



CIRCULAR FOR BROKERS No. 2580-2002

P h i l i p p i n e S t o c k E x c h a n g e , I n c .

<input checked="" type="checkbox"/> Disclosures	<input type="checkbox"/> Stockholders' Meeting	Others: _____
<input type="checkbox"/> Dividend Notice	<input type="checkbox"/> SEC / Gov't. Issuance	_____
<input type="checkbox"/> Stock Rights Notice	<input type="checkbox"/> Transfer Agent's Notice	_____

Posted September 30, 2002

Date : **October 1, 2002**

Subject : **PHILIPPINE LONG DISTANCE TELEPHONE COMPANY**

This is in reference to the news article entitled 'PLDT to issue STCPs to pay debts' published in the September 30, 2002 issue of The Philippine Star. The article reported that "Telecommunications giant Philippine Long Distance Telephone Co. (PLDT) will issue short-term commercial papers in November this year to pay off maturing obligations. In preparation for its proposed IOU float, PLDT will file an application for a rating with the Philippine Rating Services Inc. (PRS) to comply with the Securities and Exchange Commission's requirements for a commercial paper issue. Citibank N.A., tapped as the financial advisor for the proposed issue, said PLDT will file with the SEC its CP flotation application next month for a planned market launch in November 2002. x x x"

Philippine Long Distance Telephone Company ("TEL"), in its letter to the Exchange dated September 30, 2002, stated that:

"x x x

We advise that Philippine Long Distance Telephone Company (the 'Company' or 'PLDT') is reviewing the prospect of issuing Philippine SEC-registered short term commercial papers ('STCPs'), subject to the procurement by the Company of the requisite approvals and the financial market conditions at the relevant time. A prospective peso STCP issue will help PLDT diversify its funding source and allow PLDT to tap/access peso financing from the domestic capital markets.

We also advise that the proceeds of any such issue of STCPs are intended to be used to finance the Company's working capital

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requirements and not to pay off maturing obligations as reported in the article.

PLDT is presently in discussions with Citicorp Capital Philippines, Inc. regarding the terms under which they will assist the Company in structuring and arranging a proposed issue of STCPs.

We confirm that PLDT remains committed towards its objective to reduce its level of overall indebtedness.”

For your information.

(Original Signed)
TRISHA M. ZAMESA
Head, Disclosure Department

Noted by:

(Original Signed)
JOSE G. CERVANTES
Senior Vice President

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