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FIRST PACIFIC COMPANY LIMITED

第一太平洋有限公司

(Incorporated with limited liability under the laws of Bermuda)

Website: <http://www.firstpacific.com>

(Stock Code: 00142)

ANNOUNCEMENT MADE BY PLDT INC.

IN RELATION TO ITS UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

This Announcement is made by First Pacific Company Limited (“First Pacific” or the “Company”) pursuant to the requirements of Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to provide shareholders of First Pacific and the public with the unaudited consolidated financial results of PLDT Inc. (formerly known as Philippine Long Distance Telephone Company) (“PLDT”), a major operating associate of the Company, for the six months ended 30 June 2016.

Summary

On 2 August 2016, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2016. PLDT’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange, Inc. (“PSE”) and the New York Stock Exchange, Inc. (“NYSE”) by way of disclosure on 2 August 2016, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company.

PLDT, a major operating associate of First Pacific, is a company incorporated in the Philippines, whose shares are listed on the PSE. In addition, PLDT’s American Depositary Receipts are listed on the NYSE. First Pacific and its Philippine affiliates have a 25.6% attributable economic interest in PLDT. On 2 August 2016, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2016. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 2 August 2016, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company. The unaudited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards and are presented in Philippine Peso. PLDT’s unaudited Consolidated Income Statements for the six months ended 30 June 2016 and 2015, as well as the unaudited Consolidated Statement of Financial Position as at 30 June 2016 and the audited Consolidated Statement of Financial Position as at 31 December 2015 are provided below:

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2016 AND 2015

(in million pesos, except earnings per common share amounts which are in pesos)

| | 2016 (Unaudited) | 2015 |
|---|---------------------|---------------|
| REVENUES | | |
| Service revenues | 80,604 | 81,159 |
| Non-service revenues | 4,680 | 4,032 |
| | <u>85,284</u> | <u>85,191</u> |
| EXPENSES | | |
| Depreciation and amortization | 14,575 | 13,945 |
| Cost of sales | 10,835 | 7,688 |
| Asset impairment | 10,344 | 1,707 |
| Compensation and employee benefits | 10,064 | 11,315 |
| Repairs and maintenance | 7,593 | 7,452 |
| Interconnection costs | 4,834 | 5,189 |
| Professional and other contracted services | 4,373 | 3,973 |
| Selling and promotions | 4,247 | 5,057 |
| Rent | 3,411 | 3,019 |
| Taxes and licenses | 2,073 | 2,176 |
| Insurance and security services | 914 | 914 |
| Communication, training and travel | 654 | 646 |
| Amortization of intangible assets | 544 | 542 |
| Other expenses | 566 | 535 |
| | <u>75,027</u> | <u>64,158</u> |
| | <u>10,257</u> | <u>21,033</u> |
| OTHER INCOME | | |
| Equity share in net earnings of associates and joint ventures | 935 | 2,234 |
| Interest income | 472 | 364 |
| Foreign exchange gains (losses) – net | 77 | (439) |
| Gains (losses) on derivative financial instruments – net | (178) | 89 |
| Financing costs – net | (3,620) | (2,937) |
| Other income – net | 9,189 | 3,829 |
| | <u>6,875</u> | <u>3,140</u> |
| INCOME BEFORE INCOME TAX | 17,132 | 24,173 |
| PROVISION FOR INCOME TAX | 4,646 | 5,424 |
| NET INCOME | <u>12,486</u> | <u>18,749</u> |
| ATTRIBUTABLE TO : | | |
| Equity holders of PLDT | 12,463 | 18,729 |
| Noncontrolling interests | 23 | 20 |
| | <u>12,486</u> | <u>18,749</u> |
| Earnings Per Share Attributable to Common Equity Holders of PLDT | | |
| Basic | 57.55 | 86.55 |
| Diluted | 57.55 | 86.55 |

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(in million pesos)

| | As at 30 June 2016 (Unaudited) | As at 31 December 2015 (Audited) |
|---|---|---|
| ASSETS | | |
| Noncurrent Assets | | |
| Property and equipment | 200,060 | 195,782 |
| Investments in associates and joint ventures | 62,689 | 48,703 |
| Available-for-sale financial investments | 10,333 | 15,711 |
| Investment in debt securities and other long-term investments – net of current portion | 959 | 952 |
| Investment properties | 1,864 | 1,825 |
| Goodwill and intangible assets | 72,274 | 72,117 |
| Deferred income tax assets – net | 21,730 | 21,941 |
| Derivative financial assets – net of current portion | 126 | 145 |
| Prepayments – net of current portion | 5,446 | 3,475 |
| Advances and other noncurrent assets – net of current portion | 9,548 | 3,003 |
| | <hr/> | <hr/> |
| Total Noncurrent Assets | 385,029 | 363,654 |
| Current Assets | | |
| Cash and cash equivalents | 23,386 | 46,455 |
| Short-term investments | 6,688 | 1,429 |
| Trade and other receivables | 28,444 | 24,898 |
| Inventories and supplies | 5,632 | 4,614 |
| Current portion of derivative financial assets | 16 | 26 |
| Current portion of investment in debt securities and other long-term investments | 50 | 51 |
| Current portion of prepayments | 5,766 | 5,798 |
| Current portion of advances and other noncurrent assets | 8,197 | 8,170 |
| | <hr/> | <hr/> |
| Total Current Assets | 78,179 | 91,441 |
| | <hr/> | <hr/> |
| TOTAL ASSETS | 463,208 | 455,095 |
| | <hr/> <hr/> | <hr/> <hr/> |

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
(in million pesos)

| | As at 30 June 2016 (Unaudited) | As at 31 December 2015 (Audited) |
|---|---|---|
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Non-voting serial preferred stock | 360 | 360 |
| Voting preferred stock | 150 | 150 |
| Common stock | 1,093 | 1,093 |
| Treasury stock | (6,505) | (6,505) |
| Capital in excess of par value | 130,503 | 130,517 |
| Retained earnings | 6,556 | 6,195 |
| Other comprehensive loss | (20,712) | (18,202) |
| | <hr/> | <hr/> |
| Total Equity Attributable to Equity Holders of PLDT | 111,445 | 113,608 |
| Noncontrolling interests | 282 | 290 |
| | <hr/> | <hr/> |
| TOTAL EQUITY | 111,727 | 113,898 |
| | <hr/> | <hr/> |
| Noncurrent Liabilities | | |
| Interest-bearing financial liabilities – net of current portion | 128,165 | 143,982 |
| Deferred income tax liabilities – net | 3,585 | 3,704 |
| Derivative financial liabilities – net of current portion | 420 | 736 |
| Customers’ deposits | 2,426 | 2,430 |
| Pension and other employee benefits | 10,946 | 10,197 |
| Deferred credits and other noncurrent liabilities | 18,042 | 21,482 |
| | <hr/> | <hr/> |
| Total Noncurrent Liabilities | 163,584 | 182,531 |
| | <hr/> | <hr/> |
| Current Liabilities | | |
| Accounts payable | 55,285 | 52,679 |
| Accrued expenses and other current liabilities | 98,747 | 84,286 |
| Current portion of interest-bearing financial liabilities | 29,266 | 16,911 |
| Provision for claims and assessments | 897 | 897 |
| Dividends payable | 1,493 | 1,461 |
| Current portion of derivative financial liabilities | 1,022 | 306 |
| Income tax payable | 1,187 | 2,126 |
| | <hr/> | <hr/> |
| Total Current Liabilities | 187,897 | 158,666 |
| | <hr/> | <hr/> |
| TOTAL LIABILITIES | 351,481 | 341,197 |
| | <hr/> | <hr/> |
| TOTAL EQUITY AND LIABILITIES | 463,208 | 455,095 |
| | <hr/> <hr/> | <hr/> <hr/> |

GENERAL

Shareholders should note that the above unaudited and audited financial results pertain only to PLDT and not to First Pacific itself.

The above information only refers to certain sections of PLDT's disclosure and shareholders should refer to PLDT's original filing submitted to the PSE (<http://www.pse.com.ph>) and the NYSE (<http://www.nyse.com>), as well as disclosed as the Company's Overseas Regulatory Announcement on the websites of the HKEX and the Company on 2 August 2016.

By Order of the Board
First Pacific Company Limited
Manuel V. Pangilinan
Managing Director and CEO

Hong Kong, 2 August 2016

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

Non-executive Directors:

Anthoni Salim, *Chairman*

Benny S. Santoso

Tedy Djuhar

Ambassador Albert F. del Rosario

Independent Non-executive Directors:

Prof. Edward K.Y. Chen, *GBS, CBE, JP*

Margaret Leung Ko May Yee, *SBS, JP*

Philip Fan Yan Hok

Madeleine Lee Suh Shin