Mr. Chairman, the Board of Directors, my fellow shareholders, my colleagues at PLDT, ladies and gentlemen, good afternoon!

Thank you for joining us today. It is both an honor and a pleasure for me to present to you the financial and operating results of the PLDT Group for both 2008 and the First Quarter 2009.

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I am pleased to report that PLDT delivered another solid performance in 2008 despite difficult economic conditions brought on by the global financial crisis.

Consolidated service revenues for the group increased by 7.4 billion pesos, or 5%, to 142.9 billion pesos in 2008 compared to previous year. This was principally driven by an 8% increase in service revenues of our wireless business and a 1% growth in service revenues in our fixed line business.

EBITDA for the group reached 87.6 billion pesos, or a 6% growth year-on-year, with EBITDA margin steady at 61%.

Reported net income declined by 4% to 34.6 billion pesos from 36 billion last year on account of a 1.8 billion increase in asset impairment and 1 billion in net forex losses offset by derivative gains in 2008 compared to a 2.2 billion net gain in 2007.

Core net income, or income excluding non-recurring items, grew by close to 3 billion pesos, or 8%, to 38.1 billion pesos compared to last year. This translates to an earnings per share of 200 pesos.

The peso exchange rate to the U. S. dollar declined 4% on average last year, and 15% by the end of 2008 to close at P 47.65 to the U. S. dollar.

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PLDT’s first quarter results showed an encouraging start for 2009. Consolidated service revenues for the group increased by 1.3 billion pesos, or 4%, to 36.2 billion pesos compared to previous year. This was principally driven by a 6% increase in service revenues of our wireless business and a 3% growth in service revenues in our fixed line business.
EBITDA remained flat at 22 billion pesos, with EBITDA margin at 60%.

Reported net income declined by 8% to 9.6 billion pesos from 10.4 billion last year.

Core net income, or income excluding non-recurring items, grew by 9%, to 10.2 billion pesos in the first quarter of 2009. This translates to an earnings per share of 54 pesos.

The peso exchange rate to the U. S. dollar declined 17% on average for the first three months of 2009, and 16% by the end of March 2009 to close at P 48.42 to the U. S. dollar.

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Moving now to the various business segments, this slide contains highlights of our wireless subscriber numbers which continued to grow strongly in 2008.

The Smart and TNT subscriber base exceeded 35 million at the end of 2008. Total net adds for the year reached 5.2 million, higher than our guidance of 4-5 million. Of total net adds, 4.6 million were TNT subscribers. This brought the total TNT subscriber base to 14.3 million, making it the number 2 brand in the Philippines behind Smart with 20.9 million subs.

Our subscriber base continues to reach new heights, having hit 38 million subscribers in May.

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Wireless service revenues grew 8% to 93.6 billion pesos in 2008, and accounted for 65% of consolidated group revenues. Growth in 2008 was on account of the 8% increase in data revenues, 3% growth in voice revenues, and a remarkable 81% increase in wireless broadband revenues.

At the end of the first quarter of 2009, wireless service revenues increased by 1.4 billion pesos, or 6% year-on-year, to 23.9 billion pesos. This was a result of a 3% increase in cellular data revenues, a 6% growth in cellular voice revenues, and a 40% rise in wireless broadband revenues.

Basic SMS continues to drive data services, which comprises around 55% of total cellular service revenues.

The shift to bucket plans continues. At the first quarter of 2009, these now comprise 60% of total data revenues from 57% in the same quarter last year and in 2008. Innovation in the wireless business continues with the introduction of more affordable products: SmartBro prepaid, as well as more lower-cost voice
plans such as Smart Gold Lite for postpaid subscribers, Red Mobile for 3G voice. We streamlined our distribution channels to strengthen our retailer base. We are focusing on boosting activations and usage by signing up communities such as schools, LGUs and OFW seafarers.

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Having re-organized the fixed line business with teams focusing on retail, corporate and SME markets, new initiatives and programs are being implemented to revive growth in the fixed line.

“Landline Plus” and “Ask PLDT” have generated new subscribers and arrested churn for the retail business. PLDT Business Solutions has made available different offers addressing the corporate customers’ needs, bundling hardware, software and telecommunication solutions, as appropriate. Last but not the least, our SME unit has made inroads in capturing a significant share in a growing segment of the market estimated at over 600,000 active enterprises.

As a result, at the end of 2008, our fixed line subscriber base registered a 3% increase to reach 1.8 million, with the subscriber mix shifting to the more stable corporate and SMEs. Though the growth is modest, it is encouraging for us to see that the programs deployed have begun to arrest the decline in the fixed line subscriber base, and, as you will see in the next slide, help generate growth in revenues.

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With a 1% growth in service revenues for FY2008, the fixed line maintained the momentum of growth registered in the previous few quarters. Service revenues reached 49.3 billion pesos resulting from the increase in corporate data and DSL service revenues, offset by declines in LEC, NLD and ILD revenues.

In the first quarter of 2009, fixed line service revenues registered a 3% growth year-on-year to hit 12.7 billion pesos.

Data service revenues continue to contribute to the growth of the fixed line business, growing 17% in 2008. Data revenues accounted for 41% of total fixed line revenues in the first quarter of 2009 as compared to only 35% in the same quarter last year and 38% at the end of 2008.

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On this slide, you can see that our broadband business continues to break new ground, with our combined subscriber base having crossed the 1 million mark.
At the end of April, PLDT Group registered a total of 1.1 million broadband subscribers, composed of 615 thousand wireless broadband subscribers and 484 thousand DSL subscribers. For the first four months of 2009, our subscriber base grew 12% from the end of 2008; and a dramatic 72% in 2008 compared to 2007.

Internet traffic in the Philippines has grown dramatically in recent years, with Smart’s Internet traffic alone having grown at least 80% year-on-year since 2006.

The growth in broadband is made possible by the increasing availability and affordability of Internet-enabled devices, the skyrocketing popularity of social network sites, as well as Internet access becoming an indispensable every day communication tool.

Our goal: Broadband for All.

Broadband service revenues for 2008 grew by 45% to 11 billion pesos in 2008, comprising 8% of total PLDT group service revenues.

For the first quarter of 2009, broadband service revenues stood at 3.2 billion pesos, registering a 30% growth compared to the same period in 2008 and now representing 9% of total PLDT Group service revenues.

We continue to promote broadband usage with the commercial availability of HSPA running on 850 Mhz spectrum. Our budget-friendly broadband offerings, such as our P 10 for every 30-minute usage via a prepaid service, have made the service widely accessible.

To complement this, we introduced Smart Bro-ready netbooks in affordable packages. To encourage more users, we also made available a wireless router under our Smart Bro Share-It promo. We are planning to pilot fiber-to-the-home or FTTH by the middle of the year. FTTH is the ultimate in wired access as it allows much higher speeds than what is achievable using copper.

There is no question that broadband is one of our key areas of growth moving forward, and we are ensuring that our market leadership in this area is maintained.

ePLDT, our ICT business, registered a 4% growth in service revenues for 2008 reaching 10.4 billion pesos and representing 7% of total PLDT group service revenues. With nearly 80% of ePLDT service revenues being dollar-
denominated, it was somewhat impacted by the 4% average appreciation of the peso in 2008.

The review and rationalization of our BPO operations was the focus in 2008. As a result, a decision was reached to close the electronic data discovery or EDD unit of the legal business.

With the streamlined portfolio of businesses, we expect improvement in ePLDT’s operating results in the latter part of the year.

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Capex for 2008 increased by close to 400 million pesos to 25.2 billion pesos, representing about 18% of total service revenues.

Of total capex, 16.7 billion pesos or 66% was spent for the wireless business, 31% for the fixed line, and 3% for ICT.

The fixed line capex of close to 8 billion pesos was largely utilized for broadband and NGN core, last mile and international facilities; while the wireless capex of about 17 billion pesos was deployed for 2G and 3G core, HSPA850, transport and support facilities.

The 2008 capex spend reflects PLDT’s continued investment in the business, which is sustained in the forecast capex spend of 27 billion pesos for 2009, another 18% of projected service revenues.

We are looking beyond the near-term uncertainty and investing for the long-term as we prepare the infrastructure for the future to allow us to be well positioned when market conditions stabilize.

Our capex is scalable, giving us the flexibility to accelerate or downscale according to market conditions.

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The group’s net debt declined to 800 million US dollars as of year-end 2008, with Net Debt to EBITDA at 0.4x.

At the end of the first quarter 2009, net debt increased to 1.1 billion U. S. dollars with the net debt to EBITDA of 0.6x.

The incremental debt in 2009 is to support planned investments, including the 20% stake in Meralco. This is also an opportunity to increase the peso component of our debt portfolio and move towards the optimization of our
balance sheet. Even with the incremental debt planned for 2009, we expect our net debt to EBITDA to remain below 1x.

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Free cash flow in 2008 increased by 1.3 billion pesos to 47.9 billion pesos from 46.5 billion pesos in the previous year.

The increase in cashflow resulted from higher cash from operations.

The bulk of the free cash flow was utilized for capital management initiatives including 36.5 billion pesos in dividend payments and 5.3 billion pesos for PLDT share buybacks and Piltel redemption. I’d like to point out that the amount of cash we returned to shareholders last year was greater than our capex spend.

In 2009, our free cash flow position remains strong, having generated 18.9 billion pesos in free cash flow during the quarter compared to 17.3 billion pesos in the same quarter last year.

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Consistent with the commitment to pay a 70% dividend payout, PLDT paid a regular dividend of 140 pesos per share in 2008.

Following the company’s solid performance in 2008 and in accordance with the “look back” approach, a special dividend of 60 pesos per share was also declared and paid. This translates to total dividends for 2008 of 200 pesos per share, or a 100% dividend payout.

For 2009, we remain committed to a 70% regular dividend payout and will again assess the possibility of any special dividends using our “look-back approach.” On opportunistic basis, we will also continue with the share buybacks.

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While we continue to master the challenges that faced us in 2008, namely – new and disruptive technologies, increasing and more creative competition -- we are faced with new and bigger challenges in 2009.

How do we pursue continued growth in a softening market. And beyond that, the larger question: how can we emerge from this crisis stronger than ever?

To achieve these twin goals, we need to apply both prudence and boldness, depending on how circumstances and opportunities unfold.
We need to find answers to what appear to be very basic questions: What do our subscribers want? What do they need? How can we serve them better? How do we grow revenues and manage our costs? What new technologies do we harness to be able to offer relevant, cost-effective products and services to our customers? And in finding the answers to all these, we need to keep an eye on the overall economy in order to calibrate our moves.

Let me assure you that the PLDT group is never one to back down from a challenge. The men and women of PLDT again bravely face all these challenges, with a renewed commitment to you, our shareholders, to push the limits of our performance to be able to deliver to you superior results for 2009.

At this point, let me turn the floor over to our Chairman, Mr. Manny Pangilinan, who will discuss our investment in Meralco and the strategic directions being pursued by your Company.