

Fitch raises PLDT ratings on sovereign upgrade, solid credit profile

MANILA, Philippines, April 1, 2013 - FITCH Ratings has upgraded over the Easter weekend the credit ratings for leading telecoms firm PLDT following the upgrade in the Philippine sovereign ratings to investment grade and in view of the company's solid credit profile.

PLDT's long-term foreign currency issuer default rating and senior unsecured rating were raised to 'BBB' from 'BBB-' with a stable outlook. PLDT's long-term local currency issuer default rating and national long-term rating were also affirmed at 'A-' and 'AAA(phil)', respectively.

PLDT is the first Philippine company that has been given an investment grade rating by the top three international credit watchers.

Aside from Fitch, PLDT is also rated two notches above the sovereign ratings by Moody's Investors Service at Baa2 for its local currency and foreign currency bond ratings while Standard & Poor's recently assigned an investment grade rating of BBB- to PLDT's long-term foreign currency credit rating.

"Last week's ratings upgrade reaffirms our leadership position in the market and highlights the company's overall financial strength," said PLDT President and CEO Napoleon Nazareno.

Fitch said in a statement that "the ratings reflect PLDT's dominant market shares with well over 60% in the wireless, fixed line, and broadband segments at end-2012."

"The ratings also demonstrate the company's strong financial profile, including high EBITDA margins (2012: 46%) and sound leverage," Fitch noted.

Moreover, PLDT's investments in the transformation of its domestic network and its international linkages have strengthened its leadership in the emerging broadband and multimedia businesses.

Nazareno said PLDT's shift into the multimedia space is bringing value-added services for subscribers via its extensive fiber optic network that is unmatched by competition.

PLDT earlier announced an additional 5,000 kilometers of fiber optic cables to be built this year that will further boost its already formidable 54,000 kilometers of fiber nationwide or more than four times that of competition.

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About PLDT

PLDT is the leading telecommunications service provider in the Philippines. Through its three principal business groups –fixed line, wireless, and Business Process Outsourcing or BPO – PLDT offers a wide range of telecommunications services across the Philippines’ most extensive fiber optic backbone and fixed line and cellular 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). PLDT has one of the largest market capitalizations among Philippine-listed companies.

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