



October 17, 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 October 17, 2011 to the Philippine Stock Exchange, Inc. (PSE) in response to their letter of even date requesting for clarification and/or confirmation of the news article entitled "PLDT to give up excess frequency" published in the October 17, 2011 issue of The Manila Times.

Respectfully yours,


MA. LOURDES C. RAUSA-CHAN
Corporate Secretary

MLCRC:amq

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

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

1. October 17, 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 October 17, 2011 in response to their letter of even date requesting for clarification and/or confirmation of the news article entitled "PLDT to give up excess frequency" published in the October 17, 2011 issue of The Manila Times.

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
Assistant Corporate Secretary

October 17, 2011



October 17, 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 October 17, 2011 requesting for clarification and/or confirmation of the news article entitled "PLDT to give up excess frequency" published in today's issue of The Manila Times. The article reported in part that:

"Philippine Long Distance Telephone Co. has agreed to divest some of its 3G frequencies, thus clearing the way for regulatory approval of the company's acquisition of Digitel, a source familiar with the matter said.

The source said PLDT would divest 10 megahertz of its third-generation frequency. At present, the PLDT group has a combined 25Mhz of 3G frequency. Of this 15 Mhz is owned by Smart Communications Inc. and another 10 Mhz by Connectivity Unlimited Resources Enterprises."

As we have previously disclosed, the closing of the acquisition by PLDT of a 51.55% stake in Digitel Telecommunications Philippines, Inc. (Digitel) (the "Acquisition Transaction"), originally set for June 30, 2011, has not been completed since we are still awaiting the NTC's approval of the Acquisition Transaction.

We firmly believe that the Acquisition Transaction will be beneficial to the public good and public service, and the issue raised by Government, NTC and certain oppositors regarding radio frequency should not be an obstacle to the NTC's approval thereof. We reiterate our position that all radio frequencies held by the PLDT Group are being properly, effectively and efficiently used by the PLDT Group to meet the demands of public service and all fees due on the assignment and use of such frequencies have been properly paid in a timely manner. Accordingly, there is no legal basis to recall any of such frequencies from the PLDT Group.

PLDT is cognizant though of the concerns raised by the government and certain oppositors regarding the PLDT Group's ownership of 3G frequency, and would like to assure all parties that it is not PLDT's intention to accumulate the said frequency. Thus, in order to pave the way for the issuance of the NTC approval and completion of the Acquisition Transaction given the substantial public benefit it will create, PLDT is in discussions with the NTC regarding the possibility of divesting frequency held by Connectivity Unlimited Resource Enterprises, Inc., a subsidiary of Smart Communications, Inc., in accordance with a divestment plan that may be agreed between PLDT and NTC.

We will inform the Exchange as soon as any agreement has been arrived at.

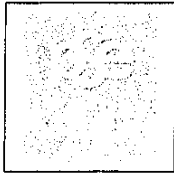
Thank you.

Respectfully yours,



MA. LOURDES C. RAUSA-CHAN
Corporate Secretary

MLCRC:amq



ODiSy

3rd Floor, Philippine Stock Exchange Center,
Ayala Triangle, Ayala Avenue
Makati City
Trunkline: 688-7600 loc. 7510-7519
Fax. No. 659-3455

Company : PHILIPPINE LONG DISTANCE TELEPHONE COMPANY

Attention : **ATTY. MA. LOURDES C. RAUSA-CHAN**
Senior Vice President/Corporate Secretary

Subject : The Manila Times news article

Date : October 17, 2011

Gentlemen:

We write with respect to the attached news article entitled "PLDT to give up excess frequency" published in the October 17, 2011 issue of *The Manila Times*. The article reported in part that:

PHILIPPINE Long Distance Telephone Co. has agreed to divest some of its 3G frequencies, thus clearing the way for regulatory approval of the company's acquisition of Digitel, a source familiar with the matter said.

The source said PLDT would divest 10 megahertz of its third-generation frequency. At present, the PLDT group has a combined 25 Mhz of 3G frequency. Of this, 15 Mhz is owned by Smart Communications Inc. and another 10 Mhz by Connectivity Unlimited Resources Enterprises.

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We would like to seek clarification and/or confirmation of the above-quoted news article. In view thereof, please submit a full, fair, accurate and timely disclosure on the foregoing matter **via ODiSy before 11:00 a.m. today, October 17, 2011**, so that we may properly apprise the Trading Participants and the investing public of the same.

Very truly yours,

NORBERTO T. MORENO JR.
Assistant Head, Disclosure Department

CONCESSION CLEARs WAY FOR DIGITEL ACQUISITION

PLDT to give up excess frequency

BY DARWIN G. AMOJELAR, SENIOR REPORTER

PHILIPPINE Long Distance Telephone Co. has agreed to divest some of its 3G frequencies, thus clearing the way for regulatory approval of the company's acquisition of Digitel, a source familiar with the matter said.

The source said PLDT would divest 10 megahertz of its third-generation frequency. At present, the PLDT group has a combined 25 Mhz of 3G frequency. Of this, 15 Mhz is owned by Smart Communications Inc. and another 10 Mhz by Connectivity Unlimited Resources Enterprises.

Smart bought CURE for P419.54 million

from the group of Roberto Ongpin.

The source said PLDT is likely to give up the 3G frequency of CURE because it is in the lower frequency band. CURE's uplink frequency bandwidth is in the 1955 Mhz-1965 Mhz range and its downlink frequency in the 2145 Mhz-2155 Mhz range.

Smart's frequency is in the 1920-1935

Mhz/2110-2125Mhz range, and so has has the least amount of interference and allows for the clearest over-the-air transmission.

Digital Telecommunications Philippines Inc.'s 10 Mhz of 3G frequency is in the 1925Mhz-1945Mhz and the 2125 Mhz-2135Mhz range. Earlier, rival Globe Telecom Inc. said PLDT should divest its excess frequencies, particularly in 3G for re-distribution/re-assignment to Globe and other telcos.

Globe holds the 10 Mhz frequency under the 1945Mhz-1955 Mhz and 2135-2145 Mhz bandwidth. The source also said the National Telecommunications Commission will bid out the PLDT group's divested 3G frequency to all qualified telcos, adding that pending circulars that would benefit the consumers and the industry would also be issued. Earlier, the NTC said it plans

to issue a circular that would cut the interconnection charges for short messaging service (to P0.15 from the existing P0.35).

The NTC would also issue a circular on domestic Internet Protocol (Icmp) to lower the cost of Internet in the country. Market leader PLDT is acquiring a 51.55-percent stake in third-ranked Digitel Inc. from IC Summit Holdings Inc. for P69.2 billion. The NTC earlier said that it will make a decision after a 90-day period within which the Commission is required by law.

A Senate committee that looked into the transaction had issued a report saying the deal complied with Philippine laws. The report added that there was no basis to indicate that the deal will restrain competition within the telecom industry or hurt public interest. PLDT and IC Summit already extended their deadline for the regulatory approval twice.