



DEVELOPMENT BANK OF THE PHILIPPINES

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



29 April 2026

ATTY. SUZY CLAIRE R. SELLEZA
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Philippine Dealing and Exchange Corporation
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas
Makati City 1226

SUBJECT: Clarification of News Article by the Manila Bulletin entitled “Fitch switches outlook on Landbank, DBP to ‘negative’ ”

Dear Atty. Selleza:

We reply to your inquiry through email dated 29 April 2026, requesting clarification of the following news article published in Philippine Daily Inquirer dated 28 April 2026 entitled, “*Fitch switches outlook on Landbank, DBP to ‘negative’*”.

The article reported the following:

“MANILA, Philippines — Fitch Ratings has revised the outlooks on the country’s two state-owned lenders to ‘negative,’ following a similar sovereign credit outlook downgrade last week. This signaled pressure on the government’s ability and willingness to support the banks.

In a commentary on Tuesday, the London-based debt watchdog said the government support ratings (GSR) of Land Bank of the Philippines and the Development Bank of the Philippines (DBP) are equal to that of the sovereign.

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Both banks, however, had their long-term issuer default ratings (IDRs) of ‘BBB’ affirmed. Their viability ratings (VRs) at ‘bb’ were also maintained. But Fitch withdrew the VRs, saying they are no longer relevant to the agency’s coverage.

‘The GSR and long-term IDRs could also be downgraded if Fitch believes there is a material reduction in the sovereign’s propensity to support the entity,’ Fitch said. ‘This could occur if there is a material dilution in the state’s ownership of the bank, or if the banks’ policy roles were to diminish materially or be transferred to other institutions. However, we believe both scenarios are unlikely in the near term,’ it added.

Fitch reiterated that an upgrade in the near term is unlikely, given the negative sovereign outlook. Any improvement in the banks' outlook would require a similar revision on the sovereign rating.

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DBP acknowledges the evaluation provided by Fitch relative to the negative outlook for the country's state-lenders in view of prevailing risks in the economy and the Banking industry. However, we affirm that the National Government remains cognizant of the efforts and the respective mandate of DBP and fully supports our activities through close collaboration to support the country's development amidst the ongoing crisis.

Thank you.

Sincerely,



ALLEN LOUIS V. YANZA
Associated Person/Deputy Corporate Information Officer