



**GT CAPITAL**  
HOLDINGS INCORPORATED

# First Quarter 2020

## Financial and Operating Results



Partners for  
Good



18 May 2020

# GT Capital Group 1Q 2020 Financial Highlights

## Consolidated Net Income

(FLI +98%, MBT -8%, TMP -20% , MPI -47%, AXA -55%)

-26%

**Php2.5 billion**

Php3.4 billion 1Q 2019

## Core Net Income

(FV adjustments for MBT, MPI, TMP and MPI non-recurring expenses)

-16%

**Php2.8 billion**

Php3.3 billion 1Q 2019

## Revenues

-13%

**Php39.0 billion**

Php44.9 billion 1Q 2019

Auto Sales (TMP: Php28.8 B)

**Php 32.8 billion** -15%

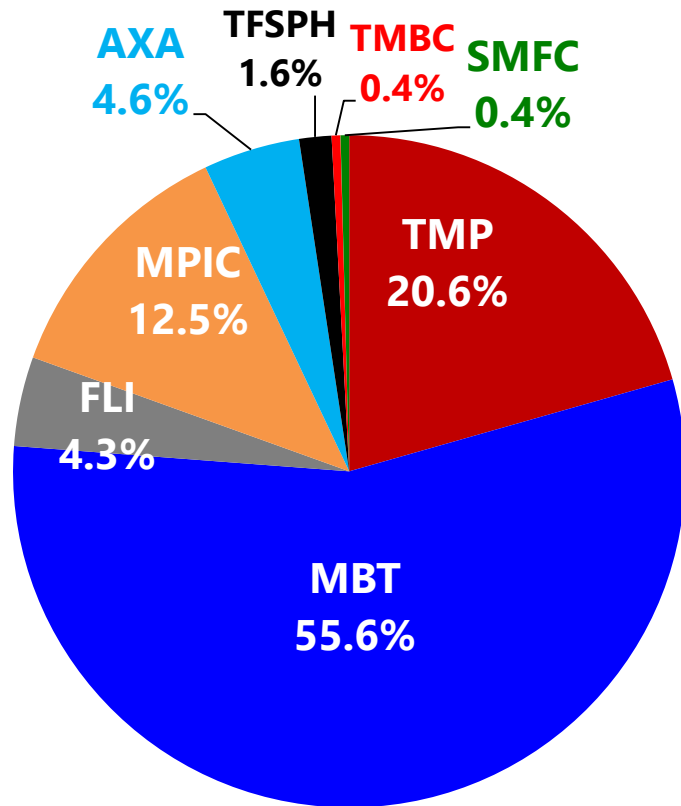
Equity in net income of associates  
(MBT Php2.3B, MPIC Php0.3B, AXA Php0.1B, TFS Php0.04B)

**Php 2.7 billion** -19%

Real Estate Sales and Interest income on Real Estate Sales (RES)

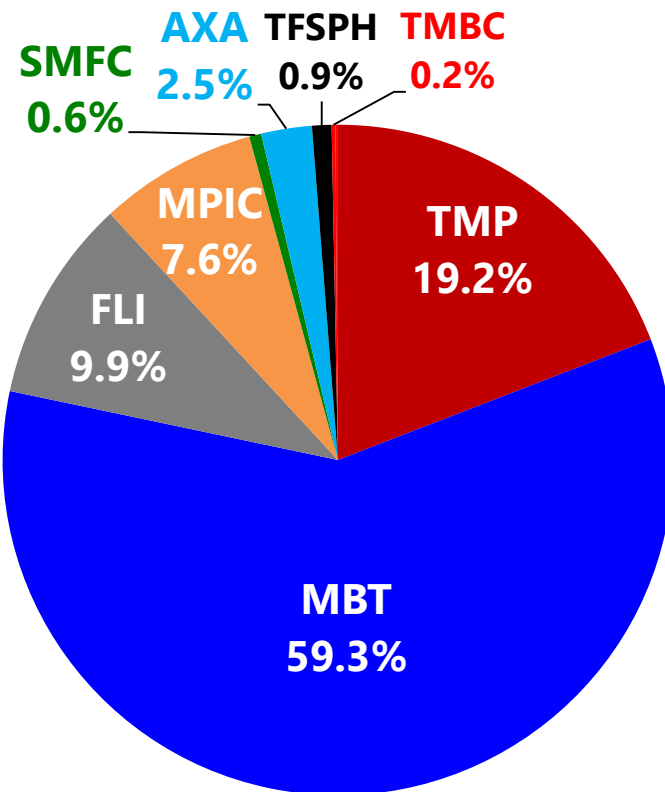
**Php 2.4 billion** +33%

# GT Capital Net Income Contribution 1Q 2020



**MBT + TMP = 76.2%**

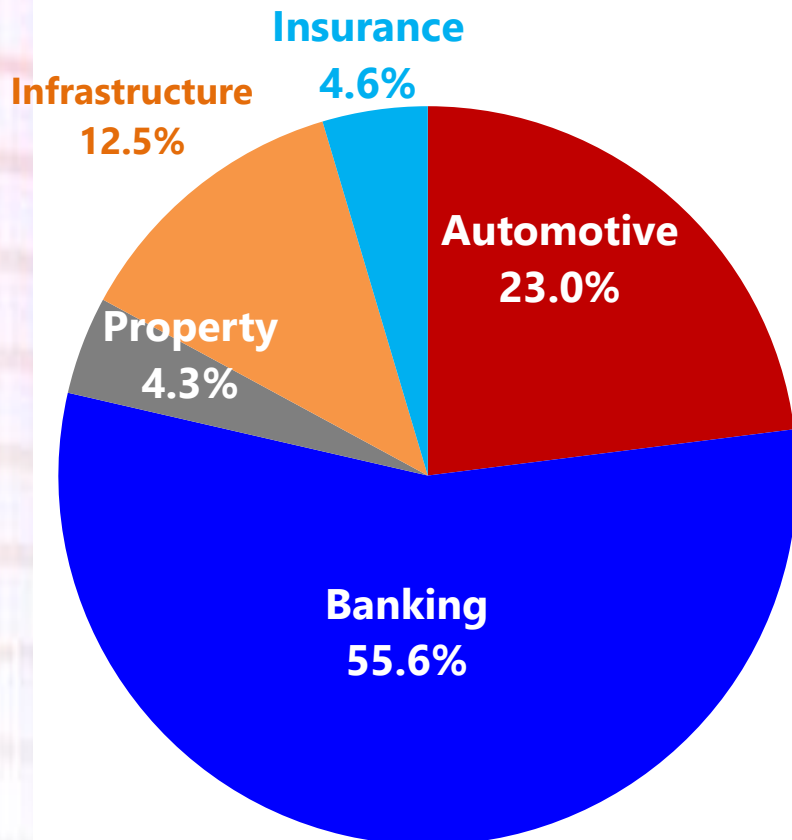
**1Q 2019**



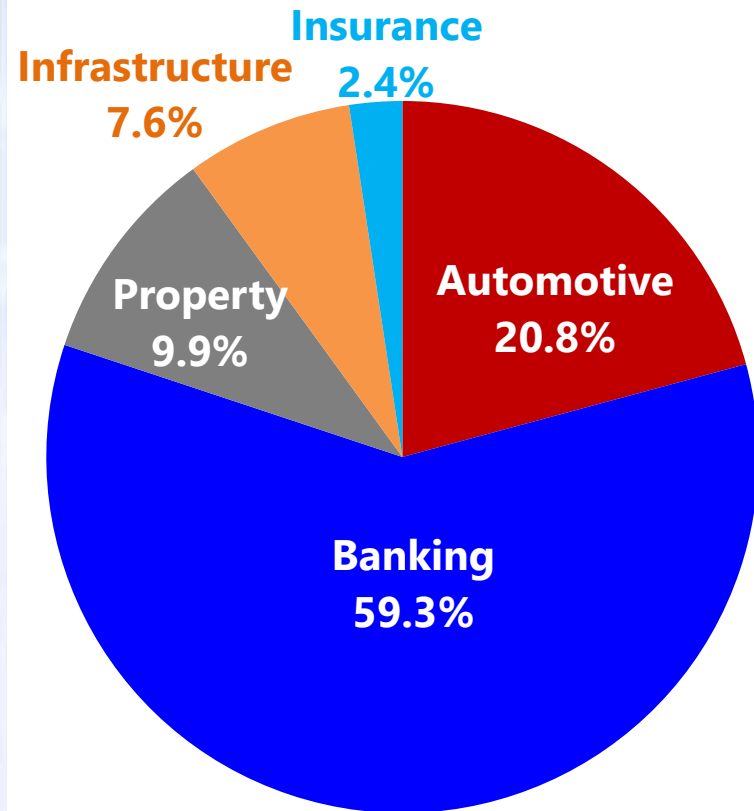
**MBT + TMP = 78.5%**

**1Q 2020**

# GT Capital Net Income Contribution by Sector



1Q 2019



1Q 2020

# COVID-19 Response

Our Group stands with all Filipinos in facing the challenges



## Php200 Million Pledge



As of May 15, 2020

### Php25.4 Million



**20,000 SETS OF PPEs**  
composed of hazardous material suits, face shields, N95 masks, gloves and shoe covers



**21 HOSPITALS**  
across Metro Manila, Cavite and Cagayan de Oro received the PPEs



Partnered with PRC to construct a **MOLECULAR LABORATORY** capable of detecting COVID-19 and other contagious diseases



**1,000 COVID-19 TESTINGS**  
capable of testing thousand samples per day



The facility will be **FULLY EQUIPPED** complete of supplies and apparatuses including two automated extraction machines



### Php10 Million

**22K RAPID TESTING KITS**  
were purchased and will be distributed to identified barangays in Metro Manila



**PROJECT ARK**

partnered with GoNegosyo's Project ARK (Antibody Rapid test Kits) for the purchase of kits and testing of identified barangays

### Php8.8 Million



**12,000 SETS OF PPEs**  
deployed to Philippine National Police (PNP) and Armed Forces of the Philippines (AFP)



**Philippine Star's Tala Para sa Kapwa**

**San Juan Medical Center**  
through Xavier School Alumni Association



**3,800 TESTING KITS**  
were purchased and will be distributed to identified testing centers and hospitals



partnered w/ UP National Institutes of Health through Manila HealthTek, Inc. for the purchase of COVID-19 detection kits



### Php4 Million

**40,000 MEALS**  
**10,000 FOOD PACKS**



Partnered with



# COVID-19 Response

Our Group remains steadfast in our commitment: (1) to the safety and well-being of all employees and staff, and (2) to the uninterrupted delivery of products and services to customers



## Approx. Php1.0 Bn Employee Assistance

- Support for nearly **26,000** Group Employees for duration of ECQ, including those with disrupted operations
- Meal and transportation allowance for those required to report onsite
- Advanced payroll, bonus, and financial and emergency medical cash assistance
- Monetary assistance to frontliners

## COVID-19 testing equipment

- **20,000** test kits for GT Capital Group employees under Project ARK
- **14,000** of which will be for Metrobank employees

## New Normal Workplace Management Plan

- Staggered work schedule
- Meetings conducted using online platforms
- Ensured social distancing
- Provide masks, face shields, foot bath, and contact-less hand alcohol
- Regular disinfecting of facilities
- Thermometer screening
- Internal ban on business travel





# Banking

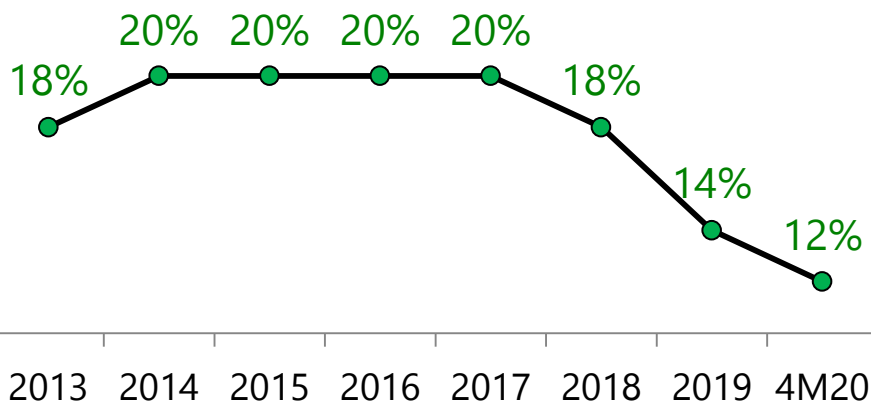
# Lose Monetary Policy and Quantitative Easing



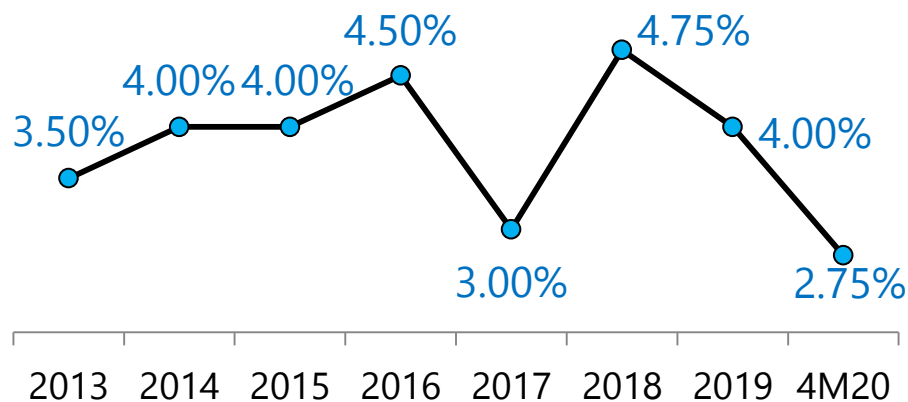
**Metrobank**  
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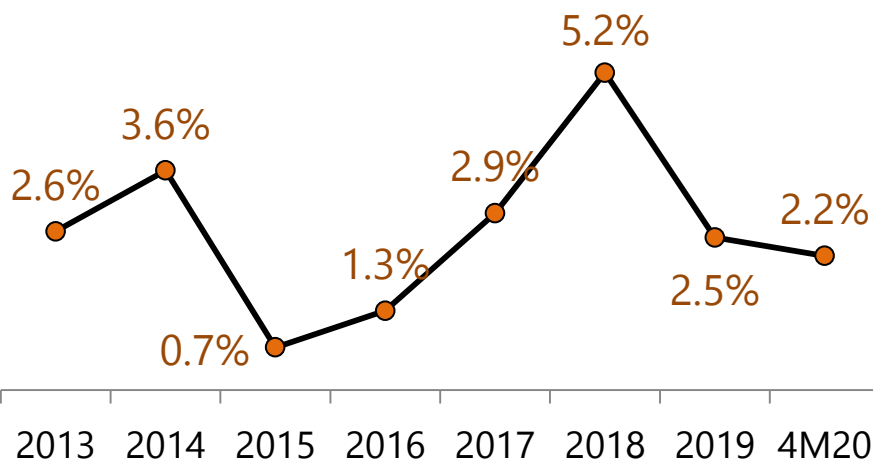
## RRR cuts to support liquidity



## Deep policy rate cuts to record-low level



## Supported by low inflation



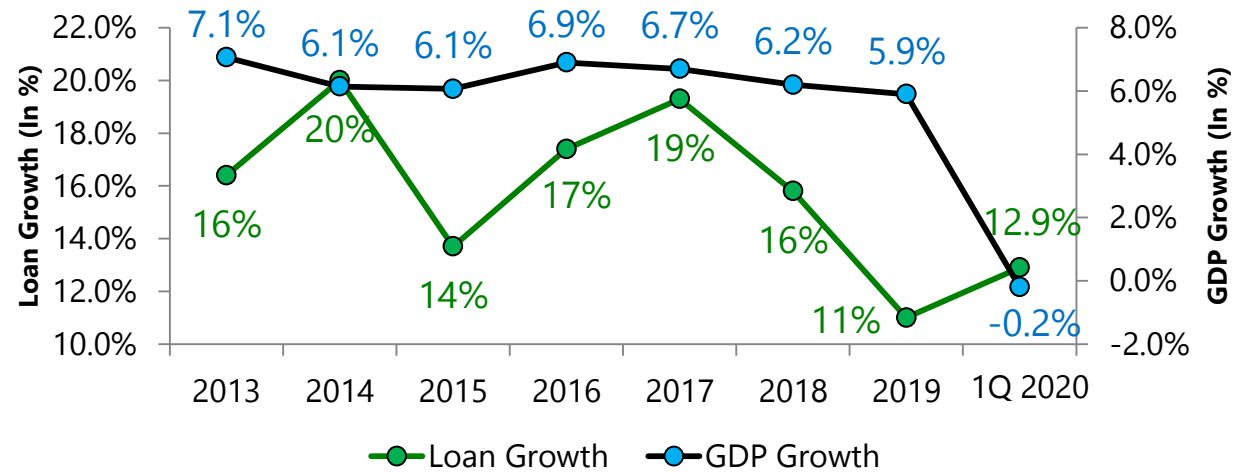
## BSP introduces measures to keep liquidity

P300Bn Repo Agreement with National Government	Reduced Overnight Reverse Repurchase volume offering
MSME Loans counted against RRR	Relaxed past due/provision guidelines
Suspension of TDF auctions for certain tenors	Operational relief measures for FX transactions
Daily 1-hr window to purchase GS from secondary market	Eased asset cover requirement of banks with expanded FCDUs



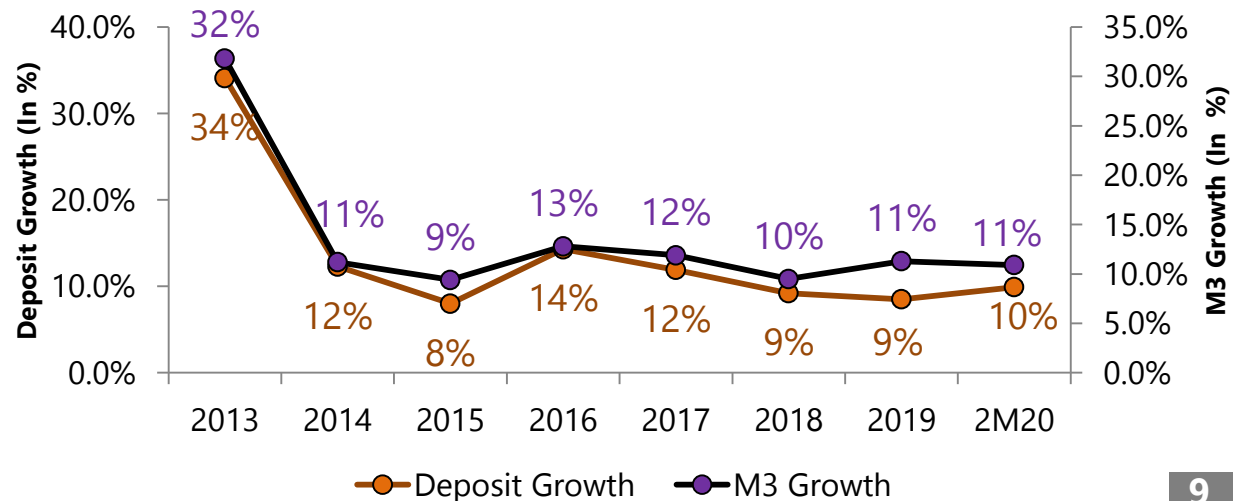
## Loan Growth vs. GDP Growth

Loan growth had a strong start but may be tempered by economic uncertainty



## Deposit Growth vs. M3 Growth

Deposit and M3 growth sustained in early months and will depend on overall market liquidity



# Philippine Big Three Banks Adequately Capitalized



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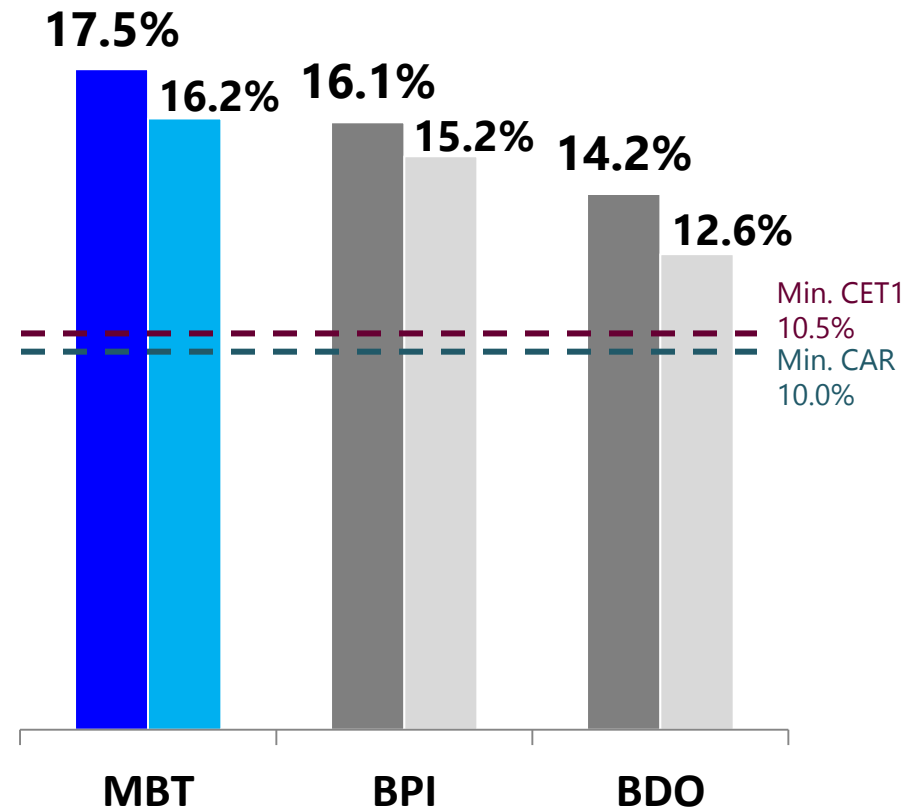
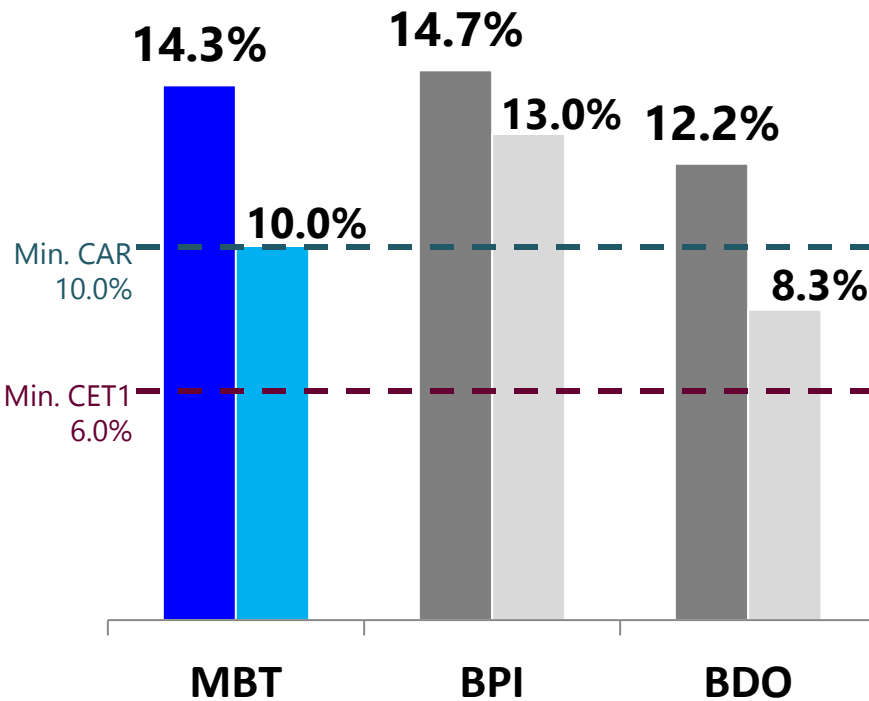


**December 31, 2009**

**December 31, 2019**

**CAR Tier 1**

**CAR CET1**



Source: BSP, banks' disclosures

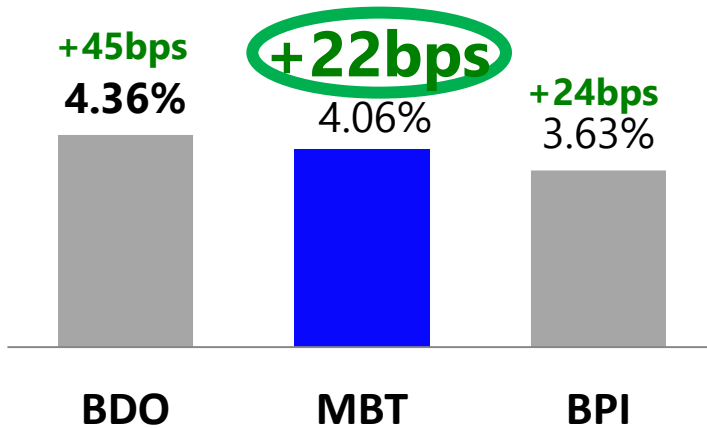
# Peer Banks Highlights 1Q 2020



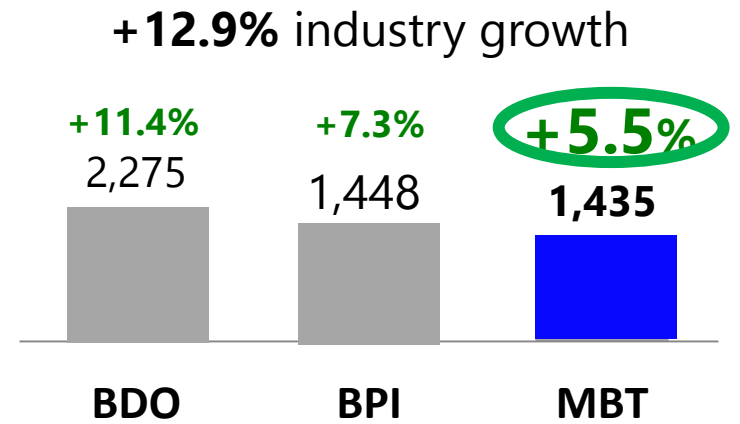
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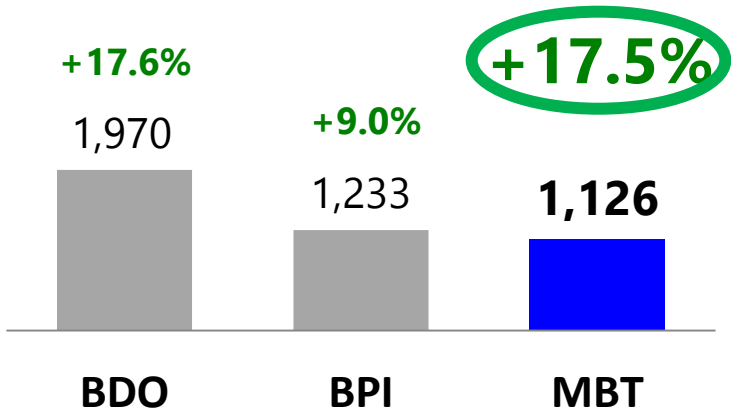
## Net Interest Margin – NIMs (%)



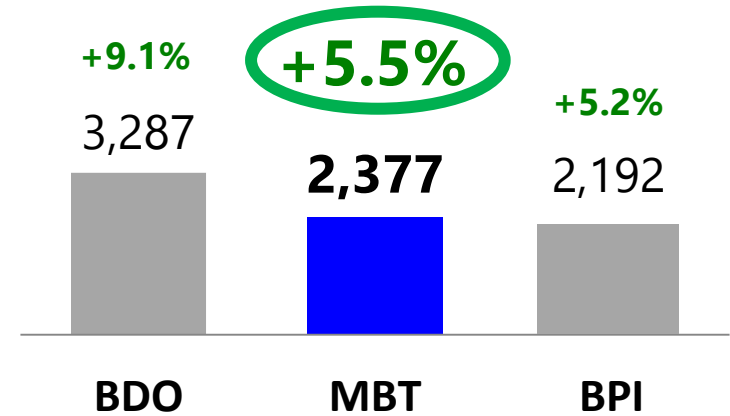
## Total Loans (Php Billion)



## CASA Deposits (Php Billion)



## Total Assets (Php Billion)



Source: 17-C Report and Investor Presentations of Banks as of 31 March 2020



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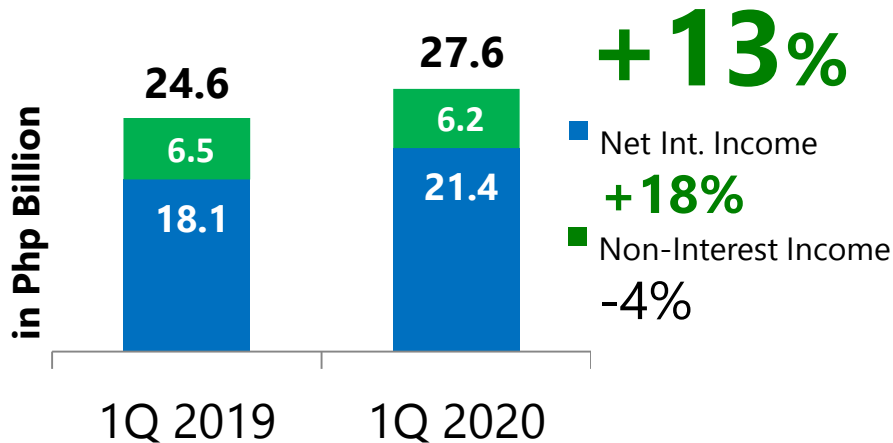
# Metrobank Financial Highlights



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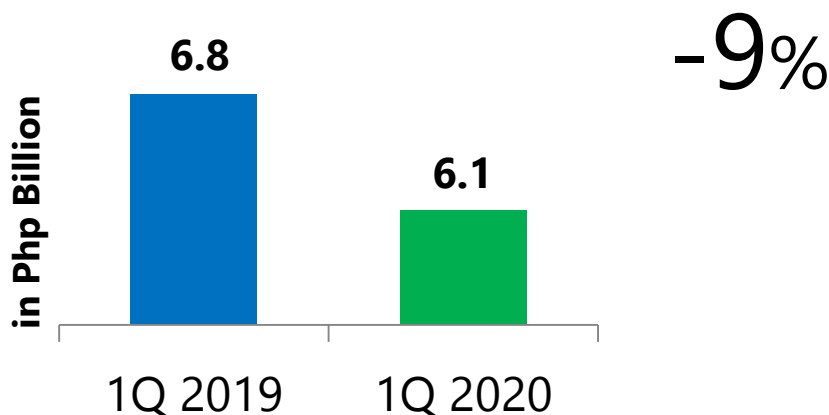


## Operating Income



- Net Interest Income **+18%** (77% of Operating Income)
  - NIMs from 3.84% to 4.06%
  - Loan portfolio **+6%** from Php1.36T to **Php1.44T**
    - 76%** Commercial **+6%**
    - 24%** Consumer **+6%**
      - \*Auto -2%, Home +1% and Credit Card +29%
  - Total Deposits **+8%** from Php1.58T to **Php1.71T**, CASA deposit **+18%**
  - LDR from 86.0% to **83.7%**
- Non-Interest income **-4%**
  - Service fees, commissions & bank charges **+7%** from Php3.1B to **Php3.3B**
  - Trading and FX gain **-5%** from Php1.5B to **Php1.4B**
- Provisions for credit and impairment losses **+110%** from Php2.4B to **Php5.0B**
  - NPL ratio from 1.6% to **1.4%** vs. Industry **1.7%**
  - NPL coverage from 87.0% to **114.0%**
- Increase in OPEX **+8%** from Php13.5B to **Php14.5B**
  - Manpower **+9%**
  - Cost to Income Ratio from 55.6% to **52.5%**

## Net Income ATP



# Loan Portfolio

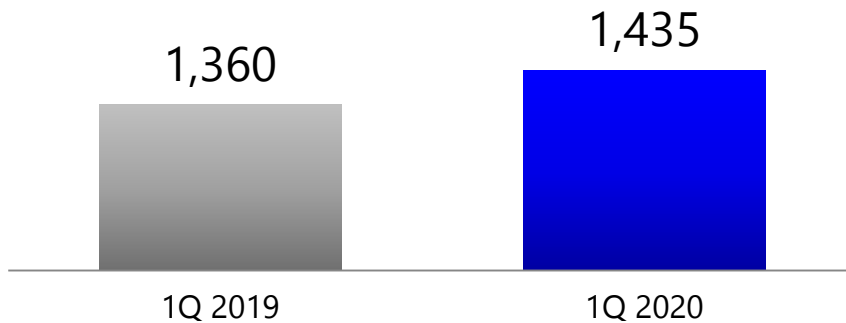


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## Loan\* Portfolio (PHP Billion)

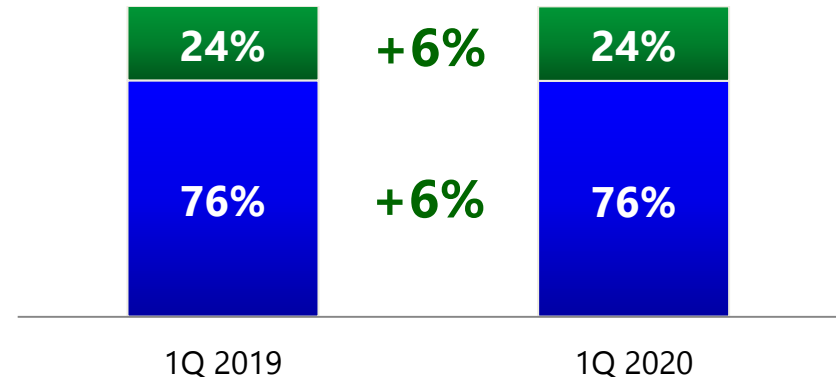
**+6%**



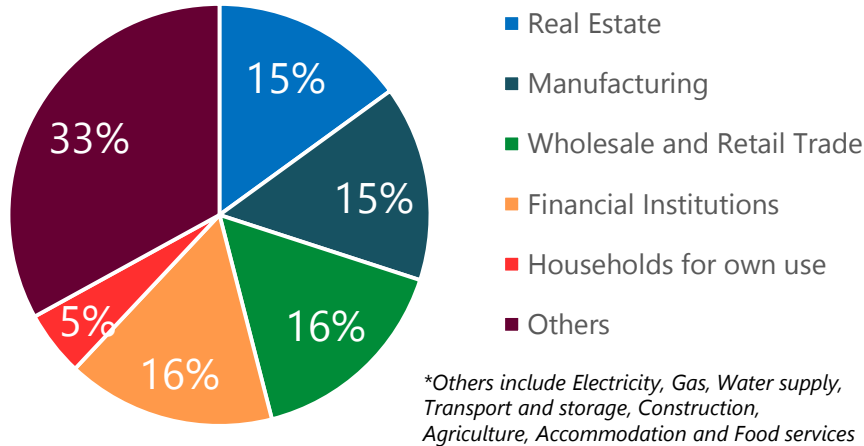
\*Loans = Loans and Receivables, Net

## Total Loan Portfolio Breakdown

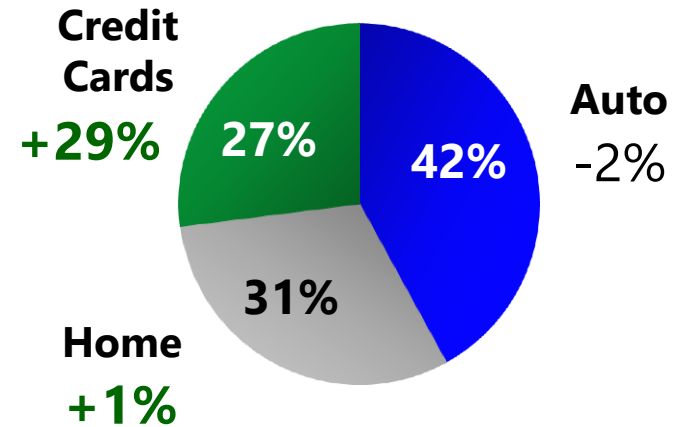
■ Commercial ■ Consumer



## FY 2019 Loan Portfolio by Industry



## Consumer Loan Portfolio Breakdown



# Asset Quality

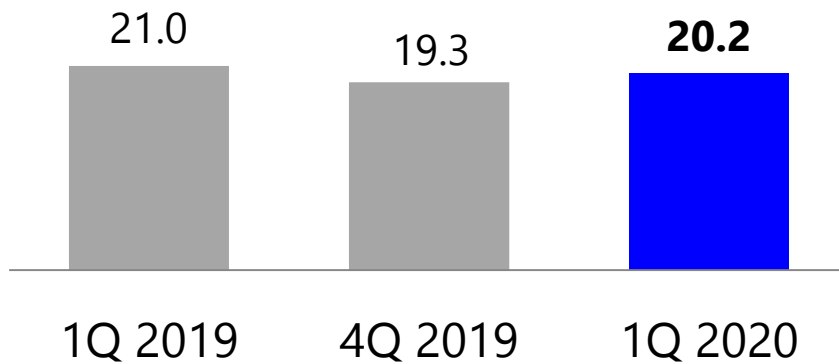


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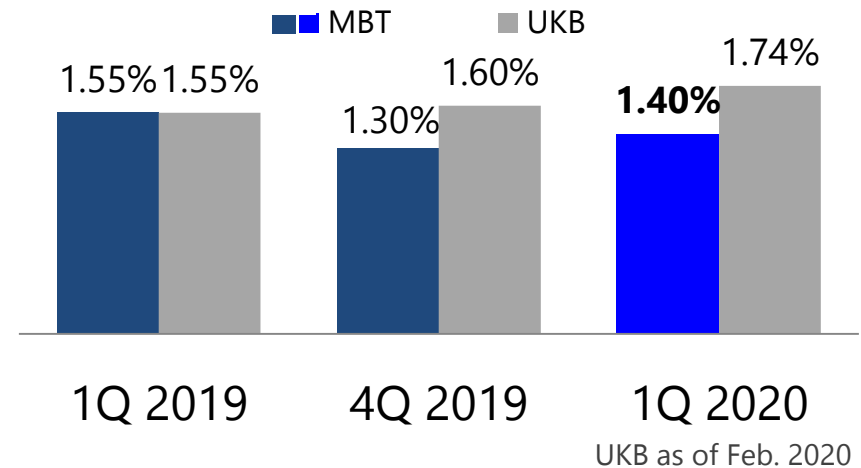


## NPLs<sup>1</sup> amount (Php Bn)

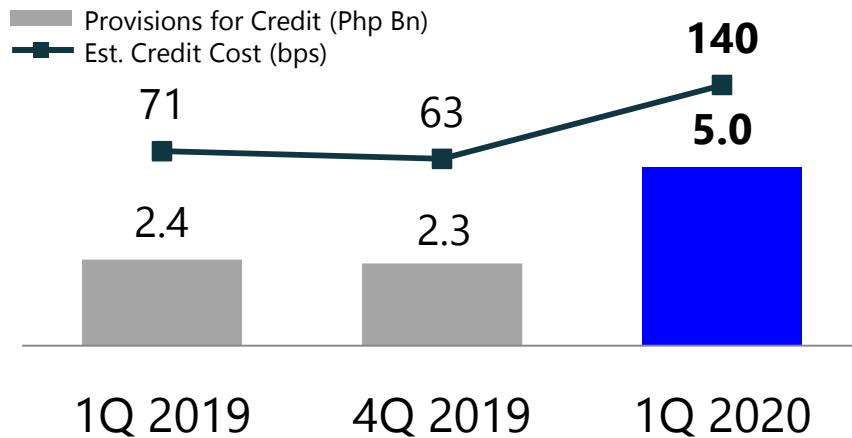
-4%YoY



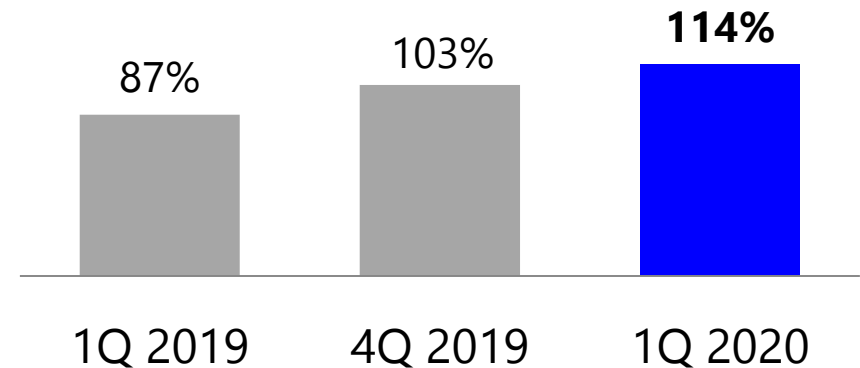
## NPL Ratio<sup>2</sup> better than industry



## 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

# Initiatives during ECQ period

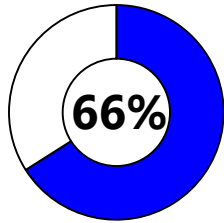


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## % Open Branches as of April 30



**633 out of 960**  
Branches Open

Location	NCR	Luzon	Visayas	Mindanao
Branches	442	181	121	86
In %	55%	63%	91%	88%

Source: MBT & PSBank Websites

## Mobile ATMs in NCR



Operational everyday, from 10:00AM to 3:30PM, except for holidays and weekends

## Waived Interbank Fund Transfer Fees

### Waived Interbank Fund Transfer

Through  
**instaPay**  
**PESONet**

### 30-day Grace Period

Even before the Bayanihan Act\*



\*30-day grace period for all loans with payment due dates falling due within ECQ period

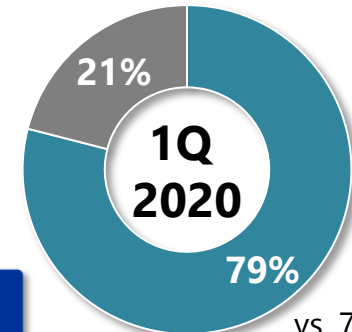
## Increased usage of digital channels

**20%** Clients enrolled in E-channels



**+67%** mobile app users  
Q1 2019 vs. Q1 2020

**% E-Channels to Total financial transactions**



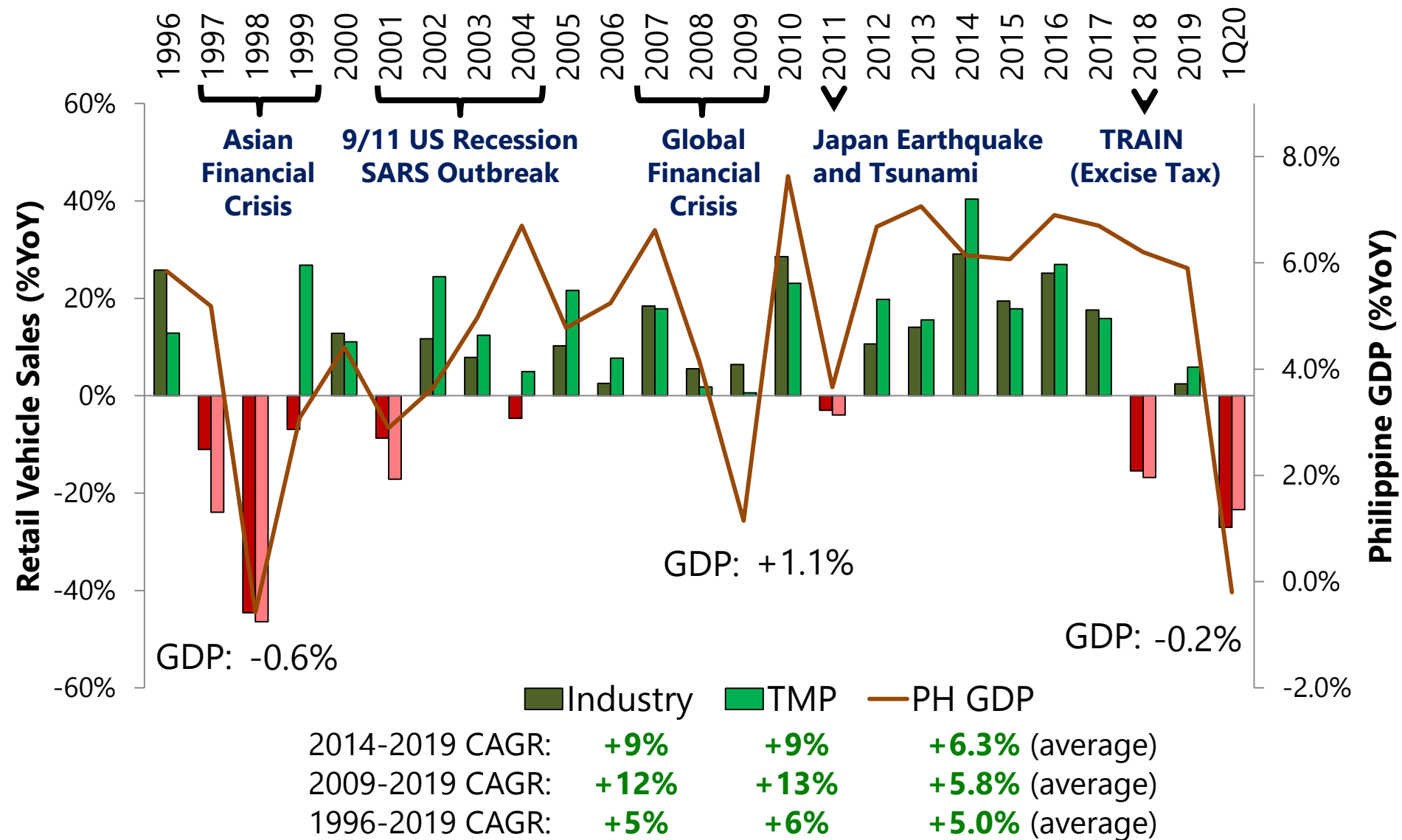
vs. 70%  
1Q19





# Automotive

# Historical Retail Vehicle Sales (%YoY) vs. Philippine GDP (%YoY)

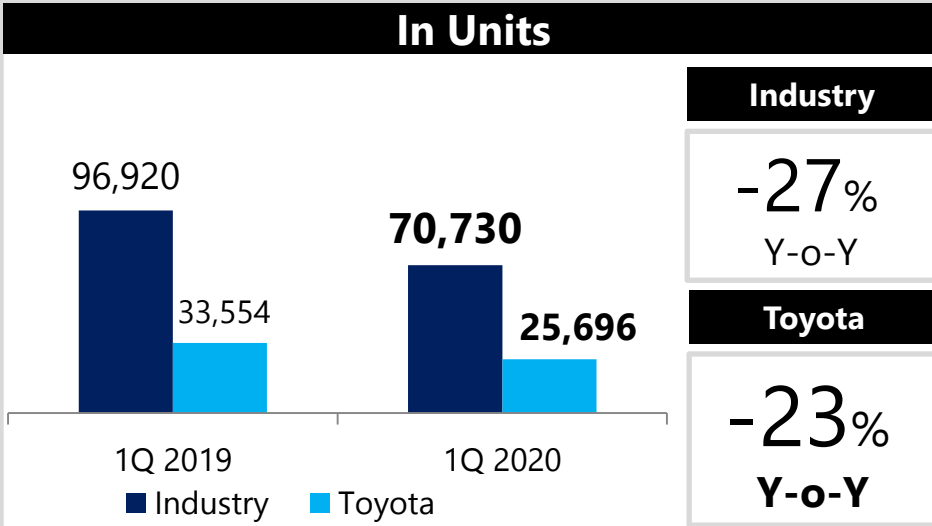


Source: CAMPI, AVID, TMP, BSP, World Bank

# Retail auto unit sales volume

As of March 2020 YTD

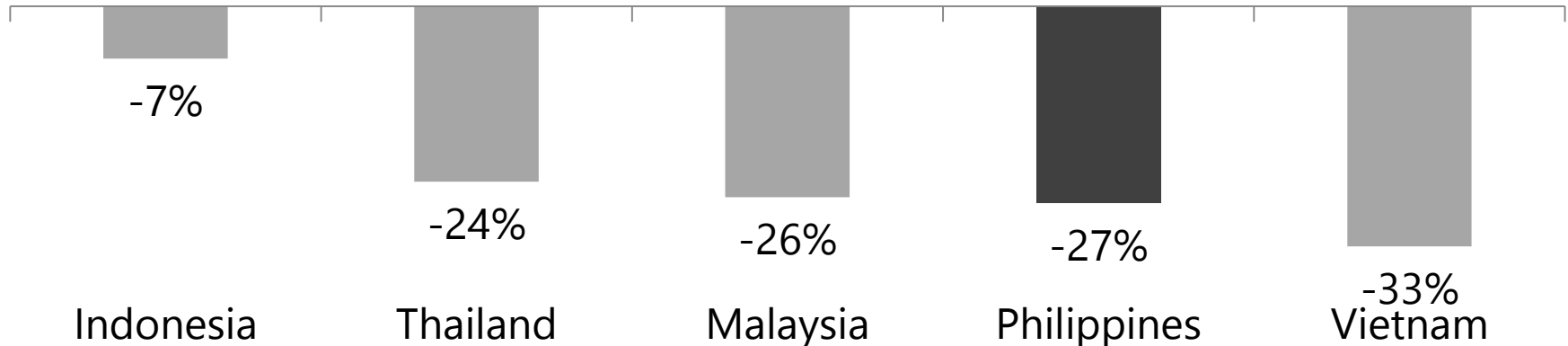
## In Units



## 1Q 2020 results:

- Jan: Taal Volcano eruption
- Feb: Restoration of supply and opening of affected dealers in CALABARZON
- March: Imposition of ECQ
  - Sta. Rosa Assembly Plant, NCR/Luzon Dealers: Closed starting March 17
  - VisMin Dealers: Several opened through March 31

## Industry Vehicle Sales (In %YoY) as of 1Q 2020

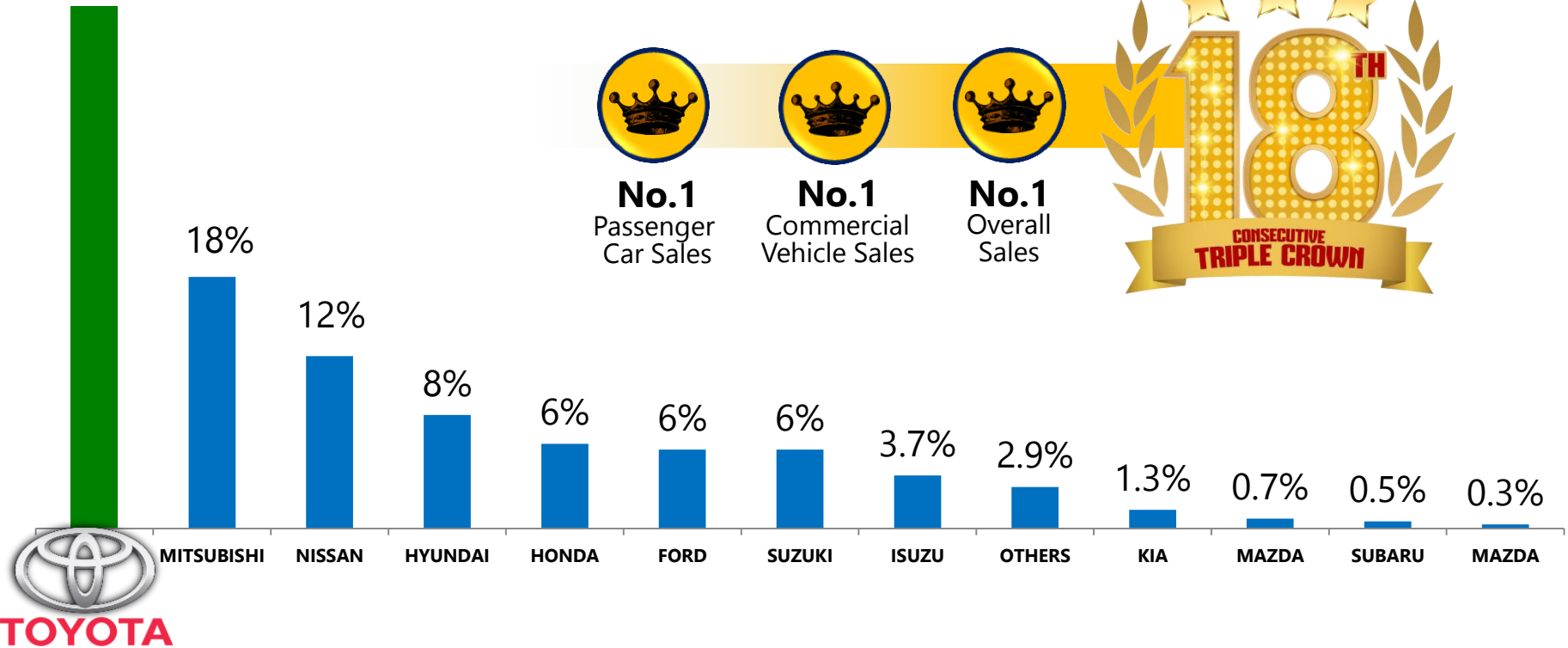


## Overall Market Share 1Q 2020

1Q 2019: 35%

FY 2019: 40%

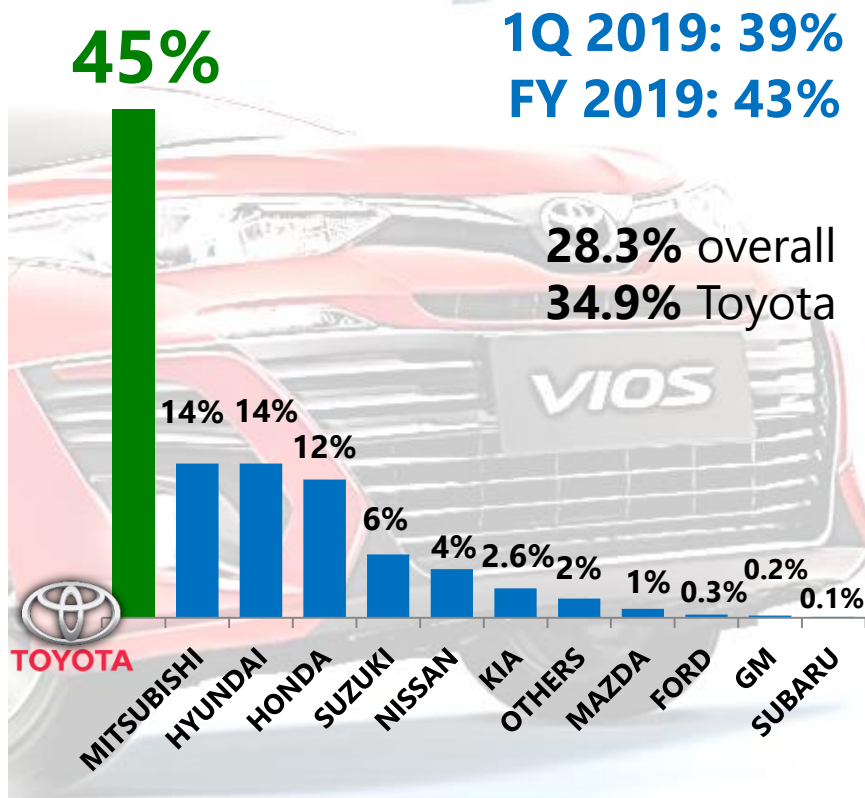
**36%**



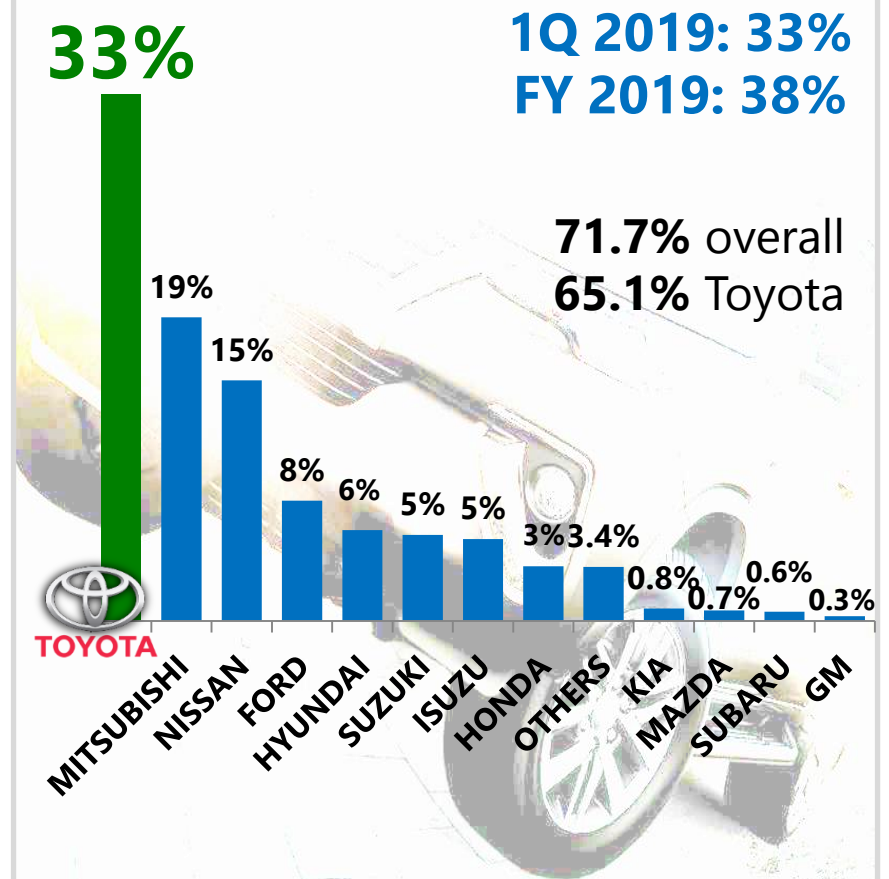
Source: Company data, CAMPI, AVID

## Auto Industry Market Share 1Q 2020

### Passenger Car



### Commercial Vehicle



Source: Company data, CAMPI, AVID

# CARS Unit Sales Progress

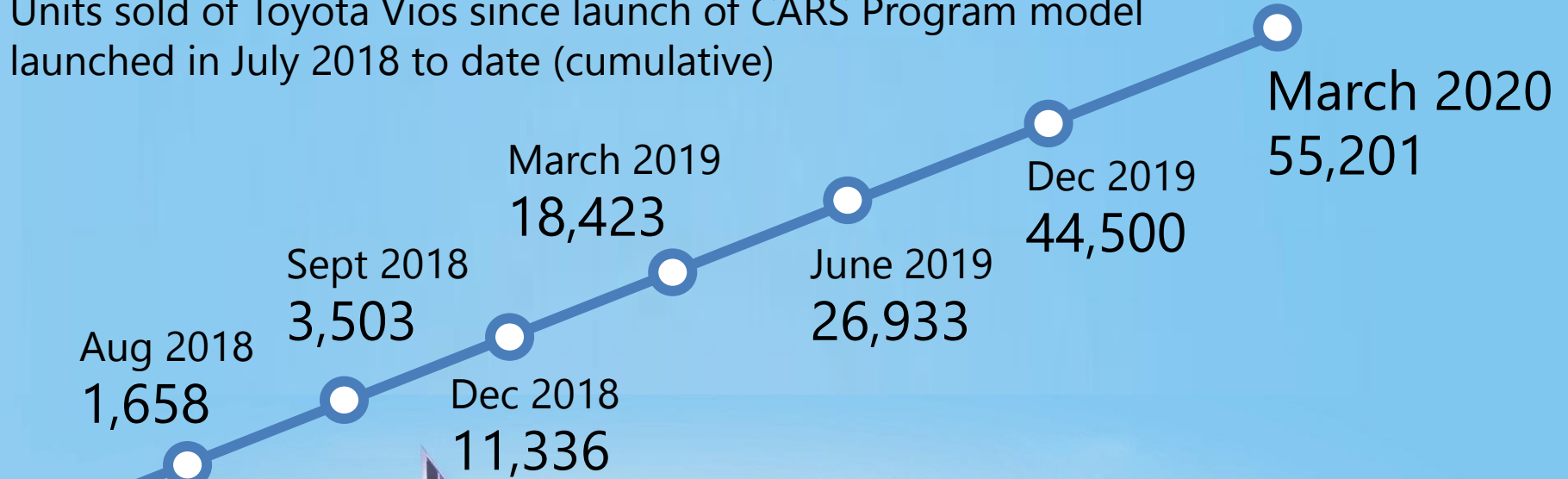


**TOYOTA**



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



**Introduction  
of FMC Vios  
July 2018  
222**





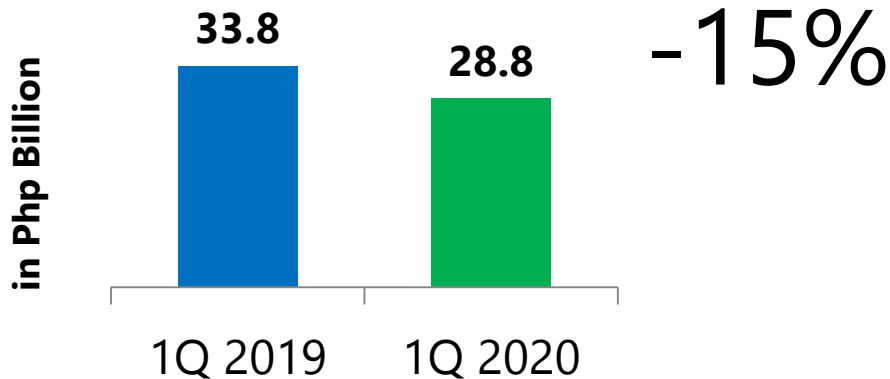
**TOYOTA**



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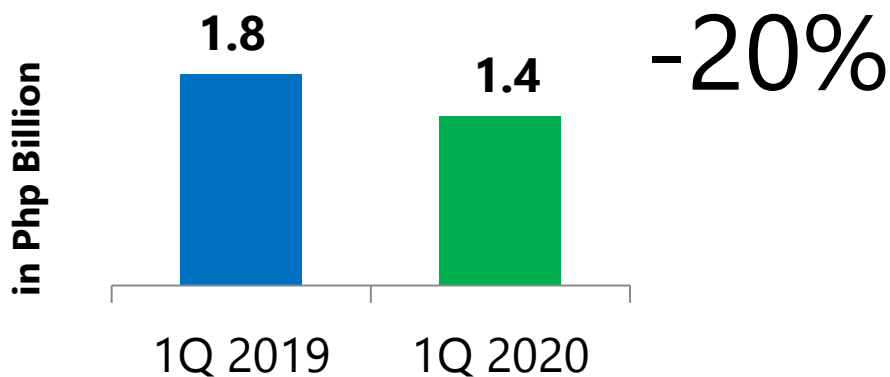
# TMP Financial Highlights

## Revenues



- WSV -20.9% to **25,636** units; RSV-23.4% (vs -27.0% Industry)
  - CKD units -14.4%
  - CBU units -24.2%
- RSV (YTD):
  - PCs: Vios -20%, Wigo -37%, Corolla **+39%**
  - CVs: Hiace -6%, Innova -21%, Hilux -42%, Fortuner -42% Rush **+38%**

## Net Income ATP



- Lower sales volume and higher OPEX (higher rentals, delivery & handling, insurance costs, and taxes and licenses)



# COVID-19 Response and Initiatives During ECQ



## Transportation for frontliners



- 49 Toyota vehicles lent out to healthcare workers
- 10 Toyota shuttles for UP-PGH employees under DOTR's Free Ride for Health Workers Program
- Other vehicles lent to groups distributing PPEs



## Donation of medical supplies

- Donations to Santa Rosa Community hospital through TMP Foundation
  - 154 isolation gowns
  - 92 surgical gowns
  - 300 pairs of surgical gloves
- Sacks of rice and grocery packages distributed to communities and Toyota Santa Rosa Gawad Kalinga Village (> 150 families)



## Grace Period



- Extension of:
  - Payment terms of TFS accounts nationwide
  - Policy coverage until ECQ is lifted
  - Warranty coverage lapsing within ECQ
  - Grace period for vehicles scheduled for Periodic Maintenance

## Face shield production by Toyota Group

Company	Plant	Capacity
Toyota Industries Corporation	Kyowa Plant	Approx. 500/day
Toyota Motor Corporation	Teiho Plant, Motomachi Plant	Approx. 2,000/day
Toyota Motor East Japan, Inc.	Miyagi Ohira Plant	Approx. 600/day

# Dealership Update

Restart operations of Toyota Dealer Network after the ECQ

Location	NCR	Luzon	Visayas	Mindanao	Total
Open as of May 1 (GCQ)	0	7	7	6	<b>63</b>
+Addt'l. from May 16-20 (MECQ)	18	20	1	4	
vs. Total Dealers	19	28	14	10	<b>71</b>
% Open	95%	96%	57%	100%	<b>89%</b>



*Proper disinfection and sanitation of cars*

## 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

# Products and Services for the New Normal



**TOYOTA**



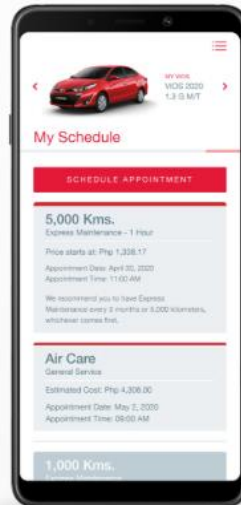
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**Welcome Back**  
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**FREE Vehicle Sanitation**  
using Toyota BactaKlenz



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**GENUINE PARTS**

Get one (1) **FREE BactaKlenz Treatment** when you avail of any of the following services in Toyota dealerships: Periodic Maintenance, General Repair, and Body & Paint Job.



# Property Development

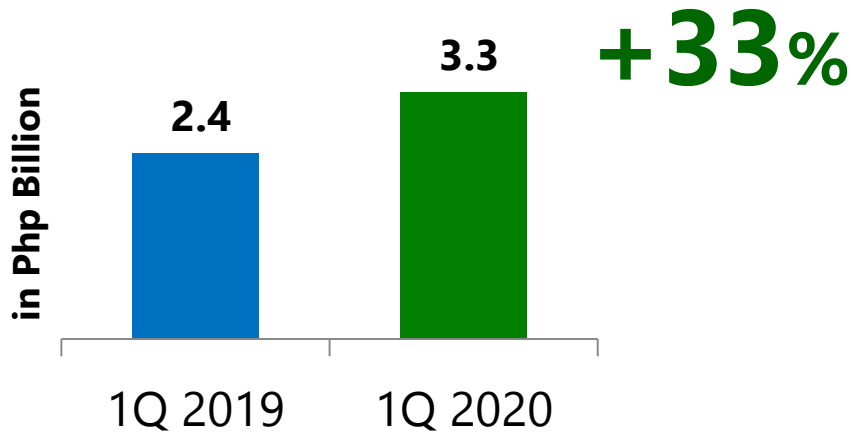




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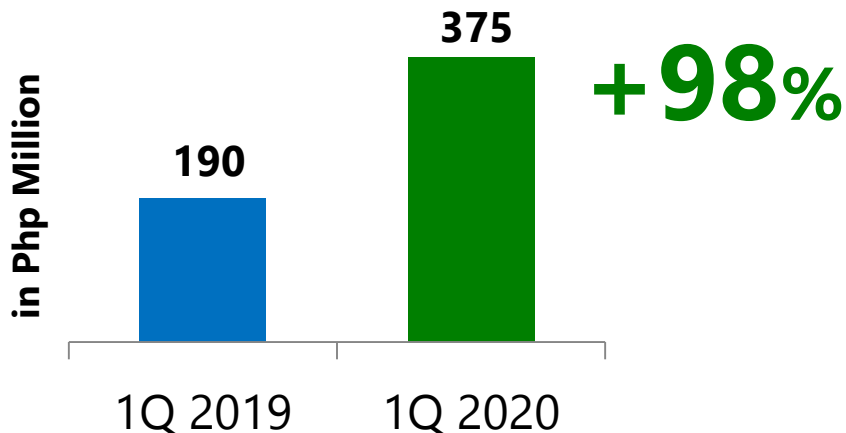
# Federal Land Financial Highlights

## Revenues



- Reservation sales **+86%** from **Php4.2B** to **Php7.9B** due to TSR Natsu, The Estate, GHR2, Quantum Amethyst and TSR Haru
- Real estate sales **+35%** from **Php1.8B** to **Php2.4B** due to Park Ave and Palm Beach West projects
- Equity in net earnings of associates and JV **+227%** from **Php8M** to **Php27M** from The Estate, GHR2 and Sunshine Fort

## Net Income



- GP margin improved from **38%** to **44%** as revenue recognition of high margin projects continued to be recognized and reclass of capitalized interest to period cost
- OPEX **+12%** from **Php0.7B** to **Php0.8B** due to higher salaries and marketing expenses
- Interest Expense **+13%** from **Php0.1B** to **Php0.3B** due to additional bank loans

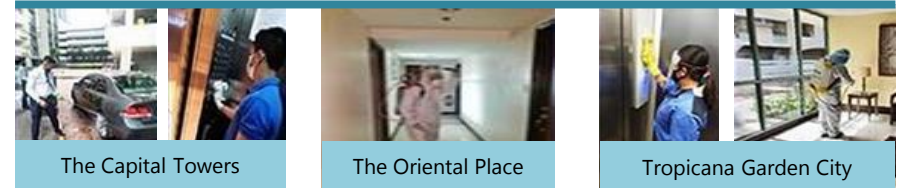
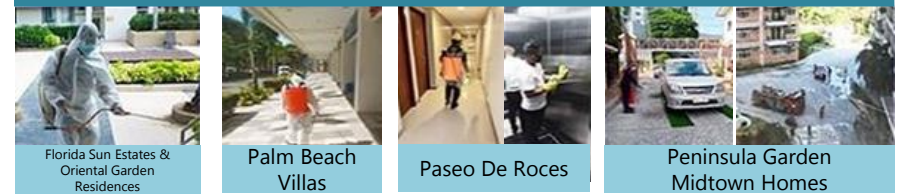
# COVID-19 Response and Initiatives During ECQ

- Waived penalties and interest from March 16, 2020 to June 14, 2020
- Intensified disinfection on all Federal Land Properties
  - Frequent misting of all common areas and tires of incoming vehicles
  - Foot bath for arriving residents
- Implemented social distancing inside elevators and covered buttons for easy cleaning

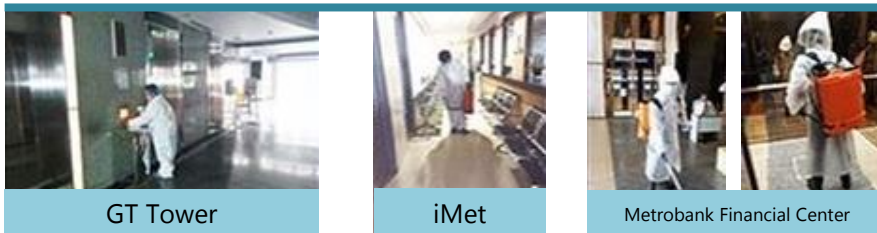
## Residential – Federal Land



## Residential – Horizon Land



## Office



## Retail





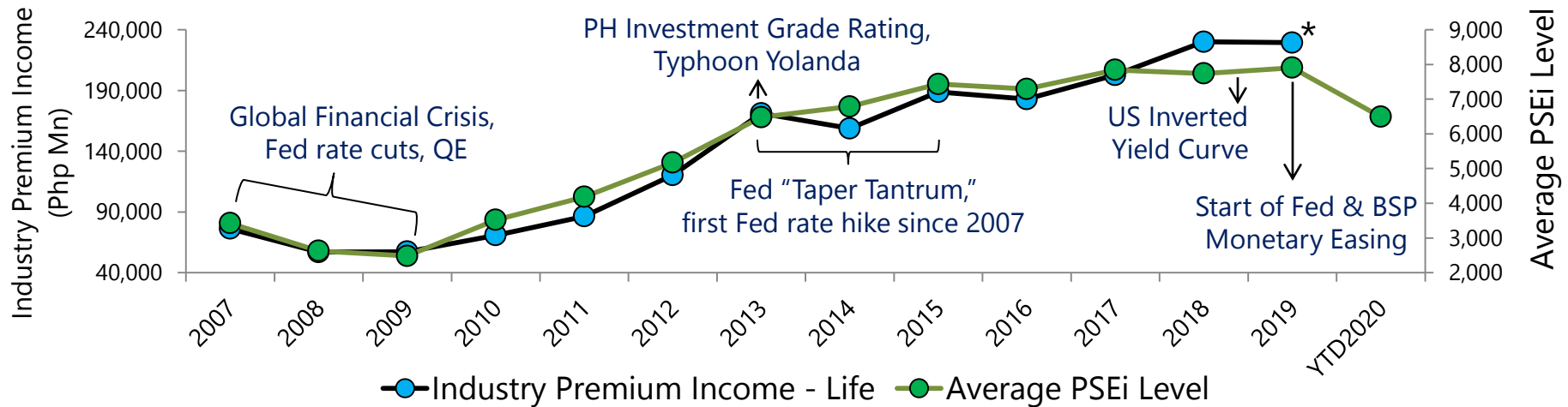
# Insurance



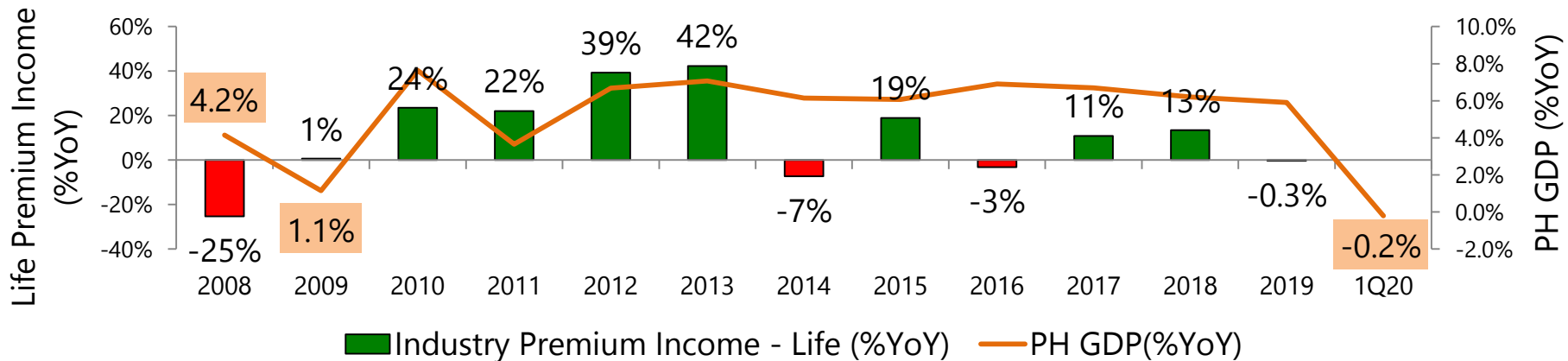
# Insurance Industry Updates



## Life Insurance Industry Premium Income vs. PSEi Level



## Life Insurance Industry Premium Income (%YoY) vs. PH GDP

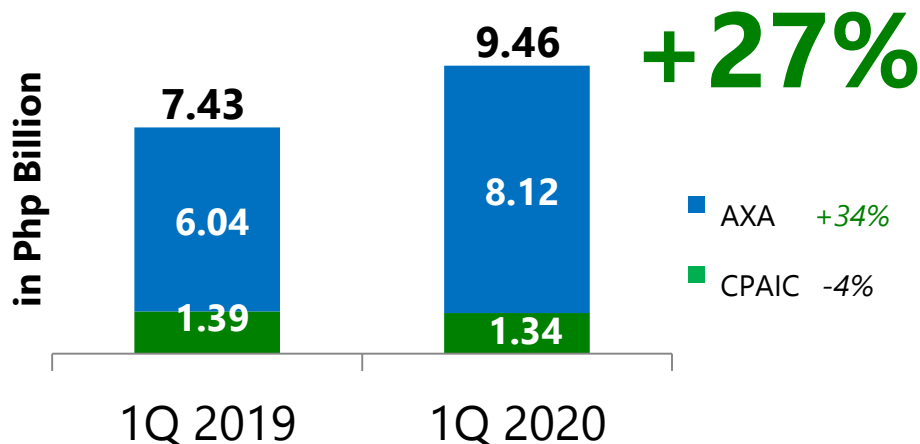




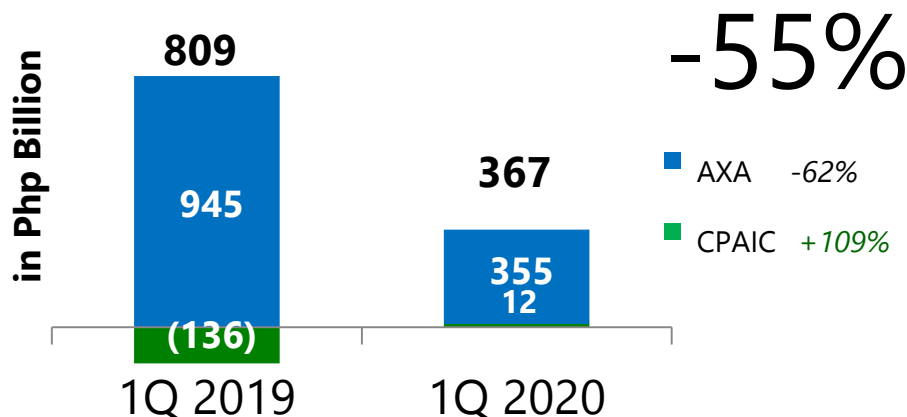
# AXA Philippines Financial Highlights



## Gross Premium

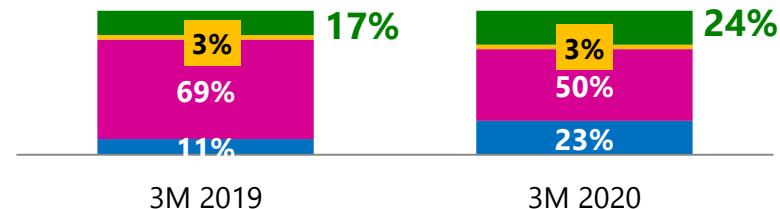


## Net Income



## Life

- New Business -12% from **Php1.8B** to **Php1.5B**
- Regular Premium (RP) -25%
  - Protection & Health (P&H) **+24%**
  - Traditional -63%
  - Unit-linked (UL)-37%
- Single Premium UL (SP-UL) **+89%**



- Premium margins **+5%** from **Php2.2B** to **Php2.3B** due to high margin P&H sales
- AUM-Linked **Php104B** to **Php84B** -19%; Asset management fees **Php490M** to **Php476M** -3%
- Unrealized equity losses of **Php469M**

## Non-life

- GWP -17% from **Php1.3B** to **Php1.1B**
- Net income **Php12M** due to:
  - Lower net losses **Php87M**, lower management expenses **Php43M**, lower RI facility cost **Php64M**

# COVID-19 Response and Initiatives During ECQ



## AXA Salutes and Supports Our Frontliners

Support of 46 hospitals with:

- 50,000 masks
  - 1,400+ PPEs
  - 20 triage tents
  - 19 respirators
- 100 deaf families assisted with translators and food packs

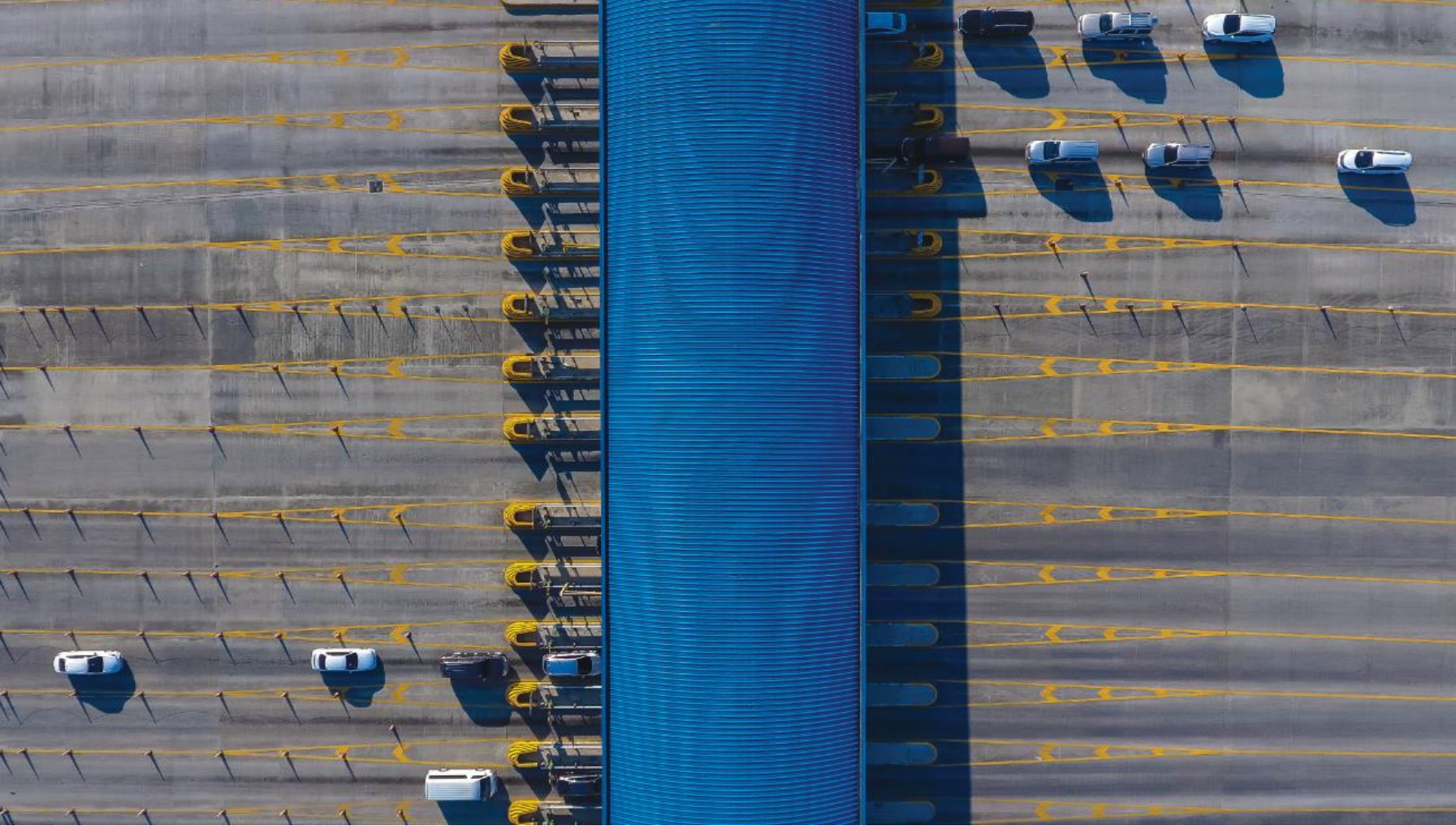


## Grace Period, Services, and Commitment to Pay Out Benefits

- Payment Grace Period Extension until May 31, 2020 for all life and health policies
- Opened **18 Service Centers** nationwide starting April 27 from 10:00AM to 3:00PM
- **24/7 access to emergency services** via Emma by AXA mobile app
- **Health benefits** to be paid out whether related to COVID-19 or not
- **All AXA Life Policies:** Covered death benefits resulting from COVID-19
- **Smart Traveller:** All policies bought before March 11, 2020 covered for trip cancellation/postponement
- **Global Health Access:**
  - Policies previously issued with epidemic/pandemic exclusion will now cover treatment and hospitalization related to COVID-19 (until June 30, 2020)
  - Quarantine-related medical expenses covered if the insured is confirmed to be infected with COVID-19



# Infrastructure and Utilities



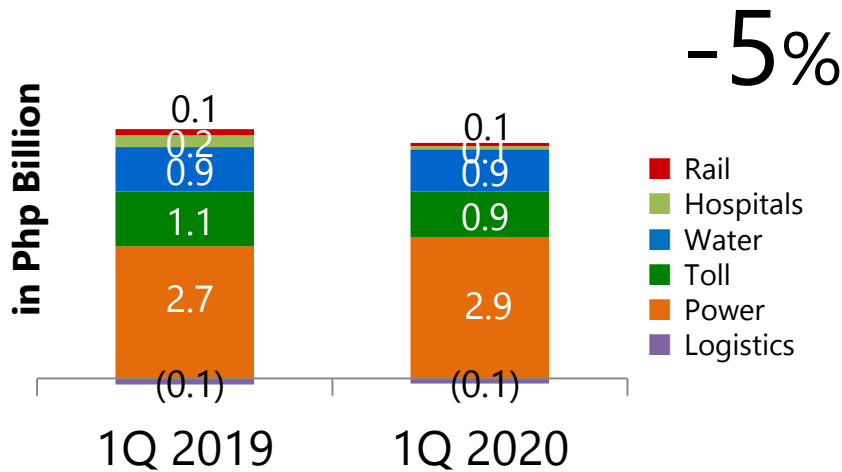
**METRO  
PACIFIC**  
INVESTMENTS



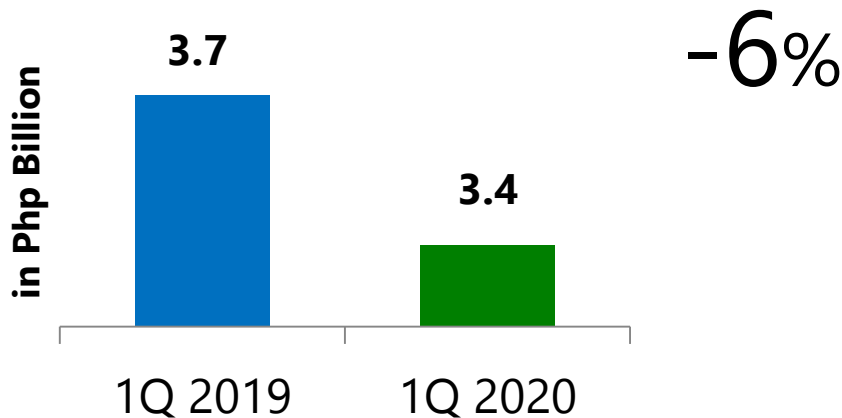
**GT CAPITAL**  
HOLDINGS INCORPORATED

# Metro Pacific Financial Highlights

## Share in Operating Net Income (Core)



## Core Net Income



## Power

○ **Meralco** - Core NI **+2%** **Php5.7B**

○ **GBPC** - Core NI **+10%** **Php439M**

▪ **Toll Roads** - Core NI **-18%** **Php0.9B**

▪ **Water** - Core NI **-12%** **Php1.6B**

▪ **Rail** - Core NI **-19%** **Php180M**

▪ **Logistics** - Core net loss **-51%** to **Php58M**

▪ **GT Capital's share in NI** **-47%** from **Php0.6B** to **Php0.3B** due to lower financial performance of MPIC components and impairment of Pacific Light

# COVID-19 Response

**METRO  
PACIFIC**  
INVESTMENTS



**METRO  
PACIFIC**  
INVESTMENTS

**MPTC**  
METRO PACIFIC TOLLWAYS

**Maynilad**

**MERALCO**

**gbp**  
GLOBAL BUSINESS POWER

**METRO  
PACIFIC**  
LIGHT RAIL CORP

**METRO  
PACIFIC**  
HOSPITALS

**METRO  
PACIFIC**  
INVESTMENTS  
FOUNDATION



**ONE MERALCO**  
FOUNDATION



## Php264 Million Relief Assistance

- 1,000 rice sacks and 1,000 grocery bags to Province of Cavite
- Grocery bags, food packs, mats, blankets, water bottles and hygiene kits to 1,000 families affected by fire in Happyland in Tondo, Manila
- 300-bed mega-treatment facility in Philippine Arena Complex, Bocaue, Bulacan
- Relief packages to 100 families in Brgy. Payatas, Quezon City and 120 families in Sitio Barimbaog, Barangay Tandang Sora, Quezon City
- P3Mn worth of virus specimen collection tubes, PPEs, and vitamins to Research Institute for Tropical Medicine, the Philippine Genome Center, the Lung Center of the Philippines, and hospitals within the MPIC group

## Employee Care Package

- Continued salaries and benefits during ECQ period
- Advance payment of mid-year bonuses
- Provisions for hygiene supplies (e.g. masks, health kits, and vitamins)
- Work from home (WFH) allowance for electricity, internet needs, and vitamins
- Managers and executives were provided a cash equivalent to replace fleet cards
- Meralco and Maynilad 24/7 workers received medical assistance, PPEs, hygiene kits, and meal allowances
- Nurse recruit packages: full safety equipment, 100% medical insurance coverage and P1Mn life insurance for COVID-related cases





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# THANK YOU!



Partners for  
Good

