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PLDT SIGNS US\$75 MLN LOAN DEALS WITH GERMAN, JAPANESE INSTITUTIONS

First Pacific announced today that Philippine Long Distance Telephone Company (PLDT) has signed new loan agreements worth US\$75 million with Germany's Kreditanstalt für Wiederaufbau (KfW) and the Export-Import Bank of Japan (JEXIM).

PLDT has signed five separate 10-year loan agreements worth US\$46 million with KfW. The loans are priced at the US\$ Commercial Interest Reference Rate for the fixed loans and at rates of LIBOR plus 100 basis points to 125 basis points for the floating loans. The proceeds will be used to finance supplies and related services provided by Siemens AG for the establishment of a new local exchange in Makati, the expansion of nine digital exchanges which will replace existing analog exchanges, and the establishment of a new engineering-records management system.

Separately, JEXIM has granted PLDT a 10-year US\$29 million loan to support its network expansion. Of the total, US\$17 million will be provided by JEXIM and priced at the US\$ Commercial Interest Reference Rate, while the remaining portion of US\$12 million will be co-financed by the Sakura Bank and priced at LIBOR plus 155 basis points. Proceeds will be used to finance the cost of Japanese goods and services to be provided for PLDT's equipment upgrade program and for five telephone exchange projects.

First Pacific acquired in November an economic interest in PLDT of 17.2 per cent and a voting interest of 27.4 per cent.