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FIRST PACIFIC COMPANY LIMITED

(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 2011

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 2011.

Summary

On 2 August 2011, the board of directors of PLDT approved the release of the unaudited consolidated financial results for the six months ended 30 June 2011. 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 2 August 2011, 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 has a 26.5% attributable interest in PLDT. On 2 August 2011, the board of directors of PLDT approved the release of the unaudited consolidated financial results for the six months ended 30 June 2011. 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 2 August 2011, 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 2011 and 2010 as well as the Consolidated Statements of Financial Position as at 30 June 2011 and 31 December 2010 are provided below:

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

FOR THE SIX MONTHS ENDED 30 JUNE 2011 AND 2010

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

	2011	2010
	(Unaudited)	
REVENUES		
Service revenues	69,641	72,156
Non-service revenues	1,141	1,051
	<u>70,782</u>	<u>73,207</u>
EXPENSES		
Depreciation and amortization	13,118	13,054
Compensation and employee benefits	10,649	11,247
Repairs and maintenance	4,676	4,512
Selling and promotions	2,690	2,667
Professional and other contracted services	2,510	2,302
Cost of sales	2,406	2,389
Rent	2,023	2,173
Taxes and licenses	1,180	1,303
Communication, training and travel	857	847
Asset impairment	812	1,220
Insurance and security services	636	553
Amortization of intangible assets	144	178
Other expenses	834	856
	<u>42,535</u>	<u>43,301</u>
	<u>28,247</u>	<u>29,906</u>
OTHER INCOME (EXPENSES)		
Equity share in net earnings of associates and joint ventures	839	881
Interest income	645	612
Gains on derivative financial instruments – net	484	934
Foreign exchange gains (losses) – net	426	(59)
Financing costs – net	(3,178)	(3,451)
Other income	631	554
	<u>(153)</u>	<u>(529)</u>
INCOME BEFORE INCOME TAX	28,094	29,377
PROVISION FOR INCOME TAX	6,798	7,756
NET INCOME FOR THE PERIOD	<u>21,296</u>	<u>21,621</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	21,299	21,679
Non-controlling interests	(3)	(58)
	<u>21,296</u>	<u>21,621</u>
Earnings Per Share For The Period Attributable to Common Equity Holders of PLDT		
Basic	112.83	114.84
Diluted	112.76	114.77

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2011 AND 31 DECEMBER 2010

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

	30 June 2011 (Unaudited)	31 December 2010 (Audited)
ASSETS		
Noncurrent Assets		
Property, plant and equipment	156,289	163,184
Investments in associates and joint ventures	23,815	23,203
Available-for-sale financial assets	146	147
Investment in debt securities	495	484
Investment properties	1,560	1,560
Goodwill and intangible assets	11,390	11,485
Deferred income tax assets – net	5,481	6,110
Derivative financial assets	–	178
Prepayments – net of current portion	9,208	8,679
Advances and refundable deposits – net of current portion	1,210	1,187
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Total Noncurrent Assets	209,594	216,217
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Current Assets		
Cash and cash equivalents	38,658	36,678
Short-term investments	600	669
Trade and other receivables	14,922	16,428
Inventories and supplies	2,553	2,219
Derivative financial assets	267	5
Current portion of prepayments	4,807	5,418
Current portion of advances and refundable deposits	83	181
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Total Current Assets	61,890	61,598
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TOTAL ASSETS	271,484	277,815
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PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)
AS AT 30 JUNE 2011 AND 31 DECEMBER 2010
(in million pesos, except par value per share amounts and number of shares)

	30 June 2011 (Unaudited)	31 December 2010 (Audited)
EQUITY AND LIABILITIES		
Equity		
Preferred stock, Php10 par value per share, authorized – 822,500,000 shares; issued and outstanding – 441,947,675 shares as at 30 June 2011 and 441,887,387 shares as at 31 December 2010	4,420	4,419
Common stock, Php5 par value per share, authorized – 234,000,000 shares; issued – 189,480,774 shares and outstanding – 186,756,663 shares as at 30 June 2011; and issued – 189,480,549 shares and outstanding – 186,756,438 shares as at 31 December 2010	947	947
Treasury stock – 2,724,111 shares as at 30 June 2011 and 31 December 2010	(6,505)	(6,505)
Capital in excess of par value	62,890	62,890
Retained earnings	30,956	36,594
Other comprehensive income	(1,416)	(1,276)
Total Equity Attributable to Equity Holders of PLDT	91,292	97,069
Non-controlling Interests	437	316
TOTAL EQUITY	91,729	97,385
Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	71,717	75,888
Deferred income tax liabilities – net	1,003	1,099
Derivative financial liabilities	1,980	3,604
Pension and other employee benefits	2,554	1,834
Customers' deposits	2,247	2,223
Deferred credits and other noncurrent liabilities	12,473	13,567
Total Noncurrent Liabilities	91,974	98,215
Current Liabilities		
Accounts payable	21,020	25,804
Accrued expenses and other current liabilities	37,030	35,959
Derivative financial liabilities	892	–
Provision for assessments	1,555	1,555
Current portion of interest-bearing financial liabilities	22,449	13,801
Dividends payable	2,191	2,086
Income tax payable	2,644	3,010
Total Current Liabilities	87,781	82,215
TOTAL LIABILITIES	179,755	180,430
TOTAL EQUITY AND LIABILITIES	271,484	277,815

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 2 August 2011.

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

Hong Kong, 2 August 2011

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
Ibrahim Risjad
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*