



September 3, 2012

The Philippine Stock Exchange  
3<sup>rd</sup> Floor Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

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

Dear Sirs and Mesdames:

We refer to your letter dated September 3, 2012 requesting for clarification and/or confirmation of the news articles entitled "PLDT to issue P8-B debt notes" published in today's issue of The Philippine Star. The article reported in part that:

*"Telecommunications giant Philippine Long Distance Telephone Co. (PLDT) plans to issue up to P8 billion worth of fixed-rate corporate notes, sources said over the weekend.*

*PLDT has tapped BPI Capital and First Metro Investment Corp. as arrangers for the notes issuance.*

*Sources said the notes would carry a tenor of seven and 10 years. The indicative yield of Series 1 and 2 notes would be 5.43 percent to 5.68 percent and 5.53 percent and 5.78 percent.*

*Proceeds will be used to refinance existing loans.*


*PLDT would have a one-time option to redeem the notes in part or in full on any interest payment date beginning on the second anniversary subject to not less than 15 days prior written notice."*

PLDT confirms it has appointed BPI Capital and First Metro Investment Corporation to arrange an P8B facility to refinance existing debt in line with the company's liability management initiatives to reduce financing costs and extend its debt maturities.

PLDT will make the appropriate disclosures as soon as the terms and conditions have been finalized.

Thank you.

Respectfully yours,

  
MA. LOURDES C. RAUSA-CHAN  
Corporate Secretary