

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
OF CENTRO ESCOLAR UNIVERSITY
HELD AT THE CEU INFORMATION SCIENCE CENTER, MEZZANINE FLOOR
ON JULY 28, 2015 3:00 P.M.**

DIRECTORS PRESENT:

Mr. Basilio C. Yap, Chairman
Dr. Ma. Cristina D. Padolina, Vice-Chairman
Dr. Angel C. Alcala, Director
Dr. Emil Q. Javier, Director
Mr. Benjamin C. Yap, Director
Dr. Emilio C. Yap III, Director
Ms. Corazon M. Tiongco, Director
Dr. Johnny C. Yap, Director

ALSO PRESENT:

Mr. Cesar F. Tan
Atty. Sergio F. Apostol
Atty. Nilo B. Peña
Atty. Maricel C. Miranda

ABSENT:

Dr. Alejandro C. Dizon, Director

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| No. of Shares Present in person or Represented by Proxy | 275,312,386 shares |
| No. of Outstanding Shares | 372,414,400 shares |

I. OPENING PRAYER

Ms. Corazon M. Tiongco led the opening prayer.

II. CALL TO ORDER / NOTICE AND QUORUM

After ascertaining from the Corporate Secretary that notices were properly sent to the stockholders and that a quorum was present, Dr. Ma. Cristina D. Padolina, CEU President and Vice Chairman, called the meeting to order. For records purposes, the proceedings of the stockholders' meeting were tape-recorded.

III. APPROVAL OF THE MINUTES OF JULY 22, 2014

On motion duly seconded, the stockholders unanimously approved the minutes of the annual stockholders' meeting of July 22, 2014.

IV. APPROVAL OF THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

Dr. Padolina presented the highlights of the Annual Report of the Board of Directors. She said that the Chairman's Address is implicit therein. A copy of the annual report is made an integral part of the minutes.

On motion duly seconded, the stockholders unanimously approved the Board of Directors' Annual Report.

V. ELECTION OF DIRECTORS

The President said that the nomination of two (2) independent directors is a mandatory requirement for the University under the Securities Regulation Code and Rule 38 of amended Implementing Rules and Regulations. In compliance therewith, the Board of Directors created a Nomination Committee to nominate the independent directors. The Nomination Committee nominated Dr. Emil Q. Javier and Dr. Angel C. Alcala as independent directors. Therefore, only seven (7) board seats were open for nomination from the floor.

On motion duly seconded, the stockholders unanimously elected the following as directors for fiscal year 2015-2016:

Mr. Basilio C. Yap
Dr. Ma. Cristina D. Padolina
Mr. Benjamin C. Yap
Dr. Alejandro C. Dizon
Dr. Emilio C. Yap III
Ms. Corazon M. Tiongco
Dr. Johnny C. Yap
Dr. Emil Q. Javier (independent director)
Dr. Angel C. Alcala (independent director)

VI. APPOINTMENT OF EXTERNAL AUDITOR

After some discussion, on motion duly seconded, the stockholders unanimously appointed Sycip Gorres Velayo & Co. (SGV) as external auditor.

VII. OTHER MATTERS

1. Ratification of Acts, Transactions and Resolutions of the Board of Directors and Management for Fiscal Year 2014-2015

After some discussions, on motion duly seconded, all acts, transactions and resolutions of the University's Board of Directors and of Management for fiscal year 2014-2015 were duly ratified by the stockholders.

2. Declaration of Cash Dividend

Dr. Padolina announced that in the special Board meeting held on July 28, 2015, the Board declared a cash dividend equivalent to twenty centavos (₱0.20) per share to stockholders of record, as of record date of August 18, 2015 with payment date on September 14, 2015 in the total amount of Seventy Four Million Four Hundred Eighty Two Thousand Eight Hundred Eighty Pesos (₱74,482,880.00)

3. Discussion

A shareholder made a query about the implementation of K to 12 and how will it affect the enrollment of the University.

Dr. Padolina's reply was that implementation of K to 12 will have an impact in the total enrollment and income of the University. CEU will offer senior high school thru its subsidiary Centro Escolar Integrated School, Inc. She assured the shareholder that management is doing its best to mitigate the impact of the K to 12.

VIII. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned. The stockholders were invited to join the Board for some refreshments.

(Sgd.) SERGIO F. APOSTOL
Corporate Secretary

Attested by:

(Sgd.) MA. CRISTINA D. PADOLINA
Vice Chairman