

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)

May 13, 2016

2. SEC Identification Number

PW538

3. BIR Tax Identification No.

000-225-442

4. Exact name of issuer as specified in its charter

FAR EASTERN UNIVERSITY, INC.

5. Province, country or other jurisdiction of incorporation

Philippines

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

Nicanor Reyes Street, Sampaloc, Manila

Postal Code

-

8. Issuer's telephone number, including area code

(632) 735-8686

9. Former name or former address, if changed since last report

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10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON	16,477,023

11. Indicate the item numbers reported herein

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The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.





Far Eastern University, Incorporated FEU

PSE Disclosure Form 5-1 - Substantial Acquisitions
*References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 and/or Section 5 of the Revised Disclosure Rules*

Subject of the Disclosure

Roosevelt College, Inc. ("RCI")

Background/Description of the Disclosure

Far Eastern University, Inc. ("FEU") has completed its acquisition of 235,427 shares of stock of Roosevelt College, Inc. ("RCI") on 12 May 2016 pursuant to the Share Purchase Agreement dated 12 April 2016 ("SPA") between the Corporation and selling shareholders of RCI. Please see attached correspondence.

Date of Approval by Board of Directors	Apr 12, 2016
Date of Approval by Stockholders	N/A
Other Relevant Regulatory Agency, if applicable	Philippine Competition Commission
Date of Approval by Relevant Regulatory Agency	N/A

Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction

The current student population and facilities complement that of FEU. RCI is primarily basic education while FEU is predominantly tertiary education.

Description of the transaction including the timetable for implementation and related regulatory requirements, if any

Please see attached disclosures on 12 April 2016 and 12 May 2016.

Identities of the parties to the transaction

Name	Nature of Business	Nature of any material relationship with the Issuer, their directors/officers or any of their affiliates
Buyer: Far Eastern University, Inc. Sellers: shareholders of Roosevelt College Inc. constituting up to 99.1% of the outstanding capital stock	Education	N/A

Terms and conditions of the transaction

The nature and amount of consideration (e.g. price per share, the aggregate amount)

- price of P3,433.22475947 per share
- aggregate purchase price of P808,273,805.45 for the shareholders holding 79.72% of the issued and outstanding capital stock of RCI (the "Group A Shareholders"); and an aggregate purchase price of P196,517,785.23 for the heirs of deceased shareholders holding 19.38% of the issued and outstanding capital stock of RCI (the "Group B Shareholders") (subject to their submission of the necessary requirements to effect a sale)

Basis upon which the amount of consideration or value of the transaction was determined

Appraisal value of assets, 83 year old educational heritage and alumni, and educational licenses.

The number of shares to be acquired	235,427 shares of stock for the Group A Shareholders and up to 57,240 shares of stock for the Group B Shareholders
Ratio/percentage to total outstanding capital stock	79.72

Terms of payment

Group A Shareholders

- P402,790,576.46, on April 12, 2016;
- P254,897,796.00 within 30 days from April 12, 2016 (subject to completion of the closing conditions); and
- 10% of the Purchase Price (the "Retention Amount") plus their proportionate share of the identified contingent liabilities ("Contingent Liabilities Retention Amount"), or the net amount of P150,585,432.99 (collectively the "Aggregate Retention Amounts"), less any deductions for indemnification (if any), at the end of 3 years

Group B Shareholders

- 90% of the Purchase Price for the relevant Group B Sale Shares upon submission of the documentary requirements relating to the settlement and distribution of the estate within one (1) year from 12 April 2016 less their pro-rated share of the identified contingent liabilities; and
- 10% of such Purchase Price, plus their pro-rated share of the identified contingent liabilities, shall form part of the Retention Amount and the Contingent Liabilities Retention Amount, respectively, will be delivered, less any deductions for indemnification (if any), at the end of 3 years

Conditions precedent to closing of the transaction, if any

Group A Shareholders

- The Buyer and the Sellers shall have agreed on the terms and the form of the Retention Agreement and the Accession Agreement to the Retention Agreement;
- Removal of expired liens which are annotated in the titles to RCI's properties
- The relevant Group A Shareholders shall have remedied and/or completed all documentary deficiencies

Group B Shareholders

- Delivery by the heirs of the relevant Group B Shareholder of the following:
- Estate Tax Clearances over the relevant Group B Sale Shares;
- deed of extrajudicial settlement of the estate of such Group B Shareholder setting out the distribution of, among others, the latter's Sale Shares and the corresponding affidavit attesting to the publication of such Deed;
- proof of filing of the bond required pursuant to Section 1, Rule 74 of the Rules of Court;
- special power of attorney signed by all the heirs of such Group B Shareholder authorizing a person to sign, execute and deliver the Deed of Absolute Sale, and to receive the sales proceeds from Buyer; and
- stock certificates covering the relevant Group B Sale Shares, duly endorsed at the back by the heirs or their authorized representative.

Description of the company subject of the transaction

Nature and business

RCI is a non-sectarian educational institution which was incorporated in March 1946. It offers primary, secondary, and tertiary education services.

Discussion of major projects and investments

RCI operates five (5) campuses located in Cubao, Marikina, San Mateo, Rodriguez, and Cainta. RCI owns stock in RC-Educational Enterprises Corp. and established, together with members of the board of trustees, the Roosevelt College Foundation Center for Teacher Education and Roosevelt College Scholarship Foundation.

List of subsidiaries and affiliates, with percentage holdings

Name	% Ownership	
Please see attached GIS	-	

Capital structure

Authorized capital stock

Type of Security	Amount	Number of Shares	
Common	50,000,000.00	500,000	

Subscribed Shares

Type of Security	Amount	Number of Shares	
Common	29,533,200.00	295,332	

Paid-Up Capital

Amount	29,533,200.00
Number of Shares	295,332

Issued Shares

Type of Security	Amount	Number of Shares	
Common	29,533,200.00	295,332	

Outstanding Shares

Type of Security	Amount	Number of Shares	
Common	29,533,200.00	295,332	

Par Value

Type of Security	Amount	
100.00	-	

Ownership Structure (including percentage holdings)

Name	Number of Shares	% Ownership	
Please see attached GIS.	-	-	

Board of Directors

Name	(Regular or Independent)	
Please see attached GIS.	-	

Principal Officers

Name	Position/Designation	
Please see attached GIS.	-	

Effect(s)/impact on the business, financial condition and operations of the Issuer

FEU will own 99.42% of the issued and outstanding capital stock of RCI. As part of the transaction, FEU will likewise gain control of RC-Educational Enterprises Corp. and Roosevelt College Foundation Center for Teacher Education and Roosevelt College Scholarship Foundation.

Other Relevant Information

Completion of FEU's acquisition of shares of stock of RCI on 12 May 2016 and decrease in the number of shares purchased and purchase price. Please see amendments in the following: background/description of the disclosure; date of disclosure, percentage of the outstanding capital stock of RCI; nature and amount of consideration; number of shares to be acquired; ratio/percentage to total outstanding capital stock; terms of payment; and conditions precedent to closing of the transaction.

Filed on behalf by:

Name	MA. CRISTINA TALAMPAS
Designation	ADMINISTRATIVE ASSISTANT



FAR EASTERN UNIVERSITY

12 May 2016

Disclosure Department
The Philippine Stock Exchange, Inc.
Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City
Fax No. 636-0809

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
www.feu.edu.ph

Attn.: Ms. Janet A. Encarnacion
Head

Gentlemen:

Please be informed that Far Eastern University, Inc. (the "Corporation") is scheduled to complete its acquisition of 235,427 shares of stock of Roosevelt College, Inc ("RCI") pursuant to the Share Purchase Agreement dated 12 April 2016 ("SPA") between the Corporation and the selling shareholders of RCI. The salient terms of the Share Purchase Agreement were the subject of the disclosure made by the Corporation on 12 April 2016 and PSE Form 5-1 filed with the PSE on 13 April 2016. The number of sale shares was reduced from 236,251 shares to 235,427 shares due to the demise of one of the selling shareholders. The selling price for the 235,427 sale shares amounts to Eight Hundred Eight Million Two Hundred Seventy Three Thousand Eight Hundred Five and 45/100 Pesos (₱808,273,805.45).

In line with the said acquisition and take-over of the management and operations of RCI and its affiliate companies, the Corporation's Board of Trustees has approved resolutions on the following matters:

1. The designation of the following persons to serve on the Board of Trustees of RCI:

Aurelio R. Montinola III
Juan Miguel R. Montinola
Michael M. Alba
Paulino Y. Tan
Robert F. Kuan, Independent
• Juan Miguel Luz, Independent
Edilberto C. de Jesus, Independent

2. The extension of advances to RCI and its affiliate companies, in such amounts, terms and conditions as may be determined by the Corporation's Executive Committee, provided that the aggregate amount of advances outstanding at any given time shall not exceed One Hundred Million Pesos (₱100,000,000.00).

In addition to the foregoing, the Board of Trustees of the Corporation also approved the Corporation's subscription to an additional 750,000 shares of stock of FEU Alabang, at the par value of One Hundred Pesos per share (₱100.00), or an aggregate subscription amount of Seventy Five Million Pesos (₱75,000,000.00). The Corporation's Executive Committee has been vested with the authority to determine the timing, manner, and terms of payment of the said amounts to FEU Alabang.

Please be informed that any correspondence with respect to the foregoing information may be addressed to the following:

Far Eastern University, Inc.:

Address for Notices: Nicanor Reyes St., Sampaloc, Manila
Telephone: +632 7358718 (Direct)
+632 7355621 Loc. 210
Facsimile: +632 7355648
E-mail: rsalcedo@feu.edu.ph
Attention: Rosanna E. Salcedo
Treasurer

Very truly yours,

FAR EASTERN UNIVERSITY


ANGELINA P. JOSE
Corporate Secretary



FAR EASTERN UNIVERSITY

12 April 2016

Disclosure Department
The Philippine Stock Exchange, Inc.
Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City
Fax No. 636-0809

Nicanor Reyes Street
Sampaloc, Manila
P.O. Box 609 Philippines 1015
www.feu.edu.ph

Attn.: Ms. Janet A. Encarnacion
Head

Gentlemen:

Please be informed that on 12 April 2016, Far Eastern University, Inc. (the "Corporation") has entered into a Share Purchase Agreement with certain shareholders of Roosevelt College Inc. ("RCI"), pursuant to which the Corporation will initially acquire 80% of the issued and outstanding capital stock of RCI ("Sale Shares") at an aggregate purchase price of ₱808,483,960.59, with the ability of the Corporation to make further acquisitions in order to own up to 99.42% of the issued and outstanding capital stock of RCI (the "Transaction").

The Transaction was completed following the approval given by the Corporation's Board of Trustees at its special meeting held on 12 April 2016, where it approved, after considering the results of its due diligence review of RCI, to adjust the purchase price from ₱1,250,000,000.00, as disclosed by the Corporation on 12 February 2016, to ₱1,004,791,590.68 (in each case on the basis of an acquisition of 99.42% of the issued and outstanding capital stock of RCI). BDO Group acted as Financial Advisor and Funder to the Corporation on the Transaction.

Under the Share Purchase Agreement, the Corporation and more than one hundred forty (140) selling shareholders constituting eighty percent (80%) of the issued and outstanding capital stock of RCI have agreed to the sale of their shares ("Sale Shares") at a price of ₱3,422.1398453 per share ("Purchase Price Per Share"), or a total of ₱808,483,960.59. The selling shareholders are led by Mr. Romeo dela Paz, RCI President, Engr. Leodegario R. Cruz and Mr. Dante M. Carlos, both members of the RCI board of trustees. Fifty percent of the aggregate purchase price is to be paid upon signing of the Share Purchase Agreement, and an additional ₱253,391,376.99 to be paid within thirty (30) days from signing date, subject to completion of the various conditions to closing. The balance of ₱150,850,603.31 shall be placed in escrow with a bank to be identified by the parties for a period of three (3) years to cover potential liabilities of RCI. The deeds of absolute sale over the said shares, including the transfer of ownership over the Sale Shares and transfer of control over RCI, shall be effected on closing.

Heirs of certain shareholders of record, representing around 18.98% of the issued and outstanding capital of RCI, likewise signed the Share Purchase Agreement, through their respective representatives, by virtue of which they agree to sell their inherited shares at the same Purchase Price

Per Share and terms as the above sale transaction, subject to the submission of the documentary requirements relating to the settlement and distribution of the estate within one (1) year from 12 April 2016.

The Share Purchase Agreement likewise states that the Corporation is willing to purchase additional shares of common stock of RCI from other shareholders at the same Purchase Price Per Share and terms as the Sale Shares, up to a maximum number of shares (inclusive of the Sale Shares and the inherited shares described above) that would result in the Corporation owning up to 99.42% of the issued and outstanding capital stock of RCI.

RCI is a non-sectarian educational institution which was incorporated in March 1946. It offers primary, secondary, and tertiary education services. RCI owns real properties in Cubao, Marikina, both in Metro Manila, as well as in San Mateo, Rodriguez, Cainta and Tanay, all in Rizal. It operates five (5) campuses located in the said locations (except Tanay). RCI owns stock in RC-Educational Enterprises Corp. and established, together with members of the board of trustees, the Roosevelt College Foundation Center for Teacher Education and Roosevelt College Scholarship Foundation. As part of the Transaction, FEU will likewise gain control of the said corporations.

Please be informed that any correspondence with respect to the Transaction may be addressed to the following:

Far Eastern University, Inc.:

Address for Notices: Nicanor Reyes St., Sampaloc, Manila
Telephone: +632 7358718 (Direct)
+632 7355621 Loc. 210
Facsimile: +632 7355648
E-mail: rsalcedo@feu.edu.ph
Attention: Rosanna E. Salcedo
Treasurer

Sellers:

Address for Notices: c/o Roosevelt College, Inc.
Sumulong Highway, Cainta
Province of Rizal
Attention: Romeo de la Paz, Dante M. Carlos, and Leodegario P. Cruz

Very truly yours,

FAR EASTERN UNIVERSITY



ANGELINA P. JOSE
Corporate Secretary