

PLDT and Smart raise PHP5.0 Billion in Fixed Rate Notes

Manila, Philippines, July 12, 2010 - Philippine Long Distance Telephone Co. ("PLDT") and wholly-owned subsidiary Smart Communications, Inc. ("Smart") have each executed a PHP2.5 billion 5-year fixed rate notes facility agreement today with a group of institutional lenders. First Metro Investment Corporation ("First Metro") acted as the arranger and bookrunner for both debt deals. Proceeds from the facilities will be used to finance capital expenditures and refinance existing debt obligations.

Both PLDT and Smart notes fetched a credit spread of 30 basis points over the 5-year benchmark rate, the lowest ever priced by the investors market for a peso capital market transaction by a corporate issuer in recent history. The 5-year notes were fixed at a yield of 6.8615 percent.

Despite the strong demand reaching PHP12.0 billion, PLDT and Smart kept their original issue size of PHP2.5 billion each.

The lenders were a mix of universal, savings, trust and investment banks, and an insurance company.

"The strong oversubscription during the book building affirms the high investor confidence in the prospects of PLDT and Smart." said Roberto Juanchito T. Dispo, executive vice-president of First Metro. "The high credit quality of these companies and the precise timing of the issuances enabled the notes to be priced at the lowest end of the range. The closing of these two debt deals in record time of eight business days, is a testament to the strength of the names of PLDT and Smart and a success by any measure" he added.

PLDT Treasurer and Smart CFO Anabelle L. Chua expressed appreciation for the overwhelming response of the investors market to these twin notes issuances and the tight pricing that the market accorded their latest debt transactions.

"PLDT and Smart are indeed pleased that the local debt capital market continues to support strongly the fund-raising activities by the PLDT Group. Our latest notes issuance sets a new benchmark for our domestic financings. The proceeds of the financing will enable the PLDT Group to pursue capital investments in conjunction with its technology roadmap, as we continue to ensure that our subscribers have access to the latest and most cost-effective services." Ms. Chua said.

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About PLDT

PLDT is the leading telecommunications service provider in the Philippines. Through its three principal business groups – wireless, fixed line, and information and communications technology – PLDT offers the largest and most diversified range of telecommunications services across the Philippines' most extensive fiber optic backbone and wireless, fixed line and satellite networks.

PLDT is listed on the Philippine Stock Exchange (PSE:TEL) and its American Depositary Shares are listed on the New York Stock Exchange (NYSE:PHI). PLDT has one of the largest market capitalizations among Philippine-listed companies.

Further information can be obtained by visiting the web at www.pldt.com.ph.

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