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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 PHILIPPINE LONG DISTANCE TELEPHONE COMPANY IN RELATION TO ITS UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

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 Philippine Long Distance Telephone Company (“PLDT”), a major operating associate of the Company, for the nine months ended 30 September 2014.

Summary

On 4 November 2014, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the nine months ended 30 September 2014. 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 4 November 2014, 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 4 November 2014, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the nine months ended 30 September 2014. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 4 November 2014, 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 2014 and 2013, as well as the unaudited Consolidated Statement of Financial Position as at 30 September 2014 and audited Consolidated Statement of Financial Position as at 31 December 2013 are provided below:

**PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS**

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 AND 2013

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

	2014	2013
	(Unaudited)	
REVENUES		
Service revenues	122,910	121,604
Non-service revenues	4,360	2,981
	<u>127,270</u>	<u>124,585</u>
EXPENSES		
Depreciation and amortization	21,897	22,180
Compensation and employee benefits	15,777	16,307
Repairs and maintenance	10,952	9,524
Cost of sales	10,180	8,532
Selling and promotions	7,905	6,598
Interconnection costs	7,866	7,865
Professional and other contracted services	4,824	4,544
Rent	4,754	4,224
Taxes and licenses	2,485	2,625
Asset impairment	1,816	2,120
Communication, training and travel	1,724	1,570
Insurance and security services	1,360	1,252
Amortization of intangible assets	862	736
Other expenses	1,104	1,141
	<u>93,506</u>	<u>89,218</u>
	<u>33,764</u>	<u>35,367</u>
OTHER INCOME (EXPENSES)		
Equity share in net earnings of associates and joint ventures	2,687	2,308
Interest income	567	680
Gains on derivative financial instruments – net	13	492
Foreign exchange losses – net	(741)	(2,004)
Financing costs – net	(3,855)	(5,245)
Other income	4,268	1,599
	<u>2,939</u>	<u>(2,170)</u>
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	36,703	33,197
PROVISION FOR INCOME TAX	8,766	6,271
NET INCOME FROM CONTINUING OPERATIONS	27,937	26,926
NET INCOME FROM DISCONTINUED OPERATIONS	–	2,069
NET INCOME	<u>27,937</u>	<u>28,995</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	27,957	28,954
Noncontrolling interests	(20)	41
	<u>27,937</u>	<u>28,995</u>
Earnings Per Share Attributable to Common Equity Holders of PLDT		
Basic	129.19	133.81
Diluted	<u>129.19</u>	<u>133.81</u>
Earnings Per Share from Continuing Operations Attributable to Common Equity Holders of PLDT		
Basic	129.19	124.23
Diluted	<u>129.19</u>	<u>124.23</u>

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014 AND 31 DECEMBER 2013
(in million pesos)

	As at 30 September 2014 (Unaudited)	As at 31 December 2013 (Audited)
ASSETS		
Noncurrent Assets		
Property, plant and equipment	186,988	192,665
Investments in associates, joint ventures and deposits	44,135	41,310
Available-for-sale financial investments	19,804	220
Investment in debt securities and other long-term investments – net of current portion	2,639	2,643
Investment properties	1,814	1,222
Goodwill and intangible assets	73,095	73,918
Deferred income tax assets – net	15,350	14,181
Derivative financial assets	178	24
Prepayments – net of current portion	2,922	3,031
Advances and other noncurrent assets – net of current portion	4,981	2,761
	351,906	331,975
Total Noncurrent Assets		
Current Assets		
Cash and cash equivalents	23,694	31,905
Short-term investments	640	718
Trade and other receivables	21,787	17,564
Inventories and supplies	3,389	3,164
Derivative financial assets	–	10
Current portion of investment in debt securities and other long-term investments	371	–
Current portion of prepayments	6,141	6,054
Current portion of advances and other noncurrent assets	8,209	8,248
	64,231	67,663
Total Current Assets	64,231	67,663
TOTAL ASSETS	416,137	399,638

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2014 AND 31 DECEMBER 2013
(in million pesos)

	As at 30 September 2014 (Unaudited)	As at 31 December 2013 (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	130,522	130,562
Retained earnings	10,910	22,968
Other comprehensive income	(14,103)	(11,481)
	122,427	137,147
Total Equity Attributable to Equity Holders of PLDT		
Noncontrolling interests	326	179
	122,753	137,326
TOTAL EQUITY		
Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	117,930	88,930
Deferred income tax liabilities – net	4,400	4,437
Derivative financial liabilities	1,503	1,869
Customers’ deposits	2,480	2,545
Pension and other employee benefits	11,555	13,439
Deferred credits and other noncurrent liabilities	19,710	22,045
	157,578	133,265
Total Noncurrent Liabilities		
Current Liabilities		
Accounts payable	32,288	34,882
Accrued expenses and other current liabilities	83,769	74,256
Current portion of interest-bearing financial liabilities	14,779	15,171
Provision for claims and assessments	897	897
Dividends payable	1,065	932
Derivative financial liabilities	209	105
Income tax payable	2,799	2,804
	135,806	129,047
Total Current Liabilities		
TOTAL LIABILITIES	293,384	262,312
TOTAL EQUITY AND LIABILITIES	416,137	399,638

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 4 November 2014.

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

Hong Kong, 4 November 2014

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

Napoleon L. Nazareno

Independent Non-executive Directors:

Graham L. Pickles

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

Margaret Leung Ko May Yee, *SBS, JP*

Philip Fan Yan Hok