



FAR EASTERN UNIVERSITY

July 19, 2011

Disclosure Department
The Philippine Stock Exchange, Inc.
Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City
Fax No. 636-0809

Attn.: Ms. Janet A. Encarnacion
Head

Gentlemen:

Please be informed that the Board of Trustees at its meeting held on July 19, 2011, adopted the following resolutions:

WHEREAS, this Corporation has at present an authorized capital stock of ₱1,000,000,000.00 divided into 10,000,000 shares with a par value of ₱100.00 per share, almost all of which are fully paid, issued and outstanding;

WHEREAS, this Corporation has earned surplus and it is desirable that such surplus be retained by the Corporation as working capital in connection with the expansion of its primary business and, to that end, its authorized capital stock be increased from ₱1,000,000,000.00 to ₱2,000,000,000.00 and a stock dividend of 3,923,379.20 shares with a total par value of ₱392,337,920.00 be declared out of such increase;

NOW, THEREFORE, BE IT RESOLVED, that the authorized capital stock of the Corporation, be and is hereby increased from ₱1,000,000,000.00 divided into 10,000,000 shares with a par value of ₱100.00 per share to ₱2,000,000,000.00 to be divided into 20,000,000 shares with a par value of ₱100.00 per share;

RESOLVED, FURTHER, that the trustees and proper officers be, as they are hereby empowered, authorized and directed to transfer out of the surplus of the Corporation to the capital account thereof the sum of ₱392,337,920.00, thereby increasing the subscribed and capital account of the Corporation and that a stock dividend of ₱392,337,920.00 or 3,923,379.20 shares or 40% be declared and distributed among the stockholders as of record date to be fixed by order of the Securities and

Exchange Commission, in proportion to their respective shareholdings, such dividend to be issued as soon as thereafter as the necessary government permit or authorization shall have been issued;

RESOLVED, FURTHER, That all fractional shares resulting from said stock dividend shall be paid in cash by the Corporation at par value.

RESOLVED, FURTHER, that to reflect the increase in the authorized capital stock of the Corporation, Article Seventh of the Amended Articles of Incorporation be, as it is hereby further amended to read as follows:

SEVENTH: That the capital stock of the Corporation is Two Billion Pesos (₱2,000,000,000.00), Philippine Currency, divided into Twenty Million (20,000,000) shares at the par value of One Hundred Pesos (₱100.00) per share.

RESOLVED, FURTHER, that the trustees and proper officers of this Corporation be, as they are authorized, empowered and directed to do all things necessary to give effect to the foregoing resolutions.

RESOLVED, FINALLY, that the foregoing resolutions be submitted for the consideration and approval of the stockholders of the Corporation at the Annual Stockholders' Meeting scheduled to be held on August 27, 2011.

Very truly yours,

FAR EASTERN UNIVERSITY



ANGELINA P. JOSE
Corporate Secretary

cc: Securities and Exchange Commission
Arsel Development Corporation
File