LT GROUP, INC.

June 3, 2013

Disclosure Department
The Philippine Stock Exchange
Tower One and Exchange Plaza,
Ayala Triangle, Ayala Avenue,
Makati City

Attention : MS. JANET A. ENCARNACION
Head, Disclosure Department

Gentlemen:

This refers to your letter dated June 3, 2013 seeking confirmation/clarification on the news article entitled "LT Group ditches plan to absorb PAL" posted in the *BusinessWorld Online* on June 2, 2013, which in part states that:

> "**LT Group, Inc., the holding firm of tycoon Lucio C. Tan, will no longer consolidate Philippine Airlines (PAL) into the conglomerate to focus on being a "consumer company," officials said.**.
>
> "We are not putting it in. Philippine Airlines will not be part of the LT Group. It's part of the family holdings but not the LT Group," LT Group President Michael G. Tan told reporters last Friday.
>
> "It (PAL) is aviation. This (LT Group) is more consumer-related. It is so different from the basket," he added.
>
> LT Group Chief Financial Officer Jose Gabriel D. Olives confirmed Mr. Tan's remarks, saying: "We are focused on being a consumer company."
>
> . . . ."

11th Floor Unit 3 , Bench Tower, 30th St. corner Rizal Drive, Crescent Park West 5, Bonifacio Global City, Taguig City

We wish to confirm that the statement of the President, Mr. Michael G. Tan, is still consistent with our previous disclosures. There has been no change in the Company's position on the matter.

Very truly yours,
LT GROUP, INC.
By:

NESTOR C. MENDONES
Deputy Chief Financial Officer