

Press Release

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The Metrobank Group awarded Auto-loan Product of the Year for 2016

- **A consistent market leader in the auto loan business in the Philippines**
- **Retail strategy was driven by the synergy of Metrobank and PSBank**
- **Performance was supported by above-the-line advertisement and attractive promotions**

Singapore, March 16th 2016— **The Metrobank Group** (Philippines) was awarded **the Auto-loan Product of the Year for 2016** at The Asian Banker's International Excellence in Retail Financial Services 2016 Awards ceremony, held in conjunction with the region's most prestigious retail banking event, the Excellence in Retail Financial Services Convention. The ceremony was held March 16th 2016 at the W Hotel, Hong Kong.

A consistent market leader in the auto loan business in the Philippines

Compared to other Asian countries, auto loan penetration in the Philippines was modest in the past. When the car loan industry picked up in 2014—increasing by more than 20%—the Metrobank Group made sure to ride the wave of growth. In 2015, the Group financed a total of 80,600,000 vehicles, capturing 34% of the new automobile vehicle financing market. As of the first half of 2015, auto loans peaked at 22% and accounted for 41% (\$1.79 billion) of the Group's consumer loan portfolio, contributing to the 21% growth in revenue at year-end.

Retail strategy was driven by the synergy of Metrobank and PSBank

The Metrobank group targeted the entire spectrum of customers through the combined synergy of Metrobank and PSBank, with the former attracting the higher end of the market; and the latter capturing the mass-affluent market through a dealer network. The dealer networks successfully expanded their customer base without competing with each other. Since the two banks differed in target groups and approaches, the Metrobank Group was able to maximise various distribution channels: PSBank with an extensive dealer network, as with majority of Philippine banks; and Metrobank through direct marketing and business development through its branches. More importantly, Metrobank improved its turnaround time by adopting PSBank's best practices, while PSBank leveraged on Metrobank's strong branding in positioning itself in the market.

Performance was supported by above-the-line advertisement and attractive promotions

A consistent year-long, above-the-line advertising campaign contributed to the strong performance of the Group. Metrobank showcased its car loan product in its breakthrough "What's New at Metrobank" institutional campaign, while rolling out its highly successful "The Awesome Campaign" promotional offer that generated almost P8 billion in auto loan

bookings. This resulted in a 115% target attainment for the product, and over 20% growth from the previous year.

In tandem with Metrobank's campaigns, PSBank introduced the "Auto Loan with Prime Rebate," which leveraged on a quick turnaround time of 5 hours for approval, complemented by branch-based direct acquisition programmes. PSBank also rolled out the "Triple Auto Treat" campaign, which offered one-year free comprehensive auto insurance, free chattel mortgage fees, and gas allowance.

Both Metrobank and PSBank offered a "Repeat Business Program" or reavilment auto package for existing clients with good credit history and handling. The Group utilised a predictive model to generate a higher response rate and availment, to ensure success of the programme.

About 200 senior bankers from award-winning banks in 29 countries across the Asia Pacific, the Middle East, Central Asia, and Africa attended the Excellence in Retail Financial Services Convention, which recognises banks' efforts in bringing superior products and services to their customers. The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants, and academics, is the most prestigious of its kind.

A stringent evaluation process across three months based on a balanced and transparent scorecard determines the winners of The Asian Banker International Excellence in Retail Financial Services Awards, and the positions of various retail banks in the region.

About The Asian Banker

The Asian Banker is the region's most authoritative provider of strategic business intelligence to the financial services community. The company is headquartered in Singapore, with offices in Manila, Malaysia, Hong Kong, Beijing, and Dubai, as well as representatives in London, New York, and San Francisco. It has a business model that revolves around three core business lines: publications, research services, and forums.

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