



September 27, 2002

CIRCULAR FOR BROKERS NO. 2594-2002

DISCLOSURE

SEPTEMBER 27, 2002

Date

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

Attention: Mr. Jose G. Cervantes  
Senior Vice President


Ladies and Gentlemen:

We refer to your fax letter of even date requesting for confirmation/clarification of the news article entitled "PLDT asks FPC to junk deal with Gokongwei" published in today's issue of The Philippine Star.

We advise that the Company is not aware whether the exclusivity period granted by First Pacific to the Gokongwei Group under the June 4, 2002 Memorandum of Agreement (the "MOA") will be extended or the conditionalities to complete the transaction contemplated under the MOA will be met.

However, we confirm that, as stated in the August 1, 2002 letter of the Board of Directors to First Pacific (a copy of which was filed with the Philippine Stock Exchange and the Philippine Securities and Exchange Commission), the Board continues to believe that the proposed transaction between First Pacific and the Gokongwei Group, concerning First Pacific's interest in the Company, is fundamentally flawed and would not serve the interests of PLDT and its shareholders taken as a whole. Therefore, it is best that First Pacific abandon the transaction and work together with the Board and the management team of PLDT in its continuing effort to revitalize and strengthen the financial results of PLDT for the benefit of all shareholders.

Respectfully yours,

  
MA. LOURDES C. RAUSA-CHAN  
Corporate Secretary

MLCRC:amq

General Office P.O. Box 2148 Makati City, Philippines

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