



January 30, 2008

Philippine Stock Exchange  
Philippine Stock Exchange Center  
Exchange Road, Ortigas Center  
Pasig City

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

Dear Sir:

We refer to your letter dated January 29, 2008 and addressed to our Atty. Ma. Lourdes C. Rausa-Chan, Senior Vice President and Corporate Secretary, requesting additional information in connection with PLDT's share buyback program (the "Program").

Accordingly, we provide hereunder the following information/clarification relative to the Program:

1. Complete terms and conditions of the buyback program

The Program will involve the repurchase of up to TWO MILLION (2,000,000) outstanding common shares of PLDT. The plan is to reacquire the shares on an opportunistic basis, direct from the open market through the trading facilities of the Philippine Stock Exchange (PSE) and/or the New York Stock Exchange (NYSE). The shares will be acquired from the open market at such prices perceived by the Company to be lower than the inherent value of the shares.

We have the necessary Board approval to commence the Program, which will continue until the number of shares earmarked for the program has been fully repurchased, or until such time as the Company's Board of Directors determines otherwise. Requisite disclosures to the PSE, SEC and NYSE shall be filed following each repurchase of shares.

Implementation of the Program will be undertaken by PLDT's Treasury Group.

2. Capital Structure before/after the program – Please refer to Attachment 1 herein.
3. Pertinent accounting entries in the books to record the above mentioned transaction



**Philippine Long Distance Telephone Company**  
**Equity**  
**Before and After Shares Buyback**  
**(Amounts in million pesos)**

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**Attachment 1**

|   | <b>Sept 30, 2007</b> | <b>Shares</b>  | <b>After</b>   |
|---|----------------------|----------------|----------------|
|   | <b>(Unaudited)</b>   | <b>Buyback</b> | <b>Buyback</b> |
| Equity Attributable to Equity Holders of PLDT |                      |                |                |
| Preferred stock                               | 4,418                |                | 4,418          |
| Common stock                                  | 944                  |                | 944            |
| Stock options issued                          | 10                   |                | 10             |
| Equity portion of convertible preferred stock | 9                    |                | 9              |
| Capital in excess of par value                | 66,998               |                | 66,998         |
| Retained earnings                             | 34,270               |                | 34,270         |
| Cumulative translation adjustments            | (248)                |                | (248)          |
| Treasury Stock                                | 0                    | (5,620) *      | (5,620)        |
| <b>TOTAL EQUITY</b>                           | <b>106,401</b>       | <b>(5,620)</b> | <b>100,781</b> |

\* Assumes 2 million shares purchased at P 2,810 (PLDT closing price at the PSE on January 29, 2008).  
Final amount shall be based on the actual purchase price for the shares.