



PHILIPPINE SEVEN CORPORATION

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March 09, 2017

PHILIPPINE STOCK EXCHANGE, INC.

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

Attention: **JOSE VALERIANO B. ZUÑO III**
 OIC-Head, Disclosure Department

Re: Clarifications on news article of March 08, 2017

Gentlemen:

This is in response to your correspondence today, March 09, 2017, asking for confirmation of the veracity of information contained in the news article entitled "PHL Seven to add 412 stores this year" posted in Business Mirror (Internet Edition) on March 08, 2017.

We refer to the portions of the article quoted in your correspondence as follows:

"PHILIPPINE Seven Corp., the company that holds the master franchise of 7-Eleven convenience stores in the country, said it plans to build 412 more stores in the country this year, spending P3.5 billion to P4 billion in capital expenditures in 2017.

Jose Victor Paterno, the company's CEO, said the expansion was slower at 20 percent than its planned 25-percent annual expansion program. With the market consolidating, some of its competitors are closing down some shops in Metro Manila. Paterno said the company will build 50 stores each in the Visayas and Mindanao, and the rest will be in Luzon, where most of its branches are still located.

....

Last year the company made about P32 billion in revenues or a 23-percent growth from the previous year...

...."

We confirm that the said store opening target, geographical expansion initiative and capital expenditures budget are in line with our medium-term market development plan.

Further, the 2016 financial reports are still being audited by the external auditors and will be published once finalized.

We hope that this response is sufficient to clarify the matter.

Thank you very much.

Very truly yours,

LAWRENCE M. DE LEON

Head
Finance & Accounting Services Division