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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)

OVERSEAS REGULATORY ANNOUNCEMENT

Please refer to the attached disclosure filed by PLDT Inc. (formerly known as Philippine Long Distance Telephone Company) ("PLDT"), a major operating associate of First Pacific Company Limited, with the Philippine Stock Exchange, in relation to the SEC Form 17-C and PLDT's press release relating to its unaudited consolidated financial results for the six months ended 30 June 2016.

Dated this the 2nd day of August, 2016

As at the date of this announcement, the board of directors of First Pacific Company Limited 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

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

COVER SHEET

SEC Registration Number

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Company Name

P	L	D	T		I	N	C.																													
(F	O	R	M	E	R	L	Y		P	H	I	L	I	P	P	I	N	E		L	O	N	G												
D	I	S	T	A	N	C	E			T	E	L	E	P	H	O	N	E		C	O	M	P	A	N	Y)									

Principal Office (No./Street/Barangay/City/Town/Province)

R	A	M	O	N		C	O	J	U	A	N	G	C	O		B	U	I	L	D	I	N	G														
M	A	K	A	T	I		A	V	E	N	U	E																									
M	A	K	A	T	I		C	I	T	Y																											

Form Type

17	-	C
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Department requiring the report

M	S	R	D
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Secondary License Type, If Applicable

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COMPANY INFORMATION

Company's Email Address

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Company's Telephone Number/s

8168534

Mobile Number

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No. of Stockholders

11,802 As of June 30, 2016

Annual Meeting
Month/Day

Every 2 nd Tuesday of June

Fiscal Year
Month/Day

December 31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

June Cheryl C. Revilla

Email Address

jacabal@pldt.com.ph

Telephone
Number/s

8168534

Mobile Number

--

Contact Person's Address

MGO Building, Legaspi St. corner Dela Rosa St., Makati City

Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

SECURITIES AND EXCHANGE COMMISSION

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.1

1. August 2, 2016
Date of Report (Date of earliest event reported)
2. SEC Identification Number PW-55
3. BIR Tax Identification No. 000-488-793
4. PLDT Inc.
Exact name of issuer as specified in its charter
5. PHILIPPINES
Province, country or other jurisdiction
of Incorporation
6. _____ (SEC Use Only)
Industry Classification Code
7. Ramon Cojuangco Building, Makati Avenue, Makati City
Address of principal office
- 1200
Postal Code
8. (632) 816-8405
Issuer's telephone number, including area code
9. Not Applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code
and Sections 4 and 8 of the Revised Securities Act

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
_____	_____
_____	_____
_____	_____

**SERVICE REVENUES (NET OF INTERCONNECTION COSTS)
FOR THE 1ST HALF 2016 STABLE YEAR-ON-YEAR AT PHP75.8 BILLION**

CORE INCOME GUIDANCE UPDATED TO PHP30 BILLION

INTERIM CASH DIVIDEND OF PHP49 PER SHARE DECLARED

**TOTAL DATA AND BROADBAND SERVICE REVENUES AT PHP29.3 BILLION,
UP 25%**

MOBILE INTERNET REVENUES UP 55% VS 1H15

MANILA, Philippines, 2nd August 2016 – PLDT Inc (“PLDT”) (PSE: TEL) (NYSE: PHI) today announced its unaudited financial and operating results for the first half of 2016 with Consolidated Service Revenues, net of interconnection costs, stable at Php75.8 billion. Excluding international long distance (ILD) and national long distance (NLD) revenues, service revenues amounted to Php72.1 billion, up 2% versus the same period last year. On the same basis, fixed line revenues rose 9% to Php27.9 billion while wireless revenues declined 3%.

Consolidated Core Income for the period amounted to Php17.7 billion, 6% lower year on year, as a Php4.8 billion decline in EBITDA was moderated by the Php7.4 billion net gain from the sale of the Company’s 25% stake in Beacon Electric Assets Holdings, Inc. Reported Net Income reached Php12.5 billion, 33% lower than the previous year, on account of a further provision against our investment in Rocket Internet.

Consolidated EBITDA decreased 13% to Php30.8 billion, mainly due to increases in subsidies and provisions for receivables and inventory, to support initiatives to grow the Group’s data and broadband businesses. These included the offering of affordable smartphones in order to raise the penetration of web-capable devices in the Group’s mobile subscriber base.

EBITDA margin for the first half of 2016 stood at 38%, reflecting the impact of the changing revenue mix, as ILD and NLD revenues continued their long march towards lower levels.

As of end-June 2016, the Group’s consolidated net debt and net debt to EBITDA stood at US\$2.7 billion and 1.96x, respectively. Gross debt stood at US\$3.4 billion, 37% of

which is US\$-denominated. Taking into account our U. S. dollar cash holdings and hedges, only US\$300 million or 9% of the total debt is unhedged.

The Group's debt maturities continue to be well spread out, with about two-thirds of total debt due to mature beyond 2018. Maturing dollar loans, including the US\$228 million dollar bonds due in 2017 shall be refinanced largely in Philippine pesos. As of end-June 2016, PLDT's investment grade ratings remained unchanged.

Earlier today, the PLDT Board approved an interim dividend of Php49 per share. "In view of our current elevated capital expenditures, the resources required to support the transaction with SMC (San Miguel Corporation), and our efforts to manage debt levels, we have lowered our dividend payout to 60% of Core Income," said Manuel V Pangilinan, Chairman and CEO of PLDT and Smart Communications.

"We are, however, keeping our traditional look-back approach with regard to full year dividends, to determine then the appropriate dividend payment for the full year," Pangilinan added.

Fixed line and wireless

PLDT's Fixed Line business remains firmly on the growth path, posting service revenues net of interconnection costs of Php30.9 billion in the first half of 2016, up 7.4% from the prior year. The share of data and broadband to total fixed line revenues has risen to 59% of the total, up from 57% in same period of 2015.

Wireless service revenues amounted to Php52.7 billion, 5.1% less compared to a year ago, largely due to declines in SMS and voice revenues. Revenues from data, broadband and digital platforms increased by 29% to Php14.1 billion, raising its share of total wireless revenues to 27% from 20% in the previous year.

Rising data and broadband revenues

Data and broadband continue to power revenue growth for the Group. Revenues from data and broadband rose to Php29.3 billion, increasing its contribution to total consolidated revenues (excluding ILD and NLD) to 41% as of the first half 2016 versus 33% a year ago. Data-driven revenues accounted for 66% of fixed line service revenues (excluding ILD and NLD) in this period, while their share of wireless revenues (excluding ILD) reached 29%, up from 21% in the first half of 2015. From another perspective, data and broadband now make up 38% of the revenues of the Consumer Group, up from 30% the previous year. For the Enterprise Group, data and broadband account for 59% of the total, up from 53%.

Mobile Internet revenues led the way, rising 55% to Php8.1 billion as a result of improvements in the monetization of data services. This accounted for 27% of total data and broadband revenues in the period.

Fixed broadband revenues grew 16% to Php9.0 billion as the number of subscribers grew 14% to over 1.3 million with net additional subscribers of over 162,000.

Corporate data and data center revenues grew 22% year on year to Php6.5 billion as our Enterprise Business Group continued to popularize digital solutions and data center services for both large and small-medium businesses.

Capital expenditures

The Group's consolidated capital expenditures for the first half of 2016 amounted to P20 billion, up 44% from the same period last year. The higher capital expenditure level reflects the Group's continuing program to roll out high-speed data infrastructure on its fixed-line network – in the form of more fiber-to-the-home (FTTH) facilities – and on its mobile network – particularly through the expansion of its 4G/LTE mobile network.

The full-year capex guidance for 2016 has been raised to Php48 billion to fund the deployment of facilities that will utilize the frequencies covered by the co-use arrangement, relating to the transaction with SMC, as approved by the NTC.

In line with its commitment to the National Telecommunications Commission (NTC) under the co-use arrangement, Smart will equip by end-2016 360 cell sites with facilities using the 700 MHz spectrum to deliver 4G/LTE service in the Metro areas of Manila, Cebu and Davao. To date, eight (8) cell sites have been fired up. Smart has also switched on additional facilities in 2,221 cell sites in various parts of the country using the 1800 MHz spectrum to add capacity to its 2G service.

Last month, PLDT submitted its three-year network deployment plan to the NTC as part of its commitments under the co-use arrangement. Under this plan, Smart will speed up the expansion of its 4G/LTE service using both existing and new spectrum to cover 95% of the country's cities and municipalities with 4G/LTE by 2018.

The plan also provides for the roll out of LTE-Advanced (LTE-A) which can deliver peak download speeds of over 200 Mbps by combining two or more frequency bands such 700 MHz and 1800 MHz.

The massive expansion of the 4G/LTE coverage complements the parallel strengthening of 3G coverage through the integration of Smart and Sun mobile networks. Moreover, PLDT is expanding the footprint of its FTTH service and Smart is deploying a much more extensive WiFi network. As an initial step, Smart just last week

signed an agreement with the Department of Transportation (DOT) to install WiFi hot spots in the country's major transport hubs like airports, seaports and bus terminals.

PLDT is also fortifying its domestic and overseas fiber optic cable networks to carry the rapidly rising data traffic generated by subscribers.

"Our comprehensive network improvement program highlights our commitment to deliver a higher level of Internet service to both consumer and enterprise customers. This is being accomplished through the deployment of the most advanced network technologies – FTTH for fixed and 4G/LTE for mobile. This provides the foundation for our digital pivot, enabling the Group to deliver an increasingly rich array of digital services and solutions to Filipinos all over the country," stated Pangilinan.

Deploying devices and solutions

Along with these efforts to strengthen its data infrastructure, PLDT is continuing to make it easier for its customers to adopt web-capable devices. To its existing portfolio of web-connected devices such as the *TelPad* and *TVOLUTION*, PLDT Home is adding a Smart Watch to help parents keep track of their children.

Smart has followed up its well-received offers of the *MyPhone my28S* and *Smart Bro 4G Pocket WiFi* (both for only P888) with a new smartphone. It has launched a highly successful promotion offering prepaid users the *Starmobile Play Click* smartphone which has a larger screen and better features for only P1,288.

To enable prepaid subscribers to use these devices more productively, Smart also introduced Giga Surf 50 (offering 1 Gigabyte of data for P50 for 3 days), a package which has already gained traction in the market.

"We've just finished refreshing the logos of both PLDT and Smart with the change signaling the renewed efforts of the Group to bring the best digital experiences to our customers. In the coming months, we will unbox more new services and solutions that will delight people and enable them to change their lives," said Ariel P Fermin, PLDT Executive Vice President and Head of the Consumer Group.

Through its Enterprise business units – Alpha and SME Nation, PLDT is enabling businesses to embrace digital solutions that raise their efficiencies and let them serve their customers more effectively via M2M and ICT services – which include data center, Big Data, Cloud and other Managed ICT services.

PLDT is engaged in a major effort to set up the country's most extensive network of data centers, which are key building blocks of the digital economy. On 28th July, PLDT inaugurated its largest and most modern data center in Makati with a 3,600-rack capacity and is set to open its eighth data center in Clark this September. By next

year, PLDT will have 10 data centers in different parts of the country with an unmatched capacity of over 9,000 racks.

“We are systematically putting in place the various pieces needed to create vibrant digital ecosystems. Our networks provide pervasive connectivity while our data centers serve as a solid foundation for the country’s digital infrastructure,” said Ernesto R Alberto, PLDT Executive Vice President and Head of the Enterprise Group.

Digital platforms

PLDT subsidiary, Voyager Innovations, Inc., pushed further its digital innovation platforms in the first half of 2016.

Voyager's *freenet* (formerly *SafeZone*) enabled Filipinos to participate through free live streaming in national events such as the Presidential inauguration and the FIBA Olympic Qualifying Tournament games of Gilas Pilipinas. *freenet* is the local community site with most hits (based on Effective Measure data) as of end-June 2016. It is enabling over 70 enterprise accounts to reach digital consumers through its sponsored data model.

Voyager subsidiary *FINTQ* and *Cash Credit* introduced *Pera Agad*, a micro-credit lending service that utilizes credit scoring drawn from telco usage data. *Pera Agad* is showing positive uptake in the pilot target market with around 30% response rate and greater than 50% approval rate for micro loans.

PayMaya Philippines continues to take the lead in digital financial services. Account base for its prepaid wallet PayMaya doubled by end-June 2016 and is accelerating with the launch of its #NowNation campaign targeting uncarded millennials. In June 2016, PayMaya also launched a partnership with Uber Technologies Incorporated (Uber), making it the only prepaid card accepted by Uber.

Conclusion

“We continue to make progress in our digital pivot but at different paces for the Group’s various new businesses. Our Fixed Line and Enterprise businesses have gathered momentum in building their data and digital revenues, with the share of these revenues now reaching nearly 60% of the total,” Pangilinan said.

“Our wireless business is also gaining ground – data is now 27% of the total, up from 20%. But it has much further to go, in an environment where competition remains very keen. And this is where we are focusing our efforts – in both the prepaid and postpaid segments,” he added.

“Underpinning our digital pivot is a comprehensive program to improve our digital infrastructure. We are transforming not only our fixed and mobile networks, but also building a formidable system of data centers. This places PLDT in a unique position to lead in the development of the country’s digital economy. Within this context, we are maintaining our Core Income guidance of Php30 billion for 2016,” Pangilinan concluded.

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<i>(unaudited)</i>	PLDT Consolidated					
	Six months ended June 30			Three months ended June 30		
	2016	2015	% Change	2016	2015	% Change
Total revenues	85,284	85,191	-	42,505	42,638	-
<i>Service revenues</i>	80,604	81,159	(1%)	40,006	40,611	(1%)
Expenses	75,027	64,158	17%	39,841	33,723	18%
Income before income tax	17,132	24,173	(29%)	8,170	11,917	(31%)
Provision for income tax	4,646	5,424	(14%)	1,917	2,566	(25%)
Net income - attributable to equity holders of PLDT	12,463	18,729	(33%)	6,246	9,342	(33%)
Core income ^(a)	17,700	18,928	(6%)	10,489	9,648	9%
EPS (based on net income - attributable to equity holders of PLDT)						
EPS, Basic	57.55	86.55	(34%)	28.84	43.17	(33%)
EPS, Diluted	57.55	86.55	(34%)	28.84	43.17	(33%)
EPS (based on Core Income)						
EPS, Basic	81.78	87.48	(7%)	48.47	44.60	9%
EPS, Diluted	81.78	87.48	(7%)	48.47	44.60	9%

^(a) Net income as adjusted for the net effect of gain/loss on FX, derivative transactions, and asset impairment.

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(in million pesos)

	As at June 30, 2016 (Unaudited)	As at December 31, 2015 (Audited)
<u>ASSETS</u>		
Noncurrent Assets		
Property and equipment	200,060	195,782
Investments in associates and joint ventures	62,689	48,703
Available-for-sale financial investments	10,333	15,711
Investment in debt securities and other long-term investments – net of current portion	959	952
Investment properties	1,864	1,825
Goodwill and intangible assets	72,274	72,117
Deferred income tax assets – net	21,730	21,941
Derivative financial assets – net of current portion	126	145
Prepayments – net of current portion	5,446	3,475
Advances and other noncurrent assets – net of current portion	9,548	3,003
Total Noncurrent Assets	385,029	363,654
Current Assets		
Cash and cash equivalents	23,386	46,455
Short-term investments	6,688	1,429
Trade and other receivables	28,444	24,898
Inventories and supplies	5,632	4,614
Current portion of derivative financial assets	16	26
Current portion of investment in debt securities and other long-term investments	50	51
Current portion of prepayments	5,766	5,798
Current portion of advances and other noncurrent assets	8,197	8,170
Total Current Assets	78,179	91,441
TOTAL ASSETS	463,208	455,095
<u>EQUITY AND LIABILITIES</u>		
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	130,503	130,517
Retained earnings	6,556	6,195
Other comprehensive loss	(20,712)	(18,202)
Total Equity Attributable to Equity Holders of PLDT	111,445	113,608
Noncontrolling interests	282	290
TOTAL EQUITY	111,727	113,898

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)
(in million pesos)

	As at June 30, 2016 (Unaudited)	As at December 31, 2015 (Audited)
Noncurrent Liabilities		
Interest-bearing financial liabilities – net of current portion	128,165	143,982
Deferred income tax liabilities – net	3,585	3,704
Derivative financial liabilities – net of current portion	420	736
Customers' deposits	2,426	2,430
Pension and other employee benefits	10,946	10,197
Deferred credits and other noncurrent liabilities	18,042	21,482
Total Noncurrent Liabilities	163,584	182,531
Current Liabilities		
Accounts payable	55,285	52,679
Accrued expenses and other current liabilities	98,747	84,286
Current portion of interest-bearing financial liabilities	29,266	16,911
Provision for claims and assessments	897	897
Dividends payable	1,493	1,461
Current portion of derivative financial liabilities	1,022	306
Income tax payable	1,187	2,126
Total Current Liabilities	187,897	158,666
TOTAL LIABILITIES	351,481	341,197
TOTAL EQUITY AND LIABILITIES	463,208	455,095

PLDT INC. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENTS

For the Six Months Ended June 30, 2016 and 2015

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

	Six Months Ended June 30,		Three Months Ended June 30,	
	2016	2015	2016	2015
(Unaudited)				
REVENUES				
Service revenues	80,604	81,159	40,006	40,611
Non-service revenues	4,680	4,032	2,499	2,027
	85,284	85,191	42,505	42,638
EXPENSES				
Depreciation and amortization	14,575	13,945	7,417	7,049
Cost of sales	10,835	7,688	5,602	3,984
Asset impairment	10,344	1,707	7,116	841
Compensation and employee benefits	10,064	11,315	4,833	6,334
Repairs and maintenance	7,593	7,452	3,922	3,785
Interconnection costs	4,834	5,189	2,398	2,606
Professional and other contracted services	4,373	3,973	2,199	2,047
Selling and promotions	4,247	5,057	2,529	3,040
Rent	3,411	3,019	1,741	1,561
Taxes and licenses	2,073	2,176	751	1,125
Insurance and security services	914	914	451	454
Communication, training and travel	654	646	353	335
Amortization of intangible assets	544	542	272	274
Other expenses	566	535	257	288
	75,027	64,158	39,841	33,723
	10,257	21,033	2,664	8,915
OTHER INCOME				
Equity share in net earnings of associates and joint ventures	935	2,234	298	1,581
Interest income	472	364	217	180
Foreign exchange gains (losses) – net	77	(439)	(893)	(482)
Gains (losses) on derivative financial instruments – net	(178)	89	319	59
Financing costs – net	(3,620)	(2,937)	(1,816)	(1,402)
Other income – net	9,189	3,829	7,381	3,066
	6,875	3,140	5,506	3,002
INCOME BEFORE INCOME TAX	17,132	24,173	8,170	11,917
PROVISION FOR INCOME TAX	4,646	5,424	1,917	2,566
NET INCOME	12,486	18,749	6,253	9,351
ATTRIBUTABLE TO:				
Equity holders of PLDT	12,463	18,729	6,246	9,342
Noncontrolling interests	23	20	7	9
	12,486	18,749	6,253	9,351
Earnings Per Share Attributable to Common Equity Holders of PLDT				
Basic	57.55	86.55	28.84	43.17
Diluted	57.55	86.55	28.84	43.17

This press release may contain some statements which constitute “forward-looking statements” that are subject to a number of risks and uncertainties that could affect PLDT’s business and results of operations. Although PLDT believes that expectations reflected in any forward-looking statements are reasonable, it can give no guarantee of future performance, action or events.

For further information, please contact:

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Melissa V. Vergel de Dios
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Fax No: 810-7138

Ramon R. Isberto
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Fax No: 893-5174

About PLDT

PLDT is the leading telecommunications provider in the Philippines. Through its principal business groups – fixed line and wireless– PLDT offers a wide range of telecommunications services across the Philippines’ most extensive fiber optic backbone and fixed line, and cellular network.

PLDT is listed on the Philippine Stock Exchange (PSE:TEL) and its American Depositary Shares are listed on the New York Stock Exchange (NYSE:PHI). PLDT has one of the largest market capitalizations among Philippine listed companies.

Further information can be obtained by visiting the web at www.pldt.com.