

27 November 2017

Philippine Stock Exchange, Inc.

3rd Floor, Tower One and Exchange Plaza

Ayala Triangle, Ayala Ave., Makati City

Attention: **Mr. Jose Valeriano B. Zuño III**
OIC Head, Disclosure Department

Dear Sir,

We respond to your letter seeking our clarification and/or confirmation on the news article entitled "MVP Group eyes QualiMed" posted in Inquirer.net on November 27, 2017. The article reported in part that:

"Businessman Manuel V. Pangilinan-led Metro Pacific group is interested to take over a chain of hospitals and clinics under the healthcare brand QualiMed now being pitched by the Ayala and Mercado groups to prospective new investors.

If a deal would be made, then this could mark the single biggest consolidation of healthcare networks in the country.

....

However, there are other groups which may bid for the Qualimed business, other sources said. Mount Grace, the hospital arm of homegrown pharmaceutical giant Unilab, for instance, has been MPHHI's key rival in recent hospital buyout deals.

Industry sources said the Ayala Land Inc. and Mercado groups were rethinking their partnership in the healthcare business four years after teaming up to introduce the QualiMed Health Network.

Three sources from the Ayala group confirmed that talks had been initiated to sell the business, with one source noting that the Mercado group was 'leading the discussions' on the prospective divestment.

While having a hospital in its large-scale mixed-use estates was the primary reason for Ayala Land's decision to invest in the hospital business, operating a hospital is not deemed part of its core business.

...."

We wish to advise that Mercado General Hospital Inc., a joint venture between Whiteknight Holdings, Inc., (a wholly-owned subsidiary of Ayala Land, Inc.) and the Mercado Family, is currently exploring various options intended to strengthen and grow the business of Qualimed.

No definite course of action has been finalized and appropriate disclosures will be submitted to the PSE in a timely manner.

Thank you.

Very truly yours,



MICHAEL ANTHONY L. GARCIA

Head, Investor Communications and Compliance
Deputy Compliance Officer

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Philippine Dealing and Exchange Corporation

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave cor. Paseo de Roxas, Makati City

Attention: Ms. Vina Vanessa S. Salonga
Head, Issuer Compliance and Disclosures Department

Securities and Exchange Commission

SEC Building, Mandaluyong City

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market Regulation Department