



DIVIDEND POLICY

MANILA BROADCASTING COMPANY's current dividend policy is to declare and pay dividends taking into consideration the interests of our shareholders as well as our working capital, capital expenditures and debt servicing requirements. We also take into consideration our ability to meet loan covenant requirements in the declaration and payment of dividends. The declaration and payment of dividends in the future will depend upon the earnings, cash flow and financial condition of the Company and other factors affecting the availability of unrestricted retained earnings, as prescribed under the Revised Corporation Code of the Philippines. The retention of earnings is necessary to meet the funding requirement of our business expansion and development programs. Cash dividends are subject to approval by the Company's Board of Directors. Other than the restrictions imposed by the Revised Corporation Code of the Philippines, there is no other restriction that limits the Company's ability to pay dividends on common equity.