

PHILIPPINE LONG DISTANCE TELEPHONE CO
Form SC 13D/A
August 29, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D/A

(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-(1)(a) AND AMENDMENTS THERETO FILED PURSUANT
TO RULE 13d-2(a)
(Amendment No. 7)¹**

Philippine Long Distance Telephone Company

(Name of Issuer)

Common Capital Stock, 5 Philippine Pesos par value

(Title of Class of Securities)

718252109

(CUSIP Number)

Jun Sawada

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NTT Communications Corporation

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Chiyoda-ku, Tokyo 100-8019

Japan

(81-3) 6700-4601

with a copy to:

Robert W. Mullen, Jr., Esq.

Milbank, Tweed, Hadley & McCloy LLP

1 Chase Manhattan Plaza

New York, NY 10005

USA

Telephone: (212) 530-5150

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

August 24, 2007

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* Rule 13d-7 for other parties to whom copies are to be sent.

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (the Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 718252109

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

NTT Communications Corporation

No I.R.S. Identification

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

JAPAN

7 SOLE VOTING POWER

NUMBER OF
SHARES -0-

BENEFICIALLY OWNED BY EACH REPORTING PERSON 8 SHARED VOTING POWER

33,182,785

9 SOLE DISPOSITIVE POWER

-0-

WITH 10 SHARED DISPOSITIVE POWER

33,182,785

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

33,182,785

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

17.6%

14 TYPE OF REPORTING PERSON

CO

CUSIP No. 718252109

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Nippon Telegraph and Telephone Corporation

No I.R.S. Identification

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

JAPAN

7 SOLE VOTING POWER

NUMBER OF
SHARES

-0-

BENEFICIALLY

8 SHARED VOTING POWER

OWNED BY
EACH

33,182,785¹

REPORTING

9 SOLE DISPOSITIVE POWER

PERSON

-0-

WITH

10 SHARED DISPOSITIVE POWER

33,182,785

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

33,182,785

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

17.6%

14 TYPE OF REPORTING PERSON

HC, CO

¹ Nippon Telegraph and Telephone Corporation beneficially owns (i) 12,633,487 shares through NTT Communications Corporation, its wholly-owned subsidiary, and (ii) 20,549,298 shares through NTT DoCoMo, Inc., its majority-owned publicly-traded subsidiary.

This Amendment No. 7 (**Amendment No. 7**) amends the Schedule 13D dated March 24, 2000 (the **Schedule 13D**), which was filed in paper format with the Securities and Exchange Commission (the **SEC**) on behalf of the Reporting Persons (as defined herein) and NTT-UK (as defined herein), relating to the common capital stock, par value five Philippine Pesos (**PhP**) per share (the **Common Shares**) of Philippine Long Distance Telephone Company, a corporation organized under the laws of the Philippines (the **Company** or **PLDT**), as amended by Amendment No. 1 dated December 11, 2002 (**Amendment No. 1**), by Amendment No. 2 dated January 31, 2006 (**Amendment No. 2**), by Amendment No. 3 dated March 14, 2006 (**Amendment No. 3**), by Amendment No. 4 dated April 16, 2007 (**Amendment No. 4**), by Amendment No. 5 dated June 27, 2007 (**Amendment No. 5**) and by Amendment No. 6 dated July 31, 2007 (**Amendment No. 6**). The purpose of this Amendment No. 7 is to reflect the acquisition of Common Shares of PLDT by NTT DoCoMo, Inc. (**DoCoMo**), a majority-owned subsidiary of Nippon Telegraph and Telephone Corporation (**NTT**), in open market purchases from August 1, 2007 through August 24, 2007. Unless specifically amended hereby, the disclosure in the Schedule 13D, as amended by Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4, Amendment No. 5 and Amendment No. 6, remains unchanged.

All capitalized terms used, but not defined, in this Amendment No. 7 are defined in Amendment No. 3. The summary descriptions (if any) contained herein of certain agreements and documents are qualified in their entirety by reference to the complete text of such agreements and documents filed as Exhibits to Amendment No. 3 or incorporated in Amendment No. 3 by reference.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 of Amendment No. 3, as amended by Amendment No. 4, Amendment No. 5 and Amendment No. 6, is hereby further amended by adding the following:

August 2007 DoCoMo Open Market Purchases

From August 1, 2007 through August 24, 2007, DoCoMo made open market purchases of Common Shares through the Philippine Stock Exchange and American Depositary Shares representing Common Shares through the New York Stock Exchange. Through these open market purchases, DoCoMo has acquired 1,884,343 additional shares (including 1,133,813 shares represented by American Depositary Shares) (the **Fourth Additional DoCoMo PLDT Shares**) representing approximately 1.0% of the outstanding capital stock of PLDT. All of the funds used to pay for the Fourth Additional DoCoMo PLDT Shares were from DoCoMo's available cash resources.

Item 4. Purpose of Transaction

Item 4 of Amendment No. 3, as amended by Amendment No. 4, Amendment No. 5 and Amendment No. 6, is hereby further amended by adding the following paragraphs:

August 2007 DoCoMo Open Market Purchases

DoCoMo is acquiring the Fourth Additional DoCoMo PLDT Shares for the same purposes as those described in this Item 4 with respect to its acquisition of the DoCoMo PLDT Shares.

Upon the acquisition of the Fourth Additional DoCoMo PLDT Shares, DoCoMo will beneficially own, in the aggregate, approximately 17.6%, of which DoCoMo directly owns approximately 10.9%, of the voting power attached to the outstanding Common Shares.

Following the acquisition of the Fourth Additional DoCoMo PLDT Shares, if DoCoMo deems market and other conditions as favorable, or if it otherwise decides, DoCoMo may increase its ownership of the Company's equity securities through open market purchases, negotiated purchases, or other transactions, up to the limitation of 21% of the Common Shares issued and outstanding as described in this Item 4. However, if DoCoMo does not deem market and other conditions as favorable or if it otherwise decides, it may not do so.

Item 5. Interest in Securities of the Issuer

Paragraphs (a) and (b) of Item 5 of Amendment No. 3, as amended by Amendment No. 4, Amendment No. 5 and Amendment No. 6, are hereby further amended and restated as follows:

(a) By virtue of NTT's ownership of all of the outstanding capital stock of NTT Communications Corporation (**NTTC**) and a majority of the common stock of DoCoMo and the terms of the Stock Sale and Purchase Agreement (applicable to the DoCoMo PLDT Shares) and the Co-Operation Agreement (applicable to the DoCoMo PLDT Shares, the Additional DoCoMo PLDT Shares (as defined in Amendment No. 4), the Second Additional DoCoMo PLDT Shares (as defined in Amendment No. 5), the Third Additional DoCoMo PLDT Shares (as defined in Amendment No. 6) and the Fourth Additional DoCoMo PLDT Shares), the Reporting Persons and DoCoMo constitute a group within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934 and, therefore, each of the Reporting Persons may be deemed to have acquired beneficial ownership of the 33,182,785 Common Shares, in aggregate, beneficially held by the Reporting Persons and DoCoMo. Given the terms of the Shareholders Agreement and the Co-Operation Agreement (as described in Amendment No. 3), the Reporting Persons and DoCoMo and the other parties to the Strategic Agreement, the Shareholders Agreement and the Co-Operation Agreement might be deemed to constitute a group. However, the Reporting Persons disclaim that they have agreed to act as a group with any other parties to the Strategic Agreement, the Shareholders Agreement or the Co-Operation Agreement (other than to the extent provided in the Shareholders Agreement and the Co-Operation Agreement) and the Reporting Persons disclaim beneficial ownership of the Common Shares other than the amounts of shares reported for the Reporting Persons herein.

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(b) NTTC has the shared power to vote or dispose or to direct the vote or disposition of the 33,182,785 Common Shares beneficially owned by NTTC and DoCoMo of which DoCoMo directly owns 20,549,298 Common Shares. By virtue of its ownership of all of the issued and outstanding capital stock of NTTC and a majority of the issued and outstanding capital stock of DoCoMo, NTT has the power to direct the voting or disposition of the Common Shares beneficially owned by NTTC and DoCoMo.

Paragraph (c) of Item 5 of Amendment No. 3, as amended by Amendment No. 4, Amendment No. 5 and Amendment No. 6, is hereby further amended as follows:

First: The text preceding the table is deleted and replaced by the following language.

As of the filing of this Amendment No. 7, except for the purchase by DoCoMo of the Common Shares described in Item 3, neither the Reporting Persons, nor to the knowledge of each Reporting Person, any of its directors or executive officers has effected any transaction in the Common Shares during the past 60 days. The following table sets forth, for the open market purchases by DoCoMo described in Item 3, the dates of such open market purchases, the numbers of the Common Shares purchased, the prices per share (rounded to the nearest one U.S. cent or one Philippine centavo) of such purchases and the exchange through which such open market purchases were effected (the open market purchases made through the New York Stock Exchange were for American Depositary Shares of PLDT, each representing one Common Share):

Second: The table below is added below the table currently in paragraph (c).

	Number of Shares		
Date of Purchase	Purchased	Price per Share	Exchange
Fourth Additional DoCoMo PLDT Shares:			
08/01/2007	132,649	US\$56.25	New York Stock Exchange
08/01/2007	85,830	PhP 2,550.94	Philippine Stock Exchange
08/02/2007	133,408	US\$57.62	New York Stock Exchange
08/02/2007	85,930	PhP 2,527.49	Philippine Stock Exchange
08/03/2007	132,689	US\$57.77	New York Stock Exchange
08/03/2007	79,300	PhP 2,614.47	Philippine Stock Exchange
08/06/2007	130,890	US\$57.50	New York Stock Exchange
08/06/2007	59,380	PhP 2,609.01	Philippine Stock Exchange
08/07/2007	28,496	US\$58.32	New York Stock Exchange
08/07/2007	20,000	PhP 2,647.13	Philippine Stock Exchange
08/08/2007	33,300	US\$58.72	New York Stock Exchange
08/08/2007	60,000	PhP 2,650.00	Philippine Stock Exchange
08/09/2007	132,565	US\$56.88	New York Stock Exchange
08/09/2007	47,550	PhP 2,621.52	Philippine Stock Exchange
08/10/2007	135,421	US\$56.42	New York Stock Exchange
08/10/2007	13,870	PhP 2,548.78	Philippine Stock Exchange
08/20/2007	136,438	US\$53.60	New York Stock Exchange
08/21/2007	99,857	US\$53.97	New York Stock Exchange
08/21/2007	40,100	PhP 2,513.74	Philippine Stock Exchange
08/22/2007	10,500	US\$54.85	New York Stock Exchange
08/22/2007	87,880	PhP 2,518.92	Philippine Stock Exchange
08/23/2007	27,600	US\$54.80	New York Stock Exchange
08/23/2007	88,670	PhP 2,545.79	Philippine Stock Exchange
08/24/2007	82,020	PhP 2,543.27	Philippine Stock Exchange
Total	1,884,343		

Third: The following paragraph is added to the end of paragraph (c).

The aggregate purchase price for the open market purchases through the Philippine Stock Exchange was PhP 1,926,831,130.64 for the Fourth Additional DoCoMo PLDT Shares. The aggregate purchase price for the open market purchases through the New York Stock Exchange was US\$63,929,853.35 for the Fourth Additional DoCoMo PLDT Shares.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 29, 2007

NIPPON TELEGRAPH AND TELEPHONE CORPORATION

By: /s/ Hiroo Unoura
Name: Hiroo Unoura
Title: Executive Vice President

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 29, 2007

NTT COMMUNICATIONS CORPORATION

By: /s/ Jun Sawada
Name: Jun Sawada
Title: Vice President