PLDT

We're changing lives.

First Quarter 2011

Financial and Operating Results

10 May 2011

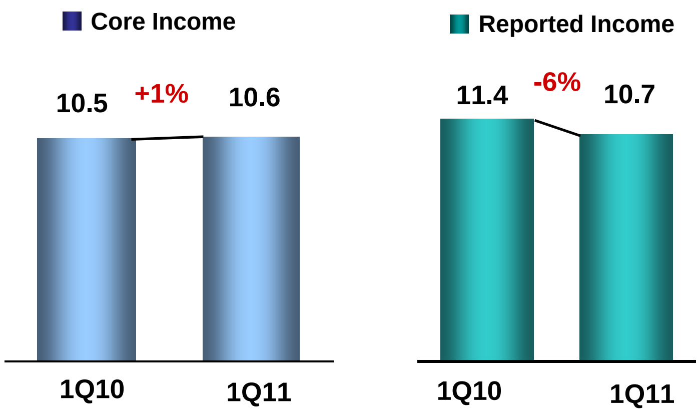
fast forward

PLDT Group: 1Q2011 Financial Highlights

	1Q 2011 (Unaudited)	1Q 2010 (Unaudited)	% Y-o-Y
Service Revenues	P34.6bn	P36.0bn	-4%
Expenses	P20.9bn	P21.8bn	-4%
EBITDA	P21.0bn	P21.2bn	-1%
EBITDA Margin	61%	59%	
Reported Net Income	P10.7bn	P11.4bn	-6%
Core Net Income	P10.6bn	P10.5bn	1%
Core EPS	P55.91	P55.52	1%
Free Cash Flow	P15.0bn	P12.8bn	17%
Period-end PhP:US$1	P43.41	P45.29	-4%
Period-average PhP:US$1	P43.78	P46.00	-5%

PLDT Group: Core and Reported Net Income

Core and Reported Net Income
(PhP in billions)

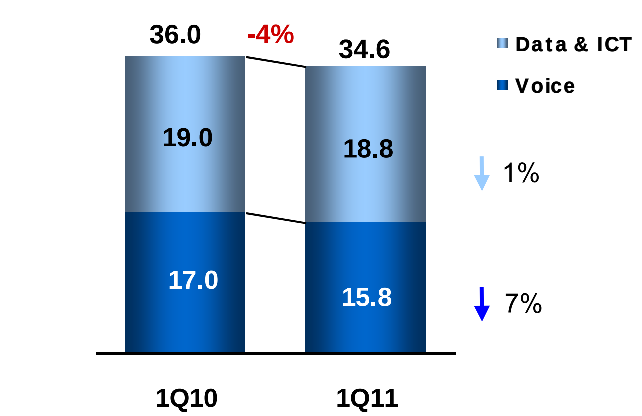


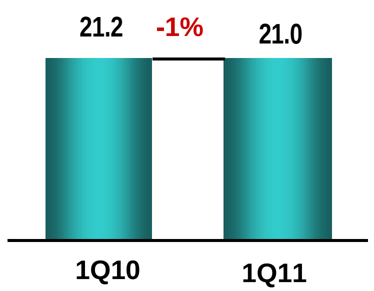
1Q11 vs 1Q10 Core and Reported Net Income
(PhP in billions)

	1Q11	1Q10	Inc/(Dec)
Reported Net Income	10.7	11.4	(0.7)
Core Net Income	10.6	10.5	0.1
Difference*	0.1	0.9	(0.8)
* Difference Accounted for as follows:			
Forex and Deriv Gains	0.8	1.3	(0.5)
Diff bet Meralco core and reported	(0.3)	(0.0)	(0.3)
Others	(0.1)	0.0	(0.1)
Tax Effect	(0.3)	(0.4)	0.1
	0.1	0.9	(0.8)

- **Core net income for 1Q11 grew by 1% year-on-year to P10.6bn primarily due to the pro-active management of expenses across the different business segments, supplemented by higher contributions from Meralco, SPi's BPO businesses, and ePLDT's data center operations**
- **Core and reported net income would have been higher by P0.3bn had the peso remained stable**
- **Reported net income for the first quarter of 2011 decreased by 6% or P0.7bn to P10.7bn largely on account of:**
  - P0.5bn decrease in net forex and derivative gains
  - P0.3bn difference between our share in Meralco's core and reported net income

PLDT Group: Service Revenues and EBITDA

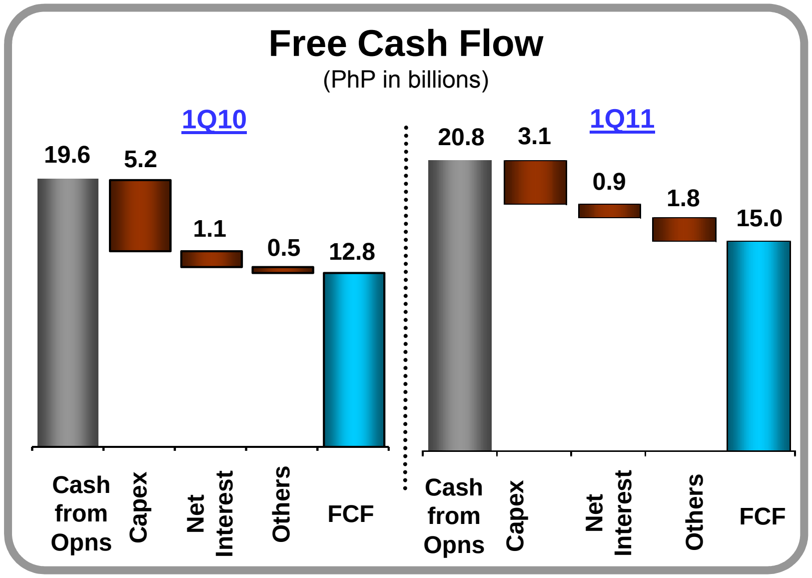


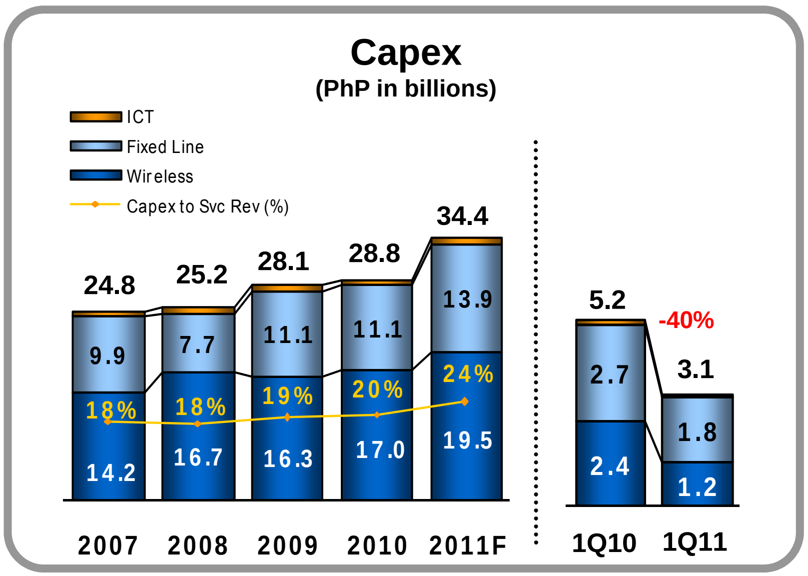


Margin	59%	61 % (FY10: 59%)

- **Consolidated service revenues for the first three months of 2011 declined by P1.4bn or 4% to P34.6bn due to:**
  - Growth in new revenue sources not able to fully offset declines in traditional revenue streams
    - \+ Combined fixed and wireless broadband and Internet revenues grew by 8% or P0.3bn:
      - ✓ wireless broadband revenues higher by 5% (including mobile Internet revenues which grew by 40%)
      - ✓ DSL up by 12%
    - \+ ICT revenues higher by 3% or P0.1bn
    - – Cellular data revenues declined by 2% or P0.2bn
    - – Cellular voice revenues lower by 5% or P0.5bn
    - – Fixed line LEC/ILD/NLD revenues reduced by 10% or P0.6bn
  - 5% average peso appreciation during the quarter accounted for lower revenues of about P484mn
  - Lower revenues of P0.1bn from the satellite business due to the sale of transponders at the end of 1Q10
- **EBITDA margin for 1Q11 improved to 61% from 59% in 1Q10 and FY10 as a result of a group-wide effort to maintain margins through prudent spending**
  - Wireless margin stable at 64% (1Q10: 61%; FY10:63%)
  - Fixed line margin higher at 51% (1Q10: 49%; FY10:47%)
  - ICT margin grew to 17% (1Q10: 14%; FY10:16%)
- **1Q11 EBITDA decreased by 1% year-on-year to P21bn but increased by 5% from P19.9bn in 4Q10**
- **Approximately 28% of consolidated service revenues are dollar-denominated; had the peso remained stable, service revenue decline would have been 3% and EBITDA would have grown by 1%**

PLDT Group: Free Cash Flow and Capex





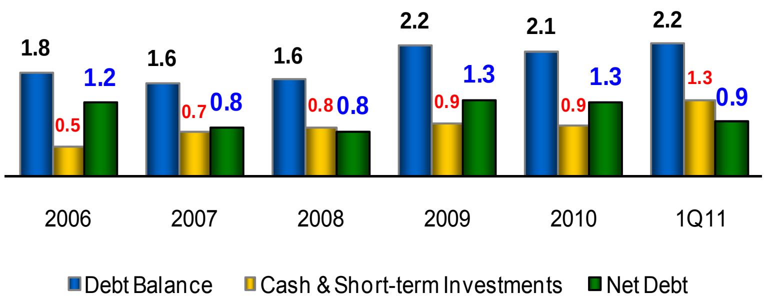
- **Free cash flow for 1Q11 grew by 17% to P15.0bn, an improvement of P2.2bn over last year due to:**
  - Higher cash from operations of P1.2bn
  - Lower capex by P2.1bn
  - Decrease in net interest by P0.2bn

- **PLDT declared 100% of its 2010 core earnings as dividends, or a total of P222 per share**
  - Interim regular dividend of P78 per share paid out in September 2010
  - Final regular and special dividend of P78 and P66 per share, or about P26.9bn, paid out in April 2011 from YE10 FCF of P43.7bn

- **Capex for the first quarter of 2011 amounted to P3.1bn, lower by 40% year-on-year**
  - Programmed spending in pursuit of our goal to achieve undisputed market leadership through a superior network and quality of service is on-track
  - Capex spend expected to build up towards the end of 2011

PLDT Group: Debt Profile

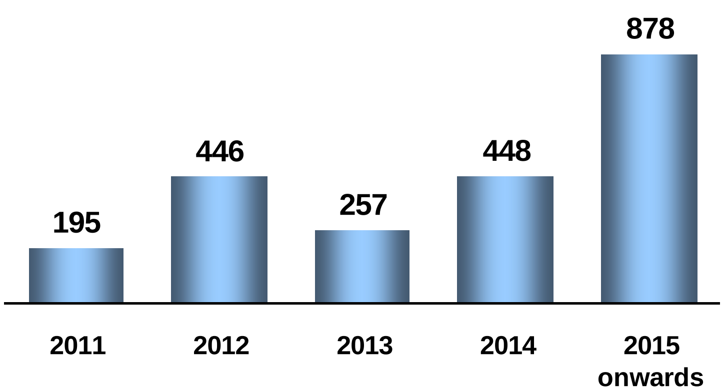
Debt Balance
(US$ in billions)



Net Debt/EBITDA					
0.8x	0.4x	0.5x	0.7x	0.7x	0.5x*

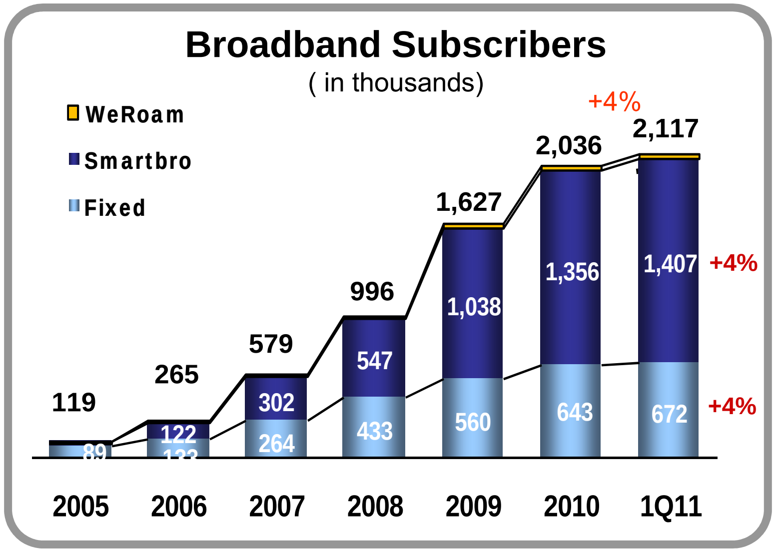
* 0.8x if net of dividends paid in April 2011

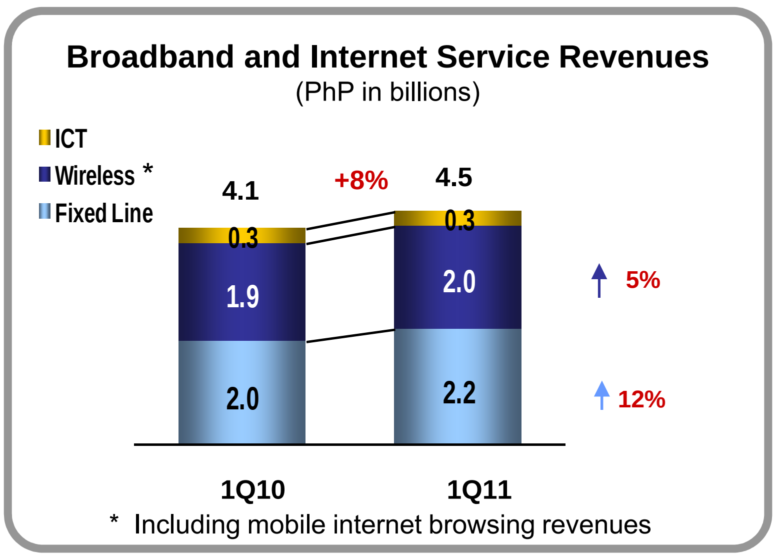
Debt Maturities
(as of 31 March 2011, US$ in millions)



- **From US$1.3bn at YE10, net debt at the end of March 2011 decreased to US$0.9mn, with net debt/EBITDA at 0.5x**
  - Net debt/EBITDA at 0.8x after dividend payment in April
- **Gross debt increased to US$2.2bn in 1Q11 from US$2.1bn at YE10 resulting from additional borrowings to partially fund capex requirements and to refinance debt**
  - 41% of total debt are in US dollars compared with 45% at the end of 2010
  - Considering our US$ cash holdings, peso loans, and hedges, only US$462mn or 21% of total debt remains unhedged
  - 80% are fixed-rate loans, while 20% are floating-rate loans
- **Cash and short-term investments at the end of March stood at P56.6bn or US$1.3bn, inclusive of about P27bn for dividend payment in April 2011**
- **Debt maturities continue to be well-spread out**
- **Fitch, Moody's and Standard and Poor's affirm existing credit ratings following the announcement of the proposed investment in Digitel**
  - Payment will be made in equivalent PLDT shares
  - Maximum cash outlay for tender offer to minorities estimated at US$110mn

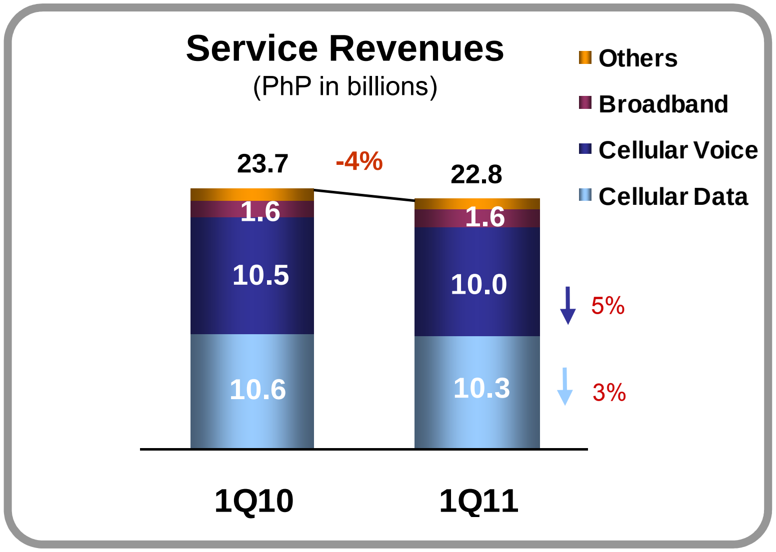
Broadband: Moving forward

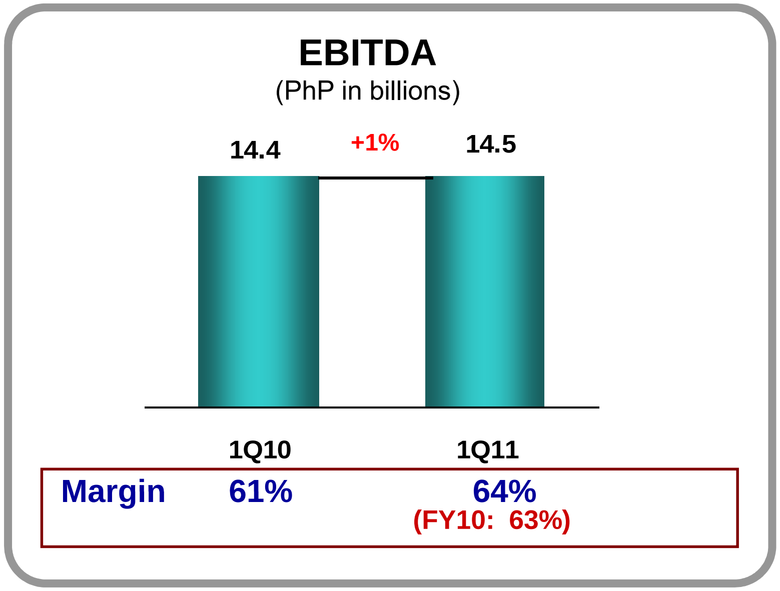




- **PLDT group broadband subscriber base grew by 4% to 2.1mn at the end of March 2011 registering net adds of over 80,000 in the first quarter of 2011**
  - *SmartBro,* the most widely available broadband service provider in the country today, had over 1.4mn subscribers at 1Q11, of which over 973,000 were Plug-It prepaid subscribers
    - Momentum has picked up from 4Q10 with SmartBro net adds growing almost threefold with over 51,000 net adds in 1Q11, of which nearly 48,000 were Plug-It prepaid subscribers
  - DSL subscribers grew by 4% in 1Q11 with net adds of over 28,000 subscribers, more than double the net adds in 4Q10
- **PLDT Group's total DSL, wireless broadband and internet service revenues, now 13% of total service revenues, increased by 8% to P4.5bn in 1Q11**
  - DSL revenues grew by 12% to P2.2bn, while wireless broadband revenues improved by 5%
  - DSL ARPU for 1Q11 approximately P1,130 and the net blended wireless ARPU at P380
- **Mobile internet revenues, though only about 1% of consolidated service revenues, are 40% higher year-on-year**
  - P236mn generated in 1Q11 compared with P169mn in 1Q10
  - Initiatives to make reasonably priced smartphones available will be undertaken in 2011 including introduction of the Netphone, various low-priced tablets, among others

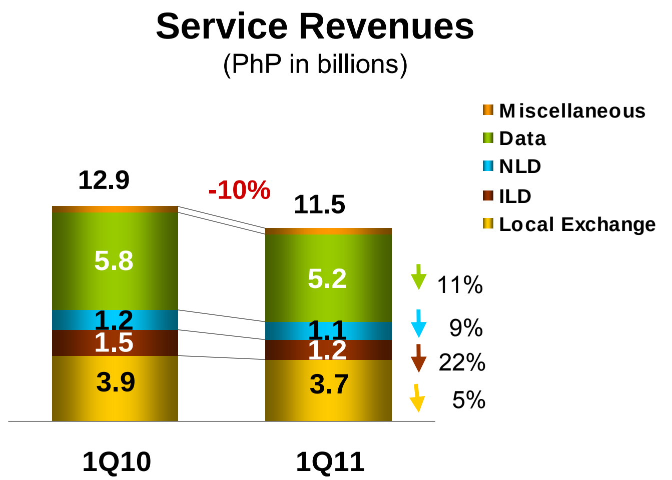
SMART: Pro-actively managing Margins

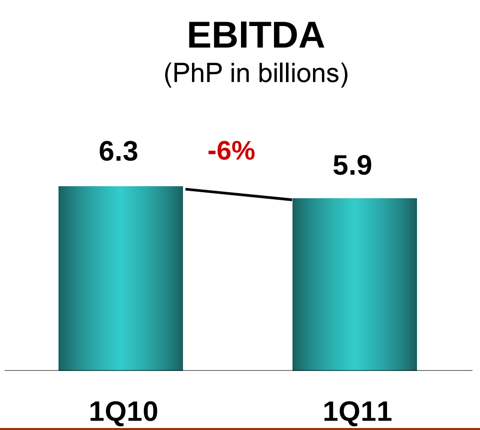




- **Combined Smart Buddy, TNT and Red Mobile subscriber base reached 46.6mn, registering 1.0mn net adds from end 2010**
  - – 25.7mn, 19.4mn, and 1.1mn subscribers of Smart Buddy prepaid, TNT, Red Mobile, respectively
  - – Of total 1.0mn net adds, 0.5mn were Smart Buddy subscribers, 0.4mn were TNT subscribers, while 0.1mn were Red Mobile subscribers
- **1Q11 wireless service revenues lower by 4% year-on-year at P22.8bn**
  - \+ 24% or P0.1bn increase in VAS revenues (incl, mobile Internet revenues)
  - = wireless broadband revenues stable despite a 15% increase in subscribers year-on-year; wireless broadband revenues higher by 5% inclusive of mobile Internet revenues
  - – 2% or P0.2bn decline in cellular data/text revenue
  - \- 5% or P0.5bn decrease in cellular voice revenues
  - \- 14% decline in satellite and other revenues due to sale of transponders
- **Approximately 24% of 1Q11 wireless service revenues were dollar-denominated; had the peso remained stable, service revenues would have been higher by P0.3bn**
- **49% of 1Q11 cellular service revenues were generated from SMS/data services**
  - Number of outbound bucket and standard SMS text messages decreased by 5% compared with last year; yield per SMS at P0.13
- **48% of cellular service revenues in 1Q11 and 1Q10 were contributed by voice services:**
  - International inbound revenues registered a 9% or P0.3bn decrease due to the impact of the peso appreciation, a reduction in inbound termination rates, and a decline in call minutes
- **EBITDA for 1Q11 grew by 1% year-on-year to P14.5bn with EBITDA margin higher at 64% as decreases in revenues were offset by a 12% or P1bn drop in cash operating expenses resulting from tight cost management, including headcount being lower by 500 from year-end 2010**

Fixed Line: Dealing with challenges



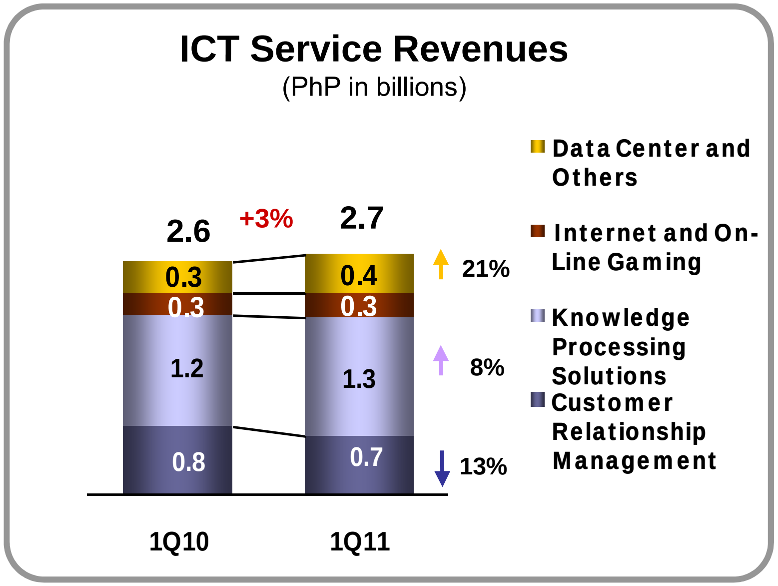


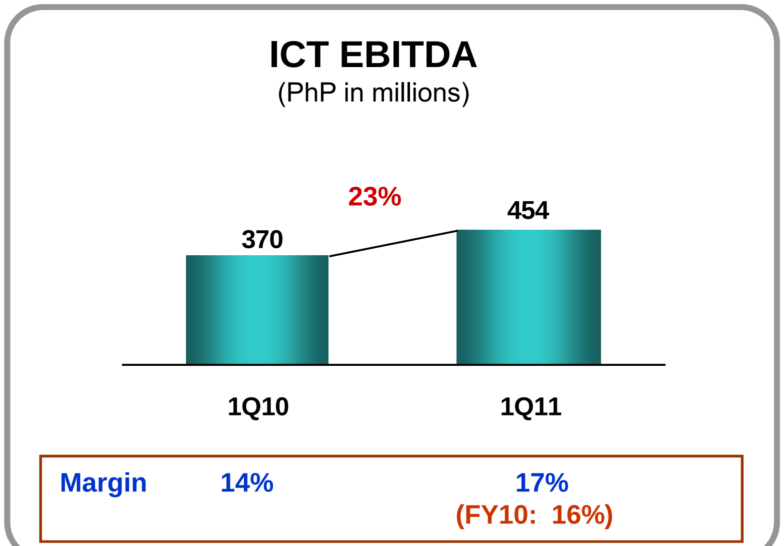
Margin	49%	51% (FY10: 47%)

- **1Q11 fixed line service revenues of P11.5bn were lower by P1.3bn or 10% year-on-year due to:**
  - Data and other network services lower by P0.6bn or 11%
    - DSL revenues higher by P0.2bn or 12% following a 14% growth in broadband subscribers
    - Domestic data service revenues decreased by 29% or P0.7bn due to lower Diginet revenues offset by a 119% increase in IP-based revenues (IP-VPN, and SWUP)
    - International data service revenues declined by P0.2bn or 14% mainly due to lower pricing and the effect of the stronger peso for I-Gate and Fibernet
  - Anticipated declines in ILD, NLD and LEC revenues continued with combined revenues of P6.0bn in 1Q11 lower by 9% compared with P6.6bn last year
- **P2.6bn or 22% of 1Q11 fixed line revenues are dollar-denominated; had the peso remained stable, service revenues for the quarter would have been higher by P130mn**
- **EBITDA margin for the first quarter of 2011 improved to 51% from 49% for 1Q10 and 47% for FY10 reflecting the result of initiatives to further tighten on operating expenses**
- **EBITDA for 1Q11 declined by 6% to P5.9bn due to lower service revenues offset by a 9% or P0.6bn decline in cash operating expenses as a result of focused cost management initiatives including the manpower reduction program in 4Q10 which led to a 666 decrease in headcount**

fast forward

ICT: Gaining momentum with Higher Revenues and Stronger Margins





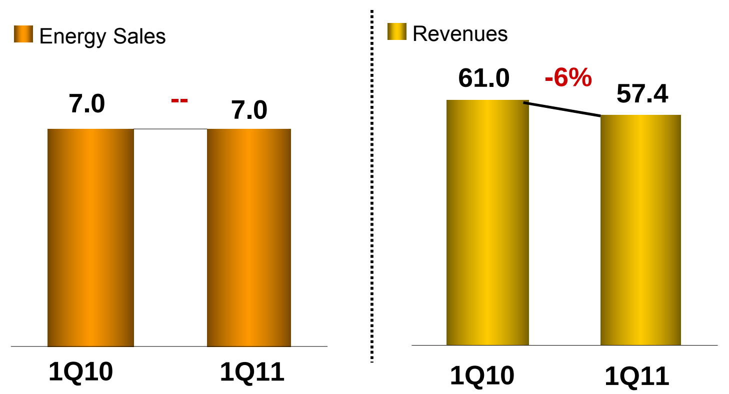
- **ICT service revenues, which account for approximately 7% of PLDT group service revenues, higher by 3% to P2.7bn as a result of:**
  - \+ 21% growth in data center revenues primarily due to an increase in co-location/rental revenues and managed service revenues
  - \+ 8% increase in BPO/SPi revenues with dollar revenues from Medical Billing and Content Solutions higher by 13% due to expansion of business from existing clients; offset by the peso appreciation
  - \- 13% decline in call center/CRM revenues resulting from lower dollar-denominated revenues by 16% and the impact of stronger peso, offset in part by higher domestic sales by 11%
- **68% of ICT 1Q11 service revenues were dollar-denominated; had the peso remained stable, service revenues for the quarter would have been higher by 4% or P93mn**
- **ICT EBITDA for the first quarter of 2011 increased by 23% year-on-year to P454mn with EBITDA margin higher at 17% from 14% last year and 16% for FY10 on account of:**
  - \+ 3% growth in service revenues
  - \+ Stable cash operating expenses
- **Momentum for the business continues to build:**
  - ✓ Pipeline of new CRM clients growing strongly
  - ✓ Sales and Marketing organization strengthened further
  - ✓ SPi leveraging "BPO Company of the Year" award for employee hiring/retention and to attract new clients

fast forward

Meralco: Growing the business

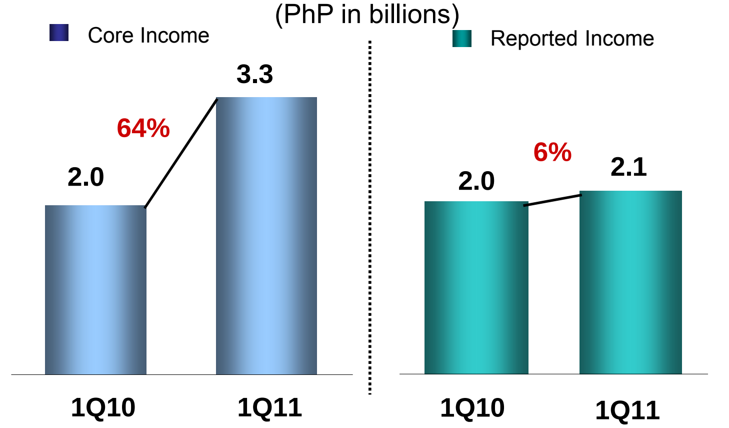
Energy Sales and Service Revenues

(in '000 GWh and PhP in Billions)



Core and Reported Net Income

(PhP in billions)



- **Meralco's consolidated service revenues for 1Q11 declined by 6% year-on-year to P57.4bn largely due to:**
  - \+ Higher customer count
  - = Energy sales for the first 3 months of 2011 were steady year-on-year at 7.0K GWh
  - – Lower average pass-through costs
- **Costs and expenses the first three months of 2011 lower by 7% at P53.7bn from P58.0bn last year**
- **Core EBITDA of P6.6bn as at end of 1Q11 is higher by 35% compared with P4.9bn in 2010**
  - \+ Adjustments in distribution rates in April 2010 (for 3rd Regulatory Year) and January 2011 (for 4th Regulatory Year)
  - \+ Lower costs and expenses
- **Core income for the first quarter 2011 grew by 64% to P3.3bn from P2.0bn in 2010; while Reported Net income increased by 6% from P2.0bn to P2.1bn year-on-year**
  - Equity share in Meralco's core earnings of P452mn
- **Other highlights:**
  - – Meralco's system loss of 7.62%, lower than the year-end systems loss of 7.94% and the 8.5% systems loss cap; the lowest in 35 years
  - – Meralco awaiting ERC decision on Meralco's reset application for the 3rd Regulatory Period, approved rates for implementation in 2H11
  - – Meralco targeting building 1500MW power generation capacity over the next 4 years to diversify source of power resulting in lower prices
  - – Network-to-network interconnection (NNI) initiatives, involving PLDT and Meralco's fiber optic/ethernet network, now used to provision some of PLDT's corporate clients

PLDT's investment in Digitel

PLDT shareholders' approval to be sought during PLDT's AGM on 14 June 2011	‣ **For the issuance of up to 29.65mn PLDT common shares as payment of (i) the purchase price of the Digitel Shares, Convertible Bonds, and Advances (collectively, the "Enterprise Assets") from the JG Summit group, and (ii) the Digitel shares tendered by Digitel public shareholders as part of the tender offer** ‣ **Independent fairness opinion from CLSA concluded that the acquisition of the Enterprise Assets is fair and reasonable and in the interest of PLDT shareholders**
Requisite government approvals underway with target closing by 30 June 2011	‣ **NTC approval of the Transaction** – Petition filed 20 April; NTC hearing scheduled 23 May ‣ **Various SEC and PSE approvals are being sought**
Tender offer to be conducted	‣ **Tender offer for the Digitel minority shareholders representing 48.45% of Digitel's outstanding common stock** ‣ **Tender offer price of P1.6033 per Digitel share, payable in cash or equivalent PLDT shares at a ratio of one (1) PLDT share for every 1,559.28 Digitel shares, at option of the Digitel shareholder**
Expected benefits upon completion of Transaction	‣ **Enhanced consumer services arising from complementary operations of PLDT and Digitel** – Optimized network management – Leverage Sun's operations to continue servicing customers who prefer "unli" services – Wider range of services for Sun's subscribers, especially in terms of 3G and broadband – Digitel's fixed line subscribers expected to benefit from PLDT's extensive infrastructure – Accelerate roll-out of new technologies such as 4G/LTE for the combined networks ‣ **Capex optimization and cost efficiencies**
Impact on the Industry	‣ **Competition expected to remain intense** ‣ **Adherence to the principle of protecting the consumer while ensuring that there is no barrier to entry of new players; and that competitors remain free to market to customers of other operators** ‣ **Spectrum allocation should be efficiency-based**

PLDT Group Guidance (without Digitel)

Service Revenues	Lower by 4%in 2011 vs 2010	2010 lower by 2% vs 2009
EBITDA	Flat in 2011 vs 2010	2010 lower by 3% vs 2009
Core Net Income	P40.5 billion in 2011 and 2012, back to 2010 levels starting 2013	2010 higher by 2% vs 2009
Capex	P34 billion in 2011 and P33 billion in 2012, to reduce to about 18-20% of service revenues starting 2013	2010 higher by 2% vs 2009
Capital Management	Dividend Payout Ratio: 70% of Core EPS + "look back" approach Buyback of up to 2.3 million common shares	

Except for historical financial and operating data and other information in respect of historical matters, the statements contained herein are "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. The words "believe", "intend", "plan", "anticipate", "continue", "estimate", "expect", "may", "will" or other similar words are frequently used to indicate these forward looking statements. Any such forward-looking statement is not a guarantee of future performance and involves a number of known and unknown risks, uncertainties and other factors that could cause the actual performance, financial condition or results of operation of PLDT to be materially different from any future performance, financial condition or results of operation implied by such forward-looking statement. Among the factors that could cause actual results to differ from the implied or expected results are those factors discussed under "Risk Factors" in Item 3 in PLDT's annual report on Form 20-F.

Appendix

Subscriber Data

	Mar-11	Dec-10	Sep-10	Jun-10	Mar-10	y-o-y change		Net adds	
						Amount	%	1Q11	%
CELLULAR									
Smart	**26,165,650**	**25,715,018**	**25,594,008**	**26,204,136**	**25,479,359**	**686,291**	**3%**	**450,632**	**2%**
Buddy	25,735,090	25,293,443	25,175,430	25,764,292	25,033,946	701,144	3%	441,647	2%
Postpaid	430,560	421,575	418,578	439,844	445,413	(14,853)	-3%	8,985	2%
Talk 'N Text	**19,400,538**	**18,967,381**	**18,136,858**	**18,008,072**	**17,445,697**	**1,954,841**	**11%**	**433,157**	**2%**
Red Mobile	**1,090,497**	**953,609**	**381,477**	**1,133,790**	**282,267**	**808,230**	**286%**	**136,888**	**14%**
Total Cellular	**46,656,685**	**45,636,008**	**44,112,343**	**45,345,998**	**43,207,323**	**3,449,362**	**8%**	**1,020,677**	**2%**
BROADBAND									
SmartBro	**1,407,219**	**1,355,977**	**1,337,965**	**1,323,364**	**1,226,195**	**181,024**	**15%**	**51,242**	**4%**
DSL	**671,588**	**643,048**	**630,984**	**609,143**	**589,795**	**81,793**	**14%**	**28,540**	**4%**
WeRoam and Others	**38,679**	**37,620**	**36,435**	**32,081**	**30,836**	**7,843**	**25%**	**1,059**	**3%**
Total Broadband	**2,117,486**	**2,036,645**	**2,005,384**	**1,964,588**	**1,846,826**	**270,660**	**15%**	**80,841**	**4%**

1Q 2011: Consolidated Financial Highlights

(in million pesos)	1Q 2011 (Unaudited) Wireless	Fixed Line	ICT	Consolidated	1Q 2010 (Unaudited) Consolidated	% Change
Service Revenues	22,768	11,532	2,697	34,571	36,006	-4%
Cash operating expenses	7,460	5,610	2,194	12,780	13,612	-6%
EBITDA[1]	14,549	5,907	454	20,954	21,183	-1%
EBITDA Margin	*64%*	*51%*	*17%*	*61%*	*59%*	
Depreciation and amortization	3,374	3,040	189	6,603	6,361	4%
Financing costs, net	(667)	(848)	(17)	(1,530)	(1,874)	-18%
Income before income tax	11,159	2,880	319	14,358	15,041	-5%
Provision for (benefit from) income tax	2,778	818	36	3,632	3,667	-1%
Core net income [2]	8,661	1,615	280	10,556	10,485	1%
Reported net income	8,397	2,058	279	10,734	11,421	-6%

(1) EBIDTA calculation provided in slide 24
(2) Consolidated net income before certain adjusting items and excluding gains/losses on foreign exchange/derivatives (after tax)

Foreign Exchange Rates:

	31-Mar-11	31-Mar-10	31-Dec-10
Php per US$	43.41	45.29	43.81

Reconciliation of Core and Reported Net Income

(in billion pesos)	1Q11	1Q10	Difference
Reported net income	10.7	11.4	(0.7)
Core net income	10.6	10.5	0.1
	0.1	**0.9**	**(0.8)**
Accounted for by:			
Forex Net	0.3	0.7	(0.4)
Gain on Derivatives	0.5	0.6	(0.1)
Others	(0.1)	-	(0.1)
Asset Impairment	-	-	-
Adjustment in equity in investment	(0.3)	-	(0.3)
	0.4	1.3	(0.9)
Tax Effect	(0.3)	(0.4)	0.1
	0.1	**0.9**	**(0.8)**

fast forward

Consolidated Revenues

(in billion pesos)	First Quarter		
	2011	2010	% Change
Voice	15.8	17.0	-7%
Data and ICT	18.8	19.0	-1%
	34.6	36.0	-4%

fast forward

Revenues by Segment

(in million pesos)	1Q 2011 (Unaudited)				1Q 2010 (Unaudited)	% Change
	Wireless	Fixed Line	ICT	Consolidated	Consolidated	
Service Revenues						
Wireless						
Cellular	20,997			20,997	21,790	-4%
Broadband	1,582			1,582	1,589	-
Satellite and other services	189			189	315	-40%
Fixed line						
Local exchange		3,726		3,726	3,930	-5%
International long distance		1,184		1,184	1,519	-22%
National long distance		1,054		1,054	1,161	-9%
Data and other network		5,207		5,207	5,845	-11%
Miscellaneous		361		361	406	-11%
ICT						
Knowledge processing solutions			1,340	1,340	1,242	8%
Customer Relationship Management			670	670	774	-13%
Internet and online gaming			275	275	263	5%
Vitro TM data center and others			412	412	340	21%
Inter-segment transactions				(2,426)	(3,168)	-23%
	22,768	**11,532**	**2,697**	**34,571**	**36,006**	**-4%**
Non-Service Revenues	**270**	**243**	**74**	**587**	**517**	**14%**
Inter-segment transactions	-	-	-	(14)	(9)	56%
	270	**243**	**74**	**573**	**508**	**13%**
Total Revenues	**23,038**	**11,775**	**2,771**	**35,144**	**36,514**	-4%

Wireless Net ARPU

	1Q10	2Q10	3Q10	4Q10	1Q11
Postpaid	1,286	1,257	1,229	1,256	1,205
Smart Prepaid	184	179	163	171	163
TNT	115	116	112	116	106
Red Mobile	8	3	5	18	27

fast forward

Expenses

(in million pesos)	1Q 2011 (Unaudited) Wireless	Fixed Line	ICT	Consolidated	1Q 2010 (Unaudited) Consolidated	% Change
Operating expenses						
Compensation and employee benefits	1,499	2,343	1,504	5,341	5,542	-4%
Repairs and maintenance	1,283	1,031	177	2,307	2,369	-3%
Selling and promotions	895	240	20	1,155	1,554	-26%
Professional and other contracted services	708	820	131	1,190	1,175	1%
Rent	1,985	610	174	1,014	1,092	-7%
Taxes and licenses	411	198	20	629	674	-7%
Communication, training and travel	221	129	105	413	480	-14%
Insurance and security services	204	109	20	309	270	14%
Other operating expenses	254	130	43	422	456	-7%
Cash operating expenses	**7,460**	**5,610**	**2,194**	**12,780**	**13,612**	**-6%**
Depreciation and amortization	3,374	3,040	189	6,603	6,361	4%
Asset impairment	167	11	3	181	562	-68%
Amortization on intangible assets	27	7	41	75	91	-18%
Non-cash operating expenses	**3,568**	**3,058**	**233**	**6,859**	**7,014**	**-2%**
Cost of sales	**862**	**247**	**120**	**1,229**	**1,170**	**5%**
Total Expenses	**11,890**	**8,915**	**2,547**	**20,868**	**21,796**	**-4%**

Other Income (Expenses)

(in million pesos)	1Q 2011 (Unaudited) Wireless	Fixed Line	ICT	Consolidated	1Q 2010 (Unaudited) Consolidated	% Change
Gains (losses) on derivative financial instruments, net	-	511	-	511	632	-19%
Interest income	199	115	9	321	366	-12%
Equity share in net earnings (losses) of associates and joint ventures	132	-	60	192	369	-48%
Foreign exchange gains (losses), net	199	122	(1)	320	708	-55%
Hedge costs	-	(89)	-	(89)	(120)	-26%
Others	148	209	44	357	242	48%
Total	**678**	**868**	**112**	**1,612**	**2,197**	**-27%**
Financing costs, net						
Interest on loans and other related items	(440)	(919)	(1)	(1,358)	(1,569)	-13%
Accretion on financial liabilities	(255)	(20)	(16)	(291)	(288)	1%
Financing charges	(25)	(12)	-	(37)	(167)	-78%
Capitalized interest	53	103	-	156	150	4%
Total	**(667)**	**(848)**	**(17)**	**(1,530)**	**(1,874)**	**-18%**
Total other income (expenses)	**11**	**20**	**95**	**82**	**323**	**-75%**

fast forward

EBITDA

(in million pesos)	1Q 2011 (Unaudited) Wireless	Fixed Line	ICT	Consolidated	1Q 2010 (Unaudited) Consolidated	% Change
Income before tax	11,159	2,880	319	14,358	15,041	-5%
Add (deduct):						
Depreciation and amortization	3,374	3,040	189	6,603	6,361	4%
Financing costs, net	667	848	17	1,530	1,874	-18%
Asset impairment	-	-	-	-	13	-100%
Amortization of intangible assets	27	7	41	75	91	-18%
Equity share in net losses (earnings) of associates and joint ventures	(132)	-	(60)	(192)	(369)	-48%
Losses (gains) on derivative financial instruments, net	-	(511)	-	(511)	(632)	-19%
Foreign exchange losses (gains), net	(199)	(122)	1	(320)	(708)	-55%
Interest income	(199)	(115)	(9)	(321)	(366)	-12%
Hedge costs	-	89	-	89	120	-26%
Other income	(148)	(209)	(44)	(357)	(242)	48%
EBITDA	**14,549**	**5,907**	**454**	**20,954**	**21,183**	**-1%**
EBITDA Margin	**64%**	**51%**	**17%**	**61%**	**59%**	

fast forward

Core Income

(in million pesos)	1Q 2011 (Unaudited) Wireless	1Q 2011 (Unaudited) Fixed Line	1Q 2011 (Unaudited) ICT	1Q 2011 (Unaudited) Consolidated	1Q 2010 (Unaudited) Consolidated	% Change
Reported net income	8,397	2,058	279	10,734	11,421	-6%
Add (deduct):						
Foreign exchange losses (gains), net	(190)	(122)	1	(311)	(708)	-56%
Losses (gains) on derivatives financial instruments, net	-	(511)	-	(511)	(632)	-19%
Others	85	-	-	85	8	963%
Adjustment in equity share in Meralco	312	-	-	312	(6)	-5300%
Tax effect	57	190	-	247	402	-39%
Core Income	**8,661**	**1,615**	**280**	**10,556**	**10,485**	**1%**

fast forward

Earnings Per Share

(in million pesos)	1Q 2011 (Unaudited)		1Q 2010 (Unaudited)	
	Basic	Diluted	Basic	Diluted
Net income (loss) attributable to equity holders of PLDT	10,734	10,734	11,421	11,421
Dividends on preferred shares	(114)	(12)	(114)	(12)
Net Income applicable to common shares	**10,620**	**10,722**	**11,307**	**11,409**
Outstanding common shares at beginning of period	186,756	186,756	186,797	186,797
Effect of issuance of common shares during the period	-	-	-	-
Effect of purchase of treasury shares during the period	-	-	-	-
Average incremental number of shares under ESOP during the period	-	-	-	-
Common shares equivalent of preferred dshares deemed dilutive	-	2,080	-	1,746
Preferred Stock Series A to HH				
Global Depository Shares/Preferred Stock Series III				
Preferred Stock Series V				
Preferred Stock Series VI				
Preferred Stock Series VII				
Weighted Average number of shares, end	**186,756**	**188,836**	**186,797**	**188,543**
EPS (Based on reported net income)	**56.87**	**56.78**	**60.53**	**60.51**
Core Net Income	10,556	10,556	10,485	10,485
Dividends on preferred shares	(114)	(12)	(114)	(114)
Net Income applicable to common shares	**10,442**	**10,544**	**10,371**	**10,371**
Weighted Average number of shares, end	**186,756**	**188,836**	**186,797**	**186,797**
EPS (Based on core net income)	**55.91**	**55.84**	**55.52**	**55.52**

fast forward

Cash Flows

(in million pesos)	1Q 2011 (Unaudited) Wireless	Fixed Line	ICT	Consolidated	1Q 2010 (Unaudited) Consolidated	% Change
Net cash from operations	13,533	6,395	904	20,830	19,566	6%
Add(Deduct):						
Capital expenditures	(1,233)	(1,714)	(165)	(3,112)	(5,206)	-40%
Other investing activities	189	282	(9)	184	56	229%
Interest, net	(275)	(674)	5	(942)	(1,060)	-11%
Preferred share dividends	-	(48)	-	(48)	(48)	-
Piltel's dividends to third party	-	-	-	-	-	-
Others	(98)	(1,800)	(9)	(1,907)	(462)	313%
Free cash flow	12,116	2,441	726	15,005	12,846	17%
Common share dividends	-	(49)	-	(5)	(60)	-92%
Common share buyback	-	-	-	-	-	-
Investments	-	-	(33)	(33)	(3)	1000%
Redemption of preferred shares	-	-	(200)	-	(7)	-100%
Debt repayments, net	279	3,994	(8)	4,299	(3,284)	-231%
Change in cash	**12,395**	**6,386**	**485**	**19,266**	**9,492**	**103%**
Cash balance, beginning[1]	**21,814**	**14,000**	**1,533**	**37,347**	**42,144**	**-11%**
Cash balance, end[1]	**34,209**	**20,386**	**2,018**	**56,613**	**51,636**	**10%**

(1) Includes short-term investments

fast forward

Balance Sheet

(in million pesos)	Consolidated March 31, 2011 (Unaudited)	Consolidated December 31, 2010 (Audited)
Total Assets	**292,299**	**277,815**
Nominal Value of Total Debt	**96,533**	**92,590**
in US$	***$2,224***	***$2,113***
Less: Unamortized Debt Discount	**2,692**	**2,944**
Total Debt	**93,841**	**89,646**
Cash and short-term investments	**56,613**	**37,347**
Net Debt (2)	**39,920**	**55,243**
Equity	**81,144**	**97,385**
Total Debt(1)/Equity	**1.19x**	**0.95x**
Net Debt(2)/Equity	**0.49x**	**0.57x**
Total Debt(1)/EBITDA	**1.16x**	**1.11x**
Net Debt (2)/EBITDA	**0.48x**	**0.66x**

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

Debt Profile

(in million US$)	2006	2007	2008	2009	2010	1Q11
Debt Balance	1,756	1,585	1,625	2,210	2,113	2,224
Cash and short-term investments	514	745	847	908	853	1,304
Net Debt	1,242	840	778	1,302	1,261	920

Debt Maturities
as of March 31, 2011
(in million US$)

2011	195
2012	446
2013	257
2014	448
2015 onwards	878
	2,224

fast forward

Interest-bearing Liabilities

(in millions)	March 31, 2011 (Unaudited) Carrying Value	Unamortized Debt Discount	Face Value	December 31, 2010 (Audited) Face Value	Change
Debt					
PLDT	**$1,218.3**	**$4.2**	**$1,222.4**	**$1,123.4**	**$99.0**
Smart	**$941.1**	**$57.8**	**$998.9**	**$987.4**	**$11.5**
2014 Debt	227.2	53.0	280.1	280.1	-
Others	713.9	4.9	718.8	707.3	11.5
Others	**$2.5**	**-**	**$2.5**	**$2.6**	**0.10**
Total Debt	**$2,161.9**	**$62.0**	**$2,223.8**	**$2,113.4**	**$110.5**
Obligations under finance lease	**$0.98**	**$0.02**	**1.00**	**$1.00**	**$0.00**

fast forward