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## **FIRST PACIFIC COMPANY LIMITED**

### **第一太平有限公司**

*(Incorporated with limited liability under the laws of Bermuda)*

Website: <http://www.firstpacific.com>

**(Stock Code: 00142)**

### **ANNOUNCEMENT MADE BY PHILEX MINING CORPORATION IN RELATION TO ITS AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015**

This Announcement is made by First Pacific Company Limited (“First Pacific” or the “Company”) to provide shareholders of First Pacific and the public with the audited consolidated financial results of Philex Mining Corporation (“Philex”), a major operating associate of the Company, for the year ended 31 December 2015.

#### **Summary**

On 24 February 2016, the board of directors of Philex approved the release of the audited consolidated financial results for the year ended 31 December 2015. Philex’s audited consolidated financial results have been submitted to the Philippine Stock Exchange, Inc. (“PSE”) on 24 February 2016, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of The Stock Exchange of Hong Kong Limited (“HKEX”) and the Company.

Philex, a major operating associate of First Pacific, is a company incorporated in the Philippines whose shares are listed on the PSE. First Pacific holds a 31.2% economic interest in Philex (Two Rivers Pacific Holdings Corporation, a Philippine affiliate of First Pacific, holds an additional 15.0% economic interest in Philex). On 24 February 2016, the board of directors of Philex approved the release of the audited consolidated financial results for the year ended 31 December 2015. Philex’s audited consolidated financial results have been submitted to the PSE on 24 February 2016, which have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of HKEX and the Company. The audited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards and are presented in Philippine Peso. Philex’s audited Consolidated Statements of Income for the years ended 31 December 2015 and 2014, as well as the audited Consolidated Statements of Financial Position as at 31 December 2015 and 2014 are provided below:

**PHILEX MINING CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME (AUDITED)**  
**FOR THE YEARS ENDED 31 DECEMBER 2015 AND 2014**

*(Amounts in Peso Thousands, except Earnings Per Share which are in Peso)*

	2015	2014
<b>REVENUE</b>		
Gold	5,669,860	5,889,107
Copper	3,449,799	4,615,092
Silver	69,723	78,161
Petroleum & others	172,250	315,717
	<u>9,361,632</u>	10,898,077
Less: Smelting charges	<u>836,597</u>	849,837
	<u>8,525,035</u>	<u>10,048,240</u>
<b>COSTS AND EXPENSES</b>		
Mining and milling costs (including depletion and depreciation)	6,088,040	6,719,928
General and administrative expenses	628,588	943,001
Excise taxes and royalties	436,856	507,188
Petroleum and other production costs	97,981	156,264
Handling, hauling and storage	72,312	88,417
	<u>7,323,777</u>	<u>8,414,798</u>
<b>OTHER INCOME (CHARGES)</b>		
Gain on disposal of available-for-sale (AFS) financial assets	107,088	-
Interest income	11,529	16,952
Share in net loss of an associate	(13,200)	-
Impairment loss on deferred exploration costs – net	(41,218)	(569,926)
Foreign exchange losses – net	(132,391)	(56,374)
Gain on sale of property, plant and equipment	-	764,685
Interest expense	-	(354,461)
Reorganization costs	-	(394,154)
Others – net	9,165	14,118
	<u>(59,027)</u>	<u>(579,160)</u>
<b>INCOME BEFORE INCOME TAX</b>	<b>1,142,231</b>	<b>1,054,282</b>
<b>PROVISION FOR INCOME TAX</b>	<b>(366,596)</b>	<b>(351,437)</b>
<b>NET INCOME</b>	<b><u>775,635</u></b>	<b><u>702,845</u></b>
<b>NET INCOME ATTRIBUTABLE TO:</b>		
Equity holders of the Parent Company	896,181	1,005,552
Non-controlling interests	(120,546)	(302,707)
	<u>775,635</u>	<u>702,845</u>
<b>BASIC EARNINGS PER SHARE</b>	<b><u>0.1814</u></b>	<b><u>0.2036</u></b>
<b>DILUTED EARNINGS PER SHARE</b>	<b><u>0.1814</u></b>	<b><u>0.2036</u></b>

**PHILEX MINING CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (AUDITED)**  
*(Amounts in Peso Thousands, except Par Value Per Share which is in Peso)*

	<b>31 December 2015</b>	31 December 2014
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	1,008,686	5,231,892
Accounts receivable	897,479	1,055,864
Inventories	1,886,544	1,858,220
Other current assets	1,478,748	1,384,507
<b>Total Current Assets</b>	<u>5,271,457</u>	<u>9,530,483</u>
<b>Noncurrent Assets</b>		
Property, plant and equipment	6,828,052	7,138,912
AFS financial assets	106,687	906,681
Investment in an associate	659,408	–
Goodwill	1,238,583	1,238,583
Deferred income tax assets – net	5,992	8,224
Deferred exploration costs and other noncurrent assets	29,438,845	25,817,465
<b>Total Noncurrent Assets</b>	<u>38,277,567</u>	<u>35,109,865</u>
<b>TOTAL ASSETS</b>	<u><b>43,549,024</b></u>	<u><b>44,640,348</b></u>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Loans payable	3,317,730	4,307,720
Accounts payable and accrued liabilities	1,448,445	1,795,755
Income tax payable	13,014	47,423
Dividends payable	479,652	488,818
Provisions and subscriptions payable	456,043	883,102
<b>Total Current Liabilities</b>	<u>5,714,884</u>	<u>7,522,818</u>
<b>Noncurrent Liabilities</b>		
Loans and bonds payable	6,259,063	5,947,366
Deferred income tax liabilities – net	3,939,160	3,859,141
Pension obligation	21,968	43,585
Provision for losses and mine rehabilitation costs	330,047	225,618
<b>Total Noncurrent Liabilities</b>	<u>10,550,238</u>	<u>10,075,710</u>
<b>TOTAL LIABILITIES</b>	<u><b>16,265,122</b></u>	<u><b>17,598,528</b></u>
<b>Equity Attributable to Equity Holders of the Parent Company</b>		
Capital Stock – Peso 1 par value	4,940,399	4,940,399
Additional paid-in capital	1,142,722	1,117,627
Retained earnings		
Unappropriated	5,496,271	4,712,032
Appropriated	10,000,000	10,000,000
Net unrealized loss on AFS financial assets	(1,022)	(64,010)
Equity conversion option	1,225,518	1,225,518
Cumulative translation adjustments	124,334	37,370
Net revaluation surplus	1,611,397	1,611,397
Effect of transactions with non-controlling interests	23,164	19,084
	<u>24,562,783</u>	<u>23,599,417</u>
Non-controlling interests	2,721,119	3,442,403
<b>Total Equity</b>	<u><b>27,283,902</b></u>	<u><b>27,041,820</b></u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>43,549,024</b></u>	<u><b>44,640,348</b></u>

## **GENERAL**

Shareholders should note that the above audited consolidated financial results pertain only to Philex and not to First Pacific itself.

The above information only refers to certain sections of Philex's disclosure and shareholders should refer to Philex's original filing submitted to the PSE (<http://www.pse.com.ph>), as well as disclosed as the Company's Overseas Regulatory Announcement on the websites of the HKEX and the Company on 24 February 2016.

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

Hong Kong, 24 February 2016

As at the date of this announcement, the Board comprises the following Directors:

***Executive Directors:***

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

***Non-executive Directors:***

Anthoni Salim, *Chairman*

Benny S. Santoso

Tedy Djuhar

Napoleon L. Nazareno

***Independent Non-executive Directors:***

Prof. Edward K.Y. Chen, *GBS, CBE, JP*

Margaret Leung Ko May Yee, *SBS, JP*

Philip Fan Yan Hok

Madeleine Lee Suh Shin