



SOLID GROUP INC.

May 11, 2012

THE DISCLOSURE DEPARTMENT
3/F, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: Ms. Janet A. Encarnacion
Head

Gentlemen:

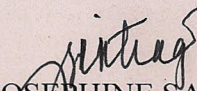
Solid Broadband Corporation (SBC), a wholly-owned subsidiary of Solid Group Inc. (SGI), today concluded an agreement with Skycable Corporation (Skycable) for the sale and purchase of its wired and satellite assets and broadband/internet subscriber base.

Under this agreement, Skycable will acquire all of SBC's assets and broadband/internet subscribers.

In recent times, there have been significant growth and developing trends in the internet and broadband markets such as DTH (Direct-To-Home), Smart TV or Internet TV, Fiber to the Home, to mention a few. These developments entail huge and continuing investments in order to keep up with the rapid pace in technological advancements.

With the sale to Skycable, SGI can now focus on its evolving new businesses in the fields of wireless digital devices and technologies (my|phone) and other projects. Its existing broadband/internet subscribers will also be in a position to enjoy enhanced services from Skycable. The parties have also agreed to implement procedures to guarantee a smooth transition and address the concerns of customers, suppliers and employees, for the benefit of all the parties concerned.

Very truly yours,


JOSEPHINE SANTIAGO
Corporate Information Officer