



FIRST METRO PHILIPPINE EQUITY
EXCHANGE-TRADED FUND

December 6, 2016

Philippine Stock Exchange
Listings Department
Tower 1, Ayala Triangle
Ayala Avenue, Makati City

Attention: Listings Department

Dear Sirs:

This is in reference to your email to the undersigned, seeking clarification on an article posted in BusinessWorld Online today, December 6, 2016. Said article reported in part, that First Metro plans another ETF in early 2017, and that a follow-on offering amounting up to Php1 billion will be launched for the FMETF.

The pursuit of the plan to launch another ETF is still subject to board and other internal approvals in First Metro Investment Corporation (FMIC), the prospective sponsor of the fund. We would inform the exchange as soon as matters in consideration of such plan would be decided with finality in FMIC.

With respect to the additional offering of FMETF, we are still in the process of determining the mode through which the additional shares would be offered. Considering that the FMETF already gained ground during its 3-year existence, the initial proposal is that the offering be at least P1 billion. We have an internal timetable of early 2017, though this may still be moved depending on market conditions, regulator requirements, and investor response. Likewise, the proposal is still for review and ratification of the board of directors.

We trust that you would find the foregoing clarifications sufficient.

Very truly yours,



Edwin B. Valeroso

Corporate Information Officer

18th, Floor, PS Bank Tower, 777 Paseo De Roxas, corner Sedeno St., Makati City
Tel. Nos. (632)8912860 Fax No. (632) 8160467