



June 21, 2016

Philippine Stock Exchange  
3/F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

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

Madam:

We provide you a copy of our letter to the Securities and Exchange Commission, dated June 21, 2016, in connection with the Company's reply to the June 1, 2016 and June 7, 2016 letters of the Exchange on the applicability of the tender offer rule under Section 19 of the Securities Regulation Code ("SRC") and Rule 19 of the implementing rules and regulations of the SRC.

Thank you.

Very truly yours,

  
**MA. LOURDES C. RAUSA-CHAN**  
Corporate Secretary



21 June 2016

**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA, Greenhills  
Mandaluyong City

Attention: **Hon. Teresita J. Herbosa**  
*Chairperson*

**Hon. Ephyro Luis B. Amatong**  
*Commissioner*

**Mr. Vicente Graciano P. Felizmenio, Jr.**  
*Director, Markets and Securities Regulation Department*

Re: Tender Offer for Shares Held by Minority Shareholders of  
Liberty Telecoms Holdings, Inc.

Gentlemen:

We refer to the letters dated 01 June 2016 and 07 June 2016 (the "**Letters**") of the Philippine Stock Exchange (the "**Exchange**") to Philippine Long Distance Telephone Company (the "**Company**" or "**TEL**") in connection with the joint acquisition by PLDT and Globe Telecom, Inc. ("**GLO**") of 100% of the total issued and outstanding capital stock of Vega Telecom, Inc. ("**VTI**") (the "**Acquisition**"). As you may be aware, VTI is the parent company of Liberty Telecoms Holdings, Inc. ("**LIB**"), a company whose shares are publicly-listed on the Exchange.

In the aforesaid Letters, the Exchange requested the Company to advise the Exchange and the investing public of its position on the applicability of the tender offer rule (the "**Tender Offer Rule**") under Section 19 of the Securities Regulation Code ("**SRC**") and Rule 19 of the implementing rules and regulations of the SRC ("**SRC IRR**") to the Acquisition.

Through a letter-disclosure dated 08 June 2016, TEL informed the Exchange that the Company believes that the Tender Offer Rule does not apply to the Acquisition considering that the shares acquired by both TEL and GLO from San Miguel Corporation were unlisted shares of stock in VTI, and not the publicly-listed shares in LIB. Nonetheless, the Company advised the Exchange that it was studying the possibility of undertaking a voluntary tender offer to the remaining minority shareholders of LIB taking into consideration, among others, the business plans for VTI and its subsidiaries, including LIB.

Further to such disclosure and after due evaluation and study of the options and plans of TEL with respect to the VTI subsidiaries and LIB, the Company wishes to inform the Securities and Exchange Commission (the "**Commission**"), the Exchange, and the general investing public, that the Company confirms that it is amenable to VTI conducting a voluntary tender offer for the acquisition by VTI of all of the outstanding shares held by the remaining minority

shareholders of LIB (the “**Voluntary TO**”) and accordingly, the Company will exercise its rights (to the extent of its 50% ownership of VTI) to cause VTI to undertake such Voluntary TO. In addition, the Voluntary TO will be conducted pursuant to and within the context of a voluntary delisting of LIB’s shares of stock from the Exchange (the “**Delisting**”), which shall be subject to corporate and regulatory approvals of LIB. Accordingly, the Company intends to cause LIB through VTI (to the extent of its 50% ownership) to secure the necessary corporate and regulatory approvals for the proposed Delisting.

The process for the Voluntary TO and Delisting is contemplated to commence within the 3<sup>rd</sup> quarter of 2016 and to be completed within the year.

Pursuant to and in accordance with the requirements of the Commission for the conduct of a Voluntary TO, the tender offer price will be subject to and supported by a fairness opinion to be procured by VTI and its shareholders. Accordingly, the tender offer price and the other terms and conditions of the Voluntary TO will be announced by VTI and its shareholders after such fairness opinion has been finalized.

All corporate actions of VTI in relation to the Voluntary TO and Delisting will be subject to the concurrence of GLO.

We assure the Commission and the Exchange that further disclosure of additional information and data on the contemplated Voluntary TO and Delisting will be made in due course and once such information and data become available.

Thank you very much.

Very truly yours,

**PHILIPPINE LONG DISTANCE TELEPHONE COMPANY**

By:



RAY C. ESPINOSA  
Director

**Copy Furnished:**

**THE PHILIPPINE STOCK EXCHANGE, INC.**  
3/F, Tower One and Exchange Plaza  
Ayala Triangle, Ayala Avenue, Makati City, 1226

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