

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

Held at the Aubergine Restaurant Patisserie,
32nd and 5th Building, 5th Avenue cor. 32nd Street,
Bonifacio Global, Taguig City
May 31, 2013

PRESENT:

Felipe L. Gozon	33.3%
(represented by Mr. Felipe S. Yalong)	
Gilberto R. Duavit, Jr.	33.3%
(represented by Mr. Felipe S. Yalong)	
Joel Marcelo G. Jimenez	33.3%
Dr. Jaime C. Laya	.0
Chief Justice Artemio V. Panganiban	.0
	99.9%

OTHERS PRESENT:

Maria Estelita B. Arles
Joan R. Cabarrubias-Rumbaoa
Ari P. Chio
Clairma T. Mangangey (Partner, SGV & Co.)
Ronaldo P. Mastrili
Roy G. Sanico
Felipe S. Yalong

I. CALL TO ORDER

The Company's Treasurer, Felipe S. Yalong, Jr.¹ acted as the Chairman and called the meeting to order at 10:00 a.m. Atty. Maria Estelita B. Arles, 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 99.9% of the total issued and outstanding common stock were present. A quorum existed therefore, for the transaction of business.

¹ Authorized to represent Atty. Felipe L. Gozon and Mr. Gilberto R. Duavit pursuant to the attached proxies.

III. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS MEETING HELD ON MAY 25, 2012

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 25, 2012.

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

"RESOLVED, That the Minutes of the Annual Stockholders Meeting held on May 25, 2012 are hereby APPROVED."

III. REPORT OF THE PRESIDENT

In view of the unavailability of the President, Mr. Gilberto R. Duavit, Jr., the acting Chairman requested the Company's Chief Financial Officer and Comptroller, Mr. Ronaldo P. Mastrili to give the report.

Mr. Ronaldo P. Mastrili proceeded to give a brief report on the Company as follows:

The Philippine domestic economy beat market expectations as it expanded 6.6% in 2012 from just 3.7% in 2011. This was primarily driven by the services, trade and the real estate and construction sectors. The growth drivers among others, were the thriving business process outsourcing ("BPO") industry, strong OFW remittance in flows, higher government spending in anticipation of the midterm elections and the increased private sector activities which grew by 8.7% in 2012. In fact, in the third quarter, the Country's GDP surged to 7.1% the highest until the first quarter of this year. The Philippines bested other countries in Asia, trailing behind only China and Mongolia.

There is likewise a boom in local stockmarket as the composite index reached the 5,000 level mark, ending the year at 5,812.7 or an increase of 33%. In comparison the United States' Dow Jones stock performance was up by only 7%. Leading the boom are indices in the financial, property and holding companies sector which were which are highly interrelated as many of the country's holding companies have a command of the financial and property companies engaged development and construction. The Philippines ranked 9th in the Bloomberg, among the Top 10 Gainers of the World's stock markets, ahead of Germany and the second best in Southeast Asia.

Riding the bandwagon was GMA's PDRs which gained 43% from Php 6.50 at the close of the year 2011 to Php 9.32 by the end of 2012. The share price actually rose to as high as Php 10.50, during the second quarter perhaps due to speculations of PLDT's interest to buy into GMA. However, even after the speculations the share price is still sustained by the Company up to the present.

The performance of the PDRs is identical to that of GMA common shares. That is why a total of Php 4.45 million PDRs were converted into common shares (GMA7) in 2012 compared to none converted in the previous year.

GMA Holding's revenues for 2012 amounted to Php 1.91 million, 3% lower than last year's, Php 1.97 million. This was due primarily to lower interest income rates this year, as interest rates on placements were lower compared to the previous year. That is despite the Php 222,000 exercise fees arising from the conversion of the 4,451,200 PDRs to Common Shares in 2012.

Operating expenses in 2012 also decreased to Php 1.10 million this year vs. Php 1.27 million in the previous year. This was the direct result of the lower listing fees which went down from Php 135,000 to Php 560,000 primarily due to lower market cap in the previous year. Thus, the Company posted a pre-tax income of Php 811,000, 16% higher than last year's Php 702,000. However, the Company ended the year, with the net income after tax of only P13 thousand, compared to Php 688,000 last year, primarily because of the reversal of the deferred income tax.

The Company's Total Assets stood at Php 48 million or 5% lower than last year's Php 51 million, primarily due to payment of cash dividends to GHI's stockholders. The Company's liabilities slightly increased to Php 47.75 million due to the accrual of professional fees for corporate housekeeping.

Despite the lower income, the Company was still able to distribute the same cash dividend rate of GMA common shares at P0.25/share per PDR holder as of April 17, 2013 record date. This was undiminished by operational expenses which were fully covered by the Company's generated revenues from the previous year.

The Company continues to provide commitment to quality financial reporting, to adopt best standards of corporate governance, to comply with statutory requirements as a listed company and to support the initiatives of GMA Network in improving the market value of stocks.

In closing, Mr. Mastrili thanked the Board of Directors and GMA officers for their continued counsel and unselfish support during the past year.

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

"RESOLVED, that the President's Report and the Financial Report for the year 2012 are hereby NOTED and APPROVED."

IV. 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 25, 2012 up to the present are hereby RATIFIED 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
 DR. JAIME C. LAYA (*Independent Director*)
 CHIEF JUSTICE 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
 DR. JAIME C. LAYA (*Independent Director*)
 CHIEF JUSTICE 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.

Mr. Yalong, explained that the Company 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. ADJOURNMENT

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

Prepared By:



MARIA ESTELITA B. ARLES
Acting Corporate Secretary

Attested By:

FELIPE S. YALONG
Acting Chairman of the Meeting

Noted By:



FELIPE L. GOZON
Chairman



ANNA TERESA M. GOZON-ABROGAR
Corporate Secretary