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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 SIX MONTHS ENDED 30 JUNE 2014

RESUMPTION OF TRADING

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 Philippine Long Distance Telephone Company (“PLDT”), a major operating associate of the Company, for the six months ended 30 June 2014.

Summary

On 5 August 2014, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2014. PLDT’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange, Inc. (“PSE”) and the New York Stock Exchange, Inc. (“NYSE”) by way of disclosure on 5 August 2014, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company.

At the request of First Pacific, trading in the shares of First Pacific and the debt securities of its subsidiary, FPC Treasury Limited, on the HKEX was halted with effect from 1:31 p.m. on Tuesday, 5 August 2014, pending the release of this announcement. Application has been made to the HKEX for the resumption of trading in First Pacific's shares and the debt securities of its subsidiary, FPC Treasury Limited, with effect from 9:00 a.m. on Wednesday, 6 August 2014, following the publication of this announcement.

PLDT, a major operating associate of First Pacific, is a company incorporated in the Philippines, whose shares are listed on the PSE. In addition, PLDT's American Depositary Receipts are listed on the NYSE. First Pacific and its Philippine affiliates have a 25.6% attributable economic interest in PLDT. On 5 August 2014, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2014. PLDT's unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 5 August 2014, 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 2014 and 2013, as well as the unaudited Consolidated Statement of Financial Position as at 30 June 2014 and audited Consolidated Statement of Financial Position as at 31 December 2013 are provided below:

**PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2014 AND 2013**

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

	2014	2013
		(Unaudited)
REVENUES		
Service revenues	82,530	81,037
Non-service revenues	2,898	1,964
	<u>85,428</u>	<u>83,001</u>
EXPENSES		
Depreciation and amortization	14,490	14,532
Compensation and employee benefits	10,443	10,858
Repairs and maintenance	7,111	6,534
Cost of sales	6,925	5,538
Interconnection costs	5,277	5,356
Selling and promotions	4,928	4,285
Professional and other contracted services	3,383	2,832
Rent	3,243	2,851
Taxes and licenses	1,947	1,741
Asset impairment	1,421	1,391
Communication, training and travel	1,135	1,063
Insurance and security services	906	843
Amortization of intangible assets	574	453
Other expenses	732	828
	<u>62,515</u>	<u>59,105</u>
	<u>22,913</u>	<u>23,896</u>
OTHER INCOME (EXPENSES)		
Equity share in net earnings of associates and joint ventures	2,083	1,505
Foreign exchange gains (losses) – net	459	(1,922)
Interest income	395	485
Gains (losses) on derivative financial instruments – net	(164)	448
Financing costs – net	(2,498)	(3,327)
Other income – net	3,048	1,453
	<u>3,323</u>	<u>(1,358)</u>
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	26,236	22,538
PROVISION FOR INCOME TAX	6,235	4,677
NET INCOME FROM CONTINUING OPERATIONS	20,001	17,861
NET INCOME FROM DISCONTINUED OPERATIONS	–	1,863
NET INCOME	<u>20,001</u>	<u>19,724</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	20,023	19,707
Noncontrolling interests	(22)	17
	<u>20,001</u>	<u>19,724</u>
Earnings Per Share Attributable to Common Equity Holders of PLDT		
Basic	92.54	91.09
Diluted	92.54	91.09
Earnings Per Share from Continuing Operations Attributable to Common Equity Holders of PLDT		
Basic	92.54	82.47
Diluted	92.54	82.47

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2014 AND 31 DECEMBER 2013
(in million pesos)

	As at 30 June 2014 (Unaudited)	As at 31 December 2013 (Audited)
ASSETS		
Noncurrent Assets		
Property, plant and equipment	186,394	192,665
Investments in associates, joint ventures and deposits	43,451	41,310
Available-for-sale financial investments	222	220
Investment in debt securities and other long-term investments – net of current portion	2,576	2,643
Investment properties	1,216	1,222
Goodwill and intangible assets	73,490	73,918
Deferred income tax assets – net	14,487	14,181
Derivative financial assets	26	24
Prepayments – net of current portion	3,122	3,031
Advances and other noncurrent assets – net of current portion	4,881	2,761
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Total Noncurrent Assets	329,865	331,975
Current Assets		
Cash and cash equivalents	42,867	31,905
Short-term investments	1,059	718
Trade and other receivables	19,040	17,564
Inventories and supplies	3,530	3,164
Derivative financial assets	–	10
Current portion of investment in debt securities and other long-term investments	1,043	–
Current portion of prepayments	5,633	6,054
Current portion of advances and other noncurrent assets	8,115	8,248
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Total Current Assets	81,287	67,663
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TOTAL ASSETS	411,152	399,638

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2014 AND 31 DECEMBER 2013
(in million pesos)

	As at 30 June 2014 (Unaudited)	As at 31 December 2013 (Audited)
EQUITY AND LIABILITIES		
Equity		
Non-voting serial preferred stock	360	360
Voting preferred stock	150	150
Common stock	1,093	1,093
Treasury stock	(6,505)	(6,505)
Capital in excess of par value	130,535	130,562
Retained earnings	17,899	22,968
Other comprehensive income	(13,432)	(11,481)
	130,100	137,147
Total Equity Attributable to Equity Holders of PLDT		
Noncontrolling interests	165	179
	130,265	137,326
TOTAL EQUITY		
Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	108,970	88,930
Deferred income tax liabilities – net	4,256	4,437
Derivative financial liabilities	1,820	1,869
Customers’ deposits	2,475	2,545
Pension and other employee benefits	15,181	13,439
Deferred credits and other noncurrent liabilities	19,377	22,045
	152,079	133,265
Total Noncurrent Liabilities		
Current Liabilities		
Accounts payable	30,864	34,882
Accrued expenses and other current liabilities	79,259	74,256
Current portion of interest-bearing financial liabilities	14,031	15,171
Provision for claims and assessments	897	897
Dividends payable	1,015	932
Derivative financial liabilities	105	105
Income tax payable	2,637	2,804
	128,808	129,047
Total Current Liabilities		
	280,887	262,312
TOTAL LIABILITIES		
	411,152	399,638
TOTAL EQUITY AND LIABILITIES		
	411,152	399,638

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 5 August 2014.

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

Hong Kong, 5 August 2014

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*

Margaret Leung Ko May Yee, *SBS, JP*

Philip Fan Yan Hok