

GRAND PLAZA HOTEL CORPORATION

11 February 2014

Filed Through PSE EDGE

Philippine Stock Exchange, Inc.
4th Floor, Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City

Attention: Janet A. Encarnacion
Head, Disclosure Department

RE: Grand Plaza Hotel Corporation ("Corporation") – Contract of Lease - Rent Increase and Extension / Approval of Record Date

Gentlemen,

Contract of Lease - Rent Increase and Extension

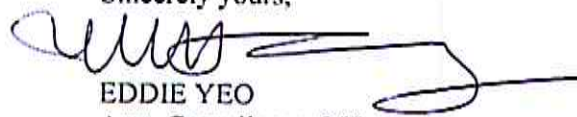
Please be informed that in the meeting of the Corporation's Board of Directors held on 11 February 2014, the Board of Directors approved (i) the extension of the term of the Contract of Lease between Harbour Land Corporation ("HLC") (as Lessor) and the Corporation (as Lessee) ("Lease") for a period of 25 years from 2015 to 2040, and (ii) the authority of the Management of the Corporation to negotiate and approve the increase in the rent to be paid by the Corporation to HLC effective January 2014 and throughout the extended term of the Lease. The Corporation owns 40% of the issued and outstanding capital stock of HLC.

The Lease pertains to the land on which The Heritage Hotel is situated. The current rent is PhP889,880.00 per month for a total of PhP10,678,560.00 per year, and the proposed increased rental is PhP17,797,608.00 per year, plus or minus 5%, or an increase of PhP6,229,167.60 to PhP8,008,928.40 per year, subject to the negotiations between the Management of the Corporation and HLC. The rent increase is based on the increase in the current market value of the land.

Approval of Record Date

Please be informed that in the meeting of the Corporation's Board of Directors held on 11 February 2014, the Board of Directors set 16 April 2014 as the record date for the Corporation's annual stockholders' meeting that is scheduled for 15 May 2014. Only stockholders as of record date will be entitled to notice of, and vote at, the annual stockholders' meeting for 2014.

Sincerely yours,


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Asst. Compliance Officer