



November 11, 2014

Disclosure Department  
Philippine Stock Exchange  
Ayala Avenue, Makati City

Re: Inquirer.net article entitled, "Cosco ties up with liquor firm Diageo"

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In reply to your letter dated November 11, 2014 requesting for the clarification or confirmation of the news article published in Inquirer.net dated November 11, 2014 which is quoted here below:

**"Cosco ties up with liquor firm Diageo**

Businessman Lucio Co-led Cosco Capital Inc. has bagged a deal with global liquor maker Diageo to distribute the latter's VAT 69, one of the world's largest-selling scotch brands, in greater Metro Manila and Luzon starting this month.

Diageo will team up with Montosco, Cosco's liquor and spirits distribution subsidiary of Cosco, to make the new brand available in the Philippine market.

"Diageo sees a strong opportunity for growth in the Philippines. It has a rapidly emerging middle class, a young population and a growing appreciation for Scotch whisky. We are excited by the prospects within the whisky category and believe it is the right time to bring VAT 69 to the Philippines," Diageo Philippines managing director Jon Good said in a press statement.

"We are proud to partner with Montosco to expand the Scotch whisky offering in the Philippines with VAT 69. The brand is rich in history, globally renowned and we are pleased to bring it to consumers who appreciate heritage, quality and provenance," he added.

Vat 69 is seen to cater to a broader market with a value-for-money proposition. A blended Scotch whisky known for its sweet, rounded flavor, VAT 69 was created by William Sanderson in 1882. Based on historical accounts, Sanderson put one hundred of his created blends of whisky to the test and called in expert blenders and tasters to judge the blend.

A global leader in alcohol beverages, Diageo has a collection of 100 Scotch, Irish, Canadian and American whiskies, including the world's biggest Scotch whisky portfolio, and has 28 malt whisky distilleries producing popular whiskies such as Johnnie Walker and J&B. Other brands include Bushmills whiskies, Smirnoff, Ciroc and Ketel One vodkas, Baileys, Captain Morgan, Tanqueray and Guinness. *Doris C. Dumlao*"

Cosco Capital, Inc. confirms the exclusive deal to distribute scotch brand, VAT 69, in Metro Manila and Luzon area with Diageo.

Very truly yours,



Atty. Candy H. Dacanay-Datuon  
Assistant Corporate Secretary