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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 YEAR ENDED 31 DECEMBER 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 year ended 31 December 2017.

Summary

On 8 March 2018, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the year ended 31 December 2017. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 8 March 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 8 March 2018, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the year ended 31 December 2017. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 8 March 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 Statement for the year ended 31 December 2017 and the audited Consolidated Income Statements for the years ended 31 December 2016 and 2015, as well as the unaudited Consolidated Statement of Financial Position as at 31 December 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 YEARS ENDED 31 DECEMBER 2017, 2016 AND 2015
(in million pesos, except earnings per common share amounts which are in pesos)

	2017 (Unaudited)	2016 (Audited)	2015 (Audited)
REVENUES			
Service revenues	151,165	157,210	162,930
Non-service revenues	8,761	8,052	8,173
	<u>159,926</u>	<u>165,262</u>	<u>171,103</u>
EXPENSES			
Selling, general and administrative expenses	68,990	67,196	70,289
Depreciation and amortization	51,501	34,455	31,519
Cost of sales and services	13,633	18,293	17,453
Asset impairment	8,672	11,042	9,690
Interconnection costs	7,619	9,573	10,317
	<u>150,415</u>	<u>140,559</u>	<u>139,268</u>
	9,511	24,703	31,835
OTHER INCOME (EXPENSES)	<u>5,058</u>	<u>(2,632)</u>	<u>(5,197)</u>
INCOME BEFORE INCOME TAX	14,569	22,071	26,638
PROVISION FOR (BENEFIT FROM) INCOME TAX	<u>1,103</u>	<u>1,909</u>	<u>4,563</u>
NET INCOME	<u>13,466</u>	<u>20,162</u>	<u>22,075</u>
ATTRIBUTABLE TO:			
Equity holders of PLDT	13,371	20,006	22,065
Noncontrolling interests	95	156	10
	<u>13,466</u>	<u>20,162</u>	<u>22,075</u>
Earnings Per Share Attributable to Common Equity Holders of PLDT			
Basic	61.61	92.33	101.85
Diluted	61.61	92.33	101.85

Certain expenses in 2016 and 2015 were reclassified to conform with the current presentation.

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

	31 December 2017 (Unaudited)	31 December 2016 (Audited)
ASSETS		
Noncurrent Assets		
Property and equipment	186,907	203,188
Investments in associates and joint ventures	46,130	56,858
Available-for-sale financial investments	14,983	12,189
Investment in debt securities and other long-term investments – net of current portion	150	374
Investment properties	1,635	1,890
Goodwill and intangible assets	69,583	70,280
Deferred income tax assets – net	29,426	27,348
Derivative financial assets – net of current portion	215	499
Prepayments – net of current portion	5,370	7,056
Advances and other noncurrent assets – net of current portion	14,159	9,473
Total Noncurrent Assets	368,558	389,155
Current Assets		
Cash and cash equivalents	32,905	38,722
Short-term investments	1,074	2,738
Trade and other receivables	33,761	24,436
Inventories and supplies	3,933	3,744
Current portion of derivative financial assets	171	242
Current portion of investment in debt securities and other long-term investments	100	326
Current portion of prepayments	10,673	7,505
Current portion of advances and other noncurrent assets	8,087	8,251
Total Current Assets	90,704	85,964
TOTAL ASSETS	459,262	475,119

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

	31 December 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	4,165	–
Treasury stock	(6,505)	(6,505)
Treasury shares under employee benefit trust	(940)	–
Capital in excess of par value	130,374	130,488
Other equity reserves	827	–
Retained earnings	634	3,483
Other comprehensive loss	(19,333)	(20,894)
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Total Equity Attributable to Equity Holders of PLDT	110,825	108,175
Noncontrolling interests	176	362
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TOTAL EQUITY	111,001	108,537
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Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	157,654	151,759
Deferred income tax liabilities – net	3,366	3,567
Derivative financial liabilities – net of current portion	8	2
Customers’ deposits	2,443	2,431
Pension and other employee benefits	8,997	11,206
Deferred credits and other noncurrent liabilities	7,702	15,604
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Total Noncurrent Liabilities	180,170	184,569
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Current Liabilities		
Accounts payable	60,445	52,950
Accrued expenses and other current liabilities	90,740	93,116
Current portion of interest-bearing financial liabilities	14,957	33,273
Dividends payable	1,575	1,544
Current portion of derivative financial liabilities	141	225
Income tax payable	233	905
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Total Current Liabilities	168,091	182,013
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TOTAL LIABILITIES	348,261	366,582
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TOTAL EQUITY AND LIABILITIES	459,262	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 8 March 2018.

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

Hong Kong, 8 March 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