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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 2018

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. (“PLDT”), a major operating associate of the Company, for the six months ended 30 June 2018.

Summary

On 9 August 2018, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2018. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 9 August 2018, 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 9 August 2018, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2018. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 9 August 2018, 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 2018 and 2017, as well as the unaudited Consolidated Statement of Financial Position as at 30 June 2018 and the audited Consolidated Statement of Financial Position as at 31 December 2017 are provided below:

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2018 AND 2017

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

	2018	2017
	(Unaudited)	
REVENUES		
Service revenues	76,361	75,383
Non-service revenues	5,878	3,632
	82,239	79,015
EXPENSES		
Selling, general and administrative expenses	35,252	34,544
Depreciation and amortization	17,889	15,329
Cost of sales and services	7,510	6,472
Interconnection costs	3,908	4,153
Asset impairment	2,812	2,248
	67,371	62,746
	14,868	16,269
OTHER INCOME	694	4,468
INCOME BEFORE INCOME TAX	15,562	20,737
PROVISION FOR INCOME TAX	3,757	4,176
NET INCOME	11,805	16,561
ATTRIBUTABLE TO:		
Equity holders of PLDT	11,762	16,518
Noncontrolling interests	43	43
	11,805	16,561
Earnings Per Share Attributable to		
Common Equity Holders of PLDT		
Basic	54.31	76.32
Diluted	54.31	76.32

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2018 AND 31 DECEMBER 2017
(in million pesos)

	30 June 2018 (Unaudited)	31 December 2017 (Audited)
ASSETS		
Noncurrent Assets		
Property and equipment	190,726	186,907
Investments in associates and joint ventures	43,051	46,130
Available-for-sale financial investments	–	15,165
Financial assets at fair value through profit or loss	7,985	–
Investment in debt securities and other		
long-term investments – net of current portion	–	150
Debt instruments at amortized cost	150	–
Investment properties	1,943	1,635
Goodwill and intangible assets	69,165	69,583
Deferred income tax assets – net	28,730	30,466
Derivative financial assets – net of current portion	259	215
Prepayments – net of current portion	6,026	5,370
Advances and other noncurrent assets – net of current portion	–	14,154
Financial assets at fair value through other		
comprehensive income – net of current portion	2,806	–
Other financial assets – net of current portion	2,433	–
Other non-financial assets – net of current portion	352	–
Total Noncurrent Assets	353,626	369,775
Current Assets		
Cash and cash equivalents	52,364	32,905
Short-term investments	4,326	1,074
Trade and other receivables	36,201	33,761
Inventories and supplies	5,234	3,933
Contract assets	3,903	–
Current portion of derivative financial assets	322	171
Current portion of investment in debt securities and		
other long-term investments	–	100
Current portion of prepayments	7,502	9,633
Current portion of advances and other noncurrent assets	–	8,092
Current portion of financial assets at fair value through		
other comprehensive income	1,508	–
Current portion of other financial assets	7,182	–
Current portion of other non-financial assets	907	–
Total Current Assets	119,449	89,669
TOTAL ASSETS	473,075	459,444

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2018 AND 31 DECEMBER 2017
(in million pesos)

	30 June	31 December
	2018	2017
	(Unaudited)	(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)
Treasury shares under employee benefit trust	(885)	(940)
Capital in excess of par value	130,374	130,374
Other equity reserves	753	827
Retained earnings	13,215	634
Other comprehensive loss	(25,370)	(19,151)
Total Equity Attributable to Equity Holders of PLDT	<u>113,185</u>	106,842
Noncontrolling interests	<u>4,373</u>	4,341
TOTAL EQUITY	<u>117,558</u>	<u>111,183</u>
Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	172,860	157,654
Deferred income tax liabilities – net	3,645	3,366
Derivative financial liabilities – net of current portion	–	8
Customers’ deposits	2,459	2,443
Pension and other employee benefits	8,425	8,997
Deferred credits and other noncurrent liabilities	7,829	7,702
Total Noncurrent Liabilities	<u>195,218</u>	180,170
Current Liabilities		
Accounts payable	52,364	60,445
Accrued expenses and other current liabilities	94,139	90,740
Current portion of interest-bearing financial liabilities	10,950	14,957
Dividends payable	1,601	1,575
Current portion of derivative financial liabilities	19	141
Income tax payable	1,226	233
Total Current Liabilities	<u>160,299</u>	168,091
TOTAL LIABILITIES	<u>355,517</u>	<u>348,261</u>
TOTAL EQUITY AND LIABILITIES	<u><u>473,075</u></u>	<u><u>459,444</u></u>

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 9 August 2018.

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

Hong Kong, 9 August 2018

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

Executive Directors:

Manuel V. Pangilinan, *Managing Director and CEO*

Robert C. Nicholson

Christopher H. Young

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