity holders of the Parent Company rose by 52% from Php3.2 billion to Php4.9 billion.

## AXA Philippines

AXA Philippines total sales, expressed in Annual Premium Equivalent, comprising regular, single, and group premium products, reached Php2.8 billion or 9% higher than same period of the previous year as the 21% decline in single premium was offset by 30% and 4% growth in regular and group premium products. This, however, resulted in a 9% decline in premium income from Php13.9 billion in the first nine months of 2013 to Php12.7 billion in the first nine months of 2014 mainly due to a 20% decrease in single premium income from Php8.3 billion to Php6.7 billion as prevailing high interest rates induced investors to remain liquid.

By product, single premium accounted for 52% or Php6.7 of premium income while traditional insurance products comprised the balance. The improvement in premium margin by 25.6% from Php1.8 billion to Php2.3 billion was offset by a 49.6% decline in investment income from non-linked investments from Php844 million to Php425 million. Non-linked investments in 2013 included gains realized from bonds and stocks. As a result, net income declined by 18.7% from Php1 billion in the first nine months of 2013 to Php845 million in the first nine months of 2014.



#### Charter Ping An

CPAIC registered a 12% growth in gross premium written from Php2.6 billion in the first nine months of 2013 to Php3 billion in the first nine months of 2014 with property, motor car, and compulsory OFW comprising 78% of gross premium written.

However, CPAIC incurred higher than normal claims and losses arising from typhoons that affected the Mindanao and Luzon regions in the first and third quarters of this year, respectively thereby resulting in a 5% decline in gross underwriting contribution from Php395.7 million to Php377 million. Likewise, lower one-time gains /losses from sale of shares of stock resulted in a 34% reduction in net income from Php154.7 million in the first nine months of 2013 to Php102.1 million in the first nine months of 2014.

#### Toyota Manila Bay

TMBC consolidated sales, from Manila Bay, Dasmarinas Cavite and Jose Abad Santos, Manila branches, grew by 23% from Php6.8 billion in the first nine months of 2013 to Php8.3 billion in the first nine months of 2014 as vehicle sales grew by 23% from Php6.3 billion to Php7.7 billion chiefly from the 32% increase in vehicle sales volume from 6,277 units to 8,292 units. Sales of spare parts and maintenance services, likewise, increased from Php300 million to Php358.4 million and from Php188.6 million to Php224.6 million, respectively.

Gross profit margin for vehicle sales was maintained at 6.9%. Net income rose by 22.1% from Php80.5 million in the first nine months of 2013 to Php98.4 million in the first nine months of 2014.

#### Toyota Cubao, Inc.

TCI consolidated sales, from Cubao and Marikina branches grew by 20% from Php3.1 billion to Php3.7 billion. Of total sales, vehicle sales comprised 93% while spare parts and maintenance services accounted for 4% and 3%, respectively. Retail sales grew by 30% from 3,196 units to 4,169 units with commercial and passenger car vehicles accounting for 51% and 49%, respectively.

Gross profit margin reached 7.2%, as improvements in gross profit margin for spare parts and maintenance services from 21.6% to 22.3% and 59.2% to 60.1% was offset by a decrease in gross profit margins for vehicle sales from 5.1% to 4.6% due to intensified competition from other Toyota dealers.

Net income grew by 35% from Php17.7 million in the first nine months of 2013 to Php23.9 million in the first nine months of 2014 as interest expenses declined from Php27 million to Php11.8 million due to a decrease in lending rates.

#### Toyota Financial Services

GT Capital acquired in August 29, 2014 40% of TFSPC from Metrobank and PSBank. The acquisition of TFSPC is part of the Company's strategy to invest in market leading businesses that bring synergy to its current component companies.

TFSPC recorded a 31.3% growth in interest income mainly from loans and receivables from Php1.3 billion in the first nine months of 2013 to Php1.8 billion in the first nine months of 2014 due to increase in average finance lease bookings from 1,245 units per month in 2013 to 1,879 bookings per month in 2014. Net income, on the other hand, decreased by 8.4% from Php332.9 million to Php304.9 million due to increase in operating expenses mainly provision for losses, taxes and licenses and sales and marketing.

*Material Events or Uncertainties*

Except for Part II – Other Information, the Company does not know of:

- (i) Any known trends or any known demands, commitments, events, uncertainties that will result or that are reasonably likely in the Company's liquidity increasing or decreasing in any material way, except for the following;
- (ii) Any events that would trigger direct or contingent financial obligation (including contingent obligation) that is material to the Company, including any default or acceleration of an obligation;
- (iii) Any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons created during the reporting period, except as disclosed in Annex A under Note 9 – Commitments and Contingent Liabilities of the General Notes to the Interim Condensed Consolidated Financial Statements;
- (iv) Any material commitments for capital expenditures, their purpose, and sources of funds for such expenditures.

**PART II - OTHER INFORMATION**

On October 23, 2014, the Board of Directors (BOD) of the Company approved the following:

- 1. The amendment of Article seven (7) of the Company's Articles of Incorporation.
- 2. The fixing of the date of the Special Stockholders' Meeting of GT Capital Holdings, Inc. on January 9, 2015 and the Record date for the Special Stockholders Meeting has been set on November 10, 2014.
- 3. The appointment of Mr. Peter V. Favila as adviser to the Board of Directors of GT Capital Holdings, Inc.

**GT CAPITAL HOLDINGS, INC.  
AGING OF RECEIVABLES  
IN MILLION PESOS  
AS OF SEPTEMBER 30, 2014**

Number of Days	Amount
Less than 30 days	Php 3,561
30 days to 60 days	588
61 days to 90 days	458
91 days to 120 days	389
Over 120 days	1,938
Current (not yet due)	8,543
Noncurrent installment contract receivable	7,545
Total	Php 23,022

**GT CAPITAL HOLDINGS, INC.  
LIST OF STOCKHOLDERS AND PERCENTAGE OF HOLDINGS  
AS OF SEPTEMBER 30, 2014**

The following stockholders own more than 5% of the total issued and outstanding shares of the Company as of September 30, 2014:

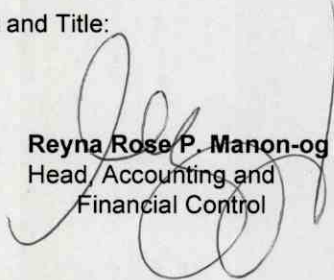
Name Of Stockholder	Total Number Of Shares Held	Percent To Total Number Of Shares Issued
Grand Titan Capital Holdings, Inc.	103,371,110	59.306%
PCD Nominee (Non-Filipino)	59,145,820	33.933%
PCD Nominee (Filipino)	11,175,279	6.412%
Others	607,791	0.349%
<b>Total</b>	<b>174,300,000</b>	<b>100.000%</b>


**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: **GT Capital Holdings, Inc.**

Signature and Title:

  
**Reyna Rose P. Manon-og**  
 Head, Accounting and  
 Financial Control

  
**Francisco H. Suarez, Jr.**  
 Chief Finance Officer

Date: November 12, 2014