



July 1, 2015

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor Philippine Stock Exchange Plaza,
Ayala Triangle, Ayala Avenue,
Makati City, Philippines

Attention: **Ms. JANET A. ENCARNACION**
Head, Disclosure Department

RE: **Clarification of News Report**

Gentlemen:

We refer to your letter dated July 1, 2015 seeking clarification and/or confirmation of the news article titled "Century Pacific doubles CAPEX to P820M this year" posted in philSTAR.com on July 1, 2015. The article reported in part that:

"MANILA, Philippines - Century Pacific Food Inc., the country's largest canned food company, is nearly doubling its capital spending this year as it seeks to grow its profits and revenues by double digits annually over the next two to three years.

In an interview following the company's annual stockholders meeting yesterday, Century Pacific president and chief executive officer Christopher Po said the company has earmarked P820 million for capital expenditures this year, higher than 2014's full year spending of P450 million.

For this year's budget, Po said bulk or about P450 million is being used to construct a cold storage facility in General Santos City.

The facility, which will allow the firm to improve management of raw materials, is expected to be operational before the year ends, Po added.

He said the balance of this year capital spending, meanwhile, would be utilized for the regular maintenance of the company's manufacturing facilities.

Century Pacific expects its aggressive spending program to benefit the company in the near term.

....”

We wish to confirm the statements of Mr. Christopher Po relating to the Company’s plans to (i) spend approximately Php820 million in Capital Expenditures this year, (ii) allocate Php450 million to construct storage facilities in General Santos City, (iii) use the Php370 million balance for regular maintenance, and (iv) improve the management of raw materials.

However, we wish to clarify that (i) 2014’s full year spending for Capital Expenditures was Php540 million and (ii) the exact timetable for completion of the storage facility is still under study.

We trust that you find the foregoing clarification sufficient and in order.

Very Truly Yours,



GIOVANNA M. VERA
Investor Relations Officer