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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 FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2010

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 financial results of Philippine Long Distance Telephone Company (“PLDT”), a major operating associate of the Company, for the first quarter ended 31 March 2010.

Summary

On 13 May 2010, the board of directors of PLDT approved the release of the unaudited financial results for the first quarter ended 31 March 2010. PLDT’s unaudited financial results have been submitted to the Philippine Stock Exchange and the New York Stock Exchange by way of disclosure, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company on 13 May 2010.

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 13 May 2010, the board of directors of PLDT approved the release of the unaudited financial results for the first quarter ended 31 March 2010. PLDT’s unaudited financial results have been submitted to the Philippine Stock Exchange and the New York Stock Exchange by way of disclosure, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of HKEX and the Company on 13 May 2010. The unaudited financial statements have been prepared in conformity with the Philippine Financial Reporting Standards. PLDT’s unaudited Consolidated Income Statement for the first quarter ended 31 March 2010 and the unaudited Consolidated Statement of Financial Position as at 31 March 2010 are provided below:

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2010 AND 2009
(in million pesos, except earnings per common share amounts)

	2010 (Unaudited)	2009 (Unaudited)
REVENUES		
Service revenues	36,014	36,362
Non-service revenues	500	565
	<u>36,514</u>	<u>36,927</u>
EXPENSES		
Depreciation and amortization	6,361	6,708
Compensation and employee benefits	5,542	5,971
Repairs and maintenance	2,369	2,217
Selling and promotions	1,554	1,358
Professional and other contracted services	1,175	1,037
Cost of sales	1,170	1,182
Rent	1,092	908
Taxes and licenses	674	745
Asset impairment	562	460
Communication, training and travel	480	445
Insurance and security services	270	348
Amortization of intangible assets	91	93
Other expenses	456	404
	<u>21,796</u>	<u>21,876</u>
	<u>14,718</u>	<u>15,051</u>
OTHER INCOME (EXPENSES)		
Foreign exchange gains (losses) – net	708	(592)
Gains (losses) on derivative financial instruments – net	512	(506)
Equity share in net earnings (losses) of associates and joint ventures	369	(45)
Interest income	366	533
Financing costs – net	(1,874)	(1,584)
Others	242	430
	<u>323</u>	<u>(1,764)</u>
INCOME BEFORE INCOME TAX	15,041	13,287
PROVISION FOR INCOME TAX	3,667	3,455
NET INCOME FOR THE PERIOD	<u>11,374</u>	<u>9,832</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	11,421	9,580
Non-controlling interests	(47)	252
	<u>11,374</u>	<u>9,832</u>
Earnings Per Share For The Period Attributable to Common Equity Holders of PLDT		
Basic	60.53	50.55
Diluted	<u>60.51</u>	<u>50.55</u>

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	31 March 2010 (Unaudited)	31 December 2009 (Audited)
ASSETS		
Noncurrent Assets		
Property, plant and equipment	160,052	161,256
Investments in associates and joint ventures	22,643	22,233
Available-for-sale financial assets	132	134
Investment in debt securities	467	462
Investment properties	1,098	1,210
Goodwill and intangible assets	12,801	13,024
Deferred income tax assets – net	7,349	7,721
Prepayments – net of current portion	8,520	8,663
Advances and refundable deposits – net of current portion	1,114	1,102
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Total Noncurrent Assets	214,176	215,805
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Current Assets		
Cash and cash equivalents	50,933	38,319
Short-term investments	703	3,824
Trade and other receivables – net	15,234	14,729
Inventories and supplies	2,542	2,165
Derivative financial assets	6	6
Current portion of prepayments	5,249	5,098
Current portion of advances and refundable deposits	201	202
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Total Current Assets	74,868	64,343
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TOTAL ASSETS	<u>289,044</u>	<u>280,148</u>

	31 March 2010 (Unaudited)	31 December 2009 (Audited)
EQUITY AND LIABILITIES		
Equity		
Preferred stock, Php10 par value, authorized – 822,500,000 shares; issued and outstanding – 441,697,562 shares as at 31 March 2010 and 441,631,062 shares as at 31 December 2009	4,417	4,416
Common stock, Php5 par value, authorized – 234,000,000 shares; issued – 189,480,268 shares and outstanding – 186,797,312 shares as at 31 March 2010; and issued – 189,480,260 shares and outstanding – 186,797,304 shares as at 31 December 2009	947	947
Treasury stock – 2,682,956 shares as at 31 March 2010 and 31 December 2009	(6,405)	(6,405)
Capital in excess of par value	62,890	62,890
Retained earnings	22,795	37,744
Other comprehensive income	(1,148)	(1,017)
	83,496	98,575
Total Equity Attributable to Equity Holders of PLDT Non-controlling interests	452	550
	83,948	99,125
Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	81,468	86,079
Deferred income tax liabilities – net	1,044	1,321
Derivative financial liabilities	2,080	2,751
Pension and other employee benefits	658	374
Customers’ deposits	2,203	2,166
Deferred credits and other noncurrent liabilities	14,422	14,438
	101,875	107,129
Total Noncurrent Liabilities	101,875	107,129
Current Liabilities		
Accounts payable	18,230	19,601
Accrued expenses and other current liabilities	36,430	35,446
Provisions for assessments	1,555	1,555
Current portion of interest-bearing financial liabilities	13,158	12,714
Dividends payable	28,061	1,749
Income tax payable	5,787	2,829
	103,221	73,894
Total Current Liabilities	103,221	73,894
	205,096	181,023
TOTAL LIABILITIES	205,096	181,023
	289,044	280,148
TOTAL EQUITY AND LIABILITIES	289,044	280,148

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.org.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 13 May 2010.

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

Hong Kong, 13 May 2010

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
Napoleon L. Nazareno
Ambassador Albert F. del Rosario
Sir David W.C. Tang*, *KBE*

Tedy Djuhar
Sutanto Djuhar
Ibrahim Risjad
Benny S. Santoso
Graham L. Pickles*
Professor Edward K.Y. Chen*, *GBS, CBE, JP*
Jun Tang*

* *Independent Non-executive Directors*