



October 24, 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 24, 2011 requesting for clarification and/or confirmation of the news article entitled "NTC sets condition" published in today's issue of The Philippine Star. The article reported in part that:

"The National Telecommunications Commission (NTC) may require telecommunications leader Philippine Long Distance Telephone Co. (PLDT) to make Sun Cellular's unlimited text and call promos a permanent offering as a condition for the NTC's approval of PLDT's acquisition of a 51.55 percent stake in Digital Telecommunications Phils. Inc. (Digitel).

Highly placed sources told The STAR that under the Public Services Act, any sale or transfer of shares of stock by a public utility that will result in the transferee owning more than 40 percent must not prejudice public interest.

To make sure that Digitel's sale to PLDT will not prejudice public interest, and despite the fact that PLDT has already said that Sun Cellular's unli text and call promos will remain, the NTC will ask PLDT to make these promos, which currently are available for a limited period, permanent," the source said.

We are still awaiting the approval by the National Telecommunications Commission (NTC) of PLDT's acquisition of a 51.55% stake in Digital Telecommunications Inc. (Digitel).

We confirm our intention to keep the Sun brand and unlimited type services as we had indicated in our disclosure to the PSE on 29 March 2011, the relevant portion of which is quoted below:

"PLDT intends to keep the mobile operations of Digitel separate and intact, and to maintain and capitalize on Sun Cellular's operations and significant brand equity to continue serving specific segments of the market, especially those who prefer "unlimited" type of services."

Thank you.

Respectfully yours,


MA. LOURDES C. RAUSA-CHAN
Corporate Secretary