





APC GROUP INC.

7 February 2013

**SECURITIES AND EXCHANGE COMMISSION**

Sec Building, EDSA, Greenhills  
Mandaluyong City

Attention: **Atty. Justina F. Callangan**  
Acting Director  
Corporate Finance Department

Re: Disclosure of the Reduction in the Par value of APC Shares

Gentlemen:

This refers to your letter dated January 25, 2013 addressed to APC Group's Inc.'s ("APC" or the "Company") president, Mr. Frederic C. Dybuncio, and received by the company on 6 February 2013, informing the company of its failure to submit SEC Form 17-C disclosing the reduction in the par value of APC shares. We understand that the company is also directed to file the said report within 5 days from receipt of your letter and also to show cause why it should not be held liable for violation of SRC Rule 17.1 (1)(A)(iii).

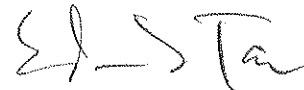
On 19 of December 2012, the Board of Directors of APC duly approved the reduction in the par value of APC shares in order to substantially reduce the capital deficit of the company. At the close of trading on the same day, we promptly disclosed the Board action to the Philippine Stock Exchange ("PSE") through the online ODiSy facility. If we have followed our usual procedure, we would have also submitted our disclosure to the SEC on the next day at the earliest through SEC Form 17-C. However, due to inadvertence and the rush and bustle of the Christmas celebrations, the submission of the SEC Form 17-C was somehow regrettably overlooked. In fact, when we received your letter informing us of our non-filing of the disclosure, we thought we have already filed the same and immediately looked into our records only to find out that we were not able to do so.

In view of the above factual antecedents, we would like to seek your kind indulgence with our assurance that the subject omission is neither intentional nor

deliberate on the part of the company. Rest assured that we will do our utmost care and diligence on similar matter in the future. In compliance with your directive, we also attach to this letter the SEC Form 17-C with respect to the reduction in par value of APC shares.

Thank you very much.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Edmundo L. Tan', written in a cursive style.

**EDMUNDO L. TAN**  
Corporate Secretary

8.1.44/APC/2013 SEC Disclosures/7February 2013 letter to SEC

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. 19 December 2012  
Date of Report (Date of earliest event reported)

2. SEC Identification Number A-S093-008127 3. BIR Tax Identification No. 002-834-075

4. APC GROUP, INC.  
Exact name of issuer as specified in its charter

5. Metro Manila 6.  (SEC Use Only)

Province, country or other jurisdiction of incorporation      Industry Classification Code:

7. 8<sup>th</sup> Floor, PhilCom Building, 8744 Paseo de Roxas, Makati City      1226  
Address of principal office      Postal Code

8. (632) 8450614  
Issuer's telephone number, including area code

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

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
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..... Common Stock	7,511,809,999 shares (As of August 31, 2012)
.....	

11. Indicate the item numbers reported herein: Item 9

**Amendment of Article Seventh of the  
Articles of Incorporation of APC Group, Inc.  
by reducing the par value of its common shares  
from P1.00 to P0.35**

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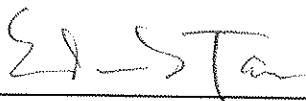
Please be advised that at the meeting of the Board of Directors held on 19 December 2012, the Board approved the amendment of Article Seventh of the Company's Articles of Incorporation by reducing the par value of its Common Shares from ONE PESO (P1.00) per share to THIRTY FIVE CENTAVOS (P0.35). The decrease hereof shall be submitted for approval by the shareholders during its next stockholders' meeting.

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**APC GROUP, INC.**

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Issuer



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Date **7 February 2013**

Signature and Title

**EDMUNDO L. TAN - Corporate Secretary**

\* Print name and title of the signing officer under the signature.