

19 April 2011

Philippine Long Distance Telephone Company
Ramon Cojuangco Building
Makati Avenue, Makati City

Attention: The Board of Directors

Gentlemen:

Fairness Opinion

Philippine Long Distance Telephone Company's Acquisition of Digital Telecommunications Philippines, Inc.

We refer to our engagement pursuant to which CLSA Exchange Capital, Inc. and its affiliates ("CLSA") has been appointed as the independent financial advisor to advise the Board of Directors of the Philippine Long Distance Telephone Company ("PLDT" or the "Company") in connection with its acquisition of Digital Telecommunications Philippines, Inc. ("Digitel") (the "Transaction").

This letter has been prepared for inclusion in the circular issued by the Company to its shareholders.

This letter outlines the scope of CLSA's work as independent financial advisor, the principal factors considered in formulating our opinion, an industry overview, a description of the Transaction and key terms, our understanding of the commercial rationale for the Transaction, our valuation analysis, and conclusion.

I. Scope of Work

The principal responsibilities of CLSA in its capacity as independent financial advisor to the Board of Directors of PLDT would include the following:

- a) to undertake a review of the Transaction, including but not limited to the price, structure, terms and conditions of the Transaction; and
- b) to prepare a letter to the Board of Directors of the Company and advise them of our opinion as to whether or not the Transaction is fair and reasonable and in the interest of the Company and its shareholders as a whole.

It is agreed that such responsibilities may be carried out by CLSA, any affiliate of CLSA or other member of the CLSA group.

II. Principal Factors Considered in Formulating our Opinion

In formulating our opinion, we have relied on the information, opinions, and facts supplied, and representations made to us by the Directors, representatives of the Company and the Company's financial advisor. We have assumed that all such information, opinions, facts, and representations, which have been provided to us by the Directors, representatives and the financial advisor of the Company, and for which they are wholly responsible, are true and accurate in all material respects. We have also relied on certain information available to the public and we have assumed such information to be accurate and reliable. We have not independently verified the accuracy of such information nor have we conducted any due diligence on Digitel. Further, we have relied on the representations of the Directors of the Company that they have made all reasonable enquiries, and that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement contained in the Announcement untrue or misleading.

We consider that we have reviewed sufficient information to enable us to reach an informed view regarding the Transaction to justify our opinion, relying on the accuracy of the information provided by the Company, as well as to provide a reasonable basis for our advice. It is not within our terms of reference to comment on the commercial feasibility of the Transaction, which remains the responsibility of the Directors. As the independent financial advisor to the Board of Directors of the Company, we have not been involved in the negotiations in respect of the terms and conditions of the Transaction. Our opinion with regard to the terms and conditions thereof has been formed on the assumption that all obligations to be performed by each of the parties to the Transaction will be fully performed in accordance with the terms and conditions thereof. Further, we have no reason to suspect that any material facts or information have been omitted or withheld from the information supplied or opinions expressed to us nor to doubt the truth, accuracy and completeness of the information, facts and representations provided, or the reasonableness of the opinions expressed, to us by the Company, its Directors, and its representatives, nor have we conducted any form of independent investigation into the business affairs or assets and liabilities of the Company. Accordingly, we do not warrant the accuracy or completeness of any such information.

Our opinion is necessarily based upon market, economic, and other conditions as they existed and could be evaluated, and on the information publicly available to us, as of the date of this opinion. We have no obligation to update this opinion to take into account events occurring after the date that this opinion is delivered to the Board of Directors of the Company. As a result, circumstances could develop prior to completion of the Transaction that, if known to us at the time we rendered our opinion, could have altered our opinion.

In addition, our opinion is also subject to the following qualifications:

- a) We are instructed to act as the independent financial advisor to the Board of Directors of the Company in relation to the Transaction. As such, the scope of our review, and consequently, our opinion does not include any statement or opinion as to the commercial merits or strategic rationale of the Transaction;

- b) We do not express any opinion or statement as to whether any similar terms or transactions akin to the terms proposed for the Transaction are or might be available from any independent third parties, nor as to whether any independent third parties might offer to enter into similar transactions;
- c) It is not possible to confirm whether or not the Transaction is in the interests of each individual shareholder and each shareholder should consider his/her/its vote on the merits or otherwise of the Transaction in light of his/her/its own circumstances and from his/her/its own point of view having regard to all the circumstances (and not only the financial perspectives offered in this letter) as well as his/her/its own objectives;
- d) In preparing this letter and in giving any opinion or advice, we have only had regard to the Transaction and necessary circumstances thereof in connection only with the Transaction, and not in connection with any other business plan, strategy or transaction, past or present, with regard to the Company as a whole, which falls beyond the scope of our opinion in connection with the Transaction;
- e) We express no opinion as to whether the Transaction will be completed nor whether it will be successful;
- f) Nothing contained in this letter should be construed as us expressing any view as to the trading price or market trends of any securities of the Company at any particular time;
- g) Nothing contained in this letter should be construed as a recommendation to hold, sell, or buy any securities of the Company; and
- h) We were not requested to, and did not provide, advice concerning the structure, the specific amount of consideration, the timing, pricing, size, feasibility, or any other aspects of the Transaction.

CLSA has been accredited by the PSE for the purpose of issuing fairness opinions and valuation reports as per requirements of the rules of the PSE. The existing accreditation for this purpose is valid until 19 April 2012. Furthermore, in a letter dated 19 April 2011, the PSE stated that it considers CLSA to be independent for the purpose of issuing a fairness opinion in connection with this Transaction.

CLSA is licensed by the Republic of the Philippines Securities and Exchange Commission as an investment house, pursuant to Presidential Decree 129. Under such decree, CLSA is authorized to act as financial consultant, investment adviser, or broker (Sec. 7.6). We, together with our affiliates, provide a full range of investment banking and brokerage services, which, in the course of normal trading activities, may from time to time effect transactions and hold securities, including derivative securities, of the Company, its subsidiaries or its substantial shareholder for our own account and the accounts of our customers. CLSA will receive a fee from the Company for rendering this opinion. The Company has also agreed to indemnify CLSA and certain related persons against liabilities and expenses in connection with this engagement.

In arriving at our opinion, we have taken in to consideration, among others, each of the following principal factors and reasons set out below. Our conclusions are based on the results of all analyses taken as a whole.

III. Industry Overview¹

A discussion on the Philippine telecommunications industry is presented below. It is based on the information appearing in the 2010 PLDT 17-A filing.

Fixed line

PLDT is the market leader in the fixed line business through its extensive network in all major urban areas in the Philippines. It competes with newer players - Digitel, Bayan Telecommunications, Inc. (“BayanTel”) and Globe Telecom, Inc. (“Globe”), which provide similar services through traditional fixed line and “fixed wireless landline services.”

Philippine telecommunications companies have seen a shift in their revenue mix away from the fixed line business towards wireless.

Wireless

There are three major wireless service providers in the Philippines, namely Smart, Globe and Digitel. Smart, a subsidiary of PLDT, is the largest player in this business segment, with Globe coming in second. Combined, Smart and Globe have an estimated 82% market share in the cellular telephone market, as of end-2010. The third active operator, Digitel competes in the wireless business through its brand, Sun Cellular, and is estimated to have an 18% market share.

There has been a noticeable increase in the level of competition in the cellular telecommunications industry because of the availability of lower priced handsets that offer a wide range of functions. Furthermore, new plan offerings for postpaid subscribers, lower rates per minute and aggressive advertising and promotions have intensified competition. In addition, market players have now introduced “bucket” plans that provide unlimited voice and text services that, while still being offered on promotional basis, hope to encourage additional usage from existing subscribers and attract new subscribers.

PLDT views the principal areas of competition in the industry to be price, including handset cost, quality of service, network reliability, geographic coverage and attractiveness of packaged services.

¹ Source: PLDT 17-A for 2010

Broadband

Data and other network services is a fast growing segment in the Philippine telecommunications industry and is driven by increased consumer and retail broadband internet access, enterprise resource planning applications, customer relationship management, knowledge processing solutions, online gaming and other e-services that drive the need for broadband and internet-protocol based solutions. Major players in this segment are PLDT, Globe, BayanTel and Digitel.

PLDT views the principal bases of competition in the data services segment to be coverage, price, value for money, bundles or free gifts, customer service and quality of service.

IV. The Transaction and Key Terms²

We refer to the announcement dated 29 March 2011 issued by PLDT and Digitel (the “Announcement”) regarding the approval by the respective Boards of Directors of PLDT and JG Summit Holdings, Inc. (“JGS”) of the acquisition by PLDT of JGS’s and certain other parties’ ownership interest in Digitel comprising (i) 3,277,135,882 common shares in Digitel, representing a 51.55% equity stake; (ii) zero-coupon convertible bonds (“CB”) issued by Digitel and its subsidiaries to JGS and its subsidiaries (“JGS Group”) which are assumed to be convertible into approximately 18,603,265,971 shares of Digitel by 30 June 2011; and (iii) intercompany advances of PhP 34,118,544,087 made by the JGS Group and certain of such parties to Digitel and its subsidiaries (the “Assets”).

We understand that the agreed consideration for the Assets is PhP 69,198,024,410 which will be settled by the issuance of one new PLDT common share for every PhP 2,500 consideration payable for the Assets.

Furthermore, PLDT has stated its intention to conduct a tender offer, being a mandatory tender offer for all the remaining Digitel shares held by the public shareholders of Digitel (who hold, in aggregate, approximately 48.45% of the issued common stock of Digitel). Under the tender offer, PLDT will offer to purchase Digitel shares at a price of PhP 1.6033 per Digitel share, which will be paid in the form of either PLDT shares issued at PhP 2,500 per share or cash, at the option of the Digitel shareholder. Should all minority shareholders of Digitel accept the offer by PLDT, PLDT will issue a total of 29.65 million new PLDT shares for the acquisition of the Assets and of the remaining Digitel shares held by the minority shareholders under the tender offer, representing approximately 13.7% of the enlarged share capital of PLDT on a fully diluted basis.

The key terms of the Transaction are summarized in Table 1 below:

Table 1 - Summary of Key Transaction Terms

Subject of acquisition	<ul style="list-style-type: none"> ▪ Controlling interest in Digitel from JGS Group: <ul style="list-style-type: none"> ○ 49.57% equity stake in Digitel ○ Convertible bonds
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² Taken from PLDT’s and Digitel’s disclosures on the Transaction dated 29 March 2011

	<ul style="list-style-type: none"> ○ JGS advances to Digitel Group
	<ul style="list-style-type: none"> ▪ Further common shares held by certain parties representing 1.98% of Digitel ▪ PLDT to undertake mandatory tender offer for all remaining common shares of Digitel
Consideration for the acquisition	<ul style="list-style-type: none"> ▪ New PLDT shares to be issued at PhP 2,500 per share ▪ Minority shareholders of Digitel to be offered a cash option of PhP 1.6033 per share (“Tender Offer Cash Option”) ▪ 29.65Mn PLDT shares will be issued (13.70% of the enlarged share capital) if all minority shareholders take up PLDT shares

PLDT is a telecommunications service provider in the Philippines. Through its three principal business groups - wireless, fixed line, and information and communications technology - PLDT offers a wide range of telecommunications services to its subscribers in the Philippines. PLDT's subsidiaries and affiliates include Smart, a cellular service provider, and ePLDT, Inc., an integrated information and communications technology provider.

Digitel is a provider of wireless communication systems through the Sun Cellular brand. It offers a portfolio of telecommunications services, including wireless voice and internet together with an array of fixed line telephony products.

JGS is the holding company of the Gokongwei family with a diversified portfolio of businesses including consumer food manufacturing, aviation, real estate, petrochemicals, banking and telecommunications.

PLDT, Digitel, and JGS are each listed on the Philippine Stock Exchange (the “PSE”).

V. Reasons For and Benefits of Entering Into the Transaction

As disclosed in the Announcement of PLDT, the commercial rationale for the Transaction can be summarized as follows:

a) Operational efficiencies³

PLDT has stated that it expects to achieve substantial benefits for the consumers, the general public and shareholders of PLDT and JGS as a result of this transaction. The Company believes that the combined entity will be better positioned to offer higher quality and even more affordable services to fixed line, wireless, and broadband subscribers.

PLDT has disclosed that it plans to keep the mobile operations of Digitel separate and intact. The Company plans to capitalize on Sun Cellular’s operations and brand equity to serve specific segments of the market, specifically those who prefer the “unlimited” type of service.

³ Largely taken from PLDT and Digitel disclosures dated 29 March 2011

In addition, the Company believes that Digitel's fixed line operations complement those of PLDT's in terms of geographic and population reach. PLDT also plans to offer to Digitel subscribers a wider range of services, including 3G and broadband.

b) Cost efficiencies⁴

PLDT believes that the Transaction can realize significant cost savings from capital expenditure optimization, co-location of base stations, consolidation of overlapping technical systems, implementation of shared services, bulk purchasing of network equipment, communication devices and other materials, and elimination of duplicated costs. Furthermore, the Transaction is viewed to be able to improve network utilization and service quality through complementary technologies and greater network density.

As mentioned in Section II of this letter headed "Principal Factors Considered in Formulating our Opinion", we render no opinion on the above commercial rationale, reasons and benefits of the Transaction.

⁴ Largely taken from PLDT and Digitel disclosures dated 29 March 2011

VI. Valuation Analysis of the Transaction

Based on the terms of the Transaction described in Section IV above we have derived the following computations shown in Tables 2 and 3 below:

Table 2 – Transaction and Enterprise Value using the Digitel Transaction Offer Price of PhP 1.60 per share and PLDT Price of PhP 2,500 per share

(in Mn shares unless otherwise specified)	
Existing Digitel shares	6,357.0
Shares from Convertible Bonds ("CB") held by JGS	18,603.3
Shares from CB held by others	2.1
(1) Fully Diluted Digitel shares	24,962.3
(2) Digitel Transaction Offer Price per share (PhP)	1.60
(all in PhP Mn unless otherwise specified)	
Value of existing Digitel shares and shares from CB held by JGS	40,017.2
Add: JGS Advances	34,118.5
(3) Total Transaction value (Equity value at PLDT price of PhP 2,500)	74,135.7
Add: Value of shares from CB held by others	3.4
Add: Digitel Net Debt*	25,692.4
(4) Enterprise value using PLDT price of PhP 2,500	99,831.5
Total Transaction value	74,135.7
Divided by: PLDT price/share for the Transaction (PhP/share)	2,500.00
(5) Total new PLDT shares (Mn shares)	29.7
Equivalent PLDT shares for existing Digitel shares and shares from CBs held by JGS	16.0
Equivalent PLDT shares for JGS Advances	13.6

* Net debt is the sum of Long term debt, Accrued project cost and Unamortized debt issue costs less Cash.

As stated in the Announcement of PLDT and Digitel, the total Transaction value is PhP 74.1Bn. This translates into 29.7Mn new PLDT shares to be issued to existing Digitel shareholders, assuming all shareholders convert their Digitel shares to PLDT shares. Of this, 16.0Mn new PLDT shares will be issued in exchange for existing Digitel shares and the equivalent Digitel shares due to CB holders with the balance of 13.6Mn new PLDT shares to be issued in exchange for the JGS Advances.

Table 3 - Transaction and Enterprise Value using the PLDT Market Price 1 Day Prior to the Announcement of the Transaction of PhP 2,036

(all in PhP Mn unless otherwise specified)	
Equivalent PLDT shares for existing Digitel shares and shares from CBs held by JGS	16.0
Multiplied by: PLDT market price prior to announcement (PhP/share)	2,036.00
(1) Market value of Equivalent PLDT shares for existing Digitel shares and shares from CBs held by JGS	32,590.2
Divided by: Existing Digitel shares and shares from CBs held by JGS (Mn shares)	24,960.2
(2) Offer price per fully diluted Digitel share using the PLDT market price ("Market Adjusted All Shares Digitel Price") (PhP)	1.31
Enterprise value calculation using market value of PLDT shares	
Total new PLDT shares (Mn shares)	29.7
Multiplied by: PLDT market price prior to announcement (PhP/share)	2,036.0
	60,376.3
Add: Value of shares from CB held by others	3.4
Market Adjusted All Shares Equity Value	60,379.7
Add: Digitel Net Debt*	25,692.4
(3) Market Adjusted All Shares Enterprise Value	86,072.1

** Net debt is the sum of Long term debt, Accrued project cost and Unamortized debt issue costs less Cash.*

As Table 3 shows, the value of the 16.0Mn new PLDT shares to be exchanged for all the Digitel shares, using the PLDT Market Price, instead of PhP 2,500 per share, is approximately PhP 32.6Bn. This translates into an Offer price per fully-diluted Digitel of PhP 1.31 ("Market Adjusted All Shares Digitel Offer Price"). This translates into a Market Adjusted All Shares Equity Value of PhP 60.4Bn and a Market Adjusted All Shares Enterprise Value of PhP 86.1Bn.

Furthermore, if all minority Digitel shareholders choose the Tender Offer Cash Option, the effective price of Digitel to PLDT is PhP 1.34 per share ("Market Adjusted Shares and Cash Digitel Average Price"). This translates into a Market Adjusted Shares and Cash Equity Value of PhP 61.3Bn and a Market Adjusted Shares and Cash Enterprise Value of PhP 87.0Bn (See Appendix B).

Valuation Approaches

In formulating our opinion of the Transaction, we have considered the following valuation approaches:

- a) Comparison of the multiples to be paid by PLDT with the relevant trading multiples of comparable companies.
- b) Comparison of the premium to Digitel's share price to be paid by PLDT to premiums or discounts paid in comparable transactions.
- c) Analysis of the historical share price performance of Digitel.
- d) Analysis of the historical share price performance of PLDT.

All the information gathered in this analysis has been derived from sources available to the public. We have assumed such information to be accurate and reliable and have not independently verified the accuracy of such information.

a) Comparison with trading multiples of comparable companies

Unless otherwise noted, financial information, including but not limited to Enterprise Values (“EV”) and Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”), was taken from latest available data provided by Bloomberg Professional Service (“Bloomberg”). Bloomberg is one of the largest providers of financial, economic, trading, and other information to subscribers. Bloomberg Professional is a continuous data feed service that includes real-time, historical and descriptive data, analytics and news on a number of markets and securities. Bloomberg financial estimates used in this study are the mean of broker estimates which are publicly available to them and are quoted in United States dollars (“USD”). When a conversion to Philippine Peso (“PhP”) is necessary for the purpose of this analysis, we applied the same exchange rate used by Bloomberg as of the date of the estimate. Information on each company’s subscribers and ARPU were derived from such company’s publicly-available disclosures.

Philippine Comparable Companies

As discussed in Section III, there are three major competitors in the telecommunications industry in the Philippines, namely PLDT, Globe and Digitel, who together account for 100% of the Philippine cellular telephone market. The common shares of all three companies are listed on the Philippine Stock Exchange (“PSE”) and their market trading statistics, as of 4 April 2011 are presented in Table 4:

Table 4 – Philippine Comparable Company Multiples (As of 4 April 2011)

	Enterprise value (PhP Mn)	EV/EBITDA* 2010 (x)
PLDT	500,653	5.9
Globe	155,924	4.6
Digitel**	105,492	18.8
<i>(1 day prior to announcement)</i>		
Low		4.6
Average		9.8
High		18.8

* Source: Bloomberg & Digitel disclosures, where applicable

** Computation of Digitel EV assumes full conversion of Convertible Bonds and adds Shareholder Advances

We note that Digitel’s capital structure includes a significant amount of zero coupon convertible bonds (which are convertible into an increasing number of common shares as interest on the bonds is accrued) and shareholder advances. We believe that this makes their capital structure meaningfully different from those of the Philippine and Asian telecommunications companies (See Appendix K). Thus, in the following analysis, we have decided to focus on EV multiples, because EV includes both the value of each company’s capitalization and its market value, and is thus capital structure neutral. This makes it possible for us to make direct and reasonable comparisons between the relevant trading multiples of Digitel and those of its listed Philippine and Asian peers.

It is evident that while both PLDT and Globe trade at approximately similar multiples of 2010 EV/EBITDA, Digitel trades at a significantly higher EV/EBITDA multiple of 18.8x.

We then analyzed Digitel’s trading multiples using its 30, 60 and 90 day Volume Weighted Average Price (“VWAP”)⁵ up to 1 day prior to the Announcement. These results are shown in Table 5 below:

Table 5 - Philippine Comparable Company Multiples using Digitel’s 30, 60 and 90 day VWAP

	Enterprise value (PhP Mn)	EV/EBITDA* 2010 (x)
PLDT	500,653	5.9
Globe	155,924	4.6
Digitel**		
30 day VWAP	101,248	18.1
60 day VWAP	100,500	17.9
90 day VWAP	100,000	17.8
Low		4.6
Average	with Digitel 30 day VWAP	9.5
	with Digitel 60 day VWAP	9.5
	with Digitel 90 day VWAP	9.4
High		18.1

* Source: Bloomberg & Digitel disclosures, where applicable

** Computation of Digitel EV assumes full conversion of Convertible Bonds and adds Shareholder Advances

Table 5 illustrates that even if we use Digitel’s 30, 60 and 90 day VWAP, its trading multiples remain approximately the same, i.e. its 2010 EV/EBITDA multiples range from 17.8x to 18.1x.

We further analyzed Digitel’s 2009 and 2010 trading multiples using its 2009 and 2010 VWAP, respectively. As Table 6 below shows, using Digitel’s 2009 VWAP, its 2009 EV/EBITDA multiple is 18.1x. Using its 2010 VWAP, Digitel’s 2010 EV/EBITDA multiple is 17.2x.

⁵ VWAP is defined as Total Value Traded for the period divided by Total Volume Traded for the period

Table 6 – Historical Philippine Company Multiples using 2009 and 2010 VWAP for Philippine Comparables

	2009 VWAP	Enterprise value (PhP Mn)	EV/EBITDA* 2009 (x)
PLDT	2,306.55	489,091	5.7
Globe	912.35	163,130	4.5
Digitel**	1.39	84,022	18.1
<i>Low</i>			4.5
<i>Average</i>			9.4
<i>High</i>			18.1

	2010 VWAP	Enterprise value (PhP Mn)	EV/EBITDA* 2010 (x)
PLDT	2,506.91	523,607	6.1
Globe	895.33	163,379	4.8
Digitel**	1.52	96,559	17.2
<i>Low</i>			4.8
<i>Average</i>			9.4
<i>High</i>			17.2

* Source: Bloomberg & Digitel's 2010 Audited Financial Statements

** Computation of Digitel EV assumes full conversion of Convertible Bonds and adds Shareholder Advances

It is clear that even on a historical basis, Digitel's trading multiples have been significantly higher than those of its Philippine listed peers, PLDT and Globe. In light of this, we believe that the correct way to evaluate the reasonableness of the Transaction is to compare the consideration being offered by PLDT to the historical and current trading multiples of Digitel on a stand-alone basis. We present this analysis in Table 7 below:

Table 7 - Historical and Current Digitel Trading Multiples

Digitel Share Data	Price (PhP/share)	EV/EBITDA (x)
2009 VWAP	1.39	18.1
2010 VWAP	1.52	17.2
1 day prior to announcement	1.83	18.8
30 day VWAP	1.66	18.1
60 day VWAP	1.63	17.9
90 day VWAP	1.61	17.8
Average		18.0
Transaction Offer Price	1.60	17.8
Market Adjusted Shares and Cash Digitel Average Price	1.34	15.5
Market Adjusted All Shares Digitel Offer Price	1.31	15.4

Based on this analysis, the EV/EBITDA multiple which PLDT proposes to pay using the Digitel Transaction Offer Price of PhP 1.60 per share is below the average of the historical and current EV/EBITDA multiples of Digitel.

Furthermore, using the Market Adjusted Shares and Cash Digitel Average Price of PhP 1.34 and the Market Adjusted All Shares Digitel Offer Price of PhP 1.31 result in EV/EBITDA multiples which are lower than the historical and current EV/EBITDA multiples of Digitel.

An additional valuation benchmark we examined is the EV per Subscriber (“EV/Subscriber”). This multiple is used in the telecommunications, cable and media industries to provide a quantitative measure of the value which market investors place on each company’s customer base, which forms the basic foundation for such company’s revenues. To a certain extent, the EV/Subscriber multiple can be considered the cost of acquiring a subscriber based on the company’s share price. In this analysis, “Subscriber” refers to wireless subscribers only. Table 8 shows that the EV/Subscriber multiples which results from Digitel’s Transaction Offer Price is within the range of multiples for the Philippine comparable companies.

Table 8 – Philippine Comparable Companies EV/Subscriber and ARPU

	Enterprise value* (USD Mn)	Subscribers*** (Mn)	EV/Subscriber (USD)	ARPU*** (USD/mo)
PLDT	11,562.4	45.6	253.4	3.6
Globe	3,601.0	26.5	135.9	3.8
Digitel**	2,436.3	14.0	173.6	1.9
<i>(1 day prior to announcement)</i>				
Low			135.9	
Average			187.6	
High			253.4	

* Source: Bloomberg & Digitel disclosures, where applicable. Bloomberg supplied USD-PhP 43.30

** Computation of Digitel EV assumes full conversion of Convertible Bonds and adds Shareholder Advances

*** Taken from Company Disclosures (ARPU is defined as Average Revenue per User)

Digitel Transaction Multiples

Transaction Offer Price (PhP 1.60)	2,305.6	14.0	164.3	1.9
Market Adj. Shares and Cash Digitel Avg Price (PhP 1.34)	2,009.0		143.2	
Market Adj. All Shares Digitel Offer Price (PhP 1.31)	1,987.8		141.7	

Asian Comparable Companies

We also examined the trading multiples of Asian telecommunications companies that operate in (i) Asia ex-Japan, (ii) are publicly traded, and (iii) are primarily engaged in providing mobile telecommunications services. We note however, that the environment and characteristics of each of these markets are different from that of the Philippines.

Table 9 – Asian Comparable Company Multiples

Company	Country	EV* (USD Mn)	EV/EBITDA* 2010 (x)	Subscribers** (Mn)	EV/Subscriber (USD)	ARPU*** (in USD/mo)
Asian Telecommunications Companies						
China Mobile Ltd	China	127,662	4.1	584.0	218.6	10.8
China Unicom Hong Kong Ltd	China	42,951	5.5	167.4	256.5	6.5
Reliance Communications Ltd	India	12,757	6.9	125.7	101.5	2.4
Idea Cellular Ltd	India	7,437	10.0	81.8	90.9	3.7
Telekomunikasi Indonesia Tbk PT	Indonesia	19,566	4.5	94.0	208.1	4.6
Indosat Tbk PT	Indonesia	5,840	5.3	44.3	131.8	2.0
DiGi.Com Bhd	Malaysia	7,472	9.8	8.8	852.5	16.2
StarHub Ltd	Singapore	4,233	8.9	2.1	1,973.4	15.6
M1 Ltd/Singapore	Singapore	2,038	8.1	1.9	1,066.5	10.6
SK Telecom Co Ltd	S. Korea	15,136	3.8	25.7	588.8	35.8
Taiwan Mobile Co Ltd	Taiwan	9,580	9.7	6.4	1,497.1	22.8
Far EasTone Telecommunications Co Ltd	Taiwan	5,050	6.6	6.4	794.0	22.6
Advanced Info Service PCL	Thailand	9,158	5.5	31.2	293.5	7.7
Total Access Communication PCL	Thailand	3,627	4.5	21.6	167.7	8.5
		Low	3.8		90.9	
		Average	6.7		588.7	
		High	10.0		1,973.4	
Transaction Offer Price (Php 1.60)		2,306	17.8	14.0	164.3	1.9
Market Adjusted Shares and Cash Digitel Average Price (Php 1.34)		2,009	15.5		143.2	
Market Adjusted All Shares Digitel Offer Price (Php 1.31)		1,988	15.4		141.7	

Notes:

* Source - Bloomberg

** Source - Company Disclosures

*** ARPU is Average Revenue per User. Source - Company Disclosures

For Asian telecommunications companies, the range of EV/EBITDA multiples is from 3.8x to 10.0x 2010 EBITDA. The range for EV/Subscriber is USD 90.9 to USD 1,973.4 for each subscriber as of 2010. Thus, when compared to the EV/EBITDA multiples of Asian comparable companies, the Transaction's EV/EBITDA multiples are higher than the range. However, it is important to note that the multiples of the Asian comparable companies do not reflect any premium for control.

The resulting EV/Subscriber multiples resulting from the Transaction, however, are within the range of the EV/Subscriber multiples of comparable companies. We note however, that Digitel's ARPU is lower than those of its Asian peers.

b) Comparison with premiums or discounts paid in comparable M&A transactions

We have examined a number of similar M&A transactions that have taken place in the telecommunications industry over the past 5 years. We selected transactions which involved the acquisition of a controlling stake of up to a 100% stake in a target company in exchange for a combination of shares of the acquiring company and cash, or cash only.

Information on mergers and acquisitions transactions was taken from the Thomson One database. Thomson One provides information on completed transactions, deal flow, mandates and valuations. Thomson One is a product of Thomson Reuters, an information service provider that also offers data products for legal, science, healthcare, media, accounting and tax.

The transactions analyzed include (i) international acquisitions of up to 100% stakes in the telecommunication industry using shares and cash (Table 10), and (ii) international acquisitions of controlling stakes in the telecommunication industry using only cash (Table 11).

Table 10 - Comparable Transactions for Control in the Telecommunications Industry Using Shares and Cash

Date	Target	Target Country	Acquiror	Ownership		Deal Size (USD Mn)	Offer Price to Target Stock Price Premium		
				Pre-deal	Post-deal		1 Day	1 Week	4 Weeks
Ongoing	T-Mobile USA	USA	AT&T	0.0%	100.0%	39,000	Not applicable: T-Mobile not listed		
Apr-11	Qwest Commun Intl	USA	CenturyLink Inc	0.0%	100.0%	22,276	36.6%	43.1%	29.6%
Jun-10	Iowa Telecom Services	USA	Windstream Corp	0.0%	100.0%	1,154	29.9%	31.7%	36.5%
Nov-09	Virgin Mobile USA Inc	USA	Sprint Nextel Corp	16.6%	100.0%	539	30.6%	46.7%	36.8%
Apr-09	People Telecom Ltd	Australia	M2 Telecommun Grp	0.0%	100.0%	12	138.5%	148.0%	148.0%
Sep-07	Orion Telecommunications	Australia	M2 Telecommun Grp	0.0%	100.0%	15	30.9%	38.8%	20.5%
Mar-07	Commonwealth Telephone Entrp	USA	Citizens Communications	0.0%	100.0%	884	8.3%	17.2%	22.0%
Jan-07	America Telecom SA de CV	Mexico	America Movil SA de CV	0.0%	100.0%	31,757	16.1%	23.3%	30.8%
Dec-06	BellSouth Corp	USA	AT&T Inc	0.0%	100.0%	72,671	17.9%	17.4%	25.8%
Jul-06	Virgin Mobile Holdings(UK)PLC	UK	NTL Inc	0.0%	100.0%	1,699	19.2%	22.0%	13.6%
Mar-06	Tele Leste Celular SA	Brazil	Telesp Celular Participacoes	0.0%	100.0%	63	159.2%	200.8%	187.5%
Mar-06	Telesudeste Celular	Brazil	Telesp Celular Participacoes	0.0%	100.0%	83	102.2%	127.9%	124.6%
Mar-06	Celular CRT Participacoes SA	Brazil	Telesp Celular Participacoes	0.0%	100.0%	171	8.6%	16.8%	19.0%

Low	8.3%	16.8%	13.6%
Average	49.8%	61.1%	57.9%
Median	30.3%	35.3%	30.2%
High	159.2%	200.8%	187.5%

Source: Thomson One

	Offer Price to Target Stock Price Premium (Discount) ⁶		
	1 Day	1 Week	4 Weeks
Digitel Transaction Offer Price of PhP 1.60	(12.6%)	1.9%	26.0%
Market Adjusted Shares and Cash Digitel Average Price of PhP 1.34	(26.8%)	(14.7%)	5.5%
Market Adjusted All Shares Digitel Offer Price of PhP 1.31	(28.4%)	(16.6%)	3.2%

⁶ Digitel's market price 1 day prior to the announcement was PhP 1.83, 1 week prior was PhP 1.57, 4 weeks prior was PhP 1.27

Table 11 - Comparable Transactions in the Telecommunications Industry Using Cash Only

Date	Target	Target Country	Acquiror	Ownership		Deal Size (USD Mn)	Offer Price to Target Stock Price Premium		
				Pre-deal	Post-deal		1 Day	1 Week	4 Weeks
Dec-10	ITC Deltacom Inc	USA	EarthLink Inc	0.0%	100.0%	580	106.9%	93.6%	106.9%
Dec-09	iPCS Inc	USA	Sprint Nextel Corp	0.0%	92.3%	832	27.0%	35.2%	33.0%
Nov-09	Centennial Communications	USA	AT&T Inc	0.0%	100.0%	947	145.0%	138.8%	182.4%
Aug-08	Rural Cellular Corp	USA	Cellco Partnership	0.0%	100.0%	733	40.5%	35.1%	34.3%
Feb-08	SunCom Wireless Holdings Inc	USA	T-Mobile USA Inc	0.0%	100.0%	2,399	22.7%	26.9%	34.3%
Aug-07	CT Communications	USA	Windstream Corp	0.0%	100.0%	648	46.0%	47.5%	28.2%
Aug-06	Eircom Group PLC	Ireland	BCM Ireland Holdings Ltd	28.8%	100.0%	2,083	4.8%	7.3%	14.0%
Jul-06	Ubiquitel Inc	USA	Sprint Nextel Corp	0.0%	100.0%	1,033	1.6%	1.9%	3.1%
Apr-06	Intrado Inc	USA	West Corp	0.0%	100.0%	512	13.0%	13.4%	13.0%
Mar-06	Shin Corp PCL	Thailand	Investor Group	49.6%	96.9%	1,786	4.2%	4.8%	13.2%

Low	1.6%	1.9%	3.1%
Average	41.2%	40.5%	46.2%
Median	24.9%	31.0%	30.6%
High	145.0%	138.8%	182.4%

Source: Thomson One

	Offer Price to Target Stock Price Premium (Discount) ⁷		
	1 Day	1 Week	4 Weeks
Digitel Transaction Offer Price of PhP 1.60	(12.6%)	1.9%	26.0%
Market Adjusted Shares and Cash Digitel Average Price of PhP 1.34	(26.8%)	(14.7%)	5.5%
Market Adjusted All Shares Digitel Offer Price of PhP 1.31	(28.4%)	(16.6%)	3.2%

We note that in the international comparable M&A transactions involving cash and shares, the premiums paid over the Target's share price one day before the announcement ranged from a low of 8.3% to a high of 159.2%, while the premiums paid over the Target's share price one week prior and four weeks prior to announcement ranged from 16.8% to 200.8%, and 13.6% to 187.5%, respectively.

Furthermore, for M&A transactions with considerations paid in cash only, the range of premiums paid over the Target's share price one day, one week, and four weeks prior to announcement were 1.6% to 145.0%, 1.9% to 138.8% and 3.1% to 182.4%, respectively.

The Digitel Transaction Offer Price of PhP 1.60 represents a 12.6% *discount* to the previous day's closing share price of Digitel and a 1.9% and 26.0% premium to its closing share price one week prior and four weeks' prior to the Announcement. These premiums are in the lower end of the range of comparable premiums paid in similar international transactions in the telecommunications industry shown in Tables 10 and 11.

⁷ Digitel's market price 1 day prior to the announcement was PhP 1.83, 1 week prior was PhP 1.57, 4 weeks prior was PhP 1.27

If the Market Adjusted All Share Offer Price of PhP 1.31 is used, this would represent a 28.4% *discount* to Digitel’s previous day’s closing share price, and a 16.6% *discount* and 3.2% *premium*, respectively, to its closing share price one week prior and four weeks’ prior to the Announcement. The Market Adjusted Share and Cash Average Price of PhP 1.34 would represent *discounts* to Digitel’s prior day and one week prior closing share prices of 26.8%, 14.7%, respectively, and a 5.5% *premium* over Digitel’s closing share price four weeks’ prior to the Announcement. These discounts and premiums are at the lower end of the range of premiums paid in similar transactions described in Tables 10 and 11 above.

c) Analysis of the historical share price performance of Digitel

The following chart (Figure 1) sets forth (i) the historical share price of Digitel for the period 4 January 2010 to 5 April 2011, (ii) the offer price for Digitel shares of PhP 1.60 per share and (iii) Digitel’s 30 day, 60 day and 90 day VWAP, which is computed as the total value traded divided by total volume traded over the stated period.

Figure 1 - Digitel Historical Share Price Performance



(in PhP per share)	Previous close (28 March 2011)	30 day	60 day	90 day
Digitel VWAP	1.83	1.66	1.63	1.61

Source: Technistock

The data illustrates that the Digitel Transaction Offer Price of PhP 1.60 per share is lower than its 30 day, 60 day and 90 day VWAP.

d) Analysis of the historical share price performance of PLDT

The following chart (Figure 2) sets forth (i) the historical share price of PLDT for the period 4 January 2010 to 5 April 2011, (ii) the price of PLDT shares used in the Transaction of PhP 2,500 per share and (iii) 30 day, 60 day, and 90 day VWAP of PLDT.

Figure 2 - PLDT Historical Share Price



(in PhP per share)	Previous close (28 March 2011)	30 day	60 day	90 day
PLDT VWAP	2,036.00	2,180.50	2,292.54	2,334.98

Source: Technistock

The data illustrates the price of PhP 2,500 per share of PLDT is 22.8% higher than its price one day prior to the Announcement, and 14.6%, 9.1% and 7.1% higher than its 30 day, 60 day and 90 day VWAP, respectively. We note that the PLDT share price last traded at the PhP 2,500 per share level in 27 January 2011. We further note that the PLDT EV/EBITDA multiples at PhP 2,036 and PhP 2,500 are in line with those of Philippine and Asian comparable companies as shown in Section IV.a above.

VII. Conclusion

We have considered the terms of the Transaction and having completed an analysis of (a) trading multiples of Philippine comparable companies, (b) trading multiples of Asian comparable companies (c) premiums or discounts paid in comparable transactions, (d) historical share price performance of Digitel, and (e) historical share price performance of PLDT and conclude the following:

- (a) Our historical analysis of Digitel's trading multiples using its 2009 and 2010, and its current 30, 60 and 90 day VWAPs show that Digitel's shares have consistently traded at EV/EBITDA multiples which are significantly higher than those of its listed comparable companies in the Philippines and Asia. We therefore concluded that the proper way to evaluate the Transaction would be to benchmark the value to be paid by PLDT for Digitel against Digitel's historical multiples. Based on this analysis, the EV/EBITDA multiple resulting from the Digitel Transaction Offer Price of PhP 1.60 per share is below the average of historical EV/EBITDA multiples of Digitel using its 2009, 2010 and its current 30, 60 and 90 day VWAPs.
- (b) Further, the EV/Subscriber multiple to be paid by PLDT is also within the range of EV/Subscriber multiples of Philippine and Asian telecommunications companies. Although we note that Digitel's 2010 ARPU is lower than those of its Philippine and Asian peers.
- (c) In addition, we note that the Digitel Transaction Offer Price results in premiums over Digitel's share price 1 week prior and 4 weeks prior to the Announcement which are at the low end of the range for similar premiums paid in comparable international transactions involving telecommunications companies.
- (d) An examination of the historical share prices of Digitel show that the Digitel Transaction Offer Price is also slightly lower than its 30 day, 60 day and 90 day VWAPs.
- (e) The price of PhP 2,500 per share of PLDT is 22.8% higher than its price one day prior to the Announcement, and is 14.6%, 9.1% and 7.1% higher than its 30 day, 60 day and 90 day VWAP, respectively. In addition PLDT's EV/EBITDA multiple at PhP 2,500 per share is within the comparable multiples of Philippine and Asian telecommunications companies.

On the basis of this, we have concluded that the acquisition is fair and reasonable from the perspective of the shareholders of PLDT as a whole.

This letter is provided to the Board of Directors of the Company in connection with, and for the purposes of, their evaluation of the Transaction. This letter may not be disclosed, referred to, or communicated in whole or in part to any third party for any purpose whatsoever except with our prior written approval, provided that a copy of this letter may be included in the circular to be distributed to the shareholders of the Company in connection with the Transaction, and may be referred to or disclosed, in whole or in part, in any other documents that the Company or Digitel may be required by laws or regulations to provide or submit to

the Securities and Exchange Commission or the Philippine Stock Exchange in connection with the Transaction.

Yours faithfully,
For and on behalf of
CLSA Exchange Capital, Inc.



DANILO S. FELICIANO
Managing Director

Appendix A

Telecommunications Industry Discussion as it appears on the 2010 PLDT 17-A¹

Competition

Including us, there are four major LECs, 11 international gateway facility providers and three major cellular service providers in the country. Many new entrants into the Philippine telecommunications market have entered into strategic alliances with foreign telecommunications companies, which provide them access to technological and funding support as well as service innovations and marketing strategies. Consequently, we face increasing competition in major services of the telecommunications industry, particularly data and other network services.

Cellular Service

There are presently three major operating service providers, namely Smart, Globe and Digitel. Globe acquired Inmove to form one operating group while Smart and Red Mobile, all being part of the PLDT Group, form another operating group. These two operating groups have an approximately 82% share of the Philippine cellular market. There are therefore effectively two large competitors in the Philippine cellular market. The third active operator, Digitel, commenced its cellular service, *Sun Cellular*, on March 29, 2003 and is estimated to have an approximately 18% share of the cellular market as at December 31, 2010. In December 2005, the NTC awarded four out of five 3G licenses to existing cellular operators Smart, Globe, Digitel and to a new entrant, CURE. The NTC has yet to award a fifth license to another operator.

Competition in the cellular telecommunications industry has intensified with the increased availability of affordably priced handsets offering a range of new functions and the introduction by competitors of new and improved plans for postpaid subscribers, reduced rates per minute and aggressive marketing and promotional strategies. The principal bases of competition are price, including handset cost, quality of service, network reliability, geographic coverage and attractiveness of packaged services. Smart's network leads the industry in terms of coverage with 10,316 cellular/mobile broadband base stations as at December 31, 2010.

As a result of competitive pressures, service providers, including Smart, have introduced "bucket" plans providing unlimited voice and text services, and other promotions. While most of the "bucket" priced plans currently available in the market are being offered on promotional bases, Smart, Globe and Sun Cellular continue to launch other services that are designed to encourage incremental usage from existing subscribers and also to attract new subscribers.

Cellular operators also compete actively in launching innovative products and VAS. The growing range of cellular products and services include not only text messaging but also multi-media messaging, voice mail, text mail, international roaming, information-on-demand, mobile banking, e-commerce, mobile data, cellular internet access and internet messaging.

On February 14, 2006, Smart opened its 3G network in selected key cities nationwide, making video calling, video streaming, high speed internet browsing and special 3G content downloads on its 3G network available to subscribers with 3G handsets. Likewise, Globe has been rolling out its 3G network.

Consistent with industry practice and Smart's churn management efforts, Smart "locks" the handsets it sells to its subscribers, rendering them incompatible with SIM cards issued by competitors and thereby hindering them from swapping the existing SIM for a SIM of a competing operator. However, subscribers can have their handsets "unlocked" by unauthorized parties for a nominal fee and purchase new SIM cards from competing operators. "Unlocking" does not involve significant cost to the subscribers. Switching to another cellular operator would, however, result in a change of the subscriber's cellular telephone number.

In order to avail themselves of promotions and cost efficient network-to-network calling rates, cellular subscribers in the Philippines have increasingly been subscribing to the services of multiple wireless operators. As a result, the increases in 2009 and 2010 in our cellular subscriber base and the penetration rate of the wireless market in the Philippines were primarily attributable to such "multiple SIM card ownership".

¹ Taken from 2010 PLDT 17-A, pp.29-32

Local Exchange Service

The concerted nationwide local exchange line build-out by various providers, as mandated by the Philippine government, significantly increased the number of fixed line subscribers in the country and resulted in wider access to basic telephone service. The growth of the fixed line market, however, remained weak due to the surge in demand for cellular services and, in the past, the general sluggishness of the Philippine economy. Nevertheless, we have sustained our leading position in the fixed line market on account of PLDT's extensive network in key cities nationwide. In most areas, we face one or two competitors. Our principal competitors in the local exchange market are Digitel, BayanTel and Globe, which provide local exchange service through both fixed and "fixed wireless landline services."

There are currently four major fixed wireless landline services in the market that resemble a cellular phone service but provide the same tariff structure as a fixed line service such as the charging of monthly service fees. The earliest such service was provided by Digitel in the fourth quarter of 2005 at a fixed monthly rate of Php672. This service is provided mostly in selected areas of Southern and Northern Luzon where Digitel was lacking fixed cable facilities. Globe quickly followed suit with a similar service at a monthly rate of Php995 which bundled a wireless landline and broadband internet connection of up to 384 kbps. This service is offered in limited areas of Metropolitan Manila such as Makati, Las Piñas, the Visayas region and selected areas of Southern Luzon such as Cavite and Batangas.

BayanTel launched a similar service at lower rates in the second half of 2006, which service maintains two major price points open to both residential and business subscribers. This service is available under two plans, a plan at a monthly rate of Php699 for customers in Metro Manila and a plan at a monthly rate of Php599 for customers in selected regional areas of the Philippines.

In March 2007, we introduced the *PLP*, a postpaid fixed wireless service which was initially available only in regional areas where there were no available PLDT fixed cable facilities. There are two plans being offered for the *PLP* postpaid regular service: (a) Plan 600 with 600 free local outgoing minutes; and (b) Plan 1,000 with 1,000 free local outgoing minutes, and a charge of Php1 per minute in excess of free minutes for both plans. In March 2008, we introduced the prepaid variant of the *PLP*. There are two load plans being offered for the *PLP* prepaid service: (a) Php300 load denomination with free 150 local outgoing minutes; and (b) Php600 load denomination with free 600 local outgoing minutes. Both prepaid plans include unlimited incoming calls for one month, and charges Php2 per minute and Php1 per minute in excess of free local outgoing minutes for Php300 and Php600 denominations, respectively.

International Long Distance Service

There are 11 licensed international gateway facility operators in the country, including us. While we still maintain a leadership position in this highly competitive segment of the industry, our market share in recent years has declined as a result of: (1) competition from other international gateway facility operators and illegal international simple resale operators; (2) an increase in inbound and outbound international long distance calls terminating to and originating from the growing number of cellular subscribers; and (3) the popularity of alternative and cheaper modes of communication such as text messaging, e-mail, internet telephony and the establishment of virtual private networks for several corporate entities, further heightening the competition.

With respect to outbound calls from the Philippines, we compete for market share through our local exchange and cellular businesses, which are the origination points of outbound international calls. We also have introduced a number of marketing initiatives to stimulate growth of outbound call volumes, including tariff reductions and volume discounts for large corporate subscribers. Digitel and Globe have also launched new pricing schemes to grow their outbound call volumes.

With respect to inbound calls into the Philippines, we have been pursuing a number of initiatives to mitigate the decline in our inbound telecommunications traffic, including lowering our termination rates and identifying and limiting unauthorized traffic termination. In addition, we have also established presence, through our wholly-owned subsidiary PLDT Global, in key cities overseas to identify and capture Philippine terminating traffic at its source, maximize the use of our international facilities and develop alternative sources of revenue.

National Long Distance Service

Our national long distance service business has been negatively affected by the growing number of cellular subscribers in the Philippines and the widespread availability and growing popularity of alternative economical non-voice methods of communication, particularly text messaging and e-mail. In addition, various ISPs have launched voice services via the internet to their subscribers nationwide.

While national long distance call volumes have been declining, we have remained a leading provider of national long distance service in the Philippines due to our significant subscriber base and ownership of the Philippines' most extensive transmission network.

PLDT launches from time to time promotions bundled with our other products to attract new subscribers including free PLDT-to-PLDT NDD service.

Data and Other Network Services

The market for data and other network services is a growing segment in the Philippine telecommunications industry. The growth is spurred by the significant growth in consumer and retail broadband internet access, enterprise resource planning applications, customer relationship management, knowledge processing solutions, online gaming and other e-services that drive the need for broadband and internet-protocol based solutions both here and abroad. Our major competitors in this area are Globe, BayanTel and Digitel. The principal bases of competition in data services market are coverage, price, value for money, bundles or free gifts, customer service and quality of service.

Principal Competitors

The table below sets out our principal competitors' market share and other relevant information for the year 2010:

	Asset Base	Operating Revenues	Net Income (Loss) (in millions)	Market Share ⁽¹⁾	
				Fixed Line ⁽²⁾	Cellular
Globe ⁽³⁾	Php130,628	Php65,548	Php9,745	21%	31%
Digitel ⁽⁴⁾	91,619	12,125	851	15%	17%
BayanTel ⁽⁵⁾	-	-	-	-	-

⁽¹⁾ Based on subscriber base.

⁽²⁾ Estimates based on publicly available information.

⁽³⁾ Based on audited 2010 Form 17-A filed with the PSE and SEC, the latest public filing available.

⁽⁴⁾ Based on unaudited 3Q2010 Form 17-Q filed with the PSE and SEC, the latest public filing available.

⁽⁵⁾ No publicly available information.

Appendix B

Computation of Market Adjusted Shares and Cash Average Price

(in Mn shares unless otherwise specified)

Gokongwei Group shares	3,277.1
Independent shareholders	3,079.8
Shares from Convertible Bonds ("CB") held by JGS	18,603.3
Shares from CB held by others	2.1
(1) Fully Diluted Digital shares	24,962.3
(2) Digital Transaction Offer price per share (PhP)	1.60

(all in PhP Mn unless otherwise specified)

Value of Gokongwei Group shares	5,254.0
Add: Value of Shares from CB	29,825.5
Add: JGS Advances	34,118.5
(3) Value of the Assets acquired from Gokongwei Group	69,198.0
Divided by: PLDT price/share for the Transaction (PhP/share)	2,500.00
(4) Total new PLDT shares to Gokongwei Group (Mn shares)	27.7
Equivalent PLDT shares for Fully Diluted Digital shares of the Gokongwei Group	14.0
Equivalent PLDT shares for JGS Advances	13.6

(all in PhP Mn unless otherwise specified)

Equivalent PLDT shares for Gokongwei Group (Mn shares)	14.0
Multiplied by: PLDT market price prior to announcement (PhP/share)	2,036.00
(1) Market value PLDT shares for Fully Diluted Digital shares	28,568.7
Add: Cash payment for Digital shares of Independent Shareholders	4,937.7
(2) Total value paid for fully diluted Digital shares	33,506.4
Divided by: Existing Digital shares and shares from CBs held by JGS (Mn shares)	24,960.2
Offer price per fully diluted Digital share using the PLDT market price ("Market Adjusted Cash & Shares Digital Price") (PhP)	1.34

Enterprise value calculation using market value of PLDT shares

Total new PLDT shares (Mn shares)	27.7
Multiplied by: PLDT market price prior to announcement (PhP/share)	2,036.0
Market Adjusted Value of Total new PLDT shares	56,354.9
Add: Cash payment for Digital shares of Independent Shareholders	4,937.7
Add: Value of shares from CB held by others	3.4
(3) Market Adjusted Shares and Cash Equity Value	61,296.0
Add: Digital Net Debt*	25,692.4
(4) Market Adjusted All Shares Enterprise Value	86,988.4

* Net debt is the sum of Long term debt, Accrued project cost and Unamortized debt issue costs less Cash

Appendix C

Computation of Digitel's Enterprise Value and EV/EBITDA at various prices

(in PhP Mn, unless otherwise specified)	Price (PhP/share)	Fully diluted Digitel shares	JGS Advances	Digitel Net debt	Enterprise value	Digitel EBITDA (2010)	EV/EBITDA 2010
1 day prior to announcement	1.83	24,962	34,119	25,692	105,492	5,603	18.8
30 day VWAP	1.66	24,962	34,119	25,692	101,248	5,603	18.1
60 day VWAP	1.63	24,962	34,119	25,692	100,500	5,603	17.9
90 day VWAP	1.61	24,962	34,119	25,692	100,000	5,603	17.8

Source: Technistock and Digitel disclosures

Appendix D

Computation of Enterprise Value and EV/EBITDA using 2009 and 2010 VWAP

A Digitel

2009 VWAP Computation

Digitel Value Traded in 2009 (PhP)	713,608,250
Divided by: Digitel Volume Traded in 2009 (Shares)	513,600,000
Digitel 2009 VWAP (PhP/Share)	1.39

Digitel Shares in 2009 (Mn shares)	6,357
Equivalent shares from the CB in 2009	15,503
Fully diluted Digitel shares	21,860

Value of Fully Diluted Digitel Shares (PhP Mn)	30,373
Add: JGS Advances in 2009	33,871
Add: Digitel Net Debt in 2009	19,778
Enterprise Value of Digitel in 2009	84,022
Divided by: Digitel EBITDA in 2009	4,643.0
Digitel EV/EBITDA 2009	18.1

B Digitel

2010 VWAP Computation

Digitel Value Traded in 2010 (PhP)	7,080,266,060
Divided by: Digitel Volume Traded in 2010 (Shares)	4,644,198,000
Digitel 2010 VWAP (PhP/Share)	1.52

Digitel Shares in 2010 (Mn shares)	6,357
Equivalent shares from the CB in 2010	17,747
Fully diluted Digitel shares	24,104

Value of Fully Diluted Digitel Shares (PhP Mn)	36,748
Add: JGS Advances in 2010	34,119
Add: Digitel Net Debt in 2010	25,692
Enterprise Value of Digitel in 2010	96,559
Divided by: Digitel EBITDA in 2010	5,603.4
Digitel EV/EBITDA 2010	17.2

Source: Technistock and Digitel's 2010 financial statements and disclosures

Appendix E

Computation of EV/EBITDA for the Digitel Transaction Offer Price and Market Adjusted Prices

(in PhP Mn, unless otherwise specified)	Price (PhP/share)	Computed Enterprise value	Digitel EBITDA (2010)	EV/EBITDA 2010
Transaction Offer Price	1.60	99,832	5,603	17.8
Market Adj. Shares and Cash Digitel Avg Price	1.34	86,988	5,603	15.5
Market Adj. All Shares Digitel Offer Price	1.31	86,072	5,603	15.4

Source: CLSA calculations using PLDT and Digitel disclosures

Appendix F

Computation of Digitel and PLDT VWAP

A Digitel

Days to 28 March 2011 (prior to the Announcement)	30 day	60 day	90 day
Value Traded (PhP)	2,099,749,720	2,321,369,590	2,663,129,640
Volume Traded (Shares)	1,263,821,000	1,423,207,000	1,651,145,000
VWAP	1.66	1.63	1.61

B PLDT

Days to 28 March 2011 (prior to the Announcement)	30 day	60 day	90 day
Value Traded (PhP)	10,591,920,965	18,544,733,855	26,477,523,055
Volume Traded (Shares)	4,857,560	8,089,165	11,339,485
VWAP	2,180.50	2,292.54	2,334.98

Source: Technistock

Appendix G

Computation of Digitel Net Debt

(all in PhP Mn)	2009	2010
Current portion of accrued project cost	820	817
Non-current portion of accrued project cost	5,892	9,891
Current portion of long term debt	2,514	3,004
Non-current portion of long term debt	10,843	12,258
Unamortized debt issue costs	821	829
Cash	(1,113)	(1,107)
Digitel Net Debt	19,778	25,692

Source: PLDT

Appendix H

Description of Comparable Companies

Company	Description
PLDT	PLDT is the leading telecommunications provider in the Philippines. Through its three principal business groups – fixed line, wireless, and information and communications technology – PLDT offers a wide range of telecommunications services across the Philippines’ most extensive fiber optic backbone and fixed line and cellular networks. Source: Website
Globe	Globe Telecom is the Philippine's second-largest telecom provider, serving more than 26.5Mn customers through its mobile, fixed-line and broadband networks. Having built its brand on quality and affordability, it has expanded into mobile banking and content. The company is focused on strengthening its core 2G business and heavy investments on WiMax and 3G with HSDPA, to improve capacity and coverage in areas where demand is still growing. Currently, Globe has more than 6,400 cell sites covering 98% of the country's population. Major shareholders and industry leaders, Ayala Corp and Singapore Telecom, allow for strategic benefits. Source: CLSA Research
Digitel	Digitel is one of the Philippines’ leading mobile telecommunications companies known by its corporate brand name Sun Cellular. Established on August 31, 1987, Digitel is 47.45% owned by JG Summit Holdings Inc., one of the largest and most diversified conglomerates in the Philippines. DIGITEL continues to be a major provider of wirelines in the country in terms of working lines. Through 694 regional and local exchanges, DIGITEL telephones are now available in 281 towns and cities throughout Luzon. DIGITEL’s voice products and services include the provisioning of local call, national and international toll services, enhanced through DIGITEL’s suite of value added services, payphones and prepaid phone cards via Digikard & DGMax brands. Existing foreign and domestic carrier interconnection agreements enable sufficient transmission capacities for efficient and cost-effective routing. In addition to wireline voice services, DIGITEL’s data division, DigitelOne, offers corporate customers and consumers access to high-speed data transmission and Internet services through domestic and international leased line services, frame relay and dedicated Internet service. Source: Website
China Mobile Ltd	China Mobile Limited was incorporated in Hong Kong on 3 September 1997 and is listed on the New York Stock Exchange and The Stock Exchange of Hong Kong. As the leading mobile services provider in China, the Group boasts the world's largest mobile network and the world's largest mobile customer base. China Mobile operates nationwide mobile telecommunications networks in all 31 provinces, autonomous regions and directly-administered municipalities in China and Hong Kong. As of 31 December 2010, the group had a subscriber base of over 584Mn. China Mobile's GSM global-roaming services cover 237 countries and regions, while its GPRS roaming services cover 179 countries and regions. In 2009, the company launched 3G services utilising Chinese proprietary TD-SCDMA technology. Source: Website and CLSA Research
China Unicom Hong Kong Ltd	China Unicom is engaged in GSM and WCDMA cellular business in 31 provinces, municipalities and autonomous regions in China, the provision of fixedline voice, broadband and other Internet-related services, information and communications technology services, business and data communications services, and other related telecommunication value-added businesses. It is one of the two fully integrated telecom operators in China. Source: Website and CLSA Research
Reliance Communications Ltd	Reliance Communications (RCom) is India's second-largest mobile-services provider with a base of 125.7Mn subscribers. The company provides mobile services under both CDMA and GSM platforms. Its CDMA platform remains the predominant service. In January 2008, RCom was granted an initial GSM spectrum for 15 more circles, where it launched services in January 2009. The company finally has a nationwide dual-mobile network and the ongoing GSM expansion has benefited from the sharing of CDMA infrastructure. In addition to mobile operations, the firm's other businesses include long-distance, broadband, enterprise, towers and direct-to-home (DTH) services. Source: CLSA Research
Idea Cellular Ltd	Idea is the 3rd largest mobile services operator in India in revenue terms, and recorded a subscriber base of over 81Mn as of December 2010. It became a pan-India integrated GSM operator covering the entire telephony landscape of the country, and expanded its NLD and ILD operations in 2010. During the year, Idea increased its revenue market share by over 1%, despite the competitive landscape. The company won the license to offer 3G services in 11 service areas. Idea's 3G services will be launched in the year 2011. Idea's strong growth in the Indian telephony market comes from its deep penetration in the non-urban and rural markets. Idea has the highest share of rural subscribers as a percentage of total subscribers, amongst other GSM players. Source: Website
Telekomunikasi Indonesia Tbk PT	Telkom Indonesia is a fully integrated incumbent telecommunications company. It is a State Owned Enterprise and the largest telecommunication and network services provider in Indonesia. Serving millions of customers nationwide, the company provides a strong portfolio of information and communication services, including fixed wireline and fixed wireless telephone, mobile cellular, data and internet, and network and interconnection services, directly or through its subsidiaries. Source: Website

Appendix H

Description of Comparable Companies

Company	Description
Indosat Tbk PT	PT Indosat Tbk is an integrated Indonesian telecommunications network and service provider, providing national and international telecommunications services. It also provides Multimedia, Data Communication and Internet ("MIDI Services") to Indonesian and regional corporate and retail customers. The Company is a provider of international long-distance services in Indonesia. It provides global system for mobile communications (GSM) 900 and 1800 and 3G cellular services to approximately 44.3 million cellular subscribers throughout Indonesia, as of December 31, 2010. The Company provides broadband and narrowband MIDI Services, including VSAT services, leased circuits, frame relay services, and Internet services. Source: Website, Annual Report
DiGi.Com Bhd	Digi is a full-service telecommunications service provider, providing basic fixed-line network services, cellular, international gateway facilities, and value-added interactive voice and data services. The company's focus is mobile services, providing a comprehensive range of affordable wireless services. The company has an established presence as a leader in voice and data prepaid services. These services are offered under the DiGi Prepaid brand name. Postpaid service under the DiGi Postpaid brand name delivers high quality voice as well as value-added mobile content and data services to both individual and corporate customers. Source: Website and CLSA Research
StarHub Ltd	StarHub is one of Singapore's largest communications-service provider. It offers diverse services, including mobile, fixed-line, broadband and cable TV. The company is the leader in the broadband TV market, with the English Premier League football channel one of its most lucrative. Despite facing the constraints of a maturing market, StarHub has witnessed exponential growth in revenue and operating profits since listing in 2003, primarily on the strengths of its service-bundling strategy, innovative marketing and focus on high-growth subsegments of prepaid mobile. Source: CLSA Research
M1 Ltd/Singapore	M1 is a leading provider of mobile and fixed communications services to over 1.9Mn customers in Singapore. The company's brand positioning is aimed at the youth segment, with a number of its plans tailored for high usage of short-message service (SMS) and multimedia-message service (MMS). M1 offers a wide range of voice, data and value-added services on our nationwide Global System for Mobile Communication (GSM) / 3G / High Speed Packet Access (HSPA) network. Customers subscribe to its mobile services on either a postpaid or prepaid basis through a variety of price plans. Source: Website and CLSA Research
SK Telecom Co Ltd	SK Telecom is Korea's leading mobile operator, with 51% market share as of December 2010. It runs both 2G and WCDMA 3G networks and offers voice, data and a wide variety of value-added services. Along with its network assets, SKT has over KRW 6 trillion in investments and subsidiary holdings. Most notable of these are its stakes in China Unicom, Posco, SK C&C and SK Broadband, its fixed-line subsidiary. Source: CLSA Research
Taiwan Mobile Co Ltd	Taiwan Mobile Co., Ltd. is a leading telecommunications company in Taiwan offering mobile, fixed-line, cable TV and broadband. The Company launched three brands – "Taiwan Mobile", "TWM Broadband" and "TWM Solution" – to promote its services for the consumer, household and enterprise markets. It was the first private telecommunications company to go public and the first wireless operator to launch 3G services using Wideband Code Division Multiple Access (WCDMA) technology. Source: Website
Far EasTone Telecommunications Co Ltd	Incorporated in 1997, Far EasTone (FET) is a joint venture formed by Far Eastern Group and AT&T Wireless Services. The company received two mobile-service licences (GSM900 and GSM1800) in 1997 and commenced operations in 1998. As one of the largest mobile operators in Taiwan, FET currently has a 26% market share as of December 2010. It also has a 26% stake in a fixed-line operator, New Century InfoComm Tech (NCIC). Source: Website
Advanced Info Service PCL	Advanced Info Service Public Company Limited operates a cellular mobile telephone network in the 900-megahertz and 800 MHz frequency under the digital Global System for Mobile Communication (GSM) technology in Thailand. The Company also invests in other subsidiaries covering integrated telecom business, which includes the import and distribution of handsets and accessories, voice and data communication service via telephone and optical fiber, payment business via mobile phone, distribution of cash card, call center service, international telephone and gateway, and a network operator and telecom service provider. Source: Website and Annual Report
Total Access Communication PCL	Total Access Communication PCL operates under the "DTAC" brand and was founded in August 1989 to provide wireless telecommunication service in 800 Mhz and 1800 Mhz frequency bands in Thailand under a 27-year "Built-Transfer-Operate" concession granted by CAT Telecom Public Company Limited (formerly known as Communications Authority of Thailand-"CAT"). Source: Website

Appendix I

Description of Comparable Transactions (Cash and Shares)

Target	Buyer	Seller	Transaction Description
<p>T-Mobile USA (Not listed) www.t-mobile.com <i>T-Mobile USA Inc, headquartered in Bellevue, Washington, is a provider of wireless telecommunications services. It offers digital voice, messaging and wireless Internet access to subscribers throughout the US. It also wholesales and retails phones and accessories through vendors including Nokia and Samsung. The company was founded in 2002.</i></p>	<p>AT&T (NYSE: T) www.att.com <i>AT&T Inc, headquartered in Dallas, Texas, provides telecommunications services in the US and is a holding company that holds investments in 14 other countries. The company offers IP-based communications services, including video entertainment and broadband Internet services, to businesses and consumers as well as other providers of telecommunications services. The company groups its operating subsidiaries into five groups. The wireline subsidiaries provide primarily land and wire based services. The company's wireless subsidiaries hold its investment in Cingular, which provides primarily radio-wave based services. Directory subsidiaries provide services related to directory publishing and advertising services. It was founded in 1984.</i></p>	<p>Deutsche Telekom AG (ETR: DTE) www.telekom.com <i>Deutsche Telekom AG is one of the world's leading telecommunications and information technology service companies with almost 200Mn customers over approximately 50 countries. Core services include fixed-network and mobile access services.</i></p>	<p>(20-Mar-11) US - AT&T acquired the entire share capital of T-Mobile USA (T-Mobile), the wireless operation arm of Deutsche Telekom AG (DT), in a cash and stock swap transaction valued at USD 39Bn. AT&T assumes no debt from T-Mobile or DT. AT&T offered a cash payment of USD 25Bn with the balance to be paid using AT&T common stock, subject to adjustment. AT&T has the right to increase the cash portion of the purchase price by up to USD 4.2Bn with a corresponding reduction in the stock component, so long as DT receives at least a 5% equity ownership interest in AT&T. Upon completion, AT&T shareholders are to hold a 100% interest in T-Mobile, and DT shareholders are to hold approx. 8% interest in AT&T. The closing of the transaction is expected to be completed in first half of 2012.</p>
<p>Qwest Commun Intl Inc (NYSE: Q) www.qwest.com <i>Qwest Communications International Inc. provides broadband Internet-based data, voice, and image communications to customers in the United States. The Company provides local exchange services, and data and long-distance services to residential and business customers. Qwest also provides Web hosting services, high-speed Internet access, and private networks.</i></p>	<p>CenturyLink Inc (NYSE: CTL) www.centurylink.com <i>CenturyLink Inc is a telecommunications services provider, headquartered in Monroe, Louisiana, US. The company provides high-quality broadband, entertainment and voice services over its advanced communications networks to consumers and businesses in 33 states. The company was founded in 1968.</i></p>	<p>N/A</p>	<p>(1-Apr-11) US - CenturyLink Inc (CenturyLink) acquired the entire share capital of Qwest Communications Inc (Qwest), a Denver-based provider of voice, Internet, data and video communications services, in a stock swap transaction valued at USD 22.276Bn, including the assumption of USD 11.8Bn in liabilities. CenturyLink offered 0.1664 common shares per Qwest share. Based on CenturyLink's closing stock price of USD 36.20 on 21 April 2010, the last full trading day prior to the announcement, each Qwest share was valued at USD 6.024. Upon completion, CenturyLink shareholders were to hold a 50.5% interest in the new company, and Qwest the remaining 49.5%, respectively. Originally, in February 2007, Qwest was rumored to be seeking a buyer for the company.</p>

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Description of Comparable Transactions (Cash and Shares)

Target	Buyer	Seller	Transaction Description
<p>Iowa Telecom Services Inc (NYSE: IWA) www.iowatelecom.com <i>Iowa Telecommunications Services Inc, doing business as Iowa Telecom, located in Newton, Iowa, provides telecommunications services including local telephone, long distance, Internet, broadband and network access services, to business and residential customers. The company was founded in 1999.</i></p>	<p>Windstream Corp (NASDAQ: WIN) www.windstream.com <i>Windstream Corp, headquartered in Little Rock, Arkansas, is a telecommunications services provider. The company provides services such as voice, broadband and digital television services. The company provides local telephone, high speed Internet, long distance, network access, cable television, and video services. It also offers various enhanced service features, including call waiting, call forwarding, caller identification, three-way calling, no-answer transfer, and voice-mail. The company was founded in 2006.</i></p>	N/A	<p>(6-Jun-10) US - Windstream Corp (Windstream) acquired the entire share capital of Iowa Telecommunications Services Inc, doing business as Iowa Telecom, a Newton-based provider of telecommunications services, in a sweetened stock swap transaction valued at USD 1.154Bn, including the assumption of an estimated USD 613Mn in liabilities. Windstream offered USD 7.90 in cash and 0.84 common share per Iowa Telecom share. Originally, Windstream offered USD 7.90 in cash and 0.804 common share and the assumption of an estimated USD 598Mn in liabilities. Based on Windstream's closing stock price of USD 10.67 on 31 May 2010, the last full trading day prior to the announcement of amended terms, each Iowa Telecom share was valued at USD 16.479.</p>
<p>Virgin Mobile USA Inc (NYSE: VM) www.virginmobileusa.com <i>Virgin Mobile USA Inc, located in Warren, New Jersey, provides wireless communications services, marketed under the Virgin and Sprint Nextel network brands. It offers pre-paid and pay-as-you-go service plans sold through 140,000 third-party retail stores, including Wal-Mart, Best Buy, and Target. The company was founded in 2002.</i></p>	<p>Sprint Nextel Corp (NYSE: S) www.sprint.com <i>Sprint Nextel Corp, located in Overland Park, Kansas, provides telecommunications and internet services which include wireless mobile voice communications such as basic local and long distance wireless voice services; and voicemail, call waiting, three way calling, caller identification, directory assistance, call forwarding, speakerphone, and voice-activated dialing features, as well as roaming services, local service and high speed Internet; data communications services include wireless imaging; wireless data communications, including Internet access and messaging, and email services; wireless entertainment; and asset and fleet management, dispatch services, and navigation tools. The company was founded in 1899.</i></p>	<p>SK Telecom Co Ltd (Korea: 017670) www.sktelecom.com <i>SK Telecom Co., Ltd. is a Korea-based wireless telecommunications services provider, offering services such as cellular voice services, wireless data services, broadband Internet and fixed-line telephone services, and digital convergence. It operates through two segments: cellular telephone communication services and fixed-line telecommunication service.</i></p>	<p>(24-Nov-09) US - Sprint Nextel Corp (Sprint) definitively acquired the remaining 83.431% interest, which it did not already own, in Virgin Mobile USA Inc (Virgin), a Warren-based provider of wireless communication services, from SK Telecom Co Ltd (15.3%) and other shareholders, in a stock swap transaction valued at USD 538.957Mn, including the assumption of an estimated USD 205Mn in liabilities, subject to a collar agreement. Sprint offered 1.20879 common shares per Virgin share. Based on Sprint's closing stock price on 27 July 2009, the last full trading day prior to the announcement, each Virgin share was valued at USD 5.50. The transaction was subject to customary closing conditions, regulatory and Virgin's stockholder approvals. On completion, Virgin became a wholly-owned subsidiary of Sprint.</p>

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Description of Comparable Transactions (Cash and Shares)

Target	Buyer	Seller	Transaction Description
<p>People Telecom Ltd (ASX: PEO) www.peopletelecom.com.au <i>People Telecom Ltd, headquartered in North Sydney, New South Wales, provide telecommunications services to the Australian corporate and public markets. Its services include fixed voice, mobile and data. The company was founded in 2000.</i></p>	<p>M2 Telecommun Grp Ltd (ASX: MTU) www.m2.com.au <i>M2 Telecommunications Group Ltd, located in Victoria, provides telecommunications services such as fixed-line voice services, full service IT, broadband and data services to small and medium-sized businesses in Australia. The company was founded in 1999.</i></p>	N/A	<p>(14-Apr-09) AUSTRALIA - M2 Telecommunications Group Ltd (MT) acquired the entire ordinary share capital of People Telecom Ltd (PT), a telecommunications services provider, for AUD 18.163Mn (USD 11.713Mn). MT offered AUD 0.007 (USD 0.005) in cash, up to AUD 0.003 (USD 0.002) in profit-related payments, and 0.092 ordinary MT share for every ordinary PT share. Based on MT's closing stock price of AUD 0.57 (USD 0.368) on 4 December 2008, the last full trading day prior to the announcement, each PT share was valued at AUD 0.062 (USD0.04). The transaction was effected via scheme of arrangement.</p>
<p>Orion Telecommunications Ltd (ASX: OTL) N/A <i>Orion Telecommunications Limited and its subsidiaries provide telecommunication services in Australia, Ireland, the United Kingdom, and Spain. It offers voice and data products on both fixed and mobile networks in Australia; resells local and long distance voice services to residential and small business customers in Ireland and the United Kingdom; and offers long distance voice and data services primarily to small to medium business customers in Spain. Orion Telecommunications was founded in 1994 and is based in Hobart, Australia.</i></p>	<p>M2 Telecommun Grp Ltd (ASX: MTU) www.m2.com.au <i>See above.</i></p>	N/A	<p>(28-Sept-07) AUSTRALIA - M2 Telecommunications Group Ltd (MT) acquired the entire ordinary share capital of Orion Telecommunications Ltd (OT), a telecommunications services provider, in a transaction valued at AUD 17.466Mn (USD 14.642Mn). MT offered AUD 0.066 (USD 0.055) in cash and 0.238 ordinary share per ordinary OT share. Based on MT's closing stock price of AUD 0.685 (USD 0.574) on 28 June 2007, the last full trading day prior to the announcement, each OT shares was valued at AUD 0.229 (USD 0.192). The transaction was effected via scheme of arrangement. The acquisition had been subject to regulatory and shareholder approvals.</p>

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Description of Comparable Transactions (Cash and Shares)

Target	Buyer	Seller	Transaction Description
<p>Commonwealth Telephone Enterprises (NASDAQ: CTCO) N/A <i>Commonwealth Telephone Enterprises provides telecommunications services in Pennsylvania</i></p>	<p>Citizens Communications Co N/A N/A <i>Citizens Communications Co located in Stamford, Connecticut, provides telecommunications services. The company's products and services under the Frontier brand include local and long-distance telephone service, Internet access, wireless Internet data access, digital phone, and DISH satellite TV among others. The company was founded in 1927.</i></p>	<p>N/A</p>	<p>(8-Mar-07) US - Citizens Communications Co (Citizens) acquired Commonwealth Telephone Enterprises Inc (Commonwealth), a provider of telecommunications services, for USD 884.27Mn. Citizens offered 0.768 shares and USD 31.31 in cash per Commonwealth share. Based on Citizens's closing stock price of USD 13.55 on 15 September 2006, the last full trading day prior to announcement, each Commonwealth share was valued at USD 41.72.</p>
<p>America Telecom SA de CV N/A N/A <i>America Telecom SA de CV provides wireless telecommunication services operating the telecommunications sector in Mexico, Guatemala, Nicaragua, El Salvador, Ecuador, Brazil, Argentina, Colombia, Honduras, Uruguay, Venezuela, Spain and the United States of America.</i></p>	<p>America Movil SA de CV (NYSE: AMX) www.americamovil.com <i>America Movil SA de CV provides cellular telecommunications services</i></p>	<p>N/A</p>	<p>(19-Jan-07) MEXICO - America Movil SA de CV (AMX) merged with America Telecom SA de CV (Amtel), a provider of wireless telecommunications services, in a stock swap transaction valued at MXN 343.289Bn (USD 31.757Bn), including the assumption of MXN 13.8Bn (USD 1.277Bn) in liabilities. AMX offered 4.07128 common shares per Amtel share. Based on AMX's closing stock price of MXN 23.49 (USD 2.173) on 6 November 2006, the last full trading day prior to announcement, each Amtel share was valued at MXN 95.634 (USD 8.847). The transaction was subject to regulatory approvals.</p>

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Description of Comparable Transactions (Cash and Shares)

Target	Buyer	Seller	Transaction Description
<p>BellSouth Corp (NYSE: BLS) N/A <i>BellSouth Corp. is a communications services company that provides local and long distance voice and data services. BellSouth provides voice, broadband data and e-commerce solutions to business customers. In the residential market, the company offers (DSL) digital subscriber lines high-speed Internet access and advanced voice features. It also provides online and directory advertising services. BellSouth operates in three segments: communications; domestic wireless; and advertising and publishing.</i></p>	<p>AT&T Inc (NYSE: T) www.att.com <i>AT&T Inc, headquartered in Dallas, Texas, provides telecommunications services in the US and is a holding company that holds investments in 14 other countries. The company offers IP-based communications services, including video entertainment and broadband Internet services, to businesses and consumers as well as other providers of telecommunications services. The company groups its operating subsidiaries into five groups. The wireline subsidiaries provide primarily land and wire based services. The company's wireless subsidiaries hold its investment in Cingular, which provides primarily radio-wave based services. Directory subsidiaries provide services related to directory publishing and advertising services. It was founded in 1984.</i></p>	N/A	<p>(29-Dec-06) US - AT&T Inc (AT&T) acquired all the outstanding common stock of Bellsouth Corp (BC), a provider of wireless telecommunications services, in a stock swap transaction valued at USD 72.671Bn, including the assumption of USD 5.5Bn in Cingular Wireless liabilities. AT&T offered 1.325 shares per BC share. Based on AT&T's closing stock price of USD 27.99 on 3 March 2006, the last full trading day prior to the announcement, each BC share was valued at USD 37.08675. The transaction was subject to customary closing conditions and shareholder and regulatory approvals. Originally, in October 2003, BC discontinued rumors that it was planning to merge with AT&T. Concurrently, in March 2006, the board of AT&T authorized the repurchase of up to 400Mn common shares, or about 10.31% of the company's common stock outstanding, in open market or privately negotiated transactions.</p>
<p>Virgin Mobile Holdings (UK) PLC (LN: VMOB) www.virginmobile.com <i>Virgin Mobile Holdings (UK) PLC is the holding company for Virgin Mobile Telecoms offers wireless communications services to more than 3 million customers in the UK. Virgin Mobile also offers phone service in Australia, Canada, France, India, Qatar, South Africa, and the US (through Virgin Mobile USA).</i></p>	<p>NTL Inc (Not listed) N/A <i>NTL Inc. is a US- based telecommunications services provider.</i></p>	N/A	<p>(4-Jul-06) UK - NTL Inc (NI) of the US completed its tender offer to acquire the entire ordinary share capital of Virgin Mobile Holdings (UK) PLC (VM), a Wiltshire-based provider of mobile communication services, a 72% owned unit of Virgin Group Ltd. The formal offer includes a per share offer of 372p in cash, a paper alternative of 0.23245 NI shares valued at 389p, as well as a mixed option of 311p in NI shares plus 67p in cash. Virgin Group Ltd accepted the 3rd option (i.e. mixed consideration of shares and cash)</p>

Appendix I

Description of Comparable Transactions (Cash and Shares)

Target	Buyer	Seller	Transaction Description
<p>Tele Leste Celular SA (NYSE: TBE) www.vivo.com.br <i>Tele Leste Celular, doing business as VIVO, offers cellular mobile phone service in Brazil's eastern states of Bahia and Sergipe. One of eight "baby cells" spawned by the breakup of Brazilian telecommunications monopoly Telebras in 1998, the company has more 1.3 million customers, or 40% of the markets where it operates. The company offers analog and digital cellular services through subsidiaries Telebahia Celular and Telergipe Celular. Brasilcel, a joint venture of Spain's Telefonica Moviles and Portugal Telecom, owns a controlling stake in Tele Leste and four other cell phone companies in Brazil. The five operators sell services and equipment under the brand name VIVO across most of the country.</i></p>	<p>Telesp Celular Participacoes (SAO: TLPP4) N/A <i>Telesp Celular Participacoes is a 66.10% owned unit of Brasilcel NV (BN), a joint venture between Telefonica SA's Telefonica Moviles SA subsidiary and Portugal Telecom SGPS SA. The company provides telecommunications services.</i></p>	<p>Brasilcel NV (Not listed) N/A <i>Brasilcel N.V., through its subsidiaries, provides telecommunication services primarily in Brazil. It offers voicemail and voicemail notification, call forwarding, caller identification, broadband Internet access, short message service, and instant messaging services. The company was founded in 2002 and is based in Amsterdam, the Netherlands. Brasilcel N.V operates as a subsidiary of Telefonica, S.A.</i></p>	<p>(30-Mar-06) BRAZIL - Telesp Celular Participacoes SA (TP), a 66.10% owned unit of Brasilcel NV (BN), a joint venture between Telefonica SA's Telefonica Moviles SA subsidiary and Portugal Telecom SGPS SA, merged with Tele Leste Celular Participacoes SA (TL), a provider of telecommunication services, and a 50.70% owned unit of BN, in a stock swap transaction valued at BRL 138.574Mn (USD 62.780Mn). The consideration was prorated at 49.30%, based on the percentage not held by BN in TL. TP offered 4.8744 shares per TL share. Based on TP's closing stock price of BRL 9.20 (USD 4.168) on 2 December 2005, the last full trading day prior to the announcement, each TL share was valued at BRL 44.844 (USD 20.316). Concurrently, TP agreed to acquire Telesudeste Celular Participacoes SA (TS), Cellular CRT Participacoes SA (CC) and the remaining 47.50% stake which it did not already own in Tele Centro Participacoes SA (TC). Upon completion, CC, TL, TC and TS was renamed Vivo Participacoes SA.</p>
<p>Telesudeste Celular (NYSE: TSD) www.vivo.com.br <i>Tele Sudeste Celular Participacoes S.A., through its subsidiaries, provides mobile telephone services in Brazil. It offers voice and ancillary services, including voicemail and voicemail notification, call forwarding, three-way calling, caller identification, short messaging, limitation on the number of used minutes, cellular chat room. The company also provides data service, such as wireless application protocol (WAP) service through which clients can access WAP sites and portals. In addition, it offers direct Internet access to the personal digital assistants and laptops, or cellular phones by cable connection. Further, the company offers multimedia message service that enables the user's to download applications and execute them at the mobile; and a user interface with icons at the handset to identify the services, such as voice mail, downloads, and text messaging. The company was founded in 1998 and is based in Rio de Janeiro, Brazil.</i></p>	<p>Telesp Celular Participacoes (SAO: TLPP4) N/A <i>Telesp Celular Participacoes is a 66.10% owned unit of Brasilcel NV (BN), a joint venture between Telefonica SA's Telefonica Moviles SA subsidiary and Portugal Telecom SGPS SA. The company provides telecommunications services.</i></p>	<p>Brasilcel NV <i>Brasilcel N.V., through its subsidiaries, provides telecommunication services primarily in Brazil. It offers voicemail and voicemail notification, call forwarding, caller identification, broadband Internet access, short message service, and instant messaging services. The company was founded in 2002 and is based in Amsterdam, the Netherlands. Brasilcel N.V operates as a subsidiary of Telefonica, S.A.</i></p>	<p>(30-Mar-06) BRAZIL - Telesp Celular Participacoes SA (TP), a 66.10% owned unit of Brasilcel NV (BN), a joint venture between Telefonica SA's Telefonica Moviles SA subsidiary and Portugal Telecom SGPS SA, merged Telesudeste Celular Participacoes SA (TS), a provider of telecommunication services, and a 91% owned unit of BN, in a stock swap transaction valued at BRL 184.249Mn (USD 83.473Mn). The consideration was prorated at 9%, based on the percentage not held by BN in TS. TP offered 4.2863 shares per TS share. Based on TP's closing stock price of BRL 9.20 (USD 4.168) on 2 December 2005, the last full trading day prior to the announcement, each TS share was valued at BRL 39.434 (USD 17.865). Concurrently, TP merged with Tele Leste Celular Participacoes SA (TL), Cellular CRT Participacoes SA (CC) and acquire the remaining 47.50% stake which it did not already own in Tele Centro Participacoes SA (TC). On completion, CC, TL, TC and TS was renamed Vivo Participacoes SA.</p>

Appendix I

Description of Comparable Transactions (Cash and Shares)

Target	Buyer	Seller	Transaction Description
<p>Celular CRT Participacoes SA (Bovespa: CRTP3) www.vivo.com.br</p> <p><i>Celular CRT Participacoes is a holding company. Through its subsidiary, Celular CRT Participacoes S.A. is a supplier of cellular telecommunication in the state of Rio Grande do Sul. The company operates following the terms of a concession granted by the Brazilian Federal Government, which can be renewed for 15 year periods. The company's services are regulated by the National Telecommunications Agency (Anatel). The Communications Ministry regulates the company's cellular services rates. The company is also engaged in the sale of digital wireless telephone equipment. Celular CRT Participacoes S.A. operates as a subsidiary of Vivo Participacoes S.A.</i></p>	<p>Telesp Celular Participacoes (SAO: TLPP4)</p> <p><i>Telesp Celular Participacoes is a 66.10% owned unit of Brasilcel NV (BN), a joint venture between Telefonica SA's Telefonica Moviles SA subsidiary and Portugal Telecom SGPS SA. The company provides telecommunications services.</i></p>	<p>Brasilcel NV (Not Listed)</p> <p><i>Brasilcel N.V., through its subsidiaries, provides telecommunication services primarily in Brazil. It offers voicemail and voicemail notification, call forwarding, caller identification, broadband Internet access, short message service, and instant messaging services. The company was founded in 2002 and is based in Amsterdam, the Netherlands. Brasilcel N.V operates as a subsidiary of Telefonica, S.A.</i></p>	<p>(30-Mar-06) BRAZIL - Telesp Celular Participacoes SA (TP), a 66.10% owned unit of Brasilcel NV (BN), a joint venture between Telefonica SA's Telefonica Moviles SA subsidiary and Portugal Telecom SGPS SA, merged with Celular CRT Participacoes SA (CC), a provider of telecommunication services, and a 67.70% owned unit of BN, in a stock swap transaction valued at BRL 376.584Mn (USD 170.608Mn). The consideration was prorated at 32.3%, based on the percentage not held by BN in CC. TP offered 6.7258 common shares per CC share. Based on TP's closing stock price of BRL 9.20 (USD 4.168) on 2 December 2005, the last full trading day prior to the announcement, each CC share was valued at BRL 61.877 (USD 28.033). Concurrently, TP merged Tele Leste Celular Participacoes SA (TL), Telesudeste Celular Participacoes SA (TS) and acquired the remaining 47.50% stake, which it did not already own in Tele Centro Participacoes SA (TC). On completion, CC, TL, TC and TS was renamed Vivo Participacoes SA.</p>

Sources: Thomson One, Financial Times, Businessweek, Company Websites

Appendix J

Description of Comparable Transactions (Cash Only)

Target	Buyer	Seller	Transaction Description
<p>ITC Deltacom Inc</p> <p>(OTC: ITCD) www.deltacom.com <i>ITC Deltacom Inc, located in Huntsville, Alabama, provides integrated voice and data telecommunications services on a retail basis to mid-sized and major regional businesses in the southern US. The company was founded in 1982.</i></p>	<p>EarthLink Inc</p> <p>(NASDAQ: ELNK) www.earthlink.net <i>EarthLink Inc, located in Atlanta, Georgia, is an Internet Service Provider (ISP) to medium-sized and large businesses, enterprise organizations and other consumers across the United States. The company was founded in 1994.</i></p>	<p>Welsh Carson Anderson & Stowe Co, Tennenbaum Capital Partners and other shareholders</p> <p>www.welshcarson.com www.tennenbaumcapital.com <i>Welsh Carson Anderson & Stowe Co is a private equity firm that invests in growing health care, information, and business services companies. Tennenbaum Capital Partners, LLC (TCP) is a leading multi-strategy alternative investment management firm that targets primarily U.S. middle-market credits</i></p>	<p>(8-Dec-10) US - Earthlink Inc definitively acquired the entire share capital of ITC Deltacom Inc, a Huntsville- based provider of integrated voice and data telecommunications services, from Welsh Carson Anderson & Stowe Co and Tennenbaum Capital Partners (62%) and other shareholders, for USD 579.54Mn. The consideration consisted of USD 3.00 in cash per share or a total value USD 250.973Mn and the assumption of USD 325Mn in liabilities.</p>
<p>iPCS Inc</p> <p>(NASDAQ: IPCS) www.ipcswirelessinc.com <i>iPCS Inc, located in Schaumburg, Illinois, provides wireless communication services. It provides digital wireless phone service under the Sprint brand to more than 600,000 subscribers, covering about 80 markets located primarily in Indiana, Illinois, Iowa, Michigan, New York, Ohio, Pennsylvania, and Tennessee. The company was founded in 2000.</i></p>	<p>Sprint Nextel Corp</p> <p>(NYSE: S) www.sprint.com <i>Sprint Nextel Corp, located in Overland Park, Kansas, provides telecommunications and internet services which include wireless mobile voice communications such as basic local and long distance wireless voice services; and voicemail, call waiting, three way calling, caller identification, directory assistance, call forwarding, speakerphone, and voice-activated dialing features, as well as roaming services, local service and high speed Internet; data communications services include wireless imaging; wireless data communications, including Internet access and messaging, and email services; wireless entertainment; and asset and fleet management, dispatch services, and navigation tools. The company was founded in 1899.</i></p>	<p>NA</p>	<p>(4-Dec-09) US - Sprint Nextel Corp (Sprint) acquired the entire share capital of iPCS Inc, a Schaumburg-based provider of wireless communication services, for USD 24.00 in cash per share, including the assumption of an estimated USD 405Mn in liabilities. Earlier, Sprint completed its tender offer for iPCS by accepting 12.292Mn shares, or 73.28% of iPCS's common shares outstanding. The offer was conditioned upon at least a majority of iCPS's shares being tendered on a fully-diluted basis.</p>

Appendix J

Description of Comparable Transactions (Cash Only)

Target	Buyer	Seller	Transaction Description
<p>Centennial Communications Corp</p> <p>(Nasdaq: CYCL)</p> <p>www.centennialwireless.com</p> <p><i>Centennial Communications Corp, headquartered in Wall, New Jersey, provides wireless and integrated telecommunications services in the US and Puerto Rico. Its US business owns and operates wireless networks in the Midwest and Southeast covering six states. The Puerto Rico business has wireless networks both in Puerto Rico and the US Virgin Islands and provides facilities-based integrated voice, data and Internet solutions. The company was founded in 1988.</i></p>	<p>AT&T Inc</p> <p>(NYSE: T)</p> <p>www.att.com</p> <p><i>AT&T Inc, headquartered in Dallas, Texas, provides telecommunications services in the US and is a holding company that holds investments in 14 other countries. The company offers IP-based communications services, including video entertainment and broadband Internet services, to businesses and consumers as well as other providers of telecommunications services. The company groups its operating subsidiaries into five groups. The wireline subsidiaries provide primarily land and wire based services. The company's wireless subsidiaries hold its investment in Cingular, which provides primarily radio-wave based services. Directory subsidiaries provide services related to directory publishing and advertising services. It was founded in 1984.</i></p>	<p>Welsh Carson Anderson & Stowe Co and other shareholders</p> <p>(Not Listed)</p> <p>www.welshcarson.com</p> <p><i>Welsh Carson Anderson & Stowe Co is a private equity firm that invests in growing health care, information, and business services companies.</i></p>	<p>(6-Nov-09) US - AT&T Inc acquired the entire share capital of Centennial Communications Corp, a Wall-based provider of wireless telecommunications services, from Welsh Carson Anderson & Stowe Co (22.3%) and other shareholders, for USD 8.50 in cash per share, or a total value of USD 946.56Mn. Subsequently, Verizon Wireless Inc definitively agreed to acquire certain wireless assets of Centennial.</p>
<p>Rural Cellular Corp</p> <p>(NASDAQ: RCCC)</p> <p>www.unicel.com</p> <p><i>Rural Cellular Corp provides wireless telecommunication services primarily to rural markets in the US. Its local service includes short message service; voicemail; multimedia messaging; data services, which includes email, Internet accessibility, and Brew and Java services that allow customers to download ring-tones, games, graphics, entertainment, and information; and mobile Web services, which allow customers to access the Internet from a laptop computer through its wireless network. The company also provides roaming services, and sells handsets and related accessories. Rural Cellular markets its products and services through company owned retail stores and kiosks, independent sales agents, and account executives.</i></p>	<p>Cellco Partnership</p> <p>(NYSE: VZ)</p> <p>www.verizonwireless.com</p> <p><i>Cellco Partnership, doing business as Verizon Wireless Capital LLC, and located in Bedminster, New Jersey, provides wireless telecommunication services, including phones and devices, business plans, Internet access, Email, international voice and data services, business applications, and industry solutions. The company was founded in 2000.</i></p>	<p>NA</p>	<p>(7-Aug-08) US - Verizon Wireless Inc, a joint venture between Verizon Communications Inc and Vodafone Group PLC, acquired all the outstanding common stock of Rural Cellular Corp (RC), a provider of wireless communications services, for USD 45.00 in cash per share, or a total value of USD 733.211Mn, including the assumption of undisclosed amount in liabilities. The transaction had been subject to governmental, regulatory and RC shareholders approval. Originally, in May 2001, RC disclosed that it was seeking a buyer for the company.</p>

Appendix J

Description of Comparable Transactions (Cash Only)

Target	Buyer	Seller	Transaction Description
<p>SunCom Wireless Holdings Inc (NYSE:TPC)</p> <p>NA</p> <p><i>SunCom Wireless Holdings Inc, located in Berwyn, Pennsylvania, provides digital wireless telecommunication services. The company operates in the Southeastern United States and in parts of the Caribbean. The Group markets its wireless service under the SunCom Wireless brand name. The Group provides wireless voice and data services utilizing Global System for Mobile Communications and General Packet Radio Service. The Group markets its products and services through a network of 111 company-owned SunCom retail stores, local retailers, direct sales representatives covering corporate accounts, E-commerce and telemarketing. The company was founded in 1999.</i></p>	<p>T-Mobile USA Inc (Not listed)</p> <p>www.t-mobile.com</p> <p><i>T-Mobile USA Inc, headquartered in Bellevue, Washington, is a provider of wireless telecommunications services. It offers digital voice, messaging and wireless Internet access to subscribers throughout the US. It also wholesales and retails phones and accessories through vendors including Nokia and Samsung. The company was founded in 2002.</i></p>	<p>NA</p>	<p>(22-Feb-08) US - T-Mobile USA Inc, a unit of Deutsche Telekom AG, acquired all the outstanding common stock of SunCom Wireless Holdings Inc (SW), a provider of wireless telecommunications services, for USD 27.00 in cash per share, or a total value of USD 2.399Bn, including the assumption of USD 800Mn in liabilities. The transaction had been subject to customary closing conditions, regulatory and SW's shareholder approvals.</p>
<p>CT Communications Inc (NASDAQ: CTCI)</p> <p>www.ctcommunications.com</p> <p><i>CT Communications provides integrated telecommunications services to residential and business customers located primarily in North Carolina</i></p>	<p>Windstream Corp (NASDAQ: WIN)</p> <p>www.windstream.com</p> <p><i>Windstream Corp, headquartered in Little Rock, Arkansas, is a telecommunications services provider. The company provides services such as voice, broadband and digital television services. The company provides local telephone, high speed Internet, long distance, network access, cable television, and video services. It also offers various enhanced service features, including call waiting, call forwarding, caller identification, three-way calling, no-answer transfer, and voice-mail. The company was founded in 2006.</i></p>	<p>NA</p>	<p>(31-Aug-07) US - Windstream Corp, a majority-owned unit of Alltel Holding Corp, acquired all the outstanding common stock of CT Communications Inc (CC), a provider of integrated telecommunication services, for USD 31.50 in cash per share, or a total value of USD 647.56Mn. The transaction had been subject to CC shareholders and regulatory approvals.</p>

Appendix J

Description of Comparable Transactions (Cash Only)

Target	Buyer	Seller	Transaction Description
<p>Eircom Group PLC</p> <p>(ISE: EIR) www.eircom.ie <i>Eircom Group PLC provides fixed line and mobile telecommunications services including a wide range of voice, data and multimedia services</i></p>	<p>BCM Ireland Holdings Ltd</p> <p>(ASX: BCM) www.babcockbrowncapital.com <i>BCM Ireland Holdings Ltd is the investment company formed by Babcock & Brown Capital Ltd for the purpose of the acquisition.</i></p>	<p>Employee Share Ownership Trust and other undisclosed sellers</p>	<p>(18-Aug-06) IRELAND - BCM Ireland Holdings Ltd of Ireland, a new company formed by Babcock & Brown Capital Ltd (BB), and Employee Share Ownership Trust (ES) for the purpose of making an acquisition, completed its tender offer to acquire the remaining 71.2% interest, or 764.021Mn ordinary shares, which it did not already own in Eircom Group PLC (EG), a Dublin-based provider of telecommunications services, from ES (21.4%), and other undisclosed sellers, for EUR 2.20 (GBP 1.521 / USD 2.665) and EUR 0.052 (GBP 0.036 poun/ USD 0.063) in cash dividend per share, or a total value of EUR 1.721Bn (GBP 1.188Bn / USD 2.083Bn), via a scheme of arrangement. The transaction was approved by the regulatory authority. Previously, an investor group, comprised of BB and ES planned to launch a tender offer to acquire the remaining 49.4% stake in EG. Upon completion, ES will be given a guaranteed preferred shares in BB which will give ES an indirect 21.8% holding in EG.</p>
<p>Ubiquitel Inc. (NASDAQ: UPCS) NA <i>Ubiquitel Inc. provides Sprint PCS digital personal communications services to midsize and smaller markets in the western and midwestern US. Apart from its direct subscribers, Ubiquitel provides service to 151,000 wholesale subscribers under other brand names, like Qwest and Virgin Mobile.</i></p>	<p>Sprint Nextel Corp (NYSE: S) www.sprint.com <i>Sprint Nextel Corp, located in Overland Park, Kansas, provides telecommunications and internet services which include wireless mobile voice communications such as basic local and long distance wireless voice services; and voicemail, call waiting, three way calling, caller identification, directory assistance, call forwarding, speakerphone, and voice-activated dialing features, as well as roaming services, local service and high speed Internet; data communications services include wireless imaging; wireless data communications, including Internet access and messaging, and email services; wireless entertainment; and asset and fleet management, dispatch services, and navigation tools. The company was founded in 1899.</i></p>	<p>NA</p>	<p>(1-Jul-06) US - Sprint Nextel Corp (SN) acquired all the outstanding common stock of Ubiquitel Inc (UT), a provider of Sprint PCS services in midsize markets, for USD 10.35 in cash per share, or a total value of USD 1.033Bn. The transaction had been subject to regulatory approvals.</p>
<p>Intrado Inc (NASDAQ:TRDO) www.intrado.com <i>Intrado Inc provides wireless telecommunication services. Intrado has pioneered improvements to the 9-1-1 network, helping to enhance the quality of emergency response in the United States.</i></p>	<p>West Corp (NASDAQ: WSTC) www.west.com <i>West Corp provides customer relationship management outsourcing services, including processing of customer initiated contacts, automated voice response services, and direct marketing services to industries including communications, consumer and industrial goods, credit card services, e-commerce, financial services, healthcare, insurance, pharmaceutical, retail, transportation, travel and hospitality, and utilities</i></p>	<p>NA</p>	<p>(4-Apr-06) US - West Corp acquired all the outstanding common stock of Intrado Inc, a provider of telecommunications solutions, for USD 26.00 in cash per share, or a total value of USD 511.587Mn.</p>

Appendix J

Description of Comparable Transactions (Cash Only)

Target	Buyer	Seller	Transaction Description
<p>Shin Corp PCL (BAK: INTUCH) www.shincorp.com</p> <p><i>Shin Corp PCL is a wireless telecommunication services provider, headquartered in Bangkok, Thailand. The company operates four types of business - satellite transponder leasing and related services, Internet-related services, telephone-related services, and telephone directories and distribution. The company was founded in 1983.</i></p>	<p>Investor Group (Not listed) NA</p> <p><i>Investor group comprising of Aspen Holdings Ltd, a 99.94% owned unit of the Anderton Investment Pte Ltd subsidiary of Singapore state-owned Ministry of Finance's Temasek Holdings (Pte) Ltd (TH) unit, and Cedar Holdings Ltd.</i></p>	<p>NA</p>	<p>(9-Mar-06) THAILAND - An investor group (IG) raised its interest by acquiring 1.418Bn ordinary shares, in Shin Corp PCL (SC), a telecommunications services provider, for THB 49.25 (SGD 2.04 / USD 1.259) in cash per share, or a total value of THB 69.843Bn (SGD 2.893Bn / USD 1.786Bn), via its mandatory tender offer to acquire the remaining 50.41% interest, or 1.512Bn ordinary shares. Concurrently, IG acquired a 49.59% stake in SC, and launched a tender offer to acquire the remaining 57.18% interest, which it did not already own, in Advanced Info Service PCL.</p>

Sources: Thomson One, Businessweek, MSNBC, Company Websites

Appendix K

Comparison of Capital Structures of Philippine and Asian Telecommunications Companies:

as a % of Total Capitalization (excluding accruals)

	Date of Filing	Short term Debt	Long term Debt	Bonds	Convertible Bonds	Shareholder Advances	Preferred Shares	Common Equity
PLDT	31-Dec-10	7.4%	40.6%	-	-	-	2.4%	49.7%
Globe	30-Sep-10	8.6%	39.8%	5.2%	-	-	0.8%	45.5%
Digitel	30-Sep-10	4.0%	18.4%	-	23.5%	50.9%	-	3.3%
China Mobile Ltd	31-Dec-10	-	3.9%	1.6%	-	-	-	94.5%
China Unicom Hong Kong Ltd	31-Dec-10	19.9%	5.5%	2.3%	3.8%	-	-	68.5%
Reliance Communications Ltd	31-Dec-10	-	46.6%	-	-	-	-	53.4%
Idea Cellular Ltd	31-Dec-10	-	100.0%	-	-	-	0.0%	No info
Telekomunikasi Indonesia Tbk PT	31-Dec-10	-	25.5%	4.7%	-	-	-	69.8%
Indosat Tbk PT	31-Dec-10	7.6%	18.3%	31.5%	-	-	-	42.6%
DiGi.Com Bhd	31-Dec-09	6.1%	31.6%	-	-	-	-	62.3%
StarHub Ltd	31-Dec-10	38.4%	55.3%	-	-	-	-	6.3%
M1 Ltd/Singapore	31-Dec-10	10.7%	40.4%	-	-	-	-	48.9%
SK Telecom Co Ltd	31-Dec-10	7.7%	-	18.9%	-	-	-	73.3%
Taiwan Mobile Co Ltd	31-Dec-10	6.0%	3.5%	12.3%	-	-	-	78.1%
Far EasTone Telecommunications Co Ltd	31-Dec-10	8.3%	0.0%	-	-	-	-	91.7%
Advanced Info Service PCL	31-Dec-10	20.3%	26.2%	-	-	0.3%	-	53.1%
Total Access Communication PCL	31-Dec-10	5.6%	5.9%	-	-	-	-	88.5%

Source: Company Annual Reports