



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

COMPANY REG. NO. ASO94-6430

CERTIFICATE OF INCREASE OF CAPITAL STOCK

KNOW ALL PERSONS BY THESE PRESENTS:


This is to certify that the certificate of increase of capital stock of the

EMPIRE EAST LAND HOLDINGS, INC.

copy annexed, from P13,000,000,000.00 divided into 11,000,000,000 common; 2,000,000,000 preferred shares both with the par value of P1.00 each, to P23,495,200,000.00 divided into 21,495,200,000 common; 2,000,000,000 preferred shares both with the par value of P1.00 each, approved by majority of the Board of Directors on August 22, 2007 and by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock at a meeting held on October 12, 2007 certified to by the Chairman and the Secretary of the stockholders' meeting and a majority of the Board of Directors of the corporation, was approved by the Commission on the date indicated hereunder in accordance with the provision of Section 38 of the Corporation Code of the Philippines (Batas Pambansa Blg. 68), approved on May 1, 1980, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 22nd day of November, Two Thousand Seven.




BENITO A. CATARAN
Director
Company Registration and Monitoring Department

A S 0 9 4 - 6 4 3 0

S.E.C. Registration Number

E M P I R E E A S T

L A N D

H O L D I N G S ,

I N C .

(Company's Full Name)

2 1 S T F L R . T H E W O R L D C E N T R E

3 3 0 S E N . G I L J P U Y A T M A K A T I

(Business Address: No. Street City/ Town/ Province)

ROLANDO D. SIATELA

Contact Person

867-8826 to 40

Company Telephone Number

1 2 3 1 A M E N D E D 0 6 2nd Tuesday

ARTICLES OF INCORPORATION

Month Day Fiscal Year

FORM TYPE

Month Day Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

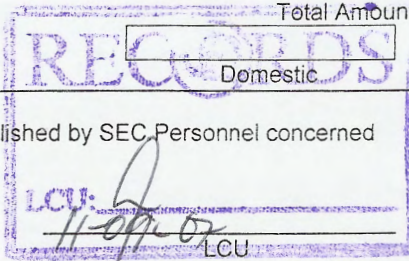
Total Amount of Borrowings

RECORDS Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number



Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

CERTIFICATE OF INCREASE
of the
AUTHORIZED CAPITAL STOCK
of
EMPIRE EAST LAND HOLDINGS, INC.



KNOW ALL MEN BY THESE PRESENTS :

That the undersigned, being the *Chairman* and the *Secretary* of the Special Meeting of Stockholders of **EMPIRE EAST LAND HOLDINGS, INC.** (the "*Corporation*") held on 12 October 2007, and at least a majority of the members of the Board of Directors of the Corporation, a domestic corporation with office and business address at the 21st Floor, The World Center Bldg., 330 Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines, **DO HEREBY CERTIFY:**

1. That at the Special Meeting of Stockholders of the *Corporation* held on 12 October 2007 in accordance with Section 38 of the Corporation Code (B.P. Bldg. 68) at the Forbestown Center Showroom, Bonifacio Global City, Taguig City, Metro Manila, Philippines, stockholders of the Corporation owning or representing at least two-thirds (2/3) of the subscribed and outstanding capital stock of the *Corporation* **APPROVED** the **INCREASE** of the *Corporation's* **AUTHORIZED CAPITAL STOCK** from **Thirteen Billion Pesos (PhP13.0 Billion)** divided into Eleven Billion (11.0 Billion) common shares with a par value of PhP1.00 per share and Two Billion (2.0 Billion) preferred shares with a par value of PhP1.00 per share, **TO TWENTY-THREE BILLION FOUR HUNDRED NINETY-FIVE MILLION TWO HUNDRED THOUSAND PESOS (PhP23,495,200,000.00)**, Philippine currency, divided into **TWENTY-ONE BILLION FOUR HUNDRED NINETY-FIVE MILLION TWO HUNDRED THOUSAND (21,495,200,000) COMMON** shares with a par value of One Peso (PhP1.00) per share and Two Billion (2,000,000,000) preferred shares with a par value of One Peso (PhP1.00) per share;

2. That the increase in the authorized capital stock of the *Corporation* was approved by at least a majority of the members of the Board of Directors of the *Corporation* at their special meeting duly called for the purpose on August 22, 2007;

3. That of the increase in the authorized capital stock of **TEN BILLION FOUR HUNDRED NINETY-FIVE MILLION TWO HUNDRED THOUSAND PESOS (PhP10,495,200,000.00)** Philippine currency, the amount of **TWO BILLION SIX HUNDRED TWENTY-THREE MILLION EIGHT HUNDRED NINE THOUSAND SIXTY-THREE PESOS (PhP2,623,809,063.00)**, Philippine currency, *has been actually subscribed and that out of the said subscription, the amount of **SIX HUNDRED FIFTY-FIVE MILLION NINE HUNDRED FIFTY-TWO THOUSAND TWO HUNDRED SIXTY-FIVE PESOS & 75/100 CENTAVOS (PhP655,952,265.75)**, Philippine currency, has been actually paid in **CASH** by Megaworld Corporation by way of subscription to a pre-emptive rights offering to existing stockholders of the *Corporation* in proportion to their respective shareholdings in the Corporation;

*** equivalent to 2,623,809,063 COMMON SHARES**

Handwritten signature

Handwritten signature

Handwritten signature

Handwritten signature

Handwritten signature

Handwritten signature

4. That the actual indebtedness of the *Corporation* as of the date of the special meeting of stockholders amounted to PHP 3,604,065,604.72;

5. That no bonded indebtedness has been incurred, created or increased as of the date of the special meeting of stockholders;

6. That the requirement of Sections 16 and 38 of the Corporation Code (B.P. Blg.68) have been complied with;

7. That proceeds from the proposed increase in the authorized capital stock of the Corporation will be used to accelerate the development and construction of the Corporation's projects, retire some of the Corporation's debts and finance the acquisition of properties for development.

IN WITNESS WHEREOF, we have hereunto set our hands on the 12th day of October 2007 at Taguig City, Metro Manila, Philippines.

CERTIFIED CORRECT:


ENRIQUE SANTOS L. SY
Secretary of the Meeting

ATTESTED BY:


ANDREW L. TAN
Chairman of the Board


GERARDO C. GARCIA
*Vice-Chairman of the Board
Chairman of the Meeting*


ANTHONY CHARLEMAGNE C. YU
Director


GEORGE T. YANG
Director


MONICA T. SALOMON
Director


ALEJO L. VILLANUEVA Jr.
Director


ENRIQUE SANTOS L. SY
Director

Republic of the Philippines)

QUEZON CITY

OCT 26 2007

SUBSCRIBED AND SWORN to before me this _____ day of October 2007 at _____, Philippines, affiants exhibiting to me their respective Community Tax Certificates/Passport, to wit :

<u>Name</u>	<u>T.I.N</u>	<u>C.T.C. No.</u>	<u>Date & Place Issued</u>
Andrew L. Tan	125-960-003	07545528	Jan.12/07; Quezon City
Anthony Charlemagne C. Yu	132-173-451	15093655	Jan.12/07; Makati City
George T. Yang	122-326-423	15105244	Jan. 5/07; Makati City
Gerardo C. Garcia	110-183-659	19273931	Feb. 22/07; Parañaque
Alejo L. Villanueva, Jr.	107-279-348	PP#07213575	Jan.26/05; Aklan
Monica T. Salomon	182-240-560	17769372	Apr. 24/07; Makati City
Enrique Santos L. Sy	125-960-296	10596173	Jan.11/07; Manila

JOEL G. GORDOLA

NOTARY PUBLIC

COMMISSION NO. 645194 (2006-2007) UNTIL DEC.31/2007
ROLL OF ATTORNEY NO. 25103
IBP NO. 645194 (2006-2007) B.C. CHAPTER
PTR NO. 8460482; JAN.09, 2007 QUEZON CITY

Doc. No. 402 ;
Page No. 87 ;
Book No. 708 ;
Series of 2007

6/1/2007

[Handwritten signatures]

[Handwritten signature]

[Handwritten signatures]

THE CHAIRMAN

Securities and Exchange Commission
SEC Bldg., EDSA Mandaluyong City
Metro Manila

Madam :

This is to confirm that all corrections, if any, in the proposed **Amended Articles of Incorporation** and **other supporting documents** of **EMPIRE EAST LAND HOLDINGS, INC.** were made prior to notarization and/or were made with the full knowledge and/or consent of all of its Board of Directors.

I, the undersigned Corporate Secretary, hereby undertake full responsibility for any and all corrections made thereon, particularly on the provisions pertaining to its authorized capital stock.



ENRIQUE SANTOS L. SY
Corporate Secretary
15th Floor The World Centre
330 Sen. Gil Puyat Avenue
Makati City, Metro Manila

OCT 26 2007

SUBSCRIBED AND SWORN to before me this ____ day of October 2007 at ~~QUEZON CITY~~, Philippines, affiant exhibiting to me his Community Tax Certificate No. 10596173 issued on **January 11, 2007** at **Manila City**, Metro Manila, Philippines.

JOEL G. GORDOLA

NOTARY PUBLIC

COMMISSION NO. 137700 (2007) UNTIL DEC. 31, 2007
ROLE OF ATTORNEY NO. 25103
IBP NO. 645194 (2006-2007) B.C. CHAPTER
PTR NO. 8480482: JAN. 09, 2007 QUEZON CITY

Doc. No. 467 ;
Page No. 87 ;
Book No. 718 ;
Series of 2007

LIST OF STOCKHOLDERS

of

EMPIRE EAST LAND HOLDINGS, INC (as of October 12, 2007)

BEFORE SUBSCRIPTION BY EXISTING STOCKHOLDER :

Nationality of Stockholder	ISSUED COMMON SHARES				OUTSTANDING COMMON SHARES				TREASURY SHARES	PREFERRED SHARES			
	Subscribed	%	Paid-Up	%	Subscribed	%	Paid-Up	Subscribed		%	Paid-Up	%	
FILIPINO	7,499,579,832	93.76%	7,499,579,832	93.76%	7,372,323,761	93.66%	7,372,323,761		285,723,080	100	285,723,080	100	
FOREIGN	499,103,429	6.24%	499,103,429	6.24%	499,103,429	6.34%	499,103,429		- none -	-	- none -	-	
<i>Total</i>	7,998,683,261	100.00%	7,998,683,261	100.00%	7,871,427,190	100.00%	7,871,427,190	127,256,071	285,723,080	100	285,723,080	100	

AFTER SUBSCRIPTION BY EXISTING STOCKHOLDER :

Nationality of Stockholder	ISSUED COMMON SHARES				OUTSTANDING COMMON SHARES				TREASURY SHARES	PREFERRED SHARES			
	Subscribed	%	Paid-Up	%	Subscribed	%	Paid-Up	Subscribed		%	Paid-Up	%	
FILIPINO	10,123,388,895	95.30%	8,155,532,097.75	94.23%	9,996,132,824	95.24%	8,028,276,026.75		285,723,080	100	285,723,080	100	
FOREIGN	499,103,429	4.70%	499,103,429.00	5.77%	499,103,429	4.76%	499,103,429		- none -	-	- none -	-	
<i>Total</i>	10,622,492,324	100.00%	8,654,635,526.75	100.00%	10,495,236,253	100.00%	8,527,379,455.75	127,256,071	285,723,080	100	285,723,080	100	

CERTIFIED CORRECT BY:



ENRIQUE SANTOS L. SY
Corporate Secretary



October 23, 2007

The Securities and Exchange Commission
EDSA, Mandaluyong City, metro Manila

Gentlemen:

This is to certify that there is on deposit with this bank the sum of PESOS: **SIX HUNDRED FIFTY FIVE MILLION NINE HUNDRED FIFTY TWO THOUSAND TWO HUNDRED SIXTY FIVE AND 75/100 ONLY (PHP655,952,265.75)** under the account number 4288-0215442-4 in the name of **EMPIRE EAST LAND HOLDINGS, INC.** which represents the paid up portion of subscription on the company's increase in authorized capital stock.

The said deposit is clear and free from lien, restriction, condition or holdout.

MR. JOSE MARLO JUDE A. MOISES
Branch Manager

9109226575

Republic of the Philippines

~~QUEZON CITY~~ s.s.
SUBSCRIBED AND SWORN TO ME THIS OCT 26 2007 day of October 2007 affiant exhibited to me his residence certificate no. 01385241 issued at Quezon City on January 05, 2007.

DOC. NO. 489
PAGE NO. 87
BOOK NO. 706
SERIES OF NY

JOEL G. GORDOLA
NOTARY PUBLIC
COMMISSION NO. 930 (2006-2007) UNTIL DEC. 31, 2007
ROLL OF ATTORNEY NO. 25103
IBP NO. 645194 (2006-2007) Z.C. CHAPTER
PTR NO. 8480482: JAN. 08, 2007 QUEZON CITY

October 23, 2007

**SECURITIES AND EXCHANGE COMMISSION
BANGKO SENTRAL NG PILIPINAS
Metro Manila**

Gentlemen :

This is to authorize your office to examine and verify the deposit at the **BANCO DE ORO BANK – IBM PLAZA EASTWOOD BRANCH** in the name of **EMPIRE EAST LAND HOLDINGS, INC.** (the "*Corporation*") in the amount of **SIX HUNDRED FIFTY-FIVE MILLION NINE HUNDRED FIFTY-TWO THOUSAND TWO HUNDRED SIXTY-FIVE PESOS & 75/100 CENTAVOS (Php655,952,265.75)**, Philippine currency, representing the paid-up capital of the proposed increase in authorized capital stock of the *Corporation*, which is in the process of amending further its Amended Articles of Incorporation.

This authority is valid and inspection of the said paid-up capital may be made even after issuance of the Certificate of Filing of Certificate of Increase of the Authorized Capital Stock and Certificate of Filing of Amended Articles of Incorporation of the said *Corporation*.

Should the deposit be transferred to another bank prior to or after approval of its increase in authorized capital stock, this letter shall also serve as authority to verify and examine the same with the transferee bank.

The representative of the Securities and Exchange Commission is also authorized to examine the pertinent books and records of accounts of the *Corporation* as well as all supporting papers to determine the utilization and disbursement of the said paid-up capital.

In case the said paid-up capital is not deposited or is withdrawn prior to the approval of the Amended Articles of Incorporation, I, on behalf of the above-named *Corporation*, waive its right to notice and hearing for the revocation of the Corporation's Certificate of Filing of Certificate of Increase of the Authorized Capital Stock and Certificate of Filing of Amended Articles of Incorporation.

EMPIRE EAST LAND HOLDINGS, INC.

by :


GIOVANNI C. NG
Treasurer

OCT 26 2007

SUBSCRIBED AND SWORN to before me this ____ day of _____ 2007 at _____, Philippines, affiant exhibiting to me his Community Tax Certificate No. ~~11001926~~ issued on February 9, 2007 at Makati City, Metro Manila, Philippines.


JOEL G. GORDOLA
NOTARY PUBLIC

COMMISSION NO. 230 (2006-2007) UNTIL DEC. 31, 2007
ROLL OF ATTORNEY NO. 25103
IBP NO. 645194 (2006-2007) B.C. CHAPTER
PTR NO. 8460482 JAN. 09, 2007 QUEZON CITY

Doc. No. 416;
Page No. 87;
Book No. 711;
Series of 2007

DOCSECI46/EELHI— support— increase

October 30, 2007

THE CHAIRMAN

Securities and Exchange Commission
SEC Bldg., EDSA, Greenhills
Mandaluyong City, Metro Manila

Dear Sir/Ma'm :

In connection with the redeemable preferred shares of stock of **Empire East Land Holdings, Inc.** (the "*Corporation*"), the undersigned being the duly authorized representative of the *Corporation* hereby undertakes to make the *Corporation* comply with the relevant rules of the Securities and Exchange Commission, as follows :

"All corporations which have issued redeemable shares with mandatory redemption features are required to set up and maintain a sinking fund (the "Fund"). The Fund shall be deposited with a trustee bank and shall not be invested in risky or speculative ventures."

Thank you.

Very truly yours,

Giovanni C. Ng
GIOVANNI C. NG
Treasurer

NOV 06 2007

SUBSCRIBED AND SWORN to before me this _____th day of October 2007 at ~~QUEZON CITY~~, Philippines, affiant exhibiting to me his Community Tax Certificate No. 17691926 issued on February 9, 2007 at Makati City, Metro Manila, Philippines.

JOEL G. GORDOLA
NOTARY PUBLIC

COMMUNOTARY PUBLIC (2007) UNIL DEC. 31 2007
ROLL OF ATTORNEY NO. 25103
IBP NO. 645194 (2006-2007) S.C. CHAPTER
PTR NO. 8480482 JAN. 08, 2007 QUEZON CITY

Doc. No. 476 ;
Page No. 96 ;
Book No. 211 ;
Series of 2007

DOCSEC146/EELHI - undertaking - increase

ON ACCOUNT OF	AMOUNT	
	PESOS	CTS
RESERVATION		
CASH SALE		
DOWNPAYMENT		
MONTHLY AMORTIZATION		
DEPOSIT		
RENTAL		
INTEREST/PENALTY		
OTHERS	455,952,265.75	
MHO/Paid up Capital (on the increase in authorized capital stock)		
PAYMENT IN FORM OF		
CASH		
CHECK		



EMPIRE EAST LAND HOLDINGS, INC.

21/F The World Centre, 330 Sen. Gil Puyat Avenue, Bel-Air, Makati City 1200
 Non VAT Reg. TIN 003-942-108-000

OFFICIAL RECEIPT

No. 364314

Depository Bank : STP-BDO
 364314 HEAD OFFICE

Date Oct 22, 2007

Received from MEGAWORLD CORPORATION

Address _____

TIN _____

the sum of SIX HUNDRED FIFTY-FIVE MILLION NINE HUNDRED FIFTY-TWO THOUSAND TWO HUNDRED SIXTY-FIVE AND 75 / 100 PESOS ONLY

_____ Pesos (P= 555,952,265.75)

in payment of account indicated herein.

This Official Receipt cancels and replaces our Provisional Receipt No. _____

[Signature]
 AUTHORIZED SIGNATURE

500 Bkts. 50x4 340,501-365,500
 BIR Permit No. OCN8AU0000071949 06-29-06
 ISAROG PRINTING, INC.
 40 Reparo St., Putroero, Malabon City
 TIN 000-243-970-000-VAT

MEGASAVINGS CONFIRMATION ADVICE

SERIAL NO. **2154424**
428802154424

BRANCH

ACCOUNT NUMBER:

ACCOUNT NAME

EMPIRE EAST LAND HOLDINGS INC
21F THE WORLD CENTER 330 SEN GI

VALUE DATE

10-22-07

AMOUNT

PHP655,952,265.75

INTEREST RATE P.A.

5.0000

INT. FREQ. (IN DAYS)

21

CUT-OFF DATE

11-12-07

It is hereby understood that the Amount specified should be maintained until cut-off date in order to avail of the committed rate; otherwise, it will be subject to our policy on Early Withdrawal. Likewise, if the Client does not instruct the bank regarding the disposition of this deposit, the total amount will earn the prevailing regular savings rate from cut-off date until renewed or withdrawn.

CLIENT'S INSTRUCTIONS

Disposition

Mode of Payment

Client's Acknowledgement

Client's Endorsement

Authorized Signature

Authorized Signature

Prepared / Processed By

Verified By:

PRESENT THIS PASSBOOK WHENEVER DEPOSITS OR WITHDRAWALS ARE MADE. NOTIFY THE BANK OF ANY CHANGE OF ADDRESS OR STATUS. NOTIFY THE BANK IMMEDIATELY IF PASSBOOK IS LOST OR STOLEN.

288: IBM PLAZA-LIBIS

MEGA SAVINGS ACCOUNT NO.

428802154424

NAME

EMPIRE EAST LAND HOLDINGS INC

ADDRESS

21F THE WORLD CENTER 330 SEN GI

L PUYAT MAKATI CITY 01252

RULES AND REGULATIONS

1. **OPENING A SAVINGS ACCOUNT** — Any person seven (7) years of age or more and not suffering from any legal disability other than minority may open a personal savings account in Banco De Oro. A father and/or mother may open a parental savings account for each of their/his/her minor children, and such account remains under the exclusive control of the parent/s until the child/minor reaches legal age, in which case, exclusive control passes to the child, unless it is ordered by the parent/s at the time of account opening that withdrawal can be made by the child/minor also.

Any guardian, trustee or administrator may also open a savings account for each person or estate committed to his care. Accounts opened under more than one name shall be subject to the conditions, together with all modifications thereof, contained in the Joint Account Agreement signed by the depositors during account opening.

2. **DEPOSIT PASSBOOK** — Upon opening of a savings account, the Bank will furnish the depositor a deposit passbook in which all deposits and withdrawals made by the depositor will be entered by the Bank. A depositor must, under no circumstances, write anything on the passbook as the Bank will not be responsible for any sum not properly recorded and acknowledged thereon. No entries other than those effected by the Bank itself shall be recorded in the passbook. In the event of any discrepancy between the entries in the passbook and those appearing in the records of the Bank, the latter shall prevail.

No deposit or withdrawal will be permitted by the Bank unless the passbook is presented by the Depositor.

The savings passbook should be carefully kept by the depositor. If the passbook is lost, mislaid or stolen, the Bank should be immediately notified by the depositor in writing by executing an Affidavit/Declaration of Loss to be duly notarized and giving therein all the circumstances surrounding the loss of the passbook.

The savings account may be closed and a new account opened or a replacement passbook may be issued under the old account number, at the option of the depositor. In either case, the Bank will enter the balance outstanding to the depositor's credit as shown in the books of the Bank.

3. **DEPOSIT TRANSACTIONS** — All deposits must be made by the depositor personally or by his representative by accurately filling out a deposit slip and presenting it, together with the passbook, to the Bank. If the depositor is unable to write for some reason, he must have the form filled-out by any person other than an employee of the Bank. The Bank shall not be liable for losses caused by any and all inaccuracies in filling-out the deposit slip.

Deposit of checks, drafts, money orders and treasury warrants shall be accepted by the Bank conditionally, i.e., as subject to collection only and shall not be considered as credited to the depositor's account until the proceeds thereof shall have been

REPORT OF INDEPENDENT AUDITORS ON FACTUAL FINDINGS

The Board of Directors

Empire East Land Holdings, Inc.

21st Floor, The World Centre Building
330 Sen. Gil Puyat Avenue, Makati City

We have performed the audit procedures agreed with you with respect to the capital infusion amounting to P655,952,265.75 with regard to the increase in authorized capital stock of Empire East Land Holdings, Inc. (the Company) from P13.0 billion divided into 11.0 billion common shares with a par value of P1.00 per share and 2 billion preferred shares with a par value of P1.00 per share, to P23.4952 billion divided into 21.4952 billion common shares with a par value of P1.00 per share and 2 billion preferred shares with a par value of P1.00 per share. Our audit engagement was undertaken in accordance with the Philippine Standards on Auditing applicable to agreed-upon procedures engagements. The procedures were performed solely to issue a report on the capital infusion related to the increase in authorized capital stock of the Company for submission to the Securities and Exchange Commission (SEC) and are summarized as follows:

1. Examined original copy of the official receipt, deposit slip and the bank statement evidencing receipt and subsequent deposit of the paid-up capital to the subscription;
2. Verified the recording of the transaction through examination of supporting cash receipts books and inspection of the Company's books;
3. Ascertained that the increase represents fresh capital by examining the cash disbursements book from January 1, 2007 to October 22, 2007 to ascertain that no loans and/or advances were made by the Company to the shareholder which may have been used as payment for the subscription;
4. Checked cash disbursements book from October 22, 2007 to November 8, 2007 to ensure that the cash paid for the subscription was not subsequently disbursed or returned to the shareholder; and
5. Obtained a copy of the Company's trial balance as of October 22, 2007 certified by the Company's accountant, which reflects the additional capital infusion.

20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines
T +63 2 886-5511
F +63 2 886-5506; +63 2 886-5507
W www.punongbayan-araullo.com

BOA/PRC Cert. of Reg. No. 0002
SEC Accreditation No. 0002-FR-1

Offices in Cebu, Davao, Cavite

Member of Grant Thornton International

We report our findings below:

1. With respect to item 1, we found that the Company received check amounting to P655,952,265.75 from Megaworld Corporation, the major stockholder subscribing to the 2,623,809,063 shares issued by the Company. The check payment was properly acknowledged by the Company through issuance of Official Receipt no. 364314 dated October 22, 2007 and was subsequently deposited to the Company's depository bank, Banco De Oro with Mega Savings Account No. 428802154424. The check deposit cleared on the same day the deposit was made.
2. With respect to item 2, we found that the Company properly recorded the receipt of payment for the subscribed capital stock on October 22, 2007 by crediting the cash receipts at par value to the Subscribed Capital Stock account.
3. With respect to item 3, we noted no disbursements made to the stockholder who subscribed to the increase in capital stock, between January 1, 2007 and October 22, 2007, that would indicate that loans and/or advances were made by the Company to such stockholder to be used as payment for its subscription.
4. With respect to item 4, we noted no disbursements made to the subscriber from October 22, 2007 to November 8, 2007 that would indicate that the cash payment received by the Company was subsequently disbursed or returned to the subscriber.
5. With respect to item 5, we noted that the trial balance provided by the Company as of October 22, 2007 properly reflects the additional capital infusion.

Because the above procedures do not constitute either an audit or a review made in accordance with Philippines Standards on Auditing, we do not express any assurance on the balance of the capital stock on November 8, 2007.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with Philippine Standards on Auditing, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and is to be submitted to the SEC. This report should not be used for any other purpose or be distributed to any other parties except as stated above. This report relates only to the accounts and items specified above, and do not extend to any financial statements of Empire East Land Holdings, Inc.

PUNONGBAYAN & ARAULLO



By: **Mailene Siguc-Bisnar**
Partner
CPA Reg. No. 0090230
TIN 120-319-128
PTR No. 0267684, January 2, 2007, Makati City
SEC Accreditation No. 0396-A
BIR AN 08-002511-20-2006 (Sept. 8, 2006 to 2009)

November 8, 2007

BRANCH

ACCOUNT NUMBER:

ACCOUNT NAME

EMPIRE EAST LAND HOLDINGS INC
21F THE WORLD CENTER 330 SEN GI

VALUE DATE	AMOUNT	INTEREST RATE P.A.	INT. FREQ. (IN DAYS)	CUT-OFF DATE
10-22-07	PHP655,952,265.75	5.0000	21	11-12-07

It is hereby understood that the Amount specified should be maintained until cut-off date in order to avail of the committed rate; otherwise, it will be subject to our policy on Early Withdrawal. Likewise, if the Client does not instruct the bank regarding the disposition of this deposit, the total amount will earn the prevailing regular savings rate from cut-off date until renewed or withdrawn.

CLIENT'S INSTRUCTIONS

- Disposition _____
- Mode of Payment _____

Client's Acknowledgement

Client's Endorsement

Authorized Signature

[Handwritten Signature]

Authorized Signature

[Handwritten Signature]

Prepared / Processed By

[Handwritten Signature]

Verified By: