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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 SIX MONTHS ENDED 30 JUNE 2012

This Announcement is made by First Pacific Company Limited (“First Pacific” or the “Company”) pursuant to the requirements of Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”) 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 six months ended 30 June 2012.

Summary

On 7 August 2012, the board of directors of PLDT approved the release of the unaudited consolidated financial results for the six months ended 30 June 2012. PLDT’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange and the New York Stock Exchange by way of disclosure on 7 August 2012, 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. In addition, PLDT’s American Depositary Receipts (ADRs) are listed on the New York Stock Exchange. First Pacific and its Philippine affiliates have a 25.8% attributable interest in PLDT. On 7 August 2012, the board of directors of PLDT approved the release of the unaudited consolidated financial results for the six months ended 30 June 2012. PLDT’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange and the New York Stock Exchange by way of disclosure on 7 August 2012, 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. PLDT’s Consolidated Income Statements for the six months ended 30 June 2012 and 2011, as well as the Consolidated Statements of Financial Position as at 30 June 2012 and 31 December 2011 are provided below:

**PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2012 AND 2011**

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

	2012	2011 (As Restated) ⁽ⁱ⁾ (Unaudited)
REVENUES		
Service revenues	84,725	75,618
Non-service revenues	<u>1,507</u>	<u>1,141</u>
	<u>86,232</u>	<u>76,759</u>
EXPENSES		
Depreciation and amortization	15,524	13,118
Compensation and employee benefits	13,967	10,649
Repairs and maintenance	6,598	4,676
Interconnection costs	6,051	5,977
Cost of sales	4,483	2,406
Selling and promotions	4,353	2,690
Professional and other contracted services	2,886	2,510
Rent	2,861	2,023
Taxes and licenses	1,905	1,180
Communication, training and travel	1,196	857
Asset impairment	1,185	812
Amortization of intangible assets	785	144
Insurance and security services	737	636
Other expenses	<u>710</u>	<u>834</u>
	<u>63,241</u>	<u>48,512</u>
	<u>22,991</u>	<u>28,247</u>
OTHER INCOME (EXPENSES)		
Foreign exchange gains – net	1,565	426
Equity share in net earnings of associates and joint ventures	1,311	839
Interest income	626	645
Gains (losses) on derivative financial instruments – net	(403)	484
Financing costs – net	(3,377)	(3,178)
Other income	<u>3,242</u>	<u>631</u>
	<u>2,964</u>	<u>(153)</u>
INCOME BEFORE INCOME TAX	<u>25,955</u>	<u>28,094</u>
PROVISION FOR INCOME TAX	<u>6,484</u>	<u>6,798</u>
NET INCOME	<u><u>19,471</u></u>	<u><u>21,296</u></u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	19,502	21,299
Noncontrolling interests	<u>(31)</u>	<u>(3)</u>
	<u><u>19,471</u></u>	<u><u>21,296</u></u>
Earnings Per Share Attributable to Common Equity Holders of PLDT		
Basic	90.15	112.83
Diluted	<u><u>90.15</u></u>	<u><u>112.76</u></u>

(i) The 30 June 2011 results have been restated to reflect a change in the presentation of outbound revenues.

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2012 AND 31 DECEMBER 2011

(in million pesos, except par value per share amounts and number of shares)

	30 June 2012 (Unaudited)	31 December 2011 (Audited)
ASSETS		
Noncurrent Assets		
Property, plant and equipment	191,790	197,731
Investments in associates and joint ventures	24,793	17,865
Available-for-sale financial assets	5,631	7,181
Investment in debt securities – net of current portion	150	150
Investment properties	1,115	1,115
Goodwill and intangible assets	78,560	80,656
Deferred income tax assets – net	5,116	5,975
Prepayments – net of current portion	8,947	8,869
Noncurrent assets held-for-sale	1,128	–
Advances and other noncurrent assets – net of current portion	1,383	1,340
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Total Noncurrent Assets	318,613	320,882
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Current Assets		
Cash and cash equivalents	31,612	46,057
Short-term investments	611	558
Trade and other receivables	16,223	16,245
Inventories and supplies	2,893	3,827
Derivative financial assets	62	366
Current portion of investment in debt securities	370	358
Current portion of prepayments	6,771	7,227
Current portion of advances and other noncurrent assets	8,119	126
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Total Current Assets	66,661	74,764
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TOTAL ASSETS	385,274	395,646
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**PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2012 AND 31 DECEMBER 2011**

(in million pesos, except par value per share amounts and number of shares)

	30 June 2012 (Unaudited)	31 December 2011 (Audited)
EQUITY AND LIABILITIES		
Equity		
Preferred stock, Php10 par value per share, authorized – 822,500,000 shares; issued and outstanding – 36,026,550 shares as at 30 June 2012 and 441,912,370 shares as at 31 December 2011	360	4,419
Common stock, Php5 par value per share, authorized – 234,000,000 shares; issued – 218,779,886 shares and outstanding – 216,055,775 shares as at 30 June 2012; and issued – 217,160,444 shares and outstanding – 214,436,333 shares as at 31 December 2011	1,093	1,085
Treasury stock – 2,724,111 shares as at 30 June 2012 and 31 December 2011	(6,505)	(6,505)
Capital in excess of par value	130,596	127,246
Retained earnings	21,727	26,232
Other comprehensive income	(1,155)	(644)
Total Equity Attributable to Equity Holders of PLDT	146,116	151,833
Noncontrolling interests	207	386
TOTAL EQUITY	146,323	152,219
Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	100,300	91,280
Deferred income tax liabilities – net	3,395	2,902
Derivative financial liabilities	2,425	2,235
Pension and other employee benefits	1,417	609
Customers’ deposits	2,268	2,272
Deferred credits and other noncurrent liabilities	19,749	22,642
Total Noncurrent Liabilities	129,554	121,940
Current Liabilities		
Accounts payable	25,088	29,554
Accrued expenses and other current liabilities	65,459	58,271
Derivative financial liabilities	90	924
Provision for claims and assessments	1,555	1,555
Current portion of interest-bearing financial liabilities	13,935	26,009
Dividends payable	834	2,583
Income tax payable	2,436	2,591
Total Current Liabilities	109,397	121,487
TOTAL LIABILITIES	238,951	243,427
TOTAL EQUITY AND LIABILITIES	385,274	395,646

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 Philippine Stock Exchange (<http://www.pse.com.ph>) and the New York Stock Exchange (<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 7 August 2012.

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

Hong Kong, 7 August 2012

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

Anthoni Salim, *Chairman*

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

Graham L. Pickles*

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

Tedy Djuhar

Benny S. Santoso

Napoleon L. Nazareno

Jun Tang*

Dr. Christine K.W. Loh*, *JP, OBE,*

Chevalier de l'Ordre National du Merite

* *Independent Non-executive Directors*