



DEVELOPMENT BANK OF THE PHILIPPINES

Head Office: Sen. Gil J. Puyat Avenue corner
Makati Avenue, Makati City, Philippines



22 January 2025

Atty. Suzy Claire R. Selleza
Head, Issuer Compliance and Disclosure Department
Philippine Dealing and Exchange Corporation
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas
Makati City 1226

SUBJECT: Clarification of News Article by the Philippine Star entitled “DBP Charter amendments unlikely to impact its Fitch Ratings”

Dear Atty. Selleza:

We reply to your inquiry through email dated 22 January 2025, requesting clarification of the following news article published in the Philippine Star dated 22 January 2025 entitled, “DBP Charter amendments unlikely to impact its Fitch Ratings”.

The article reported in part the following:

“MANILA, Philippines — The proposed amendments to the charter of the Development Bank of the Philippines (DBP), allowing partial privatization through a stake sale, will unlikely to affect its credit rating, according to Fitch Ratings.

However, a significant improvement in DBP’s capital position from such a sale can positively influence the bank’s standalone credit profile.

“The proposed amendments to DBP’s charter, which will allow the state to sell part of its stake in the bank, are unlikely to have any impact on the bank’s sovereign support-driven issuer default ratings (IDR),” the debt watcher said in a commentary.

As such, the amendments hope to include the increase in DBP’s authorized capital stock to P300 billion, an over 700-percent jump from the current level of P35 billion. The changes also permit the government to reduce its ownership below 100 percent, provided that it retains a minimum 70 percent stake, ensuring the state’s continued majority control.

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With reference to the said article, we confirm the details provided therein.

The impact of the proposed changes to the Bank’s charter will strengthen and broaden the capacity of DBP to serve its mandate and foster economic growth and financial inclusivity through developmental banking.



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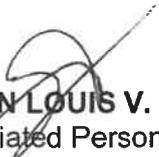
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Thank you.

Sincerely,



ALLEN LOUIS V. YANZA

Associated Person/Deputy Corporate Information Officer