

OFFICIAL STATEMENT
February 6, 2014**CONTACT**
pdsinquiries@pds.com.ph
(632) 884 5000**PLDT celebrates successful debut in the domestic retail bond market**

PDS Group Executive Director Antonino A. Nakpil, BDO Capital & Investment Corporation President Eduardo V. Francisco, BPI Capital Corporation President Cecile Tan, Philippine Long Distance Telephone Company (PLDT) Treasurer & Senior Vice President Anabelle L. Chua, PLDT President & CEO Napoleon L. Nazareno, PDEX Chairman & CEO Cesar B. Crisol, First Metro Investment Corporation President Roberto Juanchito T. Dispo, The Hongkong and Shanghai Banking Corporation Limited President & CEO Jose Arnulfo A. Veloso, PLDT Chief Financial Advisor Christopher H. Young.

Makati, Philippines, 06 February 2014 - Dominant telecommunication service provider Philippine Long Distance Telephone Company listed its P15.0 bln Fixed Rate Bonds due 2021 and 2024 in the Philippine Dealing & Exchange Corp. (PDEX) today.

PLDT brings to the market community eight decades of experience and track record in the telecommunications industry. Its greater involvement in the development of capital markets is becoming more evident, tapping not only the local market but the global market as well, with its American Depositary Receipt (ADR) listed and traded in the New York Stock Exchange. And last year, it has emerged as the most valuable firm listed at the PSE with a market capitalization of P576 billion.

Celebrating the telcom giant's maiden bond offering were PLDT executives led by President & CEO Napoleon L. Nazareno, PLDT Treasurer & Senior Vice President Anabelle L. Chua, and PLDT Chief Financial Advisor Christopher H. Young. Representatives from the Joint Issue Managers, Joint Lead Underwriters, and Joint Bookrunners were also in attendance including BDO Capital President Eduardo V. Francisco, BPI Capital President Cecile Tan, FMIC President Roberto Juanchito T. Dispo, and HSBC President & CEO Jose Arnulfo A. Veloso.

"We are overwhelmed and heartened by the strong support given by investors. Since the issuance was more than twice oversubscribed, we were able to upsize our originally announced PHP10 billion bonds to PHP15 billion, and also price at the tightest end of the pricing guidance of just 100 bps over the 7- and 10- year benchmarks. And we achieved this, despite a number of corporate bonds also being sold in

the market, and the relative volatility at the start of the year," said Mr. Nazareno.

The P12.4-billion seven-year bonds and P2.6-billion ten-year bonds carry a coupon rate of 5.2250% and 5.2813% per annum respectively. The bonds were given top "AAA" rating with a stable outlook by Credit Rating and Investors Services Philippines, Inc. (CRISP). CRISP cited PLDT's dominant market leadership, strong historical financial performance and excellent management and governance as key considerations for its rating. The net proceeds of the issue will be used to finance capital expenditure and refinance existing obligations, the proceeds of which were utilized for service improvements and network expansion.

This second listing on PDEX for 2014 brings the year-to-date total of new listings to P23.8 bln and the total level of tradable corporate debt instruments to P364.33 bln issued by 23 companies with 61 securities.

PDEX Chairman and CEO Cesar B. Crisol said in his welcome remarks, "As PLDT has become more forward looking and focused in its innovations in transforming into a communications and multimedia services group, we are certain that these same values will prepare you in becoming one of the most innovative corporate bond issuers in the Philippines."

"And as PLDT has changed with the times to offer solutions that meet the ever-evolving communication needs of Filipino families, we are also certain that you will go the extra mile in offering diversified and sustainable investment options responsive to the needs of our market community," added Mr. Crisol. #