

29 December 2017

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

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

Sir:

We reply to your correspondence today, 29 December 2017 seeking clarification on a news article published in the Philippine Daily Inquirer on 28 December 2017 entitled, "Phoenix Wins, Acquires Kia" and particularly quotes:

"The victory came as top brass from both companies end negotiations where Phoenix will buy the Kia brand in the country lock, stock and barrel.

And that includes the PBA team, according to a highly placed source, who spoke on the condition that he's not identified.

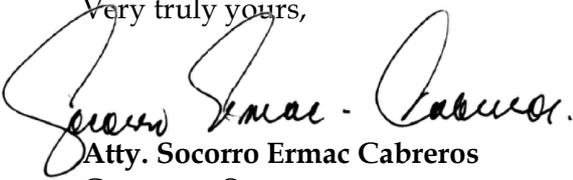
"They are doing the due diligence as we speak," the source said. "I just don't know the exact figure (of the sale), but both parties have already agreed in principle and the sale will push through, with the PBA team included in the deal."

On the part of the Company, there is no such on-going negotiation to acquire Kia including its PBA team. There is likewise no due diligence being conducted by the Company on Kia Philippines.

We hope to have sufficiently responded to your request.

Thank you and warm regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary