



## FIRST PACIFIC COMPANY LIMITED

### **PLDT COMPLETES ACQUISITION OF DIGITEL**

#### *Largest Buyout in Philippine Corporate History*

*Hong Kong, 26<sup>th</sup> October, 2011* – First Pacific Company Limited (HKSE: 00142) (“First Pacific” or the “Company”) today announced that Philippine Long Distance Telephone Company (“PLDT”) (NYSE: PLDT) (PSE: TEL) and JG Summit Holdings, Inc (“JGS”) (PSE: JGS) earlier today successfully completed the acquisition by PLDT of JGS’s and certain other parties’ ownership interest in Digital Telecommunications Philippines, Inc. (“Digitel”) (PSE: DGTL) in an all-share transaction worth ₱69.2 billion (US\$1.6 billion).

The agreed consideration of ₱69.2 billion (US\$1.6 billion) will be settled by the issuance of one new PLDT share for every ₱2,500 (US\$57.6) of the consideration payable to JGS.

PLDT will undertake a mandatory tender offer for all the remaining common shares of Digitel held by minority shareholders. Under the terms of the tender offer, Digitel shareholders will be given an option to sell at ₱1.6033 (US\$0.037) per Digitel share or swap their holdings for PLDT common shares at a swap ratio of 1,559.28 Digitel shares for every new PLDT common share. If fully taken up, the tender offer would bring the total transaction value to ₱74.1 billion (US\$1.7 billion), making it the largest buyout in Philippine corporate history.

Completion of the transaction follows confirmation by the Philippine Securities and Exchange Commission of the valuation of the acquisition assets and approval by the National Telecommunications Commission of the transfer of JGS’s and other parties’ 51.55% interest in Digitel.

PLDT’s investment in Digitel is expected to achieve substantial benefits for the consumer and for the shareholders of PLDT and JGS. It will leverage the combined expertise of the PLDT Group and Digitel to create a telecommunications company better positioned to provide higher quality and more affordable services to fixed-line, wireless, and broadband subscribers while addressing a wide range of consumer demands – from voice and SMS to data and Internet and video services.

Together, the PLDT Group and Digitel would have approximately 60 million subscribers and approximately 100% network coverage to serve the country’s growing demand for wireless services.

A Philippine affiliate of First Pacific entered into a put and call option agreement with JGS to acquire 5.81 million PLDT shares from JGS at a price of ₱2,500 (US\$57.6) per share for a total consideration of ₱14.5 billion (US\$334.7 million). This will allow the First Pacific Group to maintain its investment in PLDT at a level similar to its existing interest.

