

Philippine Long Distance Telephone Company

Nine Months 2005 Financial and Operating Results

November 8, 2005



9M05: Consolidated Financial Highlights

- Consolidated net income increased by 13% to P25 billion from P22.2 billion in 9M04
- Core earnings (which exclude FX, derivative and Piltel debt exchange gains) grew by 14% to P23.2 billion in 9M05 compared with P20.4 billion in previous year
- Core earnings in 3Q05 improved to P8.2 billion, up 2% quarter-on-quarter and up 16% compared to 1Q05
- Consolidated service revenues up by 4% year-on-year to P89.7 billion mainly driven by 8% increase in wireless service revenues
- EBITDA reached P57 billion in 9M05 from P53.8 billion in 9M04 and margins improved to 64%
- Consolidated free cash flow grew by 51% to P41.6 billion in 9M05 as capex spending declined by 41% to P9.6 billion
- PLDT Group reduced debts by US\$552 million in 9M05; debt reduction for FY05 to hit US\$700 million

PLDT Group: Enhancing Returns

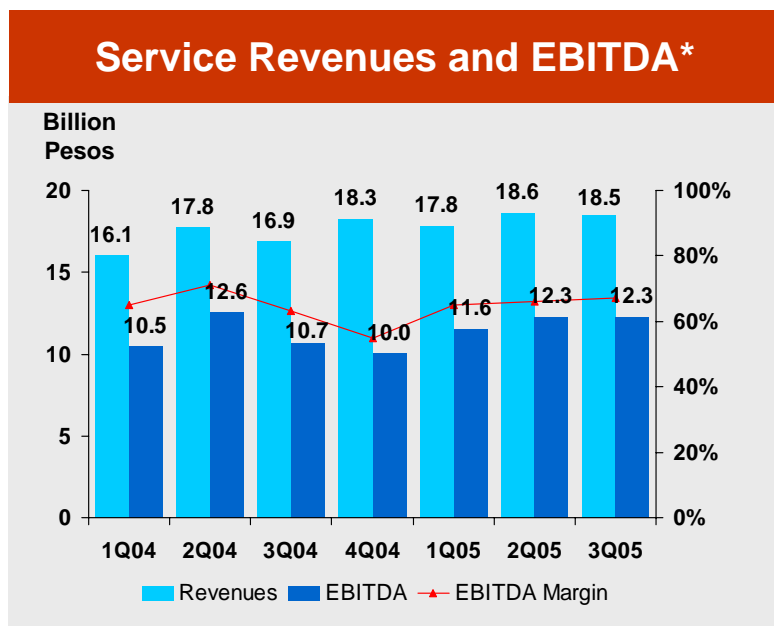
- PLDT declares another dividend of P21 per share; increases dividend payout target for 2005 to 40% of core EPS with final dividend to be declared with the announcement of FY2005 audited financials

Declaration Date	Record Date	Dividend per share	Payment Date
8 Nov 2005	28 Nov 2005	P21.00	28 Dec 2005

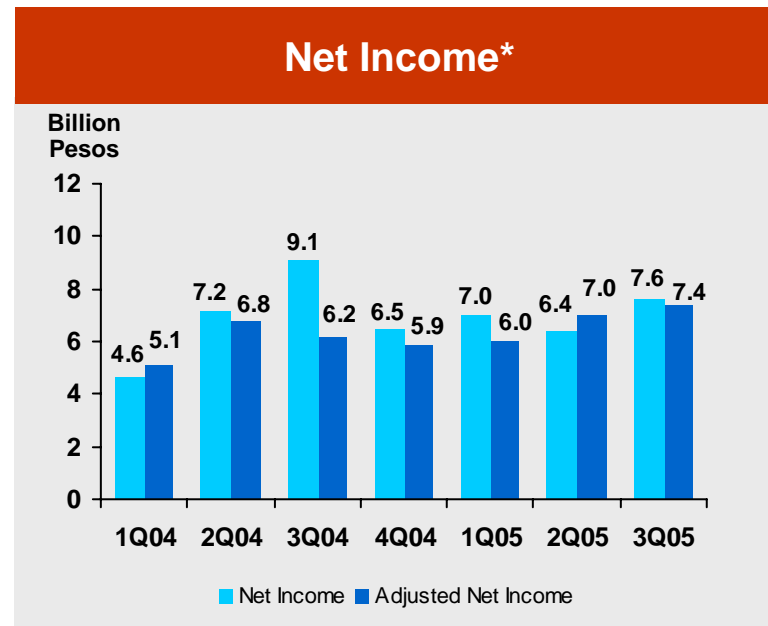
- PLDT issues notice to mandatorily convert Series III Preferreds to common shares on December 19, 2005
 - Number of common shares outstanding to increase by 4.6% to 180 million from 171.9 million
 - Dilution effect on earnings, however, is lower at approximately 1% as preferred dividends to be paid by PLDT are reduced by P1 billion per annum upon conversion
- PLDT obtains requisite consents from holders of 2007 and 2012 Notes to amend restricted payments capacity while tightening leverage ratio test
 - Amendments operative starting from 1 July 2005
 - Gives PLDT greater flexibility to make restricted payments, including payment of dividends to common shareholders
- PLDT accepts tenders aggregating US\$50.9 million of 2007 Notes
 - Enhances deleveraging of PLDT and allows total debt reduction of PLDT Group for FY2005 to reach US\$700 million

Wireless: Sustaining Profits

- Service revenues grew by 8% Y-o-Y to P55 billion (9M04: P50.7 billion); Q-o-Q service revenues, however, declined by less than 1% partly due to effects of macro-economic factors and various promotional activities
- EBITDA increased by 7% Y-o-Y to P36.2 billion (9M04: P33.8 billion) and Q-o-Q EBITDA remained stable at P12.3 billion while EBITDA margins improved to 67% (2Q05: 66%)
- 9M05 net income excluding FX gains increased by 13% to P20.4 billion (9M04: P18 billion)



* EBITDA calculation provided in appendix



* 2004 net income restated to reflect the adoption of IAS. Adjusted net income excludes the impact of gains/losses on FX and derivatives (after tax) and other non-recurring items

Wireless: Financial Highlights

<i>(in million pesos)</i>	9M05	9M04 (As Restated)	% Change
Service Revenues	54,984	50,749	8%
Non-service Revenues	1,999	5,050	-60%
Less: Cost of Sales	4,805	8,803	-45%
	2,806	3,753	-25%
Other cash operating expenses	15,520	12,813	21%
Total cash operating expenses	18,326	16,566	11%
Non-cash operating expenses	8,111	9,155	-11%
	26,437	25,721	3%
Operating Income	28,547	25,028	14%
EBITDA⁽¹⁾	36,168	33,759	7%
EBITDA Margin	66%	67%	
Other income	665	4,586	-86%
Other expenses			
Interest on loans and related items	1,373	1,423	-4%
FX and derivatives (gains)/loss	(899)	225	-500%
Others	1,341	1,645	-18%
	1,815	3,293	-45%
Income before income tax	27,397	26,321	4%
Provision for income tax	6,431	5,433	18%
Net Income	20,966	20,888	-
Net Income before FX & derivatives⁽²⁾	20,355	18,036	13%
Capex	4,916	12,838	-62%
Free Cash Flow⁽³⁾	29,611	15,953	86%
Total Debt (US\$ millions)	777	790	-2%
Cellular	717	717	-
Mabuhay	60	72	-17%
Net Debt/EBITDA⁽⁴⁾	0.32x	0.39x	

(1) EBITDA calculation provided in appendix

(2) Net income before certain adjusting items incurred in 2004 and excluding gains/losses on foreign exchange/derivatives (after tax)

(3) Cash flow from operations, including changes in working capital less tax payments, capex, investments, interest paid, preferred dividends paid

(4) Calculated based on carrying value of debt, less cash balance over last twelve month EBITDA

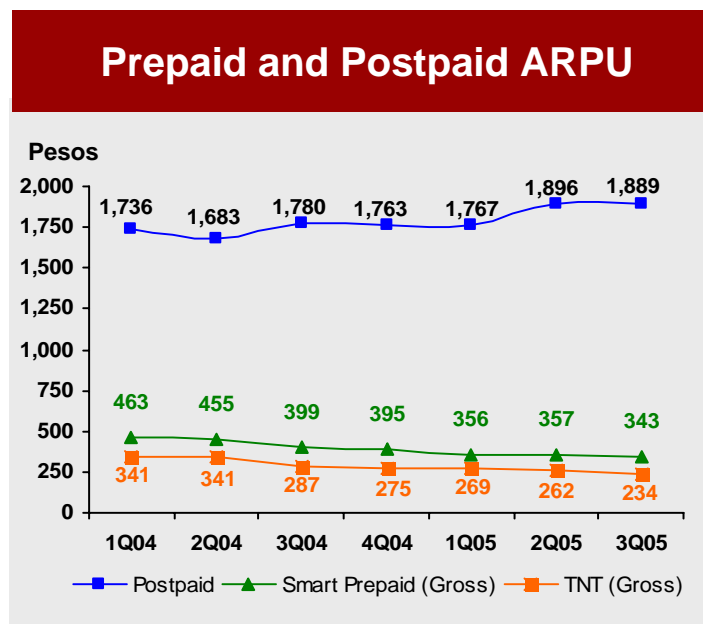
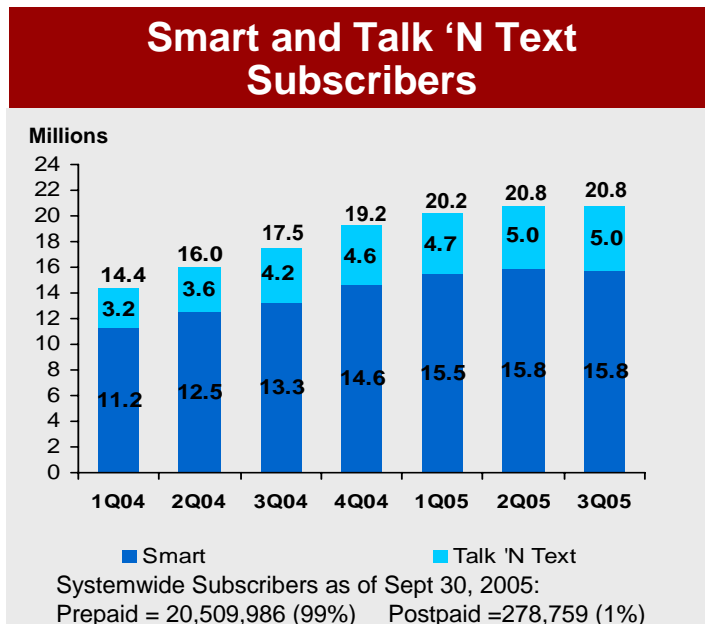
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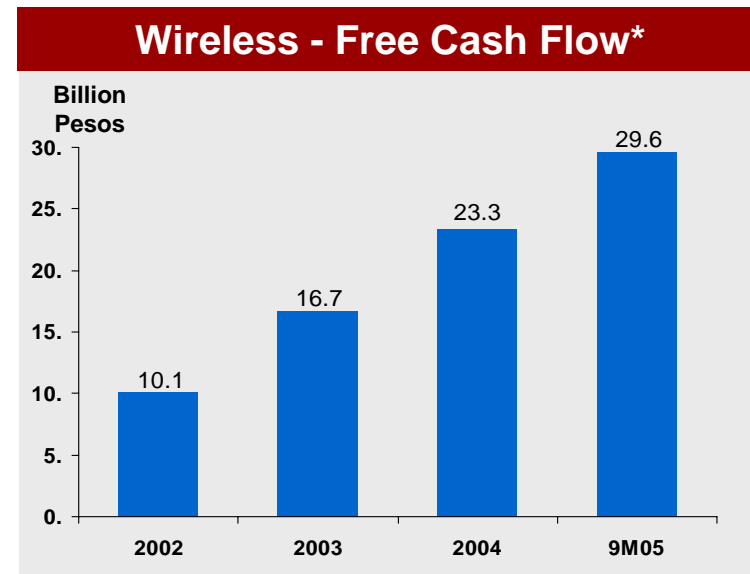
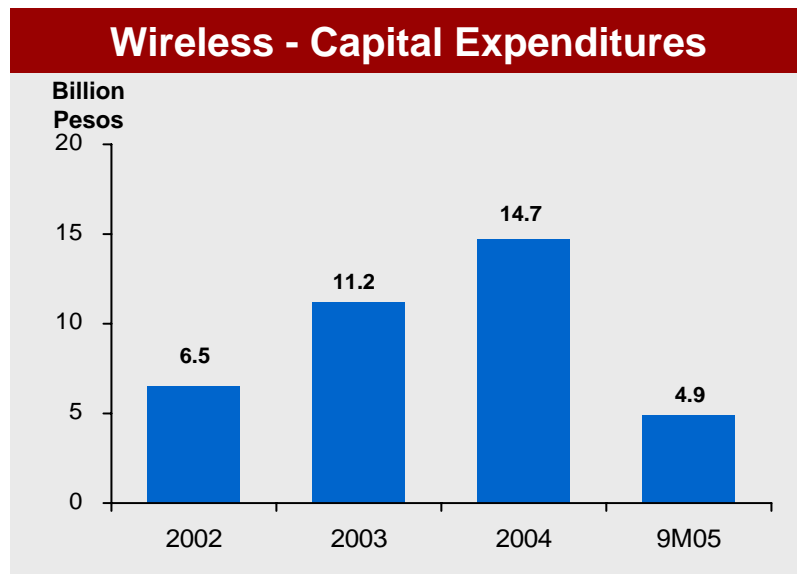
Smart: Still Leading the Market

- Cellular subscribers at 20.8 million as of end-9M05 (Smart 15.8 million, Talk 'N Text 5 million), representing an estimated combined market share of subscribers of 58-59%
 - Downward trend in subscribers expected for the balance of the year with net subscriber disconnections recorded in the month of September after SIM swap termination in May 2005
- Blended prepaid and postpaid subscriber acquisition cost declined by 17% in 9M05 to P529 (9M04: P639)
 - Overall prepaid subscriber acquisition cost in 3Q05 now being recovered within less than one month of ARPU
- Recently re-launched version of Smart 258 Unlimited Text expected to better address the demand for unlimited packages by a certain market segment while preserving network quality
- Smart Wifi, launched in June 2005, had approximately 9,000 subscribers as of end-September



Wireless: Maximizing Cash and Returns

- Capex spending for 9M05 was P4.9 billion (9M04: P12.8 billion); capex guidance for FY05 is approximately P7.5-8 billion
- Smart's network currently consists of 38 switching centers and over 5,800 base stations, covering 98% of the population, with approximately 1,400 base stations equipped with broadband wireless capability
- Free cash flow surged to P29.6 billion (9M04: P15.9 billion) as cash flow from operations improved, despite increased tax payments, and as capex spending declined
- Smart has distributed P20 billion in cash to PLDT in 9M05, of which P6 billion was paid in 3Q05 (inclusive of the redemption of Smart preferred shares amounting to P2.8 billion)
 - Smart expects to pay an additional P5 billion to PLDT in December 2005

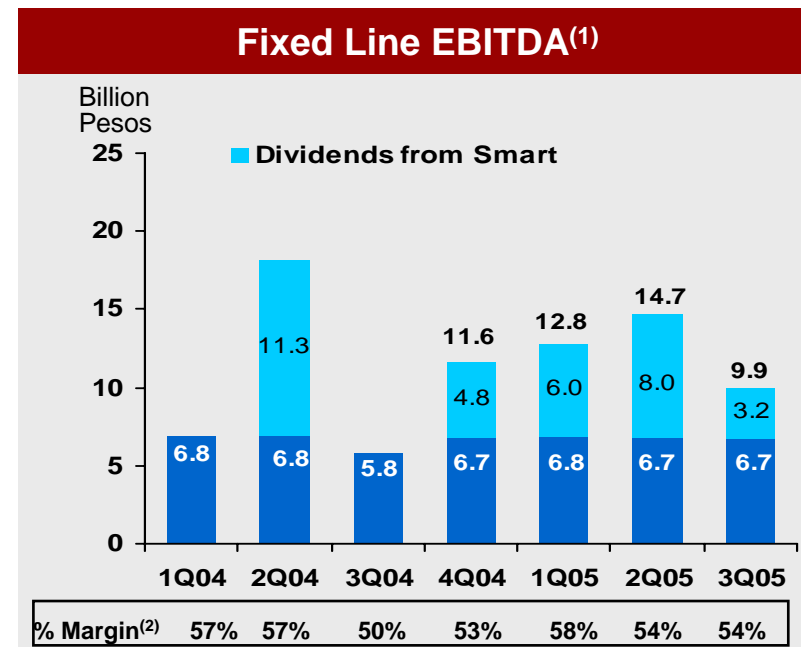
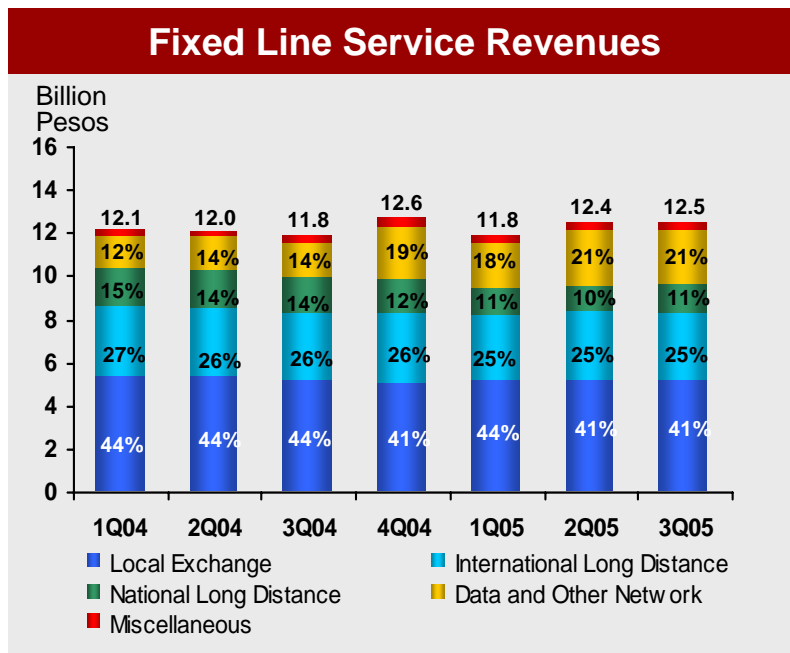


* Cash flow available for principal repayments and dividends



Fixed Line: Staying the Course

- Fixed Line revenues improved Y-o-Y by 2% to P36.7 billion (9M04: P35.9 billion) mainly due to an increase in Data revenues; Q-o-Q revenues grew slightly to P12.5 billion due to some recovery of Local Exchange and NLD revenues in 3Q05
- EBITDA was steady Q-o-Q at P6.7 billion (2Q05: P6.7 billion) despite manpower rightsizing charges booked in 3Q05 of P226 million offset by lower selling and promotion and other operating expenses
- DSL subscribers reached close to 76,000 as of 9M05 (YE04: 49,500) while approximately 370,000 PLDT subscribers use PLDT Vibe dial-up internet service
- Fixed Line core net income up 11% Y-o-Y to P2.8 billion primarily due to improved EBITDA and lower interest costs



(1) EBITDA of Fixed Line plus dividends from Smart (excludes redemption of Smart preferred shares)

(2) EBITDA margin excluding dividends from Smart



Fixed Line: Financial Highlights

<i>(in million pesos)</i>	9M05	9M04 <i>(As Restated)</i>	% Change
Service Revenues	36,697	35,880	2%
Operating Expenses	25,427	24,302	5%
Cash operating expenses	14,193	13,795	3%
Non-cash operating expenses	11,234	10,507	7%
Operating Income	11,270	11,578	-3%
EBITDA⁽¹⁾	20,269	19,531	4%
EBITDA Margin	55%	54%	
Other income	151	251	-40%
Other expenses			
Interest on loans and related items	7,003	8,123	-14%
FX and derivatives (gain)/loss	(1,730)	623	-378%
Others	523	617	-15%
	5,795	9,363	-38%
Net Income	3,950	1,824	117%
Net Income before FX & derivatives⁽²⁾	2,774	2,495	11%
Capex	4,168	3,222	29%
Free Cash Flow⁽³⁾	31,602	22,647	40%
Debt Reduction (in US\$ millions)	\$ 472	\$ 272	73%
Net Debt/EBITDA⁽⁴⁾	1.60x	2.66x	

(1) EBITDA calculation provided in appendix

(2) Net income before certain adjusting items incurred in 2004 and excluding gains/losses on foreign exchange/derivatives (after tax)

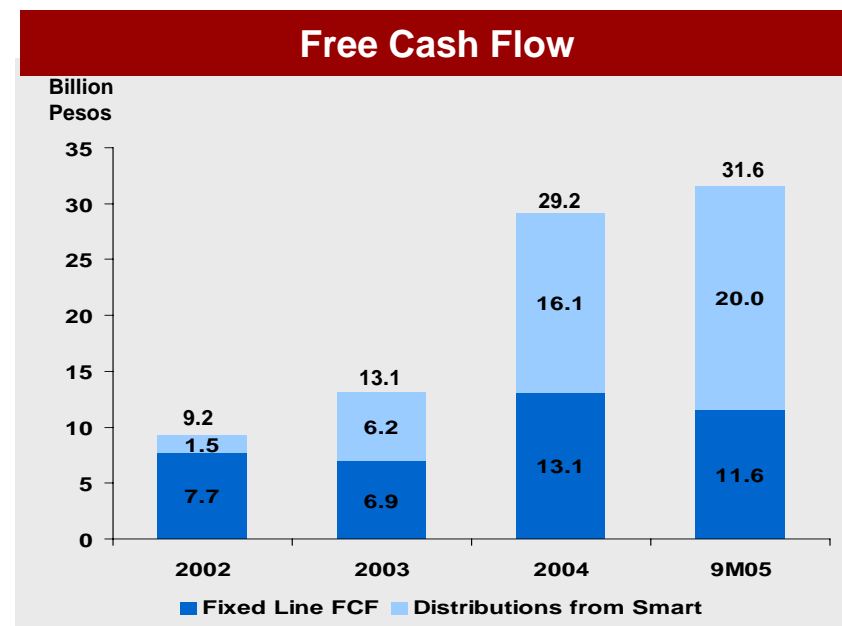
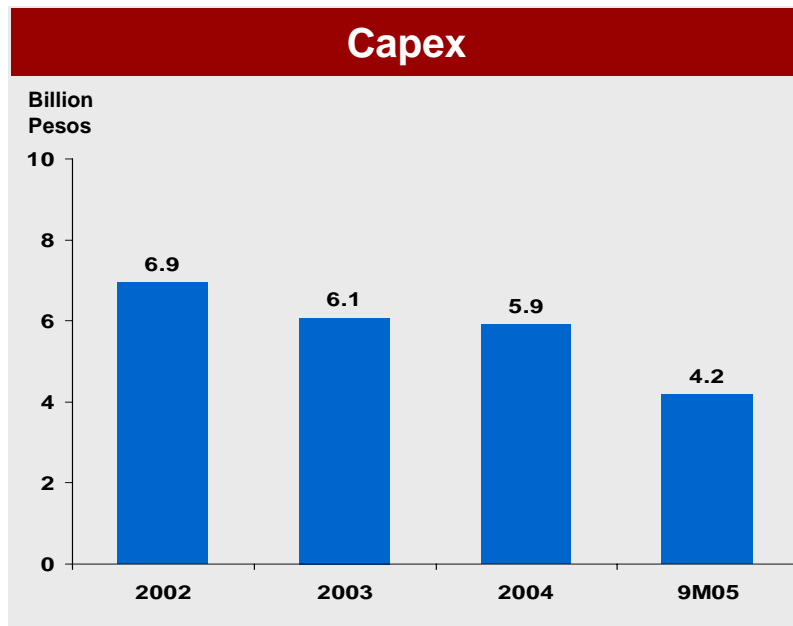
(3) Cash flow from operations, including changes in working capital and dividends from Smart less tax payments, capex, investments, interest paid, preferred dividends paid

(4) Calculated based on carrying value of debt, less cash balance over last twelve month EBITDA plus Smart dividends



Fixed Line: Renewing Capabilities

- PLDT incurred capex of P4.2 billion in 9M05 (9M04: P3.2 billion), in line with the ongoing upgrade of our existing facilities to a Next Generation Network; Capex guidance for FY05 is P5.5 billion
- Fixed Line capex over the next 2-3 years will be used to implement the next generation network (“NGN”), in particular by extending existing transmission facilities, installing an IP-core network and expanding DSL capable lines
- Free cash flow grew to P31.6 billion in 9M05 (9M04: P22.6 billion) notwithstanding the increase in capex, mainly due to higher cash distributions from Smart of P20 billion in 9M05 (9M04: P11.3 billion)

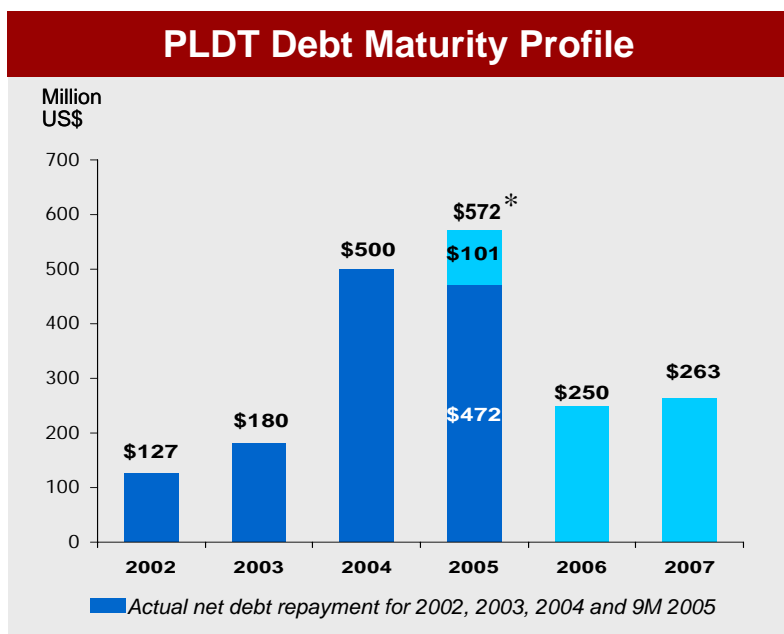


* Cash flow from operations less tax payments, capex, investments, interest paid, preferred dividends paid, plus dividends and other distributions received from Smart

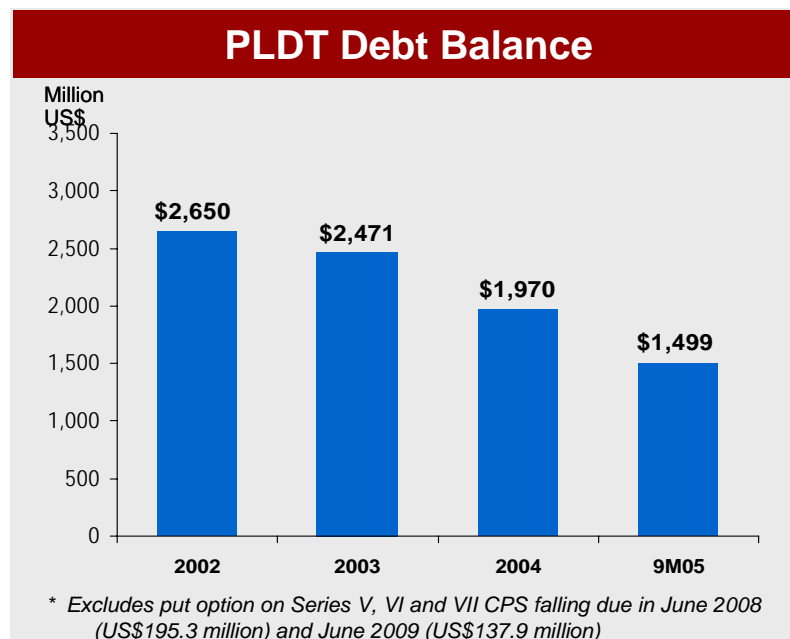


Fixed Line: Stepping Up Debt Reduction

- PLDT reduced debts by US\$472 million in 9M05, resulting in stand-alone debt balance declining to below US\$1.5 billion; an additional US\$50.9 million of 2007 PLDT bonds were paid today
- Interest on loans decreased by 14% to P7 billion (9M04: P8.1 billion) as PLDT Fixed Line continued to reduce debts
- PLDT had in place hedges and US\$ cash balances covering 73% of its total debt as of Sept. 30, 2005



* Adjusted for the repurchase of US\$50.9 million of Notes due 2007



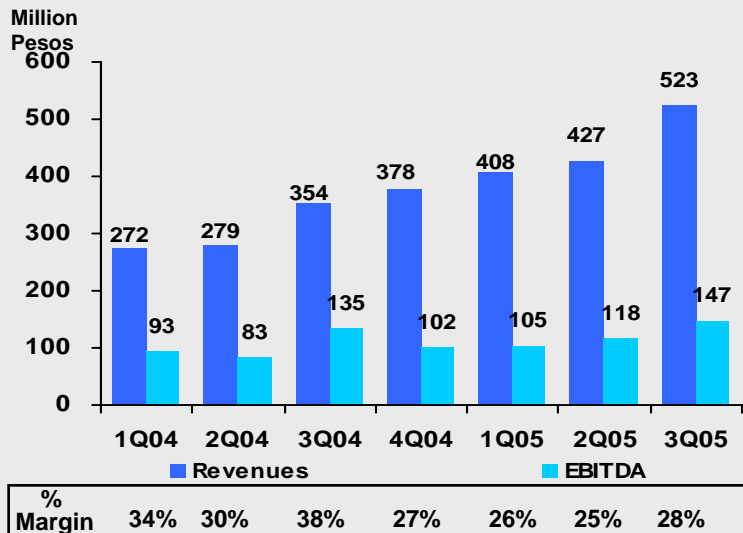
* Excludes put option on Series V, VI and VII CPS falling due in June 2008 (US\$195.3 million) and June 2009 (US\$137.9 million)



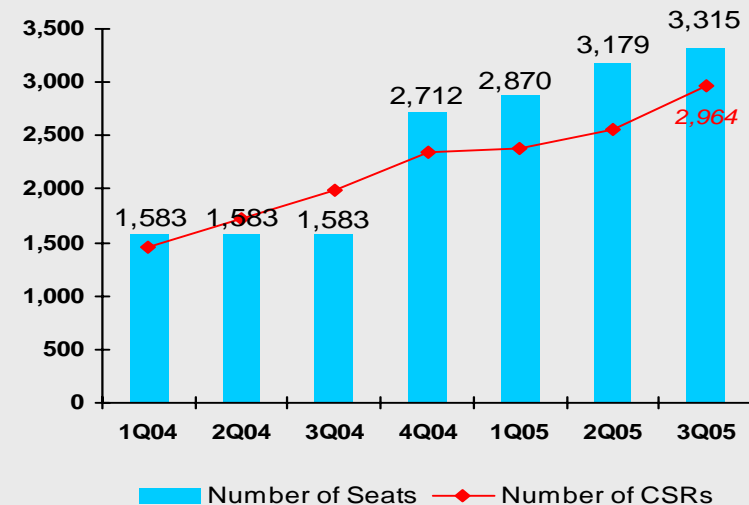
ePLDT Call Centers: Growing Market Presence

- Consolidated call center revenues grew by 51% to P1.4 billion (9M04: P904 million) as a result of increased capacity utilization and upward price adjustments for additional programs being handled
- ePLDT's combined call center businesses reached 3,315 seats as of 9M05 (9M04: 1,736 seats) making ePLDT one of the largest outsourced call center operators in the country

Call Center Revenues and EBITDA



Call Center Number of Seats and CSRs



ePLDT: Financial Highlights

	9M05	9M04	% Change
<i>(in million pesos)</i>		<i>(As Restated)</i>	
Service Revenues	2,100	1,537	37%
Call Centers	1,361	904	51%
Internet	422	416	1%
Data Center	269	181	49%
Others	48	36	33%
Non-Service Revenues	248	251	-1%
Operating Expenses			
Cash operating expenses	1,993	1,463	36%
Non-cash operating expenses	306	838	-63%
	2,299	2,301	0%
Net Income	109	(516)	
Net Income attributable to PLDT	152	(520)	

9M05: Consolidated Financial Highlights

(in million pesos)	9M 2005			9M 2004	% Change
	Wireless	Fixed Line	Consolidated	Consolidated (As Restated)	
No. of Subscribers					
Cellular (Smart and TNT)	20,788,745	-	20,788,745	17,472,516	19%
Fixed Line	-	2,131,861	2,131,861	2,184,411	-2%
Service Revenues	54,984	36,697	89,687	86,044	4%
Non-service Revenues	1,999	-	2,153	5,168	-58%
Less: Cost of sales	4,805	-	4,805	8,803	-45%
Operating Expenses					
Cash operating expenses	15,520	14,193	27,350	25,669	7%
Non-cash operating expenses	8,111	11,234	19,651	20,500	-4%
	23,631	25,427	47,001	46,169	2%
Operating Income	28,547	11,270	40,034	36,241	10%
EBITDA ⁽¹⁾	36,168	20,269	56,956	53,773	6%
EBITDA Margin	66%	55%	64%	62%	
Other Income	665	151	723	4,713	-85%
Other Expenses:					
Interest on loans and related items	1,373	7,003	8,395	9,554	-12%
FX and derivatives (gain)/loss	(899)	(1,730)	(2,629)	846	-411%
Others	1,341	523	1,854	2,284	-19%
	1,815	5,795	7,620	12,684	-40%
Income before income tax	27,397	5,626	33,136	28,269	17%
Provision for income tax	6,431	1,675	8,111	6,073	34%
Net income, as reported	20,966	3,950	25,025	22,196	13%
Net income before FX and derivatives⁽²⁾	20,355	2,774	23,237	20,434	14%
Earnings per Share, Basic ⁽³⁾			129.11	113.40	14%
Earnings per Share, Diluted ⁽³⁾			126.66	112.16	13%

(1) EBITDA calculation provided in appendix

(2) Net income before certain adjusting items incurred in 2004 and excluding gains/losses on foreign exchange/derivatives (after tax)

(3) Based on net income before FX and derivatives, EPS calculation provided in appendix



9M05: Consolidated Financial Highlights

<i>(in million pesos)</i>	9M 2005			9M 2004	% Change
	Wireless	Fixed Line	Consolidated	Consolidated <i>(As Restated)</i>	
Cash flow from Operations	31,537	22,457	54,677	56,122	-3%
Capex	4,916	4,168	9,557	16,266	-41%
Free Cash Flow ⁽⁴⁾	29,611	31,602	41,565	27,476	51%
Debt Reduction (in US\$ millions)	\$ 77	\$472	\$ 552	\$ 361	53%
Outstanding Debt Balance	\$ 777 ⁽⁵⁾	\$1,499	\$ 2,279	\$ 2,994	-24%
Net Debt	\$ 423	\$ 1,278	\$ 1,691	\$ 2,454	-31%
Cash and short-term investments	19,787	12,345	32,892	30,380	8%
Total Assets	95,061	203,229	257,074	264,762	-3%
Total Debt	34,710	83,098	117,982	157,614	-25%
Net Debt	14,923	70,753	85,090	127,234	-33%
Stockholders' Equity			67,433	41,757	61%
Total Debt to EBITDA (LTM)	0.75	1.88	1.60	2.25	
Net Debt to EBITDA (LTM)	0.32	1.60	1.15	1.81	
Net Debt to Free Cash Flow (LTM)	0.40	1.85	1.66	3.54	

(4) Cash flow from operations, including changes in working capital less tax payments, capex, investments, interest paid, preferred dividends paid; Fixed Line free cash flow includes dividends and other distributions received from Smart in 9M05 of P20 billion

(5) Wireless debt balance consists of Smart's debt of US\$590 million, Piltel's third party debts of US\$127 million and Mabuhay's debt of US\$60 million

(6) Php:USD rate as at the end of: 3Q05 – P55.977; 2Q05 – P56.177; 1Q05 – P54.747; YE04 – P56.341; and 3Q04 - P56.276



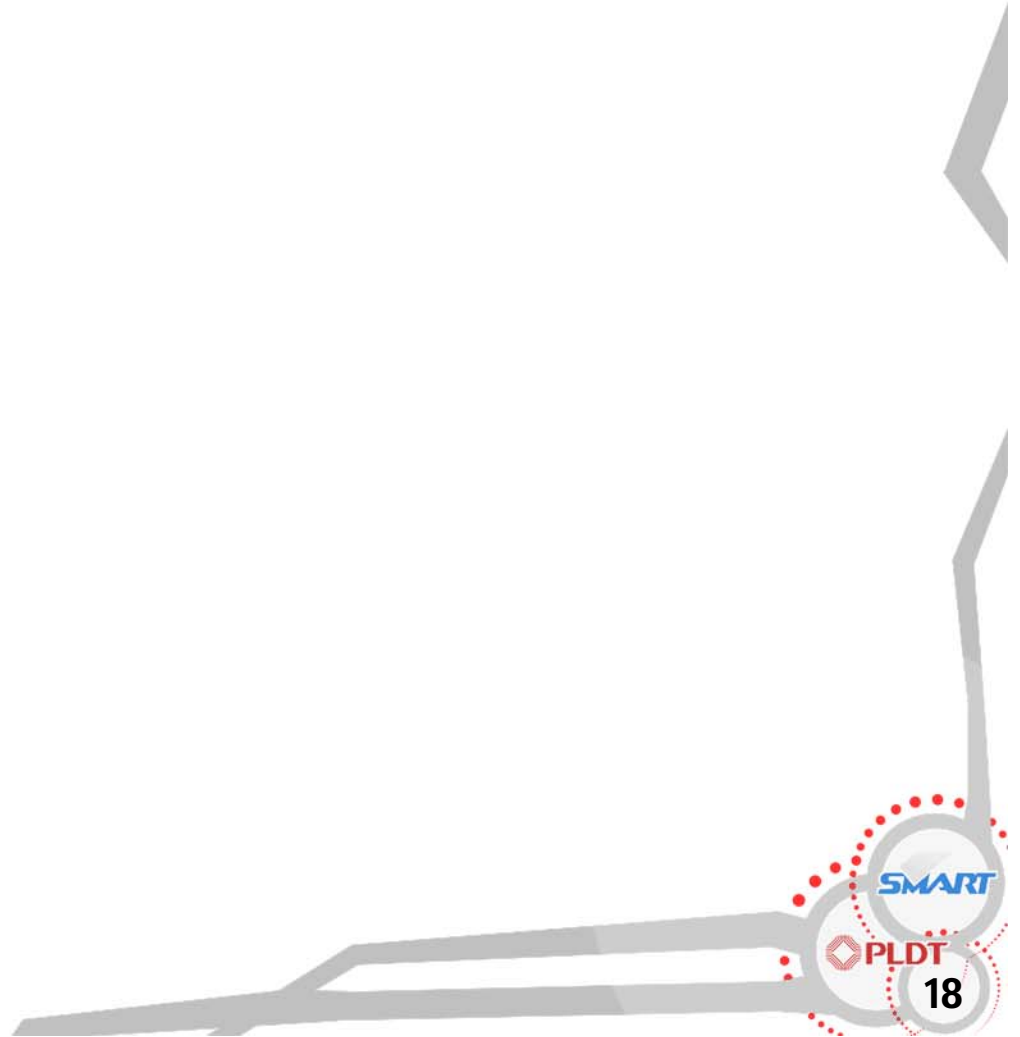
PLDT Group: Financial Targets and Outlook for 2005

	Target for FY 2005	Accomplished as of 9M 2005
Debt reduction	US\$600 million → US\$700 million	US\$552 million
Leverage ratio (Total Debt/EBITDA)	Below 1.5x by 2006	1.6x
Dividend Payout	30% → 40% of 2005 EPS	Additional P21 dividend declared and to be paid in Dec 2005; final dividend to be declared upon announcement of FY2005 audited results

This presentation 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.



Appendix



Revenues

<i>(in million pesos)</i>	9M 2005				9M 2004	% Change
	Wireless	Fixed Line	ICT	Consolidated	Consolidated <i>(As Restated)</i>	
Service Revenues						
Wireless services						
Cellular	53,416			53,416	49,324	8%
Others	1,568			1,568	1,425	10%
Fixed line services						
Local exchange		15,377		15,377	15,752	-2%
International long distance		9,369		9,369	9,571	-2%
National long distance		3,860		3,860	5,221	-26%
Data and other network		7,162		7,162	4,631	55%
Miscellaneous		929		929	704	32%
ICT			2,100	2,100	1,537	37%
Inter-segment transaction				(4,094)	(2,121)	93%
Total Service Revenues	54,984	36,697	2,100	89,687	86,044	4%
Non-Service Revenues	1,999	-	248	2,247	5,301	-58%
Inter-segment transaction				(94)	(133)	-29%
	1,999	-	248	2,153	5,168	-58%
Other Income	665	151	75	891	4,862	-82%
Inter-segment transaction				(168)	(149)	13%
	665	151	75	723	4,713	-69%
Total Revenues and Other Income	57,648	36,848	2,423	92,562	95,925	-4%

Expenses

<i>(in million pesos)</i>	9M 2005				9M 2004	% Change
	Wireless	Fixed Line	ICT	Consolidated	Consolidated <i>(As Restated)</i>	
Operating expenses						
Compensation	2,906	6,216	941	10,060	9,504	6%
Maintenance	2,516	2,587	266	4,972	4,346	14%
Selling and promotions	2,325	1,329	241	3,885	3,722	4%
Rent	3,696	1,289	224	1,505	1,424	6%
Taxes and licenses	963	620	93	1,676	1,148	46%
Professional and other service fees	1,001	721	22	1,572	1,724	-9%
Insurance and security	733	504	19	1,203	1,230	-2%
Communication, training and travel	714	339	64	1,117	937	19%
Other operating expenses	667	587	123	1,361	1,634	-17%
Cash operating expenses	15,520	14,193	1,993	27,350	25,669	7%
Depreciation	7,354	8,999	304	16,656	16,484	1%
Provisions	490	2,236	2	2,728	2,968	-8%
Asset impairment	-	-	-	-	982	-100%
Amortization of intangible assets	267	-	-	267	66	302%
Non-cash operating expenses	8,111	11,234	306	19,651	20,500	-4%
Total operating expenses	23,631	25,427	2,299	47,001	46,169	2%
Cost of sales	4,805	-	-	4,805	8,803	-45%
Financing cost	1,815	5,795	10	7,620	12,684	-40%
Total Expenses	<u>30,251</u>	<u>31,222</u>	<u>2,309</u>	<u>59,426</u>	<u>67,656</u>	<u>-12%</u>

EBITDA Calculation

<i>(in million pesos)</i>	9M 2005			9M 2004	% Change
	Wireless	Fixed Line	Consolidated	Consolidated <i>(As Restated)</i>	
Income before tax	27,397	5,626	33,136	28,269	17%
Add back:					
Financing costs	1,815	5,795	7,620	12,684	-40%
Other income	(665)	(151)	(723)	(4,713)	-85%
Depreciation	7,354	8,999	16,656	16,484	1%
Amortization of intangible assets	267	-	267	66	302%
Asset impairment	-	-	-	982	-100%
EBITDA	36,168	20,269	56,956	53,773	6%

Financing Costs

<i>(in million pesos)</i>	9M 2005			9M 2004	% Change
	Wireless	Fixed Line	Consolidated	Consolidated <i>(As Restated)</i>	
Interest on loans and related items	1,373	7,003	8,395	9,554	-12%
Accretion on financial liabilities	1,949	195	2,145	2,364	-9%
Hedge cost	-	889	889	851	4%
Dividends on CPS	196	-	196	210	-7%
Financing charges	51	31	81	98	-17%
Capitalized interest	(43)	(305)	(348)	(471)	-26%
Loss (gain) on derivative transactions, net	141	(1,001)	(860)	(417)	107%
Interest income	(812)	(287)	(1,109)	(769)	44%
Foreign exchange losses (gains)	(1,040)	(729)	(1,769)	1,263	-240%
Total	1,815	5,795	7,620	12,684	-40%

Earnings per Share

	2005		2004	
	Basic	Diluted	Basic	Diluted
Net Income	24,997	24,997	22,140	22,140
Dividends on preferred shares	(1,136)	(37)	(1,147)	(37)
Adjustments for preferred shares deemed dilutive				
Dividends on preferred stock subject to mandatory redemption charged to expense for the period	-	65	-	96
Accretion of preferred stock subject to mandatory redemption	-	271	-	604
Foreign exchange gain on preferred stock subject to mandatory redemption	-	(627)	-	(84)
Net Income applicable to common shares	23,861	24,669	20,993	22,719
Outstanding common shares, beginning	170,214	170,214	169,476	169,476
Effect of issuance of common shares during the period	750	750	96	96
Weighted average number of shares under ESOP during the period	-	73	-	105
Common shares equivalent of preferred shares deemed dilutive:				
Preferred stock series A to FF	-	2,817	-	3,618
Global depository Stock Series III	-	7,907	-	7,908
Preferred stock series V	-	-	-	2,546
Preferred stock series VII	-	3,842	-	3,842
Weighted average number of shares, end	170,964	185,603	169,572	187,591
EPS (based on reported net income)	139.57	132.91	123.80	121.11
EPS (based on net income before FX/derivative gains/losses)	129.11	126.66	113.40	112.16
Net income before FX and derivatives	23,209	23,209	20,377	20,377
Adjustments for preferred shares deemed dilutive	(1,136)	299	(1,147)	663
Net Income applicable to common shares	22,073	23,508	19,230	21,040
Weighted average number of shares, end	170,964	185,603	169,572	187,591
EPS (based on net income before FX/derivative gains/losses)	129.11	126.66	113.40	112.16

* No. of common shares outstanding as of end-Sept. 2005: 171,945,430

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Statement of Cash Flow

	9M 2005			9M 2004	%
	Wireless	Fixed Line	Consolidated	Consolidated <i>(As Restated)</i>	
<i>(in million pesos)</i>					
Net cash from operations	31,537	22,457	54,677	56,122	-3%
Add(Deduct):					
Capital expenditures	(4,916)	(4,168)	(9,557)	(16,266)	-41%
Investments and other investing activities	3,876	213	3,927	(2,248)	-275%
Interest, net	(404)	(6,469)	(6,878)	(8,114)	-15%
Dividends from Smart	-	17,255	-	-	-
Preferred share dividends	-	(1,057)	(1,057)	(1,040)	2%
Redemption of preferred shares	-	2,775	-	-	-
Others	(482)	596	452	(980)	-
Free cash flow	29,611	31,602	41,565	27,476	51%
Common share dividends	(17,225)	(5,962)	(5,932)	-	-
Redemption of preferred shares	(2,775)	-	-	-	-
Principal repayments, net	(4,245)	(25,646)	(30,063)	(19,330)	56%
Change in cash	5,366	(5)	5,571	8,145	-32%
Cash balance, beginning	14,422	12,350	27,321	19,372	41%
Cash balance, end	19,788	12,345	32,892	27,517	20%

Balance Sheet

<i>(in million pesos)</i>	Consolidated	
	September 30 2005	December 31 2004
Total Assets	257,074	264,813
Nominal Value of Total Debt	127,606	159,528
<i>in US\$</i>	\$2,279	\$2,829
Less: Unamortized Debt Discount	9,624	10,440
Total Debt	117,982	149,088
Cash and short-term investments	32,892	31,194
Net Debt	85,090	117,894
Equity	67,433	47,657
Total Debt/Equity	1.75x	3.13x
Net Debt/Equity	1.26x	2.47x
Net Debt ⁽¹⁾/EBITDA	1.28x	1.82x

(1) Net Debt calculated based on nominal value of debts less cash and short-term investments

Interest-Bearing Liabilities

(in millions)	as of September 30, 2005			December 31, 2004 Face Value	Change
	Carrying Value	Unamortized Debt Discount	Face Value		
Debt					
PLDT	\$1,485	\$14	\$1,499	\$1,970	(\$471)
Smart	\$469	\$121	\$590	\$654	(\$64)
2014 Debt	\$159	\$121	\$280	280	\$0
Others	\$310	-	\$310	374	(\$64)
Piltel	\$95	\$32	\$127	\$127	\$0
Others	\$63	-	\$63	\$78	(\$15)
Total Debt	\$2,112	\$167	\$2,279	\$2,829	(\$551)
Preferred Stocks Subject to Mandatory Redemption					
Series V, VI & VII	\$238	\$95	\$333	\$391	(\$58)

Quarterly Consolidated Financial Highlights

<i>(in million pesos)</i>	2005			2004 3Q	% Change 3Q05 vs. 3Q04
	1Q	2Q	3Q		
Service Revenues	29,254	30,268	30,165	28,230	7%
Non-service Revenues	815	607	731	858	-15%
Less: Cost of sales	2,004	1,267	1,534	2,204	-30%
Operating Expenses					
Cash operating expenses	8,921	9,119	9,311	9,383	-1%
Non-cash operating expenses	<u>6,226</u>	<u>6,742</u>	<u>6,683</u>	<u>7,277</u>	-8%
	15,147	15,860	15,994	16,660	-4%
Operating Income	12,919	13,747	13,368	10,224	31%
EBITDA	18,545	19,120	19,291	16,700	16%
<i>EBITDA Margin</i>	63%	63%	64%	59%	
Other Income	75	119	529	4,570	-88%
Other Expenses:					
Interest on loans and related items	2,934	2,722	2,739	3,051	-10%
FX and derivatives (gain)/loss	(3,455)	892	(66)	(1,056)	-94%
Others	<u>588</u>	<u>668</u>	<u>599</u>	<u>788</u>	-24%
	67	4,282	3,272	2,783	18%
Income before income tax	12,927	9,585	10,625	12,011	-12%
Provision for income tax	3,543	2,151	2,417	2,263	7%
Net income, as reported	9,383	7,434	8,208	9,748	-16%
Net income before FX and derivatives ⁽¹⁾	7,034	8,040	8,163	6,635	23%

(1) Net income before certain adjusting items incurred in 2004 and excluding gains/losses on foreign exchange/derivatives (after tax)

