



July 10, 2012

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

Attention: Ms. Janet A. Encarnacion  
Head, Disclosure Department

Ladies and Gentlemen:

Re: Philweb Acquires 27% ePLDT Stake


ePLDT, Inc. (ePLDT), a wholly owned subsidiary of Philippine Long Distance Company (PLDT) and Philweb Corporation (Philweb) are pleased to inform the exchange that earlier today ePLDT and Philweb signed a Share Purchase Agreement covering 397,892,307 common shares of Philweb, representing approximately 27% of the then outstanding capital of Philweb.

The sale of the shares will be executed in four tranches, which will be completed by the end of next year. The first tranche, which is expected to be transacted this Friday (13 July 2012), as well as the second tranche will be at Php10.70 per share. The third and fourth tranches will also be at a base price of Php10.70 per share but with an adjustment of 3% interest per annum.

Having made over 660% return on its original investment in 6 years, ePLDT wanted to realize its profits. Philweb on the other hand was happy to acquire the ePLDT stake because its cash flow was sufficient to pay for its acquired shares and would therefore result in higher earnings per share for the company by reducing the outstanding shares by approximately 27%.

The respective managements of both Philweb and PLDT have also pledged to continue working with each other on various mutually beneficial projects.

Respectfully yours,

  
MA. LOURDES C. RAUSA-CHAN  
Corporate Secretary

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