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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 AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 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 audited consolidated financial results of Philippine Long Distance Telephone Company (“PLDT”), a major operating associate of the Company, for the year ended 31 December 2011.

Summary

On 6 March 2012, the board of directors of PLDT approved the release of the audited consolidated financial results for the year ended 31 December 2011. PLDT’s audited consolidated financial results have been submitted to the Philippine Stock Exchange and the New York Stock Exchange by way of disclosure on 6 March 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 as at 31 December 2011. On 6 March 2012, the board of directors of PLDT approved the release of the audited consolidated financial results for the year ended 31 December 2011. PLDT’s audited consolidated financial results have been submitted to the Philippine Stock Exchange and the New York Stock Exchange by way of disclosure on 6 March 2012, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company. The audited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards. PLDT’s audited Consolidated Income Statements for the years ended 31 December 2011 and 2010 as well as the audited Consolidated Statements of Financial Position as at 31 December 2011 and 2010 are provided below:

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
AUDITED CONSOLIDATED INCOME STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

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

	2011	2010
REVENUES		
Service revenues	153,958	156,170
Non-service revenues	2,645	2,217
	<u>156,603</u>	<u>158,387</u>
EXPENSES		
Depreciation and amortization	27,957	26,277
Compensation and employee benefits	20,151	24,070
Interconnection costs	12,586	13,928
Repairs and maintenance	10,391	9,434
Asset impairment	10,209	2,438
Selling and promotions	7,847	5,284
Professional and other contracted services	5,668	4,853
Cost of sales	5,443	4,771
Rent	4,162	3,970
Taxes and licenses	3,597	2,571
Communication, training and travel	1,946	1,832
Insurance and security services	1,384	1,252
Amortization of intangible assets	264	388
Other expenses	1,777	1,763
	<u>113,382</u>	<u>102,831</u>
	<u>43,221</u>	<u>55,556</u>
OTHER INCOME (EXPENSES)		
Equity share in net earnings of associates and joint ventures	2,035	1,408
Interest income	1,372	1,200
Gains (losses) on derivative financial instruments – net	197	(1,741)
Foreign exchange gains (losses) – net	(744)	1,807
Financing costs – net	(6,491)	(6,698)
Other income	3,087	2,153
	<u>(544)</u>	<u>(1,871)</u>
INCOME BEFORE INCOME TAX	<u>42,677</u>	<u>53,685</u>
PROVISION FOR INCOME TAX	<u>11,040</u>	<u>13,426</u>
NET INCOME	<u>31,637</u>	<u>40,259</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	31,697	40,217
Non-controlling interests	(60)	42
	<u>31,637</u>	<u>40,259</u>
Earnings Per Share Attributable to Common Equity Holders of PLDT		
Basic	163.24	212.85
Diluted	163.10	212.85

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

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

	2011	2010
ASSETS		
Noncurrent Assets		
Property, plant and equipment	197,731	163,184
Investments in associates and joint ventures	17,865	23,203
Available-for-sale financial assets	7,181	147
Investment in debt securities – net of current portion	150	484
Investment properties	1,115	1,560
Goodwill and intangible assets	80,656	11,485
Deferred income tax assets – net	5,975	6,110
Derivative financial assets	–	178
Prepayments – net of current portion	8,869	8,679
Advances and other noncurrent assets – net of current portion	1,340	1,187
Total Noncurrent Assets	<u>320,882</u>	<u>216,217</u>
Current Assets		
Cash and cash equivalents	46,057	36,678
Short-term investments	558	669
Trade and other receivables	16,245	16,428
Inventories and supplies	3,827	2,219
Derivative financial assets	366	5
Current portion of investment in debt securities	358	–
Current portion of prepayments	7,227	5,418
Current portion of advances and other noncurrent assets	126	181
Total Current Assets	<u>74,764</u>	<u>61,598</u>
TOTAL ASSETS	<u>395,646</u>	<u>277,815</u>
EQUITY AND LIABILITIES		
Equity		
Preferred stock, Php10 par value per share, authorized – 822,500,000 shares; issued and outstanding – 441,912,370 shares as at 31 December 2011 and 441,887,387 shares as at 31 December 2010	4,419	4,419
Common stock, Php5 par value per share, authorized – 234,000,000 shares; issued – 217,160,444 shares and outstanding – 214,436,333 shares as at 31 December 2011; and issued – 189,480,549 shares and outstanding – 186,756,438 shares as at 31 December 2010	1,085	947
Treasury stock – 2,724,111 shares as at 31 December 2011 and 2010	(6,505)	(6,505)
Capital in excess of par value	127,246	62,890
Retained earnings	26,232	36,594
Other comprehensive income	(644)	(1,276)
Total Equity Attributable to Equity Holders of PLDT	<u>151,833</u>	<u>97,069</u>
Non-controlling Interests	386	316
TOTAL EQUITY	<u>152,219</u>	<u>97,385</u>

**PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(CONTINUED)**

AS AT 31 DECEMBER 2011 AND 2010

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

	2011	2010
Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	91,280	75,888
Deferred income tax liabilities – net	2,902	1,099
Derivative financial liabilities	2,235	3,604
Pension and other employee benefits	609	1,834
Customers’ deposits	2,272	2,223
Deferred credits and other noncurrent liabilities	22,642	13,567
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Total Noncurrent Liabilities	121,940	98,215
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Current Liabilities		
Accounts payable	29,554	25,804
Accrued expenses and other current liabilities	58,271	35,959
Derivative financial liabilities	924	–
Provision for claims assessments	1,555	1,555
Current portion of interest-bearing financial liabilities	26,009	13,801
Dividends payable	2,583	2,086
Income tax payable	2,591	3,010
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Total Current Liabilities	121,487	82,215
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TOTAL LIABILITIES	243,427	180,430
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TOTAL EQUITY AND LIABILITIES	395,646	277,815
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GENERAL

Shareholders should note that the above 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 6 March 2012.

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

Hong Kong, 6 March 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*