

# Developers seen increasing spending on building upgrades

By Juliana Chloe A. Gonzales

PROPERTY developers are expected to increase spending on structural upgrades, engineering reviews, and business continuity measures following recent earthquakes in Mindanao as buyers and investors place greater emphasis on building safety and resilience, according to property consultants.

Claro dG. Cordero, Jr., director for research at Cushman & Wakefield Philippines, said developers are reassessing structural systems and resilience measures as part of efforts to strengthen the long-term competitiveness of their projects.

He said current evaluations of structural systems and base-isolation strategies are "value-accretive," with resilience increasingly emerging as a factor that influences leasing terms and capital allocation.

"Resilience is rapidly emerging as a measurable competitive differentiator," Mr. Cordero said in an e-mailed response to questions on Sunday.

Dino Mari G. Palanca, director for marketing and research at Savills Philippines, said ma-

ior developers are focusing on redundant building systems and business continuity planning in the wake of the earthquakes.

"They may accelerate inspections, reassess repair-versus-rebuild decisions for damaged assets, and incorporate design features that improve safety, reduce disruption, and enhance long-term asset durability," he said in a Viber message last week.

"While major developers already design projects in accordance with the National Structural Code of the Philippines, we expect greater focus on resilience measures, structural redundancy, engineering reviews, and business continuity planning," he added.

The shift comes as buyers become more discerning about the structural quality of properties following the recent earthquakes.

Mr. Palanca said consumers are placing greater emphasis on building quality, structural integrity, developer track records and compliance with seismic standards when making purchasing decisions.

"It is still too early to characterize this as a structural shift in residential demand. However, we are seeing buyers place greater emphasis on building qual-

ity, structural integrity, developer track record, and compliance with seismic standards," he said.

He added that discussions in the market have shifted away from a debate between condominiums and house-and-lot developments and toward the resilience of individual assets.

Mr. Cordero likewise said available data does not point to a broad-based shift away from condominium living despite concerns raised by the earthquakes.

"Demand patterns remain highly differentiated, driven by location, the localized severity of damage, and access to financing," he said.

"Condominiums engineered to prevailing seismic standards have generally demonstrated strong structural performance, and the market is increasingly attuned to this distinction."

Apart from new developments, property owners may also need to consider upgrading older assets to improve resilience and preserve value.

Mr. Cordero estimated that seismic upgrades for older buildings typically cost between 10% and 30% of an asset's replacement value, with more complex commercial structures often exceeding the upper end of that range.

## OUTLIER

# JFC shares decline on weak sentiment

By Matthew Miguel L. Castillo  
*Researcher*

SHARES of Jollibee Foods Corp. (JFC) declined last week as softer investor sentiment linked to geopolitical tensions in the Middle East and recent company developments weighed on outlook, analysts said.

Data from the Philippine Stock Exchange (PSE) showed Jollibee was the fifth most actively traded stock last week, with 7.76 million shares valued at P1.01 billion changing hands as of Thursday.

The trading week was shortened, with Friday, June 12, observed as the Philippine Independence Day holiday.

Week on week, Jollibee's stock price fell 6.1% to P128, from P136.30 previously. The decline was steeper than the industrial sector's 1.1% drop and the PSE index's 0.2% dip.

"Continued weaker sentiment from missed earnings and an outflow from rebalancing among other things pulled the stock [down]," Luis A. Limlingan, head of sales at Regina Capital Development Corp., said in a Viber message.

In its first-quarter report released last month, Jollibee's attributable net income fell 38.8% year on year to P1.47 billion, from P2.41 billion.

Revenue, however, increased 9.1% year on year to P72.37 billion, from P66.33 billion, for the January-to-March period.

The company was also moved to the small-cap index in the latest rebalancing by Morgan Stanley Capital International (MSCI). It was previously included in the Philippines Standard Index, with the change taking effect on June 1.

Separately, Aniceto K. Pangan, equity trader at Diversified Securities, Inc., said in a Viber message that the stock "further corrected" last week, as uncertainty surrounding developments in the Middle East weighed on investor sentiment.

Investor caution followed renewed tensions in the Strait of Hormuz, a key global shipping route, which contributed to broader market uncertainty.

The analysts noted a generally positive view on Jollibee's disclosure last Monday, in which the company said it continues to evaluate options for a potential international listing of its overseas business.

Jollibee had earlier indicated plans to list a planned international spinoff on a US stock exchange, targeting a timeline in late 2027.

Last week, the company said it has not finalized a decision on the listing, adding that Hong Kong is being considered as an alternative, while also identifying Vietnam as a key growth market.

Mr. Pangan described the disclosure as positive, noting the company's performance in China relative to other international markets.

Mr. Limlingan said the company's objective of identifying the most suitable growth opportunities remains intact following the disclosure.

Both analysts said the stock's direction this week will likely hinge on geopolitical developments before trading resumes on Monday.

Mr. Pangan said he expects Jollibee shares to remain under pressure unless a "positive agreement" is reached in the Middle East.

"[The] worsening of geopolitical conflict could weigh on sentiment going to next weeks' session," Mr. Limlingan said.

Over the long weekend, both sides signaled possible progress toward a peace framework, with reports indicating a potential timeline under discussion. However, uncertainty remains, particularly over unresolved issues.

For this week, Mr. Limlingan placed support at around P120 to P126, and resistance at P137 to P140.

Mr. Pangan, meanwhile, sees support at P126.40 and resistance at P138.10.

# PLDT sees partnerships shaping telcos' future

PLDT INC. said partnerships will become increasingly important in the telecommunications sector as operators expand beyond connectivity into artificial intelligence (AI), cloud services, cybersecurity, and digital platforms.

"Partnerships and strategic alliances will shape the future of telco because no single player can build everything alone anymore," PLDT Post-Contract Management Head of Legal and Regulatory Group Edgardo B. Lina, Jr. said in a statement over the weekend.

"The industry is moving toward ecosystems — connectivity, AI, cloud, platforms, cybersecurity, and enterprise solutions all require collaboration," he added.

PLDT said strategic partnerships could help drive growth in the telecommunications sector and support regional development amid industry challenges.

Mr. Lina said collaboration among industry players could also help facilitate policy

reforms and enable companies to better navigate a rapidly evolving technology landscape.

Meanwhile, the Pangilinan-led telecommunications company also said it is prepared to participate in the government's planned AI-native industrial hub in New Clark City.

"I think PLDT should be part of that and we would like to do it. We could do it," PLDT Chairman Manuel V. Pangilinan told reporters on the sidelines of the company's annual stockholders' meeting last week.

The Bases Conversion and Development Authority (BCDA) earlier said the Philippines is targeting to break ground on the AI-native industrial hub within two years as part of efforts to strengthen the country's AI capabilities.

The BCDA has earmarked about 1,618 hectares in New Clark City for the project, which will host a Pax Silica Coordination Office where technology firms, research institutions

and government agencies can work together to build an AI ecosystem.

The initiative forms part of the government's broader push to attract investments into digital infrastructure and emerging technologies.

The Department of Information and Communications Technology (DICT) has said it expects the implementation of the National Artificial Intelligence Infrastructure Master Plan to attract about \$30 billion worth of investments over the next seven years.

PLDT has been expanding its digital and enterprise offerings beyond traditional telecommunications services as demand grows for cloud computing, cybersecurity, data center and AI-related solutions.

Hastings Holdings, Inc., a unit of the PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., holds a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**

# DITO Telecommunity Corp. expects revenue to reach up to P27 billion

DITO TELECOMMUNITY Corp. expects its revenue to grow by more than 20% this year to as much as P27 billion, driven by continued subscriber growth despite softer market conditions, its top official said.

"Our main results give us confidence that we will be in about anywhere between P24 billion and P27 billion," DITO Telecommunity President and Chief Executive Officer Eric R. Alberto told reporters on the sidelines of an event last week.

The telecommunications company is also targeting to grow its subscriber base to more than 20 million from the current 17 million, including users of its fixed wireless access (FWA) service.

"Our target is to reach over 20 million," Mr. Alberto said.

He acknowledged that demand has softened amid global uncertainties and inflationary pressures.

"Actually, the market has been very soft because of the Middle East crisis and the inflationary pressures it brings to consumers," he said.

Despite this, DITO continues to add subscribers and expand usage of its services.

Mr. Alberto said the company is registering an average of 23,000 to 24,000 new subscribers daily and is also seeing growth in its 5G user base.

As of end-March, DITO Telecommunity had deployed 7,347 telecommunications towers, al-



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lowing it to cover 86.4% of the country's population.

The revenue target comes as DITO CME Holdings Corp., the operator of DITO Telecommunity, posted wider losses in the first quarter.

For the January-to-March period, DITO CME's attributable

net loss widened to P6.76 billion from P1.66 billion a year earlier.

However, gross revenue rose 23.88% to P5.81 billion from P4.69 billion in the same period last year, while total expenses increased to P8.67 billion.

The company also reported a total comprehensive net loss of

P35.91 billion in 2025, resulting in a capital deficiency of P100 billion. As of end-March, the deficiency had widened to P117.73 billion, based on its latest financial report.

DITO CME attributed the losses to pre-operating and start-up costs related to DITO Telecommunity's ongoing network expansion.

To support its funding requirements, the company recently unveiled an updated business plan that includes several capital-raising initiatives.

On May 29, DITO CME said it plans to convert approximately P21.8 billion in shareholder advances into equity between 2026 and 2027.

The planned conversion covers advances from parent firm Udenna Corp., China Telecommunications Corp., Xterra Ventures Pte. Ltd., Summit Telco Corp. Pte. Ltd. and Summit Telco Holdings Corp.

The company is also evaluating a follow-on offering or stock rights offering, subject to market conditions, to help fund DITO Telecommunity's network expansion and operations.

Despite the challenging operating environment, DITO said it remains focused on expanding its subscriber base and growing revenue as it continues to strengthen its network footprint nationwide. — **Ashley Erika O. Jose**

## Philippine Stock Exchange index (PSEi)

5,910.06

▼ 31.30 PTS.

▼ 0.52%

THURSDAY, JUNE 11, 2026

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### PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P386.00 +P1.00 +0.26%	<b>ACEN</b> ACEN Corp. P3.23 +P0.03 +0.94%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P31.50 -P0.50 -1.56%	<b>ALI</b> Ayala Land, Inc. P12.74 -P0.46 -3.48%	<b>AREIT</b> AREIT, Inc. P37.95 -P0.05 -0.13%	<b>BDO</b> BDO Unibank, Inc. P116.30 -P4.30 -3.57%	<b>BPI</b> Bank of the Philippine Islands P90.80 +P0.15 +0.17%	<b>CBC</b> China Banking Corp. P55.10 +P0.55 +1.01%	<b>CNPF</b> Century Pacific Food, Inc. P26.80 +P0.05 +0.19%	<b>CNVRG</b> Converge ICT Solutions, Inc. P10.20 —
<b>DMC</b> DMCI Holdings, Inc. P8.58 -P0.02 -0.23%	<b>EMI</b> Emperador, Inc. P15.42 +P0.10 +0.65%	<b>GLO</b> Globe Telecom, Inc. P1,700.00 -P5.00 -0.29%	<b>GTCAP</b> GT Capital Holdings, Inc. P477.00 +P7.00 +1.49%	<b>ICT</b> International Container Terminal Services, Inc. P898.00 +P6.00 +0.67%	<b>JFC</b> Jollibee Foods Corp. P128.00 -P1.10 -0.85%	<b>JGS</b> JG Summit Holdings, Inc. P24.35 -P0.75 -2.99%	<b>LTG</b> LT Group, Inc. P14.48 -P0.16 -1.09%	<b>MBT</b> Metropolitan Bank & Trust Co. P63.00 -P1.00 -1.56%	<b>MER</b> Manila Electric Co. P574.00 —
<b>MONDE</b> Monde Nissin Corp. P7.00 +P0.01 +0.14%	<b>PGOLD</b> Puregold Price Club, Inc. P45.90 -P0.25 -0.54%	<b>PLUS</b> DigiPlus Interactive Corp. P10.64 -P0.06 -0.56%	<b>RCR</b> RL Commercial REIT, Inc. P6.83 +P0.03 +0.44%	<b>SCC</b> Semirara Mining and Power Corp. P26.30 +P0.30 +1.15%	<b>SM</b> SM Investments Corp. P585.00 -P5.00 -0.85%	<b>SMC</b> San Miguel Corp. P67.50 +P0.20 +0.30%	<b>SMPH</b> SM Prime Holdings, Inc. P17.60 -P0.20 -1.12%	<b>TEL</b> PLDT Inc. P1,083.00 -P2.00 -0.18%	<b>URC</b> Universal Robina Corp. P55.90 -P3.10 -5.25%