

MINUTES
ANNUAL MEETING OF STOCKHOLDERS
PHILIPPINE LONG DISTANCE TELEPHONE COMPANY
JUNE 14, 2016

The Annual Meeting of Stockholders of Philippine Long Distance Telephone Company (the "Company") was held at Rizal Ballroom AB, Makati Shangri-La, Ayala Avenue corner Makati Avenue, Makati City, Metro Manila, Philippines on June 14, 2016 at 3:00 o'clock p.m.

Before the meeting proper, the PLDT Canzonet Choral sang the Philippine National Anthem and opening prayer. Thereafter, the Chairman of the Board, Mr. Manuel V. Pangilinan welcomed the stockholders and guests to the 64th Annual Meeting of Stockholders.

1. CALL TO ORDER

The Chairman called the meeting to order and requested the Corporate Secretary to report on the service of notice of, and existence of a quorum at, the meeting.

2. CERTIFICATION OF SERVICE OF NOTICE AND QUORUM

The Corporate Secretary reported that copies of the printed Notice and Agenda of the meeting together with the Information Statement and Proxy Form and compact disc containing the 2015 Annual Report were delivered personally or by mail to Philippine residents and overseas holders of the Company's shares of stock as of the Record Date, April 15, 2015.

Based on the record of attendance and report on proxies received by the Office of the Corporate Secretary, stockholders who own or hold a total of 629,882,447 shares¹ or 94.57% per cent of the outstanding capital stock consisting of Common,

¹ The following members of the Board of Directors and Advisory Board/Committee and other Board Committees of PLDT were present in the meeting: Directors – Manuel V. Pangilinan (Chairman of the Board of Directors and the Governance and Nomination, Executive Compensation and Technology Strategy Committees), Ray C. Espinosa (member of the Technology Strategy Committee), James L. Go (member of the Technology Strategy and Risk Committees and advisor to the Audit Committee), Bernido H. Liu (member of the Governance and Nomination, Executive Compensation, Audit and Risk Committees), Tadashi Miyashita (member of the Governance and Nomination, Executive Compensation Technology Strategy and Risk Committees and advisor to the Audit Committee), Artemio V. Panganiban (member of the Governance and Nomination, Audit, Executive Compensation and Risk Committees), Pedro E. Roxas (Chairman of the Audit and Risk Committees and member of the Governance and Nomination and Executive Compensation Committees), Ma. Lourdes C. Rausa-Chan (non-voting member of the Governance and Nomination Committee); Juan B. Santos and Hideaki Ozaki; Members of the Advisory Board/Committee – Oscar S. Reyes (non-voting member of the Technology Strategy Committee), Roberto R. Romulo (advisor to the Audit Committee), Orlando B. Veja (non-voting member of the Technology Strategy Committee), Benny S. Santoso and Christopher H. Young.

Voting Preferred and Non-Voting Serial Preferred Stocks as of the Record Date² were present in person or represented by proxies in the meeting. The Corporate Secretary then certified the existence of a quorum.

Based on the certification by the Corporate Secretary on the existence of a quorum, the Chairman declared the meeting duly convened and open for business.

The Corporate Secretary announced that printed copies of the rules governing the conduct of the meeting have been distributed to the stockholders at the registration desks. A copy of the said rules is attached to this minutes. She enjoined the stockholders to please observe the said rules.

The Corporate Secretary also informed the body that the Company's tabulation, registration and reporting system has been reviewed and tested by Sycip Gorres Velayo & Co. (SGV) in accordance with the Philippine Standards on Related Services 4400 Agreed-upon Procedures issued by the Auditing Standards and Practices Council, and representatives from SGV are present in the meeting to check the completeness and accuracy of the encoded proxies and voting instructions received as well as the attendance and voting results generated by the system.

3. PRESIDENT'S REPORT

Moving on to the next item on the Agenda, the President & CEO, Mr. Manuel V. Pangilinan delivered the President's Report, which is quoted in full below. In the course of his report, there was a slide presentation related to the content of his report.

"Good Afternoon once more to our stockholders.

I would like first of all to thank Polly Nazareno for his long and loyal service to the Company. We wish him well after his retirement last December 2015. It now falls upon me to report on the performance last year. But more than this, to welcome a new day for us.

We will propose to you that this be the last time we refer to our Company as "Philippine Long Distance Telephone Company". Going forward, we intend to change our name to "PLDT Inc." You will see why in a short while.

My report consists of two main parts: First, a quick review of results for 2015. Second, a view forward – first quarter 2016 performance, together with a description of the initiatives we're undertaking to transform our Company, and secure its future in a world that is rapidly turning digital.

² The total outstanding shares of Common, Voting preferred and Non-Voting Serial Preferred Stocks as of the Record Date, April 15, 2016, were 216,055,775, 150,000,000 and 300,001,240, respectively.

2015 Results

Turning to 2015, the key performance indicators reflect the tough challenges we've been facing:

- Consolidated revenues stable at P171 Billion
- Fixed line revenues up to 2% to P65.6 Billion
- Wireless business lower by 4% to P110.7 Billion
- EBITDA Margin at 43%, EBITDA at P70.2 Billion, down 9%
- Core net income at P35.2 Billion, slightly above expectations
- Capital Expenditure totaled P43.2 Billion – an all time high. CAPEX TO revenues @ 25% - also an historic high.

The stories driving these numbers are familiar ones – shifting consumer behavior and intense competition.

As customers move to alternative digital means of communicating, our legacy businesses – international and domestic long distance voice services and text messaging – have been declining. By comparison, data and broadband continue to grow – by 15% on year, contributing nearly P50 Billion or 30% of total service revenues in 2015. With legacy revenues receding, our future clearly lies in data, broadband and the growing universe of digital applications. That is why it is why it is so out of step with the times to keep calling ourselves a “Long Distance Telephone Company”. Of course we also face intense competition in our mobile phone business. The prepaid segment is particularly challenging. Despite a significant growth in mobile data revenues, we've lost subscribers to competition, causing overall wireless revenues to drop by 4%.

This year, we have drawn the line firmly in the sand. An incremental approach which attempts to stretch our legacy businesses just doesn't work. No matter what we do, no matter how hard we try, no matter how much we spend, long distance telephone is a business that will not sustain us going forward. So the option is crystal clear – either we pivot or we perish. That is why, looking ahead, we propose to simply call ourselves PLDT.

2016: FACING THE DIGITAL FUTURE:

The journey to that digital future will be long, and the climb steep. There will be false starts, there will be speed bumps, there will be mistakes made. Though we began that trip in earnest this year, it will take us until 2018 – about three years - to execute. To achieve our goals, CAPEX levels will remain elevated at P43 Billion in 2016, and beyond. That is before our recent acquisition of the telecoms business of San Miguel Corporation which is likely to add about US\$100 Million more CAPEX this year. This CAPEX spend reflects a massive effort to transform our networks into the country's most extensive and data capable infrastructure.

Our intense focus on this digital pivot is forcing us to adjust our financial trajectory for the next three years. For 2016, we initially reset our core income guidance to P28 Billion. We have since revised that upwards, to P30 Billion, in light of the partial sale of our Meralco shares - realizing an after tax gain of P7.3 Billion. Going forward, this P30 Billion income reflects a new base which we expect to rise.

We've retained our corporate policy of declaring regular dividends representing 75% of core earnings. However, to conserve cash and keep debts at prudent levels, your Board has decided to suspend special dividends for 2015. This fiscal discipline has kept PLDT's debt profile healthy, with maturities well spread out. Our credit rating remains investment grade, in fact, one notch higher than that of the Philippines.

FIRST QUARTER 2016

Turning to our performance for the first quarter of 2016, our key performance metrics are as follows:

- Consolidated revenues up to 1% at P42.8 Billion
- Core Net Income at P7.2 Billion, in line with full year guidance
- Broadband revenues up 22% at P13.7 Billion
- Mobile internet revenues up to 38%
- EBITDA lower by 14% to P16.6 Billion
- CAPEX at P14.6 Billion – a 4x increase over the same period last year

As you can see, there are modest signs of improvement - first and most importantly, we have arrested our loss of subscribers; second, broadband and mobile internet revenues are up significantly; third, we're expanding smartphone ownership to drive internet usage. We've had to do this by way of subsidies. Consequently, EBITDA was lower year on year.

Finally, the addition of San Miguel's spectrums would enable us to provide internet everywhere, internet for all. This will mean a faster roll out of nationwide coverage, with more reliable and affordable internet services. We've already fired up several cell sites using the new 700 MHZ frequency. By the close of 2016, we will have more than 300 cell sites on the 700 MHZ band in Metro Manila, Cebu and Davao, with expanding coverage throughout the country over the next three years.

If you want to have an idea of what's coming, take a look at this photo showing Smart's speed test of its 700 cell site in Tanay, Rizal. By using LTE carrier aggregation on the 700 and 1800 MHZ frequency bands, Smart achieved a top download speed of 222 MBPS.

OUR NEW DIGITAL PLATFORMS

Before I close, let me share with you some of the new and exciting digital platforms that will deliver the kind of amazing customer experiences that are symbolic of our new day.

I am pleased to announce that today, Smart is launching the Smartlife app, a single destination for living a smarter life, including entertainment, payments and mobile commerce. Smartlife will also feature "Smart Perks" - an innovative offering that perfectly symbolizes the future of our digital pivot.

"Smart Perks" is powered by an innovative platform called "Marketbuilder" developed by our subsidiary, Talas Data Intelligence, and offered by our Enterprise Group as well. "Marketbuilders" enables companies to deliver digital coupons to customers in a targeted way.

Our B2B customers get our help to grow by acquiring new customers. While consumers get targeted, money savings promo offers like free Chicken Joy and Yumburger meals from Jollibee; free movie passes from SM; discount coupons for everything from Krispy Kreme Doughnuts to sports shoes from Zalora and digital watches from Lazada. Smartlife, featuring "Smart Perks", is downloadable today from Google Play, and will be coming soon to the Apple app store.

I must highlight today the great strides our digital innovations group, Voyager, has made for the unconnected, the unbanked and the uncarded.

On the payments side, PayMaya is the leader in the fast-growing mobile payments business with a throughput of almost P50 billion in the first quarter. Full year transaction volume of the PayMaya platforms will approximate P200 billion - not bad for a new platform.

This throughput of P200 Billion this year will come from three sources: (i) PayMaya – the number 1 mobile wallet app for millennials; (ii) PayMaya Business – the number 1 mobile payments acquiring; and (iii) Smart Padala – the number 1 domestic remittance service.

Smart Padala now handles about one-third of domestic remittance and will soon expand its business to foreign remittances.

Likewise, our ROVE platform is now the biggest payments channel for Government to Person or G2P disbursements, specifically for government's conditional cash transfers, and for donations received from international aid agencies to the poor.

Lastly, let me feature FINTQ, a new business unit developing solutions for the FinTech Sector. FINTQ is responsible for an innovative new platform for consumer loans, including salary loans and micro-finance lending. This new platform, called "LENDR", has onboarded 25 partner banks and 4 international banks, plus the Association of Rural Banks and Thrift Banks, with more waiting in the wings, here and abroad. Launched only last year, "LENDR" has already handled over P9 Billion loan releases in this first quarter.

CONCLUSION

I will conclude my report today by looking back - - #FLASHBACKPLDT.

Since our founding 88 years ago, PLDT has served our people longer, and better, than any other telco. Our history with this nation, our affinity with what's Filipino, and yes, with our size and presence touching everyday lives, PLDT "Ang Tunay na Telco ng Bayan". We're committed to transforming our business. We're committed to providing great customer experiences. We're committed to our mission of leading and inspiring Filipinos to see a better tomorrow.

This will demand an enormous effort, which goes beyond changing our name or refreshing our logos. But we will reclaim the promise of our potential and, after the dark days of decline, we should see again the sunlight of growth and prosperity for the Company.

Today is a new day for your Company. Today signals our commitment to change, to becoming the digital services company of the future. Today, PLDT means, Internet for All and Internet Everywhere.

Let me now close with this video introducing the new branding system for PLDT and Smart.

Thank you and good day."

The Chairman asked if there are questions on the President's Report.

A stockholder representing Shareholders' Association of the Philippines asked for an update on PLDT's investments in the last years, starting with Digitel, then Rocket Internet, and now in the telecom business of San Miguel. He also requested the President to give an outlook about the latest acquisition.

The President stated that the investment in Digitel/Sun Cellular has gone reasonably well. The PLDT Group has rationalized the fixed line business of Digitel and integrated its Sun Cellular business with the Smart/Talk 'N Text business. As to the investment in Rocket Internet, it has been quite disappointing. The share price of Rocket Internet has dropped from PLDT's original investment of around 33 Euro/share to around 19 Euros at this time, which has forced PLDT to take provisions in respect of

that investment. PLDT Management is in touch with the Chairman of the Management Board of Rocket Internet and has expressed its concern about the performance of Rocket Internet as well as discussed the few initiatives that PLDT Group has entered into with Rocket Internet and the possibility of unwinding them. Rocket Internet is under tremendous pressure to perform since certain major shareholders apart from PLDT have made known to Rocket Internet's management the necessity of rationalizing the widespread businesses of Rocket Internet and showing improved performance as soon as possible.

In respect of the acquisition of the telecom business of San Miguel, that is principally an acquisition of spectrum, and the focal point is the 700 MHZ which gives significant reach/wider coverage to both PLDT and to Globe and provides better signal penetration for stronger indoor coverage. The acquisition will have an impact on capital expenditures and savings on operating expenses. San Miguel actually has the biggest spectrum bank of approximately 360 MHZ. PLDT/Smart has approximately 290 MHZ before the acquisition and Globe has about 210 MHZ. The ironic part is that San Miguel has the biggest spectrum bank but zero subscriber. This has been somewhat corrected by the acquisition of some of the spectrum by PLDT and Globe while some have been returned to the government. In some respects, this is a necessary investment to enhance the ability of Smart to build on its mobile network and enable the PLDT Group to provide better quality and faster internet service to its customers nationwide.

The same stockholder asked how the deal started and who initiated the talk. He also asked if PLDT sees any threat that the Philippine Competition Commission ("Commission") will impose any penalty on the parties.

The President explained that the transaction involving San Miguel's telecommunication assets came from motivated seller and buyers. It was a transaction that both parties felt should be done and is beneficial to both the sellers and the buyers and ultimately, the customers.

In response to the second question, Director Ray C. Espinosa explained that the parties signed the agreements, and consummated the transaction, and filed a notice (the "Notice") with the Commission in accordance with the Philippine Competition Act ("Act") and the Circulars issued by the Commission (the "Circulars"). On June 7, 2016, the parties received a letter from the Commission to the effect that the Notice did not comply with the Circulars, and basically saying that the transaction is not deemed approved. We have a different view. As we set out in our disclosures, all of the parties, aided by their respective legal counsels, are of the view that the Notice is fully compliant with the requirements of the Circulars, particularly as to its substance. Therefore, we consider the Notice as having been properly given and the transaction deemed approved under the terms of the relevant Circulars. However, in the spirit of cooperation and transparency, we have submitted to the Commission the sets of documents that they requested from us and we are trying to gain a formal audience with the Commission to enlighten them about the transaction. As to their

concerns about any significant anti-competition effect the transaction may bring, the parties, assisted by their respective legal counsels, have carefully reviewed the transaction before it was executed, and we are of the view that the transaction as a whole does not violate the Act in that it does not present any substantial anti-competition effect. In fact the transaction allowed access to certain frequencies that are very important for the telco operators to be able to provide a faster, more reliable and affordable internet service, which is the main concern of both the incumbent government and incoming government. We are in dialogue with the Commission and hope that once we are given the audience, they will be enlightened as to the benefits of the transaction and will come to the same conclusion as we have regarding the legality and validity of the transaction.

A stockholder who identified himself as Mr. Guillermo Gili, requested to be briefed on what transpired when the President met with the owner of Facebook.

The President narrated that he, along with other PLDT officers, visited several major IT players, including Facebook, in Silicon Valley sometime in March this year. The meeting with Facebook in its new headquarters at Menlo Park, California consisted of two parts. The first part was a briefing by Facebook's senior executives on areas where we can cooperate on the fixed and wireless side of the business and what they can do, and the discussion was focused on Facebook at Work, which we have already implemented. The second part was his meeting with Mark Zuckerberg where they discussed a few business topics, principally matters that related to the first part of the visit. Being a significant philanthropist, Mr. Zuckerberg also asked about the disasters that have visited our country and was quite keen to know how he can help personally. In this regard, I informed him about our initiatives with Philippine Disaster Resiliency Foundation and several foundations of the group.

A stockholder who identified himself as Mr. Greg Pajela asked if it is possible for Smart to conduct an initial public offering ("IPO") of its shares to enable the subscribers of Smart to become stockholders. He noted that some subscribers of Smart want to invest in Smart since they cannot afford to buy PLDT shares, and there is no way for them to participate in the earnings of Smart.

Director Ray C. Espinosa explained that since Smart is already 100% owned by PLDT and PLDT is a listed company, the shares of which are widely held by the public, the requirement for a telecom company to conduct an IPO is deemed to have been complied with. It has also been the consistent view of PLDT and Smart that the provision on public offering under the Public Telecommunications Policy Act are merely directory.

4. **APPROVAL OF THE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015 CONTAINED IN THE COMPANY'S 2015 ANNUAL REPORT**

The next item on the Agenda was the approval of the audited financial statements of the Company for the fiscal year ended December 31, 2015 contained in the Company's 2015 Annual Report.

The Chairman inquired if there are any questions on the financial statements. There was none.

Ms. Rossana Gracia M. Dela Cruz (a proxy holder) moved for the approval of the audited financial statements of the Company for the fiscal year ended December 31, 2015, and that the votes be cast in accordance with the instructions of the stockholders entitled to vote. The said motion was duly seconded.

There being no objection to the motion, the Chairman instructed the Corporate Secretary to cast the votes.

The Corporate Secretary informed the body that the approval of the audited financial statements requires the votes of the stockholders representing at least a majority of the outstanding shares of stock entitled to vote consisting of shares of Common Stock and Voting Preferred Stock. After casting the votes, she reported that more than a majority of the outstanding shares of stock entitled to vote have been cast in favor of the approval of the audited financial statements³. Thereafter, the Chairman declared that the Company's audited financial statements for the year ended December 31, 2015 are approved.

5. **ELECTION OF 13 DIRECTORS INCLUDING 3 INDEPENDENT DIRECTORS FOR THE ENSUING YEAR**

The next item on the Agenda was the election of 13 directors including 3 independent directors of the Company for the ensuing year.

As requested by the Chairman, the Corporate Secretary announced the names of the persons nominated for election as directors/independent directors of the Company as follows:

³ Total FOR Votes: 329,156,919 (298,589,235 proxy votes + 13,214,293 votes of stockholders present in person but with proxies previously filed + 17,353,391 votes of stockholders present in person with no proxy previously filed but with voting instructions filed at the annual meeting). Total AGAINST Votes: 18,500 (18,077 proxy votes + 423 votes of stockholders present in person with proxies previously filed). Total ABSTAIN Votes: 183,983 (37,493 proxy votes + 146,490 votes of stockholders present in person but with proxies previously filed).

Directors

1. Mr. Manuel V. Pangilinan
2. Mr. Napoleon L. Nazareno
3. Atty. Ray C. Espinosa
4. Mr. Tadashi Miyashita
5. Mr. Hideaki Ozaki
6. Mr. Tony Tan Caktiong
7. Mr. James L. Go
8. Mr. Juan. B. Santos
9. Ms. Helen Y. Dee
10. Ms. Ma. Lourdes C. Rausa-Chan

Independent Directors

11. Former Chief Justice Artemio V. Panganiban
12. Mr. Pedro E. Roxas
13. Mr. Bernido H. Liu

The Corporate Secretary stated that the background information of each of the nominees is contained in the Information Statement that was delivered to the stockholders.

The Chairman informed the body that the Governance and Nomination Committee of the Board (the "Committee"), which is currently chaired by himself, and comprised of 4 other voting members, namely Mr. Tadashi Miyashita, and three (3) independent directors, Former Chief Justice Artemio V. Panganiban, Mr. Pedro E. Roxas and Mr. Bernido H. Liu, has reviewed and evaluated the background information of the persons nominated for election as directors. The Committee has determined that the nominees possess all of the qualifications, and have none of the disqualifications, for directorship specified in the Company's Amended By-Laws and Manual on Corporate Governance and in the Governance and Nomination Committee Charter. The Committee has also determined that the independent director-nominees meet the independence criteria specified in SRC Rule 38, the Company's Amended By-Laws and Manual on Corporate Governance as well as the other independence standards set by the Governance and Nomination Committee. None of the independent director-nominees is involved in the Company's management or has any business or other relationships which could, or could be reasonably perceived to, materially interfere with their exercise of independent judgment in carrying out their responsibilities as independent directors. The Chairman further stated that three (3) individuals have been nominated for election as independent directors surpassing the legal requirement that at least 20% and in no case less than two (2) of the members of the Board of Directors must be independent directors.

A motion was duly made by Ms. Aileen D. Regio (a proxy holder) that the votes be cast in accordance with the voting instructions of the stockholders entitled to vote and since there are only 13 board seats and all of the 13 nominees are qualified to be elected as directors, including 3 who are qualified to be independent directors, all of the nominees be declared elected as directors, with Former Chief Justice Artemio V. Panganiban, Mr. Pedro E. Roxas and Mr. Bernido H. Liu, as independent directors. The said motion was duly seconded.

There being no objection to the motion, the Chairman instructed the Corporate Secretary to cast the votes.

The Corporate Secretary informed the body that only holders of shares of Common and Voting Preferred Stocks are entitled to vote for the election of directors. After casting the votes, she reported that each nominee received the votes of more than a majority of the outstanding shares of Common and Voting Preferred Stock entitled to vote⁴. Thereafter, the Chairman declared the above-named nominees as the duly elected directors of the Company, with Former Chief Justice Artemio V. Panganiban, Mr. Pedro E. Roxas and Mr. Bernido H. Liu as independent directors.

The Chairman introduced to the stockholders the newly re-elected directors, except for Mr. Napoleon L. Nazareno, Ms. Helen Y. Dee and Mr. Tony Tan Caktiong, who were out of the country to attend to important business commitments.

The Chairman also informed the stockholders that at the Organizational Meeting following the Annual Meeting of Stockholders, the newly elected Board will vote for the appointment of the members of the Advisory Board/Committee, namely, Mr. Oscar S. Reyes, Mr. Roberto R. Romulo, Mr. Benny S. Santoso, Mr. Orlando B.

⁴ Stockholders have cumulative voting right for the purpose of election of directors.

NAME OF DIRECTOR/ INDEPENDENT DIRECTOR	VOTING REQUIREMENT			
	Thirteen (13) nominees receiving the highest number of votes from the holders of Common Shares and Voting Preferred Shares shall be declared elected and three (3) of them who have been pre-qualified as independent directors will be declared elected as such.			
	VOTES CAST			TOTAL NUMBER OF VOTES
Stockholder 1	Stockholder 2	Stockholder 3		
Former Chief Justice Artemio V. Panganiban (Independent Director)	17,353,391	12,372,107	297,652,015	327,377,513
Mr. Pedro E. Roxas (Independent Director)	17,353,391	11,938,131	297,448,904	326,740,426
Mr. Bernido H. Liu (Independent Director)	17,353,391	13,038,873	304,601,024	334,993,288
Ms. Helen Y. Dee	17,353,391	6,125,728	280,808,198	304,287,317
Atty. Ray C. Espinosa	17,353,391	12,491,450	300,078,557	329,923,398
Mr. James L. Go	17,353,391	12,180,337	296,574,602	326,108,330
Mr. Tadashi Miyashita	17,353,391	12,194,896	297,900,070	327,448,357
Mr. Napoleon L. Nazareno	17,353,391	12,761,938	299,603,917	329,719,246
Mr. Hideaki Ozaki	17,353,391	12,840,303	299,544,412	329,738,106
Mr. Manuel V. Pangilinan	17,353,391	15,219,281	298,357,539	330,930,211
Atty. Ma. Lourdes C. Rausa-Chan	17,353,391	12,496,077	300,160,339	330,009,807
Mr. Juan B. Santos	17,353,391	12,840,303	299,613,889	329,807,583
Mr. Tony Tan Caktiong	17,353,391	6,125,728	280,620,384	304,099,503

Legend:

- Stockholder 1 – Stockholders present in person with no proxy previously filed but with voting instructions filed at the annual meeting
- Stockholder 2 – Stockholders present in person with proxy previously filed
- Stockholder 3 – Stockholders represented by proxy

Vea, Mr. Washington SyCip and Mr. Christopher H. Young. He then introduced each of them, except Mr. Washington SyCip who was out of the country to attend to an important business commitment.

6. **APPROVAL OF THE PROPOSED AMENDMENT OF THE FIRST AND SECOND ARTICLES OF THE ARTICLES OF INCORPORATION**

The next item on the Agenda was the approval of the proposed amendment of the First and Second Articles of the Amended Articles of Incorporation of the Company.

As requested by the Chairman, the Corporate Secretary explained the proposal.

The proposed amendment of the First Article of the Amended Articles of Incorporation of the Company (the "Amended Articles") involves the change in the name of the Company from Philippine Long Distance Telephone Company to PLDT Inc., the acronym of the corporate name, and the registered business or trade name of the Company.

The Company's current corporate name, Philippine Long Distance Telephone Company, reflects the traditional fixed line telecommunications business that it has been engaged in for several decades following its incorporation in 1928. The Company's business has evolved since then, such that its revenues are no longer mainly from its long distance toll revenue business but are now largely from its expanded business portfolio that includes wireless telecommunications, data, broadband and information technology services and other related value added services. It is by the name PLDT that the Company with its expanded business and leadership in the industry has been known and recognized in the past several years.

Next, the proposed amendment to the Second Article of the Amended Articles involves the expansion of the purpose clause to expressly provide for such other purposes and powers incidental to, or in furtherance of, the primary purpose, including the power to do or engage in such activities required, necessary or expedient in the pursuit of lawful businesses or for the protection or benefit of the Company.

The Corporate Secretary informed the body that the amended First Article and Second Article of the Amended Articles are set forth in pages 32 and 33 of the Information Statement, and the Company's Board of Directors approved the said amendments on April 12, 2016 and recommends approval thereof by the stockholders.

She stated that for the purpose of approving the proposed amendments to the Amended Articles, the voting requirement is at least two thirds (2/3) of the outstanding capital stock, as provided in Section 16 of the Corporation Code. Holders of shares of Non-Voting Serial Preferred Stock are also entitled to vote on this proposal, as provided in Section 6 of the Corporation Code.

The Chairman asked if there are any questions on the proposed amendments. There was none.

Ms. Mildred C. Fabian (a proxy holder) moved for the approval of the amendment of the First Article and Second Article of the Amended Articles of Incorporation of the Company as presented in the meeting, and that the votes be cast in accordance with the voting instructions of the stockholders entitled to vote.

There being no objection to the motion, the Chairman instructed the Corporate Secretary to cast the votes. After casting the votes, the Corporate Secretary reported that at least two-thirds of the outstanding capital stock consisting of Common, Voting Preferred and Non-Voting Serial Preferred Stocks entitled to vote have been voted in favor of the approval of the proposed amendment of the First Article and Second Article of the Articles of Incorporation⁵.

The Chairman announced that based on the votes cast, the amendment of the First Article and Second Article of the Amended Articles of Incorporation of the Company are approved.

7. **RATIFICATION OF THE PROPOSED INVESTMENT OF CORPORATE FUNDS IN ANOTHER CORPORATION OR FOR A PURPOSE OTHER THAN THE PRIMARY PURPOSE OF THE COMPANY AND GRANT OF AUTHORITY TO THE BOARD OF DIRECTORS TO DETERMINE THE TIMING, FINAL STRUCTURE, AMOUNT, TERMS AND CONDITIONS OF THE INVESTMENT OF FUNDS**

The next item on the Agenda was the ratification of the proposed investment of corporate funds in another corporation or for a purpose other than the primary purpose of the Company (the "Investment of Funds") and grant of authority to the Board of Directors to determine the timing, final structure, amount, terms and conditions of the Investment of Funds.

The Chairman and President explained that the Company plans to redevelop certain land and appurtenant air rights, land improvements and buildings owned by the Company to maximize or enhance their value prior to the sale or disposal of portions or all of such redeveloped properties. The properties initially identified for redevelopment are the Ramon Cojuangco Building situated in Makati Avenue and the adjacent MGO Building situated in Legaspi corner Dela Rosa Streets, Makati City. The proceeds from the sale of the redeveloped properties are intended to be used in furtherance of the business of the Company, including the purchase and

⁵ Total FOR Votes: 628,967,978 (598,253,804 proxy votes + 13,360,783 votes of stockholders present in person but with proxies previously filed + 17,353,391 votes of stockholders present in person with no proxy previously filed but with voting instructions filed at the annual meeting). Total AGAINST Votes: 27,290 (26,867 proxy votes + 423 votes of stockholders present in person with proxies previously filed). Total ABSTAIN Votes: 365,374 proxy votes.

development of the new headquarters for the Company. In line with the Company's digital strategy, there is a plan to move to a campus style environment, and several site options are currently being considered.

For purposes of the redevelopment, the Company is exploring several options including, among others, investing corporate funds in shares of stock in an asset holding company that will enter into a joint venture with a real estate developer/s and other potential co-investors, or entering into a joint venture with the developer/s.

In their meeting held on April 12, 2016, the Company's Board of Directors approved the broad plan of redevelopment of certain Company properties and the investment of corporate funds for such purposes. The Board of Directors recommends ratification by the stockholders of the investment of corporate funds as discussed above and is also requesting the stockholders to grant authority to the Board of Directors to determine, based on their best judgment and the best interest of the Company and its stockholders as a whole, the timing, final structure, amount, terms and conditions of the investment of corporate funds for purposes of the redevelopment of the Company's properties.

The Chairman asked if there are any questions. There was none

With the Chairman's permission, the Corporate Secretary informed the body that for the purpose of ratifying the proposed investment of corporate funds and grant of authority to the Board of Directors in relation thereto as discussed above, the voting requirement is at least two thirds (2/3) of the outstanding capital stock, as provided in Section 42 of the Corporation Code. Holders of shares of Non-Voting Serial Preferred Stock are also entitled to vote on these proposals, as provided in Section 6 of the Corporation code. Also, pursuant to Section 81 of the Corporation code, the appraisal right may be exercised by any stockholder who shall have voted against the proposals. The procedure required to be followed by a dissenting stockholder in order to perfect his appraisal right is set forth in page 34 of the Information Statement.

Mr. Alex Rios (a proxy holder) moved for the approval of the investment of corporate funds for purposes of the redevelopment of the properties owned by the Company as discussed in the meeting, and the grant of authority to the Board of Directors to determine, based on their best judgment and best interest of the Company and its stockholders as a whole, the timing, final structure, amount, terms and conditions of the investment of corporate funds, and that the votes be cast in accordance with the voting instructions of stockholders entitled to vote.

There being no objection to the motion, the Chairman instructed the Corporate Secretary to cast the votes. After casting the votes, the Corporate Secretary reported that at least two-thirds of the outstanding capital stock consisting of Common, Voting

Preferred and Non-Voting Serial Preferred Stocks entitled to vote have been voted in favor of the proposals⁶.

The Chairman announced that based on the votes, the investment of corporate funds for purposes of the redevelopment of properties owned by the Company and the grant of authority to the Board of Directors to determine the timing, final structure, amount, terms and conditions of the investment of corporate funds are approved.

8. OTHER MATTERS

The Chairman inquired if there are other matters for discussion.

With the permission of the Chairman, the Corporate Secretary informed the body that under the Company's By-Laws, it is the Audit Committee that has the power to appoint the Company's external auditors. On May 2, 2016, the Audit Committee appointed Sycip Gorres Velayo and Co. (SGV) to audit the Company's financial statements for the year 2016. In their meeting held on May 3, 2016, the Board of Directors confirmed such appointment of SGV.

The Chairman asked if there are any questions on the appointment of SGV. There was none.

9. ADJOURNMENT

There being no other questions or matters for discussion, upon motion duly made, seconded and carried, the Chairman declared the meeting adjourned and conveyed his gratitude to the stockholders for attending the meeting and for their support.

CERTIFIED CORRECT BY:



MA. LOURDES C. RAUSA-CHAN
Corporate Secretary

ATTESTED BY:



MANUEL V. PANGILINAN
Chairman of the Board

⁶ Total FOR Votes: 601,637,850 (581,363,085 proxy votes + 2,921,374 votes of stockholders present in person but with proxies previously filed + 17,353,391 votes of stockholders present in person with no proxy previously filed but with voting instructions filed at the annual meeting). Total AGAINST Votes: 26,175,580 (16,160,354 proxy votes + 10,015,226 votes of stockholders present in person with proxies previously filed). Total ABSTAIN Votes: 1,547,212 (1,122,606 proxy votes + 424,606 votes of stockholders present in person but with proxies previously filed).



RULES ON THE CONDUCT OF THE JUNE 14, 2016 ANNUAL STOCKHOLDERS MEETING OF PLDT

1. Any stockholder who desires to ask a question pertaining to any item of the Agenda presented for approval:
 - (a) Must first identify himself and request to be recognized by the Chair.
 - (b) Once recognized, the stockholder will be allowed to ask only one question and the Chair has the discretion to entertain or not to entertain a follow-up or second question.
 - (c) A maximum of 3 minutes will be allotted for any questions or comments from the stockholder.
2. Any stockholder who desires to raise questions or comments unrelated to the main items of the Agenda may do so under Other Matters or immediately prior to the end of the meeting. The same procedure described earlier shall apply.
3. All stockholders must observe proper decorum. In case a stockholder fails to observe the rules, the Chair has the discretion to declare him out of order and exclude him from this meeting.
4. Only holders of the outstanding shares of Common and Voting Preferred Stocks as of April 15, 2016 (the "**Record Date**") are entitled to vote on Items 4 and 5 of the Agenda. However, with respect to Items 6 and 7 of the Agenda, holders of all the outstanding capital stock consisting of Common, Voting Preferred and Non-Voting Serial Preferred Stock as of the Record Date are entitled to vote.
5. Each item of the Agenda for stockholders' approval will be voted upon by means of written voting instructions. The Company earlier sent to the stockholders a form of proxy which contains items for stockholders' approval and where stockholders can indicate their voting instructions (For, Against or Abstain). Those stockholders present in person who did not submit their proxy forms have been requested to complete the form of voting instructions at the start of or during this meeting. The votes of stockholders present in person will be added to the votes of the stockholders whose proxies were received by the Corporate Secretary on or before the cut-off date, June 7, 2016. The proxy votes have been tabulated by our transfer agents – BDO Unibank, Inc. Trust and Investments Group, for Common and Voting Preferred Stocks, and RCBC for Non-Voting Serial Preferred Stock.
6. The actual number of votes for or against, and the abstentions will not be announced in this meeting, but will be disclosed to the SEC and PSE immediately after this meeting for public information.
7. The Corporate Secretary's decision on matters pertaining to proxies is final and binding unless set aside by a court of competent jurisdiction.