



February 15, 2007

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

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

Ladies and Gentlemen:

In compliance with Section 17.1(b) of the Securities Regulation Code and SRC Rule 17.1, we submit herewith a copy of SEC Form 17-C regarding a discloseable event/information and a copy of a press release issued by First Pacific Company Limited attached thereto.

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

Respectfully yours,

(original signed)
FLORENTINO D. MABASA, JR.
Assistant Corporate Secretary

FDM:amq
Encs.

February 15, 2007

SECURITIES & EXCHANGE COMMISSION
Corporation Finance Department
SEC Building, EDSA
Mandaluyong City

Attention: Director Justina F. Callangan
Corporation Finance Department

Gentlemen:

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

In accordance with Section 17.1(b) of the Securities Regulation Code and SRC Rule 17.1, we submit herewith SEC Form 17-C regarding a discloseable event/information and a copy of a press release issued by First Pacific Company Limited attached thereto.

Respectfully yours,

(original signed)
FLORENTINO D. MABASA, JR.
Assistant Corporate Secretary

FDM:amq
Encs.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

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

1. 15 February 2007
(Date of earliest event reported)
2. SEC Identification Number PW-55
3. BIR Tax Identification No. 000-488-793
4. PHILIPPINE LONG DISTANCE TELEPHONE COMPANY
Exact name of issuer as specified in its charter
5. PHILIPPINES
Province, country or other jurisdiction
of Incorporation
6. _____ (SEC Use Only)
Industry Classification Code
7. Ramon Cojuangco Building, Makati Avenue, Makati City
Address of principal office
- 1200
Postal Code
8. (632) 816-8553/816-8556
Issuer's telephone number, including area code
9. Not Applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code or Sections 4 and 8 of the Revised Securities Act

Title of Each Class

Number of Shares of Common Stock
Licensed and Amount of Debt Outstanding

11. Item 9 – Other Events

Attached hereto is a copy of the press release issued by First Pacific Company Limited entitled “Proposed Acquisition of Additional Shares in Philippine Telecommunications Investment Corporation”.

SIGNATURE

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

PHILIPPINE LONG DISTANCE
TELEPHONE COMPANY

(original signed)
FLORENTINO D. MABASA, JR.
Assistant Corporate Secretary

Date: 15 February 2007

Distribution Copies: 5 copies – Securities & Exchange Commission
1 copy - Philippine Stock Exchange
1 copy - Company Secretary



FIRST PACIFIC COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

GROUP CORPORATE COMMUNICATIONS

24th Floor, Two Exchange Square, 8 Connaught Place, Hong Kong
Tel: (852) 2842 4388 Email: info@firstpac.com.hk Fax: (852) 2845 9243
<http://www.firstpacco.com>

Wednesday, 14 February 2007

**PROPOSED ACQUISITION OF ADDITIONAL SHARES IN PHILIPPINE
TELECOMMUNICATIONS INVESTMENT CORPORATION**

MAJOR AND CONNECTED TRANSACTION

First Pacific's announcement on the above subject is attached.

* * *

For further information, please contact:

Sara Cheung
Assistant Vice President
Group Corporate Communications
First Pacific Company Limited

Tel: (852) 2842 4336

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FIRST PACIFIC COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

Website: <http://www.firstpacco.com>

Stock code: **00142**

PROPOSED ACQUISITION OF ADDITIONAL SHARES IN PHILIPPINE TELECOMMUNICATIONS INVESTMENT CORPORATION

MAJOR AND CONNECTED TRANSACTION

Reference is made to First Pacific's announcements of 31 January 2007 and 12 February 2007, and its shareholders' circular also of 12 February 2007.

First Pacific is pleased to announce that on 14 February 2007, and as contemplated by its circular, MPAH, a company in which First Pacific is entitled to a 100% economic interest, as assignee of a "right to match" in favour of PTIC, gave effect to such "right to match" by entering into a conditional Sale and Purchase Agreement with the Philippine Government pursuant to which it agreed to acquire the Sale Shares, being 111,415 issued common shares in PTIC, representing approximately 46% of the total common issued shares of PTIC, for a purchase price amounting to Pesos 25,217,556,000 (US\$510,580,198).

The Sale and Purchase Agreement is conditional on the approval of the Shareholders being obtained as required by the Listing Rules. If such Shareholders' approval is obtained, completion under the Sale and Purchase Agreement is anticipated to take place not later than 2 March 2007. If such approval is not obtained, MPAH will not have any obligation to complete the Acquisition and the Sale and Purchase Agreement would automatically terminate.

Approximately US\$262,685,233, representing approximately one half of the purchase price for the Sale Shares, has been paid into an escrow account and is being held upon and subject to the terms of the Escrow Agreement, which amount will only be released to the Philippine Government upon delivery of a written notice by First Pacific confirming that the Acquisition has been approved by the Shareholders as required by the Listing Rules. If the Acquisition is not so approved, the entire amount held in the escrow account will, upon receipt of written instructions of First Pacific, be returned to First Pacific under the terms of such Escrow Agreement.

The Acquisition, if completed, will constitute: (a) a major transaction for First Pacific under the Listing Rules; and (b) a connected transaction for First Pacific under the Listing Rules by virtue of the fact that the Philippine Government is a substantial shareholder of PTIC, a subsidiary of First Pacific. Accordingly, the Acquisition is subject to the prior approval by the Shareholders (by way of a poll).

A Circular setting out further information in relation to the Acquisition and containing, amongst other things, a letter of advice from the Independent Board Committee, an independent board committee of independent non-executive Directors established by First Pacific to advise the Shareholders, a letter from the Independent Financial Adviser appointed to advise the Independent Board Committee and the Shareholders under Chapter 14A of the Listing Rules, and a notice convening a special general meeting, which meeting shall be held at 10:00 a.m. on Wednesday, 28 February 2007, was despatched to the Shareholders on 12 February 2007.

First Pacific considers that the Acquisition represents an attractive opportunity to increase its economic interest in PLDT, which is one of the principal assets of First Pacific and its subsidiaries. The Directors (including the independent non-executive Directors) consider that the terms of the Acquisition are fair and reasonable and in the interests of Shareholders as a whole.

Reference is made to First Pacific Company Limited's ("**First Pacific**") announcement of 31 January 2007, in which it was announced that one of its subsidiaries proposed to exercise a "right to match" for up to approximately 46% of the Philippine Government's shareholding in Philippine Telecommunications Investment Corporation ("**PTIC**"), which represents an attributable economic interest of approximately 6.4% in the issued common share capital of Philippine Long Distance Telephone Company ("**PLDT**"), and First Pacific's announcement dated 12 February 2007 regarding the despatch of a shareholders' circular regarding such proposed purchase ("**Circular**"), and to the shareholders' circular of the same date which contained, amongst other things, a notice to convene a special general meeting to be held at 10:00 a.m. on Wednesday, 28 February 2007 to approve that proposed purchase ("**SGM**").

First Pacific is pleased to announce that on 14 February 2007, and as contemplated by the Circular, Metro Pacific Assets Holdings, Inc. ("**MPAH**"), a company in which First Pacific is entitled to a 100% economic interest, as assignee of a "right to match" in favour of PTIC, gave effect to such "right to match" by entering into a conditional sale and purchase agreement ("**Sale and Purchase Agreement**") with the Philippine Government pursuant to which it agreed to acquire 111,415 issued common shares in PTIC ("**Sale Shares**"), representing approximately 46% of the total common issued shares of PTIC, for a purchase price amounting to Pesos 25,217,556,000 (US\$510,580,198) ("**Acquisition**"), which is equal to the highest price offered by a third party to purchase the Sale Shares offered by the Philippine Government pursuant to a public auction held on 8 December 2006. The consideration for the Acquisition will be financed from a combination of internal resources and third party financing.

The Sale and Purchase Agreement is conditional on the approval of the shareholders of First Pacific ("**Shareholders**") being obtained as required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Ltd ("**Listing Rules**"). If such Shareholders' approval is obtained, completion under the Sale and Purchase Agreement is anticipated to take place not later than 2 March 2007. If such approval is not obtained, MPAH will not have any obligation to complete the Acquisition and the Sale and Purchase Agreement would automatically terminate.

Approximately US\$262,685,233, representing approximately one half of the purchase price for the Sale Shares, has been paid into an escrow account and is being held upon and subject to the terms of an escrow agreement between First Pacific and the Philippine Government, amongst others ("**Escrow Agreement**"). Under the terms of the Escrow Agreement, this amount will only be released to the Philippine Government upon delivery of a written notice by First Pacific confirming that the Acquisition has been approved by the Shareholders as required by the Listing Rules. If the Acquisition is not so approved, the entire amount held in the escrow account will, upon receipt of written instructions of First Pacific, be returned to First Pacific under the terms of the Escrow Agreement. Upon the Acquisition having been approved by the Shareholders under the Listing

Rules and First Pacific having provided written notice confirming the same, the amount held in escrow will be converted into Pesos and released to the Philippine Government on completion of the Sale and Purchase Agreement.

The Acquisition, if completed, will constitute: (a) a major transaction for First Pacific under the Listing Rules; and (b) a connected transaction for First Pacific under the Listing Rules by virtue of the fact that the Philippine Government is a substantial shareholder of PTIC, a subsidiary of First Pacific. Accordingly, the Acquisition is subject to the prior approval by the Shareholders (by way of a poll).

The Circular sets out further information in relation to the Acquisition and related agreements, and contains, amongst other things, a letter of advice from an independent board committee of independent non-executive directors established by First Pacific to advise the Shareholders ("**Independent Board Committee**"), a letter from the independent financial adviser, Somerley Limited ("**Independent Financial Adviser**"), appointed to advise the Independent Board Committee and the Shareholders under Chapter 14A of the Listing Rules, and a notice convening the SGM to consider and, if thought fit, approve a resolution in relation to the Acquisition.

As set out in the Circular, both the Independent Board Committee and the Independent Financial Adviser have advised that, taking into account the matters specified in the Circular, the Acquisition is fair and reasonable so far as the Shareholders are concerned and is in the interests of First Pacific and the Shareholders as a whole and the letter from the Independent Board Committee contains a recommendation to the Shareholders to vote in favour of the resolution to be proposed in relation to the Acquisition at the SGM.

All Shareholders will be permitted to vote at the SGM. First Pacific Investments Limited and First Pacific Investments (B.V.I.) Limited, which together own approximately 44.26% of First Pacific's issued share capital, have confirmed their intention to vote in favour of the resolution to be proposed at the SGM.

First Pacific considers that the Acquisition represents an attractive opportunity to increase its economic interest in PLDT, which is one of the principal assets of First Pacific and its subsidiaries. The directors (including the independent non-executive directors) of First Pacific ("**Directors**") consider that the terms of the Acquisition are fair and reasonable and in the interests of the Shareholders as a whole.

First Pacific is a Hong Kong based investment and management company with operations in South East Asia. First Pacific's principal business interests relate to telecommunications, consumer food products and infrastructure. PLDT, in which First Pacific currently holds an attributable economic interest in shares representing approximately 23% of the issued common share capital of PLDT, is the leading telecommunications services provider in the Philippines.

A further announcement shall be made if and when the Acquisition completes.

Any reference above to "Pesos" or "US\$" refers to Philippine Pesos and United States Dollars, respectively. Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Pesos 49.39, and no representation is made that any of the Pesos amounts could have been converted into US\$, or US\$ into Pesos, at the specified rate.

By Order of the Board
First Pacific Company Limited
Manuel V. Pangilinan
Managing Director and CEO

Hong Kong, 14 February, 2007

As at the date of this announcement, the board of Directors of First Pacific comprises the following Directors:

Anthoni Salim, *Chairman*
Manuel V. Pangilinan, *Managing Director and CEO*
Edward A. Tortorici
Robert C. Nicholson
Ambassador Albert F. del Rosario
Professor Edward K.Y. Chen*, *GBS, CBE, JP*

Tedy Djuhar
Sutanto Djuhar
Ibrahim Risjad
Benny S. Santoso
Graham L. Pickles*
David W.C. Tang*, *OBE, Chevalier
de L'Ordre des Arts et des
Lettres*

* *Independent Non-executive Directors*