



Delivering the total digital experience

PLDT, Inc.
First Quarter 2016
Financial and Operating Results

Tuesday, 3rd May 2016

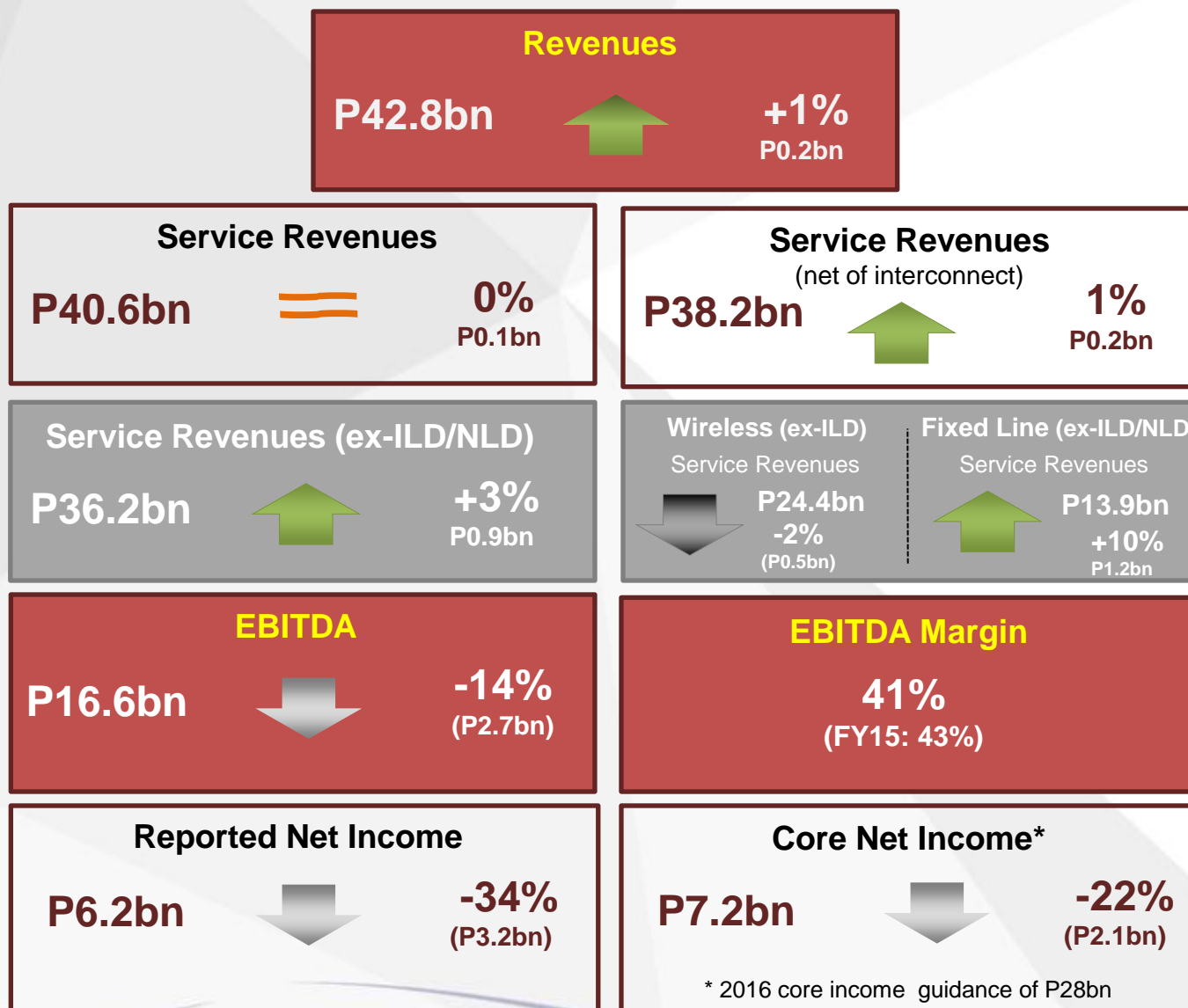
PLDT Group: Our Digital Roadmap

- **PLDT's Digital Pivot is a 3-year journey starting 2016**
 - Organization and processes being oriented digitally
 - Earnings reset to a new level in 2016
 - “Work-in-progress” with early signs of improvement

- **Key enablers for PLDT as THE Digital Telco**
 - Data, data, data
 - Superior digital customer experience in our Consumer and Enterprise businesses
 - Network dominance and reliability
 - Enhanced ease of use by our subscribers
 - Leadership in the delivery of video with the largest, most complete participation in all windows of content: linear (SignalTV), catch-up TV (Fox) and SVOD (iFlix)
 - Leadership in providing digital solutions to the enterprise via: SMACS (social, mobile/M2M, analytics/big data, cloud and security)
 - Launch and acceptance of new digital services -- in particular, Voyager's FINTQ and PayMaya

- **The PLDT Group is *uniquely* positioned to provide the CUSTOMER a total digital experience by leveraging on the breadth of our fixed and wireless network infrastructure, products and services, including new business models in the e-commerce/big data space**

PLDT Group: 1Q16 vs 1Q15 Financial Highlights



Consumer

Home Q1 Headlines

2x Total Revenue Growth

5th Year of Consecutive Growth

Q1 2016 vs Q1 2015

+10.3%



Q1 2015 vs Q1 2014

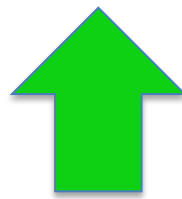
+5%

Increasing Fixed Data Growth

Aggressive fiber roll-out and superiority in data offers

Q1 2016 vs. Q1 2015

+16%



Q1 2015 vs. Q1 2014

+10%

Unmatched Digital Services

Smart Home services on entertainment & home monitoring

+66%
Vs. Q1 2015



Consumer

Mobile Q1 Headlines

Ramped Up Broadband Growth

Powered by partnerships on content and digital services

+83%
Increase in Incremental revenue



2x Mobile Data Growth

Powered by content & high conversion from free basics

+38%
Vs. Q1 2015



SMART Postpaid Growth

Powered by partnerships on content and digital services

+14%
Vs. Q1 2015



Consumer

The Digital-Everywhere Consumer



Enterprise: Robust Core Business with Surging IT & Global Services

Service Revenues (*net of intercompany transactions*)

In PhP Billions

	<u>Q1 2015</u>	<u>Q1 2016</u>	<u>GROWTH</u>
Fixed/ICT	5.87	6.44	10% 0.57
Wireless	0.97	1.11	15% 0.14
TOTAL	6.84	7.55	10% 0.71

- Fixed revenues were driven by the data business which grew 15% to offset expected declines in voice services
- IT Services, which include Data Center, Big Data, Cloud, and other Managed ICT Services, surged 30% due to pervasive thought leadership programs as well as increased customer coverage
- Wireless revenue growth of 14% outperformed the market with the solutions business, which includes Machine-to-Machine (M2M) services, increasing 73%

Breakthrough Digital Services Hit Critical Mass and Early Monetization

PLDT's Digital Innovation arm -- Voyager -- has successfully launched two Digital Services which have achieved critical mass

Pay Maya

*PayMaya dominates the fast-growing Philippine mobile money space with a 1Q2016 throughput of **Pesos 29 Billion** from the following core services:*



Prepaid Mobile Wallet



Mobile Money Transfer



Online and Mobile Payments

FINTQ

FINTQ has taken first-mover advantage in the financial technologies space with inclusive and frictionless consumer financial services such as:

Consumer Loans Marketplace



Mobile Lending Platform as a Service (PaaS)



Mobile based Card Security Service



All with global initiatives in progress

Voyager: First-mover FINTQ gains strong traction with both consumers and financial services providers



PH's first and globally recognized paperless and fully digital consumer lending with insurance and auto-savings features

- Now open to private sector employees
- Open to Globe subs in 5/2016
- Soon for farmers/fishers, mSMEs, OF's



World's first mobile based anti-fraud security and card control mobile application

Service Updates

Telco and bank- agnostic proposition
 PCI-DSS certified in 1/16
 1 bank LIVE in 5/16
 1 regional bank in 2 markets coverage (int'l)
 Visa CTC integration global media announcement in Barcelona at the Mobile World Congress in 2/16



World's first end-to-end consumer loans marketplace aggregating banks' consumer loan products with loans origination and loans management platform



Micro-credit lending based on telco data algorithms for credit scoring

Service Updates

Partnership with CashCredit
 Will initially cover 10K micro-borrowers in select areas
 Exclusive to Smart Prepaid, TNT subscribers



Digital G2P and D2P disbursements, and monitoring and evaluation (M&E) platform

Service Updates

Signed up Int'l Committee of the Red Cross (ICR)
 Signed up with Oxfam and Visa
 On-going CCT disbursements
 Partnership with RBAP as CCT conduit
 ROVE digital platform now on production



Pantawid Pamilyang Pilipino Program



ICRC



Oxfam



Service Updates

PH's first micro-insurance and micro-savings initiative
 To cover 10 pilot public schools, approx 30k students
 Signed with Sun Life Financial in Barcelona
 Aligned with the BSP National Strategy for Financial Inclusion

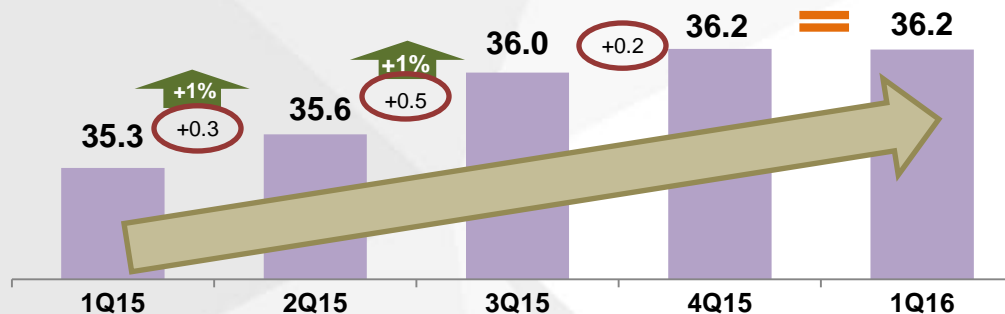


Service Revenues (excluding ILD/NLD)

(Php in billions)

Consolidated

vs Y-o-Y:
+3% or P0.9bn

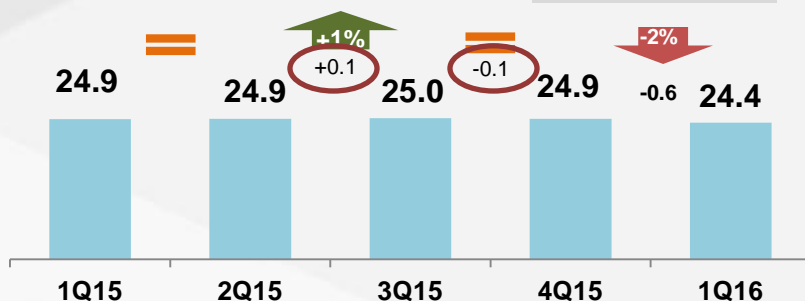


Service Revenues Mix:

	1Q15	2Q15	3Q15	4Q15	1Q16
Data/broadband	32%	34%	36%	36%	38%
SMS/Domestic Voice	68%	66%	64%	64%	62%

Wireless

vs Y-o-Y:
-2% or (P0.5bn)

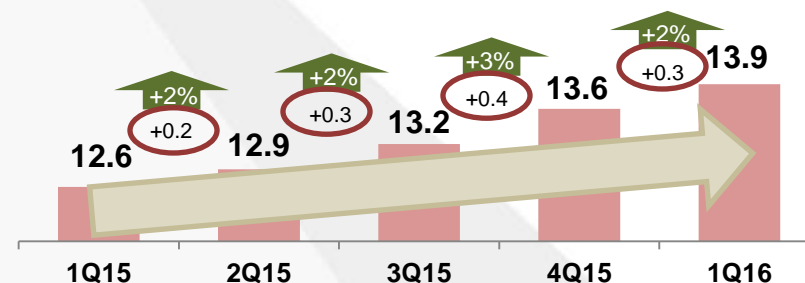


Service Revenues Mix:

	1Q15	2Q15	3Q15	4Q15	1Q16
Data/broadband	20%	22%	24%	24%	25%
SMS/Domestic Voice	80%	78%	76%	76%	75%

Fixed Line*

vs Y-o-Y:
+10% or P1.2bn



Service Revenues Mix:

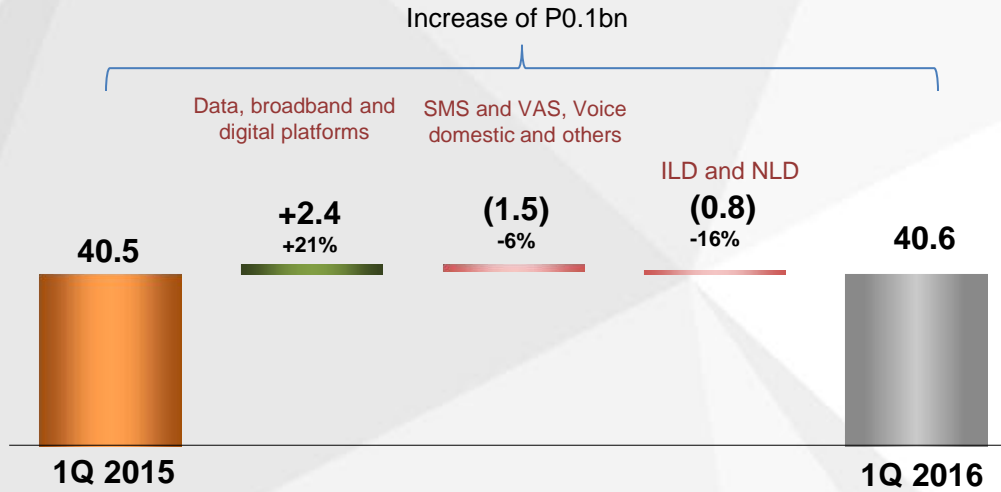
	1Q15	2Q15	3Q15	4Q15	1Q16
Data/broadband	64%	64%	65%	65%	66%
Domestic Voice	36%	36%	35%	35%	34%

*net of interconnection costs

PLDT Group: Consolidated Service Revenues

(Php in billions)

By Service Revenue Streams

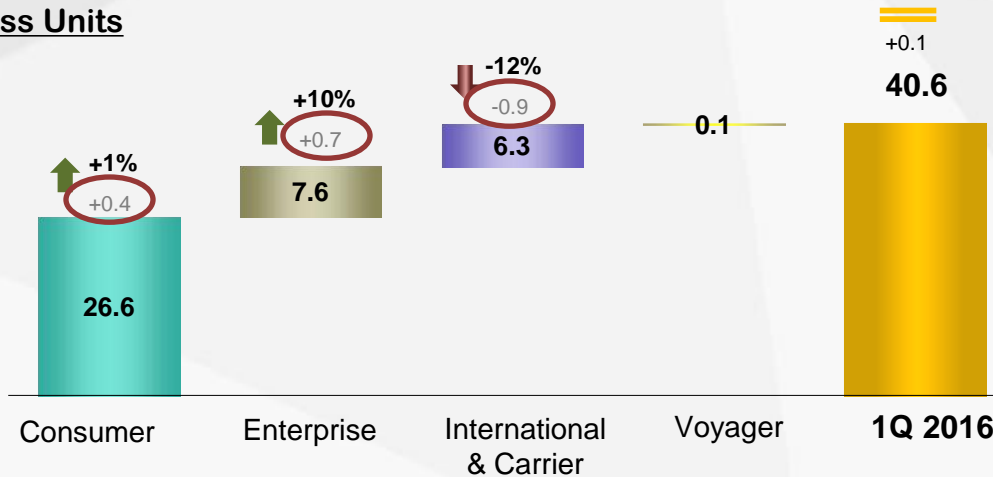


Service Revenue Mix	1Q15	1Q16
Data/broadband	28%	34%
Domestic Voice and Others	59%	55%
ILD/NLD	13%	11%

➤ **Over 1/3 of consolidated service revenues are now from our data and broadband businesses**

- Increases in revenues from data and broadband fully absorbed declines in SMS and toll legacy revenues

By Business Units



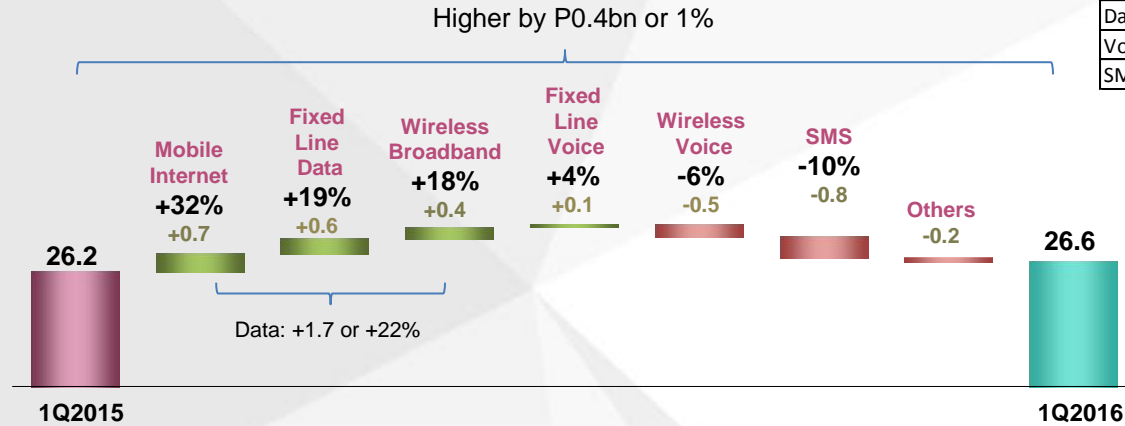
➤ **PLDT's CONSUMER and ENTERPRISE businesses registered year-on-year growth in 1Q16 of 1% and 10%, respectively**

- Combined increase in revenues of P1.1bn

Breakdown of Consolidated Service Revenues

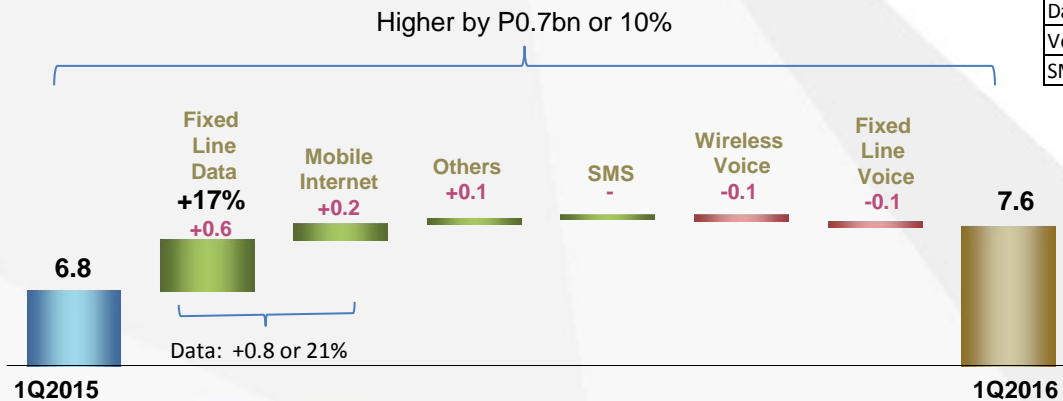
(Php in billions)

Consumer



Service Revenues Mix	1Q15	1Q16
Data/Broadband	28%	34%
Voice	39%	37%
SMS	31%	27%

Enterprise

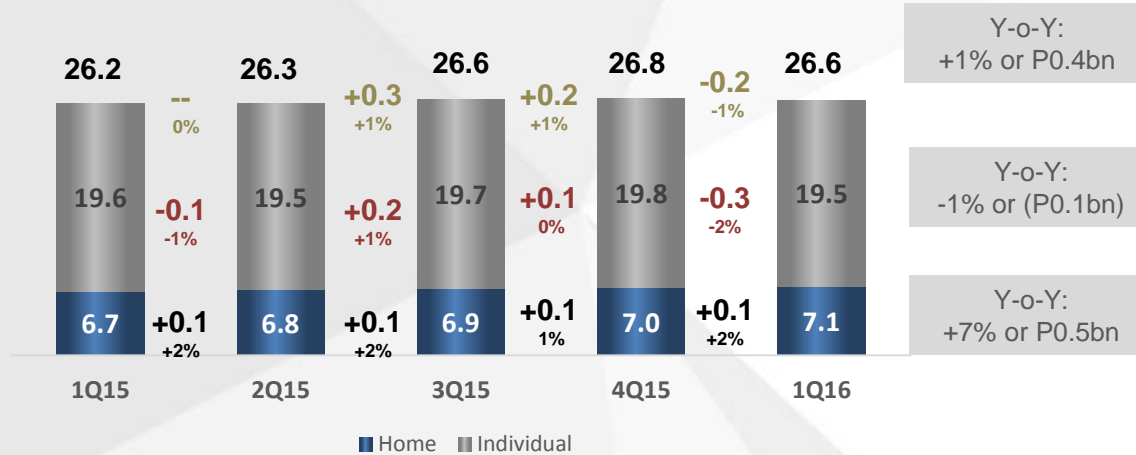


Service Revenues Mix	1Q15	1Q16
Data/Broadband	53%	58%
Voice	42%	37%
SMS	2%	3%

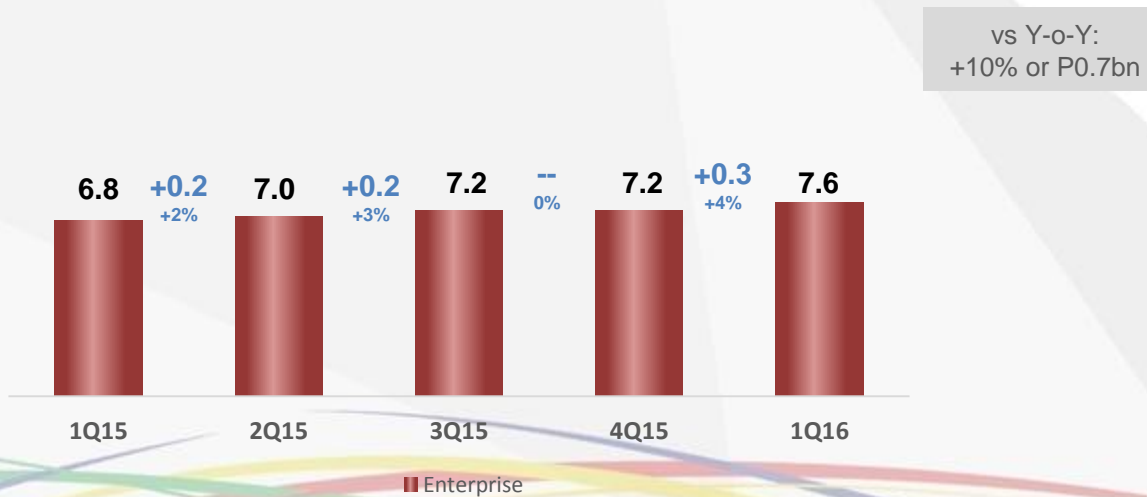
Consolidated Service Revenues: Consumer and Enterprise

(Php in billions)

CONSUMER

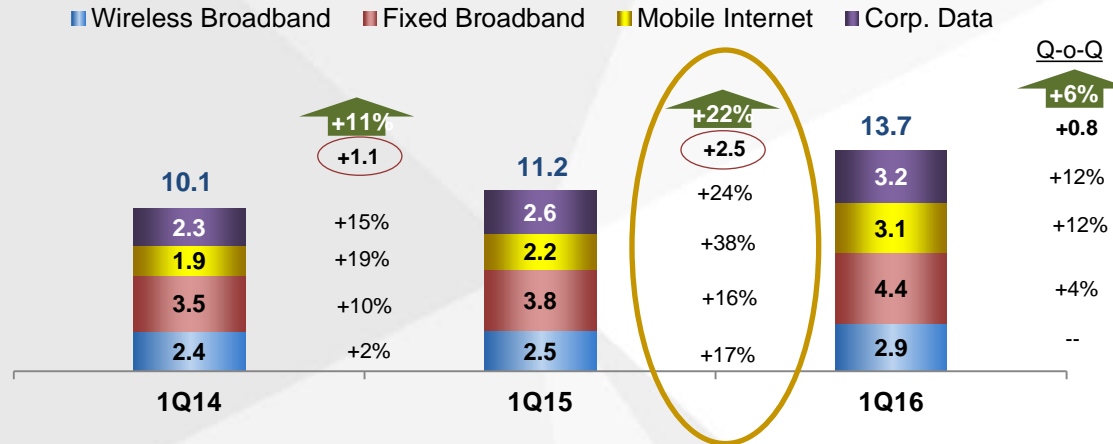


ENTERPRISE



(Php in billions)

Revenues



Mobile Internet

- **Mobile internet revenues, or 23% of total data/broadband revenues, grew year-on-year by P0.9bn or 38% to P3.1bn**
 - Return to double digit q-o-q growth in 1Q16
 - Q-o-Q rise in revenues by P0.3bn in 1Q16 higher than P0.1bn in 1Q15
 - Improvement in data monetization (increase in usage vs. increase in revenues) to 1.3x in 1Q16 (from 10x in 1Q15 due to free internet promo and vis-à-vis 4x for FY15)
- **Data usage rose by 51% to 32,618 terabytes**
- **Smartphone penetration: 45%**
- **Focus: Enable and accelerate data adoption to drive usage**
 - Prepaid SIM bundle with myPhone28 at P888
 - Bigbytes load with 2x more data
 - Pasadata for Prepaid users
 - Shared plan 999, with shareable data up to 6GB

Corporate Data and Data Centers

- **Corporate data and data center revenues, accounting for 24% of total data/broadband revenues, grew by 24% or P0.6bn to P3.2bn**
 - Q-o-Q growth of P0.3bn is the highest since 1Q15

Fixed Broadband

- **Fixed broadband revenues or 32% of total data/broadband revenues were higher year-on-year by 16% or P0.6bn at P4.4bn**
 - Fixed broadband subscribers grew to about 1.3mn, with net adds of over 157,000 or 14% from last year or over 40,000 from YE15
- **Value proposition: Connected HOME**
 - Connectivity + entertainment + convenience + peace-of-mind
 - Enable via devices: Telpad, TVolution, FamCam
 - Encourage usage: iflix (SVOD), Fox (live and catch-up TV), Cignal over Fibr, Disney/Kids Channel, PLDT/Smart data sharing plan
 - Range of speeds up to 1Gbps

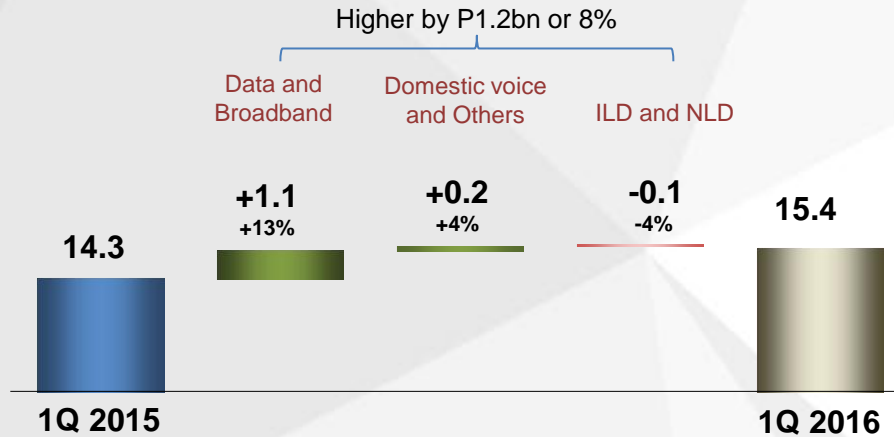
Wireless Broadband

- **Wireless broadband revenues, comprising 21% of total data/broadband revenues, grew by 17% or P0.4bn to P2.9bn**
 - Wireless broadband subscribers rose to about 4.0mn, with net adds of about 600,000 or 18% from last year or over 56,000 from YE15

Fixed line and wireless: Service Revenues

(Php in billions)

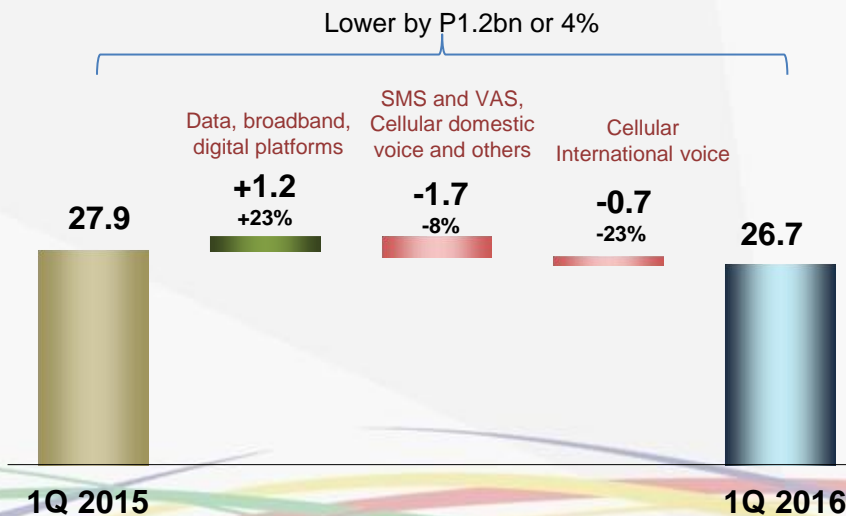
Fixed Line



Service Revenue Mix	1Q15	1Q16
Data/broadband	56%	59%
Domestic Voice and Others	32%	31%
ILD/NLD	12%	10%

* Net of interconnect

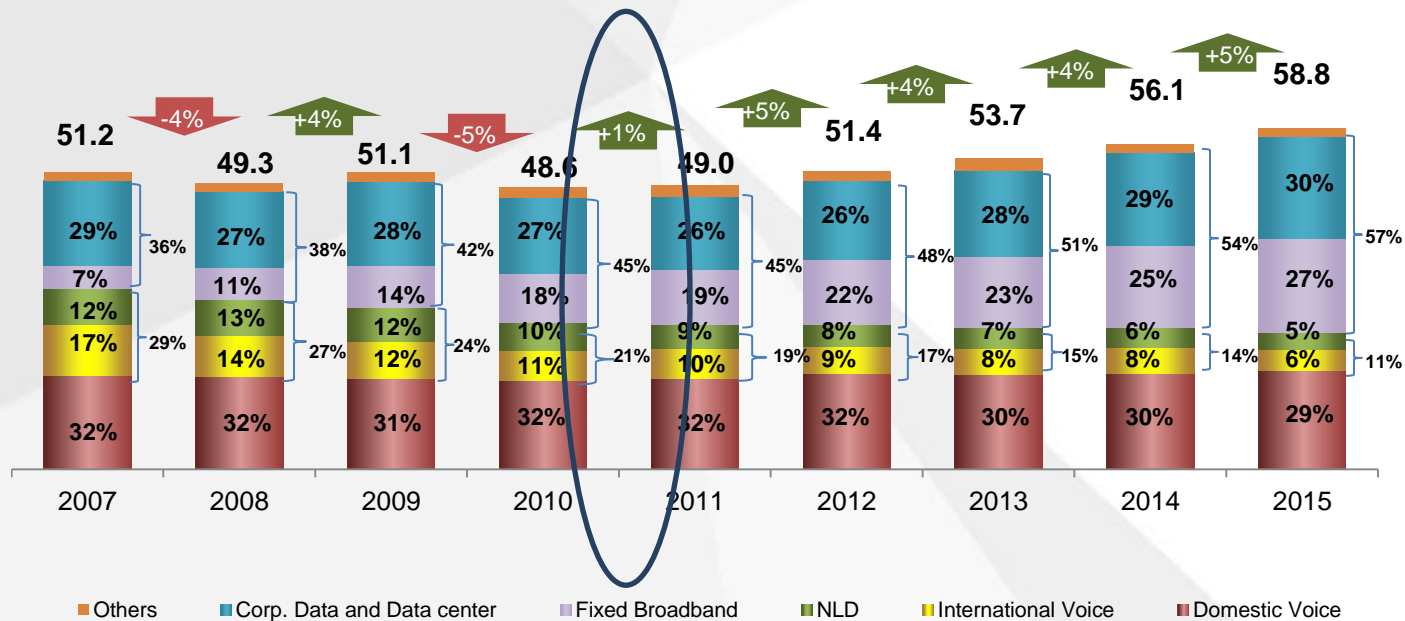
Wireless



Service Revenue Mix	1Q15	1Q16
Data/broadband	18%	23%
SMS/Domestic Voice	71%	68%
ILD	11%	9%

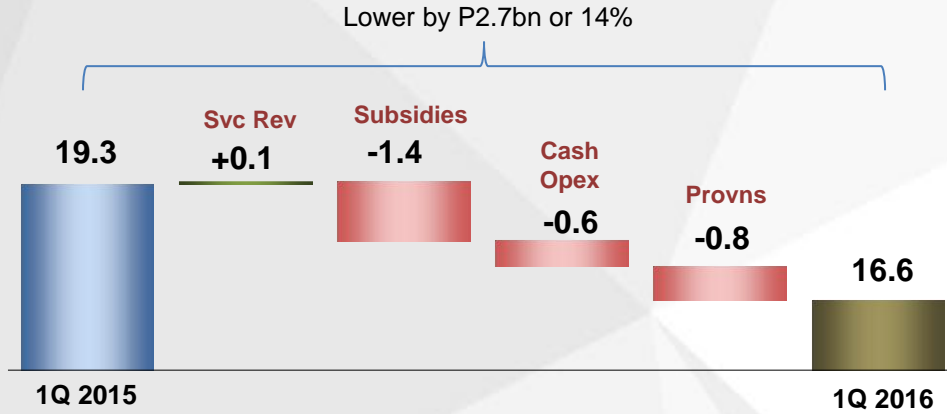
Fixed line business: When did we reach the inflection point?

(Php in billions, except % to total fixed line service revenues)



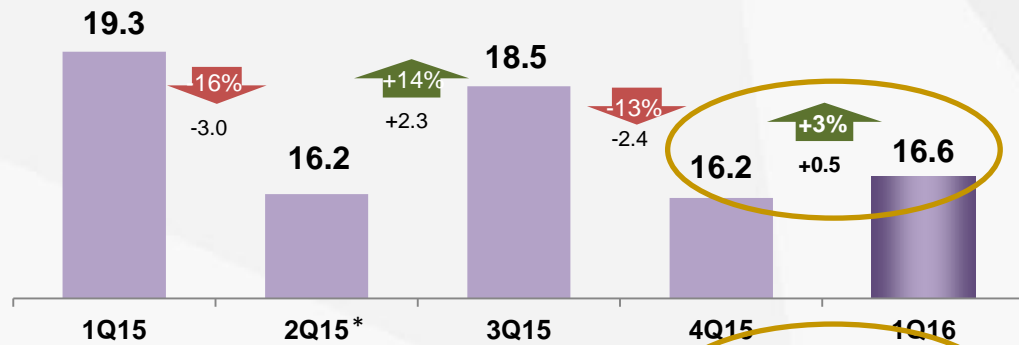
PLDT Group: Consolidated EBITDA

(Php in billions)



- Decline mainly due to rise in subsidies by P1.4bn resulting from initiatives to expand smartphone ownership to grow postpaid cellular revenues and to further stimulate data usage
 - Partly offset by lower selling and promo expenses by P0.3bn
 - Increase in postpaid revenues by P0.5bn

Margins	48%	41%
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- Q-o-Q improvement due to the combined effect of:
 - Lower operating expenses by P1.6bn
 - Higher subsidies by P0.5bn
 - Rise in provisions by P0.4bn
 - Decline in service revenues by P0.3bn partly reflecting seasonality

EBITDA Margin	48%	40%	45%	39%	41%
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- EBITDA margin for 1Q16 at 41% (vis-à-vis 39% for 4Q15 and 43% for FY15)

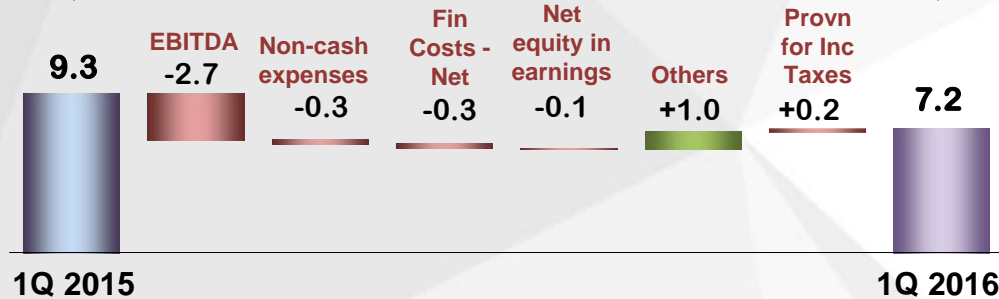
* Includes impact of P1.4bn in MRP expenses

PLDT Group: Core and reported net income

(Php in billions)

Core Net Income

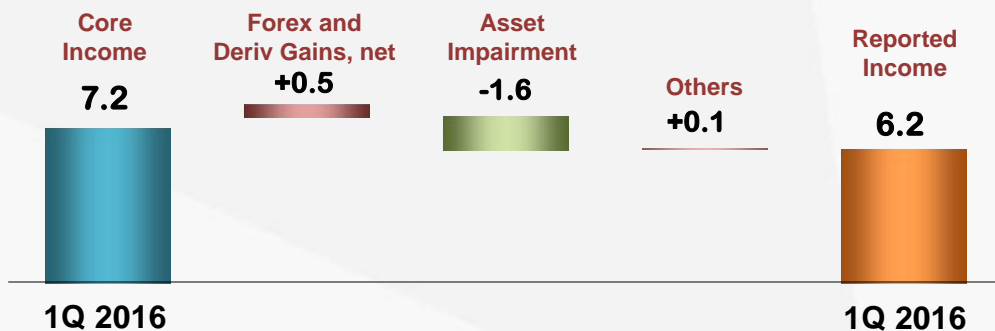
Lower by P2.1bn or 22%



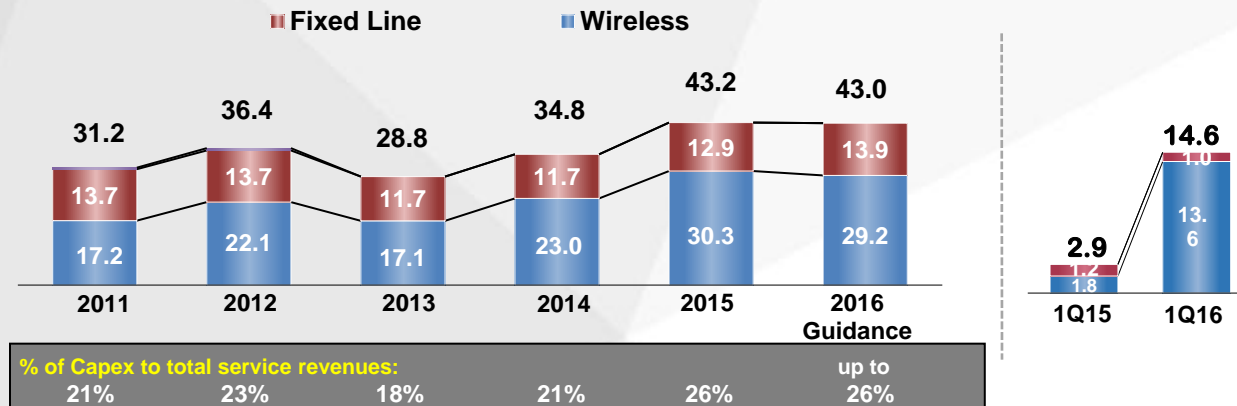
- Core net income for 2016 estimated at P28.0bn
 - Based on 1Q16 results, PLDT is on track to meet guidance

(Php in billions)

Reported Net Income



- Asset impairment of P1.6bn booked in 1Q16 reflecting the further decline in the value of the investment in Rocket Internet
 - P13.0bn (€24.61/share) at end March 2016 vis-à-vis P14.6bn (€28.24/share) at end 2015
 - ✓ Post sale of 9.1% of Rocket's holdings in Lazada to Alibaba, share price rose to a high of €29 (on 13 April)
 - ✓ As of 29 April 2016, share price declined]to €21.00bn due to:
 - Cut in valuation of Global Fashion Group to €1bn from €2.8bn
 - ✓ Range of analysts' target share prices: €25-53 (median: €39)

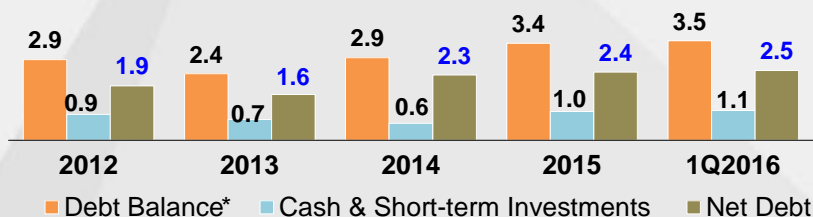


Note: BPO capex up to 2012 only

- In addition to the P302bn or US\$6.7bn in capex spent from 2006 – 2015, PLDT is expected to invest approx. 26% of its 2016 service revenues or another P43bn in 2016 for the continued build-out of a robust and reliable network
- Multi-year network build out includes, among others:
 - Continuous network optimization with the expansion of 3G, 4G/LTE roll-out for capacity and coverage
 - ✓ Eliminating quality gaps in 3G (completed in 2015) and 4G in Metro Manila, Cebu and Davao (by 2016)
 - ✓ Enhancement of indoor penetration
 - Full integration of the Sun and Smart networks in Cebu and Metro Manila
 - ✓ Improved coverage for Sun and Smart customers by 50-100%
 - ✓ Cost and operational efficiencies from rationalization of sites
 - ✓ Will enable spectrum re-farming that will optimize spectrum utilization for 2G, 3G and 4G users
 - Additional FOC to augment existing fiber assets of over 120,000 kms. to fortify network resiliency and redundancy for greater operational stability and reliability
 - Expansion of international connectivity combined with on-shore caching to improve internet speeds and customer experience
 - Migration to new data centers at Tier 3 to improve service availability to 99.99%
- Smart setting industry standards in terms of mobile connectivity speeds and experience
 - ✓ Roll-out of next stage of LTE network technology (LTE-A carrier aggregation) that will address skyrocketing demand for high-speed mobile data services
- Improvements in network quality evident in various third party survey results

Debt Balance

(US\$ in billions)



Net Debt/EBITDA

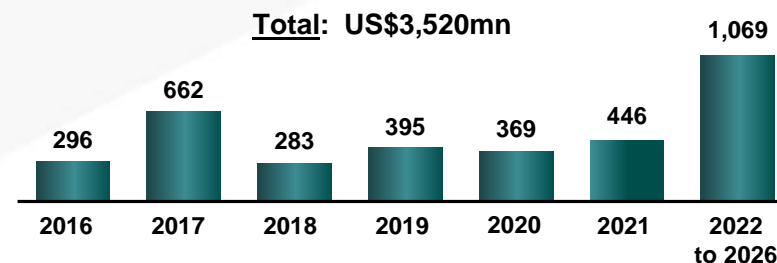
1.05x 0.9x 1.35x 1.62x 1.68x

*Total debt based on nominal debt amount

- **At end March 2016, net debt and net debt to EBITDA at US\$2.5bn and 1.68x**
 - PLDT to keep net debt to EBITDA under 2.0x
- **Gross debt as of end March 2016 stood at US\$3.5bn**
 - 39% of gross debt is US\$ denominated
 - Taking into account our US\$ cash holdings and hedges, only US\$0.5bn or 13% of total debt is unhedged
 - 66% are fixed-rate loans, while 34% are floating-rate loans; post-interest rate swaps: 91% fixed, 9% floating
 - Average interest cost (pre-tax) of 4.3% for end March 2016 (FY15: 4.2%)

Debt Maturities

(US\$ in millions, as of end March 31, 2016)



Debt maturities to total debt

8% 19% 8% 11% 11% 13% 30%

- **Debt maturities continue to be well spread out**
 - Over 60% of total debt to mature beyond 2018
 - Maturing dollar loans, including the US\$228mn dollar bonds due in 2017, are to be refinanced mainly in pesos:
 - ✓ Anticipating the continuing declines in dollar-linked revenues
 - ✓ To mitigate the impact of any peso depreciation vis-à-vis the U. S. dollar
- **As of end March 2016, PLDT's investment grade ratings remained unchanged from YE15**

Ratings Agencies	Long-Term Foreign Issuer Rating	Long-term Local Issuer Rating	Outlook
Fitch	BBB	BBB+	stable
Moody's	Baa2	Baa2	stable
Standard and Poor's / S&P National	BBB+	axA+	stable

EBITDA
Stable vis-à-vis 2015

- **Low single digit growth in consolidated service revenues**
 - ✓ Data/broadband double-digit growth to continue
 - ✓ Anticipated declines in toll, cellular voice and SMS revenues
- **Anticipated increases in costs to support efforts to grow data/broadband business and to stabilize market share losses**

Core Income
P28bn

- **P7.0bn or 20% lower than 2015 on account of:**
 - ✓ Higher depreciation and financing costs by P2bn due to elevated capex
 - ✓ Gain from asset sales of P3bn in 2015
 - ✓ Recognition of higher deferred tax assets by P2bn in 2015

CAPEX
P43bn

- **Similar to P43bn capex in 2015**
 - ✓ Build out of a dominant and resilient data network

Capital Management
Dividend payout:
75% of core EPS

- **Taking into consideration:**
 - ✓ Elevated capex level in 2016
 - ✓ Plans to invest in new adjacent businesses that will complement the current business and provide future sources of profits and dividends
 - ✓ Management of cash and gearing levels

Details

PLDT Group: Subscribers

Cellular Subscribers

in mn

		Y-o-Y	Q-o-Q
Total	64.4	-7%	-1%
Postpaid	3.0	+2%	=
Prepaid	61.5	-8%	-1%

Total Group Subscribers

end March 2016

72.1 mn

Q-o-Q: =

Y-o-Y: -6%

- Total group subscribers remained stable q-o-q from a 3% q-o-q decline in 4Q15

Fixed Line Subscribers

in mn

		Y-o-Y	Q-o-Q
Total	2.3	+5%	+2%
PLDT	2.3	+7%	+3%

- Acceleration in q-o-q increases in total fixed line subscribers from 1% in 4Q15 to 2% in 1Q16
- ✓ PLDT fixed line subscriber base grew by 3% q-o-q vis-à-vis 1% in 4Q15

Broadband Subscribers

in mn

		Y-o-Y	Q-o-Q
Total	5.3	+17%	+2%
Wireless Broadband	4.0	+18%	+1%
Fixed Broadband	1.3	+14%	+3%

- Moderation in q-o-q declines in prepaid subscribers to 1% from 3% in 4Q15

Appendix

Subscriber Data: Cellular

Cellular Subscribers by category:

	Mar-16	Dec-15	Sept-15	Jun-15	Mar-15	1Q16 vs 1Q15		Net Adds	
						Net Adds	%	1Q16	%
CELLULAR									
Prepaid	61,484,747	61,980,425	64,082,775	65,843,593	66,721,243	(5,236,496)	-8%	(495,678)	-1%
Smart Prepaid	22,224,447	22,892,303	23,390,886	24,188,189	24,819,813	(2,595,366)	-10%	(667,856)	-3%
Sun Prepaid	9,940,900	11,033,962	12,983,058	13,753,240	13,846,206	(3,905,306)	-28%	(1,093,062)	-10%
TNT	29,319,400	28,054,160	27,708,831	27,902,164	28,055,224	1,264,176	5%	1,265,240	5%
Postpaid	2,964,639	2,957,649	2,920,068	3,018,671	2,900,904	63,735	2%	6,990	-
Smart Postpaid	1,327,439	1,229,726	1,183,996	1,139,536	1,088,806	238,633	22%	97,713	8%
Sun Postpaid	1,637,200	1,727,923	1,736,072	1,879,135	1,812,098	(174,898)	-10%	(90,723)	-5%
Total Cellular Subscribers	64,449,386	64,938,074	67,002,843	68,862,264	69,622,147	(5,172,761)	-7%	(488,688)	-1%

Cellular Subscribers by brand:

	Mar-16	Dec-15	Sept-15	Jun-15	Mar-15	1Q16 vs 1Q15		Net Adds	
						Net Adds	%	1Q16	%
CELLULAR									
Smart	23,551,886	24,122,029	24,574,882	25,327,725	25,908,619	(2,356,733)	-9%	(570,143)	-2%
Smart Prepaid	22,224,447	22,892,303	23,390,886	24,188,189	24,819,813	(2,595,366)	-10%	(667,856)	-3%
Smart Postpaid	1,327,439	1,229,726	1,183,996	1,139,536	1,088,806	238,633	22%	97,713	8%
TNT	29,319,400	28,054,160	27,708,831	27,902,164	28,055,224	1,264,176	5%	1,265,240	5%
Sun Cellular	11,578,100	12,761,885	14,719,130	15,632,375	15,658,304	(4,080,204)	-26%	(1,183,785)	-9%
Sun Prepaid	9,940,900	11,033,962	12,983,058	13,753,240	13,846,206	(3,905,306)	-28%	(1,093,062)	-10%
Sun Postpaid	1,637,200	1,727,923	1,736,072	1,879,135	1,812,098	(174,898)	-10%	(90,723)	-5%
Total Cellular Subscribers	64,449,386	64,938,074	67,002,843	68,862,264	69,622,147	(5,172,761)	-7%	(488,688)	-1%

Subscriber Data: Broadband and Fixed Line

Broadband subscribers

	Mar-16	Dec-15	Sept-15	Jun-15	Mar-15	1Q16 vs 1Q15		Net Adds	
						Net Adds	%	1Q16	%
BROADBAND									
Wireless Broadband	3,989,519	3,932,820	3,789,654	3,676,164	3,391,440	598,079	18%	56,699	1%
Smart Broadband	3,143,892	3,057,958	2,896,187	2,829,074	2,613,672	530,220	20%	85,934	3%
Prepaid	2,611,986	2,526,230	2,380,817	2,321,847	2,110,120	501,866	24%	85,756	3%
Postpaid	531,906	531,728	515,370	507,227	503,552	28,354	6%	178	-
Sun Broadband	845,627	874,862	893,467	847,090	777,768	67,859	9%	(29,235)	-3%
Prepaid	554,442	557,205	561,045	489,168	424,648	129,794	31%	(2,763)	-
Postpaid	291,185	317,657	332,422	357,922	353,120	(61,935)	-18%	(26,472)	-8%
Fixed Line Broadband	1,296,402	1,255,864	1,224,735	1,185,319	1,138,598	157,804	14%	40,538	3%
Total Broadband Subscribers	5,285,921	5,188,684	5,014,389	4,861,483	4,530,038	755,883	17%	97,237	2%

Fixed Line subscribers

	Mar-16	Dec-15	Sept-15	Jun-15	Mar-15	1Q16 vs 1Q15		Net Adds	
						Net Adds	%	1Q16	%
Fixed Line subscribers	2,307,508	2,303,454	2,285,952	2,257,266	2,234,115	73,393	3%	4,054	-

1Q2016: Consolidated Financial Highlights

<i>(Php in millions)</i>	1Q2016				1Q2015	% Change
	Wireless	Fixed Line	Others	Consolidated (unaudited)	Consolidated (unaudited)	
Total Revenues	27,931	17,935	-	42,779	42,553	1%
Service Revenues	26,670	17,015	-	40,598	40,548	-
Cash operating expenses	12,515	10,213	15	19,295	18,701	3%
Depreciation and amortization	4,002	3,156	-	7,158	6,896	4%
Financing costs, net	(615)	(1,202)	(46)	(1,804)	(1,535)	18%
Income before income tax	5,977	3,614	(629)	8,962	12,256	(27%)
Provision for income tax	1,702	1,065	(38)	2,729	2,858	(5%)
EBITDA	9,629	6,631	(15)	16,606	19,282	(14%)
<i>EBITDA Margin⁽¹⁾</i>	36%	39%	-	41%	48%	
Net Income attributable to Equity Holders of PLDT	4,273	2,535	(591)	6,217	9,387	(34%)
Core net income	3,895	2,648	668	7,211	9,280	(22%)

⁽¹⁾ EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnection costs)

Reconciliation of Core and Reported Net Income

<i>(Php in millions)</i>	1Q2016			Consolidated (unaudited)	1Q2015	% Change
	Wireless	Fixed Line	Others		Consolidated (unaudited)	
Net Income attributable to equity holder of PLDT	4,273	2,535	(591)	6,217	9,387	(34%)
Add (deduct):						
Foreign exchange gains, net	(604)	(105)	(261)	(970)	(43)	2,156%
Losses (gains) on derivative financial instruments, net	65	304	-	369	(105)	(451%)
Asset Impairment	-	-	1,583	1,583	-	-
Others	-	(27)	(15)	(42)	7	(700%)
Tax effect	161	(59)	(48)	54	34	59%
Core Net Income	3,895	2,648	668	7,211	9,280	(22%)

Consolidated Service Revenues

	2016	2015				
	1Q	1Q	2Q	3Q	4Q	FY
<i>(Php in millions)</i>						
Fixed line	14,287	13,034	13,302	13,589	13,817	53,742
Fixed Line voice - domestic	4,333	4,172	4,226	4,280	4,301	16,979
Fixed Line voice - international	1,240	1,311	1,323	1,273	1,336	5,243
National long distance	844	923	906	915	833	3,577
Data and other network	7,650	6,436	6,644	6,945	7,145	27,170
Miscellaneous	220	192	203	176	202	773
Wireless	26,311	27,514	27,309	27,253	27,112	109,188
Cellular services	23,059	24,529	24,103	23,872	23,794	96,298
Wireless broadband and others	3,119	2,721	2,962	3,031	3,128	11,842
Wireless broadband	2,931	2,506	2,655	2,820	2,925	10,906
Others	188	215	307	211	203	936
Digital platforms and mobile financial services	133	264	244	350	190	1,048
Total	40,598	40,548	40,611	40,842	40,929	162,930

Consolidated Service Revenues and EBITDA

(Php in millions)	2016	2015				
	1Q	1Q	2Q	3Q	4Q	FY
Growing revenue base	13,805	11,441	12,086	12,986	13,032	49,545
Mobile Internet	3,091	2,235	2,543	2,871	2,772	10,421
Wireless broadband	2,931	2,506	2,655	2,820	2,925	10,906
Fixed broadband	4,402	3,808	3,959	4,109	4,240	16,116
Corp. Data and Data Center	3,248	2,628	2,685	2,836	2,905	11,054
Digital	133	264	244	350	190	1,048
Mature revenue base	22,417	23,893	23,499	23,063	23,194	93,649
SMS and VAS	9,206	10,216	9,821	9,869	9,635	39,541
Cellular voice - domestic	8,150	8,795	8,670	8,266	8,311	34,042
Fixed Line voice - domestic	4,333	4,172	4,226	4,280	4,301	16,979
Others	728	710	782	648	947	3,087
Declining revenue base	4,376	5,214	5,026	4,793	4,703	19,736
Fixed Line voice - international	1,240	1,311	1,323	1,273	1,336	5,243
National long distance	844	923	906	915	833	3,577
Cellular voice - international	2,292	2,980	2,797	2,605	2,534	10,916
Total Consolidated Gross Service Revenues	40,598	40,548	40,611	40,842	40,929	162,930
Non-Service revenues	2,181	2,005	2,027	1,838	2,303	8,173
Total Consolidated Gross Revenues	42,779	42,553	42,638	42,680	43,232	171,103
Add:						
Cash operating expenses	(19,295)	(18,701)	(21,575)	(19,158)	(20,935)	(80,369)
Cost of sales	(5,233)	(3,704)	(3,984)	(4,021)	(4,905)	(16,614)
Writedown of inventory and provision for doubtful AR	(1,645)	(866)	(841)	(955)	(1,240)	(3,902)
EBITDA	16,606	19,282	16,238	18,546	16,152	70,218
EBITDA Margin ⁽¹⁾	41%	48%	40%	45%	39%	43%

⁽¹⁾ EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnection costs)

Wireless Service Revenues and EBITDA

(Php in millions)	2016	2015				
	1Q	1Q	2Q	3Q	4Q	FY
Growing revenue base	6,185	5,028	5,465	6,063	5,907	22,463
Mobile internet	3,091	2,235	2,543	2,871	2,772	10,421
Wireless broadband	2,960	2,528	2,677	2,841	2,945	10,991
Digital	134	265	245	351	190	1,051
Mature revenue base	18,181	19,863	19,429	18,961	19,023	77,276
SMS and VAS/financial services	9,209	10,219	9,824	9,871	9,638	39,552
Cellular voice - domestic	8,244	8,919	8,786	8,378	8,420	34,503
Others	728	725	819	712	965	3,221
Declining revenue base	2,304	2,995	2,813	2,617	2,552	10,977
Cellular voice - international	2,304	2,995	2,813	2,617	2,552	10,977
Total Wireless Gross Service Revenues	26,670	27,886	27,707	27,641	27,482	110,716
Non-Service revenues	1,261	1,290	1,204	1,027	1,276	4,797
Total Wireless Gross Revenues	27,931	29,176	28,911	28,668	28,758	115,513
Add:						
Cash operating expenses	(12,515)	(12,775)	(13,941)	(13,202)	(14,827)	(54,745)
Cost of sales	(4,452)	(3,217)	(3,270)	(3,395)	(3,991)	(13,873)
Writedown of inventory and provision for doubtful AR	(1,335)	(581)	(539)	(639)	(899)	(2,658)
EBITDA	9,629	12,603	11,161	11,432	9,041	44,237
<i>EBITDA Margin ⁽¹⁾</i>	<i>36%</i>	<i>45%</i>	<i>40%</i>	<i>41%</i>	<i>33%</i>	<i>40%</i>

⁽¹⁾ EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnection costs)

Fixed Line Service Revenues and EBITDA

(Php in millions)	2016	2015				
	1Q	1Q	2Q	3Q	4Q	FY
Growing revenue base	9,110	8,074	8,261	8,537	8,876	33,748
Fixed broadband	4,428	3,812	3,962	4,113	4,254	16,141
Corp. data and other network services	3,944	3,660	3,680	3,747	3,916	15,003
Data center and ICT	738	602	619	677	706	2,604
Mature revenue base	4,761	4,589	4,612	4,647	4,702	18,550
Fixed line voice - domestic	4,357	4,196	4,250	4,304	4,326	17,076
Miscellaneous	404	393	362	343	376	1,474
Declining revenue base	3,144	3,273	3,335	3,243	3,326	13,177
Fixed Line voice - international	2,203	2,255	2,335	2,233	2,396	9,219
National long distance	941	1,018	1,000	1,010	930	3,958
Total Fixed Line Service Revenues	17,015	15,936	16,208	16,427	16,904	65,475
Non-Service revenues ⁽¹⁾	920	715	824	812	1,039	3,390
Total Fixed Line Gross Revenues	17,935	16,651	17,032	17,239	17,943	68,865
Add:						
Cash operating expenses	(10,213)	(9,590)	(11,197)	(9,473)	(9,853)	(40,113)
Cost of sales	(781)	(491)	(714)	(626)	(928)	(2,759)
Writedown of inventory and provision for doubtful AR	(310)	(285)	(302)	(316)	(341)	(1,244)
EBITDA	6,631	6,285	4,819	6,824	6,821	24,749
<i>EBITDA Margin ⁽²⁾</i>	<i>39%</i>	<i>39%</i>	<i>30%</i>	<i>42%</i>	<i>40%</i>	<i>38%</i>

(1) Non-service revenues include sale of Telpad, TVolution, FamCam, PLDT Uno, FabTAB, and several managed PABX and OnCall solutions

(2) EBITDA margin calculated as EBITDA divided by service revenues (gross of interconnection costs)

Fixed line revenues - net of interconnection costs

(Php in millions)	2016	2015				
	1Q	1Q	2Q	3Q	4Q	FY
Fixed Line Service Revenues, net						
Fixed line voice - domestic	4,357	4,196	4,249	4,303	4,326	17,074
Fixed Line voice - international	821	853	873	895	866	3,487
National long distance	747	786	782	804	719	3,091
Fixed broadband	4,428	3,812	3,962	4,113	4,254	16,141
Corp. data and other network services	3,940	3,642	3,664	3,720	3,912	14,938
Data center and ICT	738	602	619	677	706	2,604
Miscellaneous	404	393	362	343	376	1,474
Total	15,435	14,284	14,511	14,855	15,159	58,809

<i>(Php in millions)</i>	1Q2016				1Q2015	% Change
	Wireless	Fixed Line	Others	Consolidated (unaudited)	Consolidated (unaudited)	
Operating expenses						
Compensation and employee benefits	1,886	3,349	-	5,231	4,981	5%
Repairs and maintenance	2,049	1,745	-	3,671	3,667	-
Selling and promotions	1,250	468	-	1,718	2,017	(15%)
Rent	2,384	848	-	1,670	1,458	15%
Insurance and security services	312	178	-	463	460	1%
Taxes and licenses	965	353	2	1,322	1,051	26%
Professional and other contracted services	1,336	1,356	13	2,174	1,926	13%
Communication, training and travel	210	130	-	301	311	(3%)
Interconnection costs	2,019	1,580	-	2,436	2,583	(6%)
Other expenses	104	206	-	309	247	25%
Cash operating expenses	12,515	10,213	15	19,295	18,701	3%
Depreciation and amortization	4,002	3,156	-	7,158	6,896	4%
Asset impairment	1,335	310	1,583	3,228	866	273%
Amortization of intangible assets	272	-	-	272	268	1%
Non-cash operating expenses	5,609	3,466	1,583	10,658	8,030	33%
Cost of sales	4,452	781	-	5,233	3,704	41%
Total Expenses	22,576	14,460	1,598	35,186	30,435	16%

Other Income (Expenses)

	1Q2016				1Q2015	% Change
	Wireless	Fixed Line	Others	Consolidated (unaudited)	Consolidated (unaudited)	
<i>(Php in millions)</i>						
Equity share in net earnings of associates and joint ventures	(30)	(68)	735	637	653	(2%)
Interest income	113	182	19	255	184	39%
Gains (losses) on derivative financial instruments, net	(90)	(407)	-	(497)	30	(1,757%)
Foreign exchange gains, net	604	105	261	970	43	2,156%
Others	640	1,529	-	1,808	763	137%
Total	1,237	1,341	1,015	3,173	1,673	90%
Financing costs, net						
Loans and other related items	(644)	(1,192)	(46)	(1,823)	(1,448)	26%
Accretion on financial liabilities	(50)	(25)	-	(75)	(45)	67%
Financing charges	(5)	(2)	-	(7)	(128)	(95%)
Capitalized interest	84	17	-	101	86	17%
Total	(615)	(1,202)	(46)	(1,804)	(1,535)	18%
Total other income (expenses)	622	139	969	1,369	138	892%

Cellular Net ARPU

	2016	2015			
	1Q	1Q	2Q	3Q	4Q
Smart Postpaid	999	1,039	1,065	1,021	1,014
Smart Prepaid	109	118	114	115	113
TNT	80	85	83	82	83
Sun Cellular Prepaid	78	63	64	65	71
Sun Cellular Postpaid	459	449	419	436	475

Cellular Prepaid and Postpaid blended Net ARPU

	2016	2015			
	1Q	1Q	2Q	3Q	4Q
Prepaid and Postpaid Blended, Net ⁽¹⁾	114	119	118	118	118

⁽¹⁾ The average monthly ARPU of all prepaid and postpaid cellular subscribers; excluding DMPI

Broadband Net ARPU

	2016	2015			
	1Q	1Q	2Q	3Q	4Q
Smart Broadband blended	245	274	262	267	257
Sun Broadband blended	251	237	213	207	242
Fixed Broadband	1,162	1,137	1,137	1,138	1,144

Earnings Per Share

	1Q2016 (unaudited)		1Q2015 (unaudited)	
	Basic	Diluted	Basic	Diluted
Net income attributable to equity holders of PLDT	6,217	6,217	9,387	9,387
Dividends on preferred shares	(15)	(15)	(14)	(14)
Net income for the period attributable to common equity holders of PLDT	6,202	6,202	9,373	9,373
Weighted average number of common shares, end	216,056	216,056	216,056	216,056
EPS (based on reported net income)	28.71	28.71	43.38	43.38
Core net income	7,211	7,211	9,280	9,280
Dividends on preferred shares	(15)	(15)	(14)	(14)
Core Net income applicable to common shares	7,196	7,196	9,265	9,265
Weighted average number of common shares, end	216,056	216,056	216,056	216,056
EPS (based on core net income)	33.31	33.31	42.88	42.88

<i>(Php in millions)</i>	Consolidated	
	March 31, 2016 (unaudited)	December 31, 2015 (audited)
Total Assets	466,102	455,095
Nominal Value of Total Long-term Debt	161,881	161,568
<i>in US\$</i>	\$3,520	\$3,429
Less: Unamortized Debt Discount	691	676
Total Long-term Debt	161,190	160,892
Cash and short-term investments	48,490	47,884
Net Debt ⁽¹⁾	113,391	113,684
Equity	105,603	113,898
Total Debt ⁽²⁾/Equity	<u>1.53x</u>	<u>1.42x</u>
Net Debt ⁽¹⁾/Equity	<u>1.07x</u>	<u>1.00x</u>
Total Debt ⁽²⁾/EBITDA ⁽³⁾	<u>2.40x</u>	<u>2.30x</u>
Net Debt ⁽¹⁾/EBITDA ⁽³⁾	<u>1.68x</u>	<u>1.62x</u>

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

(2) Nominal value of total debt

(3) EBITDA for the last twelve months (LTM)

<i>(US\$ in millions)</i>	2011	2012	2013	2014	2015	1Q2016
Debt Balance	2,719	2,851	2,353	2,920	3,429	3,520
Cash and short-term investments	1,061	919	735	610	1,016	1,054
Net Debt	1,658	1,932	1,618	2,310	2,413	2,466

Interest-bearing Liabilities

<i>(US\$ in millions)</i>	March 31, 2016 (unaudited)			December 31, 2015 (Audited) Face Value	Change
	Carrying Value	Unamortized Debt Discount/Debt Issuance	Face Value		
Debt					
PLDT	\$2,002	\$5	\$2,007	\$2,003	\$4
Smart	1,410	10	1,420	1,322	98
DIGITEL	93	-	93	104	(11)
Total Debt	\$3,505	\$15	\$3,520	\$3,429	\$91

Foreign Exchange Risk

Forex Impact on Core Income

Forex sensitivity for every P1 change (in US\$ millions)

	Conso - net of Elim
US\$ Revenues*	140.7
US\$ Expenses	(65.6)
Cash Opex*	(48.7)
Cost of sales	(1.2)
Financing costs	(15.7)
US\$ Income before tax	75.1
Tax effect	22.5
Core Earnings	52.6
EBITDA	90.8
* Gross of interconnection costs amounting to:	19.3
Local exchange revenues (in million Php)	2,488.6

Forex Impact of B/S Revaluation

Forex sensitivity for every P1 change on B/S Revaluation (in US\$ millions)

	Conso
Debt (net of LT hedges)*	941.9
Accounts Payable	127.9
Accrued Liabilities	154.9
Derivative Liabilities	36.9
Other Current & Non Current Liabilities	0.1
Total US\$ denominated Liabilities	1,261.7
Cash and Cash Equivalents	417.6
Short-term Investments	70.2
Trade and other receivables	142.4
Derivative Assets	1.4
Investment in Debt Securities, Advances & Others	13.5
Investment Available for Sale	20.1
Total US\$ denominated Assets	665.2
Forex Revaluation for every P1 change	±596.50
* Debt	1,359.9
Less: LT hedges	418.0
Debt (net of LT hedges)	941.9

Forex Impact on Derivatives

P1 movement in the USD/PHP exchange rate corresponds to a P191M change in derivatives

	Ave.	Period End
Forex rate, 1Q2016	47.26	45.99
Forex rate, 1Q2015	44.42	44.73
% of Peso depreciation vs US\$	6.4%	2.8%

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.

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