



August 19, 2011

Securities & Exchange Commission
SEC Building, EDSA
Mandaluyong City

Attention: Director Justina F. Callangan
Corporation Finance Department

Gentlemen:

Re : Philippine Long Distance Telephone Company
SEC Registration No. PW-55

In compliance with Section 17.1(b) of the Securities Regulation Code and SRC Rule 17.1, we submit herewith two (2) copies of our letter dated August 19, 2011 to the Philippine Stock Exchange, Inc. (PSE) in response to PSE's letter dated August 19, 2011 requesting for clarification and/or confirmation on the news article entitled "MVP threatens to junk deal" posted in BusinessMirror internet edition on August 19, 2011.

Respectfully yours,


MA. LOURDES C. RAUSA-CHAN
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.1

1. August 19, 2011
(Date of earliest event reported)
 2. SEC Identification Number PW-55
 3. BIR Tax Identification No. 000-488-793
 4. PHILIPPINE LONG DISTANCE TELEPHONE COMPANY
Exact name of issuer as specified in its charter
 5. PHILIPPINES
Province, country or other jurisdiction
of Incorporation
 6. _____ (SEC Use Only)
Industry Classification Code
 7. Ramon Cojuangco Building, Makati Avenue, Makati City
Address of principal office
 - 1200
Postal Code
 8. (632) 816-8553; 816-8556
Issuer's telephone number, including area code
 9. Not Applicable
Former name or former address, if changed since last report
 10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code or
Sections 4 and 8 of the Revised Securities Act
- | Title of Each Class | Number of Shares of Common Stock
Licensed and Amount of Debt Outstanding |
|---------------------|---|
|---------------------|---|

11. Item 9 – Other Events

Attached hereto is a copy of our letter to the Philippine Stock Exchange, Inc. (PSE) dated August 19, 2011 in response to PSE's letter dated August 19, 2011 requesting for clarification and/or confirmation on the news article entitled "MVP threatens to junk deal" posted in BusinessMirror internet edition on August 19, 2011.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereto duly authorized.

PHILIPPINE LONG DISTANCE
TELEPHONE COMPANY


MA. LOURDES C. RAUSA-CHAN
Corporate Secretary

August 19, 2011



August 19, 2011

The Philippine Stock Exchange
3rd Floor Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Mr. Norberto T. Moreno, Jr.
Assistant Head, Disclosure Department

Dear Sirs and Mesdames:

We refer to your letter dated August 19, 2011 requesting for clarification and/or confirmation on the news article entitled "MVP threatens to junk deal" posted in BusinessMirror internet edition on August 19, 2011. The article reported in part that:

"Businessman Manuel V. Pangilinan won't be pursuing the deal between Philippine Long Distance Telephone Co. (PLDT) and Digital Telecommunications Philippines Inc. (Digitel) if his company fails to secure regulatory approvals by August 26. The deal, which will allow the phone giant to buy a majority stake in listed firm Digitel, was originally targeted for closing on June 30 but this was moved to July 30 and again to August 26. "We have extended that until August 26 and if nothing would happen by that time, then maybe we will just call it a day. We will just move on and Digitel can move on as well and all of this hullabaloo will just die down", Pangilinan said in an interview on Wednesday night."

We confirm Mr. Pangilinan's statement in the context that the parties have already twice extended the closing of the transaction primarily due to the prolonged disposition of our application for approval thereof by the NTC.

The parties filed their joint application for the approval of the sale to PLDT of initially approximately 51.55% of the outstanding shares of Digital Telecommunications Philippines, Inc. (Digitel) way back in April 27, 2011. What should have been a straightforward summary proceeding turned into a protracted proceeding as Globe and other oppositors raised extraneous matters, including a grant of additional frequency assignments to Globe as well as IP peering, and even sought for the suspension of the proceeding and disapproval of the transaction, arguing that PLDT's foreign ownership exceeds the Constitutional limit on the basis of the Supreme Court's decision in the Gamboa Case, which has not even attained finality.

With regard to our application with the SEC, we confirm that we have obtained the SEC's confirmation of the valuation of the aforesaid Digitel shares, and convertible bonds and advances which PLDT will acquire in consideration of new shares of common stock to be issued by PLDT.

Finally, we maintain our position that the transaction would benefit the consuming public and support the "broadbanding the nation" initiative of the Government and, thus, remain hopeful that the NTC approval will be forthcoming.

Thank you.

Respectfully yours,


MA. LOURDES C. RAUSA-CHAN
Corporate Secretary