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FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(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 NINE MONTHS ENDED 30 SEPTEMBER 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 nine months ended 30 September 2016.

Summary

On 14 November 2016, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the nine months ended 30 September 2016. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 14 November 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 Philippine Stock Exchange, Inc. (“PSE”). In addition, PLDT’s American Depositary Receipts are listed on the New York Stock Exchange, Inc. (“NYSE”). First Pacific and its Philippine affiliates have a 25.6% attributable economic interest in PLDT. On 14 November 2016, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the nine months ended 30 September 2016. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 14 November 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 nine months ended 30 September 2016 and 2015, as well as the unaudited Consolidated Statement of Financial Position as at 30 September 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 NINE MONTHS ENDED 30 SEPTEMBER 2016 AND 2015
(in million pesos, except earnings per common share amounts which are in pesos)

	2016 (Unaudited)	2015
REVENUES		
Service revenues	118,932	122,001
Non-service revenues	<u>6,454</u>	<u>5,870</u>
	<u>125,386</u>	<u>127,871</u>
EXPENSES		
Depreciation and amortization	22,603	21,187
Compensation and employee benefits	15,078	16,376
Cost of sales	14,279	11,709
Asset impairment	12,914	2,662
Repairs and maintenance	11,346	11,271
Interconnection costs	7,102	7,637
Professional and other contracted services	6,689	6,049
Selling and promotions	6,441	7,379
Rent	5,124	4,704
Taxes and licenses	3,008	2,843
Insurance and security services	1,291	1,349
Communication, training and travel	1,007	995
Amortization of intangible assets	821	805
Other expenses	<u>771</u>	<u>831</u>
	<u>108,474</u>	<u>95,797</u>
	<u>16,912</u>	<u>32,074</u>
OTHER INCOME		
Equity share in net earnings of associates and joint ventures	1,477	2,668
Interest income	743	590
Gains on derivative financial instruments – net	511	447
Foreign exchange losses – net	(1,434)	(2,523)
Financing costs – net	(5,430)	(4,550)
Other income – net	<u>9,381</u>	<u>3,987</u>
	<u>5,248</u>	<u>619</u>
INCOME BEFORE INCOME TAX	<u>22,160</u>	<u>32,693</u>
PROVISION FOR INCOME TAX	<u>6,260</u>	<u>7,338</u>
NET INCOME	<u>15,900</u>	<u>25,355</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	15,865	25,339
Noncontrolling interests	<u>35</u>	<u>16</u>
	<u>15,900</u>	<u>25,355</u>
Earnings Per Share Attributable to Common Equity Holders of PLDT		
Basic	73.22	117.07
Diluted	<u>73.22</u>	<u>117.07</u>

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

	As at 30 September 2016 (Unaudited)	As at 31 December 2015 (Audited)
ASSETS		
Noncurrent Assets		
Property and equipment	198,495	195,782
Investments in associates and joint ventures	56,080	48,703
Available-for-sale financial investments	12,647	15,711
Investment in debt securities and other long-term investments – net of current portion	748	952
Investment properties	1,864	1,825
Goodwill and intangible assets	72,150	72,117
Deferred income tax assets – net	22,058	21,941
Derivative financial assets – net of current portion	270	145
Prepayments – net of current portion	5,517	3,475
Advances and other noncurrent assets – net of current portion	9,602	3,003
Total Noncurrent Assets	379,431	363,654
Current Assets		
Cash and cash equivalents	26,395	46,455
Short-term investments	1,670	1,429
Trade and other receivables	26,138	24,898
Inventories and supplies	4,500	4,614
Current portion of derivative financial assets	198	26
Current portion of investment in debt securities and other long-term investments	253	51
Current portion of prepayments	6,094	5,798
Current portion of advances and other noncurrent assets	8,264	8,170
Total Current Assets	73,512	91,441
TOTAL ASSETS	452,943	455,095

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

	As at 30 September 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	130,504	130,517
Retained earnings (deficit)	(643)	6,195
Other comprehensive loss	(20,428)	(18,202)
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Total Equity Attributable to Equity Holders of PLDT	104,531	113,608
Noncontrolling interests	294	290
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TOTAL EQUITY	104,825	113,898
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Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	128,121	143,982
Deferred income tax liabilities – net	3,586	3,704
Derivative financial liabilities – net of current portion	311	736
Customers’ deposits	2,432	2,430
Pension and other employee benefits	11,344	10,197
Deferred credits and other noncurrent liabilities	17,173	21,482
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Total Noncurrent Liabilities	162,967	182,531
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Current Liabilities		
Accounts payable	48,495	52,679
Accrued expenses and other current liabilities	99,668	84,286
Current portion of interest-bearing financial liabilities	32,761	16,911
Provision for claims and assessments	897	897
Dividends payable	1,540	1,461
Current portion of derivative financial liabilities	483	306
Income tax payable	1,307	2,126
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Total Current Liabilities	185,151	158,666
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TOTAL LIABILITIES	348,118	341,197
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TOTAL EQUITY AND LIABILITIES	452,943	455,095
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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 14 November 2016.

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

Hong Kong, 14 November 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