



**PHILIPPINE LONG DISTANCE  
TELEPHONE COMPANY**

**2009**

**NOTICE AND AGENDA OF  
ANNUAL MEETING  
OF STOCKHOLDERS  
AND  
INFORMATION STATEMENT**



**PHILIPPINE LONG DISTANCE TELEPHONE COMPANY**  
**NOTICE AND AGENDA OF ANNUAL MEETING OF STOCKHOLDERS**

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of PHILIPPINE LONG DISTANCE TELEPHONE COMPANY will be held at the Grand Ballroom, Dusit Thani Manila, Ayala Center, Makati City, Philippines on Tuesday, June 9, 2009 at 4:00 o'clock p.m.

The Agenda of the meeting is as follows:

1. Call to order
2. Certification of service of notice and quorum
3. President's Report
4. Approval of the audited financial statements for the fiscal year ended December 31, 2008 contained in the Company's 2008 Annual Report
5. Election of 13 directors including 4 independent directors for the ensuing year
6. Other business as may properly come before the meeting and at any adjournments thereof

The Board of Directors has fixed April 13, 2009 as the record date for the determination of stockholders entitled to notice of, and to vote at, said Annual Meeting. Only holders of shares of common stock as at the record date will be entitled to vote at said Annual Meeting.

The stock and transfer books of the Company will not be closed.

IF YOU DO NOT EXPECT TO ATTEND THE MEETING, PLEASE EXECUTE AND RETURN THE PROXY FORM IN THE ENVELOPE PROVIDED FOR THAT PURPOSE.

By order of the Board of Directors.

A handwritten signature in black ink, appearing to read "Ma. Lourdes C. Rausa-Chan", is positioned above the typed name.

**MA. LOURDES C. RAUSA-CHAN**  
Corporate Secretary

April 29, 2009



## PHILIPPINE LONG DISTANCE TELEPHONE COMPANY

SEC Identification Number PW55

BIR Tax Identification Number 000-488-793

Telephone Number (632) 816-8405

### INFORMATION STATEMENT

#### GENERAL INFORMATION

Philippine Long Distance Telephone Company (the "Company" or "PLDT") is a corporation incorporated under the laws of the Philippines, with principal office and mailing address at Ramon Cojuangco Building, Makati Avenue, Makati City 1200.

A total of 189,468,933 shares of the Company's common stock were issued and a total of 186,804,357 remained outstanding as of the Record Date stated below, out of which 115,161,043 shares were registered and 71,643,314 shares were issued in transactions exempt from the registration requirement under Section 6 of the Revised Securities Act/Section 10 of the Securities Regulation Code.

A total of 194,987,181 shares of the Company's shares of common stock are listed on the Philippine Stock Exchange. American Depositary Shares, each representing one share of the Company's common stock, evidenced by American Depositary Receipts are listed on the New York Stock Exchange.

#### Date, Time and Place of Meeting

The Annual Meeting of Stockholders of the Company for the year 2009 (the "Annual Meeting") will be held on Tuesday, June 9, 2009 at the Grand Ballroom, Dusit Thani Manila, Ayala Center, Makati City, Philippines at 4:00 o'clock p.m.

#### Record Date

The record date for the purpose of determining the stockholders entitled to notice of, and to vote at, the Annual Meeting is April 13, 2009 (the "Record Date").

#### Approximate Date of First Release of the Information Statement and Proxy Form

The approximate date on which this Information Statement and the Proxy Form will be first sent or given to the Company's stockholders is on April 29, 2009.

#### Dissenter's Appraisal Right

The proposed corporate actions to be voted upon at the Annual Meeting are not among the matters provided under Section 81 of the Corporation Code of the Philippines, with respect to which a dissenting stockholder may exercise his appraisal right.

## Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No director/independent director or officer or nominee for election as director/independent director and, to the best knowledge of the Board of Directors and Management of the Company, no associate of any of the foregoing persons has any substantial interest, direct or indirect, by security holdings or otherwise in any matter to be acted upon at the Annual Meeting, other than election to office.

No director/independent director has informed the Company in writing that he intends to oppose any action to be taken at the Annual Meeting.

## CONTROL AND COMPENSATION INFORMATION

### Voting Securities

Only holders of shares of common stock as of the Record Date are entitled to vote at the Annual Meeting, either in person or by proxy.

As of the Record Date, the number of outstanding shares of common stock entitled to vote was 186,804,357 and each share is entitled to one vote.

A holder of shares of common stock present or represented by proxy at the Annual Meeting may vote such number of shares recorded in his name on the stock and transfer books of the Company as of the Record Date, for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit.

### Security Ownership of Certain Record and Beneficial Owners

The table below sets forth the record owners and, to the best knowledge of the Board of Directors and Management of the Company, the beneficial owners of more than five percent of the Company's outstanding shares of common stock, the number of shares owned by, and percentage of shareholdings of, each of them, as of the Record Date.

Title of Class	Name and Address of Record Owner and Relationship With Issuer	Citizenship	Name of Beneficial Owner and Relationship with Record Owner	Number of Shares Held	Percentage of Class
Common	Metro Pacific Resources, Inc. <sup>1</sup> c/o Corporate Secretary 18th Floor, Liberty Center 104 H. V. dela Costa St. Salcedo Village, Makati City	Philippine Corporation	Same as Record Owner	15,745,172 <sup>3</sup>	8.43
Common	Philippine Telecommunications Investment Corporation <sup>2</sup> 12th Floor Ramon Cojuangco Bldg. Makati Avenue, Makati City	Philippine Corporation	Same as Record Owner	26,034,263 <sup>3</sup>	13.94

<sup>1</sup> In addition to the 15,745,172 shares owned on record by Metro Pacific Resources, Inc., or MPRI, MPRI beneficially owned 650,000 shares held of record by PCD Nominee Corporation, or PCD, as of the Record Date. The total shareholdings of MPRI is 16,395,172 shares of PLDT common stock representing 8.78% of the outstanding common stock of PLDT as of the Record Date. Based on a resolution adopted by the Board of Directors of MPRI, Mr. Manuel V. Pangilinan has been appointed as proxy or duly authorized representative of MPRI to represent and vote the PLDT shares of common stock of MPRI in the Annual Meeting.

<sup>2</sup> Pursuant to a resolution adopted by the Board of Directors of Philippine Telecommunications Investment Corporation, or PTIC, the Chairman of the Board of PTIC, Mr. Manuel V. Pangilinan, has the continuing authority to represent PTIC at any and all meetings of the stockholders of a corporation in which PTIC owns of record or beneficially any shares of stock or other voting security, and to sign and deliver, in favor of any person he may deem fit, a proxy or other power of attorney, with full power of delegation and substitution, authorizing his designated proxy or

Common	NTT Communications Corporation <sup>4</sup> 1-1-6 Uchisaiwai-cho 1-Chome, Chiyoda-ku Tokyo 100-8019, Japan	Japanese Corporation	See Footnote 6	12,633,487	6.76
Common	NTT DoCoMo, Inc. <sup>5</sup> 41st Floor, Sanno Park Tower 2-11-1 Nagata-cho, Chiyoda-ku Tokyo 100-6150, Japan	Japanese Corporation	See Footnote 6	18,234,821 <sup>6</sup>	9.76
Common	Social Security System <sup>7</sup> SSS Building East Avenue, Quezon City	Philippine Corporation	Same as Record Owner	5,024,788	2.69
Common	PCD Nominee Corporation <sup>8</sup> 37/F Enterprise Building, Tower I Ayala Ave. cor. Paseo De Roxas St., Makati City	Philippine Corporation	See Footnote 8	58,951,370	31.56

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attorney-in-fact to vote any and all shares of stock and other voting securities owned of record or beneficially by PTIC at any and all meetings of the stockholders of the corporation issuing such shares of stock or voting securities.

<sup>3</sup> First Pacific Group beneficially owned 26.46% of the outstanding common stock of PLDT as of the Record Date by virtue of PLDT common shareholdings by intermediate holding companies, including PTIC and MPRI.

<sup>4</sup> Based on publicly available information, NTT Communications is a wholly-owned subsidiary of Nippon Telegraph and Telephone Corporation, or NTT. Based on a certification signed by a duly authorized officer of NTT Communications, Mr. Jun Sawada is authorized to execute for and on behalf of NTT Communications, endorsements, transfers and other matters relating to the PLDT shares of common stock held by NTT Communications.

<sup>5</sup> The total shareholdings of NTT DoCoMo is 26,768,074 shares of PLDT common stock (of which 18,234,821 are owned on record by NTT DoCoMo, and 8,533,253 are ADS) representing 14.33% of the outstanding common stock of PLDT as of the Record Date. Based on publicly available information, NTT DoCoMo is a majority-owned and publicly traded subsidiary of NTT. Based on a certification signed by a duly authorized officer of NTT DoCoMo, Mr. Toshinari Kunieda or Mr. Matsuo Yamamoto, is authorized to execute for and on behalf of NTT DoCoMo, endorsements, transfers and other matters relating to the PLDT shares of common stock held by NTT DoCoMo.

<sup>6</sup> In reports filed by NTT Communications and NTT DoCoMo, it is stated that because of NTT's ownership of all the outstanding capital stock of NTT Communications and a majority of the common stock of NTT DoCoMo, NTT, NTT Communications and NTT DoCoMo may be considered to constitute a "group" within the meaning of Rule 18.1(5)(C) of the Amended Implementing Rules and Regulations of the Philippine Securities Regulation Code. Therefore, each of them may be deemed to have beneficial ownership of the 39,401,561 shares in aggregate held by NTT Communications and NTT DoCoMo, representing 21.09% of the outstanding common stock of PLDT as of the Record Date.

<sup>7</sup> In addition to the 5,024,788 shares owned on record by the SSS, SSS beneficially owned 5,947,922 shares held of record by PCD as of the Record Date. The total shareholdings of SSS is 10,972,710 shares of PLDT common stock representing 5.87% of the outstanding common stock of PLDT as of the Record Date. Based on a resolution adopted by the Board of Directors of the Social Security System, or SSS, Mr. Donald G. Dee, as Commissioner of the SSS, has been authorized to represent and vote the shares of PLDT common stock of SSS in the Annual Meeting.

<sup>8</sup> Registered owner of shares held by participants in the Philippine Depository and Trust Co., or PDTC, a private company organized to implement an automated book entry system of handling securities transactions in the Philippines. Under the PDTC procedures, when an issuer of a PDTC-eligible issue will hold a stockholders' meeting, the PDTC will execute a pro-forma proxy in favor of its participants for the total number of shares in their respective principal securities account as well as for the total number of shares in their client securities account. For the shares held in the principal securities account, the participant concerned is appointed as proxy with full voting rights and powers as registered owner of such shares. For the shares held in the client securities account, the participant concerned is appointed as proxy, with the obligation to constitute a sub-proxy in favor of its clients with full voting and other rights for the number of shares beneficially owned by such clients. Based on available information, none of the owners of the PLDT common shares registered under the name of PCD Nominee Corporation, or PCD, owned more than 5% of PLDT's outstanding common stock as of the Record Date, except The Hongkong and Shanghai Banking Corp. Ltd.-Clients and Standard Chartered Bank, which owned approximately 16.80% and 5.10%, respectively, of PLDT's outstanding common stock as of such date. The Company has no knowledge if any beneficial owner of the shares under The Hongkong and Shanghai Banking Corp. Ltd.-Clients and Standard Chartered Bank owned more than 5% of PLDT's outstanding common stock as of the Record Date.

The PCD account also includes 650,000 shares beneficially owned by MPRI, 5,947,922 shares beneficially owned by the SSS and 12,461,130 shares beneficially owned by Capital Research Global Investors.

Common	J. P. Morgan Asset Holdings (HK) Limited <sup>9</sup> (various accounts) 20/F Chater House 8 Connaught Road Central, Hongkong	HongKong Corporation	See Footnote 9	44,997,297	24.09
Common	Capital Research Global Investors <sup>10</sup>	Delaware Corporation	See Footnote 10	15,098,070	8.08

Except as stated above and in the related footnotes, the Board of Directors and Management of the Company have no knowledge of any other person who, as of the Record Date, was directly or indirectly the beneficial owner of, or who has voting power or investment power with respect to, shares comprising more than five percent of the Company's outstanding common stock.

### Change in Control

There has been no change in control of the Company since the beginning of 2008 and the Company is not aware of any existing or pending transaction which may result in such a change in control.

### Security Ownership of Directors and Key Officers

The table below sets forth the number of shares of PLDT common and preferred stock owned of record and/or beneficially by the directors/independent directors, Chief Executive Officer and key officers of the Company, and the percentage of shareholdings of each, as of the Record Date.

Title of Class	Name & Address of Beneficial Owner	Citizenship	Amount and Nature of Beneficial Ownership	Percentage Of Class
Common	Manuel V. Pangilinan Chairman of the Board 7/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	221,450 Direct	0.118546
			2,000 Indirect	0.001071
Preferred			360 Direct	0.000051
Common	Napoleon L. Nazareno Director President and CEO	Filipino	6,427 Direct 7,500 Indirect	0.003440 0.004015

<sup>9</sup> Holds shares as nominee of JPMorgan Chase Bank, successor depository under the Common Stock Deposit Agreement, dated October 14, 1994, as amended on February 10, 2003, between JPMorgan Chase Bank and the holders of American Depositary Receipts, or ADRs, evidencing American Depositary Shares, or ADSs, representing shares of common stock of the Company (the "Deposit Agreement"). Under the Deposit Agreement, if the depository does not receive voting instructions from a holder of ADRs, such holder will be deemed to have instructed the depository to provide a discretionary proxy to a person designated by PLDT for the purpose of exercising the voting rights pertaining to the shares of common stock represented by such holder of ADRs, except that no discretionary proxy will be given with respect to any matter as to which substantial opposition exists or which materially and adversely affects the rights of the holders of such ADRs.

This account also includes 2,636,940 shares of PLDT common stock underlying ADSs beneficially owned by Capital Research Global Investors and 8,533,253 shares of PLDT common stock underlying ADS beneficially owned by NTT DoCoMo.

<sup>10</sup> According to the Schedule 13G of Capital Research Global Investors filed with the U.S. Securities and Exchange Commission on February 11, 2008, Capital Research Global Investors, as an investment adviser, beneficially owned 15,098,070 shares of PLDT common stock as of the Record Date, which includes 2,636,940 shares of PLDT common stock underlying ADSs and 12,461,130 shares of PLDT common stock held of record by PCD as of the Record Date.

Preferred	7/F Ramon Cojuangco Bldg. Makati Avenue, Makati City		495 Direct	0.000070
Common	Donald G. Dee Director	Filipino	1 Direct	0.000001
Preferred	12/F Union Bank Building Ayala Avenue cor. Herrera St. Makati City		640 Direct	0.000091
Common	Helen Y. Dee Director	Filipino	98 Direct	0.000052
Preferred	3/F Grepalife Bldg. Sen. Gil Puyat Ave., Makati City		180 Direct	0.000026
Common	Ray C. Espinosa Director	Filipino	13,043 Direct 5,700 Indirect	0.006982 0.003051
Preferred	5/F Locsin Bldg., Ayala Avenue cor. Makati Avenue, Makati City		-	-
Common	Tatsu Kono Director	Japanese	100 Direct	0.000054
Preferred	6/F Ramon Cojuangco Building Makati Avenue, Makati City		-	-
Common	Bienvenido F. Nebres Independent Director	Filipino	2 Direct	0.000001
Preferred	Ateneo de Manila University 2/F Xavier Hall, Loyola Heights Quezon City		-	-
Common	Takashi Ooi Director	Japanese	1 Direct	0.000001
Preferred	Granpark Tower 3-4-1 Shibaura Minato-ku Tokyo 108-8118, Japan		-	-
Common	Oscar S. Reyes Independent Director	Filipino	1 Direct	0.000001
Preferred	139 Corporate Center Valero St., Makati City		360 Direct	0.000051
Common	Albert F. del Rosario Director	Filipino	140,005 Direct	0.074676
Preferred	15/F Chatham House Valero St. cor. Herrera St. Makati City		2,100 Direct	0.000298
Common	Pedro E. Roxas Independent Director	Filipino	1 Direct	0.000001
Preferred	7/F Cacho-Gonzales Bldg. 101 Aguirre St., Legaspi Village Makati City		540 Direct	0.000077
Common	Tony Tan Caktiong Director	Filipino	1 Direct	0.000001
Preferred	10/F Jollibee Plaza Emerald Avenue, Ortigas Center Pasig City		50 Direct	0.000007

Common	Alfred V. Ty Independent Director 16/F GT Tower Ayala Avenue, Makati City	Filipino	1 Direct	0.000001
Preferred			-	-
Common	Ernesto R. Alberto Senior Vice President Customer Sales & Marketing Group 7/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	6,800 Indirect	0.003640
Preferred			-	-
Common	Rene G. Bañez Senior Vice President Administration and Materials Management Group 6/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	1 Direct	0.000001
Preferred			540 Direct	0.000077
Common	Anabelle L. Chua Treasurer and Senior Vice President Corporate Finance and Treasury 26/F Smart Tower Ayala Avenue, Makati City	Filipino	11,258 Direct 2,620 Indirect	0.006027 0.001403
Preferred			-	-
Common	Jun R. Florencio Senior Vice President Internal Audit and Fraud Risk Management 6/F MGO, Legaspi St. Makati City	Filipino	15 Direct	0.000008
Preferred			530 Direct	0.000075
Common	Menardo G. Jimenez, Jr. Senior Vice President Business Transformation Office Revenue Team 6/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	22 Direct	0.000012
Preferred			-	-
Common	George N. Lim Senior Vice President Business Transformation Office Network Team 6/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	5,256 Direct 100 Indirect	0.002814 0.000054
Preferred			360 Direct	0.000051
Common	Alfredo S. Panlilio Senior Vice President PLDT Global Corporation Business 7/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	6,031 Indirect	0.003229
Preferred			-	-
Common	Claro Carmelo P. Ramirez Senior Vice President Office of the President & CEO 7/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	11,500 Direct	0.006156
Preferred			-	-

Common	Ma. Lourdes C. Rausa-Chan Corporate Secretary, Chief Governance Officer and Senior Vice President Corporate Affairs & Legal Services 9/F PLDT MGO Building Legaspi St. cor. Dela Rosa St. Makati City	Filipino	39	Direct	0.000021
Preferred			660	Indirect	0.000353
Common	Victorico P. Vargas Senior Vice President Human Resources Group and Business Transformation Office Head 7/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	2,878	Indirect	0.001541
Preferred			180	Direct	0.000026
Common	June Cheryl A. Cabal First Vice President Financial Reporting and Controllershship 11/F Ramon Cojuangco Bldg. Makati Avenue, Makati City	Filipino	-	-	-
Preferred			-	-	-
Common	Key Officers and Directors (as a group)		409,222	Direct	0.219064
Preferred			34,289	Indirect	0.018356
			6,685	Direct	0.000948

Except for the shareholdings reported above, the Company has not received from any of the abovenamed directors/independent directors, Chief Executive Officer and key officers of the Company, any statement of ownership, whether of record or beneficially, of more than five percent of the Company's outstanding common stock as of the Record Date.

## Directors and Officers

Each director of the Company holds office until the annual meeting of stockholders held next after his election and his successor shall have been elected and qualified, except in case of death, resignation, disqualification or removal from office. The term of office of the officers is coterminous with that of the Board of Directors that elected or appointed them.

In accordance with the Company's By-Laws, written nominations for election of directors including independent directors were submitted by certain stockholders to the Board of Directors through the President and Corporate Secretary at the Company's principal place of business at least sixty working days before the date of the Annual Meeting.<sup>11</sup>

All of the following incumbent directors/independent directors have been nominated for re-election as such at the Annual Meeting:

<sup>11</sup> Nominations for election of directors/independent directors were made by various stockholders including Philippine Telecommunications Investment Corporation (PTIC), Metro Pacific Resources, Inc. (MPRI), NTT Communications Corporation (NTT Communications), NTT DoCoMo, Inc. (NTT DoCoMo) and Social Security System (SSS). The nomination letters submitted by PTIC and MPRI were signed by Mr. Manuel V. Pangilinan. The nomination letter submitted by NTT Communications was signed by its authorized representative, Mr. Jun Sawada. The nomination letter submitted by NTT DoCoMo was signed by its authorized representative, Mr. Toshinari Kunieda. The nomination letter submitted by the SSS was signed by its Chairman, Mr. Thelmo Y. Cunanan. The above mentioned stockholders have no material business or other relationship or affiliation with any of the nominees for election as independent directors.

Directors		Independent Directors
Donald G. Dee Helen Y. Dee Ray C. Espinosa Tatsu Kono Napoleon L. Nazareno Takashi Ooi Manuel V. Pangilinan Albert F. del Rosario Tony Tan Caktiong		Bienvenido F. Nebres Oscar S. Reyes Pedro E. Roxas Alfred V. Ty

The Governance and Nomination Committee of the Board of Directors of the Company composed of Manuel V. Pangilinan as Chairman, Tatsu Kono, Bienvenido F. Nebres, Oscar S. Reyes and Alfred V. Ty as members, and Ma. Lourdes C. Rausa-Chan and Victorico P. Vargas as non-voting members, has determined that each of the incumbent directors/independent directors who have been nominated for re-election as such at the Annual Meeting, continues to possess all of the qualifications and has none of the disqualifications for directorship set out in the Company's By-Laws and Manual on Corporate Governance. In addition, the Governance and Nomination Committee has determined that each of the incumbent independent directors who have been nominated for re-election as such at the Annual Meeting meets the independence criteria set out in SEC Rule 38, the Company's By-Laws and Manual on Corporate Governance, and other standards set by the Governance and Nomination Committee. In general, they are not officers or employees of the Company or any of its subsidiaries, and are free from any business or other relationships with the Company or any of its subsidiaries which could, or could reasonably be perceived to, materially interfere with the exercise of their independent judgment in carrying out their responsibilities as independent directors. Each of them has submitted a Certificate of Qualification as required by the Securities and Exchange Commission pursuant to its Notice dated October 20, 2006.

## Background Information

### Directors

1. Mr. Manuel V. Pangilinan, 62 years old, has been a director of PLDT since November 24, 1998. He assumed the chairmanship of the Board of PLDT in February 2004 after serving as its President and Chief Executive Officer for over five years from November 1998. He is the Chairman of the Governance and Nomination and Technology Strategy Committees of the Board of Directors of PLDT. He also serves as Chairman of Smart Communications Inc. (Smart), Pilipino Telephone Corporation (Piltel), ePLDT, Inc. (ePLDT), Metro Pacific Investments Corporation, Landco Pacific Corporation, Maynilad Water Corporation, Philex Mining Corporation and Manila North Tollways Corporation.

Mr. Pangilinan founded First Pacific Company Ltd. in 1981 and served as Managing Director until 1999. He was appointed as Executive Chairman until June 2003, when he was named as CEO and Managing Director. He also holds the position of President Commissioner of P. T. Indofood Sukses Makmur Tbk, the largest food company in Indonesia.

Outside the First Pacific Group, Mr. Pangilinan is a member of the Board of Overseers of the Wharton School of Finance & Commerce, University of Pennsylvania and is Chairman of the Board of Trustees of Ateneo de Manila University. He also serves as Chairman of the Medical Doctors Inc. (operating the Makati Medical Center), PLDT-Smart Foundation, Inc., Hongkong Bayanihan Trust and Philippine Business for Social Progress.

Mr. Pangilinan has received numerous prestigious awards including the Ten Outstanding Young Men of the Philippines (TOYM) Award for International Finance (1983), the Presidential Pamana ng Pilipino Award by the Office of the President of the Philippines (1996), Honorary Doctorate in Humanities by the San Beda College (2002), Best CEO in the Philippines by Institutional Investor (2004), CEO of the Year (Philippines) by Biz News Asia (2004),

People of the Year by People Asia Magazine (2004), Distinguished World Class Businessman Award by the Association of Makati Industries, Inc. (2005), Order of Lakandula (Rank of a Komandante) by the Office of the President of the Philippines (2006), and Honorary Doctorate in Humanities by the Xavier University (2007). He was voted as Corporate Executive Officer of the Year (Philippines) at the 2007 and 2008 Best-Managed Companies and Corporate Governance Polls conducted by Asia Money.

Mr. Pangilinan graduated cum laude from the Ateneo de Manila University, with a Bachelor of Arts Degree in Economics. He received his Master's Degree in Business Administration from Wharton School of Finance and Commerce, University of Pennsylvania.

2. Mr. Napoleon L. Nazareno, 59 years old, has been a director of PLDT since November 24, 1998. He was appointed as President and Chief Executive Officer of PLDT on February 19, 2004 and is concurrently the President and Chief Executive Officer of Smart and Piltel, positions he has held since January 2000 and November 2004, respectively. He is a member of the Technology Strategy Committee of the Board of Directors of PLDT. He also serves as Chairman of several subsidiaries of Smart including Wolfpac Mobile, Inc., Smart Broadband, Inc., I-CONTACTS Corporation, Airborne Access, Inc., and Connectivity Unlimited Resources Inc. where he is also the President. His other directorships include Mabuhay Satellite Corporation where he is Chairman, ACeS Philippines Cellular Satellite Corporation where he is also the President, PLDT Global Corporation, ePLDT, Inc. and First Pacific Company Ltd.

Mr. Nazareno's business experience spans over 30 years and cuts across a broad range of industries, namely, packaging, bottling, petrochemicals, real estate and, in the last decade, telecommunications and information technologies. In 1981, he started a successful career in the international firm Akerlund & Rausing, occupying senior management to top level positions and, in 1989, became the President and Chief Executive Officer of Akerlund & Rausing (Phils.), Inc. In August 1995, he moved to Metro Pacific Corporation where he served as President and Chief Executive Officer until December 1999.

In November 2004, Mr. Nazareno was appointed by President Gloria Macapagal-Arroyo as Private Sector Representative of the Public-Private Sector Task Force for the Development of Globally Competitive Philippine Service Industries. He was voted Corporate Executive Officer of the Year (Philippines) for three consecutive years at the 2004, 2005 and 2006 Best-Managed Companies and Corporate Governance Polls conducted by Asiamoney.

Mr. Nazareno received his Master's Degree in Business Management from the Asian Institute of Management and completed the INSEAD Executive Program of the European Institute of Business Administration in Fountainbleu, France.

3. Mr. Donald G. Dee, 62 years old, was first elected as a director of PLDT on September 30, 2008. He is a Commissioner of the Social Security System and the Special Envoy of the President of the Philippines for Trade Negotiations. He is the Chairman of Zest Air (formerly "Asian Spirit") and Central Peak Leisure & Development, Inc. where he is also the President, the President of Phoenix Resource & Management Corp. and a director of Manila Exposition Complex, Inc. He is affiliated with several private and government organizations including the Philippine Chamber of Commerce and Industry and Employers' Confederation of the Philippines of which he is Chairman Emeritus and the Export Development Council of which he is an Executive Committee member. Mr. Dee received his Commerce Degree from De La Salle University.
4. Ms. Helen Y. Dee, 65 years old, has been a director of PLDT since June 18, 1986. She is the Chairman or a director of several companies engaged in the banking, insurance and real property businesses and the President and/or Chief Executive Officer of Moira Management, Inc., YGC Corporate Services, Inc., GPL Holdings, Inc., Hydee Management & Resources Inc., House of Investments, Inc., Tameena Resources, Inc., Grepalife Asset Management Corporation, Grepalife Fixed Income Fund Corporation and Financial Brokers Insurance Agency, Inc. Ms. Dee received her Master's Degree in Business Administration from De La Salle University.
5. Atty. Ray C. Espinosa, 53 years old, has been a director of PLDT since November 24, 1998. He is the President and Chief Executive Officer of ePLDT, Inc., the Chairman of the subsidiaries of ePLDT, Inc., the Vice Chairman of Philweb Corporation and an independent director of Lepanto Consolidated Mining Company. He is also the Vice Chairman of the Board of Trustees of the PLDT Beneficial Trust Fund. In March 2008, he was appointed as Regulatory Affairs and Policies Head of PLDT.

Atty. Espinosa was a partner and member of the Executive Committee of the law firm Sycip Salazar Hernandez & Gatmaitan until June 2000. He has been cited as one of the leading capital market lawyers (1998 – 2002) and project finance lawyers (1996 and 1999) by Asia Law Leading Lawyers and Euromoney Guide to the World's

Leading Project Finance Lawyers. He topped the Philippine Bar examination in 1982 after graduating Salutatorian of Law Class 1982 from the Ateneo de Manila University and received his Master of Laws Degree from the University of Michigan Law School.

6. Mr. Tatsu Kono, 56 years old, has been a director of PLDT since March 28, 2006. He is a member of the Governance and Nomination, Executive Compensation and Technology Strategy Committees and advisor to the Audit Committee of the Board of Directors of PLDT. He joined NTT DoCoMo in 2000 and served as Executive Director of the Global Investment Group, Global Business Department and since 2003, as Managing Director of Corporate Sales Department, Corporate Marketing Division. Prior to that, he occupied various management positions in Kokusai Denshin Denwa Co., Ltd. (KDD). Mr. Kono received his Bachelor of Law Degree from the Waseda University.
7. Rev. Fr. Bienvenido F. Nebres, S.J., 69 years old, has been a director of PLDT since November 24, 1998. He is the Chairman of the Audit Committee and a member of the Governance and Nomination Committee of the Board of Directors of PLDT. He is the President and a member of the Board of Trustees of the Ateneo de Manila University, the Vice Chairman of the Board of Trustees of the Asian Institute of Management and a member of the Board of Trustees of several private educational institutions including Loyola School of Theology, Georgetown University, Regis University and Sacred Heart School – Jesuit Cebu City. He is also a member of the Board of Trustees of Manila Observatory and Philippine Institute of Pure and Applied Chemistry. Rev. Fr. Nebres received his Ph.D in Mathematics from the Stanford University.
8. Mr. Takashi Ooi, 47 years old, has been a director of PLDT since November 6, 2007. He built his career in Nippon Telegraph and Telephone Corporation and its subsidiaries NTT Communications Corporation (NTT Com) and NTT America. He is presently the Vice President for Global Business of NTT Com, in charge of global solutions including product development and proposal/design/installation/delivery/deployment of global network for global multi-national companies. Prior to that, he held management positions in various departments of NTT Com and served as Vice President for Product Management Global Division of NTT Com and Director of NTT American and Technical Advisor to Telegent, Inc. Mr. Ooi obtained his Master of Science Degree in Physics and Master of Business Administration Degree from the University of Tokyo and Boston University, respectively.
9. Mr. Oscar S. Reyes, 63 years old, has been a director of PLDT since April 5, 2005. He serves as a member of the Audit, Governance and Nomination, Executive Compensation and Technology Strategy Committees of the Board of Directors of PLDT, and is an independent director of Smart. He is a director of various public companies and private firms engaged in banking, insurance, financial and business advisory services, beverages, electrical products manufacturing, mining and a water distribution utility. He was the Country Chairman of the Shell Companies in the Philippines from 1997 to 2001 and concurrently the Managing Director of Shell Philippines Exploration B.V. until 2002. From 2002 to 2004, he was the Senior Management Adviser of Shell Philippines Exploration B.V. and the CEO Adviser of Pilipinas Shell Petroleum Corporation. Mr. Reyes completed the Master in Business Administration Program of the Ateneo Graduate School of Business and the Management Development Program of the Harvard Business School, and holds a Diploma in International Business from the Waterloo University, Canada.
10. Mr. Albert F. del Rosario, 69 years old, has been a director of PLDT since November 24, 1998. He serves as Chairman of the Executive Compensation Committee of the Board of Directors of PLDT and is the Chairman of the Board of Trustees of the PLDT Beneficial Trust Fund. He sits in the board of First Pacific Company Ltd. and is a Commissioner of P.T. Indofood Sukses Makmur Tbk, the largest food company in Indonesia. He is the President of ADR Holdings, Inc. and Philippine Telecommunications Investment Corporation and is a director of several companies engaged in insurance brokerage, infrastructure, property development and media businesses. From 2001 to 2006, he served as the Ambassador Plenipotentiary and Extraordinary of the Republic of the Philippines to the United States of America. Mr. del Rosario received his Bachelor of Science Degree in Economics from the New York University.
11. Mr. Pedro E. Roxas, 53 years old, has been a director of PLDT since March 1, 2001. He serves as a member of the Audit and Executive Compensation Committees of the Board of Directors of PLDT, and is an independent director of ePLDT. He is the Chairman and/or Chief Executive Officer/President of various business organizations in the fields of agri-business, sugar manufacturing and real estate development including Roxas Holdings Inc., Roxas and Company, Inc., Roxaco Land Corporation, Fuego Land Corporation, CADP Group Corporation and Hawaiian Philippine Sugar Company, the Second Vice Chairman of Brightnote Assets Corporation and a director of BDO Private Bank. Mr. Roxas received his Bachelor of Science Degree in Business Administration from the University of Notre Dame, Indiana, U.S.A.

12. Mr. Tony Tan Caktiong, 56 years old, has been a director of PLDT since July 8, 2008. He is the Chairman, President and Chief Executive Officer of Jollibee Foods Corporation, a leader in the fastfood business, which owns and operates a chain of "Jollibee" restaurants nationwide and abroad, and other fastfood chains including Chowking, Greenwich, Dëlifrance, Red Ribbon and Manong Pepe. He is also a director of First Gen Corporation. Mr. Tan Caktiong is a recipient of numerous awards from various organizations, including the prestigious Philippine Entrepreneur of the Year Award in 2003 given by Ernst & Young, and the World Entrepreneur of the Year Award in 2004 (given in Monaco) wherein he bested 31 other entrants from all over the world. Mr. Tan Caktiong honed his business skills by attending various courses and seminars in several educational institutions such as the Asian Institute of Management, Stanford University (Singapore) and Harvard University.
13. Mr. Alfred V. Ty, 41 years old, has been a director of PLDT since June 13, 2006. He serves as a member of the Governance and Nomination and Executive Compensation Committees of the Board of Directors of PLDT. He is the Chairman of Asia Pacific Top Management International Resources, Corp. (Marco Polo Plaza Cebu), the Vice Chairman of Toyota Motors Philippines Corporation, the President of Federal Land, Inc., a director of Global Business Power Corp. and the Corporate Secretary of Metropolitan Bank and Trust Corporation and Metrobank Foundation, Inc. Mr. Ty received his Bachelor of Science Degree in Business Administration from the University of Southern California.

Except for Messrs. Tatsu Kono and Takashi Ooi who are Japanese citizens, all of the other directors/independent directors are Filipino citizens.

The following is a list of other private and public companies in which some of the aforementioned directors/ independent directors hold directorships.

Name of Director	Names of Companies	
	Public	Private
Helen Y. Dee	EEI Corporation (Director) Petro Energy Resources Corporation (Director) Rizal Commercial Banking Corporation (Chairman) Seafront Resources Corporation (Director)	AY Holdings, Inc. Business Harmony Realty, Inc. Great Life Financial Assurance Corporation Great Pacific Life Assurance Corp. Grepalife Asset Management Corp. (Chairman) Grepalife Fixed Income Fund Corp. (Chairman) Hi-Eisai Pharmaceuticals, Inc. (Chairman) Honda Cars Philippines, Inc. Isuzu Philippines, Inc. La Funeraria Paz, Inc. Landev Corp. (Chairman) Malayan Insurance Company (Chairman) Manila Memorial Park Cemetery, Inc. (Chairman) Mapua Information Technology Center, Inc. (Chairman) MICO Equities, Inc. Pan Malayan Management and Investment Corporation (Vice Chairman) Pan Malayan Realty Corp. (Chairman) RCBC Forex Brokers Corp. RCBC Savings Bank (Chairman) South Western Cement Corporation

Ray C. Espinosa	Lepanto Consolidated Mining Company (Independent Director) PhilWeb Corporation (Director)	Digital Paradise, Inc. (Chairman) ePDS, Inc. (Chairman) ePLDT Ventus, Inc. (Chairman) Infocom Technologies, Inc. (Chairman) Level Up! (Philippines), Inc. (Chairman) netGames, Inc. (Chairman) Parlance Systems, Inc. (Chairman) SPi Technologies, Inc. (Chairman) Vocativ Systems, Inc. (Chairman)
Albert F. del Rosario	First Philippine Infrastructure, Inc. (Director) Metro Pacific Investments Corporation (Director)	Asia Insurance Philippines Corporation (Vice Chairman) Bancholders, Inc. Business World Publishing Corporation (Chairman) Gotuaco del Rosario and Associates, Inc. (Chairman) Infrontier (Philippines), Inc. Landco Pacific Corporation LMG Chemicals Corporation Manila North Tollways Corporation MediaQuest Holdings, Inc. MediaScape, Inc. Nation Broadcasting Corporation Philippine Indocoil Corporation (Chairman) Stratbase, Inc. (Chairman)
Oscar S. Reyes	Bank of the Philippine Islands (Director) Basic Energy Corporation (Independent Director) Manila Water Company, Inc. (Independent Director) Pepsi Cola Products Philippines, Inc. (Independent Director)	CEO's Inc. First Philippine Electric Company In1 Archipelago Minerals, Inc. Link Edge, Inc. (Chairman) Mindoro Resources Ltd. MRL Gold Phils. Inc. (Chairman) Petrolift, Inc. Sun Life of Canada Phils. Inc. Sun Life Dollar Advantage & Dollar Abundance Funds, Inc. Sun Life Financial, Inc.

### Officers

The table below sets forth the names, ages, positions and periods of service of the incumbent officers of the Company, all of whom will be nominated for re-election at the Organizational Meeting of the Board of Directors following the Annual Meeting.

Name	Age	Position	Period during which individual has served as such
Manuel V. Pangilinan	62	Chairman of the Board	February 19, 2004 to present
Napoleon L. Nazareno	59	President and Chief Executive Officer	February 19, 2004 to present
Ernesto R. Alberto	48	Senior Vice President Corporate Business Head Customer Sales & Marketing Group Head	May 15, 2003 to present May 15, 2003 to January 31, 2008 February 1, 2008 to present

Rene G. Bañez	54	Senior Vice President Chief Governance Officer Administration & Materials Management Group Head	January 25, 2005 to present October 5, 2004 to March 3, 2008 January 1, 2008 to present
Anabelle L. Chua	48	Treasurer Senior Vice President Corporate Finance and Treasury Head	February 1, 1999 to present February 26, 2002 to present March 1, 1998 to present
Jun R. Florencio	53	Senior Vice President Audit and Assurance Head Internal Audit and Fraud Risk Management Head	June 14, 2005 to present Sept. 1, 2000 to February 15, 2006 February 16, 2006 to present
Menardo G. Jimenez, Jr.	46	Senior Vice President Corporate Communications and Public Affairs Head Retail Business Head Business Transformation Office Revenue Team	December 9, 2004 to present December 1, 2001 to June 15, 2004  June 16, 2004 to December 31, 2007 January 1, 2008 to present
George N. Lim	56	Senior Vice President Network Services Head Business Transformation Office Network Team	February 26, 1999 to present February 1, 2003 to December 31, 2007 January 1, 2008 to present
Alfredo S. Panlilio	46	Senior Vice President International and Carrier Business Head PLDT Global Corporation Business	May 8, 2001 to present February 1, 2003 to June 15, 2004 June 16, 2004 to present
Claro Carmelo P. Ramirez	49	Senior Vice President Retail Business Head International and Carrier Business Head Consumer Affairs Group Head Office of the President and CEO	July 1, 1999 to present February 1, 2003 to June 15, 2004 June 16, 2004 to December 4, 2005 December 5, 2005 to December 31, 2007 January 1, 2008 to present
Ma. Lourdes C. Rausa-Chan	55	Corporate Secretary Senior Vice President Corporate Affairs and Legal Services Head Chief Governance Officer	November 24, 1998 to present January 5, 1999 to present  March 4, 2008 to present
Victorico P. Vargas	57	Senior Vice President Human Resources Group Head International and Carrier Business Head Business Transformation Office Head	February 15, 2000 to present  March 1, 2007 to December 31, 2007 January 1, 2008 to present
June Cheryl A. Cabal	35	First Vice President Financial Reporting and Controllership Head	May 6, 2008 to present November 15, 2006 to present
Alejandro O. Caeg	49	First Vice President	March 1, 2009 to present
Alfredo B. Carrera	54	First Vice President	February 27, 2006 to present
Cesar M. Enriquez	56	First Vice President	February 19, 2004 to present
Florentino D. Mabasa, Jr.	50	First Vice President Assistant Corporate Secretary	February 19, 2004 to present August 2, 1999 to present
Ramon Alger P. Obias	56	First Vice President	June 14, 2005 to present
Leo I. Posadas	42	First Vice President	March 6, 2007 to present
Nerissa S. Ramos	45	First Vice President	January 25, 2005 to present

Raymond S. Relucio	51	First Vice President	February 19, 2004 to present
Ricardo M. Sison	48	First Vice President	February 26, 2002 to present
Emiliano R. Tanchico, Jr.	53	First Vice President	May 8, 2001 to present
Miguela F. Villanueva	58	First Vice President	January 31, 2003 to present
Danny Y. Yu	47	First Vice President	May 6, 2008 to present
Katrina L. Abelarde	33	Vice President	May 6, 2008 to present
Jose A. Apelo	50	Vice President	June 14, 2005 to present
Rafael M. Bejar	51	Vice President	March 3, 2009 to present
Marco Alejandro T. Borlongan	41	Vice President	September 14, 2007 to present
Renato L. Castañeda	57	Vice President	March 3, 2009 to present
Arnel S. Crisostomo	50	Vice President	January 31, 2003 to present
Amihan E. Crooc	44	Vice President	September 14, 2007 to present
Rebecca Jeanine R. De Guzman	46	Vice President	March 1, 2003 to present
Mario C. Encarnacion	54	Vice President	January 25, 2000 to present
Alejandro C. Fabian	60	Vice President	February 27, 2006 to present
Elisa B. Gesalta	50	Vice President	February 27, 2006 to present
Ma. Josefina T. Gorres	46	Vice President	June 14, 2005 to present
Ma. Criselda B. Guhit	46	Vice President	February 27, 2006 to present
Emeraldo L. Hernandez	51	Vice President	February 19, 2004 to present
Juan Victor I. Hernandez	36	Vice President	March 3, 2009 to present
Joseph Nelson M. Ladaban	44	Vice President	February 19, 2004 to present
Javier C. Lagdameo	44	Vice President	March 3, 2009 to present
Alexander S. Kibanoff	45	Vice President	March 3, 2009 to present
Joseph Homer A. Macapagal	39	Vice President	July 16, 2008 to present
Emmanuel B. Ocumen	55	Vice President	June 14, 2005 to present
Oliver Carlos G. Odulio	38	Vice President	March 6, 2007 to present
Lilibeth F. Pasa	51	Vice President	January 25, 2005 to present
Enrique S. Pascual, Jr.	55	Vice President	January 25, 2005 to present
Jose Lauro G. Pelayo	53	Vice President	January 25, 2005 to present
Gerardo C. Peña	57	Vice President	June 14, 2005 to present
Ricardo C. Rodriguez	50	Vice President	February 26, 2002 to present
Genaro C. Sanchez	47	Vice President	January 25, 2005 to present

Ana Maria A. Sotto	50	Vice President	March 6, 2007 to present
Julieta S. Tañeca	49	Vice President	March 6, 2007 to present
Jesus M. Tañedo	58	Vice President	January 1, 2001 to present
Jose Antonio T. Valdez	44	Vice President	December 1, 2003 to present
Melissa V. Vergel De Dios	46	Vice President	March 6, 2007 to present
Fe M. Vidar	60	Vice President	March 3, 2009 to present

All of the abovenamed officers are Filipino citizens.

Mr. Ernesto R. Alberto was appointed in February 2008 as Head of Customer Sales and Marketing Group which was created to consolidate and synchronize all revenue generation relationship initiatives of PLDT including product/market development, product management, marketing, sales and distribution, and customer relationship management. He was the Corporate Business Head of PLDT from May 2003 until January 2008. He has over 20 years of work experience in the areas of corporate banking, relationship management and business development and, prior to joining PLDT in 2003, was a Vice President and Head of the National Corporate Group of Citibank N.A., Manila from 1996 to May 2003. He previously served as Vice President and Head of the Relationship Management Group of Citytrust Banking Corporation. Mr. Alberto holds directorships in some subsidiaries of PLDT.

Mr. Rene G. Bañez was appointed as Administration and Materials Management Group Head in January 2008. He was the Chief Governance Officer of PLDT from October 2004 to March 3, 2008 and the Head of Support Services and Tax Management Group of PLDT from January 1999 to January 2001. He served as Commissioner of the Philippine Bureau of Internal Revenue from February 2001 to August 2002. Prior to joining PLDT, he was the Group Vice President for Tax Affairs of Metro Pacific Corporation for 3 years until December 1998.

Ms. Anabelle L. Chua, Treasurer and Head of Corporate Finance and Treasury of PLDT, concurrently holds the position of Chief Financial Officer of Smart. She holds directorships in several subsidiaries and affiliates of PLDT, is a member of the Board of Trustees of the PLDT Beneficial Trust Fund, and a director of the Philippine Stock Exchange, Inc. and Securities Clearing Corporation of the Philippines. She has over 15 years of work experience in the areas of corporate finance, treasury, financial control and credit risk management, and was a Vice President at Citibank, N.A. where she worked for 10 years prior to joining PLDT in 1998.

Mr. Jun R. Florencio, Head of Internal Audit and Fraud Risk Management, has over 20 years of work experience in the areas of external and internal audit, credit management, information technology, financial management, and controllership. He joined the Company in April 1999 and, prior to his present position, served as the Financial Reporting and Control Head up to March 2000. He previously held various positions in the finance organization of Eastern Telecommunications and was the Financial Controller of Smart for 4 years until March 1999.

Mr. Menardo G. Jimenez, Jr. was appointed as Business Transformation Office Lead for Revenue Composition Workstream in January 2008. He was the Retail Business Head from June 2004 to December 31, 2007. He had a stint at GMA Network, Inc., where he served as head of a creative services and network promotions, during which he produced a number of international award-winning campaigns for said company and its radio and television programs. In 2005, he won the first CEO Excel Award (Communications Excellence in Organizations) given by the International Association of Business Communicators mainly for effectively using communication strategies in managing the PLDT Retail Business team to meet its targets and achieve new heights in the landline business. In 2006, his further achievements in handling the retail business of PLDT and his stint in Smart as officer-in-charge for marketing were recognized by the Agora Awards which chose him as its Marketing Man of the Year.

Mr. George N. Lim was appointed as Business Transformation Office Lead for Network Workstream in January 2008. He has over 25 years of work experience in telecommunications management. He was the Network Services Head from February 2003 to December 2007, Network Development and Provisioning Head from February 1999 to January 2003 and Marketing Head from December 1993 to February 1999. Mr. Lim holds directorships in some subsidiaries of PLDT.

Mr. Alfredo S. Panlilio is the President of PLDT Global Corporation with general management and strategic responsibilities for the international retail business. He has over 15 years of work experience in the fields of business development and

information technology. Prior to joining PLDT in July 1999, he held management positions at IBM Philippines, Inc. and was the Vice President for Business Development of the Lopez Communications Group (ABS-CBN Broadcasting, BayanTel and Sky Cable) until June 1999. Mr. Panlilio holds directorships in some subsidiaries of PLDT and PLDT Global Corporation.

Mr. Claro Carmelo P. Ramirez has over 20 years of work experience in the field of marketing. He worked as Associate Director for Colgate Palmolive Company, Global Business Development in New York, and as Marketing Director for Colgate Palmolive Argentina, S.A.I.C. Prior to joining PLDT in July 1999, he was the Marketing Director of Colgate Palmolive Philippines, Inc.

Ms. Ma. Lourdes C. Rausa-Chan was appointed as Chief Governance Officer of PLDT in March 2008, concurrent with her positions as Corporate Secretary and Head of Corporate Affairs and Legal Services. She also serves as Corporate Secretary of several subsidiaries of PLDT. Prior to joining PLDT in November 1998, she was the Group Vice President for Legal Affairs of Metro Pacific Corporation where she worked for 11 years.

Mr. Victorico P. Vargas was appointed as Business Transformation Office Head in January 2008, concurrent with his position as Human Resources Group Head, to lead the business transformation initiatives of PLDT. He has over 20 years of work experience in various industries (insurance, consumer goods, real estate, banking and finance, telecommunications/information technology) in the area of human resource management. Prior to joining PLDT in February 2000, he served as the Country Human Resources Director of Citibank N.A., Manila and spent two years outside the Philippines as Country Human Resources Director of Citibank, N.A., Bangkok. Mr. Vargas is a director of some subsidiaries of PLDT.

Ms. June Cheryl A. Cabal, Controller and Head of Financial Reporting and Controllershship, is also a director and the chief financial officer/treasurer of certain subsidiaries of PLDT and the PLDT-Smart Foundation, Inc. Prior to her joining PLDT in June 2000 as an executive trainee in the Finance Group, she was a senior associate in the business audit and advisory group of Sycip Gorres Velayo & Co. She was the 2008 Young Achievers Awardee for Commerce and Industry conferred by the Philippine Institute of Certified Public Accountants.

Mr. Alejandro O. Caeg assumed the position of Head of International and Carrier Business on March 1, 2009. He previously worked in PT Smart Telecom (Indonesia) as Chief Commercial Strategy Officer from July 2008 to February 2009 and Chief Commercial Officer from January 2006 to June 2008. Prior to that, he held various positions in Smart Communications, Inc. including Marketing Head of International Gateway Facilities and Local Exchange Carrier (1997 - 1998), Group Head of Customer Care and National Wireless Centers (1998 - 2001) and Group Head of Sales and Distribution (2003 - 2005). He also served as President and Chief Executive Officer of Telecommunications Distributors Specialist, Inc. in 2002, and Chief Operations Adviser of I-Contacts Corporation from 2001 to 2002.

Mr. Alfredo B. Carrera, Head of Regulatory Strategy and Support, has been in PLDT's service for over 25 years and held various positions in the areas of economic planning, market research and development and carrier relations.

Mr. Cesar M. Enriquez, Customer Services and Operations Head, has been in PLDT's service since August 2001. He was Vice President of National Retail Sales until March 2003, Vice President for Corporate Sales and Credit Administration until November 2003 and Corporate Business Operations Officer until January 2008. He has extensive banking experience and was the Head of Branches of Citytrust Banking Corporation for 16 years and Head of Consumer Banking of Standard Chartered Bank for 10 years.

Atty. Florentino D. Mabasa, Jr. has been the Legal Services Center Head and Assistant Corporate Secretary since 1999. He served as Acting Corporate Governance Compliance Officer of PLDT from January 2003 to October 2004. Prior to joining PLDT, he was Head of Asset Recovery Management and Legal Services of Export and Industry Bank.

Mr. Ramon Alger P. Obias, Carrier Relations and Sales Management Head, has been in PLDT's service for over 30 years and held various positions in the area of international and carrier business.

Mr. Leo I. Posadas has been the Treasury Center Head of PLDT since February 2002. Prior to that, he served as Treasury Manager of Total Petroleum Philippines from 2000 to 2001. He also served as Manager for Foreign Exchange Management of San Miguel Corporation.

Ms. Nerissa S. Ramos, Corporate Business Head, has been in PLDT's service for over 15 years and held various positions in the areas of plant services/technical support, product development/management and marketing and business solutions.

Mr. Raymond S. Relucio, Core Network Operations Head, has been in PLDT's service for over 20 years and held various positions in the areas of toll switching and core network operations. He holds directorships in some subsidiaries of PLDT.

Mr. Ricardo M. Sison, Consumer Credit and Business System Management Head, has been in PLDT's service since October 1, 1997 and held various positions in the areas of collection and retail business support services.

Mr. Emiliano R. Tanchico, Jr. has been in PLDT's service for over 20 years and assumed the position of Human Resources Management and Development Center Head in 1997.

Ms. Miguela F. Villanueva, Revenue Planning Center Head, has been in PLDT's service for over 20 years and held various positions in the areas of strategic marketing and research and revenue planning. In January 2008, she was appointed as Business Transformation Office Lead for Finance Workstream, in a concurrent capacity.

Mr. Danny Y. Yu joined the Company in March 1999 under the Office of the President and Chief Executive Officer. He has been assigned to PLDT Global Corporation as its Chief Financial Officer since August 2004. Prior to that, he served as Chief Financial Officer of Mabuhay Satellite Corporation and ACeS Philippines Cellular Satellite Corporation from March 1999 to July 1999. He previously served as Vice President for Corporate Development of Fort Bonifacio Development Corporation from May 1997 to March 1999 and as First Vice President of PDCP Development Bank from October 1998 to March 1999.

Ms. Katrina L. Abelarde, Small and Medium Enterprises Business Head, has been in PLDT's service since December 2000 and held various positions in the areas of corporate sales and relationship management. Prior to joining PLDT, she served as Client Services Assistant of Standard Chartered Bank from September 1996 to September 1997 and Senior Sales Manager of Makati Shangri-la Manila from September 1997 to November 2004.

Mr. Jose A. Apelo, Outside Plant Service Improvement Management Head, has been in PLDT's service for over 20 years and held various positions in engineering operations. He was the Visayas Business District Head from July 2003 until February 2008.

Dr. Rafael M. Bejar, Head of Medical Services, has been in PLDT's service for over 15 years. His past positions were Company Physician under Medical and Dental Services, Liaison Doctor, Manager of Metro Manila Medical Services and Manager of Provincial Medical Services.

Mr. Marco Alejandro T. Borlongan, Customer Care Head, joined the Company in March 2007 as an Assistant Vice President in the Consumer Affairs Group and was the Consumer Service Delivery Head until June 2008. Prior to joining PLDT, he served as a Group Manager of Metro Pacific Corporation and as Executive Vice President and Chief Operating Officer of Nation Broadcasting Corporation.

Mr. Renato L. Castañeda, Head of Corporate Relationship Management C, has been in PLDT's service for over 30 years and held various positions in the areas of sales and marketing.

Mr. Arnel S. Crisostomo, Customer Provisioning and Facilities Records Management Head, has been in PLDT's service for over 20 years and held various positions in the areas of outside plant engineering, quality control and inspection and customer service and facilities.

Ms. Amihan E. Crooc, Head of Information Systems Sector and concurrent Head of Application Development and Management Center, has been in PLDT's service for over 18 years and held various positions in computer operations, IS application, development and management.

Ms. Rebecca Jeanine R. De Guzman, Retail Sales and Distribution Head, joined the Company in March 2003 as Vice President for National Retail Sales. Prior to joining PLDT, she was the Chief Operating Officer of C Quadrant Corporation from April 2000 to February 2003. She was the General Manager for Provincial Sales and Operations from January 1997 to May 1999 and for NCR/Luzon Sales and Operations from June 1999 to August 2000 of Telecommunications Specialists, Inc.

Mr. Mario C. Encarnacion was appointed as Business Transformation Office Lead for Fulfillment of Customer Experience Workstream in February 2008. He has been in PLDT's service for over 25 years and held various positions in the areas of plant engineering, construction management and strategic projects coordination. Prior to his present position, he was the Mindanao Business District Head from July 2003 and President of PLDT-Maratel, Inc. from April 2003 to June 2008.

Mr. Alejandro C. Fabian, Industrial Relations Center Head, has been in PLDT's service for over 35 years and held various positions in the areas of training, manpower administration and industrial relations.

Ms. Elisa B. Gesalta, Operations Engineering and Provisioning Head, has been in PLDT's service for over 20 years and held various positions in engineering operations and project management.

Ms. Josefina T. Gorres, Corporate Billing and Credit Management Head, joined the Company in June 2001 as Corporate Service Delivery Management Head. Prior to joining PLDT, she was Head of Quality Management-Sales & Marketing Division of Piltel from November 1997 to June 2001.

Ms. Ma. Criselda B. Guhit, Tax Management Sector Head, joined the Company in January 2000 and served as Tax Compliance Center Head until February 2001 and Coordinator of the Tax Management Sector until February 2006. Prior to joining PLDT, she was the Senior Manager for Tax Affairs of Metro Pacific Corporation. She is the President of Tax Management Association of the Philippines.

Mr. Emerald L. Hernandez, Head of Greater Metro Manila Network Operations, has been in PLDT's service for over 20 years and held various positions in the areas of engineering and switching technical operations.

Mr. Juan Victor I. Hernandez, Head of Corporate Relationship Management B, joined the Company in October 2000 as Executive Trainee under the Corporate Business Group. He served as a Manager of Corporate Credit Management from August 2001 to February 2005 and, thereafter, as Head of Convergence Business B until July 2005.

Mr. Alexander S. Kibanoff, Head of Training, Development and Career Management, has been in PLDT's service for over 20 years and held various positions in the areas of corporate planning and executive development.

Mr. Joseph Nelson M. Ladaban, Consumer Credit and Churn Management Head, has been in PLDT's service since March 2000 and held various positions in the areas of billing, credit and collection. Prior to joining PLDT, he was a Vice President and the Head for Credit Cards and Marketing Services of All Asia Capital and Trust Corporation from 1998 to 2000.

Mr. Javier C. Lagdameo, Head of Corporate Relationship Management A, joined the Company in November 2003 as a Senior Manager responsible for developing the Broadband Business A segment under the Corporate Business Group. From February 2005 to October 2007, he was seconded to Smart's Corporate Business Group. Prior to joining PLDT, he was a director of Leechly and Associates, FPD Savills Philippines, Incorporated and FPD Savills Property Management, Incorporated.

Mr. Joseph Homer A. Macapagal joined the Company in July 2008 as Head of Property and Facilities Management. Prior to that, he served as Property Administrator of Cityland Development Corporation, Property Manager of First Pacific Davies Property Management, Incorporated, Deputy General Manager for Asset Services of CB Richard Ellis and Head for Corporate Real Estate Services of Standard Chartered Bank.

Mr. Emmanuel B. Ocumen, Luzon Business District Head, has been in PLDT's service for over 25 years and held various positions in engineering operations. He was the South Luzon Operations Head until February 2008. He is also the President of PLDT Clark Telecom, Inc. and PLDT Subic Telecom, Inc.

Mr. Oliver Carlos G. Odulio has been in PLDT's service since July 2000 and held various positions in the areas of procurement planning and supply chain management and support services until his reassignment to the Office of the Administration and Materials Management Group in July 2008. Prior to joining PLDT, he served as an Associate of Tan, Acut & Lopez Law Offices from 1998 to June 2000.

Ms. Lilibeth F. Pasa has been the Retail Market Development Head since she joined the Company in September 2000. Prior to that she was a Director for Rates and Tarrif of Piltel from April 1997 to September 2000.

Mr. Enrique S. Pascual Jr., Customer Installation and Repair Management Head, has been in PLDT's service for over 30 years and held various positions in outside plant/GMM operations. He was the GMM South Operations Head from July 2003 until February 2008.

Mr. Jose Lauro G. Pelayo, GMM South/West Business District Head, has been in PLDT's service for over 25 years and held various positions in engineering operations. He was GMM East Operations Head from January 2001 to June 2003 and GMM West Business District Head from July 2003 to February 2008.

Mr. Gerardo C. Peña, GMM North/East Business District Head, has been in PLDT's service for over 25 years and held various positions in engineering operations. He was GMM North Business District Head from January 2001 to February 2008.

Mr. Ricardo C. Rodriguez, Compensation and Rewards Planning and Management Center Head, has been in PLDT's service for over 20 years and held various positions in the areas of systems, management audit, executive development and organization development.

Mr. Genaro C. Sanchez, Carrier Marketing, Facilities and Business Information Services Head, has been in PLDT's service for over 20 years and held various positions in the areas of submarine cable projects and carrier marketing.

Ms. Ana Maria A. Sotto, Corporate Service Delivery Head, has been in PLDT's service for over 25 years and held various positions in computer and network operations.

Ms. Julieta S. Tañeca, Consumer Business System Management Head, has been in the PLDT's service for over 20 years and held various positions in information system planning and billing system. She was the Billing Systems Management Division Head from January 2004 until February 2008.

Mr. Jesus M. Tañedo is the Visayas-Mindanao Business District Head and concurrently the President of PLDT-Maratel, Inc. He was the North Luzon Business District Head until January 2008. Prior to joining PLDT in January 2001, he held the position of Executive Vice President of Philippine Export & Loan Guarantee Corporation for 16 years.

Mr. Jose Antonio T. Valdez, Retail Marketing Head, has been in PLDT's service since December 2003. He has over 15 years of extensive work experience in marketing and prior to joining PLDT, he worked for Seagram Asia Pacific from 1999 to 2003 as Country Manager for the Philippines and Micronesia and concurrent Regional Alliance Director for Asia Pacific.

Ms. Melissa V. Vergel de Dios, Investor Relations Head, joined the Company in May 2001 and served as Property Management Center Head until April 2004 and as Property and Facilities Management Center Head until August 2007. Prior to joining PLDT, she was the Chief Operating Officer of Wharton Credit Corp. and Group Chief Finance Officer of Global 3 Internet Holdings, Inc. from June 2000 to May 2001. She held various positions in San Miguel Group of Companies from 1984 to 2000.

Ms. Fe M. Vidar, Organization, Policies and Procedures Development Head, has been in PLDT's service for over 40 years and held various positions in the areas of internal audit and organizational systems, policies, procedures, and development.

### **Other Senior Management Members of PLDT**

1. Mr. Ray C. Espinosa was appointed in March 2008 as Head of the Regulatory Affairs and Policies organization, in addition to his current functions as President and Chief Executive Officer of ePLDT. He is responsible for providing top level direction and coordinating closely with the various units of PLDT as well as all subsidiaries and affiliates of PLDT to ensure effective implementation of government and telecom regulatory strategies, policies and other related matters. (See section on Directors and Officers for background information on Mr. Espinosa).
2. Mr. Rolando G. Peña was appointed in January 2008 as Head of Customer Service Assurance Group. He is responsible for managing the overall development and implementation of strategies and programs covering network engineering and operations, facility provisioning and maintenance, and customer servicing and fulfillment. Mr. Peña has over 20 years of experience in telecommunication operations and was chosen as Electronics and Communications Engineer for the year 2000 by the Institute of Electronics and Communications Engineers of the Philippines. From 1999 to 2007, he was the Head of Network Services Division of Smart and prior to joining Smart in 1994, he was the First Vice President in charge of Technical Operations of Digital Telecommunications Philippines, Inc. Mr. Peña holds directorships in some subsidiaries of PLDT and Smart.

### **Family Relationships**

None of the directors and officers of the Company or persons nominated to become directors or officers of the Company has any family relationships up to the fourth civil degree either by consanguinity or affinity.

## Involvement in Certain Legal Proceedings

The Company is not aware, and none of the directors/independent directors and officers or persons nominated for election to such positions has informed the Company, of any of the following events: (a) any bankruptcy petition filed by or against any business of which a director/independent director or officer or person nominated for election as a director/independent director or officer was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (b) any conviction by final judgment in a criminal proceeding, domestic or foreign, or any criminal proceeding, domestic or foreign, pending against any director/independent director or officer or person nominated for election as a director/independent director or officer, except as noted below; (c) any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director/independent director or officer or person nominated for election as a director/independent director or officer in any type of business, securities, commodities or banking activities; and (d) any finding by a domestic or foreign court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self regulatory organization, that any director/independent director or officer or person nominated for election as a director/independent director or officer, has violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated, which occurred during the past five years.

The following is a description of the cases in which our Chairman, Manuel V. Pangilinan, our President and Chief Executive Officer, Mr. Napoleon L. Nazareno, our director, Mr. Albert F. del Rosario and our Corporate Secretary, Ms. Ma. Lourdes C. Rausa-Chan are respondents:

1. Mr. Manuel V. Pangilinan, in his capacity as Chairman of the Board of Metro Pacific Corporation, a stockholder of Metro Tagaytay Land Company, Inc. (MTLCI), and four other individuals were respondents in I.S. 04-A-1057 for alleged violation of Article 315 (1)(b) (Estafa) of the Revised Penal Code filed by Mr. Vicente A. Tuason in behalf of Universal Leisure Club, Inc. (ULCI) and Mr. Jose L. Merin in behalf of Universal Rightfield Property Holdings, Inc. (URPHI).

In the complaint-affidavit, Messrs. Tuason and Merin alleged that, in violation of the trust reposed by ULCI and certain contractual commitments and representations, MTLCI, with the participation and/or conformity of the respondents, misappropriated and converted P139 million that ULCI entrusted for the purpose of incorporating Golf Land Co., Inc. (GLCI), a corporation to be wholly owned by MTLCI and to which a property of MTLCI was to be transferred in exchange for shares in GLCI. The said shares were then supposed to be transferred to ULCI.

Based on his counsel's advice, Mr. Pangilinan cannot be held liable for violating Article 315 (1)(b) of the Revised Penal Code because no document or other evidence has been presented to prove that Mr. Pangilinan actually participated in the negotiation, preparation, approval, execution and/or implementation of the agreement/contract upon which the claims of the complainants are purportedly based, much less that Mr. Pangilinan, with abuse of trust and confidence, misappropriated any amounts paid by ULCI to MTLCI.

On March 25, 2004, Mr. Pangilinan submitted his counter-affidavit in I.S. No. 04-A-1057, including therein counter-charges against Messrs Tuason and Merin for Perjury and Unjust Vexation. These counter-charges were docketed as I.S. No. 04-C-5493-94.

In a Joint Resolution dated June 7, 2004, the City Prosecution Office of Makati dismissed all charges in the Estafa case against Mr. Pangilinan as well as the counter-charges for Perjury and Unjust Vexation against Messrs. Tuason and Merin.

On November 16, 2004, MTLCI, through Mr. Pangilinan and ULCI, through Messrs. Tuason and Merin, filed with the Philippine Department of Justice (DOJ) their respective Petitions for Review assailing the Resolution of the City Prosecution Office of Makati. Thereafter, the complainants and respondents including Mr. Pangilinan filed, with the assistance of their respective counsels, a Joint Motion to Dismiss (with prejudice) the charges and counter-charges subject of the investigation before the DOJ.

On March 20, 2006, Mr. Pangilinan, through counsel, filed a Manifestation and Motion reiterating the parties' prayer in their Joint Motion to Dismiss that the cases be dismissed with prejudice. On March 6, 2008, the DOJ promulgated a Resolution dismissing the appeal by ULCI of the Resolution of the City Prosecution Office of Makati dismissing ULCI's complaint for Estafa against Mr. Pangilinan, et al. The same Resolution of the City Prosecution Office of Makati dismissed Mr. Pangilinan's counter-charges (Perjury and Unjust Vexation) against Messrs. Tuason and Merin

of ULCI. Mr. Pangilinan also appealed the said Resolution of the City Prosecution Office of Makati before the DOJ. The DOJ, however, has yet to rule on Mr. Pangilinan's appeal which remains pending despite the parties' Joint Motion to Dismiss.

2. Mr. Napoleon L. Nazareno, in his capacity as President and Chief Executive Officer of Smart, is a respondent in a complaint docketed as I.S. 07-3216-F filed with the Cebu City Prosecutor's Office by Integrated Distribution Network, Inc., or IDNI, for alleged estafa and violation of Republic Act No. 8484 or the "Access Devices Regulation Act of 1988". IDNI alleged that Smart, through its directors and officers including Mr. Nazareno (respondent in this complaint), perpetrated fraud by blocking the SIMs of its sub-dealers. The dispute arose from contracts executed between Smart and IDNI on roving billboards. The parties entered into a settlement agreement allowing IDNI to purchase electronic load from Smart within a specific period and for a specified amount. It is Smart's position that IDNI's cause of action, if any, is purely civil in nature.

The Cebu City Prosecutor's Office issued a Resolution dated November 12, 2007, finding probable cause to indict respondents for estafa and violation of Republic Act No. 8484 or the "Access Devices Regulation Act of 1988". On January 10, 2008, Mr. Nazareno filed a Petition for Review before the DOJ seeking the reversal of the Resolution mentioned above. On May 13, 2008, the DOJ issued a Resolution granting the Petition for Review. In said Resolution, the DOJ directed the Prosecutor of Cebu City to cause the withdrawal of the Information for estafa and violation of the Access Devices Regulation Act of 1988, if any has been filed in court, against Mr. Nazareno.

On July 15, 2008, the complainant filed a Motion for Reconsideration of the aforementioned DOJ Resolution and on October 3, 2008, Mr. Nazareno together with the other respondents filed their Opposition. The Motion for Reconsideration filed by the complainant is pending resolution by the DOJ.

3. Messrs. Napoleon L. Nazareno and Albert F. del Rosario and other directors and officers of the former PDCP Bank and some officers of the Bangko Sentral ng Pilipinas and Development Bank of the Philippines, are respondents in a complaint docketed as I.S. No. 2004-631 filed by Chung Hing Wong/Unisteel/Unisco Metals, Inc. with the DOJ, for alleged syndicated estafa, estafa thru falsification of documents, other deceits, malversation and robbery. In the complaint-affidavit, the complainant alleged that the officers and directors of PDCP Bank deceived the complainant to secure a loan from PDCP Bank through misrepresentation and with the sinister purpose of taking over the complainant's corporation. As stated in their respective counter-affidavits, the charges against the PDCP directors including Messrs. Nazareno and del Rosario are manifestly unmeritorious. These directors have not personally met the complainants, nor are they parties to the questioned transactions and, as such, could not have deceived the complainants in any manner. The complaint was referred to the Office of the Ombudsman (OMB) by the DOJ on October 30, 2007 considering that some of the respondents are public officers and the offenses charged were committed in the performance of their official functions.

Meanwhile, on July 23, 2008, Chung Hing Wong filed with the DOJ a Motion for Reconsideration of a Resolution of the DOJ dated September 7, 2007 dismissing his complaint. It appears that prior to forwarding the case records to the OMB, the DOJ has prepared a Resolution recommending the dismissal of the complaint but did not release the said Resolution to the parties because it wanted the OMB to conduct a review of the DOJ Resolution in view of the fact that some of the respondents in the case are public officers.

In an Order dated July 30, 2008, the OMB confirmed that it was conducting a review of the said DOJ Resolution for the abovestated reason and that its authority relative to the case forwarded to it by the DOJ is limited to conduct a review of the DOJ Resolution and not to conduct another preliminary investigation of the case. As of this date, the review of the DOJ Resolution is still pending with the OMB.

4. Mr. Albert F. del Rosario and other former directors/officers, and Ms. Ma. Lourdes C. Rausa-Chan and other former corporate secretaries/assistant corporate secretaries of Steniel Cavite Packaging Corporation, Metro Paper and Packaging Products, Inc., AR Packaging Corporation and Starpack Philippines Corporation, are respondents in a case docketed as OMB C-C-04-0363-H (CPL No. C-04-1248), in the OMB. The complaint is for alleged: (a) violation of Republic Act No. 3019 (otherwise known as the Anti-Graft and Corrupt Practices Act); (b) estafa thru falsification of public documents; (c) falsification of public documents under Article 171, in relation to Article 172, of the Revised Penal Code (RPC); (d) infidelity in the custody of public documents under Article 226 of the RPC; and (e) grave misconduct. It relates to various tax credit certificates (allegedly fraudulent, with spurious and fake supporting documents) issued to Victory Textile Mills, Inc. (allegedly, a non-existent corporation with fictitious incorporators and directors) and transferred to several companies including the aforesaid companies. The complaints against Mr. del Rosario and Ms. Rausa-Chan involve the first two offenses only and in their capacity as

director and corporate secretary, respectively, of Metro Paper and Packaging Products, Inc. In the opinion of the legal counsels of Mr. del Rosario and Ms. Rausa-Chan, there are no legal and factual bases for their inclusion as respondents in this complaint. Mr. del Rosario and Ms. Rausa-Chan had no participation or involvement in the alleged anomalous acquisition and transfer of the subject tax credit certificates. The case is still pending with the OMB.

## Compensation of Directors and Officers

The following table below sets forth the aggregate amount of compensation paid in 2007 and 2008 and estimated amount of compensation expected to be paid in 2009: (1) to the Chief Executive Officer and four most highly compensated officers of the Company, as a group; and (2) to all other key officers, other officers and directors, as a group.

Name and Principal Position	Year	Salary <sup>12</sup> (In Million)	Bonus <sup>13</sup> (In Million)	Other Compensation <sup>14</sup> (In Million)
1. Napoleon L. Nazareno President & CEO <sup>15</sup>				
2. Victorico P. Vargas Senior Vice President				
3. Anabelle L. Chua Senior Vice President				
4. Ernesto R. Alberto Senior Vice President				
5. Ma. Lourdes C. Rausa-Chan Senior Vice President				
CEO & four most highly compensated key officers	Actual 2007	35.8	9.0	251.9
	Actual 2008	41.2	8.1	46.0
	Projected 2009	48.5	10.4	47.7
All other key officers, other officers and directors as a group (excluding the CEO and four most highly compensated key officers)	Actual 2007	194.1	49.5	1,063.4
	Actual 2008	188.2	47.7	265.8
	Projected 2009	220.5	59.5	223.3

Each of the directors of the Company is entitled to a director's fee in the amount of P125,000 for each meeting of the Board of Directors attended. In addition, the directors who serve in the committees of the Board of Directors, namely, the Audit, Governance and Nomination, Executive Compensation and Technology Strategy Committees, are each entitled to a fee in the amount of P50,000 for each committee meeting attended.

On January 27, 2009, the Board of Directors of the Company approved the increase in director's fee to P200,000 for Board meeting attendance and to P75,000 for Board Committee meeting attendance. The director's fee was last adjusted in July

<sup>12</sup> Basic Monthly Salary

<sup>13</sup> Includes Longevity Pay, Mid-year Bonus, 13<sup>th</sup> Month Pay and Christmas Bonus

<sup>14</sup> Includes Variable Pay and other payments. Variable Pay is based on an annual incentive system that encourages and rewards both individual and group/team performance and is tied to the achievement of Corporate/Unit/Customer Satisfaction Objectives. It covers regular officers and executives of the Company and is based on a percentage of their Guaranteed Annual Cash Compensation. Included in the 2007 figure is the amount of cash awards under the Long Term Incentive Plan (LTIP) paid in May 2007.

<sup>15</sup> The President & CEO receives compensation from Smart but not from PLDT.

1998. The Executive Compensation Committee recommended the increase taking into consideration PLDT's profitability growth (versus Board remuneration) and the results of the survey on Board remuneration conducted by Watson Wyatt, which showed that PLDT directors' remuneration consisting only of fees for meeting attendance were below the median of directors' remuneration among the participating companies consisting of fees for meeting attendance and/or retainer fees and profit share.

Except for the fees mentioned above, the directors are not compensated, directly or indirectly, for their services as such directors.<sup>16</sup>

### **Executive Stock Option Plan**

On April 27, 1999 and December 10, 1999, the Board of Directors and stockholders, respectively, approved the establishment of a Executive Stock Option Plan (the ESOP) pursuant to which stock options were granted to management executives, which include officers with the rank of Vice President up to President, executives with the rank of Manager up to Assistant Vice President, and advisors/consultants engaged by the Company. A total of 1,289,745 shares of common stock of the Company had been allocated for ESOP. Stock options granted under the ESOP became fully vested in December 2004. An option holder may exercise his option to purchase the number of vested shares of common stock underlying his option, in whole or in part, at the price of P814 per share, subject to adjustment upon the occurrence of specific events described in the ESOP. The option exercise period is until December 9, 2009.

The key officers of the Company were granted options to purchase a total of 206,942 shares of common stock, all of which have been exercised as of the Record Date.

The total shares of common stock allocated for options granted to all the officers of the Company, as a group, is 409,562, out of which a total of 406,722 shares of common stock have been exercised as of the Record Date.

### **Long Term Incentive Plan**

On August 3, 2004, PLDT's Board of Directors approved the establishment of a Long Term Incentive Plan (the "Plan") for eligible executives, officers and advisors of PLDT and its subsidiaries, which is administered by the Executive Compensation Committee. The Plan was originally a four-year cash-settled share based plan covering the period January 1, 2004 to December 31, 2007. The payment was intended to be made at the end of the Plan period (without interim payments) contingent upon the achievement of an approved target increase in PLDT's common share price by the end of the Plan period and a cumulative consolidated net income target for the Plan period. The target increase in the PLDT base share price, which was the average of the closing prices of PLDT shares ten trading days before or after December 31, 2003, was approximately 15 percent per annum compounded for the Plan period.

On August 28, 2006, PLDT's Board of Directors approved the broad outline of the PLDT Group's strategic plans for 2007 to 2009 focusing on the development of new revenue streams to drive future growth while protecting the existing core communications business. To ensure the proper execution of the three-year plan, particularly with respect to the manpower resources being committed to such plan, a new three-year Long Term Incentive Plan covering a three-year period of performance commencing on January 1, 2007 and ending on December 31, 2009 (the "New Plan") was approved by PLDT's Board of Directors. As a result of the establishment of the New Plan, the Board of Directors also approved the early vesting of the Plan by the end of year 2006.

Under the early vesting, a participant who is invited to participate in the New Plan and accepts such invitation will be entitled to early vesting of awards under the Plan. A participant under the Plan (a) who is invited to participate in the New Plan and does not accept such invitation or (b) who is not invited to participate in the New Plan will remain under the Plan and will vest in accordance with the vesting schedule under the Plan. The awards pay-out for the early vesting under the Plan was

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<sup>16</sup> The aggregate amount of per diems paid to the directors for their attendance in Board and Board Committee meetings is included in Other Compensation. The total amount of per diems paid in 2007 and 2008 was P29,875,000 and P27,675,000.00 respectively. The total amount of per diems estimated to be paid in 2009 is P36,800,000.00.

based on ex-dividend PLDT common share price (subject to a cap) at approximately the end of the first quarter of 2007 and attainment of the three years cumulative consolidated net income target.

The New Plan follows the same general framework, guidelines and approach as the Plan.

## **Benefit Plan**

The Company has a trustee, non-contributory defined benefit plan (the "Benefit Plan") covering all permanent and regular employees. The Benefit Plan provides benefits upon normal retirement beginning at age 65, early retirement beginning at age 50 or completion of at least 30 years of credited service, voluntary separation beginning at age 40 or completion of at least 15 years of credited service, total and physical disability, death and involuntary separation. Benefits are based on the employee's final monthly basic salary and length of service.

Except as provided in the plans described above, there are no other agreements or arrangements pursuant to which officers and directors of the Company may be entitled to receive any cash or non-cash compensation, or any benefits or payments in case of termination of employment or a change in control of the Company.

## **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

Except for the Related Party Transactions described in Note 22 to the Financial Statements contained in the Company's Annual Report for the year 2007 and Note 22 to the Financial Statements contained in the Company's Annual Report for the year 2008 there has been no material transaction during the last two fiscal years, nor is there any material transaction currently proposed, to which the Company or any of its subsidiaries was or is to be a party in which any incumbent director/independent director or officer of the Company, or any person nominated for election as director/independent director or officer, or owner of more than ten percent of the Company's outstanding voting stock, or any member of the immediate family of any of the foregoing, had or is to have a direct or indirect material interest. In the ordinary course of business, the Company has transactions with other companies in which some of such persons or former officers of the Company or its subsidiaries may have an interest, but these transactions have been negotiated on an arm's length basis and are not material.

No director or officer of PLDT or associate of any director or officer of PLDT was indebted to PLDT at any time during the past two years.

## **OTHER MATTERS**

### **Voting Procedures**

#### **1. Votes Required**

Only owners of shares of common stock as of the Record Date present or represented by proxy at the Annual Meeting are entitled to vote thereat.

1.1 The thirteen nominees for election as directors receiving the highest number of votes will be declared elected as directors and four of them who have been pre-qualified as independent directors will be elected as such.

1.2 The votes of owners of at least a majority of the shares of common stock present or represented by proxy at the Annual Meeting is necessary for the approval of the audited financial statements for the fiscal year ended December 31, 2008, and such other matters as may properly come before the Annual Meeting, unless a higher number of votes is required under the applicable law.

#### **2. Manner of Voting**

Voting will be by acclamation or show of hands. For the purpose of electing directors, voting will be by ballot only if demanded by a holder of shares of common stock present or presented by proxy at the Annual Meeting and entitled to vote thereat. If by ballot, each ballot shall be signed by the stockholder voting or in his name by his proxy if there be such a proxy, and shall state the number of shares of common stock voted by him.

### 3. Method of Counting Votes

Counting of votes will be done by the Corporate Secretary or her authorized representative(s) with the assistance of the representative(s) of the Company's independent auditors, Sycip, Gorres, Velayo & Co., and stock transfer agent for shares of common stock, Hongkong and Shanghai Banking Corporation. All votes attaching to the shares of common stock owned by stockholders whose proxies were received by the Company will be cast in accordance with the voting instructions given or authority granted under the proxies.

### Information on Independent Auditors and Other Related Matters

Sycip Gorres Velayo & Co. (SGV), a member practice of Ernst & Young, are the Company's independent auditors and have served as such for the past six fiscal years. In compliance with the five-year rotation requirement with respect to independent auditors, as provided under the Company's By-Laws and applicable laws and rules, the Audit Committee appointed a new lead engagement/audit partner from SGV who will have the primary responsibility for the audit or review of the Company's financial accounts beginning in fiscal year 2009.

The Company has no disagreement with SGV on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

The audit fees paid to SGV or accrued by the Company for the audit of the Company's financial statements, review of interim financial statements and services that are normally provided by the independent auditors in connection with statutory and regulatory filings amounted to approximately P45 million in 2008 and P41 million in 2007. The Company also paid other fees of approximately P19 million in 2008 and P25 million in 2007 to SGV for consultation with respect to the Company's Sarbanes-Oxley Act Section 404 assessment, certain projects and out-of-pocket and incidental expenses which do not exceed five percent of the agreed engagement fees. In year 2009, the Company expects to pay or accrue the same level of audit and audit-related fees paid or accrued in 2008.

The Audit Committee pre-approves all audit and non-audit services as these are proposed or endorsed before these services are performed by the independent auditors.

The representatives of SGV are expected to be present at the Annual Meeting and will have an opportunity to make a statement if they desire to do so and to respond to appropriate questions.

The Company will provide without charge to each person solicited, upon the written request of any such person, a copy of the Company's Annual Report on SEC Form 17-A. Such written request should be directed to the Corporate Secretary, Philippine Long Distance Telephone Company, 9th Floor, PLDT MGO Building, Legaspi St. cor. Dela Rosa St., Makati City, Philippines.

### SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Information Statement is true, complete and correct in all material respects.

Signed in the City of Makati, Philippines on the 29th day of April, 2009.

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY



MA. LOURDES C. RAUSA-CHAN  
Corporate Secretary