

Rockwell Land eyes P10B for expansion

By Beatriz Marie D. Cruz
Reporter

ROCKWELL LAND CORP. plans to raise as much as P10 billion from a bond offer to help fund the expansion of its retail and residential portfolio.

The proposed issuance will have a base offer of P7 billion, with an oversubscription option of as much as P3 billion, the company said in a stock exchange filing on Tuesday. The bond sale represents the initial tranche of Rockwell Land's P20-billion shelf registration program.

The Philippine Rating Services Corp. (PhilRatings) assigned the proposed bonds a PRS Aaa rating with a stable outlook, indicating the highest credit quality and minimal credit risk. A stable outlook signals that the rating is expected to be maintained over the next 12 months.

PhilRatings said the rating reflects Rockwell Land's established brand, solid management team and support from its parent company, sustained growth, strong liquidity position and conservative capital structure.

"The bond issuance could anchor Rockwell's expansion into the retail and hospitality sectors given that recent deals — especially the acquisition of Alabang Town Center (ATC) — require extensive cash [outlays]," Shawn Ray R. Atienza, an AP Securities, Inc. equity research analyst, said in a Viber message.

The bond offer is likely to attract strong investor inter-

est, particularly after ATC in Muntinlupa City was added to the company's asset portfolio, said Juan Paolo E. Colet, managing director at China Bank Capital Corp.

Rockwell Land recently acquired a 74.8% stake in Alabang Commercial Corp., which owns and operates ATC, for P21.6 billion.

ATC, a 17.5-hectare retail and office complex south of Metro Manila, is a prime asset with significant redevelopment potential, Mr. Colet said in a Viber message, adding that investors are likely to expect the mall to contribute to Rockwell Land's financial performance over time.

Since December 2024, Rockwell Land has launched three premium residential projects in provincial locations, betting on demand for luxury developments outside Metro Manila.

Its expansion pipeline also includes a second Power Plant Mall in Angeles City, Pampanga; additional retail space within Rockwell at IPI Center in Cebu City; and Power Plant Mall Bacolod in Rockwell Center Bacolod.

PhilRatings said the company's land bank of more than 500 hectares supports its growth outlook.

For the first nine months of 2025, Rockwell Land posted a 7% increase in consolidated revenues to P15 billion, driven by strong performance from its high-end residential projects.

Shares of Rockwell Land rose 1.62% or three centavos to close at P1.88 each, according to data from the Philippine Stock Exchange.

Updates to REIT rules, rate cuts may attract listings, says ICCP

THE Securities and Exchange Commission's (SEC) proposed updates to real estate investment trust (REIT) rules, alongside possible interest rate cuts by the central bank, could encourage more REIT listings, the Investment & Capital Corporation of the Philippines (ICCP) said.

"If interest rates come down, that would be good for REITs because issuers would be more encouraged to come to market as they would not have to offer very high dividend yields," ICCP President and Chief Operating Officer Jesus Mariano P. Ocampo said in a statement on Tuesday. "REITs are a dividend story at the end of the day."

Under the updated REIT rules, the SEC has expanded the definition of income-generating assets to include sectors such as power, infrastructure and telecommunications.

The rules, which took effect this month, also extend sponsors' reinvestment deadlines and strengthen disclosure and governance requirements.

Mr. Ocampo said the changes could attract billion-peso REIT offerings from tollway operators, water concessionaires, fiber optic network providers, cell tower operators and data-center developers.

He added that the timing of the regulatory changes aligns with a more accommodative monetary environment.

The Bangko Sentral ng Pilipinas (BSP) has cut interest rates by 200 basis points since August 2024.

BSP Governor Eli M. Remolona, Jr. has said another rate cut remains possible at the central bank's February policy meeting, citing subdued inflation and weak economic growth last year.

The central bank ended 2025 with an additional 25-basis-point cut on Dec. 11, bringing the key policy rate to 4.5%, the lowest in more than three years.

Mr. Ocampo cited the surge in REIT activity from 2020 to 2021, noting that low interest rates during that period helped spur listings.

As rates decline, pressure on issuers to offer elevated dividend

yields eases, making public listings a more viable and attractive capital-raising option, he said.

However, Mr. Ocampo said actual listings would still depend on issuer readiness, asset valuation and broader market conditions.

ICCP is a medium-sized group with businesses spanning investment banking, venture capital, industrial-estate development and township development.

The Philippines has eight listed REITs — AREIT, DDMP REIT, Inc., Filinvest REIT Corp., RL Commercial REIT, Inc., MREIT, Inc., VistaREIT, Inc., Citicore Energy REIT Corp. and Premier Island Power REIT Corp.

— Beatriz Marie D. Cruz

PXP gets nod to continue Galoc field operations

PXP ENERGY CORP. and its partners have secured approval to continue production at the Galoc Oil Field off northwest Palawan after getting a fresh petroleum service contract from the Philippine government.

In a regulatory filing on Tuesday, the upstream oil and gas company said the field's operator, NPG Pty. Ltd., has received a copy of petroleum service contract 88, which was executed on Dec. 18.

The contract replaces service contract 14C-1, which expired on Dec. 17 and covered the exploration, development and production of petroleum resources at the Galoc field.

PXP said the Galoc field has produced more than 25 million barrels of oil since operations began in October 2008 and remains commercially viable despite natural production decline, allowing operations to extend beyond the previous contract's term.

To enable continued production, the Galoc consortium — composed of NPG, Philodrill



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Corp. and Forum Energy Philippines Corp. — filed an application last year for a development and production petroleum service contract.

PXP holds an indirect 3.21% interest in the Galoc field through its unit Forum Energy Philippines Corp.

While the company acknowledged that Galoc is a mature and depleting asset, it said the replacement contract "provides a framework

to extend operations and maximize value from remaining resources, subject to technical and commercial considerations."

Service contract 88 adds to PXP's portfolio of recently awarded petroleum contracts.

Last year, the company and its joint venture partners secured service contracts for the Sulu Sea blocks service contracts 80 and 81, as well as service contract 86 covering the Octon Block in northwest Palawan.

PXP said these contracts strengthen its position in oil and gas exploration and support the Philippine government's objective of increasing domestic energy production.

For the third quarter, PXP posted a wider attributable net loss of P15.17 million, compared with P7.54 million a year earlier, as operating revenues declined.

PXP shares rose 0.81% to close at P2.50 apiece on the Philippine Stock Exchange. — **Shelden Joy Talavera**

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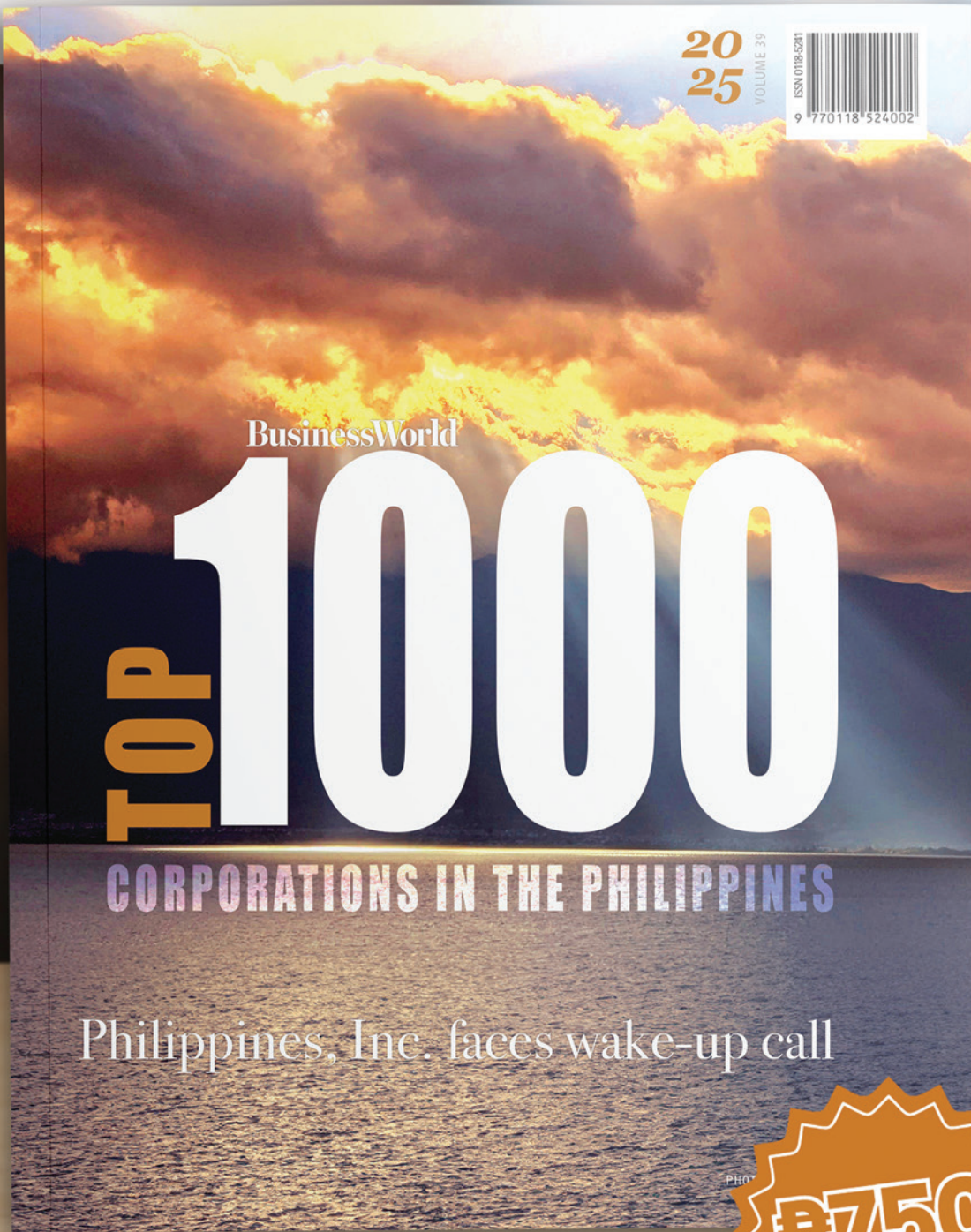
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