



March 17, 2009

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

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

Ladies and Gentlemen:

In compliance with Section 17.1(b) and Section 17.3 of the Securities Regulation Code, we submit herewith a copy of SEC Form 17-C with a press release issued by Moody's Investors Service (Moody's) attached thereto entitled "Moody's places PLDT's LC rating under review direction uncertain".

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

Respectfully yours,

A handwritten signature in black ink, appearing to read "Ma. Lourdes C. Rausa-Chan".

MA. LOURDES C. RAUSA-CHAN  
Corporate Secretary

MLCRC:amq  
Encs.



March 17, 2009

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

Attention : Director Justina F. Callangan  
Corporations Finance Department

Gentlemen:

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

In accordance with Section 17.1 (b) of the Securities Regulation Code, we submit herewith three (3) copies of SEC Form 17-C with a press release issued by Moody's Investors Service (Moody's) attached thereto entitled "Moody's places PLDT's LC rating under review direction uncertain".

Very truly yours,

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

MA. LOURDES C. RAUSA-CHAN  
Corporate Secretary

MLCRC:amq  
Encs.

**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-C**

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

1. March 17, 2009  
(Date of earliest event reported)
2. SEC Identification Number PW-55
3. BIR Tax Identification No. 000-488-793
4. PHILIPPINE LONG DISTANCE TELEPHONE COMPANY  
Exact name of registrant as specified in its charter
5. PHILIPPINES  
Province, country or other jurisdiction  
of Incorporation
6. \_\_\_\_\_ (SEC Use Only)  
Industry Classification Code
7. 9<sup>th</sup> Floor MGO Building  
Legaspi corner dela Rosa Streets, Makati City  
Address of principal office
- 1200  
Postal Code
8. (632) 816-8553  
Registrant's telephone number, including area code
9. Not Applicable  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC  

Title of Each Class	Number of Shares of Common Stock Licensed and Amount of Debt Outstanding
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11. Item 9 – Other Events

Attached hereto is a press release issued by Moody's Investors Service (Moody's) entitled "Moody's places PLDT's LC rating under review direction uncertain".

SIGNATURE

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

PHILIPPINE LONG DISTANCE  
TELEPHONE COMPANY



MA. LOURDES C. RAUSA-CHAN  
Corporate Secretary

Date: March 17, 2009

**Rating Action: Philippine Long Distance Telephone Company**

**Moody's places PLDT's LC rating under review direction uncertain**

**Approximately US\$725 million of debt securities affected**

Hong Kong, March 16, 2009 -- Moody's Investors Service has today revised the status of Philippine Long Distance Telephone Company's ("PLDT") Baa2 local currency ("LC") issuer rating from review for possible upgrade to review with direction uncertain. At the same time, Moody's has affirmed PLDT's Ba2/positive foreign currency bond rating.

The rating action has been prompted by PLDT's recent announcement that it plans to acquire up to a 20% stake in the Manila Electric Company ("Meralco") at a cost of approximately P20 billion.

"While the acquisition can largely be funded out of cash on hand and without any material adverse impact on PLDT's consolidated financial metrics, which remain strong for a Baa rating, it will reduce the company's liquidity reserves," says Laura Acres, a Moody's Vice President.

"The acquisition also raises concerns as it represents a move by shareholders and senior management into a non-core business, albeit into another utility with a small telecommunications-related business with an established fiber optic network covering the Metro Manila area," says Acres, also Moody's Lead Analyst for PLDT, adding "it is however noted that PLDT has indicated that it will limit its investment in Meralco to a 20% shareholding."

Moody's review will focus on 1) potential funding support PLDT will have to provide to Meralco; 2) PLDT's financial policies over the next 2 years, especially with regard to leverage and uses of cash; and 3) strategy of PLDT's principal shareholder, First Pacific, and the degree to which this investment signals a shift in strategy for the telco operator.

Moody's affirmation of PLDT's foreign currency bond rating reflects the fact that the rating is unlikely to change without there first being a change in the Philippines foreign currency country ceiling or downward rating action on PLDT.

The principal methodology used in rating PLDT was the Global Telecommunications Industry dated December 2007, which can be found at [www.moodys.com](http://www.moodys.com) in the Credit Policy & Methodologies directory, in the Ratings Methodologies subdirectory. The methodology outcome is A1 on a fully-consolidated basis based on results for 2008.

Other methodologies and factors that may have been considered in the process of rating this issuer can also be found in the Credit Policy & Methodologies directory.

The last rating action was taken on 10th March, 2009, when PLDT's Baa2 local currency issuer rating was placed on review for possible upgrade and the foreign currency bond rating was affirmed at Ba2/positive.

PLDT is an integrated provider of fixed-line, broadband, cellular and Information and Communications Technology ("ICT") services. As at 31st December, 2008, it had 35.2 million cellular, 1.8 million fixed-line and 1.0 million broadband subscribers and is the country's leading telecommunications service provider. It also has a 52% market share for cellular telephony, 60% for fixed-line services and 70% broadband.

Major shareholders are First Pacific and NTT Communications/NTT DoCoMo, with effective common shareholdings of 26.3% and 20.9% respectively as of January 2009. The remaining common shares are publicly held.

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