



3 September 2013

**Philippine Stock Exchange**  
Ayala Tower, Ayala Avenue,  
Makati City

Attention: **Janet Encarnacion**  
Head, Disclosure Department

**Juan Federico C. De Leon**  
Specialist

SUBJECT MATTER: REPLY TO LETTER DATED SEPTEMBER 3, 2013  
ENTITLED, "MANILA STANDARD TODAY NEWS ARTICLE"

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GENTLEMEN:

This is in response to your letter requiring us to clarify or confirm the news article published in the September 3, 2013 issue of Manila Standard Today, we hereby quote the said news article:

***"Lucio Co building two malls in Luzon***

*By Jenniffer B. Austria | Posted on Sep. 03, 2013 at 12:02am | 363 views*

*Cosco Capital Inc., the holding company of businessman Lucio Co, plans to strengthen its retail and liquor businesses over the next two years.*

*Cosco Capital president Leonardo Dayao said in an interview at the sidelines of the annual stockholders' meeting the company planned to build two new community malls in Pangasinan and Tuguegarao.*

*He said the company was looking to acquire two existing malls, also in Luzon.*

*Dayao said while the initial plan was to build its own chain of community malls, the company was now open to acquisitions in a bid to hasten the growth of its retail business.*

*He said the development of community malls would complement its chain of supermarket stores under Puregold Price Club Inc.*

*Dayao said for the liquor business, Cosco aimed to sell 500,000 to 1 million bottles of its recently introduced imported brand of brandy called Excellente.*

*Dayao said Excellente, which sells for P95 a bottle, was targeted for the mass market.*

*Cosco controls 90 percent of the imported liquor market. However, imported liquors account for only small portion of the total liquor market in the Philippines.*

*"We wanted to be a significant player in the liquor market so we started distributing imported brandy for the mass market," Dayao said.*

*Dayao said apart from the retail and liquor businesses, Cosco Capital was also looking to finalize its entry into non-food retail business, either by acquisition or by building its own brand of hardware, pharmacy or home improvement stores.”*

We confirm the statements made by our President, Mr. Leonardo B. Dayao, in the said interview but CoscoCapital, Inc. has not yet entered into any definite agreement nor has definite plans with respect to building malls in the area of Luzon.

We will disclose both to the Exchange and the Securities and Exchange Commission if there are already agreements entered into or any imminent plans regarding this matter.

Thank you.

Very truly yours,



**Candy H. Dacanay-Datuon**  
Assistant Corporate Secretary