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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 SIX MONTHS ENDED 30 JUNE 2017

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 2017.

Summary

On 10 August 2017, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2017. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 10 August 2017, 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 10 August 2017, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2017. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 10 August 2017, 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 2017 and 2016, as well as the unaudited Consolidated Statement of Financial Position as at 30 June 2017 and the audited Consolidated Statement of Financial Position as at 31 December 2016 are provided below:

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2017 AND 2016

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

	2017	2016
	(Unaudited)	
REVENUES		
Service revenues	75,383	80,604
Non-service revenues	3,632	4,680
	<u>79,015</u>	<u>85,284</u>
EXPENSES		
Depreciation and amortization	15,329	14,575
Compensation and employee benefits	12,425	10,064
Repairs and maintenance	6,611	7,593
Professional and other contracted services	5,604	4,373
Cost of sales	5,154	10,645
Interconnection costs	4,153	4,834
Rent	3,525	3,411
Selling and promotions	2,982	4,247
Asset impairment	2,248	4,963
Taxes and licenses	1,939	2,073
Insurance and security services	776	914
Cost of services	599	190
Communication, training and travel	589	654
Amortization of intangible assets	412	544
Other expenses	400	566
	<u>62,746</u>	<u>69,646</u>
	<u>16,269</u>	<u>15,638</u>
OTHER INCOME (EXPENSES)		
Equity share in net earnings of associates and joint ventures	1,149	935
Interest income	611	472
Gains (losses) on derivative financial instruments – net	358	(178)
Foreign exchange gains (losses) – net	(479)	77
Financing costs – net	(3,799)	(3,620)
Other income – net	6,628	3,808
	<u>4,468</u>	<u>1,494</u>
INCOME BEFORE INCOME TAX	<u>20,737</u>	<u>17,132</u>
PROVISION FOR INCOME TAX	<u>4,176</u>	<u>4,646</u>
NET INCOME	<u>16,561</u>	<u>12,486</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	16,518	12,463
Noncontrolling interests	43	23
	<u>16,561</u>	<u>12,486</u>
Earnings Per Share Attributable to Common Equity		
Holders of PLDT		
Basic	76.32	57.55
Diluted	76.32	57.55

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2017 AND 31 DECEMBER 2016
(in million pesos)

	30 June 2017 (Unaudited)	31 December 2016 (Audited)
ASSETS		
Noncurrent Assets		
Property and equipment	193,140	203,188
Investments in associates and joint ventures	48,771	56,858
Available-for-sale financial investments	12,085	12,189
Investment in debt securities and other long-term investments – net of current portion	150	374
Investment properties	1,890	1,890
Goodwill and intangible assets	69,938	70,280
Deferred income tax assets – net	26,129	27,348
Derivative financial assets – net of current portion	333	499
Prepayments – net of current portion	7,069	7,056
Advances and other noncurrent assets – net of current portion	14,312	9,473
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Total Noncurrent Assets	373,817	389,155
Current Assets		
Cash and cash equivalents	33,577	38,722
Short-term investments	10,623	2,738
Trade and other receivables	28,793	24,436
Inventories and supplies	3,240	3,744
Current portion of derivative financial assets	271	242
Current portion of investment in debt securities and other long-term investments	353	326
Current portion of prepayments	6,925	7,505
Current portion of advances and other noncurrent assets	8,205	8,251
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Total Current Assets	91,987	85,964
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TOTAL ASSETS	465,804	475,119
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PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2017 AND 31 DECEMBER 2016
(in million pesos)

	30 June 2017 (Unaudited)	31 December 2016 (Audited)
EQUITY AND LIABILITIES		
Equity		
Non-voting serial preferred stock	360	360
Voting preferred stock	150	150
Common stock	1,093	1,093
Perpetual notes	4,200	–
Treasury stock	(6,505)	(6,505)
Capital in excess of par value	130,361	130,488
Retained earnings	14,299	3,483
Other comprehensive loss	(21,227)	(20,894)
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Total Equity Attributable to Equity Holders of PLDT	122,731	108,175
Noncontrolling interests	288	362
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TOTAL EQUITY	123,019	108,537
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Noncurrent Liabilities		
Interest-bearing financial liabilities		
– net of current portion	160,241	151,759
Deferred income tax liabilities – net	3,374	3,567
Derivative financial liabilities – net of current portion	33	2
Customers’ deposits	2,433	2,431
Pension and other employee benefits	12,096	11,206
Deferred credits and other noncurrent liabilities	10,113	15,604
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Total Noncurrent Liabilities	188,290	184,569
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Current Liabilities		
Accounts payable	45,182	52,950
Accrued expenses and other current liabilities	90,268	92,219
Current portion of interest-bearing financial liabilities	14,826	33,273
Provision for claims and assessments	897	897
Dividends payable	1,656	1,544
Current portion of derivative financial liabilities	104	225
Income tax payable	1,562	905
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Total Current Liabilities	154,495	182,013
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TOTAL LIABILITIES	342,785	366,582
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TOTAL EQUITY AND LIABILITIES	465,804	475,119
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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 10 August 2017.

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

Hong Kong, 10 August 2017

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