



PDEX Disclosure	
BPI Clarification of News Report	
Source	Philippine Daily Inquirer
Subject of News Article	Moody's affirms BPI, BDO investment-grade ratings
Date of Publication	May 22, 2026
Clarification of News Article	
<p>Gentlemen:</p> <p>We have noted the publication of a news article in <i>Philippine Daily Inquirer</i> on 22 May 2026¹, titled "Moody's affirms BPI, BDO investment-grade ratings". The article reported in part that:</p> <p><i>"MANILA, Philippines—Moody's Ratings affirmed the investment-grade ratings and stable outlooks of Bank of the Philippines Islands (BPI) and BDO Unibank Inc., while warning that the banks may face higher credit costs as they build buffers against potential deterioration in loan quality stemming from the Middle East crisis and its impact on retail borrowers.</i></p> <p><i>In separate actions on May 20, the debt watcher maintained its "Baa2" ratings on both banks, with the stable outlook signaling no expected rating change over the next one to two years.</i></p> <p><i>For BPI, Moody's said its decision reflected the bank's strong profitability, adequate capital, healthy liquidity, and stable funding supported by its solid deposit franchise.</i></p> <p><i>These credit strengths, the agency said, balanced the bank's weakening asset quality, driven by strong growth in the higher-risk retail segments, as well as challenges in its corporate segment.</i></p> <p><i>Moody's said it expects the retail segments to experience further strain in 2026, given the shrinking financial buffers of retail borrowers amid higher inflation in the Philippines.</i></p> <p><i>"Although the bank has tightened credit underwriting and plans to moderate its retail loan growth, we expect the bank's asset risks to remain elevated, with credit costs normalizing closer to the 0.9 percent range in 2026," the firm said.</i></p> <p><i>"The bank's [BPI] high concentration to large corporate loans and long-dated investment securities will also pose risks to its asset quality," it added.</i></p> <p style="text-align: center;">xxx xxx xxx"</p> <p>Bank of the Philippine Islands ("BPI" or the "Bank") confirms that Moody's affirmed its "Baa2" ratings with a stable outlook for BPI.</p>	

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