



# CIRCULAR FOR BROKERS NO. 026-2004

## The Philippine Stock Exchange, Inc.

<input checked="" 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 : **January 6, 2004**  
 Company : **MAGNUM HOLDINGS, INC.**

This is in reference to Memo for Brokers No. 248-2003 dated October 2, 2003 pertaining to the Implementing Guidelines on Article XVI, Section 2 (f) of the Listings and Disclosure Rules, which took effect on October 17, 2003.

Pursuant to the aforementioned guidelines, a listed company may be considered for delisting if its **stockholders' equity becomes negative**. Thus, listed companies suffering from this financial condition, as reflected in its latest audited financial statements, must comply with the relevant provisions of the said guidelines.

In relation thereto, Magnum Holdings, Inc. ("MHI" or the "Corporation"), in a letter dated January 5, 2004, submitted the following disclosure with respect to its plan of activities to be undertaken to bring the stockholders' equity from negative to positive:

"x x x

PLAN OF ACTION	DATE
Presentation of the Stock Rights Offering Plan to the Corporation's stockholders for approval	Dec. 19, 2003
Filing of application with the SEC to obtain approval from its Board of Governors (sic)	Jan. 5, 2004 to Jan. 16, 2004
Filing of listing application and obtaining of approval from PSE Board of Governors (sic)	Jan. 19, 2004 to Jan. 30, 2004

Finance / Admin / Membership Tel. No. 688-7560/7440/7460	Compliance & Surveillance Grp. Tel. No. 688-7559	Listing & Disclosures Grp. Tel. No. 688-7501/7510	COO / Automated Trading Grp. Tel. No. 688-7405/819-4400	Business Dev't & Info. Group Tel. No. 688-7590	CEO / Legal Tel. No. 688-7400/819-4408



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Obtaining of listing of stockholdings as of the approved record date from the Corporation's stock transfer agent	Feb. 2, 2004 to Feb. 6, 2004
Publishing of offering in a newspaper of general circulation	Feb. 9, 2004 to Feb. 27, 2004
Issuance of stock rights bet. the announcement and expiration date	Mar. 1, 2004 to Mar. 5, 2004"

The Exchange shall inform the Trading Participants and the investing public of further developments on the matter.

For your information.

**(Original Signed)**  
**JOSE G. CERVANTES**  
**Senior Vice President**

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