

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **April 30, 2012**

Date of Report (Date of earliest event reported)

5213

2. SEC Identification Number

000-917-916

3. BIR Tax Identification No.

4. **GMA NETWORK, INC.**

Exact name of issuer as specified in its charter

5. **PHILIPPINES**..... 6.

(SEC Use Only)

Province, country or other jurisdiction of
incorporation

Industry Classification Code:

7. **GMA Network Center, Timog Avenue corner EDSA, Diliman QC**

Address of principal office

Postal Code

8. **(632) 9827777**

Issuer's telephone number, including area code

9. **NOT APPLICABLE**

Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class of Securities

Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding

Common Stock

3,361,047,000

Preferred Stock

7,499,507,184

11. Indicate the item numbers reported herein:

ITEM 9. OTHER MATTERS:

GMA Network refutes claims in Winston Marbella's article

GMA Network President and COO Gilberto R. Duavit, Jr. refutes claims made in the article by Winston Marbella, "*Networks shakedown rocks industry*," published in the Philippine Daily Inquirer on April 27. The article made loose claims and implied that broadcast television is a "sunset" industry.

First, Duavit was clearly misquoted as saying, "that is not to say that *GMA-7 will not be sold*."

In stark contrast, Duavit has repeatedly said that "GMA-7 is not for sale...but that is not to say that GMA may not be sold, depending on the offer price." To date, GMA is not in serious negotiations with the Philippine Long Distance Telephone (PLDT) Group.

Second, Mr. Marbella, in his article limits 100 percent of GMA-7 to an amount that is based on the share trading price and the total number of listed shares in the stock exchange. This is patently incorrect.

According to Duavit, it should be noted that 30.86 percent of the Company's stock in the form of preferred shares are not listed in the stock exchange. The said preferred shares have been the subject of disclosures to the Philippine Stock Exchange and Securities and Exchange Commission.

Third, GMA's increased spending was not solely "driven by competitive pressures," which Mr. Marbella's article appears to imply. Duavit points out that GMA's increased programming spending in 2011 was a deliberate and conscious investment made by the Company to attain the objective of dominating the national ratings, the benefits of which are obvious.

Despite the clear insinuations in Mr. Marbella's article that broadcast is a "sunset" industry, Duavit pointed that the cutbacks in ad spend by some major advertisers last year were brought about by the economic crises in both the US and Europe. As early as February 2012, 85 percent of GMA's total ad revenue target for the year had already been secured by advertiser commitments.

Fourth, Mr. Marbella stated in his article that adopting high definition (HD) television (TV) requires massive capital input. Duavit said that this is untrue. From the standpoint of the broadcaster, the single largest investment would be the transmitter network, which, based on known costs is neither prohibitive nor massive. In fact, a digital transmitter network would be less costly to maintain and operate, and as a whole, is far more efficient than its analog equivalent.

While it may be true that HD TV has begun to proliferate in the first world TV markets, Duavit noted that the adoption of HD TV in the Philippines is more a matter of practicality than a hurdle for GMA because it would require or presume that Philippine television households already have HD TV sets, which we all know are limited in number to an insignificant percentage of viewing households simply because of the cost of these sets.

While it is not inconceivable that a significant number of television viewing homes may have HD TV sets in the distant future, this early, GMA-7 has already made and continues to make the necessary investments towards Digital TV, short of the transmitter network for reasons previously stated.

Duavit took strong exception to the closing statement of Mr. Marbella, which seems to imply that GMA is anything less than a big player in the industry. "We lead in the national ratings. Moreover, we are and continue to be the most profitable broadcast network in the country and our profit margins and operational efficiencies are second to none," Duavit said.

Further, it is not unknown that GMA is devoid of any long-term debt and continues to grow its business revenue in other areas outside of conventional television advertising, most notably through its international channels.

"If ours were a 'sunset' business as Mr. Marbella implies, then the question is why certain amounts attributed to the value of our company are such, and why TV5 is spending billions building its infrastructure, pirating talents, and taking losses just to gain a foothold," Duavit said.

Duavit also reacted to the closing sentence in Mr. Marbella's article that said "it would be prudent for GMA-7 to start preparing while the price is right." Mr. Marbella evidently has his own conclusion or idea of what GMA Network as a company is worth. "We are fortunate that we do not have him as a financial adviser," Duavit said.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GMA NETWORK, INC.

April 30, 2012

Issuer

Date

By:



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