

16 September 2002

Philippine Stock Exchange
PSE Centre, Exchange Road
Ortigas Centre, Pasig City

CIRCULAR FOR BROKERS NO. <u>2452-2002</u>
DISCLOSURE
<u>SEPTEMBER 17, 2002</u>
Date

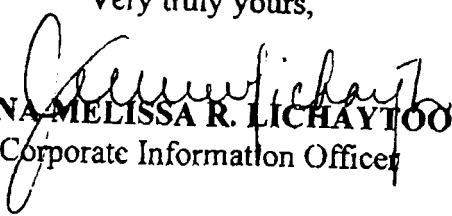
Attention: Mr. Jose G. Cervantes
Senior Vice President
Disclosure Department

Gentlemen:

Please be informed that in a letter dated 11 September 2002 and received today by the undersigned, the Securities and Exchange Commission approved the Corporation's request for the application of the paid-in surplus amounting to Two Hundred Twenty Three Million Nine Hundred Thousand Pesos (P223,900,000.00) against the capital deficit of the Corporation as of 31 December 2001 amounting to Three Hundred Twenty Four Million Five Hundred Forty Thousand Eight Hundred Twenty Two Pesos (P324,540,822.00). As previously disclosed, the paid-in surplus was generated from the debt-to-equity transaction entered into by the Corporation with Messrs. Orlando B. Veja, David T. Fernando and Rafael A. Morales sometime in August 2002. A copy of the aforementioned letter is hereto attached as Annex "A".

Should you wish clarification on any matter contained herein, please do not hesitate to let us know.

Very truly yours,


ANNA MELISSA R. LICHAYTOO
Corporate Information Officer

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posted 2:06
16 SEP '02

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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE

SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila



COMPANY REGISTRATION AND MONITORING DEPARTMENT

September 11, 2002

NextStage, Inc.
25/F IBM Plaza Building
Eastwood City, Cyberpark
E. Rodriguez Jr. Ave., Bagumbayan
Quezon City

Gentlemen:

This has reference to your letter dated September 2, 2002 requesting approval of the Commission to undergo equity restructuring by applying the additional paid-in capital of P223,900,000 to partially wipe out the company's deficit of P324,540,822 as of December 31, 2001.

Please be informed that this Commission interposes no objection to the said request, provided that after such process has been effected, the same shall be disclosed in all the subsequent financial statements of the corporation for a period of three (3) years.

Very truly yours,


BENITO A. CATARAN
Director

EDC

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