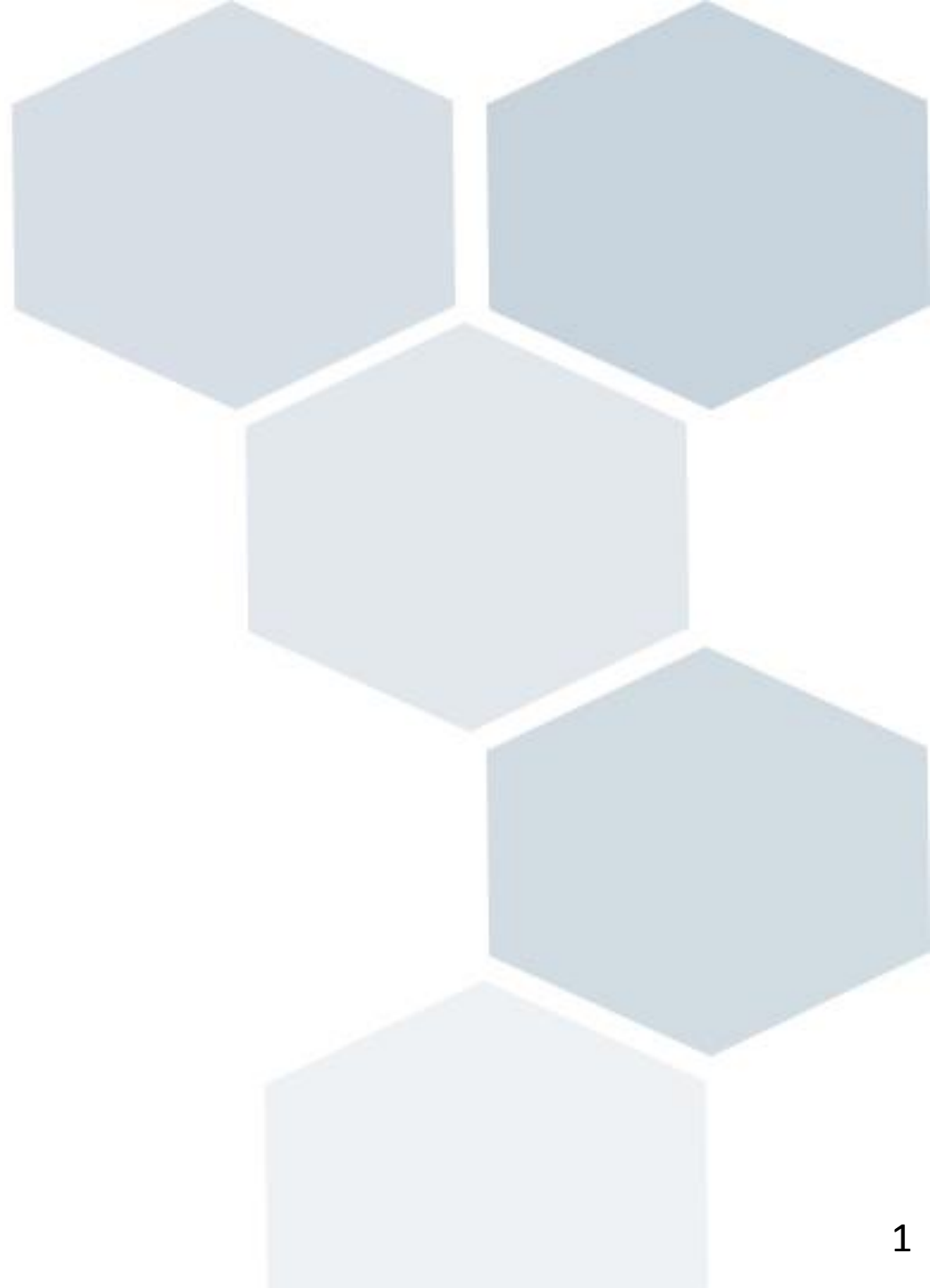




INVESTOR PRESENTATION
Full-Year 2018



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1. Introducing RCBC

OVERVIEW OF RCBC



RCBC is a leading financial services provider in the Philippines

- Incorporated on 23 September 1960 as Rizal Development Bank and received approval to operate as a commercial bank in December 1962. RCBC is currently the 8th largest private domestic bank in the Philippines by assets, with a market capitalization of PHP55.15bn (USD1.05bn)¹, share price of P28.50².

Full Range of Services and Products

Corporate, SME, and Consumer Lending

Investment Banking

Trust Services and Wealth Management

Foreign Exchange & Investment

Leasing

Credit Cards

Microfinance

Bancassurance

Remittances

Key Statistics (4Q 2018)

Total assets	USD12.26bn
Net loans	USD7.58bn
Deposits	USD8.05bn
Total shareholder's equity	USD1.54bn
Net income	USD82mn
Tier 1 (Basel III)	13.38%
Total CAR (Basel III)	16.13%
ROE*	5.8%
NIM*	4.00%
NPL ratio	1.31%

*Annualized

¹Exchange Rate –US\$1 = PHP52.58 as of end-2018

²Market Capitalization and Share Price as of end-2018

Extensive Network in Philippines and Overseas Presence

- 509 Branches (including extension offices)
- 1,593 ATMs
- 6,886 Employees
- Presence in over 54 locations across Asia Pacific, the Middle East, US, Canada, and Europe

EQUITY PROFILE AND DIVIDENDS HISTORY



Equity Profile

Particulars	2018
Ticker	RCB
Issued shares	1,935.63 mn
Stock Price	P28.50
Market Cap	P55.148bn (USD1.05bn)
BV per share	P43.01
Price to Book	0.67
Earnings per share	2.62

Dividends History

Year	Dividends per share	Pay-out ratio
2019	0.45	17.02%
2018	0.62	20.02%
2017	0.55	16.53%
2016	0.72	20.00%
2015	0.60	19.29%
2014	1.00	25.32%
2013	1.00	20.62%

Results of the Stock Rights Offering in July 2018:

- **RCBC's Stock Rights Offering (SRO) of 535,710,378 million shares were listed in the Philippine Stock Exchange (PSE) on July 16, 2018 and the gross proceeds amounting to PHP14,999,890,584 were booked on the same date.**
 - **The shares were offered at PHP28.00 with entitlement ratio of 1 Right Share for every 2.6132 RCBC common shares held.**

Credit Ratings



	Moody's [1]	Fitch [2]
Long Term Deposit	Baa2	-
Long Term IDR	-	BB+
Senior Unsecured	Baa2	BB+
Bank Financial Strength [3]	baa3	bb+

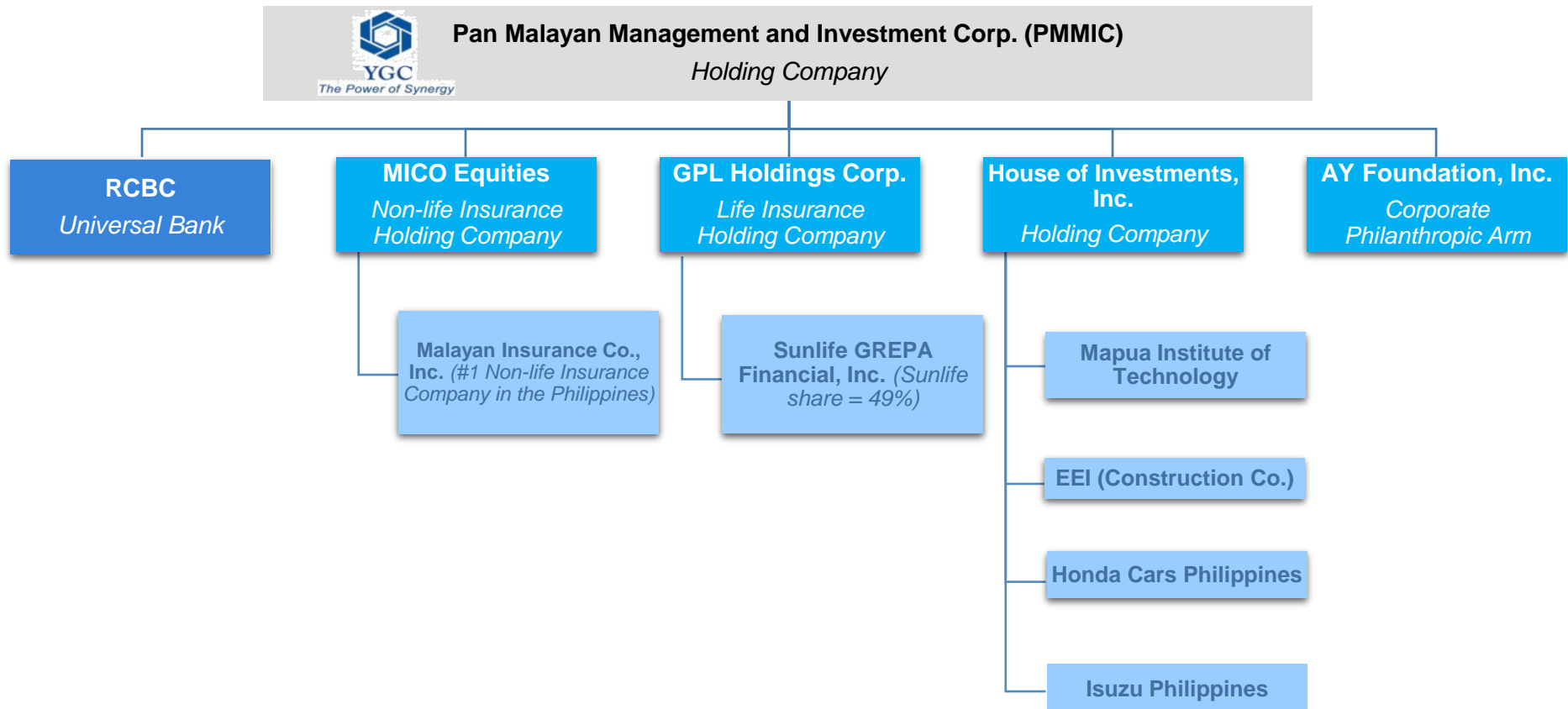
*Investment Grade rating by Moody's on July 6, 2018

[1] As of July 6, 2018 [2] As of November 22, 2018 [3] Reported as Baseline Credit Assessment (BCA) and Viability Rating by Moody's and Fitch, respectively.

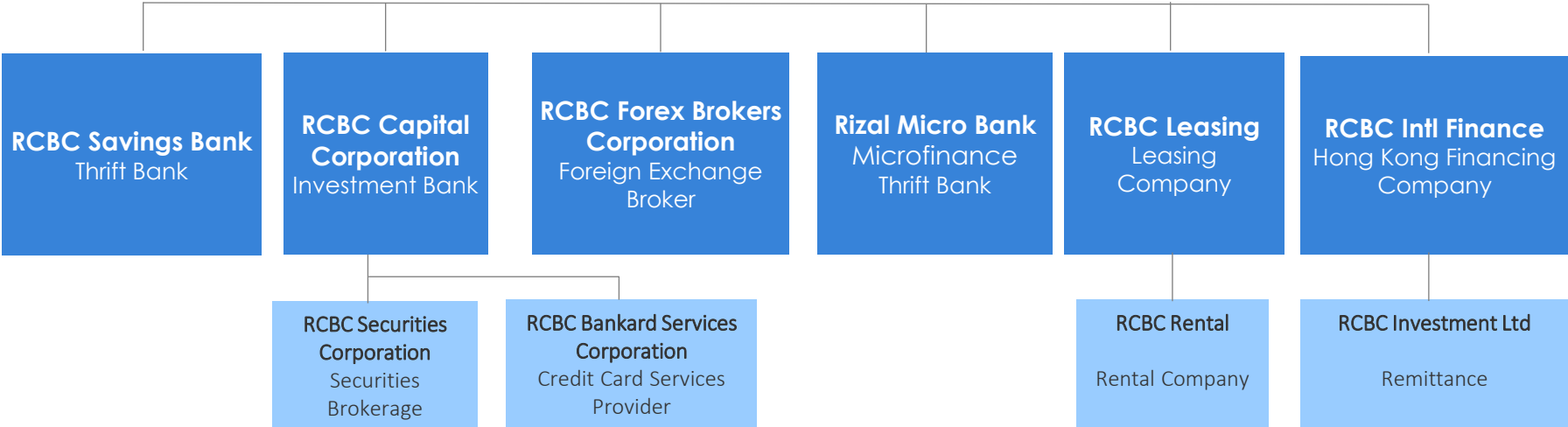
YGC Structure



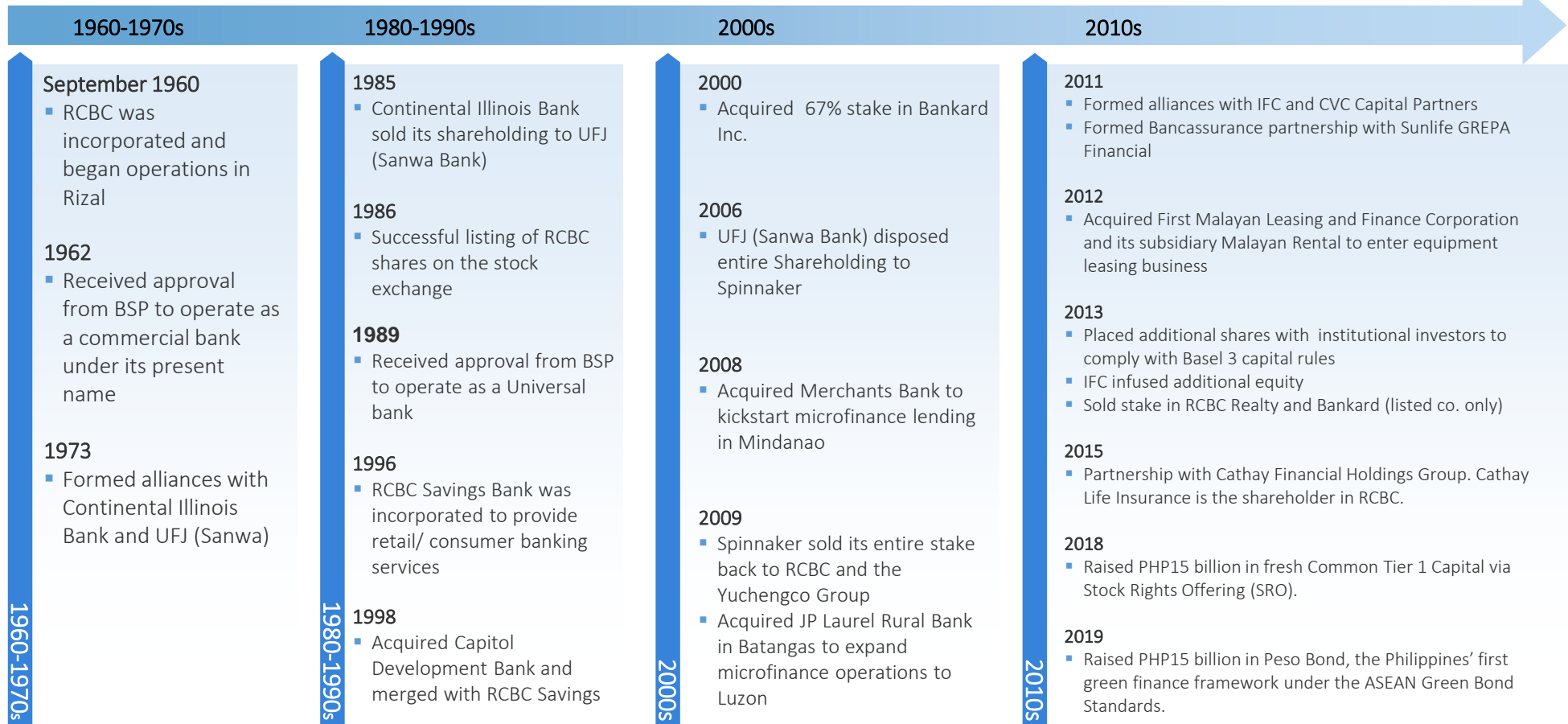
- RCBC is a member of the Yuchengco Group of Companies (YGC), the group is engaged in a wide range of financial and non-financial services. The synergies among these companies allow customers to access a wide range of financial products and services.



COMPREHENSIVE AND DIVERSIFIED BUSINESS PLATFORM



Key Milestones in the RCBC Story



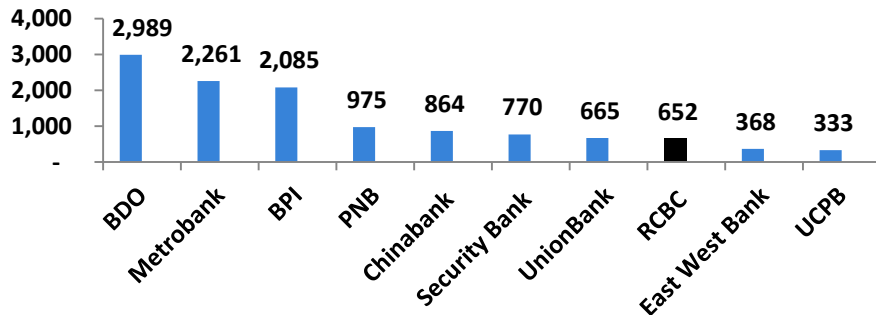
RCBC is the 8th largest private domestic commercial bank in the Philippines by assets as of December 2018

Industry Ranking

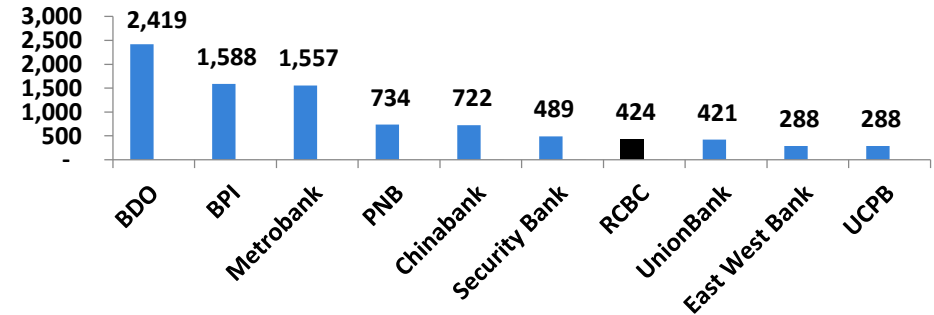


- RCBC has about 4% market share in Total Assets, Loans and Deposits among Universal / Commercial banks in the Philippines as of December 31, 2018.

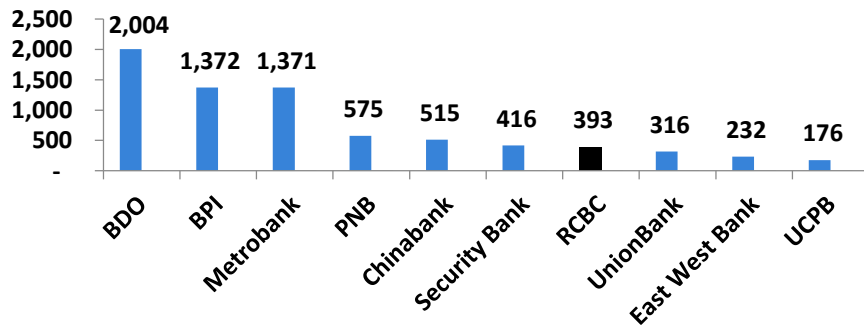
Total Assets (in Blns)



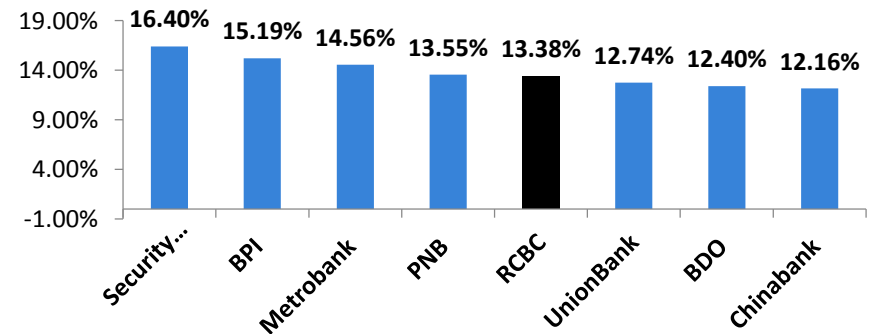
Total Deposits (in Blns)



Loans and Receivables (exc IBLs) (in Blns)



CET 1 Ratio



The New RCBC



- The new look and philosophy of RCBC is anchored on the mission to maintain and even strengthen the bank's relevance among Filipino depositors.
- RCBC strives to refresh and reenergize its services to serve loyal customers who have stood with the bank for the past 58 years.
- Our new logo has a distinctive and contemporary look and feel which evokes positivity. It's our fresh take on the meaning of "relationships".
- "We Believe In You" is a clear message that this is not about the bank, but what the bank can do for you, it is rooted in a unique insight about what makes strong relationships.
- "We Believe In You" is about instilling an intrinsic value in the hearts of Filipinos, and to empower Filipinos to go beyond their wildest dreams and turn it into reality.





2. Financial Overview

Income Statement

RCBC (Consolidated)
 FY 2018 vs. same period last year
 (Amount in millions)



Income Statement - Year to Date	FY 2018	FY 2017	Peso Change	% Change
Interest Income	30,933	24,764	6,169	24.9%
Interest Expense	10,444	6,743	3,701	54.9%
Net Interest Income	20,489	18,021	2,468	13.7%
Other Income	6,006	7,100	(1,094)	-15.4%
Trading Gains and Foreign Exchange	-	900	(900)	
Trust Fees	278	279	(1)	-0.4%
Service Fees & Commissions	3,323	3,138	185	5.9%
Other Income	2,405	2,783	(378)	-13.6%
Provision for Probable Losses	1,899	2,155	(256)	-11.9%
Operating Expenses	19,403	17,815	1,588	8.9%
Provision for Income Tax	872	841	31	3.7%
Net Income	4,321	4,310	11	0.3%

Balance Sheet

RCBC (Consolidated)

(Amount in millions)



Balance Sheet	As of Dec. 31, 2018	As of Dec. 31, 2017	Peso Change	% Change
Cash/Due from BSP & Other Banks	17,392	14,693	2,699	18.4%
Investment Securities	118,449	72,932	45,517	62.4%
Loans- net (including interbank)	398,300	354,243	44,057	12.4%
Other assets	110,454	112,120	(1,666)	-1.5%
Total Resources	644,595	553,988	90,607	16.4%
Deposit Liabilities	423,399	388,412	34,987	9.0%
Demand	56,413	51,996	4,417	8.5%
Savings	174,107	165,187	8,920	5.4%
Time	192,879	171,229	21,650	12.6%
Other Liabilities	76,950	60,521	16,429	27.1%
Senior Debt	53,090	28,060	25,030	89.2%
Subordinated Debt	9,986	9,968	18	0.2%
Total Liabilities	563,425	486,961	76,464	15.7%
Capital Funds	81,170	67,027	14,143	21.1%
Total Liabilities & Capital	644,595	553,988	90,607	16.4%

Loans: Growth by Segment



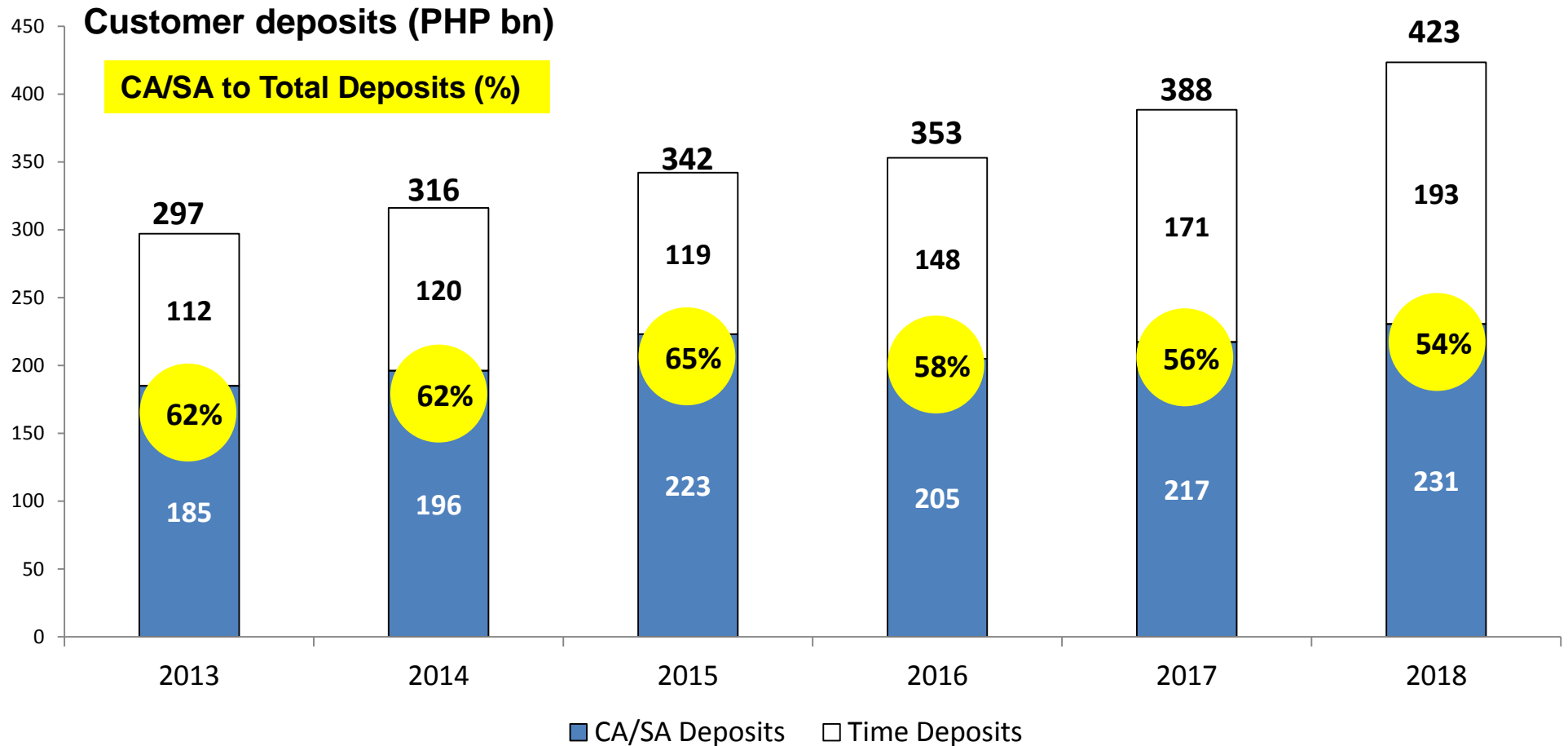
- Successfully executed SME & consumer loan growth strategy

	FY 2018 Mix	FY 2017 Mix	Growth
Corporate	59%	59%	9%
SME	14%	12%	28%
Consumer	27%	27%	17%
Total	100%	100%	13%

Self Funding



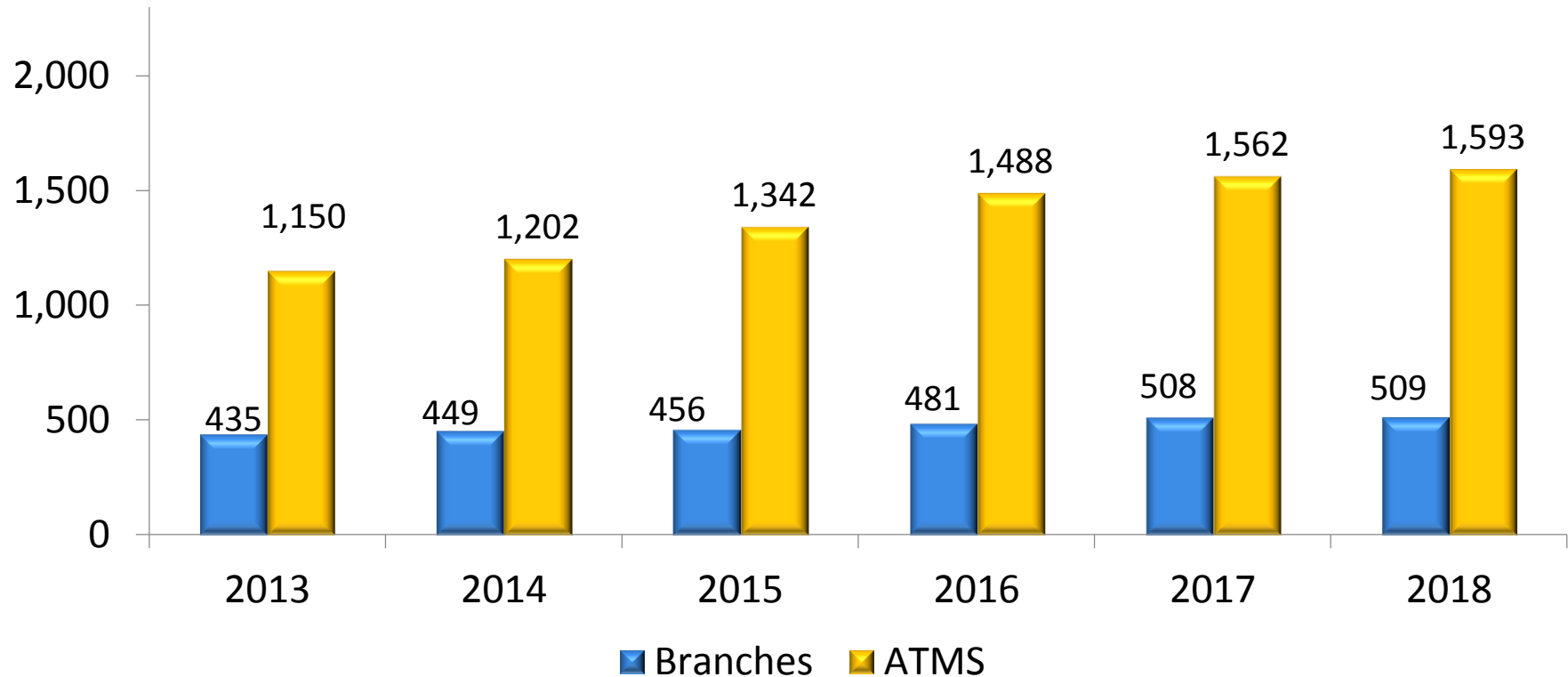
Increase proportion of CA/SA deposits to lower overall funding costs



Establish Broad Distribution Channels



Branch and ATM Network



**ATM to
Branch
ratio**

2.64:1



3.13:1



3. Recognition

WORLD FINANCE

World Finance

- Best Banking Group in the Philippines –2013, 2014, 2017
- Best Commercial Bank in the Philippines –2017

ASIAMONEY

AsiaMoney

- Best Bank for SMEs in the Philippines - 2018
- Best Domestic Private Bank in the Philippines - 2013, 2014
- Best for Credit Derivatives - 2016
- Best Market Coverage –2016
- Best for Credit Sales - 2016
- Best Domestic Provider for Interest Rates – Philippines -2016
- Best Domestic Provider for Credit – Philippines – 2016
- Best Interest Rates Research and Market Coverage – 2016
- Best Sales Service in Interest Rates Derivatives –2016
- Best Domestic Provider of FX Services in the Philippines (as voted by corporates) – 2015, 2016
- Best Domestic Provider for FX Options in the Philippines (as voted by corporates) – 2015, 2016

Asia Banking & Finance

- Philippine SME Bank of the Year – 2014
- Online Banking Initiative of the Year – Philippines – 2013
- Core Banking Initiative of the Year - 2013
- Philippine Best Retail Bank of the Year –2014



- RCBC received several awards, among them six Quill Awards from the International Association of Business Communicators – 2018
 - The Gold Anvil for the brand refresh campaign – 2018
 - Recognition as part of the top 10 brand with the Most Improved Brands Health by YouGov.com. - 2018
-



- Best Card Offering-Philippines recognition during the 5th International Finance Magazine (IFM) Awards. - 2018
-



4. Appendix – Financial Information

Consolidated Income Statement

(PhP bn)



	2013	2014	2015	2016	2017	2018
Net Interest Income	13.31	14.97	15.58	15.71	18.02	20.49
Total Non Interest Income	9.81	7.10	6.66	7.11	7.10	6.01
Gross Income	23.12	22.07	22.23	22.82	25.12	26.50
Provision for Loan Losses	2.05	2.51	2.35	1.77	2.16	1.90
Income before Operating Expenses	21.07	19.56	19.88	21.05	22.97	24.60
Total Operating Expenses	14.47	14.24	15.06	17.36	17.82	19.40
Income before Tax	6.59	5.33	4.82	3.70	5.15	5.19
Provision for Income Tax	1.26	0.91	(0.31)	(0.17)	0.84	0.87
Net Income	5.33	4.41	5.13	3.87	4.31	4.32
Net Income attributable Parent Company Shareholders	5.32	4.41	5.13	3.87	4.31	4.32

Consolidated Balance Sheet

(PhP bn)



	2013	2014	2015	2016	2017	2018
Cash/Due from BSP/Due from Other Banks	70	76	84	107	93	94
Loans Arising From REPO	0	0	0	8	10	10
FVPL/FVTCI	3	21	9	24	13	30
Held to Maturity Investments	89	80	102	52	60	89
Interbank Loans Receivables	21	0.3	0.0	0.5	0.0	9.5
Loans-net	217	261	299	306	354	389
Bank Premises, Property & Eqpt. - net	9	7	8	9	9	8
Equity Investments - net	0	0	0	0	0	0
Investment Properties - net	5	5	3	3	3	4
Other Assets	8	7	10	12	11	11
Total Assets	422	458	516	521	554	645
Demand	28	32	44	42	52	56
Savings	157	164	178	163	165	174
Time	112	119	120	148	171	193
Deposit Liabilities	298	316	342	353	388	423
Other Liabilities	56	56	66	54	61	77
Senior Debt	23	23	39	42	28	53
Subordinated Debt	-	10	10	10	10	10
Total Liabilities	377	405	458	459	487	563
Minority Interest in Subsidiary/Allied Undertakings	0	0	0	0	0	0
Capital Funds	45	53	58	62	67	81
Total Liabilities & Capital	422	458	516	521	554	645

Consolidated Key Ratios



	2013	2014	2015	2016	2017	2018
Return on Average Capital Funds	12.2%	9.2%	9.3%	6.4%	6.7%	5.8%
Return on Average Assets	1.4%	1.0%	1.1%	0.8%	0.8%	0.7%
Net Interest Margin	4.2%	4.3%	4.2%	4.1%	4.3%	4.0%
Cost-to-Income Ratio	61.2%	64.5%	67.7%	76.1%	70.9%	73.2%
CASA to Total Deposits	62.3%	62.2%	65.0%	58.1%	55.9%	54.4%
NPL Ratio*	1.1%	0.9%	0.8%	1.0%	1.3%	1.3%
CAR**	16.5%	15.4%	15.7%	16.2%	15.5%	16.1%

**As per BSP Circular 772, computation was revised from deducting 100% Fully provided NPLs to deducting Total specific provisions.*

*** Basel 3 as of 2014*