



October 21, 2011

THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange, Inc.
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. JANET A. ENCARNACION**
Head, Disclosure Department

Ladies and Gentlemen:

Re: Share Purchase Agreement with San Miguel Equity Securities, Inc.

This is in response to your letter dated October 20, 2011 requesting for additional information from ISM Communications Corporation ("ISM" or the "Company") regarding the above-captioned matter.

The Company decided to complete its divestment in the telecommunications industry to enable it to channel its resources to support its recent investment in the Philippine Bank of Communications. With this divestment, the Company can now focus on the banking business.

The Company sold its remaining 37.7% stake in ETPI, which consisted of a total of 9,800,555 Class "A" common shares of ETPI (the "Sale Shares") for a total consideration of Php1,507,777,692.00. The consideration is based on the existing business of ETPI. Title to and ownership of the Sale Shares conveyed to the Buyer as of the execution of the Share Purchase Agreement.

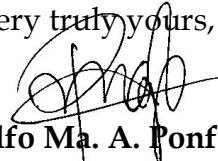
There is no material relationship between the Company and the Buyer. Neither is there a material relationship between their respective directors/officers or any of their affiliates except that the Company's Chairman and CEO, Mr. Roberto V. Ongpin, as well as President, Mr. Eric O. Recto, are both members of the Board of Directors of San Miguel Corporation (the parent company of the Buyer).

There is no material effect on the financial condition and operations of the Company.

Aside from the foregoing, there is no other material information which the company believes is necessary to enable an investor to make an informed investment decision in dealing with the Company's securities.

We trust that you find the foregoing in order.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Rodolfo Ma. A. Ponferrada', written over the printed name below.

Rodolfo Ma. A. Ponferrada
Corporate Information Officer