



16 November 2011

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Tower 1
PSE Plaza, Ayala Triangle
Ayala Avenue, Makati City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Ladies and Gentlemen:

Re: Acquisition of Controlling Interest in the Philippine Bank of Communications

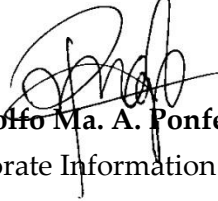
Further to the disclosure made on 26 July 2011, ISM COMMUNICATIONS CORPORATION (the "Company") wishes to inform the Philippine Stock Exchange that yesterday afternoon it received a letter from the *Bangko Sentral ng Pilipinas* dated 15 November 2011 informing Mr. Roberto V. Ongpin that the Monetary Board ("MB") has approved the acquisition by a group of investors led by the Company, Mr. Roberto V. Ongpin (in trust for Compact Holdings, Inc.) and Mr. Eric O. Recto (the "**Ongpin Group**") of a controlling interest in the Philippine Bank of Communications (the "Bank").

On 26 July 2011, a Memorandum of Agreement ("MOA") was signed among the three major shareholders of the Bank namely, the Chung, Luy and Nubla Groups (the "Selling Shareholders") and the Ongpin Group, which was earlier selected by the Selling Shareholders to be the Bank's Strategic Third Party Investor ("STPI"). The MOA involves the sale by the Selling Shareholders of their entire stake (the "Sale Shares") in the Bank, representing at approximately **97.28%** of the Bank's outstanding capital, for a total consideration of **Php4,681,316,107.24** to the Ongpin Group, subject to regulatory approvals.

On 7 September 2011, the Philippine Deposit Insurance Corporation confirmed the selection of the Company, Mr. Roberto V. Ongpin and Mr. Eric O. Recto as the qualified STPI for the Bank. The MB approval completes the regulatory approvals required before the transaction may be consummated. The parties to the MOA shall endeavor to transact the Sale Shares through the facilities of the Exchange as soon as possible.

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 and title.

Rodolfo Ma. A. Ponferrada
Corporate Information Officer