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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 THREE MONTHS ENDED 31 MARCH 2014**

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 three months ended 31 March 2014.

#### **Summary**

On 6 May 2014, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the three months ended 31 March 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 6 May 2014, 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 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 6 May 2014, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the three months ended 31 March 2014. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 6 May 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 were stated in Philippine Peso. PLDT’s unaudited Consolidated Income Statements for the three months ended 31 March 2014 and 2013, as well as the unaudited Consolidated Statement of Financial Position as at 31 March 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 THREE MONTHS ENDED 31 MARCH 2014 AND 2013**

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

	2014	2013
	(Unaudited)	
<b>REVENUES</b>		
Service revenues	41,217	39,968
Non-service revenues	1,326	992
	<u>42,543</u>	<u>40,960</u>
<b>EXPENSES</b>		
Depreciation and amortization	7,205	7,228
Compensation and employee benefits	5,160	5,756
Repairs and maintenance	3,484	3,301
Cost of sales	3,449	2,411
Interconnection costs	2,663	2,577
Selling and promotions	2,113	1,922
Professional and other contracted services	1,618	1,403
Rent	1,538	1,477
Taxes and licenses	921	912
Asset impairment	637	602
Communication, training and travel	562	512
Insurance and security services	448	422
Amortization of intangible assets	286	202
Other expenses	293	315
	<u>30,377</u>	<u>29,040</u>
	<u>12,166</u>	<u>11,920</u>
<b>OTHER EXPENSES</b>		
Equity share in net earnings of associates and joint ventures	716	553
Interest income	192	296
Gains on derivative financial instruments – net	187	23
Foreign exchange gains (losses) – net	(735)	213
Financing costs – net	(1,324)	(1,604)
Other income	935	330
	<u>(29)</u>	<u>(189)</u>
<b>INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS</b>	<b>12,137</b>	<b>11,731</b>
<b>PROVISION FOR INCOME TAX</b>	<b>2,745</b>	<b>2,669</b>
<b>NET INCOME FROM CONTINUING OPERATIONS</b>	<b>9,392</b>	<b>9,062</b>
<b>NET INCOME FROM DISCONTINUED OPERATIONS</b>	<b>–</b>	<b>125</b>
<b>NET INCOME</b>	<b><u>9,392</u></b>	<b><u>9,187</u></b>
<b>ATTRIBUTABLE TO:</b>		
Equity holders of PLDT	9,379	9,178
Noncontrolling interests	13	9
	<u>9,392</u>	<u>9,187</u>
<b>Earnings Per Share Attributable to Common Equity Holders of PLDT</b>		
Basic	43.34	42.42
Diluted	43.34	42.42
	<u>43.34</u>	<u>42.42</u>
<b>Earnings Per Share from Continuing Operations Attributable to Common Equity Holders of PLDT</b>		
Basic	43.34	41.84
Diluted	43.34	41.84
	<u>43.34</u>	<u>41.84</u>

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

	As at 31 March 2014 (Unaudited)	As at 31 December 2013 (Audited)
<b>ASSETS</b>		
<b>Noncurrent Assets</b>		
Property, plant and equipment	188,105	192,665
Investments in associates, joint ventures and deposits	41,732	41,310
Available-for-sale financial investments	221	220
Investment in debt securities and other long-term investments – net of current portion	2,877	2,643
Investment properties	1,216	1,222
Goodwill and intangible assets	73,791	73,918
Deferred income tax assets – net	14,789	14,181
Derivative financial assets	36	24
Prepayments – net of current portion	2,976	3,031
Advances and other noncurrent assets – net of current portion	4,284	2,761
Total Noncurrent Assets	<u>330,027</u>	<u>331,975</u>
<b>Current Assets</b>		
Cash and cash equivalents	60,453	31,905
Short-term investments	623	718
Trade and other receivables	17,384	17,564
Inventories and supplies	2,867	3,164
Derivative financial assets	–	10
Current portion of investment in debt securities and other long-term investments	389	–
Current portion of prepayments	6,933	6,054
Current portion of advances and other noncurrent assets	8,172	8,248
Total Current Assets	<u>96,821</u>	<u>67,663</u>
<b>TOTAL ASSETS</b>	<u><b>426,848</b></u>	<u><b>399,638</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
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	130,562	130,562
Retained earnings	7,270	22,968
Other comprehensive income	(12,729)	(11,481)
Total Equity Attributable to Equity Holders of PLDT	<u>120,201</u>	<u>137,147</u>
Noncontrolling interests	249	179
<b>TOTAL EQUITY</b>	<u><b>120,450</b></u>	<u><b>137,326</b></u>

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

	As at 31 March 2014 (Unaudited)	As at 31 December 2013 (Audited)
<b>Noncurrent Liabilities</b>		
Interest-bearing financial liabilities – net of current portion	109,145	88,930
Deferred income tax liabilities – net	4,352	4,437
Derivative financial liabilities	1,606	1,869
Customers’ deposits	2,551	2,545
Pension and other employee benefits	14,570	13,439
Deferred credits and other noncurrent liabilities	20,520	22,045
<b>Total Noncurrent Liabilities</b>	<b>152,744</b>	<b>133,265</b>
<b>Current Liabilities</b>		
Accounts payable	31,185	34,882
Accrued expenses and other current liabilities	75,831	74,256
Current portion of interest-bearing financial liabilities	14,122	15,171
Provision for claims and assessments	897	897
Dividends payable	25,984	932
Derivative financial liabilities	109	105
Income tax payable	5,526	2,804
<b>Total Current Liabilities</b>	<b>153,654</b>	<b>129,047</b>
<b>TOTAL LIABILITIES</b>	<b>306,398</b>	<b>262,312</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>426,848</b>	<b>399,638</b>

## **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 6 May 2014.

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

Hong Kong, 6 May 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