

2 October 2002

PHILIPPINE STOCK EXCHANGE

PSE Centre – Tektite
Exchange Road
Ortigas Center
Pasig City

CIRCULAR FOR BROKERS NO. 2598-2002

DISCLOSURE

OCTOBER 2, 2002

Date

Attention: **Vivian Yuchengco**
Chairman

Ernest Leung
President

In connection with the previous disclosures made by Mr. John Gokongwei, Jr., acting on behalf of the Gokongwei Group, we enclose herewith for your information and reference the letter of the Gokongwei Group to First Pacific Company Limited dated 2 October 2002 regarding the transaction involving the Philippine Long Distance Telephone Co. and Bonifacio Land Corporation.

Very truly yours,

For and on behalf of the Gokongwei Group

By:


PERRY LAPE
Legal Counsel

2 October 2002

FIRST PACIFIC COMPANY LIMITED
24th Floor, Two Exchange Square
8 Connaught Place
Hong Kong

Attention: Mr. Anthoni Salim
Director

Mr. Michael J.A. Healy
Executive Vice President

Mr. Ronald A. Brown
General Counsel

Gentlemen,

Regarding the Memorandum of Agreement ("MoA") dated June 4, 2002 between First Pacific Company Limited ("FPC") and the Gokongwei Group ("GG"), in view of the expiration of the exclusivity period on September 30, 2002 for the completion of the Transaction contemplated under the terms of the MoA, we acknowledge that FPC may now pursue the Transaction with third parties. Furthermore, in the light of (i) FPC's inability to perform the terms of the MoA and satisfy the conditions of the MoA, (ii) the difficulties encountered by FPC in attempting to implement the Transaction, (iii) FPC's inability to complete the Transaction within the time frame envisaged by the principals in their discussions on this matter and, (iv) the open resistance of the current management of both the PLDT and Metro Pacific/Bonifacio Land Corporation ("BLC") to the Transaction, we hereby withdraw our offer to acquire from FPC interests in PLDT and BLC and we hereby terminate the MoA.

Thank you very much.

Very truly yours,

For and on behalf of the Gokongwei Group

By:


PERRY L. PE
Legal Counsel

Posted 10:46

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