



January 2, 2020

Philippine Stock Exchange
6/F Philippine Stock Exchange Tower
28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

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

Gentlemen:

We refer to your letter dated January 2, 2020 requesting for clarification and/or confirmation of the news article entitled "PLDT selling assets to fund capital expenditures for 2020" posted in BusinessMirror (Online Edition) on January 2, 2020.

The article reported in part that:

"PLDT Inc. is selling a few assets which will allow the firm to rake in "several billions of pesos" to fund its capital expenditures for 2020, its chairman said.

Manuel V. Pangilinan, who chairs the telco titan, said his group has already received bids for Smart Tower in Ayala, and is also putting up for sale three other properties, all of which he did not name.

The company is also selling its remaining shares in German tech company Rocket Internet, in which it has about 2-million shares left.

'We have the bids in already for Smart Tower. We are selling three other minor properties. We also need to sell all of our shares in the German company Rocket [Internet],' he said in a recent interview.

For Smart Tower, a property along Ayala Avenue in Makati, the company expects to rake in 'at least' P5 billion.

Pangilinan noted that the proceeds of the asset sale will be used to bankroll its capex for 2020, which is 'slightly bigger than 2019.'

Last year, the company's planned capital outlays amounted to P78.4 billion.

PLDT is ramping up its capex to develop its network. It is gearing toward deploying 4G radio antennas in all of its cell sites, and is planning to introduce the country's first 5G mobile service this quarter.

For 2020, the company will take a more aggressive stance to regain its title as the country's top mobile provider through Smart Communications Inc. . . ."

We confirm that the Company's capex funding plan for 2020 includes the sale of some of its real estate assets as well as its shares in Rocket Internet on opportunistic basis.

Part of the real estate assets for sale are the Smart Towers along Ayala Avenue in Makati. We confirm that we have received bids for these and are currently assessing the said bids.

Respectfully yours,


JUNE CHERYL A. CABAL-REVILLA
Senior Vice President