



February 15, 2007

The Philippine Stock Exchange  
Disclosure Department  
4<sup>th</sup> Floor PSE Centre  
Exchange Road, Ortigas Center  
Pasig City

Attention: Atty. Pete M. Malabanan  
Head, Disclosure Department

Ladies and Gentlemen:

In compliance with Section 17.1(b) and Section 17.3 of the Securities Regulation Code, we submit herewith a copy of SEC Form 17-C with a copy of a press release attached thereto entitled "Smart Communications' Maiden Corporate Notes Establishes Landmark Pricing". Smart Communications, Inc. is a wholly-owned subsidiary of PLDT.

This shall also serve as the disclosure letter for the purpose of complying with the PSE Revised Disclosure Rules.

Respectfully yours,

(original signed)  
FLORENTINO D. MABASA, JR.  
Assistant Corporate Secretary

FDM:amq  
Encs.

February 15, 2007

SECURITIES & EXCHANGE COMMISSION  
Money Market Operations Department  
SEC Building, EDSA  
Mandaluyong City

Attention : Director Justina F. Callangan  
Corporations Finance Department

Gentlemen:

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

In accordance with Section 17.1 (b) of the Securities Regulation Code, we submit herewith five (5) copies of SEC Form 17-C with a copy of a press release attached thereto entitled "Smart Communications' Maiden Corporate Notes Establishes Landmark Pricing". Smart Communications, Inc. is a wholly-owned subsidiary of PLDT.

Very truly yours,

(original signed)  
FLORENTINO D. MABASA, JR.  
Assistant Corporate Secretary

FDM:amq  
Encs.

**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-C**

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

1. February 15, 2007  
(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 registrant as specified in its charter
  5. PHILIPPINES  
Province, country or other jurisdiction  
of Incorporation
  6. \_\_\_\_\_ (SEC Use Only)  
Industry Classification Code
  7. 9<sup>th</sup> Floor MGO Building  
Legaspi corner dela Rosa Streets, Makati City  
Address of principal office
  - 1200  
Postal Code
  8. (632) 816-8553  
*Registrant'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 SRC
- | Title of Each Class | Number of Shares of Common Stock<br>Licensed and Amount of Debt Outstanding |
|---------------------|---|
|---------------------|---|

11. Item 9 – Other Events

Attached hereto is a copy of a press release entitled “Smart Communications’ Maiden Corporate Notes Establishes Landmark Pricing”. Smart Communications, Inc. is a wholly-owned subsidiary of PLDT.

SIGNATURE

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

PHILIPPINE LONG DISTANCE  
TELEPHONE COMPANY

(original signed)  
FLORENTINO D. MABASA, JR.  
Assistant Corporate Secretary

Date: February 15, 2007

Distribution Copies: 5 copies – Securities & Exchange Commission  
1 copy - Philippine Stock Exchange  
1 copy - Company Secretary



## *PressRelease*

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**Contact: Mon Isberto/Public  
Affairs**

811-0211; 511-3101

<http://www.smart.com.ph>

FOR IMMEDIATE RELEASE

### **SMART COMMUNICATIONS' MAIDEN CORPORATE NOTES ESTABLISHES LANDMARK PRICING**

**February 15, 2007, Manila** - Smart Communications, Inc., the leading wireless telecommunications operator in the Philippines, marked its first peso debt capital markets issue with a successful auction of PHP 5 Billion in Fixed Rate Corporate Notes last February 9. The issue, jointly managed by Citicorp Capital Philippines, Inc. and Land Bank of the Philippines, drew a distinguished investor base including Philamlife, RCBC, Sun Life of the Philippines and Insular Life in addition to the two joint lead managers.

Smart, a wholly-owned subsidiary of the Philippine Long Distance Telephone Company (PLDT), achieved the lowest pricing for a Corporate Notes issuance in recent history, demonstrating the strong investor confidence in the company's track record and financial capabilities.

The Smart Corporate Notes is made up of Series A and B with five and ten year tenors, respectively. Series A was priced at 5.625%, 25 basis points lower than the February 9<sup>th</sup> 5-year MART1 rate of 5.879%. Series B, on the other hand, was priced at 6.500%, 26 basis points below the February 9<sup>th</sup> 10-year MART1 of 6.760%. The issue has the distinction of being one of the lowest-priced peso-denominated debt deals successfully closed in the Philippines.

Smart President and CEO Napoleon L. Nazareno commented, "We are extremely pleased with the outcome of the transaction. Certainly, tapping the local debt market has become quite an attractive choice for issuers like ourselves." Citigroup Country Officer Sanjiv Vohra said: "Citicorp Capital Philippines, together with Land Bank, is proud to have led Smart's first peso debt capital markets issue. The landmark pricing achieved for this transaction is testament to Smart's outstanding credit and financial strength." Land Bank

President and CEO Gilda Pico said: "This is one of those rare moments that a prime corporate credit such as Smart taps the debt markets, and the timing was just right with interest rates at all time lows. We are very happy that Smart considered Land Bank for this deal. Apart from being a prime issue, our support for the transaction underscores the crucial role of telecommunications in countryside development."

Funds raised from the issuance will be used primarily for Smart's capital expenditures for network improvement and expansion.