

Monday, 10 September 2001

**PHILIPPINE LONG DISTANCE TELEPHONE COMPANY LAUNCHES CASH
TENDER OFFERS FOR 8.5% NOTES DUE 2003 AND 10.625% NOTES DUE 2004**

The attached press release was distributed today by PLDT, in which First Pacific has a 24.5 per cent economic interest, and a 31.6 per cent voting interest.

Philippine Long Distance Telephone Company (“PLDT”) is the leading supplier of domestic and international telecommunications services in the Philippines. PLDT is based in Manila and listed on the Philippine Stock Exchange (PSE:TEL), and has ADRs listed on the New York Stock Exchange (NYSE:PHI) and the Pacific Exchange. Its three principal business groups – fixed line, wireless and Internet/multimedia – provide a comprehensive menu of products and services across the most extensive broadband and integrated networks in the Philippines.

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For more information, please refer to: <http://www.pldt.com.ph> or contact:

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**Philippine Long Distance Telephone Company Launches
Cash Tender Offers for 8.5% Notes due 2003 and 10.625% Notes due 2004**

Manila, Philippines, September 10, 2001 – Philippine Long Distance Telephone Company (“PLDT”) (NYSE:PHI) (PSE:TEL) announced today that it has initiated cash tender offers (the “Offers”) to purchase any and all of its outstanding 8.5% Notes due 2003 and 10.625% Notes due 2004 (the “Notes”).

The price for validly tendered Notes will be determined based on a spread of 350 basis points over a reference Treasury security in the case of the Notes due 2003, and a spread of 400 basis points over a reference Treasury security in the case of the Notes due 2004. The minimum price for each US\$1,000 principal amount of validly tendered Notes due 2003 is US\$1,010, plus accrued and unpaid interest up to, but not including, the payment date. The minimum price for each US\$1,000 principal amount of validly tendered Notes due 2004 is US\$1,045, plus accrued and unpaid interest up to, but not including, the payment date. These minimum prices include a payment of US\$10 (the “Early Repurchase Payment”) for each US\$1,000 principal amount of Notes validly tendered prior to 5:00 P.M., New York City time, on September 21, 2001 (the “Early Repurchase Date”). Notes tendered after 5:00 P.M., New York City time on the Early Repurchase Date are not eligible to receive the Early Repurchase Payment. Notes tendered before 5:00 P.M., New York City time, on the Early Repurchase Date may not be withdrawn after the Early Repurchase Date.

Each Offer will expire at 5:00 P.M., New York City time, on October 9, 2001, unless terminated earlier or extended (the “Expiration Date”). Holders of Notes must tender their Notes on or prior to the Expiration Date in order to receive the tender offer consideration.

PLDT’s obligation to accept for purchase, and pay the tender offer consideration is subject to and conditioned on the satisfaction of certain financing and other conditions more fully described in the Offer to Purchase dated September 7, 2001. The Offer to Purchase and related documents provide additional information regarding the pricing, tender, and delivery procedures, as well as conditions of the Offers. These documents may be obtained by contacting MacKenzie Partners, Inc., the information agent for the Offers, at +1 (800) 322-2885 or +1 (212) 929-5500.

Credit Suisse First Boston Corporation and HSBC Securities (USA) Inc. will serve as dealer managers for the Offers. Questions concerning the terms of the Offers may be directed to either Credit Suisse First Boston at +1 (800) 820-1653 (inside the United States) or +44 (20) 7883-6784 or +852-2101-6356 (outside the United States) or HSBC at +1 (866) 594-3658 (inside the United States) or +44 (20) 7488-1733 or +852-2822-3070 (outside the United States).

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PLDT is the leading telecommunications provider in the Philippines. Through its three principal business groups -- fixed line, wireless, and Internet and multimedia -- PLDT offers a wide range of telecommunications services across the Philippines' most extensive fiber optic backbone and fixed line, cellular and satellite networks.

PLDT is listed on the Philippine Stock Exchange (PSE:TEL) and its American depositary shares are listed on the New York Stock Exchange (NYSE:PHI) and the Pacific Exchange. PLDT has one of the largest market capitalizations among Philippine listed companies.

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This press release is neither an offer to purchase nor a solicitation of an offer to sell securities. The tender offers are made only by the Offer to Purchase. Please refer to the Offer to Purchase and related documents for information regarding the pricing, tender, consent and delivery procedures, as well as conditions of the tender offers.

This press release may contain some statements which constitute "forward-looking statements" that are subject to a number of risks and uncertainties that could affect the Company's business and results of operations. Although the Company believes that expectations reflected in any forward-looking statements are reasonable, it can give no guarantee of future performance.