



MEMO FOR BROKERS

No. 38-2003
Philippine Stock Exchange, Inc.

<input type="checkbox"/> Disclosures	<input type="checkbox"/> Stockholders' Meeting	Others: _____
<input type="checkbox"/> Dividend Notice	<input type="checkbox"/> SEC / Gov't. Issuance	_____
<input type="checkbox"/> Stock Rights Notice	<input type="checkbox"/> Transfer Agent's Notice	_____

Date : February 6, 2003
Subject : DEADLINE OF REMITTANCE OF CASH DIVIDENDS ACCRUING TO SHARES NOT LODGED IN PCD

Attached is a copy of the letter of Atty. Justina F. Callangan, Director, Corporation Finance Department of the Securities and Exchange Commission, clarifying the remittance of cash dividends accruing to shares not lodged in the PCD or those in certificated form.

For your information and guidance.



JOSE G. CERVANTES
Senior Vice President

		<i>P. Zamora</i>			
Finance / Admin / Membership	Compliance & Surveillance Grp.	Listings & Disclosure Grp.	COO / Automated Trading Grp.	Business Dev't Group	CEO / Legal
Tel. No. 634-5112	Tel. No. 634-6903	Tel. No. 636-0122	Tel. No. 633-1311	Tel. No. 634-5089	Tel. No. 637-8805



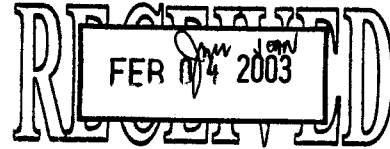
REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Bldg. EDSA, Greenhills, Mandaluyong City

CORPORATION FINANCE DEPARTMENT

January 31, 2003

ATTY. JOSE G. CERVANTES
Senior Vice President
PHILIPPINE STOCK EXCHANGE, INC.
Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City

P S E - DISCLOSURE DEPARTMENT



Dear Atty. Cervantes:

This is to clarify the issue on the deadline for the remittance of cash dividends accruing to shares not lodged in the PCD or those in certificated form, which is unfortunately not provided under paragraph (1) of SEC-BED Memorandum Circular No. 05-97 ("Circular") that reads as follows:

"For the corporations the shares of which have been lodged with the Philippine Central Depository (PCD), all stock dividends and all cash dividends shall be remitted to PCD for immediate distribution to its Participants no later than eighteen (18) trading days from record date ("Payment Date") provided, that in case of stock dividends, the credit of the stock dividend shall be on the Payment Date which in no case shall be later than the stock dividends listing date.

If the stock dividends shall come from an increase in capital stock, all stocks shall be credited to PCD for immediate distribution to its Participants no later than twenty (20) trading days from the date of approval by the Commission of the registration which in no case shall be later than the stock dividend listing date." (highlighting, ours)

Clearly, no remittance to the PCD can be made in cases where the shares are not lodged with it. The absence therefore of a custodian or PCD in the process would necessarily make the distribution of the cash dividends by the company directly to the individual stockholders "no later than eighteen (18) trading days from record date", as indicated in the aforementioned provision of the Circular. The same procedure shall apply to second paragraph of the Circular.

We trust that the foregoing settles the subject issue.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justina F. Callangan".

JUSTINA F. CALLANGAN
Director