



09 July 2012

PHILIPPINE STOCK EXCHANGE, INC.

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department
3rd Floor, Philippine Stock Exchange Plaza
Ayala Avenue, Makati City

Gentlemen:

We reply to your letter dated today requesting clarification on the following news article entitled "MVP closer to deal: GMA 7 acquisition price seen at P52.5B" posted in the Inquirer.net on July 9, 2012. The article reported in part that:

"Businessman Manuel V. Pangilinan, is moving closer to a deal to buy GMA Network Inc. (GMA 7) at an estimated price tag of P52.5 billion, potentially grabbing a leading market position in the broadcasting industry for convergence with his group's flagship telecommunications enterprise.

Pangilinan's group, through Mediaquest Holdings Inc. – a unit of the Beneficial Trust Fund of Philippine Long Distance Telephone Co. – is the party to the buyout deal that will give it close to 80-percent control of GMA 7, several sources familiar with the discussions confirmed to Inquirer.

The acquisition will be based on what was determined as an "enterprise value" of P2.5 billion for GMA 7. Enterprise value factors in preferred stocks, debt and cash reserves that are usually not captured by mere market capitalization. In this case, the package includes 1.5 billion in preferred shares that have five times more voting rights than common shares (now at 3.36 billion) but convertible at par to common shares at 1:1 ratio.

We would like to inform the Exchange and the public that the Company is not the source of the information and that the Company's majority shareholders have not signed anything with the supposed buyer.

Very truly yours,

A handwritten signature in black ink, appearing to read 'AYAH' followed by a stylized flourish.

AYAHL ARI AUGUSTO P. CHIO
Vice President
Investor Relations and Compliance

Cc:
SECURITIES AND EXCHANGE COMMISSION
Director Justina F. Callangan
Corporate Finance Department

GMA Network, Inc.