



**JG Summit Holdings, Inc.**  
**JGS**

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**PSE Disclosure Form 4-13 - Clarification of News Reports**  
*References: SRC Rule 17 (SEC Form 17-C) and  
Section 4.4 of the Revised Disclosure Rules*

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**Subject of the Disclosure**

Clarification of News Reports

<b>Source</b>	BusinessWorld Online
<b>Subject of News Report</b>	Gokongwei to expand petrochemical business
<b>Date of Publication</b>	Jun 9, 2016

**Clarification of News Report**

We refer to your letter dated June 10, 2016 requesting JG Summit Holdings, Inc. to clarify and/or confirm a news article entitled "Gokongwei to expand petrochemical business" posted in BusinessWorld Online on June 9, 2016. The article reported in part that:

"JG SUMMIT Holdings, Inc. will further expand its businesses, investing up to \$600 million to expand its petrochemical operations by 2019.

The listed conglomerate will commission a study on possibly expanding its petrochemical business this year, its President and Chief Operating Officer Lance Y. Gokongwei told reporters after a stockholders' meeting in Ortigas on Thursday.

'We're planning to spend \$500 million to \$600 million in expanding our petrochemical operations. This will require us to expand the cracker, build further downstream for butadiene and aromatics stream,' he said.

The expansion of JG Summit's petrochemical business would reduce the country's dependency on butadiene and aromatics imports, Mr. Gokongwei noted.

JG Summit intends to expand the downstream capacity of its existing petrochemical plant in Batangas to 500,000 metric tons from 320,000 metric tons per annum.

'This year is the planning stage but the heavy spending will start 2017, 2018 to prepare the ground and earth works and securing all the bids and permits, etcetera,' Mr. Gokongwei noted.

JG Summit will finance the expansion using internally generated cash flow and borrowing.

'We're confident that through a combination of internally generated cash flow and borrowing, the petrochemical business will be able to fund this expansion,' Mr. Gokongwei said.

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We confirm the information contained in the aforementioned news article regarding the expansion by JG Summit Petrochemical Corporation of its naphtha cracker, and for the additional extraction units for butadiene and aromatics, with the following clarifications:

Early engineering studies completed have indicated that the cracker may be expanded by up to 50% or up to 480 kTA capacity as ethylene from previous 320 kTA.

Target completion of all projects is by 2020, with total combined cost estimated to be around USD 500 – 600 M. Funding of the expansion may be at the Petrochem-subsiary level through a mix of internally generated cash and debt.

**Other Relevant Information**

N/A

**Filed on behalf by:**

<b>Name</b>	Rosalinda Rivera
<b>Designation</b>	Corporate Secretary