

30 October 2017

Securities & Exchange Commission

Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

Philippine Stock Exchange

Disclosure Department
3/F PSE Plaza, Ayala Triangle Plaza
Makati City, Metro Manila

Philippine Dealing & Exchange Corporation

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave. corner Paseo de Roxas
Makati, 1226 Metro Manila, Philippines

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market and Securities Regulation Department
Securities & Exchange Commission

Mr. Jose Valeriano B. Zuño III
OIC - Disclosure Department
Philippine Stock Exchange

Ms. Vina Vanessa S. Salonga
Head - Issuer Compliance and Disclosure Department
(ICDD)

Sirs and Madam:

We would like to announce as of today, 30 October 2017, the Company's Board of Directors has approved and authorized the execution of a Memorandum of Understanding (MOU) with SIAL CVS Retailers, Inc., FamilyMart Co., Ltd., and ITOCHU Corporation to acquire 100% of the outstanding shares of Philippine FamilyMart CVS, Inc. (PFM).

PFM is the exclusive Area Franchisee of the Family Mart brand of convenience stores in the Philippines, with a current network of 67 company-owned and franchised stores all over the country.

The Company sees the potential acquisition of PFM complimentary to the retail on-site offerings of the Company. Further, it is a unique opportunity to gain entry into the fast growing domestic convenience retail market. The acquisition shall be subject to the approval of the Philippine Competition Commission.

*To be an indispensable partner in the journey of everyone
whose life we touch.*

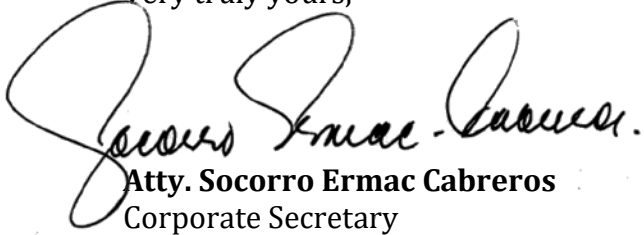


The Company shall update its disclosure upon completion of the whole transaction.

This disclosure is made pursuant to the Securities Regulation Code and Revised Disclosure Rules of the Commission and Exchange, respectively.

Thank you and warm regards.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Socorro Ermac Cabreros'. The signature is fluid and cursive, with a large initial 'S'.

Atty. Socorro Ermac Cabreros
Corporate Secretary