



CIRCULAR FOR BROKERS NO. 0505-2003

Disclosure

February 20, 2003

DATE

SECURITIES AND EXCHANGE COMMISSION

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE

1. 20 February 2003
Date of Report (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 registrant 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) 814-3664; 814-3552
Registrant'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 of the Securities Regulation Code
Title of Each Class
- Number of Shares of Common Stock
Licensed and Amount of Debt Outstanding

In December, 2002, the Board of Directors of First Pacific Company Limited ("First Pacific"), which beneficially owns a significant percentage of the common shares of Philippine Long Distance Telephone Co. ("PLDT"), announced the appointment of Ernst & Young following the resignation of PricewaterhouseCoopers ("PwC") as First Pacific's external auditors. According to PwC, their decision was premised on the fact that they were not directly responsible for the audit of a certain significant and material subsidiary of First Pacific.

In line with the First Pacific Group's effort to streamline audit process and improve audit efficiency and communications, Joaquin Cunanan & Co. ("JCC"), a member firm of PricewaterhouseCoopers, has resigned as the external auditor of PLDT and Smart Communications, Inc. ("Smart") effective February 19, 2003, this being the date of PLDT's first Audit Committee meeting of 2003.

The respective Audit Committees of PLDT and Smart, have recommended the engagement of SyCip Gorres Velayo & Co. ("SGV"), a member practice of Ernst & Young Global, as the new external auditors to audit the financial statements of PLDT and Smart for the year ended December 31, 2002. Smart is a significant, material and wholly-owned subsidiary of PLDT.

JCC, as the principal external auditor of the PLDT Group for the financial statements ended December 31, 1999 to 2001, expressed an unqualified opinion on the consolidated financial statements of PLDT on those years. SGV was the principal external auditor of the PLDT Group until the appointment of JCC in 1999.

Preliminary and unaudited financial results and condition of the PLDT Group are expected to be released as planned on February 26, 2003 after the Board of Directors meeting scheduled on the same day. Final audited financial results and condition will be released after the Board of Directors meeting of PLDT scheduled on March 25, 2003.

SIGNATURE

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

PHILIPPINE LONG DISTANCE
TELEPHONE COMPANY



MA. LOURDES C. RAUSA-CHAN
Corporate Secretary

Date: 20 February 2003

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

2 of 2

THE EXCHANGE DOES NOT WARRANT AND HOLDS NO RESPONSIBILITY FOR THE
VERACITY OF THE FACTS AND REPRESENTATION CONTAINED IN THIS LETTER.
THE LETTER IS DISSEMINATED SOLELY FOR PURPOSES OF INFORMATION.