

October 2020

# Investor Presentation

First Half 2020 Financial and Operating Results

**GT CAPITAL**  
HOLDINGS INCORPORATED

*Partners for  
Good*

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# Table of Contents



GT Capital Corporate Profile	<b>5</b>
History of Strategic Partnerships	<b>6</b>
Strategic Direction	<b>9</b>
GT Capital Component Companies	<b>11</b>
Current Corporate/Ownership Structure	<b>12</b>
Our Macroeconomic View	<b>13</b>
Group Consolidated Financial Highlights	<b>16</b>
Net Income Contribution	<b>18</b>
Metropolitan Bank and Trust Company (MBT)	<b>19</b>
Toyota Motor Philippines Corp. (TMP)	<b>28</b>
Federal Land, Inc. (Federal Land)	<b>46</b>
Cavite 702 Hectares Share Redemption and Financial Highlights	<b>51</b>
Map of Lancaster New City (LNC) & MPIC Projects	<b>53</b>
AXA Philippines (AXA)	<b>57</b>
Metro Pacific Investments Corp. (MPIC)	<b>59</b>
Covid-Related Assistance and Programs by Metrobank Foundation (MBFI)	<b>61</b>
Key Messages	<b>65</b>

- We trace our history to **Metropolitan Bank and Trust Company (Metrobank)**, founded by **Dr. George S.K. Ty** in 1963
- **Universal banking** days: Key non-banking businesses of the Ty family were initially folded into Metrobank
- **Basel III** regulations: GT Capital was formed to assume Metrobank's non-banking businesses and to function as the Ty family's official holding company.



# Corporate Profile

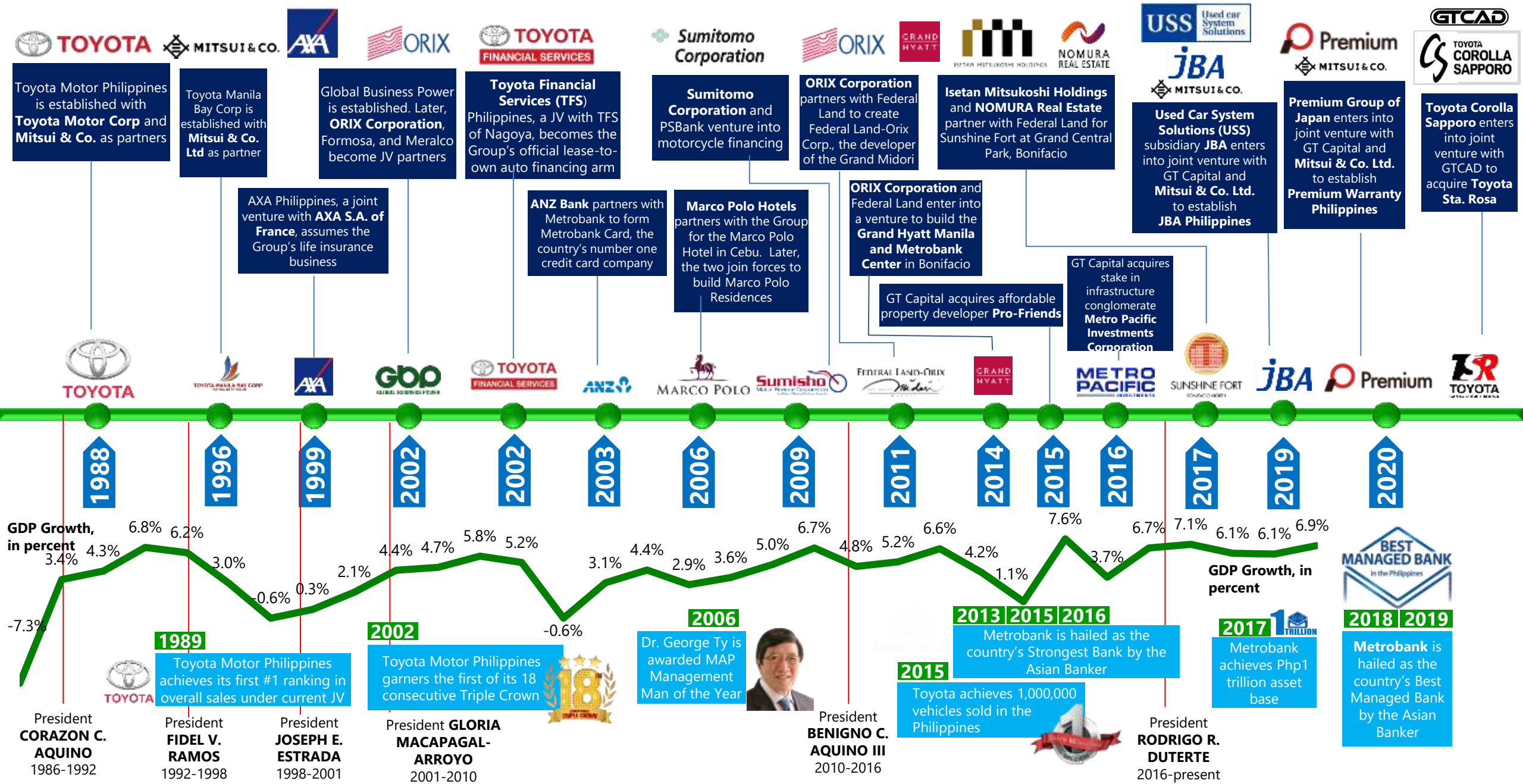
GT Capital directly owns market-dominant businesses in underpenetrated sectors of the Philippine economy, namely banking; automotive assembly, importation, dealership, and financing; infrastructure; property development; and life and general insurance.

<b>Banking</b>	 <b>Metrobank</b> You're in good hands	<b>52%</b> effective
<b>Automotive</b> Assembly, Importation, Dealership, and Financing	 <b>TOYOTA</b>	<b>51%</b>
<b>Property Development</b>	 <b>FEDERAL LAND</b> GT Capital Holdings	<b>100%</b>
<b>Life and General Insurance</b>		<b>53%</b> effective
<b>Infrastructure and Utilities</b>		<b>16%</b>

- Listed on the PSE since April 2012
- Included in PSEi 16 September 2013
- Included in FTSE All World Index 21 March 2014
- Included in MSCI Philippine Index 29 May 2015
- All-Time High Market Capitalization (10 August 2016): Php282 billion

## Strategic Partnerships with Best-of-Class Brands





# Strong Group-wide Footprint



**₱2.3 Tn** Trillion total resources  
**4.0 Mn** individual depositors  
**over 10,000** institutional and SME clients  
**960** branches nationwide  
**52** remittance centers  
**20,000** employees Group-wide



**60,000** vehicles built annually at the TMP eco-zone  
**1.8 Mn** Toyota units sold in PH from 1987-2020  
**71** dealerships nationwide  
**80%** Pay via financing  
**3,695** regular employees



**28** ongoing projects  
**110** hectares of prime land bank  
**11,000** registered homeowners  
**90%** Pay via loan financing  
**48** years of experience  
**495** full-time employees



**₱123Bn** Billion AUM  
**1.4 Mn** lives insured (incl. group life)  
**1.3M** individual client accounts  
**790** institutions insured  
**40** standalone branches  
**7,000** exclusive agents  
**2,430** full-time employees



**750k** daily vehicle entries on toll roads  
**1.4 Mn** patient visits to MPI hospitals  
**407 Mn** Cubic Meters Billed  
**16 Mn** Customers group-wide  
**27,000** Group-wide employees



**33,610**  
group-wide  
employees  
including contractual  
& agency

**14**  
global strategic  
partners

**23.2**  
Million  
customers

**1,071**  
Branches  
nationwide

Present in  
**68**  
Provinces

approx  
**10,000**  
active  
salespersons

## Across an broad spectrum of clients

- Institutional
- High net worth
- Upper middle-income
- Small and medium enterprises
- Middle-income and emerging affluent
- Affordable segment
- Overseas Filipino Workers
- BPO employees and others





# Strategic Direction



- Toyota unit sales through MBT/PSBank auto loans/TFS lease-to-own package
- Federal Land home mortgages by MBT/PSBank
- AXA bancassurance through MBT/PSBank branch network
- Motor vehicle insurance
- Cross-selling of GT Capital products into MPIC subsidiaries

***Synergy***  
Cross-selling within the GT Capital Group



## ***New Sectors***

Exploring underpenetrated sectors with new strategic partners

- New strategic partners
- Infrastructure (MPIC)
- Medical diagnostics
- Retail (e.g. Isetan Mitsukoshi/Nomura Real Estate)

## ***Expansion in Existing Sectors***

Extending the value chain of existing businesses

- TMP/MBT expansion in Next Wave Cities
- Entry into used car market through JBA Philippines
- Wider property sector product offerings
- Master-planned communities
  - Retail spaces
  - BPO/Commercial space

# Moving Forward Towards Recovery



## Where are we today?

### Strong Fundamentals

#### GT Capital

- Strong liquidity
- Low Gearing
- Unutilized credit lines
- Conservative CAPEX budget

#### Toyota

- Resilient network; ability for strong restart
- Provincial inquiries **73%** of total
- Sustained leading market share of 39%
- Ability to launch despite lockdown

#### Metro Pacific

- Volume recovery to near pre-Covid levels

#### Metrobank

- PPOP **+61%**
- Anticipatory provisions
- Cost-to-income at **45%**
- CASA growth **+20%**
- CAR at **20%**

#### Federal Land

- Robust unbooked reservation sales
- Recovering POC
- Healthy bookable revenue pipeline

#### AXA Philippines

- Net income **+29%**
- Established digital platform
- Higher sales of P&H, Single Premium

## How are we protecting our financial health?

### Financial Discipline

- Conso cash and near-cash **Php23.6 B**
- Conso unutilized short-term bank lines **Php91.3 B**
- Conso unutilized long-term bank lines from major banks **Php19.0 B**
- Deferred non-essential capex
- Deferred FLI project launches
- Cost control through lower operating expenses (e.g. Admin, Sales and Marketing)

## How are we moving toward the future?

### Pivot Toward Recovery

#### Metrobank

- 22% of clients are now enrolled in Metrobank's e-channels
- 79% of total transactions are now done via e-channels
- 1.2 Million app downloads on Google Play and App Store

#### Federal Land

- Online audience engagement and sales conversion
- Online investor events
- 360° Virtual Tour
- **13,436** project inquiries from digital channels

#### Toyota

- Shift from a car selling company to an all-around mobility provider
- Launch of virtual showroom
- Launch of MyToyota.PH
- Virtual launches of the Vios and Wigo
- On-Demand Shuttle Booking app
- Kinto One Leasing program

#### AXA Philippines

- Online selling via AXA Virtual Selling Assist (AVA) process
- Launch and continuing development of Emma app (chatbot & teleconsultation)

# GT Capital Component Companies



- 1** **Best Managed Bank in the Philippines** for 2018, 2019 according to *The Asian Banker*
- 2** Second **largest Philippine bank** by assets as of end-2019
- 1** **Strongest Bank** in the Philippines for 2011, 2013, 2015, and 2016 according to *The Asian Banker*



- ❖ Over **45 years of experience** in vertical, residential property development
- ❖ Track record of **landmark developments** in Metro Manila
- ❖ Over 100 hectares of land bank in prime locations



- ❖ Combined penetration rate of 11% among Toyota dealers as of 1H 2020
- ❖ Network of 5 dealer outlets
- ❖ Strategic partnership with Mitsui & Co. of Japan, a leading global conglomerate



- 1** **Most dominant automotive company** in the Philippines, maintaining 35% to 40% market share from 2015-2019
- 1** **Highest** passenger car, commercial vehicle, and overall sales annually since 2002
- 1** **Triple Crown** winner for 18 consecutive years 2002 – 2019



- ★ One of the country's largest life insurance companies in terms of gross premiums as of end-2019
- 1** Pioneer in bancassurance
- 2** Second largest non-life insurer in terms of net premiums written as of end-2018
- ❖ Strong bancassurance synergies with Metrobank and PSBank



- ❖ Joint venture with **Sumitomo Corporation**, one of Japan's largest conglomerates
- ❖ Nationwide footprint in over **320 motorcycle dealerships**
- ❖ A leading institution in financing Japanese motorcycle brands



- 1** Owns **MERALCO**, the Philippines' largest power distribution company
- 1** Owns **GLOBAL BUSINESS POWER**, one of Visayas' largest power generation companies
- 1** Owns **MAYNILAD WATER**, Metro Manila's widest water distribution network
- 1** Owns **METRO PACIFIC TOLLWAYS**, which manages the Philippines' widest toll road network



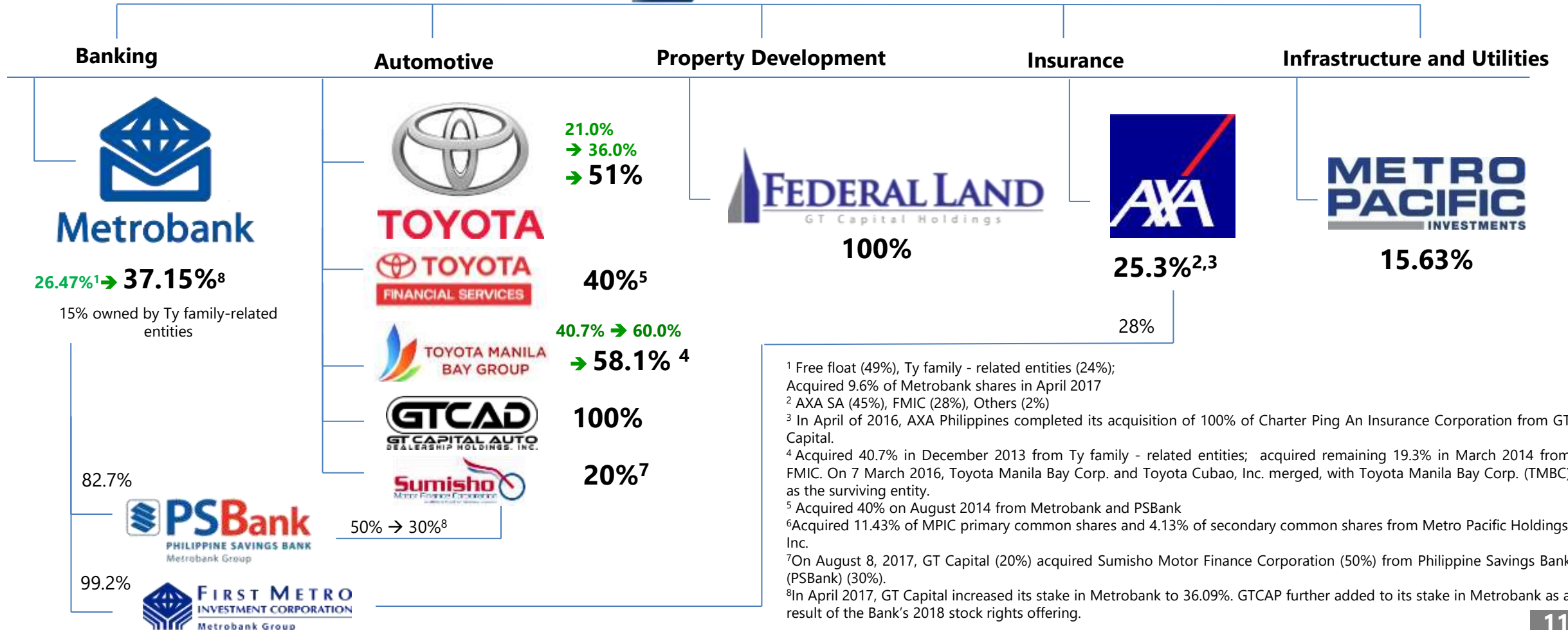
- 1** Market leader in auto financing for Toyota vehicles; Market penetration rate of 40% as of June 2020
- ❖ Nearly two decades-long track record in auto lease financing
- ❖ Strategic partnership with Toyota Financial Services of Japan



- 1** Joint venture with **Japan Bike Auction Co., Ltd.**, a subsidiary of USS Co., Ltd.
- 1** Market leader in Indonesia car and motorcycle auction market
- 1** Market leader in Japan motorcycle auction market; 25% market share as of December 2018

# Current Corporate Ownership Structure

**55.93%** Grand Titan **Public Float** **44.07%**



<sup>1</sup> Free float (49%), Ty family - related entities (24%); Acquired 9.6% of Metrobank shares in April 2017  
<sup>2</sup> AXA SA (45%), FMIC (28%), Others (2%)  
<sup>3</sup> In April of 2016, AXA Philippines completed its acquisition of 100% of Charter Ping An Insurance Corporation from GT Capital.  
<sup>4</sup> Acquired 40.7% in December 2013 from Ty family - related entities; acquired remaining 19.3% in March 2014 from FMIC. On 7 March 2016, Toyota Manila Bay Corp. and Toyota Cubao, Inc. merged, with Toyota Manila Bay Corp. (TMBC) as the surviving entity.  
<sup>5</sup> Acquired 40% on August 2014 from Metrobank and PSBank  
<sup>6</sup> Acquired 11.43% of MPIC primary common shares and 4.13% of secondary common shares from Metro Pacific Holdings, Inc.  
<sup>7</sup> On August 8, 2017, GT Capital (20%) acquired Sumisho Motor Finance Corporation (50%) from Philippine Savings Bank (PSBank) (30%).  
<sup>8</sup> In April 2017, GT Capital increased its stake in Metrobank to 36.09%. GTCAP further added to its stake in Metrobank as a result of the Bank's 2018 stock rights offering.

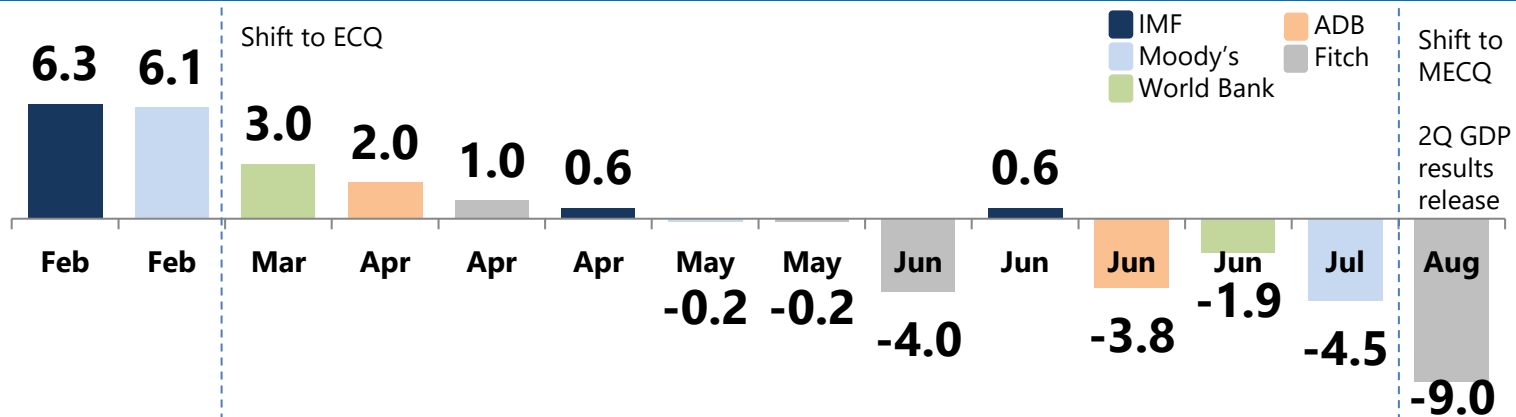
# Our Macroeconomic View

## 2Q 2020 GDP change (versus 2Q 2019, in %) ASEAN-5, US, China, Taiwan



Source: Government statistics from each country; \*Estimate from Kasikornbank

## 2020 Philippine GDP Growth Forecasts (in %)



### Global

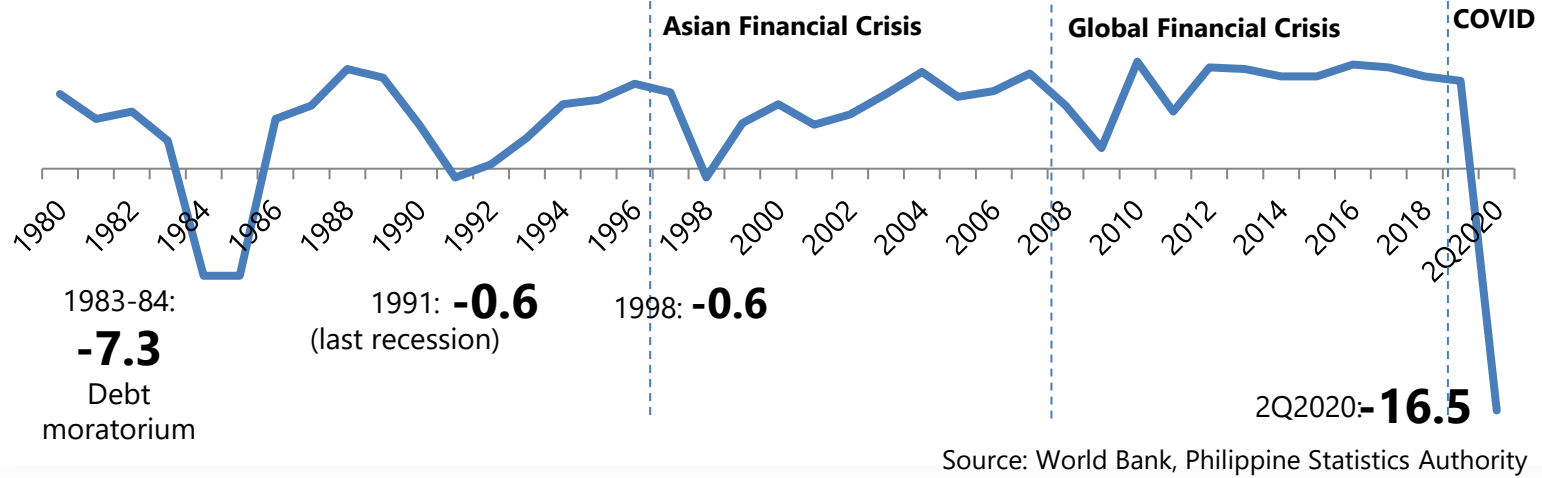
- Expectedly, economies around the world have suffered from the COVID-19 pandemic
- Governments have responded by reducing interest rates and providing stimulus packages

### Philippines

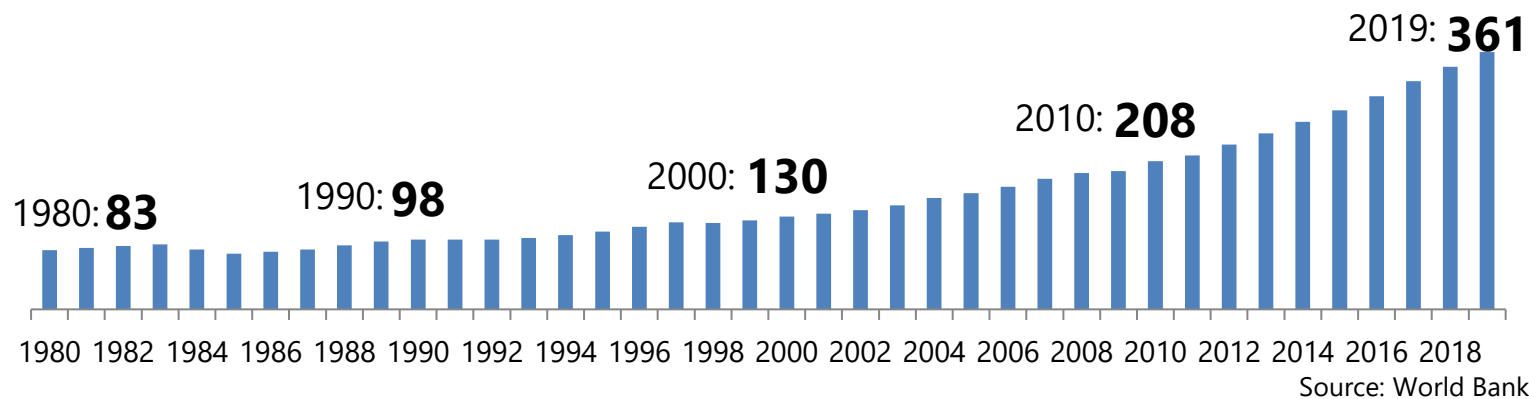
- First recession since 1991
- FY2020 GDP forecasts revised downwards as the crisis unfolds
- Consumption Spending down -15.5% in 2Q2020
- Unemployment rate reached 17.7%, 15-year high
- Uncertainty remains due to COVID-19

# Our Macroeconomic View

## Philippine Annual GDP Growth Trend (in %)



## Philippine GDP (in USD Billions)

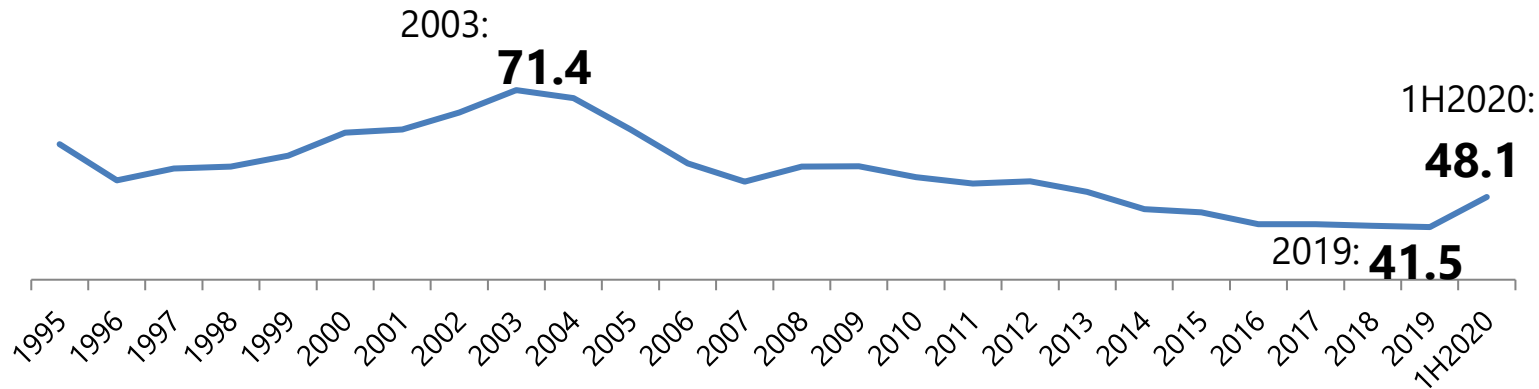


## Philippines

- Annual GDP growth averaged **6.4%** from 2010 until 2019, among the highest in ASEAN
- GDP declined **-16.5%** in 2Q2020 due to the lockdown restrictions brought about by this unprecedented crisis
- Unprecedented crisis; GDP growth at lowest point since the 1983 debt moratorium crisis (**-7.3%**)

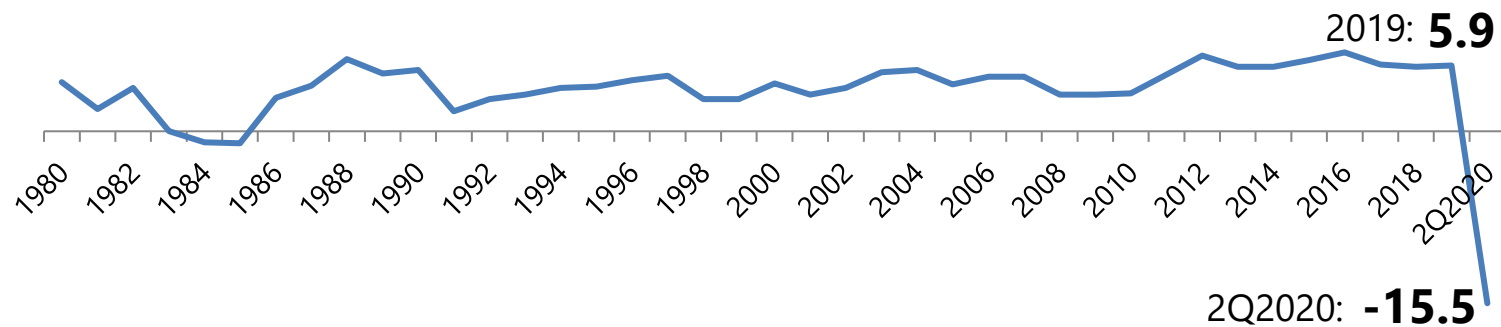
# Our Macroeconomic View

## Philippine Debt-to-GDP (in %)



Source: Philippine Bureau of Treasury

## Philippine Consumption Expenditure Growth (in %)



Source: World Bank

## Philippines

- Despite an increase in government borrowings to address the impact of the pandemic, Debt-to-GDP remains in manageable levels
- Can still afford to borrow money without endangering the economy
- BSP considered one of the best central banks among emerging markets
- Gross International Reserves (GIR) of **USD98 Billion**, record high
- Private consumption accounts for over 70% of Philippine GDP
- Annual consumption growth averaged **5.5%** for the past 10 years
- As a consumption-driven economy, the Philippines was greatly affected by the lockdown restrictions

# GT Capital Group First Half 2020 Financial Highlights



## Consolidated Net Income

**Php2.74 Bn** -62%

Php7.2 billion 1H 2019

## Core Net Income

**Php3.17 Bn** -55%

Php7.1 billion 1H 2019



## Net Income

**Php9.1 Bn** -30%

Php13.0 Bn 1H 2019

- Very strong PPOP  
**Php36.1B +61%**
- No visibility on NPL
- No specific provisions
- Anticipatory Provisions **up 5x to Php22.8 Bn** to protect loan portfolio



## Net Income

**Php1.0 Bn** -77%

Php4.3 Bn 1H 2019

- **-52%** decline in retail sales volume
- Provincial sales stronger than NCR
- Dealership and assembly plant shutdown
- Continued workforce support



## Net Income

**Php171 Mn** -58%

Php404 Mn 1H 2019

- Reservation sales **+3%** to **Php9.1B**
- Lower booked sales due to POC stoppage
- Healthy pipeline of bookable revenue



## Net Income

**Php1.6 Bn** +29%

Php1.2 Bn 1H 2019

- Single Premium-Unit Linked **+48%**
- Protection & Health now **25%** of total revenue, **28%** of APE
- **+179%** Net income **Php309 Mn** from GI
- Effective virtual selling under lockdown



## Core Net Income

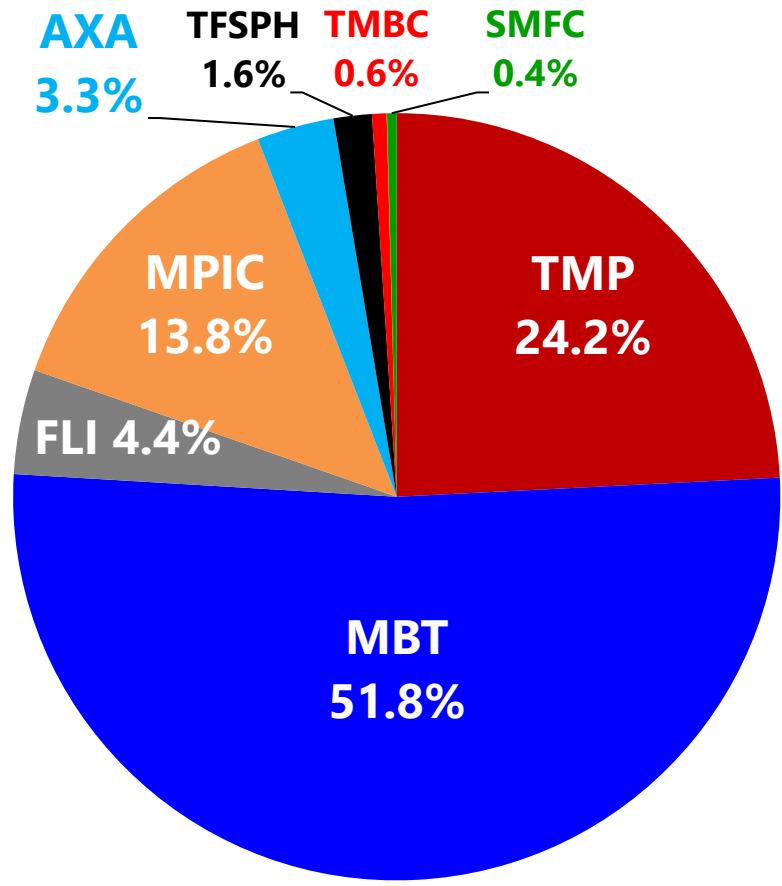
**Php5.3 Bn** -38%

Php8.7 Bn 1H 2019

- July volumes nearing pre-Covid levels
- **GT Capital's share in NI** -38% to **Php0.8B** due to volume declines in Power, Water, Tollways, and Light Rail

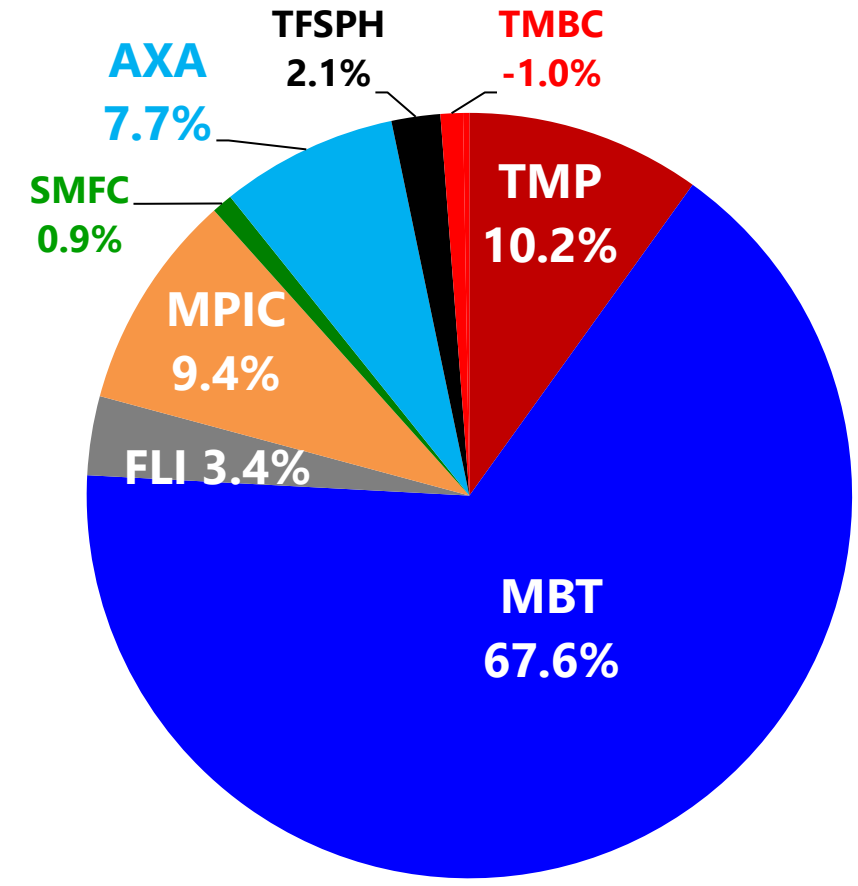


# GT Capital Net Income Contribution 1H 2020



**MBT + TMP = 76.0%**

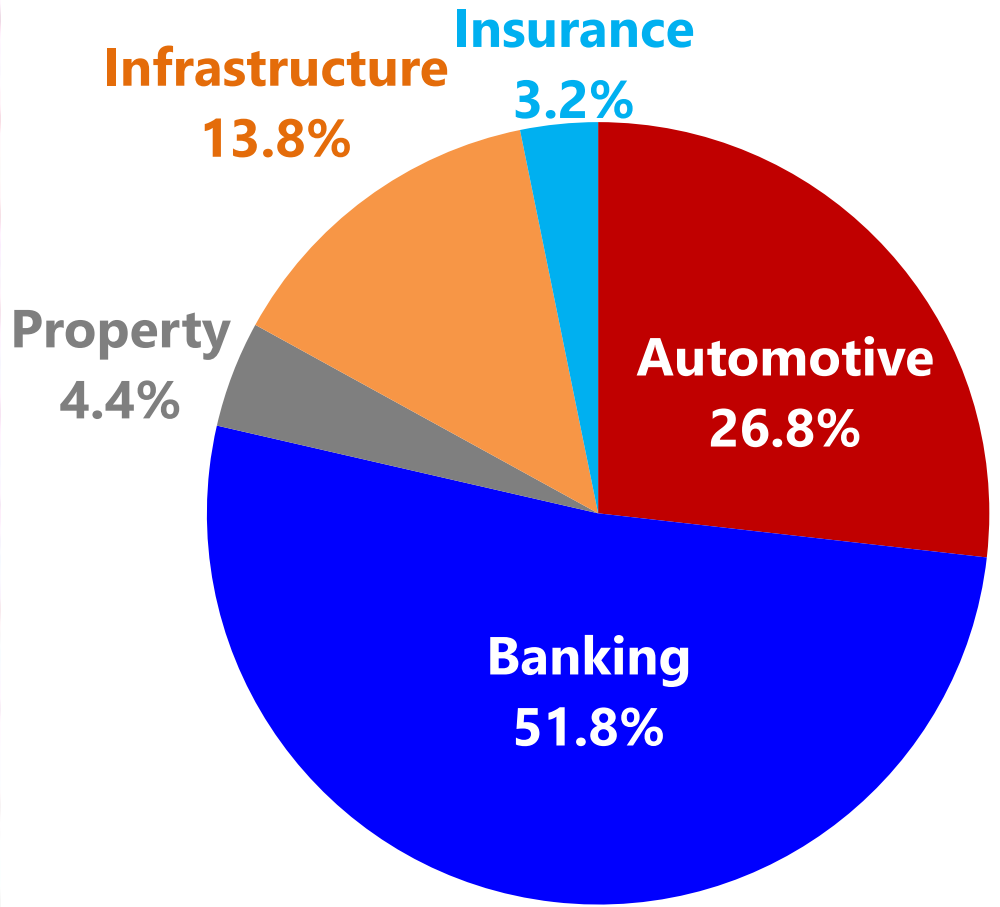
**1H 2019**



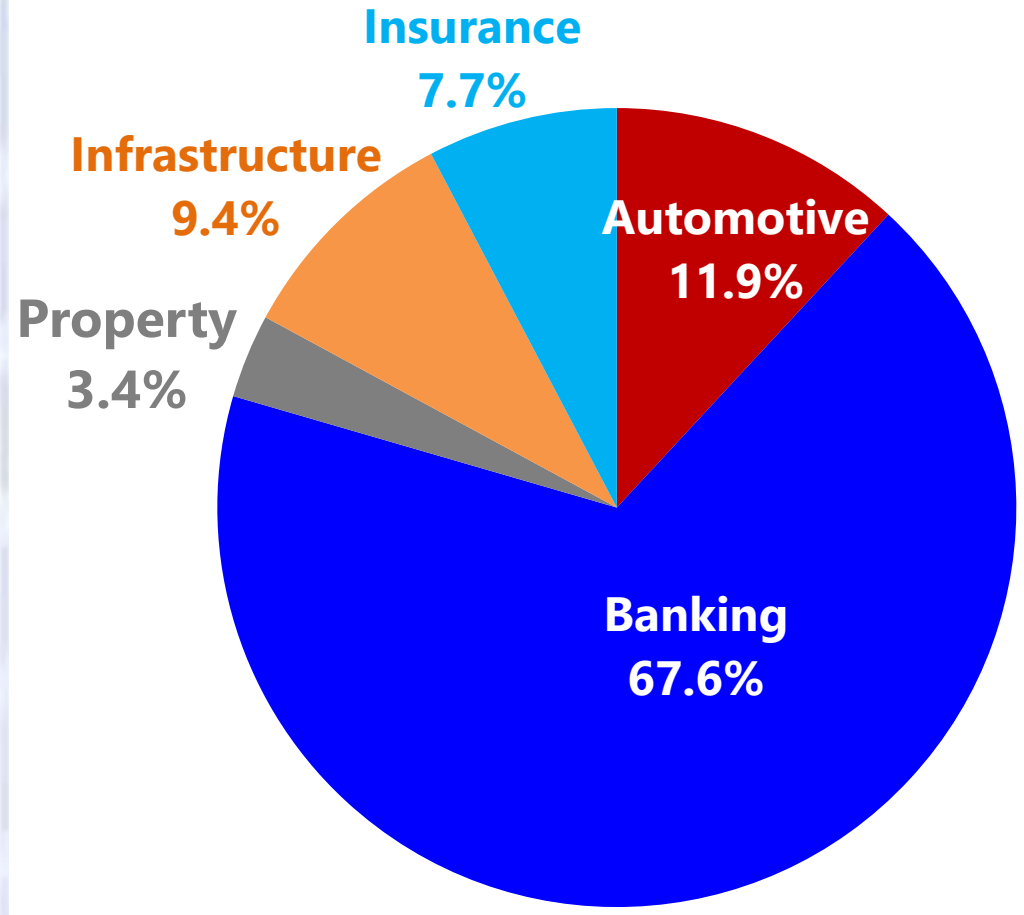
**MBT + TMP = 77.7%**

**1H 2020**

# GT Capital Net Income Contribution by Sector



1H 2019



1H 2020



**Metrobank**  
You're in good hands

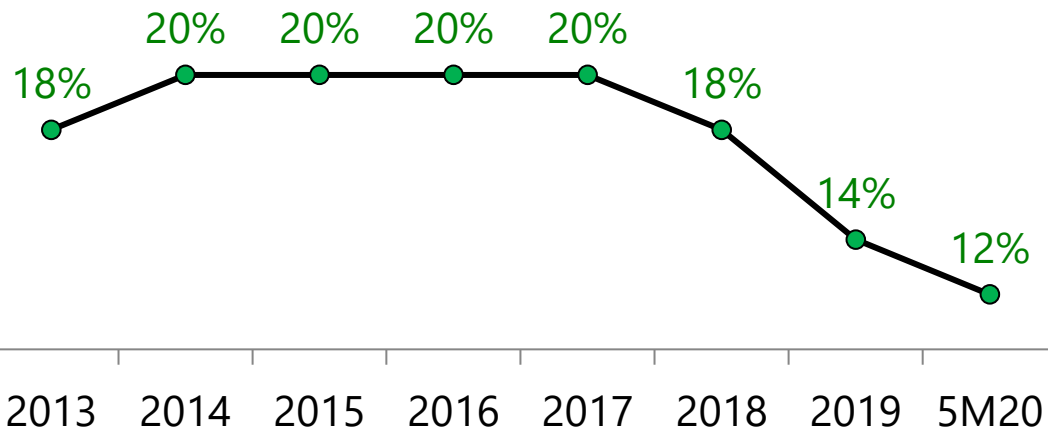


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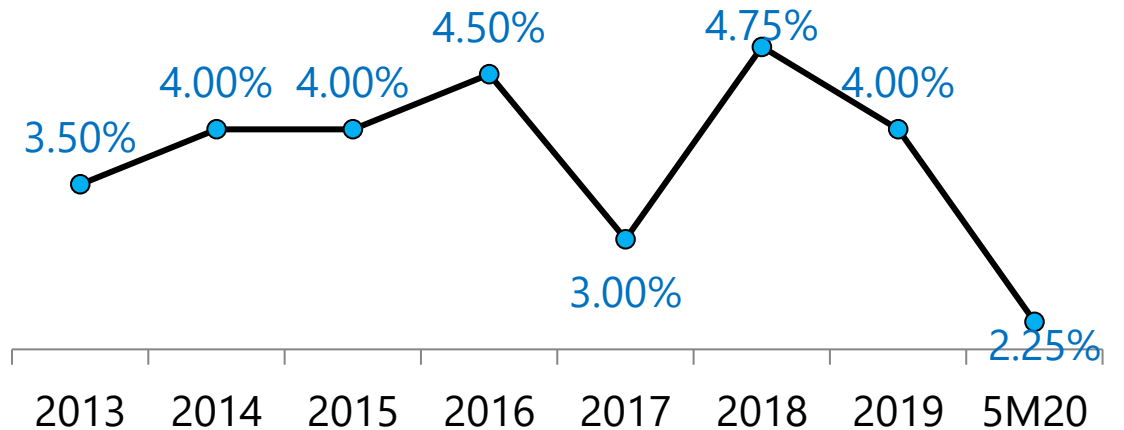
**Banking**

# Loose Monetary and Quantitative Easing

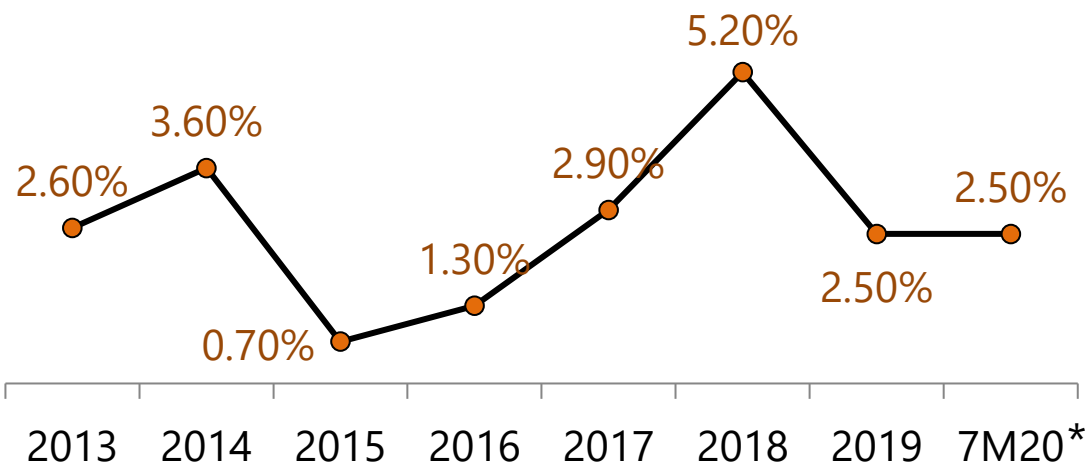
## RRR cuts to support liquidity



## Deep policy rate cuts to record-low level



## Supported by low inflation

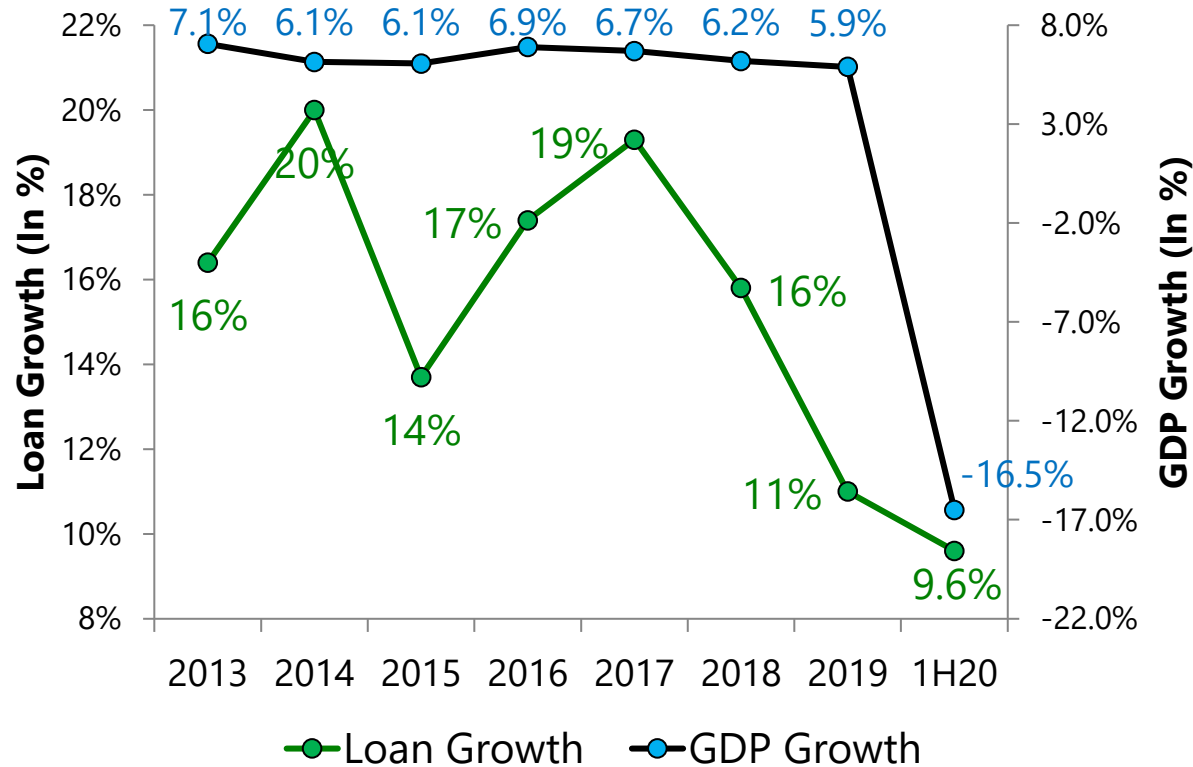


## BSP measures to keep liquidity

- BSP now into QE with Php300-Billion to buy government securities
- MSME loans can be counted against Reserve Requirements

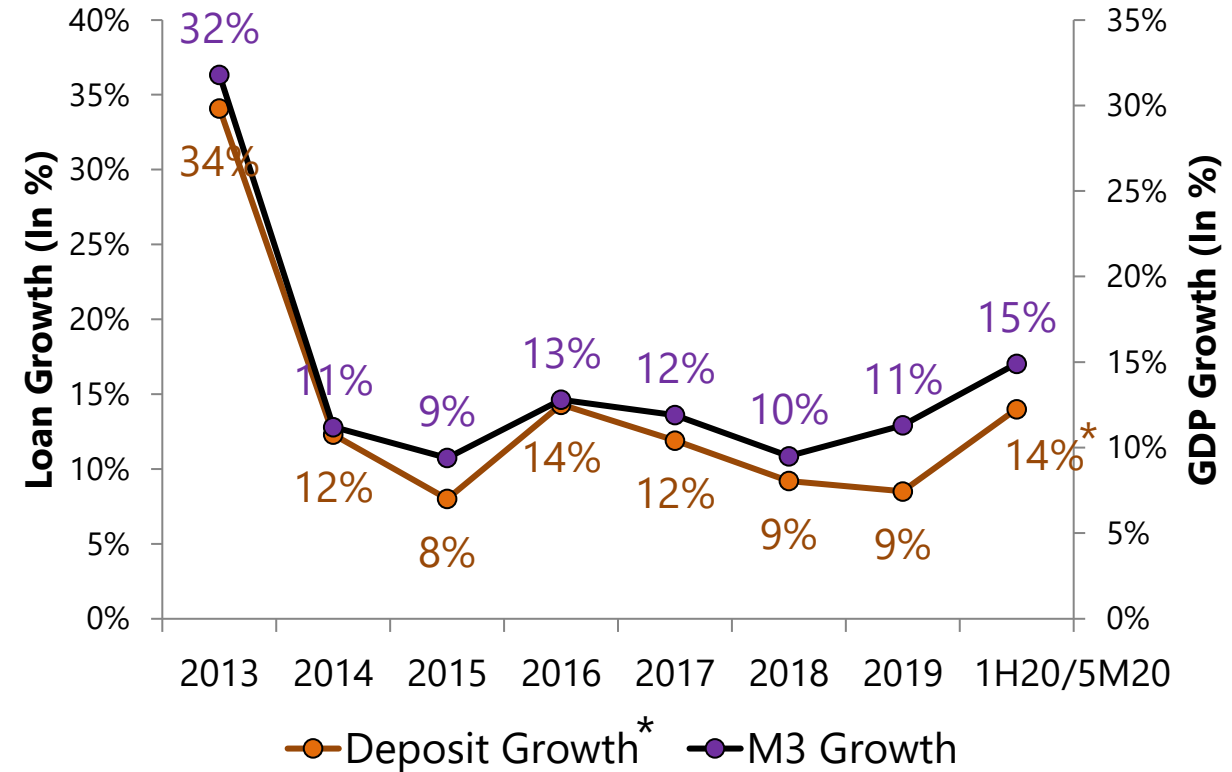
\*Average inflation from January to July. Inflation for the month of June was 2.7%YoY.

## Loan Growth vs. GDP Growth



- Loan growth had a strong start this year
- May be tempered by economic uncertainty

## Deposit Growth vs. M3 Growth



- Deposit and M3 growth sustained in early months
- Can slow down depending on market liquidity

\*As of 5M 2020

# PH Big Three Banks Adequately Capitalized

The country's largest banks have substantial capitalization above the minimum set by BSP

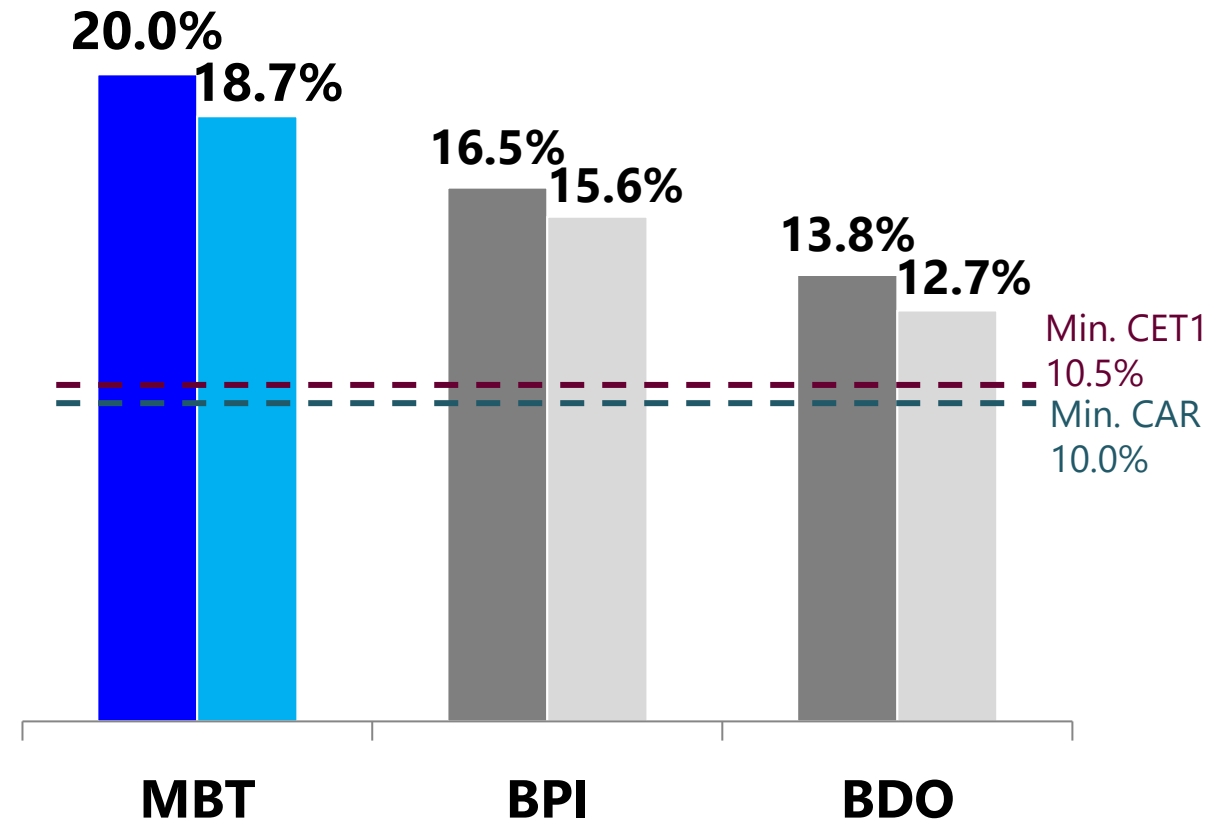
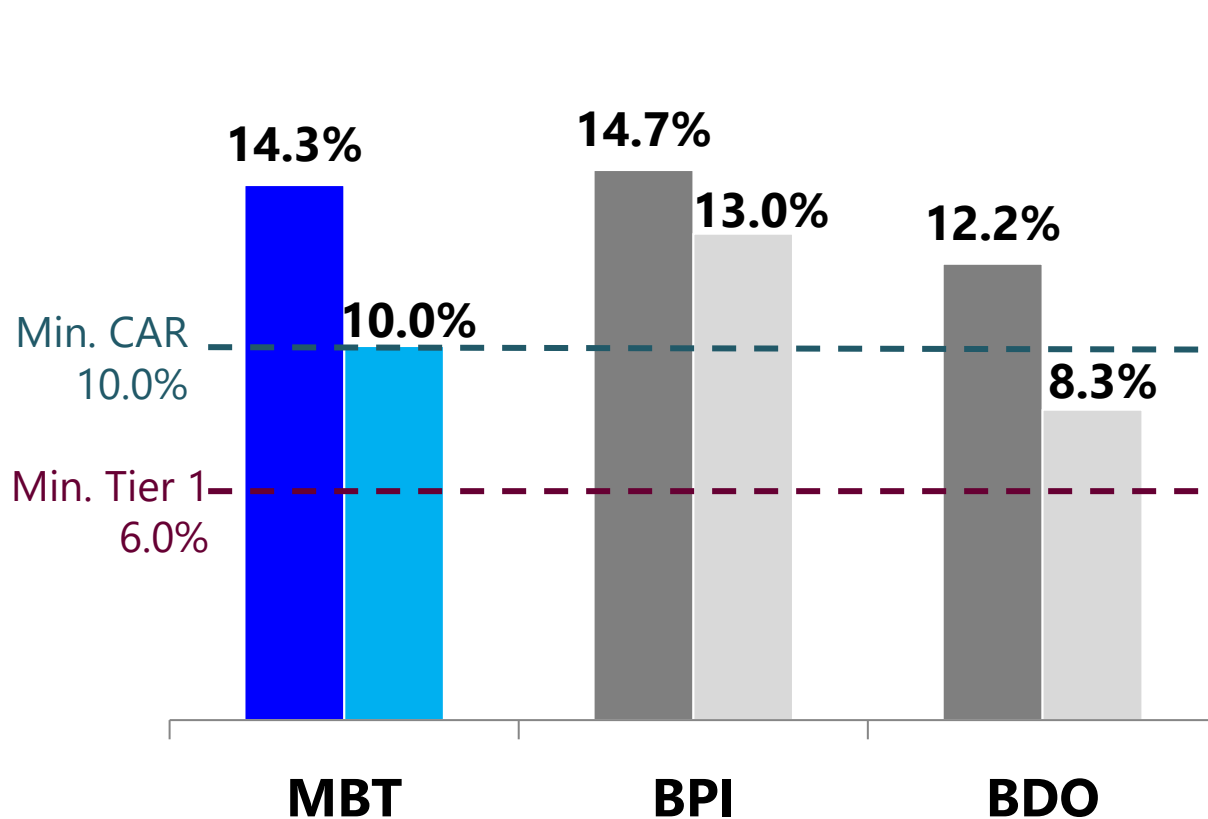


## December 31, 2009

## June 30, 2020

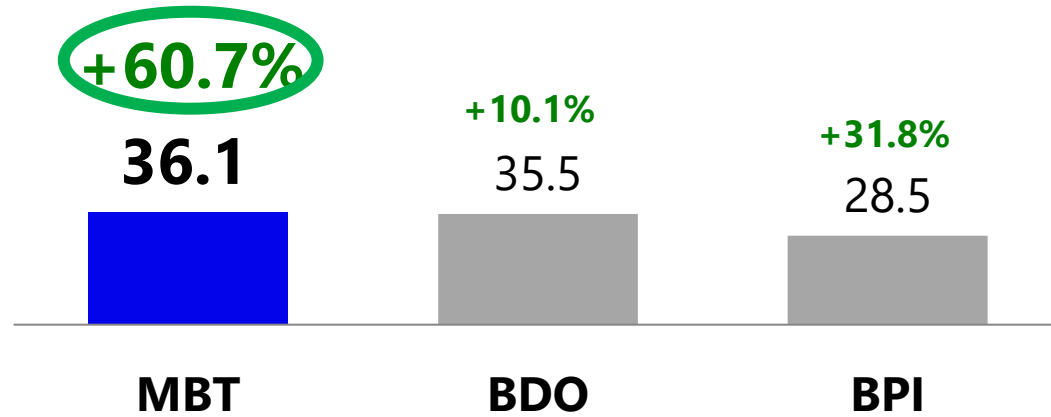
CAR Tier 1

CAR CET1

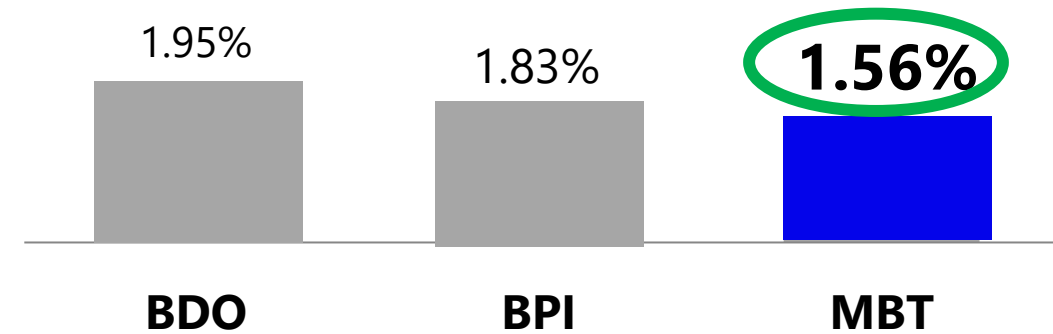


# Peer Banks Highlights 1H 2020

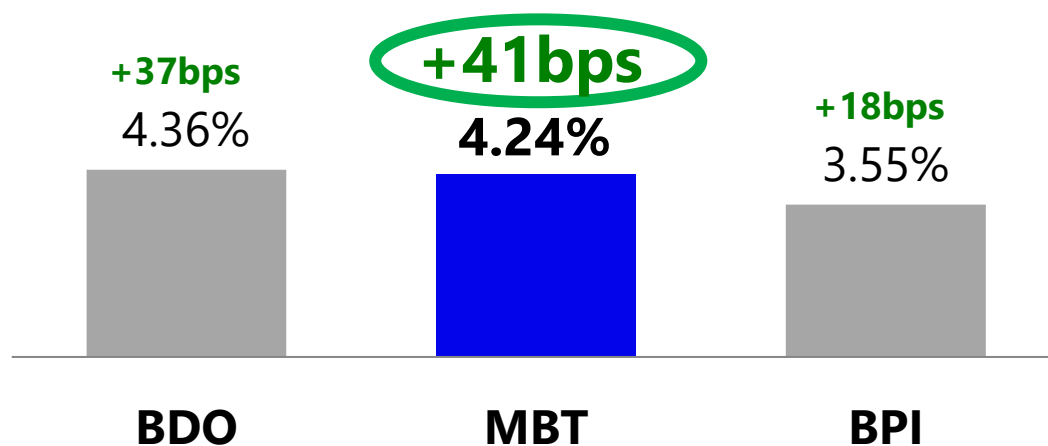
## Pre-Provision Operating Profit (Php Billion)



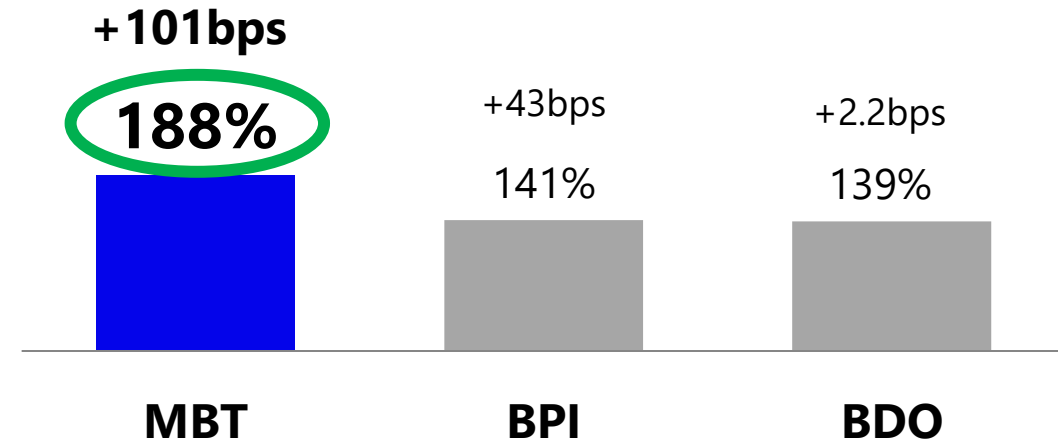
## NPL Ratio (%)



## Net Interest Margin – NIMs (%)

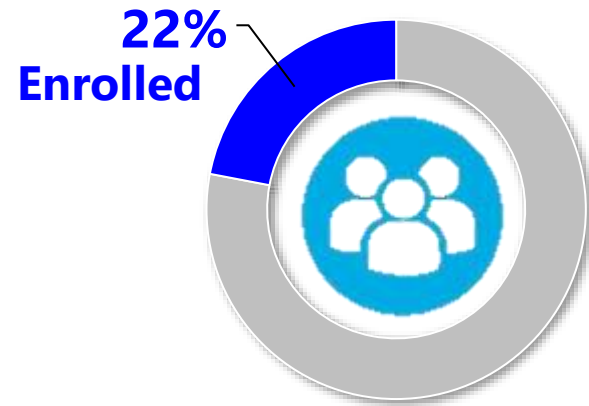


## NPL Coverage (%)



# Customer Touchpoints

## Clients enrolled in e-channels (as of Q2 2020)



**+176%**  
mobile app downloads  
Q2 2019 vs Q2 2020

**4,000,000** approx. client base



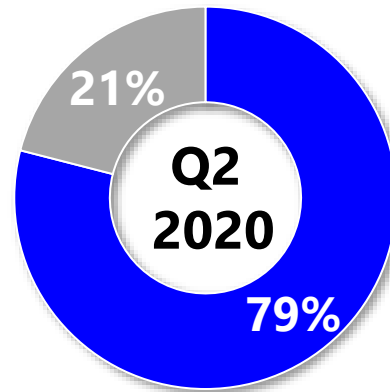
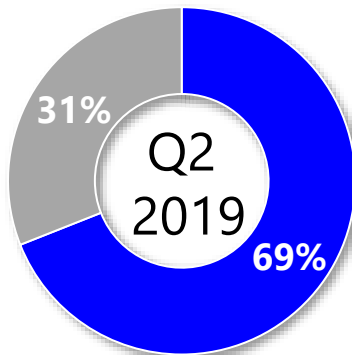
Waived fees for money transfers via the Metrobank Mobile App is **extended until December 31, 2020**

**Instapay**  
Send money to another bank, lower than Php50,000

**PESONet**  
Send money to another bank, above Php50,000



## % E-Channels to Total Financial Transactions

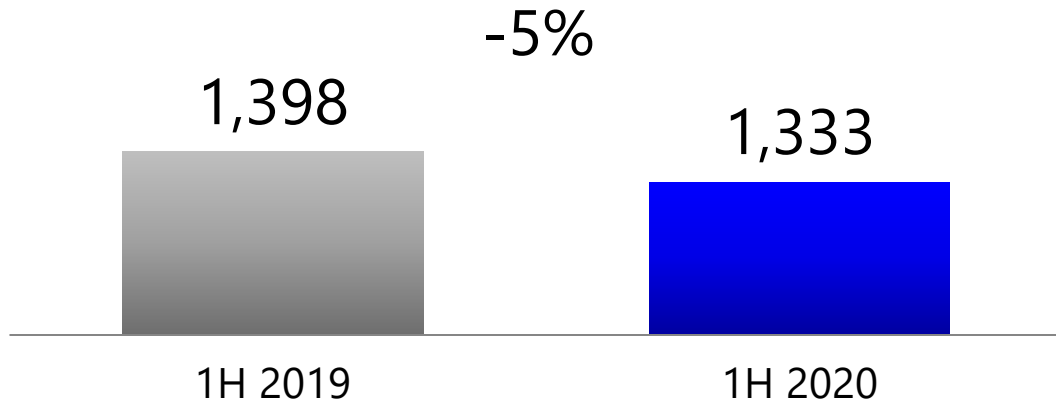




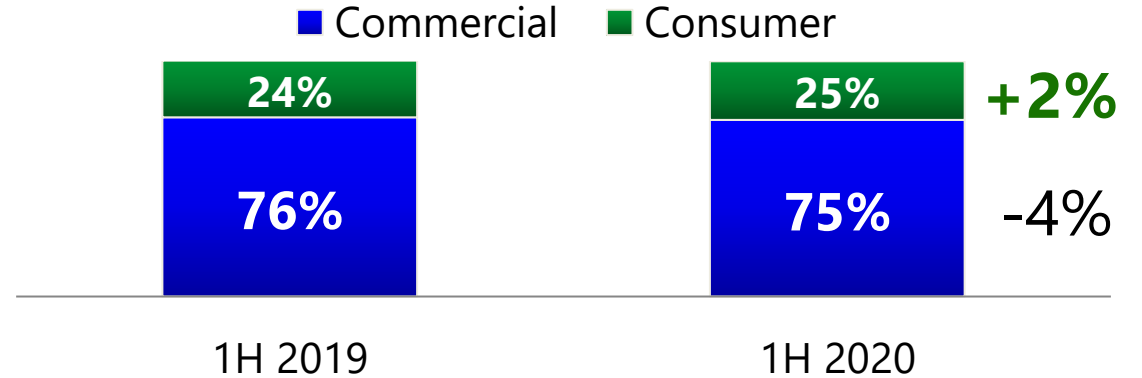
# Loan Portfolio

Contraction in loan portfolio reflective of slowdown across industries

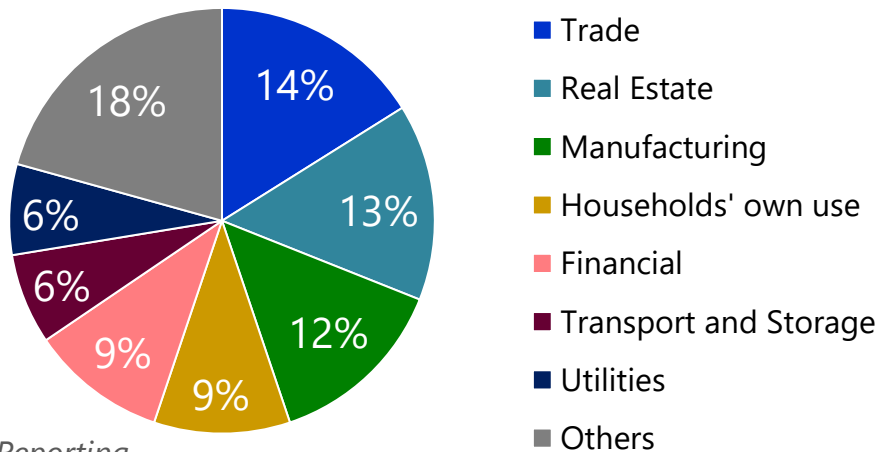
## Net Loans (Php Bn)



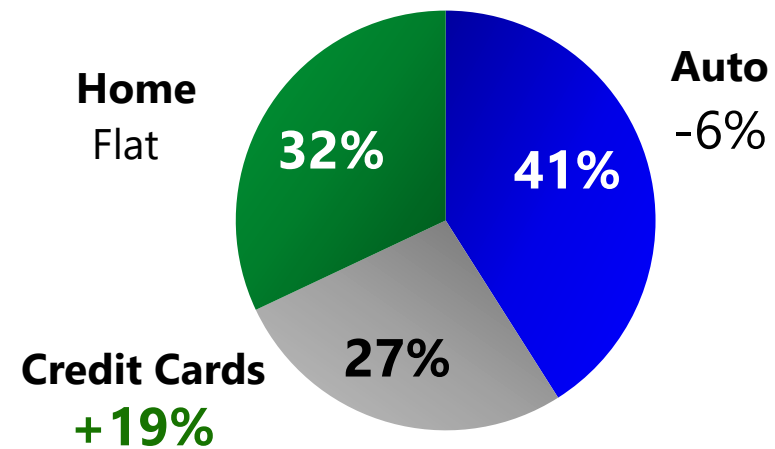
## Gross Loan Breakdown By Segment



## FY 2019 Loan Portfolio by Industry



## Consumer Loan Portfolio Breakdown

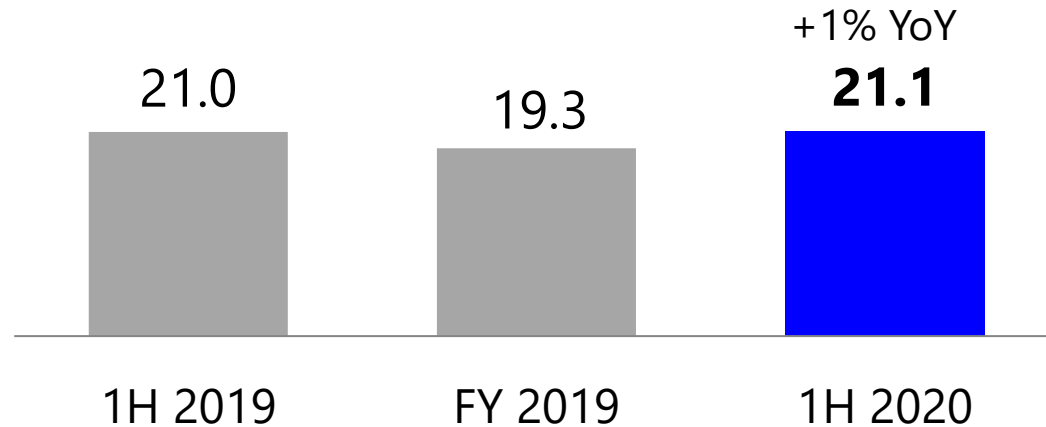


Based on BSP Reporting

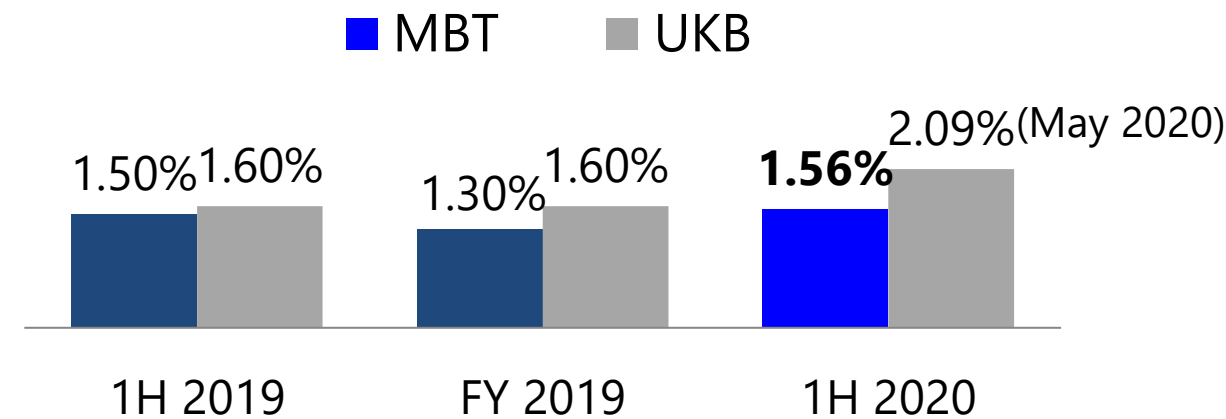
# Asset Quality

Metrobank proactively beefed up provisions even as NPL formation remained benign

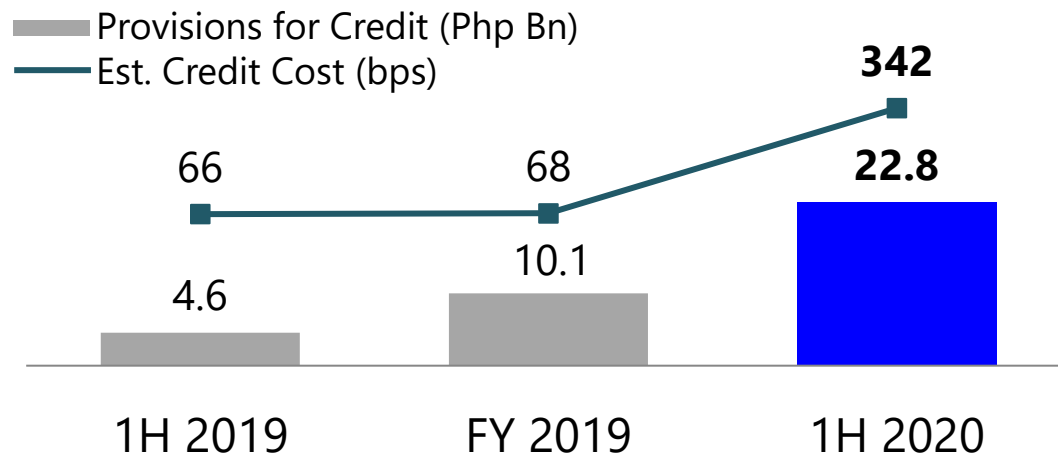
## NPLs<sup>1</sup> amount (Php Bn)



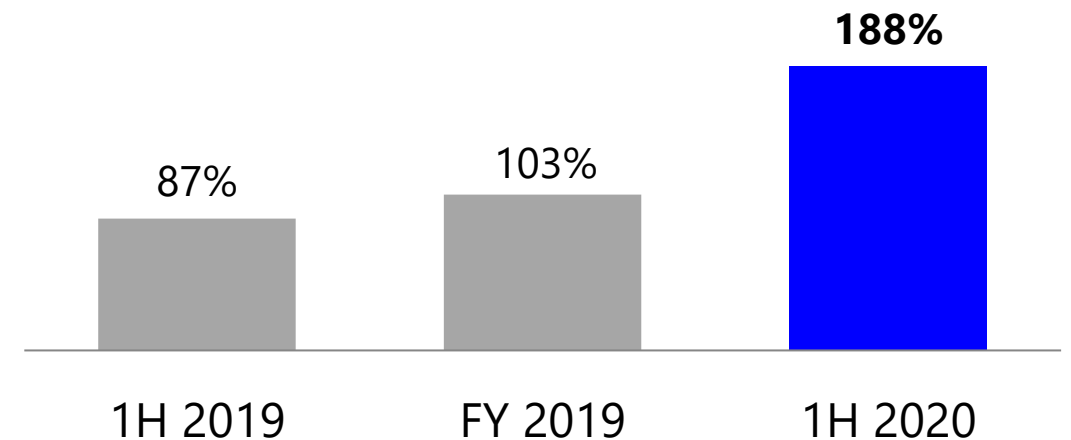
## NPL Ratio<sup>2</sup> better than industry



## Provision and Credit Cost<sup>3</sup>



## NPL Cover

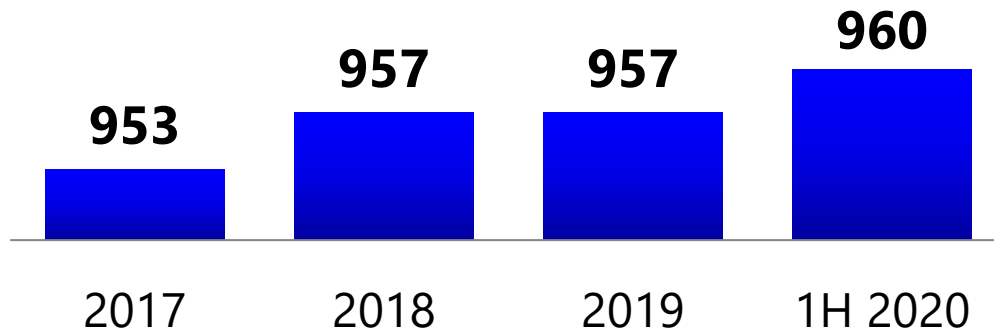


(1) Non-Performing Loans; (2) Excludes interbank; (3) Estimated credit cost = Annualized Provisions for Credit / Loans & Receivables, net

# Branches, Deposits, OPEX, and Efficiency Ratios

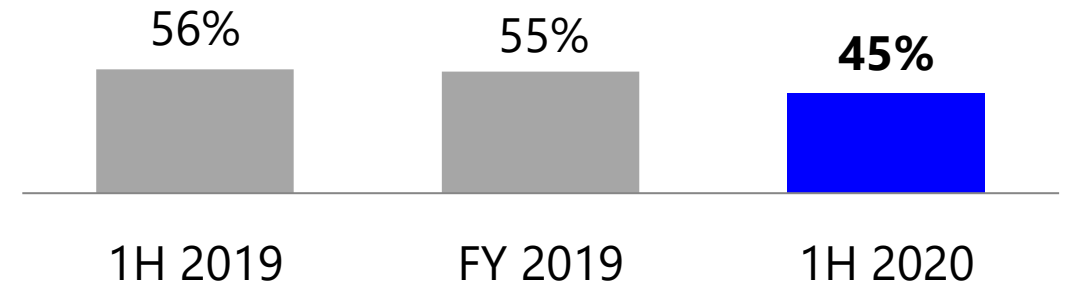
## Consolidated Branches

- Slow down on opening of physical branches



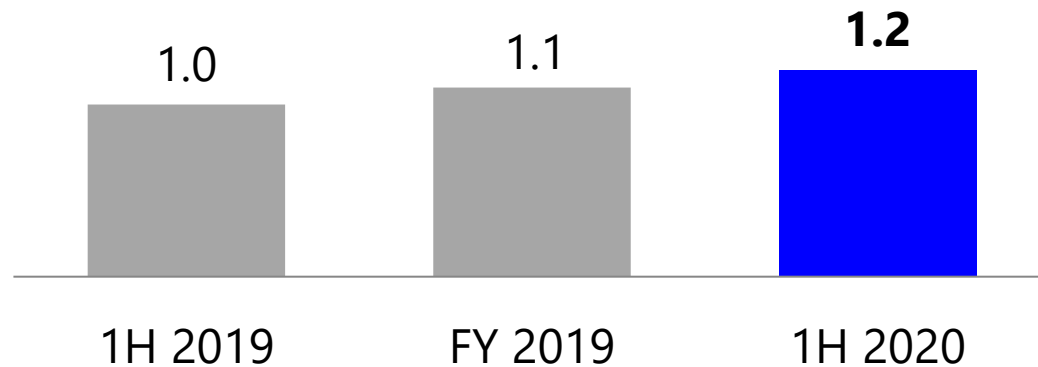
## Cost-Income Ratio

- Revenue growth has consistently outpaced cost growth, leading to improved cost-income ratio

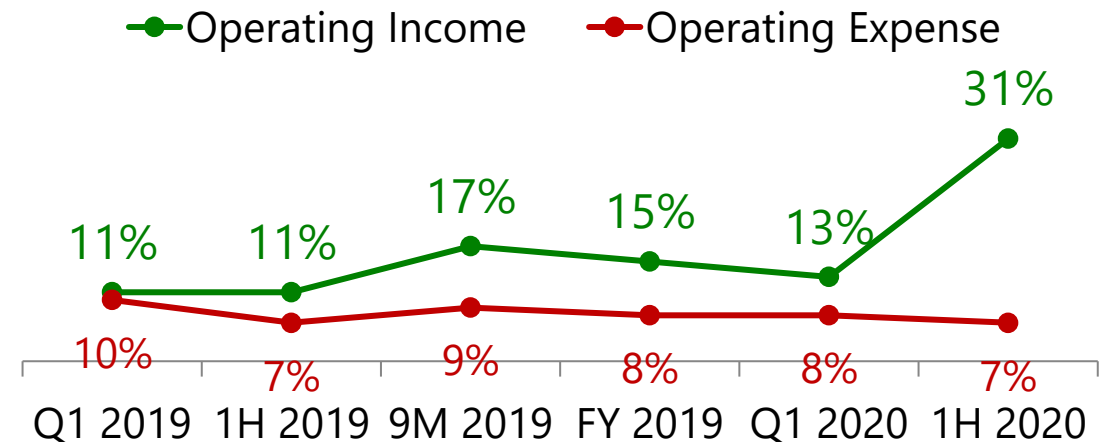


## CASA Deposits per Branch (Php Bn)

- Deposits increased as customers prefer to stay liquid



## Operating Income growth consistently higher than OPEX





**TOYOTA**



**GT CAPITAL**  
HOLDINGS INCORPORATED

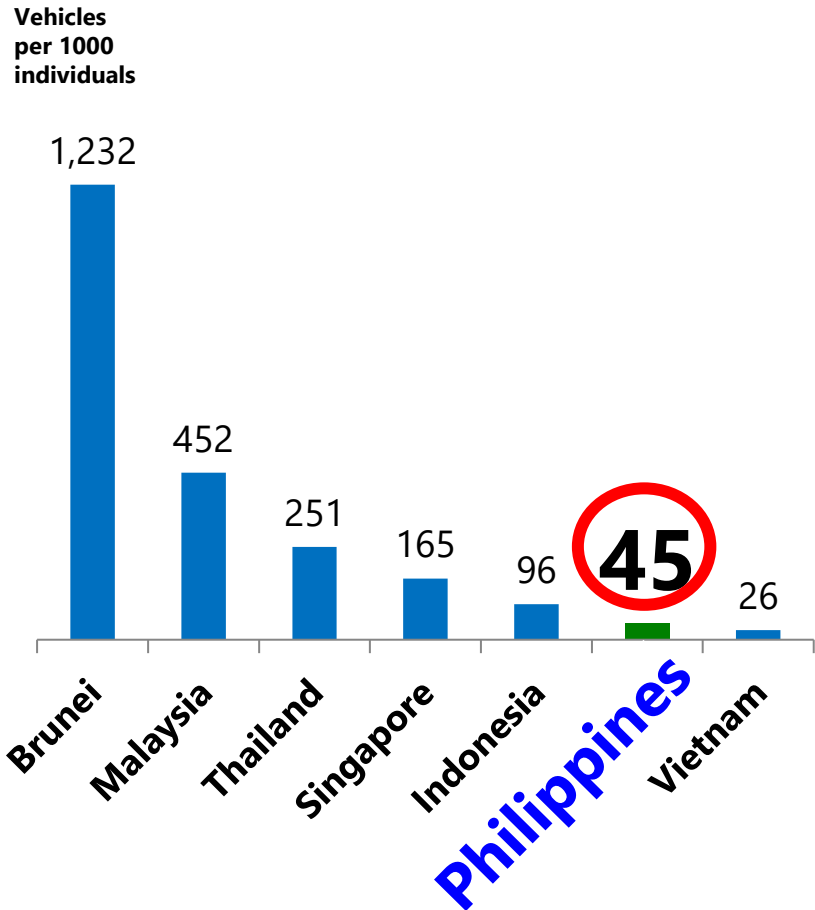
**Automotive**

# Motorization amid low motor vehicle penetration

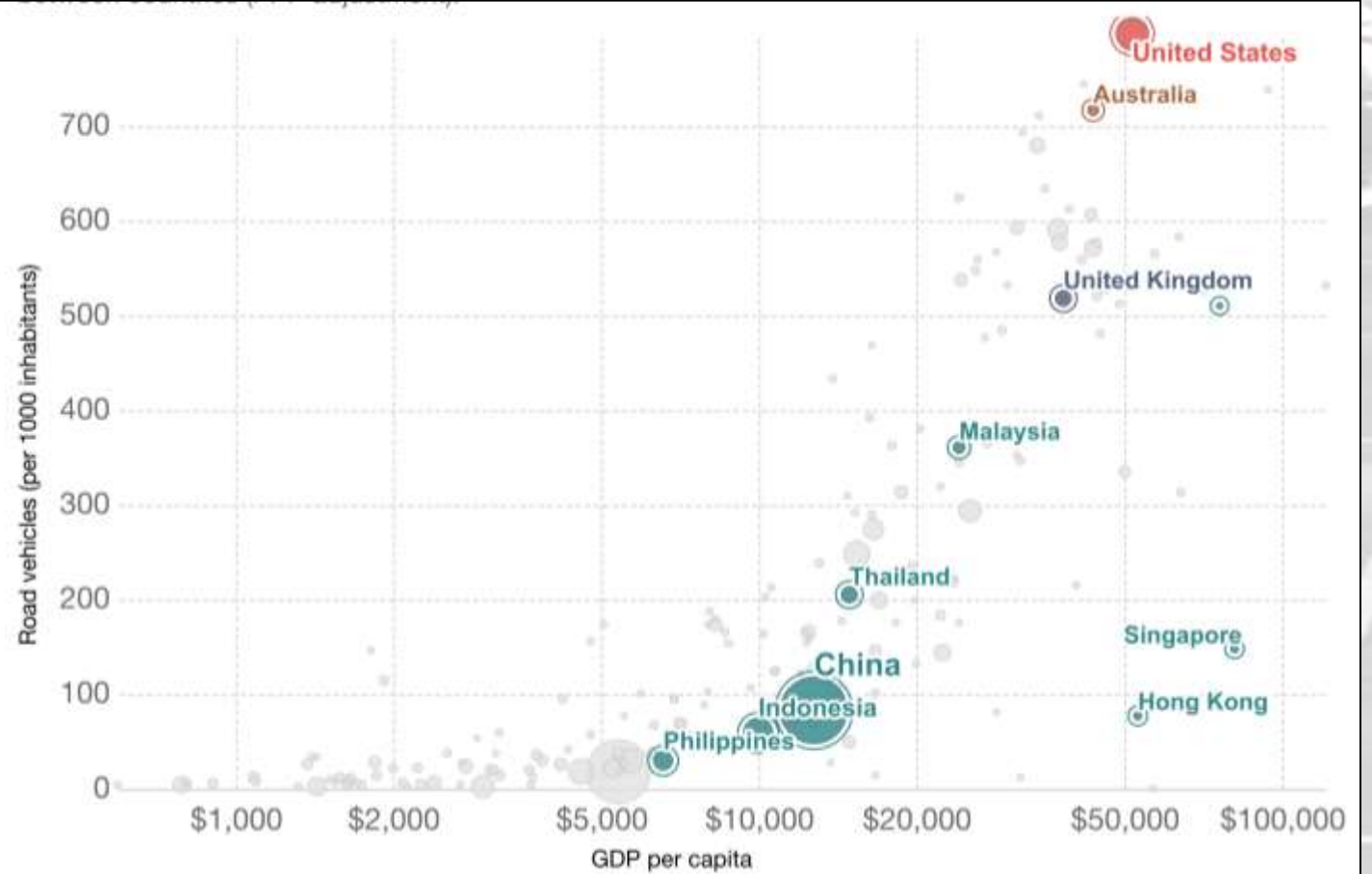


## Motor vehicle penetration in ASEAN

### Vehicles per 1,000 individuals, 2019



## Motor vehicle penetration per 1000 individuals versus GDP per capita

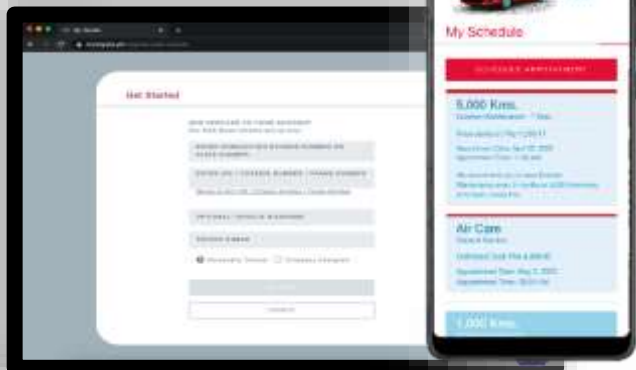


Source: Organisation Internationale des Constructeurs d'Automobiles (OICA)/International Organization of Motor Vehicle Manufacturers



**Virtual Showroom**

**MyToyota.PH**

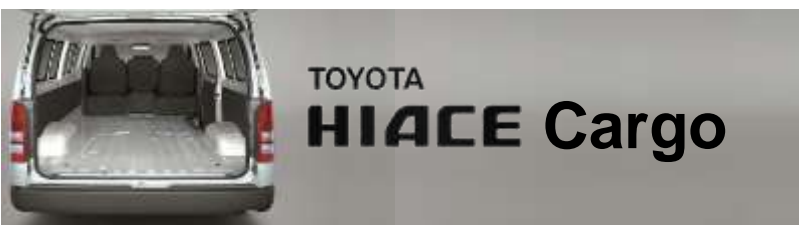


**KINTO ONE Leasing**

**Balloon Payment Plus**

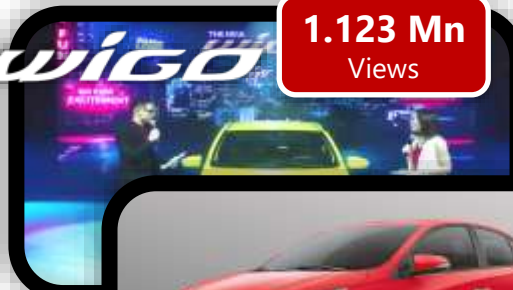
**Connected Auto Loan**

**Fleet Management**



**Logistics**

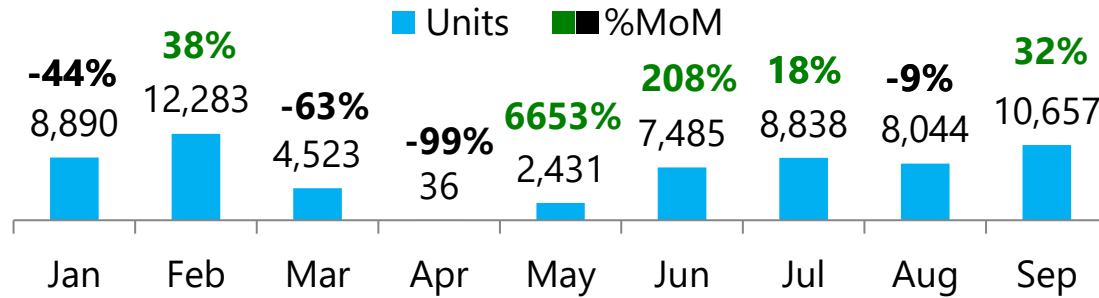
**On-Demand Shuttle Booking App**



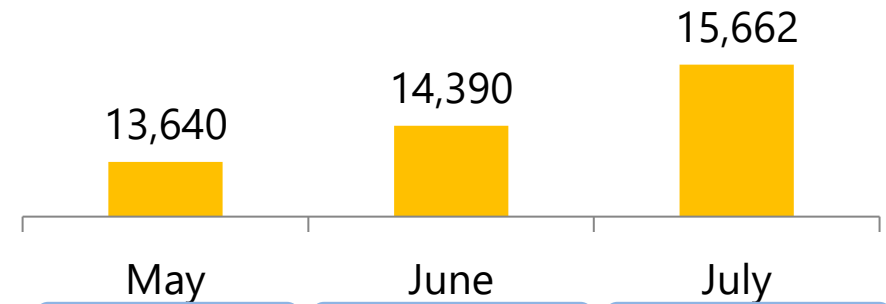
# Toyota Recent Developments



## TMP Monthly Retail Vehicle Sales



## Monthly Inquiries

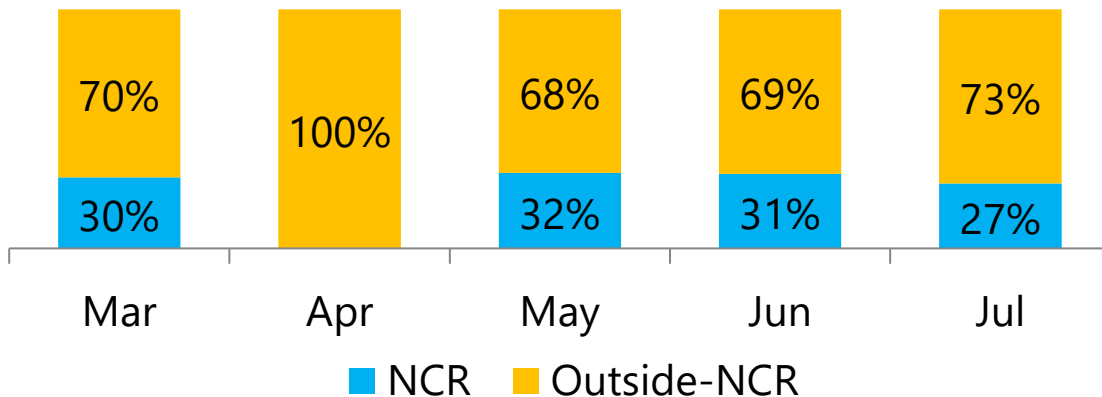


Category	3M 2020	6M 2020	9M
%YoY	-23%YoY	-51%YoY	-45%
Market Share	1Q 2020: 36%	2Q 2020: 46%	3Q: 40%

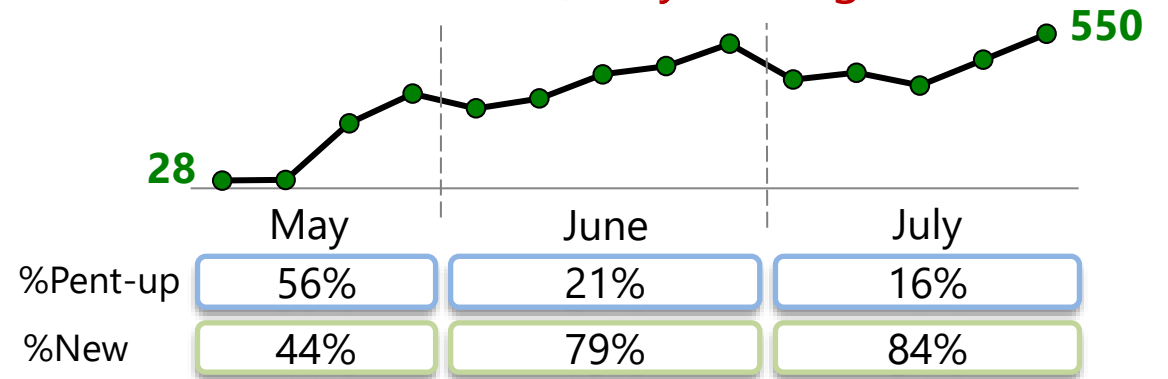
Category	May	June	July
%Online	65%	36%	37%
%Walk-in	18%	39%	38%

*\*Others: Phone, Referral, Field Sales*

## Monthly Inquiries (NCR and Outside NCR)



## Reservations (Daily Average Per Week)



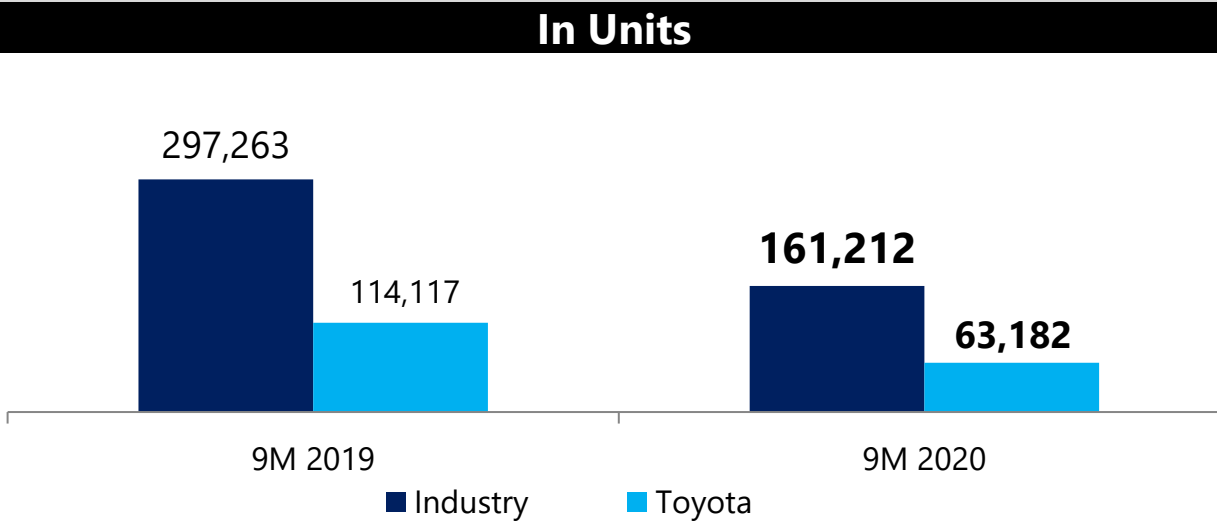
- Customer engagement continued during ECQ through digital channels
- Lack of public transportation created pent up demand for Vios and Wigo

# Retail auto unit sales volume



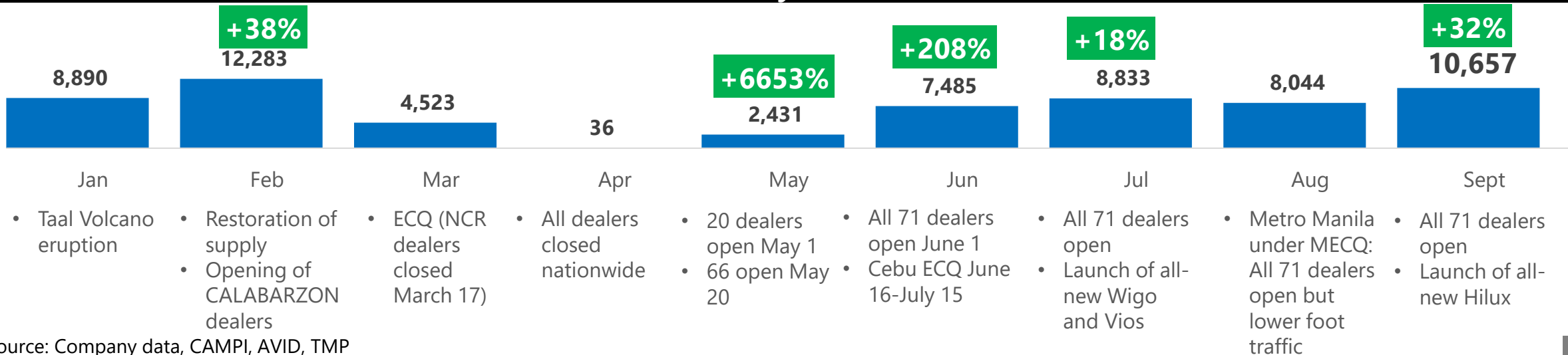
As of September 2020 YTD

## In Units



- Lack of access to public transportation created pent up demand for the Vios and Wigo
- Month-on-month (MoM) momentum after easing quarantine restrictions
- New reservations (e.g. orders booked after ECQ): 40% in May, 80% in June
- Digital infrastructure enhanced during middle of lockdown to enable supply of services to customers
- % of Digital sales: 70% of units in May, 61% in June

## TMP 2020 Monthly Retail Vehicle Sales

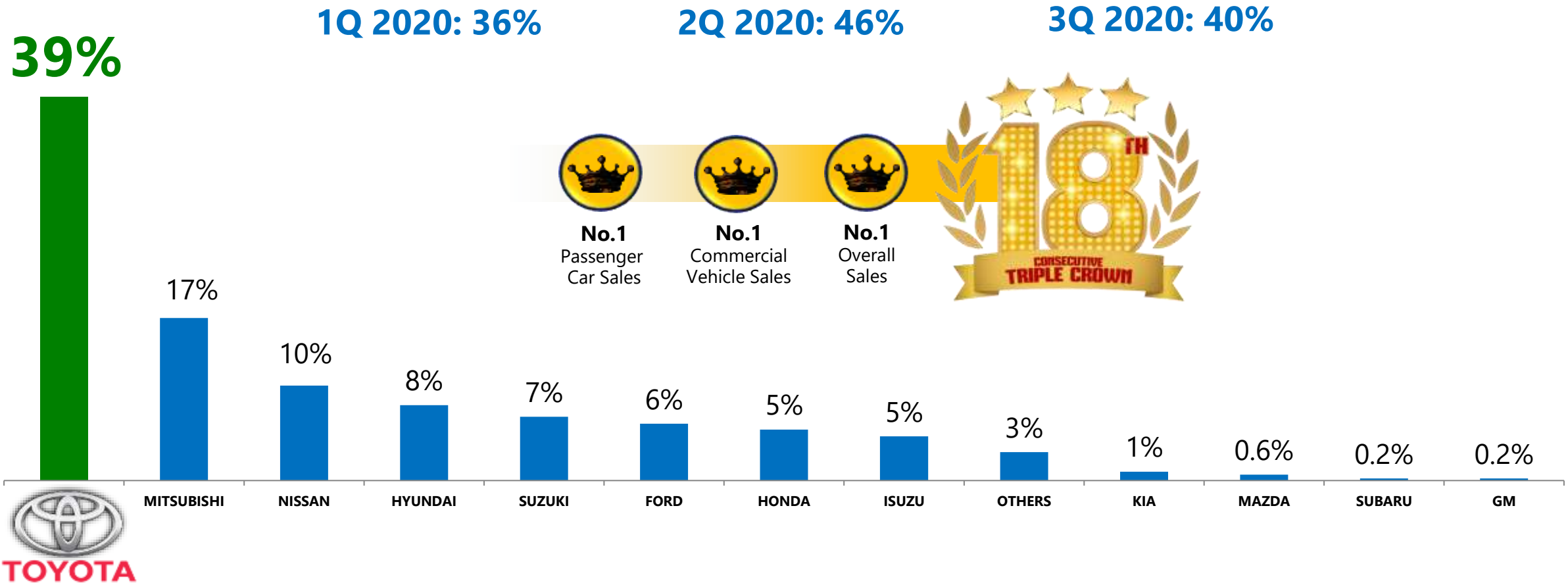


Source: Company data, CAMPI, AVID, TMP



# Automotive Sector Updates

## Overall Market Share 9M 2020



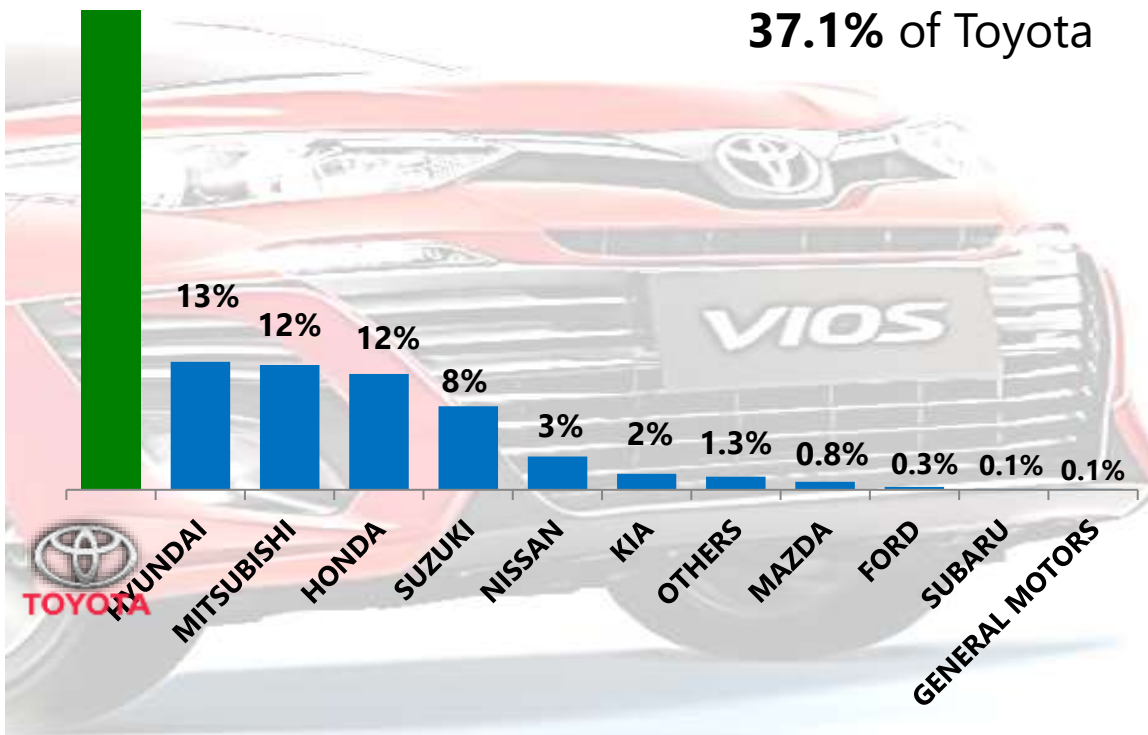
Source: Company data, CAMPI, AVID

## Auto Industry Market Share 9M 2020

### Passenger Car

**48%**

30.5% of market  
37.1% of Toyota

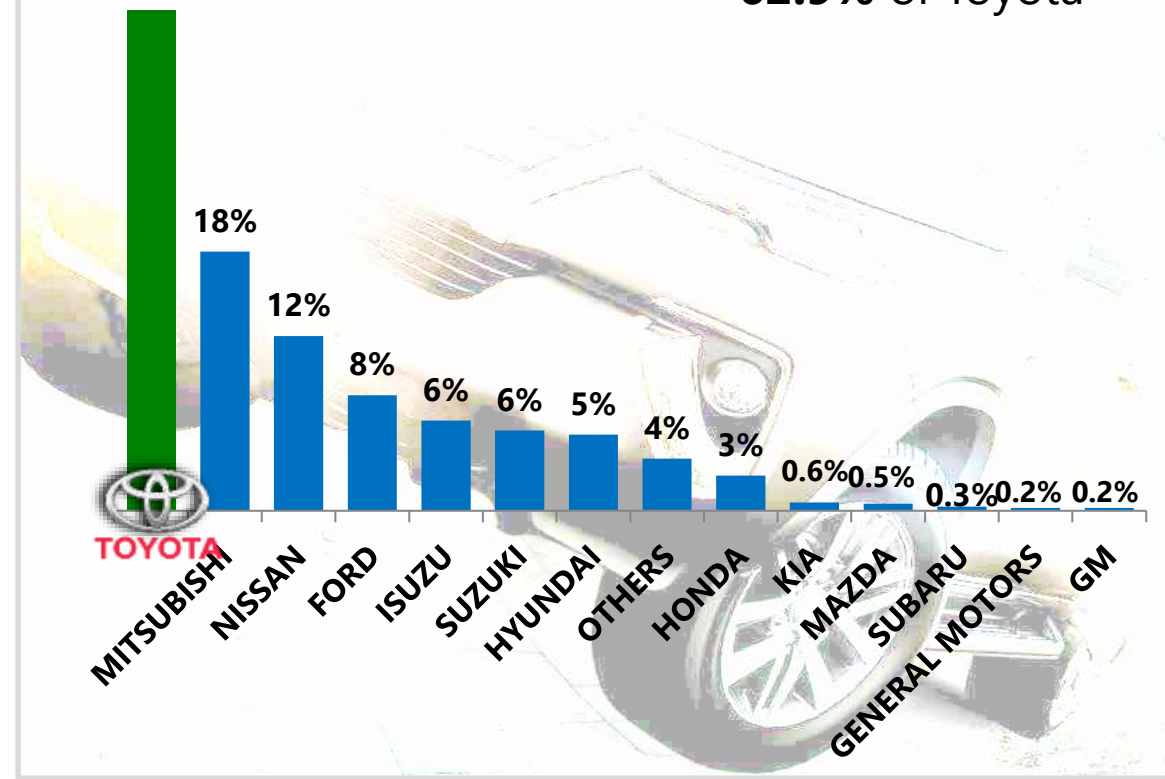


Source: Company data, CAMPI, AVID

### Commercial Vehicle

**35%**

69.5% of market  
62.9% of Toyota



# Comprehensive Auto Resurgence Strategy (CARS)

## Implementing Rules and Regulations – 23 December 2015



### Incentives, Rationale and Regulations

**₱9 billion**

**Model Life Budget**

Maximum amount of incentive given to each participant  
In the form of **tax incentive certificates**

**40%** *Fixed Investment Support (FIS)*

			
Body Shell Assembly	Large Plastic Assemblies	Common Parts	Shared Testing Facility
<b>12.5% to 30%</b>		<b>maximum 5%</b>	

*Production Volume Incentive (PVI)*

Dependent on **three factors:**

		
<b>Volume</b> produced in excess of 200,000	<b>Actual annual production</b> volume	<b>Size of locally-made high tech parts</b>

**60%**

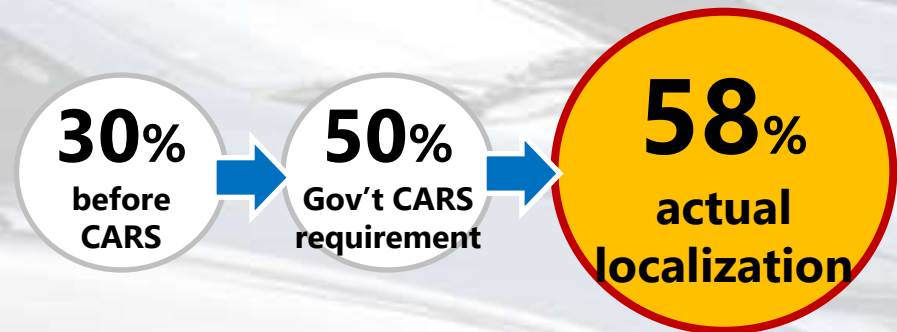
- Manufacturing of model, body shell, large plastic assemblies, common parts, OEM parts, and shared testing facility are covered
- **Php9.0 billion** maximum incentive in the form of **tax certificates**
  - Incentive per unit of 8% of price per unit or Php45,000 per unit
  - **40%** given for tooling, equipment and training costs for the initial start-up operation (Fixed Investment Support)
  - **60%** given for volume-based incentive (Production Volume Incentive)
- Only entirely new models or full model change (FMC) units can qualify
- Minimum production volume of 200,000 units over six years (33,333 units per year or 2,750 units per month)

# CARS Program Updates

## Comprehensive Automotive Resurgence Strategy



**Php5.38 B**  
Total Toyota CARS Project  
Investment Plan as of July 2019



**348 parts** Confirmed as of  
July 2017





Participating model **THE NEW VIOS**

**91** Toyota suppliers  
**30** Confirmed direct suppliers for the new Vios



**Php1.3 billion**  Aggregate Investments

**Out-house parts projects**

**BOI-registered auto parts partners**

 <b>Manly</b> PLASTICS, INC.*	<b>Php520.0 million</b>
 VALERIE PRODUCTS MANUFACTURING, INC.	<b>Php495.9 million</b>
 TECHNOL EIGHT PHILIPPINES CORP.	<b>Php94.5 million</b>
 TOYOTA BOSHOKU	<b>Php167.2 million</b>

with technical partners

 OGIHARA (THAILAND) CO., LTD.	 TOYODA GOSEI (THAILAND) CO., LTD
--	--

# CARS Unit Sales Progress

Units sold of Toyota Vios since launch of CARS Program model launched in July 2018 to date (cumulative)





20 August; 1.1 Mn Views  
Php1,285,000 - 1,650,000



12 Sept; 1.0 Mn Views  
Php936,000 (Cargo) - 1,830,000 (Conquest)



17 Oct; 750,000 Views  
Php1,633,000 - 2,414,000



2020 Virtual Model Launches on  
Facebook, Youtube, and the TMP Website



15 June;  
1.1 Mn Views

Php568,000 - Php700,000



25 July; 1.2 Mn Views  
Php671,000 - 1,071,000

# Dealership Update

Restarting full operations after ECQ

Target by end of year	2014	2015	2016	2017	2018	2019-20
Number of Dealers	45	49	52	61	69	71

Location	NCR	Luzon	Visayas	Mindanao	Total
Open as of May 1 (GCQ)	0	7	7	6	20
Open as of May 20 (MECQ)	18	28	10	10	66
<b>Open as of June 1</b>	<b>19</b>	<b>28</b>	<b>14</b>	<b>10</b>	<b>71</b>
					<b>100%</b>



## Measures in accordance with DOH & WHO:

- Temperature check of customers and employees
- Regular disinfection of facility and vehicles
- Changed showroom and service reception to ensure social distancing
- Control number of persons inside facility
- Customers encouraged to set appointments



# Price Comparable by Category

in Million Philippine Peso (PHP)



In Million PHP	Toyota	Hyundai	Honda	Mitsubishi
<b>Model</b>	<b>Camry</b>		<b>Accord</b>	
Price	1.841 — 2.042		2.288	
<b>Model</b>	<b>Corolla Altis</b>	<b>Elantra</b>	<b>Civic</b>	
Price	0.999 — 1.595	0.970 — 1.065	1.115 — 1.608	
<b>Model</b>	<b>Vios</b>	<b>Accent (Sedan)</b>	<b>City</b>	<b>Mirage G4</b>
Price	0.671 — 1.071	0.790 — 1.038	0.820 — 1.068	0.735 — 0.869
<b>Model</b>	<b>Innova</b>			
Price	1.036 — 1.694			
<b>Model</b>	<b>Fortuner</b>	<b>Santa Fe</b>	<b>CR-V</b>	<b>Montero Sport</b>
Price	1.633 — 2.414	2.158 - 2.538	1.668 — 2.138	1.565 — 2.450
<b>Model</b>	<b>Hiace</b>	<b>Starex</b>		
Price	1.101 — 2.998	1.248 — 2.938		
<b>Model</b>	<b>Wigo</b>		<b>Brio (Hatch)</b>	<b>Mirage (Hatch)</b>
Price	0.568 — 0.700		0.598 — 0.735	0.699 — 0.760
<b>Model</b>	<b>Rush</b>	<b>Kona</b>	<b>BR-V</b>	<b>Xpander</b>
Price	0.968 — 1.100	1.188	1.035 — 1.155	1.008 — 1.255

Source: Company websites; Retail prices as of 17 October 2020



# Price Comparable by Category in United States Dollars (USD)



	Toyota	Hyundai	Honda	Mitsubishi
<b>Model</b>	<b>Camry</b>		<b>Accord</b>	
Price	36,470 — 40,452		45,325	
<b>Model</b>	<b>Corolla Altis</b>	<b>Elantra</b>	<b>Civic</b>	
Price	19,790 — 31,597	19,216 — 21,097	22,088 — 31,854	
<b>Model</b>	<b>Vios</b>	<b>Accent (Sedan)</b>	<b>City</b>	<b>Mirage G4</b>
Price	13,290 — 21,216	15,650 — 20,563	16,244 — 21,157	14,560 — 17,215
<b>Model</b>	<b>Innova</b>			
Price	20,520 — 33,558			
<b>Model</b>	<b>Fortuner</b>	<b>Santa Fe</b>	<b>CR-V</b>	<b>Montero Sport</b>
Price	32,660 — 48,280	42,750 — 50,277	33,043 — 42,353	31,002 — 48,534
<b>Model</b>	<b>Hiace</b>	<b>Starex</b>		
Price	21,810 — 59,390	24,723 — 58,201		
<b>Model</b>	<b>Wigo</b>		<b>Brio (Hatch)</b>	<b>Mirage (Hatch)</b>
Price	11,250 — 13,867		11,846 — 14,560	13,847 — 15,055
<b>Model</b>	<b>Rush</b>	<b>Kona</b>	<b>BR-V</b>	<b>Xpander</b>
Price	19,180 — 21,791	23,534	20,503 — 22,880	19,968 — 24,861

Source: Company websites; Retail prices as of 17 October 2020  
 Converted prices based on average Peso-Dollar rate of Php50/USD1

# Toyota Brand Attributes



**Globally trusted brand**  
QUALITY, DURABILITY, RELIABILITY (QDR)

Dealership network offering **full range of services**

Availability of **original parts, supplies and service**

High resale value (up to **50% of original** selling price for 5 years old and above)

Corporate policy of manufacturing original parts for models discontinued **up to 15 years**



# Acquisition of Toyota Santa Rosa Dealership



**60%**



**Php110 Mn**  
Dividend upflow  
to GT Capital

**Php516 Million**  
Cash paid



**40%**



**Php344 Million**  
Cash paid



## Strategic Partnership Structure



- GTCAD will chair the Board and hold key Finance roles
- TCS will assume management control, appointing TSR's president and key operations positions
- Third-party fairness opinion by KPMG (RG Manabat & Co)

# Rationale for the Acquisition of Toyota Santa Rosa Dealership



## Diversify geographical reach



Metro Manila & Cavite

JBT Global

North Luzon



South Luzon

## Dealer network expansion



71

TOYOTA dealers

## Strategic partnership w/ best-in-class brand

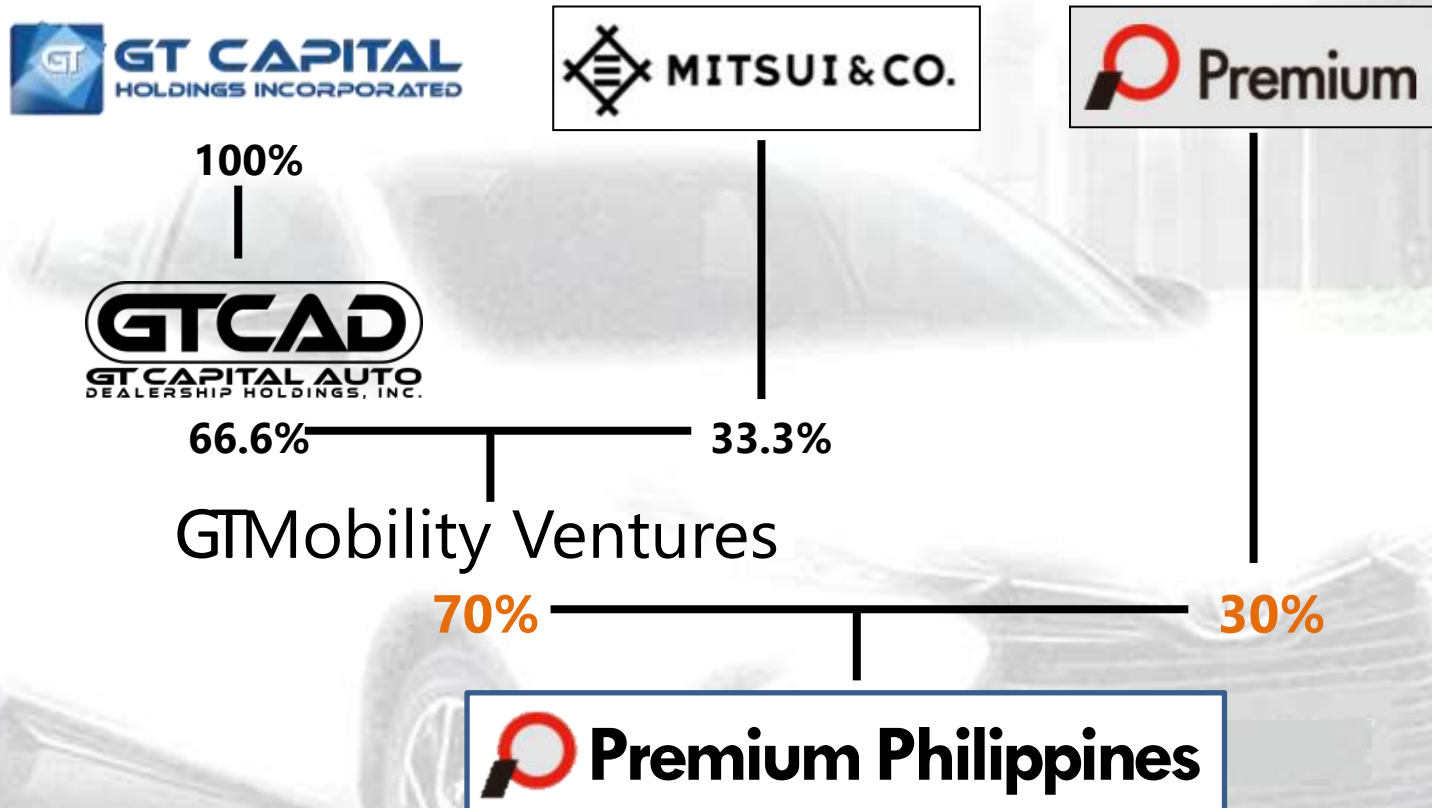


- One of Japan's leading dealership groups
- TCS's first joint venture outside Japan
- Gives TCS valuable international experience for future global expansion initiatives

## Expansion into CALABARZON

- Source for **21% of OFWs**, highest in the Philippines
- **2<sup>nd</sup> largest** contributor to Philippine GDP
- **USD 2,058** GDP per capita
- **37.2%** of manufacturing GDP

# Joint Venture with Premium Group Warranty



## Rationale

- ✓ Provide inspection and warranty service to the used car sector
- ✓ Underpenetrated sector; no significant Philippine competitors
- ✓ Number 1 warranty co in Japan
- ✓ Relatively small investment
- ✓ First-mover advantage
- ✓ Continues auto value-chain expansion

## Investment

Company	Investment	Stake
GT Capital/GTCAD	Php32.7 M	46.7%
Premium Group	Php21.0 M	30.0%
Mitsui & Co.	Php16.3 M	23.4%
<b>Total Investment</b>	<b>Php70 M</b>	<b>100%</b>



 **FEDERAL LAND**  
GT Capital Holdings



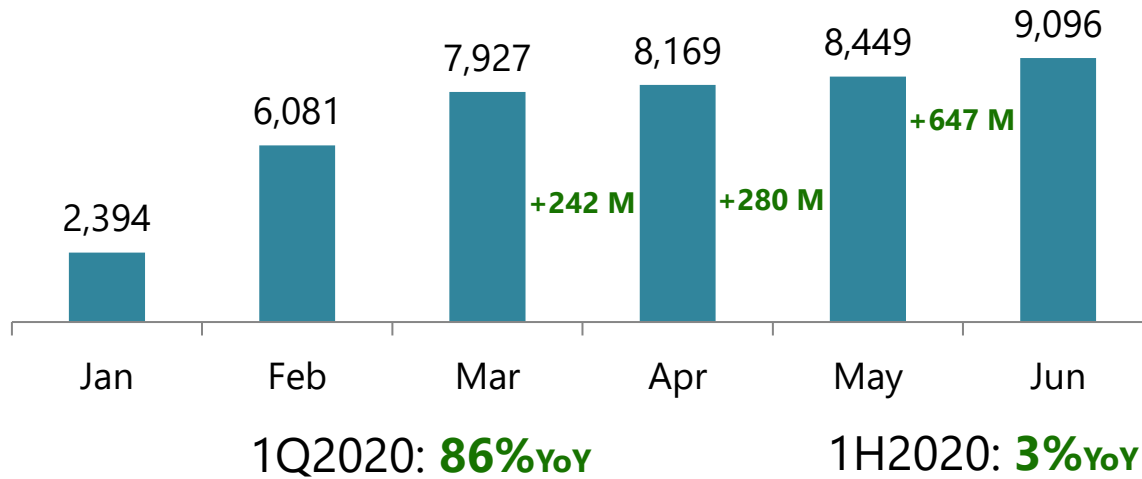
**GT CAPITAL**  
HOLDINGS INCORPORATED

**Property  
Development**

# Digital Sales Process and Activities

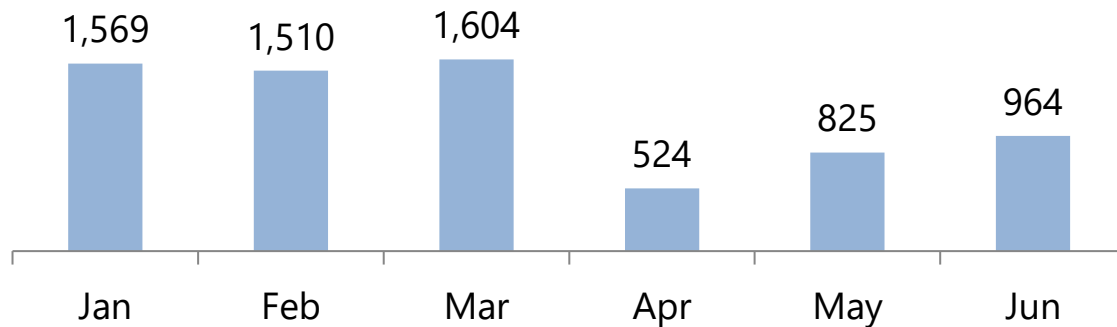
## 1H2020 Highlights

### Cumulative Reservation Sales (Php Mn)



### Monthly Project Inquiries

Traditional Marketing

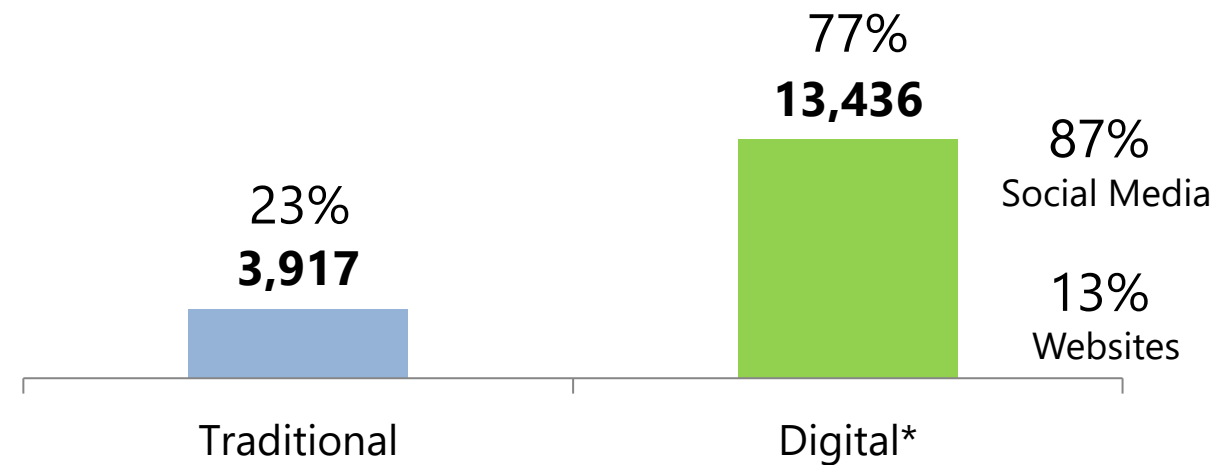


### Digital Platform Engagement

March to June



### March to June Inquiries



\*Facebook/Instagram message, comments, emails, direct contact, web contact form

# 28 Projects Approved for Resumption Construction Update As of September 2020

HLURB, LGU, DPWH, Local Associations

## 23 Residential Projects



PBW-Misibis



PBW-Siargao



PBW-Coron



PBW-Baler



Mi-Casa-Hawaii



PGMH-Mango



PGMH-Mimosa



Siena-T1 + T2



SSR-T2



SSR-T3



TGMO-T1 and T2



Quantum T1, T2 and T3

## 5 Commercial Projects



Met Live Deck



iMet T2, T3, and T4



BBW Roadside



# Project Launches in 2019

Number of units are all estimates and subject to change



**The Estate**  
AYALA AVENUE

February

188 units, Php18.9B (JV 50%)



**Mi Casa Tower 1**  
BAY AREA, PASAY

March

158 units, Php3.9B



**Quantum Residences**  
Tower 2  
(Amethyst)  
TAFT AVENUE

August

1,304 units, Php4.6B



**Marco Polo Residences**  
Tower 5  
CEBU

September

350 units, Php2.7B



**The Seasons Residences**  
Natsu Tower  
BGC

November

313 units, Php8.2B



**The Grand Midori**  
ORTIGAS

November

810 units

## 28 On-going Projects

- 7 launched in 2011
- 11 launched in 2012
- 5 launched in 2013
- 4 launched in 2014
- 3 launched in 2015
- 4 launched in 2016
- 5 launched in 2017
- 8 launched in 2018
- 6 launched in 2019

Launches for 2020 deferred

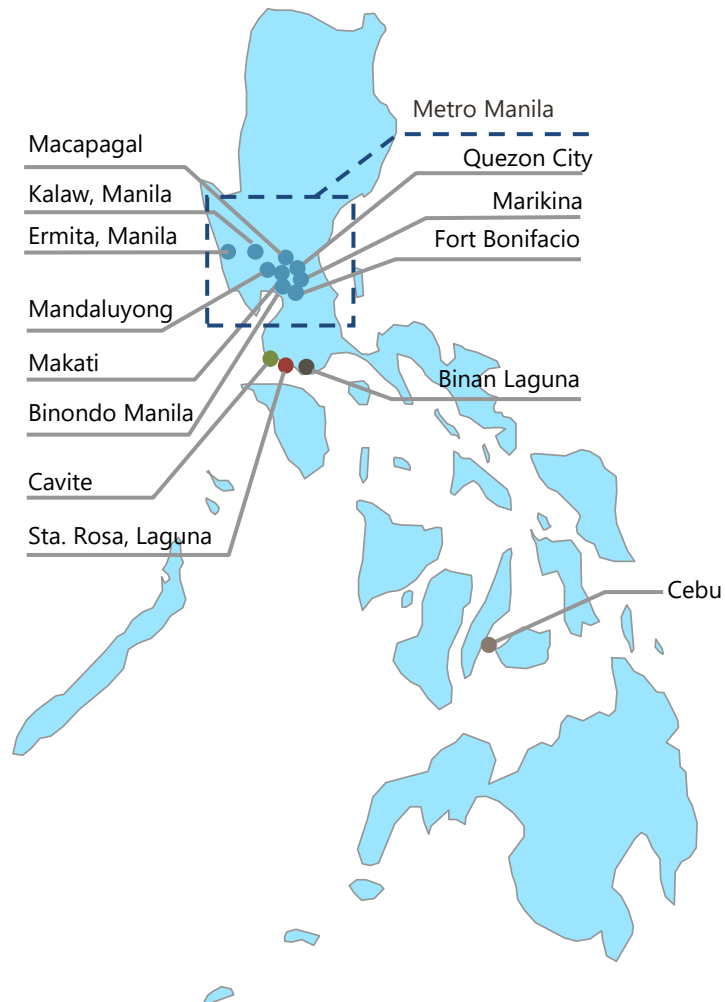
**18 sqm. to 400 sqm.**  
unit size range  
**Php20 Mn – Php101 Mn**  
price range

## 8 Different Locations

- 6 cities within Metro Manila
- 2 cities outside Metro Manila

Recurring Income at **11%** of total revenue

# Land Bank Location



Source: **Company data**

Location	Land Bank (in hectares)
<b>Metro Manila</b>	
Bay Area, Pasay	14.8
Marikina	8.8
Mandaluyong	5.3
Fort Bonifacio	1.9
Kalaw, Manila	0.6
Paranaque	0.3
<b>Outside Metro Manila</b>	
Iloilo	0.3
Binan, Laguna	63.5
General Trias, Cavite	3.0
Santa Rosa, Laguna	7.9
<b>Total nationwide land bank (MM+Prov)</b>	<b>106.2</b>

# Exchange of Pro-Friends Shares for Land

Agreement signed on 10 May 2019



**Redemption**  
of 64,530,712  
Series A Preferred Shares  
in PCFI  
**(51% of PCFI)**

**702 hectares**  
of selected assets

Approximately  
**Php20  
Billion**



Location	Area (in has.)
Lancaster	592.28
Bellefort	88.50
Carmona	20.29
Shaw, Mandaluyong	0.46
Santolan, Quezon City	0.91
<b>Total</b>	<b>702.44</b>



# Exchange of Pro-Friends Shares

## Investment History



- GT Capital invested **Php16.0 billion** for a **51.0%** direct equity stake in Pro-Friends
- **Tranche 1:** August 2015, Php7.24B for 22.68%
- **Tranche 2:** June 2016, Php8.76B for 28.3%
- **Investment rationale:** attain foothold in horizontal, affordable, low-cost housing sector

## Redemption Rationale

- The selected 702 hectares are **best suited for master-planned, mixed-use developments**
  - Use for affordable homes no longer optimal and best use of land bank
    - Land values no longer suitable for affordable housing
    - Spin-off inevitable
    - Partners to focus on areas of expertise
    - Right Timing
  - Key developments and ongoing infra projects within the area are expected to translate to higher land prices in the medium-term
  - IT-BPM labor workforce outside Metro Manila projected to grow 10% annually
  - Cavite expected to have the second highest office supply pipeline in the medium term

### Capital Requirements:

- Capex for commercial and retail significantly higher vs. affordable housing
- GT Capital to focus resources on mixed-use dev'ts

**TARGET COMPLETION DATES:**  
CAVITEX - 2021  
CAVITEX C-5 South Link - 2021  
CALAX - 2022

**Ongoing infrastructure projects may translate to higher land prices in the medium-term**

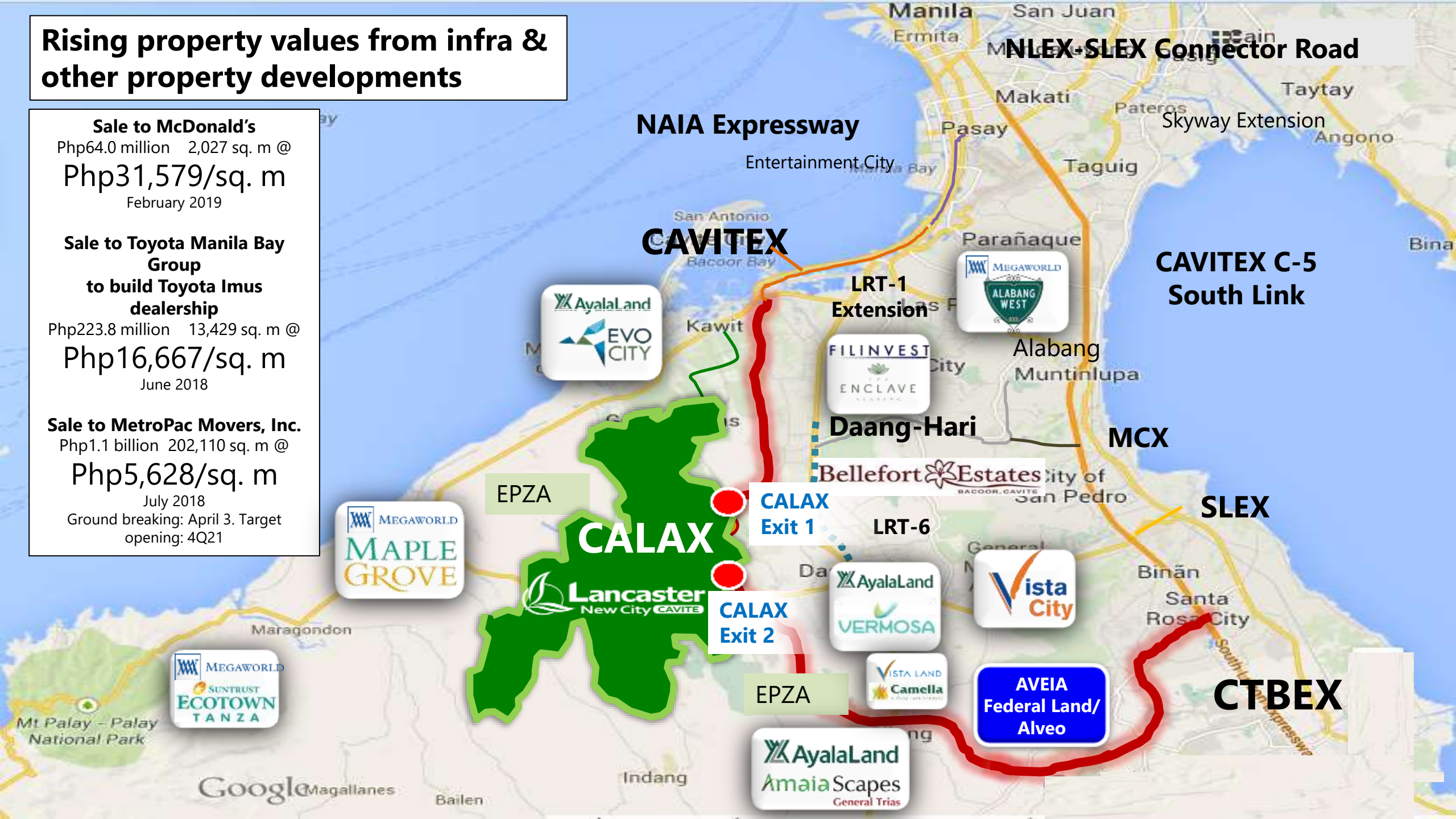


# Rising property values from infra & other property developments

**Sale to McDonald's**  
 Php64.0 million 2,027 sq. m @  
**Php31,579/sq. m**  
 February 2019

**Sale to Toyota Manila Bay Group to build Toyota Imus dealership**  
 Php223.8 million 13,429 sq. m @  
**Php16,667/sq. m**  
 June 2018

**Sale to MetroPac Movers, Inc.**  
 Php1.1 billion 202,110 sq. m @  
**Php5,628/sq. m**  
 July 2018  
 Ground breaking: April 3. Target opening: 4Q21



**NAIA Expressway**

**NLEX-SLEX Connector Road**

Skyway Extension

**CAVITEX**

**LRT-1 Extension**

**CAVITEX C-5 South Link**



**Daang-Hari**

**MCX**

EPZA

**CALAX**

**CALAX Exit 1**

**LRT-6**

**SLEX**



**CALAX Exit 2**



EPZA



**CTBEX**



Mt Palay - Palay National Park



Google Magallanes

Bailen

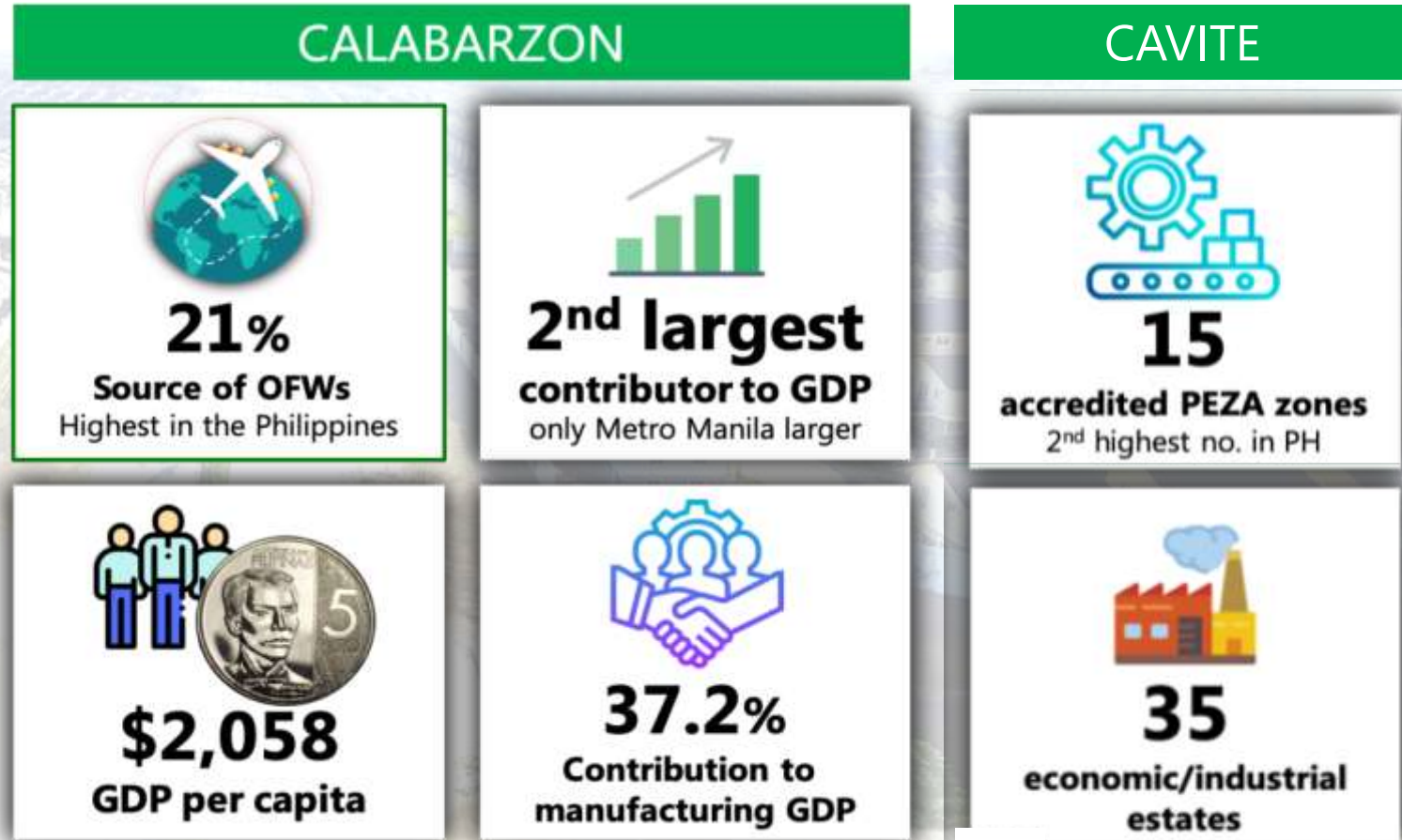
Indang

General Trias

# Valuation Methodology

- 702 hectares of Selected Assets appraised by Cuervo Appraisers
- Reyes Tacandong issued fairness opinion on Enterprise Value of PCFI using various methodologies
- Values converge at **Php20 Billion for 51%**

## CALABARZON and Cavite Demographics



# Return on GT Capital's Investment

## Return on Investment

**Initial Investment**

**Php16.0  
Billion**

**versus**

Approximate Value of  
"Selected Assets"

**Php20.0  
Billion**

Dividends from PRO-  
FRIENDS

**Php1.3  
Billion**

**Total**

**Php21.3 Billion**

**Return  
IN PERCENTAGE**

**31%**

- GT Capital Net Income Contribution from PRO-FRIENDS **CAGR +18%**
- Return on investment of **31%**





# Life and General Insurance

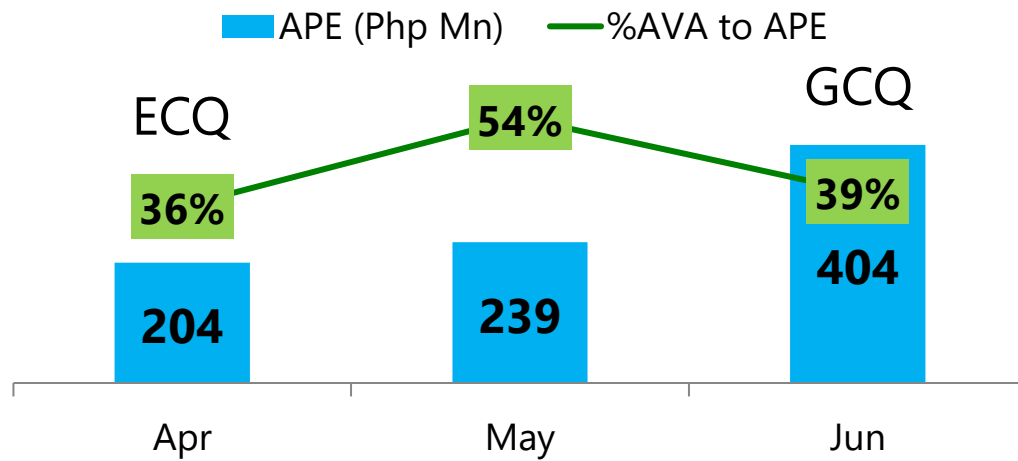


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# AXA Virtual Selling Assist (AVA), Protection and Health 1H2020 Highlights

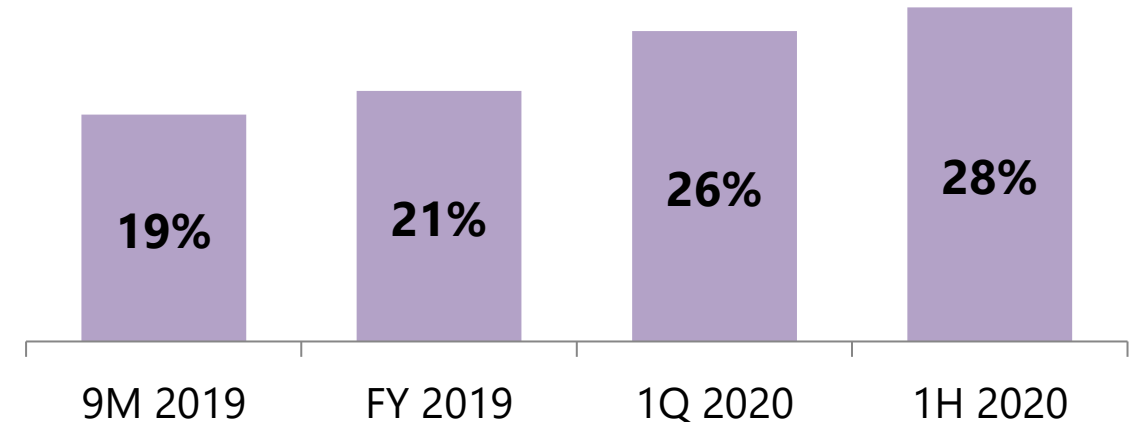


## Annualized Premium Equivalent (APE)

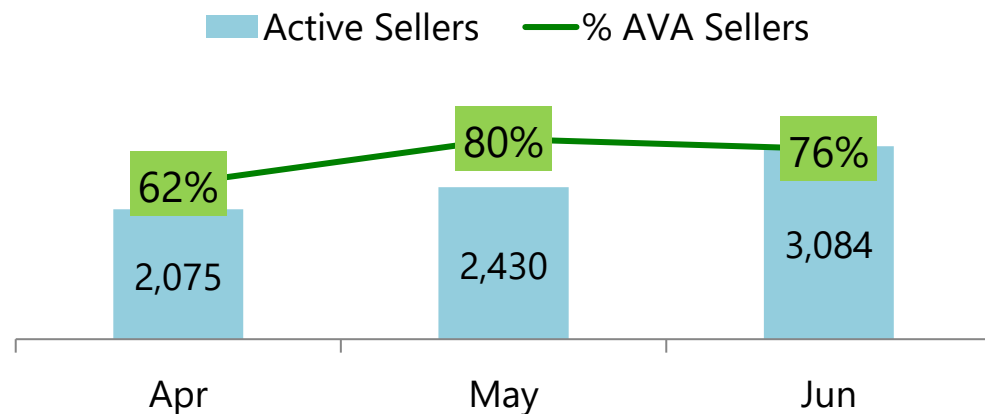


## Protection and Health

% Contribution to New Business (APE)\*

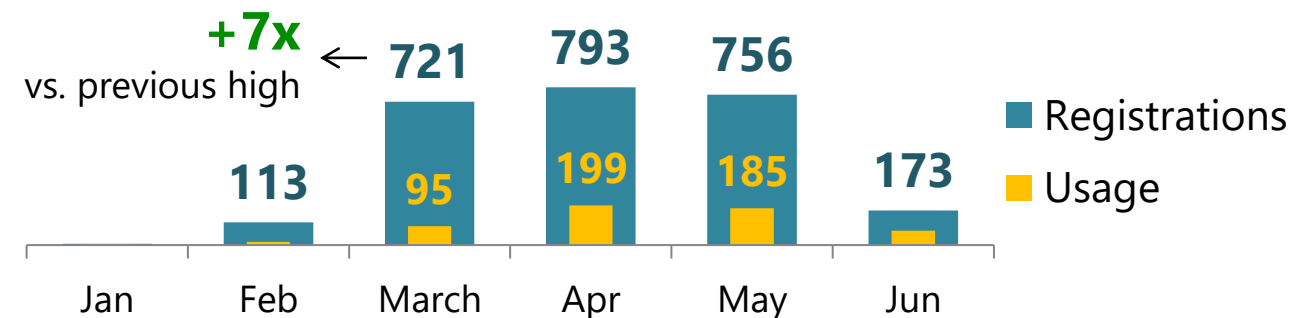


## Active Sellers and % of AVA Sellers



## Teleconsultations - COVID-19 Response

Extended to **750,000** non-health, GI, OFW customers, life agents, and MBT leads



\*Retail and Group Protection and Health



**METRO  
PACIFIC**  
INVESTMENTS

**Infrastructure  
and Utilities**

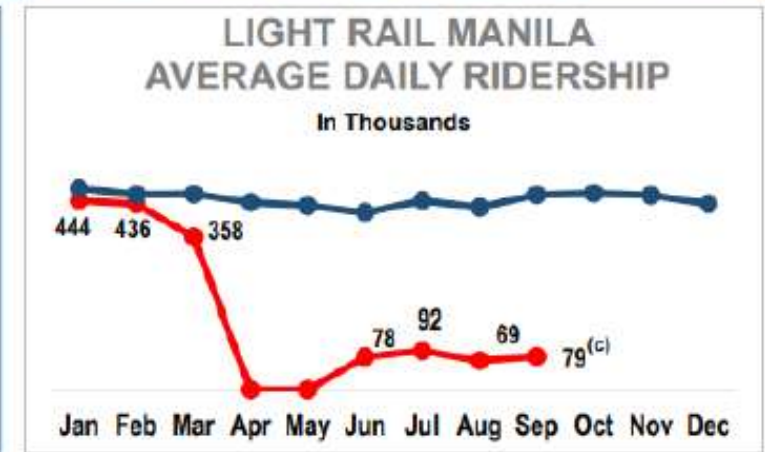
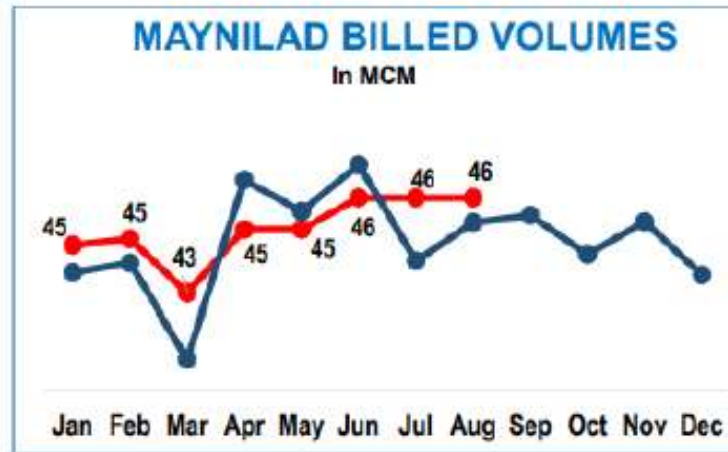
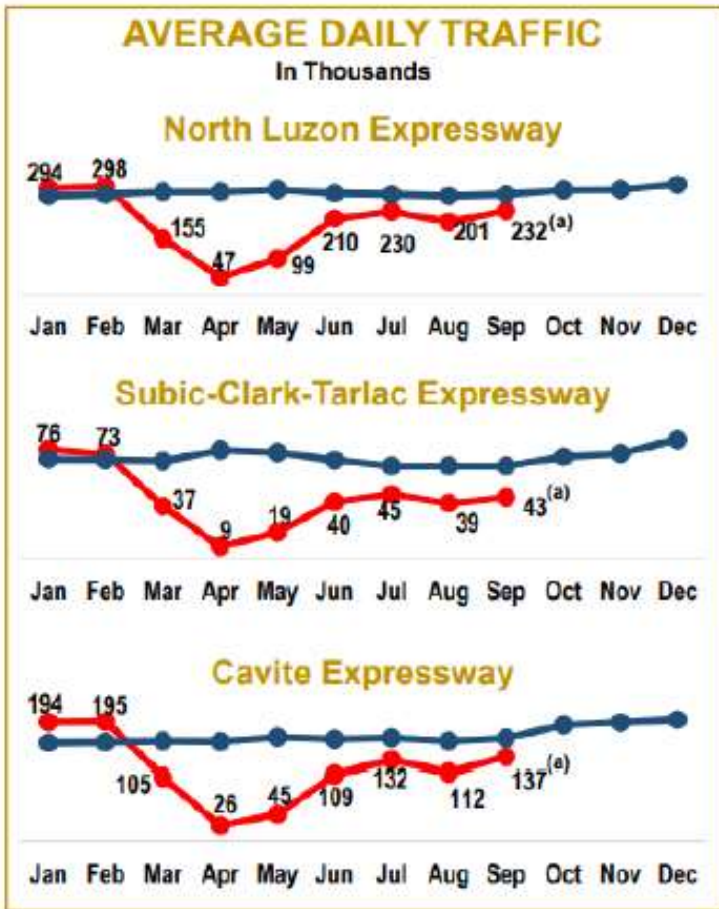


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# Monthly Volume Dashboard

## Approximating Pre-Covid Levels

■ 2019 ■ 2020



<sup>(a)</sup> Average daily traffic estimate as of Sept 14, 2020  
<sup>(b)</sup> Includes catch-up adjustment on previously estimated volumes  
<sup>(c)</sup> Average daily ridership estimate as of Sept 21, 2020





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# Covid-Related Assistance

Over  
**Php1.2  
 Billion**  
 in Covid-related  
 initiatives



## Helping the nation heal as one

**₱1.0 billion**

Policies and programs in place to support **25,600 Group-wide** officers, agency-based support staff and front-liners

**₱100 million**

Food gift certificates for **1 million families** through Project Ugnayan of the Phil. Disaster Relief Foundation and Caritas Manila

**₱25.4 million**

**20,000 sets** of PPE for **21 hospitals** in Metro Manila, Cavite, and Cagayan de Oro

**₱4.3 million**

**109,200 pairs of gloves** and **2,000 sets** of PPE for the **Police and Armed Forces**

**₱18 million**

**Molecular Laboratory** for the Phil. **Red Cross** capable of **1,000 tests a day**

**₱15 million**

**22,000 rapid test kits** and **3,800 PCR swab tests** c/o U.P. NIH and Project ARK

**₱10 million**

PhilStar Tala Para sa Kapwa, San Juan Medical Center (via Xavier School), McDonalds RHMC, Jollibee Group Foundation



**WE  
HEAL  
AS  
ONE**

The graphic features the text 'WE HEAL AS ONE' in large, bold, sans-serif font. 'WE' is black, 'HEAL' is blue, 'AS' is red, and 'ONE' is yellow. To the right of the text is a stylized representation of the Philippine flag, with a white triangle containing a sun and three stars, and horizontal stripes of blue and red.

Adherence to *Bayanihan Heal as One* and *Bayanihan Recover as One* (*Bayanihan 1 and 2*) Acts and other government agency directives

- Interest payments deferred
- Rental and amortization payments pushed back
- Insurance premium collections postponed



# Group Services During ECQ



## Grace Periods

Grace periods for monthly amortizations, lease collections, and insurance premium payments



## Banking Services

- Branches, Cash Accept Machines, and ATMs remained open
- Waived bank fees on Instapay and PesoNet



## Insurance Coverage

- Extended validity of coverage for qualified policies expiring within ECQ
- Covid-19-related events covered



## Auto Assistance

Financial assistance to dealerships



## Property Cleaning

Regular disinfection of all common areas in all properties





- Uncharted territory
- Strong balance sheet, solid global partners
- Support for employees: preservation of capabilities
- Diversification of sectors
- Strong core businesses
- Accelerating our digital transformation

# Thank You!



Partners for  
Good



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or contact [IR@gtcapital.com.ph](mailto:IR@gtcapital.com.ph)