



May 2, 2018

DISCLOSURE DEPARTMENT
PHILIPPINE STOCK EXCHANGE, INC.
6th Floor PSE Tower
28th Street corner 5th Avenue
Bonifacio Global City
Taguig City

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

Ladies and Gentlemen:

ISM Communications Corporation (ISM) wishes to inform the Exchange that, at a meeting held today by its Board of Directors, the Board approved the sale of 560,000,000 treasury shares (the "Sale Shares") to its wholly-owned subsidiary, ISM Equities Corporation (ISMEC), at a price of Php1.00 per Sale Share. This transaction is meant to give ISM flexibility to restructure its capital position more easily to address potential investment opportunities.

After an evaluation of ISM's current financial position, the Board also extended management's mandate to continue to pursue investment opportunities. However, the Board also directed management to consider the declaration of cash dividends considering, among other things, the retained earnings position of the company as a result of the restructuring of the company's capital position.

ISM will proceed to implement the said sale and will update the Exchange and the public of any developments on this matter.

We trust that you find the foregoing in order.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Jovita D.S. Larrazabal', is written over a circular blue stamp.

Jovita D.S. Larrazabal
Corporate Secretary