

MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF
GMA HOLDINGS, INC.

Held at the Balducci Ristorrante & Deli
Serendra, Bonifacio High Street,
Fort Bonifacio Global City, Taguig City
May 27, 2011

STOCKHOLDERS PRESENT:

| | |
|-------------------------|--------------|
| Felipe L. Gozon | 33.3% |
| Joel Marcelo G. Jimenez | 33.3 |
| Jaime C. Laya | .0 |
| TOTAL | 66.6% |

OTHERS PRESENT:

Roberto O. Parel
Anna-Teresa M. Gozon-Abrogar
Ronaldo P. Mastrili
Ari P. Chio
Paul Erik D. Manalo
Maria Estelita B. Arles
Clairma T. Mangangey Partner, Sycip Gorres Velayo & Co.

I. CALL TO ORDER

The Chairman of the meeting, Atty. Felipe L. Gozon, called the meeting to order at 10:19 a.m. Atty. Anna-Teresa M. Gozon-Abrogar, acted as the secretary and recorded the minutes.

II. CERTIFICATION AND NOTICE OF QUORUM

The Corporate Secretary reported that the notices of the meeting were duly sent to all the stockholders in accordance with the By-Laws of the Company and that 99% of the total issued and outstanding common stock were present. A quorum existed therefore, for the transaction of business.

III. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS MEETING HELD ON MAY 28, 2010

The Chairman stated that the first item in the order of business was the approval of the minutes of the Annual Stockholders' Meeting held on May 28, 2010.

After some discussion, and after motion duly made and seconded, the following resolution was unanimously approved:

"RESOLVED, That the Minutes of the Stockholders Meeting held on May 28, 2010 are hereby APPROVED."

IV. REPORT OF THE PRESIDENT

The Chairman, Atty. Felipe L. Gozon, on behalf of the President, proceeded to give a brief report on the Company as follows:

The Chairman stated that the Philippine economy soared to 7.3% in the year 2010, driven by election related stimuli. There was a growth of 7.9% in the first semester of 2010. The last time the economy experienced such growth was in the first and second quarters of 2004, during which year the Presidential elections were also held.

There was an economic slowdown during the third quarter because of the El Nino phenomenon. However, industry and services sector expanded, and agriculture recovered in the fourth quarter. Thus, the GDP grew by 7.1% in the fourth quarter.

The stock market, on the other hand, continued its upward trend. It grew by 37% from 2009 to 2010. The crash in the U.S. stock market due to the European debt crisis did not adversely affect the Philippine stock market. The Dow Jones ended the year with 11%. On the other hand, the PDRs (GMAP), increased from P7.19 at the close of 2009 to P7.20 by the end of the year.

There were 21.7M PDRs converted into common shares (GMA7) compared to 22.6M PDRs last year. There were 4.7M shares converted during the first quarter, 8.7M shares converted in the second quarter, and 8.1M shares in the third quarter. There were no transactions noted in the fourth quarter.

In particular respect to GHI, the Company realized revenues of Php 1.08 Million from exercise fees on the above stock conversion, which was lower by 4% than the fees it generated in 2009. Also, interest income was reduced by 23% because the Company paid cash dividends coming from the remaining

undistributed IPO proceeds. Thus, the Company's total revenues were 18% lower compared to last year.

Expenses also went up due to the increase in BSP listing fees, which is based on the market value per share. With revenues decreasing and expenses increasing, the Company's net income for the year was 32% lower than the previous year.

Total assets stood at P77M or 9% lower than last year. On the other hand, the Company's liabilities went down because of the payment of undistributed IPO proceeds.

Despite lower income, the Company was able to distribute to the PDR holders the same cash dividend rate of GMA shares without deduction on the expenses for the holding of those shares by the Company. The Company was able to absorb its operational expenses without charging the PDR (GMAP) holders.

The Chairman thereafter proceeded to report on good governance, stating that the Company continues to fulfill its commitment to provide quality and transparent financial reporting, to adopt best standards of good governance, and to comply with its statutory requirements as a listed company.

The Chairman also expressed appreciation to the members of the Board and to the officers of the Company.

Dr. Laya then moved for the approval of the report of the President.

"RESOLVED, that the President's Report and the Financial Report for the year 2010 are hereby NOTED and APPROVED."

V. ELECTION OF DIRECTORS

The Chairman stated that the next item on the agenda was the election of directors for the ensuing year. The Corporate Secretary reported that the following were nominated and approved by the Nomination Committee:

Felipe L. Gozon
Gilberto R. Duavit, Jr.
Joel Marcelo G. Jimenez
Jaime C. Laya (*Independent Director*)
Artemio V. Panganiban (*Independent Director*)

After motions made and seconded, the following were unanimously declared elected as members of the Board of Directors for the ensuing year until their successors shall have been duly elected:

Felipe L. Gozon
Gilberto R. Duavit, Jr.
Joel Marcelo G. Jimenez
Jaime C. Laya (*Independent Director*)
Artemio V. Panganiban (*Independent Director*)

VI. ELECTION OF THE EXTERNAL AUDITOR

The Chairman stated that the next item on the agenda was the election of an external auditor.

Dr. Laya, the Chairman of the Audit Committee, explained that the Committee has reviewed the performance and the fees of the current external auditor and recommended that Sycip Gorres Velayo & Co. be elected as external auditor.

After motion duly made and seconded, the following resolution was unanimously approved:

“RESOLVED, That the Sycip Gorres Velayo & Co. is elected as external auditor of the Company”

VII. RATIFICATION OF THE ACTS OF THE BOARD FOR THE PREVIOUS YEAR

The Chairman stated that the next item on the agenda was the ratification of the acts of the Board of Directors and Officers for the previous year. The Chairman asked the Corporate Secretary to explain the nature of the acts to be ratified.

The Corporate Secretary explained that the acts of the Board of Directors were all conducted in the ordinary course of business and were reflected in the minutes of the meetings of the Board of Directors.

After hearing no objections, and after motion duly made and seconded, the following resolution was unanimously approved:

"RESOLVED, That the acts of the Board of Directors and Officers of the Company from the date of the last annual stockholders' meeting on May 28, 2010 up to the present are hereby RATIFIED and APPROVED."

VIII. ADJOURNMENT

There being no more items to discuss, the meeting was adjourned at 10:50 a.m.

Prepared By:


ANNA TERESA M. GOZON-ABROGAR
Acting Corporate Secretary

Attested By:


FELIPE L. GOZON
Chairman