



Integrated Micro-Electronics, Inc.

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December 1, 2016

Securities and Exchange Commission
SEC Building, EDSA, Mandaluyong City

Attention: Ms. Justina F. Callangan
Director, Corporation & Finance Department

Philippine Stock Exchange
Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

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

Gentlemen:

Inquirer.Net News Article on November 30, 2016

This is to clarify the news article entitled “Ayala’s IMI to put up plant in Serbia to serve Europe” published in *Inquirer.Net* on November 30, 2016. The article reported in part that:

“Ayala-led Integrated Micro-Electronics Inc. (IMI) is building a new manufacturing plant in Serbia as it expands its European footprint to serve a growing market for automotive components in this region.

This expansion will give the globalizing IMI foothold in its seventh country after the Philippines, China, Bulgaria, Czech Republic, Mexico and the US.

IMI chair Jaime Zobel de Ayala, who is chair and chief executive of parent conglomerate Ayala Corp., said Serbia was the firm’s next best after expanding operations in Bulgaria. The manufacturing plant in Serbia is expected to start construction by next year and commence production by 2018.

The Serbian government has estimated that the new plant, which would be located in the city of Nis, would cost around 30 million euros (P1.58 billion) and employ around 1,250 in the next 10 years.

.....”

We confirm that the abovementioned statements quoted in the news article were consistent with the ongoing incorporation of a legal entity in Serbia which is expected to be finalized by 2017 and commence production by 2018. This is in connection with

the Company's initiative to invest in innovative growth platforms and expand global footprints in Europe.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'JAIME G. SANCHEZ', with a large, stylized flourish extending to the right.

JAIME G. SANCHEZ
Vice President, Deputy CFO and Group Controller
Compliance Officer