

A large graphic of a stock market ticker board. The board displays various stock symbols and their corresponding prices in green and red text. The symbols include ROX, SECB, SEVN, OFI, SLF, SMC, SMCB, SMDC, SMPH, SPC, SPI, SPM, SRDC, STN, TBGI, TEL, TDY, UBP, and LSC. The prices are listed in columns, with some values in millions (M) and others in thousands (K).

2003

Annual Report



THE PHILIPPINE STOCK EXCHANGE, INC.

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OUR VISION

By 2007:

A peer among the Premier Stock Exchanges within the region.

One of the most efficient, orderly, fair, transparent center for raising capital and trading securities that will be beneficial to all participants in the market place.

A strong foundation for the growth of the Philippine Economy by being in the forefront of savings mobilization and investments through existing and innovative instruments.

OUR MISSION

The PSE is committed to:

Maximize value for shareholders with optimal service to all stakeholders.

Practice good governance and promote this in listed companies and trading participants to sustain investors' confidence.

Develop world class trading and settlement infrastructure and information system.

Develop new products and services.

Promote the professional and personal growth of our personnel to better serve the investors, the listed companies, and the Trading Participants.

OUR CORPORATE VALUES

Professionalism

Efficiency

Accountability

Transparency and fairness

Collaboration

Teamwork

Ethics

Integrity

Chairperson's Message

Dear Fellow Shareholders, Trading Participants and Employees:

During the year, your Board focused on fulfilling the Exchange's mission of maximizing value for shareholders and providing optimal service to all stakeholders, among others, with a vision of becoming one of the premier exchanges in the region by 2007. By doing so, we committed to provide an atmosphere that will encourage investment activity.

The year was another challenging one for the nation and for the stockbrokerage industry. Despite macroeconomic and political factors that affect our market, we buckled down to work and addressed issues that are within our reach, ensuring continuity in our actions to meet goals established previously. We eventually witnessed our PSE index rise by 41.6% from 1,018.4 in 2002 to 1,442.4 in 2003.

Over the past two years, the Exchange went through the rigorous but very vital process to lay the groundwork in meeting the requirements mandated by the Securities Regulation Code, particularly the demutualization or the conversion of PSE from a non-profit, member-governed organization to a for-profit stock corporation. Bringing demutualization to life by listing and divesting broker interest in this market condition proved to be a challenge. We believe that governance is a value enhancing mechanism that can revive confidence in our Exchange.

We have institutionalized our Vision-Mission-Values set in the previous term. Interestingly, the acronym for our Values spells "PEACE". We thank you for living up to this acronym - supporting our efforts for unification among us, fostering cooperation and allowing us to do our work.

Along with the direction, we crafted a strategic framework and roadmap for better governance, revenue diversification and improved operational efficiencies. We set a one-year target date for governance reform measures within the Exchange, listed companies and Trading Participants. We are proud to say that these reform measures have been accomplished: Compliance and surveillance measures, with processes that can be painful for most of us, were implemented. Asian Development Bank agreed to grant us a technical assistance through the Securities and Exchange Commission (SEC) in strengthening financial market regulation and supervision by improving

corporate governance practices and providing staff training; Listing rules were revised to attract sound companies to go public while Disclosure rules were amended for improved transparency.

This framework and roadmap became the basis of a five-year business plan, which has a long-term technological strategy that should establish sustainable growth in core businesses such as controlling our own settlement and clearing operations. This will allow us to diversify our earnings stream from pure listing revenues to more stable earnings by the second half of this year.

We have exerted all efforts to comply with the deadline given by the SEC to list our shares on December 15 last year. The process, however meticulous, proved to be rewarding, as we were able to open up the Exchange to the public as mandated. By listing, we have not only invited non-brokers to be owners but have established a price for our shares. With this improved market condition but still volatile environment, we have proven that there is value in PSE. By listing, we ourselves are the first ones to declare that our Exchange is indeed an effective and efficient venue for raising capital.

This step forward would not have been possible if not for those parties who have generously walked us through the various phases of demutualization. My colleagues join me in expressing deep appreciation to Director Gregorio Kilayko, also Chairperson of the Strategic Development Committee, for providing invaluable assistance to the Exchange for the past two years as well as to ATR Kim Eng Capital Partners, our financial adviser. Both have provided topnotch investment banking advice *gratis te amore*.

Their remarkable pieces of advice have allowed the Exchange to attract several credible institutions for potential investments in PSE. The expected proceeds from the potential investment will allow us to develop our infrastructure to support business efficiency, fortify our working capital and address other concerns that benefit shareholders, including a sustainable dividend policy. Non-brokers will eventually become shareholders. A substantial portion of PSE shares going to independent hands will be a major leap towards achieving full demutualization and bringing the PSE at par with the other demutualized and



listed exchanges in the Region - such as the Australian, Hong Kong and Singapore stock exchanges - even ahead of other exchanges in Southeast Asia.

Our successful listing is a fitting tribute to: SEC Chairperson Lilia R. Bautista and the rest of the Commission who have been very cooperative and understanding of PSE's state of affairs; and our shareholders and Trading Participants, who have communicated their sentiments and remained resolute in their commitment towards building a stronger exchange. This kind of cooperation with our regulator, among us, and other stakeholders promotes stability.

The Senate recently passed the bill abolishing the documentary stamp tax (DST) on secondary trade transactions and correct the tax distortions between equity and debt instruments. When signed at the Executive level, the temporary abolition of DST in the purchase of securities at the secondary market is expected to boost liquidity in our market and make us more competitive with our peers in the Region. Moreover, the exemption of the securities borrowing and lending (SBL) facility from DST under the bill will formalize SBL activities and thus, give local players a level playing field with their foreign



counterparts. This will also pave the way for the development of our futures and options market.

We thank our Legislative Committee chaired by Director Rodolfo Cruz, who has persistently encouraged our legislators to push for the bill's passage as well as former Chairperson Vivian Yuchengco for working closely with the bill's author, Sen. Ralph Recto.

We are likewise grateful to the Business Development Committee for working with Rep. Julio A. Ledesma IV as early as 2001 for the filing of the bill and Director Peter Favila for ensuring swift passage of the bill at the Lower House. They had ascertained that the bill would cover SBL transactions.

The Definitive Agreement on the land donation deal with Fort Bonifacio Development Corp. (FBDC) executed in November 2002 was finally implemented, further enhancing the value of the Exchange. FBDC will donate the shares of Crescent West Development Corp., a holding

company that owns a 1,282-square meter land in Bonifacio Global City, to the Exchange within a period of 7 years. The shares were already issued and are in the process of being placed under escrow. Our business plan presented a thorough assessment of occupancy costs for the Exchange in view of the lifting this year of the donation restrictions with Philippine Realty and Holdings Corp. and Ayala Land, Inc. The assessment includes various options to optimize cost savings and earnings for the Exchange.

We have also strengthened our initiatives on investor education through two publications - "The Stock Market and You", a quick step-by-step guide for the novice written in simple language, and the updated and abridged edition of "How to Invest and Win in the Philippine Stock Market," written by our esteemed colleague and a well-respected figure in the industry, Mr. Irving Ackerman. The Exchange is fortunate to have been granted the intellectual property rights to this informative investment literature.

I am also secure in the thought that the Exchange was able to plan for succession and is now in the good hands of a new President, Dr. Cayetano W. Paderanga Jr., our Director since 2001. More importantly, he was a member of the Management Committee that led the Exchange in 2001 for an interim period upon demutualization. Aside from his stellar credentials as a leader of several corporations, executive positions in government, directorship at a multilateral agency and as an academician, he is familiar with what it takes to push the Exchange forward to attain its goals.

It was indeed a very busy, fulfilling and peaceful term. I thank the shareholders for placing their trust in me and allowing us in the Board to do our work in the most competent way we can, opening up the lines of communication and supporting our undertakings. My appreciation likewise goes to my esteemed colleagues in the Board for their invaluable contribution. Last but not the least, I thank the diligent and supportive officers and staff of Management who help in making the Exchange a credible and dynamic financial institution and a conduit for growth and opportunities.


ALICIA RITA MORALES-ARROYO
February 2004

President's Message

Dear Fellow Shareholders, Trading Participants and Employees:

My election as President of our Exchange was met with two events that significantly influenced the evolution of our business over the coming years. The first was the listing by introduction of our Exchange last December 15, another step towards completing the demutualization process that started in 2001. The second was the passage of the documentary stamp tax bill that will reduce cost of trading transactions, subsequently to be signed into law this month.

I take my election as a challenge backed with a great responsibility of honoring the trust and confidence that have been kindly bestowed on me. I look forward to establishing a strong partnership among us and driving our dedication to build an exchange that we can pass on with pride to the next generation. Together, we shall pursue a vision of a newly-listed company gearing to be an efficient, economical, purposeful and a professional center for the capital market.

With these in mind, I have proposed the following initiatives, which will be on top of management's priorities in the next year or so:

First would be re-orientation of staff through personnel development and education. With the demutualization, the staff has to be familiarized with the function of the Exchange as a quasi-public institution with a high level of accountability to the public. Their respective functions will also be defined more clearly and their capabilities enhanced through training.

Corporate governance shall continue to be a foremost consideration. Transparency and disclosure will have to be strengthened for a level playing field through improved measures on risk management, governance and surveillance. In terms of regulation, the SEC has asked the Exchange to spin off the Compliance and Surveillance Group. I asked for some time to evaluate it further, specifically in terms of cost-effectiveness and implementation.

Fulfilling our mandate to open up the Exchange to public ownership would likewise strengthen market integrity and investor confidence. We shall see in the coming months the completion of our demutualization either by bringing in strategic investors or through a public offering.

Investment in IT infrastructure is imperative in order to keep up with current market condition. Enhancing our trading system and operating our own clearing and settlement system will not only increase revenues and lessen cost but will also improve our capability to monitor trades and reduce risks.

Another vital component that needs a boost is the implementation and adoption of fresh and dynamic market development strategy. This is particularly relevant now that the Exchange is in the process of re-creating its image to dismiss the public notion of stock trading as complex and selective, thus intimidating. We need to get more people interested in the stock market through educational campaigns. We will look on how we can make use of IT to stretch to people in the provinces and encourage them to participate in the market. This should go hand in hand with infrastructure investments that will be put in place for Trading Participants to achieve efficiencies in their own operations.

Diversity in the products available to investors promotes market vitality. This is why we will continue to support the upgrade and expansion of products traded in the Exchange. At the forefront is the Treasury bills, which, once traded in our Exchange, would allow a more level playing field for smaller investors in the trading of government securities. Our investments in technology will greatly facilitate this effort.

These initiatives will be the building blocks to achieve our objectives of business growth, market integrity, operational efficiency and delivering higher levels of value and performance to our shareholders and other stakeholders.

I look forward to your cooperation and partnership in addition to the new and exciting challenges set before me as the new President of our Exchange. It is my hope that we all will encourage each other to become involved and excited, as I feel I have been encouraged by you all.



CAYETANO W. PADERANGA, JR., Ph.D.
February 2004



Stock Market Performance

The year-in-review witnessed a resilient East Asian region. Amidst global uncertainties brought about by the conflict between US and Iraq, and the Severe Acute Respiratory Syndrome (SARS) epidemic, East Asian bourses performed well in 2003 led by the Stock Exchange of Thailand, which posted a 116.6% growth. The Philippine Stock Exchange (PSE) was likewise a strong performer as it climbed 41.6%, the third highest in the region. Meanwhile, only the Shenzhen Stock Exchange of China registered a 2.6% decline in 2003.

Table 1: PRICE INDICES OF SELECTED EXCHANGES, YEAR-END

Country	Index	2002	2003	Growth (%)
Thailand	SET	356.5	772.2	116.6
Indonesia	Jakarta Composite Index	425.0	691.9	62.8
Philippines	PSE Composite Index	1,018.4	1,442.4	41.6
Singapore	All Sing Equities Index	348.8	475.8	36.4
Hong Kong	Hang Seng Index	9,321.3	12,575.9	34.9
Taiwan	TSE Weighted Index	4,452.5	5,890.7	32.3
Korea	Kospi	627.6	810.7	29.2
Japan	Topix Index	843.3	1,043.7	23.7
Kuala Lumpur	Kuala Lumpur Composite Index	646.3	793.9	22.8
China	China SE Shang Composite Index	1,357.7	1,497.0	10.3
	China SE Shenz Composite Index	388.8	378.6	(2.6)

The local market started the year at a sluggish pace with renewed pressure from the US-Iraq conflict, concerns over the mounting fiscal deficit, fears of possible sanctions by the Paris-based Financial Action Task Force (FATF) should the Philippines fail to amend its anti-money laundering law and deadly bombings in Mindanao. The PSE Composite Index recorded its lowest on March 17 at 999.46 with the coming of Iraq's deadline for disarmament and the subsequent US-led offensive against Iraq. Nevertheless, the market ended higher in March at 1,039.67 as war concerns relaxed and following reports that the FATF will not impose sanctions after the country complied with the proposed amendments. The market continued to move forward cautiously in April at the onset of SARS scare in the country.

Expectations of economic recovery in the US and Japan, and favorable domestic economic climate such as a strong Gross Domestic Product (GDP) growth in the first quarter, tamed inflation, contained budget deficit and decline in interest rates propelled the local equities market to advance in June. The Composite Index surged 13.9% in June, its highest month-on-month increase, to 1,222.80 from 1,073.69 in May.

The market's run-up was, however, stalled by renewed peace-and-order concerns and political uncertainties ahead of the May 2004 polls in the ensuing months. The attempted coup d'état by a band of mutinous soldiers, escape of suspected Indonesian terrorist Fathur

Rohman Al-Ghozi, who was believed to be responsible for the fatal Rizal Day bombing on 30 December 2000 and the rise in kidnapping incidents heavily dampened investor sentiment. Dissenting news of the suspension of Bangko Sentral ng Pilipinas governor Rafael Buenaventura for the closure of Urban Bank in 2000, the attempted impeachment of Chief Justice Hilario Davide, Jr. and the resignation of Finance Secretary Jose Isidro Camacho likewise weighed down the market. This was even compounded by increasing political uncertainties after presidential candidates announced their bid for the 2004 elections.

Nonetheless, the market leapt higher in December infused by optimism in Wall Street and alleviation of security fears with the capture of former Iraqi President Saddam Hussein and top Abu Sayyaf leader Galib Andang (a.k.a. Commander Robot). This allowed the market barometer to reach its peak at 1,450.70 on the 29th. Thus, year-on-year, the 30-stock composite index rose by 41.6% or 423.96 points to 1,442.37 from 1,018.41 last year.

Market capitalization rose by 42.8% to P2,973.8 billion in 2003 from P2,083.2 billion the year before. Four of the five new listings raised a total of P186.1 million in 2003. Shares of PSE were listed by way of introduction on 15 December. Its shares opened at P100.00 per share and reached a high of P252.50 per share before closing at P200.00 per share.

Table 2: SELECTED PSE MARKET INDICATORS

	Yearend, in billion units ^a				
	1999	2000	2001	2002	2003
Trading Value (P) ^b	781.0	357.7	159.6	159.7	145.4
Trading Volume	949.0	659.4	164.4	99.8	86.0
Market Capitalization (P)	1,936.5 ^c	2,576.5 ^c	2,141.4 ^c	2,083.2	2,973.8
Capital Raised (P)	42.0	37.2	7.3	40.6	1.7
Initial Public Offerings	0.8	0.6	0.2	4.0	0.2
Additional Listings	41.3	36.6	7.1	36.6	1.5

a - End December for market capitalization; cumulative for trading value and volume

b - Based on trade date, i.e., orders matched

c - Market capitalization published for 1999 to 2001 revised to remove P1.2 billion market capitalization of Sime Darby Pilipinas, Inc. with retroactive effect in 1999.

Meanwhile, turnover continued to decline in 2003. Volume of trades totaled 86.0 billion shares, 13.9% lower compared to last year's 99.8 billion shares. Value turnover likewise decreased to P145.4 billion, down by 9.0% from P159.7 billion in 2002.

Collectively, listed firms performed well in the first nine months of 2003 based on the latest available statement of earnings. Aggregate earnings of listed companies posted a 25.8% growth at P51.9 billion compared to P41.3 billion in the same period last year.

Table 3: NET EARNINGS OF LISTED COMPANIES, BY INDUSTRY

	Net Earnings (Billion P)						
	Fiscal Yearend				First 9 Months		
	1999	2000	2001	2002	2002	2003	Growth (%)
Total Net Income	24.6	4.9	-36.4	-11.2	41.3	51.9	25.8
Financial Services	0.4	1.5	0.5	0.5	0.4	1.7	299.2
Holding Firms	18.8	1.2	-30.9	-14.9	-3.2	4.5	240.0
Manufacturing, Distribution & Trading	-2.5	-1.7	-1.4	-0.9	0.4	1.3	217.8
Communication	1.9	-2.5	-15.7	-13.0	4.7	11.1	138.9
Oil	-0.4	-0.2	-0.1	-2.3	-0.4	0.1	129.8
SME	-	-	0.003	0.004	0.005	0.008	60.3
Others	0.3	0.3	0.3	0.4	0.2	0.2	42.2
Banks	-0.9	2.9	6.7	16.8	12.7	16.9	33.3
Property	2.6	2.6	1.3	4.6	5.1	5.9	14.8
Power & Energy	5.8	-0.05	2.8	1.5	3.1	3.3	9.1
Food, Bev. & Tobacco	10.6	11.6	8.0	14.5	13.9	8.1	-42.2
Hotel, Recreation & Other Services	-3.7	-3.2	-2.9	0.6	0.9	0.2	-76.7
Transport Services	-1.7	-0.4	2.6	4.2	4.5	1.0	-77.4
Mining	-1.8	-2.0	-3.4	-1.1	-0.4	-0.8	-91.6
Construction & Other Related Products	-4.8	-3.9	-4.2	-10.9	-0.5	-1.6	-245.8

Fiscal yearend net earnings figure for 1999 to 2001 were revised to reflect income that was generated by companies listed at the end of each year.

Among sectors, the financial services sector registered the biggest rate of improvement. Its earnings rose to P1.7 billion, almost three times more than the previous year's P0.4 billion. Holding firms followed closely as it reversed a P3.2 billion loss in 2002 to P4.5 billion earnings this year. Manufacturing, distribution and trading ranked third among sectors with a 217.8% increase at P1.3 billion from P0.4 billion a year ago. Substantial increases were also recorded by the communication and oil sectors, but were partially offset by the decline in the construction, mining, transportation services, and hotel, recreation & other services.



Highlights of Operations

LISTING AND DISCLOSURES

Timely and Efficient Release of Corporate Information

To give the public sufficient time to absorb and fully understand any corporate developments that may affect their day-to-day investment decisions, the Exchange has extended the release of corporate disclosures and other announcements beyond trading hours.

Since March, the Exchange has made available corporate disclosures and announcements on its website at www.pse.com.ph and in the Daily Disclosures Bulletin of the Trading Participants' terminals, beginning one hour after market close or at 1:00 pm. Disclosures received by the Exchange until 4:00 pm are posted the same trading day. At the same time, the Exchange discontinued the distribution of the hard or paper copies of all market-related documents (memos, circulars, and other announcements), paving the way for a paperless release of information.

Another move towards this end is the reduction of the number of copies required of listed companies in filing their quarterly and annual reports from 200 to 100 copies. The authenticated electronic versions of the reports are then required in lieu of the paper copies. The number will be further decreased to 10 beginning January 2004.

Revision of Listing and Disclosure Rules

Listing and disclosure rules were revised to facilitate entry of companies in the Exchange and provide information and disclosures on a timely basis to help the public assess risk better and make informed decisions.

In 2003, the Securities and Exchange Commission (SEC) approved several proposed revisions on the listing and disclosure rules, to include:

DISCLOSURE RULES

Selective Disclosure of Material Information

An Issuer is prohibited from communicating material non-public information to any person, unless it is ready to simultaneously disclose this information to the Company;

Disclosure on Transactions of Directors and Principal Officers in the Issuer's Securities

Issuers are required to disclose the direct and indirect ownership of its Directors and Officers in its securities within two trading days after a) the Issuer's securities is first admitted in the Official Registry of the Company; b) a Director is first elected or an Officer is appointed; or c) any acquisition, disposal or change in the shareholdings of the Directors and Officers;

Blackout Provision

A Director or Principal Officer of an Issuer is prohibited from dealing in the Issuer's securities during the period within which a material non-public information is obtained and up to two full trading days after the price sensitive information is disclosed.

LISTING RULES

Rule on Additional Listing of Shares

Revisions include the removal of the price test as a factor in considering whether a listing application is covered by the rule. Related parties will be required to conduct a rights offering and the same can only be dispensed with the approval of the majority vote of the minority stockholders.

Rule for Rights Offering

The Exchange may allow the listing of shares of a new rights offering, provided that at least twenty-five percent (25%) of the total subscriptions are paid and that the unpaid portion of the total subscriptions from a previous rights offer does not exceed 10%. The listed company shall call for the payment of the subscriptions receivable from the previous rights offering and ensure that at least ninety percent (90%) has been paid.

Listing by Way of Introduction

The Rule applies to an application for listing of securities that are already issued or securities that will be issued upon listing, where no public offering will be required for securities of such an amount and would be so widely held that their adequate marketability is assumed or when listing in an exchange is mandated by law or other regulations.

Distribution of IPO Shares

This revised rule amends the percentage allocation of IPO shares among qualified institutional buyers, the general public and for retail investors. The rule likewise provides for a mandatory 10% discount from the offer price to the retail investors.

Relaxation of Minimum Market Capitalization for Second Board Listing Applications

Applications received by the Exchange for listing on the Second Board in 2003 were subjected to a lower market capitalization requirement in order to attract more companies meeting the Second Board qualifications.

Enhancement of Quality of Listed Firms

To improve the quality of listed firms, the Company released an implementing guideline for Issuers that reflected negative shareholders' equity in its latest audited financial statements. Under the guidelines, affected Issuers are required to submit a plan and timeline of the activities it will undertake to transform its stockholders' equity from positive to negative. The Issuers are given one year to implement the plan. Any Issuer that fails to comply with the conditions set forth in the guideline shall be subjected to delisting procedures.

Initial Public Offerings and Additional Listings

The number of listed firms increased to 236 with 5 listings added. Leasing and financing firm Makati Finance Corporation and online financing facility Cashrounds, Inc. were both listed in the SME Board while ICT company Transpacific Broadcast Group International, Inc., and real estate firm Supercity Realty Development Corporation were both listed in the Second Board. The Philippine Stock Exchange, Inc. underwent a listing by introduction and was listed in the First Board.

For additional listing of shares, on the other hand, the Exchange approved 21 listing applications.

Infrastructure Development

To support the integration of core processes, the following infrastructure were put in place:

The Virtual Private Network (VPN), a communication facility which allows Trading Participants to access the Exchange from anywhere in the country at a lower cost, was put in place in 2003.

To increase the efficiency and productivity of its workforce while reducing costs, office automation initiatives were also undertaken, which included four major projects:

- Upgrade of the telephone system from PABX to IP Phone, which decreased the Company's operating cost with the less number of subscribed voice lines while maintaining the number of available telephone lines.
- Setting up of a storage system and a corporate administrative hub to facilitate consolidation and access to documents and database on various information.

Acquisition of a Clearing and Settlement System

To improve its delivery-versus-payment settlement system, the Company executed an agreement with system vendor CAPCO for the purchase of a clearing and settlement system. With the system, trading orders would be electronically integrated to clearing and settlement with the Exchange linkup to the depository, settlement banks and registries/transfer agents. Collateral valuation, fund administration and securities borrowing and lending operations, would be automated, strengthening management of risks.

Knowledge Enhancement and Dissemination

A report utility was established to help Company personnel to generate timely and accurate reports of daily, monthly and yearly trading activity as well as stock prices and market statistics.

Special projects were undertaken to allow the exchange of information with government institutions such as the Bureau of Internal Revenue for tax-related information, the SEC for trading transactions and surveillance information, and the Anti-Money Laundering Act Council for the reporting of suspicious accounts.

Institutionalization of Policies, Standards and Procedures

A Corporate/Strategic Planning Department was established in March to provide a framework for institutionalizing policies, procedures and standards, assist in the planning process and formulation of strategy for the organization.

COMPLIANCE AND SURVEILLANCE

Together with the SEC, a thematic audit on 134 active Trading Participants was completed, focusing on rules on customer protection and net capital and on books and records. The audit program was revised to include an analysis of the financial condition of Trading Participants applying for a loan as well as analysis on the loan's impact on Net Capital and Net Worth. New requirements were added such as the reason for the application or renewal of the loan and plans upon its maturity.

To improve the monitoring process of the financial condition of Trading Participants, a preliminary database of financial analyses and information on Trading Participants was put into place.

Forty-three Trading Participants underwent the annual audit on financial and sales practices as well as the monthly review of net capital requirements. Thirteen provincial offices of Trading Participants were subjects of the regular branch audit. A special audit was also conducted on the Exchange's policy on minimum commission.

The Exchange monitored daily trading activities of all stocks with particular emphasis on price and volume movements that were possibly price manipulative or indicative of insider trading. In addition, special audit and supervision of the operations of the Trading Participants that applied for voluntary suspension, cessation of operations or resumption of operations during the year were conducted.

Five Trading Participants were subject of a special audit: 2 for voluntary suspension, 1 for voluntary cessation, 1 for involuntary suspension and 1 for change from broker dealer status to dealer only. Eighty-four applications of Trading Participants for subordinated loans were approved, enabling them to be compliant with the Net Capital Rule. The Net Capital Rule requires broker-dealers to maintain at all times a net capital of P5 million or 5% of their aggregate indebtedness, whichever is higher.

Sixty-one investors' complaints relating to claims on cash and security balances were investigated. Out of the 61, 2 were resolved; 56 are pending resolution; while 3 are awaiting evaluation by the Governance Committee.

In November, the SEC directed the Compliance and Surveillance Group (CSG) to take over the operations of a trading participant that was allegedly involved in defrauding schemes and had deteriorating financial conditions.

The Exchange likewise supervised the accounts of 11 Trading Participants that were voluntarily suspended and to facilitate the smooth transfer of clients' securities to their broker of choice or the designated successor trading participant. Out of the 11, 2 were suspended since 1997, 5 since 1998, 1 since 1999, 1 since 2000, 1 since 2001 and 1 since 2002.

Surveillance System Upgrade

Surveillance parameters were amended to reflect current market conditions and regulatory environment. To support this, the Exchange coordinated with the SEC and a financial information provider for the development of a new surveillance system based on the amended parameters.

One hundred thirty-five issues generated alerts since the establishment of new parameters. Of these alerts, 49 investigations were conducted and 86 cases were carried over the following year. Of the 49 possible cases of price manipulation and insider trading investigated, 33 cases were closed while the remaining 16 led to more in-depth examinations. Out of these 16 cases, 10 were completed and the remaining 6 are still being investigated. For the 10 completed cases, 2 cases involved sanctions on the erring Trading Participants while 2 were endorsed to the SEC for further examination.

TRADING AND SETTLEMENT

The Exchange worked in close coordination with the Securities Clearing Corporation of the Philippines (SCCP) to ensure a closely monitored and well-managed transaction of trade settlement.





DELIVERY VERSUS PAYMENT (DVP)

Total number of trades cleared and settled showed a remarkable decline this year by 10.4% from 521,678 to 467,166 with a 15.6% drop in number of shares from 100.9 billion to 85.1 billion in 2002. Value settled declined by 11% from previous year's P162.9 billion to P144.9 billion.

Out of the trades settled, 16 settlement cases required intervention with 6 on delivery of securities involving 5 Trading Participants and 10 on cash payments involving 7 Trading Participants. Penalties were imposed on all occurrences of settlement failure.

BLOCK SALES

One hundred sixty-five block sales amounting to P35.4 billion and involving 43 Trading Participants and 12 issues were processed in year 2003. This has significantly posted the Company's total earnings for block sales fees at P3.5 million.

Dollar Denominated Trading Facility

Launched in July, the Dollar Denominated Trading Facility, an infrastructure for the trading of dollar-denominated securities, opened trading and settlement of Philippine securities listed offshore in dollar currency.



Minimum Commission

The Board of Directors pushed for the amendment of the minimum commission for trade transactions covering equity and equity-related products. In October, the following minimum commission rates based on transaction value took effect:

Value of Trade	Commission Rate
P1,000,000,001 and above	Negotiable
P500,000,001 to P1,000,000,000	Eight basis points or 0.0008
P100,000,001 and to P500,000,000	Fifteen basis points or 0.0015
P100,000,000 and below	Twenty-five basis points or 0.0025

Transaction Fee

In December, the Board likewise approved the reimposition of the transaction fee equivalent to 0.5 basis points or 1/200 of 1% per transaction for all trades, which takes effect on January 1, 2004.

Clearing and Trade Guaranty Fund (CTGF)

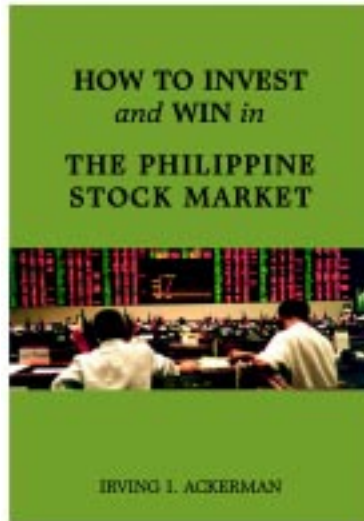
The CTGF was set up to cover trades not settled between Trading Participants arising from failure in delivery of securities or in payment of cash to meet settlement obligations. The fund was set up in 1999 with capital infuses from the Company. By yearend, the fund level increased to P237.9 due to interests earned from placements and fees levied on regular trades. The 7.2% growth over last year level at P221.9 million was from interest earned of P14.5 million and fees of P1.5 million.

INVESTOR EDUCATION

The Company continued to carry out initiatives to make the local equities market a leading investment medium among a greater number of Filipinos through seminars, workshops and training. The Company participated in the 2nd Global Filipino Networking Convention and the annual OFW Family Day, both attended by hundreds of overseas Filipino workers (OFW).

Visitors from schools, professional associations and business organizations in and outside Metro Manila were likewise given a briefing on the basics of stock market and a tour of the Exchange Gallery.

These initiatives were complemented by the publication of a primer, "The Stock Market and You", a handy and useful reference that answers questions commonly asked by people who have always wanted to try the market but do not know how to get started. The 36-page booklet contains concise, step-by-step procedures on investing and protecting one's investment in simple language.



A more comprehensive reference material was also published, an updated and abridged edition of the best selling investment book of veteran stockbroker Irving Ackerman, "How to Invest and Win in the Stock Market."

A briefing on the telecommunications industry was held with the top officials of telecommunications giants such as PLDT's Manuel Pangilinan, Globe Telecom's Gerardo Ablaza and BayanTel's Eugenio Lopez III who presented the prospects for their respective firms. Secretary Leandro Mendoza of the Department of Transportation and Communication



and Deputy Commissioner Jorge Sarmiento National Telecommunications Commission, on the other hand, gave updates on government's position on the information and communication technology sector.

Other activities implemented to bring the Exchange closer to the public were the holding of the Online Stock Trading Game over its website for students of member-schools of the Philippine Association of Collegiate Schools of Business, and the execution of an agreement with Intellectual Property Ventures Group for the production of a television game show, "The Trading Game".



In partnership with the Philippine Association of Collegiate Schools of Business, the Foundation continued to support the Teacher's Training Seminar on Financial Management and Philippine Securities held in the Luzon and Vizayas regions. It also funded a professorial chair in the University of the Philippines College of Business Administration. It also sponsored a seminar on responsible citizenship and corporate governance as well as a publication on historical and contemporary events on trade development in the Philippines.

To contribute to the fight against investment scams, the Foundation provided part of the resources to the Philippine SEC Institute Foundation for the production of an infomercial to educate people against get-rich-quick schemes and other fraudulent activities. This is being shown in television and theatres nationwide.

PARTNERSHIP WITH OTHER EXCHANGES

In November, the Company hosted the 6th Working Committee Meeting of the East Asian and Oceanian Stock Exchanges Federation (EAOSEF) in Manila. Some 20 delegates from the 15 member-exchanges attended the gathering to discuss membership issues, market information strategy, and trading platform, among others, for consideration in the next EAOSEF annual meeting. EAOSEF facilitates the exchange of information and the promotion of mutual assistance among its members to develop the securities markets in the Region.

EDUCATION AND SOCIAL COMMITMENT

The Company, through the PSE Foundation, remains to be a principal instrument for extending support to educational and social development. The focus has been on development of the capital market with some resources allocated to poverty alleviation, disaster assistance and environmental protection projects.



Board of Directors



◀ Alicia Rita M. Arroyo
Chairperson



◀ Ramon S. Ang
Director

Tomas V. Apacible ▶
Director



◀ Vicente R. Ayllon
Director

Cayetano W. Paderanga, Jr. ▶
President



▲ Rodolfo V. Cruz
Director-Treasurer



◀ William L. Ang
Director

Peter B. Favila ▶
Director



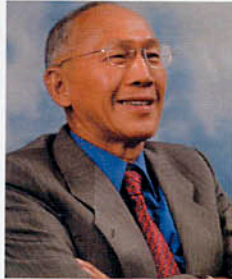
Enrique M. Aboitiz, Jr. ▶
Director



Gregorio U. Kilayko
Director



Ernest C. Leung
Director



Joseph R. Madrid
Director



Myron Timothy P. Papa
Director



Marita A. Limlingan
Director



Aissa V. Encarnacion
Acting Corporate
Secretary



Francisco Ed. Lim
Director



Reynaldo V. Reyes
Assistant Treasurer

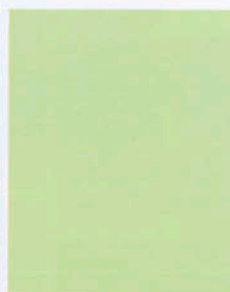


2003 Senior Officers



◀ Ernest C. Leung
President

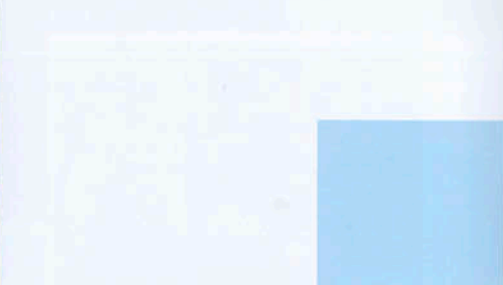
Ma. Lourdes A. De Guzman ▶
Vice-President
Head, Compliance
and Surveillance Group



Jose G. Cervantes ▶
Senior Vice-President
OIC, Listings and
Disclosure Group



Marietta U. Tan ▶
Vice-President
Finance and
Investment Group



Ed P. Ocampo ▶
Senior Vice-President
Chief Technology Officer



Zayber B. Protacio ▶
Vice-President
General Counsel



Efren C. Siron ▶
Asst. Vice-President
Automated
Trading Group



Department Heads and OICs



(Seated, L to R): ATTY. MA. PAMELA BARBARA D. QUIZON, Legal Advisory Department; JENNIFER P. FRANCISCO, Training Institute; TRICIA LIZA FRANCES N. DAMO, Research & Internal Affairs Department (Standing, L to R): MA. ISABEL T. GARCIA, Listings Department; JO ANN D. BAUTISTA, Business Development Department; TRISHA TIPPI M. ZAMESA, Disclosure Department; JINKY A. ALORA, Inspection & Examination Department; ELIZABETH C. DINOY, Membership Department

(Seated, L to R): ELIZA C. SANTOYO, Accounting Department; PRECILLA S. SANDOVAL, Strategic/Corporate Planning Department; ELISA L. BENAVIDEZ, Treasury Department (Standing, L to R): CELESTE M. JOVENIR, Corporate Communications Department; RAUL G. ORTIZ, Trading & Settlement Department; RICARTE L. GONZALES, Administration Department; TOMAS L. TESTA IV, Human Resource Management Department (Not in photo): MA. SOCORRO B. ESGUERRA, Public Information & Assistance Center





Financial Highlights

IN THOUSAND PESOS

	GROUP			PARENT COMPANY		
	2003	2002 (As restated)	% Change	2003	2002 (As Restated)	% Change
RESULTS OF OPERATIONS:						
TOTAL REVENUES	P111,712	P159,491	(29.96)	110,188	158,177	(30.34)
Listing Fees	73,856	123,000	(39.95)	73,856	123,000	(39.95)
Membership Fees	11,693	13,063	(10.49)	11,693	13,064	(10.49)
Service and Miscellaneous Fees	10,273	8,558	20.04	8,749	7,243	20.79
Data Feed Income	15,890	14,870	6.86	15,890	14,870	(6.86)
TOTAL OPERATING EXPENSES	157,836	168,569	(6.37)	153,467	164,197	(6.53)
LOSS FROM OPERATIONS	46,124	9,077	408.14	43,279	6,020	618.92
NON-OPERATING INCOME-NET	62,887	49,656	26.65	60,465	47,821	26.44
NET INCOME	10,746	31,383	(65.76)	10,746	31,383	(65.76)
YEAR-END FINANCIAL CONDITIONS:						
TOTAL ASSETS	1,294,124	1,268,239	2.04	1,037,664	1,029,382	0.80
Cash, Cash Equivalents and Short-term Investments	95,721	161,195	(40.62)	88,876	153,050	(41.93)
Long-term Investments	426,789	333,410	28.01	426,789	333,410	28.01
Property and Equipment	341,699	348,767	(2.03)	341,654	348,500	(1.96)
TOTAL LIABILITIES	309,969	274,779	12.81	53,953	38,018	41.91
Due to SEC	10,538	6,448	63.43	10,538	6,448	63.43
Clearing and Trade Guaranty Fund	240,330	221,919	8.30	—	—	—
STOCKHOLDERS' EQUITY	983,710	991,365	(0.77)	983,710	991,365	(0.77)




Statement of Management's Responsibility for Financial Statements

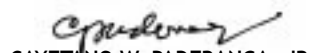
The management of the Philippine Stock Exchange, Inc. is responsible for all information and representations contained in the balance sheets of the Philippine Stock Exchange, Inc. and its Subsidiary (the Group) and of the Philippine Stock Exchange, Inc. (the Parent Company) as of December 31, 2003 and 2002, and the related statements of income, changes in stockholders' equity and cash flows in the periods ended December 31, 2003, 2002 and 2001. The financial statements have been prepared in conformity with generally accepted accounting principles in the Philippines and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The management likewise discloses to the company's audit committee and to its external auditor: (i) all significant deficiencies in the design or operation of internal controls that could adversely affect its ability to record, process, and report financial data; (ii) material weaknesses in the internal controls; and (iii) any fraud that involves management or other employees who exercise significant roles in internal controls.

The Board of Directors reviews the financial statements before such statements are approved and submitted to the stockholders of the company.

Sycip, Gorres, Velayo & Co. (SGV & Co.), the independent auditors appointed by the stockholders, has examined the financial statements of the company in accordance with generally accepted auditing standards in the Philippines and has expressed its opinion on the fairness of presentation upon completion of such examination, in its report to the Board of Directors and stockholders.


ALICIA RITA M. ARROYO
Chairman of the Board

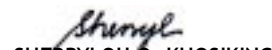

CAYETANO W. PADERANGA, JR.
President


MARIETTA U. TAN
Vice President
Finance and Investments Group

SUBSCRIBED AND SWORN to before me this 11th day of February 2004 at Makati City, affiants having exhibited before me their respective Community Tax Certificates:

Name	C.T.C. No.	Date and Place of Issuance
Alicia Rita M. Arroyo	14456595	Makati City/March 4, 2003
Cayetano W. Paderanga. Jr.	13836050	Quezon City/Jan. 14, 2004
Marietta U. Tan	12964974	Valenzuela City/Feb. 17, 2003




SHERRYLOU O. KHOSIKING
Notary Public
Until December 31, 2005
PTR No. 7013361; 1-06-04; Makati
IBP No. 584826; 3-10-03; RSM



Report of Independent Auditors

The Stockholders and the Board of Directors
The Philippine Stock Exchange, Inc.
PSE Centre, Exchange Road
Ortigas Center, Pasig City

We have audited the accompanying balance sheets of The Philippine Stock Exchange, Inc. and Subsidiary (the Group) and of The Philippine Stock Exchange, Inc. (the Parent Company) as of December 31, 2003 and 2002, and the related statements of income, changes in stockholders' equity and cash flows for each of the three years in the period ended December 31, 2003. These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the Philippines. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Group and of the Parent Company as of December 31, 2003 and 2002, and the results of their operations and cash flows for each of the three years in the period ended December 31, 2003 in conformity with accounting principles generally accepted in the Philippines.

As explained in Note 21 to the financial statements, the Group has given retroactive effect to the change in accounting for preoperating expenses.

A. B. CABAL
Partner
CPA Certificate No. 15534
SEC Accreditation No. 0068-A
Tax Identification No. 105-342-543
PTR No. 7012954
January 5, 2004
SGV & Co. SEC Accreditation No. A0012-F
SGV Building
6760 Ayala Avenue, Makati City

January 28, 2004



Balance Sheets

THE PHILIPPINE STOCK EXCHANGE, INC. AND SUBSIDIARY

	Group		Parent Company	
	December 31			
	2003	2002 (As Restated - Note 21)	2003	2002 (As Restated - Note 21)
ASSETS				
Current Assets				
Cash and cash equivalents (Note 3)	P40,317,193	P25,148,575	P39,472,549	P25,003,658
Short-term investments	55,403,470	136,046,315	49,403,470	128,046,315
Accounts receivable - net (Notes 4 and 20)	21,964,999	25,257,880	22,354,503	25,757,668
Other current assets - net (Note 5)	14,070,127	11,527,914	13,976,516	11,458,677
Total Current Assets	131,755,789	197,980,684	125,207,038	190,266,318
Equity Investments (Note 6)	67,050,657	58,480,354	67,513,649	60,661,205
Long-term Investments (Note 7)	426,789,265	333,410,218	426,789,265	333,410,218
Investments of:				
Clearing and Trade Guaranty Fund (Note 11)	240,330,013	221,919,126	—	—
Credit Ring Agreement Fund (Note 12)	10,000,000	10,000,000	—	—
Property and Equipment - net (Note 8)	341,699,093	348,766,657	341,654,322	348,500,474
Other Assets - net (Note 9)	76,499,303	97,682,248	76,499,303	96,544,268
	P1,294,124,120	P1,268,239,287	P1,037,663,577	P1,029,382,483
LIABILITIES AND STOCKHOLDERS' EQUITY				
Liabilities				
Current Liabilities				
Accounts payable, accrued expenses and other current liabilities (Notes 10 and 20)	P40,031,690	P40,283,972	P34,345,996	P35,441,620
Dividends payable (Note 24)	18,400,016	—	18,400,016	—
Income tax payable	1,207,485	2,576,277	1,207,485	2,576,277
Total Current Liabilities	59,639,191	42,860,249	53,953,497	38,017,897
Clearing and Trade Guaranty Fund (Note 11)	240,330,013	221,919,126	—	—
Credit Ring Agreement Fund (Note 12)	10,000,000	10,000,000	—	—
	309,969,204	274,779,375	53,953,497	38,017,897
Minority Interest in a Subsidiary	444,836	2,095,326	—	—
Stockholders' Equity				
Capital stock (Note 1)	9,200,008	9,200,000	9,200,008	9,200,000
Additional paid-in capital (Note 1)	277,426,988	277,426,988	277,426,988	277,426,988
Donated capital (Note 13)	377,157,404	377,157,404	377,157,404	377,157,404
Retained earnings (Notes 21 and 24)	319,925,680	327,580,194	319,925,680	327,580,194
	983,710,080	991,364,586	983,710,080	991,364,586
	P1,294,124,120	P1,268,239,287	P1,037,663,577	P1,029,382,483

See accompanying Notes to Financial Statements.



Statements of Income

THE PHILIPPINE STOCK EXCHANGE, INC. AND SUBSIDIARY

	Group			Parent Company		
	Years Ended December 31					
	2003	2002 (As Restated - Note 21)	2001 (As Restated - Note 21)	2003	2002 (As Restated - Note 21)	2001 (As Restated - Note 21)
OPERATING INCOME						
Listing related income:						
Listing fees	P73,476,121	P122,309,702	P113,212,910	P73,476,121	P122,309,702	P113,212,910
Processing fees	380,000	690,000	691,000	380,000	690,000	691,000
Data feed	15,890,122	14,869,736	14,733,301	15,890,122	14,869,736	14,733,301
Membership fees (Note 20):						
Subscription	6,980,500	6,447,500	17,215,635	6,980,500	6,447,500	17,215,635
Processing	2,928,427	4,539,170	626,235	2,928,427	4,539,170	626,235
Assessment	1,654,186	1,606,980	1,544,350	1,654,186	1,606,980	1,544,350
Entrance	130,000	470,000	1,720,000	130,000	470,000	1,720,000
Service fees	1,209,416	1,262,791	1,497,183	—	—	—
Miscellaneous (Note 20)	9,062,742	7,295,534	9,116,783	8,748,533	7,244,226	8,847,175
	111,711,514	159,491,413	160,357,397	110,187,889	158,177,314	158,590,606
OPERATING EXPENSES						
Compensation and other related staff expenses (Note 14)	69,964,800	62,766,225	61,475,913	66,741,536	60,037,772	57,089,063
Occupancy costs (Note 16)	32,282,437	35,599,558	31,100,153	32,047,087	35,365,194	30,749,592
Depreciation and amortization (Note 8)	29,578,067	34,753,784	36,500,106	29,352,105	33,958,162	33,986,707
Trading technology, computer maintenance and other trading-related expenses	6,216,051	5,679,335	4,806,625	6,211,151	5,715,993	4,696,242
Professional fees	4,310,683	6,798,379	6,450,519	4,106,683	6,564,379	6,040,519
Membership development	3,768,906	2,644,003	5,043,074	3,768,906	2,644,003	5,043,074
Taxes and licenses	3,659,509	3,581,136	8,848,265	3,638,600	3,547,659	8,817,547
Office expenses	3,516,773	4,643,729	2,219,229	3,276,627	4,330,280	1,903,744
Travel and transportation	1,736,796	1,721,918	1,573,625	1,726,326	1,710,180	1,563,889
Provision for (reversal of) probable losses (Note 4)	(1,659,555)	5,791,347	9,778,060	(1,659,555)	5,791,347	9,778,060
Market development	1,595,366	1,723,635	8,653,936	1,595,366	1,723,635	8,653,936
Conferences, meetings and seminars	443,642	662,167	927,234	440,379	657,493	909,906
Entertainment, amusement and recreation (Note 18)	151,345	724,203	2,414,836	133,628	704,935	2,388,205
Miscellaneous	2,270,768	1,479,405	5,056,784	2,088,176	1,446,279	4,306,625
	157,835,588	168,568,824	184,848,359	153,467,015	164,197,311	175,927,109
LOSS FROM OPERATIONS	46,124,074	9,077,411	24,490,962	43,279,126	6,019,997	17,336,503
NON-OPERATING INCOME -Net (Note 17)	62,887,278	49,655,710	55,459,621	60,464,644	47,820,799	51,426,481
INCOME BEFORE MINORITY INTEREST						
IN NET LOSS OF A SUBSIDIARY	16,763,204	40,578,299	30,968,659	17,185,518	41,800,802	34,089,978
MINORITY INTEREST IN NET LOSS OF A SUBSIDIARY	1,650,490	1,187,483	2,804,504	—	—	—
INCOME BEFORE INCOME TAX	18,413,694	41,765,782	33,773,163	17,185,518	41,800,802	34,089,978
PROVISION FOR INCOME TAX (Note 18)	7,668,192	10,382,948	12,060,702	6,440,016	10,417,968	12,377,517
NET INCOME	P10,745,502	P31,382,834	P21,712,461	P10,745,502	P31,382,834	P21,712,461
Earnings Per Share (Note 19)	P1.17	P3.41	P2.36	P1.17	P3.41	P2.36

See accompanying Notes to Financial Statements.



Statements of Changes in Stockholders' Equity

THE PHILIPPINE STOCK EXCHANGE, INC. AND SUBSIDIARY

	Years Ended December 31		
	2003	2002 (As Restated - Note 21)	2001 (As Restated - Note 21)
CAPITAL STOCK - P1 par value (Note 1)			
Authorized - 36,800,000 shares			
Issued - 9,200,008 shares in 2003 and 9,200,000 in 2002 and 2001			
Balance at beginning of year	P9,200,000	P9,200,000	P9,200,000
Issuance during the year	8	—	—
Balance at end of year	9,200,008	9,200,000	9,200,000
ADDITIONAL PAID-IN CAPITAL (Note 1)			
Transfer from membership contributions	277,426,988	277,426,988	277,426,988
DONATED CAPITAL (Note 13)			
	377,157,404	377,157,404	377,157,404
RETAINED EARNINGS			
Balance at beginning of year			
As previously reported	334,417,234	306,452,921	288,158,980
Change in accounting policy - reversal of unamortized preoperating expenses (Note 21)	(6,837,040)	(10,255,561)	(13,674,081)
As restated	327,580,194	296,197,360	274,484,899
Net income	10,745,502	31,382,834	21,712,461
Cash dividend - P2 per share (Note 24)	(18,400,016)	—	—
Balance at end of year	319,925,680	327,580,194	296,197,360
	P983,710,080	P991,364,586	P959,981,752

See accompanying Notes to Financial Statements.



Statements of Cash Flows

THE PHILIPPINE STOCK EXCHANGE, INC. AND SUBSIDIARY

	Group			Parent Company		
	Years Ended December 31					
	2003	2002 (As Restated - Note 21)	2001 (As Restated - Note 21)	2003	2002 (As Restated - Note 21)	2001 (As Restated - Note 21)
CASH FLOWS FROM OPERATING ACTIVITIES						
Income before income tax	P18,413,694	P41,765,782	P33,773,163	P17,185,518	P41,800,802	P34,089,978
Adjustments for:						
Interest income	(49,773,445)	(45,699,821)	(45,481,303)	(49,322,469)	(45,100,860)	(44,367,138)
Depreciation and amortization	29,578,067	34,753,784	36,500,106	29,352,105	33,958,162	33,986,707
Gain on dilution	(5,501,425)	—	—	(5,501,425)	—	—
Equity in net losses (income)	(3,068,878)	4,042,393	12,342,620	(1,351,019)	5,278,343	15,261,594
Reversal of (provision for) probable losses	(1,659,555)	5,791,347	9,778,060	(1,659,555)	5,791,347	9,778,060
Minority interest in net loss of a subsidiary	(1,650,490)	(1,187,483)	(2,804,504)	—	—	—
Gain on disposal of:						
Short-term investments	(582,261)	—	—	(582,261)	—	—
Property and equipment	(420,899)	—	—	(420,899)	—	—
Provision for decline in value of club membership	300,000	2,428,000	—	300,000	2,428,000	—
Donation of property and equipment	28,103	—	—	28,103	—	—
Reversal of allowance for probable losses on money market placement with a rehabilitated bank	—	—	(26,577,785)	—	—	(26,577,785)
Interest expense	—	—	647,940	—	—	647,940
Operating income (loss) before changes in working capital	(14,337,089)	41,894,002	18,178,297	(11,971,902)	44,155,794	22,819,356
Changes in operating assets and liabilities:						
Decrease (increase) in:						
Accounts receivable	4,952,436	(19,042,174)	18,625,251	5,062,720	(15,749,900)	20,099,323
Other current assets	(23,705)	9,431,838	(1,193,046)	45,109	4,419,618	(1,139,761)
Decrease in accounts payable, accrued expenses and other current liabilities	(252,282)	(12,886,489)	(27,311,293)	(1,095,624)	(12,528,029)	(30,110,230)
Net cash generated from (used in) operations	(9,660,640)	19,397,177	8,299,209	(7,959,697)	20,297,483	11,668,688
Interest received	46,723,881	49,499,129	43,376,533	46,228,465	48,713,496	42,363,532
Income taxes paid	(11,624,000)	(10,833,807)	(40,351,292)	(11,533,804)	(10,667,347)	(40,148,692)
Interest paid	—	—	(647,940)	—	—	(647,940)
Net cash provided by operating activities	25,439,241	58,062,499	10,676,510	26,734,964	58,343,632	13,235,588

(Forward)



	Group			Parent Company		
	Years Ended December 31					
	2003	2002 (As Restated - Note 21)	2001 (As Restated - Note 21)	2003	2002 (As Restated - Note 21)	2001 (As Restated - Note 21)
CASH FLOWS FROM INVESTING ACTIVITIES						
Decrease (increase) in:						
Short-term investments	P81,225,106	P245,163,733	(P56,819,513)	P79,225,106	P243,861,276	(P60,701,944)
Long-term investments	(93,379,047)	(323,410,218)	(10,000,000)	(93,379,047)	(323,410,218)	(10,000,000)
Other assets	24,001,017	23,914,573	(10,022,712)	24,001,017	25,093,023	(10,065,389)
Acquisitions of property and equipment	(22,538,606)	(13,455,399)	(15,082,199)	(22,534,056)	(13,455,399)	(14,821,710)
Proceeds from disposal of property and equipment	420,899	—	—	420,899	—	—
Net cash used in investing activities	(10,270,631)	(67,787,311)	(91,924,424)	(12,266,081)	(67,911,318)	(95,589,043)
CASH FLOWS FROM FINANCING ACTIVITY						
Proceeds from issuance of capital stock	8	—	—	8	—	—
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15,168,618	(9,724,812)	(81,247,914)	14,468,891	(9,567,686)	(82,353,455)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	25,148,575	34,873,387	116,121,301	25,003,658	34,571,344	116,924,799
CASH AND CASH EQUIVALENTS AT END OF YEAR	P40,317,193	P25,148,575	P34,873,387	P39,472,549	P 25,003,658	P34,571,344

See accompanying Notes to Financial Statements.



Notes to Financial Statements

THE PHILIPPINE STOCK EXCHANGE, INC. AND SUBSIDIARY

1. Corporate Information

The Philippine Stock Exchange, Inc. (the Parent Company) was incorporated in the Philippines on July 14, 1992 as a non-stock corporation primarily to provide and maintain a convenient and suitable market for the exchange, purchase, and sale of all types of securities and other instruments.

Republic Act (RA) No. 8799 entitled "Securities Regulation Code" (SRC) prescribed the conversion of the Parent Company into a stock corporation (demutualization) on August 8, 2001, pursuant to a conversion plan approved by the Securities and Exchange Commission (SEC).

The salient features of the demutualization plan approved by the SEC on August 3, 2001 include, among others, the following:

- a. Conversion of the Parent Company into a stock corporation by amending its articles of incorporation (AI) and by-laws;
- b. Subscription of each member of 50,000 shares at P1 per share. The remaining balance of the Membership Contributions account of P277.4 million shall be treated as additional paid-in capital;
- c. Issuance of trading rights to brokers in recognition of the existing seat ownership by the brokers;
- d. Separation of ownership of shares and access to the trading facilities of the exchange. The trading rights shall be transferable without time limitation; and
- e. Imposition of a moratorium on the issuance of the new trading rights.

Pursuant to such demutualization plan, the amendment of the AI was approved by the Board of Governors and the members on July 19, 2001 and July 20, 2001, respectively, to effect the conversion of the Parent Company from a non-stock corporation to a stock corporation with an authorized capital stock of P36.8 million divided into 36.8 million shares at a par value of P1 per share. As of July 20, 2001, 9.2 million shares were subscribed and paid. The SEC approved the amended AI and by-laws on August 3, 2001.

On December 15, 2003, the Parent Company's shares of stock were listed by way of introduction of its outstanding shares to comply with the requirements mandated by the SRC, particularly the conversion of the Parent Company into a stock corporation.

Securities Clearing Corporation of the Philippines (SCCP), a 51%-owned subsidiary of the Parent Company, was given a temporary license to operate by the SEC and started its commercial operations on January 3, 2000. On January 15, 2002, the SEC approved SCCP's request for a permanent license as a clearing agency subject to its compliance with the requirements of Section 42 of the SRC entitled "Registration of Clearing Agency."

The registered office address of the Parent Company is Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City. As of December 31, 2003 and 2002, the Parent Company and SCCP (the Group) had 149 and 147 employees, respectively.

The financial statements for the years ended December 31, 2003 and 2002 were authorized for issue by the Board of Directors (BOD) on January 28, 2004.

2. Summary of Significant Accounting Policies

Basis of Preparation and Presentation

The accompanying financial statements have been prepared in accordance with the accounting principles generally accepted in the Philippines (Philippine GAAP) and under the historical cost convention. The preparation of the financial statements in accordance with Philippine GAAP requires the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Future events may occur which can cause the assumptions used in arriving at those estimates to change. The effects of any changes in estimates will be recognized in the financial statements as they become reasonably determinable.

The consolidated financial statements include the accounts of the Parent Company and its 51%-owned subsidiary, SCCP, after eliminating significant intercompany balances and transactions.

Adoption of New Accounting Standards

The Group adopted the following Statements of Financial Accounting Standards (SFAS)/ International Accounting Standards (IAS) which became effective on January 1, 2003:

- a. SFAS 10/IAS 10, *Events After the Balance Sheet Date*, prescribes the accounting policies and disclosures related to adjusting and non-adjusting subsequent events. Additional disclosure required by this standard, principally the date of authorization for release of the accompanying consolidated financial statements, has been included in Note 1.
- b. SFAS 37/IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, provides the criteria for the recognition and bases for measurement of provisions, contingent liabilities and contingent assets. It also specifies the disclosures that should be included with respect to these items. The adoption of this standard did not result in restatement of prior year financial statements.



- c. SFAS 38/IAS 38, *Intangible Assets*, establishes the criteria for the recognition and measurement of intangible assets. Intangible assets that are recognized should be amortized generally over 20 years. The new standard also requires that expenditures on research, start-up, training, advertising and relocation be expensed as incurred. The Group's adoption of SFAS 38/IAS 38 in 2003 resulted in a retroactive adjustment to beginning retained earnings in 2003 of about P6.8 million related to the write-off of preoperating expenses of SCCP (see Note 21).

New Accounting Standards Effective in 2004

The Accounting Standards Council has approved the following accounting standards which will be effective in 2004:

- a. SFAS 12/IAS 12, *Income Taxes*, prescribes the accounting treatment for current and deferred income taxes. The standard requires the use of balance sheet liability method of accounting for deferred income taxes. It requires the recognition of a deferred tax liability and, subject to certain conditions, deferred tax asset for all temporary differences with certain exceptions. The standard provides for the recognition of a deferred tax asset when it is probable that taxable income will be available against which the deferred tax asset can be used. It also provides for the recognition of a deferred tax liability with respect to asset revaluations.
- b. SFAS 17/IAS 17, *Leases*, prescribes the accounting policies and disclosures applicable to finance and operating leases. Finance leases are those that transfer substantially all risks and rewards of ownership to the lessee.

A lessee is required to capitalize finance leases as assets and recognize the related liabilities at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The lessee should also depreciate the leased assets. On the other hand, the lessee should expense operating lease payments.

The Group will adopt the foregoing standards when they become effective in 2004, and based on current circumstances, does not believe the effect of adoption will be material to the financial statements.

Cash Equivalents/ Investments

Short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and are subject to an insignificant risk of changes in value are classified as cash equivalents, while those with maturities of more than three months to twelve months are classified separately as short-term investments. Investments with maturities of more than twelve months are classified as long-term investments. Investments in debt securities are carried at amortized cost less any provision for permanent impairment in value, if any. Realized gains and losses from the sale of investments are included in income. The cost of

investments used for determining the gain or loss on sale of such investment is computed based on specific identification method.

Accounts Receivable

Accounts receivable are stated at face value less allowance for doubtful accounts. Allowance for doubtful accounts is maintained at a level considered adequate to provide for potential uncollectibility of the receivables. Management evaluates the level of this allowance based on the factors that affect the collectibility of the accounts. A review of the age and status of receivables, designed to identify accounts to be provided with allowance, is made by the Group on a continuing basis.

Equity Investments

Equity investments in a associate in which the Parent Company's percentage of ownership is 20% or more or where significant influence is exercised are accounted for under the equity method. Under the equity method, the cost of the investments is increased or decreased by the equity in net income or losses of the associate since dates of acquisition. Dividends received are treated as a reduction from the carrying value of such investments.

Investments of Credit and Trade Guaranty Fund and Credit Ring Agreement Fund

Credit and Trade Guaranty Fund and Credit Ring Agreement Fund represent contributions of the Parent Company and the brokers as discussed in Notes 11 and 12 to the financial statements. The funds are held in trust by SCCP for the account of the brokers. The fund assets and the related fund balances are shown under the assets and liabilities sections, respectively, of the consolidated balance sheets.

The assets of the funds are invested in government securities, which are held for the purpose of investing in liquid funds. Investments in government securities are recorded at amortized cost less provision for permanent impairment in value, if any. Income and expenses related to the fund are charged or credited to the fund balances. Realized gains and losses from the sale of investments are also credited to the fund balances. The cost of investments used for determining the gain or loss on sale of such investment is computed based on specific identification method.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and any impairment in value. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Depreciation is computed using the straight-line method over the estimated useful life of the asset, as follows:



	Years
Buildings	25
Trading system equipment	3
Building and leasehold improvements	10
Computer hardware and peripherals	3 - 5
Office, furniture, fixtures and communication equipment	2 - 5
Transportation equipment	5
Utilities and others	2

The cost of leasehold improvement is amortized over the shorter of the covering lease term or the estimated useful life of the improvement.

The useful lives and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Cost of minor repairs and maintenance are charged as expense when incurred; significant renewals and improvements are capitalized. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and amortization, and any impairment in value are removed from the accounts and any resulting gain or loss is credited or charged to current operations.

Impairment of Assets

An assessment is made at each balance sheet date of whether there is any indication of impairment of an asset, or whether there is any indication that an impairment loss previously recognized for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to operations in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is charged to the revaluation increment of the said asset.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognized for the asset in prior years.

A reversal of an impairment loss is credited to current operations, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is credited to the revaluation increment of the said asset.

Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individual or corporate entities.

Provisions

Starting in 2003, provisions are recognized when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

In prior years, provisions for contingencies were accrued when it is probable that a liability had been incurred at balance sheet date and the amount can be reasonably estimated. Otherwise, the loss contingency was disclosed.

Revenue Recognition

Revenue is recognized on the following bases:

- Membership fees and interest income are recognized on a time proportion basis;
- Listing, processing, data feed and service fees are recognized when services are rendered; and
- Other income is recognized on an accrual basis.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reasonably measured.

Foreign Exchange Transactions

Foreign currency denominated assets and liabilities are translated using the Philippine Dealing System weighted average rate prevailing at balance sheet date. Foreign exchange gains or losses arising from foreign currency transactions and revaluation adjustments of foreign currency assets and liabilities are credited or charged to current operations.

Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the difference between the financial reporting bases of assets and liabilities and their related tax bases and for the carryforward benefits of the excess of minimum corporate income tax (MCIT) over regular corporate income tax and net operating loss carryover (NOLCO).



Deferred tax assets and liabilities are measured using the tax rate applicable to taxable income in the years in which those temporary differences are expected to be recovered or settled, and MCIT and NOLCO are expected to be recovered or applied. A valuation allowance is provided for the portion of the deferred tax assets which is not expected to be realized in the future.

Retirement Expense

The Parent Company's retirement expense is actuarially determined using the projected unit credit method. This method reflects the services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries. Unrecognized experience adjustments and past service costs are amortized over the expected average remaining working life of the employees. Actuarial gains and losses are recognized over the expected average remaining working life of the employees.

Retirement expense of SCCP represents the estimated retirement benefits required to be paid under RA No. 7641 to qualified employees. Normal cost is charged to current operations while past service cost is amortized over the average remaining working life of employees.

Earnings Per Share

Earnings per share is determined by dividing net income by the weighted average number of common shares issued and outstanding during the period after giving retroactive adjustment to any stock dividend or stock split declared in the current year.

3. Cash and Cash Equivalents

This account consists of:

	Group		Parent Company	
	2003	2002	2003	2002
Cash on hand and in banks	P22,046,092	P19,493,923	P21,201,448	P19,349,006
Cash equivalents	18,271,101	5,654,652	18,271,101	5,654,652
	P40,317,193	P25,148,575	P39,472,549	P25,003,658

4. Accounts Receivable

This account consists of receivables from:

	Group		Parent Company	
	2003	2002	2003	2002
Brokers	P17,764,007	P17,399,913	P17,615,159	P17,332,376
Data vendors	10,794,714	7,515,005	10,794,714	7,515,005
Listed companies	3,800,363	8,549,833	3,800,363	8,549,833
Others	3,573,677	7,420,446	4,112,029	7,987,771
	35,932,761	40,885,197	36,322,265	41,384,985
Less allowance for probable losses	13,967,762	15,627,317	13,967,762	15,627,317
	P21,964,999	P25,257,880	P22,354,503	P25,757,668

On September 25, 2002, the Parent Company's BOD approved the loan assistance program to brokers, subject to the availability of funds, via a term loan of P0.5 million per member for a period of six months at a rate equivalent to 182 day treasury bills prevailing at the time of the grant of the loan. On April 23, 2003, the Parent Company's BOD approved the extension of the maturity of the loan for another six months. Subsequently, on October 8, 2003, the Parent Company's BOD approved the extension of the loans granted to brokers for another six months beginning October 23, 2003.

As of December 31, 2003 and 2002, outstanding loans to brokers included in Accounts receivable - brokers amounted to P8.5 million and P9.5 million, respectively. Each loan is secured by a pledge of 10,000 shares of stock of the Parent Company owned by the broker-borrower.

Under the Parent Company's rule, all trading rights are pledged at its full value to secure the payment of debts due to the Parent Company and other brokers of the Parent Company arising out of or in connection with the present or future brokers' contracts. Based on the latest transaction in 2003, the transacted price of a trading right including the 50,000 shares of stock of the Parent Company amounted to P8.0 million.



5. Other Current Assets

This account consists of:

	Group		Parent Company	
	2003	2002	2003	2002
Accrued interest receivable	P7,452,184	P4,312,409	P7,361,973	P4,267,969
Deferred tax assets (Note 18)	4,469,684	5,000,741	4,469,684	5,000,741
Others	2,148,259	2,214,764	2,144,859	2,189,967
	P14,070,127	P11,527,914	P13,976,516	P11,458,677

Accrued interest receivable pertains to uncollected interest on short-term and long-term investments.

6. Equity Investments

This account consists of:

	Group		Parent Company	
	2003	2002	2003	2002
At equity:				
Acquisition cost:				
Philippine Depository and Trust Corporation (PDTC) (32% owned in 2003 and 33% owned in 2002 and 2001)	P75,000,000	P75,000,000	P75,000,000	P75,000,000
SCCP (51% owned)	—	—	25,500,000	25,500,000
Balance at beginning of year	75,000,000	75,000,000	100,500,000	100,500,000
Conversion of PDTC redeemable preferred shares	4,294,000	—	4,294,000	—
Balance at end of year	79,294,000	75,000,000	104,794,000	100,500,000

(Forward)

	Group		Parent Company	
	2003	2002	2003	2002
Accumulated equity in net loss:				
Balance at beginning of year				
As previously stated	(P20,813,646)	(P16,771,253)	(P37,295,755)	(P28,598,891)
Change in accounting policy - share in reversal of unamortized preoperating expenses (Note 21)	—	—	(6,837,040)	(10,255,561)
As restated	(20,813,646)	(16,771,253)	(44,132,795)	(38,854,452)
Gain on dilution	5,501,425	—	5,501,425	—
Equity in net income (losses)	3,068,878	(4,042,393)	1,351,019	(5,278,343)
Balance at end of year	(12,243,343)	(20,813,646)	(37,280,351)	(44,132,795)
	67,050,657	54,186,354	67,513,649	56,367,205
At cost:				
PDTC redeemable preferred shares	—	4,294,000	—	4,294,000
	P67,050,657	P58,480,354	P67,513,649	P60,661,205

The management of the Parent Company is currently studying the possibility of merging the operations of SCCP into the Parent Company.

The Parent Company converted its 42,940 PDTC redeemable preferred shares with total par value of P4.3 million into 42,940 common shares with total par value of P4.3 million. The Parent Company has discussed with Philippine Dealing System Holdings Corp. (PDSHC) the swapping of the Parent Company's equity stake in PDTC for PDSHC shares. The management of the Parent Company and PDSHC intend to finalize the proposed swap in 2004.

7. Long-term Investments

This account consists of small denominated treasury bonds, retail treasury bonds and fixed rate treasury notes amounting to P326.2 million and P245.5 million as of December 31, 2003 and 2002, respectively, and US dollar denominated bonds amounting to US\$1.8 million and US\$1.7 million as of December 31, 2003 and 2002, respectively.



As of December 31, 2003 and 2002, the market value of long-term investments amounted to P427.0 million and P339.8 million, respectively. Unrealized gain representing the excess of market value over the carrying value of the investments amounted to P0.2 million and P6.4 million as of December 31, 2003 and 2002, respectively.

Maturity profile of long-term investments follows:

	2003	2002
Due in one year	P13,995,589	P—
Due beyond one year	412,793,676	333,410,218
	P426,789,265	P333,410,218

8. Property and Equipment

The movements in property and equipment for the year-ended December 31, 2003 are as follow:

	Group								Total
	Buildings	Trading System Equipment	Building and Leasehold Improvements	Computer Hardware and Peripherals	Office, Furniture, Fixtures and Communication Equipment	Transportation Equipment	Utilities and Others	Donated Shares in a Condominium Corporation	
Cost									
January 1, 2003	P224,895,034	P157,671,875	P117,226,171	P81,818,558	P49,439,069	P7,917,818	P1,542,682	P155,690,154	P796,201,361
Additions	—	3,245,316	2,691,109	11,689,540	3,675,663	1,227,273	9,705	—	22,538,606
Disposal/ Retirement	—	—	—	(615,074)	—	(1,555,859)	—	—	(2,170,933)
December 31, 2003	P224,895,034	160,917,191	119,917,280	92,893,024	53,114,732	7,589,232	1,552,387	P155,690,154	816,569,034
Accumulated depreciation and amortization									
January 1, 2003	72,015,245	154,301,966	92,642,713	73,230,979	48,516,665	5,569,151	1,157,985	—	447,434,704
Depreciation and amortization	8,995,801	2,004,348	11,457,955	5,734,547	464,286	905,927	15,203	—	29,578,067
Disposal/ Retirement	—	—	—	(586,971)	—	(1,555,859)	—	—	(2,142,830)
December 31, 2003	81,011,046	156,306,314	104,100,668	78,378,555	48,980,951	4,919,219	1,173,188	—	474,869,941
Net book value as of									
December 31, 2003	P143,883,988	P4,610,877	P15,816,612	P14,514,469	P4,133,781	P2,670,013	P379,199	P155,690,154	P341,699,093
Net book value as of									
December 31, 2002	P152,879,789	P3,369,909	P24,583,458	P8,587,579	P922,404	P2,348,667	P384,697	P155,690,154	P348,766,657

	Parent Company								Total
	Buildings	Trading System Equipment	Building and Leasehold Improvements	Computer Hardware and Peripherals	Office, Furniture, Fixtures and Communication Equipment	Transportation Equipment	Utilities and Others	Donated Shares in a Condominium Corporation	
Cost									
January 1, 2003	P224,895,034	P157,671,875	P113,598,649	P74,031,382	P48,728,457	P6,982,818	P1,542,682	P155,690,154	P783,141,051
Additions	—	3,245,316	2,691,109	11,684,990	3,675,663	1,227,273	9,705	—	22,534,056
Disposal/ Retirement	—	—	—	(615,074)	—	(1,555,859)	—	—	(2,170,933)
December 31, 2003	224,895,034	160,917,191	116,289,758	85,101,298	52,404,120	6,654,232	1,552,387	155,690,154	803,504,174

(Forward)

	Parent Company								Total
	Buildings	Trading System Equipment	Building and Leasehold Improvements	Computer Hardware and Peripherals	Office, Furniture, Fixtures and Communication Equipment	Transportation Equipment	Utilities and Others	Donated Shares in a Condominium Corporation	
Accumulated depreciation and amortization									
January 1, 2003	P72,015,245	P154,301,966	P89,015,204	P65,580,208	P47,842,317	P4,727,652	P1,157,985	P—	P434,640,577
Depreciation and amortization	8,995,801	2,004,348	11,457,955	5,635,158	431,211	812,427	15,205	—	29,352,105
Disposal/ Retirement	—	—	—	(586,971)	—	(1,555,859)	—	—	(2,142,830)
December 31, 2003	81,011,046	156,306,314	100,473,159	70,628,395	48,273,528	3,984,220	1,173,190	—	461,849,852
Net book value as of									
December 31, 2003	P143,883,988	P4,610,877	P15,816,599	P14,472,903	P4,130,592	P2,670,012	P379,197	P155,690,154	P341,654,322
Net book value as of									
December 31, 2002	P152,879,789	P3,369,909	P24,583,445	P8,451,174	P886,140	P2,255,166	P384,697	P155,690,154	P348,500,474

Buildings represent properties donated by Philippine Realty and Holdings Corporation (PRHC) and Ayala Land, Inc. (ALI) and a condominium unit at the PSE Centre in Pasig City purchased at P5.2 million.

On September 29, 1993, PRHC donated the Parent Company's offices at the PSE Centre in Pasig City, which exclusively house the following: a) trading floors; b) board room; c) executive offices; d) training and education center; and e) research, administrative and accounting offices, library and central files. Such offices were formally turned over to the Parent Company on December 31, 1994 at a value of P139.5 million (see Note 13).

As provided in the Deed of Donation between PRHC and the Parent Company, the latter shall use the offices exclusively for its stock exchange and stock trading operations for a period of at least 10 years from the date of its occupancy of said offices. However, should the Parent Company fail to locate their trading floor at the donated property, this shall revert to PRHC without need of any further act or deed. However, if within the 10-year period, the Parent Company's stock trading activities shall be conducted off-floor, the trading floor established in the condominium units or portions thereof may, at the Parent Company's option and sole cost, be converted into additional offices for its exclusive use.

On August 25, 1993, ALI donated to the Parent Company the sum of P80.0 million (P30.0 million of which, was made through a transfer of rights by the Makati Stock Exchange) to cover the cost of construction of the unit at the Philippine Stock Exchange (PSE) Plaza in Ayala Avenue, Makati City and its appurtenant parking slots, and condominium shares valued at P155.7 million (see Note 13).



The Deed of Donation provides that the units at the PSE Plaza will house one of the trading floors of the Parent Company, the central clearing and depository and a number of parking lots. In addition, the Parent Company shall use the units for a period of at least 10 years from the date of the Parent Company's occupancy of the said units.

ALI established a stock condominium corporation, the Tower One and Exchange Plaza Condominium Corporation, for the purpose of holding title to the parcel of land where the condominium is located and the common areas of the condominium. The donated condominium shares represent the Parent Company's share in the said condominium corporation.

On November 12, 2002, the representatives of the Parent Company and the Fort Bonifacio Development Corporation (FBDC) signed the definitive agreement implementing the terms and conditions for the relocation of the Parent Company to the Bonifacio Global City, which is in relation to the allocation by FBDC of the required space and building facilities that will house the Parent Company's headquarters, majority of its management offices and its unified trading operations in equity securities for the National Capital Region. The relocation remains subject to the execution of such deeds calling for the donation of the required facilities.

9. Other Assets

This account consists of:

	Group		Parent Company	
	2003	2002	2003	2002
Deposit in bank	P58,555,418	P82,433,668	P58,555,418	P82,433,668
Advances to brokers related to Credit Ring Agreement Fund (Notes 12 and 20)	10,000,000	10,000,000	10,000,000	10,000,000
Deferred tax assets - net (Note 18)	7,643,885	4,525,812	7,643,885	3,387,832
Club membership - net of allowance for decline in value of P2,728,000 in 2003 and P2,428,000 in 2002	300,000	650,000	300,000	650,000
Others	—	72,768	—	72,768
	P76,499,303	P97,682,248	P76,499,303	P96,544,268

Deposit in bank represents matured investments with a local bank, which declared a bank holiday on April 25, 2000 and was subsequently placed under receivership. The bank's rehabilitation plan, including its proposed merger with another bank, was approved by the Bangko Sentral ng Pilipinas on July 12, 2001. The proposed merger was approved by the SEC on January 31, 2002.

Under the options made available to bank depositors as provided for in the rehabilitation plan, the Parent Company's deposit with the said bank shall be repaid and serviced as follows:

- a. Partial payment of P0.5 million within 30 days from date of opening, less P0.1 million previously paid by Philippine Deposit Insurance Corporation (PDIC);
- b. Remaining balance shall be paid as follows:
 - 75% shall be paid in three (3) years at 6% per annum as per schedule:
 - 1st year end - 30%
 - 2nd year end - 30%
 - 3rd year end - 40%
 - 25% shall be paid in equal yearly installments for three (3) years at 7% per annum, net of withholding tax as follows:
 - 4th year end - 33%
 - 5th year end - 33%
 - 6th year end - 34%

The foregoing repayment plan was approved by the Parent Company's BOD on August 8, 2001. The payments received by the Parent Company were in accordance with the foregoing plan.

10. Accounts Payable, Accrued Expenses and Other Current Liabilities

This account consists of:

	Group		Parent Company	
	2003	2002	2003	2002
Accrued expenses	P13,903,718	P16,244,866	P8,800,454	P11,196,393
Due to SEC	10,537,818	6,447,674	10,537,818	6,447,674
Accounts payable	7,037,107	8,149,721	7,037,107	8,705,138
Others	8,553,047	9,441,711	7,970,617	9,092,415
	P40,031,690	P40,283,972	P34,345,996	P35,441,620



The amount due to SEC represents license fees to operate an exchange imposed under Section 35 of the SRC entitled "Additional Fees of Exchanges."

11. Clearing and Trade Guaranty Fund

This account consists of:

	2003	2002
Principal contribution from:		
Brokers		
Balance at beginning of year	P92,877,003	P91,349,748
Contributions during the year	1,464,658	1,527,255
Balance at end of year	94,341,661	92,877,003
Parent Company	80,000,000	80,000,000
	174,341,661	172,877,003
Accumulated interest income		
Balance at beginning of year	49,042,123	34,690,523
Interest income - net of management fee of P237,862 in 2003	16,946,229	14,351,600
Balance at end of year	65,988,352	49,042,123
	P240,330,013	P221,919,126

The Clearing and Trade Guaranty Fund (CTGF) is a credit management tool designed to protect the market against settlement risks of clearing brokers. Each broker-member's contribution is equivalent to 1/1,000 of his total turnover value.

In order for SCCP to effectively implement its Fails Management and Buy-in/Sell-out functions, the CTGF must be adequate to cover the unsettled trades of any broker on any trading day. On December 7, 1999, the SEC directed the Parent Company to allocate a portion of its income as a trade guarantee expense to hasten the build up of the CTGF.

As of December 31, 2003 and 2002, the assets of the CTGF (included under Investments of Credit Trade and Guaranty Fund account in the consolidated balance sheets) consist of:

	2003	2002
Investments in government securities	P235,437,254	P212,847,382
Accrued interest receivable	4,752,374	8,774,576
Accounts receivable	140,385	297,168
	P240,330,013	P221,919,126

As of December 31, 2003, the market value of investments in government securities amounted to P241.7 million. The unrealized gains on investment in government securities as of December 31, 2003 amounted to P6.3 million.

The CTGF shall be invested as follows:

- Deposits in universal banks wholly or partially insured by the PDIC;
- Securities issued or guaranteed by the Republic of the Philippines; and
- Such other investments as the SCCP's BOD may approve taking into consideration the liquidity requirements of the clearing fund.

Any proceeds from the CTGF shall not be used for any purpose other than for:

- Payment of the net money obligations of a defaulting buying member in order to settle a failed trade;
- Buy-in of relevant securities due from a defaulting selling member in order to settle a failed trade;
- The satisfaction of losses, liabilities and expenses of SCCP incidental to the operation of its clearing and settlement functions and the management of the CTGF;
- Payment of premium on any insurance policy taken for the CTGF; and
- The liquidation of contributions as may be determined by the BOD of SCCP.

On January 28, 2003, the BOD of SCCP approved the amendment of its rules on CTGF providing for the non-recourse of all CTGF contributions to brokers.

On June 19, 2003, the BOD of SCCP approved the amendment of Investment Rules on CTGF whereby the investment of the fund in universal banks was deleted. In addition, on the same BOD meeting, the BOD of SCCP approved the assessment of a management fee at 0.1% of CTGF fund level as of the close of year for the management and administration of CTGF.



12. Credit Ring Agreement Fund

On January 29, 2001, the SEC approved SCCP's request that all clearing brokers whose net negative exposure amounting to P1.0 million or below shall be exempted from the daily collateral collection being required by SCCP. The said request was made to improve the efficiency of SCCP's mark-to-market collateral deposit system. The said approval is subject to the following conditions:

- SCCP, via a one-time contribution by the clearing brokers or by the Parent Company on behalf of its members who are also the clearing brokers, shall set aside the amount of P10.0 million for the sole purpose of covering the aggregate net negative exposures of all clearing brokers whose computed individual exposure amounts to P1.0 million and below;
- A credit ring agreement, to be participated in and signed by all SCCP clearing brokers, shall be organized. A credit ring agreement is a scheme wherein the participating brokers agree to pay up, pro rata, the deficit between the total net negative exposures of failing brokers and the amount of P10.0 million special fund;
- The size of the fund shall be reviewed quarterly by SCCP for resizing; and
- SCCP shall promptly make the necessary amendments to existing rules and operating procedures to reflect the necessary changes.

In connection with the above conditions, the Parent Company advanced, on behalf of its brokers, P10.0 million to a special fund set up by SCCP relative to the credit ring agreement described above. The said fund was invested by SCCP in short-term money market placements. The interest income from said money market placements is recognized as income of the Parent Company.

As of December 31, 2003, 64 active brokers signed the credit ring agreement.

13. Donated Capital

This account consists of donations from:

ALI (Note 8)	P235,690,154
PRHC (Note 8)	139,542,000
USAID	1,925,250
	<u>P377,157,404</u>

14. Compensation and Other Related Staff Expenses

This account consists of:

	Group			Parent Company		
	2003	2002	2001	2003	2002	2001
Salaries and wages	P53,586,598	P48,429,860	P43,689,391	P51,661,291	P46,513,722	P41,736,880
Retirement expense (Note 15)	449,002	901,938	3,598,335	–	418,149	1,911,935
Other employee benefits	15,929,200	13,434,427	14,188,187	15,080,245	13,105,901	13,440,248
	<u>P69,964,800</u>	<u>P62,766,225</u>	<u>P61,475,913</u>	<u>P66,741,536</u>	<u>P60,037,772</u>	<u>P57,089,063</u>

15. Retirement Plan

The Parent Company has a funded, noncontributory defined benefit retirement plan covering all its regular employees. The benefits are consolidated based on years of service and compensation per year of credited service. The Parent Company's annual contribution to the retirement plan consists of a payment covering the current service cost plus a payment toward funding the actuarial accrued liability.

Actuarial valuation is made at least every three years. As of September 30, 2001, the latest date of the actuarial valuation, the actuarial present value of retirement benefits amounted to P12.4 million while the fair value of the plan assets amounted to P16.1 million. The net asset value of the plan exceeded actuarial retirement benefits by P3.7 million as of September 30, 2001. The principal actuarial assumptions used to determine retirement benefits were 10% discount rate, salary increases and return on plan assets.

Management believes that their retirement fund continues to be overfunded. Accordingly no retirement expense was accrued in 2003. Retirement expense amounted to P0.4 million and P1.9 million, in 2002 and 2001, respectively.

The Parent Company's retirement fund is being managed by a local bank.

SCCP provides for estimated retirement benefits required to be paid under RA No. 7641 to eight employees, pending implementation of a formal retirement plan. Retirement expense, computed using the current monthly salary rate and number of years of employment with SCCP, amounted to P0.4 million, P0.5 million and P1.7 million in 2003, 2002 and 2001, respectively. SCCP management believes that since the Company started operations only in 2000, the accrued retirement expense under an actuarially computed retirement plan will not be materially different from the accrued estimated retirement expense recognized in the financial statements.



16. Occupancy Costs

This account consists of:

	Group			Parent Company		
	2003	2002	2001	2003	2002	2001
Utilities	P14,203,182	P15,613,875	P13,746,441	P13,967,832	P15,379,511	P13,448,041
Condominium dues	8,642,941	8,963,840	8,017,838	8,642,941	8,963,840	8,017,838
Security and janitorial services	6,310,761	7,297,672	6,046,916	6,310,761	7,297,672	6,046,916
Repairs and maintenance	3,125,553	3,724,171	3,288,958	3,125,553	3,724,171	3,236,797
	P32,282,437	P35,599,558	P31,100,153	P32,047,087	P35,365,194	P30,749,592

17. Non-Operating Income

The components of non-operating income are summarized below:

	Group			Parent Company		
	2003	2002	2001	2003	2002	2001
Interest income - net of interest expense of P647,940 in 2001 (Note 20)	P49,773,445	P45,699,821	P44,833,363	P49,322,469	P45,100,860	P43,719,198
Gain on dilution (Note 6)	5,501,425	—	—	5,501,425	—	—
Foreign exchange gain - net	3,176,383	4,060,984	991,861	3,176,383	4,060,984	991,860
Equity in net income (losses) (Note 6)	3,068,878	(4,042,393)	(12,342,620)	1,351,019	(5,278,343)	(15,261,594)
Gain on disposal of short-term investments	582,261	—	—	582,261	—	—
Gain on disposal of property and equipment (Note 8)	420,899	—	—	420,899	—	—
Provision for decline in value of club membership (Note 9)	(300,000)	(2,428,000)	—	(300,000)	(2,428,000)	—
Reversal of allowance for probable losses on money market placement with a rehabilitated bank (Note 9)	—	—	26,577,785	—	—	26,577,785
Demutualization expense	—	—	(4,600,768)	—	—	(4,600,768)
Others	663,987	6,365,298	—	410,188	6,365,298	—
	P62,887,278	P49,655,710	P55,459,621	P60,464,644	P47,820,799	P51,426,481

18. Income Taxes

The provision for income tax consists of:

	Group			Parent Company		
	2003	2002	2001	2003	2002	2001
Final	P8,857,265	P9,089,200	P9,077,329	P8,767,069	P8,969,408	P8,854,496
Deferred	(2,587,016)	(1,338,542)	1,286,980	(3,724,996)	(1,183,730)	1,826,628
Current	1,397,943	2,632,290	1,696,393	1,397,943	2,632,290	1,696,393
	P7,668,192	P10,382,948	P12,060,702	P6,440,016	P10,417,968	P12,377,517

The components of the current portion of deferred tax assets (included under the Other Current Assets account in the balance sheets) are as follows:

	Group		Parent Company	
	2003	2002	2003	2002
Deferred tax asset on:				
Allowance for probable losses	P4,469,684	P5,000,741	P4,469,684	P5,000,741
NOLCO	3,894,732	3,364,520	—	—
MCIT carryforward	1,696,393	—	1,696,393	—
	10,060,809	8,365,261	6,166,077	5,000,741
Less valuation allowance	5,591,125	3,364,520	1,696,393	—
	P4,469,684	P5,000,741	P4,469,684	P5,000,741

The components of the non-current portion of net deferred tax assets (included under the Other Assets account in the balance sheets) are as follows:

	Group		Parent Company	
	2003	2002	2003	2002
Deferred tax asset on:				
NOLCO	P20,986,728	P10,227,766	P15,187,773	P—
Preoperating expenses (Note 21)	2,144,954	4,289,908	—	—
Unfunded retirement costs	1,415,470	1,271,788	133,808	133,808
Unamortized past service costs	659,227	796,500	659,227	796,500
MCIT carryforward	3,078,969	3,377,419	3,078,969	3,377,419
	28,285,348	19,963,381	19,059,777	4,307,727
Less valuation allowance	17,558,211	14,517,674	8,332,640	—
	10,727,137	5,445,707	10,727,137	4,307,727
Deferred tax liability on unrealized foreign exchange gain - net	3,083,252	919,895	3,083,252	919,895
	P7,643,885	P4,525,812	P7,643,885	P3,387,832



Details of NOLCO of the Parent Company and SCCP follow:

Year Incurred	Amount	Used	Balance	Expiry Date
Parent Company				
2003	P47,461,790	P-	P47,461,790	2006
SCCP				
2001	12,171,039	-	12,171,039	2004
2002	9,276,606	-	9,276,606	2005
2003	8,845,129	-	8,845,129	2006
	30,292,774	-	30,292,774	
	P77,754,564	P-	P77,754,564	

Details of MCIT of the Parent Company follow:

Year Incurred	Amount	Used	Balance	Expiry Date
2001	P1,696,393	P-	P1,696,393	2004
2002	1,681,026	-	1,681,026	2005
2003	1,397,943	-	1,397,943	2006
	P4,775,362	P-	P4,775,362	

A valuation allowance was provided for the deferred tax asset pertaining to a portion of the Parent Company's NOLCO and MCIT which are not expected to be realized in the future. A full valuation allowance was provided on SCCP's deferred income tax since management believes that there may be no future benefit on such asset.

Revenue Regulations No. 10-2002 defines expenses to be classified as entertainment, amusement and recreation (EAR) expenses and sets a limit for the amount that is deductible for tax purposes. EAR expenses are limited to 1% of net revenue for sellers of services.

EAR expenses incurred by the Parent Company amounted to P0.4 million and P0.7 million in 2003 and 2002 respectively. EAR expenses for the period September to December 2002 amounted to P0.2 million.

The reconciliation of the statutory income tax rate to the effective income tax rate follows:

	Group			Parent Company		
	2003	2002	2001	2003	2002	2001
Statutory income tax rate	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%
Tax effects of:						
Interest income subjected to final tax	(37.19)	(12.85)	(16.21)	(39.54)	(12.98)	(17.42)
Valuation allowance on deferred tax assets	65.15	1.97	5.18	58.36	-	-
Gain on dilution	(9.56)	-	-	(10.24)	-	-
Equity in net income (loss)	(5.33)	3.10	11.69	(2.52)	4.04	15.44
Minority interest in net loss of a subsidiary	(2.87)	(0.91)	(2.66)	-	-	-
Others	(0.56)	1.55	5.71	(0.59)	1.86	6.29
Effective income tax rate	41.64%	24.86%	35.71%	37.47%	24.92%	36.31%

19. Earnings Per Share

	2003	2002	2001
a. Net income	P10,745,502	P31,382,834	P21,712,461
b. Weighted average number of outstanding common shares	9,200,005	9,200,000	9,200,000
c. Earnings per share (a/b)	P1.17	P3.41	P2.36

20. Related Party Transactions

The Parent Company, in its normal course of business, has transactions with related parties.



The year-end balances in respect of related parties included in the balance sheet are as follow:

	2003	2002
Accounts receivable:		
Brokers - net of allowance for probable losses of P4,500,217 in 2003 and P4,437,910 in 2002	P13,263,790	P12,962,003
PCDI	—	31,800
Advances to brokers related to Credit Ring Agreement Fund	10,000,000	10,000,000
Accounts payable to brokers	3,594,920	—

The income in respect of related parties included in the statements of income follows:

	2003	2002	2001
Membership fees	P11,693,113	P13,063,650	P21,106,220
Interest income	691,791	119,400	—
Miscellaneous income	237,862	—	186,000

21. Change in Accounting Policy

The Group adopted SFAS 38/IAS 38, effective January 1, 2003 and accordingly, reversed its unamortized preoperating expenses to conform to the standard. Previously, such expenses were deferred. The change in accounting policy has been accounted for retroactively and the comparative statements for 2002 and 2001 have been restated in conformity with the benchmark treatment of a change in accounting policy. The reversal of unamortized preoperating expenses resulted in a retroactive adjustment on the beginning retained earnings by P6.8 million, P10.3 million and P13.7 million in 2003, 2002 and 2001, respectively, which represents the share of the Parent Company in the unamortized preoperating expenses of SCCP.

The management of SCCP has provided full valuation allowance on the deferred tax asset relating to unamortized preoperating expenses as of December 31, 2000 since management believes that it is more likely than not that the benefit from the deferred tax asset will not be realized.

22. Segment Reporting

SFAS 31, Segment Reporting, requires that a public business enterprise report financial and descriptive information about its reportable segments. Generally, financial information is required to be reported on the basis that it is used internally for evaluating segment performance and deciding how to allocate resources among operating segments. The Group has one reportable business segment which is the equity securities market. The equity securities market provides trading, clearing, depository and information services for the equity market. The Group also has one geographical segment and derives all its revenues from domestic operations. The financial information about the sole business segment is presented in the financial statements.

23. Contingencies

The Parent Company is contingently liable for lawsuits or claims filed by third parties, which decisions are either pending in the courts or under negotiation, the ultimate outcomes of which are not presently determinable. Significant lawsuits or claims filed against the Group includes labor cases and tax assessments on income and local taxes. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements.

24. Other Matters

In a special meeting held by the Parent Company's BOD on December 15, 2003, the BOD declared a cash dividend of P2 per share payable on January 8, 2004 to the stockholders of record as of January 7, 2004.

Appendix A: Committees and Key Functions

COMMITTEES	KEY FUNCTIONS	COMMITTEES	KEY FUNCTIONS
Audit	<ul style="list-style-type: none"> Supervise internal audit of all the Company's transactions through examining of its books, papers and records; Engage services of a Certified Public Accountant with concurrence of the Board; Render appropriate reports to the Board as required. 	Listing	<ul style="list-style-type: none"> Recommend listing applications to the Board for approval; Recommend to the Board rules (fees, fines/penalties/sanctions) and policies concerning the listing of securities and disclosure of information; Submit for notation by the Board stock dividend applications and fines/penalties/sanctions imposed on non-complying listed companies.
Floor Trading & Arbitration	<ul style="list-style-type: none"> Recommend changes on trading rules for Board approval; Enforce and administer, through management, the dissemination and strict implementation of trading rules and regulations; Settle disputes and trading discrepancy arising from transactions on the floor; Recommend suspension of trading activities on the Exchange to the Chairman and/or the President in the event of any emergency identified to be detrimental to the whole operation; Ensure good order and behavior of the people on the trading floor of the Exchange. 	Public Relations*	<ul style="list-style-type: none"> Formulate and recommend to the Board action plans to enhance understanding of the Exchange as a credible and dynamic financial institution; Review and endorse news releases, media appearances/interviews, publications (newsletter, Annual Report, brochures, etc.), advertisements, and other PR/marketing collaterals; Assign spokesperson/s for the PSE. The spokesperson shall attend to all media interviews and appearances unless otherwise directed by the Committee; Work with the Investor Education Committee in promoting the stock market as an attractive place for investment and business; Establish a good relationship and contact with the media.
Governance	<ul style="list-style-type: none"> Promote the observance of business conduct and ethics by Trading Participants in their brokerage business and operations; Promote best practices of corporate governance; Conduct review of Rules and recommend amendments or adopt new rules when applicable and appropriate; Review findings and cause actions to be taken on the recommendations of the Compliance and Surveillance Group relative to violations by Trading Participants, dealers, traders, salesmen or issuers of the PSE rules with respect to business conduct, and minimum requirements for brokerage operations; Report simultaneously to the Board and to the SEC any adverse findings. 	Remuneration	<ul style="list-style-type: none"> Review, study and recommend on the following: <ul style="list-style-type: none"> Compensation arrangements for the Chief Executive and other senior executives (including incentive plans, share options and other benefits) Service contracts Remuneration policies and practices for PSE in general Recruitment and termination policies and practices of PSE Any company share schemes or other incentive schemes Remuneration arrangements for members of the board Recommend quantum and structure of remuneration package of the President and top level officers; Consider and ratify principles, which will govern the setting of the remuneration of executives and other employees, and to review proposals for changes in terms and conditions of employment of executives.
House	<ul style="list-style-type: none"> Recommend maintenance and upkeep and determine concessionaire services of the PSE Brokers' Lounge. 	Settlement	<ul style="list-style-type: none"> Recommend measures to enhance efficiency of the clearing and settlement system.
Investments	<ul style="list-style-type: none"> Share information and analysis in view of best options for investments of PSE. Paramount objective is to maximize interest income and minimize risk. 	Strategic Development	<ul style="list-style-type: none"> Develop with management a strategic business plan to enhance governance and operational efficiency of PSE.
Investor Education	<ul style="list-style-type: none"> Increase public awareness of the benefits of investing in the stock market; Increase investor base 		
Legislative	<ul style="list-style-type: none"> Review bills in Congress that affect PSE and the capital market, and recommend specific courses of action; Initiate studies in specific areas to improve the capital market and recommend the passage of bills to address them. 		

**Dissolved in January 2004 with Management assuming its functions.*

Appendix B: Official List of Companies and Issues (as of end December 2003)

NAME OF STOCK	STOCK SYMBOL	PAR VALUE	NAME OF STOCK	STOCK SYMBOL	PAR VALUE
EQUITIES - PESO DENOMINATED TRADING					
BANKS AND FINANCIAL SERVICES					
<u>BANKS</u>					
ASIATRUST DEVELOPMENT BANK, INC.	ASIA	10.00	MANILA BROADCASTING COMPANY	MBC	1.00
BANCO DE ORO UNIVERSAL BANK	BDO	10.00	MANILA BULLETIN PUBLISHING CORPORATION	MB	1.00
BANCO FILIPINO SAVINGS & MORTGAGE BANK *	BF	100.00	PHILIPPINE LONG DISTANCE TEL. CO. "Common"	TEL	5.00
BANK OF THE PHILIPPINE ISLANDS	BPI	10.00	PHILIPPINE TELEGRAPH & TELEPHONE CORPORATION	PTT	1.00
CHINA BANKING CORPORATION	CHIB	100.00	PHILWEB CORPORATION	WEB	0.01
CHINATRUST (PHILIPPINES) COMMERCIAL BANK CORPORATION	CHTR	10.00	PILIPINO TELEPHONE CORPORATION	PLTL	1.00
CITYSTATE SAVINGS BANK, INC.	CSB	10.00	TRANSPACIFIC BROADCAST GROUP INTERNATIONAL, INC.	TBGI	1.00
EQUITABLE PCI BANK, INC.	EBC	10.00	VIVANT CORPORATION	VVT	1.00
EXPORT AND INDUSTRY BANK, INC.	EIB	1.00	<u>POWER AND ENERGY</u>		
METROPOLITAN BANK & TRUST COMPANY	MBT	20.00	MANILA ELECTRIC COMPANY "A"	MER	10.00
PHILIPPINE BANK OF COMMUNICATIONS	PBC	100.00	MANILA ELECTRIC COMPANY "B"	MERB	10.00
PHILIPPINE NATIONAL BANK	PNB	40.00	PETRON CORPORATION	PCOR	1.00
PHILIPPINE SAVINGS BANK	PSB	10.00	SALCON POWER CORPORATION	SPC	1.00
PHILIPPINE TRUST COMPANY	PTC	10.00	TRANS-ASIA OIL & ENERGY DEVELOPMENT CORPORATION	TA	1.00
PRUDENTIAL BANK	PB	100.00	<u>TRANSPORTATION SERVICES</u>		
RIZAL COMM'L BANKING CORPORATION	RCB	10.00	ASIAN TERMINALS, INC.	ATI	1.00
SECURITY BANK CORPORATION	SECB	10.00	INT'L CONTAINER TERMINAL SERVICES, INC.	ICT	1.00
UNION BANK OF THE PHILIPPINES	UBP	10.00	KEPPEL PHILIPPINES MARINE, INC.	KPM	1.00
<u>FINANCIAL SERVICES</u>			LORENZO SHIPPING CORPORATION	LSC	1.00
ATR KIM ENG FINANCIAL CORPORATION	ATRK	1.00	NEGROS NAVIGATION COMPANY, INC.	NN	1.00
BANKARD, INC.	BKD	1.00	WILLIAM, GOTHONG & ABOITIZ, INC.	WGA	1.00
FILIPINO FUND, INC.	FFI	1.00	<u>CONSTRUCTION & OTHER RELATED PRODUCTS</u>		
FIRST ABACUS FINANCIAL HOLDINGS CORPORATION	FAF	1.00	AGP INDUSTRIAL CORPORATION "A" *	AGP	6.00
FIRST METRO INVESTMENT CORPORATION	FMIC	100.00	AGP INDUSTRIAL CORPORATION "B" *	AGPB	6.00
MANULIFE FINANCIAL CORPORATION	MFC	-	CONCRETE AGGREGATES CORPORATION "A"	CA	10.00
PCI LEASING & FINANCE, INC.	PCIL	1.00	CONCRETE AGGREGATES CORPORATION "B"	CAB	10.00
SUN LIFE FINANCIAL, INC.	SLF	-	EEL CORPORATION	EEL	1.00
THE PHILIPPINE STOCK EXCHANGE, INC.	PSE	1.00	FORTUNE CEMENT CORPORATION	FCC	1.00
COMMERCIAL - INDUSTRIAL			MARIWASA MANUFACTURING CORPORATION	MMI	1.00
<u>COMMUNICATION</u>			PHILIPPINE NATIONAL CONSTRUCTION CORPORATION	PNC	10.00
ABS-CBN BROADCASTING CORPORATION	ABS	1.00	REPUBLIC CEMENT CORPORATION	RCM	1.00
DIGITAL TELECOMMUNICATIONS PHILIPPINES, INC.	DGTL	1.00	REPUBLIC GLASS HOLDINGS CORPORATION	REG	1.00
DIVERSIFIED FINANCIAL NETWORK, INC.	DFNN	1.00	SANITARY WARES MANUFACTURING CORPORATION	SWM	1.00
EASYCALL COMMUNICATIONS PHILIPPINES, INC. *	ECP	1.00	SUPERCITY REALTY DEVELOPMENT CORPORATION	SRDC	1.00
GLOBE TELECOM, INC.	GLO	50.00	UNION CEMENT CORPORATION	UCC	1.00
IPEOPLE, INC.	IPO	1.00	<u>FOOD, BEVERAGE & TOBACCO</u>		
ISLAND INFORMATION AND TECHNOLOGY, INC.	IS	0.01	ALASKA MILK CORPORATION	AMC	1.00
ISM COMMUNICATIONS CORPORATION	ISM	0.01	COSMOS BOTTLING CORPORATION	CBC	1.00
IVANTAGE CORPORATION	V	1.00	GINEBRA SAN MIGUEL, INC.	GSMI	1.00
LIBERTY TELECOMS HOLDINGS, INC.	LIB	1.00	JOLLIBEE FOODS CORPORATION	JFC	1.00
			LIBERTY FLOUR MILLS, INC.	LFM	10.00
			PANCAKE HOUSE, INC.	PCKH	1.00
			PHILIPPINE TOBACCO FLUE-CURING & REDRYING CORPORATION	TFC	1.00
			RFM CORPORATION	RFM	2.00

NAME OF STOCK	STOCK SYMBOL	PAR VALUE	NAME OF STOCK	STOCK SYMBOL	PAR VALUE
SAN MIGUEL CORPORATION "A"	SMC	5.00	HOUSE OF INVESTMENTS, INC.	HI	2.00
SAN MIGUEL CORPORATION "B"	SMCB	5.00	IONICS, INC.	ION	1.00
SAN MIGUEL PURE FOODS COMPANY, INC. "A"	PF	10.00	JG SUMMIT HOLDINGS, INC.	JGS	1.00
SAN MIGUEL PURE FOODS COMPANY, INC. "B"	PFB	10.00	JOLLIVILLE HOLDINGS CORPORATION	JOH	1.00
SWIFT FOODS, INC.	SFI	1.00	KEPPEL PHILIPPINES HOLDINGS, INC. "A"	KPH	1.00
UNIVERSAL ROBINA CORPORATION	URC	1.00	KEPPEL PHILIPPINES HOLDINGS, INC. "B"	KPHB	1.00
VITARICH CORPORATION	VITA	1.00	MABUHAY HOLDINGS CORPORATION	MHC	1.00
			MACROASIA CORPORATION	MAC	1.00
			MAGNUM HOLDINGS, INC.	MHI	1.00
			MARSTEEL CONSOLIDATED, INC. "A"	MC	0.01
			MARSTEEL CONSOLIDATED, INC. "B"	MCB	0.01
			MBF, INC.	MBF	1.00
			MEDCO HOLDINGS, INC.	MED	1.00
			MEGAWORLD CORPORATION	MEG	1.00
			METRO PACIFIC CORPORATION	MPC	1.00
			MIC HOLDINGS CORPORATION	MET	100.00
			MULTITECH INVESTMENTS CORPORATION	MIC	1.00
			MUSIC CORPORATION	MUSX	1.00
			NEXTSTAGE, INC. *	NXT	1.00
			PHILCOMSAT HOLDINGS CORPORATION	PHC	1.00
			PRIME MEDIA HOLDINGS, INC.	PRIM	1.00
			PRIME ORION PHILIPPINES, INC.	POPI	1.00
			ROXAS HOLDINGS, INC.	ROX	1.00
			SEAFRONT RESOURCES CORPORATION	SPM	1.00
			SOLID GROUP, INC.	SGI	1.00
			SOUTH CHINA RESOURCES, INC.	SOC	1.00
			SOUTHEAST ASIA CEMENT HOLDINGS, INC.	CMT	1.00
			TANDUAY HOLDINGS, INC.	TDY	1.00
			UNIOIL RESOURCES & HOLDINGS COMPANY, INC.	UNI	1.00
			UNIWIDE HOLDINGS, INC.	UW	1.00
			WATERFRONT PHILIPPINES, INC.	WPI	1.00
			WELLEX INDUSTRIES, INC.	WIN	1.00
			WISE HOLDINGS, INC. "A" *	WHI	1.00
			WISE HOLDINGS, INC. "B" *	WHIB	1.00
			ZEUS HOLDINGS, INC.	ZHI	1.00
			MANUFACTURING, DIST'N & TRADING		
			ACTIVE ALLIANCE, INC.	AAI	1.00
			BOGO MEDELLIN MILLING COMPANY	BMM	10.00
			CENTRAL AZUCARERA DE TARLAC	CAT	10.00
			CHEMICAL INDUSTRIES OF THE PHILIPPINES	CIP	10.00
			CORRO-COAT, INC.	COAT	1.00
			EURO-MED LABORATORIES PHILS., INC.	EURO	1.00
			FEDERAL CHEMICALS, INC.	FED	1.00
			FILSYN CORPORATION "A" *	FYN	5.00
			FILSYN CORPORATION "B" *	FYNB	5.00
			INTERPHIL LABORATORIES, INC. "A"	ILI	1.00
			INTERPHIL LABORATORIES, INC. "B"	ILIB	1.00
HOLDING FIRMS					
A BROWN COMPANY, INC.	BRN	1.00			
A. SORIANO CORPORATION	ANS	1.00			
ABACUS CONS. RESOURCES & HOLDINGS, INC. "A"	ABA	1.00			
ABACUS CONS. RESOURCES & HOLDINGS, INC. "B"	ABAB	1.00			
ABOITIZ EQUITY VENTURES, INC.	AEV	1.00			
AJO.NET HOLDINGS, INC.	AJO	0.10			
ALCORN GOLD RESOURCES CORPORATION	APM	0.01			
ALLIANCE GLOBAL GROUP, INC.	AGI	1.00			
ALSONS CONSOLIDATED RESOURCES, INC.	ACR	1.00			
ANGLO-PHILIPPINE HOLDINGS CORPORATION	APO	1.00			
APC GROUP, INC.	APC	1.00			
ARIES PRIME RESOURCES, INC.	EBE	1.00			
ASIA AMALGAMATED HOLDINGS CORPORATION	AAA	1.00			
ATN HOLDINGS, INC. "A"	ATN	1.00			
ATN HOLDINGS, INC. "B"	TNB	1.00			
ATOK-BIG WEDGE COMPANY, INC. "A"	AB	1.00			
ATOK-BIG WEDGE COMPANY, INC. "B"	ABB	1.00			
AYALA CORPORATION	AC	1.00			
BACNOTAN CONSOLIDATED INDUSTRIES, INC.	BCI	10.00			
BAGUIO GOLD HOLDINGS CORPORATION	B	1.00			
BALABAC RESOURCES & HOLDINGS COMPANY, INC.	BAL	1.00			
BASIC CONSOLIDATED, INC.	BSC	1.00			
BENPRES HOLDINGS CORPORATION	BPC	1.00			
BHI HOLDINGS, INC.	BH	100.00			
BOULEVARD HOLDINGS, INC.	BHI	1.00			
CADP GROUP CORPORATION	CAC	1.00			
CROWN EQUITIES, INC.	CEI	1.00			
DMCI HOLDINGS, INC.	DMC	1.00			
EAST ASIA POWER RESOURCES CORPORATION	PWR	1.00			
EVER GOTESCO RESOURCES & HOLDINGS, INC.	EVER	1.00			
F & J PRINCE HOLDINGS CORPORATION "A"	FJP	1.00			
F & J PRINCE HOLDINGS CORPORATION "B"	FJPB	1.00			
FIL-ESTATE CORPORATION	FC	1.00			
FIL-HISPANO HOLDINGS CORPORATION	FH	1.00			
FILINVEST DEVELOPMENT CORPORATION	FDC	1.00			
FIRST PHILIPPINE HOLDINGS CORPORATION	FPH	10.00			
FORUM PACIFIC, INC.	FPI	1.00			
GLOBAL BUSINESS HOLDINGS, INC.	GBH	50.00			
GLOBAL EQUITIES, INC.	GEI	1.00			

NAME OF STOCK	STOCK SYMBOL	PAR VALUE
PROPERTY		
ARANETA PROPERTIES, INC.	ARA	1.00
AYALA LAND, INC.	ALI	1.00
C & P HOMES, INC.	CMP	1.00
CEBU HOLDINGS, INC.	CHI	1.00
CEBU PROPERTY VENTURE & DEVELOPMENT CORPORATION "A"	CPV	1.00
CEBU PROPERTY VENTURE & DEVELOPMENT CORPORATION "B"	CPVB	1.00
CITY & LAND DEVELOPERS, INC.	LAND	1.00
CITYLAND DEVELOPMENT CORPORATION	CDC	1.00
CYBER BAY CORPORATION	CYBR	1.00
EDSA PROPERTIES HOLDINGS, INC.	EPHI	1.00
EIB REALTY DEVELOPERS, INC.	EIBR	1.00
EMPIRE EAST LAND HOLDINGS, INC.	ELI	1.00
FIL-ESTATE LAND, INC.	LND	1.00
FILINVEST LAND, INC.	FLI	1.00
GOTESCO LAND, INC. "A"	GO	1.00
GOTESCO LAND, INC. "B"	GOB	1.00
HIGHLANDS PRIME, INC.	HP	1.00
KEPPEL PHILIPPINES PROPERTIES, INC.	KEP	1.00
KUOK PHIL. PROPERTIES, INC.	KPP	1.00
MRC ALLIED INDUSTRIES, INC.	MRC	1.00
PHILIPPINE ESTATES CORPORATION	PHES	1.00
PHILIPPINE REALTY & HOLDINGS CORPORATION *	RLT	1.00
PRIMETOWN PROPERTY GROUP, INC. *	PMT	1.00
PRIMEX CORPORATION	PRMX	1.00
ROBINSON'S LAND CORPORATION	RLC	1.00
SAN MIGUEL PROPERTIES, INC.	SMP	10.00
SM DEVELOPMENT CORPORATION	SMDC	1.00
SM PRIME HOLDINGS, INC.	SMPH	1.00
UNIVERSAL RIGHTFIELD PROPERTY HOLDINGS, INC. *	UP	1.00
ZIPPORAH REALTY HOLDINGS, INC.	ZIP	1.00
MINING		
ABRA MINING & INDUSTRIAL CORPORATION	AR	0.01
APEX MINING COMPANY, INC. "A"	APX	1.00
APEX MINING COMPANY, INC. "B"	APXB	1.00
ATLAS CONSOLIDATED MINING & DEVELOPMENT CORPORATION	AT	10.00
BENGUET CORPORATION "A"	BC	3.00
BENGUET CORPORATION "B"	BCB	3.00
CITY RESOURCES (PHILS.) CORPORATION *	CRC	1.00
DIZON COPPER SILVER MINES, INC.	DIZ	1.00
LEPANTO CONSOLIDATED MINING COMPANY "A"	LC	0.10
LEPANTO CONSOLIDATED MINING COMPANY "B"	LCB	0.10

NAME OF STOCK	STOCK SYMBOL	PAR VALUE
LODESTAR MINING CORPORATION "A" *	LMC	1.00
LODESTAR MINING CORPORATION "B" *	LMCB	1.00
MANILA MINING CORPORATION "A"	MA	0.01
MANILA MINING CORPORATION "B"	MAB	0.01
OMICO CORPORATION	OM	0.01
PHILEX MINING CORPORATION "A"	PX	1.00
PHILEX MINING CORPORATION "B"	PXB	1.00
POLAR MINES & DEVELOPMENT CORPORATION	PO	0.01
SEMIRARA MINING CORPORATION "Common"	SCC	1.00
UEM DEVELOPMENT PHILS., INC. *	MK	1.00
UNITED PARAGON MINING CORPORATION	UPM	1.00
O I L		
IMPERIAL RESOURCES, INC. "A"	IMP	0.01
IMPERIAL RESOURCES, INC. "B"	IMPB	0.01
INTERPORT RESOURCES CORPORATION "A"	IRC	0.01
INTERPORT RESOURCES CORPORATION "B"	IRCB	0.01
LANDOIL RESOURCES CORPORATION "A" *	LRC	0.01
LANDOIL RESOURCES CORPORATION "B" *	LRCB	0.01
ORIENTAL PETROLEUM & MINERAL CORPORATION "A"	OPM	0.01
ORIENTAL PETROLEUM & MINERAL CORPORATION "B"	OPMB	0.01
PACIFICA, INC. "A"	PA	0.005
PACIFICA, INC. "B"	PAB	0.005
PNOC EXPLORATION CORPORATION "A"	PEC	1.00
PNOC EXPLORATION CORPORATION "B"	PECB	1.00
SINOPHIL CORPORATION	SINO	1.00
THE PHILODRILL CORPORATION "A"	OV	1.00
THE PHILODRILL CORPORATION "B"	OVV	1.00
VULCAN INDUSTRIAL & MINING CORPORATION	VUL	1.00
SMALL AND MEDIUM ENTERPRISES		
CASHROUNDS, INC.	CASH	1.00
MAKATI FINANCE CORPORATION	MFIN	1.00
SQL*WIZARD, INC.	WIZ	1.00
EQUITIES - DOLLAR DENOMINATED TRADING		
PHILIPPINE LONG DISTANCE TELEPHONE COMPANY - USD	DTEL	-
DEBT		
GOVERNMENT SECURITIES		
SMALL DENOMINATED TREASURY BONDS	SDT0704	-

Note: * - Trading Suspended/Halted

Appendix C: List of Trading Participants (as of 07 January 2004)

A & A SECURITIES, INC.

SHIRLEY Y. BANGAYAN
1906 Ayala Avenue Condominium
6776 Ayala Avenue, Makati City
Office : 891-1008 to 10
Exchange : 891-1008 to 10
Telefax : 891-1010

A. T. DE CASTRO SECURITIES CORP.

ALEJANDRO T. DE CASTRO
7/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-7160 to 63
Exchange : 848-7160 to 63
Telefax : 848-7163

AAA SOUTHEAST EQUITIES, INC.

D. ALFRED A. CABANGON
G/F Fortune Life Building
162 Legaspi Street, Legaspi Village
Makati City
Office : 816-2918
892-9841 to 49 loc. 103
Exchange : 891-9570 to 72
Fax : 812-1831

AB CAPITAL SECURITIES, INC.

FILOMENO G. FRANCISCO
8th Floors, Phinma Plaza
39 Plaza Drive, Rockwell Center
Makati City
Office : 898-7555
Exchange : 891-9135
Fax : 810-3797; 810-7015

ABACUS SECURITIES CORPORATION

PAULINO S. SOO
29/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 634-5104
Exchange : 634-6993; 634-6842
Fax : Operations 634-5206
Inst'l. Sales 634-2107
Retail/Customer Svc. 634-2109
Accounting 634-2105

ABN AMRO ASIA SECURITIES (PHILIPPINES), INC.

GREGORIO U. KILAYKO
19/F, The LKG Tower
6801 Ayala Avenue, Makati City
Office : 867-7800; 884-1000
Exchange : 848-7177 to 78
Fax : Operations 884-1040
Research 884-1041
Sales 884-1042
Corporate Finance 884-1043

ACCORD CAPITAL EQUITIES CORPORATION

PAUL L. WEE
G/F, Unit EC-05B, PSE Centre-East Tower
Exchange Rd., Ortigas Center, Pasig City
Office : 687-3224; 687-3733;
687-3740; 687-5071 to 74
Exchange : 687-0911; 687-0936; 634-1467
Fax : 687-3738

ALAKOR SECURITIES CORPORATION

GERARD ANTON S. RAMOS
5/F, Quad Alpha Centrum
125 Pioneer Street, Mandaluyong City
Office : 631-8173; 637-4496
Exchange : 634-6928 to 29
Fax : 631-5166

ALPHA SECURITIES CORPORATION

ALBERTO L. YU
23/F, Orient Square Building
Emerald Avenue, Ortigas Center, Pasig City
Office : 638-2388 to 93; 638-3764
Exchange : 638-6692 to 93; 638-6689
Fax : 636-5108

ANGPING & ASSOCIATES SECURITIES, INC.

JERRY C. ANGPING
Suite 2002-2004, The Peak
107 Alfaro Street, Salcedo Village
Makati City
Office : 848-2915 to 28
Exchange : 891-9113 & 15
Fax : 848-2572

ANSALDO, GODINEZ & COMPANY, INC.

MARIANO U. GODINEZ
340 Nueva Street, Binondo, Manila
Office : 242-5124 to 25;
242-5127 to 31
Exchange : 634-5160 & 63;
634-6232 to 34; 634-6521 to 22
Fax : 242-5121

APEX PHILS. EQUITIES CORPORATION

JOSE ROBERTO DELGADO
2/F, Mary Bachrach Building
Port Area, Manila
Office : 527-8888 loc. 219; 527-5291
Exchange : 891-8586
Fax : 527-8919; 527-8912

ARMSTRONG SECURITIES, INC.

SERGIO LL. NARANJILLA JR.
20/F, Equitable PCI Tower I
Makati Avenue cor. H. V. dela Costa Street
Makati City
Office : 878-4043
Exchange : 891-8534; 891-8542; 891-8563
Fax : 878-4552

ASIA PACIFIC CAPITAL EQUITIES & SECURITIES CORP.

24/F, Galleria Corporate Center
EDSA cor. Ortigas Avenue, Quezon City
Office : 634-5621; 635-4550 to 51
Exchange : 891-9550 to 60
Fax : 634-5813

ASIASEC EQUITIES, INC.

GIDEON G. SISON
8/F, Chatham House
116 Valero cor. Herrera Streets,
Salcedo Village, Makati City
Office : 845-3421 to 26
Exchange : 891-9370 to 75
Fax : 845-3418

ASTRA SECURITIES CORPORATION

BENITO B. H. ANG
Contact Information:
12/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas, Makati City
Office : 848-6421 to 27
Exchange : 891-9126 to 27
Fax : 848-6428

ATC SECURITIES, INC.

ANSELMO TRINIDAD JR.
U2903, 29/F Jollibee Plaza
Emerald Ave., Ortigas Center, Pasig City
Office : 638-2162; 632-1053 to 54
Exchange : 891-9337 to 38
Fax : 632-1055

ATR-KIM ENG SECURITIES, INC.

RAMON B. ARNAIZ
17/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas, Makati City
Office : 848-5298; 849-8888
Dealing Room 848-5288
Exchange : 891-9120 to 25
Fax : General 848-5738
Sales 848-5286

AURORA SECURITIES, INC.

EMMANUEL EDWARD C. CO
24/F, West Tower - PSE Centre,
Exchange Road, Ortigas Center, Pasig City
Office : 634-8321 to 24
Exchange : 634-8321 to 24
Telefax : 634-8321

B. H. CHUA SECURITIES CORPORATION

MICHAEL LI CHUA
Room 401-403, CLMC Building
259-267 EDSA, Mandaluyong City
Office : 727-5374; 722-0132
Exchange : 891-9672 to 75
Telefax : 722-0132

BA SECURITIES, INC.

ANG BIAO
 Room 401-403, CLMC Building
 259-267 EDSA, Mandaluyong City
 Office : 727-5374; 722-0132
 Exchange : 891-9672 to 75
 Telefax : 722-0132

BELSON SECURITIES, INC.

FEDERICO C. LIM
 4/F, Belson House
 271 EDSA, Mandaluyong City
 Office : 724-7586 to 90; 724-7580
 Exchange : 891-9860 to 68
 Fax : 721-9238

BENJAMIN CO CA & COMPANY, INC.

BENJAMIN CO CA
 Rm. 301-305, Downtown Center Bldg.
 516 Quintin Paredes Street, Binondo, Manila
 Office : 241-1261; 241-1345
 Exchange : 634-5186 to 90
 Fax : 241-1261

BERNAD SECURITIES, INC.

ELPHEGE WONG
 3/F, 1033 M. H. del Pilar Street
 Ermita, Manila
 Office : 524-5326; 524-5186; 524-5267
 Exchange : 635-6756 to 60; 635-5665
 Fax : 523-7907

BPI SECURITIES CORPORATION

8/F, BPI Head Office
 Ayala Avenue cor. Paseo de Roxas
 Makati City
 Office : Marketing 816-9190;
 816-9192 to 93
 BPI Trade 816-9678; 845-5427
 Exchange : 891-9930 to 31; 891-9260;
 845-5541; 845-5543; 845-5545
 Fax : 816-9191

CAMPOS, LANUZA & COMPANY, INC.

GERARDO O. LANUZA, JR.
 20/F, East Tower - PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Office : 634-6881 to 87
 Exchange : 636-3001 to 05
 Fax : 636-1167

CENTURY SECURITIES CORPORATION

CHAN KOK BIN
 Rm. 1105 Galleria Corporate Center
 EDSA cor. Ortigas Avenue, Quezon City
 Office : 633-7044 to 46
 Exchange : 891-9880 to 83
 Fax : 633-7047

CITISECURITIES, INC.

EDWARD K. LEE
 27/F, East Tower - PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Office : 635-5735 to 40
 Exchange : 634-6976 to 80
 Fax : 634-6696

CLSA PHILIPPINES, INC.

RAYMOND M. TEMPONGKO
 18/F Tower 1, The Enterprise Center
 6766 Ayala Avenue, Makati City
 Office : General 886-5637 to 46
 Research 886-5687
 General Sales 886-5647 to 50
 Exchange : 891-9945; 759-4073
 Fax : 886-5692

COHERCO SECURITIES, INC.

WILFRED T. CO
 240 Banawe cor. Panalturan Streets
 Manresa, Quezon City
 Office : 363-7602
 Exchange : 848-7301
 Fax : 364-6240

CUALOPING SECURITIES CORPORATION

VICTOR SAY HIPEK
 Suite 1801 Tytana Centre,
 Plaza Lorenzo Ruiz, Binondo, Manila
 Office : 242-4001 to 03; 241-0262
 Exchange : 634-5745 to 46;
 634-5180; 634-5755
 Fax : 241-0352

DA MARKET SECURITIES, INC.

NESTOR S. AGUILA
 24/F, West Tower - PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Office : Operations 637-3624; 637-4242
 Exchange : 891-9143 to 44
 Telefax : Operations 637-4242
 Exchange 891-9144

DAVID GO SECURITIES CORPORATION

DAVID C. GO
 Rm. 309 Federation Center Building
 Muelle de Binondo, Binondo, Manila
 Office : 242-2375 & 79; 242-2467
 Exchange : 634-5048 to 49; 634-5178
 Fax : 242-2375; 242-2379

DBP-DAIWA SECURITIES SMBC PHILIPPINES, INC.

HIROYUKI KANEKO
 18/F, Citibank Tower
 8741 Paseo de Roxas, Makati City
 Office : 813-7344; 813-7454
 Exchange : 891-9109; 891-9119
 Fax : 848-0105

DEUTSCHE REGIS PARTNERS, INC.

EMMANUEL O. BAUTISTA
 23/F, Tower One & Exchange Plaza
 Ayala Avenue cor. Paseo de Roxas
 Makati City
 Office : Trunk line 894-6600
 Executive Director 894-6602 to 04
 Research 894-6636 to 48
 Dealing 894-6650 to 60
 Operations 894-6623 to 35
 Exchange : 811-0073; 811-0076 to 79
 Fax : Research 894-6638
 Operations 894-6605; 894-6622
 Dealing 894-6665

DIVERSIFIED SECURITIES, INC.

RAMON C. GARCIA JR.
 5/F, PDCP Bank Centre
 Herrera cor. Alfaro Streets,
 Salcedo Village, Makati City
 Office : 892-2890; 892-4330;
 753-5250 to 53
 Exchange : 636-0814; 634-6630 to 31
 Fax : 892-4330

E. CHUA CHIACO SECURITIES, INC.

ERNESTO CHUA CHIACO
 113 Rentas Street, Binondo, Manila
 Office : 242-5145; 241-9291 & 93
 Exchange : 891-9238 to 39; 891-9246 to 49
 Fax : 243-3232

EAGLE EQUITIES, INC.

JOSEPH Y. ROXAS
 779 Harvard Street, Mandaluyong City
 Office : 724-1584; 725-2777
 Exchange : 634-6684; 634-6283
 Fax : 725-2777

EASTERN SECURITIES DEV'T. CORP.

MARIAN P. LEONG
 7/F, Tower One & Exchange Plaza
 Ayala Avenue cor. Paseo de Roxas, Makati City
 Office : 848-5491 to 98
 Exchange : 891-9340 to 46
 Fax : Office 848-5501
 Settlement Dept. 241-0178

EASTWEST CAPITAL CORPORATION

EDILBERTO B. BRAVO
1331 Angono Street, Makati City
Office : 897-6807; 897-6819 loc.129
Exchange : 891-9801; 891-9803
Fax : 897-6807; 897-6805

EIB SECURITIES, INC.

REYNALDO G. DAVID
11/F, EXPORTBANK PLAZA
Chino Roces Avenue
cor. Sen. Gil Puyat Avenue, Makati City
Office : 887-9000 loc. 775;
878-0781 to 86
Exchange : 848-5386; 848-5396
Fax : 886-1806

EQUITIWORLD SECURITIES, INC.

ANTONIO A. LOPA
8/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-5401; 848-5403 to 06
President/GM 848-5418
Exchange : 891-9755 to 58
Fax : 848-5423

**EVERGREEN STOCK
BROKERAGE & SECURITIES, INC.**

FRANCISCO S. GAISANO
6/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 891-9451 to 58
Exchange : 891-9451 to 58
Fax : 891-9459 to 60

F. YAP SECURITIES, INC.

FELIPE U. YAP
23/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 635-4125 to 30; 635-4141
Exchange : 634-5171; 634-6917;
634-5390 to 91; 634-6217 to 18
Fax : 635-2911

FIDELITY SECURITIES, INC.

BEN C. TIU
2/F, JTKC Centre
2155 Pasong Tamo, Makati City
Office : 818-6774; 812-6267
Exchange : 634-7110; 633-9707;
633-9710; 633-9711
Fax : 810-3536

**FIRST INTEGRATED CAPITAL
SECURITIES, INC.**

MANUEL MAÑALAC JR.
12/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas,
Makati City
Office : 759-4320 to 23; 891-9418 to 19
Exchange : 759-4320 to 23; 891-9418 to 19
Fax : 759-4326

FIRST ORIENT SECURITIES, INC.

TRINIDAD Y. KALAW
12/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 891-9240; 891-9243 to 44
Exchange : 891-9240 to 45
Fax : 848-6175

FORTUNE SECURITIES, INC.

ALBERTO GOTUACO
Greenfield Building I
750 Shaw Boulevard, Mandaluyong City
Office : 631-5432;
631-8651 loc. 134, 135 & 137
Exchange : 891-9330 to 32; 891-9334 to 35
Fax : 633-4716

FRANCISCO ORTIGAS SECURITIES, INC.

FRANCISCO M. ORTIGAS III
10th Floor, Ortigas Building,
Ortigas Avenue, Pasig City
Office : 631-2674; 631-2733
Exchange : 634-5149 to 53
Fax : 631-2668

G. D. TAN & COMPANY, INC.

GILBERT TAN
22/F, East Tower - PSE Centre
Exchange Road, Ortigas Center
Pasig City
Office : 637-6254 to 55; 637-5686
Exchange : 634-6255; 634-6256
634-5408 to 09
Fax : 637-6256

**GLOBALINKS SECURITIES &
STOCKS, INC.**

DAVID L. WUSON
7/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-6341 to 42; 759-4136 to 37
Exchange : 891-9920 to 22
Telefax : 848-6341 to 43; 759-4136 to 37

**GOLDEN TOWER SECURITIES
& HOLDINGS, INC.**

ANDRES LAO HIAN LIONG
4/F, Vernida I Condominium
120 Amorsolo Street,
Legaspi Village, Makati City
Office : 813-2839; 813-2944;
892-1316
Exchange : 891-9680 to 82
Fax : 813-0321

GOLDSTAR SECURITIES, INC.

JOSEPH K. MANCILLA
22/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 636-0197; 633-7485 to 86
Exchange : 634-6765 & 69; 634-6983 & 87
Fax : 633-7487

GUILD SECURITIES, INC.

ANTONIO B. ALVAREZ
12/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 891-9232 to 37; 891-9230
Exchange : 891-9232 to 37; 891-9230
Fax : 891-9231

H. E. BENNETT SECURITIES, INC.

JESUS M. DELA PEÑA
Room 207, CNC Investment Bldg.
231 Juan Luna Street,, Binondo, Manila
Office : Executive Office 242-5733
Dealing Room 241-6284;
241-6458
Accounting/Settlements
241-6440
Exchange : 634-5030; 634-6235
Telefax : 245-6959

HDI SECURITIES, INC.

CHIA KIM TECK
20th Floor, Orient Square Building,
Emerald Ave., Ortigas Center, Pasig City
Office : 687-5083; 687-4349; 687-7327
Exchange : 891-9503 to 07
Fax : 687-2253

HIGHLAND SECURITIES PHILS., INC.

VICENTE JAYME JR.
16/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 634-7401 to 05
Exchange : 891-9106; 891-9010
Fax : 634-7414

HK SECURITIES, INC.

RODOLFO V. CRUZ
Suite 102, Columbia Tower
Ortigas Avenue, Mandaluyong City
Office : 725-6356 to 57; 724-6336;
724-9967 & 69; 724-6325
Exchange : 891-9522 to 25
Fax : 725-6360

I. ACKERMAN & COMPANY, INC.

IRVING I. ACKERMAN
7/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 891-9070 to 76
Exchange : 891-9070 to 76
Fax : 891-9353

I. B. GIMENEZ SECURITIES, INC.

IGNACIO B. GIMENEZ
No. 42 3/F New Rosario Ortigas Arcade
Rosario Ortigas Extn., Pasig City
Office : 642-1773; 641-9656;
643-3714; 642-7299
Exchange : 634-6260 to 61;
634-6263 to 65; 634-5168
Fax : 634-2349

IGC SECURITIES, INC.

ISMAEL G. CRUZ
10/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 891-9190 to 93
Exchange : 891-9190 to 93
Fax : 891-9194

**IMPERIAL, DE GUZMAN,
ABALOS & CO., INC.**

LEONIDES C. TIOTUICO
Greenfield Building I
750 Shaw Boulevard, Mandaluyong City
Office : 633-2686; 634-5717 to 18;
631-8651 loc. 144 to 146 & 148
Exchange : 634-5161 & 66;
634-5739; 634-5710
Fax : 633-4716

ING SECURITIES (PHILIPPINES), INC.

CESAR LUIS F. BATE
20/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : General 840-8888
Equity Sales 840-8877;
840-8761; 891-9898
Research 840-8935 & 37
Equity Settlements 840-8834
Legal & Compliance 840-8864
Exchange : 848-5213; 848-5228;
840-8480; 840-8483
Fax : General 815-1116
Administration 848-5220
Research 891-9727
Dealing 891-9797
Barings Int'l. Finance 891-9838
Information Technology 891-9722

INTRA-INVEST SECURITIES, INC.

EDGARDO V. GUEVARA
11/F, ACT Tower, 135 Sen. Gil Puyat Avenue
Salcedo Village, Makati City
Office : 813-8293 to 94
Exchange : 891-9206; 891-9208
Fax : 892-1290

INVESTORS SECURITIES, INC.

EDWARD GO
6/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas, Makati City
Office : 848-7032 to 33; 891-9441 to 42
Exchange : 891-9441 to 46
Fax : 848-7034

J. M. BARCELON & COMPANY, INC.

AMPARO V. BARCELON
3/F, Pako Building, Pedro Gil Street
cor. A. Linao & Gen. Luna Streets
Paco, Manila
Office : 523-6808; 721-2708; 725-1004
Exchange : 635-0236
Fax : 725-1004

JAKA SECURITIES CORPORATION

KATRINA C. PONCE-ENRILE
8/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-7122 to 24
Exchange : 848-6413 to 15
Fax : 848-7121

JSG SECURITIES, INC.

JORGE S. GO
4/F, A & T Building,
244 Escolta Street, Binondo, Manila
Office : 241-0594 to 98; 242-9424
Exchange : 631-8887; 633-0285;
637-3159 to 61
Fax : 242-9392

KEPPEL SECURITIES PHILIPPINES, INC.

RHODORA A. GONZALES
9/F, Country Space I Building,
Sen. Gil Puyat Avenue, Makati City
Office : 812-2956 to 58
Exchange : 841-0703
Fax : 813-8938

KING'S POWER SECURITIES, INC.

CARLOS J. CHING
Room 704, Federal Tower
Dasmariñas Street, Binondo, Manila
Office : 242-3048 to 49; 242-3055
Exchange : 848-5605 to 07
Fax : 244-0813

LARRGO SECURITIES COMPANY, INC.

MARIA PAZ R. LAUREL
2/F, Rufino Tower Building
6784 Ayala Avenue, Makati City
Office : 810-1183; 810-1353 to 54
810-1440 & 46
Exchange : 891-9530 to 33
Fax : 817-2486

LITONJUA SECURITIES, INC.

EDUARDO V. LITONJUA JR.
Room 205 DITZ Building
444 T. M. Kalaw Street, Manila
Office : 521-1951 to 57
Exchange : 634-7178; 634-5713
Fax : 521-7692

**LOPEZ, LOCSIN, LEDESMA &
COMPANY, INC.**

DIONISIO LOPEZ
Roofdeck, Urban Building
405 Sen. Gil Puyat Avenue (nr. MRT)
EDSA, Makati City
Office : 896-0835; 848-6651
Exchange : 891-9640 to 41
Telefax : 895-7310

LUCKY SECURITIES, INC.

EDDIE T. GOBING
19/F, West Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 634-6826; 634-6786;
634-6747 & 60
Exchange : 634-5382 to 83; 634-5411;
634-5707
Fax : 634-6826

LUY'S SECURITIES COMPANY, INC.

ENRIQUE LUY
28/F, LKG Tower
6801 Ayala Avenue, Makati City
Office : 884-1271 to 85
Exchange : 634-5175 to 76;
634-6523 to 24; 634-6850 to 51
Fax : 884-1384

MANDARIN SECURITIES CORPORATION

CHARLES H. SHIH
28/F, LKG Tower
6801 Ayala Avenue, Makati City
Office : 884-1271 to 85
Exchange : 634-6517 to 20
Fax : 884-1384

MARIAN SECURITIES, INC.

RICHARD L. LEE
 Universal Family Center Building
 2232 Pasong Tamo Extension, Makati City
 Office : 819-1134; 750-2440
 Exchange : 891-9309; 891-9316
 Fax : 819-1130

MDR SECURITIES, INC.

MANUEL D. RECTO
 18/F, Medical Plaza Ortigas Bldg.
 San Miguel Avenue, Ortigas Center
 Pasig City
 Office : 910-3124 to 25; 638-3899
 636-4788
 Exchange : 891-9226 to 28
 Fax : 636-4788

MERCANTILE SECURITIES CORP.

ASTRID MELODY LIM
 Contact Information:
 20/F, First e-Bank Tower
 8737 Paseo de Roxas, Makati City
 Office : 813-3131
 Exchange : 891-9350 to 58
 Fax : 818-6930

MERIDIAN SECURITIES, INC.

RONALDO S. SALONGA
 27/F, East Tower - PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Office : 635-6261 to 64
 Exchange : 634-6931 to 36
 Fax : 634-6937

MOUNT PEAK SECURITIES, INC.

WILLIAM GAWEKO
 748 C. K. Building,
 Juan Luna Street, Binondo, Manila
 Office : 241-7990 & 92; 241-8043;
 243-1953
 Exchange : 891-9601 to 05
 Fax : 241-8042

MULTI-GRADE SECURITIES CORP.

NOLAN M. DAPUL
 15/F, Tower One & Exchange Plaza
 Ayala Avenue cor. Paseo de Roxas
 Makati City
 Office : 759-4133 to 34
 Sales (p.m.) 891-9514 to 17
 Exchange : (a.m.) 891-9514 to 17
 Fax : 759-4135

NEW WORLD SECURITIES, INC.

JOAN CHAI CHU
 Room 202 CNC Investment Bldg.
 231 Juan Luna Street, Binondo, Manila
 Office : 242-1743 & 59; 242-1767
 Exchange : 634-6950 to 51;
 634-5711 to 12; 634-5721
 Fax : 242-1743

NIEVES SANCHEZ, INC.

TERESITA P. PACHECO
 Room 400 CNC Investment Bldg.
 231 Juan Luna Street, Binondo, Manila
 Office : 241-7142; 241-6890
 Exchange : 891-9306 to 08
 Fax : 241-6890

OPTIMUM SECURITIES CORPORATION

EDDIE S. JOSE
 No. 11 E. O. Building
 cor. United & 2nd Streets
 Bo. Kapitolyo, Pasig City
 Office : 631-7831 to 36; 631-3989;
 633-2629
 Exchange : 891-9581 to 85
 Telefax : 631-8834 / 633-2629

PAN ASIA SECURITIES CORPORATION

MARIANO TANENGLIAN
 9/F, Tower One & Exchange Plaza
 Ayala Avenue cor. Paseo de Roxas
 Makati City
 Office : 848-5153 to 54
 Exchange : 891-9170 to 74
 Fax : 848-5154

PAPA SECURITIES CORPORATION

MYRON TIMOTHY P. PAPA
 6/F, S & L Building
 De la Rosa cor. Esteban Streets
 Legaspi Village, Makati City
 Office : 817-8433 & 79; 817-8454;
 815-1308
 Exchange : 891-9630 to 32
 Fax : 815-1308

PCCI SECURITIES BROKERS CORP.

FEDERICO C. GALANG
 4/F, PCCI Corporate Center
 118 L. P. Leviste Street
 Salcedo Village, Makati City
 Office : 893-3920; 893-3923 to 24;
 893-4341
 Exchange : 891-9952 to 55;
 848-6284 to 85; 840-2991
 Fax : 893-4340

PCIB SECURITIES, INC.

ERLASTER C. SOTTO
 20/F, Equitable PCI Tower I
 Makati Ave. cor. H.V. dela Costa St.
 Makati City
 Office : Dealing Room 878-4556;
 878-4558; 878-4562 to 63
 Operations 878-4559 to 60
 Compliance 878-4564
 Exchange : 891-9008 to 09; 891-9045
 Fax : 878-4552

PHILIPPINE EQUITY PARTNERS, INC.

JOSEPH R. MADRID
 Unit 19C, Citibank Tower, Citibank Plaza
 8741 Paseo de Roxas, Makati City
 Office : 814-5700
 Exchange : 891-9162; 891-9222; 891-9097
 Fax : 814-5793 to 94

PHIL-PROGRESS SECURITIES CORP.

FRANCISCA S. MARTIN
 G/F, PPL Building
 U. N. Avenue cor. San Marcelino Street
 Manila
 Office : 526-4207; 526-4208 & 10
 Exchange : 891-8579 to 80; 891-8506
 Fax : 526-4202

PLATINUM SECURITIES, INC.

RODOLFO V. FELICIANO
 8/F, Antel 2000 Corporate Center
 121 Valero Street, Salcedo Village
 Makati City
 Office : 887-1178 to 79
 Exchange : 891-9301 to 03

PNB SECURITIES, INC.

VICTOR C. GELLA
 3/F, PNB Financial Center
 Roxas Boulevard, Pasay City
 Office : 526-3510; 526-3678; 832-5461
 Dealing 526-3478
 Exchange : 891-9841; 891-9846; 891-9849
 Fax : 526-3477

PREMIUM SECURITIES, INC.

ANTONIO Y. TEE
 14/F, Tower One & Exchange Plaza
 Ayala Avenue cor. Paseo de Roxas
 Makati City
 Office : 848-5915 to 17
 Exchange : 891-9590 to 95
 Telefax : 848-5917

PUBLIC SECURITIES CORPORATION

REYNALDO V. REYES
Executive Office:
 12/F, Tower One & Exchange Plaza
 Ayala Avenue cor. Paseo de Roxas, Makati City
Backroom Office:
 11/F, Tower One & Exchange Plaza
 Ayala Avenue cor. Paseo de Roxas, Makati City
 Office : 811-4706; 891-9495
 Exchange : 891-9490 to 93
 Fax : 848-7375

QUALITY INVESTMENT & SECURITIES CORP.

ALFRED CU
Unit 1602 Tytana Plaza
Plaza Lorenzo Ruiz, Binondo, Manila
Office : 241-0072; 241-0486; 241-0547
Exchange : 891-9184 to 89
Fax : 241-0166

R & L INVESTMENTS, INC.

RENE R. LEE
675 Lee Street, Mandaluyong City
Office : 724-5207
Exchange : 891-9201 to 05
Fax : 724-7210

R. COYIUTO SECURITIES, INC.

ROBERT COYIUTO JR.
5/F, Corinthian Plaza,
Paseo de Roxas, Legaspi Village, Makati City
Office : 811-3064 to 67; 811-3201
Exchange : 634-6203 to 07;
634-5035; 634-6697 & 69
Fax : 811-3073

R. NUBLA SECURITIES, INC.

RALPH NUBLA JR.
Room 300, CNC Investment Bldg.
231 Juan Luna Street, Binondo, Manila
Office : 242-1595 to 96; 242-1770
Exchange : 634-6525 to 29
Fax : 242-1666

R. S. LIM & COMPANY, INC.

ALEJANDRO T. YU
1509 Galvani Street, Makati City
Office : 843-4313; 844-7235; 844-2245
Exchange : 891-9660 to 66
Fax : 844-2245

RCBC SECURITIES, INC.

ALICIA RITA M. ARROYO
7/F, Yuchengco Tower, RCBC Plaza
6819 Ayala Avenue, Makati City
Office : Trunk line 894-9000
Sales 894-9438 to 39; 845-2634;
845-2615/25/37/40; 894-9443
Research 894-9445
Operations/Settlement 894-9441
Exchange : 848-5183
Fax : Sales 845-2609
Operations 894-9440

REGINA CAPITAL DEVELOPMENT CORP.

MARITA A. LIMLINGAN
8/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-5482 to 84
(p.m. only) 891-9415 to 17
Exchange : 891-9410 to 17
Fax : 848-5482 to 84

RTG & COMPANY, INC.

6/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 891-9480 to 84
Exchange : 891-9480 to 84
Fax : 891-9483

S. J. ROXAS & COMPANY, INC.

SIMPLICIO J. ROXAS
6/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-5065 to 69
Exchange : 891-9708 to 09;
891-9714 to 16; 891-9439
Fax : 891-9447

SANTANDER INVESTMENT SECURITIES (PHILS.), INC.

VICENTE B. CASTILLO
27/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-6300
Exchange : 848-5836; 848-7015
Fax : 848-6554

SARANGANI SECURITIES, INC.

ARTHUR W. ANTONINO
5/F, APMC Building
136 Amoroso cor. Gamboa Streets
Legaspi Village, Makati City
Office : 817-5806; 817-5815;
817-5834
Exchange : 891-9176 to 79
Fax : 891-5815

SB EQUITIES, INC.

REMY TIGULO
18/F, Security Bank Centre
6776 Ayala Avenue, Makati City
Office : President 891-1092
Manager 891-1116
Dealing 891-1243/57/58/78
Accounting 813-3441
Settlement 891-1031 or 37
Dealing 891-1021
Exchange : 891-9677; 891-9686 to 87
Fax : 813-3349

SECURITIES SPECIALISTS, INC.

FRANCISCO VILLAROMAN
Casa Blanca, 1447 M. Adriatico Street
Ermita, Manila
Office : 523-5595
Backroom 523-8251 loc. 758
Trading Room 526-6832;
524-6238; 523-8251 loc. 751 & 762
Exchange : 891-9701 to 03
Fax : 526-0466

SINCERE SECURITIES CORPORATION

JOHN KENNETH L. OCAMPO
12/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 638-3549 to 50
Exchange : 634-6664; 634-6668
Fax : 638-3549

SOLAR SECURITIES, INC.

JOHNNY S. YAP
30/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : Trunk line 636-6302
Direct lines 634-6651; 634-6653
Dealing 636-6302
Exchange : 636-6302; 634-6869; 634-6878
Fax : General 634-6715
Accounting/Settlement 635-2466

STANDARD SECURITIES CORPORATION

DOMINGO HERRERA
34 Jefferson Street,
West Greenhills, San Juan, M. Mla.
Office : 725-3905; 721-5887
Exchange : 891-9760 to 61; 891-9764 to 65
Fax : 721-5887

STRATEGIC EQUITIES CORPORATION

ROBERTO Z. LORAYES
6/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-5159
Exchange : 891-9620 to 21
Fax : 848-5164

SUMMIT SECURITIES, INC.

HARRY G. LIU
21/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 631-1032 to 37
Exchange : 631-1032 to 37
Fax : 631-1033

SUPREME STOCKBROKER, INC.

EDUARDO C. ARROYO JR.
15/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas, Makati City
Office : 891-9403 to 07
Exchange : 891-9401 to 02; 891-9404 to 05
Fax : 891-9404

TANSENGCO & COMPANY, INC.

FRANCISCO O. TANSENGCO
Room 208 Padilla delos Reyes Bldg.
232 Juan Luna Street, Binondo, Manila
Office : 241-6887
Exchange : 634-6675 & 85;
633-1310; 634-8230
Fax : 241-7155

THE FIRST RESOURCES MANAGEMENT & SECURITIES CORPORATION

MA. VIVIAN YUCHENGCO
8/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-6311 to 18
Exchange : 848-6311 to 18
Fax : 848-6272

THING ON SECURITIES LTD. PHILIPPINES, INC.

BETTY NGO WONG
1136 Soler Street,, Binondo, Manila
Office : 245-3093 to 95
Exchange : 636-5793 to 97
Fax : 245-2785

TOWER SECURITIES, INC.

RAYMOND PETER L. UNLAY
18/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 635-4448 to 49; 635-4144;
634-6726
Exchange : 633-9411; 638-3847;
638-3850; 634-5146 to 48
Fax : 635-4145

TRANS-ASIA SECURITIES, INC.

EUGENE ONG
Room 601-S State Centre Building
333 Juan Luna Street,, Binondo, Manila
Office : 242-2823; 242-3031; 242-1031
Exchange : 634-5725 to 27; 634-5752 to 54
Fax : 242-3031

TRI-STATE SECURITIES, INC.

GREGORIO T. CHAN
10/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-5044 to 47
Exchange : 891-9361 to 64
Fax : 848-5047

TRITON SECURITIES CORPORATION

EDWIN L. LUY
26/F, LKG Tower
6801 Ayala Avenue, Makati City
Office : 884-2081 to 85
Exchange : 635-5531 to 35
Fax : 884-2086

UBS SECURITIES PHILIPPINES, INC.

ROBRINA L. GO
19/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 754-8888
Exchange : 891-8588; 891-8589
Fax : 754-8810; 754-8899

UCPB SECURITIES, INC.

Contact Information:
14/F, UCPB Building
Makati Avenue, Makati City
Office : Sales 811-9972 to 73; 811-9793
Backroom 811-9000
loc. 5731 to 34
Exchange : 891-9735 to 37
Fax : 811-9792

UNICAPITAL SECURITIES, INC.

LEONARDO R. ARGUELLES
4/F, Majalco Building
Trasierra cor. Benavidez Streets,
Legaspi Village, Makati City
Office : Dealing/Sales 812-2589
Operations/Dealing/
Sales 892-0991
Exchange : 891-9622; 891-9624
Fax : 818-2127

UOB-KAY HIAN SECURITIES (PHILIPPINES), INC.

3/F, Merchants Bank Building
117 Tordesillas cor. Bautista Streets,
Salcedo Village, Makati City
Office : 887-7972
Exchange : 891-9526 to 27
Fax : 887-7973

UPCC SECURITIES CORPORATION

WILLIAM C. UY
12/F Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 893-4712; 867-4384; 897-5759
Exchange : 891-8512; 891-8514; 891-8519
Fax : 892-0215

VENTURE SECURITIES, INC.

EUSEBIO TANCO
7th Floor, Phil. First Building
6764 Ayala Avenue, Makati City
Office : 848-6505; 887-8447
Local nos. 7011/7012/7016
Exchange : 891-9420 to 22
Telefax : 848-6503

VICSAL SECURITIES & STOCK BROKERAGE, INC.

FRANK SY GAISANO
658 Carlos Palanca Street,, Quiapo, Manila
Office : 734-9771 to 75 loc. 114;
734-9526
Exchange : 891-9710 to 13
Fax : 734-9501

WEALTH SECURITIES, INC.

HOSANNA T. AYSON
21/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 634-5038
Operations 637-3048 to 50
Settlement 635-6964
Accounting 637-2329; 637-4144
Exchange : 634-6222 to 27; 634-6229
Fax : 634-5043

WESTLINK GLOBAL EQUITIES, INC.

RHODERICK SANTOS
6/F, Tower One & Exchange Plaza
Ayala Avenue cor. Paseo de Roxas
Makati City
Office : 848-6231; 848-6246
Exchange : 891-9380 to 83
Fax : 848-6229

WONG SECURITIES CORPORATION

EDEN WONG
205 Captain Roja Street, San Juan
Metro Manila
Office : 723-8912
Exchange : 634-5735 to 37
Fax : 723-8912

YAO & ZIALCITA, INC.

CARMELITA C. YAO
5G Vernida 1 Condominium
120 Amoroso Street, Legaspi Village
Makati City
Office : 894-0553 to 55; 815-1895 to 96
Exchange : 634-6944; 634-6946
Fax : 815-1895; 813-3496

YU & COMPANY, INC.

JOHNNY YU
16/F, East Tower - PSE Centre
Exchange Road, Ortigas Center, Pasig City
Office : 634-6611 & 18; 634-7577
Exchange : 634-6248 to 50
Fax : 634-5918

Corporate Information

ANNUAL MEETING

The annual meeting of shareholders will be held on Saturday, March 13, 2004, 8 a.m.
Venue to be announced.

CORPORATE OFFICE

Philippine Stock Exchange Centre

Exchange Road, Ortigas Centre
Pasig City, 1605
Philippines
Tel. No. (632) 688-7600
Fax No.: (632) 634-5113

Philippine Stock Exchange Plaza

Ayala Triangle, Ayala Avenue,
Makati City 1226
Philippines
Tel. No.: (632) 819-4100
Fax No.: (632) 891-9004

WebSite: <http://www.pse.com.ph>

PSE Public Information and Assistance Center

Tel. No. (632) 688-7601
Email: piac@pse.org.ph

FINANCIAL ADVISER

ATR-Kim Eng Capital Partners, Inc.

17th Floor, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines

LEGAL COUNSELS

Castillo Zamora & Poblador Law Offices

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