



Dated : November 17, 2010

## **L.G.U. GUARANTEE GETS SECOND HIGHEST RATING**

LGU Guarantee Corporation (LGUGC), a pioneering institution that guarantees LGU debt financing in the Philippines, obtained a PRS Aa plus (corp.) issuer credit rating from Philippine Rating Services Corporation (PhilRatings). According to PhilRatings, a company rated PRS Aa (corp.) differs from the highest rated corporates only to a small degree, and has a strong capacity to meet its financial commitments relative to that of other Philippine corporates. PhilRatings said that the ratings primarily considered the ability of LGUGC to consistently generate cash as a result of continuing profitable operations, the absence of any default on guaranteed financial obligations, and the debt-free situation of the company to date. (JAL)