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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 THREE MONTHS ENDED 31 MARCH 2013

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 three months ended 31 March 2013.

Summary

On 7 May 2013, the board of directors of PLDT approved the release of the unaudited consolidated financial results for the three months ended 31 March 2013. 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 May 2013, 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 25.6% attributable economic interest in PLDT. On 7 May 2013, the board of directors of PLDT approved the release of the unaudited consolidated financial results for the three months ended 31 March 2013. 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 May 2013, 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 unaudited Consolidated Income Statements for the three months ended 31 March 2013 and 2012, as well as the unaudited Consolidated Statement of Financial Position as at 31 March 2013 and adjusted Consolidated Statements of Financial Position as at 31 December 2012 and 1 January 2012 are provided below:

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2013 AND 2012
(in million pesos, except earnings per common share amounts which are in pesos)

	2013 (Unaudited)	2012 (As Adjusted ⁽ⁱ⁾)
REVENUES		
Service revenues	39,968	40,030
Non-service revenues	992	796
	<u>40,960</u>	<u>40,826</u>
EXPENSES		
Depreciation and amortization	7,228	7,350
Compensation and employee benefits	5,824	4,778
Repairs and maintenance	3,301	3,189
Interconnection costs	2,577	2,903
Cost of sales	2,411	2,608
Selling and promotions	1,922	1,659
Rent	1,477	1,433
Professional and other contracted services	1,403	1,441
Taxes and licenses	899	971
Asset impairment	602	621
Communication, training and travel	512	503
Insurance and security services	378	370
Amortization of intangible assets	202	27
Other expenses	304	371
	<u>29,040</u>	<u>28,224</u>
	<u>11,920</u>	<u>12,602</u>
OTHER INCOME (EXPENSES)		
Interest income	296	354
Foreign exchange gains – net	213	1,240
Equity share in net earnings of associates and joint ventures	148	274
Gains (losses) on derivative financial instruments – net	23	(134)
Financing costs – net	(1,604)	(1,675)
Other income	735	789
	<u>(189)</u>	<u>848</u>
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	11,731	13,450
PROVISION FOR INCOME TAX	2,669	3,671
NET INCOME FROM CONTINUING OPERATIONS	9,062	9,779
INCOME AFTER TAX FROM DISCONTINUED OPERATIONS	125	181
NET INCOME	<u>9,187</u>	<u>9,960</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	9,178	9,969
Noncontrolling interests	9	(9)
	<u>9,187</u>	<u>9,960</u>
Earnings Per Share Attributable to Common Equity Holders of PLDT		
Basic	42.42	46.08
Diluted	42.42	46.08
	<u>42.42</u>	<u>46.08</u>
Earnings Per Share for Continuing Operations Attributable to Common Equity Holders of PLDT		
Basic	41.84	45.24
Diluted	41.84	45.24
	<u>41.84</u>	<u>45.24</u>

⁽ⁱ⁾ The 31 March 2012 comparative information was adjusted to reflect the discontinued operations of the Business Process Outsourcing segment and the adjustments on the adoption of the Revised PAS 19 – Employee Benefits.

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2013, 31 DECEMBER 2012 AND 1 JANUARY 2012
(in million pesos, except par value per share amounts and number of shares)

	31 March 2013 (Unaudited)	31 December 2012 (As Adjusted ⁽ⁱⁱ⁾)	1 January 2012
ASSETS			
Noncurrent Assets			
Property, plant and equipment	195,755	200,078	200,142
Investments in associates and joint ventures and deposit	27,975	27,077	17,865
Available-for-sale financial investments	5,671	5,651	7,181
Investment in debt securities and other long-term investments – net of current portion	355	205	150
Investment properties	712	712	1,115
Goodwill and intangible assets	74,048	74,250	83,303
Deferred income tax assets – net	7,493	7,225	5,117
Prepayments – net of current portion	5,923	4,500	11,697
Advances and other noncurrent assets – net of current portion	1,804	1,376	1,340
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Total Noncurrent Assets	319,736	321,074	327,910
Current Assets			
Cash and cash equivalents	39,135	37,161	46,057
Short-term investments	1,587	574	558
Trade and other receivables	16,895	16,379	16,245
Inventories and supplies	2,503	3,467	3,827
Derivative financial assets	–	–	366
Current portion of investment in debt securities and other long-term investments	–	150	358
Current portion of prepayments	5,536	5,144	6,345
Current portion of advances and other noncurrent assets	8,077	8,116	126
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	73,733	70,991	73,882
Assets classified as held-for-sale	13,577	13,750	–
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Total Current Assets	87,310	84,741	73,882
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TOTAL ASSETS	407,046	405,815	401,792
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⁽ⁱⁱ⁾ The 31 December 2012 and 1 January 2012 comparative information were adjusted to reflect the adjustments on the adoption of the Revised PAS 19 – Employee Benefits.

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2013, 31 DECEMBER 2012 AND 1 JANUARY 2012
(in million pesos, except par value per share amounts and number of shares)

	31 March 2013 (Unaudited)	31 December 2012 (As Adjusted ⁽ⁱⁱ⁾)	1 January 2012
EQUITY AND LIABILITIES			
Equity			
Non-voting serial preferred stock, Php 10 par value per share, authorized – 807,500,000 shares; issued and outstanding – 36,002,970 shares as at 31 March 2013 and 31 December 2012 and 441,912,370 shares as at 1 January 2012	360	360	4,419
Voting preferred stock, Php1 par value per share, authorized, issued and outstanding – 150,000,000 shares as at 31 March 2013 and 31 December 2012	150	150	–
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 31 March 2013 and 31 December 2012; and issued – 217,160,444 shares and outstanding – 214,436,333 shares as at 1 January 2012	1,093	1,093	1,085
Treasury stock – 2,724,111 shares as at 31 March 2013, 31 December 2012 and 1 January 2012	(6,505)	(6,505)	(6,505)
Capital in excess of par value	130,564	130,566	127,246
Retained earnings	10,381	25,416	26,160
Other comprehensive income	(3,650)	(3,387)	1,456
Reserves of a disposal group classified as held-for-sale	(2,177)	(2,143)	–
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Total Equity Attributable to Equity Holders of PLDT	130,216	145,550	153,861
Noncontrolling interests	187	184	386
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TOTAL EQUITY	130,403	145,734	154,247

⁽ⁱⁱ⁾ The 31 December 2012 and 1 January 2012 comparative information were adjusted to reflect the adjustments on the adoption of the Revised PAS 19 – Employee Benefits.

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2013, 31 DECEMBER 2012 AND 1 JANUARY 2012
(in million pesos, except par value per share amounts and number of shares)

	31 March 2013 (Unaudited)	31 December 2012 (As Adjusted ⁽ⁱⁱ⁾)	1 January 2012
Noncurrent Liabilities			
Interest-bearing financial liabilities – net of current portion	99,796	102,821	91,280
Deferred income tax liabilities – net	5,557	5,713	7,078
Derivative financial liabilities	2,688	2,802	2,235
Customers’ deposits	2,545	2,529	2,272
Pension and other employee benefits	2,339	1,982	551
Deferred credits and other noncurrent liabilities	20,750	21,950	22,642
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Total Noncurrent Liabilities	133,675	137,797	126,058
Current Liabilities			
Accounts payable	26,626	30,451	29,554
Accrued expenses and other current liabilities	70,334	71,624	58,271
Current portion of interest-bearing financial liabilities	12,004	12,989	26,009
Provision for claims and assessments	1,555	1,555	1,555
Dividends payable	25,010	827	2,583
Derivative financial liabilities	853	418	924
Income tax payable	4,346	1,809	2,591
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	140,728	119,673	121,487
Liabilities directly associated with assets classified as held-for-sale	2,240	2,611	–
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Total Current Liabilities	142,968	122,284	121,487
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TOTAL LIABILITIES	276,643	260,081	247,545
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TOTAL EQUITY AND LIABILITIES	407,046	405,815	401,792
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⁽ⁱⁱ⁾ The 31 December 2012 and 1 January 2012 comparative information were adjusted to reflect the adjustments on the adoption of the Revised PAS 19 – Employee Benefits.

GENERAL

Shareholders should note that the above unaudited and adjusted 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 May 2013.

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

Hong Kong, 7 May 2013

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*

Jun Tang

Margaret Leung Ko May Yee, *SBS, JP*

Philip Fan Yan Hok