



July 3, 2017

PHILIPPINE STOCK EXCHANGE, INC.

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

Attention: **Mr. Jose Valeriano B. Zuño**
OIC - Head, Disclosure Department

RE: **Clarification of News Report**

Gentlemen:

We refer to your letter dated July 3, 2017 seeking clarification and/or confirmation of the news article titled "Tuna canner Century braces for rough seas ahead" posted in Inquirer.net on July 3, 2017. The article reported in part that:

"The country's largest canned food company Century Pacific Food Inc. (CNPF) aims to sustain a double-digit growth in earnings this year despite a more challenging environment brought about by rising input costs and weakening peso.

....

Po also told shareholders that CNPF would continue to look for opportunities to deploy capital, with the intention of maintaining return on equity levels at the current 20 percent or at least the high teen levels.

...."

As a result of the uptick, the company was still planning to sell its tuna products to the major brands in the United States, Europe and Japan."

We wish to confirm the statements of Mr. Christopher Po relating to the Company's goal of growing earnings by double-digits this year despite various challenges.

We wish to clarify however that the above expectation regarding earnings growth (i) is based only on current assessments of the business and could be subject to change, and (ii) is part of a longer term growth target of growing approximately two times the Philippines' Gross Domestic Product (GDP) rate.

We also wish to confirm that CNPF continues to explore a wide range of opportunities to invest and deploy capital. However, the extent to which the Company earmarks capital expenditures and their corresponding return on equity thresholds remain subject to annual study and review.

Finally, we can confirm that the Company has seen an uptick in sales of its tuna OEM (original equipment manufacturer) products to international markets, owing to the continued recovery in the tuna export market beginning the second half of last year.

In the first quarter of 2017 alone, CNPF's OEM business saw revenues increase by more than 40% year-on-year.

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

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'G. Vera', with a stylized flourish at the end.

GIOVANNA M. VERA

Head - Investor Relations