

30 April 2024

THE PHILIPPINE STOCK EXCHANGE, INC.

6/F PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

ATTENTION: **MR. NORBERTO T. MORENO JR.**
Officer-In-Charge, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

29/F, BDO Equitable Tower
8751 Paseo de Roxas
1226 Makati City, Philippines

ATTENTION: **ATTY. SUZY CLAIRE R. SELLEZA**
*Head – Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.*

Dear Mr. Moreno and Atty. Selleza:

We furnish you a copy of our press release entitled “**Metrobank records 14% increase in net income to PHP 12 billion in 1Q24**”

Thank you.

Very truly yours,

Minda Claver A. Olonan
Head, Investor Relations

30 April 2024, Manila

Metrobank records 14% increase in net income to PHP12 billion in 1Q24

Metropolitan Bank & Trust Co. (Metrobank) reported net earnings of PHP12.0 billion in first quarter 2024, 14.5% higher year-on-year. This translated to a return on equity (ROE) of 13.7%, higher than 13.1% a year ago. The Bank's improving profitability was driven by consistent growth of its lending portfolio, better operational efficiencies, stable asset quality and continued execution of strategies to optimize the use of capital.

The Bank's total consolidated assets expanded by 10.7% to PHP3.2 trillion, which is the second highest asset base among the country's private universal banks.

"As we remain focused on sustaining the Bank's profitability, our strong commitment to our customers is at the center of our growth strategy. We will consistently offer tailored financial solutions that directly address the needs and goals of those we serve to help them build a more prosperous future," **said Metrobank President Fabian S. Dee.**

The Bank's net interest income grew by 15.4% to PHP28.7 billion in the first three months of the year from the previous year, propelled by sustained growth in interest earning assets and higher net interest margin of 4.0% from 3.9%.

This was supported by the continued expansion of its gross loans, which rose by 12.1% year-on-year. Commercial loans jumped by 11.2%, partly driven by rising capital expenditures of corporates. The Bank's consumer loans portfolio remained robust, recording a 15.3% growth, led by a 25.5% increase in gross credit card receivables and 18.2% expansion in auto loans. Meanwhile, the Bank's total deposits increased by 4.9% from the same period last year to PHP2.4 trillion, with low-cost current and savings accounts (CASA) contributing 58.6% of the total.

The Bank's operating expenses posted a moderate increase of 6.5% year-on-year, resulting in cost to income ratio improving to 51.3% from 51.6% last year.

Meanwhile, non-performing loans (NPLs) ratio eased to 1.7% from 1.8% in the first quarter of 2023, well below the banking system's reported 3.5% NPL ratio in February this year. The stable asset quality enabled the Bank to trim provisions to PHP562 million during the quarter from PHP2.4 billion a year ago. The Bank's NPL cover remains robust at 174.1%, a substantial buffer against any potential risks to the loan portfolio.

The Bank's total equity stood at PHP345.7 billion. Capital ratios remain amongst the highest in the industry, with capital adequacy ratio at 16.8% and Common Equity Tier 1 (CET1) ratio at 16.0%, all well-above the minimum regulatory requirements.

Metrobank successfully concluded its offering of a landmark USD1 billion dual tranche of 5-year and 10-year U.S. denominated notes in March 2024. The bond issue is the longest senior dated note by a private domestic bank in the Philippines and the largest non-sovereign note issuance of USD1 billion. The proceeds will fund the Bank's key growth initiatives.

Metrobank's notable performance in wealth management was recently recognized at the 2024 Euromoney Global Private Banking Awards, which named the Bank the Best Bank for Ultra-High-Net-worth. The Asian Banker also noted Metrobank as the Most Recommended Retail Bank in the Philippines, based on the results of The Asian Banker's Annual BankQuality™ Consumer Survey in January 2024.

ABOUT METROBANK:

Metrobank is the country's second largest private universal bank that empowers both retail and business clients with customized financial products and services fit to help reach their goals and full potential. It has an extensive consolidated network that spans over 940 domestic branches nationwide, more than 2,300 ATMs, and above 30 foreign branches, subsidiaries, and representative offices. The Bank believes that its robust capital position and balance sheet strength will provide ample support as it navigates through uncertain times. Capital ratios are among the highest in the industry, with total CAR at 16.8% and Common Equity Tier 1 (CET1) ratio at 16.0%. Consolidated assets stood at PHP3.2 trillion at the end of March 2024, making it one of the strongest and well-capitalized banks in the country (<https://metrobank.com.ph>).