

Republic of the Philippines
SECURITIES AND EXCHANGE COMMISSION
SEC Building EDSA, Greenhills
Mandaluyong City

**SEC STATEMENT REGARDING REXLON REALTY GROUP, INC.
SETTLEMENT OFFER**

August 9, 2004

The Commission wishes to announce to the public that Rexlon Realty Group, Inc. entered into a settlement agreement with the Commission. This release is in compliance with Section 55.3. – Settlement Offers – Republic Act No. 8799, otherwise known as the Securities Regulation Code (SRC), which states that “[a]ny agreement to settle shall have no legal effect until publicly disclosed.”

The settlement offer in the amount of PhP 50,000.00 was made without the corporation admitting any guilt or liability, and the offer settled the administrative investigation/inquiry conducted by the Commission relative to various suspicious trades covering the period from February 13, 2003 to March 13, 2003.

In view of the settlement offer the Commission has terminated its administrative proceedings.