



Euro-Med Laboratories Phil., Inc.

14 May 2010

PHILIPPINE STOCK EXCHANGE
Disclosure Department
PSE Center
Exchange Road
Ortigas Center, Pasig City

Attention : **MS. JANET A. ENCARNACION**
Head, Disclosure Group

Subject : **DECLARATION OF 8.46710895% STOCK DIVIDEND AND INCREASE IN AUTHORIZED CAPITAL**

Dear Ms. Encarnacion,

Please be advised that at the Special Meeting of the Board of Directors of Euro-Med Laboratories Phil., Inc., held today, 14 May 2010, at 5:00 p.m. wherein a quorum was present throughout, the Board unanimously approved the declaration of 8.46710895% stock dividend equivalent to Three Hundred Million Pesos (₱300,000,000.00) stock dividend to be taken from the unrestricted retained earnings of the Corporation as of 31 December 2009 subject to the approval of shareholders at the annual shareholders meeting to be held in 21 July 2010. The Board further approved to increase the authorized capital stock of the Corporation from Three Billion Eight Hundred Million Pesos (₱3,800,000,000.00) to Five Billion Pesos (₱5,000,000,000.00) and to apply the stock dividend in support of the increase. In furtherance thereof, the Board also approved the issuance of Three Hundred Million (300,000,000) shares with a par value of One Peso (₱1.00) per share from its authorized and unissued capital stock. The stock dividend shall be payable to stockholders after all the necessary approvals shall have been obtained from the Securities and Exchange Commission and the Philippine Stock Exchange.

The stock dividend of 8.46710895% is based on the total issued and outstanding capital stock of the Corporation which as of today is Three Billion Five Hundred Forty Three Million One Hundred Twenty Two Thousand (3,543,122,000) shares with a par value of One Peso (₱1.00).

Thank you.

Very Truly Yours,


JANICE R. ONG
Corporate Secretary