

COVER SHEET

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SEC Registration Number

PUREGOLD PRICE CLUB, INC.

(Company's Full Name)

NO. 900 ROMUALDEZ ST., PACO,

MANILA

(Business Address: No. Street City/Town/Province)

CANDY DACANAY-DATUON

(Contact Person)

(02) 524-4451/ 523-3055

(Company Telephone Number)

1 2

Month

3 1

Day

MISC/LETTER

(Form Type)

0 5

Month

0 8

Day

(Secondary License Type, If Applicable)

Dept. Requiring this Doc

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowing

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier



31 May 2012

SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills,
Mandaluyong City, Metro Manila

Attention: **Director Justina F. Callangan**
Corporate Finance Division

Ms. Trixie Posadas, SEC Analyst


Re : **PGOLD PRESS RELEASE RE PARCO SUPERMARKET**

GENTLEMEN:

In connection with PGOLD's acquisition of 19 branches of Parco Supermarket, please see attached PGOLD's press release as of 31 May 2012.

Thank you.

Very truly yours,


Atty. Candy H. Dacanay-Datuon
Compliance Officer



PGOLD PRESS RELEASE – May 31, 2012

PGOLD's Acquisition of 19 Branches of Parco Supermarket

Puregold Price Club, Inc. (PGOLD), in a disclosure submitted to the Philippine Stock Exchange, announced the signing of the relevant documents for the acquisition of the 19 operating Parco supermarkets of Gant Group of Companies, Inc.

Gant Group of Companies, Inc. is the holding company of the sellers for the six subsidiaries operating the 19 branches of Parco supermarkets. Operating for the last 29 years, the 19 Parco supermarkets are distributed as follows: 12 stores in Metro Manila, 3 stores in Bulacan and 4 stores in Rizal. For the twelve-month period ending June 30, 2011, Parco generated consolidated revenues of about PhP3.6 billion. For the nine-month period ending March 31, 2012, Parco posted consolidated revenues of about PhP3.0 billion.

PGOLD is anticipating that the Parco brand shall be retained to benefit from the brand equity that Parco has established with its loyal customer base comprising "C" and "D" customers and the resellers in the areas where they have been operating for the last 29 years. Puregold shall remain to be the lead store brand of PGOLD.

The acquisition is via the purchase by PGOLD of all the outstanding shares of stocks of Gant Group of Companies, Inc.. Acquisition price is about 8 times the estimated net income of the 19 operating Parco supermarkets for the year ending June 30, 2012 and shall be paid in cash by PGOLD from internally generated funds. As earlier disclosed, this acquisition price is less than 10% of the book value of PGOLD as of March 31, 2012.

This acquisition transaction involving the 19 Parco supermarkets closely came after the approval by the stockholders last May 8, 2012 of the acquisition of the 100% equity interest of the sellers in Kareila Management Corporation, the operator of the S & R warehouse membership shopping clubs in 6 locations in Metro Manila, Pampanga and Cebu. The Securities and Exchange Commission approved on May 28, 2012 the application for confirmation of the valuation of the shares of Kareila Management Corporation. This approval of the Securities and Exchange Commission will pave the way for the issuance of the new PGOLD shares in favor of the sellers of Kareila Management Corporation.

After these two major acquisitions this second quarter of 2012, PGOLD is now operating a total of 131 stores, with a grand total net selling area of about 267,155 square meters, distributed as follows::

- 106 Puregold stores, with a total net selling area of about 221,629 square meters;
- 19 Parco supermarkets, with a total net selling area of about 20,723 square meters; and
- 6 S & R warehouse membership shopping clubs, with a total net selling area of about 24,803 square meters.

In terms of geographical locations, the 131 stores of PGOLD are located as follows: 71 stores in Metro Manila, 22 stores in north of Metro Manila, 37 stores in south of Metro Manila and 1 store in the Visayas.

PGOLD is targeting to hold an analysts' briefing after the submission of the Q2 2012 results. It is expected that the guidance for the remainder of CY 2012 will be revised to consider the effects to the overall financial performance of PGOLD of the acquisitions of the S & R warehouse membership shopping business and the Parco supermarkets and the planned PGOLD new store roll-outs in June 2012 and for the remainder of the year 2012.

In its original guidance for CY 2012, PGOLD is targeting the opening of 25 new stores for the year. Six new stores were opened to-date; with three store openings targeted for the month of June 2012. The opening of the remaining nineteen new stores for CY 2012 are programmed for the second semester of CY 2012; with majority of the remaining new stores to be opened in the last quarter of the year. All of the sites for the remaining 19 stores are already signed and contracted and in various stages of construction. The 6 S & R warehouse membership shopping clubs and the 19 Parco supermarkets are on top of the targeted 25 new store openings for CY 2012.

PGOLD was listed in the Philippine Stock Exchange on October 5, 2011. From its listing date, PGOLD shares enjoyed buoyant trading among local and foreign investors; with the foreign investors continuing to account for the bulk of the public float of PGOLD. PGOLD shares closed at PhP22.60 per share on May 30, 2012, compared to PGOLD's IPO price of PhP12.50 per share. On May 3, 2012, PGOLD posted the current intra-day trading-high of PhP25.35 per share in its almost 7 months of being a listed company.

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