



V I T A R I C H

May 24, 2017

THE PHILIPPINE STOCK EXCHANGE

Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

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

Krystal Faith U. Go
Disclosure Department

Gentlemen:

This refers to your letter dated May 24, 2017 requesting us to clarify or confirm the news article entitled "Vitarich targets P300-M income" posted in The Philippine Star (Internet Edition) on May 24, 2017, quoted as follows:

"MANILA, Philippines - Vitarich Corp., one of the pioneers in poultry and feeds manufacturing in the country, targets a P300-million net income this year, a huge jump from P18 million in 2016, as it gears up for its massive expansion nationwide.

Months after exiting corporate rehabilitation, the company said it is confident it would be able to sustain the gains last year and expects to post a 17-fold increase in net income, banking on expansion in Luzon, Visayas and Mindanao.

'For this year, we expect to end our revenues at about P6 billion and we're hoping net income to reach P300 million. We are on track to hit that target,' Vitarich president and CEO Ricardo Manuel Sarmiento said in a round table discussion yesterday.

For this year, Sarmiento said the company is earmarking P80 million for capital expenditures, bulk of which will be allotted for expansion nationwide, and will further increase in the next years.

Furthermore, Vitarich is set to open a new animal feed mill in Davao by July and will double the capacity of its dressing plant in the same area from 471,000 heads to 942,000 heads monthly.

The company will also expand its Iloilo feed mill, doubling its capacity to produce animal feed, from an average of 93,600 50-kilograms bags per month to around 187,200 of 50-kg bags.

We would like to confirm the statements in the quoted news article. These were the answers given by Mr. Sarmiento during the media briefing held yesterday, which was disclosed to PSE on May 17, 2017.

We hope this clarifies the matter.

Very truly yours,

VITARICH CORPORATION

ATTY. MARY CHRISTINE DABU-PEPITO
Assistant Corporate Secretary, Corporate
Information Officer and Compliance Officer