



CIRCULAR FOR BROKERS NO. 3928-2004

The Philippine Stock Exchange, Inc.

| | | |
|---------------------------|-------------------------------|---------------|
| _____ Disclosures | _____ Stockholders' Meeting | Others: _____ |
| _____ Dividend Notice | _____ SEC / Gov't Issuance | _____ |
| _____ Stock Rights Notice | _____ Transfer Agent's Notice | _____ |

Date : **September 2, 2004**
 Subject : **HOUSE OF INVESTMENTS, INC.**

Further to Circular for Brokers Nos. 3575-2004 dated August 5, 2004, HOUSE OF INVESTMENTS, INC. ("HI" or the "Company") informed the Exchange in the attached letter dated September 1, 2004 that it has filed an application for approval of its capital restructuring with the Securities and Exchange Commission (SEC) on September 1, 2004.

We shall inform the Trading Participants and the investing public of further developments on the aforementioned matter.

For your information.

(Original Signed)
JURISITA M. QUINTOS
Senior Vice President- Operations Group

| | | | | | |
|--|---|--|--|---|---|
| | | | | | |
| 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 |

01 September 2004

T **Ms. Valery Daux**
 Listing Department
 PSE

From **Atty. Rosula P. Lawenko**

Re House of Investments, Inc. (HI)

Attached is the Certificate of decrease in Authorized Capital Stock and the Directors' Certificate to the Amended Articles of Incorporation of HI filed with SEC today

- 7

**CERTIFICATE OF DECREASE OF CAPITAL STOCK
OF HOUSE OF INVESTMENTS, INC.
FROM P3,500,000,000.00 TO P2,875,000,000.00**

WE, the undersigned, constituting at least a majority of all the members of the Board of Directors of HOUSE OF INVESTMENTS, INC., the Chairman and Secretary of the Annual Stockholders' Meeting of said Corporation held on July 16, 2004 at its office at RCBC Plaza, Makati City, Philippines,

DO HEREBY CERTIFY:

1. That the authorized capital stock of said HOUSE OF INVESTMENTS, INC. was duly and regularly decreased as hereinafter stated at the regular meeting of the Board of Directors on July 16, 2004 and at the Annual Stockholders' Meeting subsequently held on the same date called for the purposes, and that all the requirements of Section 38. of the Corporation Code of the Philippines have been duly complied with.

2. That the amount of decrease is SIX HUNDRED TWENTY FIVE MILLION (P625,000,000.00) PESOS, that is, the previous capital stock of THREE BILLION FIVE MILLION (P3,500,000,000.00) PESOS has been decreased to TWO BILLION EIGHT HUNDRED SEVENTY FIVE MILLION (P2,875,000,000.00) PESOS divided into One Billion Two Hundred Fifty Million (1,250,000,000) common shares with a par value of One Peso and Fifty Centavos (P1.50) each and TWO BILLION FIVE HUNDRED MILLION (2,500,000,000) preferred shares with a par value of Forty Centavos (P0.40) each.

3. That the present subscribed and paid-up common shares shall accordingly decrease from P1,204,080,826.00 to P903,060,619.50, as a result of the reduction of the par value of the common shares from P2.00 to P1.50 per share.

4. That the reason for the reduction in par value of the common shares from P2.00 to P1.50 per share is to create additional paid-in capital of P301,020,206.50 to be used in wiping out the accumulated deficit of the Company as of December 31, 2003 amounting to P167,228,020.50.

5. That the rights of the existing creditors will not be prejudiced.

6. That no bonded indebtedness of the Corporation has been created, incurred or increased.

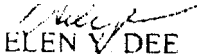
7. That as of the date of the said meeting on July 16, 2004, the total indebtedness of the Corporation was P_____;


8. That the number of shares of the capital stock represented at the meeting was 2,597,310,136 shares or more than two-thirds (2/3) of the 2,846,961,011 shares issued and outstanding.

9. That the votes authorizing the decrease of the capital stock and reducing the par value was 2,597,310,136 shares.

10. That the decrease in capital stock and reduction of par value were likewise approved by majority of the directors.

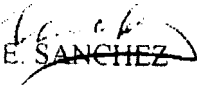
IN WITNESS WHEREOF, we have hereunto set our hands this 22nd day of July, 2004
at Makati City, Metro Manila, Philippines.

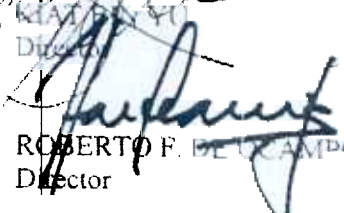

HELEN Y. DEE
Chairperson of the Meeting


SUSANNE Y. SANTOS
Director

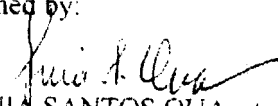

YVONNE S. YUCHENGGCO
Director


KIAT BIN YU
Director


WILFRIDO E. SANCHEZ
Director


ROBERTO F. DE OCAMPO
Director

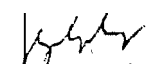
Countersigned by:


GUIA SANTOS QUA
Secretary of the Stockholders' Meeting

SUBSCRIBED AND SWORN to before me this 28th day of AUG., 2004 at Makati
City, the following affiants exhibited to me their respective Community Tax Cert. Nos., to wit:

| <u>Name</u> | <u>Comm. Tax Cert. No.</u> | <u>Date/Place of Issue</u> |
|----------------------|----------------------------|----------------------------|
| Helen Y. Dee | 12383217 | Jan. 13, 2004-Manila |
| Susanne Y. Santos | 15246634 | Feb. 24, 2004-Makati City |
| Yvonne S. Yuchengco | 14772306 | Feb. 27, 2004-Manila |
| Kiat Bin Yu | | |
| Wilfrido E. Sanchez | | |
| Roberto F. de Ocampo | | |
| Guia Santos Qua | 05308652 | Jan. 7, 2004-Manila |

Doc. No. 404
Page No. 57
Book No. 1
Series of 2004


ROSULA P. LAWENKO
NOTARY PUBLIC
UNTIL DECEMBER 30, 2004
PTR No. 705000000-10 IN MAKATI CITY
ID No. 705086700-2004 MANILA III

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DIRECTORS' CERTIFICATE

WE, the undersigned, consisting of a majority of all the members of the Board of Directors and the Secretary respectively, of **HOUSE OF INVESTMENTS, INC.** do hereby certify that the Amended Articles of Incorporation thereof were duly further amended by a majority vote of the Board of Directors of the corporation at a regular board meeting held on July 16, 2004, and by a vote of stockholders representing at least two thirds (2/3) of the outstanding capital stock of the corporation at the annual stockholders' meeting held immediately after the said board meeting on July 16, 2004 at RCBC Plaza, Makati City, Metro Manila, Philippines.

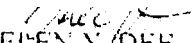
The amendment consists of reducing the par value of the Company's common shares from P2.00 to P1.50/share and decreasing its authorized capital stock from P3.5 Billion to P2.875 Billion by amending Article VII of the Amended Articles of Incorporation, to read as follows:

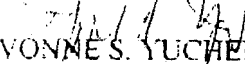
"ARTICLE VII - That the authorized capital stock of the corporation is TWO BILLION EIGHT HUNDRED SEVENTY FIVE MILLION (P2,875,000,000.00) PESOS, Philippine Currency, and said capital stock is divided into ONE BILLION TWO HUNDRED FIFTY MILLION (1,250,000,000) shares of COMMON STOCK with par value of ONE PESO AND FIFTY CENTAVOS (P1.50) each and TWO BILLION FIVE HUNDRED MILLION (2,500,000,000) shares of PREFERRED STOCK with a par value of FORTY CENTAVOS (P0.40) each."

Attached herewith is a true and correct copy of the Amended Articles of Incorporation as further amended.

Makati City Metro Manila

14

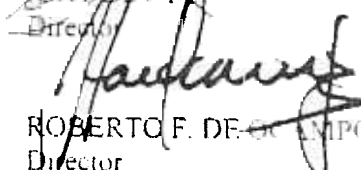

HELEN Y. DEE
Chairperson of the Meeting


YVONNE S. YUCHENGCO
Director

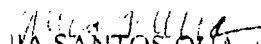

WILFRIDO E. SANCHEZ
Director


SUSANNE Y. SANTOS
Director


ROBERTO F. DE GUZMAN
Director


ROBERTO F. DE GUZMAN
Director

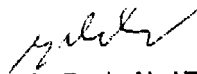
Countersigned by


GUJA SANTOS QUIA
Secretary of the Meeting

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) SS

SUBSCRIBED AND SWORN to before me this 30th day of Aug. 2004 at Makati City, the following affiants exhibited to me their respective Community Tax Cert. Nos., to wit:

| <u>Name</u> | <u>Comm. Tax Cert. No.</u> | <u>Date/Place of Issue</u> |
|----------------------|----------------------------|----------------------------|
| Helen Y. Dee | 12383217 | Jan. 13, 2004 - Manila |
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| Kiat Bin Yu | | |
| Wilfrido E. Sanchez | | |
| Roberto F. de Ocampo | | |
| Guia Santos Qua | 05308652 | Jan. 7, 2004-Manila |


ROSULA P. LAWENKO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2004
PTR NO. 7050303 A.I. 10 2004 MAKATI CITY
IBPN. 0019861.09.2004 MANILA III

Doc. No. 421
Page No. 37
Book No. 7
Series of 2004