



INVESTING IN THE FUTURE

First Quarter 2012 Financial and Operating Results

8 May 2012



PLDT Group: 1Q12 Financial Highlights

(PhP in billions)	1Q 2012			1Q 2011 (Unaudited)	% Y-o-Y	
	PLDT*	DIGITEL	Total (Unaudited)		PLDT*	Total
Service Revenues**	37.2	5.6	42.8	37.7	↓ -1%	↑ 13%
• Wireless	24.2	4.7	28.9	25.1	↓ -4%	↑ 15%
• Fixed Line	14.6	1.0	15.6	14.3	↑ 2%	↑ 9%
• BPO	2.4	-	2.4	2.0	↑ 20%	↑ 20%
EBITDA	18.8	1.6	20.5	21.0	↓ -10%	↓ -2%
• Wireless	12.7	1.3	14.0	14.6	↓ -12%	↓ -4%
• Fixed Line	5.5	0.4	5.9	6.0	↓ -9%	↓ -3%
• BPO	0.5	-	0.5	0.3	↑ 65%	↑ 65%
EBITDA Margin***	51%	29%	48%	56%	↓	↓
Reported Net Income	9.4	0.7	10.1	10.7	↓ -13%	↓ -6%
Core Net Income	9.1	0.2	9.3	10.6	↓ -14%	↓ -12%

Foreign Exchange Rates (Php:US\$1)	1Q2012	1Q2011	Inc/(Dec)
Period-end	P42.93	P43.41	-1%
Period-average	P43.03	P43.78	-2%

* Excluding DIGITEL

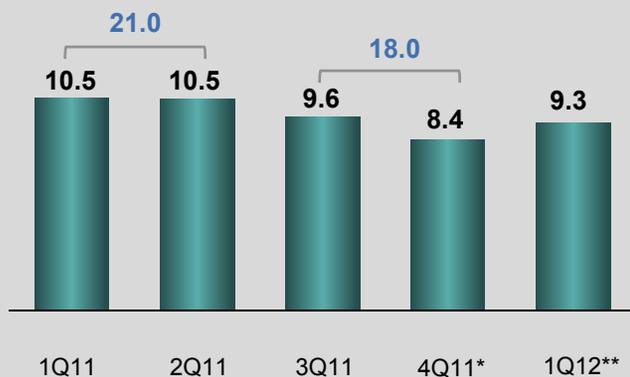
** Service Revenues restated to reflect the change in the presentation of outbound revenues

*** EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnect expenses)

PLDT Group: Core and Reported Income

Core Net Income

(PhP in billions)



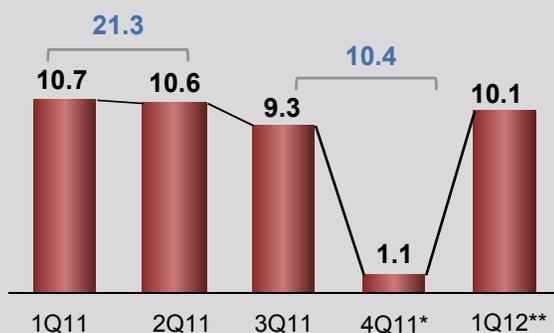
➤ Core income for 2011 of P39.0bn consisted of P21.0bn in 1H11 and P18.0bn in 2H11 reflecting the more challenging operating environment in the second semester of 2011 arising from deteriorating competitive conditions

➤ As anticipated, given more favorable operating conditions in 1Q11, core net income for the first quarter of 2012 were lower by 12% or P1.2bn year-on-year to P9.3bn, inclusive of P0.2bn from DIGITEL

- Increase in service revenues were offset by higher operating expenses, lower equity share in earnings of Meralco/Beacon, and higher provision for income taxes

Reported Net Income

(PhP in billions)



➤ Reported net income for 1Q12, inclusive of P0.7bn from DIGITEL, amounted to P10.1bn, a 6% or P0.7bn decrease from 1Q11, resulting from:

- Decline in core net income by P1.2bn
- Higher net forex and derivatives gains by P0.4bn
- Adjustment of share in core earnings of Meralco lower by P0.2bn
- Tax impact of reconciling items of P0.1bn

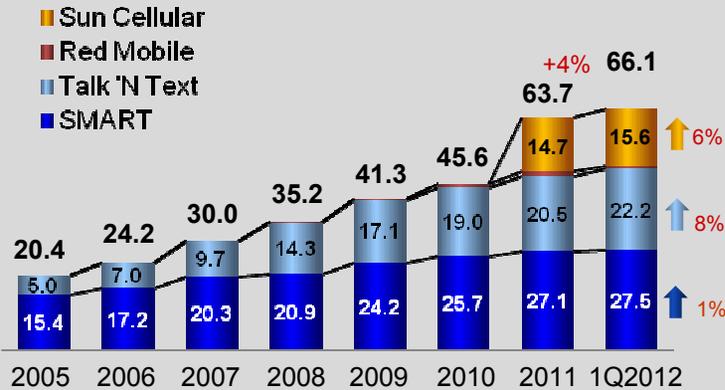
* includes DIGITEL's financials from 26 October 2011

** includes DIGITEL's financials for the first quarter of 2012

Subscriber Base

Cellular Subscribers

(in thousands)

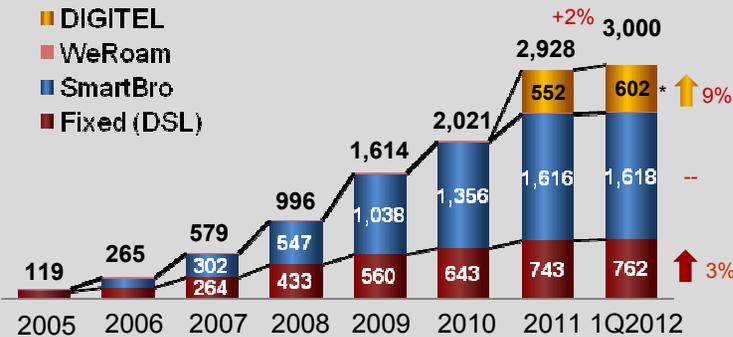


- Combined cellular subscriber base grew to 66.1mn at end of March 2012, with net adds of 2.4mn from YE11
 - Sun registered 15.6mn subscribers with net adds of 0.9mn
 - Smart recorded 50.5mn subscribers with net adds of 1.5mn:
 - ✓ 27.5mn Smart subscribers with net adds of 0.3mn
 - ✓ 22.2mn TNT subscribers with net adds of 1.7mn
 - ✓ 0.9mn Red Mobile subscribers lower by 0.5mn

- Combined postpaid cellular subscriber base exceeded 2.0mn at the end of 1Q12 consisting of:
 - 1.4mn Sun postpaid subscribers
 - 0.6mn Smart subscribers

Broadband Subscribers

(in thousands)



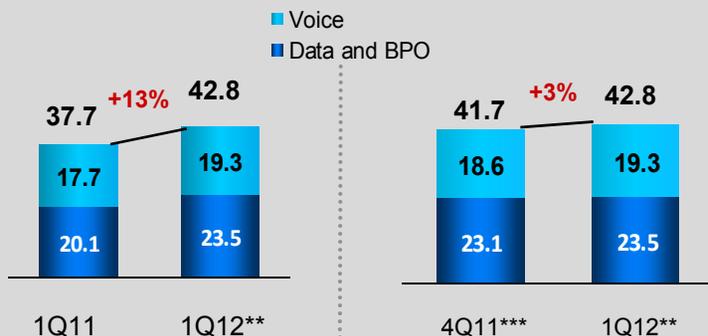
* 495K wireless; 107K DSL

- PLDT Group broadband subscriber base hit the 3.0mn mark at the end of March 2012 consisting of:
 - Over 2.1mn wireless broadband subscribers: 1.6mn from Smart and 0.5mn from Sun
 - ✓ 1.4mn prepaid subscribers
 - ✓ 0.7mn postpaid subscribers
 - Nearly 900,000 DSL subscribers: over 762,000 for PLDT and 107,000 for DIGITEL
- PLDT Group fixed line subscriber base stood at 2.2mn at the end of 1Q12, of which 1.9mn are PLDT subscribers and 0.3mn are DIGITEL subscribers

PLDT Group: Service Revenues and EBITDA

Consolidated Service Revenues*

(PhP in billions)



Consolidated EBITDA and EBITDA Margin

(PhP in billions)



* restated to reflect the change in the presentation of outbound revenues

** includes DIGITEL's financials for the first quarter of 2012

*** includes DIGITEL's financials from 26 October 2011

- Consolidated service revenues for the first quarter of 2012 improved by 13% or P5.1bn year-on-year to P42.8bn
 - DIGITEL 1Q12 service revenues of P5.6bn accounted for over 13% of total PLDT group service revenues
 - Combined PLDT, SMART and SPi revenues for 1Q12 dipped by 1% or P0.5bn to P37.2bn
 - Both data/BPO and voice revenues registered year-on-year increases
 - ✓ Data and BPO revenues recorded double digit growth of 17% to P23.5bn
 - ✓ Voice revenues climbed by 9% to P19.3bn
- 28% of our consolidated service revenues are linked to the U. S. dollar; had the peso remained stable, service revenue would have been higher by P5.3bn or 14% year-on-year
- Consolidated EBITDA for 1Q12 at P20.5bn decreased by 2% or P0.5bn compared with P21.0bn in 1Q11 as higher BPO EBITDA was offset by decreases in EBITDA in our wireless and fixed line businesses where higher cash operating expenses reduced service revenue gains
 - DIGITEL accounted for P1.6bn of EBITDA
- Consolidated EBITDA margin for the first quarter of 2012 declined to 48% partly due to effect of DIGITEL's lower margin of 29%
- 1Q12 EBITDA margin per segment:
 - Wireless margin at 48% (1Q11: 58%; 2H11: 51%; 4Q11: 48%)
 - Fixed line margin at 38% (1Q11: 42%; 2H11: 37%; 4Q11: 32%)
 - BPO margin at 21% (1Q11: 15%; 2H11: 19%; 4Q11: 19%)
- 1Q12 results show quarter-on-quarter gains indicating early signs of stabilizing conditions resulting from PLDT's initiatives that aim to create the platform for return to growth, which include the DIGITEL acquisition and PLDT's network modernization program

Service revenues and outlook per segment

Broadband Service Revenues*

(Php in billions)

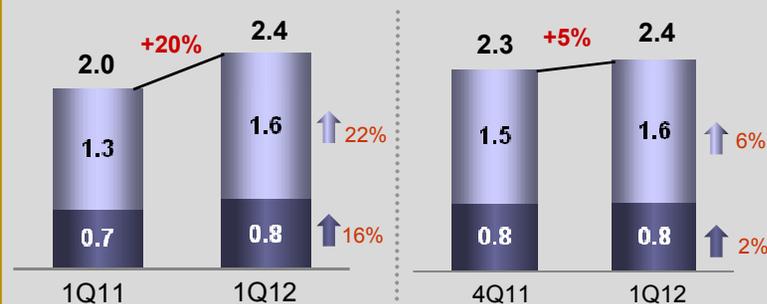
Smart Broadband PLDT DSL Smart Mobile Internet
Others DIGITEL



BPO Service Revenues

(Php in billions)

Knowledge Processing Solutions
Customer Relationship Management



* restated to reflect the change in the presentation of outbound revenues

** includes DIGITEL

➤ Broadband service revenues for the first quarter of 2012 climbed by 34% year-on-year or P1.5bn to P5.8bn

➤ Broadband profitability to be further enhanced by:

- Increase in volume-based offers (Data Lite Packages, Always On offers) and implementation of fair usage policies
- Expanded menu of products that provide upselling opportunities, including:
 - ✓ Variants differentiated by speed and price points, including fiber-to-the-home (FTTH), SmartBro dongle offers (Rocket, Plug-It)
 - ✓ Bundles that optimize fixed and wireless service delivery platforms (DSL+WiFi) including content
- Competitive advantage and cost efficiencies enjoyed by PLDT being an integrated network operator with many years of consistent investment in its extensive fixed line and wireless infrastructure
- Anticipated increase in revenues when branded smartphone prices hit the US\$100-120 “sweetspot” resulting in the shift of subscriber usage from shared access/internet cafes to the handset

➤ BPO service revenues for 1Q12 of P2.4bn were higher by 20% or P0.4bn compared with 1Q11

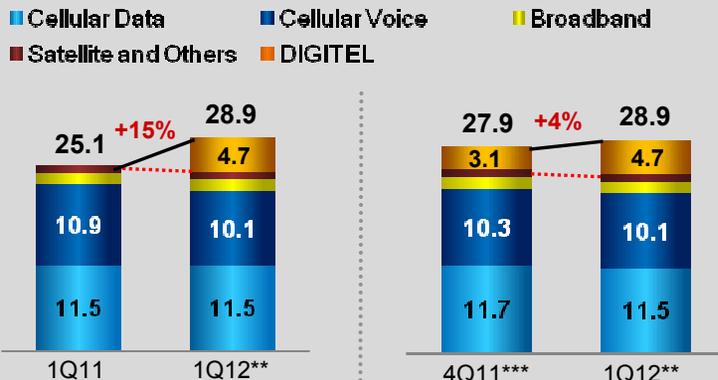
➤ Prospects for our BPO business continue to improve buoyed by the double-digit growth forecast for the outsourcing industry; in addition:

- SPi recently signed up new clients for both CRM and KPS businesses, including expansion of existing contracts
- Laserwords (acquisition made in November 2011) fully integrated with content solutions business
- Continued margin growth seen as SPi leverages fixed costs and infrastructure over a higher revenue base, increasing seat share ratio over stable opex costs
- Strong sales pipeline developing for 2013

Service revenues and outlook per segment

Wireless Service Revenues*

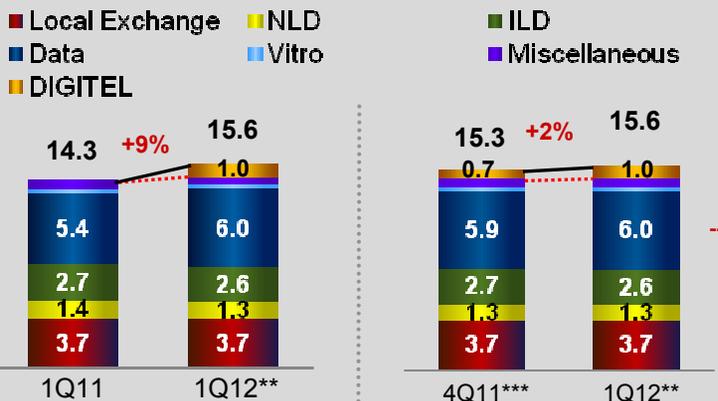
(Php in billions)



- Wireless service revenues in 1Q12 grew 15% year-on-year or P3.8bn to P28.9bn
- Potential for improvements in our wireless business to be realized from:
 - Growth in wireless broadband and mobile internet browsing to be propelled by the availability of US\$100-120 branded smartphones
 - Improvement in yields and profitability resulting from a more stable operating conditions and the brand and product rationalization initiatives of Smart/Sun:
 - ✓ New bucket plans offer more SMS vis-à-vis voice
 - ✓ Sun to continue with unlimited Sun-to-Sun voice offers
 - ✓ Availability of Tri-net bucket plans, i. e., capped offers but offering the ability to call among Smart/TNT/Sun
 - Cost efficiencies to be harnessed from the network modernization program, rationalization of PLDT/SMART/DIGITEL/Sun networks and operations to eliminate overlaps and optimize resources

Fixed Line Service Revenues*

(Php in billions)



- Fixed line service revenues rose to P15.6bn in 1Q12, a 9% or P1.3bn increase over 1Q11
- Outlook for the fixed line business continues to be increasingly encouraging as we accelerate our initiatives to grow:
 - DSL via the introduction of new services such as FTTH and triple-play bundles, including content
 - Corporate and SME businesses, which include the fast-growing outsourcing industry
 - Data center and cloud-based services to be supported by our newly opened second data center in Subic

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** includes DIGITEL

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Capex and Network Modernization Program: Updates

➤ Capex for 1Q12 at P2.8bn

NETWORK MODERNIZATION

➤ Improve Network Quality

- Enhanced quality of our voice, SMS and broadband services

➤ Increase Voice and Data Capacity

- Up to 200% additional capacity per BTS in push-button mode

➤ Reduce Cost

- 40-60% CAPEX avoidance (per BTS)
- 20% OPEX savings in utilities

➤ Future Proof

- Minimal CAPEX requirement to upgrade to faster technologies (HSPA+, LTE)

➤ Alignment with Sun

- Cost efficiencies on equipment, CAPEX and O&M costs

IT MODERNIZATION

➤ Technology refreshment and group-wide optimization and convergence of IT systems and platforms for

- Customer Relations Management I(CRM)
- Operations Support (OSS)
- Billing
- Business Intelligence (BI)
- Enterprise Resource (ERP)
- Settlement

➤ IN/Service Delivery Platform (SDP), including service broker being put in place to improve capability for near-real time upselling

PLDT Group Network Upgrade Projects: Status as of 1Q12

❖ Access Network: On-track

- Single RAN deployment: over 80% complete
- Almost 60% 3G population coverage (YE target : 90%)
- NGN migration on-track
- Deployment of contractors for FTTH rollout on-going
- LTE trials underway

❖ Transport Network: Substantially completed

- Over 45,000 kms. of fiber assets (including DFON, Digitel/Sun and Meralco) have been deployed
- Upgrade to IP
 - IP ready sites for MM: 85% (98% YE target); Provincial: over 60% (70% YE target)
 - Sites with fiber for MM: over 80% (98% YE target); Provincial: 36% (in excess of 44% YE target)
- Additional capacity of 1.2 Terabits per second by YE-contract negotiation on-going

❖ Core Network: Ahead of schedule

- Completion on the installation of new MSS & MGW switches: more than 50% completed
- Enhancement to IPv6: testing for interoperability

❖ International Capacity: On-track

- Fourth cable landing station on-going
- Completed 12 international cable systems alliances

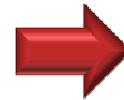
By YE12, the PLDT Group Network would have additional capacity that is flexible and scalable to allow future business growth and allow seamless transition to cutting edge broadband multimedia provider.

PLDT/SMART/DIGITEL/SUN SYNERGIES

- Strategic objectives:
 - Increase DIGITEL/SUN revenues through coverage expansion and service quality improvement, resulting in improved profitability
 - Reduce cost through rationalization of expenditures, alignment of processes, and improvement of operational efficiency
- Network synergies identified and being pursued: capex/opex savings and potential for incremental revenues

CAPEX OPTIMIZATION & COST EFFICIENCIES

- Rationalized 2012 budgets of PLDT/Smart/Sun/Digitel to identify duplication, synergy opportunities



CAPEX avoidance of P8bn for 2012
(17% of 2012 original combined CAPEX)

SITE SHARING/SITE CONSOLIDATION

- Co-locate planned and existing Smart & Sun facilities (identified 160 sites for co-location and 850 for site consolidation)
- Co-locate Digitel operations in PLDT facilities to free up rented sites (22 sites identified)



Estimated annual opex savings could reach in excess of P0.5bn per year when fully implemented (site rentals, utilities expenses)

✓ Exploring further streamlining of cellsite/base station architecture (Sun and Smart base stations in one cell site)

NATIONAL ROAMING

- Extension of SUN's 2G and 3G coverage through sharing of radio resources



✓ Sun's 2G coverage increased from 59% to over 75% in the 1Q12; on-going pilot testing of four 3G sites

ACCESS CONSOLIDATION and TRANSPORT INTEGRATION AND EXPANSION

- Consolidation/sharing of outside plant facilities



To upgrade service quality for Digitel fixed line subscribers via expansion of Digitel presence in its service areas or from the integration of the Digitel network to PLDT, including access to DFON network

CORE OPTIMIZATION

- Allow Digitel access to PLDT iGate and, caching capacity



✓ Digitel access to PLDT Internet Gateway (10G) established
 ✓ Completed transfer of Digitel Director Assisted calls and Directory Assistance to PLDT

SERVICE RESILIENCY AND DIVERSITY

- Integrated and interconnected PLDT/Digitel and Smart/Sun networks



To further strengthen the PLDT group network for greater reliability and continuity of service

- Marketing initiatives leveraging group synergy have been launched, such as our "tri-net" products that offer "all-net" SMS and "tri-net" call buckets in various durations and denominations
- ✓ ➤ Over 850 fixed line employees, or about 18% of total Digitel group headcount, availed of the Voluntary Retirement Program (VRP)

INVESTMENT IN PDRs of MEDIAQUEST

Financial investment by PLDT in PDRs of MediaQuest

- **Investments in Media have historically been made and managed through MediaQuest, a wholly-owned entity of the PLDT Beneficial Trust Fund.**

- **BTF has to-date incubated TV5 and Cignal TV using internal funds**
 - TV5 has grown its market share from 2.3-2.7% (MM/nationwide) in 2007 to 15.6-18% (nationwide/MM) at YE11
 - Cignal TV had over 250,000 subscribers at YE11, the largest DTH pay TV operator in the country

- **TV5 and Cignal TV require additional funds in order to sustain their current growth momentum.**

- **ePLDT, wholly owned subsidiary of PLDT, to make a P6bn financial investment in TV5 and Cignal TV, in the form of Philippine Depositary Receipts (PDRs).**

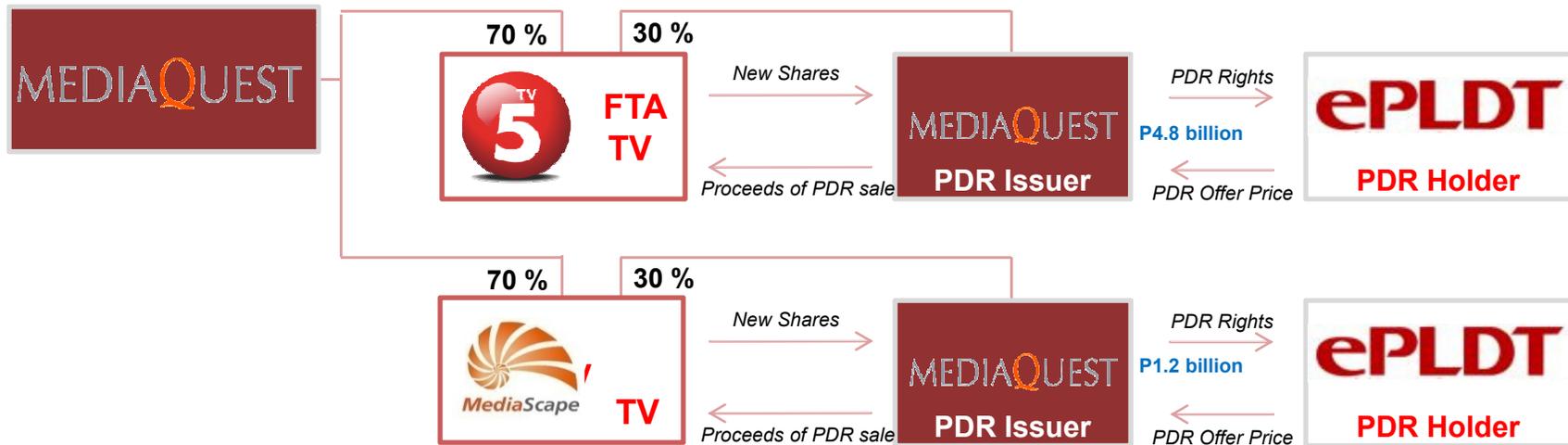
- **PLDT's financial investment in TV5 and Cignal TV is consistent with its overall strategic direction of expanding its presence in the value chain to evolve into a multi-media organization.**
 - Many other telecommunication companies worldwide have made similar strategic/financial investments in media assets.

Rationale for PLDT's investment in PDRs of Mediaquest

- **Mediaquest will serve as the anchor for the media and multi-media service offerings of the PLDT Group:**
 - Creation of content – gain economies of scale in the production of content for all platforms and produce proprietary content to become a source of differentiation for the Group e.g. interactive content, general entertainment and news
 - Derive new revenue streams – use content to increase subscription revenues across the Group's various platforms and maximize advertising potential available from the sizeable subscriber base of the Group
 - Open new markets outside the Philippines – while PLDT is serving more than 70 million Filipinos in the country, it does not have direct access to over 12 million Overseas Filipino workers (“OFWs”) worldwide. The OFW market has significant revenue potential, with service offerings ranging from telecoms, local content delivery to money remittance

Investment in Mediaquest via PDR structure

- ePLDT will subscribe to PDRs* to be issued by Mediaquest (PDR Issuer).
- Proceeds from subscription will be invested by Mediaquest into **TV5** and **Mediascape/Signal**.
- The new shares to be issued out by **TV5** and **Mediascape** will be the underlying shares of the PDRs.
- The investment in the PDRs will qualify as an Investment in Subsidiary for consolidation under the definition of **Control** for both **IAS 27** and **IFRS 10**.
 - TV5 and Signal will be consolidated in the accounts of PLDT with 70% non-controlling interest.



* PDRs

- PDR Instruments grant PDR Holders: (1) the right to delivery or sale of the Underlying Shares, and (2) distributions of cash in respect of cash dividends (less applicable taxes and certain operating expenses).
- The obligations of the PDR Issuer to deliver the Underlying Shares on exercise of the right contained in the PDRs are secured by the Pledge Agreement of the Underlying Shares in favor of the Pledge Trustee acting on behalf of the PDR Holder over the Underlying Shares.
- PDR Issuer remains as stockholder of record and retains voting rights over of the Underlying Shares.

Financial highlights of TV5 and Cignal TV

	2010	2011	2012F
Free-to-Air Business (TV5)			
Audience Share ⁽¹⁾	9.8%	15.6%	19.0%
Revenue Share ⁽²⁾	2.8%	6.9%	13.5%
Gross airtime revenues (in P mns)	883	2,274	4,500
Pay TV business (Cignal TV)			
Subscribers	124,143	256,314	424,000
Prepaid	106,975	225,182	
Postpaid	17,168	31,132	
Subscription revenue (in mns)	199	486	1,447
Combined TV5 and Cignal TV Net Revenues (in Pmns)	923	2,192	5,047
EBITDA (in P mns)	-2,926	-4,430	-1,946
TV5	-2,225	-3,845	-2,025
Cignal TV	-701	-585	79
Capex (in P mns)	2,045	2,138	3,683
TV5	1,818	1,920	3,004
Cignal TV	227	218	679

(1) Nielsen TV Audience Measurement (NUTAM Total Individuals)

(2) Nielsen Ariana Adex (based on rate cards)

PLDT Group Guidance

Core Net Income	P37.0 billion, and return to 2010 level of P42bn by 2014
Capex	P38.0 billion for 2012, and decreasing for 2013 onwards at below 20% of service revenues
Capital Management	Dividend Payout Ratio: 70% of Core EPS + “look back” approach Buyback of up to 2.3 million common shares

SEGMENT DETAILS

Broadband

Broadband Service Revenues*

(Php in billions)

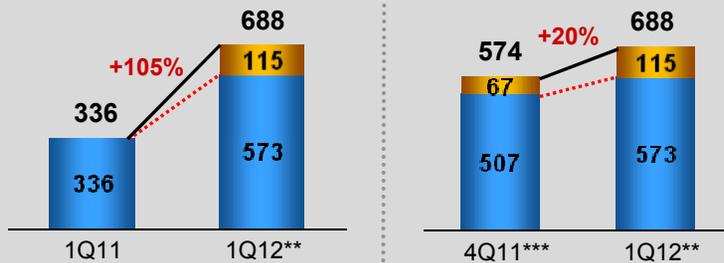
Smart Broadband PLDT DSL Smart Mobile Internet
Others DIGITEL



Mobile Internet Browsing Service Revenues*

(Php in millions)

SMART Mobile Internet DIGITEL



* restated to reflect the change in the presentation of outbound revenues

** includes DIGITEL's financials for the first quarter of 2012

*** includes DIGITEL's financials from 26 October 2011

➤ Momentum in broadband continued with 1Q12 revenues of P5.8bn, now 14% of consolidated service revenues, reflecting a year-on-year increase of P1.5bn or 34%

- DIGITEL registered broadband revenues of P0.8bn consisting of P0.5bn, P0.2bn, and P0.1bn in wireless broadband, DSL and mobile internet browsing revenues, respectively
- PLDT DSL revenues increased by 15% to P2.6bn enabled by a 3% rise in subscribers
- SMART wireless broadband revenues rose by 6% to P1.7bn
- SMART mobile internet browsing revenues grew strongly with a 71% increase to P0.6bn

➤ PLDT DSL ARPU is P1,093, while SMART and Sun wireless broadband net blended ARPUs are P339 and P333, respectively

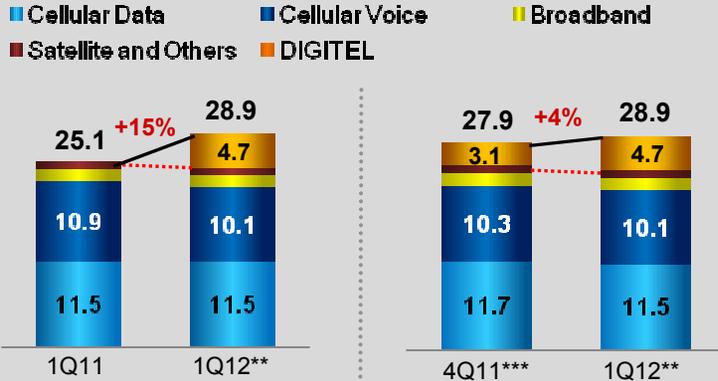
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- Increase in volume-based offers (Data Lite Packages, Always On offers) and implementation of fair usage policies
- Expanded menu of products that provide upselling opportunities, including:
 - ✓ Variants differentiated by speed and price points, including fiber-to-the-home (FTTH), SmartBro dongle offers (Rocket, Plug-It)
 - ✓ Bundles that optimize fixed and wireless service delivery platforms (DSL+WiFi) including content
- Competitive advantages and cost efficiencies enjoyed by PLDT being an integrated network operator with many years of consistent investment in its extensive fixed line and wireless infrastructure
- Anticipated increase in revenues when branded smartphone prices hit the US\$100-120 "sweet spot" resulting in the shift of subscriber usage from shared access/internet cafes to the handset

Wireless

Wireless Service Revenues*

(Php in billions)



EBITDA

(PhP in billions)



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➤ Wireless service revenues for first quarter 2012 rose by 15% year-on-year or P3.8bn to P28.9bn

- DIGITEL contributed P4.7bn in wireless service revenues
- SMART's wireless service revenues declined by 4% to P24.2bn as the increase in wireless broadband revenues did not fully offset the decrease in voice revenues
 - + 6% or P0.1bn increase in wireless broadband revenues to P1.7bn
 - + wireless data revenues were stable year-on-year at P11.5bn
 - 71% or P0.2bn rise in mobile internet browsing revenues to P0.6bn
 - 2% or P0.3bn reduction in SMS revenues despite a 41% increase in SMS count reflecting the continued availability of bucket plans and unlimited SMS offers
 - 8% or P0.9bn dip in voice revenues to P10.1bn following a 1% decline in voice traffic as part of our brand and product rationalization initiatives:
 - New bucket plans offer more SMS vis-à-vis voice
 - Sun to continue with unlimited voice offers

➤ Wireless EBITDA decreased by 4% to P14.0bn in 1Q12 from P14.6bn last year as the growth in service revenues were offset by higher cash operating expenses, particularly subsidies and selling and promotions, as part of our response to competitive conditions

- DIGITEL registered EBITDA of P1.3bn
- Cost efficiencies from network upgrade and rationalization of Smart/Sun networks to contribute to EBITDA improvement

➤ EBITDA margin for the first quarter was lower at 48%, reflecting the combined effect of:

- DIGITEL's EBITDA margin of 27%
- Challenging competitive environment in 2011

➤ Improvement in the competitive landscape arising from the DIGITEL acquisition manifested in the 1Q12 results relative to 4Q11:

- Dip in wireless service revenues (ex-DIGITEL) lower at 2%
- EBITDA higher by 4% with EBITDA margin stable at 48%

Fixed Line

Fixed Line Service Revenues*

(Php in billions)



- **Fixed line service revenues for 1Q12 grew by 9% year-on-year or P1.3bn to P15.6bn**
 - PLDT fixed line revenues of P14.6bn registered a 2% or P0.2bn year-on-year increase
 - ✓ PLDT data and other network services (including revenues from corporate customers) climbed 12% or P0.6bn to P6.0bn
 - DSL revenues of P2.6bn were higher by 15%
 - International leased line and other revenues grew by 20% to P1.7bn
 - Domestic leased line revenues increased by 1% to P1.7bn
 - Third party corporate data revenues rose by 18%
 - ✓ PLDT's LEC, ILC and NLD revenues were lower by 3% or P0.3bn at P7.6bn, continuing to decline as anticipated
 - DIGITEL's fixed line service revenues amounted to P1.0bn:
 - ✓ LEC, ILD and NLD revenues of P713mn
 - ✓ DSL and corporate data revenues of P333mn

- **EBITDA for 1Q12 decreased year-on-year by 3% or P0.2bn to P5.9bn as the increase in service revenues were reduced by higher cash operating expenses**
 - EBITDA of P0.4bn for DIGITEL

- **EBITDA margin for the first quarter of 2012 dipped to 38% from 42% last year partly due to the impact of DIGITEL's lower EBITDA margin of 37%**

- **1Q12 fixed line EBITDA grew 20% quarter-on-quarter due to the combined effect of higher service revenues and lower cash operating expenses during the quarter compared with 4Q11**

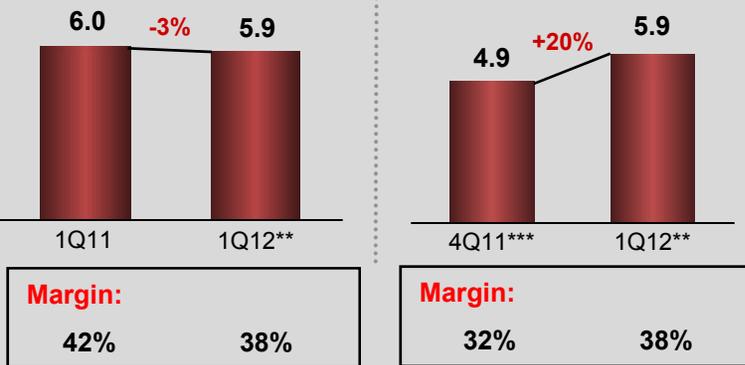
- Voluntary retirement program (VRP) at DIGITEL completed in April 2012 with over 850 availments from the fixed line business or about 18% of the total Digitel group headcount
- Manpower reduction program (MRP) for PLDT on-going

- **Outlook for the fixed line business continues to be increasingly encouraging as we accelerate our initiatives to grow:**

- DSL via the introduction of new services such as FTTH and triple-play bundles, including content
- Corporate and SME businesses, which include the fast-growing outsourcing industry
- Data center and cloud-based services to be supported by our newly opened second data center in Subic

EBITDA

(PhP in billions)



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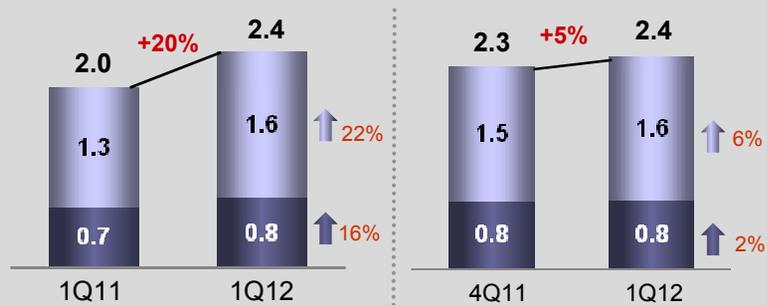
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BPO

BPO Service Revenues

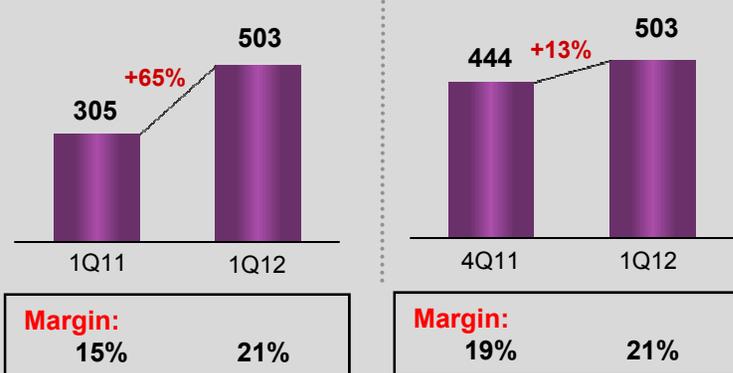
(Php in billions)

- Knowledge Processing Solutions
- Customer Relationship Management



BPO EBITDA

(PhP in millions)

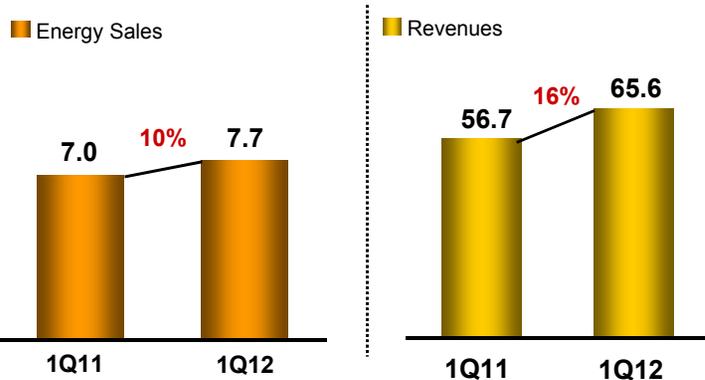


- **BPO service revenues for 1Q12 of P2.4bn, which accounted for 5% of total consolidated service revenues, were higher by 20% year-on-year**
 - KPS service revenues rose by 22% year-on-year to P1.6bn as U. S. dollar denominated revenues grew by 11%, increase in content services and the inclusion of revenues from the recently-acquired Laserwords
 - CRM service revenues grew by 16% year-on-year to P0.8bn largely due to the 10% rise in domestic sales
- **83% of our BPO revenues were denominated in U. S. dollars; had the peso remained stable, service revenues would have higher by another P35mn**
- **BPO registered a strong year-on-year EBITDA growth of 65% to P503mn in 1Q12 as a result of higher service revenues partly offset by an increase in cash operating expenses**
- **BPO EBITDA margin for 1Q12 improved to 21% compared with 15% last year, and 18% for the FY11**
- **BPO results for the 1Q12 show sustained improvement of the business with service revenues and EBITDA higher quarter-on-quarter by 5% and 13%, respectively**
- **Prospects for our BPO business continue to improve buoyed by the double-digit growth forecast for the outsourcing industry; in addition:**
 - SPi recently signed up new clients for both CRM and KPS businesses, including expansion of existing contracts
 - Laserwords (acquisition made in November 2011) fully integrated with content solutions business
 - Continued margin growth seen as SPi leverages fixed costs and infrastructure over a higher revenue base, increasing seat share ratio over stable opex costs
 - Strong sales pipeline developing for 2013

Meralco

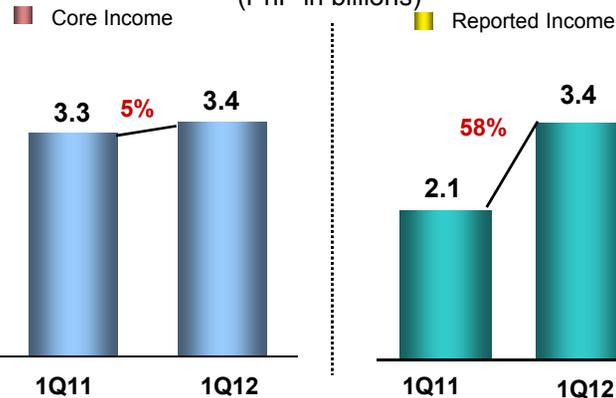
Energy Sales and Service Revenues

(in '000 GWh and PhP in Billions)



Core and Reported Net Income

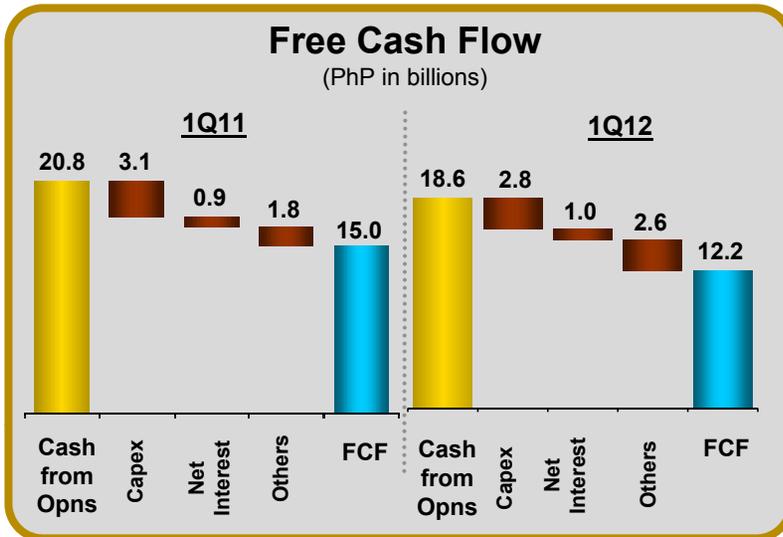
(PhP in billions)



- **Meralco's consolidated service revenues for 1Q12 rose by 16% year-on-year to P65.6bn mainly due to:**
 - Higher customer count
 - Energy sales for the first quarter of 2012 were higher by 10% year-on-year at 7,687 GWh
 - Higher generation charges offset by lower distribution and transmission rates
- **Consolidated EBITDA of P6.3bn as at end of 1Q12 is 28% higher year-on-year resulting from higher service revenues partly offset by higher costs and expenses**
- **Core income for the first quarter 2012 grew by 5% to P3.4bn from P3.3bn in 2011; while Reported Net Income increased by 58% year-on-year to P3.4bn**
- **Operational highlights:**
 - Customer base higher by 3.7% at 5.07mn as of end March 2012
 - Meralco continued to register improvements in its performance-based regulation (PBR) metrics
 - Pilot for prepaid retail electric service scheduled for July 2012; while implementation of Smart Grid project being studied
 - On-going planning for the build-out of Redondo Peninsula Energy, Inc. (RP Energy) power generation plants
- **Beacon ownership in Meralco at 48%; PCEV* ownership in Beacon at 50%**
 - Equity contribution to PCEV core earnings from Beacon/Meralco of P493mn in 1Q12 compared with P452mn in 1Q11

* PCEV to be delisted effective 18 May 2012

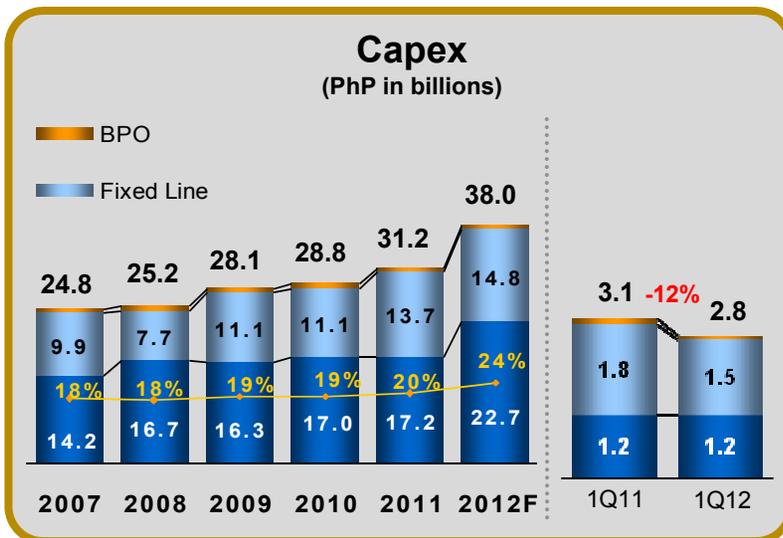
Free Cash Flow and Capex



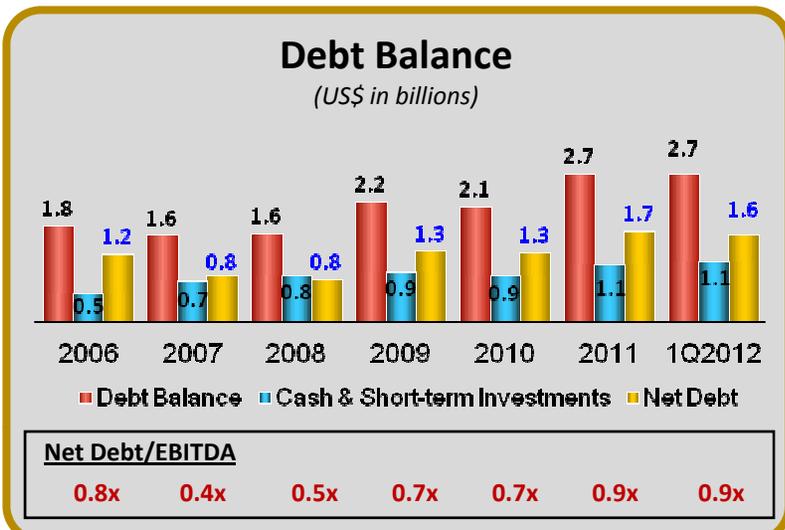
- **FCF for the first quarter of 2012 was lower by P2.8bn or 19% at P12.2bn primarily due to:**
 - Reduction in cash from operations by P2.2bn due to a P1.8bn increase in settlement of payables
 - Increase in net interest paid by P0.1bn
 - Lower capex by P0.4bn

- **Cash and cash equivalents of P46.8bn as of end March 2012**
 - Final regular and special dividend payments totaling P24bn made on 20 April 2012

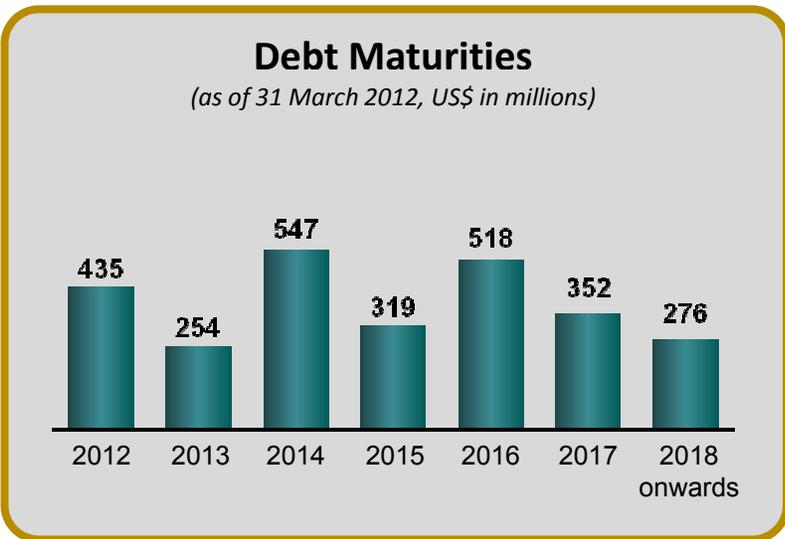
- **PLDT Group capex for 2012 estimated at P38.0bn (net of P8.0bn capex avoidance), to complete the final year of PLDT's two-year network modernization program, and inclusive of DIGITEL capex**
 - Capex for 1Q12 at P2.8bn



Debt Profile



- Net debt at end of the first quarter 2012 stood at US\$1.6bn, with net debt/EBITDA at 0.9x
- At the end of March 2012, gross debt remained at \$2.7bn, inclusive of US\$0.5bn Digitel debt which is mostly US\$ denominated
 - 50% of total debt are US\$-denominated
 - Taking into account our US\$ cash holdings and hedges, only US\$903mn or 33% of total debt is unhedged
 - 71% are fixed-rate loans, while 29% are floating-rate loans
- Debt maturities continue to be well-spread out
 - US\$146mn 2012 bond with interest of 11.375% p. a. maturing in May 2012
 - ✓ To be refinanced at lower interest rate
 - ✓ Standby facility ready to be drawn



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-12	Dec-11	Sep-11	Jun-11	Mar-11	Dec-10	Sep-10	Jun-10	Mar-10	1Q12 vs FY11		1Q12 vs 1Q11	
										Amount	%	Amount	%
CELLULAR													
Smart	27,470,678	27,123,622	26,606,008	26,509,537	26,165,500	25,715,018	25,594,008	26,204,136	25,479,359	347,056	1%	1,305,178	5%
Buddy	26,853,620	26,573,137	26,129,264	26,079,785	25,735,090	25,293,443	25,175,430	25,764,292	25,033,946	280,483	1%	1,118,530	4%
Postpaid	617,058	550,485	476,744	429,752	430,410	421,575	418,578	439,844	445,413	66,573	12%	186,648	43%
Talk 'N Text	22,159,902	20,467,175	19,522,683	19,777,498	19,400,538	18,967,381	18,136,858	18,008,072	17,445,697	1,692,727	8%	2,759,364	14%
Red Mobile	899,916	1,438,647	1,608,270	1,547,498	1,090,647	953,609	381,477	1,133,790	282,267	(538,731)	-37%	(190,731)	-17%
Total Cellular excluding DIGITEL	50,530,496	49,029,444	47,736,961	47,834,533	46,656,685	45,636,008	44,112,343	45,345,998	43,207,323	1,501,052	3%	3,873,811	8%
DIGITEL Cellular	15,579,457	14,667,185								912,272	6%	15,579,457	-
Prepaid	14,159,612	13,314,096								845,516	6%	14,159,612	-
Postpaid	1,419,845	1,353,089								66,756	5%	1,419,845	-
Total Cellular including DIGITEL	66,109,953	63,696,629	47,736,961	47,834,533	46,656,685	45,636,008	44,112,343	45,345,998	43,207,323	2,413,324	4%	19,453,268	42%
BROADBAND													
SmartBro	1,618,359	1,616,353	1,556,633	1,491,700	1,407,219	1,355,977	1,337,965	1,323,364	1,226,195	2,006	-	211,140	15%
DSL	762,335	742,906	725,232	698,921	671,588	643,048	630,984	609,143	589,795	19,429	3%	90,747	14%
WeRoam	17,111	17,687	17,950	21,598	21,936	21,979	21,745	18,188	17,821	(576)	-3%	(4,825)	-22%
Total Broadband excluding DIGITEL	2,397,805	2,376,946	2,299,815	2,212,219	2,100,743	2,021,004	1,990,694	1,950,695	1,833,811	20,859	1%	297,062	14%
DIGITEL Broadband	601,786	551,423								50,363	9%	601,786	-
Total Broadband including DIGITEL	2,999,591	2,928,369	2,299,815	2,212,219	2,100,743	2,021,004	1,990,694	1,950,695	1,833,811	71,222	2%	898,848	43%

1Q 2012: Consolidated Financial Highlights

(PhP in millions)	1Q2012									1Q2011	% Change
	Wireless			Fixed Line			BPO	Others	Consolidated (Unaudited)	Consolidated (Unaudited)	
	SMART	DIGITEL	Total	PLDT	DIGITEL	Total					
Service Revenues	24,222	4,691	28,913	14,566	1,046	15,612	2,415	-	42,780	37,707 ⁽¹⁾	13%
Cash operating expenses	10,052	2,836	12,888	8,743	585	9,328	1,912	5	19,880	15,916	25%
EBITDA	12,748	1,271	14,019	5,476	382	5,858	503	(5)	20,467	20,954	-2%
EBITDA Margin ⁽²⁾	53%	27%	48%	38%	37%	38%	21%	-	48%	56%	-
Depreciation and amortization	2,742	1,369	4,111	3,106	133	3,239	120	-	7,470	6,603	13%
Financing costs, net	(589)	(112)	(701)	(973)	(155)	(1,128)	(6)	-	(1,681)	(1,530)	10%
Income before income tax	10,192	613	10,805	10	2,236	2,246	382	433	13,866	14,358	-3%
Provision for income tax	3,069	155	3,224	472	5	477	90	5	3,796	3,632	5%
Core net income ⁽³⁾	6,908	17	6,925	1,507	91	1,598	268	517	9,308	10,556	-12%
Reported net income	7,125	458	7,583	(456)	2,232	1,776	292	428	10,079	10,734	-6%

⁽¹⁾ First quarter 2011 service revenues have been restated to reflect the change in the presentation of outbound revenues

⁽²⁾ EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnect expenses)

⁽³⁾ Consolidated net income before certain adjusting items and excluding gains/losses on foreign exchange/derivatives (after tax)

Reconciliation of Core and Reported Net Income

<i>(PhP in billions)</i>	1Q2012*	1Q2011	Difference
Reported net income	10.1	10.7	(0.7)
Core net income	9.3	10.6	(1.2)
	0.8	0.2	0.6
Accounted for by:			
Forex gains (losses), net	1.2	0.3	0.9
Gains (losses) on derivatives	-	0.5	(0.5)
Others	-	(0.1)	0.1
Adjustment in equity in investment	(0.1)	(0.3)	0.2
	1.2	0.4	0.7
Tax Effect	(0.4)	(0.2)	(0.1)
	0.8	0.2	0.6

* Including Digitel

Consolidated Service Revenues

<i>(PhP in billions)</i>	1Q2012*	1Q2011**	% Change 1Q12 vs 1Q11
Voice	19.3	17.7	9%
Data and BPO	23.5	20.1	17%
	42.8	37.7	13%

* Including Digitel

** First quarter of 2011 service revenues have been restated to reflect the change in the presentation of outbound revenues

Service Revenues by Segment

(PhP in millions)	1Q2012							1Q2011*	% Change	
	Wireless			Fixed Line			BPO	Consolidated (Unaudited)		
	SMART	DIGITEL	Total	PLDT	DIGITEL	Total				Consolidated (Unaudited)
Service Revenues										
Wireless	24,222	4,691	28,913							
Cellular	22,149	4,204	26,353				26,353	23,101	14%	
Broadband	1,677	487	2,164				2,164	1,583	37%	
Satellite and other services	396	-	396				396	448	-12%	
Fixed line				14,566	1,046	15,612				
Local exchange				3,746	262	4,008		4,008	3,732	7%
International long distance				2,638	353	2,991		2,991	2,734	9%
National long distance				1,256	98	1,354		1,354	1,440	-6%
Data and other network				6,000	333	6,333		6,333	5,371	18%
Vitro™ Data center and others				287	-	287		287	260	10%
Miscellaneous				639	-	639		639	789	-19%
BPO							2,415			
Knowledge processing solutions							1,638	1,638	1,340	22%
Customer relationship management							777	777	670	16%
Others										
Others								-	-	
Inter-segment transactions								(4,160)	(3,761)	11%
	24,222	4,691	28,913	14,566	1,046	15,612	2,415	42,780	37,707	13%
Non-Service Revenues	488	130	618	179	-	179	-	797	591	35%
Inter-segment transactions	-	-	-	-	-	-	-	(1)	(18)	-94%
	488	130	618	179	-	179	-	796	573	39%
Total Revenues	24,710	4,821	29,531	14,745	1,046	15,791	2,415	43,576	38,280	14%

* Service Revenues have been restated to reflect the change in the presentation of outbound revenues and reclassification of Vitro service revenues from ePLDT to Fixed line

Wireless Net ARPU

	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12
Smart Postpaid	1,666	1,627	1,614	1,646	1,557	1,576	1,430	1,480	1,279
Smart Buddy	204	197	181	189	180	179	166	166	155
Talk 'N Text	122	123	118	123	113	111	103	109	104
Red Mobile Prepaid	9	4	5	19	28	38	33	34	40
Red Mobile Postpaid	-	-	-	-	133	413	431	355	339
Sun Cellular Prepaid	-	-	-	-	-	-	-	65*	64
Sun Cellular Postpaid	-	-	-	-	-	-	-	447*	411

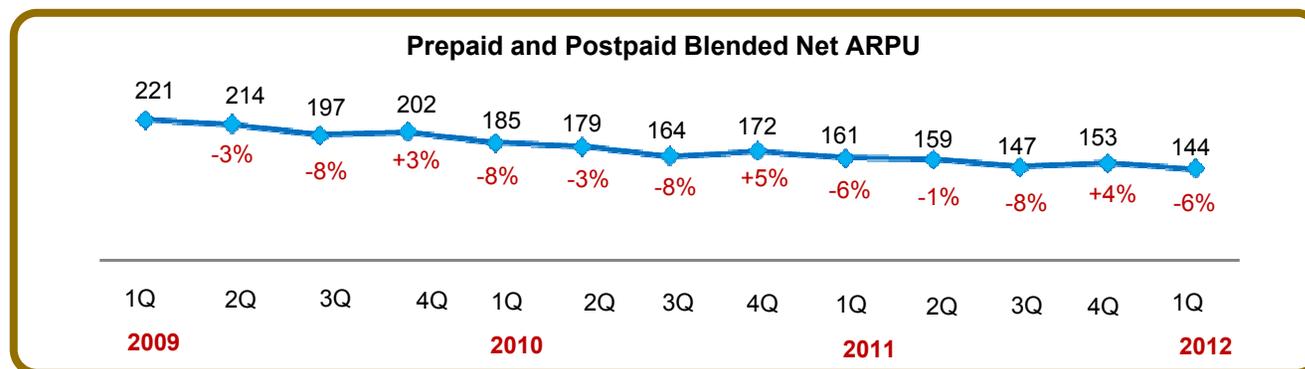
*Sun Cellular's Net ARPU for the period from October 26, 2011 to December 31, 2011

Prepaid and Postpaid Blended Net ARPU

	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12**
Prepaid and Postpaid Blended, Net*	221	214	197	202	185	179	164	172	161	159	147	153	144

*The average monthly ARPU of all prepaid and postpaid cellular subscribers

** including DIGITEL



Expenses

(PhP in millions)	1Q2012									1Q2011	% Change
	Wireless			Fixed Line			BPO	Others	Consolidated (Unaudited)	Consolidated (Unaudited)	
	SMART	DIGITEL	Total	PLDT	DIGITEL	Total					
Operating expenses											
Compensation and employee benefits	1,533	361	1,894	2,715	112	2,827	1,372	-	6,090	5,341	14%
Repairs and maintenance	1,321	677	1,998	1,166	150	1,316	100	-	3,280	2,307	42%
Selling and promotions	1,009	378	1,387	241	31	272	20	-	1,679	1,155	45%
Professional and other contracted services	797	85	882	1,103	49	1,152	139	1	1,574	1,190	32%
Rent	2,016	403	2,419	713	64	777	110	-	1,493	1,014	47%
Taxes and licenses	492	149	641	302	28	330	30	-	1,001	629	59%
Communication, training and travel	226	92	318	196	26	222	89	1	582	413	41%
Insurance and security services	210	14	224	156	14	170	15	-	385	309	25%
Interconnection/settlement costs	2,276	641	2,917	2,003	99	2,102	-	-	3,395	3,136	8%
Other operating expenses	172	36	208	148	12	160	37	3	401	422	-5%
Cash operating expenses	10,052	2,836	12,888	8,743	585	9,328	1,912	5	19,880	15,916	25%
Depreciation and amortization	2,742	1,369	4,111	3,106	133	3,239	120	-	7,470	6,603	13%
Asset impairment	301	55	356	249	16	265	-	-	621	181	243%
Amortization of intangible assets	27	-	27	-	-	-	37	-	64	75	-15%
Non-cash operating expenses	3,070	1,424	4,494	3,355	149	3,504	157	-	8,155	6,859	19%
Cost of sales	1,609	659	2,268	277	63	340	-	-	2,608	1,229	112%
Total Expenses	14,731	4,919	19,650	12,375	797	13,172	2,069	5	30,643	24,004	28%

Other Income (Expenses)

(PHP in millions)	1Q2012									1Q2011	% Change
	Wireless			Fixed Line			BPO	Others	Consolidated (Unaudited)	Consolidated (Unaudited)	
	SMART	DIGITEL	Total	PLDT	DIGITEL	Total					
Gains (losses) on derivative financial instruments, net	(1)	(22)	(23)	(2,153)	2,130	(23)	39	-	(7)	511	101%
Interest income	191	4	195	300	6	306	3	7	357	321	11%
Equity share in net earnings (losses) of associates and joint ventures	(2)	-	(2)	63	-	63	-	213	274	192	43%
Foreign exchange gains (losses), net	311	652	963	261	16	277	(4)	-	1,236	320	286%
Hedge costs	-	-	-	(88)	-	(88)	-	-	(88)	(89)	-1%
Others	303	189	492	230	(10)	220	4	218	842	357	136%
Total	802	823	1,625	(1,387)	2,142	755	42	438	2,614	1,612	62%
Financing costs, net											
Interest on loans and other related items	(423)	(112)	(535)	(1,050)	(154)	(1,204)	(6)	-	(1,591)	(1,358)	17%
Accretion on financial liabilities	(265)	-	(265)	(23)	-	(23)	-	-	(288)	(291)	-1%
Financing charges	(35)	-	(35)	(1)	(1)	(2)	-	-	(37)	(37)	0%
Capitalized interest	134	-	134	101	-	101	-	-	235	156	51%
Total	(589)	(112)	(701)	(973)	(155)	(1,128)	(6)	-	(1,681)	(1,530)	10%
Total other income (expenses)	213	711	924	(2,360)	1,987	(373)	36	438	933	82	1038%

EBITDA

(PhP in millions)	1Q2012									1Q2011	% Change
	Wireless			Fixed Line			BPO	Others	Consolidated (Unaudited)	Consolidated (Unaudited)	
	SMART	DIGITEL	Total	PLDT	DIGITEL	Total					
Income before tax	10,192	613	10,805	10	2,236	2,246	382	433	13,866	14,358	-3%
Add (deduct):											
Depreciation and amortization	2,742	1,369	4,111	3,106	133	3,239	120	-	7,470	6,603	13%
Financing costs, net	589	112	701	973	155	1,128	6	-	1,681	1,530	10%
Amortization of intangible assets	27	-	27	-	-	-	37	-	64	75	-15%
Equity share in net losses (earnings) of associates and joint ventures	2	-	2	(63)	-	(63)	-	(213)	(274)	(192)	43%
Losses (gains) on derivative financial instruments, net	1	22	23	2,153	(2,130)	23	(39)	-	7	(511)	101%
Foreign exchange losses (gains), net	(311)	(652)	(963)	(261)	(16)	(277)	4	-	(1,236)	(320)	-286%
Interest income	(191)	(4)	(195)	(300)	(6)	(306)	(3)	(7)	(357)	(321)	11%
Hedge costs	-	-	-	88	-	88	-	-	88	89	-1%
Other income	(303)	(189)	(492)	(230)	10	(220)	(4)	(218)	(842)	(357)	136%
EBITDA	12,748	1,271	14,019	5,476	382	5,858	503	(5)	20,467	20,954	-2%
EBITDA Margin*	53%	27%	48%	38%	37%	38%	21%	-	48%	56%	

* EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnect expenses)

Historical Consolidated EBITDA Margin (restated)

(Php in millions)	2009				2010				2011				2012
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q**	1Q***
Consolidated Gross Service Revenues*													
Fixed line	12,232	12,384	12,816	12,778	12,973	11,616	12,336	12,539	12,021	12,244	12,115	12,939	13,217
Local exchange	3,988	3,789	3,834	3,919	3,904	3,811	3,770	3,741	3,630	3,632	3,629	4,112	3,979
International long distance	2,671	2,863	3,104	2,900	3,395	2,037	2,902	2,737	2,686	2,785	2,706	2,834	2,917
National long distance	2,130	1,994	1,901	1,697	1,614	1,617	1,467	1,619	1,404	1,366	1,294	968	1,207
Data and other network	2,980	3,227	3,409	3,597	3,528	3,580	3,715	3,864	3,840	4,093	4,136	4,755	4,803
Vitro****	74	69	115	93	110	105	102	116	126	123	161	117	129
Miscellaneous	389	442	453	572	422	466	380	462	335	245	189	153	182
Wireless	25,498	25,770	24,193	26,035	25,051	25,825	23,726	24,531	23,785	23,658	22,478	26,594	27,306
Cellular services	23,599	23,893	22,103	23,757	22,834	23,466	21,928	22,401	21,754	21,661	20,447	24,229	24,746
Broadband, satellite and others	1,899	1,877	2,090	2,278	2,217	2,359	1,798	2,130	2,031	1,997	2,031	2,365	2,560
Broadband	1,289	1,230	1,381	1,484	1,590	1,614	1,578	1,505	1,583	1,605	1,655	1,961	2,164
Satellite and others	610	647	709	794	627	745	220	625	448	392	376	404	396
Business Process Outsourcing	1,980	1,906	1,962	2,043	1,881	1,877	1,875	1,940	1,901	2,009	2,057	2,157	2,257
Customer relationship management	748	619	644	665	639	617	501	527	561	606	621	615	619
Knowledge processing solutions	1,232	1,287	1,318	1,378	1,242	1,260	1,374	1,413	1,340	1,403	1,436	1,542	1,638
Others	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	39,710	40,060	38,971	40,856	39,905	39,318	37,937	39,010	37,707	37,911	36,650	41,690	42,780
EBITDA	21,852	22,228	21,665	20,449	21,183	22,074	20,556	19,904	20,954	20,558	19,558	18,889	20,467
EBITDA Margin*****	55%	55%	56%	50%	53%	56%	54%	51%	56%	54%	53%	45%	48%

* Service Revenues have been restated to reflect the change in the presentation of outbound revenues

	2009				2010				2011				2012
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Net Service Revenues (as previously presented)	36,362	36,509	35,407	37,289	36,004	36,151	34,561	35,526	34,571	35,070	33,604	38,127	39,385
Add: Interconnection/settlement costs	3,348	3,551	3,564	3,567	3,901	3,168	3,376	3,483	3,136	2,841	3,046	3,563	3,395
Consolidated Gross Service Revenues	39,710	40,060	38,971	40,856	39,905	39,318	37,937	39,010	37,707	37,911	36,650	41,690	42,780

** Includes Digitel's service revenues for the period October 26, 2011 to December 31, 2011

*** Including Digitel

**** Reclassification of Vitro Service revenues from ePLDT to Fixed Line

***** EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnect expenses)

Historical Wireless EBITDA Margin (restated)

(Php in millions)	2009				2010				2011				2012
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q**	1Q***
Wireless Gross Service Revenues*													
Cellular services	24,595	24,985	23,608	24,957	24,139	24,568	22,995	23,818	23,101	23,149	21,846	25,548	26,353
Cellular Voice	10,670	10,881	10,545	11,546	11,639	11,998	10,845	11,196	10,943	10,864	10,196	11,881	12,567
Cellular Data	12,564	12,653	11,720	11,972	11,822	11,948	11,521	11,945	11,493	11,769	11,014	12,959	13,092
SMS	11,948	12,016	11,103	11,345	11,198	11,322	10,902	11,182	10,720	10,952	10,154	11,882	11,917
Domestic	11,123	11,160	10,275	10,441	10,344	10,427	10,040	10,259	9,825	10,035	9,293	10,943	10,958
Standard	4,227	4,206	3,760	4,009	4,295	4,330	4,164	4,445	4,230	4,311	4,022	4,369	4,105
Bucket-Priced	6,896	6,954	6,515	6,432	6,049	6,097	5,876	5,814	5,595	5,724	5,271	6,574	6,853
International	825	856	828	904	854	895	862	923	895	917	861	939	959
Other data service revenues	616	637	617	627	624	626	619	763	773	817	860	1,077	1,175
Other Cellular Revenues	1,361	1,451	1,343	1,438	678	622	629	677	665	516	636	708	694
Broadband, satellite and others	1,997	1,978	2,184	2,368	2,217	2,359	1,798	2,130	2,031	1,997	2,031	2,365	2,560
Broadband	1,289	1,230	1,381	1,484	1,590	1,614	1,578	1,505	1,583	1,605	1,655	1,961	2,164
Satellite and others	708	748	803	884	627	745	220	625	448	392	376	404	396
Total	26,592	26,963	25,792	27,325	26,356	26,927	24,793	25,948	25,132	25,146	23,877	27,913	28,913
EBITDA	15,022	15,186	14,311	14,892	14,448	15,272	14,620	14,624	14,553	14,493	12,902	13,444	14,019
EBITDA Margin****	56%	56%	55%	55%	55%	57%	59%	56%	58%	58%	54%	48%	48%

* Service Revenues have been restated to reflect the change in the presentation of outbound revenues

	2009				2010				2011				2012
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Net Service Revenues (as previously presented)	23,903	24,172	23,126	24,628	23,694	24,181	22,568	23,386	22,768	22,968	21,534	25,193	25,996
Add: Interconnection/settlement costs	2,689	2,791	2,666	2,697	2,661	2,746	2,225	2,562	2,363	2,178	2,343	2,720	2,917
Consolidated Gross Service Revenues	26,592	26,963	25,792	27,325	26,356	26,927	24,793	25,948	25,132	25,146	23,877	27,913	28,913

** Includes Digitel's service revenues for the period October 26, 2011 to December 31, 2011

*** Including Digitel

**** EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnect expenses)

Historical Fixed line EBITDA Margin (restated)

(PhP in millions)	2009				2010				2011				2012
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q**	1Q***
Fixed Line Gross Service Revenues*													
Local exchange	4,024	3,821	3,894	3,942	3,930	3,839	3,803	3,770	3,732	3,725	3,734	3,918	4,008
International long distance	2,682	2,874	3,115	2,910	3,406	2,049	2,911	2,746	2,734	2,834	2,761	2,915	2,991
Inbound					3,061	1,741	2,580	2,469	2,479	2,543	2,514	2,681	2,739
Outbound					345	308	331	277	255	291	247	234	252
National long distance	2,163	2,036	1,935	1,719	1,652	1,652	1,527	1,656	1,440	1,422	1,324	1,339	1,354
Data and other network	5,200	5,418	5,582	5,684	5,871	5,759	5,000	5,257	5,371	5,749	5,670	6,166	6,333
DSL					1,990	2,046	2,102	2,125	2,264	2,353	2,412	2,635	2,814
Data and other network services					3,881	3,713	2,898	3,132	3,107	3,396	3,258	3,531	3,519
Vitro****	167	164	240	242	225	220	216	237	260	282	332	262	287
Miscellaneous	661	743	731	1,042	785	860	797	957	789	712	636	678	639
Total	14,897	15,056	15,497	15,539	15,869	14,379	14,254	14,623	14,326	14,724	14,457	15,278	15,612
EBITDA	6,650	6,752	7,067	5,043	6,373	6,425	5,600	4,649	6,043	5,596	6,139	4,897	5,858
EBITDA Margin*****	45%	45%	46%	32%	40%	45%	39%	32%	42%	38%	42%	32%	38%

* Service Revenues have been restated to reflect the change in the presentation of outbound revenues and reclassification of Vitro and other ePLDT service revenues

	2009				2010				2011				2012
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Net Service Revenues (as previously presented)	12,767	12,650	12,798	12,927	12,861	12,377	11,540	11,830	11,533	11,948	11,762	12,639	12,958
Add:													
Vitro	167	164	240	242	225	220	216	237	260	281	332	263	287
Miscellaneous (ePLDT/others)	299	382	396	430	379	412	426	454	428	323	262	284	265
Interconnection/settlement costs	1,664	1,860	2,063	1,940	2,404	1,370	2,071	2,102	2,106	2,172	2,101	2,092	2,102
Consolidated Gross Service Revenues	14,897	15,056	15,497	15,539	15,869	14,379	14,254	14,623	14,326	14,724	14,457	15,278	15,612

** Includes Digitel's service revenues for the period October 26, 2011 to December 31, 2011

*** Including Digitel

**** Reclassification of Vitro Service revenues from ePLDT to Fixed Line

***** EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnect expenses)

Core Net Income

(PhP in millions)	1Q2012									1Q2011	% Change
	Wireless			Fixed Line			BPO	Others	Consolidated (Unaudited)	Consolidated (Unaudited)	
	SMART	DIGITEL	Total	PLDT	DIGITEL	Total					
Reported net income	7,125	458	7,583	(456)	2,232	1,776	292	428	10,079	10,734	-6%
Add (deduct):											
Foreign exchange losses (gains), net	(311)	(652)	(963)	(261)	(16)	(277)	4	-	(1,236)	(311)	-297%
Losses (gains) on derivatives financial instruments, net	1	22	23	2,153	(2,130)	23	(39)	-	7	(511)	-101%
Others	-	-	-	-	-	-	-	-	-	85	-100%
Adjustment in equity share in Meralco	-	-	-	-	-	-	-	89	89	312	-71%
Tax effect	93	189	282	71	5	76	11	-	369	247	49%
Core Net Income	6,908	17	6,925	1,507	91	1,598	268	517	9,308	10,556	-12%

Earnings Per Share

	1Q2012 (Unaudited)		1Q2011 (Unaudited)	
	Basic	Diluted	Basic	Diluted
Net income (loss) attributable to equity holders of PLDT	10,079	10,079	10,734	10,734
Dividends on preferred shares	(12)	(12)	(114)	(12)
Net income for the period attributable to common equity holders of PLDT	10,067	10,067	10,620	10,722
Outstanding common shares at beginning of period	214,436	214,436	186,756	186,756
Effect of issuance of common shares during the period	1,619	1,619	-	-
Common shares equivalent to convertible preferred shares deemed dilutive				
Preferred Stock Series A to EE				2,080
Weighted average number of common shares, end	216,055	216,055	186,756	188,836
EPS (based on reported net income)	46.59	46.59	56.87	56.78
Core net income	9,308	9,308	10,556	10,556
Dividends on preferred shares	(12)	(12)	(114)	(12)
Net income applicable to common shares	9,296	9,296	10,442	10,544
Weighted average number of shares, end	216,055	216,055	186,756	188,836
EPS (based on core net income)	43.03	43.03	55.91	55.84

Cash Flows

<i>(PhP in millions)</i>	1Q2012 * (Unaudited)					1Q2011 Consolidated (Unaudited)	% Change
	Wireless	Fixed Line	BPO	Others	Consolidated		
Net cash from operations	9,515	8,514	601	(14)	18,592	20,830	-11%
Add(Deduct):							
Capital expenditures	(1,216)	(1,469)	(66)	-	(2,751)	(3,113)	-12%
Other investing activities	6	96	7	191	266	182	46%
Interest, net	(196)	(859)	(2)	9	(1,046)	(942)	11%
Preferred share dividends	-	(25)	-	-	(25)	(48)	-48%
Others	(520)	(2,389)	33	-	(2,876)	(1,906)	-51%
Free cash flow	7,589	3,868	573	186	12,160	15,003	-19%
Common share dividends	-	(30)	-	-	(8)	(5)	60%
Investments	-	(727)	-	(2,700)	(3,427)	(30)	11325%
Redemption of Shares	-	(141)	-	-	(141)	-	0%
Trust fund for redemption of shares	-	(5,708)	-	-	(5,708)	-	-
Debt repayments, net	(1,079)	(984)	(63)	-	(2,092)	4,299	-149%
Change in cash	6,510	(3,722)	510	(2,514)	783	19,267	96%
Cash and short term investments, beginning	21,243	22,082	574	2,716	46,616	37,347	25%
Cash and short term investments, end	27,753	18,360	1,084	202	47,399	56,614	-16%

* Including Digitel

Balance Sheet

<i>(PhP in millions)</i>	Consolidated	
	March 31, 2012* <i>(Unaudited)</i>	December 31, 2011* <i>(Audited)</i>
Total Assets	400,286	395,646
Nominal Value of Total Debt	115,981	119,411
<i>in US\$</i>	\$2,701	\$2,719
Less: Unamortized Debt Discount	1,893	2,136
Total Debt	114,088	117,275
Cash and short-term investments	47,399	46,615
Net Debt ⁽²⁾	68,582	72,796
Equity	137,030	152,219
Total Debt⁽¹⁾/Equity	<u>0.85x</u>	<u>0.78x</u>
Net Debt⁽²⁾/Equity	<u>0.50x</u>	<u>0.48x</u>
Total Debt⁽¹⁾/EBITDA⁽³⁾	<u>1.46x</u>	<u>1.49x</u>
Net Debt ⁽²⁾/EBITDA⁽³⁾	<u>0.86x</u>	<u>0.91x</u>

⁽¹⁾ Nominal value of total debt

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

⁽³⁾ EBITDA for the Last Twelve Months (LTM)

* Including Digitel

Debt Profile

<i>(US\$ in millions)</i>	2006	2007	2008	2009	2010	2011*	1Q2012*
Debt Balance	1,756	1,585	1,625	2,210	2,113	2,719	2,701
Cash and short-term investments	514	745	847	908	852	1,061	1,104
Net Debt	1,242	840	778	1,302	1,261	1,658	1,597

* Including Digitel

Debt Maturities as of March 31, 2012 *(US\$ in millions)*

	PLDT, SMART, SPI and ePLDT	DIGITEL	Total
2012	338	97	435
2013	175	79	254
2014	477	70	547
2015	258	61	319
2016	399	119	518
2017	306	46	352
2018 onwards	244	32	276
	2,197	504	2,701

Interest-bearing Liabilities

<i>(US\$ in millions)</i>	March 31, 2012 (Unaudited)			December 31, 2011 (Audited)	Change
	Carrying Value	Unamortized Debt Discount	Face Value	Face Value	
Debt					
PLDT	\$1,265	\$2	\$1,267	\$1,271	(\$4)
Smart	\$854	\$42	\$896	\$890	\$6
2014 Debt	\$242	\$38	\$280	\$280	\$0
Others	\$612	\$4	\$616	\$610	\$6
DIGITEL	\$504	-	\$504	\$522	(\$18)
Others	\$34	-	\$34	\$36	(\$2)
Total Debt	\$2,657	\$44	\$2,701	\$2,719	(\$17)
Obligations under finance lease	-	-	-	-	-

Foreign Exchange Risk

Forex Impact on Core Income

	PLDT Group	Digitel	TOTAL
Forex sensitivity for every P1 change (in US\$ Millions)			
US\$ Revenues *	262.9	16.9	279.8
US\$ Expenses	(118.0)	(15.3)	(133.3)
Cash opex *	(96.8)	(11.8)	(108.6)
Cost of sales	(0.6)	-	(0.6)
Financing costs	(20.6)	(3.5)	(24.1)
US\$ Income before tax	144.9	1.6	146.5
Tax effect	43.5	0.5	44.0
Core Earnings	101.4	1.1	102.5
EBITDA	165.5	5.1	170.6
* Gross of interconnection costs amounting to:	58.6	3.8	62.4
Local exchange revenues (in million Php)	2,213.7		

Forex Impact of B/S Revaluation

	PLDT Group	Digitel	TOTAL
Forex sensitivity for every P1 change on B/S Revaluation (in US\$ Millions)			
Debt	892.9	442.3	1,335.2
Accounts Payable	116.0	27.8	143.8
Accrued Liabilities	111.9	27.6	139.5
Derivative Liabilities	69.7	5.3	75.0
Total US\$-Denominated Liabilities	1,190.5	503.0	1,693.5
Cash and Cash Equivalents	156.8	5.0	161.8
Short-term Investments	12.5	-	12.5
Trade and other Receivables	198.9	6.9	205.8
Derivative Assets	10.2	-	10.2
Non Trade Receivables & Advances	2.0	-	2.0
Total US\$-Denominated Assets	380.4	11.9	392.3
Net Foreign Currency Liability Position	810.1	491.1	1,301.2
Forex Revaluation for every P1 change	±810.1	±491.1	±1,301.2

Forex Impact on Derivatives

P1 movement in the USD/PHP exchange rate corresponds to a P208M change in derivatives

Forex rate, 1Q2012
Forex rate, 1Q2011
% of Peso Appreciation vs US\$

Ave.
43.03
43.78
-2%

Yr. End
42.93
43.41
-1%

DIGITEL

<i>(in million pesos)</i>	FOR THE THREE MONTHS ENDED MARCH 31, 2012				
	Wireless	Fixed Line	Conso Digital	Interco	Impact at PLDT
REVENUES	4,821	1,046	5,867	(172)	5,695
Service	4,691	1,046	5,737	(172)	5,565
Non-Service	130	-	130	-	130
EXPENSES	4,919	797	5,716	(151)	5,565
Cash Operating Expenses	2,836	585	3,421	(151)	3,270
Cost of Sales	659	63	722	-	722
Non-Cash Operating Expenses	1,424	149	1,573	-	1,573
OPERATING INCOME	(98)	249	151	(21)	130
OTHER EXPENSES	711	1,987	2,698	(1,978)	720
Financing Costs	(112)	(155)	(267)	152	(115)
Interest Income	4	6	10	-	10
Foreign Exchange Gains (Losses) - net	652	16	668	-	668
Gains (Losses) on Derivative Transactions - net	(22)	2,130	2,108	(2,130)	(22)
Others	189	(10)	179	-	179
INCOME BEFORE INCOME TAX	613	2,236	2,849	(1,999)	850
PROVISION FOR INCOME TAX	155	5	160	-	160
NET INCOME FOR THE PERIOD	458	2,231	2,689	(1,999)	690
ATTRIBUTABLE	458	2,231	2,689	(1,999)	690
HOLDER OF PLDT	458	2,232	2,690	(1,999)	691
NON-CONTROLLING INTEREST	-	(1)	(1)	-	(1)
NET INCOME ATTRIBUTABLE TO PLDT HOLDERS	458	2,232	2,690	(1,999)	691
Foreign exchange losses (gains)	(652)	(16)	(668)	-	(668)
Loss (gain) on derivative transactions	22	(2,130)	(2,108)	2,130	22
Tax effect	189	5	194	-	194
CORE INCOME (LOSS)	17	91	108	131	239
EBITDA	1,271	382	1,653	(21)	1,632
EBITDA Margin	27%	37%	29%		29%