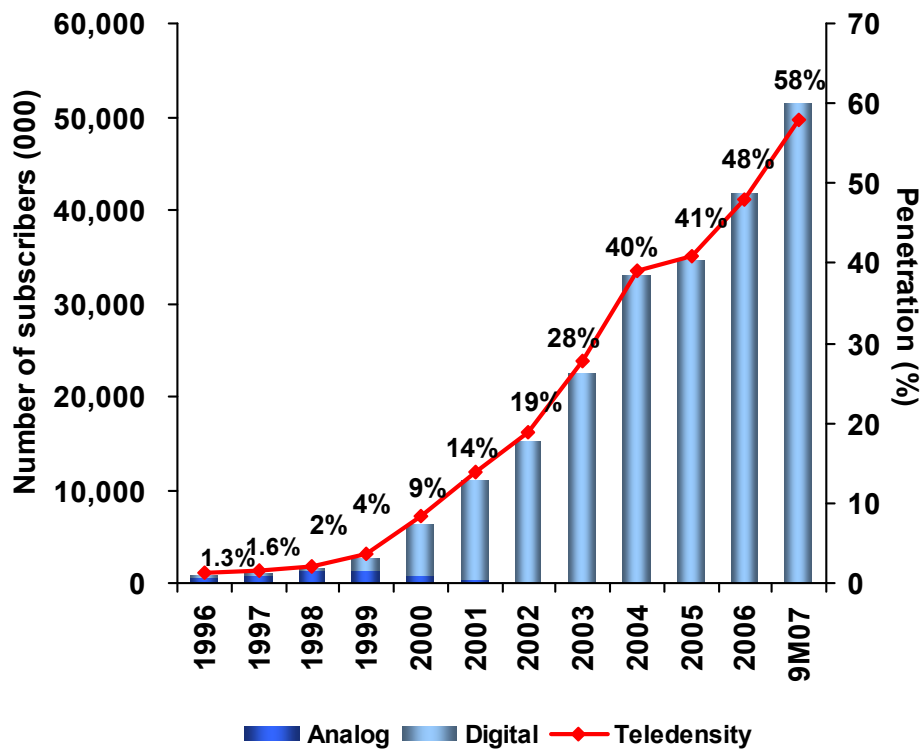


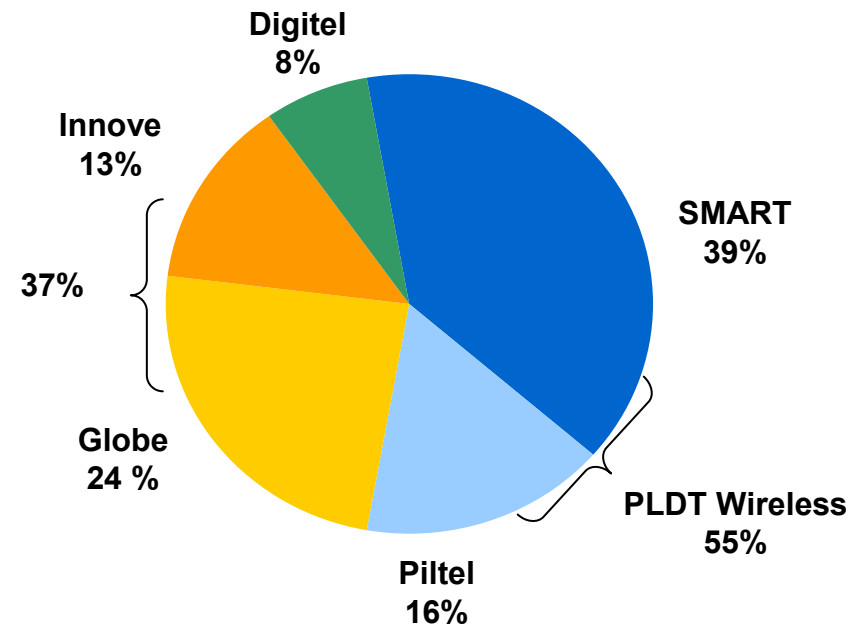
PILTEL

Philippine Mobile Telecommunications Industry Subscribers

Cellular penetration



Subscriber Market Share

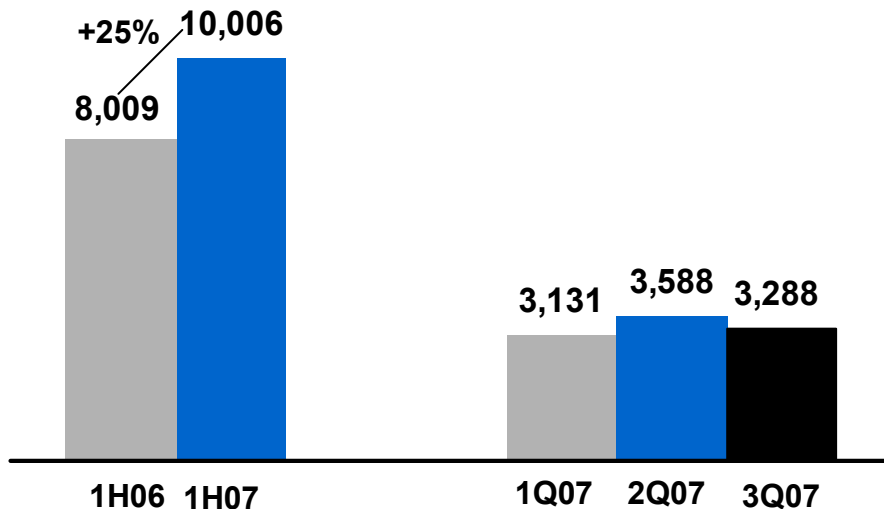


51.4 million subscribers
as of 9M07

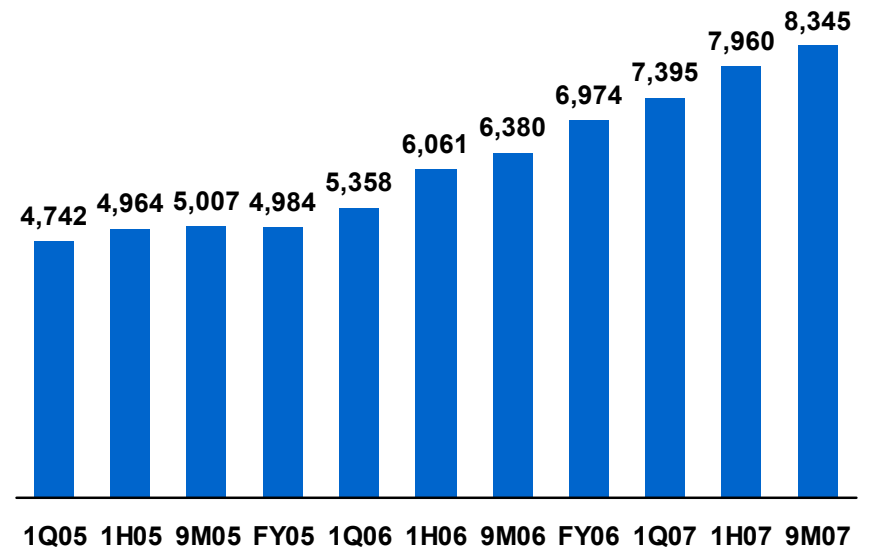
Sustained Subscriber Growth

- Piltel's subscriber base has grown to over 8.3 million.
- Net additions of 1.37 million for first nine months of 2007
- Cellular net service revenues improved 25% to P10 billion in first nine months of 2007 compared with P8 billion in same period in 2006
- 3Q07 net service revenues up 19% year-on-year but down 8% vs election-boosted 2Q07

Cellular Net Service Revenues (PMM)



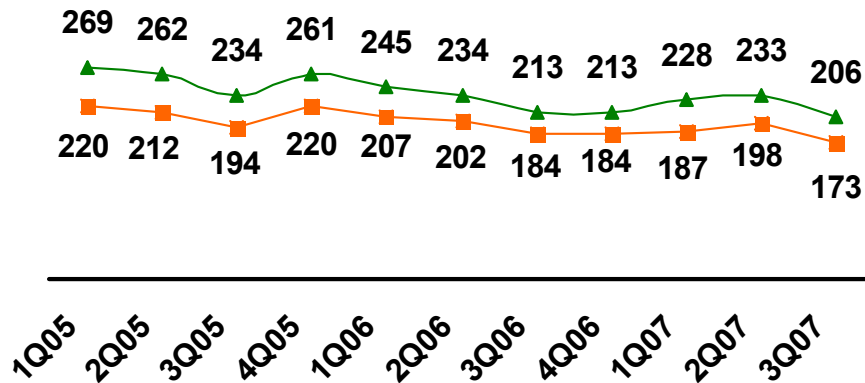
Subscriber Base ('000)



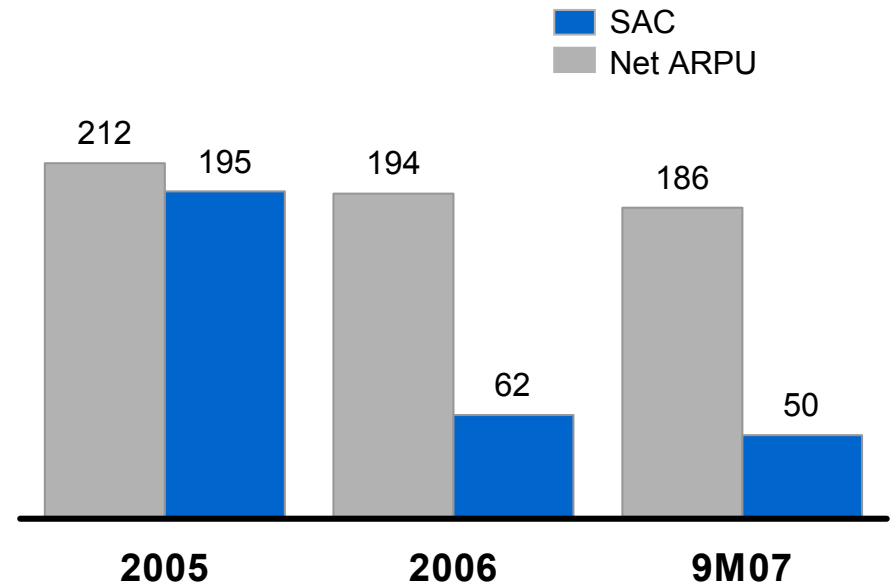
Balancing SAC and ARPU

- Piltel's prepaid net ARPU was at P186 in 9M07, 6% lower y-o-y due to lower outbound voice and SMS usage per subscriber
- Prepaid net ARPU was down in 3Q07 due to historical weakness of the quarter and election-boosted 2Q07
- Prepaid SAC was down to P50 in 9M07, or approximately a quarter of net prepaid ARPU

Prepaid ARPU (Pesos)



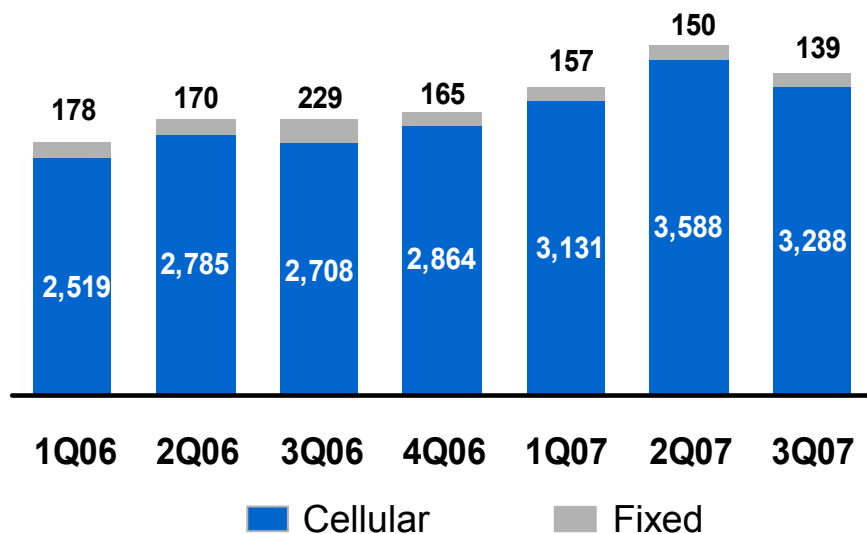
ARPU (Net) and SACs (Pesos)



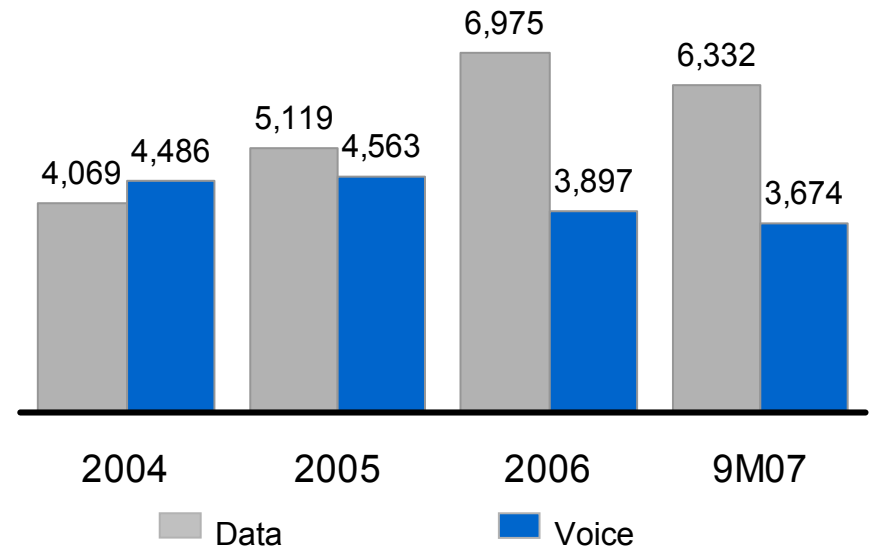
Revenue Breakdown

- Piltel's 9M07 cellular revenues were up 25% year-on-year
- Fixed line revenues were down 23%
- Data revenues contributed 63% to cellular service revenues in 9M07 compared to 53% in 2005

Cellular vs Fixed (Million Pesos)

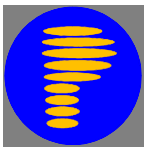


Data vs Voice (Million Pesos)





Financials



Profit And Loss

Profit & Loss (In P millions)	2007			YTD September			
	1Q	2Q	3Q	2007	2006	Variance	% Change
REVENUES							
Service	3,287	3,738	3,428	10,453	8,589	1,865	22%
Non-Service	218	180	103	501	390	112	29%
Other Income	129	104	102	335	340	-5	-1%
	3,634	4,022	3,634	11,290	9,318	1,972	21%
EXPENSES							
Cash Operating Expenses	272	326	336	935	576	-359	-62%
Cost of Sales	239	208	100	547	432	-114	-26%
Non-Cash Operating Expenses	171	1,278	117	1,567	407	-1,160	-285%
Financing Cost (Gain)	-91	-101	-161	-354	3,631	3,985	110%
	591	1,712	392	2,695	5,046	2,352	47%
INCOME BEFORE INCOME TAX	3,043	2,310	3,242	8,595	4,272	4,323	101%
PROVISION FOR (BENEFIT FROM) INCOME TAX	1,057	740	1,100	2,897	-4,186	-7,083	-169%
NET INCOME FOR THE PERIOD	1,985	1,571	2,142	5,698	8,458	-2,760	-33%
Net Income	1,985	1,571	2,142	5,698	8,458	-2,760	-33%
Add (Deduct):							
Foreign Exchange Losses (Gains)	-8	-2	1	-9	-319	310	-97%
Additional Depreciation	0	1,099	0	1,099	0	1,099	100%
Tax effect	3	-436	0	-433	-1,181	747	63%
Movement in Deferred Tax Assets	-1	0	0	-1	-5,575	5,574	100%
Discount Amortization on Debts Prepaid	0	0	0	0	3,693	-3,693	-100%
CORE EARNINGS	1,979	2,232	2,143	6,354	5,076	1,277	25%
EARNINGS PER SHARE							
CORE EPS	0.16	0.12	0.17	0.46	0.69	-0.23	-34%
EBITDA (Operating Income + Depreciation)	2,985	3,377	3,086	9,448	7,941	1,507	19%
EBITDA MARGIN	91%	90%	90%	90%	92%		

Balance Sheet

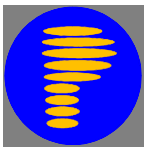
<i>(In P millions)</i>	As of		Variance
	30-Sep-07	31-Dec-06	
Current Assets	14,248	7,608	6,640
Non-current Assets	5,145	9,398	(4,252)
Total Assets	14,248	7,608	6,640
Current Liabilities	1,772	2,034	(262)
Non-current Liabilities	101	402	(302)
Total Liabilities	1,872	2,436	(564)
Equity			
Preferred stock	24	24	-
Common stock	11,772	11,772	-
Additional paid-in capital	2,801	25,051	(22,250)
Retained earnings / (Deficit)	2,961	(22,241)	25,202
Cost of treasury stock held	(36)	(36)	-
Total Equity	17,522	14,570	2,952
Total Liabilities and Stockholders' Equity	19,394	17,006	2,388

Cash Flow

Cashflows (In P millions)	YTD September		
	2007	2006	Inc/(Dec)
Cash Flows from Operations			
Net Income Before Tax	8,595	4,272	4,323
Adjustments to net income:			
Non-Cash Charges	1,569	391	1,177
Financing Cost (Gain)	-354	3,631	-3,985
Changes in Working Capital	-1,245	4,643	-5,888
Total	8,564	12,937	-4,373
Cash Flows from Investing Activities			
Property and Equipment, net of disposal	-190	-154	-36
Interest received	106	57	49
Additions to short-term investment	-5,035	0	-5,035
Others	0	65	-65
Total	-5,119	-31	-5,088
Cash Flows from Financing Activities			
Loan Availment	0	0	0
Payments of debt and interest	-49	-10,137	10,088
Dividend Payment	-2,745	0	-2,745
Redemption of stock	0	0	0
Other Noncurrent Liabilities	0	0	0
Total	-2,794	-10,137	7,343
Effect of exchange rate changes on cash	1	7	-6
Cash Surplus/(Deficit)	652	2,775	-2,123
Cash, beginning	557	344	212
Cash, end	1,208	3,119	-1,911
Short-term Investments	5,500	0	5,500



Other Matters



Redemption of Preferreds

- **On 5th November 2007, Piltel's Board of Directors approved the redemption of the Company's Series J Preferred Shares held by PLDT**
- **Shares originally issued at P1,000 per share during the years 2000-2003 in relation to the Letter of Support issued by PLDT as part of Piltel's debt restructuring program**
- **Shares carry an effective dividend rate of 9%**
- **Redemption at the original issue price of P4.93 billion plus P195.9 million in accrued dividends up to redemption date of 5th December 2007**

Sale of Fixed Line Business to PLDT

Rationale:

- To bring together the LEC businesses of the group under PLDT so that these businesses can derive operating efficiencies while extending to Piltel subscribers benefits from upgrades undertaken at PLDT
- To allow Piltel to concentrate its resources on its wireless business

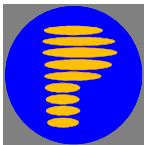
Contract:

Piltel and PLDT to sign a Sale Purchase Agreement for the transfer of:

- Real properties and network equipment;
- Accounts receivable; and
- CPCNs and other government authorization to operate fixed line services in the areas covered by Piltel

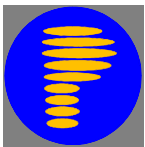
Regulatory requirements:

NTC approval of the transfer of CPCN and assets.

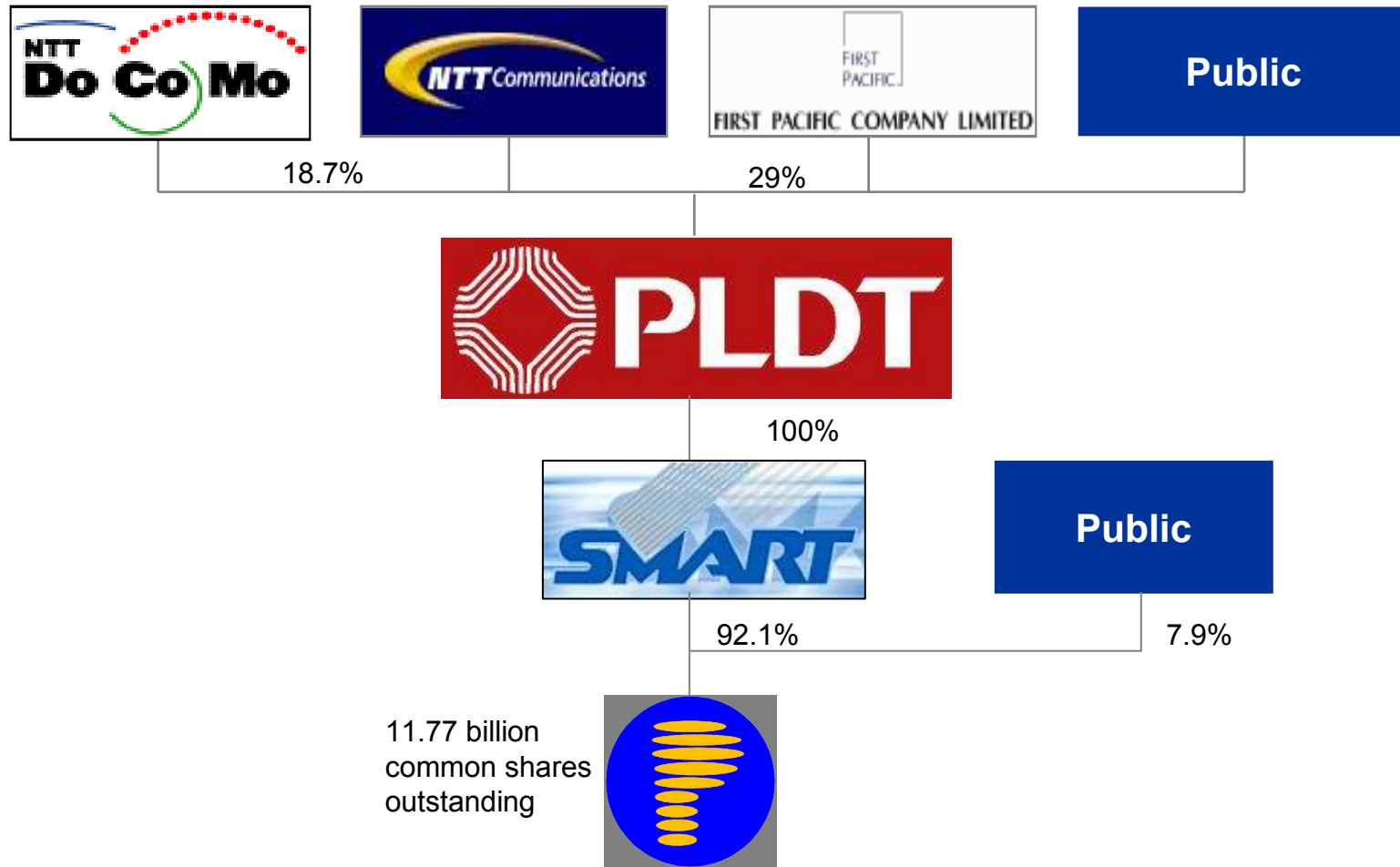




Appendix



Ownership Structure





Thank You

