



## **RCBC Net Income for 2017 at P4.3 billion, up 11%**

Rizal Commercial Banking Corporation posted an unaudited consolidated Net Income of P4.3 billion for the year ended 2017, 11.4% higher than the P3.9 billion reported in 2016.

Net income in the fourth quarter alone grew by 146% to P904 million compared to P368 million in the same period last year driven by a 27% growth in Net Interest Income and a 19% growth in Non-Interest Income.

For the full year 2017, Net Interest Margin (NIM) remained strong at 4.24%, an improvement of 19 basis points from the 4.06% recorded in full year 2016.

Net Interest Income reached P18.0 billion with 15% growth year-on-year. This was driven by the Bank's vibrant lending business with Total Customer Loan portfolio expanding by 16% to P353 billion. All market segments sustained their growth with 12% growth in Corporate loans, 39% growth in SME Loans, 15% growth in Consumer Loans and 29% growth in Credit Card Receivables. Rizal MicroBank (RMB), the Microfinance arm of the Bank that provides financing requirements for micro and small enterprises, increased its outstanding loan portfolio by 39% year on year, through continuous efforts to enhance its current loan products responsive to the needs of its mandated market segments.

Total Gross Income reached P25.1 billion with Total Other Operating Income reaching P 7.1 billion or 28% of Gross Income. Fees and Commissions, which include card related fees - both credit and debit cards, Trust fees, and Fees on investment banking and loans were at P3.4 billion, and accounted for 14% of total Gross Income.

Total operating expenses increased slowly by 2.3% to P17.8 billion for the year ended 2017. The Bank pursued the expansion of its distribution network by selectively opening 27 branches and deploying 74 ATMs mainly in support of its on-going strategy to broaden customer reach and enhance banking convenience. This brought the consolidated network to 508 Branches and 1,562 ATMs, resulting to a 3.07 branch-to-ATM ratio, one of the highest in the industry.

Total Consolidated Resources expanded to P556.3 billion. Total Deposits grew by 10% or P35.3 billion year-on-year to P388.9 billion.

The Bank's Capital funds stood at P67.1 billion and well above the minimum regulatory requirement with a CAR of 15.47% and CET1 Ratio of 12.46%. The Bank's Asset quality remained stable with NPL Ratio at 1.25%, lower than the 1.41% NPL Ratio as of end-3Q17.

The Bank's other businesses continued to grow, addressing the various needs of its customers. *RCBC Bankard* has a strong and active card base of 579,000 in 2017, higher by 9% vs. the previous year. The Bank has built a strong portfolio under its Wealth Management business with Total Assets under Management (AUM) expanding by 12% to P103.0 billion.

*"The Bank is on track and ready to take advantage of the opportunities expected from the favorable business environment in 2018. Our delivery channels are geared up with new branches and improved ATM systems supported by strengthened security measures in anticipation of the increased client activity in 2018. Competition, however, will continue to be strong. The RCBC management understands this all too well and is prepared to address this with a strong sense of urgency, as we pursue our business plans, key initiatives and key transactions this year",* said Gil A. Buenaventura, RCBC President and CEO.

In support of the regulatory sandbox initiative introduced by the Bangko Sentral ng Pilipinas (BSP), RCBC has recently partnered with eCurrency Mint Limited (eCurrency) to launch its digital money product to deliver accessible and affordable digital financial services in the country.

RCBC also sealed new Trust deals. Some of the deals are, Stock Transfer Account for Meralco and Lopez Holdings, Project Accounts Trusteeship for Red Planet Hotels and Solar Energy Corporation, and Corporate Investment Management Accounts (IMA) for De La Salle Science Foundation.

The Bank received various awards in Credit Cards, among which, in 2017, **Best Card Offering** from Highly Commended, South East Asia, 4th Annual Card and Electronic Payments International Asia Awards and Annual Retail Banker International Trailblazer Awards; **Best Card Design** from 4th Annual Cards & Electronic Payments International Asia Awards 2017; **Best Loyalty and Rewards Program** from Mastercard Innovation Forum Awards 2017, and **Best Credit Card Offering Philippines** from International Finance Magazine. The bank was also awarded **Best Leveraged Finance-Backed M&A in Southeast Asia** from Alpha Southeast Asia Awards 2017, **Best Capital Market Deal** from IFR Awards 2017, **Best Mergers & Acquisition Financing Deal** from Triple A - The Asset Asian Awards 2017, and **Best in Private Banking** from AI Global Awards.

On November 23, 2017, Moody's upgraded the bank's baseline credit assessments (BCAs) and adjusted BCAs to baa3 from ba1. On December 14, 2017, Fitch revised upward the Support Rating Floor of RCBC to BB from BB-.

---

About RCBC

RCBC is a leading financial services provider in the Philippines offering a wide range of banking and financial products and services. RCBC is engaged in all aspects of traditional banking, investment banking, microfinance, retail financing (auto, mortgage and housing loans, and credit cards), remittance, leasing, foreign exchange, and stock brokering. RCBC is a member of the Yuchengco Group of Companies (YGC), one of the oldest and largest conglomerates in South East Asia. For more information, please visit <https://www.rcbc.com>