SECURITIES AND EXCHANGE COMMISSION SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b) OF THE SECURITIES REGULATION CODE

1.	Check	the	appro	priate	box:

- Preliminary Information Statement
- Definitive Information Statement
- 2. Name of Registrant as specified in its charter

GMA Network, Inc.

- 3. Province, country or other jurisdiction of incorporation or organization Philippines
- 4. SEC Identification Number

5213

5. BIR Tax Identification Code

000-917-916

6. Address of principal office

GMA Network Center, EDSA corner Timog Avenue, Diliman Quezon City Postal Code

1103

7. Registrant's telephone number, including area code

(632) 982-7777

8. Date, time and place of the meeting of security holders

May 17, 2017, 10:00 a.m., Studio 6, GMA Network Studios, EDSA corner GMA Network Drive, Diliman, Quezon City

- 9. Approximate date on which the Information Statement is first to be sent or given to security holders Apr 25, 2017
- 10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor

N.A

Address and Telephone No.

N.A

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Preferred Shares	7,499,507,184
Common Shares	3,361,047,000

13. Are any or all of registrant's securities listed on a Stock Exchange?

Yes	O No
YES	

If yes, state the name of such stock exchange and the classes of securities listed therein: Philippine Stock Exchange / Common Stock

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



PSE Disclosure Form 17-5 - Information Statement for Annual or Special Stockholders' Meeting References: SRC Rule 20 and Section 17.10 of the Revised Disclosure Rules

Date of Stockholders' Meeting	May 17, 2017
Type (Annual or Special)	Annual
Time	10:00 a.m.
Venue	Studio 6, GMA Network Studios, EDSA corner GMA Network Drive, Diliman, Quezon City
Record Date	Apr 17, 2017

Inclusive Dates of Closing of Stock Transfer Books

Start Date	N/A
End date	N/A

Other Relevant Information	
-	

Filed on behalf by:

Name	Ayahl Ari Augusto Chio
Designation	Vice President

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NOTICE OF ANNUAL STOCKHOLDERS' MEETING

To: All Stockholders of GMA Network, Inc.

Please be notified that the Annual Meeting of the Stockholders of GMA Network, Inc. will be held on May 17, 2017 (Wednesday) at 10:00 a.m. at the Studio 6, GMA Network Studios, EDSA corner GMA Network Drive, Diliman, Quezon City to consider, discuss or vote on the following:

- 1. Call to Order
- Certification of Notice and Quorum 2.
- Approval of the Minutes of the Annual Stockholders' Meeting Held on May 18, 2016 3.
- Annual Report of the Chairman and Chief Executive Officer 4.
- 5. Financial Report
- Ratification of the Acts of the Board of Directors/Corporate Officers 6.
- Election of Directors (including the Independent Directors) 7.
- Election of the External Auditor 8.
- Consideration of such other business as may properly come before the meeting 9.
- 10. Adjournment

Any stockholder may vote by proxy provided that such authorization remains unrevoked and on file with, or is submitted to, the undersigned at 15/F Sagittarius Building, H.V. De la Costa Street, Salcedo Village, Makati not later than May 8, 2017.

For purposes of the meeting, only stockholders of record as of April 17, 2017 are entitled to attend and vote in the said meeting.

For your convenience in registering your attendance, please bring any form of government issued ID.

The Organizational Meeting of the Board of Directors shall be held immediately after the Annual Stockholders' Meeting.

Thank you.

For the Board of Directors

ROBERTO RAFAEL V. LUCILA

Corporate Secretary

RATIONALE FOR THE SALIENT MATTERS CONTAINED IN THE AGENDA

Approval of the Minutes of the Annual Stockholders' Meeting Held on May 18, 2016

The approval of the minutes of the previous year's Annual Stockholders' Meeting is made part of the agenda for transparency and in order to comply with the requirements of the Company's By-laws, the corporation law, as well as the rules and regulations of the Securities and Exchange Commission ("SEC").

Annual Report of the Chairman and Chief Executive Officer

The annual report of the Chairman and the Chief Executive Officer is made part of the Agenda in order to inform the stockholders of the Company's ratings and financials during the previous year and to adhere to the principles of transparency and good corporate governance.

Financial Report

The Company's financial performance during the year 2016 has been detailed in the Audited Financial Statements (AFS) of the Company which were prepared by the Company and reviewed in audit by the Company's independent external auditor. The AFS have been reviewed and approved by the Board of Directors as recommended by the Audit and Risk Management Committee.

Ratification of the Acts of the Board of Directors/Corporate Officers

The Acts of the Board of Directors/Corporate Officers were duly deliberated upon prior to their approval and were conducted in the ordinary course of business. The aforementioned acts of the Board of Directors are submitted for approval to the stockholders in compliance with the Company's By-laws, the corporation law, as well as the rules and regulations of the SEC.

Election of Directors (including the Independent Directors)

The directors of the previous year have been recommended by the Company's Nomination Committee for re-election. On the basis of the nominated directors' proven track record as shown by the results of the Company's performance and after review of their qualifications, the said directors were recommended for reelection by the Nomination Committee. Their appointment is submitted for approval to the stockholders in compliance with the Company's By-laws, the corporation law, as well as the rules and regulations of the SEC.

Election of the External Auditor

Upon the recommendation of the Audit and Risk Management Committee and after proper deliberation, the Board approved the re-appointment of SyCip Gorres & Velayo & Co. (SGV) as the Company's external auditor for 2017. The SGV's appointment is submitted for approval to the stockholders in compliance with the Company's By-laws, the corporation law, as well as the rules and regulations of the SEC.

We are not soliciting your proxy. However, if you are unable to attend the meeting but would like to be represented thereat, you may accomplish the proxy form herein provided below and submit the same to the Office of the Corporate Secretary at 15/F Sagittarius Building, H.V. De la Costa Street, Salcedo Village, Makati on or before **May 8, 2017**. You may deliver this form or send it in advance through fax no. (632) 812-0008. Validation of proxies shall be held on May 10, 2017 at 10:00 a.m. at GMA Network Center.

	PRO	OXY		
I/We hereby name Chairman of the Meeting, a be held at Studio 6, GMA I Wednesday, May 17, 2017		nual Stockholdere corner GMA Netwo	rk Drive, Diliman,	Quezon City on
Name				
Signature				
Date				

No. of Shares Held

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

OF

GMA NETWORK, INC.

1.	Check the appropriate box:		
	[✓] Preliminary Information Statement		
	[] Definitive Information Statement		
2.	Name of Registrant as specified in its char	ter: GMA Network, Inc.	
3.	Province, country or other jurisdiction of inc	corporation or organization: Phi	lippines
4.	SEC Identification Number: 5213		
5.	BIR Tax Identification Code 000-917-916-3	30	
6.	Address of principal office		Postal Code
	GMA Network Center, EDSA corner Tim	og Avenue, Diliman	
7.	Registrant's telephone number, including a	area code: (632) 982-777 7	
8.	Date, time and place of the meeting of sec Studio 6, GMA Network Studios, EDSA Diliman, Quezon City	urity holders: May 17, 2017, 10 corner GMA Network Drive,	:00 a.m.,
9.	Approximate date on which the Informati holders:	on Statement is first to be ser	nt or given to security
	April 25, 2017		
10.	In case of Proxy Solicitations:	•	
	Name of Person Filing the Statement/So	olicitor: Not Applicable	
	Address and Telephone No.: Not Applic	cable	
11.	Securities registered pursuant to Sections (information on number of shares and registrants):	8 and 12 of the Code or Section amount of debt is applicable	ns 4 and 8 of the RSA ble only to corporate
	Title of Each Class	Number of Shares Outstand or Amount of Debt Outstand	ing ing

Common Stock

Preferred Stock

3,361,047,000

7,499,507,184

12.	Are any or all of registrant's securities listed in a Stock Exchange?
	Yes ✓ No If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
	Philippine Stock Exchange / Common Stock

GMA NETWORK. INC. INFORMATION STATEMENT

This Information Statement dated April 25, 2017 is being furnished to the stockholders of record of GMA Network, Inc. as of April 17, 2017 in connection with the Annual Stockholders' Meeting.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders.

(a) Date:

May 17, 2017

Time:

10:00 a.m.

Place:

Studio 6, GMA Network Studios EDSA corner GMA Network Drive, Diliman, Quezon

City

Approximate date when the Information Statement is first to be sent to security holders: (b)

April 25, 2017

Item 2. Dissenters' Right of Appraisal

Title X of the Corporation Code of the Philippines grants to a shareholder the right to dissent and demand payment of the fair value of his share in certain instances, to wit: (1) in case any amendment to the corporation's articles of incorporation has the effect of changing and restricting the rights of any shareholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class; (2) in case of any sale, lease, exchange, transfer, mortgage or other disposition of all or substantially all of the corporate property or assets; (3) in case of merger or consolidation; (4) in case the corporation decides to invest its funds in another corporation or business or for any purpose other than the primary purpose; and (5) extension or shortening of the term of corporate existence.

Under Section 42 of the Corporation Code, a stockholder is likewise given an appraisal right in cases where a corporation decides to invest its funds in another corporation or business. The appraisal right may be exercised by a stockholder who shall have voted against any of the foregoing corporate actions proposed in a meeting by making written demand on the corporation for the payment of the fair value of his/its shares within 30 days after the date on which the vote is taken. Failure to make written demand within such period shall be deemed a waiver of such right. If the proposed action is implemented, the corporation shall pay to a stockholder surrendering his/its stock certificates the fair value of such shares as of the day prior to the date on which the vote was taken; however, no payment shall be made to any stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment. Within ten days after demanding payment for his shares, a dissenting stockholder shall submit his stock certificates for notation thereon that such shares are dissenting shares, failing which, his/its appraisal right shall, at the option of the corporation, terminate. Upon payment of the purchase price for the shares, the stockholder must transfer his shares to the corporation.

From the time a demand for payment of fair value until either the abandonment of the corporate action involved or the purchase of said shares by the corporation, all rights accruing to such shares, including voting and dividend rights, shall be suspended. If the dissenting stockholder is not paid the value of the shares within 30 days after the award, his voting and dividend rights shall be restored.

None of the proposed corporate actions qualifies as an instance for a possible exercise by security holders of their appraisal rights under Title X of the Corporation Code of the Philippines.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) There is no matter to be acted upon in which any Director or Executive Officer is involved or had a direct, indirect or substantial interest.
- (b) No Director has informed the Company of his opposition to any matter to be acted upon.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) GMA Network, Inc. ("the Company") has 3,361,047,000 common shares and 7,499,507,184 preferred shares subscribed and outstanding as of March 31, 2017. Every stockholder shall be entitled to one vote for each common and preferred share held as of the established record date.
- (b) All stockholders of record as of the closing of business on April 17, 2017 are entitled to notice of and to vote at the Company's Annual Stockholders' Meeting.
- (c) With respect to the election of directors, a stockholder may vote such number of shares for as many persons as there are directors to be elected or he may accumulate said shares and give one candidate as many votes as the number of directors to be elected or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the total number of shares owned by him, multiplied by the whole number of directors to be elected.
- (d) The following are the information on security ownership of certain record and beneficial owners and management:
 - (1) The security ownership of certain record and beneficial owners of more than 5% as of March 31, 2017 are as follows:

Title Of class	Name and Address of Beneficial Owner	Citizenship	Record / Beneficial	No. of shares Held	Percent Owned	
Common	GMA Holdings, Inc. ¹ Unit 5D Tower One, One McKinley Place, Bonifacio Global City	Filipino	PCD Nominee Corporation	815,392,400	24.23%	
Common	Group Management & Development Inc. ² No. 5 Wilson St., San Juan, Metro Manila	Filipino	The Record Owner is the Beneficial Owner	789,813,389	23.47%	

¹ The Board of Directors of GMA Holdings, Inc. has the power to decide how the shares owned in the Company are to be voted and has authorized Felipe L. Gozon and/or Gilberto R. Duavit, Jr. to vote on the company's shares in GMA Network, Inc.

² The Board of Directors of Group Management & Development, Inc. has authorized Gilberto R. Duavit, Jr. to vote on the common and preferred shares of the company in GMA Network, Inc.

Common	FLG Management & Development Corporation ³ Unit 2, 2/F, Building 2, 9 th Avenue, Bonifacio Global City, Taguig, Metro Manila	Filipino	The Record Owner is the Beneficial Owner	677,213,227	20.13%
Common	M.A. Jimenez Enterprises, Inc. 2/F Sagittarius Condominium, H. V. De la Costa St., Salcedo Village, Makati City ⁴	Filipino	The Record Owner is the Beneficial Owner	453,882,095	13.49%
Common	Television International Corporation⁵ 2/F Sagittarius Condominium, H. V. De la Costa St., Salcedo Village, Makati City	Filipino	The Record Owner is the Beneficial Owner	334,378,037	9.94%
	Total Comm 3,070,6 91.2	79,148			
Preferred	Group Management & Development Inc. No. 5 Wilson St., San Juan, Metro Manila	Filipino	The Record Owner is the Beneficial Owner	2,625,805,308	35.01%
Preferred	FLG Management & Development Corporation Unit 2, 2/F, Building 2, 9 th Avenue, Bonifacio Global City, Taguig, Metro Manila	Filipino	The Record Owner is the Beneficial Owner	2,181,898,644	29.09%
Preferred	M.A. Jimenez Enterprises, Inc. 2/F Sagittarius Condominium, H. V. De la Costa St., Salcedo Village, Makati City	Filipino	The Record Owner is the Beneficial Owner	1,508,978,826	20.12%
Preferred	Television International Corporation 2/F Sagittarius Condominium, H. V. De la Costa St., Salcedo Village, Makati City	Fillpino	The Record Owner is the Beneficial Owner	1,111,661,610	14.82%
	7,428,3	rred Shares 344,388 04%			

GMA Holdings, Inc. is 99% owned by Gilberto R. Duavit, Jr., Felipe L. Gozon and Joel Marcelo G. Jimenez. The shares of the Company owned by GMA Holdings, Inc. are covered by Philippine Deposit Receipts ("PDRs") which give the holder of each PDR the right to the delivery or sale of the underlying share. The PDRs are listed with the Philippine Stock Exchange.

Group Management and Development, Inc., FLG Management and Development Corporation, M.A. Jimenez Enterprises, Inc. and Television International Corporation are significant shareholders of the Company.

³ The Board of Directors of FLG Management & Development Corporation has authorized Felipe L. Gozon to vote on the common and preferred shares of the company in GMA Network, Inc.

⁴ The Board of Directors of M.A. Jimenez Enterprises, Inc. has authorized Joel Marcelo G. Jimenez and/or Laura J. Westfall to vote on the common and preferred shares of the company in GMA Network, Inc.

⁶ The Board of Directors of Television International Corporation has authorized Joel Marcelo G. Jimenez and/or Laura J. Westfall to vote on the common and preferred shares of the company in GMA Network, Inc.

(2) Security Ownership of Management as of March 31, 2017

As of March 31, 2017, the Company's directors and senior officers owned an aggregate of 6,365,198 common shares of the Company, equivalent to 0.1892% of the Company's issued and outstanding common capital stock and 27,294 preferred shares equivalent to 0.00% of the Company's issued and outstanding preferred capital stock.

Stockholder Name	Position	Citlzenship	Record / Beneficial (R/B)	No. of Common Shares Heid	Percent of Common Shares	No. of Preferred Shares Held	Percent of Preferred Shares
Anna-Teresa M. Gozon	Director/Assistant Corporate Secretary	Filipino	R/B	529,003	0.01%	6	0.00%
Gilberto R. Duavit Jr.	Director/Pres. and	Filipino	R/B	4,007,005	0.11%	12	0.00%
Felipe L. Gozon	Director/Chairman and CEO	Filipino	R/B	3,181	0.00%	26,880	0.00%
Joel Marcelo G. Jimenez	Director	Filipino	R/B	325,003	0.01%	6	0.00%
Gilberto M. Duavit	Director	Filipino	R/B	8,345	0.00%	20,028	0.00%
Laura J. Westfall	Director	Filipino	R/B	2	0.00%	6	0.00%
Felipe S. Yalong	Director/Executive Vice-President/Chief Financial Officer	Filipino	R/B	1,025,002	0.03%	6	0.00%
Jaime C. Laya	Independent Director	Filipino	R/B	294,000	0.0087%	0	0.00%
Artemio V. Panganiban	Independent Director	Filipino	R/B	1	0.00%	0	0.00%
Marissa L. Flores	Senior Vice President – News and Public Affairs	Filipino		0	0.00%	0	0.00%
Ronaldo P. Mastrill	Senior Vice President - Finance and ICT	Filipino	R/B	182,000	0.0054%	0	0.00%
Lilybeth G. Rasonable	Senior Vice President – Entertainment TV	Fillpino	R/B	0	0.00%	0	0.00%
Elvis B. Ancheta	Senior Vice President and Head, Engineering Group; Head, Transmission and Regional Engineering Department	Filipino		0	0.00%	0	0.00%

Lizelle G. Maralag	Chief Officer	Marketing	Fllipino	. 0	0.00%	0	0.00%	

(3) Voting Trust Holders of 5% or more

The Company is unaware of any person holding more than 5% of shares under a voting trust or similar agreement.

(4) Changes in Control

There are no existing provisions in the Articles of Incorporation or the By-Laws of the Company which will delay, defer or in any manner prevent a change in control of the Company. There have been no arrangements which have resulted in a change in control of the Company during the period covered by this report.

(5) The Philippine Constitution prohibits foreign ownership in mass media companies such as GMA Network, Inc.. Hence any such transfer of the shares (common or preferred) of the capital stock of the corporation shall be deemed null and void and will neither be recognized or registered in the books of the corporation. Thus, no part of the Company's equity (common or preferred) is owned by foreigners.

Item 5. Directors and Executive Officers

Nominees for Election as Members of the Board of Directors

The following are expected to be nominated as members of the Board of Directors for the ensuing year (2017-2018):

Anna Teresa M. Gozon
Gilberto R. Duavit, Jr.
Felipe L. Gozon
Joel Marcelo G. Jimenez
Gilberto M. Duavit
Laura J. Westfall
Felipe S. Yalong
Jaime C. Laya (Independent Director)
Artemio V. Panganiban (Independent Director)

All of the above nominees are incumbent directors. The nominees were formally nominated by Gilberto R. Duavit, Jr., Gilberto R. Duavit, Jr., is not related to the nominated independent directors, Jaime C. Laya and Artemio V. Panganiban.

In 2007, the Company amended its By-Laws providing the procedure for nominating the directors of the Company. The By-Laws provide that all nominations to the Board of Directors shall be submitted in writing to the Nomination Committee at least thirty (30) working days before the date of the regular annual meeting of stockholders. On March 31, 2017, the Nomination Committee reviewed the qualifications of the nominees and approved the final list of candidates.

The members of the Nomination Committee are as follows:

Felipe L. Gozon (*Chairman*) Gilberto R. Duavit, Jr. Artemio V. Panganiban Joel Marcelo G. Jimenez

Board of Directors, Officers and Senior Management

Under the Articles of Incorporation of the Company, the Board of Directors of the Company comprises nine directors, two of whom are independent. The Board is responsible for the overall management and direction of the Company and meets regularly every quarter and other times as necessary, to be provided with updates on the business of the Company and consulted on the Company's material decisions. The directors have a term of one year and are elected annually at the Company's stockholders meeting. A director who was elected to fill a vacancy holds the office only for the unexpired term of his predecessor. As of March 31, 2017, the Company's Board of Directors and Senior Management are composed of the following:

	Board of Dir	ectors	Senior Management			
Directors and Senior Management	Nationality	Position	Year Position was Assumed	Position	Year Position was Assumed	Age
Felipe L. Gozon	Filipino	Chairman/ Director	1975	Chief Executive Officer	2000	77
Gilberto M. Duavit	Filipino	Director	2016	N/A	N/A	82
Gilberto R. Duavit, Jr.	Filipino	Director	1999	President/Chief Operating Officer	2010	53
Anna Teresa M. Gozon	Filipino	Director/ Assistant Corporate Secretary	2000	N/A	N/A	45
Joel Marcelo G. Jimenez	Filipino	Director	2002	N/A	N/A	53
Laura J. Westfall	Filipino	Director	2002	N/A	N/A	49
Felipe S. Yalong	Filipino	Director/ Corporate Treasurer	2002	Executive Vice President/Chief Financial Officer	2011	60
Roberto Rafael V. lucila	Filipino	Corporate Secretary	2017	N/A	N/A	60
Marissa L. Flores	Filipino	N/A	N/A	Senior Vice President, News and Public Affairs	2004	62
Ronnie P. Mastrili	Filipino	N/A	N/A	Senior Vice President for Finance and ICT	2013	51
Lilybeth G. Rasonable	Filipino	N/A	N/A	Senior Vice President for Entertainment TV	2013	53
Artemio V. Panganiban	Filipino	Independent Director	2007	N/A	2007	80
Jaime C. Laya	Filipino	Independent Director	2007	N/A	2007	78
Elvis B. Ancheta	Filipino	N/A	N/A	Senior Vice President and Head, Engineering Group; Head, Transmission and Regional Engineering Department	2014	50
Lizelle G. Maralag	Filipino	N/A	2016	Chief Marketing Officer	2016	51

The following are descriptions of the business experiences of the Company's directors, officers and senior management:

Felipe L. Gozon, Filipino, 77 years old, is the Chairman of the Board of Directors and Chief Executive Officer of the Network.

Atty. Gozon is a Senior Partner at the Law Firm of Belo Gozon Elma Parel Asuncion & Lucila. Aside from GMA Network, Inc., he is also Chairman and CEO of GMA New Media, Inc. and FLG Management and Development Corp.; Chairman of Alta Productions Group, Inc., Citynet Network Marketing and

Productions, Inc., Mont-Aire Realty and Development Corp., Philippine Entertainment Portal, Inc., RGMA Network, Inc., and Justitia Realty and Management Corp.; President of Gozon Development Corporation, BGE Holdings, Inc., and Lex Realty Corporation; Director of, among other companies, Philippine Chamber of Commerce and Industry, Chamber of Commerce of the Philippine Islands; and Vice President/Treasurer of Antipolo Agri-Business and Land Development Corp. He serves as Chairman of the Board of Trustees of GMA Kapuso Foundation, Inc., Kapwa Ko Mahal Ko Foundation, Inc., and The Potter and Clay Christian School Foundation, Inc.; Chairman and President of Gozon Foundation; and Trustee of Bantayog ng mga Bayani Foundation. Gozon is also an Advisory Board Member of the Asian Television Awards.

Atty. Gozon is a recipient of several awards for his achievements in law, media, public service, and business, including the prestigious Chief Justice Special Award given by the Chief Justice of the Philippines (1991), Presidential Award of Merit given by the Philippine Bar Association (1990 & 1993), CEO of the Year given by Uno Magazine (2004), Master Entrepreneur - Philippines (2004) by Ernst and Young, Outstanding Citizen of Malabon Award for Legal and Business Management by the Kalipunan ng Samahan sa Malabon (KASAMA) (2005), People of the Year by People Asia Magazine (2005), Outstanding Manilan Award in the field of Social Responsibility and Broadcasting given by the City Government of Manila (2011), Quezon City Gawad Parangal Most Outstanding Citizen for 2011 given by the City Government of Quezon (2011), Tycoon of the Decade Award given by BizNews Asia (2011), Lifetime Achievement Award given by the UP Alumni Association (2012), Certificate of Recognition given by the Civil Aeronautics Board (2012), Personality of the Year for Broadcast Media given by SKAL International Makati (2013), Outstanding Member-Achiever given by Phi Kappa Phi UP Chapter (International Honor Society) (2013), Visionary Management CEO Award given by BizNews Asia (2013), Lifetime Achievement Award given by UP Preparatory High School Alumni (2014), Entrepreneurship Excellence Award and Best Broadcast CEO Award given by BizNews Asia (2014), The Rotary Golden Wheel Award for Corporate Media Management given by Rotary International District 3780 and Quezon City Government (2014), and Global Leadership Award for Excellence in Media Sector (first Filipino to win the award) given by The Leaders International together with the American Leadership Development Association in Kuala Lumpur, Malaysia (2015). He is also listed among Biz News Asia's Power 100 (2003 to 2010).

Atty. Gozon earned his Bachelor of Laws degree from the University of the Philippines (among the first 10 of his class) and his Master of Laws degree from Yale University Law School. He was admitted to the Bar in 1962, placing 13th in the Bar examinations.

Gilberto R. Duavit, Jr., Filipino, 53 years old, is the President and Chief Operating Officer of the Network. He has been a Director of the Company since 1999 and is currently the Chairman of the Network's Executive Committee. Aside from GMA Network, Inc., he is the Chairman of the Board of GMA Network Films, Inc. and GMA Worldwide, Inc. He also serves as President and CEO of GMA Holdings, Inc., RGMA Marketing and Productions, Inc., Film Experts, Inc., and Dual Management and Investments, Inc. He is the President and a Director of Group Management and Development, Inc.; President and Director of MediaMerge Corp., Citynet Network Marketing and Productions, Inc.; Director of RGMA Network, Inc., GMA New Media, Inc., Alta Productions Group, Inc., Optima Digital, Inc., and Mont-Aire Realty and Development Corp. He also serves as the President and a Trustee of GMA Kapuso Foundation, Inc. and a Trustee of the Guronasyon Foundation, Inc. and the HERO Foundation.

Mr. Duavit holds a Bachelor's Degree in Philosophy from the University of the Philippines.

Joel Marcelo G. Jimenez, Filipino, 53 years old, has been a Director of the Company since 2002. He is currently the Vice Chairman of the Executive Committee of GMA Network, Inc., President and CEO of Menarco Holdings, and the Chief Executive Officer of Alta Productions, Inc. He is a Director of RGMA Network, Inc., GMA New Media, Inc., Scenarios, Inc., and GMA Worldwide, Inc., besides also being a member of the Board of Directors of Malayan Savings and Mortgage Bank, and Unicapital Securities,

Inc.. He is also a Director of Nuvoland Philippines, a real-estate development company. He is a Trustee of GMA Kapuso Foundation, Inc.

He was educated in Los Angeles, California where he obtained a Bachelor's Degree in Business Administration from Loyola Marymount University. He also obtained a Master's Degree in Management from the Asian Institute of Management.

Felipe S. Yalong, Filipino, 60 years old, is the Executive Vice President and Chief Financial Officer of GMA Network, Inc. He is also the Head of the Corporate Services Group of the Network. He has been a Director of the Company since 2002. Aside from GMA Network, Inc., he also serves as Director and Corporate Treasurer of GMA Holdings, Inc., Scenarios, Inc., and GMA Network Films, Inc.; Director of Unicapital, Inc., and Majalco Finance and Investments, Inc.; Corporate Treasurer of RGMA Network, Inc., MediaMerge Corp.; Executive Vice President of RGMA Marketing and Productions, Inc.; and Corporate Treasurer of the Board of Trustees of GMA Kapuso Foundation, Inc..

Yalong was named CFO of the Year by ING FINEX in 2013.

He obtained a Bachelor of Science Degree in Business Administration Major in Accounting from the Philippine School of Business Administration and completed the Management Development Program at the Asian Institute of Management. He is a Certified Public Accountant.

Anna Teresa M. Gozon, Filipino, 45 years old, has been a Director of the Company since 2000. She graduated valedictorian from grade school and high school at Colegio San Agustin. She graduated cum laude, BS Management Engineering from Ateneo de Manila University and obtained her Bachelor of Laws degree from the University of the Philippines where she graduated valedictorian, cum laude. She later obtained her Master of Laws from Harvard University.

She is a junior partner in Belo Gozon Elma Parel Asuncion & Lucila and is an Associate Professor in the University of the Philippines, College of Law where she taught Taxation and Legal History.

She is currently Programming Consultant to the Chairman/CEO of GMA Network, Inc. and the President of GMA Films, Inc. and GMA Worldwide, Inc. She is a trustee of GMA Kapuso Foundation.

Gilberto M. Duavit, Sr., Filipino, 82 years old, was elected to the Company's Board of Directors in 2016.

Atty. Duavit was the founding Chairman of GMA Network, Inc. in 1974-1976 and was a former Director of the Company in 1977. He is one of the pillars behind the rebirth of Republic Broadcasting System (RBS)-TV Channel 7 in the 1970s.

He is currently the Chairman and Chief Executive Officer of Group Management and Development, Inc. and the Chairman of Guronasyon Foundation, Inc., an organization which recognizes remarkable teachers in the province of Rizal.

Atty. Duavit was elected as member of the 9th, 10th, and 11th Congresses, representing the 1st District of Rizal. During his tenure in Congress, he served as Senior Assistant Minority Floor Leader (10th Congress) and Chairman of the House Committee of Appropriations (11th Congress) after becoming a member of the same House Committee (9th and 10th Congress). He had likewise served as a member of various House Committees including Constitutional Amendments, Education and Culture, Housing and Urban Development, Public Works and Highways, and Banks and Financial Intermediaries, and was cited as One of the Ten Most Outstanding Congressmen in the 9th, 10th, and 11th Congresses.

He was also formerly Assistant Executive Secretary for Social, Political, Legal, and Economic Affairs (1966-1970) and Acting Executive Secretary, Office of the President (1969), and was twice awarded the Presidential Merit Award in 1967 and 1968.

Atty. Duavit was a delegate to the 1971 Constitutional Convention, representing the 2nd district of Rizal, and became President of the Philippine Constitutional Association or PHILCONSA (1970). He served as Executive Director of the National Youth and Sports Development Foundation of the Philippines (1978), and as Senior Deputy Minister of the Ministry of Youth and Sports Development (1974-1978). He was also a member of the Batasang Pambasa, representing the Southern Tagalog Region from 1978 to 1984.

Aside from GMA, he was also Chairman/Director of various firms and companies, among them Permastress Industries, Inc., Unistress Concrete Systems, Inc., Sagittarius Condominium Corporation, and Mar Fishing Company, Inc. Atty.. Duavit earned his Bachelor of Arts and Law degree from the University of the East Manila, and holds a Doctorate degree in Humanities from the University of Rizal System.

Laura J. Westfall, Filipino, 49 years old, has been a Director of the Company since 2000. She held the following positions in the Company — Senior Vice President of Corporate and Strategic Planning and Senior Vice President for Finance. In addition, she has served as Chairperson and President of GMA New Media. Prior to joining the Company, she worked for BDO Seidman — Los Angeles, an international audit and management consulting firm. She currently holds various positions in the Menarco Group of Companies and serves as Board Member of Coffee Bean and Tea Leaf Philippines, Bronzeoak Clean Energy, Inc., and Museo Pambata.

She holds a Masters Degree in Public and Private Management from Yale University and a Bachelor of Science degree in Accounting from the University of Southern California. She is a Certified Public Accountant (CPA) in the State of California.

Chief Justice Artemio V. Panganiban, Filipino, 80 years old, has been an Independent Director of the Company since 2007. In 1995, he was named a Justice of the Supreme Court and in 2005, he was appointed Chief Justice of the Philippines — a position he held until December 2006. At present, he is also an Independent Director of these listed firms: First Philippine Holdings Corp., Metro Pacific Investments Corp., Manila Electric Company, Robinsons Land Corp., GMA Holdings, Inc., Philippine Long Distance Telephone Co., Petron Corporation, Bank of the Philippine Islands, Asian Terminals, and a regular Director of Jollibee Foods Corporation. He is also a Senior Adviser of Metropolitan Bank, Chairman, Board of Advisers of Metrobank Foundation, Adviser of Double Dragon Properties, Chairman of the Board of the Foundation for Liberty and Prosperity, President of the Manila Cathedral Basilica Foundation, Chairman Emeritus of Philippine Dispute Resolution Center, Inc., and Member, Advisory Board of the World Bank (Philippines) and of the Asian Institute of Management Corporate Governance Council. He also is a column writer of The Philippine Daily Inquirer.

Upon his retirement, he was unanimously conferred a Plaque of Acclamation by the Associate Justices of the Supreme Court as the "Renaissance Jurist of the 21st Century;" and an Award of Honor by the Philippine Bar Association. In recognition of his role as a jurist, lawyer, civic leader, Catholic lay worker, business entrepreneur and youth leader, he had been the recipient of over 250 other awards from various governments, civic clubs, consumer associations, bar groups, religious movements and other non-government organizations, both local and international.

He obtained his Associate in Arts, "With Highest Honors" and later his Bachelor of Laws, with cum laude and "Most Outstanding Student" honors from the Far Eastern University. He placed sixth among more

than 4,200 candidates who took the 1960 Bar examinations. He is likewise the recipient of several honorary doctoral degrees from various universities.

Dr. Jaime C. Laya, Filipino, 78 years old, has been an independent Director of GMA Network, Inc. since 2007. He is the Chairman and President of Philippine Trust Company (Philtrust Bank), Director of Ayala Land, Inc., Manila Water Company, Inc., and Philippine AXA Life Insurance Company, Inc. He also serves as Chairman of Don Norberto Ty Foundation, Inc. and Escuela Taller de Filipinas Foundation, Inc.; Trustee of St. Paul University - Quezon City, Cultural Center of the Philippines, Metropolitan Museum of Manila, Yuchengco Museum, Fundación Santiago, Inc., Ayala Foundation, Inc., and other foundations. He writes a weekly column for the *Manila Bulletin*.

He was Minister of Budget, 1975-1981; Minister of Education, Culture and Sports, 1984-86; Chairman of the Monetary Board and Governor, Central Bank of the Philippines, 1981-1984; Chairman, National Commission for Culture and the Arts, 1996-2001. He was faculty member of the University of the Philippines, 1957-1978 and Dean of the College of Business Administration, 1969-1974. In 1986, he founded J.C. Laya & Co., Ltd. (Certified Public Accountants and Management Consultants) later the Philippine member firm of KPMG International; he served as the firm's Chairman until his retirement in 2004.

He earned his BSBA, magna cum laude, University of the Philippines, 1957; M.S. in Industrial Management, Georgia Institute of Technology, 1960; Ph.D. in Financial Management, Stanford University, 1966. He is a Certified Public Accountant.

Roberto Rafael V. Lucila, Filipino, 60 years old, was elected as Corporate Secretary of the Company on March 27, 2017. He is a co-managing partner/senior partner of the Law Firm of Belo Gozon Elma Parel Asuncion & Lucila. . He currently sits as director in the Philippine affiliates of certain European and American companies in the Philippines namely, eMerchant Asia Inc., eMerchant Pay Asia Inc., Evonik (Philippines) Inc., Time-Life International (Phil.) Inc. and MeteoGroup Philippines Inc., He is the Chairman and President of Lucilex, Inc. and the President of Assetlex Development Corporation, Inc., eMerchant Asia Inc., and eMerchant Pay Asia Inc.. He is a Court of Appeals Mediator and serves as a Trainor for the Court of Appeals Mediation Training Program. He is presently a lecturer for Constitutional Law at the University of the Philippines, College of Law and the University of Asia and the Pacific, School of Law and Government. He was also a lecturer at the University of the Philippines College of Business Administration, San Sebastian College Institute of Law and Lyceum College of Law as well as in local and international conferences such as the Integrated Bar of the Philippines (IBP) National Convention in 2010, Avenue Global Investor Conference in 2005, and The Law Association for Asia and the Pacific (LAWASIA) Conference in 1997. He was OIC for the Legal Department of GMA Network, Inc. from 2001 to 2004 and Office of the President of Express Telecommunications, Inc. in 1998. He represented the Avenue Asia Capital Group and Avenue Capital Group as member of the Board of Directors of Citra Metro Manila Tollway Corporation (CMMTC) from 2004 thru 2012.

He served in the Office of the President of the Philippines as Assistant Executive Secretary for Legislation from 1990 to September 1992; Chairman of the Presidential Staff in 1991; Chairman of the Philippine Retirement Authority from 1991 to August 1992; Chairman of the South China Sea Fishery Disputes Committee from 1991 to July 1992; and Board Member of the Special Operations Team (now Bases Conversion Development Authority [BCDA]) in 1991. In the Department of Transportation and Communications, he was a Board Member of the Civil Aeronautics Board from 1990-1991 and of the Philippine National Railways from 1989-1991.

He holds Bachelor of Laws (1980) and Bachelor of Arts in Psychology (1976) degrees from the University of the Philippines. He was admitted to the Philippine Bar in 1981. He has completed the Strategic Business Economics Program (SBEP) from the University of Asia and the Pacific in 1999. He has contributed legal articles for the Supreme Court Reports Annotated (SCRA), The Lawyer's Review,

IBP Law Journal and Magazine, World Bulletin, and Getting the Deal Done, and was the author of the book entitled "Corporate Rehabilitation in the Philippines." Atty. Lucila has been recognized as one of the 2013 Asialaw Asia-Pacific Leading Lawyers in Dispute Resolution, and as a law professional actively engaged in the areas of Telecommunications Media Technology (TMT) and Insolvency in the Philippines.

Marissa L. Flores, Filipino, 53 years old, is the Senior Vice President for News and Public Affairs, a position she has held since 2004. She joined the Company in 1987 as a researcher for public affairs documentaries and special reports and held the positions of Assistant Vice President for Public Affairs, Vice President for Production – News and Public Affairs before her appointment to her current position.

The Rotary Club of Manila recognized her as Television News Producer of the Year in 1996. In 2004, she was awarded the prestigious TOYM (The Outstanding Young Men) for Broadcast Management. In 2012, she received the CEO Excel Award from the International Association of Business Communicators (IABC) Philippines.

The News and Public Affairs group under Ms. Flores continues to be the recipient of international awards, notably the New York Festivals, US International Film and Video Festival Awards, Asian TV Awards. GMA News and Public Affairs remains as the only Philippine broadcast network which has won the highly-coveted Peabody Award (four Peabody awards as of 2014) — widely considered as broadcasting and cable's equivalent of the Pulitzer prize.

Besides overseeing news and public affairs programs in GMA Channel 7, it is also under Ms. Flores' leadership that GMA News Online was put up in 2007, and GMA News TV (GMA Network's news and public affairs channel on free TV) was launched in February 2011.

She earned her Bachelor's degree at the University of the Philippines, where she studied Journalism.

Ronaldo P. Mastrili, Filipino, 51 years old, is the Senior Vice President of GMA's Finance and ICT Departments. He obtained his Bachelor of Science in Business and Economics degree, major in Accounting from De La Salle University. He attended the Master in Business Administration Program from the same university and completed the Executive Development Program of the Asian Institute of Management. He is a Certified Public Accountant with expertise in the fields of accounting, auditing, finance, taxation and general management. He was formerly the Assistant Vice President of Controllership of ABS-CBN and also served as its Group Internal Auditor before joining GMA Network in March 2001. He also worked with SGV and Co. in the early part of his career. Mr. Mastrili concurrently holds key positions in GMA Subsidiaries namely: Comptroller/Chief Accounting Officer of GMA Holdings, Treasurer of Alta Productions, Director of Script2010 and GMA Kapuso Foundation, and Comptroller of GMA Films, GMA Kapuso Foundation and GMA Worldwide.

Lilybeth G. Rasonable, Filipino, 53 years old, is the Senior Vice President of the Entertainment TV Group of GMA Network, Inc. She is mainly responsible for the production of entertainment programs of the Network.

After earning her degree in Broadcast Communication from the University of the Philippines, Ms. Rasonable immediately worked in the broadcasting industry, starting out as a Production Assistant and later on, an Associate Producer of the Intercontinental Broadcasting Company. She likewise worked as Production Coordinator and Executive producer of GMA Network, Inc..

Ms. Rasonable's work experience also included a post as Technical Consultant for Local Production with the Associated Broadcasting Company (ABC-5) and freelance Executive Producer for film and television. After a few years, she rejoined GMA as a Production Manager under its Sales and Marketing Group.

From Program Manager, Ms. Rasonable was promoted to Assistant Vice President for Drama in 2004. As AVP, she was a key figure in the creation of groundbreaking and phenomenal hits such as *Mulawin*, *Encantadia* and *Darna*, which made the primetime block of GMA invincible and contributed to the unprecedented success of GMA in its quest for leadership in the Philippine broadcasting industry. It was also during her time as AVP for Drama when GMA produced programs that created superstars for the Network and afternoon dramas dramatically rose and established strong presence in their timeslots with breakthrough innovations.

In 2010, Ms. Rasonable was promoted to the position of Vice President, Drama Productions and tasked with the supervision of non-primetime and primetime drama programs of GMA. By February 2012, she took the helm as Officer-in-Charge of the Entertainment TV (ETV) Group. And in December 2013, she received her promotion and appointment as ETV's Senior Vice President.

Elvis B. Ancheta, Filipino, 50 years old, is GMA Network's Senior Vice President and Head of Engineering Group. He is concurrently the Head of Transmission and Regional Engineering Department of the Network.

Engr. Ancheta is a Professional Electronics Engineer and is a member of the Institute of Electronics and Communications Engineers of the Philippines. He was also GMA's principal representative to the Technical Working Group chaired by the National Telecommunications Commission for the drafting of the Digital Terrestrial Television Broadcasting - Implementing Rules and Regulations.

Engr. Ancheta earned his Bachelor of Science in Electronics and Communications Engineering degree from Saint Louis University in Baguio City.

Lizelle G. Maralag, Filipino, 51 years old, is GMA Network's Chief Marketing Officer. She is responsible for driving revenue growth and marketing innovation within all media platforms of the Network, including GMA's TV and radio stations as well as the Network's international channels. Under her leadership, GMA became the only Philippine broadcast company with the most number of local and global marketing awards.

She joined the GMA Network in 2010, after a laudable career as an advertising media professional spanning more than two (2) decades, where she drove to leadership position the top-ranked media agency in the market, Starcom Mediavest Group Phils. Co. Inc. as Managing Director, while concurrently serving as the Chairperson of Publicis Group Media Philippines, overseeing Zenith Optimedia Phils. She continues to hold the record in the media advertising industry for winning the most number of Media Agency of Record pitches when she was Managing Director of Starcom Mediavest Group Philippines, from 2000-2009.

She holds a degree of Bachelor of Science in Statistics at the University of the Philippines, Diliman, and took post graduate studies at the INSEAD in Singapore. She was Founding Co-Chairperson of the Media Specialists Association of the Philippines (2008-2009), Chairman of the Radio Research Council Adjudication & Review Board, was a Director of the TV Research Council, was a part-time instructor at the University of Asia and the Pacific, served as a global juror in the Starcom MediaVest Group Fuel Awards (2004), and a frequent jury member in local and regional advertising and marketing industry awards.

Significant Employees

Although the Company and its key subsidiaries have relied on, and will continue to rely on, the individual and collective contributions of their executive officers and senior operational personnel, the Company and its key subsidiaries are not dependent on the services of any particular employee.

Family Relationships

Gilberto R. Duavit, Jr. is the son of Gilberto M. Duavit and Joel Marcelo G. Jimenez and Laura J. Westfall are siblings. Anna Teresa M. Gozon-Abrogar is the daughter of Felipe L. Gozon. Felipe L. Gozon's sister, Carolina L. Gozon-Jimenez, is the mother of Joel Marcelo G. Jimenez and Laura J. Westfall.

Involvement in Certain Legal Proceedings

To the best of the Company's knowledge, during the past five years and up to date, there had been no occurrence of any of the following events which are material to an evaluation of the ability or integrity of any director, person nominated to become a director, executive officer, or control person of the Company:

- Any filing of an insolvency or bankruptcy petition by or against any business of which such person
 was a general partner or executive officer, either at the time of the insolvency or within two years
 prior to that time;
- Any conviction by final judgment in a criminal proceeding, domestic or foreign, or any pending criminal proceeding, domestic or foreign, of any such person, excluding traffic violations and other minor offenses;
- Any final and executory order, judgment, or decree of any court of competent jurisdiction, domestic
 or foreign, against any such person, permanently or temporarily enjoining, barring, suspending, or
 otherwise limiting involvement in any type of business, securities, commodities, or banking
 activities; and,
- Any final and executory judgment of any such person by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC, or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, for violation of a securities or commodities law.

Resignation of Directors

Michael John R. Duavit resigned as Director of the Company in 2016.

No director has resigned or declined to stand for re-election to the Board of Directors since the date of the last annual meeting of the Company because of a disagreement with the Company on matters relating to the Company's operations, policies and practices.

Certain Relationships and Related Transactions

Advances to Affiliates

The Company has, from time to time, made advances to certain of its affiliates. The advances are non-interest bearing.

The Company made advances to Mont-Aire in the amount of P121.4 million as of December 31, 2004. Of such advances, the Company converted the amount of P38.3 million into P38.3 million worth of common shares of Mont-Aire. Simultaneously, the other shareholders of Mont-Aire, namely, Group Management and Development, Inc., Television International Corporation and FLG Management and Development Corporation converted advances in the aggregate amount of P23.5 million made by them to Mont-Aire into P23.5 million worth of common shares of Mont Aire. The SEC approved the conversion of the advances into equity on February 17, 2006. The Company owns 49% of Mont-Aire, with the remaining 51% being owned by the Duavit family, Gozon family and Jimenez family. Mont-Aire is a real estate holding company whose principal property is a 5.3 hectare property located in Tagaytay, Cavite. Such property is not used in the broadcasting business of the Company. As of December 31, 2016 and 2015, Mont-Aire has had advances owing to the Company in the amount of P87.9 million and P87.6 million, respectively. Please see Note 20 of the Company's financial statements.

Agreements with RGMA Network, Inc. ("RGMA")

The Company has an existing agreement with RGMA for the latter to provide general management, programming and research, events management, on-air monitoring of commercial placements, certificates of performance, billing and collection functions, and local sales service for the 25 radio stations of the Company. RGMA is paid management and marketing fees based on billed sales. Please see Note 20 of the Company's financial statements.

Agreements with GMA Marketing and Productions, Inc. ("GMA Marketing")

The Company entered into a marketing agreement with its wholly-owned subsidiary, GMA Marketing wherein GMA Marketing agreed to sell television advertising spots and airtime in exchange for which GMA Marketing will be entitled to a marketing fee and commission. Apart from this, the Company likewise engaged the services of GMA Marketing to handle and mount promotional events as well as to manage the encoding, scheduling of telecast/broadcast placements and subsequent monitoring of sales implementations for which GMA Marketing is paid a fixed monthly service fee. In 2016, GMA Marketing operations were integrated to the Company. Please see Note 20 of the Company's financial statements.

Belo Gozon Elma Parel Asuncion & Lucila Law Office

The Company and the law firm of Belo Gozon Elma Parel Asuncion & Lucila entered into a retainer agreement in 1993 under which Belo Gozon Elma Parel Asuncion & Lucila was engaged by the Company as its external counsel. As such external counsel, Belo Gozon Elma Parel Asuncion & Lucila handles all cases and legal matters referred to it by the Company. Other than Felipe L. Gozon, who is part of the Gozon Family, one of the principal shareholders of the Company, and director of the Company since 1975, some of the lawyers of Belo Gozon Elma Parel Asuncion & Lucila eventually assumed certain positions and functions in the Company either in their individual capacities or as part of the functions of Belo Gozon Elma Parel Asuncion & Lucila as the Company's external counsel. Please see Note 20 of the Company's financial statements.

Item 6. Compensation of Directors and Executive Officers

(a) CEO and Top 5 Compensated Executive Officers:

The following are the Company's highest compensated executive officers:

Name and Position

Felipe L. Gozon Gilberto R. Duavit, Jr. Chairman and CEO President and COO

Felipe S. Yalong

Marissa L. Flores Lizelle G. Maralag Rizalina D. Garduque Executive Vice President and Concurrent Group Head, Corporate Services Group and Chief Financial Officer Senior Vice President, News and Public Affairs Chief Marketing Officer, Sales and Marketing Group Vice President, Sales – News and Public Affairs and Regional TV

5 Highest Compensated Officers	Year 2014 2015 2016 2017 (estimate)	Annual Salaries (in thousands) 101,691.8 105,700.4 149,854.3 155,848.4	13th Month and Bonuses (in thousands) 40,024.6 72,452.0 182,531.0 189,832.2	Total 141,716.4 178,152.4 332,385.2 345,680.6
Aggregate	2014	149,809.5	49,676.9 [#] 90,808.5 [#] 221,610.4 [#] 230,474.8	199,486.4
compensation	2015	156,399.9		247,208.4
paid to all	2016	219,404.4		441,014.8
officers and	2017 (estimate)	228,180.6		458,655.4

(a) Directors and other Executive Officers

Section 8 of Article IV of the Company's By-Laws provides that as compensation of the directors, the Members of the Board shall receive and allocate yearly an amount of not more than two and a half percent (2.5%) of the net income after income tax of the corporation during the preceding year. Of the said 2.5%, one percent (1%) shall be allocated to the members of the Board of Directors to be distributed share and share alike. The remaining one and a half percent (1.5%) shall be allocated to the members of the Executive Committee to be distributed share and share alike.

Employee Stock Ownership Plan ("ESOP")

The Company has no outstanding options or warrants held by its CEO, the named executive officers, and all officers and directors as a group.

Item 7. Independent Public Accountants

- (a) SyCip Gorres Velayo & Co. has acted as the Company's external auditors since 1994. The same accounting firm is being recommended for re-election at the scheduled annual meeting.
- (b) Representatives of SGV & Co. for the current year and for the most recently completed fiscal year are expected to be present at the Annual Stockholders' Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

The Company only became publicly listed with the Philippine Stock Exchange on July 30, 2007. Pursuant to Rule 68 paragraph 3 (b) under the Rules and Regulations Covering Form and Content of Financial Statements (SRC Rules 68 and 68.1, as amended), the Company has engaged Mr. Ramon D. Dizon, partner of SGV & Co., to sign the Company's 2015 audited financial statements.

(c) Changes in and disagreements with accountants on accounting and financial disclosure

The Company has not had any disagreements on accounting and financial disclosures with its current external auditors during the two most recent fiscal years or any subsequent interim period.

Sycip Gorres Velayo & Co. has no shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

- (d) The aggregate fees billed for each of the last two years for the professional services rendered by SyCip Gorres Velayo & Co. amounted to P6.3 million and P6.5 million in 2015 (these included the fees related to financial audit and services for general tax compliance). In 2015, the P500,000.00 represented fees for a limited post implementation review services for the transition from Oracle to SAP for the Company's ERP. No other fees of any nature were paid.
- (e) The Company's Audit and Risk Management Committee was formed in 2007 and was formally organized during the latter portion of that year. The Audit and Risk Management Committee reviews the fee arrangements with the external auditor and recommends the same to the Board of Directors. The Audit and Risk Management Committee has recommended the appointment of Sycip Gorres Velayo and Co., as the external auditor of the Company.

The members of the Audit Committee are as follows:

Dr. Jaime C. Laya (*Chairman*) Chief Justice Artemio V. Panganiban Anna Teresa M. Gozon-Abrogar Laura J. Westfall

Item 8. Authorization or Issuance of Securities Other than for Exchange

There are no matters or actions to be taken up in the meeting with respect to authorization or issuance of securities.

Item 9. Modification or Exchange of Securities

There are no matters or actions to be taken up in the meeting with respect to the modification of any class of the Company's securities or the issuance or authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class.

Item 10. Financial and Other Information

In connection with Item 9 hereof, the Company has incorporated by reference the following as contained in the Management Report prepared in accordance with Rule 68 under the Rules and Regulations Covering Form and Content of Financial Statements (SRC Rules 68 and 68.1, as amended):

- 1) Audited Financial Statements for December 31, 2016 and 2015;
- 2) Management Discussion and Analysis or plan of operation; and
- 3) Information on business overview, properties, legal proceedings, market price of securities, and dividends paid out, corporate governance, corporate social responsibility.

Item 11. Mergers, Consolidations, Acquisitions and Similar Matters

No action is to be taken with respect to the mergers, consolidations, acquisitions and similar matters.

Item 12. Acquisition or Disposition of Property

No action is to be taken with respect to the acquisition or disposition of any property.

Item 13. Restatement of Accounts

No action is to be taken with respect to the restatement of any asset, capital or surplus account of the Company.

D. OTHER MATTERS

Item 14. Action with Respect to Reports

- (a) Approval of the Annual Report of Management and the Audited Financial Statements for the year ending December 31, 2016.
- (b) Approval of the Minutes of the 2015 annual meeting of the Stockholders held on May 18, 2016, covering the following salient matters:
 - (i) Approval of the Minutes of the annual meeting of the stockholders on May 20, 2015
 - (ii) Annual Report of the Chairman and Chief Executive Officer
 - (iii) Financial Report
 - (iv) Ratification of all acts of the Board of Directors and the Executive Committee
 - (v) Election of the Members of the Board of Directors, including the Independent Directors
 - (vi) Election of the External Auditor
- (c) Ratification of the acts of the Board of Directors/Corporate Officers, summarized as follows:

All acts and resolutions of the Board of Directors and Management for the period covering May 18, 2016 to May 17, 2017 adopted in the ordinary course of business, summarized as follows:

- Approval of the Minutes of the organizational meeting of the Board of Directors on May 18, 2016;
- Approval of the Minutes of the regular meetings of the Board of Directors covering the following matters:
- Appointment of signatories;

- Approval of borrowings, opening of accounts and bank transactions;
- Appointment/Election of Officers;
- Approval of the record date and venue of the Annual Stockholders' Meeting;
- Approval and release of the financial statements for the year ended December 31, 2016.

Item 15. Matters Not Required to be Submitted

All actions or matters to be submitted in the meeting will require the vote of the security holders, as follows:

Item 16. Amendment of Charter, By-Laws or Other Documents

No action is to be taken with respect to any amendment of the registrant's charter, by-laws or other documents.

Item 17. Other Proposed Action

- (a) Ratification of the Acts of the Board of Directors/Corporate Officers (as enumerated in Item 14 part c) including:
 - (i) Declaration by the Board of Directors on March 27, 2017 of cash dividends to stockholders of record as of April 20, 2017 and payment date on May 15, 2017.
- (b) Election of the Members of the Board of Directors, including two independent directors for the ensuing calendar year
- (c) Election of the External Auditor

Item 18. Voting Procedures

- (a) Vote Required: Motions, in general, require the affirmative vote of a majority of the shares of the Company's common stock present and/or represented and entitled to vote. However, under Philippine law, certain proposed actions may require the vote of at least two thirds (2/3) of the outstanding capital stock of the Company. The manner of voting is non-cumulative, except as to the election of directors.
- (b) Method: Straight and cumulative voting. In the election of directors, the nine (9) nominees garnering the highest number of votes shall be elected directors. The stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

(c) The Corporate Secretary shall be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are present or represented by proxies at any meeting of the stockholders, in the presence of the Company's external auditor.

Other than the nominees' election as directors, no director, executive officer, nominee or associate of the nominees has any substantial interest, direct or indirect by security holdings or otherwise in any way of the matters to be taken upon during the meeting. The Company has not received any information that an officer, director or stockholder intends to oppose any action to be taken at the Annual Stockholders' Meeting.

Upon written request of the stockholders, the Company undertakes to furnish said stockholder with a copy of the SEC Form 17-A free of charge. Any written request for a copy of the Sec Form 17-A shall be addressed to the following:

GMA NETWORK, INC. 9/F GMA NETWORK CENTER EDSA corner Timog Avenue Diliman Quezon City

Attention:

RONALDO P. MASTRILI

SENIOR VICE PRESIDENT, FINANCE AND ICT

Copies of the Unaudited Interim Financial Statements (period ended March 31, 2017) ("IFS") will be made available to each stockholder at least five (5) calendar days before the Annual Meeting. Such report can be viewed at the Company's official website five (5) calendar days before the meeting and hard copies of the company's IFS and management discussion may be available upon request also five (5) calendar days before the said meeting.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on April 7, 2017.

GMA NETWORK, INC.

By:

ROBERTO RAFAEL V. LUCILA
Corporate Secretary

MANAGEMENT REPORT

I. BUSINESS OVERVIEW

GMA Network, Inc. is a free-to-air broadcasting company principally engaged in television and radio broadcasting, the production of programs for domestic and international audiences, and other related businesses. The Company derives the majority of its revenues from advertising related to television broadcasting.

GMA Network has 47 VHF and 41 UHF TV stations throughout the Philippines with its signal reaching approximately 98% of the country's total TV households (Source: 2016 Nielsen Television Establishment Survey; Claimed reception among TV homes).

In 2016, GMA Network, Inc. regained leadership in National Urban TV ratings and maintained its advantage in the viewer-rich areas of Urban Luzon and Mega Manila. The Company posted increases in its gross revenues and net income for 2016 versus 2015.

GMA Network's international operations continued to expand during the year. The Company's international syndication and distribution business likewise grew in 2016.

GMA Subsidiaries, Joint Venture and Affiliates

The Company's subsidiaries and affiliates are involved in media-related services such as movie making, sets and props construction, film syndication, music and video recording, new media, online gaming, post production services, and marketing, which complement the Company's core television and radio broadcasting business.

The following table shows the Company's holdings in its principal subsidiaries, joint ventures and affiliates as of December 31, 2016:

COMPANY	OWNERSHIP	PRINCIPAL ACTIVITIES
Subsidiaries		
GMA New Media, Inc. (NMI)	100%	Converging Technology
Citynet Network Marketing and	100%	Television entertainment production
Productions, Inc.		
GMA Network Films, Inc.	100%	Film production
GMA Worldwide (Philippines), Inc.	100%	International marketing, handling foreign program acquisitions and international syndication of the Paren Company's programs
RGMA Marketing and Productions, Inc. (GMA Records)	100%	Music recording, publishing and video distribution
Scenarios, Inc.****	100%	Design, construction, maintenance and storage of sets for TV, stage plays and concerts; transportation services
Script2010, Inc. (Script2010)*	100%	Design, construction and maintenance of sets for TV stage plays and concerts; transportation and manpower services
Alta Productions Group, Inc.	100%	Pre- and post-production services
GMA Marketing & Productions, Inc.****	100%	Exclusive marketing and sales arm of GMA's airtime

(GMPI) Mediamerge Corporation**	100%	events management; sales implementation; traffic services and monitoring Business development and operations for the Company's online publishing/advertising initiatives
Digify, Inc. (Digify)**	100%	Crafting, planning and handling advertising and other forms of promotion including multi-media productions
Joint Ventures	50%	Internet publishing
INQ7 Interactive, Inc.**** Philippine Entertainment	50%	Internet publishing
Portal, Inc. (PEP)**		
Affiliates		
Mont-Aire Realty and Development Corp.***	49%	Real estate
RGMA Network, Inc.	49%	Radio broadcasting and management

* Indirectly owned through Citynet Network Marketing and Productions, Inc.

** Indirectly owned through GMA New Media, Inc.

*** 49% owned by GMA Network, Inc.

**** Not operational

COMPETITION

The Company currently competes for audiences and advertising revenues directly with other broadcast stations, radio stations, newspapers, magazines, cable television, and outdoor advertising within their respective markets.

The Following table presents major broadcasting networks in the country:

Network	Description	-	2016 Ratings & Au (Total day; 6A		M-12MN)	
Network			Mega Manila	Urban Luzon	-Urban National	
		Household Ratings	5.3	12 A	12.8	
GMA		Audience Share	43.2	41.1	36.3	
	Radio and TV	Household Ratings	10.0	1110-1	12.7	
	broadcasting network and multimedia company. Founded	. '				
ABS-CBN	in 1953, and is the first television station in the Philippines.	Audience Share	28.3	315	36.2	
GNTV	GMA Network's sister channel. It is programmed by	Household Ratings	2.3	1,9	1.6	

	GMA.	y program a mandrida (1994) was ni a kabupatenja, panjamba ni baka (1999) kabupatenja	
	GMANEWS TV (GNTV) was launched on February 28, 2011.	Audience Share	6.4 5.5 4.7
	Third-oldest TV network in the	Household Ratings	2.6 2.4 2.7
TV5	country, with main broadcast facilities in Novaliches, Quezon City. On March 2, 2010, Mediaquest acquired 100 percent ownership of the Associated Broadcasting Company and Primedia Inc., the broadcasting firm's major block airtimer	Audience Share	7.3 6.9 7.8
SOLAR TV / ETC (RPN) /	Radio Philippines Network (RPN 9) is a Philippine VHF television network of the Government Communications Group. On November 29, 2009, the network re-branded again under the new name Solar TV on RPN.	Household Ratings	0.2 0.2
Solar News (RPN) / CNN Philippines	*Solar TV went off air on February 26, 2011 and was relaunched as ETC (RPN) on March 2, 2011. It was re-launched anew as Solar News (RPN) on November 30, 2013, then was replaced by 9TV (RPN) starting	Audience Share	0.5

	Aug. 23, 2014. On March 16, 2015, 9TV (RPN) was re- launched as CNN PHILIPPINES.		
Studio 23 / ABS- CBN Sports + Action **	Sister network to the main ABS-CBN Broadcasting Corporation, airing programming aimed towards young adults, such as North American imports and other English language programming.	Household Ratings	1.00 1.1 1.2
	**Studio 23 was re- launched as ABS- CBN Sports + Action on January 18, 2014.	Audience Share	2.8 3.1 3.5
	Official government	Household Ratings	0.2 0.2 0.2
National Broadcasting Network / PTV	TV, formerly called Maharlika Broadcasting System, Inc. and later the People's Television Network, Inc. (PTV).	Audience Share	0.6
		Household	0.1 0.1
Intercontinental Broadcasting Corporation (IBC 13)	IBC-13 is a VHF TV station of the Government Communications Group launched in 1975 by Roberto Benedicto.	Ratings Audience Share	0.2 0.2 0.2
Southern Broadcasting Network Solar News Channel / TALK TV (SBN) / ETC (SBN) ***	On January 1, 2008, Solar Entertainment Corporation's entertainment channel ETC aired on this station.	Household Ratings	0.1

	***SBN was launched as Talk TV (SBN) on March 3, 2011 and was later replaced by Solar News Channel on October 30, 2012. This channel was re-launched anew as ETC (SBN) on November 30, 2013.	Audience Share	0.2
2 nd Ave. (RJTV)	RJTV is a UHF free to air television channel owned and operated by Rajah Broadcasting Network, Inc. owned by Ramon "RJ" Jacinto. Solar is also programming 2 nd Ave.	Household Ratings Audience Share	0.0 0.0 0.0

NOTE: Ratings data are based on the Nielsen Television Audience Measurement (TAM) Arianna.

INTERNATIONAL DISTRIBUTION

The Company's television programs are distributed outside the Philippines in two ways. One is through its subscription-based international linear channels – GMA Pinoy TV, GMA Life TV, and GMA News TV International, as well as non-linear content distribution through Video On Demand (VOD) service – which are all distributed in multiple platforms that include DTH, cable, IPTV and OTT/mobile across various territories in North America, ASPAC, MENA and Europe. The other is through GMA Worldwide (Philippines), Inc. (GWI), a wholly-owned subsidiary of the Company. GWI distributes GMA's locally produced programs on all platforms through worldwide syndication sales to broadcasters/companies in China, Southeast Asia, Africa, and Europe.

GMA PINOY TV

Launched in 2005, GMA Pinoy TV delivers to an international audience the Company's most popular news and public affairs and general entertainment programs. The Company operates GMA Pinoy TV through which it offers subscription-based programs internationally.

GMA Pinoy TV aims to establish global exposure and presence for the Network that will bring the company's programs to Filipino communities around the world. In North America, GMA Pinoy TV is available across all 50 states of the United States and Canada, while in the Middle East, it can be accessed in 17 countries such as the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Bahrain, and Kuwait.

The Company's flagship international channel has also established its presence in 12 countries in North Africa and 16 countries in Europe – among them are the UK, France, Germany, and Italy. In Asia Pacific, GMA Pinoy TV can be enjoyed in Japan, Guam, Saipan, Hong Kong, Singapore, Papua New Guinea, Australia, New Zealand, the British Indian Territory of Diego Garcia, Madagascar, Malaysia, Palau, and Haiti.

Under the carriage and licensing agreements with international payTV operators, the Company generally receives a portion of the subscription fees and is also allocated a certain number of advertising minutes through which the Company may sell advertising spots, which it does, through GMA Sales and Marketing Group (SMG).

As of December 2016, GMA Pinoy TV's viewership increased by 17% from 2015. GMA's viewership base continues its steady growth despite the business challenges brought by overall industry and marketplace factors.

GMA LIFE TV

GMA Life TV, GMA Network's second international channel, was launched three years after the success of GMA Pinoy TV. More than just offering mainstream entertainment, GMA Life TV engages more viewers with its exciting line-up of heart-warming and innovative programs that feature the Filipinos' lifestyle and interests.

GMA Life TV is available in the United States, Canada, Middle East, North Africa, Europe, and Asia Pacific, particularly in Australia, New Zealand, Hong Kong, Singapore, Japan, Papua New Guinea, Madagascar, Palau, Guam and Saipan. As of December 2016, GMA Life TV's viewership increased by 37% from 2015.

GMA News TV INTERNATIONAL

In September 2011, GMA Network began distributing GMA News TV International in order to provide overseas Filipinos with the latest, most comprehensive, and most credible news coverage from the Philippines. It offers internationally acclaimed and award-winning news and public affairs programs with 7 to 8 hours of original content daily.

GMA News TV International is now available in the United States, Canada, Middle East, North Africa, Europe, and Asia Pacific, particularly in Australia, New Zealand, Hong Kong, Singapore, Japan, Malaysia, Madagascar, Palau, Guam and Saipan. As of December 2016, GMA News TV International's viewership increased by 92% from 2015.

CONVERGING TECHNOLOGY

GMA New Media, Inc. is GMA Network's digital media and technology arm in charge of R&D, Software Design & Development, Systems Integration and Quality Assurance. Since its inception in July 2000, it has launched category-breaking projects in web, mobile, digital television and other new and emerging platforms.

GMA NMI AS GAMECHANGER

Back in the days when traditional and new media had clear boundaries, GMA NMI had the audacity to blur the borders. It was the first to enable mobile and TV to talk to each other, ushering in the era SMS-TV.

Sixteen years later, NMI continues to be at the top of its game.

As GMA Network's innovation center and de facto future-proofing agent, GMA NMI spearheads the design and implementation of the media giant's grand digital blueprint aimed to ensure the company's leadership in the digital era.

WEB

Online Publishing

In its early years, NMI launched GMA's official entertainment website, iGMA.tv, and its official news website, GMANews.tv. Both websites have won local and international acclaim as well as loyal patronage among Filipinos here and abroad.

NMI launched www.GMANetwork.com in late 2011 to consolidate all of GMA's web properties into a single portal. The GMA portal won in the Digital Filipino Web Awards in 2014 for the Television category, an indication that the move was a master stroke in establishing the Network's dominant presence online. In 2016, GMANetwork.com breached the two-billion mark in pageviews at it generated 2.01 billion in total, up by 10% from 2015's 1.87 billion pageviews.

2015 was a milestone year for GMA News Online (GNO) as it breached the one billion pageviews mark. From 1.14 billion in 2015, GNO increased its pageviews to 1.3 billion in 2016, up by 17%. Synergies from the Social Media team and the editorial team to enhance overall user experience, as well as NMI's non-stop back-end upgrades, helped sustain improvements in web metrics.

NMI entered into a joint venture with Summit Media and launched PEP.ph, the leading showbiz news portal in the Philippines. It also launched SPIN.ph or Sports Interactive Network, currently the No. 1 sports website based on recent data from Effective Measure. NMI provides the technology back-end of said sites. The joint venture is a way for GMA to capture a bigger slice of the online audience share by targeting readers who are keen on sports and entertainment.

MOBILE

NMI pioneered interactive TV in the Philippines with the launch of SMS-TV services in "Debate" and Startalk, and Eat Bulaga's Cool Dudes segment. This laid the foundation for succeeding SMS-TV initiatives that carried NMI through several years of growth and profit.

NMI also introduced SMS technology to Philippine broadcast TV and was the first to launch an interactive chat and gaming show called *Txtube*.

NMI launched *Fanatxt*, a mobile-based celebrity portal for Kapuso stars, considered as one of the most successful mobile VAS services ever launched locally.

NMI broke new ground with the launch of *Teledrama Text Saya*, the first ever mobile point of purchase promo for GMA's primetime shows done in partnership with GMPI.

NMI also developed the GMA News Online iOS and Android mobile apps that sport a new user interface to keep up with current design trends. The mobile apps allow people easy access to GMA content using their handheld devices. The GMA portal mobile app was also launched and was designed to be the perfect mobile companion to top-rating GMA shows.

CONVERGENT MEDIA

NMI works closely with GMA Marketing and Promotions, Incorporated (GMPI) in the launch of innovative convergent media campaigns such as *Win Mo Kapuso* and *Win Mo Pamasko*. The combination of TV plus new media has become a valuable strategic offering for clients in terms of ensuring the widest possible reach for both online and offline audiences.

YouScoop is NMI's joint initiative with GMA News and Public Affairs (NPA) that aims to promote citizen journalism and vigilance. YouScoop helps empower the people to provide information and news when and where it happens. Users can send information, photographs, videos and even audio recordings of newsworthy events wherever and whenever they may be through the app. A team of editors chooses items that will be featured in the YouScoop page on GMA News Online, while significant contributions that merit public broadcast are aired on any one of the GMA News and Public Affairs programs.

In collaboration with GMA NPA, NMI launched **IMReady**, a one-stop online portal for public safety information to aid in traffic and disaster awareness and preparedness. The project aims to provide the public with timely and relevant information to minimize risks and better prepare them during emergency situations. It also enables the public to plan their routes and itineraries. IMReady can be accessed on the Internet and can be downloaded as an app in both iOS and Android.

In view of making IMReady a cutting-edge application, NMI sealed an exclusive media partnership agreement with Google-owned Waze, a leading social GPS navigation system that provides crowd-sourced traffic information and real-time maps. Waze allows subscribers to share real-time traffic and road information that enables people to save time and gas money on their daily commute. By connecting drivers to one another, the app helps people create local driving communities that work together to improve the quality of everyone's daily driving.

BROADCAST

Election Coverage

NMI has maintained its track record of providing GMA News and Public Affairs with speedy and accurate delivery of elections results using the latest technologies for the Eleksyon 2013 coverage. NMI spearheaded the count operations in PPCRV by acquiring, extracting, and prioritizing data from the COMELEC before sending it to GMA for processing.

To achieve multi-screen pervasiveness, NMI provided the most comprehensive election count data across all platforms—from television to mobile and the Internet. The team deployed its *proprietary* search engine that enabled users of GMA News Online and its mobile app (in both Android and iOS) to retrieve election count data in the Search Results. While all the other websites and apps were incapable of integrating the count results in their search, NMI's proprietary search returned the most relevant results for all candidates during election time.

NMI serves the same function of ensuring fast and accurate delivery of elections results in the 2016 elections.

NMI launched the Eleksyon 2016 microsite in February. On top of the usual news content, the microsite also has a special section where visitors can get to know the candidates running for the top positions this year. The **Candidates Section**⁶ contains the presidential and vice presidential aspirants' profiles, including their political history, controversies they are linked to, their respective Statements of Assets, Liabilities and Net Worth, and much more.

The microsite also features the **Campaign Tracker** section⁷ where the candidates' daily schedules are plotted on a map with a short description of their itinerary. A link can also be included in the description window if GNO has a supporting story of the campaign. Another recent improvement of this section is the field for voting population and 2013 elections voter turnout.

⁶ Click here to see page: http://www.gmanetwork.com/news/eleksyon2016/candidates

⁷ Click here to see page: http://www.gmanetwork.com/news/eleksyon2016/campaign_tracker

NMI also added a special information section to the microsite that summarizes the **demographics of the country's registered voters**. Information is presented based on gender, age, civil status and can be drilled down to the city level.

According to data from Effective Measure for worldwide audience for the period May 9 to 11, GMA News Online recorded 109,802,626 page views—the highest number of page views for three consecutive days, a feat that has never been achieved by any local site to date. GMA's online portal had almost 90 million page views over ABS-CBN News, which only managed 19,940,178.

GMA News Online delivered real-time election updates, including up-to-the-minute partial and unofficial results for all positions in the national and local elections up to the clustered precinct level, accessible in all platforms and devices.

Using a proprietary technology developed by GMA NMI, GNO also offered "Smart Search" that made it faster and easier for site visitors to find results by candidate, place or position. NMI powered GMA Network's first ever 360-degree livestream of the PiliPinas Debates 2016. For the first leg of the PiliPinas Debates 2016 held in Cagayan De Oro City on February 21, 2016, GMA News and Public Affairs and NMI teamed up to mount the first 360-degree livestream coverage of a live event in the Philippines, and one of the first worldwide.

The 360-degree livestream was available for near-real-time viewing on GMA News Online (www.gmanetwork.com/news) and later in GMA's YouTube channel, on-demand. NMI's R&D unit developed the proprietary technology that allows any web user to pan the camera view around the venue. It utilizes a special single web camera that captures all angles simultaneously. Moreover, NMI's 360 technology allows simultaneous streams to multiple users and at bit-rates that are within practical web limits.

Digital TV

During the Internet Mobile Marketing Association of the Philippines (IMMAP) Digicon held on October 12, 2016, NMI unveiled a prototype of GMA's upcoming digital television product, an innovation that features both a receiver for digital television and a digital media set-top box.

A first in the country, the unique combination of a DTV and over-the-top (OTT) media delivery platform was demonstrated during the Digicon where NMI showed the digital transmission from GMA-7 and GMA News TV and how the device turned the television into a smart TV capable of playing on-demand content while simultaneously running chat applications and games such as "Angry Birds."

The development of the digital receiver is part of GMA's strategy to attract the elusive millennials as it enables the Network to provide them with content that they want, when they want it, and where they already are.

The Intellectual Property Office already issued a Certificate of Registration for the Utility Model application of the device.

NMI is set to also apply for a utility model patent in select international territories where it perceives the proprietary technology will hold promise in 2017.

NMI AS BUSINESS CENTER

NMI created two subsidiaries to fulfill its role as a business center.

The first is **MediaMerge**, **Incorporated**, the online publisher of GMA News Online. MediaMerge takes charge of online advertising sales.

⁸ Click here to see page: http://www.gmanetwork.com/news/eleksyon2016/yoters_profile

MediaMerge capped off 2016 by posting a 74% growth in total online advertising sales, or PHP 137.8M compared to PHP 79.3M gained in the previous year. The sustained improvements in both online sales and web metrics manifested throughout the year were due in large part to the skillful execution of initiatives anchored on sound growth strategies that NMI set out for the year. These include optimizing the websites to make them more suitable for "programmatic buying"; constant website enhancements paired with the effective use of social media; and efforts from the websites' respective editorial teams to make the browsing experience more intuitive, engaging, and convenient.

Designed to specialize in digital marketing, GMA NMI established **Digify, Incorporated**. Digify is a technocreative lab that specializes in sensor technologies such as augmented reality and beacon/proximity marketing, multimedia content production, and end-to-end software solutions for standalone digital and integrated marketing campaigns. Digify has launched a number of trailblazing projects that include award-winning apps for major clients and breakthrough solutions for clients in the technology industry.

NMI AS GMA'S CONDUIT TO INDUSTRY PARTNERS

The Digital Age is marked by constant change and dynamism and favors those who can manage to be constantly ahead of competition. It is in this context that NMI perceives its mandate to ensure that GMA Network is always at the leading edge in the digital space.

GMA NMI manages relationships with major telecommunications companies in the Philippines and abroad, and with leading global brands such as Google, YouTube Facebook, and Waze, to name some. It likewise serves as a conduit to advertising agencies and digital distribution partners meant to create new avenues for incremental revenue and expand the reach of GMA content, both in the local and international markets.

GMA NMI sealed partnerships with two of Southeast Asia's leading Internet TV service providers, iFlix and Hooq in Q2 2015 for a new video content distribution platform. The platform, called *Over-the-Top* (OTT), is an IP-based¹⁰ format for content delivery. This new type of video-on-demand service enables users to enjoy online streaming access and an offline viewing option of TV shows and movies. This service optimizes GMA's existing library of content and allows Filipinos here and in the region to watch their well-loved GMA shows whenever they want, wherever they may be. With a growing subscriber base in the country from both Hooq and iFlix, the leverage on these digital platforms creates an opportunity to expand the base of GMA consumers online and create GMA brand loyalty both here and abroad.

Talks have been ongoing for more tie-ups with other OTT providers, set for launch in 2017.

MOVIE PRODUCTION

GMA Network Films, Inc. was established in August 1995 to produce movies that cater to both the local and international markets. Its movie productions have reaped both critical acclaim and commercial success.

¹⁰ IP (or Internet Protocol) -based distribution of television content uses the internet rather than traditional terrestrial, satellite signal or cable television as a format for content delivery.

⁹ Programmatic buying is a booking mechanism that more efficiently facilitates the selling of online ad inventory between publishers and advertisers. It also provides advertisers and their agencies better control of campaign outcomes by enabling them to set parameters through Real Time Bidding. For more information on programmatic buying, refer to http://www.lab.net/programmatic

MUSIC AND VIDEO RECORDING

RGMA Marketing and Productions, Inc. (GMA Records) was incorporated in September 1997 and became operational in 2004 after the Company decided to reactivate its musical recording business through the "GMA Records" label. Since resuming operations, GMA Records has leveraged the Company's talent and media resources, releasing music albums of various artists.

It also partnered with sister company GMA Films and other major film production outfits to release their films on DVD. Likewise, it has introduced the network's top-rating programs and blockbuster TV series into the home video market worldwide through GWI.

GMA Records works with GMA New Media and other local-based content providers and aggregators to take advantage of new revenue streams, particularly in the emerging market of digital music downloads. The company also secured non-exclusive mobile, web and kiosk-based deals with different content providers worldwide to continuously exploit the potentials of its music and video assets.

GMA Records publishes music and administers copyrights on behalf of composers. GMA Records is also actively pursuing publishing deals, building on its current catalog of original compositions. GMA Records serves as a clearing house and a source of music for the Company's television and film productions. It is also a member of FILSCAP, the Filipino Society of Composers, Authors and Publishers.

This 2017, GMA Records will venture into concert production. As a record label, it is much abreast with the live performance circuit and is knowledgeable of the current music scene. Venturing into concert production enables GMA Records to exploit album productions and to showcase the musical talents of GMA artists.

GMA Records also plans to produce musical content via video performances of its artists which will be made available online and will generate additional revenue for the company.

STAGE DESIGN

Script2010, Inc. was formally established in early 2010 as a subsidiary of Citynet Network Marketing and Productions, Inc. It engages in conceptual design and design execution through fabrication, construction, set-up and dismantling of sets, and creation of props. It also provides other related services such as live performances and events management, sales activation and promotion, and tradeshow exhibits.

Script2010, **Inc.** is also engaged in transportation, hauling and trucking services to further fulfill the needs of its clients. Other business units of **Script2010**, **Inc** are band/audio equipment rental, and facility support services to various GMA departments.

Post Production

Alta Productions Group, Inc. was established in 1988 as a production house primarily to provide production services for the Network. Until the late 1990s, it operated a satellite studio in Makati, producing award-winning News and Public Affairs Programs for GMA Channel 7.

Today, Alta Productions Group's core business is audio dubbing and mixing for broadcast. Its fully digital audio recording and mixing studios is in sync with the Network's production requirements and broadcast standards. Aside from dubbing foreign content into the local vernacular for airing on the

Network, Alta Productions Group also dubs station-produced content into English for international consumption.

In addition, Alta Productions Group's shoot and video post-production department produces TVCs, broadcast content, and documentaries for both local and international clients. Its creative group also provides concept development, staging, and activation services for various clients' on-ground activities.

Alta Productions Group is proud to be one of the few production houses capable of servicing the complete spectrum of shoot and post-production requirements all under one roof. From conceptualization, creatives, shoot, post-production, all the way to execution.

EMPLOYEES

As of December 31, 2016, the Company has 2,505 regular and probationary employees. The Company also engaged 532 talents in 2016. GMA Network, Inc. recognizes one labor union, the GMA Network, Inc. Employees Union. The Collective Bargaining Agreement (CBA) for the cycle 2014-2019 took effect in July 2014.

II. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

The Management Discussion and Analysis provides a narrative of the Company's financial performance and condition that should be read in conjunction with the accompanying financial statements, which have been prepared in accordance with accounting principles generally accepted in the Philippines.

As discussed below, the Company's financial statements do not show any losses from operation and hence the Company has not taken any measures to address the same.

KEY PERFORMANCE INDICATORS

The Company uses the following measures to assess its performance from period to period.

Ratings

The performance of a program and/or network as a whole with respect to household ratings is the primary consideration for an advertiser in the Philippines to determine whether to advertise on a given program and/or network. AGB Nielsen, a media research firm, provides ratings to the Company on a subscription basis.

Load Factor

Load factor refers to the amount of advertising minutes aired during the breaks in a program as a percentage of the total minutes available for advertisement. The load factor is an indication of a program's or a timeblock's ability to sell advertising minutes. Load factor statistics are internally generated, although certain third parties monitor such statistics.

Signal reach/coverage

The ability to reach a greater number of viewers is a part of the Company's strategy to provide its advertisers with more value for their advertising expenditures. The Company frequently assesses its signal strength and coverage by conducting field intensity surveys and tests.

Subscriber count

Subscriber count is the key performance indicator for the Company's initiatives in the international cable arena to diversify its revenue base beyond advertising revenues. The number of subscribers to the Company's GMA Pinoy TV, GMA Life TV and GMA News TV International form the benchmark for measuring the success of this service. The Company makes internal assessments to determine the market potential for each new initiative and sets a subscriber count target accordingly.

Cost control

The Company is continuously searching for ways to control costs and to improve efficiency. The Company has established systems and procedures to monitor costs and measure efficiency and has launched various initiatives and activities in relation to these efforts.

FINANCIAL AND OPERATIONAL RESULTS

For the Year Ended December 31, 2016

GMA Network and its subsidiaries (GMA/the Company) capped the year 2016 by chronicling milestones in almost all financial metrics, starting off with unprecedented revenues which eventually trickled down to an all-time high bottom line result.

The boost from the national elections held during the first half of the year coupled by the upbeat turnout from regular advertising placements buoyed the Company's top line for the twelve month-period ended December 31 this year. Thus, consolidated revenues wrapped up at P16,673 million posting an improvement of nearly P3.0 billion or 21% from comparable period last year. Election-related placements for the year amounted to about P1.5 billion, significantly higher than the increment in political advocacies towards the latter part of 2015. Nonetheless, carving the impact of these non-recurring inflows in both years, the upswing in regular sales amounting to close to P2.0 billion accounted for the major part of the year-on-year improvement in the Company's top line. The resurgence of the Network as the leader in terms of nationwide TV ratings buoyed revenues from regular advertising placements.

Airtime revenues continued to be the Company's bread and butter with combined sales from all platforms surging to P15,132 million, overtaking last year by P2,751 million or by 22%. Discounting the impact of additional load from political advocacies and advertisements, airtime revenues significantly grew by P1,739 million or 15% in between periods. Meanwhile, revenues from other sources totaling P1,564 million also ended on a positive note with a P196 million improvement equivalent to 15% more than a year ago.

While consolidated revenues climbed by a double-digit growth of 21%, the Company's total operating expenses for full year of 2016 was kept at bay with an increase of only 7% year-on-year. Combined cash and non-cash operating expenses registered at P11,531 million, reflecting an escalation of P861 million over prior year's spending of P10,745 million. Total direct/production cost scaled by P633 million or 11% to P6,476 million while general and administrative expenses (GAEX) climbed by P153 million or just 3% to P5,055 million y-o-y.

The remarkable performance in the top line due to the election boost which was further cemented by the upbeat contribution from regular advertisers, and buoyant sales from other businesses and subsidiaries

propelled the Company's earnings before interest, taxes, depreciation and amortization (EBITDA) to a new high of P6,844 million this 2016. Coupled by prudent cost management, EBITDA for 2016 towered over last year's peg by a whopping P2,206 million or 48%.

Similarly, with non-cash operating expenses yielding an almost flat growth, and with the cash position of the Company allowing for a net interest income vs. a net interest expense a year ago, bottom line for the twelve-month period in 2016 skyrocketed to P3,647 million, the highest ever by far and a staggering P1,521 million or 72% increase over last year's audited net income after tax of P2,126 million.

•	2016	2015		%
Income Data	(in millions PhP)	(in millions PhP)	(in millions PhP)	
Revenues				
Television and radio airtime	15,131.5	12,380,7	2,750.8	22%
Production and others	1,541.9	1,346.4	195.5	15%
Production and others	16,673.4	13,727.1	2,946.3	21%
T-t-languating ovnonces	11,530.7	10,745.0	785.7	. 7%
Total operating expenses	6,844.3	4,638.6	2,205.7	48%
EBITDA	3,646.6	2,125.8	1,520.8	72%
Net income	1	2,115.1	1,511.3	71%
Attributable to Equity Holders of Parent (Noncontrolling Interest	20.3	10.7	9.5	89%

Revenues

For the year 2016, consolidated revenues amassed to P16,673 million, overtaking prior year's top-line by a huge P2,946 million or 21% due the windfall from political advertisements and advocacies from the recent national elections bolstered by the significant growth in regular ad placements. Airtime revenues provided the boost soaring by P2,751 million or 22% vis-à-vis last year, while revenues from production and others likewise pulled ahead by 15% or P196 million.

2016 in millions PhP)	2015 (in millions PhP)	· '1	
15,131.5 1,541.9	12,380.7 1,346.4	2,750.8 195.5	22% 15% 21%
1	n millions PhP) 15,131.5	15,131.5 (in millions PhP) 15,131.5 12,380.7 1,541.9 1,346.4	n millions PhP) (in millions PhP) (in millions PhP) 15,131.5 12,380.7 2,750.8 1,541.9 1,346.4 195.5

Aided by the influx of election-driven load, nearly all airtime revenue-generating platforms outpaced last year's performances, establishing double digit advantages against comparable period. Core channel, GMA-7 topped the growth charts with a solid lead of more than P2.0 billion or 23% over last year. Minus the impact of political advocacies, Ch-7 still yielded a remarkable growth of 16% in sales form regular advertisers. The ratings supremacy regained by the channel during the second half of the year propelled the growth in recurring sales.

According to Nielsen's full year 2016 NUTAM (National Urban Television Audience Measurement) household shares, GMA was ahead of other networks in total day ratings with 36.3 percent, leading ABS-CBN's 36.2 percent and TV5's 7.8 percent.

Full year 2016 data also showed that GMA remained the undisputed number one TV network in viewer-rich Urban Luzon and Mega Manila, and reigned supreme across all dayparts, including primetime. Urban Luzon accounts for 77 percent of all urban TV households in the country, while Mega Manila represents 60 percent.

Urban Luzon continued to be a strong area for GMA as it registered 41.1 percent, beating ABS-CBN's 31.5 percent by 9.6 points and TV5's 6.9 percent by 34.2 points. GMA also remained dominant in Mega Manila with 43.2 percent, up 14.9 points from ABS-CBN's 28.3 percent and up 35.9 points from TV5's 7.3 percent.

GMA News TV (GNTV-11), which was barely affected by political advocacies or advertisements also recorded its highest ever top line since it was launched ten years ago. The platform sealed 2016 with revenues up 10% versus previous year.

Radio likewise set a new milestone wrapping up with revenues higher by 19% from a year ago. Election-related placements played a crucial role in upping the revenues of the platform with more than a hundred million incremental sales.

Meanwhile, Regional TV's combined national and local sales for the year, also surpassed 2015's performance by a modest 4%. National sales contributed 57% while the balance was provided by local sales. Local sales despite contributing a smaller share in the pie, was the revenue driver for the year. Political advocacies and placements this 2016 aided the platform in achieving the sales growth against comparable period a year ago.

The optimistic showing in airtime sales was likewise matched in the top line of other revenue streams. International operations and other businesses wrapped up the year ended December 31, 2016 with sales of P1,549 million, pitching in incremental revenues of P196 million or 15% more than a year ago. Propelling the increase was the surge in sales from International operations, in particular GMA Pinoy/Life TV (GPTV), which made a turn-around from last year's not so impressive results. Providing the second largest source of revenue inflow for the Company, GPTV's sales reached more than a billion, thus recording a 13% growth against comparable period in 2015. The climb was driven by the accretion in subscriber count by 8% for GPTV and GLTV with a growth of 23% over same period last year. The climb in subscriber count was fuelled by the comeback tie-up with OSN in the Middle East (OSN's partnership was revived starting April this year), as well as the launch of GMA channels on StarHub, one of the major PayTV operators in Singapore. Further, the depreciation of the peso against the dollar by an average of P2.01 or 4.4% this year aided in the revenue improvement of the platform. Meanwhile, syndication revenues pitched higher sales this year, exceeding last year's contribution by 36%. The revenue upswing was boosted by the licensing of format rights abroad with the likes of My Destiny, Other Mrs. Real and Half Sisters, to name some. In the local scene, biggest gainer in terms of revenues was GMA New Media (NMI) the Company's subsidiary in charge of converging technologies, which more than doubled its revenues from outside sources in between years. Fresh revenues from content provisioning as well as the climb in online sponsorships were the primary sources for the increase. The Company's film production outfit, GMA Films likewise recorded a banner year in 2016 with theatrical receipts 166% more than prior period mainly on account of the box-office success of the co-production featuring AlDub's very first solo film, "Imagine You and Me" which raked in gross ticket sales of nearly P200.0 million nationwide.

Expenses

Total operating expenses for the year amounted to ₱11,531 million, climbing by only a single-digit percentage of 7% versus 2015's ₱10,745 million. Total cash OPEX escalated by more than half a billion equivalent to 12% but was partly cushioned by the lower growth seen in non-cash spending. Program rights amortization and depreciation only inched up by 4% in between periods.

]	2016	2015		%
Production Costs	(in millions PhP)	(in millions PhP)	(in millions PhP)	
r roddotion oosto				
- 1 (5	2,873.2	2,800.3	72.9	3%
Talent fees	820.6	731.9	88.7	12%
Rentals and outside services	1,673.5	1,247.0	426.6	34%
Other program expenses	5,367.2	4,779.1	588.2	12%
Sub-total - Cash Production Costs			81.5	11%
Program rights amortization	836.2	754.6	"""	
Depreciation and amortization	272.2	308.9	(36.7)	
Depreciation and amortization	1,108.4	1,063,5	44.9	4%
Sub-total - Non-cash Production Costs	CONTRACTOR STORY (SQUARE) CONTRACTOR STORY	The second secon	633.0	11%
Total production costs	6,475.6	5,842.6	033.0	1170

Comprising 56% of the Company's total OPEX, the growth in direct/production cost resulted from the incremental costs for this year's comprehensive election coverage which included *Eleksyon 2016* and *Pilipinas Debates 2016*. Talent fees especially of the Network's guaranteed artists also saw an increase over same period in 2015, thus contributing to the overall hike in production cost. There were likewise new in-house productions that further buoyed the growth in direct cost for the period. Amortization of program rights likewise netted an increase of 11% resulting from higher costing films shown this year.

2016	2015	Inc/(Dec)	%
	(in millions PhP)	(in millions PhP)	
Party large to construent for relative to the second property of the second section to the section to the second section to the section to the second section to the section t	M		100/
2,993.6	2,570.9		16%
406.5	557.5	l - 'I	-27%
315.1	341.3	(26.3)	-8%
176.7	157.2	19.5	. 12%
669.4	754.7	(85.4)	-11%
4,561.3	4,381.7	179.7	1%
451.4	491.4	(40.0)	-8%
25.2	8.6	16.6	193%
17.2	20.7	\	-17%
493.7	520.7	(27.0)	-5%
5,055.1	4,902.4	152.7	3%
	2,993.6 406.5 315.1 176.7 669.4 4,561.3 451.4 25.2 17.2 493.7	(in millions PhP) (in millions PhP) 2,993.6 2,570.9 406.5 557.5 315.1 341.3 176.7 157.2 669.4 754.7 4,561.3 4,381.7 451.4 491.4 25.2 8.6 17.2 20.7 493.7 520.7	(in millions PhP) (in millions PhP) (in millions PhP) 2,993.6 2,570.9 422.7 406.5 557.5 (150.9) 315.1 341.3 (26.3) 176.7 157.2 19.5 669.4 754.7 (85.4) 4,561.3 4,381.7 179.7 451.4 491.4 (40.0) 25.2 8.6 16.6 17.2 20.7 (3.5) 493.7 520.7 (27.0)

Meanwhile, general and administrative expenses (GAEX) by the end of the twelve-month period this 2016 measured at P5,055 million, edging last year by only 3% or P153 million. Personnel cost drove the increase, finishing off at P2,994 million, P423 million or 16% more than prior year. This year's higher bonus payout to all qualified employees due to the remarkable performance of the Company as well as the annual merit and CBA adjustments accounted mainly for the growth. The reduction in rental fees in particular the payment to satellite provider due to the implementation of the uplink upgrade cushioned the increase in other GAEX accounts. Outside services likewise saw a reduction mainly from the drop in Advertising and promotions particularly from lower spending for the Corporate Synergy activities in the regions.

EBITDA

Earnings before interest, taxes, depreciation and amortization (EBITDA) for the year 2016 sealed at \$\mathbb{P}6,844\$ million, exhibiting a considerable growth of \$P2,206\$ million or 48% more than than prior year's tally of \$\mathbb{P}4,639\$ million. The more than \$P2.0\$ billion climb in EBITDA was buoyed by the commendable increase in consolidated top line by 21% or \$\mathbb{P}2,946\$ million which was met by a single-digit growth in combined cash operating expenses vs. prior year.

Net Income

The outstanding performance in sales this year and managed growth in total spending which remained one of the Company's strengths propelled net income after tax to an all-time high of P3,647 million for the full year of 2016 – a huge P1,521 million or 72% improvement year-on-year.

Balance Sheet Accounts

The Company ended 2016 with total assets of ₱16,369 million, representing an increase of 14% from end-2015's ₱14,416 million.

Cash and cash equivalents rose to \$\mathbb{P}3,419\$ million, 58% or \$\mathbb{P}1,259\$ million more than the \$\mathbb{P}2,160\$ million recorded as at December 31, 2015. On the other hand, trade and other receivables sealed at \$\mathbb{P}5,658\$ million, 29% higher than previous year.

Total liabilities hiked by 6% or ₱331 million as at end-December this year to ₱5,664 million from ₱5,333 million in 2015 mainly from payments of short-term loans which as at end-2016 stood at ₱646 million from ₱1,153 million a year ago. This was partly counterbalanced by the hike in trade payables & other current liabilities and income tax payable by ₱188 million and ₱519 million, respectively.

Equity attributable to Parent Company stockholders of ₱10,656 million grew by 18% or ₱1,617 million in between years arising from ₱3,626 million net income attributable to Parent Company earned in 2016 subsequently offset by the dividend declared during the first half of 2016 of ₱1,944 million.

2016	1
(in millions PhP)	(in millions PhP)
4,217.8	3,462.4
(294.5)	(539.6)
(2,498.1)	(2,392.3)
(33.0)	30.9
1,392.3	561.5
2,160.3	1,598.8
3,552.6	2,160.3
	(in millions PhP) 4,217.8 (294.5) (2,498.1) (33.0) 1,392.3 2,160.3

Operating Activities

Net cash from operations registered at \$\mathbb{P}3,553\$ million in 2016. This stemmed from income before income tax of \$\mathbb{P}5,036\$ million, adjusted mainly by depreciation expense of \$\mathbb{P}800\$ million, program and other rights usage of \$\mathbb{P}755\$ million, pension expense of \$\mathbb{P}167\$ million, interest expense and financing charges of \$\mathbb{P}43\$ million, net unrealized foreign currency exchange loss of \$\mathbb{P}24\$ million and amortization of software costs of \$\mathbb{P}21\$ million apart from the changes in working capital. The primary components of the changes in working capital included the \$\mathbb{P}229\$ million and \$\mathbb{P}749\$ million upturn in trade and other receivables and program and other rights, respectively, partly offset by the \$\mathbb{P}132\$ million dip in prepaid expense and other current assets.

Investing Activities

Net cash used in investing activities amounted to P540 million, coming primarily from the P553 million net additions to property and equipment. This was partly offset by the P22 million proceeds from sale of property and equipment.

Financing Activities

Net cash used in financing activities amounted to ₱2,392 million basically due from the loan payment of ₱2,325 million and cash dividend payout amounting to ₱1,224 million during the year, plus some ₱43 million in interest expense netted by ₱1,200 million remaining proceeds from short-terms loans.

FINANCIAL AND OPERATIONAL RESULTS

For the Year Ended December 31, 2015

GMA Network, Inc. and its subsidiaries (GMA/the Company) sealed the twelve-month period of 2015 on a high note propelled by upbeat revenues since the start of the year. Coming from a challenging phase in 2014, the early months of 2015 saw a remarkable upswing in the top line which was sustained up to the close of the year. The sterling result was brought about by the confluence of several factors such as gaining fresh revenues from a come-backing major advertiser, influx of political advocacy placements, and recapturing number one position in terms of ratings on a national level, thus leading to a general improvement in the advertising load from regular customers. Likewise, it must be noted that during a greater part of the first six months this year, competition introduced drastic changes in its pricing strategy that pushed major advertisers to shift their adspend to GMA. As a result of the foregoing, consolidated revenues reached ₱13,727 million exhibiting a growth of ₱1,744 million or up 15% yearon-year. Airtime revenues across major platforms was the main driver for the remarkable hike in the top line generating a ₱1,702 million increase equivalent to 16% compared with same period a year ago. Political advocacies summed up to some ₱462 million, sans the impact of this non-recurring revenue, airtime sales was still ahead by a hefty \$\mathbb{P}\$1,234 million or 12% versus a year ago. On the other hand, revenues from other sources which included subsidiaries and international operations concluded at P 1,346 million, edging prior period by 3% or some P42 million.

The hike in consolidated revenues by a double-digit percentage of 15% this year was only met by a mere 2% or ₱171 million growth in total operating expenses (OPEX) ending at ₱10,745 million. Total production cost grew by 5% or ₱291 million but was cushioned by the reduction in general and administrative expenses (GAEX) which ended lower compared to last year by 2% or ₱120 million.

The strong top-line earnings coupled with a minimal growth in total cash OPEX, boosted consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) for 2015 at ₱4,639 million, significantly higher than last year by 59% or a huge ₱1,714 million. Consequently, the Company sealed consolidated net income after tax for the year ended at ₱2,126 million, a solid ₱1,116 million or 111% increase over 2014's audited net income after tax of ₱1,010 million.

L Date	2015 (in millions PhP)	2014 (in millions PhP)	Inc/(Dec) (in millions PhP)	%
Income Data				
Revenues	12,380.7	10,678.9	1,701.8	16%
Television and radio airtime	1,346.4	1,304.0	42.4	3%
Production and others	13,727.1	11,982.9	1,744.2	15%
	10,745.0	10,573.8	171.2	2%
Total operating expenses	4,638.6	2,924.5	1,714.1	59%
EBITDA	2,125.8	1,009.5	1,116.3	1119
Net income	2,115.1	1,004.7	1,110.4	111%
Attributable to Equity Holders of Parent Company Noncontrolling Interest	10.7	4.9	5.9	121%

Revenues

Consolidated revenues for the year 2015 reached ₱13,727 million, outpacing prior year's top-line performance by a whopping ₱1,744 million or 15% as 2015 top line was buoyed by the presence of political advocacies and fresh airtime revenues from major advertiser. Airtime revenues provided the boost soaring by ₱1,702 million or 16% vis-à-vis last year, while revenues from production and others pitched in a modest growth of ₱42 million or 3% with ₱1,346 million in combined sales.

Revenues	2015 (in millions PhP)		Inc/(Dec) (in millions PhP)	
Television and radio airtime Production and others	12,380.7 1,346.4	10,678.9 1,304.0	1,701.8 42.4	16% 3%
Troduction and exists	13,727.1	11,982.9	1,744.2	15%

On a per platform basis, Channel 7 topped the charts for the period with sales comprising more than three fourths of the total airtime revenue pie and ahead by a hefty 16% in absolute terms versus last year. Political advocacies aided in jacking-up the channel's sales in 2015. However, incremental sales from regular advertisers played the major role in the platform's revenue hike. Carving out the impact of political advocacies, Ch-7 improved y-o-y sales by 12%.

The Company's Radio business was likewise on a roll since the start of this year, thus, capping the period with sales higher by 15% vs. 2014's performance. Political advocacies for Radio influenced the increase. Similar to Ch-7, even after carving out the impact of these non-recurring placements, Radio nonetheless hurdled last year's topline by 11%.

Not far behind from Radio was GMA News TV (GNTV-11), which, through the years has steadily sustained its revenue growth. Full year 2015 revenues recorded its highest top line by far since the channel was launched. GNTV-11 outshone prior period by 24% despite being bereft of any political advocacy placements.

Lastly, Regional TV (RTV) operations which underwent some downsizing and streamlining activities earlier this year saw a reduction in total recurring sales by 13% from 2014. The presence of political advocacies on both national and local levels partly cushioned the revenue reduction to a mere 4% vs. prior period.

According to Nielsen's full year 2015 NUTAM (National Urban Television Audience Measurement) household shares, GMA was ahead of other networks in total day ratings with 35.4 percent, leading

ABS-CBN's 34.9 percent and TV5's 9.2 percent. GMA overtook its closest rival in NUTAM in September 2015, and has since sustained nationwide ratings leadership.

Full year 2015 data also showed that GMA remained the undisputed number one TV network in viewer-rich Urban Luzon and Mega Manila, and reigned supreme across all dayparts, including primetime. Urban Luzon accounts for 77 percent of all urban TV households in the country, while Mega Manila represents 59 percent.

Urban Luzon continued to be a strong area for GMA as it registered 39.7 percent, surpassing ABS-CBN's 30.6 percent by 9.1 points and TV5's 8.2 percent by 31.5 points. GMA also further secured its dominant position in its bailiwick Mega Manila with 41.7 percent, up 14.7 points from ABS-CBN's 27 percent and up 33.2 points from TV5's 8.5 percent.

For December 2015, GMA posted a stronger total day lead with 38.9 percent in NUTAM, outscoring ABS-CBN's 33.6 percent by 5.3 points, and TV5's 7.8 percent by 31.1 points. Compared to ABS-CBN, more programs from GMA also figured in the list of top programs across all areas last December. *Kapuso Mo Jessica Soho* emerged as the number one program in Urban Luzon and Mega Manila, and led the list of GMA programs in NUTAM. In particular, GMA's countdown to 2016 was the most viewed New Year countdown by urban viewers.

On other revenue streams, which was mainly comprised of the Company's international operations via GMA Pinoy (GPTV), GMA Life (GLTV) and GMA News TV as well as production and subsidiaries operations a net increase of P42 million or 3% was recorded in between years, with combined sales reaching P1,346 million. International operations' though making up the most part of the revenue pie ended shy by 5% from a year ago. The topline from this segment was dragged by the drop in subscription revenues arising from changes in pricing scheme with a major carrier which used to be on a guaranteed-minimum basis. The reduction was partly cushioned by the growth in subscriber count by 6% for GPTV and by 13% for GLTV and depreciation of the Peso against the USD by an average of P1.16 or 3% for the year. The effect of this drop in subscriber income was likewise trimmed down by the hike in advertising revenues from international operations by 5%. Program syndication on the other hand pitched in incremental sales of 11% from a year ago.

From subsidiaries operations, combined revenue hike was seen for the twelve months this 2015 – with New Media spearheading the growth due to recent tie-ups with iFlix and HOOQ. Media Merge, Digify and GMA Records also upped their revenues for the twelve-month period compared from a year ago. Lastly, GMA Films also recorded higher gross receipts from the spill-over from 2014 MMFF coproduction entry *Kubot, The Aswang Chronicles*.

Expenses

Total operating expenses for the year amounted to ₱10,745 million, inching up by only 2% compared with 2014's ₱10,574 million. Total cash OPEX stood at the same level of last year with less than a 1% increase of P34 million while non-cash OPEX grew by 9% or P137 million.

Total direct costs (cash and non-cash production costs) which comprised 54% of total operating costs amounted to \$\mathbb{P}\$5,843 million by the end of twelve months in 2015, overtaking prior period by 5%. The \$\mathbb{P}\$291 million increase was a result of the shift in programming mix to more in-house produced programs during January this year and the spike in amortization of program rights resulting from more expensive foreign movies and *Koreanovela/Mexicanovela* series this 2015. The afternoon in-house produced soaps also incurred higher costs this year due to extension in airing time to take advantage of the high ratings of this grid.

	2015	2014	Inc/(Dec)	%
Production Costs	(in millions PhP)	(in millions PhP)	(in millions PhP)	p old plants respectively and the description of the second
Production Costs	Committee the committee of the committee			
	2,800.3	2,738.8	61.5	2%
Talent fees	731.9	740.4	(8.5)	-1%
Rentals and outside services	1.247.0	1.121.2	125:7	11%
Other program expenses	4,779.1	4,600,4	178.7	4%
Sub-total - Cash Production Costs		646.7	108.0	17%
Program rights amortization	754.6 308.9	304.7	4.1	1%
Depreciation and amortization	1,063.5	951.4	112.1	12%
Sub-total - Non-cash Production Costs		5,551.8	290.8	5%
Total production costs	5,842.6	U,001.0		· · · · · · · · · · · · · · · · · · ·

Meanwhile, general and administrative expenses (GAEX) settled at \$\mathbb{P}4,902\$ million by the end of the year, even sliding by \$\mathbb{P}120\$ million or 2% compared with the twelve-month period in 2014. This resulted from the considerable net decline in outside services by \$\mathbb{P}81\$ million or 19%. Advertising and promotional spending alone registered a cutback by \$\mathbb{P}127\$ million or 38% versus last year. The slowdown in Corporate Synergy activities nationwide was one of the main factors that contributed to the reduced advertising expenses.

Taxes and licenses likewise finished off with a drop of 32% or P75 million from a year ago as the previous period was saddled with payments to BIR for tax assessments covering previous years. These reductions were partly offset by the moderate increase in Personnel cost, edging last year by 2%. The growth in the account for 2015 was driven by higher bonuses to all qualified employees (attuned to the considerable growth in the Company's bottom line) and non-recurring payout to separated employees of various Regional TV stations and other operating/service units within the Network, on top of the yearly salary adjustments for all qualified rank & file and confidential employees. These on the other hand, were cushioned to a considerable extent by the presence in 2014 of the non-recurring CBA signing bonus for rank & file employees and appreciation bonus for confidential employees. The reduction in total headcount moving toward the second half of 2015, aligned with the aforementioned redundancy program also partly eased out the said increases.

	2015	2014	Inc/(Dec)	%
General and Administrative Expenses	(in millions PhP)	(in millions PhP)	(in millions PhP)	
Personnel costs Outside services Facilities costs Taxes and licenses	2,570.9 341.3 557.5 157.2	2,528.8 422.2 592.0 231.9	42.1 (80.8) (34.5) (74.7)	-6% -32%
Others	754.7	751.5 4.526.3	(144.6)	0.4% -3%
Subtotal - Cash GAEX	4,381.7 491.4	4,520.3	19.9	4%
Depreciation and amortization Provision for doubtful accounts	8.6	0.7	7.9	1099%
Amortization of software costs	20.7	23.4	(2.7) 25.0	-12% 5%
Subtotal - Non-cash GAEX	520.7 4.902.4	495.6 5.022.0	(119.6)	-2%
Total GAEX	4,902.4	0,022.0		

EBITDA

Earnings before interest, taxes, depreciation and amortization (EBITDA) for the year wrapped up at ₱4,639 million, remarkably higher than prior year's tally of ₱2,925 million. The ₱1,714 million or 59%

growth in EBITDA was buoyed by the commendable increase in consolidated top line by 15% or ₱1,744 million which was met by an almost flat growth in combined cash operating expenses vs. prior year.

Given the solid performance in sales this year and managed growth in total spending, net income for the full year of 2015 soared to ₱2,126 million, more than double the ₱1,010 million bottom line recorded the prior period or equivalent to a ₱1,116 million or 111% improvement year-on-year.

Balance Sheet Accounts

The Company ended 2015 with total assets of P14,416 million, representing an increase of 7% from end-2014's ₽14,020 million.

Cash and cash equivalents rose to ₱2,160 million, 35% or ₱561 million more than the ₱1,599 million recorded as at December 31, 2014. On the other hand, trade and other receivables sealed at ₹4,801 million, 3% higher than previous year.

Total liabilities dropped by 8% or ₱454 million as at end-December this year to ₱5,333 million from ₽5,787 million in 2014 mainly from payments of short-term loans which as at end-2015 stood at ₱1,153 million from ₱2,223 million a year ago. This was partly counterbalanced by the hike in trade payables & other current liabilities and income tax payable by P259 million and P298 million, respectively.

Equity attributable to Parent Company stockholders of ₱9,039 million grew by 10% or ₱848 million in between years arising from P2,126 million net income earned in 2015 subsequently offset by the dividend declared during the first half of 2015 of ₱1,215 million.

	2015	2014
O. als Flavor	(in millions PhP)	(in millions PhP)
Cash Flows	3,462.4	661.9
Net cash provided by operating activities	(539.6)	(553.1)
Net cash used in investing activities	(2,392.3)	(262.0)
Net cash used in financing activities Effect of exchange rate changes on cash and cash equivalents	30.9	2.3
Net increase (decrease) in cash and cash equivalents	561.5	(150.8)
Net increase (decrease) in cash and dash equivalents	1,598.8	1,749.6
Cash and cash equivalents at beginning of period Cash and cash equivalents at end of period	2,160.3	1,598.8
Cash and cash equivalents at end of period		

Operating Activities

Net cash from operations registered at ₱3,462 million in 2015. This stemmed from income before income tax of P3,036 million, adjusted mainly by depreciation expense of P800 million, program and other rights usage of ₱755 million, pension expense of ₱167 million, interest expense and financing charges of ₱43 million, net unrealized foreign currency exchange loss of ₱24 million and amortization of software costs of P21 million apart from the changes in working capital. The primary components of the changes in working capital included the ₱229 million and ₱749 million upturn in trade and other receivables and program and other rights, respectively, partly offset by the ₱132 million dip in prepaid expense and other current assets.

Investing Activities

Net cash used in investing activities amounted to ₱540 million, coming primarily from the ₱553 million net additions to property and equipment. This was partly offset by the ₱22 million proceeds from sale of property and equipment.

Financing Activities

Net cash used in financing activities amounted to ₱2,392 million basically due from the loan payment of ₱2,325 million and cash dividend payout amounting to ₱1,224 million during the year, plus some ₱43 million in interest expense netted by ₱1,200 million remaining proceeds from short-terms loans.

KEY VARIABLE AND OTHER QUALITATIVE OR QUANTITATIVE FACTORS

- 1. Trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity.
 - As of December 31, 2016, there were no known trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity.
- ii. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration or an obligation.
 - As of December 31, 2016, there were no events which may trigger a direct or contingent financial obligation that is material to the Company.
- iii. Material off-balance-sheet transactions, arrangements, obligations (including contingent obligations), and other relations of the company with unconsolidated entities or other persons created during the reporting period.
 - There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relations of the company with unconsolidated entities or other persons created during the reporting period.
- iv. Material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.
 - For 2017, the parent company has allotted ₱553 million for capital expenditures. This will be financed by internally-generated funds.
- v. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.
 - GMA Network's results of operations depend largely on the ability to sell airtime for advertising. The Company's business may be affected by the general condition of the economy of the Philippines.
- vi. Significant elements of income or loss that did not arise from the Company's continuing operations.
 - As of December 31, 2016, there were no significant elements of income or loss that did arise from the issuer's continuing operations.

Causes for Material Changes in the Financial Statements vii.

Balance Sheet (December 31, 2016 vs. December 31, 2015)

- Cash and cash equivalents increase by 58% to ₱3,419 million at year-end which is directly attributed to this year's result of operation. Net cash provided by operating activities amounted to P3,462 million partly netted by the net cash used in investing activities of ₱540 million and in financing activities of ₱2,392 million.
- Trade and other receivables grew to ₱5,658 million from ₱4,384 million in 2015 as a direct impact of higher sales over collections.
- Short-term loans decreased by 44% as availments made are lower at ₱500 million vs. payments of ₱1,072 million.
- The 144% surge in income tax payable resulted from the result of the year 2016 operations.
- Seasonal aspects that had a material effect on the financial condition or results of viii. operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations.

Interim Periods

The Company currently cannot make available the financial information for the first quarter of 2017. The Company however, undertakes to submit its SEC Form 17-Q on or before May 15, 2017 and to make the same available upon request during the Company's Annual Stockholders' Meeting.

III. PROPERTIES

As of December 31, 2016, the Company's total property and equipment and real property amounted to P4,581.6 million. The property and equipment had a book value of P2,776.5 million, while its real property had a fair market value of P1,805.1 million (based on an Independent appraisal report as of December 17, 2013).

The following are the principal properties of the Company:

- The Channel 7 compound located in Barangay South Triangle, Diliman, Quezon City, which contains several buildings, including the GMA Network Center building;
- The GMA Network Center Studios, a four-storey building with an area of 4,053 square meter property adjacent to the GMA Network Center at GMA Network Drive cor. EDSA, Diliman Quezon City which houses two state-of-the-art studios, technical facilities and offices;
- The GMA-7 Antenna Tower in Tandang Sora Avenue, Barangay Culiat, Diliman Quezon City, which contains the TV and FM Transmitter building and the Satellite Uplink building;
- The GMA Fleet Center located on the east corner of Mother Ignacia Avenue and Sergeant Esguerra Avenue, Barangay South Triangle, Diliman Quezon City; and
- Properties in the key areas across different regions:

Luzon

- Land in Barangay Malued, Dagupan City, where the Company's radio and television studios are located;
- A 51,135 square meter property in Panghulo, Obando, Bulacan, where an AM transmitter site, a two-storey building, a genset house, and an AM tower are situated;
- A 2,000 square meter property in Barangay Concepcion Pequeña, Naga City, where a TV relay transmitter and an FM transmitter site are located; and
- A 10,000 square meter property in La Trinidad, Benguet where an FM transmitter site and a one storey building are situated.
- A 2000 square meter property in Bayubay Sur, San Vicente, Ilocos Sur where a TV studio is located.

Visayas

- Land located in Nivel Hills, Barangay Lahug, Cebu City, containing a multilevel building which houses radio and television operation facilities;
- Land in Barangay Tamborong, Jordan, Guimaras where an FM radio and television transmitter is located;
- Land in Alta Tierra, Jaro, Iloilo City where radio and television studios are located;
- Land in Barangay Jibao-an, Pavia, Iloilo where an AM transmitter site and building are located:
- Land in Barangay Sta. Monica, Puerto Princesa City, Palawan where a television relay transmitter site and building are located; and,
- Land in Barangay Bulwang, Numancia, Aklan where a television relay transmitter site and a building are located.

Mindanao

- Land in Bo. Matina Hills, Davao City where an FM and television transmitter building and studio complex are located;
- Land in Barangay San Isidro, General Santos City where a television relay transmitter site and a building are located;
- Land in Barangay Cabatangan, Zamboanga City where a television relay transmitter site and a building are located.

The properties owned by the Company are currently unencumbered and are free from any existing liens.

The Company also leases land, building and studio/office space in various locations around the Philippines under lease agreements for periods of between three and 25 years. The lease agreements may be cancelled at the Company's option. Rental expense of the Company related to this amounted to P17.8 million for the year ended December 31, 2016.

Regional Broadcast Stations

GMA owns regional broadcast stations in various parts of the country. Originating TV stations are stand-alone transmitter, studio and production facilities capable of producing and airing live and/or taped programs as well as plugs and advertising within their (local) service area/s independent of, or in

conjunction with the national feed. Satellite TV stations are similar to originating TV stations except that they are not equipped with live production capability outside of news bulletins. Satellite TV stations are also capable of broadcasting local plugs or advertising within their respective (local) service areas either independent of, or in conjunction with national program feeds. TV relay stations are limited to transmitter and signal receiving facilities and only re-broadcast programs/content received from originating or satellite TV stations with which they are associated; either via satellite or other receiving methods.

The following are GMA's television and radio stations throughout the Philippines:

LIST OF GMA's OPERATING TV STATIONS

NO	STATION	ADDRESS	CONTACT NUMBER
NO			
	LUZON		(20) 021 0102 / (02) 024-
<u> </u>	TV-7 Metro Manila (GMA)	Brgy. Culiat, Tandang Sora, Quezon City	(02) 931-9183 / (02) 924- 2497
1	TV-27 Metro Manila (DTTB GMA/GNTV)	GMA Network Center, EDSA cor. Timog Avenue, Diliman, Quezon City	(02) 982-7777 loc 7035
	TV-5 Ilocos Norte (GMA)	Brgy. San Lorenzo, San Nicolas, Ilocos Norte	0916-6715439
2	TV-27 Ilocos Norte (GNTV)	Brgy. San Lorenzo, San Nicolas, Ilocos Norte	0916-6715439
	TV-48 Ilocos Sur (GMA)	Mt. Caniao, Bantay, Ilocos Sur	0915-8632841
3	RGMA TV-40 Ilocos Sur (GNTV)	Mt. Caniao, Bantay, Ilocos Sur	0915-8632841
4	TV-7 Batanes (GMA)	Brgy. Kayvaluganan, Basco, Batanes	0915-6127197
	TV-13 Aparri, Cagayan (GMA)	Hi-Class Bldg., De Rivera St., Aparri, Cagayan	0915-6130530
5	TV-26 Aparri, Cagayan (GNTV)	Hi-Class Bldg., De Rivera St., Aparri, Cagayan	0915-6130530
	TV-7 Tuguegarao, Cagayan (GMA)	No. 91 Mabini St., Tuguegarao City, Cagayan	0915-6127263
6	TV-27 Tuguegarao, Cagayan (GNTV)	No. 91 Mabini St., Tuguegarao City, Cagayan	0915-6127263
7	TV-7 Isabela (GMA)	Heritage Commercial Complex, Maharlika Hi-way, Brgy. Malvar, Santiago City, Isabela	0915-2700063
8	TV-5 Baler (GMA)	Purok 3, Brgy. Buhangin, Baler, Aurora	0915-6127194
	TV-10 Olongapo (GMA)	Upper Mabayuhan, Olongapo City	0915-6127265
9	TV-26 Olongapo (GNTV)	Upper Mabayuhan, Olongapo City	0915-6127265
10	RGMA TV-28 Tarlac City (GNTV)	Exclusively His Bldg., F. Tanedo St. corner Espinosa St., Tarlac City	0915-2700185
11	TV-12 Batangas (GMA)	Mt. Banoy, Bo. Talumpok East, Batangas City	0915-8632860

	TV-26 Batangas (GNTV)	Mt. Banoy, Bo. Talumpok East, Batangas City	0915-8632860
12	TV-44 Jalajala, Rizal (GMA)	Mt. Landing, Jalajala, Rizal	0915-8632874
	TV-13 Occidental Mindoro (GMA)	Bonifacio St., San Jose, Occidental Mindoro	0915-6127199
13	TV-26 Occidental Mindoro (GNTV)	Bonifacio St., San Jose, Occidental Mindoro	0915-6127199
14	TV-6 Brooke's Point, Palawan (GMA)	Poblacion, Brooke's Point, Palawan	0915-6127181
15	TV-8 Coron, Palawan (GMA)	Tapias Hill, Coron, Palawan	0915-6127178
	TV-12 Puerto Princesa, Palawan (GMA)	Mitra Rd., Brgy. Sta. Monica, Puerto Princesa, Palawan	0915-6127185
16	TV-27 Puerto Princesa, Palawan (GNTV)	Mitra Rd., Brgy. Sta. Monica, Puerto Princesa, Palawan	0915-6127185
17	TV-7 Rombion (GMA)	Triple Peak, Sta. Maria, Tablas, Romblon	0915-6127225
	TV-12 Legaspi (GMA)	Mt. Bariw, Estanza, Legaspi City	0915-8632867
18	TV-27 Legaspi (GNTV)	Mt. Bariw, Estanza, Legaspi City	0915-8632867
	RGMA TV-33 Legaspi (GMA)	Mt. Bariw, Estanza, Legaspi City	0915-8632867
19	TV-8 Daet (GMA)	Purok 2, Brgy. Mancruz, Daet, Camarines Norte	0915-2700056
	TV-7 Naga (GMA)	Brgy. Concepcion Pequeña, Naga City	0915-4417071
20	TV-28 Naga (GNTV)	Brgy. Concepcion Pequeña, Naga City	0915-4417071
	RGMA TV-44 Naga (GMA)	Brgy. Concepcion Pequeña, Naga City	0915-4417071
21	TV-13 Catanduanes (GMA)	Brgy, Sto. Niño, Virac, Catanduanes	0915-6127174
	TV-7 Masbate (GMA)	Brgy. Pinamurbuhan, Mobo, Masbate	0915-6127175
22	TV-27 Masbate (GNTV)	Brgy. Pinamurbuhan, Mobo, Masbate	0915-6127175
23	TV-2 Sorsogon (GMA)	Mt. Bintacan, Brgy. Maalo, Juban, Sorsogon	0915-2700192
24	TV-7 Abra (GMA)	Brgy. Lusuac, Peñarrubia, Abra	0915-6130512
	TV-10 Benguet (GMA)	Mt. Sto. Tomas, Tuba, Benguet	0915-4417080
25	TV-22 Benguet (GNTV))	Mt. Sto. Tomas, Tuba, Benguet	0915-4417080
26	TV-5 Mountain Province (GMA)	Mt Amuyao, Barlig, Mountain Province	0915-2700124

	VISAYAS		
	TV-2 Kalibo (GMA)	New Busuanga, Numancia, Aklan	0915-6127216
27	TV-27 Kalibo (GNTV)	New Busuanga, Numancia, Aklan	0915-6127216
	TV-5 Roxas (GMA)	Brgy. Milibili, Roxas City, Capiz	0915-6127217
28	TV-27 Roxas (GNTV)	Brgy. Milibili, Roxas City, Capiz	0915-6127217
	TV-6 Guimaras (GMA)	Bo. Tamburong, Jordan, Guimaras	0915-4417084
29	TV-28 Iloilo (GNTV)	Alta Tierra Subdivision, Jaro, Iloilo	0915-4417084
	TV-13 Bacolod (GMA)	Security Bank Bldg., Rizal St. cor. Locsin St., Bacolod City	0915-8632864
30	TV-48 Bacolod (GNTV)	Security Bank Bldg., Rizal St. cor. Locsin St., Bacolod City	0915-8632864
31	TV-30 Murcia, Negros Occidental (GMA)	Mt. Kanlandog, Brgy. Canlandog, Murcia, Negros Occidental	0915-2700132
32	TV-10 Sipalay (GMA)	Sipalay Municipal Building, Sipalay, Negros Occidental	0915-6127219
33	TV-11 Bohol (GMA)	Banat-I Hills, Brgy. Bool, Tagbilaran City	0915-6127214
	TV-7 Cebu (GMA)	Bonbon, Cebu City	0915-4417075
34	TV-27 Cebu (GNTV)	Bonbon, Cebu City	0915-4417075
	RGMA TV-51 Cebu (GMA)	Bonbon, Cebu City	0915-4417075
	TV-5 Dumaguete (GMA)	Barrio Looc, Sibulan, Negros Oriental	0915-6131185
35	TV-28 Dumaguete (GNTV)	Barrio Looc, Sibulan, Negros Oriental	0915-6131185
36	TV-8 Borongan (GMA)	Poblacion, Borongan, Eastern Samar	0915-6127177
37	TV-12 Ormoc (GMA)	Brgy. Alta Vista, Ormoc City	0915-6127213
	TV-10 Tacloban (GMA)	Basper, Tigbao, Tacloban City	0915-6127208
38	TV-26 Tacloban (GNTV)	Basper, Tigbao, Tacloban City	0915-6127208
39	TV-5 Calbayog (GMA)	Purok 2 San Mateo St. Brgy. Matobato, Calbayog City, Western Samar	0915-6127176
	MINDANAO	, in the second second	State of the state
100 00 0000	TV-4 Dipolog (GMA)	Linabo Peak, Dipolog City, Zamboanga Del Norte	0915-6127247
40	TV-26 Dipolog (GNTV)	Linabo Peak, Dipolog City, Zamboanga Del Norte	0915-6127247

	TV-3 Pagadian (GMA)	Mt. Palpalan, Pagadian City, Zamboanga del Sur	0915-6127245
41	TV-26 Pagadian (GNTV)	Mt. Palpalan, Pagadian City, Zamboanga del Sur	0915-6127245
	TV-9 Zamboanga (GMA)	Brgy. Cabatangan, Zamboanga City	0915-8632870
42	TV-21 Zamboanga (GNTV)	Brgy. Cabatangan, Zamboanga City	0915-8632870
	RGMA TV-45 Zamboanga (GMA)	Brgy. Cabatangan, Zamboanga City	0915-8632870
43	TV-12 Mt. Kitanglad, Bukidnon (GMA)	Mt. Kitanglad, Bukidnon	0915-8632863
	TV-5 Ozamis, Misamis Occidental (GMA)	Bo. Malaubang, Ozamis City, Misamis Occidental	0915-6127220
44	TV-22 Ozamis, Misamis Occidental (GNTV)	Bo. Malaubang, Ozamis City, Misamis Occidental	0915-6127220
45	TV-11 Iligan City (GMA)	Brgy. Del Carmen, Iligan City, Lanao del Norte	0915-6131202
	TV-35 Cagayan de Oro (GMA)	Malasag Heights, Brgy. Cugman, Cagayan de Oro City	0915-8632875
46	TV-43 Cagayan de Oro (GNTV)	Malasag Heights, Brgy. Cugman, Cagayan de Oro City	0915-8632875
47	TV-26 Butuan (GMA)	Brgy. Bonbon, Butuan City, Agusan del Norte	09163178470
	TV-5 Davao (GMA)	Shrine Hills, Matina, Davao City	0915-4417082
48	TV-27 Davao (GNTV)	Shrine Hills, Matina, Davao City	0915-4417082
	TV-12 Cotabato (GMA)	Regional Government Center, Cotabato City	0915-6131170
49	TV-27 Cotabato (GNTV)	Regional Government Center, Cotabato City	0915-6131170
	TV-8 General Santos (GMA)	Nuñez St., Brgy. San Isidro, General Santos City	0915-8632871
50	TV-26 General Santos (GNTV)	Nuñez St., Brgy. San Isidro, General Santos City	0915-8632871
,	RGMA TV-32 General Santos (GMA)	Nuñez St., Brgy. San Isidro, General Santos City	0915-8632871
	TV-10 Surigao (GMA)	Lipata Hills, Surigao City, Surigao del Norte	0915-6131227
51	TV-27 Surigao (GNTV)	Lipata Hills, Surigao City, Surigao del Norte	0915-6131227
52	TV-2 Tandag (GMA)	Capitol Hill, Brgy. Telaje, Tandag, Surigao del Sur	0915-6127248
	TV-12 Jolo, Sulu (GMA)	Ynawat Bldg., Hadji Butu St., Jolo, Sulu	0915-6131182
53	TV-26 Jolo, Sulu (GNTV)	Ynawat Bldg., Hadji Butu St., Jolo, Sulu	0915-6131182

GMA's RADIO STATIONS

AREA	FREQ.	CALLSIGN	AM / FM	POWER	ADDRESS
LUZON	<u>·</u>				
METRO MANILA	594 kHz 97.1 MHz	DZBB DWLS	AM FM	50kW 25kW	GMA Network Center, EDSA cor. Timog Ave., Diliman, Quezon City
BAGUIO	92.7 MHz	DWRA	FM	10kW	2/F Baguio Midiand Courier Bldg., Kisad Road, Baguio City
DAGUPAN	1548 kHz 93.5 MHz	DZSD DWTL	AM FM	10kW 10kW	GMA TV 10 Compound, Claveria Road, Malued District, Dagupan City
LEGAZPI	96.3 MHz	DWCW	FM	10kW	3/L A. Bichara Silverscreen Entertainment Center Magallanes St., Legazpi City
LUCENA	91.1 MHz	DWQL	FM	10kW	3/F Ancon Bldg., Merchan St., Lucena City
NAGA	101.5 MHz	DWQW	FM	5kW	GMA Complex (Beside Mother Seton Hospital), Diversion Road (Roxas Ave.), Naga City
PALAWAN	909 kHz 97.5 MHz	DYSP DYHY	AM FM	5kW 5kW	Solid Road, San Manuel, Puerto Princesa City, Palawan
TUGUEGARAO	89.3 MHz	DWWQ	FM	10kW	4/F Villablanca Hotel, Pattaui St. cor, Pallua Rd., Ugac Norte, Tuguegarao City, Cagayan
VISAYAS					
BACOLOD	1341 kHz 107.1 MHz	DYSB DYEN	AM FM	5KW 10kW	3/F Centroplex Mall, Gonzaga-Locsin St., Bacolod City
CEBU	999 kHz 99.5 MHz	DYSS DYRT	AM FM	10kW 25kW	GMA Skyview Complex, Nivel Hills, Lahug, Cebu City
ILOILO	1323 kHz 93.5 MHz	DYSI DYMK	AM FM	5kW 10kW	GMA Broadcast Complex Phase 5, Alta Tierra Village, Jaro, Iloilo City
KALIBO	92.9 MHz	DYRU	FM	5kW	Torres-Olivia Bldg., Roxas Ave. Extension, Kalibo, Aklan
MINDANAO					
CAGAYAN DE ORO	100.7 MHz	DXLX	FM	5kW	2/F Centro Mariano Bldg., Osmena St., Cagayan De Oro City
DAVAO	1125 kHz 103.5 MHz	DXGM DXRV	AM FM	10kW 10kW	GMA Network Complex, Shrine Hills, Matina, Davao City
GENERAL SANTOS	102.3 MHz 1107 kHz	DXCJ DXBB	FM AM	10kW 5KW	3/F PBC Bldg., Cagampang St., General Santos City
ILIGAN (RGMA)	90.1 MHz	DXND	FM	1kW	Infinity Suites, Consunji St., Iligan City

ZAMBOANGA

1287 kHz

DXRC

ΑM

5KW

Logoy Duitay, Talon-Talon, Zamboanga City

IV. LEGAL PROCEEDINGS

The Company and its subsidiaries are involved, from time to time, as plaintiff or defendant in litigation arising from transactions undertaken in the ordinary course of its business. Described below are the pending material litigation of which the Company and its subsidiaries or their properties are subject. The Company believes that a judgment rendered against it in the cases indicated below will not have a material adverse effect on its operations or financial condition.

None of the Company's affiliates, or their property, namely, RGMA Network, Inc., Philippine Entertainment Portal, Inc. and Mont-Aire Realty and Development Corporation, are involved in any material pending litigation as of December 31, 2016.

Labor Cases

There is a case for illegal dismissal filed against GMA Marketing and Productions, Inc. ("GMPI"), another wholly-owned subsidiary of GMA Network, and its officers, Lizelle Maralag and Leah Nuyda initiated by Corazon Guison, a former Sales Director of GMPI. The complainant claimed that she was unceremoniously terminated from her employment sometime in May 2010 and is entitled to reinstatement as well as payment of full backwages, unpaid commissions and salaries, moral and exemplary damages and attorney's fees. On January 31, 2011, the Labor Arbiter rendered a decision finding for complainant Guison and ordered the respondents to pay P807,007.50 as backwages and P1,691,000.00 as separation pay, as well as attorney's fees. On appeal, the NLRC reversed the decision of the Labor Arbiter and ordered the dismissal of complainant's complaint. Complainant filed a Petition with the Court of Appeals where it is currently pending.

There is a case (NLRC LAC No. 02-000863-13[8]) for regularization filed by pinch-hitters or relievers of GMA, namely, Ricky F. Villarin, Danilo Dela Cruz, Rolin Pilante and Johnny Anito, Jr. against GMA Network, Inc. The Labor Arbiter rendered a decision declaring the relievers as regular employees of GMA. GMA appealed to the NLRC which denied the same. GMA's motion for reconsideration was likewise denied. Hence, GMA filed with the Court of Appeals a Petition for Certiorari docketed as CA.G.R. No.132455, The Court of Appeals rendered a Decision denying GMA's petition. GMA's motion for reconsideration was likewise denied.

There is a case (NLRC NCR Case No. 12-18557-12) for illegal dismissal, backwages, damages and attorney's fees filed by James Aaron Castillo Manalili against GMA, et al. Complainant Manalili was a segment producer whose Talent Agreement was terminated for cause. The Labor Arbiter rendered a decision dismissing the complaint on the finding that there was no employer-employee relationship. Hence, there is no illegal dismissal. The Labor Arbiter also affirmed the validity of the termination of the Talent Agreement. However, the Labor Arbiter awarded 13th month pay in favor of Manalili. Hence, we filed a partial appeal for GMA. On appeal, the NLRC, affirmed the labor arbiter's decision but deleted the award of 13th month pay to complainant. Complainant's motion for reconsideration was likewise denied by the NLRC. Complainant filed with the Court of Appeals a Petition questioning the decision and resolution of the NLRC. The parties have filed their respective Memoranda and the petition is now submitted for decision.

There is a case (NLRC NCR Case No. 01-00024-13) for illegal dismissal and money claims filed by Christopher Cruz Legaspi against GMA and its executives. Complainant Legaspi is an employee of GMA who was dismissed for cause. The Labor Arbiter rendered a decision finding illegal dismissal. However, the decision was reversed on appeal by the NLRC. Complainant filed a motion for reconsideration which was also denied by the NLRC.

There is a case for regularization and illegal dismissal (NLRC NCR Case No. 04-05664-13[22]) filed by Henry T. Paragele, Roland Elly C. Jaso, et al. against GMA. Complainants are relievers/pinch hitters whose services were no longer availed of by GMA. The Labor Arbiter rendered a decision dismissing the complaint. Complainants filed an appeal to the NLRC. NLRC rendered a decision dismissing the appeal. Complainants filed a motion for reconsideration which was also denied by the NLRC. Complainants filed a Petition with the Court of Appeals where it is pending. We filed our Comment/Opposition and Memorandum. The case is now deemed submitted for decision.

There is another case for illegal dismissal and money claims (NLRC CASE No. NCR-07-09875-13; NCR-07-10010-13; NCR-07-10135-13) filed by the drivers of GMA, namely, Marcelo S. Santiago and Serafin R. Palopalo, Jr., assigned to various programs and covered by Talent Agreements which expired and were no longer renewed. The Labor Arbiter rendered a decision dismissing the complaint on the ground that the Talent Agreements are fixed term employment contracts. Complainants appealed to the NLRC which reversed the Labor Arbiter's decision by declaring complainants as regular employees of GMA. We filed a motion for reconsideration which was also denied by the NLRC. We filed a Petition with the Court of Appeals which was denied. This case is now awaiting execution of judgment.

There is a case for illegal dismissal, backwages and other money claims (NLRC-NCR-07-09474-13) filed by former segment producer De Chaves against GMA. Complainant was terminated for cause by GMA. The Labor Arbiter rendered a decision dismissing the complaint. De Chavez appealed to the NLRC which denied her appeal and affirmed the Labor Arbiter's decision. De Chavez filed a Petition with the Court of Appeals which denied the same. Similarly, De Chavez's Petition filed with the Supreme Court was denied for lack of merit.

Another pending case for illegal dismissal and regularization (NLRC NCR 01-00164-14) was filed by former utility personnel Reynaldo Delos Santos Aranas, et.al against GMA/Atty. Felipe L. Gozon. Complainants' talent agreements were not renewed by GMA. The Labor Arbiter rendered a Decision in favor of complainant. We filed an appeal with the NLRC which affirmed the Labor Arbiter's Decision. A Petition for Certiorari was filed which affirmed the rulings of the NLRC. This case is now awaiting execution of judgment.

There is a case for regularization (NLRC NCR Case No. 06-06683-14) filed by Christian Bochee M. Cabaluna, et al. against GMA/Atty. Felipe L. Gozon. The Labor Arbiter rendered a Decision in favor of complainants. On appeal to the NLRC, the same was denied. We have filed a Petition for Certiorari with the Court of Appeals and the Petition is now deemed submitted for decision.

There is a case for illegal dismissal with money claims filed by Cynthia Malabunga against GMA. She was first engaged by GMA for various programs until her last talent contract as Associate producer was terminated on 30 April 2014. The Labor Arbiter rendered a decision dismissing the complaint. Complainant filed an appeal which was dismissed by the NLRC. The NLRC also denied her motion for reconsideration. Complainant filed a Petition for Certiorari with the Court of Appeals and respondent filed its Comment/Opposition thereto. The Petition is now submitted for resolution.

There is another case for regularization filed by Micholl P. Mabinta whose talent agreement was no longer renewed. The Labor Arbiter rendered a decision dismissing the complaint on June 8, 2015. Complainant filed an appeal which was dismissed by the NLRC in a Decision dated January 29, 2016. Complainant filed a Motion for Reconsideration which was denied by the NLRC in a Resolution dated March 31, 2016. Complainant filed a Petition to the Court of Appeals and Respondents filed their Comment/Opposition thereto. The Petition is now submitted for decision.

There is a case for illegal suspension, moral and exemplary damages and attorneys fee filed by Edmalynne Remillano et al. The Parties have already filed their respective position paper and reply and the case is now submitted for decision.

There is a case involving a complaint filed against GMA by Alfredo Lubrica Enoce for alleged illegal dismissal with a prayer for separation pay, backwages, moral and exemplary damages and attorney's fees. The parties filed their respective Position papers on November 15, 2016. Upon submission of the parties' respective Replies, the case will be deemed submitted for decision.

Infringement Cases

The Company's officers, Felipe L. Gozon, Gilberto R. Duavit, Jr., Marissa L. Flores, Jessica A. Soho, Grace dela Peña-Reyes, John Oliver Manalastas, John Does and Jane Does were named as respondents in a criminal case initiated in June 2004 for copyright infringement before the City Prosecutor's Office of Quezon City and the Department of Justice ("DOJ"). The case was subsequently consolidated with the Company's counter charge for libel:

The respondents were charged in their capacities as corporate officers and employees of the Company responsible for the alleged unauthorized airing of ABS-CBN's exclusive live coverage of the arrival in the Philippines of Angelo dela Cruz, a Filipino overseas worker previously held hostage in Iraq. Aside from seeking to hold the named respondents criminally liable for infringement and unfair competition, ABS-CBN sought damages from the respondents jointly and severally in the aggregate amount of P200 million.

On July 27, 2004, the Company and certain of its officers filed a case for libel against certain officers of ABS-CBN for statements made in their programs Insider and Magandang Umaga Bayan relative to the incident involving the dela Cruz feed. The Company also seeks damages in the aggregate amount of P100 million.

In a Resolution dated December 3, 2004, the DOJ dismissed the complaint for libel against the ABS-CBN officers and employees and dropped the charges against the Company's officers except for Ms. Dela Peña-Reyes and Mr. Manalastas against whom the DOJ found probable cause for violation of the Intellectual Property Code. ABS-CBN filed a motion for partial reconsideration of the resolution on the grounds that the other named respondents were erroneously exonerated. The Company filed a petition for review with the DOJ with respect to the finding of probable cause against Ms. Dela Peña-Reyes and Mr. Manalastas and the dismissal of the case for libel which was denied. On August 1, 2005, the DOJ reversed the fiscal's resolution finding probable cause against Ms. dela Peña-Reyes and Mr. Manalastas and directed the fiscal to withdraw the Information. ABS-CBN filed a motion for reconsideration. Meanwhile, the DOJ issued a Resolution dated September 15, 2005 denying the Company's Petition for Review and ruling that ABS-CBN's officers and employees did not commit libel. The Company filed a motion for reconsideration.

On June 29, 2010, the DOJ issued a Resolution granting both the Company's and ABS-CBN's Motion for Reconsideration, and directing the filing of Information against ABS-CBN's officers and employees

for libel. ABS-CBN moved for reconsideration which was denied by the DOJ. ABS-CBN filed a Petition with the Court of Appeals. In the meantime, an Information for libel was filed by the Quezon City Prosecutor with the Regional Trial Court of Quezon City, Branch 88.

The Company elevated the DOJ's June 29, 2010 Resolution directly to the Court of Appeals via a Petition for Certiorari docketed as CA-G.R. SP No. 115751. On November 9, 2010, the Court of Appeals issued a decision granting the Company's Petition for Certiorari and reversing the DOJ Resolution dated June 29, 2010 and reinstating the DOJ Resolution dated August 1, 2005 which ordered the withdrawal of Information for copyright infringement. ABS-CBN filed a Petition with the Supreme Court which partially granted the Petition by reversing the DOJ Resolution ordering the withdrawal of the Information and sustaining the finding of probable cause for copyright infringement only as against Ms. Dela Peña-Reyes and Mr. Manalastas. The proceedings before the RTC QC Branch 93 will resume with the presentation of the prosecution's evidence on May 17, 2017.

Civil Cases

A case for damages was filed by Ronaldo Virola against Miguel Enriquez and the Company. Ronaldo Virola filed a case for damages arising from the airing of **Imbestigador** episodes showing the interviews of "Myra" and "Chona" who accused Virola of placing drugs in their drinks before molesting them. The said **Imbestigador** episodes also showed the raid conducted by operatives of Task Force Jericho of the Department of Interior and Local Government who applied for a warrant to search the residence of Virola. The complaint sought \$\mu 800,000\$ in moral damages, \$\mu 300.000\$ in exemplary damages, attorney's fees in the amount of \$\mu 100.000\$ and the cost of suit. The Regional Trial Court of Caloocan dismissed the complaint after trial. Plaintiff appealed to the Court of Appeals which dismissed his appeal and affirmed the trial court's decision dismissing his complaint for damages. On November 25, 2015, the CA issued an Entry of Judgment attesting that the said Decision dated March 2015 became final and executory on April 23, 2015. We now consider this case close and terminated.

On June 25, 2008, Mary the Queen Hospital filed a case for damages against the Company, Mike Enriquez as well as certain other members of the show, **Imbestigador**. The hospital alleged that the show damaged its reputation by falsely accusing them of illegally detaining a patient for failure to settle hospital bills. The hospital claimed a total of $mathbb{P}$ 5.5 million in moral, exemplary and temperate damages, as well as costs of the suit. Plaintiff has rested its case and we are set to present defense evidence on April 21, 2016. The hearing for reception of defendant's evidence is set on May 18, 2017.

Another case involved the Company and members of the show **Imbestigador**, stemmed from a story involving a police officer allegedly extorting money from arrested drug dependents, which ultimately led to his arrest. On September 4, 2008, the complaint sought to enjoin the airing of the story relating to his arrest by filing a case for injunction. However, the plaintiff's application for restraining order was denied by the RTC of Quezon City. Plaintiff then filed an amended complaint to include a claim for damages. The hearing for the reception of defendant's evidence is set on April 5, 2017.

V. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDERS MATTERS

Market Information

Stock Prices GMA7

Period in 2016	<u> Highest Closing</u>	Lowest Closing
10	7.00	6.33

2Q	7.33	6.22
3Q	6.42	6.24
4Q	7.33	6.10

Stock Prices GMAP

Period in 2016	<u> Highest Closing</u>	Lowest Closing
1Q	7.20	6.00
2Q	7.20	6.10
3Q	6.36	6.00
4Q	6.20	5.85

The Company's common shares and Philippine Deposit Receipts have been listed with the Philippine Stock Exchange since 2007. The price information as of the close of the latest practicable trading date April 6, 2017; GMA7's closing price is P6.91 for GMA7 and P6.18 for GMAP (PDRs).

<u>Holders</u>

There are 1,691 holders of common equity as of March 31, 2016. The following are the top 20 holders of the common equity of the Company:

Name of Shareholders	No. of Common Shares	Percentage of Ownership of Total Common Shares
GMA Holdings, Inc.	815,392,400	24.23%
Group Management & Development, Inc.	789,813,389	23.47%
FLG Management & Development Corp.	677,213,227	20.13%
M.A. Jimenez Enterprises, Inc.	453,882,095	13.49%
Television International Corp.	334,378,037	9.94%
PCD Nominee Corp.	241,367,096	7.17%
Gozon Development Corp.	14,033,954	0.42%
Gozon Foundation, Inc.	5,144,361	0.15%
Gilberto R. Duavit, Jr.	4,007,005	0.12%
Ismael Gozon	2,814,900	0.08%
Miguel Enrique Singson Roa	2,566,400	0.08%
Luisito C. Cirineo	1,750,500	0.05%
Jose Mari L. Chan	1,315,900	0.04%
Felipe S. Yalong	1,025,000	0.03%
Alberto Tio Ong	1,000,000	0.03%
Judith Duavit Vazquez	588,000	0.02%
Anna Teresa G. Abrogar	529,000	0.02%
Jose P. Marcelo	501,498	0.01%
Jaime Javier Gana and/or Ma. Erlinda G. Gana	444,900	0.01%

The following are the top 20 holders of the Company's preferred shares as of March 31, 2016:

Group Management & Development Inc. FLG Management & Development Corp. M.A. Jimenez Enterprises Television International Corp. Gozon Development Corp. Gozon Foundation Inc. Alegria F. Sibal Jose P. Marcelo Sotero H. Laurel Nita Laurel Yupangco Jose C. Laurel V Juan Miguel Laurel Susana Laurel-Delgado Ma. Asuncion Laurel-Uichico Horacio P. Borromeo Francis F. Obana Eduardo Morato Antonio Gomez Jose N. Morales	2,625,805,308 2,181,898,644 1,508,978,826 1,111,661,610 46,245,306 15,020,670 2,623,806 1,203,594 830,706 830,706 830,706 830,706 830,706 830,706 830,706 830,706 30,420 30,420 30,420 30,420	35.0130% 29.0939% 20.1210% 14.8231% 0.6166% 0.2003% 0.0350% 0.0160% 0.0111% 0.0111% 0.0111% 0.0111% 0.0111% 0.0111% 0.0105% 0.0005% 0.0004% 0.0004%

The information presented does not relate to an acquisition, business combination or other reorganization.

Dividend Information

Dividends shall be declared only from the surplus profits of the corporation and shall be payable at such times and in such amounts as the Board of Directors shall determine, either in cash, shares or property of the Company, or a combination of the three, as said Board of Directors shall determine. The declaration of stock dividends, however, is subject to the approval of at least two-thirds of the outstanding capital stock. No dividend which will impair the capital of the Company shall be declared. The Company has no contractual restrictions which would limit its ability to declare any dividend.

Dividend History of the Company

. , , , ,	ary 17, 2005 Cash and Property
2005 P3,000,000,000.0 Octobe 2006 P1,150,000,000.0 June 2007 P1,500,000,000.0 March 2007 P1,500,000,000.0 April 2 2007 P1,000,000,000.0 July 2 2008 P1,214,163,001.0 May 2 2009 P1,701,069,453.0 April 2 2010 P2,187,089,296.56 March 2010 P1,215,049,069.20 Octobe 2011 P2,187,089,296.56 March 2012 P1,944,079,375 April 2 2013 P1,215,049,609 March 2014 P1,312,253,577 April 2 2015 P1,215,049,609.20 March	er 11, 2005 er 11, 2005 Stock Cash and Property 19, 2007 Cash 6, 2007 Cash 1, 2008 Cash 2009 Cash 25, 2010 Cash 11, 2011 Cash 6, 2012 Cash 21, 2013 Cash 22, 2014 Cash Cash Cash Cash Cash Cash Cash Cash

The Company's Board of Directors has approved a dividend policy which will entitle holders of the Common Shares to receive annual cash dividends equivalent to a minimum of 50% of the prior year's net income based on the recommendation of the Board of Directors. Such recommendation will take into consideration factors such as the implementation of business plans, operating expenses, budgets, funding for new investments, appropriate reserves and working capital, among others. The cash dividend policy may be changed by the Company's Board of Directors at any time.

Recent Sales of Unregistered or Exempt Securities

No sale of unregistered or exempt securities of the Company has occurred within the past three years.

VI. CORPORATE GOVERNANCE

GMA Network, Inc. is committed to the principles of good governance and recognizes their importance in safeguarding shareholders' interests and in enhancing shareholder value. The Company has adopted a Revised Manual on Corporate Governance to institutionalize the Company's adherence to these principles. This Revised Manual clearly sets out the principles of good management and defines the specific responsibilities of the Board, the Board Committees, and management within the over-all governance framework.

The Revised Manual conforms to the requirements of the Philippine Securities and Exchange Commission and covers policies, among others:

(a) independent directors, (b) key board committees (e.g. Executive Committee, Nomination Committee, Audit and Risk Management Committee, Compensation and Remuneration Committee); (c) independent auditors, (d) internal audit, (e) disclosure system of company's governance policies, (f) stockholder rights, (g) monitoring and assessment, and (h) penalties for non-compliance.

The Board of Directors, led by the Chairman, Atty. Felipe L. Gozon, strongly advocates accountability, transparency and integrity in all aspects of the business and commits themselves to the best practices of governance in the pursuit of the Company's Mission and Vision.

To ensure adherence to corporate governance, the Board designated a Compliance Officer who is also the Company's Corporate Secretary and Vice-President, Roberto O. Parel. The Compliance Officer is responsible for monitoring compliance by the Company with the provisions and requirements of good corporate governance.

Based on the Revised Manual on Corporate Governance Manual dated July 31, 2014 as well as the Company's Annual Corporate Governance Report for 2015 filed with the Securities and Exchange Commission, there have been no deviations from the Company's Manual as of date.

Board of Directors

Compliance with the principles of good governance starts with the Company's Board of Directors. The Board is responsible for oversight of the business, determination of the company's long- term strategy and objectives, and management of the company's risks by ensuring the company's internal controls and procedures are observed. The Board of Directors ensures a high standard of governance, and promotes and protects the interests of the Company, its stockholders and other stakeholders.

The Board consists of nine directors, two of whom are independent directors. All nine members of the Board have the expertise, professional experience and background that allow a thorough discussion and deliberation of issues and matters affecting the Company.

The two independent directors – former Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya – have no relationship with the Company, which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

The Board comprises the following members:

Name	Position
Felipe L. Gozon	Chairman and CEO
Gilberto R. Duavit, Jr.	President and COO
Anna Teresa M. Gozon	Director
Joel Marcelo G. Jimenez	Director
Gilberto M. Duavit	Director
Laura J. Westfall	Director
Felipe S. Yalong	Director
Artemio V. Panganiban	Independent Director
Jaime C. Laya	Independent Director

Board Performance

Directors attend regular meetings of the Board, which are held every quarter and other times as necessary, and the Annual Stockholders' Meeting (ASM). In its meetings, the Board reviews the performance of the Company and its subsidiaries, approves plans, budgets and financial statements, sets policies and guidelines for management, and discusses matters requiring Board attention and approval. The Board met five (5) times in 2016. The attendance of the individual directors at these meetings is duly recorded as follows:

Director's Name	Regular a Meetings	nd Special
	Present	Absent
Felipe L. Gozon	5	0
Gilberto R. Duavit,Jr.	5	0
Joel Marcelo G. Jimenez	5	0
Felipe S. Yalong	5	0
Anna Teresa M. Gozon	5	0
Michael John R. Duavit ¹¹	3	. 0
Laura J. Westfall	5	0
Artemio V. Panganiban	5	0
Jaime C. Laya	5	0

All directors have individually complied with the SEC's minimum attendance requirement of 50%.

¹¹ Resigned as Director on June 20, 2016.

The Chairman, Felipe L. Gozon, presided over all the Board meetings for the year. He likewise presided over the Annual Stockholders' Meeting, with all the members of the Board in attendance.

Board Remuneration

The amended by-laws of the Company provides that the Board of Directors shall be entitled to an amount of not more than two and a half percent (2.5%) of the net income after income tax of the corporation during the preceding year and per diems for every board meeting attended. Of the said 2.5%, one percent (1%) shall be distributed equally among the members of the Board of Directors, while the remaining one and a half percent (1.5%) shall be distributed equally among the members of the Executive Committee.

Committees and Meetings of the Board of Directors

Four committees were established to aid in complying with the principles of good governance and address issues requiring the Board's attention:

Executive Committee

The Executive Committee (Excom) consists of three members which includes the Chairman of the Board and CEO Felipe L. Gozon, President and COO Gilberto R. Duavit, Jr. and Director Joel G. Jimenez. Mr. Gilberto R. Duavit, Jr. serves as Chairman of the Committee. It acts on matters delegated to it by the Board of Directors. The Excom acts by a majority vote and in accordance with the authority granted by the Board. All actions of the Excom are reported to the Board for ratification at the meeting immediately following such action.

Nomination Committee

The Nomination Committee is chaired by Felipe L. Gozon and composed of four members that include an independent director in the person of former Chief Justice Artemio V. Panganiban as Vice Chairman, with Gilberto R. Duavit, Jr. and Joel Marcelo G. Jimenez as members. The mission of the Nomination Committee is to provide the shareholders with an independent and objective evaluation and assurance that the membership of the Board of Directors is competent and will foster the long-term success of the Corporation and secure its competitiveness. The Nomination Committee assists the Board of Directors in ensuring that all nominees to the Board of Directors are competent and qualified to be nominated as Director based on internal guidelines. This is to ensure that: (a) there is a proper mix of competent directors that would continuously improve shareholder's value; and, (b) Directors will ensure a high standard of best practices for the Company and its stakeholders.

Compensation and Remuneration Committee

The members of the Compensation and Remuneration Committee are Felipe L. Gozon (Chairman), Former Chief Justice Artemio V. Panganiban (Vice Chairman), with Gilberto R. Duavit, Jr. and Laura J. Westfall as members. The Committee recommends a formal and transparent framework of remuneration and evaluation for the members of the Board of Directors and key executives to enable them to run the Company successfully.

Audit and Risk Management Committee

Audit

The Audit and Risk Management Committee is currently composed of five members: Dr. Jaime C. Laya, (Chairman), former Chief Justice Artemio V. Panganiban (Vice Chairman), Anna Teresa M. Gozon and Ms. Laura J. Westfall. The Audit and Risk Management Committee assists the Board in its fiduciary responsibilities by providing an independent and objective assurance to the Company's management and stakeholders in the continuous improvement of risk management systems, business operations and proper safeguarding and use of the Corporation's resources and assets. The Audit and Risk Management Committee provides a general evaluation and gives assistance in the over-all improvement of the risk management, control, and governance process of the Corporation as designed by Management and provides assurance that these are properly functioning.

The Committee conducts tenders for independent audit services, reviews audit fees and recommends the appointment and fees of the independent auditors to the Board. The Board, in turn, submits the appointment of the independent auditors for approval of the shareholders at the ASM.

The Audit and Risk Management Committee also approves the work plan of the Company's Internal Audit Group, as well as the overall scope and work plan of the independent auditors.

The Audit and Risk Management Committee held seven (7) meetings in 2016 wherein the Committee reviewed and approved, among others, the Company's 2016 Consolidated Audited Financial Statements as prepared by the external auditors.

Risk Management

The GMA Network's Board of Directors and management are mindful of the risks and uncertainties inherent in the business. In the formulation of corporate strategy and business decision-making, potential risks are always taken into account. Necessary steps are taken to minimize, if not eliminate, such risks.

The Audit and Risk Management Committee assists the Board in the oversight of the company's risk management, ensures that it has the proper controls in place, identifies and evaluates significant risk exposures and contributes to the improvement of risk management and control systems.

Both radio and television broadcasting are highly competitive businesses. GMA stations compete for listeners/viewers and advertising revenues within their respective markets directly with other radio and /or television stations, as well as with other media such as cable television and/ or cable radio, newspapers, magazines, the internet, billboard advertising, among others. Audience ratings and market shares are subject to change, and any change in a particular market could have a material adverse effect on the revenue of our stations located in that market.

Considering the potential impact of various risks to the company's ability to deliver quality content across multiple platforms, the Company has established a Programming Committee that deliberates weekly on the programming issues and strategies of the Network. Regular monthly meetings of the Company's officers are also held to discuss plans, operational issues and strategies, implementation of projects and recommendations for improvements.

The Company's financial results are dependent primarily on its ability to generate advertising revenue through rates charged to advertisers. The advertising rates a station is able to charge is affected by many factors, including the ratings of its programs and the general strength of the local and national economies. Generally, advertising declines during periods of economic recession or downturns in the economy. As a result, the Company's revenue is likely to be adversely affected during such periods.

Management, being accountable to the Board, also prepares financial statements in a timely manner in accordance with generally accepted accounting standards in the Philippines. Management's statement of responsibility with regards to the Company's financial statements is included in this annual report.

The consolidated financial statements of GMA Network and its subsidiaries have been prepared in accordance with Philippine Financial Reporting Standards which are aligned with International Financial Reporting Standards. The financial statements are audited by external auditors and reviewed by the Audit and Risk Management Committee (with the support of the Internal Audit Group) to ensure that they fairly present, in all material respects, the financial position and results of the Company's operations before these are presented to the Board of Directors for approval.

The Board is responsible for presenting a clear, balanced and comprehensive assessment of the Company's financial position, performance and prospects each time it makes available its quarterly and annual financial statements to the public.

Management

The Chairman of the Board and Chief Executive Officer is Felipe L. Gozon, while Gilberto R. Duavit, Jr. holds the position of President and Chief Operating Officer.

The CEO is accountable to the Board for the development and recommendation of strategies and the execution of strategic directions set by the Board, while the COO is responsible for the day-to-day management of the Company and the implementation of the directives provided by the CEO and the Board's policies and decisions. Both the CEO and COO are guided by the Company's Mission, Vision, and Core Values.

Management regularly provides the Board with complete and accurate information on the operations and affairs of the Company.

Employee Relations

Employees are provided an employee handbook which contains the policies and guidelines for the duties and responsibilities of an employee of GMA Network, Inc. The Handbook also details the benefits and privileges accruing to all regular employees.

The News and Public Affairs Ethics Manual, on the other hand, sets the standards and rules on how News and Public Affairs personnel should conduct themselves at work.

Through an external newsletter and the intranet facilitated by the Corporate Affairs Division, employees are updated on material developments in the organization.

The Company also provides training programs and seminars for career advancement and development. The Company has also initiated activities centered on the safety, health and welfare of its employees.

Prompt Disclosures and Timely Reporting

GMA Network, Inc. adheres to a high level of corporate disclosure and transparency regarding the company's financial condition and state of corporate governance on a regular basis. Through the Investor Relations and Compliance Division (IRCD), shareholders are provided disclosures, announcements and periodic reports filed with the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange. These are also available on line through the Company's Investor Relations website www.gmanetwork.com/corporate/ir.

The Company, through the IRCD, holds regular Analysts' and Investors' briefings that are attended by the Company's Chief Executive Officer, Chief Operating Officer, Chief Finance Officer as well as other high ranking officers. Meetings with Fund Managers, Investment, Financial and Research Analysts are likewise handled by the IRCD.

Consolidated audited financial statements are submitted to the SEC on or before the prescribed period and distributed to the shareholders prior to the ASM.

The financial soundness indicators that the Company monitors are the following:

Key Performance Indicators	2016 (In millions PhP)	2015 (in millions PhP)	ind(Dec) (in millions PhP)	%
Revenues Airtime revenues Cash operating expenses EBITDA Net income before tax Net income after tax	16,673,4	13,727.1	2,946.3	21%
	15,131,5	12,380.7	2,760.8	22%
	9,994,9	9,160.8	834.1	9%
	6,778.0	4,638.6	2,139.4	46%
	5,207.8	3,036.2	2,171.7	72%
	3,646.6	2,125.8	1,520.8	72%

	2016	2015	Inc/(Dec)	%
- 1 - 12 -	2.88	2.24	0.64	29%
Current ratio	1.54	1,59	(0.05)	-3%
Asset-to-Equity ratio	0.06	0.13	(0.07)	-51%
Debt-to-Equity ratio	307.66	75.57	232.09	307%
Interest Rate Coverage ratio	61%	57%	0.03	6%
Gross Profit margin	41%	34%	0.07	20%
EBITDA margin	22%	15%	0.06	41%
lNet income margin	22.79	1012		

CERTIFICATION

THIS IS TO CERTIFY that in compliance with Article 9(B) of the 1987 Philippine Constitution, none of the Directors, Independent Directors and Officers of GMA Network, Inc. are elected as public servants and or appointed in any government agency, local or foreign, without authority of law.

Issued this 7th day of April 2017.

ROBERTO O. PAREL Compliance Officer GMA Network, Inc.

CERTIFICATION OF INDEPENDENT DIRECTOR

- I, ARTEMIO V. PANGANIBAN, Filipino, of legal age and a resident of 1203 Acacia Street, Damariñas Village, Makati City, after having been duly sworn to in accordance with law, do hereby declare that:
- I am a nominee for independent director of GMA NETWORK, INC. and have been its independent director since 2007;
- 2. I am affiliated with the following listed companies or organizations:

Company/Organization	Position/ Relationship	Period of Service
		2007 - present
First Philippine Holdings Corporation	Independent Director	<u> </u>
Metro Pacific Investments Corporation	Independent Director	2007 - present
Manila Electric Company	Independent Director	2008 - present
Robinsons Land Corporation	Independent Director	2008 - present
GMA Holdings, Inc.	Independent Director	2009 - present
Petron Corporation	Independent Director	2010 - present
Asian Terminals, Inc.	Independent Director	2010 - present
Philippine Long Distance Tel. Co.	Independent Director	2013 - present
Jollibee Foods Corporation	Non-Executive Director	2012 - present
	Senior Adviser	2007 - present
Metropolitan Bank & Trust Company	Adviser	2014 - present
Double Dragon Properties Corporation	7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	0040
Bank of the Philippine Islands	Member, Advisory Council	<u></u>
(For my full bio-data, log on to n	ny personal website: cjpangan	iban.com)

- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of GMA NETWORK, INC., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
- 4. To the best of my knowledge, I am not related to any director/officer/substantial shareholder of GMA NETWORK, INC. and its subsidiaries and affiliates.
- 5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
- To the best of my knowledge, I am neither an officer nor an employee of any government agency or government-owned and controlled corporation.
- 7. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC Issuances.
- 8. I shall inform the Corporate Secretary of GMA NETWORK, INC., of any changes in the above-mentioned information within five (5) days from its occurrence.

MAR 3 0 200%

Done this ____ day of March, 2017 at Makati City.

ARTEMIO V. PANGANIBAN Affiant

MAR 3 0 2017.

SUBSCRIBED AND SWORN to before me this _____ day of March 2017 at Makati City, affiant personally appeared before me and exhibited to me his Diplomatic Passport Number DE0013400 issued on December 15, 2015 by the DFA, Manila and will expire on December 14, 2020.

Doc. No. Page No. Book No. Series of 2017.

ATTY. YRGILIO R. BATALLA

NOTARY PUBLIC FOR MAKATI CITY

APPT. NO. M-88

UNTIL DEC. 31, 2018

ROLL OF ATTY, NO. 48348

MCLE COMPLIANCE NO. IV-0016893-4/10/13 LB.P O.R No. 705762, LIFETIME MEMBER JAN 29,2007

PTR No. 590-90-82 JAN.3, 2017 EXECUTIVE BLDG, CENTER

MAKATI AVE. COR., JUPITER ST. MAKATI CITY

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Jaime C. Laya, Filipino, of legal age and a resident of 11 Panay Avenue, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

- I am a nominee for independent director of GMA Network, Inc. and have been its independent director since 2007.
- 2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporation):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
See attached		
		·

- 3. I possess all the qualification and none of the disqualifications to serve as an Independent Director of GMA Network, Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
- 4. I am related to the following director/officer/substantial shareholder of GMA Network, Inc. and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable).

NAME OF DIRECTOR/ OFFICER/ SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
None		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
None		

- 6. I have the required written or consent from the President of the Cultural Center of the Philippines to be an independent director in GMA Network, Inc. pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
- 7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its implementing Rules and Regulations, Code of Corporate Governance and other SEC Issuances.
- 8. I shall inform the Corporate Secretary of GMA Network, Inc. of any changes in the abovementioned information within five days from its occurrence.

Done, this 27th day of March, 2017 at Makati City MAR 3 0 2017

MAR 3 0 2017
SUBSCRIBED AND SWORN to before me this 27th day of March, 2017 at Makati City, affiant personally appeared before me and exhibited to me his Philippine Passport No. EC3123727 issued at Manila on 7 January 2015.

Doc. No. Page No. Book No. Series of 2017. NOTARY PUBLIC FOX MAKATI CITY

ROLL OF ATTY, NO. 48348

MCLE COMPLIANCE NO. TV-0016333-1/10/13 I.B.P O.R No. 705762, LIFETIME MEMBER JAN 29,2007

PTR No. 590-90-82 JAN.3, 2017 EXECUTIVE 8LDG. CENTER MAKATI AVE. COR., JUPITER ST. MAKATI CITY

JAIME C. LAYA, Ph.D.

March 27, 2017

Chairman and President - Philippine Trust Company (Philtrust Bank)

Chairman - Escuela Taller de Filipinas Foundation, Inc., Don Norberto Ty Foundation, Inc.

Independent Director, Philippine AXA Life Insurance Co., Inc., GMA Network, Inc., GMA Holdings, Inc.,

Ayala Land, Inc., Manila Water Company, Inc., Charter Ping An Insurance Corporation

Trustee, Cultural Center of the Philippines, St. Paul University -- Quezon City, Metropolitan Museum of Manila, Yuchengco Museum, Ayala Foundation, Inc., and others

Director, Various family corporations

Columnist, Manila Bulletin

Past Positions - Government

Minister of Education, Culture and Sports and Chairman, University of the Philippines and other state universities and colleges, 1984-86

Minister of the Budget, 1975-81

Chairman of the Monetary Board and Governor, Central Bank of the Philippines, 1981-84

Chairman, National Commission for Culture and the Arts, 1996-2001

Professor of Business Administration and Dean, College of Business Administration, University of the

Philippines, 1957-78 Action Officer, Intramuros Administration (old city restoration project), 1979-86

Recent Past Positions - Private Sector

Founder and Chairman, Laya Mananghaya & Co., Certified Public Accountants and Management Consultants (Member, KPMG International), 1986-2004.

Director and Trustee of various organizations - Manila Polo Club, Bankers Association of the Philippines, Association of Certified Public Accountants in Private Practice, and others

Education

B.S.B.A. (accounting; magna cum laude), University of the Philippines, 1957 M.S. (industrial management), Georgia Institute of Technology, 1961 Ph.D. (financial management), Stanford University, 1966

Honors

Orden del Mérito Civil (rank of Encomienda de Número), Spain, 2014 Distinguished Achievement Award, Philippine Institute of Certified Public Accountants, 2008 Lifetime Achievement Award, Association of Certified Public Accountants in Public Practice, 2007 Doctor of Laws (honoris causa), Philippine Womens' University, 1983 Doctor of Humanities (honoris causa), Mindanao State University, 1980 Outstanding CPA in Government, Philippine Institute of Certified Public Accountants, 1979 Ten Outstanding Young Men (TOYM) Awardee (Business Education), 1967

Professional Qualification

Certified Public Accountant, 1957 examination (8th place)

Personal Information

Born January 8, 1939

Cultural Center of the Philippines

March 15, 2017

SECURITIES AND EXCHANGE COMMISSION SEC Building, EDSA, Greenfills, Mandaleyong City, Philipphaes

Aftention

Mr. Vicente Graciano A. Felizmenio, fr.

Director, Markets and Securides Regulation Department

Suljeci

Consent to the Nomination and Election of Dr. Jalme C. Laya

As independent Director for the following companies:

a. Mania Water Company, Inc.

b. GMA Network, Inc., c. GMA Holdings, Inc.

d. Ayala land, Inc.

Ganilemen:

With respect to the nomination of Dr. Jaime C. Laya, a Member of the Board of Trustees of the Cultural Center of the Philippines ("CCP"), to serve as independent director of Manila Water Company, Inc. ("MWC"), GMA Network, Inc., GMA Holdings, Inc., and Ayala Land Inc., please be advised that the CCP interposes no objection to the nomination and election of Dr. Laya'in the above-mentioned Boards.

Thank you.

ALUE NA STANICO, Ph.D

President