



FAR EASTERN UNIVERSITY

December 21, 2012

Disclosure Department
The Philippine Stock Exchange, Inc.
Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attn.: Ms. Janet A. Encarnacion
Head

Gentlemen:

Please be informed that Far Eastern University (FEU) obtained a loan from the Bank of the Philippine Islands (BPI) on December 11, 2012 for the purchase of a 1.8 hectare property from Filinvest Alabang, Inc. in line with FEU's expansion in Metro Manila. Below are the loan details:

Loan Amount	:	₱	1,000,000,000.00
Interest Rate	:		3.7895%
Maturity Date	:		December 11, 2017
Next Re-pricing Date	:		March 11, 2013
Other Terms	:		Interest rate repriced quarterly

The above information is to clarify the following article posted in the Manila Bulletin (Internet Edition) on December 20, 2012. The article reported in part that:

“The Far Eastern University, Inc. (FEU), a private non-sectarian educator with primary focus on tertiary learning and houses 30,000 students under its corporate umbrella, signed yesterday a ₱1-Billion 5-year Term Loan Facility with Bank of the Philippine Islands.

The proceeds of the loan will be used partly to finance FEU's expansion in Metro Manila. In November this year, FEU announced its plans to put up a new campus in Alabang, Muntinlupa City to be located in a 1.8 hectare parcel of land in Filinvest Corporate City.”

Thank you.

Very truly yours,

FAR EASTERN UNIVERSITY

A handwritten signature in black ink, appearing to read "A. Jose".

ANGELINA P. JOSE
Corporate Secretary