



FIRST PACIFIC FINANCE LIMITED
(incorporated with limited liability under the laws of the Cayman Islands)

U.S.\$199,000,000 Zero Coupon Guaranteed Exchangeable Notes due 2010 (the "Notes")
Guaranteed by First Pacific Company Limited
Exchangeable into Common Stock of par value PHP 5.00 each of
Philippine Long Distance Telephone Company ("PLDT")

First Pacific Finance Limited (the "Company") refers to Clause 6.1.3 of the Trust Deed and Clause 7.5 of the Agency Agreement in respect of the above Notes. The Company hereby provides notification of a **potential** adjustment to the Exchange Property, the details of which are set out below.

On 6 March 2007, PLDT declared a final dividend for the financial year 2006 in a gross amount of PHP50 per common share with a book close date of 20 March 2007 and a payment date of 20 April 2007. Upon the actual receipt of dividends (subject to the then prevailing exchange rate and net of relevant withholding tax payable thereon) applicable to the Exchange Property, a Capital Distribution, as calculated and defined under Clause 5 of the terms and conditions of the Notes, may be made in respect of the Notes. In accordance with the terms and conditions of the Notes, any Capital Distribution shall be applied to purchase additional PLDT Shares as soon as practicable on or after 20 April 2007, at the then prevailing market price, and such purchased shares shall be added to the Exchange Property.

The Company shall make a further announcement of the actual adjustment to the Exchange Property as a result of the above as soon as practicable on or after 20 April 2007.

Issued by
First Pacific Finance Limited
8 March 2007